

A regular meeting of the Board of Directors of the Golden Rain Foundation of Walnut Creek will be held in Peacock Hall at Gateway Complex, commencing at 9:00 a.m., Thursday, April 28, 2016. The agenda for the meeting is listed below. It is sometimes necessary to add agenda items for consideration by the Board after the agenda has been prepared and distributed. These items will be described in the agenda available at the Board meeting. Regular meetings of the Board of Directors are open, and comments from residents are always welcome during the Residents' Forum.

A G E N D A

GOLDEN RAIN FOUNDATION OF WALNUT CREEK

REGULAR MEETING OF THE BOARD OF DIRECTORS THURSDAY, APRIL 28, 2016, AT 9:00 A.M.

1. MEETING CALLED TO ORDER: Leslie Birdsall, President
2. ROLL CALL: Birdsall (I), Jordan (B), Delpech (E), Haley (H), Adams (A), Fredlund (C), Hurley (F), Kelso (D), Pyle (G), and O'Keefe, ex-officio member
3. APPROVAL OF MINUTES: Regular meeting of March 31, 2016
4. TREASURER'S REPORT (Attachment) **Page 1**
5. CHIEF EXECUTIVE OFFICER'S REPORT (Attachment) **Page 2**
6. RESIDENTS' FORUM
7. RESIDENT MEMBER COMMITTEE REPORTS
 - a. Aquatics Advisory – Brian K. Stack, Chairman (Attachment) **Page 4**
 - b. Audit – Paul Rosenzweig, Chairman
 - 1) Consider recommendation that the Board accept the GRF Audit Report for the year ended December 31, 2015, as submitted by the Foundation's independent audit firm, Burr Pilger Mayer. (Attachment) **Page 11**

c. Finance – Christopher T. Yahng, Chairman

- 1) Consider recommendation that the Board approve a refund of operating surplus from the Mutual Operations Division of GRF (MOD) in the amount of \$200,000 to be distributed on a per manor basis to the Mutuals managed by the MOD. (Attachment) **Page 39**

d. Fitness Advisory – Claudia Tierney, Chairman (Attachment) **Page 42**

e. Golf Advisory – John McDonnell, Chairman (Attachment) **Page 45**

8. BOARD COMMITTEE REPORTS

a. Policy – Leslie Birdsall, Chairman (Attachment) **Page 55**

- 1) Consider recommendation that the Board approve new Policy 103.1.1, Golf Cart Registration, effective July 1, 2016. First reading. (Attachment) **Page 57**

- 2) Consider recommendation that a \$10 registration fee be charged per golf cart, effective July 1, 2016. (Attachment) **Page 60**

9. UNFINISHED BUSINESS

- a. Consider recommendation that Policy 301.2, Memorial Services, be deleted. Deferred March 31, 2016. (Attachment) **Page 61**

10. NEW BUSINESS

- a. Consider staff's recommendation to approve the schematic plans for the Fitness Center renovation project as presented in the attached report from ELS Architecture and Urban Design. (Attachment) **Page 65**

- b. Consider staff's recommendation to approve the scope of work in the attached proposal from ArcPath Project Delivery to provide Project Management/Owner's Representative services to the Golden Rain Foundation for the completion of the Del Valle Renovation Project and authorize the CEO to execute an agreement with ArcPath Project Delivery in an amount not to exceed \$172,500, which includes a 15% contingency and reimbursable expenses, to be paid from the Trust Estate Fund. (Attachment) **Page 71**

- c. Consider approving and authorizing a Request for Proposal (RFP) for a traffic/pedestrian study in Rossmoor. (Attachment) **Page 88**

- d. Consider approving an expenditure not to exceed \$24,788.50, which includes a 10% contingency, as an addition to the 2016 capital equipment list paid from the Trust Estate Fund for the installation of a digital video surveillance system for Rockview Drive and the Mutual Operations Division (MOD) front lot, and authorizing the CEO to execute the necessary contract for the project. (Attachment) **Page 122**

11. ANNOUNCEMENTS

- a. The Fifty-Second Annual Meeting of Members of the GRF will be held on Monday, May 9, 2016, at 9:30 a.m. in Peacock Hall at Gateway Complex. An organizational meeting of the Board will be convened following the Annual Meeting.
- b. There will not be a mid-month regular meeting of the Board in May.
- c. The next end-of-the month regular meeting of the Board will be held on Thursday, May 26, 2016, at 9:00 a.m. in Peacock Hall at Gateway Complex.

12. EXECUTIVE SESSION

- a. There will be an executive session of the Board following this meeting to discuss a contract matter and any other appropriate business.

13. RECESS

pj

Golden Rain Foundation, Inc.
Treasurer's Report
Board Meeting April 28, 2016

For the month of March operating results before depreciation were \$19,000 favorable to budget. Total revenue was over budget by \$5,000 and total expenses were under budget by \$14,000. Cumulative for the first three months of the year, revenues were unfavorable to budget by \$77,000 and expenses, excluding depreciation, were below budget by \$118,000, for a combined positive cumulative variance for the year of \$41,000. All amounts are rounded to the nearest thousand for this report.

Revenues:

Favorable variances to budget in newspaper advertising, bus grant revenue, personal training, handyman revenue and miscellaneous revenue resulting from ticket sales to the women's conference were partially offset by a deficit to budget in golf revenue.

Expenses:

Salaries and employee expenses and equipment repairs and maintenance were under budget by \$7,000 and \$15,000 respectively. These were partially offset by deficits to budget of \$11,000 in landscape supplies and \$8,000 in landscape repairs and maintenance.

Trust Estate Fund

There were 45 membership fees in March generating \$405,000 as compared to 43 in 2015 that generated \$301,000. Total expenditures for the month were \$239,000 including \$45,000 for the Del Valle Fitness Center, \$54,000 for machinery and equipment and \$136,000 in debt service.

April 21, 2016

CEO's Monthly Report
By Tim O'Keefe, CEO

Manor Sales and Membership Transfer Fees

There were 53 sales in March 2016 as compared with 51 in March 2015. 43 of the sales paid a membership transfer fee. Two non-sale transactions also paid a fee. As of April 21st, there have been 29 sales for the month and there are about 79 pending escrows.

Employee Transition

Three employees commenced employment with the GRF in March: Carlos Muro, Landscape Tech; David Crane, Building Inspector; and Joseph Scott, Bus Driver.

One employee, Leslie DeWolf, transferred from Channel 28 to Recreation in March.

Two employees, William Hirt, Utility Repair Worker, and Randy Wright, Custodial Supervisor, left employment with the GRF in March.

Although this report is generated prior to the end of April so only addresses employee transitions through the end of March, I want to acknowledge and thank before they leave us, Landscape Manager Rich Perona and Fleet Manager Glenn Mix, for their many years of dedicated service to the Rossmoor community. Rich and Glenn will both be retiring on May 6. Rebecca Pollon and Jim Duffley will be replacing Rich and Glenn, respectively.

Del Valle Fitness Center

An Open House was held on April 5 and residents were invited to review and provide input on the preliminary sketches of the Del Valle Fitness Center renovation. The schematic drawings will be presented to the GRF Board of Directors for their consideration at the April 28 Board meeting as a final step before moving to construction drawings.

Security Cameras for Rockview

Due to thefts at the RV lots late last year and recent thefts at the contractor lot in March and April, the Board of Directors will be considering at the April 28 Board meeting whether to install surveillance cameras at select locations monitoring traffic in front of the MOD building on Rockview.

Traffic Study

At the request of numerous residents, the Board of Directors will be considering at the April 28 Board meeting whether to initiate a Request for Proposal from traffic engineers to study pedestrian safety and traffic flow in Rossmoor.

Commendations

I would like to formally recognize GRF staff members Lifeguard Emma Lee and MOD Carpenter John Scott who went above and beyond the call of duty during the month of April. Residents indicated that Lifeguard Lee promptly jumped in the pool at Del Valle to respond to a swimmer in distress and prevented a serious incident from occurring. Carpenter Scott was working on a building on Tice Creek when he heard cries for help from another building. Mr. Scott and another contractor working nearby entered the unit and found the home engulfed in smoke. The resident was disoriented and couldn't find his way out of the unit. Mr. Scott assisted the resident, addressed the source of the smoke and notified Securitas.

Every day, the GRF staff do a terrific job serving the Rossmoor community. Emma and John both went above and beyond at personal risk to themselves and due to their quick thinking prevented their respective situations from escalating into potential tragedy. On behalf of the residents, Board and staff, thank you, Emma and John, for your exemplary service and dedication to Rossmoor.

AQUATICS ADVISORY COMMITTEE REPORT

REGULAR MEETING
THURSDAY, APRIL 14, 2016, AT 1:30 P.M.

A regular meeting of the Aquatics Advisory Committee (AAC) was called to order by the Chairman, Brian K. Stack, at 1:30 p.m. on Thursday, April 14, 2016, in the Board Room at Gateway Complex.

Present, in addition to the Chairman, were Judith L. Morton, Vice Chairman, Dale O. Reynolds, Secretary, Norman P. Gorsuch, E.J. Koch, Carol A. Meehan, and Barbara S. Jordan, GRF Board representative and ex-officio member. Also attending were Leslie Birdsall, President, Mary Lou Delpech, Secretary, and Robert D. Kelso, Director, GRF; and Jeffrey P. Matheson, Director of Resident Services.

The report of the Committee's regular meeting of March 10, 2016, was approved as presented. Report Approved

Mr. Matheson commented on the pool numbers. Dollar Pool was down 35.12%; Hillside was down 43.86%; Del Valle was down 3.11%; and overall pool numbers were down 17.48%. Mr. Matheson thought Dollar and Hillside were down because of the weather in March as it was our first rainy March in many years. He commented that the Del Valle pool numbers might be skewed because people were checking in at the Fitness Center front desk as opposed to going directly into the Del Valle pool area. Pool Numbers

Mr. Matheson gave a presentation to the Committee regarding the schematic plans for the Del Valle renovation project. Del Valle Renovation Project/

Following discussion, a motion was made by Ms. Meehan and seconded by Ms. Morton to recommend that the GRF Board approve the schematic plans for the Del Valle renovation project, including the alternate options, to the extent the items are within the overall target budget of \$10 million. The vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

Recommendation to GRF Board re. Del Valle Schematic Plans/

There being no further business, the meeting was adjourned at 2:30 p.m.

Adjournment

The next regular meeting of the ACC will be held on Thursday, May 12, 2016, in the Board Room Gateway Complex. Next Mtg. 5/12/16

Brian K. Stack,
Brian K. Stack, Chairman
Aquatics Advisory Committee PS

DOR/kv

DEL VALLE AQUATICS AND FITNESS REGISTRATION

MARCH 2016

ATTENDANCE NUMBERS							ROOM & POOL NUMBERS								
SCANNED ENTRIES						12741	AEROBIC ROOM #s:						2228		
RESIDENT SIGN IN TOTAL:						3289	SHASTA ROOM #s:						1492		
FITNESS GUEST TOTAL:						236	SIERRA ROOM #s:						1690		
FITNESS CAREGIVER TOTAL:						63									
CLUB GUEST TOTAL:						168	POOL STAFF CLASSES:						1014		
CONTRACTOR GUEST TOTAL:						19	POOL CONTRACTOR CLASSES:						423		
FITNESS TOTALS:						16516	POOL CLASS TOTAL:						1437		
							TRAINER ACTIVITY								
POOL ATTENDANCE TOTAL:						4685	TOTAL ½ HOUR SESSIONS					161			
POOL GUEST TOTAL:						184	TOTAL 1 HOUR SESSIONS					145			
POOL CAREGIVER TOTAL:						33	TOTAL FREE SESSIONS					224			
POOL TOTALS:						4902	TOTAL CLASSES TAUGHT					167			
FACILITY TOTAL:						21418	TOTAL PAID SGT/WORKSHOP CLIENTS					144			
POOL TOTALS															
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YR TOTAL		
2011	5609	5135	6004	4591	3802	5142	5617	5301	4625	4480	5901	5305	61,512		
2012	6160	6062	6418	5014	4921	5154	5863	6301	5431	5182	6191	5656	68,353		
2013	6506	6021	6206	5545	4746	5367	6257	5934	5195	5166	5209	5708	67,860		
2014	6681	6,306	5919	5339	5,323	4311	5,832	5,910	5,623	5541	5259	6209	68,253		
2015	6818	6,615	5021	5,573	5,602	5708	5,861	6,272	5,666	5,161	5314	5,400	69,011		
2016	6,480	6,553	4902										17,935		
FITNESS TOTALS															
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD	POOLS	TOTAL
2011	13187	12210	14037	12000	12464	12563	11969	13132	11529	11975	11943	11334	148343	61,512	209,855
2012	12856	12463	12950	12044	12436	12390	12857	13314	12440	13241	11825	11736	150552	68,353	218,905
2013	13227	12348	12976	13063	12782	11910	13007	13014	11850	12778	11524	11455	149934	67,860	217,794
2014	13325	12514	13780	12983	12727	11937	13363	13821	12812	13225	12123	12663	155273	68,253	223,526
2015	13806	13088	14099	13013	13118	13394	14212	14200	13970	13759	12870	13186	162715	69,011	231,726
2016	15703	15087	16516										47306	17,935	65,241

ANNUAL POOL ATTENDANCE NUMBERS

DOLLAR POOL

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2010			158	1095	1294	1802	2335	2171	1915	1539		
2011				1247	1326	1595	1751	1754	1883	1742		
2012				1241	1785	1824	2238	2190	1964	1559		
2013			780	1774	2033	2057	1627	1423	1661	1612	1043	
2014			1362	1771	2,180	2516	2,489	2,505	2,191	1916	1034	
2015			1532	1,572	1,252	2012	1,849	2,179	1,907	1,750	791	
2016			994									

Yr-Yr % change -35.12%

HILLSIDE POOL

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2010				282	1378	2046	2491	2089	1933	1278		
2011				1042	1369	1975	2958	2431	2199	1403		
2012				1371	1762	2344	2719	2768	2895	1604		
2013			561	1734	2109	2645	2863	2803	2027	1593	539	
2014			1243	1855	2,290	2890	2,951	2,778	2,247	1885	922	
2015			1710	1,432	1,161	2497	2,855	2,869	1,833	2,008	487	
2016			960									

Yr-Yr % change -43.86%

DEL VALLE POOL

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2010	5404	5127	5858	4813	4356	4467	5280	4981	4852	4488	5366	4850
2011	5609	5135	6004	4591	3802	5142	5617	5301	4625	4480	5901	5305
2012	6160	6062	6418	5014	4921	5154	5863	6301	5431	5182	6191	5656
2013	6506	6021	6206	5545	4746	5367	6257	5934	5195	5166	5209	5708
2014	6681	6,306	5919	5339	5,323	4311	5,832	5,910	5,623	5541	5259	6209
2015	6818	6,615	5021	5,573	5,602	5708	5,861	6,272	5,666	5,161	5314	5,400
2016	6,245	6,215	4865									

Yr-Yr % change -3.11%

TOTAL FOR ALL POOLS

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2010	5404	5127	6016	6190	7028	8315	10106	9241	8700	7305	5366	4850
2011	5609	5135	6004	7102	6497	8712	10326	9486	8707	7625	5901	5305
2012	6160	6062	6418	7626	8468	9322	10820	11259	10290	8345	6191	5656
2013	6506	6021	7547	9053	8,888	10069	10747	10160	8883	8371	6791	5708
2014	6681	6306	8524	8,965	9,793	9717	11,272	11,193	10,061	9,342	7215	6209
2015	6818	6615	8,263	8,577	8,015	10,217	10,565	11,320	9,406	8,919	6592	5400
2016	6,245	6215	6,819									

Yr-Yr % change -17.48%

2015 Cum to Mo	6818	13433	21696	30273	38288	48505	59070	70390	79796	88715	95,307	100707
2016 Cum to Mo	6,245	12,460	19,279									
% Incr/Decr			-11.14%									

COLOR CODES

- DOLLAR AND HILLSIDE CLOSED FOR
- HS and Dollar pools opened March 15,
- Dollar Pool closed for construction of Event Center 7/22-8/2/2013 & 8/19-8/25/2013,
- HS closed Nov 15
- DV closed 6/23-29
- DV closed 3/23-3/27
- HS closed 9/17-9/22
- HS closed 7 days
- Began use of Keytag

TOTAL

83648

86409

96617

98744

105,278

100,707

19,279

DEL VALLE POOL MARCH 2016

	MAR	6:00	7:00	8:00	9:00	10:00	11:00	12:00	1:00	2:00	3:00	4:00	5:00	6:00	7:00	8:00	TOTALS	Last 30 min.
TUE	1	16	11	18	9	12	2	9	9	14	18	7	8	11	12	4	160	2
WED	2	15	9	7	32	25	26	19	10	18	20	16	6	18	2	4	227	5
THU	3	0	0	0	0	0	0	0	24	12	19	23	10	4	7	1	100	4
FRI	4	15	11	10	41	16	17	12	14	10	15	12	7	16	4	5	205	3
SAT	5	14	9	13	16	11	8	20	13	17	14	13	6	0	0	0	154	6
SUN	6	18	8	13	10	12	9	9	6	10	30	14	5	0	0	0	144	3
MON	7	16	13	11	25	22	27	14	12	11	17	15	13	28	4	1	229	0
TUE	8	20	9	8	11	7	8	7	3	14	14	15	10	14	4	2	146	3
WED	9	22	9	8	30	23	22	14	8	11	13	12	13	26	3	3	217	3
THU	10	0	0	0	0	0	0	0	24	12	9	14	9	0	4	0	72	5
FRI	11	21	8	9	26	14	20	14	11	15	14	19	4	19	0	0	194	0
SAT	12	13	12	7	10	9	10	23	13	11	16	20	2	0	0	0	146	10
SUN	13	12	4	6	13	10	12	5	11	14	17	9	12	0	0	0	125	11
MON	14	14	9	8	8	10	4	5	8	11	12	10	11	17	4	3	134	4
TUE	15	13	9	6	10	10	9	9	6	16	15	22	6	8	9	2	150	2
WED	16	18	13	12	32	15	22	15	5	9	15	4	10	32	8	1	211	1
THU	17	0	0	0	0	0	0	0	14	15	18	22	12	8	6	2	97	5
FRI	18	14	11	12	8	16	17	15	10	15	14	12	12	20	2	4	182	6
SAT	19	11	9	4	12	6	15	16	14	15	18	9	4	0	0	0	133	14
SUN	20	15	7	12	8	10	6	9	10	15	17	19	8	0	0	0	136	11
MON	21	15	7	9	10	9	32	14	13	6	20	6	7	23	7	4	182	13
TUE	22	13	11	12	9	5	10	2	7	13	17	22	13	6	14	1	155	4
WED	23	17	9	7	8	22	19	14	6	8	10	12	17	22	7	3	181	6
THU	24	0	0	0	0	0	0	0	14	14	11	19	19	8	4	2	91	4
FRI	25	19	10	5	13	19	17	13	12	9	12	14	9	16	0	1	169	1
SAT	26	12	8	5	11	11	7	21	13	11	19	23	3	0	0	0	144	18
SUN	27	15	9	5	5	4	8	6	5	15	11	15	3	0	0	0	101	2
MON	28	18	6	6	39	13	24	13	10	11	12	12	10	24	6	3	207	5
TUE	29	18	6	6	10	4	7	3	13	13	12	23	17	10	4	3	149	2
WED	30	20	13	6	32	15	24	16	6	7	14	12	12	25	10	2	214	2
THU	31	0	0	0	0	0	0	0	17	18	17	30	8	11	8	1	110	4
TOTAL		414	240	225	438	330	382	317	341	390	480	475	286	366	129	52	4865	
GUESTS:			184															
CAREGIVERS			33															

DOLLAR POOL
MARCH 2016

	MAR	6:00	7:00	8:00	9:00	10:00	11:00	12:00	1:00	2:00	3:00	4:00	5:00	6:00	7:00	8:00	TOTAL	Last 30min.
TUE	1		7	1	14	6	1	2	5	5	12	1					54	9
WED	2		0	0	0	0	0	0	13	4	7	1					25	6
THU	3		9	2	11	3	5	2	0	0	3	2					37	5
FRI	4		4	1	1	2	0	0	0	4	1	0					13	0
SAT	5		3	1	1	0	0	0	0	0	0	0					5	0
SUN	6		0	0	0	0	0	0	0	0	0	0					0	0
MON	7		0	0	0	0	0	0	0	0	0	0					0	0
TUE	8		3	3	14	3	0	0	5	3	3	1					35	3
WED	9		0	0	0	0	0	0	4	0	5	0					9	6
THU	10		6	2	15	1	0	7	0	2	4	0					37	4
FRI	11		2	0	0	1	1	0	1	0	4	0					9	0
SAT	12		3	2	10	0	0	2	0	1	3	0					21	0
SUN	13		1	0	0	1	0	0	0	2	1	0					5	0
MON	14		5	1	0	0	8	3	4	2	5	4					32	8
TUE	15		4	3	10	0	5	1	5	4	7	3					42	4
WED	16		0	0	0	0	0	0	15	6	8	5					34	8
THU	17		8	6	15	3	4	5	11	11	15	1					79	7
FRI	18		6	1	0	3	3	4	5	5	13	1					41	5
SAT	19		5	2	13	3	6	3	8	8	8	3					59	3
SUN	20		4	2	1	3	4	2	3	0	5	1					25	5
MON	21		5	2	2	1	5	1	2	2	5	0					25	5
TUE	22		5	4	13	4	3	0	5	3	5	1					43	4
WED	23		0	0	0	0	0	0	9	5	7	5					26	12
THU	24		9	4	13	4	3	5	3	5	6	7					59	13
FRI	25		8	3	3	5	6	3	6	3	7	2					46	2
SAT	26		7	1	14	3	4	6	10	5	9	1					60	1
SUN	27		3	0	2	0	1	1	2	5	7	3					24	9
MON	28		5	3	1	4	4	0	1	1	4	1					24	3
TUE	29		9	2	10	7	4	1	2	7	7	1					50	11
WED	30		0	0	0	0	0	0	10	6	8	1					25	9
THU	31		6	3	15	5	4	2	9	5	1	0					50	4
Total		0	127	49	178	62	71	50	138	104	170	45	0	0	0	0	994	
GUESTS			53															
CAREGIVERS			2															

HILLSIDE POOL MARCH 2016

	MAR	6:00	7:00	8:00	9:00	10:00	11:00	12:00	1:00	2:00	3:00	4:00	5:00	6:00	7:00	TOTALS	ADULT	KIDS	last 30
TUE	1		0	0	0	0	0	0	10	2	5	2				19	0	0	2
WED	2		22	1	3	3	3	7	4	1	1	2				47	2	0	3
THU	3		4	9	2	2	0	1	0	0	2	2				22	0	0	3
FRI	4		18	2	2	2	0	1	1	1	0	0				27	1	0	0
SAT	5		3	1	0	0	1	2	1	1	0	0				9	0	0	0
SUN	6		3	4	2	0	1	1	0	0	2	0				13	0	0	0
MON	7		13	8	1	1	0	1	1	1	2	1				29	0	0	0
TUE	8		0	0	0	0	0	0	3	0	0	2				5	0	0	1
WED	9		19	0	0	5	1	0	0	0	0	0				25	0	0	0
THU	10		4	8	3	7	2	2	1	0	0	2				29	0	0	2
FRI	11		2	0	0	0	0	0	1	0	0	0				3	0	0	0
SAT	12		2	0	2	2	3	0	0	0	0	0				9	0	0	0
SUN	13		3	2	2	0	0	0	1	0	0	0				8	0	0	0
MON	14		12	8	4	4	2	1	3	2	2	4				42	0	0	3
TUE	15		0	0	0	0	0	0	7	2	3	4				16	0	0	7
WED	16		16	5	1	2	1	6	4	4	6	1				46	0	1	6
THU	17		6	11	6	4	5	7	10	4	10	1				64	4	1	8
FRI	18		18	2	4	1	3	0	5	2	3	2				40	1	1	4
SAT	19		4	1	1	4	5	4	6	2	3	2				32	8	7	2
SUN	20		5	2	2	0	3	2	2	1	0	0				17	3	1	0
MON	21		16	9	3	3	1	0	2	0	1	2				37	0	0	1
TUE	22		0	0	0	0	0	0	4	4	1	3				12	0	0	3
WED	23		15	2	1	6	2	0	1	9	7	2				45	1	2	7
THU	24		4	14	4	3	4	4	4	5	5	1				48	5	9	4
FRI	25		16	5	2	4	4	7	8	6	9	1				62	3	8	7
SAT	26		4	4	2	3	7	4	11	14	6	5				60	6	5	10
SUN	27		7	1	4	1	6	4	4	6	2	0				35	14	11	0
MON	28		19	11	2	5	2	4	3	5	1	2				54	2	0	2
TUE	29		0	0	0	0	0	0	6	2	1	5				14	1	0	3
WED	30		18	2	0	5	1	0	5	2	4	1				38	2	2	5
THU	31		6	12	7	2	0	6	6	4	8	2				53	2	4	6
																	55	52	
TOTAL		0	259	124	60	69	57	64	114	80	84	49	0	0	0	960			
ADULT GUESTS			55																
CHILDREN			52																
CAREGIVERS			2																

From: [Masha Henzel](#)
 To: [Paulette L. Jones](#); [Kim Von Striver](#); [Jeffrey Matheson](#)
 Subject: Mar 2016 H2O stats
 Date: Friday, April 01, 2016 9:28:38 AM

AQUATICS CLASSES STATS

MARCH 2016

Monday

*8:30am class	total = 63	avg = 16
*9:00am class	total = 61	avg = 31
*10:00am class	total = 78	avg = 20
11:00am class	total = 90	avg = 30
12:00pm class	total = 77	avg = 26
7:00pm class	total = 74	avg = 19

Tuesday

5:00pm class	total = 72	avg = 18
--------------	------------	----------

Wednesday

*8:30am class	total = 85	avg = 16	
*10:00am class	total = 121	avg = 30	
11:00am class	total = 147	avg = 29	
12:00pm class	total = 133	avg = 27	
1:30pm class	total = 43	avg = 9	43 total MAR
7:00pm class	total = 100	avg = 20	

Thursday

5:00pm class	total = 78	avg = 16	150 total MAR
--------------	------------	----------	---------------

Friday

8:30am class	total = 31	avg = 15	179 total MAR
10:00am class	total = 52	avg = 26	244 total MAR
11:00am class	total = 82	avg = 21	319 total MAR
12:00pm class	total = 37	avg = 9	213 total MAR
7:00pm class	total = 57	avg = 14	231 total MAR

Saturday

1:00pm class	total = 58	avg = 15	58 total MAR
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TOTAL = 1,437

*** 423 are in classes taught by independent contractors**

1,014 are in classes taught by fitness staff

Masha Henzel

Manager, Del Valle Aquatics, Sports & Fitness Complex

1751 Tice Creek Drive

Walnut Creek, CA 94595

925-988-7850 front desk

925-988-7851 office

***SUMMARY REPORT
GOLDEN RAIN FOUNDATION BOARD OF DIRECTORS***

REPORT PREPARED BY:

Rick Chakoff, CFO

REQUESTED ACTION:

Consider recommendation that the Board accept the GRF Audit Report for the year ended December 31, 2015, as submitted by the Foundation's independent audit firm, Burr Pilger Mayer.

