

**MINUTES OF THE REGULAR MONTHLY MEETING VIA ZOOM
OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL ONE
April 27, 2023**

The Regular Monthly Meeting of the Board of Directors of Seal Beach Mutual One was called to order by President Collazo at 9:00 a.m. on Thursday, April 27, 2023, via Zoom Video and Conference Call and Conference Rm A.

ROLL CALL

Present: President Collazo, Vice President Luther-Stark, Chief Financial Officer Frank, Secretary St. Aubin, Director Markovich, Weber, and Perrotti.

Absent: Director Rockwood

GRF Representative: Ms. Gambol and Ms. Perrotti

Guests: Five Mutual One Shareholders (via zoom)
Seven Mutual One Shareholders (in-person)

Staff: Ms. Hopkins, Mutual Administration Director (via zoom)
Mr. Stolarz, Building Inspector
Ms. Barua, Senior Portfolio Specialist
Ms. Equite, Assistant Portfolio Specialist
Ms. Celestine, Assistant Portfolio Specialist

SHAREHOLDER COMMENTS

Several shareholders made a comment.

MINUTES

The Special Meeting Minutes of March 23, 2023, were approved by general consensus of the board, as presented

The Special Meeting Minutes of April 12, 2023, were approved by general consensus of the board, as presented.

BUILDING INSPECTOR'S REPORT

Building Inspector Stolarz presented his report (attached).

Following a discussion and upon a MOTION duly made by Vice President Luther-Stark and seconded by President Collazo, it was

RESOLVED to relocate dryer vents in laundry room, at a cost not to exceed \$1,750.00 per laundry room. Funds to come from Infrastructure Reserves and authorize the President to sign any necessary documentation.

The MOTION passed unanimously.

Following a discussion and upon a MOTION duly made by Vice President Luther-Stark and seconded by President Collazo, it was

RESOLVED to authorize Service Maintenance to purchase and install 34 self-closing door hinges for Mutual 01 laundry rooms, at a cost not to exceed \$75.00 each. Funds to come from Infrastructure Reserves and authorize the President to sign any necessary documentation.

The MOTION passed unanimously.

Following a discussion and upon a MOTION duly made by President Collazo seconded by Director Perrotti, it was

RESOLVED to approve Fenn Termite and Pest Control 3-year contract from 2023-2026, at a cost not to exceed \$62,020.00. Funds to come from Pest Control and authorize the President to sign any necessary documentation.

The MOTION passed with five "yes" votes (Collazo, Luther-Stark, Frank, Perrotti, and Weber), one "no" vote (St. Aubin), and one "abstain" (Markovich).

New Business – Item G

Following a discussion and upon a MOTION duly made by Vice President Luther-Stark and seconded by President Collazo, it was

RESOLVED to authorize Service Maintenance to purchase Fire Avert inventory to replace expired Fire Averts when beyond repair.

The MOTION passed unanimously.

New Business – Item I

Following a discussion and upon a MOTION duly made by Vice President Luther-Stark and seconded by President Collazo, it was

RESOLVED to authorize Physical Property to add print on all inspection notices for Mutual 01, "PLEASE be ADVISED Pursuant to the Occupancy Agreement that you signed, you must ALLOW ENTRY for any inspections or requests by our INSPECTOR. IF NOT, According to our attorney, you will be EVICTED!".

The MOTION passed unanimously.

Following questions, Mr. Stolarz left the meeting at 9:37 a.m.

GRF REPRESENTATIVES' REPORTS

GRF Representative Gambol and Perrotti provided GRF updates on upcoming projects.

UNFINISHED BUSINESS

Following a discussion and upon a MOTION duly made by President Collazo and seconded by Vice President Luther-Stark, it was

RESOLVED to ratify proposed rule change amending Article II – Shareholder Regulations of the Rules and Regulations; the 28-day posting requirement has been met.

The MOTION passed unanimously.

GRF Representative Ms. Gambol left the meeting at 9:48 a.m.

Chief financial Frank left the meeting at 9:50 a.m. and returned at 9:51 a.m.

Following a discussion and upon a MOTION duly made by Vice President Luther-Stark and seconded by Director Perrotti, it was

RESOLVED to ratify proposed rule change by amending Article IV Physical Properties, Section 1.3 – Dishwashers of the Rules and Regulations; the 28-day posting requirement has been met.

The MOTION passed unanimously.

Following a discussion and upon a MOTION duly made by Director Weber seconded by Vice President Luther-Stark, it was

RESOLVED to ratify the proposed rule change by amending Article VII – Corrective Measures and Fines Schedule of the Rules and Regulations; the 28-day posting requirement has been met.

The MOTION passed with six “yes” votes (Collazo, Luther-Stark, St. Aubin, Weber, Perrotti, and Markovich) and one “abstain” (Frank).

NEW BUSINESS

Following a discussion and upon a MOTION duly made by Chief Financial Officer Frank and seconded by President Collazo, it was

RESOLVED to acknowledge, per the requirements of the Civil Code Section 5500(a)-(f), a review of the reconciliations of the operating and reserve accounts, operating revenues and expenses compared to the current year’s budget, statements prepared by the financial institutions where the mutual has its operating and reserve accounts, an income and expense statement for the mutual’s operating and reserve accounts, the check registers, monthly general ledger and delinquent assessment receivable reports for the month of March 2023.

The MOTION passed unanimously.

**BOARD OF DIRECTORS
MUTUAL ONE**

April 27, 2023

Per the Mutual's Bylaws, Article IV, Section 7, Robert Dufney Unit 70E, Shareholder of Mutual One intends to vote cumulatively for the elections of Directors for the 2023-2024 term of office.

Following a discussion and upon a MOTION duly made by President Collazo and seconded by Secretary St. Aubin, it was

RESOLVED to cancel June Monthly Board meeting due to the Annual Election meeting.

The MOTION passed six "yes" votes (Collazo, Luther-Stark, St. Aubin, Frank, Perrotti, and Markovich) and one "no" vote (Weber).

Following a discussion and upon a MOTION duly made by President Collazo and seconded by Vice President Luther-Stark, it was

RESOLVED to approve the transfer of \$5,000.00 from Infrastructure Reserves to Painting Reserves.

The MOTION passed unanimously.

Following a discussion and upon a MOTION duly made by Chief Financial officer Frank seconded by President Collazo, it was

RESOLVED to approve to invest \$500,000.00 in Ameritrade from US Bank.

The MOTION passed unanimously.

Following a discussion and upon a MOTION duly made by President Collazo and seconded by Secretary St. Aubin, it was

RESOLVED to authorize Apartment Owners Association to conduct new fico scores for Mutual One, at a cost not to exceed \$16.95 for each fico score review conducted and a \$97.00 annual membership. Funds to come from Miscellaneous and authorize the President to sign any necessary documentation.

The MOTION passed unanimously.

Following a discussion and upon a MOTION duly made by Chief Financial Officer Frank and seconded by Vice President Luther-Stark, it was

RESOLVED to amend procedure 01-7510-3 Eligibility Requirements by amending the Fico score requirement with additional amendments.

The MOTION passed with six "yes" votes (Collazo, Luther-Stark, St. Aubin, Weber, Perrotti, and Markovich) and one "no" vote (Frank).

