

A G E N D A
REGULAR MONTHLY MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL TWO
Administration Building Conference Room, 9:00 a.m.
March 16, 2017

1. CALL TO ORDER, *Pledge of Allegiance*
2. ROLL CALL
3. GRF REPRESENTATIVES, GUEST(S), AND STAFF INTRODUCTION:
Ms. Snowden, GRF Representative / Mr. Pratt, GRF Representative
Ms. Hopkins, Mutual Administration Director
Ms. Miller, Finance Director
Mr. Kranda, Building Inspector
Ms. Day, Recording Secretary
4. APPROVAL OF MINUTES: **Regular Monthly Meeting of February 16, 2017**
5. GUEST SPEAKER – Presentation of 2017 Financial Statements Ms. Miller
6. SHAREHOLDER COMMENTS (2-3 minutes)
7. BUILDING INSPECTOR'S REPORT Mr. Kranda
8. GRF REPRESENTATIVE'S Ms. Snowden, Mr. Pratt
9. MUTUAL ADMINISTRATION DIRECTOR Ms. Hopkins
10. OLD BUSINESS –
 - a. Ratify phone poll survey for Policies 7595.02 – Surveillance Cameras and 7415.02 – Patio Regulations Ms. Baker
 - b. Change Eric's beautification to take down walls Mrs. Esslinger
 - c. Painting Report Mrs. Esslinger
 - d. Roofing Report Ms. Baker
 - e. Wall Project Report Ms. Baker
11. NEW BUSINESS –
 - a. Building 69 sidewalk deterioration, need quotes Ms. Baker
 - b. Town Hall – 3/27 at 7:00 p.m., CH3, Rm. 2 Dr. Naret
 - c. Appoint new Signage Committee for buildings Ms. Baker
 - d. Get quotes for all old water gate valves Ms. Baker
 - e. Existing appliance replacement resolution Mrs. Esslinger
 - f. Discuss Policy 7549 – Lockout Procedure (accept wording) Ms. Keller
 - g. Amend Policy 7425.02 – Garden Areas, Trees, Shrubs Ms. Keller
 - h. Fire/Safety Inspection dates: April 6 – June 17 Ms. Baker
 - i. Remove dying Oleanders at 10/11 Mrs. MacLaren
 - j. Rescind Policy 7512 – Guarantor Agreement Form Ms. Hopkins

STAFF BREAK (TIME TO BE DETERMINED BY PRESIDENT)

12. CHIEF FINANCIAL OFFICER'S REPORT Ms. Sporcich
13. DIRECTOR(S)' COMMENTS Board
14. ADJOURNMENT
15. EXECUTIVE SESSION (legal, member, shareholder issues as required)

(STAFF WILL LEAVE THE MEETING BY 12:10 p.m.)
NEXT MEETING: April 20, 2017, at 9:00 a.m.
Mutual Administration Building Conference Room A

