

**THE BOARD OF DIRECTORS OF
THE GOLDEN RAIN FOUNDATION OF LAGUNA WOODS
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION**

Monday, June 19, 2023, at 9:30 a.m.

Laguna Woods Village Board Room/Virtual Meeting
24351 El Toro Road, Laguna Woods, California

The purpose of this meeting is to review the 2024 Capital Plan Proposals

1. Call Meeting to Order / Establish Quorum – Treasurer Jim Hopkins
2. State Purpose of Meeting – Treasurer Hopkins
3. Approval of the Agenda
4. Chair Remarks
5. Open Forum (Three Minutes per Speaker)
At this time Members only may address the Board of Directors regarding items not on the agenda and within the jurisdiction of this Board of Directors. The Board reserves the right to limit the total amount of time allotted for the Open Forum. Members can attend the meeting by joining the Zoom link <https://us06web.zoom.us/j/88917300370> or by calling (949) 268-2020 or email meeting@vmsinc.org to request to speak.
6. Responses to Open Forum Speakers
7. Review of the 2024 Capital Plan Proposals
8. Adjournment

STAFF REPORT

DATE: June 19, 2023
FOR: Board of Directors
SUBJECT: 2024 Capital Plan Proposals – Updated 6/15/23

RECOMMENDATION

Staff recommends the Board of Directors review the proposed 2024 Capital Plan and provide direction for change or revision at the meeting held on June 19, 2023.

BACKGROUND

At its May 23, 2023 capital meeting, the GRF Board of Directors reviewed 2024 Capital Plan Proposals. Staff addressed questions and concerns received from residents and the Board of Directors regarding the Capital Plan. Additionally, the Board requested detail for components. This staff report will address the requested components and additional questions will be addressed at the meeting. Changes resulting from the June 19, 2023 meeting will be further discussed in the upcoming meeting on July 10, 2023.

Aquatics

A request was made to have more information regarding umbrellas on the pool decks. In all, 40 umbrellas are planned to be purchased. The planned umbrellas are commercial grade, and are more expensive than what is typically found at local warehouse stores. However, staff is ordering umbrellas from a local warehouse store to test how they hold up in comparison to the commercial grade ones. If the local version can be used, approximately \$10,000 would be required to replace umbrellas. If the commercial ones are needed, required funding would be \$26,000.

A question was asked about the possibility of Pool 5 going back to the traditional chemical chlorine system. In 2011, during a major renovation the chemical chlorine system was removed and the salt chlorine generator was installed. The salt chlorine generates a natural chlorine that is softer on the skin and eyes, does not create as many concerns for clothing deterioration, and is less harsh on the pool equipment. This salt chlorine generator failed and a temporary chemical chlorine delivery system was set up. Replacing the salt chlorine generator is the most economical path because to revert to a chemical chlorine will require a major renovation to add all new equipment for a chemical delivery method. The cost to convert back to chlorine mechanism is approximately \$4,500, however, the cost of chlorine per year would be approximately \$25,000. compared to the salt chlorinator cell which is approximately \$1,600. The temporary chlorine delivery system was old when installed and repairs are becoming more frequent, up to twice per week. Since the original solution was a temporary solution, there is doubt the system will be functional through 2024.

Note: the replacement Pool 5 cover originally recommended as an appropriation of \$8,000 was removed from this version of the Capital Plan proposals. Replacement will be moved up and be funded from the 2023 Miscellaneous Projects appropriation.

Clubhouses

Questions were asked about replacement program for clubhouse items such as tables and projectors. For tables, staff identified how many tables each clubhouse requires and found that in all, clubhouses require an additional 32 tables to be at capacity. Further, staff identified 195 tables that are damaged and in need of replacement. A total of 227 tables are recommended to be purchased with an appropriation of \$122,200. Purchases are recommended in the following locations:

- Clubhouse 1: 125 Tables
- Clubhouse 2: 40 Tables
- Performing Arts Center: 20 Tables
- Clubhouse 5: 30 Tables
- Clubhouse 6: 12 Tables

As for audio/visual equipment at the Clubhouses, the Senior Technician provided a list of antiquated equipment that does not meet today's standards or expectations for quality or convenience for the resident users and staff. Some equipment is 20+ years old. Purchases are recommended in the following areas:

- Clubhouse 1: Main Lounge – projector, mount, input panel, wall rack, amplifier, mixer, speakers, wireless microphones, wireless lapel microphones
- Clubhouse 1: Art Room – projector, mount, wall plate, wall rack, speakers, wireless microphones
- Performing Arts Center Auditorium – network/rewiring, speakers, structural support, mixing console
- Performing Arts Center Dining Rooms – projectors, mounts, input panels
- Clubhouse 5 Main Lounge – projector, mount, input panel, screen, wire and hardware
- Clubhouse 5 Multi-Purpose Room – Speakers
- Clubhouse 7 Main Lounge – Projector, mount, input plate, speakers, volume control, wireless microphones