SECRETARY / CORRESPONDENCE

No correspondence received.

CHIEF FINANCIAL OFFICER'S REPORT

Chief Financial Officer Frank presented his report (attached).

PORTFOLIO SPECIALIST'S REPORT

Senior Portfolio Specialist Barua presented the Portfolio Specialist Report (attached).

ANNOUNCEMENTS

NEXT BOARD MEETING: Thursday, May 25, 2023, at 9:00 a.m. via Zoom Video/Conference Call and Conference Rm A.

PLEASE be ADVISED Pursuant to the Occupancy Agreement that you signed, you must ALLOW ENTRY for any inspections or requests by our INSPECTOR. IF NOT, According to our attorney, you will be EVICTED!

COMMITTEE REPORTS

Landscape Committee

Secretary St. Aubin provided an update.

Physical Properties

No report.

New Buyer Orientation

Director Weber provided an update.

Painting Committee

Vice President Luther-Stark provided an update.

DIRECTORS' COMMENTS

Several Directors made comments.

SHAREHOLDERS' COMMENTS

Several shareholders made a comment.

ADJOURNMENT

President Collazo adjourned the meeting at 10:53 a.m. and announced there will be an Executive Session following the meeting to discuss member issues.

EXECUTIVE SESSION SUMMARY

The Board met in Executive Session on Thursday, April 27, 2023, at 11:15 a.m., and took the following actions:

**BOARD OF DIRECTORS
MUTUAL ONE**

April 27, 2023

The Mutual One Board approved the executive session minutes of March 23, 2023.

1. Legal Matters
 - a. Several legal matters were discussed.
2. Contracts
 - a. No contracts were discussed.
3. Assessments / Delinquencies
 - a. Several files were closed.
 - b. Several letters were drafted.
 - c. Several files to monitor.
4. Disciplinary Hearings
 - a. No Disciplinary hearings occurred.

President Collazo adjourned the meeting at 11:54 a.m.



Attest, JoAnn St. Aubin, Secretary
SEAL BEACH MUTUAL ONE
DE/RB 04/27/23

Mutual Corporation No. One

SIGN IN SHEET 4-27-23

	GUEST NAME & UNIT NUMBER
1.	Kathy Larkin– 012D (zoom)
2.	Mark Scott – 013K (zoom)
3.	Mike Stabile – 030D (zoom)
4.	Nabil Gerges – 023G (zoom)
5.	Jill Brennan – 029E (zoom)
6.	Robert Dufney – 070E (In-person)
7.	Sandra Bush – 037L (In-person)
8.	John Barreras – 056G (In-person)
9.	Steve Hendrickson – 048F (In-person)
10.	Ray Dahl – 067H (In-person)
11.	Dick Stone – 057J (In-person)
12.	Liz O’Neal – 014D (In-person)

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL : **(01) ONE**

INSPECTOR : **RICH STOLARZ**

MUTUAL BOARD MEETING DATE: April 27, 2023

PERMIT ACTIVITY

UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	PERMIT ISSUE	COMP. DATE	CHANGE ORDER	RECENT INSPECTION	CONTRACTOR / COMMENTS
2-L	WINDOWS	BOTH	03/14/23	06/30/23	NO	NONE	MP CONSTRUCTION
4-D	SHOWER CUT DOWN	BOTH	03/20/23	04/20/23	NO	04/05/23 FINAL	NUKOTE
5-E	FLOORING	BOTH	04/10/23	04/30/23	NO	NONE	BIXBY PLAZA CARPETS
5-I	LIGHT & OUTLETS	BOTH	02/01/23	05/15/23	NO	NONE	JULIAN ELECTRICAL
5-I	WINDOWS & SCREEN	BOTH	12/10/22	04/30/23	NO	NONE	LW DÉCOR, INC.
7-J	SHOWER CUT DOWN	BOTH	04/27/23	05/27/23	NO	NONE	NUKOTE
8-A	HEAT PUMP	BOTH	04/20/23	07/20/23	NO	NONE	GREENWOOD
8-G	KITCHEN REMODEL	BOTH	03/30/20	05/30/23	NO	NONE	J.C. KRESS
9-F	F.A.U	BOTH	02/13/23	05/13/23	NO	NONE	GREENWOOD
9-I	PATIO FLOORING	GRF	03/06/23	05/30/23	NO	NONE	LW DÉCOR, INC.
10-E	COUNTER TOPS / FLOORING	BOTH	02/20/23	07/31/23	NO	NONE	ACE MAINTENANCE
13-E	REMODEL	BOTH	12/15/22	03/30/23	NO	01/11/23 FRAMING	J.C. KRESS
13-E	REMODEL	BOTH	12/15/22	03/30/23	NO	01/11/23 WIRING	J.C. KRESS
13-E	REMODEL	BOTH	12/15/22	03/30/23	NO	01/13/23 GROUND	J.C. KRESS
13-E	REMODEL	BOTH	12/15/22	03/30/23	NO	01/13/23 PLUMBING	J.C. KRESS
15-G	HEAT PUMP	BOTH	04/03/23	07/13/23	NO	NONE	GREENWOOD
15-I	TILE/ CONCRETE	BOTH	03/25/23	06/30/23	NO	04/07/23 REBAR	LW DÉCOR, INC.
15-I	WINDOW / DOOR	BOTH	02/01/23	06/01/23	NO	04/01/23 FINAL	BODIE'S GLASS SERVICES
18-A	HEAT PUMP	BOTH	04/20/23	07/20/23	NO	NONE	GREENWOOD
18-G	WINDOWS	BOTH	03/20/23	06/28/23	NO	NONE	LOS AL BUILDERS
22-H	MISC. REMODEL	BOTH	10/30/22	02/28/23	NO	NONE	BRUNO H. ALVAREZ
25-A	FLOORING	GRF	03/20/23	04/30/23	NO	04/06/23 FINAL	KARY'S CARPETS
25-H	FLOORING	GRF	03/25/23	06/30/23	NO	NONE	LW DÉCOR
25-H	NUKOTE	BOTH	04/21/23	05/21/23	NO	NONE	NUKOTE