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL (02) TWO

INSPECTOR: **Eric Kranda**

DATE: **February 16, 2017**

Print Date: 2/16/2017

PERMIT ACTIVITY							
UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	PERMIT ISSUE	COMP. DATE	CHANGE ORDER	RECENT INSPECTION	CONTRACTOR / COMMENTS
6-L	ROOM ADDITION	GRF	10/18/16	10/28/16	NO	FOUNDATION	LOS AL BUILDERS
8-H	REMODEL	GRF	12/20/16	03/25/17	NO	NAILING 02/01/17	KANGS CONST
8-K	REFINISH	GRF	01/23/17	02/28/17	NO	FINAL	NUKOTE
10-A	HEAT PUMP	GRF	01/31/17	03/15/17	NO	FINAL	GREENWOOD
10-I	PATIO WORK	GRF	01/31/17	02/25/17	NO	FINAL	BERGKVIST
10-G	HEAT PUMP	BOTH	02/23/17	05/23/17	NO	FINAL	GREENWOOD
11-B	FLOORING	GRF	10/18/16	11/30/16	NO	FINAL	KARYS CARPETS
13-G	REMODEL	BOTH	10/18/16	12/30/16	NO	FINAL	LOS AL BUILDERS
27-H	FRONT DOOR	BOTH	04/03/17	05/05/17	NO	NONE	BERGKVIST
30-H	MICRO	BOTH	02/10/17	02/25/17	NO	NONE	LW DÉCOR
24-K	WINDOWS	BOTH	01/19/17	02/23/17	YES	NONE	SEAPORT
34-G	FLOORING	GRF	01/29/17	03/10/17	NO	NONE	KARYS CARPETS
37-G	REMODEL	BOTH	03/20/17	11/30/17	NO	NONE	ALPHA MASTER
38-A	REFINISH	GRF	01/27/17	02/25/17	NO	FINAL	NUKOTE
49-K	REMODEL	BOTH	12/16/16	03/13/16	NO	LATH 02/16/17	LOS AL BUILDERS
56-H	HEAT PUMP	BOTH	02/01/17	04/20/17	NO	FINAL	GREENWOOD
63-L	CART PARD	GRF	02/01/17	02/27/17	NO	NONE	JOHNS LANDSCAPE
64-I	SKYLIGHTS	BOTH	12/01/16	02/28/17	NO	NONE	M&M CONST
63-F	HEAT PUMP	BOTH	11/07/16	12/07/16	NO	FINAL 11/16/16	ALPINE
66-C	WINDOWS	BOTH	01/27/17	03/30/17	YES	NONE	RD
71-H	ROOM ADDITION	BOTH	04/15/16	06/17/17	YES	NAILING 1/10/17	REAL MCCOY

ESCROW ACTIVITY							
UNIT #	NMI	PLI	NBO	FI	FCOEI	ROF	DOCUMENTS/COMMENTS
3-D		03/28/16					
3-G		10/21/16	02/14/17				
5-J		12/14/16					
7-B		02/15/17					
10-I		10/01/15					
12-F		01/23/17					
13-F		09/03/15					
20-C		02/09/17	03/06/17	03/06/17			
26-B		12/14/16	02/02/17	02/02/17	02/14/17		
33-D		10/07/16					
35-J		11/02/16					
37-C		12/14/16	02/10/17	02/07/17	02/22/17		
38-L		01/23/17					
48-E		02/15/17					
48-L		02/27/15					
49-H		02/15/17					
53-L		06/16/15					
59-L		02/15/17					
59-B		08/29/16					
63-I		02/27/17					
66-H		02/15/17					
66-K		11/24/15					
69-E		01/27/17	03/01/17				
69-F		10/27/15					
70-F		05/26/16					
71-C		01/23/17	02/17/17	02/24/17	03/08/17		
71-K		11/18/16	01/12/17	01/12/17	01/24/17		

NMI = New Member Inspection PLI = Pre-Listing Inspection NBO = New Buyer Orientation
 FI = Final Inspection FCOEI = Final COE Inspection ROF = Release of Funds

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL (02) TWO

INSPECTOR: **Eric Kranda**

DATE: **February 16, 2017**

Print Date: 2/16/2017

CONTRACTS	
CONTRACTOR	PROJECT
ANDRES LANDSCAPING 05/31/2018	
FENN GOOD UNTIL 3/31/17	TERMITES, PEST, AND BAIT STATIONS
BERGKVIST GOOD UNTIL 12/31/18	TERMITE AND DRYROT REPAIRS

SPECIAL PROJECTS	
CONTRACTOR	PROJECT
JURADO CONTRACT	DRAINAGE ISSUES AT 61-28
ROOFING STANDARDS	BUILDING 3 COMPLETE, START 11
KRESS	START BUILDING 11, SKYLIGHT REPLACEMENT
GRECO	ATTIC DOORS
HUTTON	START BUILDING 1,2, AND 3. MISS ROOFERS DUE TO RAIN
ADNRES LANDSCAPE	GRAVEL IN SPRINKLERS/SAND 15

MUTUAL OPERATIONS**SHAREHOLDER REGULATIONS****DRAFT POLICY - ADOPT****Surveillance Cameras – Mutual Two**

