

MINUTES

GOLDEN RAIN FOUNDATION OF WALNUT CREEK

REGULAR MEETING OF THE BOARD OF DIRECTORS THURSDAY, AUGUST 31, 2017, AT 9:00 A.M.

A regular meeting of the Board of Directors of the Golden Rain Foundation (GRF) of Walnut Creek was convened by the President, Geraldine Pyle, at 9:00 a.m. on Thursday, August 31, 2017, in Peacock Hall at Gateway Complex, 1001 Golden Rain Road, Walnut Creek, California.

ROLL CALL: Present: Geraldine Pyle, Stephen D. Roath, Robert D. Kelso, Attendance
Mary K. Neff, Sue DiMaggio Adams, Leslie Birdsall,
Carl W. Brown, Mary Lou Delpech, Melvin C.
Fredlund, and Timothy O'Keefe, Chief Executive
Officer (CEO), ex-officio member of the Board

Absent: None

There being no corrections, the minutes of the regular meeting of the Minutes
Board held on July 27, 2017, were approved, as written, by unanimous Approved
consent.

Before proceeding further with the agenda for the meeting, the President announced that Cindy Silva, Walnut Creek City Council member and the City's Liaison to Rossmoor, is not present to make a report on the City's activities.

Mary Neff gave the Treasurer's report for the period ending July 31, 2017. Treasurer's

The CEO reviewed his written report dated August 24, 2017. Discussion Report/
followed. CEO's
Report

During the Residents' Forum, Bill Knickerbocker spoke about the lighting Residents'
around the Del Valle pool and then encouraged the Board to consider selling Forum
the naming rights for the newly renovated Del Valle Complex.

John H. Nutley suggested some names for the newly renovated Del Valle Complex.

Brian K. Stack, Chairman, Aquatics Advisory Committee, said the written report AAC Report
of the Committee's August meeting was accurate and complete and that he
would be happy to answer any questions. There were none.

In the absence of David Smith, Chairman, Finance Committee, the Vice Finance
Chairman of the Committee, F. William Dorband, reporting on the Committee's Committee
August meeting, commented on the Committee's recommendations that the Report
Board: approve funding for the Del Valle Pool plastering and pump room
upgrade project; authorize the CEO to execute an agreement for the purchase
of an access control software package; and recognize and approve the

resolution passed by the Mutual 68 Board of Directors, reducing the number of manors in the Mutual from 235 to 233 as of November 1, 2017.

Claudia Tierney, Chairman, Fitness Center Advisory Committee, reported that there were 9,365 visits to the Fitness Center in July. Discussion followed.

FCAC Report

In the absence of John McDonnell, Chairman, Golf Advisory Committee, the Director of Golf, Mark Heptig, reported that because there has been such a continuous flow of water, even now, from the winter storms, they were able to open the EBMUD valve late (on July 19th) and keep capturing lots of water throughout the summer. The result is that the golf course EBMUD water bill will be less than anticipated. He estimates that the gap in the collection of golf course fees and the water bill will even out by the end of the year, meaning he thinks they will be close to budget. Discussion followed.

GAC Report

The President called on the Director of Resident Services, Jeff Matheson, who commented on the Del Valle Pool plastering and pump room upgrade project.

Approved
Funding for
Del Valle Pool
Plastering &
Pump Room
Upgrade

A motion was made by Mr. Kelso, seconded by Ms. Adams, and CARRIED UNANIMOUSLY to approve funding in the amount of \$52,500 for the Del Valle Pool plastering and pump room upgrade project to be paid from the Trust Estate Fund.

Following remarks by the President, a motion was made by Ms. Delpech, seconded by Mr. Roath, and CARRIED UNANIMOUSLY to approve establishing a Board Ad Hoc Committee to recommend to the Board names for the renovated Del Valle Fitness Center Complex and the rooms therein; approve a Mission Statement for the Ad Hoc Committee; and approve the appointment of the following Board members to the Ad Hoc Committee: Sue DiMaggio Adams, Leslie Birdsell, and Robert D. Kelso. The President then announced her appointment of Sue DiMaggio Adams as Chairman of the Ad Hoc Committee.

Approved
Establishing
Board Ad Hoc
Committee to
Recommend
Names for
Renovated
Del Valle
Fitness Center
Complex &
Other Items

Following remarks by the President, a motion was made by Mr. Roath and seconded by Ms. Adams to authorize the CEO to execute an agreement with Siemens for the purchase of an access control software package in an amount not to exceed \$38,000, which includes a 10% contingency, to be paid from the Trust Estate Fund.