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL : **(01) ONE**

INSPECTOR : **RICH STOLARZ**

MUTUAL BOARD MEETING DATE: **April 27, 2023**

26-L	FLOORING	GRF	03/30/23	05/30/23	NO	04/14/23 FINAL	KARY'S CARPETS
27-B	SHOWER CUT DOWN	BOTH	04/07/23	05/07/23	NO	NONE	NUKOTE
27-D	FLOORING	GRF	03/15/23	04/30/23	NO	04/06/23 FINAL	KARY'S CARPETS
32-F	F.A.U.	BOTH	03/28/23	06/28/23	NO	04/14/23 FINAL	GREENWOOD
33-A	HEAT PUMP	BOTH	03/16/23	06/17/23	NO	04/14/23 FINAL	GREENWOOD
33-H	SHOWER CUT DOWN	BOTH	04/10/23	05/10/23	NO	NONE	NUKOTE
35-C	SHOWER CUT DOWN	GBOTH	03/23/23	04/23/23	NO	4/5/23 FINAL	NUKOTE
37-C	SLIDING DOORS	BOTH	02/01/23	05/01/23	NO	4/5/23 FINAL	BODIE'S GLASS SERVICE
37-I	REMODEL	BOTH	12/20/22	05/20/23	YES	01/23/23 FOOTING	MAMUSCIA CONSTRUCTION
37-I	REMODEL	BOTH	12/20/22	05/20/23	YES	02/15/23 ROUGH WIRING	MAMUSCIA CONSTRUCTION
37-I	REMODEL	BOTH	12/20/22	05/20/23	YES	02/15/23 FRAMING	MAMUSCIA CONSTRUCTION
37-I	REMODEL	BOTH	12/20/22	05/20/23	YES	02/17/23 SHEAR PANEL	MAMUSCIA CONSTRUCTION
37-I	REMODEL	BOTH	12/20/22	05/20/23	YES	02/17/23 INSULATION	MAMUSCIA CONSTRUCTION
37-I	REMODEL	BOTH	12/20/22	05/20/23	YES	02/28/23 SCRATCH COAT	MAMUSCIA CONSTRUCTION
37-I	REMODEL	BOTH	12/20/22	05/20/23	YES	03/03/23 BROWN	MAMUSCIA CONSTRUCTION
37-I	REMODEL	BOTH	12/20/22	05/20/23	YES	03/27/23 DRYWALL	MAMUSCIA CONSTRUCTION
38-E	SHOWER CUT DOWN	BOTH	04/24/23	05/24/23	NO	NONE	NUKOTE
43-F	WASHER / DRYER	BOTH	04/10/23	05/31/23	NO	04/12/23 GROUND	MARCO CONSTRUCTION
43-F	WASHER / DRYER	BOTH	04/10/23	05/31/23	NO	04/12/23 ROUGH PLUMBING	MARCO CONSTRUCTION
43-F	WASHER / DRYER	BOTH	04/10/23	05/31/23	NO	04/12/23 ROUGH WIRING	MARCO CONSTRUCTION
46-B	FLOORING / DISHWASHER	BOTH	12/19/23	01/31/23	NO	04/18/23 FINAL	DE LA CRUZ, INC
47-H	FIRE REMODEL	BOTH	08/15/22	02/17/23	YES	03/27/23 FINAL	WARD-TEK CONSTRUCTION
52-D	SHOWER CUT DOWN	BOTH	04/24/23	05/24/23	NO	NONE	NUKOTE
53-B	COUNTER TOPS	BOTH	01/23/22	02/17/23	NO	04/18/23 FINAL	OGAN CONSTRUCTION
53-I	REMODEL	BOTH	02/27/23	05/13/23	NO	03/09/23 GROUND	JOHN M. BERGKVIST
53-I	REMODEL	BOTH	02/27/23	05/13/23	NO	03/14/23 FOOTING	JOHN M. BERGKVIST
53-I	REMODEL	BOTH	02/27/23	05/13/23	NO	04/10/23 FRAMING	JOHN M. BERGKVIST
53-I	REMODEL	BOTH	02/27/23	05/13/23	NO	04/14/23 ROUGH PLUMBING	JOHN M. BERGKVIST

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL : (01) ONE

INSPECTOR : RICH STOLARZ

MUTUAL BOARD MEETING DATE: April 27, 2023

53-I	REMODEL	BOTH	02/27/23	05/13/23	NO	04/10/23 ROUGH WIRING	JOHN M. BERGKVIST
53-I	REMODEL	BOTH	02/27/23	05/13/23	NO	04/11/23 INSULATION	JOHN M. BERGKVIST
53-I	REMODEL	BOTH	02/27/23	05/13/23	NO	04/18/23 DRYWALL	JOHN M. BERGKVIST
54-B	BLOCKWALL	GRF	04/17/23	06/19/23	NO	NONE	JOHN M. BERGKVIST
55-I	SHOWER CUT DOWN	BOTH	02/06/23	03/06/23	NO	04/05/23 FINAL	NUKOTE
55-J	FLOORING	GRF	03/30/23	04/30/23	NO	04/05/23 FINAL	KARY'S CARPETS
56-E	KITCHEN REMODEL	BOTH	04/01/23	06/01/23	NO	NONE	OGAN CONSTRUCTION
56-G	PATIO / BLOCKWALL	GRF	01/12/23	02/28/23	NO	NONE	MJ JURADO INC.
59-C	SHOWER CUT DOWN	BOTH	04/07/23	05/07/23	NO	NONE	NUKOTE
59-D	COUNTER TOPS / FLOORING	BOTH	03/15/23	05/03/23	NO	NONE	INZUNZA BUILDERS
60-C	SHOWER CUT DOWN	BOTH	03/14/23	04/14/23	NO	04/05/23 FINAL	NUKOTE
60-F	SKYLIGHT DOMES	GRF	01/20/23	03/06/23	NO	NONE	M&M SKYLIGHTS
60-K	HEAT PUMP	BOTH	03/20/23	06/20/23	NO	NONE	GREENWOOD HEATING & AIR
69-K	FLOORING	GRF	04/01/23	06/01/23	NO	NONE	MICHAEL'S CARPET
70-F	FLOORING	GRF	12/15/22	01/30/23	NO	04/11/23 FINAL	KARYS CARPET
70-F	DISHWASHER	BOTH	04/03/23	05/26/23	NO	04/11/23 FINAL	MARCO CONSTRUCTION

ESCROW ACTIVITY

UNIT #	NMI	PLI	NBO	FI	FCOEI	ROF	DOCUMENTS/COMMENTS
1-D		03/20/23					
2-D		01/18/23	04/13/23	04/24/23	05/08/23		
10-G		04/10/23					
12-C		03/10/23	02/16/23	03/23/23	04/06/23		
13-L		01/09/23	03/27/23	03/27/23	04/10/23	04/18/23	
14-L		10/10/22					

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL : **(01) ONE**

INSPECTOR : **RICH STOLARZ**

MUTUAL BOARD MEETING DATE: **April 27, 2023**

18-A		01/09/23	03/23/23	03/30/23	04/13/23	04/18/23	
20-A		04/10/23					
21-F		08/30/22					
26-L		03/22/23					
32-E		04/10/23					
33-B		01/18/23	03/01/23	03/08/23	03/22/23	04/05/23	
40-D		08/18/22					
44-D		03/10/23					
45-B		09/14/22					
49-B		02/10/23					
50-I		03/20/23	04/13/23	04/17/23	05/01/23		
56-B		03/02/23					
64-K		03/02/23	03/05/23	04/20/23	05/04/23		
68-I		01/04/23	02/01/23	02/02/23	02/16/23	03/21/23	

NMI = New Member Inspection **PLI** = Pre-Listing Inspection **NBO** = New Buyer Orientation

FI = Final Inspection **FCOEI** = Final COE Inspection **ROF** = Release of Funds

CONTRACTS AND PROJECTS

CONTRACTOR	PROJECTS
FENN GOOD THROUGH 4/30/2023	TERMITES, PEST AND GOPHERS
FENN GOOD THROUGH 6/30/2023	BAIT STATIONS
WASH GOOD THROUGH 06/30/23	WASHERS & DRYERS
J&J LANDSCAPING GOOD THROUGH 12/01/2024	LANDSCAPING
A-1 TOTAL SERVICE PLUMBING 12/31/23	SEWER PIPE RELINING
SOUTHERN PROPERTY FIRE PROTECTION - FIRE EXTINGUISHER CERTIFICATION GOOD THROUGH 12/2023	
BA CONSTRUCTION	BUILDING WOOD REPAIRS

