

MINUTES

GOLDEN RAIN FOUNDATION OF WALNUT CREEK

REGULAR MEETING OF THE BOARD OF DIRECTORS THURSDAY, JANUARY 29, 2009, AT 9:04 A.M.

A regular meeting of the Board of Directors of the Golden Rain Foundation (GRF) of Walnut Creek was convened by the President, Fred W. Barnes, at 9:04 a.m. on Thursday, January 29, 2009, in Peacock Hall at Gateway Complex, 1001 Golden Rain Road, Walnut Creek, California.

ROLL CALL: Present: Fred W. Barnes, Christine L. Folger, Paul Rosenzweig, Jane P. Carmichael, Phoebe E. Cortessis, who attended a portion of the meeting, Ronald W. Moschel, Sheldon Solloway, and Warren T. Salmons, Chief Executive Officer (CEO), ex-officio member of the Board Attendance

Excused: David H. Smith

Also present were Hazel M. Horti, Chairwoman, Aquatics Advisory Committee; James W. Giffin, Vice Chairman, Finance Committee; Carol A. Green, Chairman, Fitness Center Advisory Committee; Patrick T. Kelly, Chairman, Golf Advisory Committee; Walter E. Moeller, Chairman, Ad Hoc Alternative Energy Committee; Richard S. Chakoff, Chief Financial Officer; Paul J. Donner, Director, Mutual Operations Division; Daniel L. Schrantz, Director, Trust Operations; Paulette L. Jones, Senior Manager, and Kimberly Von Striver, Senior Administrative Assistant, Executive Services; Maureen A. O'Rourke, Senior Manager, and Wilma Murray, Staff Writer, Communications Department; Damien A. Abel, Manager, Resident Services; Glenn Mix, Automotive Mechanic Foreman, Trust Operations; Susan F. Ritner, Program Manager, and George Ivanov, Program Assistant, Rossmoor Television Channel; Michael Weatherby, Custodian/AV Technician, Resident Services; Cindy Silva and Bob Simmons, Walnut Creek City Council Members and the City Council's Rossmoor Liaisons; and David Hernandez, representing Chevron Energy Solutions.

There being no objections, the minutes of the regular meetings of the Board held on December 4, 2008, and January 13, 2009, were approved as written.

Minutes
Approved

Before proceeding with the agenda for the meeting, the President acknowledged the presence of Walnut Creek City Council Members Cindy Silva and Bob Simmons, announcing that they are the City Council's new Rossmoor Liaisons. He noted that they will be formally introduced to the community on February 26th, and he encouraged residents to attend that meeting.

City
Council's
New
Rossmoor
Liaisons

The CEO reviewed his written report dated January 29, 2009, which included the manor sales report for the period ending December 31st and as of January 22nd. The report was included in the agenda package. In response to a question, the CEO

CEO's
Report

reported that the reimbursement approved by the Board of redundant membership transfer fees collected between about December 2005 and August 2008 will be reimbursed from the Trust Estate Fund.

Mr. Rosenzweig's gave the Treasurer's report for the period ending December 31, 2008. The report was previously distributed to the members of the Board and is on file. Treasurer's Report

During the Residents' Forum, John H. Nutley spoke in support of the Creekside project and commended the Board for taking action to move forward with the project. Residents' Forum

Irene Malchaski asked the Board to appoint someone immediately to fill the District A Director seat vacated by John Turnier who resigned on January 5th.

Patrick T. Kelly urged the Board to select a representative today to fill the vacant District A Director seat.

Carolyn A. Hinrichs reported on the recent traffic safety talk presentation and thanked the President and the CEO for attending and the Rossmoor Residents' Association for sponsoring the presentation. She went on to say that it was a good beginning to help inform residents about what they can do and what their responsibility is as part of the answer to the traffic safety problems.

Donna D. Kaufman, President of the Rossmoor Resident Emergency Preparedness Organization, reported on upcoming events and meetings.

Mrs. Horti, Chairwoman of the Aquatics Advisory Committee, summarized the report of the Committee's January meeting, which was included in the agenda package. AAC Report

In the absence of Mr. Braun, Chairman of the Finance Committee, Mr. Giffin, the Committee's Vice Chairman, reported on the Committee's January meeting. The report of the meeting was previously distributed to the members of the Board and is on file. Finance Committee Report

Ms. Green, Chairman of the Fitness Center Advisory Committee, referred to the Committee's recommendation that the Board consider accepting a proposal from Biodensity to provide equipment to the Fitness Center and to have the Fitness Center Supervisor conduct an independent scientifically controlled study of the effects of the Biodensity equipment used by Rossmoor residents in 2009, explaining that it was the Committee's hope to get this item on the agenda for the Board's February 10th mid-month meeting for an informational report and requesting that it be deferred to that meeting. The President said the item will be on the agenda for the Board's February 10th meeting. FCAC Report

The Chairman of the Golf Advisory Committee, Mr. Kelly, said that the report of the Committee's December meeting was included in the agenda package and noted that the Committee did not meet in January. He then reviewed golf course related highlights of 2008 as compared to 2007. Discussion followed.