The Board asked for a breakdown of the \$600K for PAC sound system. The majority of the expense would be to convert our current setup to an industry standard network. This project is necessary to improve the sound quality and capability for all shows. All shows are currently at risk for system failure and the system is often reset by technicians. The estimated cost of this item is broken down as follows:

- Network/rewiring: \$250,000
- Speakers: \$100,000
- Structural Support: \$100,000
- Labor: \$100,000
- Mixing Console: \$50,000

Fitness

A question was asked about the strategy for replacement of gym equipment. Gym equipment is split into two categories: Cardio Equipment (such as ellipticals, treadmills, stationary bikes) and Weight Machines (such as leg press machines, rowing machines, dip machines, etc.).

Since weight machines don't typically have electronic components and don't change much from year to year, the recommendation is to purchase these types of machines. Since cardio equipment typically has electronic components and moving parts that regularly wear out, the recommendation is to lease these pieces of equipment since a lease provides for regular maintenance to and replacement of equipment.

The Community Center Fitness Center has 35 pieces of Cardio Equipment, with no replacements planned in 2024; the center also has 22 Weight Machines, with one replacement of a Pec Fly/Rear Deltoid machine planned in 2024.

The Clubhouse 1 Fitness Center has 41 pieces of Cardio Equipment, with no replacements planned in 2024; the center also has 31 Weight Machines, with no replacements planned in 2024.

The Clubhouse 5 Fitness Center has 8 pieces of Cardio Equipment, with no replacements planned in 2024; the center also has 1 Weight Machine, with no replacement planned in 2024. Staff will present a 5-year replacement plan for fitness equipment for each facility at the June 19 meeting.

The question was asked about the request for spin cycling bikes at Clubhouse 5 and if they could be added to the lease program. The quoted cost per bike is \$155 per month per bike. Due to analysis of use, location/storage, planned replacement and income generated from the spin classes, it is recommended to continue purchasing these items.

Golf

The Board asked for details about golf equipment such as age of equipment, hours of use, and maintenance history. The golf equipment consists of 62 items, 10 of which are proposed to be replaced in 2024. The planned life for most items is 15 years, and the average age of the items at replacement in 2024 will be 15.2 years. Each of the pieces of equipment has been in service at least 2,000 hours.

Landscape

A question was asked about landscaping for each GRF gate and cost. The gates consist of 12 locations, with gate 1 being completed in 2022 with gate 2 through 10 and 12 proposed for renovation. Gates 2 through 10 and 12 consist of 25,682 square feet.

GRF Gate Relandscaping					
Gate Number	Area Estimate Square Feet	Estimated Construction Budget	Estimated Design Budget	Total Design and Construction Budget	Observations/Comments
Gate 1					Done 2022
Gate 2	800	\$6,600	\$4,125	\$10,725	25% RENOVATION
Gate 3	3,972	\$32,769	\$10,725	\$43,494	100% RENOVATION - INCLUDES PINE EDGE ISLAND
Gate 5	1,000	\$8,250	\$4,125	\$12,375	25% RENOVATION
Gate 6	550	\$4,538	\$2,475	\$7,013	20% RENOVATION
Gate 7	2,300	\$18,975	\$4,125	\$23,100	70% RENOVATION
Gate 8	3,230	\$26,648	\$10,725	\$37,373	100% RENOVATION
Gate 9	3,000	\$24,750	\$10,725	\$35,475	100% RENOVATION
Gate 10	3,800	\$31,350	\$10,725	\$42,075	100% RENOVATION
Gate 12	3,800	\$31,350	\$10,725	\$42,075	100% RENOVATION
TOTAL	25,682	\$185,230	\$68,475	\$253,705	

Grounds

Note: Insulation of the Mower Shop, originally recommended as an appropriation of \$30,000 was removed from this version of the Capital Plan proposals. Upon further investigation, insulation can be performed using in-house staff and can be completed in 2023. Materials costs be funded from the 2023 Miscellaneous Projects appropriation.

Vehicles

The Board requested specifics of fleet assessment, which is estimated to save over \$620k over next four years as follows:

- Reducing the number of vehicles; estimated to save \$488K
- Changes to vehicles class; estimated to save \$94K
- Pooled/shared vehicles; estimated to save \$38K

There was also a request to provide ages, mileage, and maintenance costs of the vehicles proposed for replacement. There are currently 29 vehicles proposed to be replaced in 2024. The requested information is as follows:

Vehicles	Appropriation	Average Age	Average Mileage	Maintenance Cost per Vehicle
Small Pickup Truck (7)	\$294,000	22	67,000	\$2,360
Work Van (4)	\$270,000	19	84,000	\$2,895
Miscellaneous Vehicle Purchases	\$200,000			
Full Size Truck (4)	\$195,000	16	55,000	\$2,390