Installation of Surveillance Cameras: No shareholder may install a camera or make any other alteration to the Cooperative's property. Accordingly, no cameras may be installed on the exterior of a building or anywhere outside the boundaries of a unit. Shareholders may place cameras inside their unit windows, subject to the following restrictions:

- A. No camera may be trained or focused on the interior of another unit, on another unit's front door, or anywhere else other shareholders have a reasonable expectation of privacy.
- B. The use of cameras for surveillance or security purposes is done at the installing shareholder's own risk and such shareholders understand that cameras may serve as a deterrent, but may not actually prevent crime.
- C. Allowing shareholders to install cameras within their own units, in no way implies any responsibility whatsoever on the part of the Cooperative. The Cooperative shall not be held liable, or otherwise responsible, for damaged property, illegal activity, and/or risk to life or limb, or any safety or security problems. All residents and their guests are encouraged to provide their own security measures and take safety precautions as necessary, subject to the limitations set forth in the Cooperative's governing documents. Each shareholder is responsible for providing their own insurance coverage in the case of criminal activity, property damage, and/or liability.

MUTUAL ADOPTION:**AMENDMENT(S)**TWO: *date***(date ratified)**

MUTUAL OPERATIONS**BOARD REVISED DRAFT – AMENDMENT**

PHYSICAL PROPERTY

Patio Regulations – Mutual Two

~~The patio area must be kept with a clear path for emergency personnel to access.~~

~~The patio area must not be cluttered with storage boxes of any kind. All storage boxes, tools, and garage-type merchandise must be properly stored in a closet or cupboard.~~

~~The patio area is not to be used to hang or dry clothes.~~

This policy has been developed to enhance the enjoyment of living in Mutual Two by setting and enforcing standards for open and enclosed patios. It is the responsibility of the Mutual and its shareholders to manage the appearance and safety of patios by respecting approved standards.

Patio Use and Maintenance:1. Maintenance of patios is the responsibility of shareholders;2. Emergency Egress - Windows and Walkways:

- a) All patio window spaces, both inside and out must be kept clear for emergency exit and entrance;
- b) A clear path of at least four (4) feet must be maintained from the entrance of the patio to the entry door of the unit;
- c) Walkway must have a clean, unobstructed pathway; including potted plants.

3. Emergency Egress – Doors:

No patio addition may have a door that locks. Only doors with direct entry into the unit may have locks, i.e., front door or sliding glass door leading directly into the unit from the patio. A door outside in the patio without direct access into the unit is not considered an entry door. To clarify, there can be no door locked before arriving to the front door of the unit. Any lock on a patio door must be removed or the Mutual will remove it at the shareholder's expense;

- 4. **Any object which contributes to uncleanliness or impeded passage for emergency personnel and equipment, and may lead to unhealthy or dangerous conditions to shareholders, must be corrected by the shareholder. If such items are not removed, the Mutual will do so at the shareholder's expense;**

(Board approved draft 1-19-17)

MUTUAL OPERATIONS**BOARD REVISED DRAFT – AMENDMENT****PHYSICAL PROPERTY****Patio Regulations – Mutual Two**

5. **Inspection: Patios will be periodically inspected by a Building Inspector assigned by the GRF Physical Property Department;**
6. **Storage – Open Patios: After the initial 30-day move-in period, the following items may not be stored or placed on open patios:**
 - a) **Any type of food, including birdseed, dog or cat food except in airtight containers and do not leave pet dishes with food on the patio;**
 - b) **Cardboard boxes;**
 - c) **Charcoal or highly flammable items, old newspapers, magazines, etc.,(unless stored in approved containers). Gasoline-operated equipment or gas cans, flammable chemicals;**
 - d) **Laundry hung for airing or drying;**
 - e) **Non-working refrigerators or freezers;**
 - f) **On ungated patios: Unattended pets or pets in permanent outdoor kennels or caged (including birds);**
 - g) **Spas or hot tubs, indoor upholstered furniture.**
7. **Patio Décor:**
 - a) **Screens, panels, or drapes to block the sun must be of outdoor fire retardant fabric and must be maintained;**
 - b) **Obscene objects hanging or stationary are prohibited.**
8. **Prohibited Activities:**
 - a) **Any workshop causing noise, odor, unsightliness, and/or unhealthy conditions. Be guided by the “occasional hobby-oriented” activity rather than an ongoing business or any activity considered to be a nuisance to neighbors. Contact the Board by sending a letter to the Secretary for information and guidance;**

