



OPEN MEETING

**REPORT OF REGULAR MEETING OF THE THIRD LAGUNA HILLS MUTUAL
MAINTENANCE AND CONSTRUCTION COMMITTEE**

Monday, May 4, 2020 – 1:30 PM

Virtual On-Line Meeting

MEMBERS PRESENT: Cush Bhada – Chair, Robert Mutchnick, Jon Pearlstone,
Craig Wayne

MEMBERS ABSENT: John Frankel

OTHERS PRESENT: Steve Parsons

STAFF PRESENT: Ernesto Munoz – Staff Officer, Laurie Chavarria, Leslie
Cameron, Siobhan Foster

1. Call to Order/Establish a Quorum

Chair Bhada called the meeting to order at 1:36 PM and stated that the meeting is being held pursuant to notice duly given and established that a quorum of the Committee was present.

2. Acknowledgement of Media

The media was not present.

3. Approval of the Agenda

The meeting agenda was unanimously approved as written.

4. Approval of Meeting Report for March 2, 2020

The meeting report from March 2, 2020, was unanimously approved as written.

5. Chair's Remarks

Chair Bhada remarked that this was his last meeting as Chair and informed the Committee that Director Mutchnick would be the new Chair going forward. Chair Bhada then commented on the budget adjustments being made due to COVID-19 and asked Staff Officer to provide information on the LED street light conversion project during his Department Head Update.

6. Member Comments (Items Not on the Agenda)

- Bill Walsh (3162-C) commented on the production and monitoring of the solar system installations on the 3-story buildings.

Staff Officer Ernesto Munoz replied to the comment.

7. Department Head Update

Staff Officer Ernesto Munoz provided an update on the Street Light LED Conversion project. The light fixtures will be installed in two phases and the estimated completion date for the project is the end of June.

ITEMS FOR DISCUSSION:

8. Project Log

Staff was requested by Board President Parsons and Board Treasurer Pearlstone to prepare a recommendation to reduce funding for those programs directly affected by the COVID-19 work stoppage. Staff analyzed each of the affected programs and arrived at a list that could be considered for budget reductions in order to redirect funding to other more pressing priorities.

Staff Officer Ernesto Munoz reviewed a list of nine projects and programs from the Third Mutual Project Log and recommended that funding be reduced or eliminated as shown below and attached to these minutes.

The suggested funding reductions are as follows:

- Priority 1 Building address signs – eliminate all funding for 2020
- Priority 2 Parapet Walls – eliminate all funding for 2020
- Priority 3 Energy projects – eliminate all funding for 2020
- Priority 4 Golf Cart Parking and Striping – eliminate all funding for 2020
- Priority 5 Epoxy Waste line Remediation – reduce funding
- Priority 6 Elevator Replacement Program – eliminate all remaining funding for 2020
- Priority 7 Building Structures – reduce funding
- Priority 8 Dry Rot – reduce funding
- Priority 9 Exterior Paint – reduce funding

Staff Officer Ernesto Munoz gave a review of the Project Log and listed 9 project priorities to defund or reduce funding to generate 2 million dollars for the Third Streetlight installations. Priorities for removing or decreasing budgets are listed below.

Discussion took place regarding the costs to the Mutual related to the pandemic.

A motion was made and unanimously approved to recommend that the Finance Committee and Board consider a total funding reduction in the amount of \$2,195,000. This will reallocate the existing funding back into the Replacement/Reserves Fund.

Items for Future Agendas:

- Dryer Timer Reset Costs to Extend Drying Time
- Restructure Paint Program to Accommodate Trim Cycle Buildings
- Proposed EV Charging Station Locations (July)
- Programs Report (March, September)
- Entryway Modifications for all GV Buildings (General Services)
- Ramp Request at B3244 (pending Entryway Modification Report)
- Solar Panel Performance Report (July)

Concluding Business:

9. Committee Member Comments

- Co-Chair Mutchnick stated that he has enjoyed working with the Committee.
- Director Pearlstone thanked Chair Bhada for his hard work and welcomed Director Mutchnick to the Committee.

