

**A G E N D A**  
**REGULAR MEETING OF THE BOARD OF DIRECTORS**  
**SEAL BEACH MUTUAL ELEVEN**  
**September 21, 2017**  
**1:30 p.m.**

1. CALL TO ORDER, *PLEDGE OF ALLEGIANCE*
2. ROLL CALL
3. INTRODUCTION OF GRF REPRESENTATIVE, GUEST(S) AND STAFF:
  - Ms. Heinrichs, GRF Representative
  - Ms. Hopkins, Mutual Administration Director
  - Mr. Bristow, Security Services Director
  - Mr. Harper, Building Inspector
  - Ms. Day, Recording Secretary
4. APPROVAL OF MINUTES – **Regular Meeting of August 17, 2017**
5. BUILDING INSPECTOR'S REPORT (pages 2-3) Mr. Harper
6. UNFINISHED BUSINESS –
  - a. Ratify adopted/posted Policy 7020.11 – Approval of Escrows and rescind/posted Policy 7020 – Approval of Escrows (pages 4-5)
  - b. Ratify amended/posted Policy 7510.11 – Eligibility Requirements (pages 6-7)
  - c. Ratify adopted/posted Policy 7415.11 – Patio Areas (pages 8-10)
7. NEW BUSINESS –
  - a. Discuss rescinding Policy 7582 – Towing Vehicles (adopted 7582.11) (pages 11-12)
  - b. Discuss garden area Mr. Newport
  - c. Cement work at Unit 282-F Mr. Baker
  - d. Investments for higher interest Mrs. Baker
  - f. Cancel WIFI that was used by Jay Salazar Mr. Mandeville
8. CHIEF FINANCIAL OFFICER'S REPORT Mrs. Baker
9. GRF REPRESENTATIVE Ms. Heinrichs
10. MUTUAL ADMINISTRATION DIRECTOR Ms. Hopkins
11. DIRECTOR(S)' COMMENTS
12. ANNOUNCEMENTS
13. SHAREHOLDER(S)' COMMENTS (2-3 minutes)
14. ADJOURNMENT
15. EXECUTIVE SESSION (legal, member issues)

**STAFF SECRETARY WILL LEAVE THE MEETING AT 4:00 P.M.**  
**NEXT REGULAR BOARD MEETING: OCTOBER 19, 2017, at 1:30 p.m.**  
**CLUBHOUSE 3, ROOM 9**

cd:9/14/17

# INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: **11**

INSPECTOR: Mark Harper

MUTUAL BOARD MEETING DATE: SEPTEMBER 13,2017

Print Date: 9/13/2017

## PERMIT ACTIVITY

UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	START DATE	COMP. DATE	CHANGE ORDER	FINAL INSPECTION	CONTRACTOR / COMMENTS
265-H	COUNTERS,SINK,TUB GLAZE	GRF	07/28/17	08/28/17	NO	09/13/17	NUKOTE
265-H	FLOORING INSTALLATION	GRF	08/31/17	10/31/17	NO		WESTBY 4 HOMES
265-H	TILE INSTALLATION	GRF	08/01/17	09/13/17	NO	09/13/17	
267-C	CARPORT CABINET	GRF	09/08/17	10/08/17	NO		MIKE MC NABB
269-D	WASHER DRYER INSTALL	BOTH	05/30/17	07/30/17	NO		AC&R CONSTRUCTION
279-C	STOVE TOP	GRF	09/10/17	10/10/17	NO		BERGIN ELECTRIC
279-I	A/C HEAT PUMP INSTALL	BOTH	08/21/17	10/21/17	NO	09/11/17	GREENWOOD
285-I	REMODEL	BOTH	06/01/17	12/01/17	NO		KC CONSTRUCTION
286 F	WASHER/DRYER	BOTH	06/24/17	8/24/17	YES		PENA CONSTRUCTION 9/30/2017

## ESCROW ACTIVITY

UNIT #	NMI	PLI	NBO	FI	FCOEI	COE DATE	ROF	DOCUMENTS/
262-H		6/29/2017		7/27/2017	8/10/2017			
262-I		8/29/2017	09/08/17					
265-C		8/29/2016		9/13/2017				
268-L		8/21/2017						
272-D			09/13/17					
273-H		6/13/2017						
277-E		4/4/2017						
277-K		4/13/2017						
278-K		8/1/2017	08/09/17	9/1/2017				
282-H		4/6/2017	06/29/17					
283-C		8/28/2017						
285-J		7/12/2017	07/18/17	7/21/2017	8/3/2017			
278-K		08/01/17		08/23/17				
277-E		04/04/17						
280-K		04/06/17	06/29/17					
277-K		04/13/17						
279-E		04/18/17	06/15/17	06/29/17	06/30/17	07/03/17		
278-I		04/19/17	04/28/17	05/12/17	05/25/17	05/26/17		
UNIT #	NMI	PLI	NBO	FI	FCOEI	COE DATE	ROF	DOCUMENTS/

# INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: 11

INSPECTOR: Mark Harper

MUTUAL BOARD MEETING DATE: **SEPTEMBER 13,2017**

Print Date: 9/13/2017

<b>CONTRACTS</b>	<b>PROJECT</b>		
<b>CONTRACTOR</b>	<b>Project</b>		
Fenn Termite + Pest Control			Scheduled Yearly Inspections per Termite and Dry Rot
Empire Pipe Cleaning			Scheduled Yearly Inspections per Sewer Lines
Total Landscape Maintenance			Landscape Care & Maintenance
Class One Arboriculture			Tree Care & Maintenance
M & M Construction			Termite and Dry Rot Repairs
Schlick Electrical			Walkway Lamp Installation
Total Landscape Maintenance			Landscape Care & Maintenance
John Nelson Plumbing			Copper Repipe
MJ Jurado			Parking Lots Asphalt Project
Roofing Standards			Re-Roof Laundry Rooms
Advance Painting			Paint Walkway Light Posts
Fenn Termite + Pest Control			Termite and Pest Control
MJ Jurado			Walkway Drains & Concrete Repairs

MUTUAL OPERATIONS**ADOPT MUTUAL ELEVEN****Approval of Escrows – Mutual Eleven**

## RESOLUTION:

WHEREAS, Article V, Section 2, of the bylaws vests power in the Board of Directors to accept or reject all applications for membership and admission to occupancy of a dwelling unit in the cooperative housing project, and

WHEREAS, a system utilizing questionnaires ~~and a medical examination~~ has been instituted to expedite determination that the potential buyer meets all established criteria, with the responsibility for operation of said system resting on paid employees of the Foundation and Health Care Center, and

**\*\* (remove if ALD passed with NO doctors note) \*\***

WHEREAS, it is necessary that escrow papers be signed in a timely manner but calling special meetings of the Board to accept or reject each application in escrow would prove cumbersome,

NOW, THEREFORE BE IT RESOLVED, THAT

1. The President of this Corporation is appointed and empowered to act in behalf of the Board in signing various document in escrow that are necessary to accept or reject potential members of the Corporations.
2. Should the President be absent or otherwise unable to perform, then any officer of this Corporation shall be empowered to sign such papers on behalf of the Board.

**MUTUAL ADOPTION**

**ELEVEN:**

**MUTUAL OPERATIONS****RESCIND MUTUAL ELEVEN****Approval of Escrows – All Mutuals Except Two, Five, Nine, and Ten**

## RESOLUTION:

WHEREAS, Article V, Section 2, of the bylaws vests power in the Board of Directors to accept or reject all applications for membership and admission to occupancy of a dwelling unit in the cooperative housing project, and

WHEREAS, a system utilizing questionnaires and a medical examination has been instituted to expedite determination that the potential buyer meets all established criteria, with the responsibility for operation of said system resting on paid employees of the Foundation and Health Care Center, and

WHEREAS, it is necessary that escrow papers be signed in a timely manner but calling special meetings of the Board to accept or reject each application in escrow would prove cumbersome,

## NOW, THEREFORE BE IT RESOLVED, THAT

1. The President of this Corporation is appointed and empowered to act in behalf of the Board in signing various document in escrow that are necessary to accept or reject potential members of the Corporations.
2. Should the President be absent or otherwise unable to perform, then any officer of this Corporation shall be empowered to sign such papers on behalf of the Board.

**MUTUAL ADOPTIONS**

ONE	12-07-72	
TWO		(See Policy 7020.2)
THREE	11-20-72	
FOUR	12-04-72	
FIVE	11-15-72	(See Policy 7020.05) Dec 2016
SIX	12-08-72	
SEVEN	11-17-72	
EIGHT	11-27-72	
NINE		(See Policy 7020.9)
TEN	11-30-72	(See Policy 7020.2)
TWELVE	11-09-72	
ELEVEN	11-16-72	
FOURTEEN	11-10-72	
FIFTEEN	11-20-72	
SIXTEEN	12-14-72	

(Dec 16)

MUTUAL OPERATIONS**AMENDED POLICY****RESIDENT REGULATIONS****Eligibility Requirements – Mutual Eleven**

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

- A. Apply for and be accepted as a member of the Golden Rain Foundation, Seal Beach, California.
- B. Meet the Mutual eligibility criteria as follows:
  1. Age