RECOMMENDATION:

The GRF Audit Committee met with staff and representatives from the auditing firm Burr Pilger Mayer, reviewed the report and is recommending it to the GRF Board for acceptance.

BACKGROUND:

Each year the financial records of GRF are audited and financial statements are prepared with disclosures included as required by generally accepted accounting principles (GAAP). The GRF Audit Committee meets with staff and representatives from the auditing firm and any agreed upon changes are incorporated into the report. Once the Committee is satisfied with the report, it submits it to the GRF Board with a recommendation that it be accepted.

ALTERNATIVES AND OPTIONS:

The Board may approve the report or ask that it be changed and re-submitted.

SUBSEQUENT ACTIONS:

Once accepted, copies of the report will be available to residents at the library and copies will be distributed and posted on the Rossmoor.com website.

FINANCIAL IMPACT:

There is no cost to accept the report.

ATTACHMENTS:

A draft copy of the audited financial statement report

GOLDEN RAIN FOUNDATION

**COMBINED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

December 31, 2015 and 2014

DRAFT 4/19/16

GOLDEN RAIN FOUNDATION

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Golden Rain Foundation and Trustee of Trust Estate
Walnut Creek, California

We have audited the accompanying combined financial statements of the Golden Rain Foundation and Trust Estate, which comprise the combined balance sheets as of December 31, 2015 and 2014, and the related combined statements of revenues and expenses, changes in net assets, comprehensive loss, and cash flows for the years then ended, and the related notes to the combined financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the Golden Rain Foundation and Trust Estate as of December 31, 2015 and 2014, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Board of Directors
Golden Rain Foundation and Trust Estate

Emphasis of Matter - Prior Period Restatement

As discussed in Note 8 to the combined financial statements, certain balances pertaining to the year ended December 31, 2014 were restated as a result of the recording of membership transfer fees as a direct increase to net assets instead of revenue. Our opinion is not modified with respect to that matter.

E. Palo Alto, California
April XX, 2016

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GOLDEN RAIN FOUNDATION

COMBINED BALANCE SHEETS

December 31, 2015 and 2014

	2015	2014
		<i>Restated</i>
ASSETS		
Cash	\$ 5,279,992	\$ 3,355,824
Accounts receivable, net	539,537	510,979
Deferred rent receivable	347,874	380,141
Inventories	477,165	517,437
Notes receivable	375,112	292,846
Property and equipment, net	47,342,165	49,734,696
Other assets, net	158,163	292,561
Total assets	<u>\$ 54,520,008</u>	<u>\$ 55,084,484</u>
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable and accrued expenses	\$ 859,121	\$ 1,030,946
Accrued payroll and benefits	1,630,894	1,593,622
Bank loans	13,890,785	14,851,179
Pension liability	<u>11,226,492</u>	<u>9,962,618</u>
Total liabilities	27,607,292	27,438,365
Net assets for the benefit of Walnut Creek Mutual Entities:		
Unrestricted net assets [including accumulated adjustment to pension benefit obligation of (\$13,984,416) and (\$12,720,542) at December 31, 2015 and 2014, respectively]	<u>26,912,716</u>	<u>27,646,119</u>
Total liabilities and net assets	<u>\$ 54,520,008</u>	<u>\$ 55,084,484</u>

The accompanying notes are an integral
part of these combined financial statements.

GOLDEN RAIN FOUNDATION
COMBINED STATEMENTS OF REVENUES AND EXPENSES

For the years ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u> <i>Restated</i>
Revenues from Walnut Creek Mutual Entities	<u>\$ 28,163,441</u>	<u>\$ 28,055,539</u>
Other revenues:		
Services - community facilities	2,482,771	2,416,922
Newspaper	946,479	965,113
Medical center lease revenue	581,131	581,131
Noncommunity facilities services	352,224	439,308
Financial income	20,012	16,894
Other income	<u>76,431</u>	<u>83,223</u>
Total other revenues	<u>4,459,048</u>	<u>4,502,591</u>
Total revenues	<u>32,622,489</u>	<u>32,558,130</u>
Expenses:		
Employee compensation	18,694,832	19,591,114
Operations and maintenance	10,996,968	10,473,156
Administrative	1,922,918	1,873,544
Interest	708,758	544,455
Other	<u>224,205</u>	<u>177,173</u>
Total expenses, less depreciation and amortization	<u>32,547,681</u>	<u>32,659,442</u>
Revenues in excess of expenses, less depreciation and amortization	74,808	(101,312)
Depreciation and amortization	<u>3,410,337</u>	<u>3,043,538</u>
Expenses in excess of revenues	<u>\$ (3,335,529)</u>	<u>\$ (3,144,850)</u>

The accompanying notes are an integral
part of these combined financial statements.

GOLDEN RAIN FOUNDATION
COMBINED STATEMENTS OF CHANGES IN NET ASSETS
For the years ended December 31, 2015 and 2014

	<u>Total</u>
Net assets, December 31, 2013	\$ 31,089,427
Membership transfer fees (Restated)	3,437,000
Comprehensive income:	
Expenses in excess of revenues (Restated)	(3,144,850)
Adjustment to pension benefit obligation	<u>(3,735,458)</u>
Net assets, December 31, 2014	27,646,119
Membership transfer fees	3,866,000
Comprehensive income:	
Expenses in excess of revenues	(3,335,529)
Adjustment to pension benefit obligation	<u>(1,263,874)</u>
Net assets, December 31, 2015	<u>\$ 26,912,716</u>

The accompanying notes are an integral
part of these combined financial statements.

GOLDEN RAIN FOUNDATION
COMBINED STATEMENTS OF COMPREHENSIVE LOSS
For the years ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u> <i>Restated</i>
Expenses in excess of revenues	\$ (3,335,529)	\$ (3,144,850)
Other comprehensive loss:		
Adjustment to pension benefit obligation	<u>(1,263,874)</u>	<u>(3,735,458)</u>
Total comprehensive loss	<u>\$ (4,599,403)</u>	<u>\$ (6,880,308)</u>

DRAFT 4/19/16

GOLDEN RAIN FOUNDATION
COMBINED STATEMENTS OF CASH FLOWS
For the years ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u> <i>Restated</i>
Cash flows from operating activities:		
Expenses in excess of revenues	\$ (3,335,529)	\$ (3,144,850)
Adjustments to reconcile expenses in excess of revenues to net cash provided by (used in) operating activities:		
Depreciation and amortization	3,410,337	3,043,538
Loss on sale of property and equipment	4,670	108,204
Adjustment to pension benefit obligation	(1,263,874)	(3,735,458)
Change in operating asset and liability accounts:		
Accounts receivable, net and deferred rent receivable	3,709	(33,756)
Inventories	40,272	25,892
Other assets, net	117,271	(168,478)
Accounts payable and accrued expenses, accrued payroll and benefits and pension liability	1,129,321	2,166,808
Net cash provided by (used in) operating activities	<u>106,177</u>	<u>(1,738,100)</u>
Cash flows from investing activities:		
Purchases of property and equipment	(1,006,450)	(1,124,296)
Change in notes receivable	(82,266)	(31,259)
Proceeds from sale of property and equipment	1,101	21,866
Net cash used in investing activities	<u>(1,087,615)</u>	<u>(1,133,689)</u>
Cash flows from financing activities:		
Net proceeds from line of credit	-	1,300,000
Payments on bank loans	(960,394)	(670,686)
Proceeds from membership transfer fees	3,866,000	3,437,000
Net cash provided by financing activities	<u>2,905,606</u>	<u>4,066,314</u>
Net increase in cash	1,924,168	1,194,525
Cash, beginning of year	<u>3,355,824</u>	<u>2,161,299</u>
Cash, end of year	<u><u>\$ 5,279,992</u></u>	<u><u>\$ 3,355,824</u></u>
Supplemental cash flow disclosures:		
Interest paid	<u>\$ 708,758</u>	<u>\$ 696,818</u>
Property and equipment acquisitions in accounts payable	<u>\$ 27,500</u>	<u>\$ 5,208</u>

The accompanying notes are an integral
part of these combined financial statements.

GOLDEN RAIN FOUNDATION**NOTES TO COMBINED FINANCIAL STATEMENTS**

December 31, 2015 and 2014

1. Organization

The Golden Rain Foundation of Walnut Creek is organized under California general nonprofit corporations law as a nonprofit mutual benefit corporation. The Golden Rain Foundation is the trustee of the Golden Rain Foundation of Walnut Creek Trust (the “Trust” or “Trust Estate”). The Trust was created to provide services and community facilities to the approximately 9,500 residents of the community commonly known as Rossmoor of Walnut Creek, California (“Rossmoor”).

The community facilities consist of roads, on and off-site improvements and recreational and service facilities and are held in the Trust for 18 mutual corporations (the “Mutual Entities”) as the beneficiaries of the Trust. The Mutual Entities consist of associations as defined by California Civil Code §4080, each of which manage common interest developments as defined by California Civil Code §4100, including 3 stock cooperatives, 14 condominium associations and 1 planned unit development. The common interest developments are owned by the Mutual Entities and their respective individual members.

Authorized occupants of the common interest developments are members of the Golden Rain Foundation. All functions of the Golden Rain Foundation are governed by a Board of Directors elected by the Golden Rain Foundation members.

2. Summary of Significant Accounting Policies***Accounting Responsibility***

The Golden Rain Foundation handles all accounting functions for both the Trust and the general operating activities of Golden Rain Foundation as trustee.

Financial Statement Presentation

The financial statements include all accounts of the Golden Rain Foundation, including its Mutual Operations division and all accounts of the Trust. Accounting principles applicable to business enterprises are used to account for the Golden Rain Foundation transactions and balances. Accounting principles applicable to trusts are used to account for the transactions and balances of the Trust.

Cash

For purposes of the combined statements of cash flows, cash includes all cash balances and highly liquid investments with an original maturity of three months or less at the date of purchase.

GOLDEN RAIN FOUNDATION
NOTES TO COMBINED FINANCIAL STATEMENTS
December 31, 2015 and 2014

2. Summary of Significant Accounting Policies, continued

Accounts Receivable

Accounts receivable of the Golden Rain Foundation are stated at the amount management expects to collect from balances outstanding at year-end, and consist of amounts due from the Mutual Entities for resident services, management services, newspaper advertising, and from John Muir Medical Center. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to trade accounts receivable. As of December 31, 2015 and 2014, the Golden Rain Foundation had an allowance for doubtful accounts of \$1,000. During the years ended December 31, 2015 and 2014, the Golden Rain Foundation had bad debt expenses of \$1,400 and \$0, respectively. Accounts receivable of the Trust Estate are stated at the amount management expects to collect from balances outstanding at year-end, and consist primarily of amounts due from the lessor of the John Muir Medical Center.

Notes Receivable

The Golden Rain Foundation has notes receivable related to the financing of membership transfer fees (see additional information in Note 9).

Inventories

Inventories of the Golden Rain Foundation consist of operating supplies and are stated at cost, as determined on the first-in, first-out method, or market.

Property and Equipment

Purchased property and equipment of both the Golden Rain Foundation and the Trust Estate are stated at cost, net of accumulated depreciation, and are depreciated on the straight-line method over the estimated useful lives of the assets ranging from 5 to 40 years. Contributed assets are recorded at their fair value at the date of contribution. Capital additions and improvements that enhance or extend the useful life of an asset are capitalized, whereas repairs and maintenance expenses are expensed as incurred. Whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recovered, the Golden Rain Foundation and the Trust Estate, using their best estimates and projections, review for impairment the carrying value of long-lived identifiable assets to be held and used in the future. The Golden Rain Foundation and the Trust Estate will record impairment losses when determined. Capital assets that have not been placed into service are reflected in construction in progress and depreciation does not begin until the date the asset is placed into service.

Other Assets

Other assets includes prepaid expenses, deposits on purchases, and capitalized loan and contract costs. Prepaid expenses are expensed when used and capitalized loan and contract costs are amortized over the life of the loan or contract.

GOLDEN RAIN FOUNDATION

NOTES TO COMBINED FINANCIAL STATEMENTS

December 31, 2015 and 2014

2. Summary of Significant Accounting Policies, continued***Membership Transfer Fees***

Membership transfer fees generally occur as a result of a change of membership in the Golden Rain Foundation and are recorded as an addition to unrestricted net assets in the Combined Statements of Changes in Net Assets (see Note 8).

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, Golden Rain Foundation uses valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. The fair value hierarchy is broken down into three levels based on observability of valuation inputs as follows:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Inputs are obtained from readily available pricing sources for comparable instruments.

Level 3 – Valuation inputs are obtained without observable market value and require a high level of judgment to determine fair value.

Use of Estimates

The preparation of combined financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications

Certain reclassifications have been made to the 2014 combined financial statement presentation to correspond to the current year's format. Total net assets and expenses in excess of revenues are unchanged due to these reclassifications.

3. Revenue

The Golden Rain Foundation operates, improves and maintains the Trust Estate's facilities and assists management of various Mutual Entities in the operation and maintenance of their residential properties. An operating budget and operations fees of the Golden Rain Foundation trustee are approved annually by the Board of Directors. Operations fees are recognized as revenue monthly as the fees are earned. The majority of the Mutual Entities contract with the Golden Rain Foundation to provide management services. The Board of Directors periodically approves distributions to Mutual Entities of accumulated revenues in excess of expenses and such distributions are accounted for as a charge to net assets in the Combined Statements of Changes in Net Assets. Other revenues of the Golden Rain Foundation are derived from service fees to members, golf revenues and sales of newspaper advertising, and are recognized as revenue as work is completed and advertisements are published. Lease revenue is derived from contracts related to the medical center and Creekside café (see Note 13).

Continued

GOLDEN RAIN FOUNDATION

NOTES TO COMBINED FINANCIAL STATEMENTS

December 31, 2015 and 2014

4. Income Tax Status

The Golden Rain Foundation is a California nonprofit, nonstock, corporation which is treated as a taxable corporation for federal and California state income tax purposes. However, because it is a membership organization, it is subject to the special rules of Section 277 of the Internal Revenue Code. Under Section 277, the Golden Rain Foundation is subject to federal and state income taxes whenever its nonmember revenue, consisting primarily of investment income, exceeds nonmember expenses and also when its membership revenue exceeds membership expenses. Net membership losses cannot be used to reduce net nonmember income; however, such losses may be carried over indefinitely to reduce future net membership income and amounted to approximately \$49,003,638 and \$46,213,000 at December 31, 2015 and 2014, respectively. Membership transfer fees are treated as contributions to capital, thus are not taxable revenues.

The Golden Rain Foundation has evaluated its current tax positions and has concluded that as of December 31, 2015 and 2014, the Golden Rain Foundation does not have significant uncertain tax positions for which a reserve would be necessary. There have been no related tax penalties or interest related to uncertain tax positions, which would be classified as tax expense in the combined statements of revenues and expenses. A number of the Golden Rain Foundation's tax returns remain subject to examination by taxing authorities. These open tax returns include December 31, 2011 and later years.

5. Property and Equipment

Property and equipment at December 31, 2015 and 2014 consist of the following:

	2015	2014
Golden Rain Foundation:		
Building improvements	\$ 27,606	\$ 27,606
Furniture and equipment	991,951	1,155,488
Transportation equipment	570,870	608,269
Computer equipment	203,625	203,625
	1,794,052	1,994,988
Less accumulated depreciation	(1,791,522)	(1,991,078)
Property and equipment, net	\$ 2,530	\$ 3,910
Depreciation expense	\$ 1,380	\$ 1,940
Trust Estate:		
Land and land improvements	\$ 28,769,624	\$ 28,823,580
Buildings	22,335,900	22,331,996
Building improvements	30,314,856	30,380,934
Furniture and equipment	7,207,944	6,638,220
Construction in progress	533,872	205,691
	89,162,196	88,380,421
Less accumulated depreciation	(41,822,561)	(38,649,635)
Property and equipment, net	\$ 47,339,635	\$ 49,730,786
Depreciation expense	\$ 3,391,830	\$ 3,024,472

Continued

GOLDEN RAIN FOUNDATION

NOTES TO COMBINED FINANCIAL STATEMENTS

December 31, 2015 and 2014

6. Retirement Plans

The Golden Rain Foundation sponsors a noncontributory (employer-sponsored) defined benefit pension plan and one defined contribution pension plan and contributes to a multi-employer union-sponsored retirement benefit plan.

Under the provisions of Accounting Standards Codification (“ASC”) 715, *Employer’s Accounting for Defined Benefit Pension and Other Postretirement Plans*, the projected benefit obligation is also required to be valued as of the Golden Rain Foundation’s fiscal year-end. The Golden Rain Foundation’s adjustment to its minimum liability at December 31, 2015 and 2014 is \$1,263,874 and \$3,735,458, respectively, and is reported in the combined statements of comprehensive (loss) income. By definition, the adjustment is not an income or expense but rather represents the gains or losses and prior service costs or credits that arose during the period. The accumulated adjustment to the pension benefit obligation included in comprehensive loss at December 31, 2015 and 2014 is (\$13,984,416) and (\$12,720,542), respectively.

The defined benefit plan is noncontributory and provides benefits based on each covered employee’s years of service and highest five-year average compensation out of the last ten years of employment. The Golden Rain Foundation’s funding policy is to make at least the minimum annual contributions recommended by the plan’s actuary. Expected contributions in 2016 are \$1,025,000. The plan’s funded status, assumptions, and cost at December 31, 2015 and 2014 are as follows:

	2015	2014
Obligations and funded status:		
Projected benefit obligation	\$ 52,695,984	\$ 53,049,241
Plan assets at fair value	41,469,492	43,086,623
Funded status	<u>\$ (11,226,492)</u>	<u>\$ (9,962,618)</u>
Accumulated benefit obligation	<u>\$ 50,488,882</u>	<u>\$ 50,591,517</u>
Employer contributions	<u>\$ 1,025,000</u>	<u>\$ 2,415,800</u>
Benefits paid	<u>\$ 2,338,699</u>	<u>\$ 2,247,452</u>
Amounts recognized in the balance sheet consist of:		
Pension liability	<u>\$ (11,226,492)</u>	<u>\$ (9,962,618)</u>
Amounts recognized in the combined statements of revenues and expenses consist of:		
Net periodic pension cost per actuary	<u>\$ 1,107,389</u>	<u>\$ 573,699</u>

Continued

GOLDEN RAIN FOUNDATION

NOTES TO COMBINED FINANCIAL STATEMENTS

December 31, 2015 and 2014

6. Retirement Plans, continued

Components of Net Periodic Pension Cost

The net periodic pension cost for pension benefits for 2015 and 2014 includes the following components:

	2015	2014
Service cost	\$ 952,588	\$ 859,555
Interest cost	1,955,063	2,097,350
Expected return on plan assets	(3,377,564)	(3,263,606)
Amortization of net loss	1,577,302	880,400
Net periodic benefit cost	<u>\$ 1,107,389</u>	<u>\$ 573,699</u>

The following actuarial assumptions were used in accounting for the plan:

	2015	2014
Weighted-average assumptions used to determine benefit obligations at December 31:		
Discount rate	4.00%	3.75%
Rate of compensation increase	3.00%	3.00%
Weighted-average assumptions used to determine net periodic benefit cost for the years ended December 31:		
Discount rate	3.75%	4.50%
Expected return on plan assets	8.00%	8.00%
Rate of compensation increase	3.00%	3.00%

The expected long-term rate of return on plan assets reflects the average rate of earnings expected on the funds invested or to be invested to provide for the benefits included in the projected benefit obligation. In estimating that rate, appropriate consideration is given to the returns being earned by the plan assets in the fund and rates of return expected to be available for reinvestment, and a building block method. The expected rate of return on each asset class is broken down into three components: (1) inflation, (2) the real risk-free rate of return (i.e., the long-term estimate of future returns on default-free U.S. government securities), and (3) the risk premium for each asset class (i.e., the expected return in excess of the risk-free rate).

All three components are based primarily on historical data, with modest adjustments to take into account additional relevant information that is currently available. For the inflation and risk-free return components, the most significant additional information is that provided by the market for nominal and inflation-indexed U.S. Treasury securities. That market provides implied forecasts of both the inflation rate and risk-free rate for the period over which currently available securities mature. The historical data on risk premiums for each asset class is adjusted to reflect any systemic changes that have occurred in the relevant markets; e.g., the higher current valuations for equities, as a multiple of earnings, relative to the longer-term average for such valuations.

Continued

GOLDEN RAIN FOUNDATION

NOTES TO COMBINED FINANCIAL STATEMENTS

December 31, 2015 and 2014

6. Retirement Plans, continued

Components of Net Periodic Pension Cost, continued

The exact expected return derived using the building block method will vary from year to year; however, as the rate is a long-term assumption, it remains constant as long as it remains within a reasonable range.

The percentage of the fair value of total plan assets held as of December 31, 2015 and 2014 (the measurement date) by asset category is as follows:

	2015		2014	
Equity securities	\$ 31,060,738	75%	\$ 30,643,345	71%
Debt securities	10,406,130	25%	12,443,278	29%
Total	<u>\$ 41,466,868</u>	<u>100%</u>	<u>\$ 43,086,623</u>	<u>100%</u>

The plan assets consisted of \$36,959,566 and \$37,777,936 Level 2 assets and \$4,507,302 and \$5,308,687 Level 3 assets for the years ended December 31, 2015 and 2014, respectively. Level 3 assets consist of Immediate Participation Guarantee Contracts and are valued based on a market value formula approach that uses the Barclays Capital U.S. Aggregate Index, which was developed by MassMutual. The change in value of Level 3 assets was (\$801,385) and (\$459,702) for the years ended December 31, 2015 and 2014, respectively and represented the net cash flows activity at contract settlement. Significant unobservable inputs primarily consisted of the assumed interest rate of 1.25% and the experience rate of 3.74%.