10. Date of Next Meeting – July 6, 2020

11. Adjournment – The meeting was adjourned at 2:12 PM.

Cush Bhada

Cush Bhada, Chair

Third Mutual Funding Reductions (May 2020)						
Priority #	Project Log Item #	Type	Name	Description	Status	Budget
1	1	920 Projects	Building Address Signs	This project is intended to upgrade building signage to improve their visibility. The M&C Committee is focused on replacement of the existing building address signs with larger, more visible signs. Staff is using larger, traffic-rated, high reflectivity materials to improve their visibility at night.	*As of 3/19/2020, this installation of building address signs has been placed on hold until further notice.	Budget: \$30,000 Funding Reduction: (\$30,000)
2	4	920 Projects	Parapet & Stucco Wall Repairs	The Villa Paraisa and Casa Grande style homes in the Gate 11 area have had parapet wall leaks causing wood rot and wall damage. A phased program to remove these parapet walls was adopted by the Board to remove five walls per year.	A total of five buildings are scheduled for 2020: 5028, 5144, 5294, 5298 & 5404. 19 out of 41 buildings have been completed to date. *As of 3/19/2020, this project is on hold until further notice.	Budget \$300,000 Funding Reduction: (\$300,000)
3	7	900 Maint	Energy Projects	These funds are allocated to fund future energy related projects. An energy consultant will be used as-needed in order to advance Third's and the Community's future energy initiatives.	No projects have been assigned to the energy consultant this year.	Budget \$10,000 Funding Reduction: (\$10,000)
4	15	920 Projects	Golf Cart Parking and Striping	This project is funded to add golf cart & vehicle parking spaces where there is adequate spacing.	Cul de sac 216 will receive 13 new golf cart spaces and 7 new vehicle parking spaces this year. *As of 3/19/2020, this project is on hold until further notice.	Budget: \$50,000 Funding Reduction: (\$50,000)
5	22	904 Maint Svc	Epoxy Wasteline Remediation	The Waste Line Remediation Program's objective is to install seamless liners within the existing waste pipes to mitigate future root intrusion as well as to resolve and prevent future back up problems related to compromised pipes. If there are consistent internal issues, these are also investigated and addressed during the program execution. The program addresses interior as well as exterior waste lines. The program to line pipes commenced in 2011 but did not include interior pipes. Starting in 2017, both, interior and exterior lines are receiving an epoxy liner.	While the primary focus is on three-story buildings this year, other buildings with a high risk for stoppages will also be evaluated for epoxy lining. The three-story buildings take an average of 6-weeks to complete. Total number of buildings in Third Mutual: 1405 Number of buildings left to complete: 1102 There are 5 Garden Villa buildings left to complete this year. *As of 3/19/2020, this program is on hold until further notice.	Budget: \$1,000,000 YTD Exp: \$100,141 Balance: \$899,859 Funding Reduction: (\$250,000) Remaining Balance: \$649,859

6	24	920 Projects	Elevator Replacement Program	This Elevator Replacement Program is funded to replace mechanical equipment. In addition, a specified number of elevator cars are scheduled for interior renovations.	The elevators at buildings 3363, 3366, 4026, 5368 and 5369 are scheduled for equipment replacement & interior renovation this year. *As of 3/19/2020, this program is on hold until further notice.	Budget: \$255,000 Funding Reduction: (\$255,000)
7	2	920 Projects	Building Structures	This program is funded to repair or replace building structural components that are not performing as designed. This funding also includes roofing repairs related to dry rot work.	As building structural issues are reported and inspection requests are received, staff schedules an engineer to field inspect and if required, provide a recommendation for repairs.	Budget: \$500,000 YTD Exp: \$173,743 Balance: \$326,257 Funding Reduction: (\$150,000) Remaining Balance: \$176,257
8	3	920 Projects	Dry Rot Program	This program is funded to develop and implement a systematic approach to eradicating wood rot throughout Third Mutual.	The Dry Rot Program will take place in coordination with the Prior to Paint Program, with a primary focus on Garden Villa Buildings. Buildings 2384, 2385, 2386, 2387 and 2388 have been completed. *As of 3/19/2020, construction on buildings 2389, 2390, 2399, 2353 and 2354 has been postponed until further notice.	Budget: \$1,025,000 YTD Exp: \$141,827 Balance: \$883,173 Funding Reduction: (\$400,000) Remaining Balance: \$483,173
9	11	910 Bldg. Maint	Exterior Paint Program	The Mutual has a 10-year full cycle exterior paint program. All exterior components of each building are to be painted every 10 years. The painted components include the body (stucco/siding) as well as the following list in regards to the trim: fascia boards; beams; overhangs; doors; closed soffits; structural and ornamental metal surfaces. Decks are top coated and damaged building address signs are replaced. Lead abatement activities are also performed in conjunction with this program.	Work was suspended while finalizing the completion of CDS 327 and the commencement of CDS 203. *As of 3/19/2020, this program is on hold until further notice. A revision of the 10 year program cycle is necessary due to the excessive delay caused by the recent health order. Upon return, the program may be up to 6 months behind schedule. The following cul-de-sacs/buildings are scheduled for painting during the 2020 Exterior Paint Program: CDS 203, 219, 221, 328, Buildings 3326-3334, 334, 201, 202, and 333.	Budget: \$2,055,556 YTD Exp: \$517,836 Balance: \$1,537,720 Funding Reduction: (\$750,000) Remaining Balance: \$787,720
Total Reallocation:						\$2,195,000