Security Vehicles (3)	\$191,000	7	86,000	\$9,178
Transportation Bus (1)	\$178,000	8	182,000	\$28,189
Utility Vehicles (5)	\$99,000	12	1,500	\$1,990
Flat Bed Trailer (4)	\$46,000	16	N/A	\$2,675
Enclosed Trailer for Security	\$20,000			This is an addition; there's no historic maintenance costs.
TOTAL	\$1,493,000			

FINANCIAL ANALYSIS

The proposed 2024 funding of \$5,794,900 (see Attachment 1) is less than the \$15,065,400 projected for 2024 in the current year reserves plan, primarily attributable to the deferral of Clubhouse 1 improvements and Building E development and construction to reflect a more realistic timeline. For a brief summary of each of the 2024 Capital Plan Proposals see the original staff report that was reviewed at the May 23, 2023 meeting (see Attachment 2).

Prepared By: Jose Campos, Assistant Director of Financial Services

Reviewed By: Pam Jensen, Controller

ATTACHMENT

ATTACHMENT 1: 2024 Capital Plan Proposals – Updated 6/15/23

ATTACHMENT 2: May 23, 2023 Staff Report – 2024 Capital Plan Proposals

ATTACHMENT 1



2024 Capital Plan Proposals

	Equipment	Facilities	Total
Aquatics			\$81,700
1 Pool Umbrellas	\$26,000		\$26,000
2 CH 5 Pool/Spa Salt Chlorine Generator		\$25,000	\$25,000
3 Pool Chemical Controllers		\$15,000	\$15,000
4 CH 4 Pool Vacuum	\$10,000		\$10,000
5 Two-Way Radio Equipment	\$5,700		\$5,700
Broadband			\$450,000
6 Infrastructure	\$175,000		\$175,000
7 Set Top Boxes	\$175,000		\$175,000
8 Website Redesign and Rebuild	\$100,000		\$100,000
Clubhouses			\$1,101,700
9 CH 1 Banquet Tables	\$52,000		\$52,000
10 CH 1 Main Lounge Sound System		\$36,000	\$36,000
11 CH 1 Generator		\$29,500	\$29,500
12 CH 2 Banquet Tables	\$16,700		\$16,700
13 CH 3 Auditorium Sound System		\$600,000	\$600,000
14 CH 3 Dining room Projector Installation		\$22,000	\$22,000
15 CH 3 Banquet Tables	\$10,500		\$10,500
16 CH 4 Work Bench Chairs for Slip casting Studio	\$9,300		\$9,300
17 CH 4 Downdraft Sanding Tables	\$6,000		\$6,000
18 CH 4 Slip Casting Room Security Cameras	\$6,000		\$6,000
19 CH 5 Banquet Tables	\$35,000		\$35,000
20 CH 5 Sound System		\$23,500	\$23,500
21 CH 5 Cycling Bikes	\$20,000		\$20,000
22 CH 6 Turf Reduction		\$35,000	\$35,000
23 CH 6 Banquet Tables	\$8,000		\$8,000
24 CH 7 LED Lighting Upgrade		\$150,000	\$150,000
25 CH 7 Tennis Cabanas	\$18,500		\$18,500
26 CH 7 Benches and Trash Receptacles	\$12,000		\$12,000
27 CH 7 Sound System		\$11,700	\$11,700
Equestrian Center			\$53,500
28 Horse Walker/Exerciser	\$30,000		\$30,000
29 Stall Mats	\$23,500		\$23,500
Fitness			\$22,700
30 Tennis Center Ball Machine	\$16,200		\$16,200
31 Pec Fly/Rear Deltoid Machine	\$6,500		\$6,500

ATTACHMENT 1



2024 Capital Plan Proposals

	Equipment	Facilities	Total
Golf			\$289,300
32 Rough Mower	\$98,000		\$98,000
33 Chemical Sprayer	\$72,000		\$72,000
34 Greens Mower	\$52,300		\$52,300
35 Golf Starter Public Address (PA) System		\$22,000	\$22,000
36 Par 3 Shade Cover		\$35,000	\$35,000
37 Tow Behind Spreader	\$10,000		\$10,000
Landscape			\$260,000
38 Gate Relandscaping		\$250,000	\$250,000
39 Backflow Devices	\$10,000		\$10,000
Miscellaneous			\$485,000
40 Office Space Lease		\$230,000	\$230,000
41 Miscellaneous Projects		\$125,000	\$125,000
42 Maintenance Operations Equipment	\$50,000		\$50,000
43 Maintenance Services Equipment	\$50,000		\$50,000
44 Miscellaneous Fleet/Paving Equipment	\$30,000		\$30,000
Garden Centers			\$50,000
45 Building Exteriors		\$25,000	\$25,000
46 Restrooms Refurbish		\$25,000	\$25,000
Grounds			\$677,000
47 Landscape Equipment - Electrical	\$250,000		\$250,000
48 Repair Shop Electrical Upgrade (Battery Equipment)		\$200,000	\$200,000
49 Landscape & Slope		\$172,000	\$172,000
50 Moving/Upgrading of Benches		\$29,000	\$29,000
51 V-Ditch (Swales)		\$26,000	\$26,000
Paving & Pavers			\$783,500
52 Asphalt Paving and Sealcoat		\$583,500	\$583,500
53 Concrete - Repair/Replace		\$200,000	\$200,000
Roofing			\$47,500
54 CH 7 Flat Roof Replacement		\$28,000	\$28,000
55 Maintenance Center - Building C Roof		\$19,500	\$19,500