GAC
Report

Mr. Moeller, Chairman of the Ad Hoc Alternative Energy Committee, reviewed a PowerPoint presentation on the Committee's findings and recommendations (Executive Summary). The Committee's Executive Summary and Report and Chevron Energy Solutions Feasibility Energy Analysis were previously distributed to the members of the Board and are on file. Discussion followed.

Ad Hoc
Alternative
Energy
Committee
Report

Mrs. Cortessis arrived at the meeting at this time.

At the conclusion of discussion regarding the Ad Hoc Alternative Energy Committee's findings and recommendations, Mr. Moeller and the members of his Committee were thanked for their in depth work and the excellent job they did.

The President called on the CEO who commented on the agenda item that the Board consider giving direction to staff regarding the Ad Hoc Alternative Energy Committee's recommendations.

A motion was made by Ms. Folger and seconded by Ms. Carmichael to direct staff to proceed with the Lighting Upgrade Project using Ultra Lighting as recommended by the Ad Hoc Alternative Energy Committee, to apply for the PG&E rebate now, and to use motion detectors only where applicable. Following discussion, the vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

Directed
Staff to
Proceed w/
Recommen-
dations re.
Alternative
Energy as
Indicated

A motion was made by Mr. Moschel and seconded by Mr. Solloway that all of the requested actions in the document titled "Staff Discussion of Ad Hoc Alternative Energy Committee Report" (agenda attachment 9a-2 thru 9a-4) be undertaken by staff for a report back to the Board as to its progress on all of the items.

A motion was made by Mrs. Cortessis and seconded by Mr. Solloway to amend the motion that all of the requested actions in the document titled "Staff Discussion of Ad Hoc Alternative Energy Committee Report" be undertaken by staff for a report back to the Board as to its progress on all of the items to direct staff to proceed with the Energy Saving Maintenance Project, Attic Insulation, as recommended by the Ad Hoc Alternative Energy Committee, now, subject to GRF's normal procurement policy. The vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

A motion was made by Ms. Folger and seconded by Ms. Carmichael to amend the motion that all of the requested actions in the document titled "Staff Discussion of Ad Hoc Alternative Energy Committee Report" be undertaken by staff for a report back to the Board as to its progress on all of the items to strike "s" from the word "recommendations" from the requested action regarding the Committee's recommendation that a professional firm be hired to develop specific details for long-term energy saving alternatives and to add the that staff "immediately" present a proposal to the Board. The vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

The vote was then taken on the motion, as amended, to direct staff to undertake the following for a report back to the Board as to its progress on all of the items: 1) proceed with PG&E to reclassify two electric meters as recommended by the Ad Hoc Alternative Energy Committee; 2) proceed with Ad Hoc Alternative Energy Committee recommendations regarding VendingMiser and CoolerMiser energy management devices, as applicable; 3) research the applicability of the Ad Hoc Alternative Energy Committee's recommendation to install variable speed controllers for pool pumps to GRF's installations; 4) research the applicability of the Ad Hoc Alternative Energy Committee's recommendation to install CO2 sensors in large meeting rooms to control HVAC to GRF's installations; 5) implement practices consistent with the Ad Hoc Alternative Energy Committee's recommendations regarding immediate cost savings; and 6) implement practices consistent with the Ad Hoc Alternative Energy Committee's recommended procedure to conserve vehicle fuel;

Directed
Staff to
Proceed w/
Recommen-
dations re.
Alternative
Energy as
Indicated

To direct staff to proceed with the Energy Saving Maintenance Project, Attic Insulation, as recommended by the Ad Hoc Alternative Energy Committee, now, subject to GRF's normal procurement policy: and

To direct staff to research the Ad Hoc Alternative Energy Committee's recommendation to hire a professional firm to develop specific details for long-term energy saving alternatives and to immediately present a proposal to the Board, and the motion, as amended, CARRIED UNANIMOUSLY.

It was proposed that the Policy Committee address the subject of making the Ad Hoc Alternative Energy Committee a standing GRF committee.

A motion was made by Ms. Folger and seconded by Mr. Rosenzweig to approve the proposed agreement addendum with Pound Management for project management services for Phase II of the Creekside Project in the amount of approximately \$175,000, including contingency and plus reimbursables, from the Trust Estate Fund and to authorize the CEO to execute the agreement addendum (agenda attachment 9b-4 thru 9b-9).

Approved
Proposed
Agreement
Addendum
w/Pound
Mgmt.

