

MINUTES OF A SPECIAL MEETING OF THE
BOARD OF DIRECTORS
SEAL BEACH MUTUAL TWO
8/22/2017

In accordance with the Corporation Bylaws, and pursuant to posted due notice to the Directors, a special Meeting of the Board of Directors of Seal Beach Mutual Two was called to order by President Baker at 1:09 p.m. in Board Room B Meeting Room.

Those Directors present were: President Baker, VP Esslinger, Secretary Knebel, CFO Brooks, Directors Keller, Naret, Sporcich, and MacLaren. Director Moore was absent. Also attending were 2 Shareholders and GRF Rep Paula.

The purpose of the meeting was to listen and question the presentation of the 2018 budget prepared by the CFO, Travis Brooks.

No votes were taken at this meeting.

The meeting was adjourned at 2:10 p.m.

Attest Ken Knebel, Secretary
SEAL BEACH MUTUAL TWO

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL (02) TWO

INSPECTOR: **BRUNO ALVAREZ**

DATE: **SEPTEMBER 14 2017**

Print Date: 8/16/2017

PERMIT ACTIVITY

UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	PERMIT ISSUE	COMP. DATE	CHANGE ORDER	RECENT INSPECTION	CONTRACTOR / COMMENTS
2-J	WINDOWS	BOTH	09/05/17	10/20/17	NO	NONE	AMERICAN VISION WIND.
7-A	REMODEL	BOTH	05/11/17	09/25/17	NO	08/16/17 DRYWALL NAIL	GAMBOA CONSTRUCTION
3-G	CART PAD	GRF	08/14/17	09/22/17	NO	NONE	JOHNS LANDSCAPE
6-L	REMODEL	BOTH	10/18/16	12/28/17	YES	08/20/17 FINAL	LOS AL BLDRS
8-J	WASHER/DRYER	BOTH	06/13/17	08/30/17	NO	08/18/17 FINAL	ALPHA MASTER
12-K	REMODEL	BOTH	03/113/17	06/15/17	NO	08/17/17 FINAL	OGAN
13-B	FLOORING	GRF	07/30/17	08/30/17	NO	08/18/17 FINAL	KARYS CARPETS
13-K	HEAT PUMP	BOTH	06/26/17	08/06/17	NO	NONE	ALPHINE
14-A	PATIO REPLACE	BOTH	05/25/17	06/25/17	NO	NONE	MJ JURADO
15-A	EZ ACCESS TUBE	BOTH	05/18/17	07/19/17	NO	NONE	NUKOTE
15-F	CARPET	GRF	08/15/17	09/15/17	NO	08/16/17 FINAL	KARYS CARPETS
15-I	EZ ACCESS TUBE	BOTH	09/07/17	10/27/17	NO	NONE	NUKOTE
16-B	HEAT PUMP	BOTH	06/12/17	09/30/17	NO	08/30/17 FINAL	GREENWOOD
16-C	FLOORING	GRF	07/11/17	08/24/17	NO	NONE	NATONWIDE PAINTING
17-D	HVAC	BOTH	06/19/20	09/30/17	NO	FINAL 8/28/17	GREENWOOD
17-E	EZ ACCESS TUBE	BOTH	08/31/17	10/07/17	NO	NONE	NUKOTE
18-H	FLOORING	GRF	07/14/17	08/25/17	NO	NONE	FAMILY FLOOR