ATTACHMENT 1



2024 Capital Plan Proposals

	Equipment	Facilities	Total
Vehicles			\$1,493,000
56 Small Pickup Truck (7)	\$294,000		\$294,000
57 Work Van (4)	\$270,000		\$270,000
58 Miscellaneous Vehicle Purchases	\$200,000		\$200,000
59 Full Size Truck (4)	\$195,000		\$195,000
60 Security Vehicles (3)	\$191,000		\$191,000
61 Transportation Bus (1)	\$178,000		\$178,000
62 Utility Vehicles (5)	\$99,000		\$99,000
63 Flat Bed Trailer (4)	\$46,000		\$46,000
64 Enclosed Trailer for Security	\$20,000		\$20,000
TOTAL	\$ 2,877,200	\$ 2,917,700	\$ 5,794,900



STAFF REPORT

DATE: May 23, 2023
FOR: Board of Directors
SUBJECT: 2024 Capital Plan Proposals

RECOMMENDATION

Staff recommends the Board of Directors review the proposed 2024 Capital Plan and provide direction for change or revision at the meetings held on May 23 and June 19, 2023, if necessary.

BACKGROUND

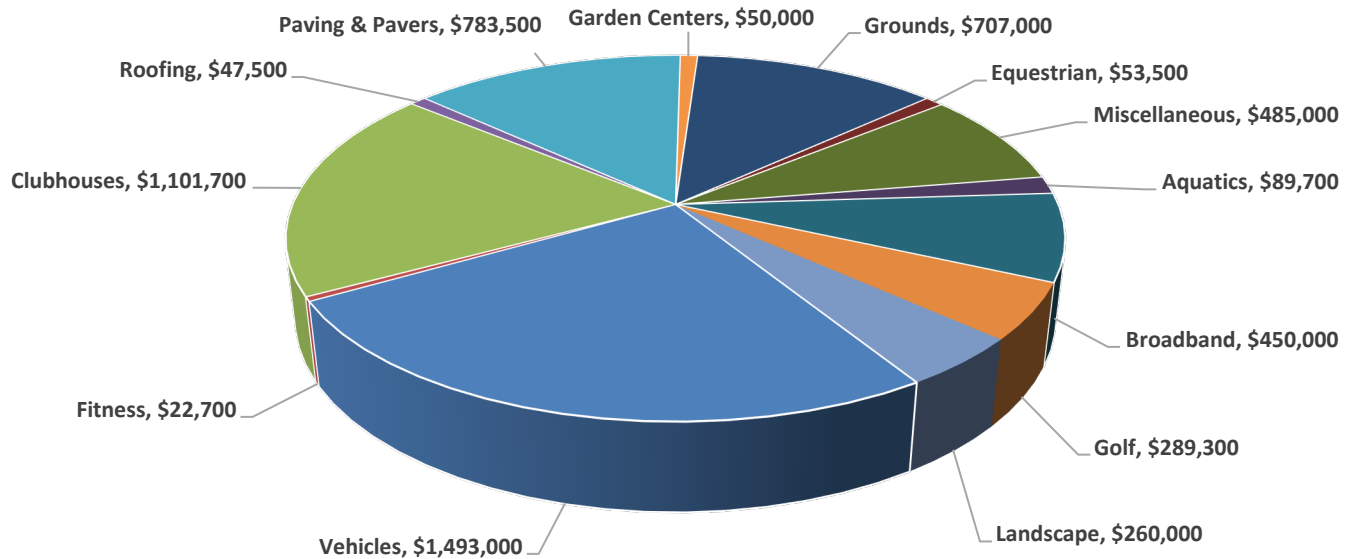
At its May 23 and June 19, 2023 (if necessary) meetings, the GRF Board of Directors will review 2024 Capital Plan Proposals. Based on input received at the meeting and subsequent discussions, staff will refine the proposals as included in this agenda.

The Capital Plan of this corporation reflects the funding necessary to maintain, repair, replace or restore major common-area components with funding provided from various reserve funds over the next 30 years.