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL : **(01) ONE**

INSPECTOR : **RICH STOLARZ**

MUTUAL BOARD MEETING DATE: **April 27, 2023**

A1 TOTAL PLUMBING - WORKING ON BLDG. 57, 58, 59

REQUEST FOR PATIO EXTENSION AND PERGOLA AT UNIT - 5-F

APPROVE ESTIMATE FROM SERVICE MAINTENANCE TO RELOCATE DRY VENTS IN LAUNDRY ROOMS - \$1,750.00 EA

APPROVE ESTIMATE FROM SERVICE MAINTENANCE TO INSTALL SELF CLOSING HINGE LAUNDRY DOORS - \$75.00 EA

REVIEW AND APPROVE TERMITE TREATMENT & PEST CONTROL BIDS

MUTUAL & SHAREHOLDER REQUEST

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SITE VISITS

**MINUTES OF THE SPECIAL BOARD MEETING OF THE
BOARD OF DIRECTORS
SEAL BEACH MUTUAL ONE
April 12, 2023**

A Special Meeting of the Board of Directors of Seal Beach Mutual One was called to order by President Collazo at 1:30 p.m. on Wednesday, April 12, 2023, in Conference Room C.

Those members present were President Collazo, Vice President Luther-Stark, Chief Financial Officer Frank, Director Markovich, Director Perrotti, Director Weber and Building Inspector Stolarz.

Absent: Secretary St. Aubin and Director Rockwood

No shareholders were present.

Director Perrotti entered the meeting at 1:55 p.m.

The purpose of the meeting was to prepare Agenda items for the Board Meeting.

President Collazo adjourned the meeting at 2:58 p.m.



Attest, JoAnn St. Aubin, Secretary
SEAL BEACH MUTUAL ONE
DE 04/18/23

Saundra Luther Stark
Vice President of Mutual One

Report for April 27, 2023

Re: Little Known Facts about Mutual Ones Projects since 2014

Dear Shareholders of Mutual One. Since I will be on vacation in May I am going to give you a review. The new and present residents have an idea of our journey. Many of you were not living here when we first went out to bid for our Roofing Project in 2014 Cost \$3.1 M. Our inspector then was Todd Garner. It has been 9 years and I want to thank all of you for your patience and understanding during this time. Of course, I am the only director that was here to survive all projects. President Collazo was here in 2012, and during 2016-2018 and again he elected in 2022.

Our Huge Projects are coming to an end. Therefore, It is time to:

Celebrate Mutual One and ALL OF OUR ACCOMPLISHMENTS!

We are planning on a special townhall celebration later in the year.

As I mentioned the first project Roofing was not easy, with 12 men running across our roofs with wheel barrels, for approx. 3 weeks. The sounds and shaking was a challenge. The only incident I remember was the crew would place some board over the skylights while they were removing the old materials... Then one of the roofing crew accidently fell thru one of those skylights... he did survive but it was a sad thing to happen.

Thanks to this marvelous crew of Roofing Standards we thought were off and running. However, within 3 months of starting the roofing, we had another emergency issue with water pipes breaking within the walls of 3 units. A Cost of \$50,000 each (the deductible each time for our insurance policy). Our Board had to decide to go out to bid for copper repiping. Cost \$2.1M. The Board chose John Nelson Plumbing, because all he does is repiping. By then Todd had left and Jerry Antidel was assigned as our inspector. An emergency arose and Jerry managed to accomplish in a very short period of time (I think 1 or 2 days) to train:

- 1) John Nelson (Copper Repiping crew);
- 2) The City of Seal Beach Inspector; and eventually
- 3) LW Service Main crew on how to work together.

Jerry had found out from the Inspector of the city of Seal Beach that

asbestos had to be abated from each unit. Jerry managed to work out a procedure and this process meant after each bldg. was repiped John Nelson had to go to the City of Seal Beach, show proof that the asbestos had been abated in order to obtain a permit for the next bldg. I will be forever grateful to Jerry as this was not as easy as it sounded. It also added a cost of \$4,800 to each building for a total of \$336,000 to the 2M \$ project.

FYI In the fall of 2014 the Pres of Mu One resigned and since I was VP I became President... Therefore, I was thrown into a position with all of these projects, including the daily issues of running a Board of Directors. I will only apologize once, as this was truly ***on the job training for me.***

Plus, during the repiping I was receiving compliments on the Hotline because Nelson's cleanup crew, cleaned up after them by picking up & dusting etc. Some shareholders told me their place was cleaner when they crew left than when they arrived. This project had pipes replaced under the kitchen sink and the refrigerator had to be moved to the center of the kitchen, many water heaters were installed at the same time and copper pipes in place of old ones. Installed was a shut off valve for the water pipe located at the little door by the refrigerator. (Before this project- when water had to be turned off... Service Maintenance had to turn off the water to the whole building!) We were the envy of a few mutuals because of this feature. You will also notice by the Laundry Rooms... on each bldg is a sign attached, telling future plumbers this building has been updated- not to use certain clean out products, if there is a stoppage. That will damage our new sewer relining. We are very proud of that issue alone.

Another thing that happened during this time, I learned at Presidents Council that the coming year, Federal Regulations would require new water heater models to comply with new Department of Energy efficiency standards rendering older models obsolete. So the Board decided to replace all old water heaters. Note ** something that was not in our budget! Thankfully we had a healthy reserve, and we could take advantage of replacing them when needed during this project. This cost of new water heaters increased the price to an average of \$4,160 per building. Another increase of \$291,200 to this project as the costs just kept climbing. Then it

was a common occurrence to see stored by the clothes lines 2 or 3 waters heaters.... They were waiting to be installed. Interesting times.

Finally in 2017 when both projects, roofing and copper repiping, were completed did I realize how complex a project this had been. Then just to shake things up GRF hired another Inspector Don McKay. His position was to handle all Annual Inspections for every mutual. He only lasted one year, then Jerry was back. All I remember was during one inspection Don opened a door and a dog escaped. I looked and there went Don running down Golden Rain. I felt helpless. But I called Security to let them know he was chasing a dog. Within 30 minutes both the Inspector McKay and the dog came back. Both walking very slowly as they were out of breath.

Not only was Jerry back again, but he was also assigned to two other mutuals. There was an Inspector shortage. However, I spoke to Mark Weaver and requested because of our two large projects can we have one inspector... just for Mu One? Finally in March of 2018 Eric Wyngaarden was assigned to us. So far during this time period of projects we had 4 different inspectors.

Mutual One was the first mutual to have the funds in our reserves to tackle these many projects. The Board had planned only one project at a time. That wasn't working out so well for us. During the Roofing and Cooper repiping I suggested that we change our annual inspections to half of the units in the spring/summer be inspected and the other half in the autumn/fall. Mutual One was so busy, it was almost too much for the directors to handle all the issues coming in. From the Projects, Hotline, inspections, and at least 60-98 New Buyer Orientations year after year. But, we did survive.