The plan's investment strategy utilizes several different asset classes with varying risk/return characteristics. The returns of the asset classes are not expected to move in tandem, which allow the plan to take part in different parts of the global economic cycle. The following guidelines are used to determine the asset mix with respect to plan assets:

Account	Range
Mid-Cap Growth	4% to 7%
Mid-Cap Value	4% to 7%
Small Growth	4% to 7%
Small Value	4% to 7%
Foreign Large Blend	13% to 19%
Intermediate Term Bond	15% to 25%
Large Growth	16% to 25%
Large Value	16% to 25%
Stable Value	15% to 25%

Prohibited investments include those specifically prohibited by the Employee Retirement Income Security Act of 1974. In addition, investment activity in the following is prohibited: municipal or tax exempt securities, short sales, margin purchases, commodities, securities of the trustee of investment manager, its parents or subsidiaries, and unregistered or restricted stock.

No plan assets are expected to be returned to the Golden Rain Foundation during 2016.

Continued

GOLDEN RAIN FOUNDATION
NOTES TO COMBINED FINANCIAL STATEMENTS
December 31, 2015 and 2014

6. Retirement Plans, continued

Components of Net Periodic Pension Cost, continued

Estimated future annual benefit payments consist of:

2016	\$ 2,888,408
2017	2,970,130
2018	3,090,521
2019	3,142,902
2020	3,094,330
2021 - 2025	16,032,216

The defined contribution plan is a 401(k) profit sharing plan. Substantially all employees, other than those covered by a collective bargaining unit, which has not negotiated inclusion, are eligible to participate. The Golden Rain Foundation provides a certain level of matching contributions on salary deferrals. Expense under these plans for 2015 was \$104,098 and for 2014 was \$89,170.

Multi-Employer Plan

Golden Rain Foundation contributes to a multi-employer defined benefit pension plan under a collective bargaining agreement that covers its union-represented employees. This plan is not administered by the Golden Rain Foundation. The risks of participating in this multi-employer plan differ from those of single-employer plans in that assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of other participating employers. The Multi-employer Pension Plan Amendments Act of 1980 (the "Act") significantly increased the pension responsibilities of participating employers. If a participating employer stops contributing to the plan, then the unfunded obligations of the plan may be borne by the remaining participating employers. If Golden Rain Foundation chooses to stop participating in the multiemployer plan, then it may be required to pay the plan an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

The term of the current collective bargaining agreement covers the period between August 1, 2009 through July 31, 2018, with a provision to continue in successive years unless affirmatively terminated or amended. Golden Rain Foundation's maximum contribution exposure is limited to no more than 80% of the total pension contribution rate, with any excess being borne by the employee. As of July 1, 2014, Golden Rain Foundation's per employee pension contribution was \$7.26/hour. That amount remained \$7.26/hour as of July 1, 2015. If Employer's pension contribution is less than 80% of the total required pension contribution, Golden Rain Foundation agrees to increase its pension contribution by up to a maximum of \$0.50/hour. The pension plan trustee has informed Golden Rain Foundation that the plan status for the 2015 plan year, which runs through May 31, 2016, was endangered which equates to a Pension Protection Act zone status of yellow. Plans in the yellow zone are between 65% and 80% funded. A Funding Improvement Plan has been adopted by the trustee.

GOLDEN RAIN FOUNDATION
NOTES TO COMBINED FINANCIAL STATEMENTS
December 31, 2015 and 2014

7. Concentrations

The Golden Rain Foundation maintains cash with one major financial institution. The balances held by the bank are insured by the Federal Deposit Insurance Corporation up to \$250,000. Cash on deposit normally exceeds federally insured limits. The Golden Rain Foundation has not experienced any losses in such accounts and management believes it is not exposed to any significant credit risk.

Approximately 40% of the Golden Rain Foundation's employees are covered by a multi-year collective bargaining agreement which expires in July 2018.

8. Prior Period Restatement

During the year ended December 31, 2015, membership transfer fees were recorded as a direct increase to net assets rather than as revenues, resulting in a decrease of revenues and revenues over expense for the year ended December 31, 2014. The correction was made to properly reflect membership transfer fees from a change in membership in the Golden Rain Foundation as an increase in unrestricted net assets. Also, a correction was made to the prior year financial statements that resulted in the restatement of the following balances for year ending December 31, 2014 as follows:

	As of December 31, 2014		
	Balance Previously Reported	Adjustment	Balances Corrected and Restated
Revenue	\$ 3,437,000	\$ (3,437,000)	\$ -
Revenues over (under) expenses	\$ 292,150	\$ (3,437,000)	\$ (3,144,850)
Net cash provided by (used in) operating activities	\$ 1,698,900	\$ (3,437,000)	\$ (1,738,100)
Net cash provided by financing activities	\$ 629,314	\$ 3,437,000	\$ 4,066,314

9. Notes Receivable

Notes receivable are for membership transfer fees that have been financed over seven years with an annual interest rate of 5% for the years ended December 31, 2015 and 2014. The unsecured notes receivable balances as of December 31, 2015 and 2014 are \$375,112 and \$292,846, respectively.

10. Contingencies

The Golden Rain Foundation is subject to certain legal proceedings and claims that arise in the ordinary course of business. In the opinion of management, the amount of any liability with respect to these actions will not materially affect the combined financial statements. Also, refer to contingent liability of multi-employer plan in Note 6.

GOLDEN RAIN FOUNDATION

NOTES TO COMBINED FINANCIAL STATEMENTS

December 31, 2015 and 2014

11. Commitments

Purchase commitments related to various Trust Estate renovation and expansion projects approximated \$0 and \$30,597 at December 31, 2015 and 2014, respectively. Additionally, see Note 12 for outstanding bank loan commitments.

12. Bank Loans

At December 31, 2013, the Golden Rain Foundation was obligated under a non-revolving line of credit with a balance payable of \$6,800,000. In July 2014, the Golden Rain Foundation refinanced this line of credit with the bank, converting the obligation into a term loan. The new term loan requires monthly principal payments of \$45,000 plus interest at a fixed interest rate equal to 4.94%. The term loan matures on June 10, 2029. At December 31, 2015 and 2014, \$7,290,000 and \$7,830,000 of principal is payable on the loan, respectively. Interest of \$152,391 and loan fees of \$45,380 were capitalized in the year ended December 31, 2014. No interest or loan fees were capitalized in the year ended December 31, 2015. The loan fees are being amortized over the term of the loan.

Additionally, the Golden Rain Foundation is obligated under a term note, which requires monthly payments of \$62,446, including interest at a fixed interest rate equal to 4.75%. The note matures on June 7, 2027. At December 31, 2015 and 2014, \$6,600,785 and \$7,021,179, respectively, are payable on the note.

The Golden Rain Foundation's term notes mature as follows:

Years ending December 31:	
2016	\$ 980,248
2017	1,002,818
2018	1,025,605
2019	1,049,515
2020	1,073,970
Thereafter	<u>8,758,629</u>
	<u>\$ 13,890,785</u>

These bank loans include financial covenants that require the Trust to maintain a Debt Service Coverage Ratio ("DSC Ratio") of at least 2:00:1:00. A DSC Ratio is defined as net operating income divided by debt service. Due to a decision to re-characterize membership transfer fees in fiscal year 2015, membership transfer fees were recorded at December 31, 2015 and 2014 as a direct increase to net assets rather than revenues, resulting in an increase to expenses in excess of revenues. The bank provided the Golden Rain Foundation a waiver for this covenant and in March 2016, the bank amended the loan covenants to define the DSC Ratio as the ratio of earnings before interest, taxes, depreciation and amortization plus transfer fees, to debt service. Repayment of the bank loans will be primarily from Golden Rain Foundation membership transfer fees. The notes are collateralized by a Blanket UCC securities agreement, which includes all inventories, chattel paper, accounts receivable, equipment, and general intangible assets of the Golden Rain Foundation. In addition, term loans are secured by a mortgage on the medical center (see Note 13).

GOLDEN RAIN FOUNDATION

NOTES TO COMBINED FINANCIAL STATEMENTS

December 31, 2015 and 2014

13. Medical Center

In August 2005, the Golden Rain Foundation entered into a non-cancelable operating lease with a third party to lease the medical center premises that expires in July 2020. The lease includes one 5-year renewal term and purchase options at fair market value during the fifth and tenth years of the lease term. The lease requires the lessee to pay all executory costs such as property taxes, maintenance and insurance. The lease has a base rent of \$40,490 per month for the first full year with stated annual increases of 2.5% each August through the end of the lease term. ASC 840, *Accounting for Leases*, requires that leases with such stated increases record rents under a straight-line method. Total rental income under the straight-line and cash basis methods was \$581,131 and \$613,111, respectively, in 2015, and \$581,131 and \$598,157, respectively, in 2014. The Golden Rain Foundation had deferred rent receivable of \$347,874 and \$380,141 as of December 31, 2015 and 2014, respectively.

In addition, during 2005, the Golden Rain Foundation incurred initial direct costs related to the origination of the lease of \$223,897, which has been capitalized and included in other assets on the combined balance sheet. The costs are to be amortized straight-line over the life of the lease. Amortization expense for the years ended December 31, 2015 and 2014 was \$15,353 and \$15,353, respectively.

Future minimum annual rental income on a cash and straight-line basis required under the lease and future amortization for the years ending December 31, are as follows:

	Cash Basis	Straight-Line	Amortization
2016	\$ 628,438	\$ 581,131	\$ 47,307
2017	644,150	581,131	63,019
2018	660,253	581,131	79,122
2019	676,760	581,131	95,629
2020	400,474	337,677	62,797
	<u>\$ 3,010,075</u>	<u>\$ 2,662,201</u>	<u>\$ 347,874</u>

As of December 31, 2015, the cost (including land, building and other capitalized costs) and accumulated depreciation of the leased medical center consist of:

Cost	\$ 2,374,123
Accumulated depreciation	<u>(2,076,696)</u>
	<u>\$ 297,427</u>

14. Related Party Transactions

The Golden Rain Foundation maintains accounting records and performs administrative work for most of the Walnut Creek Mutual Entities (the "Mutuals"), related parties. As of December 31, 2015 and 2014, the Trust Estate had \$404,812 and \$334,472 of accounts receivable from the Mutuals, respectively. Revenues from the Mutuals were \$28,163,441 and \$28,055,539 for the years ended December 31, 2015 and 2014, respectively.

GOLDEN RAIN FOUNDATION**NOTES TO COMBINED FINANCIAL STATEMENTS**December 31, 2015 and 2014

15. Subsequent Events

The Golden Rain Foundation has evaluated subsequent events through April XX, 2016, the date the combined financial statements were available to be issued, and there were no subsequent events requiring recognition or disclosure.

DRAFT 4/19/16

SUPPLEMENTARY INFORMATION

DRAFT 4/19/16

INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

Board of Directors
Golden Rain Foundation and Trustee of Trust Estate
Walnut Creek, California

We have audited the combined financial statements of the Golden Rain Foundation and Trust Estate as of and for the year ended December 31, 2015, and our report thereon dated April XX 2016, which expressed an unmodified opinion on those combined financial statements, appears on pages 1–2. Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The combining balance sheet and statement of revenues and expenses and the divisional balance sheet and statement of revenues and expenses are presented for purposes of additional analysis and are not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the combined financial statements as a whole.

E. Palo Alto, California
April XX, 2016

GOLDEN RAIN FOUNDATION

COMBINING BALANCE SHEET

December 31, 2015

	Golden Rain Foundation	Trust Estate	Combined
ASSETS			
Cash	\$ 2,829,529	\$ 2,450,463	\$ 5,279,992
Accounts receivable, net	509,837	29,700	539,537
Deferred rent receivable	-	347,874	347,874
Due from/(to) related party	(18,000)	18,000	-
Inventories	477,165	-	477,165
Notes receivable	-	375,112	375,112
Property and equipment, net	2,530	47,339,635	47,342,165
Other assets, net	22,908	135,255	158,163
Total assets	<u>\$ 3,823,969</u>	<u>\$ 50,696,039</u>	<u>\$ 54,520,008</u>
LIABILITIES AND NET ASSETS			
Liabilities:			
Accounts payable and accrued expenses	\$ 721,987	\$ 137,134	\$ 859,121
Accrued payroll and benefits	1,630,894	-	1,630,894
Bank loans	-	13,890,785	13,890,785
Pension liability	11,226,492	-	11,226,492
Total liabilities	13,579,373	14,027,919	27,607,292
Net assets for the benefit of Walnut Creek Mutual Entities:			
Unrestricted net assets (deficit) [including accumulated to pension benefit obligation of (\$13,984,416) at December 31, 2015]	(9,755,404)	36,668,120	26,912,716
Total liabilities and net assets	<u>\$ 3,823,969</u>	<u>\$ 50,696,039</u>	<u>\$ 54,520,008</u>

See Independent Auditors' Report on Supplementary Information.

GOLDEN RAIN FOUNDATION
COMBINING STATEMENT OF REVENUES AND EXPENSES

For the year ended December 31, 2015

	<u>Golden Rain Foundation</u>	<u>Trust Estate</u>	<u>Eliminations</u>	<u>Combined</u>
Revenues from Walnut Creek Mutual Entities	<u>\$ 28,163,441</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,163,441</u>
Other revenues:				
Services - community facilities	2,482,771	119,045	(119,045)	2,482,771
Newspaper	946,479	-	-	946,479
Medical center lease revenue	-	581,131	-	581,131
Noncommunity facilities services	352,224	-	-	352,224
Financial income	11,744	20,012	(11,744)	20,012
Other income	<u>62,330</u>	<u>407,529</u>	<u>(393,428)</u>	<u>76,431</u>
Total other revenues	<u>3,855,548</u>	<u>1,127,717</u>	<u>(524,217)</u>	<u>4,459,048</u>
Total revenues	<u>32,018,989</u>	<u>1,127,717</u>	<u>(524,217)</u>	<u>32,622,489</u>
Expenses:				
Employee compensation	18,694,832	-	-	18,694,832
Operations and maintenance	11,390,396	-	(393,428)	10,996,968
Administrative	2,041,963	-	(119,045)	1,922,918
Interest	-	720,502	(11,744)	708,758
Other	<u>71,886</u>	<u>152,319</u>	<u>-</u>	<u>224,205</u>
Total expenses, less depreciation and amortization	<u>32,199,077</u>	<u>872,821</u>	<u>(524,217)</u>	<u>32,547,681</u>
Revenues in excess of expenses, less depreciation and amortization	(180,088)	254,896	-	74,808
Depreciation and amortization	<u>16,733</u>	<u>3,393,604</u>	<u>-</u>	<u>3,410,337</u>
Expenses in excess of revenues	<u>\$ (196,821)</u>	<u>\$ (3,138,708)</u>	<u>\$ -</u>	<u>\$ (3,335,529)</u>

See Independent Auditors' Report on Supplementary Information.

GOLDEN RAIN FOUNDATION

DIVISIONAL BALANCE SHEET

December 31, 2015

	General Operations	Mutual Operations	Golden Rain Foundation
ASSETS			
Cash	\$ 2,335,872	\$ 493,657	\$ 2,829,529
Accounts receivable, net	161,307	348,530	509,837
Due from/(to) related party	232,248	(250,248)	(18,000)
Inventories	200,707	276,458	477,165
Property and equipment, net	-	2,530	2,530
Other assets	4,787	18,121	22,908
Total assets	<u>\$ 2,934,921</u>	<u>\$ 889,048</u>	<u>\$ 3,823,969</u>
LIABILITIES AND NET ASSETS			
Liabilities:			
Accounts payable and accrued expenses	\$ 591,665	\$ 130,322	\$ 721,987
Accrued payroll and benefits	1,327,127	303,767	1,630,894
Pension liability	11,026,042	200,450	11,226,492
Total liabilities	12,944,834	634,539	13,579,373
Net assets:			
Unrestricted net assets (deficit) [including accumulated adjustment to pension benefit obligation of (\$13,984,416) at December 31, 2015]	<u>(10,009,913)</u>	<u>254,509</u>	<u>(9,755,404)</u>
Total liabilities and net assets	<u>\$ 2,934,921</u>	<u>\$ 889,048</u>	<u>\$ 3,823,969</u>

See Independent Auditors' Report on Supplementary Information.

GOLDEN RAIN FOUNDATION
DIVISIONAL STATEMENT OF REVENUES AND EXPENSES

For the year ended December 31, 2015

	<u>General Operations</u>	<u>Mutual Operations</u>	<u>Golden Rain Foundation</u>
Revenues from Walnut Creek Mutual Entities	<u>\$ 18,975,154</u>	<u>\$ 9,188,287</u>	<u>\$ 28,163,441</u>
Other revenues:			
Services - community facilities	2,482,771	-	2,482,771
Newspaper	946,479	-	946,479
Noncommunity facilities services	352,224	-	352,224
Financial income	11,744	-	11,744
Other income	<u>62,330</u>	<u>-</u>	<u>62,330</u>
Total other revenue	<u>3,855,548</u>	<u>-</u>	<u>3,855,548</u>
Total revenues	<u>22,830,702</u>	<u>9,188,287</u>	<u>32,018,989</u>
Expenses:			
Employee compensation	11,386,249	7,308,583	18,694,832
Operations and maintenance	10,024,319	1,366,077	11,390,396
Administrative	1,672,687	369,276	2,041,963
Other	<u>71,886</u>	<u>-</u>	<u>71,886</u>
Total expenses, less depreciation and amortization	<u>23,155,141</u>	<u>9,043,936</u>	<u>32,199,077</u>
Expenses in excess of revenues, less depreciation and amortization	(324,439)	144,351	(180,088)
Depreciation and amortization	<u>15,353</u>	<u>1,380</u>	<u>16,733</u>
Expenses in excess of revenues	<u>\$ (339,792)</u>	<u>\$ 142,971</u>	<u>\$ (196,821)</u>

See Independent Auditors' Report on Supplementary Information.

Agenda Item: 7c1
Subject: MOD Refund
Meeting Date: April 28, 2016

***SUMMARY REPORT
GOLDEN RAIN FOUNDATION BOARD OF DIRECTORS***

REPORT PREPARED BY:

Rick Chakoff, CFO

REQUESTED ACTION:

Consider recommendation that the Board approve a refund of operating surplus from the Mutual Operations Division of GRF (MOD) in the amount of \$200,000 to be distributed on a per manor basis to the Mutuals managed by the MOD.

RECOMMENDATION:

Approve refund as requested.

BACKGROUND:

MOD operates on a break-even basis and has historically returned any surplus to the managed Mutuals. For the year ended December 31, 2015 there was an operating surplus of \$144,000 with a cash balance on hand of \$494,000. The recommendation takes into account the amount of cash to keep available for seasonal fluctuations in operations.

ALTERNATIVES AND OPTIONS:

The Board may approve all, some, or none of the amount recommended.

SUBSEQUENT ACTIONS:

Once approved, funds would be distributed to the Mutuals managed by MOD (all except Mutual 58, Waterford).

FINANCIAL IMPACT:

The refund would reduce the cash balance of MOD by \$200,000.

ATTACHMENTS:

The December 31, 2015 Statement of Revenues & Expenses and Balance Sheet for MOD

800 ROCKVIEW DRIVE
WALNUT CREEK CA 94595

GOLDEN RAIN FOUNDATION
1001 GOLDEN RAIN ROAD
WALNUT CREEK CA 94595

	December 2015	2015 Year End
Current Assets		
Cash	493,657	229,190
Accounts Receivable	413,049	413,967
Prepays	18,121	17,202
Inventory	276,458	309,161
Total Current Assets	1,201,285	969,520
Property, Plant & Equipment		
Building Improvements	27,606	27,606
Furniture and Fixtures	36,991	36,991
Computer Equipment	32,378	32,378
Less:		
Accumulated Depreciatio	(94,445)	(93,065)
Net Property,Plant & Equi	2,531	3,911
TOTAL ASSETS	1,203,815	973,431
LIABILITIES & EQUITY		
Liabilities:		
Accounts Payable	177,335	105,262
Payroll	771,970	756,632
Total Liabilities	949,306	861,894
Equity		
Retained Earnings	2,847,109	2,847,109
Dividends Paid	(2,735,572)	(2,735,572)
Accumulated Surplus/(Defici	142,973	0
Total Equity	254,510	111,536
TOTAL LIABILITIES & EQUITY	1,203,815	973,431

800 ROCKVIEW DRIVE
WALNUT CREEK CA 94595

GOLDEN RAIN FOUNDATION
1001 GOLDEN RAIN ROAD
WALNUT CREEK CA 94595

Revenue

Management Fees & Contracted Services	4,483,776
Billable Services	4,581,177
Other Revenue	<u>123,334</u>
Total Revenue	9,188,287

Expenses:

Labor	7,308,580
Materials	969,563
Vehicle Expense	193,357
Small Tools and Equipment	17,712
Other Operating Expense	92,620
Office Supplies and Equipment	306,031
Postage and Printing	41,501
Other Administrative Expenses	34,984
Utilities	79,586
Depreciation & Amortization Expense	<u>1,380</u>

Total Expenses	9,045,314
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Surplus/(Deficit)	<u>142,973</u>
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Add Back Depreciation & Amortization Exp	1,380
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Cash Surplus/(Deficit)	<u>144,354</u>
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FITNESS CENTER ADVISORY COMMITTEE REPORT

REGULAR MEETING WEDNESDAY, APRIL 13, 2016, AT 9:30 A.M.

A regular meeting of the Fitness Center Advisory Committee (FCAC) was called to order by the Chairman, Claudia Tierney, at 9:30 a.m. on Wednesday, April 13, 2016, in the Fairway Room at Creekside Complex.

Present, in addition to the Chairman, were Barbara Leonard, Vice Chairman, Sherry S. Smith, Secretary, Carol A. Green, Catherine S. Herdering, Edson L. Montgomery, Virginia Lee Rapp, and Melvin C. Fredlund, GRF Board representative and ex-officio member. Also attending were Leslie Birdsall, President, Barbara S. Jordan, Vice President, Mary Lou Delpech, Secretary, and Geraldine Pyle, Richard E. Hurley, and Robert D. Kelso, Directors, GRF; Jeffrey P. Matheson, Director of Resident Services; Masha Henzel, Fitness Supervisor; and three residents. Attendance

The report of the Committee's regular meeting of March 9, 2016, was approved as presented. Report Approved

The Chairman reported that there were 16,516 visits to the Fitness Center in February. Mr. Matheson noted that, because of the key card entry system used to enter both the Fitness Center and the pool, this number represents pool users as well. Chairman's Report

During the Residents' Forum, Mr. Hurley spoke about his concerns for the consideration of physically challenged residents in the planning of the renovation of the Fitness Center, as well as the need for staff to be mindful of their needs. He passed out a handout enumerating his suggestions for further consideration. There were also three additional resident speakers. Residents' Forum

Mr. Matheson presented an explanation of the phases and attachments of the base design for the renovation of the Fitness Center and alternate items. He noted that we are currently nearing the end of Phase #1, the Schematic Design Phase, to be followed by Phase #2, the Design Development Phase. He discussed the 6 alternate items presented in an attachment. These enhancement items are not included in the base design but are offered for consideration, depending on cost outcomes. Fitness Center Renovation Project

A motion was made by Ms. Smith and seconded by Ms. Green that the FCAC recommend to the GRF Board that it approve the schematic plans for the Fitness Center renovation project, including the alternate options, to the extent the items are within the overall target budget of \$10 million. A vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

Recommendation to the GRF Board re. Fitness Center Schematic Plans

Fitness Center Advisory Committee
Regular Meeting


-2-

April 13, 2016

The Chairman adjourned the meeting at 10:23 a.m.

The next regular meeting of the FCAC will be held on Wednesday, May 11, 2016, at 9:30 a.m. in the Board Room at Gateway Complex.