- The Equipment Reserve Fund is used for the purchase of new and replacement equipment, including but not limited to vehicles, machinery, office equipment, and furniture. This fund receives monies through assessments, investment earnings, and a transfer of operating surplus if directed by the board.
- The Facilities Reserve Fund is used for the acquisition, addition, replacement or improvement of Foundation and Trust facilities and their components. This fund receives monies through assessments, investment earnings, and a transfer of operating surplus if directed by the board.
- Trust Facilities Fee Fund accumulates fees charged at the time of title transfer, generating revenue to maintain and improve the recreational and other amenities available to all residents of Laguna Woods Village. These monies are transferred by the board, as needed, to fund projects included in this plan.

A narrower focus of the 2024 Capital Plan is provided below. This document details the proposed projects and budgetary estimates for all GRF equipment and facility needs. Annual funding is obtained as part of the business planning process.

The proposed 2024 funding of \$5,832,900 is less than the \$15,065,400 projected for 2024 in the current year reserves plan, primarily attributable to the deferral of Clubhouse 1 improvements and Building E development and construction to reflect a more realistic timeline. A pie graph of proposed expenditures is presented below:



FINANCIAL ANALYSIS

The proposed projects for 2024 total \$5,832,900, as summarized below. This report provides a brief description of each project recommended for the upcoming budget year, divided into the categories commensurate with the location of the projects.

	Equipment	Facilities	Total
Aquatics			\$89,700
Pool Umbrellas	\$26,000		\$26,000
CH 5 Pool/Spa Salt Chlorine Generator		\$25,000	\$25,000
Pool Chemical Controllers		\$15,000	\$15,000
CH 4 Pool Vacuum	\$10,000		\$10,000
Pool 1 Cover	\$8,000		\$8,000
Two-Way Radio Equipment	\$5,700		\$5,700

- Funding of \$26,000 is recommended to replace current pool umbrellas which are in poor condition at various pools.
- Funding of \$25,000 is recommended for the replacement of the failed salt chlorine generator at Pool 5. The existing generator is past the end of its useful life and no longer works as designed. Currently, staff are manually checking pH levels and manually adjusting the chemical levels of the pool and spa. Replacement of equipment will convert the pool back to a salt pool rather than a chlorinated pool. The salt chlorine generator will reintroduce the naturally occurring chlorine by electrolysis of the salt.

- Funding of \$15,000 is recommended to purchase chemical controllers to control the chemical distribution (acid/chlorine) and monitor PH levels at the pools, currently done manually by staff. The proposed controllers meet the industry standard for chemical distribution and the intent is to update processes to eliminate potential hazards.
- Funding of \$10,000 is recommended to purchase an automatic pool cleaning vacuum. Pool 4 is serviced manually daily. Purchasing an automatic vacuum would allow pool technician time to be used more constructively servicing the pools.
- Funding of \$8,000 is recommended to replace one pool cover at Pool 1. The cover is in poor condition and contains tears which impacts daily removal and insulation of heat in the pools.
- Funding of \$5,700 is recommended to purchase two-way radios to improve communication between lifeguards and clubhouse staff at all pools.

	Equipment	Facilities	Total
Broadband Facility			\$450,000
Infrastructure	\$175,000		\$175,000
Set Top Boxes	\$175,000		\$175,000
Website Redesign and Rebuild	\$100,000		\$100,000

- Funding of \$175,000 is recommended to replace aging cable infrastructure. The existing cable infrastructure is 20 years old. Metal enclosures and underground conduits deteriorate over time. By reinvesting in this infrastructure project, serviceable life is anticipated to be extended by 20 years. Funds will be utilized to immediately repair failed components and to continue the inspection of the entire network to determine future repairs.
- Funding of \$175,000 is recommended for the purchase of approximately 570 set top boxes for digital video services and replacement of failed units at the end of their useful lives.
- Funding of \$100,000 is recommended to add to existing 2023 Website Redesign and Rebuild that is in the 2023 Capital Plan for a total of \$275,000 for the project. The update of the village website will improve user experience and ease of use.

	Equipment	Facilities	Total
Clubhouses			\$1,101,700
CH 1 Banquet Tables	\$52,000		\$52,000
CH 1 Main Lounge Sound System		\$36,000	\$36,000
CH 1 Generator		\$29,500	\$29,500
CH 2 Banquet Tables	\$16,700		\$16,700
CH 3 Auditorium Sound System		\$600,000	\$600,000
CH 3 Dining Room Projector Installation		\$22,000	\$22,000
CH 3 Banquet Tables	\$10,500		\$10,500
CH 4 Work Bench Chairs for Slip casting Studio	\$9,300		\$9,300
CH 4 Downdraft Sanding Tables	\$6,000		\$6,000
CH 4 Slip Casting Room Security Cameras	\$6,000		\$6,000
CH 5 Banquet Tables	\$35,000		\$35,000
CH 5 Sound System		\$23,500	\$23,500
CH 5 Cycling Bikes	\$20,000		\$20,000
CH 6 Turf Reduction		\$35,000	\$35,000
CH 6 Banquet Tables	\$8,000		\$8,000
CH 7 LED Lighting Upgrade		\$150,000	\$150,000
CH 7 Tennis Cabanas	\$18,500		\$18,500
CH 7 Benches and Trash Receptacles	\$12,000		\$12,000
CH 7 Sound System		\$11,700	\$11,700