(Board approved draft 1-19-17)

MUTUAL OPERATIONS**BOARD REVISED DRAFT – AMENDMENT**PHYSICAL PROPERTYPatio Regulations – Mutual Two

- b) Converting an open patio into a storeroom is prohibited.
9. Patio Size - Mutual building permits are required for any alteration to patios. A patio may not be increased by expanding outwards into the garden/common area. Patios may be reduced in size by:
- a) Construction of patio closets require a Mutual building permit;
- b) Adding pre-assembled cabinets/sheds;
- c) By expanding the interior rooms of the unit outward into the patio space.
10. Patio Floor: Outdoor carpeting is permitted. Any permanent resurfacing of the patio floor requires a GRF building permit. Flooring installed without a permit may be removed by the Mutual at the shareholder's expense.
11. Enclosed patios:
- a) A permit from the Physical Property Department is required for any construction to a patio;
- b) An enclosed patio may not function as a bedroom, kitchen, or storage closet;
- c) Any item not appropriate to a patio will be removed by the shareholder or by the Mutual at the shareholder's expense.
12. Enclosed Patios Acceptable Items:
- a) Refrigerator or freezer in working condition plugged directly into wall socket only;
- b) A washer or a dryer or stacking washer and dryer installed inside a patio storage cabinet;
- c) A permit must be obtained for the installation of these appliances, and all codes relating to electrical and, if applicable, plumbing and ventilation must be adhered to.

(Board approved draft 1-19-17)

MUTUAL OPERATIONS

BOARD REVISED DRAFT – AMENDMENT

PHYSICAL PROPERTY

Patio Regulations – Mutual Two

MUTUAL ADOPTION

AMENDMENT(S)

TWO: 05-16-13

date after posting period

DRAFT

(Board approved draft 1-19-17)

Page 4 of 4

MUTUAL OPERATIONS**DRAFT 2-25-17****RESIDENT REGULATIONS****Lockout Procedures**

The following will be in effect for units after the death of a shareholder/owner:

1. Death with Surviving Shareholder/Owner Living in the Unit

If the death of the shareholder/owner occurred at the unit and a surviving shareholder/owner is living in the unit at the time, a Bereavement Book will be left at the unit by Security.

If the death of the shareholder/owner occurred outside the unit and a surviving shareholder/owner is living in the unit at the time, a Bereavement Book will be provided by Foundation personnel at the time the death is reported.

2. Death of Sole Owner

a. Unattended Death

If death is unattended and the unit is sealed per law enforcement or coroner's order, then no one may access the unit until official next-of-kin determination is made by the coroner's office. Security will leave a Bereavement Book at the unit and place a knoblock on the door. If the door cannot accommodate a knoblock, a plywood sheet shall be affixed over the door. If someone comes forward as Trustee, non-resident co-owner or with other legal authority, Foundation personnel must check with the coroner's office before permitting access to the unit.

b. Attended Death

Security will identify on the DOA report those present at the time of death, including family members, hospice workers, caregivers, and other individuals. A Bereavement Book will be left at the unit. If someone present is identified as legal authority of the unit and can provide evidence of same, Security will instruct them to visit the Stock Transfer Office as soon as possible. Security will inform all persons present that no one may stay in the unit overnight without Mutual permission, unless they are a registered caregiver or co-occupant.

If legal authority is not established at the unit via documentary evidence, all persons present will be asked to leave the unit until legal authority is established at the Stock Transfer Office. From there, the unit will be knoblocked or a plywood sheet shall be affixed to the door. The exception to this is if a registered co-occupant or caregiver lives at the unit, or if Mutual permission is obtained.