Adjourn-
ment/
Next Mtg.
5/11/16



Claudia Tierney, Chairman PJ
Fitness Center Advisory Committee

SSS/kv

Attachment: Fitness Center Statistics

ATTENDANCE NUMBERS							ROOM & POOL NUMBERS								
SCANNED ENTRIES				12741			AEROBIC ROOM #s:				2228				
RESIDENT SIGN IN TOTAL:				3289			SHASTA ROOM #s:				1492				
FITNESS GUEST TOTAL:				236			SIERRA ROOM #s:				1690				
FITNESS CAREGIVER TOTAL:				63											
CLUB GUEST TOTAL:				168			POOL STAFF CLASSES:				1014				
CONTRACTOR GUEST TOTAL:				19			POOL CONTRACTOR CLASSES:				423				
FITNESS TOTALS:				16516			POOL CLASS TOTAL:				1437				
							TRAINER ACTIVITY								
POOL ATTENDANCE TOTAL:				4685			TOTAL ½ HOUR SESSIONS				161				
POOL GUEST TOTAL:				184			TOTAL 1 HOUR SESSIONS				145				
POOL CAREGIVER TOTAL:				33			TOTAL FREE SESSIONS				224				
POOL TOTALS:				4902			TOTAL CLASSES TAUGHT				167				
FACILITY TOTAL:				21418			TOTAL PAID SGT/WORKSHOP CLIENTS				144				
POOL TOTALS															
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YR TOTAL		
2011	5609	5135	6004	4591	3802	5142	5617	5301	4625	4480	5901	5305	61,512		
2012	6160	6062	6418	5014	4921	5154	5863	6301	5431	5182	6191	5656	68,353		
2013	6506	6021	6206	5545	4746	5367	6257	5934	5195	5166	5209	5708	67,860		
2014	6681	6,306	5919	5339	5,323	4311	5,832	5,910	5,623	5541	5259	6209	68,253		
2015	6818	6,615	5021	5,573	5,602	5708	5,861	6,272	5,666	5,161	5314	5,400	69,011		
2016	6,480	6,553	4902										17,935		
FITNESS TOTALS															
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD	POOLS	TOTAL
2011	13187	12210	14037	12000	12464	12563	11969	13132	11529	11975	11943	11334	148343	61,512	209,855
2012	12856	12463	12950	12044	12436	12390	12857	13314	12440	13241	11825	11736	150552	68,353	218,905
2013	13227	12348	12976	13063	12782	11910	13007	13014	11850	12778	11524	11455	149934	67,860	217,794
2014	13325	12514	13780	12983	12727	11937	13363	13821	12812	13225	12123	12663	155273	68,253	223,526
2015	13806	13088	14099	13013	13118	13394	14212	14200	13970	13759	12870	13186	162715	69,011	231,726
2016	15703	15087	16516										47306	17,935	65,241

GOLF ADVISORY COMMITTEE REPORT

REGULAR MEETING
FRIDAY, APRIL 8, 2016, AT 9:00 A.M.

A regular meeting of the Golf Advisory Committee (GAC) was convened by the Chairman, John McDonnell, at 9:00 a.m. on Friday, April 8, 2016, in the Board Room at Gateway Complex.

Present, in addition to the Chairman, were Lydia F. Bolinger, William L. Herrick, Mary Hufford, Stephen D. Roath, Donald A. Terry, Susan Williamson, and Mary Lou Delpech, ex-officio member and GRF Board representative. Also attending were Leslie Birdsall, President, and Kenneth W. Haley, Treasurer, GRF; Mark K. Heptig, Director of Golf; Blake Swint, Golf Course Superintendent; Dickey Nitta, Chief Marshal; and several residents. Attendance

The report of the Committee's regular meeting held on March 11, 2016, was approved as written. Report Approved

During the Residents' Forum, nine residents presented their concerns to the Committee regarding the use of mulch in front of their manors. An e-mail describing the residents' concerns was previously provided to the GRF Board. The GAC received a copy of the e-mail at this meeting. All of the speakers were opposed to the planned use of mulch in front of their manors. The residents wanted to know what would happen next. The residents were told that a meeting would be arranged to review the plan with the Turf Reduction Committee, Mr. Heptig, and interested residents (the meeting has since been scheduled for Friday, April 22nd, at 2:00 p.m. at the Creekside Clubhouse). Residents' Forum

Following the Residents' Forum, which lasted a little over one hour, the GAC took a short recess and continued its meeting at approximately 10:20 a.m. Recess

The Chairman provided the GAC members with a recap of the drought mitigation efforts, a copy of which is attached. The Chairman noted that the report was written prior to the meeting. Chairman's Report

Ms. Delpech reported that the GRF Board approved a large paving contract for the Trust areas of Rossmoor. GRF Board Report

Ms. Hufford, representing the Women's 18-Hole Club, reported that the Club's big event was the Sassy Sixties group of 224 players splitting playing time between Rossmoor and Ruby Hills. Each group of 112 players played Rossmoor on one of two days. The participants represented all the country clubs from the surrounding area and numerous compliments were received regarding the condition of the Rossmoor course and facilities. Ms. Hufford noted that the Rules Committee from the WGANC suggested a local rule regarding play from the creek behind #2 at Dollar. Lastly, she reported that the Club currently has 121 members. Club Reports

Golf Advisory Committee
Regular Meeting

-2-

April 8, 2016

Mrs. Bolinger, representing the Women's 9-Hole Club, reported the following: 1) the Club currently has 152 members; and 2) this year's Spring Fling matched Club members with members of the Women's 18-Hole Club as guests. The luncheon and fashion show followed play on the Dollar course.

Mr. Roath, representing the Rossmoor Men's Golf Club, reported the following: 1) the Club had two tournaments: one at home and one Home and Home event in Richmond. The Home and Home events bring in clubs from the area, and players are matched with a host players and a guest; 2) there is a great deal of work being done to upgrade communications and the website, and the website, in particular, is a combined effort with the other Clubs; 3) the Club's Christmas event is being re-engineered to be more inviting to all members of the golf community. Just how to do that is currently being discussed with all the Clubs; and 4) the Club currently has 365 members.

Ms. Williamson, representing the Happy Hackers Club, reported the following: 1) the Club currently has 186 members; and 2) the Club's second tournament was rained out, and the Club is keeping its fingers crossed that the next Saturday tournament is a dry day!

Mr. Heptig presented the financial report and the Golf Management report, which are attached. He then reported the following: 1) rain affects play but not shopping at the Pro Shop; 2) the golf season has a full schedule, and it will be that way until the end of October; 3) turf reduction is getting a lot of attention from residents along the 7th and 8th fairways; and 4) the goose eggs are being oiled in hopes of keeping the flock size down.

Staff
Reports

Mr. Swint presented the Golf Course Superintendent's report, which is attached. He reported that water continues to be the driving force for work on the golf course and that he and his crew work in time frames that are in the range of the present until 50 years from now. First and foremost, the work revolves around the ability of the golf course (green belt) to survive. All of the improvements to the golf course, decomposed granite, path repairs, and green/fairway maintenance are linked to the community's need to effectively manage the water. He also stated that turf reduction and repositioning of sprinkler heads, spray patterns, and volumes of water used by each sprinkler is closely monitored, as is the proper functioning of the sprinkler heads and the timing mechanisms. There are 3,000 sprinkler heads on the golf course, and Mr. Swint knows them all!

Mr. Nitta reported that his crew is back at full strength as a few were out for winter repairs to various parts of their bodies. He said that his crew is a good one and was rewarded with name tags. He told the GAC that "Player Assistant" is the name that some courses give to its marshals and they do assist the players. Some of the routine service is helping find lost golf clubs, head covers, and players, all the while keeping folks from driving their carts on the green and, seriously, keeping the unaware players from damaging the course.

Chief
Marshal's
Report

Golf Advisory Committee
Regular Meeting

-3-

April 8, 2016

There being no further business to come before the Committee and being exhausted from the record-long meeting, the meeting was adjourned at 11:15 a.m. Adjournment

The next regular meeting of the Committee will be held on Friday, May 13, 2016, at 9:00 a.m. in the Board Room at Gateway Complex. Next Mtg. 5/13/16


John McDonnell, Chairman
Golf Advisory Committee

PJ

JM/kv

Chairman's Report

Drought Mitigation Effort

For several years the Director of Golf, the Golf Course Superintendent, and the Golf Advisory Committee have worked to provide the preservation of the golf course and the park like atmosphere of this central greenbelt in Rossmoor.

The golf course presents itself as the central curb appeal for those entering and traveling around Rossmoor. The course provides benefits other than as a playing surface for the game of golf. Some of those benefits include, a fire break green zone, a holding pond that is used as a water source in fire fighting, a living space for a variety of wildlife, a recreation path for residents, a means of introducing people to Rossmoor through outside tournaments and individual hosting coordinated with Real Estate Offices. Property values for the entire valley are enhanced by the golf course.

We all might agree that there are many benefits to the golf course. The question before us today is can individual manor owners that border the golf course demand that mulch not be used adjacent to their property line for cosmetic reasons. In other words, they do not like the view that includes mulch. Reasons that have to do with health have little merit since the use of mulch is considered safe and is a commonly used as border areas.

Background:

The Director of Golf, the Golf Course Superintendent, and the Golf Advisory Committee surveyed the golf course, on more than one occasion, for the purpose of finding areas that could be converted from grass to mulch with the least impact on the aesthetics surrounding the course. The driving force for such an effort was the drought and more importantly the ongoing predictions of reduced water availability and the increased cost of the water that would be available.

The result of the survey was to start phasing in changes to the course that would, on the positive side capture as much water as possible. This recapture effort included the installation of additional drains to capture runoff. The other effort was to reduce gross water usage. This effort included course workers physically digging up and moving irrigation lines and replacing spray heads and adjusting spray patterns that would be directed at preserving primary turf areas while at the same time reducing water usage. The results were dramatic. The Golf Course reduced water usage by 40% from the 2013 base year. That reduction percentage was mandated by East Bay Municipal Water District. EBMUD has commended Rossmoor and the course management for this substantial achievement.

Going forward the effort is continuing because the water availability situation will not improve to a level that water does not need to be preserved. Additionally, the water that is available will cost more.

Impact on residents:

The impact on residents of Rossmoor is minimal. Areas of mulch do not go to the back patio boundary of manors. All mulch ends at the border of the golf course.

The resident complaints of a visual degradation of their view should be measured against the greater good argument of managing the water supply in continuing drought conditions.

The impact of not providing mulch would have a greater negative impact since the water lines have been moved and the area would not be watered for grass. The area would become a dead grass area and likely muddy when it does rain. The mulch provides a consistent and sustainable border.

There were areas of shade under trees where grass did not grow or grew poorly. These areas were prime candidates for not watering.

The cost of water is a driving force in Rossmoor to remove turf and replace it with drought resistant landscape. This has affected manors and their view of turf throughout Rossmoor. It is the price we pay to keep the cost of water manageable and to be responsible stewards of the water we do share.

The future:

The course will be maintained with an effort to minimize the use of water, preserve primary turf areas, reduce the borders of the course, and recapture as much water as possible.

The Golf Advisory Committee works closely with the Director of Golf and the Golf Course Superintendent to review and discuss all plans regarding turf reduction and water retention.

The Golf Advisory Committee is made up of representative of the Golf Clubs as voting members and includes a GRF Board representative, the Director of Golf, the Golf Course Superintendent, and the Chief Marshall.

The voting members are:

John McDonnell, Chairperson. Past President RMGC

Mary Hufford, Women's 18 Hole Golf Club Representative. Past Captain

Lydia Bolinger, Women's 9 Hole Golf Club Representative. Past Captain

Susan Williamson, Happy Hackers Club Representative.

Steve Roath, Men's Golf Club Representative. Past President RMGC

Bill Herrick, Member at Large Representative. Past President RMGC

Don Terry, Member at Large Representative. Past President RMGC

2016 Golf Course Rounds

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2016 YTD	2015 YTD
Golf Cards														
18 hole - prepaid	499	1,050	984										2,533	3,695
9 hole - prepaid	401	773	643										1,817	3,101
Sponsored Guest													0	0
Subtotal - Cards	900	1,823	1,627	0	0	0	0	0	0	0	0	0	4,350	6,796
Greens Fees														
Residents														
18 holes @ 24.00	214	623	561										1,398	2,204
9 holes @ 12.00	173	616	585										1,374	1,994
18 holes @ 9 hole rate \$12.00	11	24	16										51	91
18 holes late @ 18.00	22	94	62										178	366
9 holes late @ 9.00	204	569	417										1,190	1,938
Subtotal - Residents	624	1,926	1,641	-	-	-	-	-	-	-	-	-	4,191	6,593
Sponsored Guest														
18 holes @ 24.00	15	32	24										71	105
9 holes @ 12.00	3	5	6										14	17
18 holes late @ 18.00	1	8	7										16	22
9 holes late @ 9.00	4	17	11										32	36
Subtotal - Sponsored Guest	23	62	48	0	0	0	0	0	0	0	0	0	133	180
Guests - Weekdays														
18 holes @ 40.00	41	100	78										219	409
9 holes @ 20.00	32	134	137										303	332
18 holes late @ 30.00	4	37	43										84	149
9 holes late @ 15.00	52	129	124										305	536
18 holes special @ \$24.00			22										22	31
9 holes special @ \$12.00			21										21	7
Subtotal - Guests weekdays	129	400	425	-	-	-	-	-	-	-	-	-	954	1,464
Guests - Weekends & Holidays														
18 holes @ 50.00	45	65	55										165	332
9 holes @ 25.00	52	66	45										163	226
18 holes late @ 38.00	15	27	13										55	95
9 holes late @ 19.00	34	81	26										141	225
Subtotal - Guests Weekends & Holidays	146	239	139	-	-	-	-	-	-	-	-	-	524	878
Total - Guests	298	701	612	0	0	0	0	0	0	0	0	0	1,611	2,522
Tournaments													0	0
Total Rounds Played	1,822	4,450	3,880	-	-	-	-	-	-	-	-	-	10,152	15,911

2016 Golf Course Cash Receipts

													Actual	YTD	Actual	YTD
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2016 YTD	2016 Budget	2015 YTD	2015 Budget
Golf Cards																
Annual 18 holes @ \$1,800.00	59,400.00	3,600.00	1,800.00										64,800.00		87,500.00	
1st Qtr (Jan-Mar) @ \$400.00	5,200.00												5,200.00		4,400.00	
2nd Qtr (Apr-Jun) @ \$600.00			6,600.00										6,600.00		7,400.00	
3rd Qtr (Jul-Sep) @ \$600.00													-			
4th Qtr (Oct-Dec) @ \$400.00													-			
Annual 9 holes @ \$900.00	20,700.00												20,700.00		30,625.00	
1st Qtr (Jan-Mar) @ \$200.00	2,800.00	2,700.00											5,500.00		2,800.00	
2nd Qtr (Apr-Jun) @ \$300.00			3,300.00										3,300.00		3,600.00	
3rd Qtr (Jul-Sep) @ \$300.00													-			
4th Qtr (Oct-Dec) @ \$200.00													-			
Sponsored Guest @ \$1,000.00	8,000.00	8,000.00	4,000.00										20,000.00		21,000.00	
Golf Card Income Deferred	87,300.00												87,300.00		94,425.00	
Subtotal - Cards	183,400.00	14,300.00	15,700.00	-	-	-	-	-	-	-	-	-	213,400.00	259,409.00	251,750.00	255,274.00
Greens Fees																
Residents																
18 holes @ 24.00	5,136.00	14,952.00	13,464.00										33,552.00		52,896.00	
9 holes @ 12.00	2,076.00	7,392.00	7,020.00										16,488.00		23,928.00	
18 holes @ 9 hole rate \$12.00	132.00	288.00	192.00										612.00		1,092.00	
18 holes late @ 18.00	396.00	1,692.00	1,116.00										3,204.00		5,856.00	
9 holes late @ 9.00	1,836.00	5,121.00	3,753.00										10,710.00		15,504.00	
Subtotal - Residents	9,576.00	29,445.00	25,545.00	-	-	-	-	-	-	-	-	-	64,566.00	89,835.00	99,276.00	75,187.00
Sponsored Guest													-			
18 holes @ 24.00	360.00	768.00	576.00										1,704.00		2,520.00	
9 holes @ 12.00	36.00	60.00	72.00										168.00		204.00	
18 holes late @ 18.00	18.00	144.00	126.00										288.00		352.00	
9 holes late @ 9.00	36.00	153.00	99.00										288.00		288.00	
Subtotal - Sponsored Guest	450.00	1,125.00	873.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,448.00		3,364.00	
Guests - Weekdays																
18 holes @ 40.00	1,640.00	4,000.00	3,120.00										8,760.00		15,542.00	
9 holes @ 20.00	640.00	2,680.00	2,740.00										6,060.00		6,308.00	
18 holes late @ 30.00	120.00	1,110.00	1,290.00										2,520.00		4,172.00	
9 holes late @ 15.00	780.00	1,935.00	1,860.00										4,575.00		7,504.00	
18 holes special @ \$24.00			528.00										528.00		744.00	
9 holes special @ \$12.00			252.00										252.00		84.00	
Subtotal - Guests weekdays	3,180.00	9,725.00	9,790.00	-	-	-	-	-	-	-	-	-	22,695.00		34,354.00	
Guests - Weekends & Holidays																
18 holes @ 50.00	2,250.00	3,250.00	2,750.00										8,250.00		15,936.00	
9 holes @ 25.00	1,300.00	1,650.00	1,125.00										4,075.00		5,424.00	
18 holes late @ 38.00	570.00	1,026.00	494.00										2,090.00		3,420.00	
9 holes late @ 19.00	646.00	1,539.00	494.00										2,679.00		4,050.00	
Subtotal - Guests Weekends & Holidays	4,766.00	7,465.00	4,863.00	-	-	-	-	-	-	-	-	-	17,094.00		28,830.00	
Total - Guests	8,396.00	18,315.00	15,526.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	42,237.00	68,538.00	66,548.00	61,333.00
Tournaments													-	-		
Total Play Revenue	201,372.00	62,060.00	56,771.00	-	-	-	-	-	-	-	-	-	320,203.00	417,782.00	417,574.00	391,794.00
Misc income/Gas Sales	55.00	15.00	105.00										175.00		312.50	
Total Golf Course Revenue	201,427.00	62,075.00	56,876.00	-	-	-	-	-	-	-	-	-	320,378.00	417,782.00	417,886.50	391,794.00

2016 Golf Shop Sales

Golf Shop Sales	March	2016 YTD	2015 YTD
Merchandise Sales	14,204	44,288	42,171
Cart Rental	5,769	14,182	21,959
Club Repair	10	229	249
Golf Lesson	2,540	7,085	11,075
Driving RNG	3,895	10,737	14,320
Total	26,417	76,520	89,773

April 2016

GOLF MANAGEMENT REPORT

- March got off to a very wet start and that led to the numbers being down during the month both in greens fees and in the golf shop. Once again when we lose several days in a row due to weather it really affects the bottom line. The last half of the month was busy and we saw some great bounce back days. In total we are down about 5,700 rounds compared to 2015. This results in us having collected about \$97,000 less in greens fees. Approximately \$40,000 of this number is in annual golf sales. It is very questionable if we can make up this kind of deficient. Hopefully with good weather on the way we can begin to shave some of this “red number” down.
- The golf shop continued to see super activity in sales. We are actually ahead of last year’s numbers with \$44,288 in merchandise sold compared to \$42,171 in 2015. However, cart rentals, range and lessons are down. So, we are about \$13,000 behind last year in total golf shop business.
- There are events going on almost every day in the months of April, May and June. We just completed our first Cleveland wedge clinic on Wednesday and the 18ers/9ers Fashion Show was Thursday. All the clubs have tournaments coming up and we are hosting both the 18ers “Sassy Sixties” next Monday and Tuesday along with the East Bay Team Play on Thursday. It will not be long before the Twilight Tournaments start and we have several Monday events starting in May. More clinics are scheduled and I am starting my evening golf schools in the middle of the month. We have a Ping Demo Day scheduled for Friday, April 22 from 10:00-2:00.
- I continue to strive to make the golf experience at Rossmoor an enjoyable one. I think we are very lucky that we work (and live) in such a beautiful place. I also can’t thank my staff enough for their time and energy. Both in the golf shop and on the golf course we have dedicated, thoughtful and intelligent people who take their jobs seriously.
- The “Golf Course Turf Reduction and Irrigation Modification Project” is proceeding forward even though there have been some residents upset with the changes. Residents along the 7th and 8th fairways are not happy with the idea of mulch and are in “fear” of what the project will look like when completed.
- The goose update is that 143 eggs were oiled in the space of two days. This is actually more than what was oiled all of last year.

Golf Course Superintendent's Report

April 8, 2016

The amount of rain that we have received during the July 1, 2015 through the April 7, 2016 time period has totaled 19.77 inches, slightly lower than average. The amount of rain received during that time is a considerable increase since last month's meeting. The amount of rain and snow measured in the EBMUD water storage area continues to be slightly higher than average. EBMUD's water storage is at 68% of capacity. Water use restrictions have not been lifted.

Because of the limited amount of rainfall that occurred during the past few weeks and because we offered some of our eager equipment operators the opportunity to work some overtime hours the golf courses are finely mowed just in time for tournament season.

A decomposed granite walkway has been installed at the 1st gold tee on Dollar Ranch. Drainage improvements were made in the area. Crushed rock and mulch was placed over the often muddy surface which resulted in the area having a cleaner look.

The cart path repairs that were approved by the GRF Board last fall have been completed. The repairs completed this year are part of a 3 year plan.

We will soon be using a drone that was specifically designed and produced to be used to harass and move geese which may help reduce the goose populations. A training session that will teach several of our crew members how to fly the drone is scheduled to take place on Monday April 25.

A hydraulic hose failed on our oldest greens mower while an operator was mowing the 17th green on Dollar Ranch. A significant amount of hydraulic oil was sprayed on the putting surface. The turf on the areas where the oil was spread will die during the upcoming weeks. Repairs will take place after the toxicity of the soil lessens which may take several months. It is common for hydraulic leaks to occur and the timing of the failures cannot be predicted.

POLICY COMMITTEE REPORT

REGULAR MEETING

TUESDAY, APRIL 5, 2016, AT 1:32 P.M.

A regular meeting of the Policy Committee was convened by the Chairman, Leslie Birdsall, at 1:32 p.m. on Tuesday, April 5, 2016, in the Board Room at Gateway Complex.

Present, in addition to the Chairman, were Sue DiMaggio Adams, Barbara S. Jordan, and Geraldine Pyle. Also attending were Mary Lou Delpech, Secretary, and Kenneth W. Haley, Treasurer and Audit Committee member, GRF; Richard S. Chakoff, CFO; Anthony W. Grafals, General Counsel; Dennis Bell, Public Safety Manager; and one resident, Devon L. Olson, who is also member of the Audit Committee. Attendance

The Policy Committee's report of its meeting held on March 1, 2016, was unanimously approved. Report Approved

The Committee discussed possible revisions to the Audit Committee Charter to provide for a review of state and federal tax returns prior to filing. After last month's meeting, the Committee instructed staff to make additional revisions to the proposed Charter for further consideration by the Committee. Audit Committee Charter

Following discussion, the Committee agreed to revise the proposed changes to the Audit Committee Charter by changing the word "will" to "may" in the next to the last paragraph on Page 2.

Following further discussion, a motion was made by Ms. Adams and seconded by Mr. Birdsall to recommend that the GRF Board consider approving the proposed revised Audit Committee Charter. The vote on the motion was taken, and the motion FAILED, with Ms. Jordan and Ms. Pyle voting "no", and Mr. Birdsall and Ms. Adams voting "yes". Recommendation re. Audit Committee Charter

The Committee discussed proposed new Policy 103.1.1, Golf Cart Registration, and reviewed the additional revisions requested from staff at its March meeting. Proposed New Policy 103.1.1

Following discussion, a motion was made by Ms. Jordan and seconded by Ms. Adams to remove the words "or the Golf Course Pro Shop" under Section 3c, Registration Requirements, from the proposed Policy and to recommend that the GRF Board consider approving proposed new Policy 103.1.1. The vote on the motion was taken, and the motion CARRIED UNANIMOUSLY. Recommendation re. Proposed New Policy 103.1.1

A motion was made by Ms. Pyle and seconded by Ms. Adams to recommend to the GRF Board that a \$10.00 registration fee be charged per golf cart. The vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

Recom-
mendation
re. Regis-
tration Fee

Following discussion regarding the timing of the first and second readings of proposed new Policy 103.1.1, Golf Cart Registration, by the GRF Board, the Committee agreed to recommend to the Board that the proposed new Policy take effect on July 1, 2016.

Recom-
mendation
re. Effective
Date of
Proposed
New Policy
103.1.1/
Adjourn-
ment/
Next Mtg.
6/7/16

There being no further business to come before the Committee, the meeting was adjourned at 2:24 p.m.

There will not be a Policy Committee meeting in May. The next regular meeting of the Policy Committee will be held on Tuesday, June 7, 2016, at 1:30 p.m. in the Board Room at Gateway Complex.