In addition to everything else we changed landscapers twice. Each for 2 years. First we had Andre's Landscaping. They also had an Arborist on staff. He and his crew named all of our trees and we were given a map with notations where all the trees were located. Also included was a silver metal circle they attached to each tree. Then a change of Board members wanted to change landscapers and we went with Brightview. Another huge challenge. We discovered they were not familiar with housing areas only commercial. A huge change.

We didn't start the sewer relining until 2018. All was going well until 2020 and Covid stopped everything. We lost our inspector Eric to greener pastures and closer to where he lived. Thankfully Rich Stolarz, our current and 5th inspector was assigned to Mu One. He was already employed here in LW so anything that came up he was involved with or already aware of the incident. That fact alone is why we are all so fortunate to have Rich as our Inspector! In 2021 we went out to bid for our last huge 1 M \$ project Painting did not including dry rot repairs. Hutton Painting was chosen for our project after interviewing 2 other competent companies. It was a difficult choice. However, once we checked for references... Hutton's past projects gave us answers like "We will call them back any time" or "Service was above and beyond what we expected"! Or "The residents loved working with them, they treated the crew like family". As you all have recently experienced Hutton & Crew were exceptional workers! We acknowledge their foreman Moses should be given most the credit. Who not only kept the crew moving, but he personally returned to each building, carport or laundry room and did touch ups! I saw him do this myself. Amazing man! Even though during a holiday period he lost his dear mother, he returned anxious to complete his job. What a devoted employee too!

Very few complaints during that time, mostly for the color selection named London Road – a dusty blue. Not the painting. When choosing colors for the buildings, carports and laundry rooms the painting committee was thinking of ocean/desert colors. We first picked out some beautiful colors. Only to be told from the representative from Vista Paint... Wrong choice they were indoor colors and would fade within 3 years. (I wondered why we were not told that little fact first before giving us approx. 300 colors?) Then the three of us started all over again and chose 4 different colors. They were named: Foggy Today (grayish), London Road (dusty blue), Delicate Honeysweet (taupe), and Cannon Ball (greenish). After the Painting Project was completed, 5 months ahead of schedule, I think most of the colors are ok. One lady just screamed at me about her building being gray. She hated Gray! I tried to explain if her building was gray she was looking out her window to view a different color. But she failed to appreciate my humor. After all of these explanations, I just want to again say **Thank you!** Thank you for your patience for the past 9 years.

As A-1 is finishing up the last 12 buildings, we also have another Or shall I say **our last project**. Installing Signs by All American Sign Co. We will have Welcome Signs and Directional Signs for our carports. A \$40,000 project. Hopefully Amazon, UPS, and all other delivery trucks will be able to find our buildings much easier. In addition, we will be having J&J our Landscapers to place plants and flowers around the base of each sign. When Rich and I were at each location we knew these signs should not be in the way of the gardeners, bicycles, scooters, golf carts, service maintenance carts and lawnmowers.

When we changed the unit numbers, we were told that all Emergency crews need only one place to look for addresses. Before we ordered we noticed many addresses were on the side of the building, or way to the top.... Etc. We needed to change to only one location. Black is not easily seen at night. So we changed to white numbers that are reflective. The recommendation was to change to something easily seen by Emergency crews. They may come at all hours of the day or night. We have been complimented for attempting to comply with Health and Safety Regulations.

Well as this novel comes to an end. I must also note that our Multi million dollar projects will be completed soon. And most impressive, our Mutual One Reserves are now above 90% funded. The highest percentage of all mutuals and for that our Board and shareholders should feel very proud. All past and present Board members stuck to our projects and did not get side-tracked along the way. For that fact alone you should be very pleased that by the end of this year all current projects will be completed! Now sit back and enjoy all of LW amenities. We have about 12 years before the projects start all over again.

Thanks for reading the Mutual One Journey of Improvements.

Maybe one or more of these issues will help you to understand the work and accomplishments of your Mutual One Board of Directors.

Right now I am praying that my memory has not failed me. As this was just off the top of my head. Saundra

PS I forgot Fire Avert plugs installed in almost all of our units. That installation gave us a discount on our Insurance. They considered us to be pro active! !!!Cost \$120,000.

Portfolio Specialist Report

APRIL 2023

- Your vote will elect those responsible for fulfilling a fiduciary responsibility of upholding the rules and regulations of the community.
- Ballots will be mailing out soon, please get out and vote!





BYLAW AMENDMENTS BALLOT INFORMATION

FACT SHEET

1. The Bylaw Amendments ballot will be mailed on May 5, 2023.
2. Member participation is very important. 3,305 ballots must be returned and a majority must **vote YES** for the Bylaw Amendments to be passed.
3. One ballot per unit. One vote per unit.
4. Your completed ballot must be received prior to the Ballot Counting Meeting on June 6, 2023. You may mail your ballot or bring it to Clubhouse 4 prior to 10 a.m. on June 6. If you mail, please mail early to ensure it is received by Accurate Voting **prior to June 6.**

Reasons for proposed bylaw amendments:

- Amendment to Article III(9)(a) – Needed to clarify language to define how the current quorum of votes is calculated so that our election process continues to have a GRF Director elected only by their mutual's residents. If not amended, the current wording could be interpreted to allow **ALL** GRF members to vote and decide on the GRF Directors for every mutual.
- Amendments to Article III, VI, VIII and X – The current language, written in 1962, implies only men can be a GRF Director. Examples of language changes needed: "this office" replaces "his office"; "the member" replaces "him"; "that person's" replaces "his".

PLEASE VOTE YES
YOUR VOTE IS VERY IMPORTANT

BY-LAWS OF GOLDEN RAIN FOUNDATION

ARTICLE I.

General Purpose and Offices

No Changes

ARTICLE II.

Membership

No Changes

ARTICLE III.

Meetings of Members

Section 3. Notice of Meetings. Notice of meetings, annual or special, shall be given in writing not less than ten nor more than sixty days before the date of the meeting, to members entitled to vote thereat by the Secretary or the Assistant Secretary, or if there is no such officer, or in the case of *his that person's* neglect or refusal, by any Director or Member.

Such notices or any reports shall be given personally or by mail or other means of written communication and shall be sent to the member's address appearing on the books of the corporation or supplied by *him the Member* to the corporation for the purpose of notice, and in the absence of said address as herein provided, such notice shall be given as provided in Section 601 of the California Corporations Code.

If a member supplies no address, notice shall be deemed to have been given to *him the member* if mailed to the place where the principal executive Office of the corporation, in California, is situated, or published at least once in some newspaper of general circulation in the County of said principal office. **Section 9. Quorum**

- a. The presence in person *or by proxy or ballot* of 33 1/3% *(33.33%)* of the members of record in good standing at any meeting shall constitute a quorum for the transaction of business at said meeting *except for the election of directors whereby quorum is based on 33 1/3% (33.33%) of the members of record in good standing of the Mutual that is voting for their respective GRF director representative, not all GRF members.*

Section 13. Inspectors of Election. In advance of any meeting of Members the Board of Directors may, if they so elect, appoint inspectors of election to act at such

meeting or any adjournments thereof. If inspectors of election be not so appointed, the ~~chair~~ ~~chairman~~ of any such meeting may, and on the request of any Member or his proxy shall, make such appointment at the meeting in which case the number of inspectors shall be either one or three as determined by a majority of the members represented at the meeting,

ARTICLE IV.