MUTUAL OPERATIONS**DRAFT 2-25-17****RESIDENT REGULATIONS****Lockout Procedures**3. Reporting of Death to Mutual President

Shareholder/owner deaths shall be reported to the Mutual President within one (1) to two (2) business days with the following information:

- a. Name of decedent
- b. Date and location of death
- c. Identification of persons present at unit (if any)
- d. Name, relationship and contact information of surviving shareholder/owner (if any)
- e. Name, relationship and contact information of decedent's emergency contacts (if no surviving shareholder/owner is present at the unit)
- f. If legal authority has been established
- g. If/how the unit was secured
- h. If there are any registered co-occupants, caregivers or pets at the unit

MUTUAL ADOPTION**Mutual: date**

MUTUAL OPERATIONS**PHYSICAL PROPERTY****Garden Areas, Trees, Shrubs – Mutual Two Only****Resident Garden Areas**

The area extending 36 inches from the exterior wall of the apartment is set aside for the resident's garden. The sides of the corner apartments shall have a 48-inch limit. At the times of sale or transfer of stock, the Mutual will review the area and decide whether those areas which have been extended beyond these limits will be returned to the 36 or 48 inches or leave as extended.

1. Trees may not be cut down until an arborist provides a written report advising the Board of Directors that the tree is diseased or the roots are invasive to buildings and cannot be cut out without killing the tree.
2. Shareholders may plant greenery of their choice from the list of Mutual-approved plants (see page 2, 3). Plants with invasive root growth that could potentially damage the Mutual structures and walkways are prohibited. Vines are not permitted to climb on any structure. If a trellis is used, it must be free-standing and be kept 12" below the eaves. All plants must be trimmed back 12" from the building wall. Shrubs shall not block windows, electric meters, or neighbors' views. Trees may not be planted in garden areas, except in tubs, and they must be kept 12" below the eaves. Plants must be cut back so as not to extend over the garden line, in all cases. Removal of any offending growth will be done by the Mutual at the shareholder's expense.
3. Fertilization and plant pest control within the garden area are the responsibility of the shareholder. Watering the garden area is also the responsibility of the shareholder. At the shareholder's expense, sprinklers may be added within the garden area. Maintenance of sprinklers will be at the shareholder's expense.
4. Potted plants are not permitted on entrance walkways, nor can they inhibit the 36-inch entry requirement. Further, potted plants are not permitted on top of, or be hung from Padmount transformers, nor on telephone vaults.
5. Free-standing objects are permitted in the garden area only.
6. After cleaning their garden area or raking leaves, shareholders should place the leaves or debris in the proper trash bin.
7. At the time of escrow or transfer of stock to a new owner, the Mutual Inspector and Mutual Director will signify any plants or shrubs that need to be removed. The cost of such removal will be the expense of the seller or transferee of ownership.

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MUTUAL OPERATIONS**PHYSICAL PROPERTY****Garden Areas, Trees, Shrubs – Mutual Two Only**

8. Planting will be in accordance with the current Mutual Two Gardening Policy. If the new owner wishes to do the planting, it will be at their expense.
9. Laundry Rooms: The areas next to laundry rooms are an extension of the Mutual's lawn area. These lawn areas are not for residents' use. If a resident infringes upon this area, the Gardening Committee may request that the resident remove such infringements at the resident's expense. When the corner unit changes ownership, the Committee will review any deviations or variances to the Gardening Policy.

Gardening List - Approved Shrubs

Agapanthus	False Heather	Hydrangea	Pyracantha
Ajuga	Flax	India Hawthorn	St. John's Wart
Cape Honeysuckle	Heavenly Bamboo	Juniper (small)	Star Jasmine
Daylillies	Hibiscus	Liriope	Verbena
Escallonia	Holly Family	Mirror Plant	

Gardening List - Approved Smaller Flowering Bushes

Azalea	Fuchsia	Gardenia	Lily of the Valley
Camellia	Dahlia	Heather	Rose

Perennial flowers do well in our climate and soil. Young plants need protection from rabbits. The following plants are **NOT PERMITTED**: Asparagus Fern, Bird of Paradise, Citrus & Fruit Trees*, Ivy, Poinsettia*, and Wild Mint.