- For Clubhouse 1:
 - Funding of \$52,000 is recommended to replace the banquet tables which are in poor condition and have surpassed their useful life of 10 years.
 - Funding of \$36,000 is recommended for replacement of the existing ballroom sound system which is more than 25 years old and for the addition of a projector to the ballroom.
 - Funding of \$29,500 is recommended for replacement of the existing generator which is past its useful life of 20 years.
- For Clubhouse 2:
 - Funding of \$16,700 is recommended to replace the banquet tables which are in poor condition and have surpassed their useful life of 10 years.
 - Funding of \$600,000 is recommended for the replacement of the auditorium sound system. The current system is more than 20 years old and has functional limitations due to the age. Staff is unable to set up for multiple bands in one night; the system in its current state is unreliable.
- For Clubhouse 3:
 - Funding of \$22,000 is recommended for the purchase and installation of projectors in the ceilings of both dining rooms to modernize presentations.

- Funding of \$10,500 is recommended to replace the banquet tables which are in poor condition and have surpassed their useful lives.
- For Clubhouse 4:
 - Funding of \$9,300 is recommended for the replacement of work bench chairs in the slip casting studio. These chairs have exceeded their useful lives and wear and tear have decreased chair functionality.
 - Funding of \$6,000 is recommended for the purchase of a downdraft sanding table to help elimination of sanding dust in the air inside the woodshop.
 - Funding of \$6,000 is recommended for the purchase of two security surveillance cameras in the slip casting room for inventory control purposes.
- For Clubhouse 5:
 - Funding of \$35,000 is recommended to replace the banquet tables which are in poor condition and have surpassed their useful life of 10 years.
 - Funding of \$23,500 is recommended to replace the sound system, projector, screen and microphones which are in poor condition. Staff has received complaints from members about the condition of these items.
 - Funding of \$20,000 is recommended to replace the cycling bikes which are in poor condition due to the heavy use they receive. Mechanical and physical parts are degraded and replacement parts are scarce.
- For Clubhouse 6:
 - Funding of \$35,000 is recommended for turf reduction. There is a sloped landscape area near the parking lot that is steep and difficult to mow. Mowers slide downhill in damp turf which makes mowing difficult.
 - Funding of \$8,000 is recommended to replace the banquet tables which are in poor condition and have surpassed their useful life of 10 years.
- For Clubhouse 7:
 - Funding of \$150,000 is recommended for the addition of LED lighting upgrade consisting of light bulbs, fixtures and ballasts. The current ballasts do not support the use of LED lighting and have created unnecessary operational expenditures. The funding would replace 380 existing clubhouse lights and 41 parking lot lights, four of which have already failed.
 - Funding of \$18,500 is recommended for replacement of the existing Tennis Center cabanas. The wooden structures and plastic protective covering are warping and cracking.
 - Funding of \$12,000 is recommended for replacement of outdoor benches and trash receptacles which are in poor condition and showing signs of wear.

- Funding of \$11,700 is recommended for the replacement of the existing sound system. The current system is aged and experiencing functionality issues.

	Equipment	Facilities	Total
Equestrian Center			\$53,500
Horse Walker/Exerciser	\$30,000		\$30,000
Stall Mats	\$23,500		\$23,500

- Funding of \$30,000 is recommended for horse walker/exerciser. The current item has limited function due to the age of the machine and machine has been repaired on various occasions. Staff is recommending the upgrade of existing machine to meet current standards.
- Funding of \$23,500 is recommended for the purchase of horse stall mats at the Equestrian Center. Stall mats will make cleaning easier and provide a medium between horses and the ground beneath, preventing erosion and damage to the ground where horses stand.

	Equipment	Facilities	Total
Fitness			\$22,700
Tennis Center Ball Machine	\$16,200		\$16,200
Pec Fly/Rear Deltoid Machine	\$6,500		\$6,500

- Funding of \$16,200 is recommended for the replacement of two tennis ball machines at the Tennis Center that have exceeded their useful life of five to seven years. The current machines also experience functional issues such as remote connectivity issues and ball jams. Replacement parts are difficult to find.
- Funding of \$6,500 is recommended for the replacement of the current pec fly machine in the Fitness Center that has exceeded its useful life and experiencing mechanical failures or something. The replacement machine will be a dual exercise machine that enables users to perform more than one exercise: the pectoral fly and rear deltoid fly. The current machine is limited to the pectoral fly only.