During discussion, it was proposed that the motion be amended to delete the words "in the amount of approximately" preceding \$175,000 and to add the words "not to exceed" preceding \$175,000. The maker and the second of the motion accepted the proposed amendment. The vote was then taken, and the motion, as amended, CARRIED, with Mrs. Cortessis voting no.

A motion was made by Mr. Moschel and seconded by Ms. Folger to approve the proposed agreement including the scope of work and cost estimate for cost estimating services for the Creekside Project with the firm Mack 5 of Emeryville, CA, in the amount of approximately \$46,000 from the Trust Estate Fund and to authorize the CEO to execute the agreement (agenda attachment 9c-3 thru 9c-26). During discussion, it was proposed that the motion be amended to delete the words "in the amount of approximately" preceding \$46,000 and to add the words "not to exceed" preceding \$46,000 and to add the words "subject to existing policy" following the words "\$46,000 from the Trust Estate Fund". The maker and the second of the motion accepted the proposed amendment. The vote was then taken, and the motion, as amended, CARRIED, with Mrs. Cortessis abstaining.

Approved
Proposed
Agreement
w/Mack 5

A motion was made by Mr. Solloway and seconded by Mr. Rosenzweig to approve the capital equipment expenditures for 2009 (agenda attachment 9d-3) in the amount of \$550,500 from the Trust Estate Fund. During discussion regarding the requested replacement busses and bus service, the President asked for a report from staff addressing the cost effectiveness of the buses, the cost of running the busses, the operating cost as well as the purchase cost of the buses, and the alternatives to or the consideration given to smaller busses to settle the issue of bus service rather than to keep addressing it. Following further discussion, the vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

Approved
Capital
Equipment
Expenditures
for 2009

The CEO excused himself from the table while the Board discussed approving a draft compensation addendum to the CEO's Employment Agreement and authorizing the President to execute the Agreement.

A motion was made by Mr. Rosenzweig and seconded by Ms. Carmichael to approve the draft compensation addendum to the Chief Executive Officer's Employment Agreement and to authorize the President to execute the Agreement (agenda attachment 9e-2). During discussion, Mr. Rosenzweig reported that the Board evaluated the CEO's salary and approved raising the CEO's salary for 2009 by \$15,000 from \$165,000 to \$180,000. The vote on the motion was then taken, and the motion CARRIED UNANIMOUSLY.

Approved
Draft Com-
pen-sation
Addendum
to CEO's
Employment
Agreement

The CEO returned to the table at this time.

A motion was made by Mr. Moschel and seconded by Mr. Rosenzweig to approve a budget authorization in the amount of \$136,000 from the Trust Estate Fund for temporary golf facilities related to the Creekside Project and to authorize the CEO to implement the work on behalf of the GRF. Discussion followed.

Mrs. Cortessis was excused from the meeting at this time.

The vote was then taken on the motion to approve a budget authorization in the amount of \$136,000 from the Trust Estate Fund for temporary golf facilities related to the Creekside Project and to authorize the CEO to implement the work on behalf of the GRF, and the motion CARRIED UNANIMOUSLY.

Approved
Funds for
Temporary
Golf
Facilities

A motion was made by Mr. Solloway and seconded by Ms. Carmichael to approve the Calendar of Events for the Forty-Fifth Annual Meeting of Members of the GRF (agenda attachment 9g-2 and 3) to be held on May 11, 2009. Following discussion, the vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

Approved
Calendar
of Events
for Annual
Meeting

A motion was made by Mr. Moschel, seconded by Ms. Carmichael, and CARRIED UNANIMOUSLY to approve the defensible space agreement between Walnut Creek Mutual 68 and the GRF and to authorize the CEO to execute the agreement (agenda attachment 9h-3 and 4).

Approved
Defensible
Space
Agreement
w/M-68/
Approved
Appointment
of J. Car-
Michael to
AAC

A motion was made by Ms. Folger, seconded by Mr. Rosenzweig, and CARRIED UNANIMOUSLY to approve, as recommended by the President, the appointment of Jane P. Carmichael as the Board representative to the Aquatics Advisory Committee, effective immediately, to serve the unexpired portion of the term of John C. Turnier, who resigned from the Board.

Before concluding, the President announced that the next mid-month regular meeting of the Board will be held on Tuesday, February 10, 2009, at 10:00 a.m. in the Board Room at Gateway Complex; that the next regular meeting of the Board will be held on Thursday, February 26, 2009, at 9:00 a.m. in Peacock Hall at Gateway Complex; and that there will not be an executive session following this meeting.

Announce-
ments

There being no further business to come before the Board, the meeting was adjourned at 11:40 a.m.

Adjournment



Christine L. Folger, Secretary
Golden Rain Foundation of Walnut Creek