

the Neighborhood



MVEA COMMUNITY NEWSLETTER

SUMMER 2022

Reserve Expenditures: Galvanized Pipe Renovation & Irrigation Points of Connection Renovation

For the past several years the Landscape Committee, former Water Conservation Sub Committee and Board of Directors have continued to discuss water conservation and monitor water usage, the failing galvanized pipe irrigation systems on the slopes as well as the high static pressure in the irrigation lines resulting in continued line breaks, sprinkler breaks, and valve issues. Back in January 2020, the Board of Director signed a proposal with Monarch Environmental to perform an irrigation audit analysis/assessment on approximately 17 water meters. Monarch Environmental is a third-party consultant company whose employees are Horticulturists, ISA certified and ASCA Registered Consulting Arborists and certified Water Managers who leverage their experience to promote quality through accountability. Back in May 2020, Monarch Environmental provided the Landscape Committee and Board of Director with a 36-page detailed report titled "Galvanized Piping Replacement Review & Irrigation Field Review of Irrigation Water Meters with The Highest Usage" outlining their findings and expert opinions based on their evaluation of all 17 water meters. Their overall findings of all the systems can be summarized as follows:

"The galvanized lines, main and lateral, are all in need of replacement. Irrigation maintenance and oversight needs to improve. Plant maintenance around the irrigation systems need to account for marginal to poor coverage and contributes to water waste. These factors contribute most to water waste of the irrigation systems.

In regards to the galvanized lines, two major factors are contributing to their increasing failures. Sitting on damp soil and the pipes themselves being irrigated with recycled water, which is known to have a higher salinity than potable water. The higher salinity or recycled water amplifies the degradation of galvanized piping, both internally and externally. Sitting on the soil with little chance of drying out because of the plant canopy, increases the amount of time the water reacts to corrode the piping, decreasing lifespan. A combination of all of the environmental factors makes galvanized piping the least desirable option as currently installed and the most prone to site-wide failures over time.

Improper irrigation maintenance has also contributed to increased consumption of water over time. With nearly every zone observed, improvements could be made to decrease the amount of water used while keeping the plant materials in acceptable conditions."

Monarch Environmental provided the following recommendations that they felt would help achieve a greater savings of water and water dollars while achieving optimum water usage for desirable plant health:

- * Replacement of all galvanized irrigation lines
- * Implementation of a water management program
- * Installation of irrigation flow meters
- * Proper sprinkler head selection, installation and maintenance
- * Estimate of Irrigation water waste

Monarch Environmental was also tasked with reviewing galvanized conversion retrofit proposals submitted by ParkWest and work performed by ParkWest to ensure the scope of work presented was sufficient and that there was reasonable, fair pricing and the service performed met industry leading standards. Ongoing reports were provided to the Landscape Committee and Board of Directors throughout the years 2021 up until January 2022 when the monthly service contract with Monarch Environmental was terminated.

Back in November 2021, Monarch Environmental provided a detailed report titled "MVEA Controller and Point of Connection Inspection". Their report included a detailed breakdown of all 93 controllers and their static PSI. Some of the controllers they were unable to test for various reasons. In general, any mainlines with greater than 80 PSI should have mainline pressure regulation installed at the point of connection. Spray heads are recommended to operate at 30 PSI and the 3/4" gear drive rotors used on the slopes are recommended to operate at 45 PSI with a maximum recommended inlet pressure of 70 PSI. The report showed 50 controllers had a static PSI of over 100. On May 4, 2022, ParkWest provided a "Irrigation Systems Inventory and Pressure Table Report" that showed 50 controllers still had a static PSI ranging from 90-188.

Back in 2021, the Board of Directors worked together with the contracted Reserve Analyst to put together a 7-year galvanized pipe replacement plan that would be funded out of the associations Reserve account. This plan was discussed in detail at a Special Meeting held on August 4, 2021 and then approved by the Board of Directors back on August 23, 2021 when they accepted the 2022 Reserve Study as written. The 2022 Reserve Study included a 30-year Projection Report, Annual Expenditure Detail as well as Component Detail Reports. For the purpose of the analysis, it was determined at that time by the Board of Directors and Landscape Committee that approximately 10-12 controllers with galvanized piping would be replaced each year for the next 7 years and that this component would be evaluated by the Board of Directors on an annual basis and

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Reserve Expenditures: Galvanized Pipe Renovation

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modified as required. The association also learned back in 2021, that several of the association's irrigation controllers lacked certain "points of connection" assemblies such as pressure regulators, wye strainers, flow sensors, etc. So, the estimated expense was then incorporated into the 2022 Reserve Study as a budgeted item needing to be addressed in the year 2022. A copy of the 2022 Reserve Study can be requested by contacting Action Property Management.