Officers

No Changes

ARTICLE V.

Board of Directors

No Changes

ARTICLE VI.

Election of Directors

No Changes

ARTICLE VII.

Duties of Officers

Section 2. Vice-President. It shall be the duty of the Vice-President to preside at meetings of the Corporation and Board of Directors in the absence of the President and to perform such other duties as ordinarily pertain to ~~this~~ ~~his~~ office.

Section 4. Treasurer. It shall be the duty of the Treasurer to account for all funds to the corporation at its annual meetings and at any other time upon demand by the Board of Directors, and to perform such other duties as pertain to such office. Upon ~~his~~ retirement from office, ~~he~~ ~~the Treasurer~~ shall turn over to ~~the Treasurer's~~ ~~his~~ successor or to the President all funds, books of accounts or any other Corporation property in his possession.

ARTICLE VIII.

Committees

The President shall appoint such standing or special committees as may be provided by resolution of the Board of Directors, or as ~~he~~ ~~the President~~ may deem necessary for the administration of the affairs of the Corporation, and to carry out the purposes of the Corporation, subject to the approval of the Board of Directors.

ARTICLE IX

Finance
No Changes

ARTICLE X.
Miscellaneous

Section 2. Inspection of Records. The books of account and minutes of proceedings of the members and directors shall be open to inspection upon the written demand of any member at all reasonable times during office hours, and for a purpose reasonably related to ~~his~~ *the person's* interest as a member. Such demand shall be made in writing upon the President or Secretary of the Corporation.



6th Annual

LIFE OPTIONS

Expo

Presented by:

*The Golden Rain Foundation, Leisure World, Seal Beach
in partnership with Sunrise of Seal Beach Assisted Living.*

24

JUNE 2023

Come find opportunities to enhance your quality of life and gather information about the resources available.

Participating services will include Residential Care Facilities, HomeCare Agencies, Placement Specialists, Elder Care Agencies, County Organizations and more.

**COMING
THIS
SUMMER!**



Be Healthy · Enjoy Life · Plan for the Future

SEAL BEACH MUTUAL NO. ONE**Resident Regulations****AMEND****Eligibility Requirements**

All persons seeking approval of the Board of Directors of Seal Beach Mutual No. One to purchase a share of stock in the Mutual, and to reside in the Mutual, shall meet the following eligibility criteria:

Apply for and be accepted as a member of the Golden Rain Foundation, Seal Beach, California.

Meet the Mutual eligibility criteria as follows:

1. MEET THE MUTUAL ELIGIBILITY CRITERIA AS FOLLOWS:**1.1. Age**

1.1.1. Minimum of 55 years, as confirmed by a birth certificate, passport, driver's license, or Real ID. Effective October 1, 2020 a "REAL" ID will be accepted in lieu of a Birth Certificate or Passport.

1.2. Financial Ability

1.2.1. The prospective resident shareholder must show:

1.2.1.1. Verified monthly income that is at least ~~four (4)~~ **five (5)** times or greater the monthly carrying charge (Regular Assessment plus Property Tax and Fees) at the time of application.

1.2.1.2. Liquid assets of at least ~~\$30,000~~ **\$50,000** for the past 6 months,

1.2.1.3. ~~FICO credit score of at least 680; and~~ **An averaged FICO 2, 4 and 5 credit score of 700. The prospective resident shareholder shall authorize the Mutual to obtain the foregoing FICO credit score reports. To determine the average, the Mutual shall add the 3 scores together and divide by 3. The Mutual shall not accept credit score reports provided by the prospective resident shareholder. The cost of such reports shall be borne by the prospective resident shareholder; and**

1.2.2. To establish the foregoing financial qualifications:

1.2.2.1. Verified monthly income/assets will be in the form of the past two years of:

- Equity in U.S. residential property
- Savings accounts in U.S. financial institutions
- Cash value life insurance
- Certificates of deposit, money market accounts in U. S. Financial institutions

(Mar 21)

SEAL BEACH MUTUAL NO. ONE**Resident Regulations****AMEND**

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- IRA, SEP, 401(k) and Keogh accounts
 - U.S. state or municipal government bonds – valued at current Market prices.
 - American traded investments (NYSE, AMEX, OTC, NASDAQ, etc.) valued at current market prices.
 - Mortgages and promissory notes, provided that interest is reported on:
 - The applicant’s tax return
 - Equity in U.S. income producing real estate.
- 1.2.3.** Adjusted Gross Income per 1040, 1040A, or 1040EZ; plus that portion of Social Security, IRA distributions, and pensions and annuities not included in adjusted gross income; plus tax exempt interest; minus income tax, Social Security, Medicare, and self-employment taxes paid; and minus Medicare medical insurance and prescription drug premiums; all divided by twelve (12) will equal net monthly income to be used in Section 1.2.1 above.
- 1.2.4.** Projected assessments will be the previous year’s assessment (total of carrying charge less any cable charge, less Orange County Property Taxes and Fees), and the addition of the new property tax at 1.2% of the sales price plus Orange County District fees divided by twelve (12) for the new projected monthly assessment. This new figure (Regular Assessment plus Orange County Property Taxes and District Fees) times ~~four (4)~~ **five (5)** will be the monthly income required. This will be verified by the escrow company and the Stock Transfer Office. Stock Transfer shall have the final say in establishing verifiable income/assets.¹
- 1.2.5.** Verification shall be done by the Escrow Company and the Stock Transfer Office prior to the new buyer interview and prior to the close of escrow (~~the above verification will not be done by the individual Mutual Directors; Directors will not be required to study or understand the financial requirements~~).
- 1.2.6.** Only the resident shareholder’s income shall be considered for qualifying.
- 1.2.7.** If moving within Leisure World, or if there are any additions/changes to the title, the proposed shareholder(s) must meet these eligibility

¹ If major remodeling, expansion, or addition of a bathroom is being considered, the increase in taxes over the 1.2% of the purchase price must be taken into consideration.

(Mar 21)

SEAL BEACH MUTUAL NO. ONE

Resident Regulations

AMEND

requirements unless they have been in good standing for five years

1.2.8. A credit check will be performed by **ordered and paid for by the Mutual One Board, and results shared with the Escrow Company and Stock Transfer**, with the results included in the financial package.

1.2.9. **The cost of the Credit check will be born by the prospective shareholder.**

2. HEALTH

2.1. Leisure World Seal Beach is an "Active Adult Community" that offers independent living options (co-op and condominium style housing) under provisions of an age restricted community of persons 55 years of age and older. Leisure World is not a nursing home, an assisted living facility, nor an independent senior living community.

Assume, in writing, the obligations of the "Occupancy Agreement" in use by the Mutual Corporation.

Officers or Committees of the Board of Directors designated to approve new applicants are responsible that the eligibility criteria of this corporation is equitably applied to all applicants. Approval or disapproval of buyer(s) must be received by the Stock Transfer Office at least ten (10) working days prior to the close of escrow.

Any exceptions to this policy shall be determined by a Mutual One Eligibility Committee comprised of three members who shall be voted upon by the entire Board.

I have read and understood what is required for eligibility consideration in the above named Mutual, including necessary documentation.