	Equipment	Facilities	Total
Golf			\$289,300
Rough Mower	\$98,000		\$98,000
Chemical Sprayer	\$72,000		\$72,000
Greens Mower	\$52,300		\$52,300
Golf Starter Public Address (PA) System		\$22,000	\$22,000
Par 3 Shade Cover		\$35,000	\$35,000
Tow Behind Spreader	\$10,000		\$10,000

- Funding of \$289,300 is recommended for the replacement of various golf facilities maintenance equipment items that have reached the end of their useful life. The equipment is needed to maintain the aesthetic appeal and functionality of the Village golf courses. The 27-Hole Golf Course is one of the most widely used amenities at Laguna Woods Village. The specialized equipment is needed to enable the golf maintenance crew to address specific maintenance needs.

	Equipment	Facilities	Total
Landscape & Irrigation			\$260,000
Gate Re-landscaping		\$250,000	\$250,000
Backflow Devices	\$10,000		\$10,000

- Funding of \$250,000 is recommended for gate re-landscaping of nine community gates by the GRF Landscape Committee. This project is to beautify the landscape around nine gates to aesthetically pleasing water-wise landscaping.
- Funding of \$10,000 is recommended for the replacement of backflow devices on potable water meters. These backflow devices are required by law and recertified annually. If a device fails recertification, it must be repaired or replaced. Staff has kept a supply of used/recycled devices to replace failed devices but that supply is nearly depleted.

	Equipment	Facilities	Total
Miscellaneous			\$485,000
Office Space Lease		\$230,000	\$230,000
Miscellaneous Projects		\$125,000	\$125,000
Maintenance Operations Equipment	\$50,000		\$50,000
Maintenance Services Equipment	\$50,000		\$50,000
Miscellaneous Fleet/Paving Equipment	\$30,000		\$30,000

- Funding of \$230,000 is recommended for office lease payments for 2024. Per GRF Board approval on February 7, 2023, GRF entered into a lease for four (4) office suites in the Town Centre Professional Building for a 24-month term with one 12-month extension option. The leased offices provide temporary office space for approximately 40 administrative personnel from Security, Landscape and Maintenance & Construction

departments.

- Funding of \$125,000 is recommended for miscellaneous projects. By including contingency funding in the Capital Plan, unforeseen small capital projects can be completed in an economical and timely fashion without going through the formal process required for supplemental appropriations. Projects under \$25,000 will be completed at the discretion and under the funding authority of the CEO and projects over \$25,000 must follow normal board approval process for supplemental appropriations.
- Funding of \$50,000 is recommended for building maintenance operations equipment used by carpentry, painting, and interior components crews. By including contingency funding in the Capital Plan, maintenance tools and equipment can be purchased, if needed, without deferring service requests or decreasing productivity.
- Funding of \$50,000 is recommended for maintenance services equipment used by plumbing, electrical, facilities and appliance technicians. Contingency funds for tools and equipment allows for timely purchases of equipment, if needed, to support maintenance service levels.
- Funding of \$30,000 is recommended for the possible replacement of various fleet and paving equipment that is needed to support operations in Fleet Maintenance, Janitorial, and/or Streets and Sidewalks. Contingency funds for the replacement of failed equipment will help avoid interruption in operations.

	Equipment	Facilities	Total
Garden Centers			\$50,000
Building Exteriors		\$25,000	\$25,000
Restrooms Refurbish		\$25,000	\$25,000

- Funding of \$25,000 is recommended for the structural repair and improvement of Garden Center 2 buildings. Several buildings in the garden center need exterior repairs for rot in the wood siding followed by a professional paint job.
- Funding of \$25,000 is recommended for the renovation of Garden Center 2 restrooms that show signs of wear and tear. These restrooms have broken/loose tiles, old fixtures, and worn mirrors. The renovation of these restrooms will improve the overall atmosphere at the garden center.

	Equipment	Facilities	Total
Grounds			\$707,000
Landscape Equipment - Electrical	\$250,000		\$250,000
Repair Shop Electrical Upgrade (Battery Equipment)		\$200,000	\$200,000
Landscape & Slope		\$172,000	\$172,000
Insulate Mower Shop		\$30,000	\$30,000
Moving/Upgrading of Benches		\$29,000	\$29,000
V-Ditch (Swales)		\$26,000	\$26,000