Leslie Birdsall, Chairman
Policy Committee

kv

Agenda Item: 8a1
Subject: New Policy 103.1.1, Golf Cart
Registration
Meeting Date: April 28, 2016

SUMMARY REPORT
GOLDEN RAIN FOUNDATION BOARD OF DIRECTORS

REPORT PREPARED BY:

Anthony W. Grafals, General Counsel

REQUESTED ACTION/RECOMMENDATION:

Consider recommendation that the Board approve new Policy 103.1.1, Golf Cart Registration, effective July 1, 2016.

BACKGROUND:

Several of the Mutual boards expressed concern that there are frequent issues with improper golf cart parking on Mutual property which could be better addressed if the owners of golf carts could be identified and contacted. Therefore, it was proposed that a common framework for registration and identification of golf carts would allow GRF and the Mutuels to address such issues with golf cart owners.

This proposed new Policy was introduced to the Policy Committee at its February 2, 2016 meeting and returned for further consideration at the March 1, and April 5, 2016 meetings. At the conclusion of the April 5, 2016 meeting, the Policy Committee unanimously voted to refer the proposed new policy to the Board for consideration.

ATTACHMENTS:

Draft Proposed New Policy 103.1.1 (Golf Cart Registration)

Subject: Golf Cart Registration

Purpose: To Establish Guidelines for Golf Cart Registration

1. Background: The California Vehicle Code allows for the use of golf carts on the roads within Rossmore. In order to track ownership of golf carts, the Golden Rain Foundation (GRF) requires all golf carts that are operated on GRF property to be registered with the GRF.

2. Golf Carts: For purposes of this Policy, a "Golf Cart" is defined as any of the following classes of vehicle:

- a. a motor vehicle as generally defined in Section 345 of the California Vehicle Code, applicable to Golf Carts, which may be lawfully operated on roadways in California having a speed limit of no more than 25 mph without being registered with the Ca. Department of Motor Vehicles, and which was designed:
 - i. with at least three wheels, and
 - ii. to operate at speeds up to 15 mph, and
 - iii. to weigh no more than 1,300 lbs. when empty.
- b. a motor vehicle as generally defined in Sections 21250 and/or 385.5 of the California Vehicle Code, applicable to Neighborhood Electric Vehicles (NEV) and/or Low-Speed Vehicles (LSV), which may be lawfully operated on roadways in California having a speed limit of no more than 35 mph without being registered with the Ca. Department of Motor Vehicles, and, for purposes of this Policy, which has not in fact been so registered even though it may be capable of such registration, and which was designed:
 - i. with at least four wheels, and
 - ii. to operate at speeds up to 25 mph, and
 - iii. with a gross vehicle weight rating (GWVR) of no more than 3,000 lbs.
- c. any other class of vehicle having at least three wheels which may be lawfully operated on public roadways without being registered with the Ca. Department of Motor Vehicles, and which has in fact not been so registered.

3. Registration Requirements:

- a. Golf carts operated on Foundation property must be operated consistent with the California Vehicle Code and GRF policies.
- b. All golf carts operating on GRF property, including the golf courses, must be registered with GRF.
- c. Registration may be performed at the Public Safety office.
- d. A fee to be determined by the GRF Board may be required for registration and change of ownership.

4. Registration Stickers:

- a. Upon registration, a registration sticker will be affixed to the golf cart by a GRF employee.
- b. A current registration sticker must be affixed and visible on all golf carts operating on GRF property at all times.
- c. Registration stickers cannot be transferred to another golf cart and removal will invalidate the registration.
- d. If a Registration Sticker is removed or damaged, a replacement must be purchased.
- e. When a golf cart for which a registration sticker was issued is sold, donated, replaced, or will otherwise transferred, such that it will no longer be used on GRF property, the registered Member should remove the sticker and notify Public Safety. Stolen golf carts should also be reported to Public Safety.

Agenda Item: 8a2
Subject: Golf Cart Registration Fee
Meeting Date: April 28, 2016

SUMMARY REPORT
GOLDEN RAIN FOUNDATION BOARD OF DIRECTORS

REPORT PREPARED BY:

Anthony W. Grafals, General Counsel

REQUESTED ACTION/RECOMMENDATION:

Consider recommendation that a \$10 registration fee be charged per golf cart, effective July 1, 2016.

BACKGROUND:

Several of the Mutual boards expressed concern that there are frequent issues with improper golf cart parking on Mutual property which could be better addressed if the owners of golf carts could be identified and contacted. Therefore, it was proposed that a common framework for registration and identification of golf carts would allow GRF and the Mutuels to address such issues with golf cart owners.

At its April 5, 2016 meeting, the Policy Committee recommended adoption of proposed new Policy 103.1.1 to the Board, to establish a framework for registration of golf carts, for consideration at the April 28, 2016 meeting of the GRF Board.

If proposed new Policy 103.1.1 is adopted, it is recommended by the Policy Committee that the Board adopt a fee to cover the overhead associated with the registration process and the purchase of an inventory of registration stickers.

Staff recommended a fee of \$10 to the Policy Committee as being adequate.

At its April 5, 2016 meeting, the Policy Committee unanimously voted to recommend that the Board adopt a fee of \$10 for registration of golf carts pursuant to proposed new Policy 103.1.1, if adopted by the Board.

FISCAL IMPACT:

No adverse fiscal impact anticipated since all funds will be used to purchase an inventory of stickers and the administrative costs are expected to be absorbed into current vehicle registration procedures.

Agenda Item: 9a
Subject: Policy 301.2, Memorial Services
in Community Facilities
Meeting Date: April 28, 2016

SUMMARY REPORT
GOLDEN RAIN FOUNDATION BOARD OF DIRECTORS

REPORT PREPARED BY:

Anthony W. Grafals, General Counsel

REQUESTED ACTION/RECOMMENDATION:

Consider recommendation that Policy 301.2, Memorial Services, be deleted.

BACKGROUND:

At its March 1, 2016 meeting, the Policy Committee voted to recommend that the GRF Board of Directors repeal/delete Policy 301.2 (Memorial Services), thus harmonizing residents' ability to reserve facilities for memorial services and celebrations of life, with all other permitted uses of GRF facilities.

A letter received by the GRF President described a situation wherein the writer was denied the ability to hold a memorial service in Rossmoor for her mother, who was a resident of Rossmoor for 20+ years, but was compelled to move out of Rossmoor the prior year in order to pay for her medical expenses.

Policy 301.2 presently limits use of facilities for memorial services and celebrations of life to only individuals who were current residents at the time of their death, and/or a current resident's son or daughter.

At its March 1, 2016 meeting, the Policy Committee voted to recommend to the Board that any current resident be permitted to reserve facilities for memorial services and celebrations of life without restrictions other than those imposed on other facility rentals, which may be accomplished by simply repealing this Policy 301.2.

This recommendation was originally presented to the Board at its March 31, 2016 regular meeting.

ATTACHMENTS:

Current Policy 301.2
Letter to GRF President
Notes from GRF President

Policy 301.2

Subject: Memorial Services

Purpose: To Establish a Policy for Holding Memorial Services or Celebrations of Life in Community Facilities

Memorial services will be allowed in all venues, based upon reservation rules and space availability. Memorials and Celebrations of Life may be held for residents only (except as noted below) and are subject to room rental rates applicable to any personal resident event. Memorials or Celebrations of Life for relatives, other than sons and daughters with room rental at the higher son-daughter rate, are not permitted.

Authority: Policy

2/23/84

1/28/93 Rev.

5/29/03 Rev.

8/25/05 Rev.

9/30/10 Rev.

RECEIVED

DEC 11 2015


GRF BOARD OFFICE


San Ramon, CA 94583


Mr. Lester Birdsall, President
Golden Rain Foundation
1001 Golden Rain Road
Walnut Creek, CA 94595

December 8, 2015

Dear Mr. Birdsall:

My mother,  recently passed away. It made sense to her family that she should have her Celebration of Life in her community that she lived in for over 20+ years.

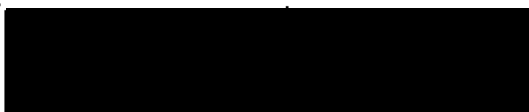
However, we found out that because she no longer was a resident (we had to sell her house last year to pay for care expenses) she was ineligible to use the facilities for a memorial. What is so wrong to me is that she paid her coupon fees for many, many, years. Actually, I think it is safe to say she spent thousands of dollars over those years in fees that helped create these very facilities.

We have found another location to have her Celebration of Life. However, I am sure it will be limiting for some of her friends that still live in Rossmoor to get there.

I ask that the Board take another look at this "rule" that makes someone "ineligible" because they no longer have a residence in the community. One suggestion would be if a current resident wants to sponsor the memorial than it could take place.

Should you wish to respond to me via telephone I can be reached at .

Sincerely,



Subject: Memorial Services

Purpose: To Establish a Policy for Holding Memorial Services or Celebrations of Life in Community Facilities

Memorial services will be allowed in all venues, based upon reservation rules and space availability. Memorials and Celebrations of Life may be held for residents only (except as noted below) and are subject to room rental rates applicable to any personal resident event. Memorials or Celebrations of Life for relatives, other than sons and daughters with room rental at the higher son-daughter rate, are not permitted.

Authority: Policy

2/23/84

1/28/93 Rev.

5/29/03 Rev.

8/25/05 Rev.

9/30/10 Rev.

- ① Her mother lived here over 20 years, was involved with many groups, made many friends.
- ② Had a stroke in Dec 2012 and moved to assisted living with hopes of moving back into her home.
- ③ Kids finally sold the home in Nov 2014 to help pay for her care.
- ④ Friends in Rossmore wanted to sponsor her memorial, could not.
- ⑤ Do you think this policy could/should be revised to provide for some exceptions?
Les

**SUMMARY REPORT
GOLDEN RAIN FOUNDATION BOARD OF DIRECTORS**

REPORT PREPARED BY:

Jeff Matheson, Director of Resident Services

REQUESTED ACTION:

Consider staff's recommendation to approve the schematic plans for the Fitness Center renovation project as presented in the attached report from ELS Architecture and Urban Design.

RECOMMENDATION:

Both the Fitness Center Advisory Committee and Aquatics Advisory Committee unanimously recommend the Board approve the schematic design as presented with alternates included to the extent the budget allows.

BACKGROUND:

At the January 28, 2016 meeting of the GRF Board, the Board authorized the CEO to execute an agreement with ELS Architecture and Urban Design to complete the plans for the renovation of the Del Valle Clubhouse. The Board also indicated that the design should be prepared based on an overall budget up to \$10 million including all related expenses.

ELS proposed a schedule that included the following phases:

- Completion of the schematic design phase
- Completion of the design development phase
- Completion of construction documents
- Bidding and contract award
- Construction
- Project closeout

At the conclusion of the schematic design phase and the design development phase, there is to be a presentation to the Board to provide a status report and to seek authority to continue to the next phase. ELS and their sub consultants have been working on the schematic design phase for the past few months. This work has included extensive outreach to seek input on the design. The design team has:

- Met with Fitness staff numerous times to discuss various design and programming options.
- Conducted a meeting with clubs and independent instructors.

- Made two presentations to the FCAC.
- Developed a project website to disseminate information.
- Held an open house to provide updated information to the community and to gather input and feedback.

Based on the input received and based on the program developed for the facility, ELS has prepared the attached schematic design. Sierra West Group, a professional cost estimating firm, prepared a construction cost estimate based on the attached schematic design. It should be noted that cost estimates at this stage are based on available information and are conservative in nature. Actual cost for the project will not be known until such time as construction bids are received and ultimately awarded by the Board. The Board is not being asked to approve a budget or authorize the expenditure of funds for construction at this time. The cost estimate is provided as information and as a tool to help the design team, staff and the Board to make adjustments as needed to maintain development of plans within the target budget range of up to \$10 million.

The current cost estimate for construction (hard costs) is just over \$7.6 million including escalation. This figure does not include \$450,000 for the estimated cost to reconfigure the pool pump room. Staff and the design team do not feel the design benefit for this expense yields sufficient value. The total does include the estimated cost of raising the roof, adding large bay windows, and increasing the footprint of the building. In order to maintain the overall project budget of up to \$10 million, the target budget for construction hard costs is around \$7.0 million. Staff and the design team will continue to look for value savings in the design as the construction documents are prepared. Again, actual construction costs will not be known until bids are received from general contractors.

Outdoor Pickleball Courts:

Currently the Sierra Room accommodates three indoor Pickleball courts. The schematic design reduces the size of the Sierra Room such that only two courts will be accommodated. Staff has been working with the Pickleball Club in order to evaluate opportunities for additional outdoor courts. Initially, an early option was developed to add three outdoor courts at Del Valle. The location and design of these courts yielded a cost estimate of just under \$1 million. Subsequently, staff began evaluating the option of improving the existing tennis courts at Creekside. This option could yield up to six outdoor courts. The estimated cost for this site is \$500,000. The challenge with the Creekside location is parking, needed improvements to the creek, and lack of nearby restroom facilities. The estimated cost for the Creekside courts does not include any additional parking or a restroom facility.

Further investigating options at Del Valle has yielded a preliminary option to add two courts parallel to the building in the back corner and one court added at the end of the building. This configuration limits the size of a needed retaining wall and thus reduces the estimated cost to \$300,000. By adding the courts at this location, there would be more of a complex with two indoor and three outdoor courts.

If the Board is supportive of this approach of addressing the need for Pickleball Courts, then the three court design will be added to the project plans. The estimated cost of the courts is not included in the above estimate. The courts can be included in the eventual bid package as a bid alternate.

Parking Lot and Golf Cart Parking:

Some members of the Board and community have mentioned an interest to investigate options for adding additional ADA parking stalls, eliminating curbs in the drop-off area and any path of travel, and adding golf cart parking. These items have not been included in the base plan or cost estimate. If the Board desires, these interests can be further examined in the next phase of the project and cost estimates developed. These items can be included in the eventual bid package as a bid alternate.

SUSBSEQUENT ACTION:

Based on direction from the Board, the design team will continue on to the next phase of the process. The design development phase will include further refinement of the design, the beginning of the preparation of construction plans, further development of specifications, and the initiation of the plan review process with the City. A second cost estimate will be prepared at the conclusion of the design development phase. This cost estimate will be presented to the Board at the June 30th meeting. Based on direction from the Board, the design team will then complete the development of the construction documents. A copy of the project schedule is attached.

FINANCIAL IMPACT:

The design is being prepared based on an overall budget up to \$10 million including all costs. This includes soft costs such as design fees, project management services, permit fees, fixtures, furniture and equipment, and any other consultant services that may be needed.

Actual cost for construction will not be known until such time as bids are received. At this time the Board is not being asked to approve a budget or authorize any funds for the project other than for the Project Manager, which is discussed under a separate agenda item.

ALTERNATIVES:

- The Board can approve the schematic design as recommended.
- The Board can request changes to the base schematic plan.

ATTACHMENTS:

- 1) Transmittal from ELS Architecture and Urban Design with recommended schematics design
- 2) Project Timeline



April 21, 2016

Mr. Jeff Matheson
Rossmoor Walnut Creek
Golden Rain Foundation, Director of Resident Services
800 Rockview Drive
Walnut Creek, CA 94595

SUBJECT: Schematic Design Submittal

Dear Jeff:

As a result of three months of public process, interviews and investigation, we are pleased to submit for your approval the Schematic Design for a state-of-the-art-adult fitness center at the Del Valle Complex, described in the referenced reports, drawings and cost estimate. Speaking for the entire team, the process has been thoroughly educational, enlightening and enjoyable and we look forward to the next phase with enthusiasm.

The Schematic Design achieves all of your programmatic and design goals at a cost just over \$7.6 million, including escalation to the midpoint of construction. This figure does not include \$450,000 for the estimated cost to reconfigure the pool pump room; staff and the design team do not feel the design benefit for this expense yields sufficient value. The total includes the estimated cost of raising the roof, adding large south windows, and increasing the footprint of the building. The target budget for construction hard costs is approximately \$7.0 million. Staff and the design team will continue to look for value savings in the design, as the construction documents are prepared. Actual construction costs will not be known until bids are received from general contractors.

The current design and cost estimate do not include improvements to the parking lot, the addition of golf cart parking spaces, or any expenses related to outdoor pickleball courts.

We look forward to your approval and authorization to proceed on schedule. Please let us know if you have any questions or comments.

Sincerely,

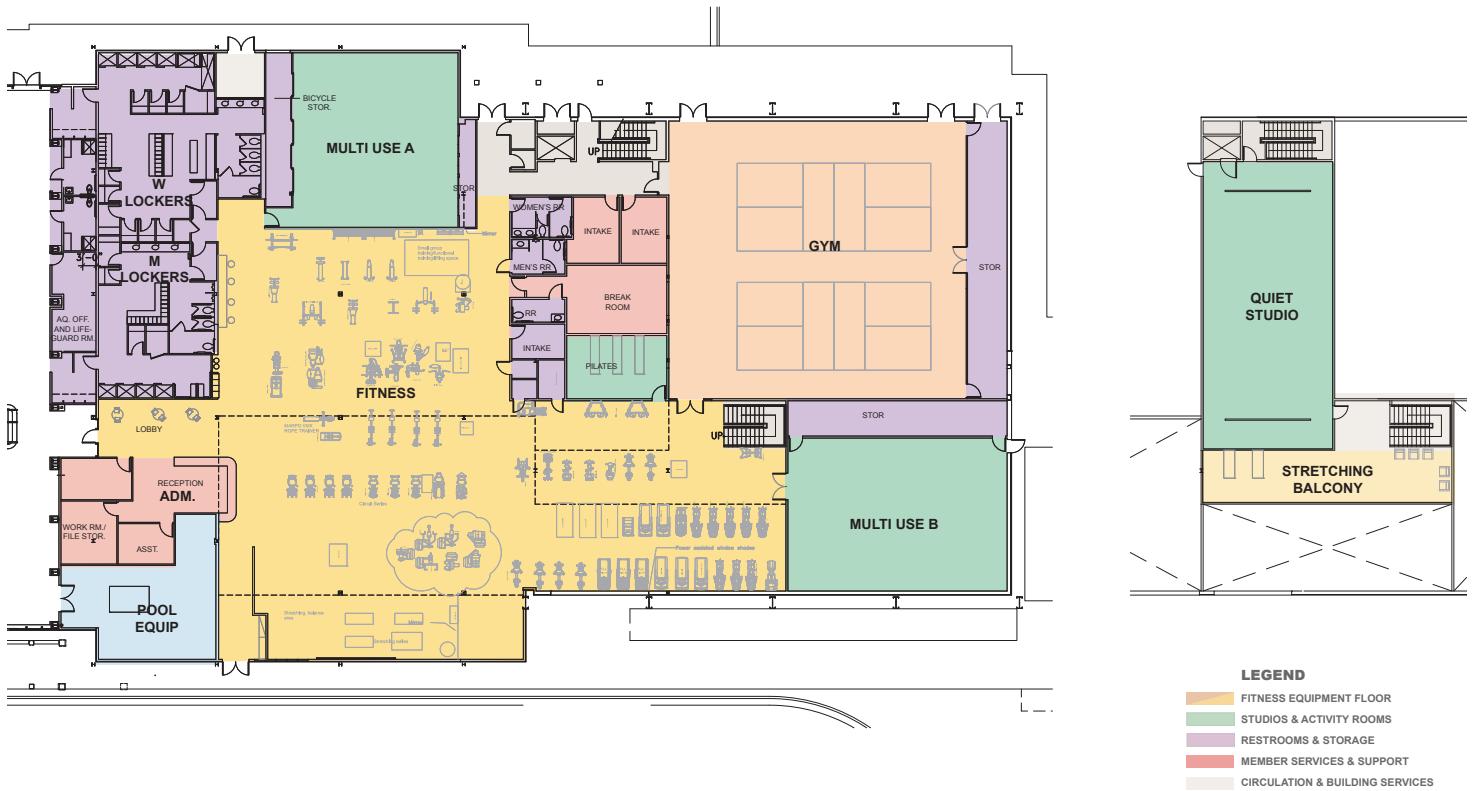
ELS Architecture and Urban Design

David Petta, FAIA
Principal

Enclosures: Key Plan and 3-D View

Referenced Documents: Schematic Design Drawings, dated April 15, 2016
Room Data Sheets
Acoustical Report
Structural Report
Pool Equipment Plan
Cost Estimate

PROPOSED PLAN



Page 70

***SUMMARY REPORT
GOLDEN RAIN FOUNDATION BOARD OF DIRECTORS***

REPORT PREPARED BY:

Jeff Matheson, Director of Resident Services

REQUESTED ACTION/ RECOMMENDATION:

Consider staff's recommendation to approve the scope of work in the attached proposal from ArcPath Project Delivery to provide Project Management/Owner's Representative services to the Golden Rain Foundation for the completion of the Del Valle Renovation Project and authorize the CEO to execute an agreement with ArcPath Project Delivery in an amount not to exceed \$172,500, which includes a 15% contingency and reimbursable expenses, to be paid from the Trust Estate Fund.

BACKGROUND:

The GRF Board of Directors previously approved a Request for Proposals (RFP) for Project Management/Owner's Representative services for the Del Valle Renovation Project. The RFP was sent to a total of six project management firms. Two proposals were received. Staff met on site with the two firms, conducted interviews of the two firms, and contacted several references. The two firms, ArchPath Project Delivery and Nova Partners, Inc., are extremely well qualified and come highly recommended by the references contacted.

After conducting interviews of the two firms, staff is recommending ArchPath for completion of the project. The recommendation is based in part on the following:

- ArchPath is a smaller firm and GRF will be receiving the services of the partner/owner of the firm, Mr. Fred Ponce.
- Mr. Ponce has extensive experience with all types of construction projects including projects that have been phased while maintaining access and ongoing operations.
- Mr. Ponce has a degree in architecture and is a licensed architect so he fully understands all aspects of the plans.
- The references contacted described Mr. Ponce as knowledgeable, detail oriented, personable, and well organized. Some comments included: "Is a team builder – expert in making sure the right people are talking...Is empathetic and sensitive to the needs of users ...Extremely professional ...Collaborates to make the 'path' clear...Never worked with someone so knowledgeable and resourceful."

ArchPath Project Delivery will join the design team during the project development phase. This will give Mr. Ponce time to study the program that has been developed and be intimately involved in the development of the construction documents and specifications. Mr. Ponce will assist with the development of the project budget focusing on the soft costs. With his experience with phased projects, Mr. Ponce will assist in the planning and coordination needed to maintain operation of the facility during construction. Mr. Ponce has extensive knowledge and experience with permitting and will be involved from the beginning in the plan review and submittal process with the City. Further, Mr. Ponce will assist in the solicitation of bids and the selection of a general contractor and any other specialty sub-contractors or consultants that may be needed.

ALTERNATIVES:

1. The Board can direct staff to seek modifications to the attached proposal.
2. The Board can decide to engage the services of Nova Partners, Inc.
3. The Board can direct staff to seek other proposals.

FINANCIAL IMPACT:

The proposal from ArchPath Project Delivery is for a time and materials agreement based on an overall not to exceed amount. Mr. Ponce has provided an estimate of the level of effort that will be required for each phase of the project. Staff is recommending a budget of \$172,500 which includes a 15% contingency and reimbursable expenses. In comparison, the proposal from Nova Partners, Inc. was for the amount of \$318,416.

ATTACHMENTS:

Proposal from ArchPath Project Delivery

ROSSMOOR WALNUT CREEK

**The Renovation of the Del Valle Complex
for**

The Golden Rain Foundation of Walnut Creek

800 Rockview Drive
Walnut Creek, California 94595

**Response to the Request for Proposal
Owner Representation and Project Management Services**

Submitted by:



580 Second Street, Suite 260
Oakland, California 94607
415-362-4662

Submitted by:
Fred D. Ponce, AIA
Principal
fred@arcpathpd.com
415-706-9623 (Cell)

April 11, 2016

OVERVIEW AND SUMMARY

From the preliminary introduction to the project, it is the prospective consultant's understanding of the following key characteristics and key considerations that will be acknowledged over the course of the project:

Key Characteristics:

- An excellent project infrastructure currently exists with the design program, initial evaluations and consultants in place.
- The Foundation has engaged an architect of renown design and quality.
- The Client and Customer encompasses many entities at Rossmoor, including the Golden Rain Foundation, the Board Members, the Facility Staff, the users of the Del Valle Complex, and all the residents of the Rossmoor community.
- The community may be comprised of active older adults, but within that population segment are different age demographics with varying needs, energy levels and opinions.
- In order to maintain activity programs for the residents, the construction project will need to be phased.