Prospective Buyer Date

Prospective Buyer Date

Prospective Buyer Date

Prospective Buyer Date

(Mar 21)

SEAL BEACH MUTUAL NO. ONE**AMEND****Rules and Regulations**

Shareholders are responsible for any non-standard non-structural items in the unit. If the unit has been expanded structurally, the expansion is part of the Mutual's buildings and would be rebuilt in case of a covered peril, but shareholder would be responsible for any non-standard items within the expansion or original space such as, but not limited to, upgraded doors, bay windows, triple-pane windows, flooring, window treatments, counter tops, appliances, etc.

Although a Shareholder may be unable to occupy the Unit while repairs are being made, the Shareholder shall, nonetheless, be responsible for any living expenses incurred during repairs and the monthly assessment on the Shareholder's Unit regardless of who caused the damage.

The Shareholder, may, however, be indemnified by any and all individuals and entities who are liable for the damage making the Unit untenable.

Mutual Insurance Policy does **not** cover earthquake damage or other natural events such as, but not limited to flood, wildfire, tsunami, etc.

For clarity, Rules approved in September 21 which went into effect as of January 1, 2023 (the date of this rule) are highlighted.

2. SMOKING

The purpose of these Rules and Regulations is to address secondhand smoke within the Community. Mutual One intends to eventually become **be** a completely smoke-free property. Exposure to secondhand smoke, as defined below, can cause severe health effects in adults and children. In addition, exposing others to secondhand smoke creates conditions that interfere with the use and enjoyment of other shareholders units, thereby constituting a nuisance in violation of the Occupancy Agreement as well as state and local regulations. Seal Beach Municipal Code Sections 7.35.010(A)-(B) defines a public nuisance as "any violation of the code or anything injurious to health, indecent or offensive to the senses, or an obstruction to the free use of property, so as to interfere with the comfortable enjoyment of life or property by a neighborhood or by a considerable number of persons even when the damage inflicted is unequal..." and specifically includes the emission of noxious fumes or odors as a public nuisance. In addition, exposing others to secondhand smoke violates The Mutual No. One Occupancy Agreement ("Occupancy Agreement"), which states in pertinent part: "...Member[s] shall not...interfere with the rights of other occupants... nor commit or permit any nuisance on the premises..."

For the purposes of this rule, "Smoking" shall mean and include:

- The inhaling, exhaling, burning, or carrying of any lighted cigarette, cigar, or other tobacco product, marijuana, or illegal substance.
- The inhaling, exhaling, burning, or carrying of any e- cigarette, personal vaporizer, or electronic nicotine delivery system.

(March 2023)

SEAL BEACH MUTUAL NO. ONE**AMEND****Rules and Regulations**

- The use of any other similar type of paraphernalia related to smoking or alternatives to smoking.

For the purpose of this rule, “**Secondhand smoke**” is defined as smoke and aerosols inhaled involuntarily from burning or heating tobacco through a cigarette, cigar, pipe, hookah, or electronic cigarette. They also come from the air a smoker exhales while smoking.

For the purpose of this rule, “**Thirdhand Smoke**” is the residue from tobacco smoke that collects on surfaces.

For the purpose of this rule, “**Enclosed**” is defined as an area closed in by a roof and contiguous walls or windows, connected floor to ceiling with appropriate opening for ingress and egress.

2.1 Smoking and Nuisances

- Smoking is not permitted in any common area. ~~Until January 1, 2023, Smoking is **NOT** permitted in the carport area. Smoking is not permitted on any porch or patio ~~unless~~ **except for residency prior to January 1, 2023, and then only if** such porch or patio is fully enclosed.~~
- No shareholder or occupant shall cause a nuisance to any other occupant due to his/her Smoking.
- Secondhand Smoke that emanates from one area to another constitutes a nuisance.
- Any nuisance caused by a shareholder or occupant shall be treated by the Mutual as a violation of these rules and the Occupancy Agreement.
- If the Board elects to designate sections within the common area where Smoking is allowed, shareholders and/or residents/occupants/guests may only do so in those designated as areas.
- Shareholders will NOT throw cigarette butts on the ground. Shareholder must carry a portable ashtray or dispose of extinguished cigarette butts appropriately.
- Any shareholder and/or an occupant/guest who is in violation of this rule shall be in violation of the Occupancy Agreement. The shareholder is entirely responsible for ensuring that the rules, regulations, and policies are ~~following~~ **followed** by anyone they allow into the community. This includes, but not limited to, any Co-occupant, guest, care provider, vendor, invitee, or contactor.
- Shareholders are responsible for any damage and/or liability arising from the emission of Secondhand Smoke by such shareholder or their occupant/guest.

2.2 Phase Out of Smoking Units

Smoking within units is only permitted for those who are currently **resident** shareholders **prior to** ~~as of the date this Rule is adopted.~~ **January 1, 2023.**

(March 2023)

SEAL BEACH MUTUAL NO. ONE**AMEND****Rules and Regulations****5. WILD BIRDS**

California law prohibits the disturbance of nesting birds. Should birds nest on your porch, patio, or carport, they must be left in place until the young have fledged. Upon their departure, the nest may be removed, you may request the Service Maintenance Department to install anti nesting material to deter future nesting habits.

6. TEMPORARY RELOCATION

The Mutual shall not assume responsibility for relocating and/or housing Shareholders during the repair and maintenance of Common Area.

ARTICLE IV. PHYSICAL PROPERTIES**1. ARCHITECTURAL GUIDELINES: APPLIANCES****General**

A shareholder that has lived in his/her Unit for six (6) months or less, and received new appliances from the Mutual, may not remove the appliances/fixtures in a remodel unless they refund the Mutual the full value of the appliances at the time of installation.

- No appliance which is Mutual property may be sold, given away, or disposed of by the shareholder and/or the contractor without approval and consent from the Mutual.
- The shareholder or contractor must notify the GRF Building Inspector to confirm what options are authorized. This notification must be made at least seven (7) days prior to the removal of the appliances.
- If any appliance is stored in the Unit, it must continue to be cleaned and left undamaged until the Mutual picks up the appliance at the shareholder's expense.
- Mutual appliances/fixtures are defined as: cooktops, ovens, refrigerators, stove hoods, garbage disposals, water heaters, sinks, faucets, lighting fixtures and bathroom ceiling heater/vent/light units.
- All expansions or permanent fixtures and appliances to the unit become Mutual property when attached to the building. The Mutual and/or GRF will not be responsible for any reimbursement of any expansions or fixtures which become Mutual property.
- Seller Warranty on Non-Standard Appliances. The existing Shareholder, upon the sale of a Unit, shall obtain a one (1) year warranty on each non-standard appliance and provide all warranties to the new Shareholder in the escrow packet.
- Equipment Standards. An updated standardized appliance list is available at the Purchasing Department.

SEAL BEACH MUTUAL NO. ONE**AMEND****Rules and Regulations****1.1 Appliance Upgrades**

Shareholders wishing to upgrade any of their appliances through Service Maintenance will be responsible to pay for the difference between the standard appliance and the upgraded appliance prior to the appliance being delivered and installed in the Shareholders unit.