20-D	HEAT PUMP	BOTH	06/12/17	09/30/17	NO	NONE	GREENWOOD
24-F	REMODEL	BOTH	08/21/17	03/12/18	NO	09/01/17 ROUGH PLUMB.	JC KRESS
24-J	REPLACE WASH/DRY	BOTH	08/10/17	09/10/17	NO	NONE	NORWALK/LM PLUMBING
24-K	REMOVE ASBESTOSS	BOTH	06/13/17	07/25/17	NO	NONE	UNIVERSAL ABATEMENT
24-K	RENOVATION	BOTH	07/24/17	10/20/17	NO	08/16/17 FINAL	LW DÉCOR
27-J	HEAT PUMP	BOTH	08/03/17	09/03/17	NO	08/15/17 FINAL	ALPINE
29-G	INSTAL WASH/DRYER	BOTH	08/10/17	09/10/17	NO	NONE	NORWALK/LM PLUMBING
30-H	WASHER/DRYER	BOTH	04/20/17	10/15/17	NO	R. PLUMBING 05/10/17	L.W. DÉCOR
30-H	MICROWAVE	BOTH	02/25/17	06/30/17	NO	NONE	RDF
30-H	REPL. FAUCET	GRF	08/07/17	09/07/17	NO	09/01/17 FINAL	DCS ENTERPRISES
31-G	INSTALL CARPET	GRF	08/14/17	09/14/17	NO	NONE	BIXBY PLAZA CARPETS
31-I	HEAT PUMP	BOTH	08/10/17	10/12/17	NO	FINAL 09/11/17	GREENWOOD
31-I	WASHER/DRYER	BOTH	06/10/17	08/10/17	NO	NONE	AC&R
32-E	REMODEL	BOTH	06/12/17	09/30/17	NO	NONE	BJ+CO
33-D	FLOORING	BOTH	06/13/17	07/22/17	NO	NONE	MAMUSCIA CONSTRUCTION
33-D	INSTALL DOOR	BOTH	05/25/17	07/25/17	NO	NONE	MAMUSCIA CONSTRUCTION
35-K	CARPORT CABINET	GRF	08/30/17	09/30/17	NO	NONE	HANDIMAN
37-G	REMODEL	BOTH	03/20/17	11/30/17	NO	09/13/17 DRYWALL NAIL	ALPHA MASTER BLDRS
38-A	KITCHEN REMODEL	BOTH	07/05/17	08/31/17	NO	FINAL 08/23/17	BERGKVIST
38-E	WINDOW/PATIO	BOTH	08/21/17	10/30/17	NO	NONE	KANGS CONST
39-G	FLOORING ENTIRE/UNI	BOTH	08/24/17	10/15/17	NO	NONE	NATIONWIDE PAINT
40-B	CARPET INSTALL	GRF	60/10/17	07/10/17	NO	NONE	LACEYS CARPETS
41-K	E/Z ACCESS TUB	GRF	04/11/17	05/11/17	NO	NONE	NUKOTE
42-F	WINDOW REPLACEM.	BOTH	07/10/17	07/24/17	NO	FINAL 08/18/17	BODIES GLASS
43-B	BATH REMODEL	BOTH	08/21/17	09/28/17	NO	NONE	GAMBOA CONSTRUCTION
45-I	KITCH. REMD.ADD BATI	BOTH	08/14/17	11/03/17	NO	ROUGH 8/28/17	PENA CONSTRUCTION
46-A	FLOORING	GRF	07/30/17	08/30/17	NO	FINAL 8/29/17	KARYS CARPETS
46-A	ASBESTOS ABATEMEN	GRF	07/31/17	09/22/17	NO	NONE	UNIVERSAL ABATEMENT
46-A	WINDOWS	GRF	08/10/17	09/10/17	NO	NONE	SWENMAN
46-G	HEAT PUMP	BOTH	08/14/17	10/20/17	NO	FINAL 09/11/17	GREENWOOD
49-H	HEAT PUMP	BOTH	09/11/17	12/28/17	NO	NONE	GREENWOOD
52-F	WINDOW REPLACEM.	BOTH	08/28/17	09/28/17	NO	NONE	BODIES GLASS