*Unless planted in movable tubs with tile underneath.

Turf Areas

Turf areas are all the ground areas located outside of the garden areas at each apartment. The maintenance of all turf areas is the responsibility of the Mutual. Shareholders are not permitted to install, remove or relocate plants or any other landscaping materials in the turf areas. Vines or shrubs may not be planted around the trees in the greenbelt. Potted plants may not be placed around trees. Annual bedding plants may be planted in tree wells. Free-standing objects are not

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MUTUAL OPERATIONS**PHYSICAL PROPERTY****Garden Areas, Trees, Shrubs – Mutual Two Only**

permitted in turf areas. Shareholders are not permitted to install, remove, relocate or adjust sprinklers in turf areas. The Mutual will not plant or replace trees in the Mutual turf areas unless there is an 8-foot clearance from the entrance walkway and an 8-foot clearance from the sidewalk (or an 8-foot radius). The Mutual turf areas may be used by the shareholder for temporary reasons, such as construction activity, moving, exterior painting, etc.

GUIDELINES FOR PLANTING TREE WELLS
MUTUAL TWO
SEPTEMBER 2015

The Mutual Two Board of Directors is granting its shareholders permission to plant and landscape tree wells in their own green belts according to Policy 7425.2, dated May 2013. Below are general guidelines which are to be followed while the actual Policy is being updated in detail. Any questions should be directed to the Chairman of the Gardening Committee.

Before a tree well can be landscaped, a drawing, complete with all materials to be used, must be submitted to the Gardening Committee for prior approval. Once approved, the gardener will be notified to enlarge the area to be used for the well. Upon completion, it is the shareholder's responsibility to maintain the well. All materials purchased and used for the project as well as the cost of maintaining the tree well will be at the expense of the shareholder. Mutual Two will only assume the cost of creating the tree well.

Only organic material may be used. No statuary or fencing of any kind around or in the tree well will be allowed. Additionally, no pots of any kind will be allowed in or around the tree well. For example, a tree well can be done completely in decorative rock without any plants if desired. It can also have different colors and kinds of rock and mulch in the same well.

Drought-tolerant plants are preferred since watering will be manual and the responsibility of the shareholder. No topsoil is to be used at the base of the tree.

Check Policy 7425.2 for the complete list of approved plants and ground cover. Around the tree base some suggested types of cover are lava rock, pea gravel, beach rock, river rock and other landscaping rocks as well as all forms of mulches and decorative bark.

The goal of the Gardening Committee is to give shareholders many choices for enhancing the

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MUTUAL OPERATIONS**PHYSICAL PROPERTY****Garden Areas, Trees, Shrubs – Mutual Two Only**

beauty of their green belt area with creative planting in the tree well area. However, to maintain our wonderful trees and help prevent them from dying, certain rules must be adhered to. For example, the tree needs to breathe at the base, so from the base to about three feet out, nothing is to be planted. Rocks and mulches allow for the trees to hold in the little amount of water that they are now allowed to get because of the drought regulations.

Drawing samples of different size tree wells are on the attached page.