Minimum of 55 years.
  2. Financial Ability
    - a. Verified monthly income or sufficient assets that is/are four (4) times or greater than the monthly carrying charge (Regular Assessment plus Property Tax and Fees) at the time of application, and have liquid assets of at least \$25,000.
      - 1) Verified monthly income will be in the form of the past two years of:
        - a) Tax returns;
        - b) 1099s for interest and dividends;
        - c) 1099-Rs for retirement income from qualified plans and annuities;
        - d) SSA-1099 Social Security Benefit Statement;
        - e) Brokerage statements and current interim statement.
        - f) Six to 12 months of checking account statements.
    - b. Adjusted Gross Income per 1040, 1040A, or 1040EZ, minus income and self-employment taxes paid will equal net income able to be spent.
    - c. 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 12 for the new projected monthly assessment. This new figure (Regular Assessment plus Orange County Property Taxes and District Fees)

(Aug 08)

MUTUAL OPERATIONS

**AMENDED POLICY**

**RESIDENT REGULATIONS**

Eligibility Requirements – Mutual Eleven

times four (4) 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.

- 1) 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).

d. Only the residential shareholder's income shall be considered for qualifying.

3. Health

Have reasonably good health for a person of his/her age, as evidenced by a letter from his/her physician, so that resident can take care of normal living needs without calling on other members of the cooperative for an undue amount of assistance.

**\*\* (remove if ALD passed with NO doctors note) \*\***

4. Character

Have a reputation for good character in his/her present community.

C. 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.

MUTUAL ADOPTION  
ELEVEN: 06-18-71

AMENDMENT  
09-16-93

AMENDMENT  
08-21-08

---

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.

**MUTUAL OPERATIONS****ADOPT POLICY DRAFT****PHYSICAL PROPERTY****Patio Areas – Mutual Eleven****A. Purpose**

This Patio Areas Policy (“Policy”) is adopted to establish standards for Seal Beach Mutual No. Eleven (“Mutual Eleven”), for common area Patios. This Policy is designed to beautify and diversify our community, and will contribute to more socializing among our residents.

This Policy will permit shareholders to temporarily utilize certain common area property, subject to the limitations described herein. Though this Policy grants shareholders the right to temporarily use common area Patios for their personal use, Patios shall remain common area property at all times. Use permission of the Patios may be revoked by the Board of Directors (“Board”) of Mutual Eleven at any time, should the shareholder (or any resident) fail to comply with this Policy.

**B. Patio Definition**

A “Patio” is defined as an area outside of, and adjacent to, the exterior walls of an individual unit, and which is covered by a hard, non-grass surface, as more particularly described herein.

**C. Patio Sizes****1. Front Patio**

- A. Front Patios may be 7 feet, 6 inches deep, as measured from the building wall, and may be no more than 14 feet wide, in hardscape, including any paving edge.
- B. A planted border or hedge, up to 18 inches wide (including a required 6-inch mow strip), and up to 30 inches high, is permitted.

**2. End Patio (applicable to corner units only)**

- A. End Patios shall be no more than 10 feet deep, as measured from the building wall, and may be no more than 14 feet wide, in hardscape, including any paving edge.
- B. A planted border or hedge, up to 18 inches wide (including a required 4-6-inch mow strip), and up to 30 inches high, may be required.

**D. Patio Rules****1. Use Restrictions**

(Draft created 06-07-17)



MUTUAL OPERATIONS**ADOPT POLICY DRAFT****PHYSICAL PROPERTY****Patio Areas – Mutual Eleven**

- A. The Board retains sole discretion regarding items that may be stored or placed on Patios.
  - B. The following list of Prohibited Items and Permitted Items is *not* comprehensive. If a shareowner is unsure whether a particular item may be stored or placed on the Patio, he or she is advised to contact the Board.
    - i. ***Prohibited Items***
      - a. Bicycles, golf carts, walkers, shopping carts, appliances (including refrigerators), cabinets, work benches, carpeting, rugs, or astro-turf may NOT be stored or placed on Patios at any time.
    - ii. ***Permitted Items***
      - a. Barbecues, patio furniture (in good condition), one table, one umbrella, and potted plants, may be placed on Patios.
      - b. Please note that potted plants shall be limited to a total of fifteen (15) for the Garden Area and Patio Area combined. Mutual Eleven Garden/Porch Areas, Trees, Shrubs, Policy No. 7425.11, is incorporated by reference herein, and contains the description of types of permitted potted pots.
  - C. It is the shareholder's sole responsibility to correct or remove any items that violate this Policy.
  - D. If the shareholder fails to correct or remove any items that violate this Policy, Mutual Eleven may, after providing ten (10) days' notice via First Class and Certified mail, remedy the violation at Mutual Eleven's sole discretion, and at the shareholder's sole cost.
2. **Maintenance**
- A. All maintenance (including regular cleaning), repair and replacement obligations are the sole responsibility of the shareholder.
3. **Liability**

MUTUAL OPERATIONS**ADOPT POLICY DRAFT****PHYSICAL PROPERTY**Patio Areas – Mutual Eleven