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL (02) TWO

INSPECTOR: **BRUNO ALVAREZ**

DATE: **SEPTEMBER 14 2017**

Print Date: 8/16/2017

55-I	HEAT PUMP	BOTH	07/27/17	08/27/17	NO	NONE	ALPINE
56-H	WINDOW REPLACEM.	GRF	05/30/17	06/30/17	NO	NONE	SWENMAN
57-I	CARPORT CABINET	GRF	08/15/17	09/15/17	NO	NONE	HANDIMAN
59-L	REMODEL	BOTH	07/12/17	11/10/17	NO	NONE	LOS AL
60-A	FLOORING	GRF	09/11/17	10/20/17	NO	NONE	KARYS CARPETS
60-J	HVAC	BOTH	09/05/17	12/18/17	NO	NONE	GREENWOOD
60-J	REMOVE DECO BLOCK	GRF	06/13/17	08/11/17	NO	NONE	BERGKIST
61-I	FLOORING	GRF	07/28/17	08/28/17	NO	08/22/17	KARYS CARPETS
61-J	INSTALL GATE	GRF	04/25/17	05/20/17	NO	NONE	MJ JURADO
62-A	REMODEL	BOTH	07/28/17	02/02/18	NO	NONE	ALPHA MASTER
64-B	WATER DAMAGE REP.	GRF	06/10/17	06/25/17	NO	NONE	LW DÉCOR
64-B	HEAT PUMP	BOTH	06/12/17	09/30/17	NO	NONE	GREENWOOD
64-D	EZ ACCESS TUBE	BOTH	08/16/17	09/16/17	NO	NONE	NUKOTE
64-F	SOLAR TUBE	BOTH	05/25/17	06/25/17	NO	NONE	BRIGHTER CONCEPTS
65-G	HEAT PUMP	BOTH	07/11/17	08/18/17	NO	NONE	YES REMODELING
67-B	BLOCK WALL	GRF	08/05/17	08/25/17	NO	NONE	HANDIMAN
67-B	FILL DECOBLOCK	GRF	07/10/17	08/31/17	NO	NONE	HANDIMAN
67-B	SIDE WALK	GRF	06/23/17	08/16/17	NO	NONE	HANDIMAN
67-H	WASHER/DRYER	BOTH	03/23/17	05/20/17	NO	NONE	PENA CONSTRUCTION
71-J	HEAT PUMP	BOTH	05/22/17	08/22/17	NO	NONE	GREENWOOD

ESCROW ACTIVITY

UNIT #	NMI	PLI	NBO	FI	FCOEI	ROF	DOCUMENTS/COMMENTS
1-D		05/09/17	06/22/17	06/22/17	07/07/17	08/21/17	
2-L		07/03/17	07/03/17	08/09/17	08/23/17		
3-D		03/28/16		08/14/17	08/28/17		
6-H		07/17/17	09/01/17	09/01/17	09/18/17		
10-I		10/01/15					
12-F		01/23/17	08/04/17	08/07/17	08/21/17	08/21/17	
13-F		09/03/15					
15-F							
17-D			05/23/17	05/25/17	06/09/17		
20-B		05/12/17		07/06/17	07/20/17		
24-F		06/19/17		08/02/17	08/16/17		
26-J		08/31/17					
27-J		07/03/17		07/06/17	07/20/17	08/25/17	
31-G		07/18/17	07/03/17	08/01/17	08/15/17		
33-E		07/19/17					
34-G		07/03/17	09/08/17				
36-C		07/17/17		08/04/17	08/18/17		
36-J		07/17/17		08/01/17	08/15/17		
38-L				07/12/17	07/21/17		
41-L		07/03/17					
43-B		04/29/17	07/05/17	07/14/17	07/28/17		
43-F			05/22/17	05/23/17	06/07/17		
44-H	8/21/2017						
54-K		07/03/17	07/24/17	07/24/17	08/04/17	08/29/17	
57-A		07/25/17	08/31/17	09/05/17	09/19/17		
59-K				08/02/17	08/16/17		
60-A		07/18/17	08/17/17	08/21/17	09/05/17	09/07/17	
60-G			09/06/17				
61-I		08/31/17					
62-A		04/14/17		06/30/17	07/17/17		
63-I		02/27/17	03/23/17	03/29/17			
67-G		08/31/17					
70-F		05/26/16					

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: **BRUNO ALVAREZ**

DATE:

SEPTEMBER 14 2017

Print Date: 8/16/2017

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

SPECIAL PROJECTS	
CONTRACTOR	PROJECT
ROOFING STANDARDS	COMPLETED 62,44,45 -2017 CONTRACT COMPLETED
KRESS	COMPLETED 62,44,45 -2017 CONTRACT COMPLETED
GRECO	ATTIC DOORS COMPLETED
HUTTON	PAINTING IS GOING GREAT BLDG. 46
MJ JURADO	SIDEWALKS BLDG. 4 TO 14

Mutual Board Resolution to Pass the 2018 Budget

RESOLVED, To accept the 2018 Operating Budget for Mutual TWO of \$2,616,147, resulting in a regular monthly assessment of \$252.33 per apartment per month, for an increase of \$21.48 per month over the total Mutual operating costs of 2017, as presented, and to adopt this budget forthwith.