Reserve funds take time to grow and Reserve funds are meant to be spent. The Board has a responsibility to protect, maintain, and enhance the assets of the association, and that requires a multi-year perspective. Inaction also known as deferred maintenance can often lead to bigger problems. The definition of Percent Funded is: "The ratio, at a particular point in time related to the fiscal year end, of the actual (or projected) reserve balance to the fully funded balance, expressed as a percentage. While percent funded is an indicator of an association's reserve fund size, it should be viewed in the context of how it is changing due to the association's reserve funding plan in light of the association's risk tolerance." Percent funded takes into account how much money the association currently has in reserves compared with how much the association should have in reserves at that given time. Essentially, percent-funded tells you how well the reserve fund has "kept pace" with the deterioration and aging of the reserve components. As components age, the reserve balance should increase to offset that deterioration. You may have noticed the 99.71% reserve percent funded back in 2021 dropped down to 35.44% in 2022. There are many factors that contribute to the current financial status of the association. Failure to collect sufficient reserve contribution from owners to cover the future expense of galvanized pipe replacement or points or connection assembly could have been a significant factor resulting in the overall drop in percent funded in the year 2022. Although the percent funded dropped, the association and Board of Directors should stay focused on the multi-year plan. The Reserve Funding Plan is the recommended action plan by which the association provides income to the reserve fund to offset the ongoing common area deterioration. A well-crafted funding plan will provide adequate reserves to repair and replace each component on time. The funding plan should be fiscally responsible. Board members are obligated to act in a fiscally accountable manner, making responsible, informed plans to maintain, protect, and enhance the assets of the association.

With that said, there are a total of 94 controllers in the association. Out of those 94 controllers, 16 controllers with galvanized pipe have already been replaced (5 proposals approved back in 2020 & 11 proposals approved back in 2021). On May 16, 2022, the majority Board of Directors approved 5 more proposals for galvanized pipe replacement. The majority Board of Directors also approved a proposal to install 54 pressure regulators on 54 controllers with a static pressure exceeding 90 and install 7 wye strainers and 4 quick coupling valves. The total cost of all of the approved proposals came to \$533,632.64. ParkWest gives MVEA an annual partnership incentive credit. This year the total incentive credit is \$30,000.00. Back on February 17, 2022, the Board of Directors decided to allocate the \$30,000 partnership incentive credit towards galvanized pipe replacement which will then reduce the total overall cost mentioned above. According to the 2022 Reserve Study Annual Expenditure Detail Report the following funds were allocated to be spent this year:

- **Galvanized Pipe Removal- 2022 \$405,000.00**
- **Point of Connection Assemblies- 2022 \$155,000.00**
- **Sub Total \$560,000.00**

The reason this information is being shared with the membership is so all members have a better understanding of how funds are being spent and what decisions are being made by the MVEA Landscape Committee and Board of Directors. Members are encouraged to attend the monthly Board of Director General Session Meetings. General Session begins at 7:00pm. Meetings are held at the Norman P. Murray Center. If you have any questions, please don't hesitate to reach out to Senior Community Manager, Tiffany Kaldenbach by calling Action Property Management or emailing tkaldenbach@actionlife.com.



Rabbit Control

The association has an ongoing monthly contract with Animal Pest Management for rabbit control throughout the entire association since 2018. Animal Pest Management services the association two times per month during the late evening/early morning hours. Animal Pest Management is required to follow the City of Mission Viejo Variance to Municipal Code Firearm Ordinance 97-169 conditions of approval. Here are a few examples of guidelines they are required to follow:

The Pest Management Company this is hired by MVEA shall adhere to the following:

- Shooting is allowed beginning one-half hour after sunset and ending one-half hour before sunrise.
- A person employed by the MVEA if a common interest development may use air-powered pellet projectiles to kill rabbits within 150 yards of an occupied residence without the owner's permission.
- When any people are observed in the area in which the shooting is planned, they must defer the operations until safe.
- The shooters shall only shoot when they have a safe backdrop and shall never shoot in the direction of residences, other buildings or the parking areas.

Given that February- September are considered rabbit breeding season and rabbits can typically have four-six litters a season its rather impossible to have full control over the rabbit population at all times. According to Animal Pest Management, there are no baits labeled specifically for the control of rabbits. Mission Viejo Environmental Association sits on roughly 250 acres of land spread out among 10 different increments. If you happen to be experiencing ongoing issues with the rabbits, please contact Community Care at 949-450-0202 or email communitycare@actionlife.com and request a work order be sent to Animal Pest Management.