- A. The shareholder is responsible, and agrees to be liable and indemnify Mutual Eleven for, all damage to any persons or property located within Leisure World, caused by the shareholder's use of the Patio Area.
  - B. The shareholder shall secure liability insurance coverage with regard to the use of any Patio Area. Such insurance policy or policies shall contain a policy limit of no less than **\$300,000** in coverage, and shall cover any risk of loss. ~~The policy or policies must name Mutual Eleven as an additional insured.~~
4. General Rules
- A. Patios must be removable.
  - B. Concrete footings may not be used. **Contemplated herein**, including, without limitation, **is the use of** individual pavers, stones, brick, or the like, or composite (not wood, due to rot, termites, pests, etc.) planking or the like, laid on a gravel and sand bed, or laid on a poured slab.
  - C. Patios, including border, mow strip or paving edge, shall be set back at least 36 inches from any sidewalk.
  - D. Patio plans must be reviewed by the Landscape and Architecture Committee, and authorized by the Board. Approval of patio plans will be on a site-specific basis, and in the Board's sole discretion. Any plans not approved within sixty (60) days shall be deemed denied.
  - E. Patios must be installed by a licensed contractor, with all required permits, including, without limitation, any permit required by Mutual Eleven, the Golden Rain Foundation, and/or the City of Seal Beach. Contractors must be insured and bonded, with no exclusions or endorsements which would preclude payment of claims, and must name Mutual Eleven as an additional insured.
  - F. Each shareholder hereby acknowledges that, due to the location, size, and purpose of Patio Areas, that Patio Areas are generally inaccessible and not of general use to the membership at-large.

MUTUAL ADOPTION  
**ELEVEN:**

(Draft created 06-07-17)

**MUTUAL OPERATIONS****SHAREHOLDER REGULATIONS****Towing Vehicles – Except Mutuals Two, Three, Five, Nine, Twelve, Fourteen, and Seventeen**

A towing program is hereby established which permits the Security Department to remove and store vehicles parked on Mutual property that are inoperable, abandoned, blocking a fire lane or are parked in such a manner as to constitute a hazard. The authority for this action is contained in Section 22658(a) of the California Vehicle Code (CVC).

In conformance with the CVC, an appropriate sign will be posted at both entrance gates warning all who enter Leisure World that it is private property and unauthorized or illegally parked vehicles will be towed away at the vehicle owner's expense.

**A. Abandoned or Inoperable Vehicles**

Prior to removing an abandoned or inoperable vehicle, the Security Department will:

1. Attach a 72-hour warning notice to the vehicle advising of the violation and intent to tow.
2. After a 72-hour follow-up is made, a registered letter will be sent advising the registered and legal owner of the intent to tow the vehicle away in 10 days if not moved. (See attached form letter.)
3. Before any vehicle is towed, Security personnel will contact the Seal Beach Police Department advising them of intention to tow. They will describe the circumstances and the vehicle, including license plate number, the towing company and at which location the vehicle will be stored.
4. A California Highway Patrol Form 180, Storage Report, will be completed by Security personnel at that time.
5. A tow truck will be called to remove the vehicle and store it at the designated tow storage facility.
6. The Security Department will maintain a current log of all towing transactions in order to provide registered owners information concerning stored vehicles.

**B. Other Vehicles**

(Mutual Six only – Vehicles not belonging to Mutual Six residents or Mutual Six visitors will

(Jan 17)

**MUTUAL OPERATIONS****SHAREHOLDER REGULATIONS****Towing Vehicles – Except Mutuals Two, Three, Five, Nine, Twelve, Fourteen, and Seventeen**

get a Notice to Tow in 96 hours when parked on Mutual Six property.)

Immediate action will be taken to tow vehicles when they are:

1. Parked in such a manner as to constitute a hazard.
2. Blocking a fire lane.

The Golden Rain Foundation and Mutual No. \_\_\_\_\_ liability ceases when the towing service removes the vehicle from Leisure World property.

**MUTUAL ADOPTION****AMENDED****RESCINDED**

ONE:	07-23-87		
TWO:	07-16-87		(See Policy 7582.2)-Feb 2016
THREE:	07-10-87		(See Policy 7582.03) Dec 2016
FOUR:	07-06-87		
FIVE:	05-20-87		(See Policy 7582.05) Jan 2017
SIX:	07-24-87	05-30-14	
SEVEN:	07-17-87		
EIGHT:	06-22-87		
NINE:	07-13-87		Rescinded on 09-12-16
TEN:	06-24-87		
ELEVEN:	06-18-87		
TWELVE:	07-09-87		(See Policy 7582.12)-May 2016
FOURTEEN:	07-24-87		(See Policy 7582.14)-Jan 2017
FIFTEEN:	05-18-87		
SIXTEEN:	06-15-87		
SEVENTEEN:	06-02-87		(See Policy 7502.17)-Nov. 2016

(Jan 17)