ADOPT DRAFT

SHAREHOLDER REGULATIONS

GOVERNING DOCUMENT COMPLIANCE CORRECTIVE MEASURES AND FINES – Mutual Two

Basic Compliance Policy:

The objective of this Compliance Policy shall be to promote and seek voluntary compliance of shareholders for themselves, those qualified to reside with them and the shareholders' visitors including, but not limited to guests, employees and delivery personnel with the Seal Beach Mutual No. Two Occupancy Agreement, Bylaws, 7000 Series Policies, and Rules and Regulations, all as amended and supplemented.

Reporting Violations:

Any resident shareholder, including any shareholder serving on the Board, may report violations. Contact Security or the Board of Directors.

Such reports shall constitute a complaint and will be documented in writing to include the time, date, nature of violation, circumstances, and location and address of person or persons responsible. The complaint will be provided to the Mutual for review and, if necessary, enforcement action.

Enforcement Procedures:

The Mutual may, in the Board's discretion, enforce any violation of the "Policies Rules & Regulations" by pursuing, without limitation any one, or combination of, the remedies described below in paragraphs, One, Two, or Three (1, 2, or 3). Notices described in One and Two below shall include a statement inviting the shareholder to a hearing or their right to request a hearing.

1. Send an initial notice of violation letter to the resident shareholder stating the nature of the alleged violation. In the event that the shareholder does not take corrective action and continues to be non-compliant, the notice will include a reasonable date within which to voluntarily comply.
2. Send a notice of violation and intent to impose a fine. Fines will be imposed in accordance with the Mutual's Violation Fine Schedule.
3. An action in law or in equity to recover the sums due for damages injunctive relief or any other appropriate legal or equitable relief that may be available to the Mutual.

ADOPT DRAFT

SHAREHOLDER REGULATIONS

GOVERNING DOCUMENT COMPLIANCE CORRECTIVE MEASURES AND FINES – Mutual Two

Fine Schedule:

A monetary fine in accordance with the Fine Schedule may be imposed after or concurrent with notice and opportunity for hearing, and the Board of Directors, or committee appointed by the Board, in its discretion, has determined that a resident shareholder is non-compliant with or has violated the “Policies Rules & Regulations”.

FINE SCHEDULE

	1st Offense	2nd and each subsequent and/or continuation of offense
Residency/occupancy violations (e.g. unauthorized occupants, guests residing longer than permitted)	Notice to Comply in 48 hours	\$500 and \$100 per/day for each additional day of non-compliance
Violation of Policy 7491.02 Roof & Attic Access	\$1000 and removal of unauthorized installation if non-compliant equipment if applicable	
Violation of Mutual Occupancy Agreement & all other Policies	Written warning	\$100 and \$100 per/day for each additional day of non-compliance

MUTUAL

ADOPTION

TWO:

MUTUAL OPERATIONS

RESIDENT REGULATIONS

AMENDED DRAFT

Carport Regulations – Mutual TwoA. Carport Use

1. Carports are to be used for parking of self-propelled land vehicles in operating condition. All passenger vehicles that can be operated on city streets MUST have a current DMV registration, license plate tags, and sufficient insurance as mandated by the State of California Vehicle Code (CVC) § 22658. All vehicles, parked in the carport must have a Seal Beach Leisure World (SBLW) decal issued by the Security Department affixed and displayed on the lower left windshield.
 - a. Board approval may be granted in waiving the display and affixing of the SBLW decal in ONLY unique and rare circumstances (contact the Board for consideration).
 - b. Any vehicle that is not compliant with these rules may be towed at the owner's expense and as specified in CVC § 22658.
2. Any stored items in the carports must be completely contained in the carport cabinets. **(See Section 7 for exception.)** Current fire regulations prohibit the storage of fuel or any combustible material in the carport areas.
3. When parked in the carports, all vehicles must be headed inwards.
4. Mechanical repairs on vehicles are not permitted except for minor maintenance such as jumping of a battery, checking or adding oil or water, or changing wiper blades. Changing of oil is not permitted.
5. No person shall park any vehicle in any carport not assigned to them without permission from the affected shareholder.
6. Any vehicle leaking oil, anti-freeze, or any other hazardous material is prohibited from parking in a Mutual carport or on a Mutual street or driveway. It is the shareholder's responsibility to clean up any hazardous material spill or the Mutual will have them cleaned up. In such case, the shareholder will be billed for the cost. ALL hazardous waste materials, including kitty litter, must be disposed of at any Orange County Approved Hazardous Waste Site.
7. The carport floor space may NOT be used as a storage area, whether free-standing or in any type of container. **However, shareholders may store items in their carport floor space if they get a mutual approved and signed authorization for special circumstances for storing items in a carport space for a period not to exceed one (1) month. The form is attached and additional forms can be obtained from Mutual Two Directors.** Boats or trailers of any size or kind may not be parked in the carport.