Key Considerations:

- Because this project will be phased, a different analysis needs to be conducted than would normally be done for new work, or for a project completed in a single phase.
- Due to the need for activity programs to continue through construction, plans must be drafted that involve a significant amount of programming and forecasting.
- Because of the sensitivity of the users, attention will be given to all critical components of construction including communicating changes in activity programs, circulation detours around work, and minimizing disrupting noise during classes.
- It is recognized that the residents and users of the facility pay coupons to maintain the complex, and should therefore be considered as "members".
- Privileges of membership will need to be incorporated into all aspects of the work. Although the work will undoubtedly be disruptive, the safety and concern of all users and their guests need to remain the top priority when planning the execution of the construction.

Approach:

- Construction projects are inherently complex with quality, time and cost to always be considered.
- This project has additional layers of complexity noted above including phasing of the work, sensitivity to the user demographic and the need for activity program continuity.
- A balance needs to be achieved for this type of project as not all parties will be content with critical decisions or directions needed for the work to be completed.
- The philosophy and approach that will be taken to address these key characteristics and considerations will involve these steps:
 1. Understand the problem and scope to develop a program
 2. Understand who is affected by the work, directly and indirectly
 3. Gather information from the affected parties
 4. Develop solutions to the problem, considering constraints of the users
 5. Acknowledge benefits and sacrifices / gains and losses with each solution
 6. Communicate the solutions to those affected
 7. Execute the work

The key to implementing these steps will be the effectiveness of communication between all parties and gaining consensus in order to begin the work.

Management Program

Although the Project Consultant will be expected to fulfill a number of roles in order to execute the planned tasks, the role that will be taken most often will be one of facilitator.

Over the course of the project, the Project Consultant will be charged with facilitating different groups to complete the following tasks:

- Oversee the gathering of information from Facility Staff and users to develop the Phasing Plan
- Coordinate this information to the Contractor to develop cost effective methods to implement the work, check that the information is understood and reflected in bids
- Collaborate with the design team to illustrate the phasing and related tasks so it can be properly planned and priced
- Facilitate the communication of these activities between the Contractor and Architect to the Facility Staff and Community
- Seek answers from decision making groups for issues related to phasing, cost, design and time at appropriate points of the process.

The Project Consultant will also be in a support role for Facility Staff and the Director of Resident Services:

- For presentations to the community and leadership, this support may come in the form of developing communication tools such as budgets, Power Point files or printed forms.
- When working with Owner Vendors, planning and installation of equipment may need to be coordinated between various groups. Separate contracts for different portions of the work will need to be clarified. Assistance to Facility Staff will be provided.

Staffing of these various work assignments will be primarily provided by Fred Ponce of ArcPath Project Delivery. The approach to this project is one of a single point-of-contact, with one-on-one collaboration with the Director of Resident Services.

If the project requires additional staffing due to either an increased work load of temporary duration, or because of the need to perform a specific expertise, ArcPath Project Delivery can bring additional consultants to the project on an as-needed basis

Summary and Passion for the Work

The renovation and expansion of the Del Valle Complex is more than a typical project. The research and planning needed for a phased project adds a challenging dimension of complexity. It would be easy to approach the work if it were only a regular construction project with simple tasks.

However, it is the users of the facility and the residents of the community that provide a welcome and exciting aspect to the work. It is rare that a construction project directly affects a particular demographic in the manner that this one will.

There is an opportunity to involve a sincere sensitivity to the development of the Work Plan and the execution of the construction phases that will have a positive effect on the lives of the residents. Care will be taken to build the project efficiently, but a different type of care will be taken to ensure the well-being and continuity of activities for this unique community.



April 11, 2016

Mr. Jeffrey Matheson
Director of Resident Services
Golden Rain Foundation
Rossmoor Walnut Creek
800 Rockview Drive
Walnut Creek, CA 94595

Request for Proposal Response
Del Valle Complex Renovation
Walnut Creek, California

Dear Jeff:

Thank you for providing me with the opportunity to respond to your Request For Proposal. The project not only appears to be exciting and challenging, but the projected Scope of Services are tasks that I have become very familiar with over my professional career, and mainly during the 23 years I have owned ArcPath Project Delivery.

This submittal includes the requested documentation listed in the *Proposal Format and Content* section of the RFP.

Per the requirements, I am hereby confirming that the components of this submittal and fee proposal will remain valid for a period of ninety (90) days. An extension of the terms can be mutually agreeable upon notification and discussion.

I hope you find my approach to the project and Work Plan sequencing to be consistent with the type of candidate you are seeking.

I appreciate the time and consideration you have extended to me during the response period. I look forward to speaking with you soon. Should you need any additional clarifications to these documents, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Fred D. Ponce". The signature is fluid and cursive.

Fred D. Ponce, AIA
Principal
ArcPath Project Delivery, Inc.

THE PROJECT WORK PLAN

Renovation projects require a clear understanding of these concepts:

- What is there now – What do you have?
- What needs to stay and what can go?
- For the programs that need to continue, where will they go?
- Before relocations occur, sometimes the area receiving the relocated program needs to be prepared to receive it.
- Efficiency is paramount – demolition of new construction in a later phase should be avoided.

The following Project Work Plan elements describe the anticipated steps that will be needed over the course of the project. As presented in this document, these steps may occur in linear fashion (one after the other), while others may occur in parallel (two or more steps occurring simultaneously).

INITIAL INVOLVEMENT BY THE CONSULTANT:

Understanding the Current Project Status

1. Gain an understanding of the organization, team members, relationships:
 - Board Members of the GRF
 - Facility Staff
 - Residents
 - Design Team (ELS Architecture and Design Consultants)
 - Other Client Consultants (Sports Management Group)

Understanding the Existing Conditions and the Future of the Facility

1. Gain an understanding of the design – both existing and future/final
 - Conduct a review of the existing facility
 - Review previous facility assessment documents to understand the architectural and engineering analysis for current status and future needs to be addressed by the new design.
2. Gain an understanding of the Facility Programs
 - What is the full listing of activity programs/classes that will be affected by the project?
 - When do these activities occur?
 - Where do they occur? Are there elements of the activity that must be maintained? (Such as providing proper space for pickleball courts).
 - Are there any constraints of the organization that must be accommodated?
For example: Maintaining staffing levels or providing key services that might be affected or reduced during construction.

Phasing of the Work

1. Gain an understanding of the Current Proposed Phasing Plan
 - Meet with Facility staff to review existing programs and analyze the effect that phasing and construction may have on the continuity of these activity programs.
 - Understand the existing design – including utilities, key items such as power, HVAC and integrate the layout of the systems into the phasing.
 - Will any spaces lose utility service (power, HVAC) during phasing transition?
 - Understand the final design and final facility programming – do all of the projected activity programs "have a place" in the final design?

DEVELOPMENT OF THE PROJECT WORK PLAN

Once there is a clear understanding of what exists, and where the project needs to go, the Project Work Plan can be designed.

The Project Work Plan sequences the construction and renovation work in a manner that minimizes disruption to the users, maintains the continuity of essential programs and operations while transitioning from existing to new in the most efficient and cost effective manner.

REFINING THE PHASING PLAN: DESIGN AND COST

Check the proposed transitions with established programs

1. Review the shifting of programs with Facility Staff:
 - What programs are affected in each Phase?
 - What are potential displacements?
 - Identify areas that will receive displaced activities.
 - Review each program as each phase is started, completed and transitioned.

Check the proposed transitions with Building and Utility Services

1. Review the shifting of programs with Facility and Maintenance Staff:
 - In areas that will be demolished, will any services need to be maintained to keep unaffected areas usable?
 - Are any circulation patterns affected?
 - Is code required exiting maintained? What is the effect on life/safety elements?
 - Will any temporary services be needed during cut-over from old to new?
 - Construction access – how is staging and storage handled? How effectively can it be separated from ongoing programs?

Develop a Preliminary Cost Estimate

1. Encourage the Utilization of a General Contractor for Pre-Construction Services
 - Once the Phasing Plan has been refined and transitions are acceptable, engage with a General Contractor for Means and Methods expertise.
 - Develop a Scope listing the different tasks needed to execute the Phasing Plan.
2. Coordinate a preliminary overall Cost Estimate with the General Contractor
 - Along with Phasing Plan, work with the General Contractor to begin the coordination of all appropriated categories and costs for a preliminary level cost estimate.
3. Review the Refined Phasing Plan with the Architect
 - Upon obtaining input from the Facility Staff and Contractor, review the Phasing Plan elements with the Architect and related project consultants.
 - Determine the effect of phasing transitions on the design.
 - Incorporate the phasing strategy into the project construction documents.
 - Develop graphic conventions that are easily understandable so all elements of the Phasing Plan can be priced properly under competitive bid scenarios.

ACCEPTANCE OF THE PROJECT WORK PLAN

A properly planned Project Work Plan will satisfy these constraints to an optimum level:

- Existing programs are continued to be offered without interruption.
- Construction is efficient because the scope of work is well documented by the design team.
- Costs are held in check because of unforeseen conditions are minimized.
- Although Community leadership may change over the course of the project, understanding of the work is maintained through board member transitions because the Work Plan is executed as expected.

The plan will likely not satisfy all needs, and sacrifices will be required by different parties affected by the work. A successful balance can be achieved by communicating the Work Plan to all parties so all can understand the benefits received and sacrifices requested.

The more balanced and transparent the work is perceived to be, the more likely that cooperation will be received by the users. The effective execution of these characteristics will often result in a higher degree of a success.

The Project Work Plan must be communicated to all parties and stakeholders affected by the work. Tools to communicate this effort may include Phasing Plans, Schedules and Budgets.

Presentation of the Project Work Plan

1. The Work Plan, Refined Phasing Plan, Preliminary Budget and Schedule are Reviewed
 - After gathering the information received from the mapping of facility programs, the refinement of the Phasing Plan, the verification of transitions, the estimation of the costs and the inclusion of the Phasing elements into the design, the Project Work Plan will be ready for approval by appropriate parties.
 - Communication of these items will be conducted through previously established methods, including Board Meetings, public presentations or website dissemination.

Approval of the Project Work Plan

1. The Project Implementation Strategy is Approved
 - Upon receiving feedback from the various stakeholders, the Project Work Plan is revised accordingly.
 - Once consensus is achieved from appropriate parties, the project may move forward and the continuation of architectural and engineering design.

DEVELOPMENT OF THE CONSTRUCTION DOCUMENTS

1. ELS Architecture Continues with Design Development
 - Once the Phasing Plan is finalized, the design team will know how to approach the composition of the Construction Documents.
 - It is understood that some key Design Development elements may be resolved during the phasing analysis and preliminary cost estimation step. Additional design refinement may be needed in order to resolve questions of timing and sequence.
 - Upon confirming the overall project design status, the design team will execute the completion of the design development package, including refinement of details and finishes, leading towards the production of a full construction document package.
2. ELS and Consultants Continue with Construction Documents
 - As their work progresses, the Consultant will review the documents at 50% and 90% completion levels. Detail is provided in other sections of this Work Plan.

INTEGRATION OF THE OWNER'S FIXTURES, FURNISHINGS AND EQUIPMENT

Analyzing the entire project, determine items provided by parties other than the General Contractor or Architect of Record.

1. Review the project requirements with Sports Management Group and Facility Staff
 - Identify any gaps in the overall scope of work.
 - Check for the provision of Fitness Equipment, determine existing to remain and new to be purchased.
 - Develop request for proposals and scopes of work for required vendors.
 - Review the phasing plan and determine any additional vendors needed such as movers, information technology or other consultants / suppliers.

DEVELOPMENT OF TOTAL PROJECT BUDGET WITH DRAWING REVIEW

Upon finalizing the Phasing Plan and determining the different Owner Vendors needed for full execution of the project, a Total Project Budget can be developed. These costs will be categorized with the General Contractor's cost for the project, as well as project related "soft costs".

1. Conduct reviews of the ELS Construction Documents at 50%
 - At 50% completion, review the Construction Document package for general overall conformance with the project Phasing Plan.
 - Coordinate design with General Contractor selected to provide pre-construction services.
 - Conduct Value Engineering phase as necessary.
2. Conduct reviews of the ELS Construction Documents at 90%
 - At 90% completion, review the Construction Document package for constructability, consultant coordination and incorporation of Value Engineering ideas.
 - Coordinate a project "Hard Cost" Construction budget.
3. Incorporate Owner Vendors and "Soft Cost" line items into the Total Project Budget
 - Refine the preliminary Project Budget originally developed during the Phasing Plan analysis.
 - Provide a full summation to project team members and Community Leadership.

DISCUSSION OF BIDDING STRATEGY

Collaborate with Community Leadership and project staff to discuss and review potential Project Delivery Bidding methods. Consideration should be taken if a single General Contractor will be hired to provide Pre-Construction Services and Pricing.

1. Review pros and cons of different bid strategies
 - Full multiple General Contractor competitive bid
 - Negotiated General Contractor with competitively bid subcontractors
 - Guaranteed Maximum Price contract
 - Cost Plus Fee contract
2. Obtain approval by Community Leadership for the direction to take in bidding the work.
 - If a Full Multiple General Contractor competitive bid strategy is selected, coordinate Bid Documents and Instructions to Bidders accordingly.

BIDDING

Upon completion of the Construction Document package, and during the Building Permit Review and Plan Check process, execute the Bid Strategy selected by Community Leadership.

1. Depending on the strategy chosen, bid coordination may include:
 - Full Multiple Bid: Coordination of Bid Documents, contractor walk-throughs of the project, development of timeline for bidding, establishment of General Contractor form of contract.
 - Negotiated General Contractor: Negotiation of fee, fees for Change Orders, coordination of multiple subcontractor bidding, development of cost reporting and tracking models.
 - Determine effect of phasing on construction pricing. Manage potential for cost changes due to phasing and unforeseen conditions. Develop allowance amounts or unit pricing controls for unknown elements.
 - Collaborate with design team to provide documents for bidders. Track and answer Requests for Information during the bidding phase. Coordinate the issuance of addendums. Ensure equal distribution of information to all bidders for fair pricing.

PREPARATION OF STAFF AND USERS FOR PHASE TRANSITIONS

Before construction is projected to commence, Consultant will coordinate a detailed analysis of the Phasing Plan with Facility Staff to communicate program changes to facility users.

1. Determine programs and areas to be affected for the particular construction phase
 - Announce changes to users
 - Coordinate with General Contractor on expected durations for the work.
 - Work with the General Contractor and Facility Staff to develop a Disruption Plan that will outline expected noise, circulation changes and any effects on the activity program.
 - Communicate the Disruption Plan to Community Leadership and activity program participants so expectations can be set.
 - Upon completion of the Work, collaborate with Facility Staff to transition into newly constructed spaces.

CONSTRUCTION – PHASE I

Once the Facility Staff has prepared the users and activity program participants for the start of construction, and transitions have been completed, the Work may commence.

1. Monitor the progress of the Work over the course of the projected schedule
 - Review progress through Owner-Architect-Contractor (OAC) meetings.
 - Identify and resolve issues as they occur.
 - Check on compliance with elements of the Disruption Plan.
 - Verify completion progress for validation of periodic Progress Billings.
 - Work with Contractor, Architect and Building Inspector for consensus on issuance of Occupancy Permits for phased construction. Verify all life-safety systems that are needed in order for the building inspector to grant occupancy.

CONSTRUCTION – SUCCESSIVE PHASES

Upon the completion of each phase, facilitate a "Lessons Learned" post-occupancy evaluation to determine changes and refinements needed in the phasing transition process.

1. Prior to the start of planning the transition requirements of the successive phase, review the sequencing and modify as required.
 - Check if needed adjustments affect construction means or methods.
 - Adjust time frames and costs as needed, and modify schedule and budgets accordingly.

MOVE-IN AND COMMISSIONING

Prior to the completion of the first phase, coordinate with the Contractor and Design Team for partial close out procedures, including Commissioning of equipment and Warranty start dates.

1. Obtain agreements with General Contractor and subcontractor for start-up and commissioning for equipment such as new HVAC units.
 - For time sensitive warranties, establish protocols for agreements on start dates for equipment installed in phases.
 - Gain consensus on any additional costs for multiple mobilizations required for partial start-up or commissioning/training for new equipment.
2. Upon completion of General Contractor work, coordinate the work of Owner Vendors
 - Tasks or equipment identified during the Owner Vendor portion of the Work Plan are to be included in the overall Project Schedule so the installation is sequenced properly at the completion of the General Contractor's work.
 - Collaborate with Facility Staff and Vendors to plan all necessary tasks and integrate ordering, delivery, staging and installation with construction work.

CLOSE-OUT

Upon final completion of the last phase, review all processes and procedures with the project team to define all items needed before the work is deemed fully complete.

1. For General Contractors:
 - Verify that Punch List items are complete.
 - Project Accounting: Check that General Contractor and subcontractor lien releases are in place prior to release of final retention.
 - Record Drawings: Check that all as-built conditions and project changes are properly documented and turned over to Facility Staff for future records.
 - Surplus Materials: Accommodate any additional materials (paint, flooring) with Facility Staff for future spot repairs.
 - Warranties and Documents: Check that all completed permits, warranties, manuals and documents such as Notices of Substantial Completion and / or Notice of Completion are properly completed and filed.
2. For Design Team:
 - The architect is to check that the Contractor has properly documented project design changes in the Record Drawings/As-Built set.
 - Design Engineers have reviewed and accepted all documents relating to Title 24 compliance.
 - Any special inspections are clear and any non-conforming tests are resolved.
3. For Facility Staff:
 - Organize and review all record documentation with Community Leadership and Facility Staff.
 - Obtain consensus that all files are in proper order before determining the project is complete.

FRED D. PONCE, AIA

Professional Experience

ArcPATH Project Delivery, Inc.: 2001-Present

(Former Name) Schwager Ponce Project Delivery, Inc.: 1993-2001

Safeway Stores and Retail Shops – Various Northern California locations; Activities include:

- **Neighborhood Liaison:** Fostered communications between residential neighborhoods, private businesses and construction project team to minimize disruption and gain support.
- **Tenant Improvement Coordinator:** Provided Owner representation for retail buildouts in Safeway-owned shopping centers. Coordinated all relevant tenant improvement tasks.
- **Permit Coordination:** Acted as Safeway representative for the submission of City Planning and Building Permit applications. Coordinated exhibits, communicated with City staff to gain approvals. Assisted construction team with updates to permitted sets.

Eclipse at Dublin Station – Dublin, CA; Comprehensive owner representation for the coordination of tenants and oversight of Landlord work in the commercial level of a mixed-use building. Tasks included budget review, Architect and Contractor collaboration, City Planning and Building Dept. permit approvals, staging and disruption planning with Property Manager.

Kaiser Permanente, South Bay – San Jose, CA; Project management services for Kaiser Facilities Department for the renovation of two wings of an occupied hospital. Phased project that involved close coordination with maintenance group and nursing staff for the safe relocation of patients during construction. Created strong partnering with project team.

Cournale and Company – San Francisco, CA; Owner Representation services for the full interior and exterior remodel of a family-owned Real Estate office on Geary Boulevard. Worked closely with construction team and staff to program multiple moves during renovation.

Mill Valley Community Center – Mill Valley, CA; Comprehensive project management services for a 44,000 square foot facility including extensive governmental processing, budget validation and construction phasing. Public project required extensive care with bidding. Facility consists of an indoor pool, fitness center, meeting rooms and offices.

Oceanview Village – San Francisco, CA; Owner representative for a mixed-use project containing 450 units of housing over retail and commercial tenants. Key project included the full buildout of a Bally Total Fitness health club facility (now 24 Hour Fitness) consisting of fitness machines, pool/spa, locker rooms, spin cycles, free weight area and staff offices.

Various Projects as Owner Representative – Specialized tasks performed include:

- Total Project Budget development, forecasting and monitoring of Hard and Soft costs
- Schedule planning for overall project, integrating schedules of contractor and design team
- Coordination of Owner responsibilities including utilities, vendors, special contracts
- Construction Administration: Review of construction, change orders, progress billings

SGPA Architecture and Planning: 1989-1993

Served as the firm's Construction Administrator (San Francisco office) prior to establishing Schwager/Ponce Project Delivery in 1993.

Professional Registration
Registered Architect, California
C - 18489

Education
Bachelor of Arts, Architecture - University of California, Berkeley
Master of Architecture - University of California, Berkeley

LIST OF RELEVANT PROJECTS

Mill Valley Community Center

180 Camino Alto

Mill Valley, California

This project most closely mirrors the Del Valle Complex renovation.

The facility contains an indoor pool with associated locker rooms, fitness center, offices, small meeting rooms and a large Community Hall capable of large events or programs.

Full owner representation services were provided, including program management, budgeting, design and bid coordination, construction oversight and commissioning for City Parks and Recreation staff.

Bally Total Fitness (currently 24 Hour Fitness)

3951 Alemany Boulevard

San Francisco, California

This project is similar to the Del Valle renovation as a building type. Being a member based health club, this project also consists of fitness machines, spa area, group exercise and locker rooms. Tasks transitioned from representing the landlord to working with the tenant on the completion of the interior improvements through commissioning and Grand Opening.

Kaiser Permanente, San Jose Medical Center

250 Hospital Parkway

San Jose, California

Although a different building type than the Del Valle Renovation, this project is similar as it involved the close coordination of occupants and staff through multiple construction phases. Due to funding requirements, this project consisted of renovating two wings of the hospital building in 4 months. This required intensive planning with facility staff, designers and contractors to maintain safety and minimize disruption during the entire construction process. Phasing of the work required a thorough analysis of systems and nursing/patient needs for each transition of one phase to the next.

Safeway Grocery and Retail Shops

Menlo Park, Burlingame, Pleasanton, Oakland

Other sites throughout Northern California

Many tasks for the coordination of retail tenants match the projected duties expected for the Del Valle renovation. Project management responsibilities include being the main point of contact for the overall process and direction, but they also involve being in a support role for other members of the team in providing communication updates and tools for reports to management.

Eclipse at Dublin Station

5300 Iron Horse Parkway

Dublin, California

This project closely represents the role of Advisor to the Client's Representative. At Dublin Station, the project scope involved the installation of commercial tenants in a mixed-use complex lacking in basic infrastructure. Budget reporting was important to show how costs were allocated between base building and tenant work. At Del Valle, this could be an important process showing clear distinctions of hard and soft cost categories, or facility capital costs vs. operations and maintenance.

Cournale and Company Real Estate Offices

4630 Geary Boulevard

San Francisco, California

Similar to the Kaiser Permanente project, this renovation required very detailed planning of phased construction. It was critical for staff to remain operational throughout the process with minimal down time. Planning involved documenting existing equipment inventories, building temporary spaces to be occupied, moving staff, completing new work, and transitioning to final positions.

CLIENT REFERENCES

Kazumi Komar

Safeway, Inc. / Property Development Centers (real estate division of Safeway)

Currently with Swinerton Builders

(415) 421-2980 Office

(415) 672-5271 Cell

kkomar@swinerton.com

Projects and tasks:

Safeway shop coordination: Owner representation during construction, disruption planning

Dorie Dana

Colliers International Property Management

(925) 279-5596 Office

(925) 337-6493 Cell

dorie.dana@colliers.com

Projects and tasks:

Various retail shops: Construction coordination, technical expertise for construction matters

Jackson Lapin

Invesco Real Estate

(415) 445-3380 Office

(408) 505-4779 Cell

jackson.lapin@invesco.com

Projects and tasks:

Eclipse at Dublin Station: Full service Owner representation, budgets, construction administration, user/tenant interface and communications, permit coordination

Micah Bycel

Metrovation Development – San Francisco, California

(415) 828-0614 Cell

micah@metrovation.com

Projects and tasks:

2000 Bascom Avenue Building, Campbell, CA:

Design and Construction technical expertise, construction process oversight

Mark Patrosso

Kaiser Permanente – San Jose, California

(408) 972-3580 Office

(408) 595-4227 Cell

mark.patrosso@kp.org

Projects and tasks:

San Jose Medical Center, Hospital renovation – Oncology, Orthopedics, Maternity:

Phasing, disruption planning, coordination of users during transitions

Ed Fernandez

Ed Fernandez Architects

(510) 444-2288 Office

(510) 326-9163 Cell

efaoak1@aol.com

Projects and tasks:

Cournale and Company office renovation: Owner representation services, phasing and transition programming with staff



FEE PROPOSAL
Del Valle Complex Renovation
Rossmoor Walnut Creek
April 18, 2016

The following proposal has been structured in multiple phases to provide a clear analysis of project management involvement and fee disbursements over the course of the project.