1.2 Microwave Ovens

- A Shareholder may install a microwave in the kitchen of the Shareholder's Unit, at the Shareholder's own expense, in place of the stove hood.
- The installed microwave will be a permanent installation to be maintained and repaired by the Shareholder and on resale of the Unit, the new Shareholder will assume responsibility for the maintenance and repair.
- NO deferred maintenance or repairs will be allowed.

1.3 Dishwashers

- Shareholders may have any make or model built-in dishwasher installed in their Units at their own expense by a licensed contractor approved by the GRF Physical Property Department and the City of Seal Beach permits for construction work are required prior to beginning work.
- The dishwasher requires a separate electrical circuit.
- The Shareholder assumes full responsibility for any damage incurred as a result of a dishwasher. **whether built-in or portable in their unit.**

1.4 Washers and Dryers

- All washers and dryer installations must be permitted by GRF Physical Properties Department and inspected by GRF Inspector.
- All venting must meet manufacturer's directions.

1.5 Washer and Dryer in a Shareholder's Unit

- Any dryer in a Shareholder's Unit, of any make or model, whether side by side or stackable, shall be cleaned every two (2) years, so that all dryer vent areas are free of lint for clear passage of air flow from machine to roof top areas. Any washer and/or dryer cleaning is at the Shareholder's own expense.
- A sticker with the date of cleaning must be affixed on or close to the cleanout cover every time a cleaning is performed by Service Maintenance or an outside vendor.
- All washing machine hoses and fittings must be checked every year during fire inspections for any leakage or hardening and/or cracking of the hoses. Moving the washer/dryer is not a requirement.

(March 2023)

3. Enforcement Procedures

The following procedure will apply to all violations and infractions of the Governing Documents. At the time a violation is noted or reported, action will be taken as follows:

1. Warning; First Violation. The Board shall give written notice to the shareholder. The notice will identify the violation, and, if appropriate, a time frame for correcting the violation. Notwithstanding the foregoing, under circumstances involving conduct that constitutes (a) an immediate and unreasonable infringement of, or threat to, the safety or quiet enjoyment of neighboring shareholders; (b) a traffic or fire hazard, or (c) a threat of material damage to, or destruction of, the Common Area (collectively, a "Safety Violation"), the Board may forego a warning letter, and proceed immediately with corrective or enforcement action.

2. Repeat Violation. If the same violation is repeated (as such term is defined below) within a twelve-month period or in the event of a Safety Violation, the Board shall give the shareholder a written notice of the violation personally or by mail sent by first class or registered mail, return receipt requested, at least 10 days before the proposed hearing on said violation. Said notice shall contain (a) an explanation in clear and concise terms of the nature of the alleged violation; (b) reference to the provisions of the Mutual's governing documents the member is alleged to have violated, (c) the proposed discipline (e.g. imposition of a monetary penalty based on the Fine Schedules below, suspension of privileges, and/or termination of occupancy, etc.), and (d) and the date, time and location of the hearing concerning such alleged violation.

The hearing shall be conducted by the Board, in executive session, affording the member a reasonable opportunity to be heard and enabling the Board to evaluate the evidence concerning the alleged violation. At the hearing, the Board shall allow the shareholder to present oral or written evidence concerning the alleged violation. If the Board concludes that the alleged violation occurred, the Board may impose monetary penalties, temporarily suspend common area privileges for a period not to exceed thirty (30) days or take any other disciplinary action permitted by the Governing Documents. However, no such penalty imposed by the Board shall take effect sooner than five days after the date of the hearing. The Board will provide the shareholder notice of the disciplinary action taken against him within 15 days after the Board's decision. The Board's notice of decision shall provide a written explanation of the fine, suspension, termination or conditions, if any, imposed by the Board.

For the purposes of this Fine Schedule, a "repeated violation" shall be one which is assessed to a single unit within a twelve-month period. However, should a twelve month period pass without any violations, a first notice to correct the violation must be sent by the Mutual prior to imposing any fines.

3. On-Going Violation. If a violation is not corrected within the time frame referenced in the warning letter or in the event of a Safety Violation, the Board shall give the shareholder written notice of the violation personally or by mail sent by first class or registered mail, return receipt requested, at least 10 days before the proposed hearing on said violation. Said notice shall contain (a) an explanation in clear and concise terms of the nature of the alleged violation; (b) reference to the provisions of the Mutual's Governing Documents the member is alleged to have violated, (c) the proposed discipline (e.g. imposition of a monetary penalty based on the Fine Schedules below, suspension of privileges, and/or termination of occupancy, etc.) and (d) the date, time and location of the hearing concerning such alleged violation.

The hearing shall be conducted by the Board, in executive session, affording the member a reasonable opportunity to be heard and enabling the Board to evaluate the evidence concerning the alleged violation. At the hearing, the Board shall allow the shareholder to present oral or written evidence concerning the alleged violation. If the Board concludes that the alleged violation occurred, the Board may impose monetary penalties, temporarily suspend common area privileges for a period not to exceed thirty (30) days or take any other disciplinary action permitted by the Governing Documents. However, no such penalty imposed by the Board shall take effect sooner than five days after the date of the hearing. The Board will provide the shareholder notice of the disciplinary action taken against him within 15 days after the Board's decision. The Board's notice of decision shall provide a written explanation of the suspension, fine or conditions, if any, imposed by the Board.

If the violation continues past the hearing and first fine stage, additional fines may be assessed on a daily, weekly or monthly basis as provided for, and at the rates set forth, below in the Fine Schedule without further hearing until the violation is abated by the shareholder. For the purposes of this Fine Schedule, "continuing violations" shall refer to violations that remain unchanged and ongoing until abated by the shareholder.

6. Legal Counsel; Alternative Dispute Resolution. At any time, the Board may refer a matter to the Mutual's legal counsel for enforcement or pursue any other remedy provided by the Mutual's Governing Documents or law. Additionally, if required by Civil Code Section 5925 et seq., mediation or arbitration will be offered. If a lawsuit is filed, the shareholder may be liable for Mutual's legal costs and fees.

///

FINE SCHEDULE

Fines for violations may be levied in accordance with the following schedule:

Invoices for fines are due and payable immediately.

FINE SCHEDULE

	1st Offense	2nd/Repeated Violation	On-Going Violation (if the violation continues past the hearing and first fine stage)
Residency/Occupancy Violations (e.g., unauthorized occupants, guests residing longer than permitted)	Notice to Comply in 48 hours	\$25.00	\$25.00 May be imposed on as frequently as a daily basis until corrected
Violation of Mutual Occupancy Agreement & all other Policies	Written Warning	\$25.00	\$25.00 May be imposed on as frequently as a daily basis until corrected
Carport Driveway	\$50.00	\$50.00	\$75 for the first 30 days past the hearing and first fine stage \$100 each month thereafter until corrected
Walls by Trash Area	Written Warning	\$25.00	\$25.00 May be imposed on as frequently as a daily basis until corrected
Laundry Room Areas	\$25.00	\$25.00	\$25.00 May be imposed on as frequently as a daily basis until corrected

Garden Violations	Written Warning	\$25.00	\$25.00 May be imposed on as frequently as a daily basis until corrected
All Other Violations of Rules	Written Warning	\$25.00	\$25.00 May be imposed on as frequently as a daily basis until corrected