MUTUAL OPERATIONS**RESIDENT REGULATIONS****AMENDED DRAFT****Carport Regulations – Mutual Two**

8. Any damage to the carport is the responsibility of the assigned shareholder, not any renter of a carport.
9. Car covers may be attached to the carport and must be removed at the time of painting.
10. Only a bicycle, tricycle, folding shopping cart, ladder or blue 55-gallon water barrels may be stored under the cabinet in the shareholder's assigned or rented space.
11. At each inspection of the carports by the Mutual Board representative, a notice will be given to the shareholder whose carport is in violation of this policy. Improperly stored material must be removed within ten (10) days or the material will be removed at the shareholder's expense.

B. Carport Assignments

1. Carport assignments are controlled by the Mutual Corporation and a record of such assignments is kept in the Stock Transfer Office of the Golden Rain Foundation.
2. Shareholders desiring to change carport assignments must negotiate the new arrangement on their own and obtain approval from the other shareholder and record the exchange in the Stock Transfer Office.

C. Secondary Carport Storage Cabinets

Shareholders are permitted to have a secondary carport storage cabinet installed beneath the existing cabinet with approval of the Board of Directors and a permit from the GRF Physical Property Department. The cabinet shall be built per the dimensions and specifications shown in this policy. The paint and hardware must match the existing cabinet. The maintenance and damage to carport cabinets is the responsibility of the shareholder.

Carports that have secondary storage cabinets below the original cabinets may have ladders attached to the cabinets or walls.

Any other construction which involves the Mutual's carports, walls, floors, beams or ceilings is not permitted.

D. Ancillary Matters

1. In order to accommodate routine cleaning and property servicing, shareholders may not store an inoperable vehicle in a carport space.
2. Shareholders may have ceiling or wall fixtures installed to accommodate items such as car covers or ladders.

MUTUAL OPERATIONS

RESIDENT REGULATIONS

AMENDED DRAFT

Carpport Regulations – Mutual Two

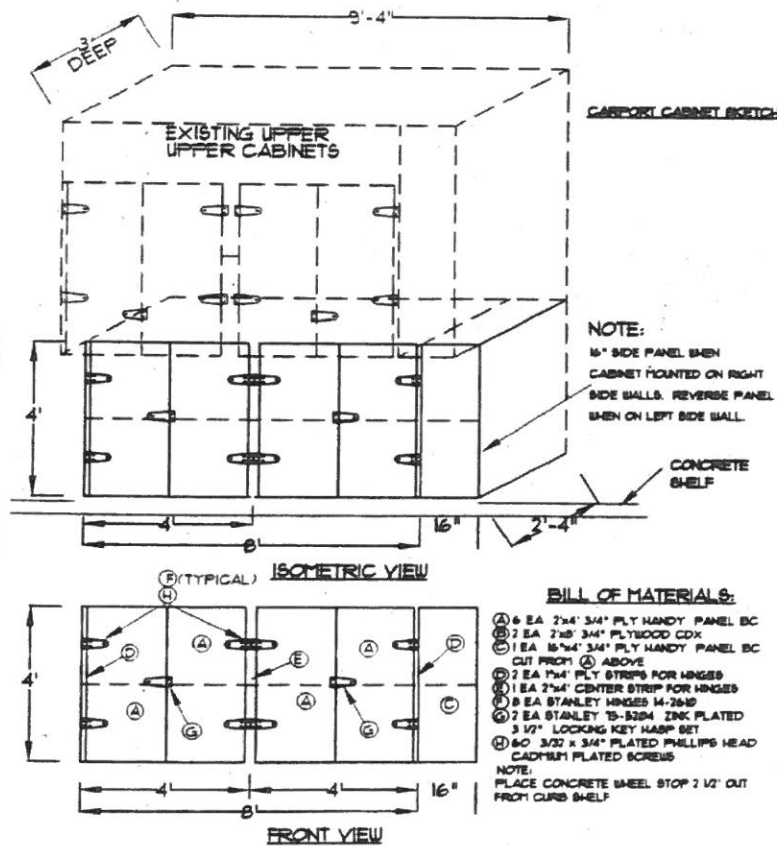
3. Electric Carts & Golf Carts (See 7507.2)
4. Under the provisions of the California Vehicle Code, Section 22658, and upon conditions including reasonable notice as defined therein, the Mutual has the authority to have a vehicle towed from its property. See Policy 7582, Towing Vehicles, for further information. In every instance of infraction to this policy and other policies or regulations, the Mutual will seek an agreed-upon resolution, but with due consideration to the overriding interests of the entire Mutual, reserves its authority to have a vehicle towed from the premises.