Exact tasks and details for the work are not known at this stage of the project. For the purposes of this proposal, tasks have been split into well-defined phases with a prediction of involvement levels and time durations. These phases can be cross-coordinated with categories presented in the Project Work Plan document, which is included in the *Request For Proposal* response previously submitted for review.

Time frames and expected involvement levels may change once the project is fully analyzed and a final Project Work Plan is developed and approved.

Phase I – Project Orientation / Initial Involvement

- Anticipated Tasks:
 - Learning/understanding the organization, staff and users, programs, building systems
- Projected Duration:
 - May 2 to May 20 / Three weeks
- Expected Involvement:
 - 16 hours per week, or 48 hours
- Proposed Fee:
 - \$7,200.00

Phase II – Development and Approval of the Project Work Plan

- Anticipated Tasks:
 - Plan transitions with Activity Program Manager, Develop Preliminary Budget and Documents for final presentation and acceptance by Board of Directors
- Projected Duration:
 - May 23 to June 10 / Three weeks
- Expected Involvement:
 - 12 hours per week, or 36 hours
- Proposed Fee:
 - \$5,400.00

Phase III – Construction Document Development, Budget Refinement, User Transition Planning

- Anticipated Tasks:
 - Coordination with Architect, drawing reviews, interface with Owner vendors (Sports Management Group), Hard and Soft Cost budget development
- Projected Duration:
 - June 13 to September 9 / Thirteen weeks
- Expected Involvement:
 - 14 hours per week, or 182 hours
- Proposed Fee:
 - \$27,300.00

Phase IV – Bidding and Permitting

- Anticipated Tasks:
 - Decision on Bid Method, Development of Bid Documents, Permit coordination with City of Walnut Creek, Bidding of Project (whether multiple GC or negotiated with multiple subcontractor bidding).
- Projected Duration:
 - September 12 to December 30 / Sixteen weeks
- Expected Involvement:
 - 10 hours per week, or 160 hours
- Proposed Fee:
 - \$24,000.00

Phase V – Phased Construction, User Turnover, Project Close-Out

- Anticipated Tasks:
 - Coordination with Activity Manager on program moves, monitoring of construction, facilitating communications with project team.
- Projected Duration:
 - January 3, 2017 to November 3, 2017 / Forty-four weeks
- Expected Involvement:
 - 13 hours per week, or 572 hours
- Proposed Fee:
 - \$85,800.00

PROJECT MANAGEMENT FEE SUMMARY

Phase I:	\$ 7,200.00
Phase II:	\$ 5,400.00
Phase III:	\$ 27,300.00
Phase IV:	\$ 24,000.00
Phase V:	\$ 85,800.00

Total: \$ 149,700.00
or \$ 150,000.00

It is suggested that due to the current status of the project, and the high degree of potential changes to the time durations for tasks, a contingency factor should be included for budgeting purposes.

Once the Project Work Plan is developed and approved, tasks and associated durations can be predicted with more accuracy.

SUMMARY REPORT
GOLDEN RAIN FOUNDATION BOARD OF DIRECTORS

REPORT PREPARED BY:

Dennis Bell, Public Safety Manager

REQUESTED ACTION/RECOMMENDATION:

Consider approving and authorizing a Request for Proposal (RFP) for a traffic/pedestrian safety study in Rossmoor.

BACKGROUND:

Traffic safety and finding ways to make improvements has always been on the forefront of resident concerns. While changes have been made to address safety issues, there has not been a comprehensive study of the traffic issues that Rossmoor drivers face.

As its top priority goal for 2013-2014, the Board wanted to “retain a traffic consultant to prepare an analysis and make recommendations to improve traffic/pedestrian safety.” However, in March 2014 after approving a request for proposal (RFP), the Board chose not to proceed with a contract for a traffic consultant. Since that time, traffic and pedestrian safety issues continue to be among the most prevalent issues concerning Rossmoor residents.

Although reported traffic/pedestrian accident statistics, both injury and non-injury, are not out of proportion with overall statistics for the City of Walnut Creek, community residents report concern about particular physical roadway conditions, driver behavior issues, and a high degree of “near miss” situations.

Residents regularly share with staff their ideas and suggestions on how to improve safety. Implementing these suggestions without an overall understanding of traffic flow may not result in best practices for traffic/pedestrian safety. In order to ensure traffic/pedestrian safety is addressed valley-wide, staff recommends the use of a traffic engineering consulting firm. A traffic consulting firm will be able to provide a comprehensive study of the traffic and pedestrian flow patterns and will make recommendations on changes to enhance both driver and pedestrian safety.

Staff has prepared a request for proposal (RFP) to solicit proposals from traffic engineering consultant firms to conduct an evaluation and make recommendations (see RFP, Attachment 1).

As is evident in the RFP, the request focuses on the physical roadways including configuration, dimensions, striping, signage, etc. however, the consultant will also be

asked to make recommendations regarding programs, activities, policies etc., to address driver/pedestrian behavior.

Staff discussed the scope of work as defined in the RFP with the City of Walnut Creek Traffic Engineer. The Traffic Engineer supports the scope of work and said that the City will cooperate and assist in the study.

ALTERNATIVES AND OPTIONS:

- Do not proceed with the RFP.
- Suggest revisions to the RFP.
- Approve staff to proceed with the RFP.

SUBSEQUENT ACTIONS:

The RFP will be issued in early May 2016. Proposals will be received, reviewed, and a recommendation made to the Board at the July 28, 2016, Board meeting.

FINANCIAL IMPACT:

None at this time.

ATTACHMENTS:

- 1) Request for Proposal

Attachment 1



REQUEST FOR PROPOSAL
FOR PROFESSIONAL TRAFFIC ENGINEERING
CONSULTING SERVICES IN CONJUNCTION WITH
PREPARATION OF A VEHICLE/PEDESTRIAN SAFETY ANALYSIS
FOR THE GOLDEN RAIN FOUNDATION-ROSSMOOR

Issue Date: May 2, 2016
Submission Date: May 27, 2016

Golden Rain Foundation
1001 Golden Rain Road
Walnut Creek, CA 94595

Dennis Bell
Public Safety Manager
(925) 988-7611

dbell@rossmoor.com
www.Rossmoor.com

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1. INTRODUCTION

Rossmoor, Walnut Creek, California, is a retirement community of approximately 6,700 dwelling units (coops, condos, and single family homes) with approximately 9,500 residents. In 2015 the average age of residents was 77. The Golden Rain Foundation (GRF) and its Board of Directors and 18 common interest developments and their Boards of Directors provide the governing structure of Rossmoor.

The Golden Rain Foundation of Walnut Creek is a nonprofit mutual benefit corporation formed for the purpose of providing services and community facilities to the Mutuals (aka homeowners associations) which comprise the Rossmoor community.

The Golden Rain Foundation holds in trust; acquires, builds, maintains, and operates; property, facilities, and infrastructure for the common benefit of the Mutuals which comprise Rossmoor. The holdings include natural and landscaped open space, small parks, two golf courses, five clubhouse complexes, three swimming pool complexes, administrative and maintenance buildings, the street network, and miscellaneous buildings and infrastructure.

The Golden Rain Foundation employs administrative, financial, legal, executive support, and human resource personnel to manage its operation. It also has other employees and contract staff who provide an array of services and programs to residents of Rossmoor: public safety; leisure, recreation, and sports activities; bus service, and who maintain its landscaping and facilities.

The Golden Rain Foundation has created an operating division, Mutual Operations, which provides property management/maintenance services to Rossmoor Mutuals on a contract basis. The Mutual Operations Division provides administrative, financial and maintenance services directly or through contractors to all but one of the Mutuals.

SCOPE OF THE WORK

Although reported traffic accident statistics, both non-injury and injury, are not out of proportion with overall statistics for the City of Walnut Creek, community residents report concern about particular physical roadway conditions, driver behavior issues, and a high degree of “near miss” situations.

The consultant needs to be able to:

Evaluate the street system design, intersections (streets and entry driveways), signage/markings, speed, pedestrian accommodations, etc., and when necessary identify solutions e.g., addition of medians, restriping, lighting, signage, traffic calming modifications, etc., to improve traffic and pedestrian safety, traffic flow and pedestrian safety/travel/accessibility for our senior community. The following locations will be evaluated and reported on in the study:

1. The primary study area will include the following arterial roadways:
 - Rossmoor Parkway
 - Tice Creek Drive

- Golden Rain Road to Upper Golden Rain Road Entry 9
 - Stanley Dollar Drive between Rossmoor Parkway and Entry 2 on Stanley Dollar Drive
2. Evaluate GRF parking lots and where necessary identify solutions to improve traffic and pedestrian safety, ingress/egress, traffic flow and pedestrian crossings at the following locations:
- Gateway Clubhouse (front, side and rear parking areas)
 - Waterford parking lot on Golden Rain Road across from Gateway
 - Creekside Clubhouse
 - Event Center
 - Dollar Clubhouse
 - Buckeye Grove
 - Hillside Clubhouse
 - Del Valle Clubhouse
3. Evaluate the two golf cart crossings on Rossmoor Parkway between entries 1 and 2, the one at the Rossmoor Parkway Tice Creek Drive intersection and the one on Stanley Dollar Drive near the Event Center and the Creekside Clubhouse.
4. In addition to the evaluation of the arterial roads identified above, a secondary study area will include surveys of all other roadways within Rossmoor and where necessary identify solutions to improve pedestrian and traffic safety.
5. In addition to evaluating the physical traffic/pedestrian environment the consultant is asked to make recommendations regarding programs, activities, policies, etc., to address driver/pedestrian behavior, senior drivers/pedestrians, physically challenged drivers/pedestrians, etc.
6. Be available to begin work in *August 2016*.

DELIVERABLES AND MEETINGS

Deliverables*:

1. Preliminary draft report of findings and recommendations, including priority implementation, phasing and cost estimates.
2. Revised draft report of findings and recommendations.
3. Final report of findings and recommendations.

* All deliverables are to be in electronic form compatible with GRF software and include one original “camera ready” hard copy.

Meetings*:

1. Kick off meeting with GRF Staff. 2 hours
2. Progress meetings with GRF Staff. 2 @ 1 hour
3. Meeting with City of Walnut Creek Traffic Engineer. 1 hour
4. Meeting with City of Walnut Creek Police Department. 1 hour
5. Meeting with GRF Staff review preliminary draft report. 1 @ 2 hours; 1 @ 1 hour

6. Presentation of final report to the GRF Board. 1 hour

* Does not include advance preparation or meeting summary preparation time.

QUALIFICATIONS AND EXPERIENCE OF THE CONSULTANT FIRM/PROJECT STAFF

The GRF will consider such factors as the firm's:

1. Grasp of the project.
2. Experience of the firm in evaluating traffic/pedestrian safety in retirement and/or communities similar in size to Rossmoor.
3. Experience addressing issues of senior driver/pedestrian behaviors.
4. Level, experience, education and qualifications of key staff assigned to the project.
5. Samples of previously prepared evaluations.
6. References.

BASIS OF SELECTION AND EVALUATION

The GRF staff will review all submitted proposals. Staff will submit to the GRF Board its recommendation for contract approval.

Evaluation criteria will include but not be limited to:

1. Qualifications and experience as noted above.
2. Demonstrated capacity to present recommendations in writing and in person.
3. Cost.
4. Ability to commence and complete the assignment in a timely manner.

PROPOSAL FORMAT AND CONTENT

Proposals should be concise, specific, and focused.

To make proposals comparable and to facilitate review, the following outline should be followed:

1. Title Page – RFP subject, firm's name, address, phone number, email, contact person, and submittal date.
2. Transmittal letter signed by an official of the firm authorized to bind the firm, and containing a statement that the proposal is a firm offer for at least ninety (90) days.

3. Overview and Summary – this section needs to demonstrate clearly the consultant’s understanding of the work and approach to be taken, and should include but not be limited to the following:
 - a. Purpose of the study.
 - b. Organization of the study effort.
 - c. Summary of the proposed approach.
4. Detailed Work Plan – this section should include the following:
 - a. A specific work description (tasks, subtasks) to show a clear understanding of the work and approach.
 - b. Schedule: a timeline of the tasks and important milestones.
 - c. Level of effort: anticipated level of effort in person hours by task.
5. Management Program – this section should describe the consultant’s approach to the management of the work and describe the following:
 - a. Organization: how will work assignments be structured?
 - b. Staffing: name of key personnel with resumes included in the proposal appendix.
6. Form Agreement – This section should include any concerns related to the GRF form agreement.
7. Cost Proposal – in a separate section, enclosed in a sealed envelope marked “Cost Proposal”, to include a full description of the expected expenditure of funds for the assignment.
 - a. Task Budget: break-down of expenses by task by person.
 - b. Billing Rate break down: billing rates broken down to identify direct labor, overhead, fees, etc.
 - c. Manner of payment.

PRELIMINARY SCHEDULE AND SUBMITTAL REQUIREMENTS

2016

- May 2** RFP issued to pre-selected firms
- May 27** Responses due to:
 Dennis Bell, Public Safety Manager
 c/o Golden Rain Foundation
 800 Rockview Drive
 Walnut Creek, CA 94595

One original and 3 copies of the Proposal plus any supplemental material must be received by the GRF by ***Friday, May 27, 2016***. Emails and Faxes will not be accepted.

May 31 GRF begins evaluations

June 28 Recommendation of consultant considered by the GRF Board for approval

August 1 Commence work

GENERAL CONDITIONS

1. Limitations – This RFP does not commit the GRF to award a contract, to pay any costs incurred in the preparation of the proposals in response to this request, or to procure or contract for services.
2. Award – Finalists will be invited to participate in interviews with the GRF. One or more finalists may be invited to participate in negotiations and be asked to submit technical or other revisions to their proposals as may result from negotiations.
3. Contract Agreement – The consultant is expected to execute a contract similar to standard consultant agreements typical for this type of RFP (copy Included as Attachment c).
4. Equal Opportunity – In connection with proposals pursuant to this RFP it is agreed that the consultant shall not, on the ground of race, religious creed, color, national origin, age, ancestry, physical handicap, medical condition, marital status, or sex, discriminate or permit discrimination against any employee, person or group of persons in any manner prohibited by Federal, State or local law.
5. Contact – Consultant should refrain from contacting other GRF staff members, residents, or members of the GRF Board without prior coordination with the staff liaison, Dennis Bell.
6. Project Budget – No budget amount has been established.
7. Assistance for the effort will be provided by GRF staff with primary coordination responsibility assigned to Dennis Bell, Public Safety Manager.
8. Questions – Consultant questions shall be in writing and be directed to Dennis Bell at dbell@rossmoor.com.

Attachment B

The Golden Rain Foundation has the following information available:

1. 2011 traffic counts and turning movement at the following locations:
 - a. Intersection of:
 - i. Rossmoor Parkway and Golden Rain Road
 - ii. Golden Rain Road and the entrance to the Gateway parking lot
 - iii. Golden Rain Road and Tice Creek Drive
 - iv. Rossmoor Parkway and Stanley Dollar Drive
 - v. Tice Creek Drive and Stanley Dollar Drive
2. Vehicle access counts for the entrance gates
3. Transportation Assessment for the Event Center, February 2012
4. 2008 – 2010 Golden Rain Foundation Traffic Study
5. Golden Rain Foundation traffic accident data 2008 – To Date
6. Golden Rain Foundation bus routes and passenger volume data
7. Street detail for all roadways in Rossmoor
8. Inventory of all traffic control signs in Rossmoor

ATTACHMENT C

CONSULTANT SERVICES AGREEMENT FOR THE Golden Rain Foundation Traffic and Pedestrian Study

THIS AGREEMENT is made at Walnut Creek, California, as of _____, 201____, by and between the **GOLDEN RAIN FOUNDATION OF WALNUT CREEK in its capacity as Trustee for the Golden Rain Foundation of Walnut Creek Trust** (hereinafter "GRF"), and _____ (hereinafter "Consultant").

RECITALS

A. GRF seeks to employ an independent consultant to perform professional services to assist the GRF in connection with _____ project (herein "the Project").

B. Consultant has made a proposal to GRF to provide such professional services, a copy of which is attached hereto as a part of Exhibit A and GRF desires to retain Consultant to do so subject to the terms and conditions set forth in this Agreement.

AGREEMENTS

The parties agree as follows:

1. **Scope of Services.** Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to GRF the Scope of Services described in Exhibit A, attached hereto and incorporated herein by reference, except as may be modified by

subsequent exhibits. Consultant shall provide said services at the time, place, and in the manner specified in Exhibit A, except as may be modified by subsequent exhibits.

2. **GRF Requested Changes in Scope of Services.** GRF may, by written order, authorize changes to the Scope of Services described in this Agreement. If such changes cause an increase in the cost or time required for performance of the agreed-upon services, an equitable adjustment to the total compensation to be paid to the Consultant and, if necessary, the completion schedule for Consultant's performance under this Agreement shall be made by a written amendment to this Agreement.

3. **Consultant Requested Changes in Scope of Services.** Consultant shall not be compensated for work outside the Scope of Services described in this Agreement, unless, *prior to the commencement of such services*:

A. Consultant notifies GRF in writing that it believes a change to the Scope of Services is necessary. Such notice shall explain the circumstances giving rise to such belief and shall set forth a proposed course of action, including a breakdown of any proposed adjustment(s) in compensation payable to Consultant and/or the completion schedule for Consultant's work resulting therefrom; and

B. GRF approves the additional services as being outside the Scope of Services and the amount of compensation and adjustment(s), if any, to the completion schedule for the Consultant's work; and

C. The parties execute an amendment to this Agreement describing the additional services and compensation therefore together with any necessary adjustment(s) in the completion schedule for Consultant's work.

4. **Amount, Time and Manner of Payment for Consultant Services.** GRF shall pay Consultant for services rendered pursuant to this Agreement in the amount(s) and at the time(s) and in the manner set forth in Exhibit A. The payment(s) specified in Exhibit A shall be the only payment(s) to be made to Consultant for services rendered pursuant to this Agreement, unless the GRF approves additional compensation for additional service as herein provided. Consultant shall submit all billings for services rendered pursuant to this Agreement to GRF in the manner specified in Exhibit A; or, if no manner is specified in Exhibit A, then according to the usual and customary procedures and practices which Consultant uses for billing clients similar to GRF.

5. **GRF Assistance to Consultant.** Except as set forth in Exhibit B, Consultant shall, at its sole cost and expense, furnish all facilities, equipment, information, personnel and administrative assistance which may be required for furnishing services pursuant to this Agreement. GRF shall furnish to Consultant only the facilities, equipment, information, personnel and administrative assistance listed in Exhibit B, if any, according to terms and conditions set forth in Exhibit B. Notwithstanding the foregoing, GRF shall cooperate with Consultant and shall provide Consultant, without cost, such assistance as would be necessarily inferred to be a responsibility of GRF from other provisions of this Agreement.

6. **General Provisions.** The general provisions set forth in Exhibit C are part of this Agreement. In the event of any inconsistency between said general provisions and any other terms or conditions of this Agreement, other than those set forth in the Consultant's Proposal attached as part of Exhibit A, the other terms or conditions shall control insofar as they are inconsistent with the general provisions.

7. **Notice to Proceed.** Consultant shall not commence the performance of its work under this Agreement until it has been given notice by GRF to do so. The date upon which said notice is given by GRF shall be the commencement date for the schedule which is a part of this Agreement.

8. **Notifications.** Any notification required during the administration of this Agreement, including notice of termination or cancellation, shall be in writing and addressed to the respective party as follows:

To GRF: Chief Executive Officer
Golden Rain Foundation
1001 Golden Rain Road
Walnut Creek, CA 94595

Copy via facsimile to: General Counsel, (925) 988-7692

To Consultant: _____

Notices shall be deemed to have been given under this Agreement on the date when personally delivered to the party at the address shown above or one calendar day following the date when deposited in the United States Mail as first class mail and addressed as set forth above. Any party may change its address set forth above by giving the other party written notice of said change.

9. **Exhibits.** All exhibits referred to herein are attached hereto and are by this reference incorporated herein.

Executed by the parties as of the month, day and year first above stated.

**GOLDEN RAIN FOUNDATION
A CALIFORNIA CORPORATION, TRUSTEE**

By: _____
Warren Salmons
Chief Executive Officer

Approved as to Form:

General Counsel

Initiating Department Head

CONSULTANT:

By: _____

Print Name

Its: _____
(Title)

Exhibit A**CONSULTANT'S PROPOSAL**

Attached to this exhibit is the Consultant's proposal which shall govern the Scope of Services and the Time and Manner for Payment of Consultant's Services except as otherwise provided in the other provisions of this Agreement, including but not limited to Exhibits B and C.

Exhibit B

GRF ASSISTANCE TO CONSULTANT

B-1. General Assistance of GRF. To permit Consultant to render the services required hereunder, GRF shall, at its expense and in a timely manner, do the following:

A. Appoint a staff member of GRF to act as Project Coordinator between the GRF, the Consultant and, as necessary, any third party involved in the Project who may be involved in Consultant's performance of services under this Agreement.

B. Provide the Consultant with all existing relevant information about the Project in the possession of GRF, although it is primarily the Consultant's responsibility to identify and compile all required background information;

C. Review any and all documents and materials submitted to GRF by Consultant;

D. Notify Consultant of any fault or defect in the Project known to the staff of GRF that may be directly relevant to the performance of Consultant's services hereunder;

E. Notify Consultant of any proposed or actual changes to the Project known by the GRF staff that would affect the ability of the Consultant to meet performance time lines.

B-2. Specific Assistance of GRF. GRF shall, at its sole cost and expense, furnish to Consultant only the following facilities, equipment, information, personnel and administrative assistance which may be reasonably required by the Consultant for furnishing services to the GRF within the Scope of Services pursuant to this Agreement:

LIST

Exhibit C**GENERAL PROVISIONS**

The General Provision of this Agreement are as follows:

C-1. Delivery of Work Product to GRF. All work product of Consultant which consists of written information which GRF will cause to be published in written form either for its own internal use or for dissemination to the public, including both preliminary and final drafts of such work product, shall be delivered to GRF in printed or typewritten form (as provided in this Agreement) and/or such other format(s) as may be agreed to by GRF and Consultant, per Exhibit A.

C-2. Independent Contractor. At all times during the term of this Agreement, Consultant shall be an independent contractor and shall not be an employee of GRF. GRF shall have the right to control Consultant only insofar as the results of Consultant's services rendered pursuant to this Agreement; however, GRF shall not have the right to control the means by which Consultant accomplishes services rendered pursuant to this Agreement.

C-3. Consultant Not Agent. Except as GRF may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of GRF in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind GRF to any obligation whatsoever.

C-4. Time and Personnel Devoted to Work. Consultant shall devote such time and personnel (including subconsultants) to the performance of services pursuant to this Agreement as may be reasonably necessary for satisfactory performance of Consultant's obligations pursuant to this Agreement in accordance with the completion schedule for said work, if any, which is a part of this Agreement.

C-5. Personnel. Consultant shall assign only competent personnel to perform services pursuant to this Agreement. If Consultant has designated a Project Manager for the performance of its work under this Agreement as a part of its proposal, then Consultant shall not employ any other person in the capacity of Project Manager without the prior written consent of the GRF, which consent shall not be unreasonably withheld. If Consultant has not designated a Project Manager in its proposal, it shall appoint a person to serve as such not later than five (5) days following the date of this Agreement and shall concurrently give GRF notice of said appointment and the identity of the person so appointed. If at any time during the term of this Agreement, the GRF desires the removal of the person or persons assigned by Consultant to perform services pursuant to this Agreement, Consultant shall remove any such person or persons immediately upon receiving notice from GRF of the desire of GRF for the removal of such person or persons.

C-6. Professional Standards for Consultant. Consultant shall adhere to accepted professional standards as set forth by relevant professional associations and shall perform all services required under this Agreement in a manner consistent with generally accepted professional procedures and standards for such services. In addition, Consultant shall perform all services required pursuant to this Agreement in the manner consistent with generally accepted standards observed by a competent practitioner of the profession in which Consultant is engaged in the geographical area in which Consultant practices his or her profession. All products of whatsoever nature which Consultant delivers to GRF pursuant to this Agreement shall be prepared in a, first class and defect-free manner and conform to the generally accepted industry or professional standards which are applicable to such work product.

C-7. Subconsultants Employed by Consultant. Consultant agrees that it will employ, or utilize the personnel, including any subconsultants, reasonably necessary in its discretion to perform the Scope of Services required of it by this Agreement.