Motion to
Authorize CEO
to Execute
Agreement for
Purchase of
Access Control
Software
Package/Motion
to Amend
Motion Carried

A motion was made by Mrs. Neff and seconded by Mr. Roath to amend the main motion to authorize the CEO to execute an agreement with Siemens for the purchase of an access control software package in an amount not to exceed \$38,000, which includes a 10% contingency, to be paid from the Trust Estate Fund, to stipulate that the money spent on the ID tags will be paid from the Operating Fund and the remaining

funds will be paid from the Trust Estate Fund. Following discussion, the vote on the motion was taken, and the motion CARRIED, with Ms. Pyle voting no and Mr. Brown abstaining.

A motion was made by Ms. Neff and seconded by Mr. Kelso to amend the amended motion to authorize the CEO to execute an agreement with Siemens for the purchase of an access control software package in an amount not to exceed \$38,000, which includes a 10% contingency, with the money spent on the ID tags to be paid from the Operating Fund and the remaining funds to be paid from the Trust Estate Fund, to ensure co-occupants in the new fitness access system actually live in Rossmoor, implement the updated co-occupant proof of residency policy so that their Rossmoor address is confirmed. Following discussion, Ms. Neff, the maker of the motion, and Mr. Kelso, the second, withdrew the motion.

Motion to
Amend Motion
Withdrawn

Ms. Adams called for the question on the amended motion. A vote was taken, with Messrs. Brown and Kelso voting no, to close discussion on the amended motion.

Question
Called for

The vote was then taken on the motion, as amended, to authorize the CEO to execute an agreement with Siemens for the purchase of an access control software package in an amount not to exceed \$38,000, which includes a 10% contingency, with the money spent on the ID tags to be paid from the Operating Fund and the remaining funds to be paid from the Trust Estate Fund, and the amended motion CARRIED, with Mr. Kelso abstaining and Mr. Brown voting no.

Motion as
Amended
Carried

The President called on Rebecca Pollon, Landscape Manager, who reviewed a PowerPoint presentation (copy on file) regarding integrated weed management in Rossmoor and her operations' use of chemicals and answered questions from members of the Board. During her presentation she discussed why it's important to address weeds, weed removal options, and GRF's strategy and philosophy for the treatment of weeds. She then said that GRF's landscape goals for Rossmoor are to reduce all herbicide usage by taking a "whole system" approach to minimize and prevent weeds and increase plant vigor and longevity by building long-term soil health.

Presentation
re. Weed
Management
& Use of
Chemicals

The President then called on Mark Heptig, Director of Golf, who described the use of chemicals on the Rossmoor golf courses and related matters, noting that the amount of fertilizer and pesticide applications and the frequency of the applications on the golf courses are far less than those at other golf courses in this region. He went on to say that, when it comes to the management of chemicals used on the golf courses, staff is again conservative and aware of their impact on the land. Their goal is to use fewer chemicals. Discussion

Presentation
re. Use of
Chemicals
on Golf
Courses

followed during which Mr. Heptig answered questions from members of the Board.

The President next called on Paul Donner, Director of Mutual and Trust Operations, who gave some background information regarding the proposal to approve a consulting agreement with Green Earthology to develop a complete comprehensive recycle plan that will be designed and implemented specifically for Rossmoor. He then introduced Kevin Fretz, President – Chief Executive Officer, and Mark Farmer, President – Equipment Division, Green Earthology, and then turned the meeting over to Messrs. Fretz and Farmer, Green Earthology, who discussed their background. Mr. Fretz then reviewed a PowerPoint presentation regarding sustainability (copy on file) and, along with Mr. Farmer, answered questions from members of the Board.

Proposal re.
Comprehensive
Recycle Plan
for Rossmoor

A motion was made by Mr. Kelso and seconded by Mr. Roath to approve a 6-month consulting agreement with Green Earthology to develop a complete comprehensive recycle plan that will be designed and implemented specifically for Rossmoor in the amount of \$60,000, to be paid from the operating fund. The agreement will include 30 days of onsite training for the Landscape Manager and other key Rossmoor staff. Following discussion, the vote on the motion was taken, and the motion CARRIED, with Ms. Pyle voting no.

Approved
6-Month
Consulting
Agreement to
Develop a
Complete
Comprehensive
Recycle Plan
for Rossmoor

Before concluding, the President announced that the next mid-month regular meeting of the Board will be held on Tuesday, September 12, and Wednesday, September 13, 2017, at 9:00 a.m. in the Fireside Room at Gateway Complex. The Board will meet with the Finance Committee to hear the presentation of the proposed GRF Operations Budget for 2018; that the next end-of-the month regular meeting of the Board will be held on Thursday, September 28, 2017, at 9:00 a.m. in Peacock Hall at Gateway Complex; and that there will be an executive session of the Board following this meeting to discuss legal matters and any other appropriate business.

Announce-
ments

There being no further business to come before the Board, the meeting was recessed at 11:29 a.m. and reconvened in executive session at 12:08 p.m. in the Board Room.

Recess



Robert D. Kelso, Secretary
Golden Rain Foundation of Walnut Creek