MUTUAL ADOPTION

TWO 10-17-91

AMENDED

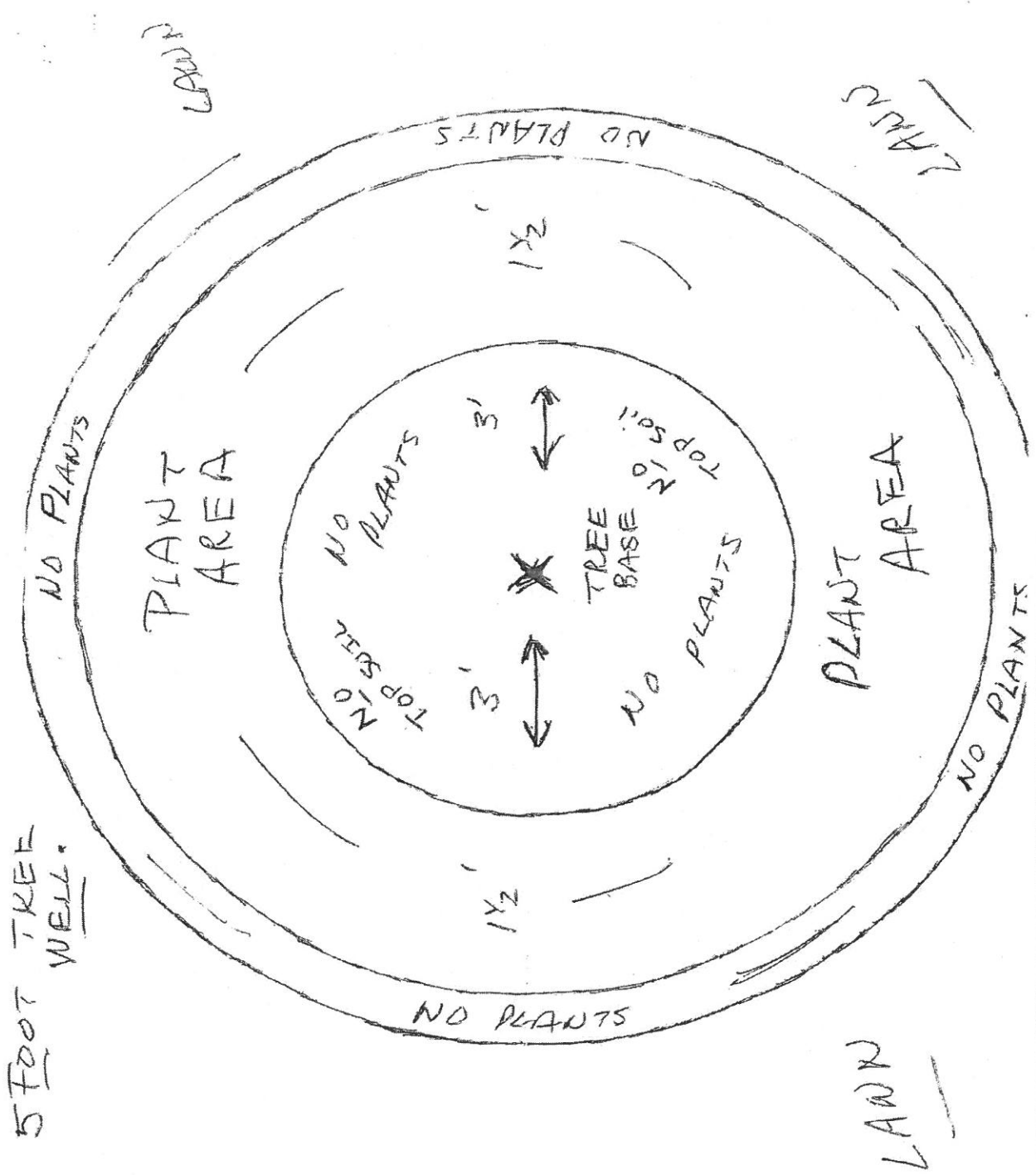
03-18-04
10-21-04
05-16-13
11-19-15

(Nov 15)

MUTUAL OPERATIONS

PHYSICAL PROPERTY

Garden Areas, Trees, Shrubs – Mutual Two Only



(Nov 15)

MUTUAL OPERATIONS

RESCIND ALL MUTUALS

RESIDENT REGULATIONS

Guarantor Agreement Form

GOLDEN RAIN FOUNDATION
a corporation

By _____

GUARANTOR

SEAL BEACH MUTUAL NO. _____
a corporation

GUARANTOR

By _____

Dated _____

DRAFT

GRB

Approved: 18 Dec 73

(Draft created 02-28-17 cd))