- Funding of \$250,000 is recommended for electric landscape equipment. State law will prohibit the sale of gas-powered equipment that will become effective January 1, 2024. Gas-powered equipment is generally replaced every 3-4 years. Electric equipment will provide a quieter and healthier environment for employees and residents.
- Funding of \$200,000 is recommended for the electrical system upgrade in the repair shop. State law will ban the sale of gas-powered equipment beginning in 2024. Upgrading the electrical system in the repair shop will allow safe and efficient charging in one location for new electric landscaping equipment.
- Funding of \$172,000 is recommended for slope refurbishment. A vendor will be contracted to renovate landscaped slopes on GRF property. This project will maintain 60,000 square feet of previously unmaintained slopes to OCFA requirements.
- Funding of \$30,000 is recommended for insulation in the mower shop. The mower shop experiences high temperatures and installing insulation will allow for more effective cooling and improve the work environment for staff.
- Funding of \$29,000 is recommended for moving and upgrading 10 benches that are on the sidewalks. The existing white benches would be moved off of the sidewalk and be replaced with new, green benches. Moving benches off of the sidewalk would create a wider walking path for residents.
- Funding of \$26,000 is recommended for the repair and/or replacement of existing v-ditch swales used to direct water on hillsides. Properly maintained v-ditch swales will help ensure stable hillsides in the community.

	Equipment	Facilities	Total
Paving & Pavers			\$783,500
Asphalt Paving and Sealcoat		\$583,500	\$583,500
Concrete - Repair/Replace		\$200,000	\$200,000

- Funding of \$583,500 is recommended for the Asphalt Paving and Sealcoat Programs. GRF streets and parking lots provide residents vehicular access to their manors and facilities within the Community. The anticipated serviceable life of the new pavement is estimated to be 25 years. The recommended asphalt paving budget is \$480,500 and

sealcoat budget is \$103,000. Sealcoat work for GRF pavement is completed on a seven-year cycle.

- Funding of \$200,000 is recommended for concrete repairs. In coordination with paving, staff has identified concrete areas that require repair or replacement. With recommended funding of \$200,000, the concrete repairs program is designed to repair damaged GRF curbs/gutters, driveway aprons, and sidewalks adjacent to the planned paving overlay areas prior to asphalt paving work and add curb return ramps, as needed.

	Equipment	Facilities	Total
Roofing			\$47,500
CH 7 Flat Roof Replacement		\$28,000	\$28,000
Maintenance Center - Building C Roof		\$19,500	\$19,500

- Funding of \$28,000 is recommended for the replacement of the existing built-up roof at Clubhouse 7, with a PVC cool-roof system. The flat roof areas consist of hot tar built-up roofing with aggregate material as the final layer. Maintenance costs for leaks and dry rot repairs due to rain leaks have increased over the last few years. In 2024, the roof system will reach 20 years of age. Industry standards for useful life expectancy of hot tar built-up roof systems is 16 to 20 years. The PVC cool-roof will eliminate any rain leak activity on the flat roof areas, and less heat will be absorbed into the structure due to the reflectivity of the PVC roofing material.
- Funding of \$19,500 is recommended for the replacement of existing built-up roof of Building C at the Maintenance Center, with a PVC cool-roof system. Building C at the Maintenance Centre houses fertilizer and other Landscape Department materials. Replacing the flat roof areas with cool roof material will require less electricity for summer cooling, due to the reflectivity of the PVC roofing material. The flat roof areas consist of hot tar built-up roofing with aggregate material as the final layer. Maintenance costs for leaks and dry rot repairs due to rain leaks have increased over the last few years. In 2024, the roof system will reach 23 years of age. Industry standards for useful life expectancy of hot tar built-up roof systems is 16 to 20 years.

	Equipment	Facilities	Total
Vehicles			\$1,493,000
Small Pickup Truck (7)	\$294,000		\$294,000
Work Van (4)	\$270,000		\$270,000
Miscellaneous Vehicle Purchases	\$200,000		\$200,000
Full Size Truck (4)	\$195,000		\$195,000
Security Vehicles (3)	\$191,000		\$191,000
Transportation Bus (1)	\$178,000		\$178,000
Utility Vehicles (5)	\$99,000		\$99,000
Flat Bed Trailer (4)	\$46,000		\$46,000
Enclosed Trailer for Security	\$20,000		\$20,000

Vehicle Maintenance is responsible for maintenance and repair of the entire Laguna Woods Village vehicle and mobile equipment fleet. Staff strives to extend serviceable life where possible by providing preventive maintenance on equipment. However, as equipment ages, repairs can become more frequent and costlier. To minimize expense and downtime, replacement of certain equipment is necessary.

- **REPLACEMENTS:** Staff evaluated the fleet and recommends funding of \$1,493,000 for the vehicle replacements noted above. These components of the fleet are used by various departments to transport crews and equipment to job sites and to perform work. Because the funding is appropriated well in advance of the actual purchase, General Services Fleet Maintenance personnel will reevaluate utilization and repair costs prior to purchase to ensure that the appropriate individual vehicle is selected for replacement.

Prepared By: Jose Campos, Assistant Director of Financial Services

Reviewed By: Steve Hormuth, Director of Financial Services
Siobhan Foster, Chief Executive Officer