All of the services required of the Consultant hereunder shall be performed by the Consultant or subconsultants retained by Consultant as herein provided. Consultant may engage subconsultants as it may deem necessary to the performance of its services hereunder: (a) without the prior approval of GRF if the subconsultant and the Scope of Services to be performed by that subconsultant was identified in Consultant's proposal, or (b) with the prior written approval of GRF if otherwise. Any subconsultants hired by consultant shall be paid by Consultant from the funds payable to Consultant pursuant to this agreement, and in no event shall GRF be responsible for the payment of such subconsultants.

C-8. Health and Safety. Consultant shall assure that its employees and subconsultants comply with all safety laws, regulations, rules, and standards including those prescribed by:

- A. Code of California Regulations Title 8 (CAL OSHA).
- B. Code of Federal Regulations (FED/OSHA) Title 29, Part 1901 and 1926, as appropriate.
- C. Appropriate trade associations.
- D. Appropriate equipment manufacturer instructions.
- E. California General Industry Standards regarding the posting or submittal of material safety data sheets (MSDS) for each product

supplied or used as per California General Industry Safety Order
Section 5194.

In cases where standards conflict, the standard providing the highest degree of protection shall prevail.

C-9. Licenses; Permits; Etc. of Consultant. Consultant represents and warrants to GRF that Consultant has all licenses, permits, qualifications and approvals of whatsoever nature which are legally required for Consultant to practice Consultant's profession. Consultant shall also ensure that all subconsultants are similarly licensed and qualified. Consultant represents and warrants to GRF that Consultant shall, at Consultant's sole cost and expense, keep in effect or obtain at all times during the term of this Agreement, any licenses, permits, and approvals which are legally required for Consultant to practice Consultant's profession at the time the services are rendered.

C-10. Confidentiality. Unless otherwise required by law, Consultant shall not, either during or after the term of this Agreement, disclose to any third party any confidential information relating to the work of GRF on this Project without the prior written consent of GRF. If GRF gives Consultant written authorization to make any disclosures, Consultant shall do so only within the limits and to the extent of that authorization. Consultant may be directed or advised by the GRF General Counsel on various matters relating to the performance of its work on the Project or on other matters pertaining to the Project, and in such event, Consultant agrees that it will treat all communications between itself, its employees and its subconsultants as being communications which are within the attorney-client privilege.

C-11. Excusable Delays; Notice to Other Party of Delay. Neither party shall be considered in default of this Agreement to the extent performance is prevented or delayed by any cause, present or future, which is beyond the reasonable control of the party; provided that each party shall promptly notify the other party of such a condition which may cause such delay when it occurs and shall, to the best of its ability, provide the other party with an estimate of amount of delay in its performance under this Agreement that may result from the occurrence of said condition. For purposes of this paragraph, notice shall be presumptively deemed to be reasonable if given within seven (7) calendar days of the event which causes the delay.

C-12. Assignment Prohibited. No party to this Agreement may assign any right or obligation pursuant to this Agreement. Any attempt or purported assignment of any right or obligation pursuant to this Agreement shall be void and of no effect.

C-13. Suspension of Work by GRF. GRF reserves the right to suspend Consultant's services under this Agreement when GRF determines that it is necessary to do so. GRF shall give Consultant notice of such suspension and Consultant shall, upon receipt of said notice, suspend all work except any work, the completion of which is authorized by the notice given by GRF. If the Consultant's services under this Agreement are suspended by GRF for more than thirty (30) consecutive days, for reasons other than the fault of Consultant, Consultant shall be compensated for services performed prior to notice of such suspension. When the Project is resumed, Consultant's compensation shall be equitably adjusted by GRF to provide for expenses incurred in the interruption and resumption of Consultant's services. In this regard, Consultant shall furnish to GRF such financial information as in the judgment of the Chief Executive Officer is necessary to

determine the reasonable value of the interruption and resumption of services by Consultant during the period when work was suspended.

If the parties are unable to agree upon the amount of compensation which is due to Consultant either at suspension of Consultant's services or at the resumption of Consultant's services, the amount of such additional compensation, if any, that is required to appropriately compensate the Consultant for its expenses incurred by the interruption or resumption, or both, of services may, upon the request of either party to the Agreement, be determined by arbitration conducted in accordance with the requirements of Paragraph C-19 of this Agreement. Such arbitration shall be commenced by Consultant not later than sixty (60) days following the event which entitles the parties to pursue arbitration unless the parties agree in writing to a longer date. Unless otherwise agreed in writing, all parties shall carry on the work and perform their duties during any arbitration proceedings, and GRF shall continue to make payments for the work in progress as required by this Agreement.

C-14. Termination of Work by GRF for Its Convenience. GRF shall have the right to terminate this Agreement at any time for its convenience by giving notice of such termination to Consultant. In the event GRF shall give such notice of termination, Consultant shall cease rendering services upon receipt of said notice given as required in this Agreement. If GRF terminates this Agreement:

A. Consultant shall deliver copies of all writings prepared by it pursuant to this Agreement. The term "writings" shall be construed to mean and include: emails, notes, letters, messages, memos, reports, facsimiles, photographs and any other form of communication or representation whether hand written, typed, copied, printed, stored on

floppy disk, zip drive, back up tape or computer hard drive or otherwise memorialized or duplicated.

B. GRF shall have full ownership and control of all such writings delivered by Consultant pursuant to this Agreement.

C. If GRF terminates the Agreement for convenience before GRF issues the Notice to Proceed to Consultant or before Consultant commences any work hereunder, whichever last occurs, GRF shall not be obligated to make any payment to Consultant. If GRF terminates this Agreement after GRF has issued the Notice to Proceed to Consultant and after Consultant has commenced work under this Agreement, GRF shall pay Consultant the reasonable value of services rendered by Consultant pursuant to this Agreement prior to the notice of termination of the Agreement. GRF shall not in any manner be liable for Consultant's actual or projected lost profits had Consultant completed the services required by this Agreement. In this regard, Consultant shall furnish to GRF such financial information, as in the judgment of the Chief Executive Officer, is necessary to determine the reasonable value of the services rendered by Consultant prior to termination. In the event of a dispute as to the reasonable value of the services rendered by Consultant prior to termination and the parties are unable to agree upon said amount within sixty (60) days following the giving of the notice of termination by the GRF, such dispute may, upon the request of either party to this Agreement, be resolved by arbitration conducted in accordance with the provisions of this Exhibit.

C-15. Cancellation for Breach by Either Party. Should either party fail to substantially perform its obligations in accordance with the provisions of this Agreement, the other party shall thereupon have the right to cancel the Agreement by giving written

notice and specifying the effective date of such cancellation. If GRF cancels this Agreement for breach and it is subsequently determined that Consultant did not fail to substantially perform its obligations in accordance with this Agreement, then cancellation for breach by GRF shall be deemed, and treated, as termination for convenience.

GRF shall pay Consultant the reasonable value of services provided prior to cancellation. The foregoing notwithstanding, neither party waives the right to recover damages against the other for breach of this Agreement including any amount necessary to compensate GRF for all detriment proximately caused by Consultant's failure to perform its obligations hereunder or which in the ordinary course of things would be likely to result there from. GRF reserves the right to offset such damages against any payments owed to Consultant.

GRF shall not in any manner be liable for Consultant's actual or projected lost profits had Consultant completed the services required by this Agreement. Consultant shall furnish to GRF such financial information as in the judgment of the Chief Executive Officer is necessary to determine the reasonable value of the services rendered by Consultant. If the parties are unable to agree upon the reasonable value of the services rendered by Consultant prior to cancellation within sixty (60) days following the giving of the notice of termination by GRF, such dispute may, upon the request of either party to this Agreement, be resolved by arbitration conducted in accordance with the provisions of this Exhibit.

In the event of cancellation by either party, copies of all finished or unfinished writings, as described above, pertaining to the work under this Agreement which are required for its completion shall become the property of GRF. GRF shall have free

ownership and control of all such writings delivered by Consultant pursuant to this Agreement.

C-16. Non-Discrimination. In its performance of its work under this Agreement, Consultant shall not discriminate against any person because of the race, religion, creed, color, national origin, ancestry, disability or physical handicap, medical condition, marital status or sex of such person.

C-17. Ownership of Information. All professional and technical information developed under this Agreement and all worksheets, reports, information stored on computers, floppy disks, zip drives or tapes and related data shall become the property of GRF irrespective of where located or stored and Consultant agrees to deliver all such documents and information to GRF, without charge and in whatever form it exists, on the completion of Consultant's services hereunder. Consultant shall have no ownership interest in such documents and information.

C-18. Entirety of Agreement. This Agreement contains the entire Agreement of GRF and Consultant with respect to the subject matter hereof, and no other Agreement, statement, or promise made by any party or to any employee, Director, or agent of any party, which is not contained in this Agreement shall be binding or valid. All amendments to this Agreement shall be made in writing and signed by the parties or representatives of the parties who are authorized to do so. The Chief Executive Officer shall be presumed to have the authority of GRF I to sign amendments on behalf of GRF, which presumption shall bind GRF unless Consultant is actually aware that such is not the case.

C-19. Arbitration of Disputes. Unless the parties mutually agree otherwise, all claims, disputes and other matters in question between GRF and Consultant arising out of,

or relating to this Agreement or the breach thereof, including claims of Consultant for extra compensation not provided for in this Agreement but which is for work related to this Agreement shall be decided by arbitration before a single arbitrator in accordance with the provisions of Sections 1281 to 1284.2 of the California Code of Civil Procedure (the Arbitration Laws) or unless the parties mutually agree otherwise. The provisions of Section 1283.05 apply to any arbitration proceeding except as otherwise provided in this Agreement. The arbitrator shall have authority to decide all issues between the parties including, but not limited to, claims for extras, delay and liquidated damages, if any, provided for in the Agreement, matters involving defects in the work product of the Consultant, rights to payment, and whether the necessary procedures for arbitration have been followed. The award rendered by the arbitrator shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

Notice of the demand for arbitration shall be filed in writing with the other party to the arbitration. The demand for arbitration shall be made within a reasonable time after the claim, dispute or other matter in question has arisen, and in no event shall it be made after the date when institution of legal or equitable proceedings based on such claim, dispute or other matter in question would be barred by the applicable statute of limitation.

The parties shall jointly appoint an arbitrator within fifteen (15) days of the date of giving of the notice of the demand for arbitration. If the parties are unable to jointly agree upon the appointment of an arbitrator within said fifteen (15) day period, and do not agree in writing to extend said period for a fixed period, then either party may seek to have the arbitrator appointed by the Superior Court of Contra Costa County in accordance with the Arbitration Laws.

If any proceeding is brought to contest the right to arbitrate and it is determined that such right exists, the losing party shall pay all costs and attorneys' fees incurred by the prevailing party.

In addition to the other rules of law which may be applicable to any arbitration hereunder, the following shall apply:

(a) Within fifteen (15) days after the filing of the arbitration each party shall be required to set forth in writing and to serve upon each other party a detailed statement of its contentions of fact and law.

(b) All parties to the arbitration shall be entitled to the discovery procedures as provided in Section 1283.05 of the Code of Civil Procedure.

(c) The arbitration shall be commenced and conducted as expeditiously as possible consistent with affording reasonable discovery as provided herein.

(d) These additional rules shall be implemented and applied by the arbitrator. Except as otherwise provided herein, each party shall bear its own attorney's fees associated with the dispute with the other party and to the arbitration.

C-20. Insurance Coverage. During the term of this Agreement, Consultant shall at its sole cost maintain in full force and effect policies of insurance set forth herein and will provide GRF with written proof of said insurance. Consultant shall maintain coverage as follows:

A. Commercial General Liability. Equivalent to Insurance Services Office (ISO) for CG 00 01. The policy limits shall be no less than \$1,000,000 per occurrence for bodily injury, personal injury, and property damage. If Commercial General Liability Insurance or another equivalent form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project or the general aggregate shall be twice the required per occurrence limit.

B. Automobile Liability. \$1,000,000 per accident for bodily injury and property damage.

C. Workers' Compensation Insurance (Employer's Liability). If Consultant's employees are to be on the GRF property, evidence of Workers' Compensation (Statutory) must also be provided, and \$1,000,000 in Employer's Liability coverage per accident for bodily injury or disease.

D. Errors and Omissions Liability. \$1,000,000 per occurrence or as appropriate to the consultant's profession.

Any self insured retentions must be declared to and approved by GRF. At the option of GRF, either the insurer shall reduce or eliminate such retention(s) as respects GRF, its officers, directors, employees, agents, and independent contractors; or Consultant shall provide a financial guarantee satisfactory to GRF, guaranteeing payment of losses and related investigations, claims administration and defense expenses.

The General and Automobile Liability policies are to contain, or be endorsed to contain the following provisions:

A. Golden Rain Foundation of Walnut Creek, its officers, directors, employees, members, and at GRF's option, independent contractors are to be covered as additional insureds as respects: liability arising out of work or operations performed by or on behalf of Consultant; products and completed operations of Consultant; premises owned, occupied, or used by Consultant, or automobiles owned, leased, or hired or borrowed by Consultant. The coverage shall contain no special limitations on the scope of protection afforded to GRF.

B. For any claims related to this Project, Consultant's insurance shall be primary insurance as respects Golden Rain Foundation of Walnut Creek, its officers, directors, employees, agents, and independent contractors. Any insurance or self-

insurance maintained by GRF, its officers, directors, employees, agents, and independent shall be excess of Consultant's insurance and shall not contribute with it.

C. Any failure to comply with reporting or other provisions of the policy including breaches of warranties shall not affect the coverage provided to GRF.

D. Consultant's insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to limits of the insurer's liability.

E. With the exception of 10-day cancellation for non-payment each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled or non-renewed by either party, except after thirty (30) days prior written notice has been given to GRF.

F. Insurance is to be placed with insurers with a current A.M. Best rating of no less than A-VII, unless so approved by Golden Rain Foundation Senior Management.

G. Certificates of Insurance evidencing the above requirements shall be furnished, including all copies of all relevant endorsements, to GRF prior to the commencement of the contract. Information must be kept current for the duration of the contract. If any required insurance policies are written on a claims-made form, Consultant shall continue to provide evidence of ongoing insurance covering claims made that arise out of work performed pursuant to this agreement for two (2) years after completion of the contract.

† **C-21. Hold Harmless Agreement.** To the maximum extent permissible by law, Consultant shall indemnify and hold harmless GRF and its officers, directors, employees, agents and independent contractors from and against all claims, demands, liabilities, actions, fines, penalties (collectively "Claims") damages, losses, and expenses including attorney's fees arising out of or in any way related to the performance of the

Work described herein, caused by any negligent act or omission of Consultant, subconsultants, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable.

Consultant's indemnification obligation shall not extend to Claims arising out of the sole negligence or willful misconduct of the person or party to be indemnified.

Exhibit D**SCOPE OF SERVICES**

Exceptions to Scope of Services. Except as otherwise set forth below, the Scope of Services to be performed by Consultant, including the manner in which said services are to be performed and the completion schedule for the performance of said services, are described in the proposal which the GRF received from the Consultant that is attached to Exhibit A. In the event that the terms of the proposal relating to the Scope of Services are inconsistent with any of the other provisions of this Agreement, the provisions of this Agreement shall prevail over the inconsistent provisions of the proposal and shall govern such matters. The specific exceptions to the Scope of Services set forth in the Consultant's Proposal are as follows: **NONE**

Exhibit E**AMOUNT, TIME AND MANNER FOR PAYMENT OF CONSULTANT'S SERVICES**

Exceptions to Proposal Provisions Relating to Payment. Except as otherwise set forth below, the amount, time and manner for payment of Consultant's services to be performed by Consultant are described in the proposal which the GRF received from the Consultant that is attached to Exhibit A. In the event that the terms of the proposal relating to the amount, time and manner for payment of Consultant's services are inconsistent with any of the other provisions of this Agreement, the provisions of this Agreement shall prevail over the inconsistent provisions of the proposal and shall govern such matters. The specific exceptions to the amount, time and manner for payment of Consultant's services set forth in the Consultant's Proposal are as follows:

NONE

Agenda Item: 10d
Subject: MOD Camera System
Meeting Date: April 28, 2016

SUMMARY REPORT
GOLDEN RAIN FOUNDATION BOARD OF DIRECTORS

REPORT PREPARED BY:

Dennis Bell, Public Safety Manager

REQUESTED ACTION/RECOMMENDATION:

Consider approving an expenditure not to exceed \$24,788.50 which includes a 10% contingency, as an addition to the 2016 capital equipment list paid from the Trust Estate Fund for the installation of a digital video surveillance system for Rockview Drive and the Mutual Operations Division (MOD) front lot, and authorizing the CEO to execute the necessary contract for the project.

BACKGROUND:

Security is a major concern in Rossmoor and as part of continuing efforts to address these concerns a video surveillance system has been installed. Video surveillance systems are often used as a means to help deter criminal activity and to assist in the identification of the responsible party(ies) when criminal activity does occur. Video surveillance systems can also be useful in capturing non-criminal events such as vehicle accidents.

In 2011, a video surveillance system was installed for the Gateway parking lot. Then in 2012, four entrance lane cameras were upgraded to digital cameras to better capture license plates. At this time the digital video recorder at the gate was upgraded to allow for additional video retention and for future surveillance camera expansion. Then in 2013, the video surveillance system was added at the Event Center. In 2015, five more cameras were added at the gate to provide pedestrian and entrance and exit lanes overviews, and to capture license plates of vehicles exiting Rossmoor. Finally, in 2016 the Information Technology Department (IT) moved the entire network video recorder to the server room at MOD. The result is a fully networked video surveillance system which can be viewed from the Gate and other remote locations.

These cameras have provided critical information in both criminal and non-criminal incidents. The Event Center cameras captured video of a contractor filling the dumpsters and leaving debris in the loading area. Because of the video, staff was able to contact the contractor who came and removed the debris. In another incident after a vehicle was stolen in Rossmoor, the exit lane license plate camera captured the plate of an involved vehicle. This license plate provided the police with a key piece of evidence that lead to the arrest of multiple suspects involved in a theft and forgery ring.

Recently staff received suggestions from residents and other staff members about further enhancing security in the area of the recreational vehicle (RV) lot and the Mutual Operations (MOD) area. Moreover, since January 2012 there have been sixteen thefts and four attempted thefts reported in the MOD area, and six thefts and two attempted

thefts reported from the RV lot. Most of these thefts occurred during evening/nighttime or weekend hours.

Staff researched methods to enhance security in the RV and MOD areas and determined video surveillance cameras would be the best solution. Due to the location, configuration and large area of the RV lots, it would be difficult and expensive to establish a camera system to specifically monitor the RV lots. However, since most of these thefts occur during evening and weekend hours, installing cameras to monitor and capture license plates of vehicles on Rockview Drive and the MOD area will enhance security. Furthermore, in the event of a crime, these cameras will capture vehicle descriptions and license plates providing the PD with investigative leads.

Staff recommends adding the following cameras:

1. One camera to capture license plates of vehicles coming up and leaving Rockview Drive.
2. One camera to provide an overview of Rockview Drive.
3. Two cameras to provide overviews of the MOD building and main parking lot.

It is critical that the MOD cameras are part of the existing networked video surveillance system so they can be viewed at the Gate. While three of the four cameras can be connected to the network by wires, the license plate camera cannot. In order to capture license plates, the camera must be mounted remotely, and a mounting pole will be installed on Rockview and electrical power added. Additionally, the remote location makes it impractical to use a wired camera; therefore a wireless bridge must be established. This bridge requires additional hardware which will enable live video feed to be viewed across the network. Furthermore, the video will be recorded and stored on the existing network video recorder. The wireless hardware, which was reviewed and approved by IT, is industrial grade and weather proof.

To ensure GRF maintains a networked video surveillance system, staff recommends using its current vendor, PAC Integrations. PAC Integrations is the vendor who provided and now supports the existing video surveillance system. Using PAC Integrations will ensure that the new cameras will be fully networked with the existing system and will maintain consistency with ongoing support.

In order to accommodate additional cameras, some hardware upgrades to the digital video recorder maybe necessary and can be fully absorbed by the contingency funds.

FINANCIAL IMPACT:

The cost for this project with all cameras, hardware and installation is \$22,535.00, plus a (10%) \$2,535.00 contingency for a total of \$24,788.50, which will be an addition to the 2016 capital equipment list paid from the Trust Estate Fund.

ONGOING COSTS

Maintenance for the video surveillance system is low and maintenance costs can be absorbed by the existing maintenance and repair budget.

ALTERNATIVES AND OPTIONS:

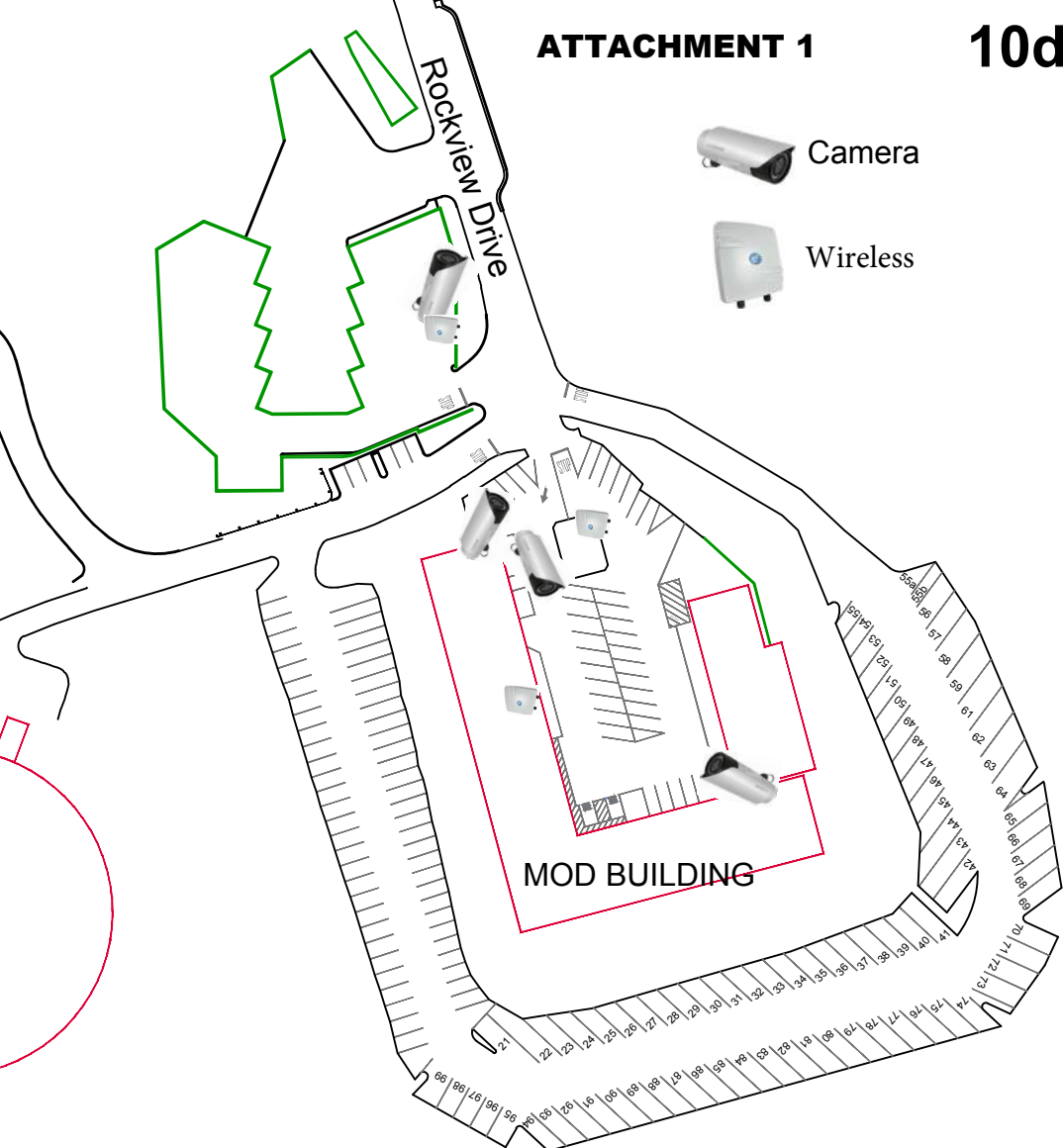
- Accept recommendation; or
- Reject recommendation.

SUBSEQUENT ACTIONS:

If the Board approves this request, a contract will be executed by the CEO, and staff will proceed to have the MOD cameras installed and added to the existing network digital surveillance system.

ATTACHMENT:

1. Map of Rockview Drive and the MOD area



MOD AREA