MUTUAL ADOPTION

TWO: 27 Oct 11

AMENDMENTS

09-20-12, 03-20-14



MUTUAL OPERATIONS**AMENDED DRAFT****SHAREHOLDER REGULATIONS****Towing Vehicles – Mutual Two**

A towing program is hereby established which permits the Mutual to remove 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 that are in violation of Mutual Policy. The authority for this action is contained in Section 22658(a) of the California Vehicle Code (CVC) – Authority to Remove Vehicles.

In conformance with the Vehicle Code, an appropriate signage 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. Tow Procedure – Immediate Action

Security Department will advise the Mutual Board when vehicles are in violation and may require immediate action/removal:

1. Violation of Mutual Policy related to safety/access/flammable materials;
2. Violation of the Fire Lane Regulation CVC 22953(b)
3. Violation of the Fire Hydrant Regulation (Mutual Policy).

If approval is received from the Mutual, Security Department will notify the towing company to respond and meet the designated Mutual Representatives. A private property towing form will need to be signed by a Mutual representative authorizing the towing company to remove and store the vehicle.

B. Tow Procedure:

1. Attach a 96-hour warning notice to the vehicle, informing the vehicle owner of the violation and intent to tow upon non-compliance. A copy of the 96-hour warning notice will be provided to the Mutual Administration Department for processing. **The exception to this rule is the Authorized Extended Period Parking Permit in Mutual Two Resident & Visitor Parking Areas, dated and approved by a Mutual Two Director, only when the shareholder has a Leisure World registered vehicle parked in their assigned carport space and their second vehicle requires a parking space while the shareholder(s) is away from their unit for no more than three months. The Parking Permit is attached.**

MUTUAL OPERATIONS**AMENDED DRAFT****SHAREHOLDER REGULATIONS****Towing Vehicles – Mutual Two**

2. If required by Mutual Policy, a registered letter will be sent informing the registered owner (per GRF Records) of the intent to tow the vehicle away after receipt of the letter if the vehicle is not moved. The registered letter signed receipt will be returned to the Mutual Administration Department by mail. It serves as confirmation of the vehicle owner's receipt of the letter and initiates the period to comply. The Mutual Policy will determine that the violator has ten (10) days to comply;
3. After the 96-hour period, Security Department will check for compliance and report their findings back to Mutual Administration Department;
4. If the Mutual approval to remove the vehicle is received upon confirming non-compliance to the 96-hour tow notice and/or receipt of the registered letter, a tow truck will be appointed to remove and store the vehicle;
5. Security Department will maintain a current log of all towing transactions to direct vehicle owners to the appropriate towing company;
6. This policy applies to all vehicles - automobiles, motorcycles, Vespa-type scooters, golf carts, scooters – any vehicle motor operated – whether parked in carports, on Mutual streets and/or in marked parking areas.

MUTUAL ADOPTION

TWO: 2-18-16

AMENDMENT(S)

01-19-17

MUTUAL OPERATIONS

AMENDED DRAFT

SHAREHOLDER REGULATIONS

Towing Vehicles – Mutual Two

PARKING PERMIT
AUTHORIZATION FOR EXTENDED PERIOD PARKING
IN MUTUAL 2 RESIDENT & VISITOR PARKING AREAS

This permit allows shareholders who will be away from their unit for no more than three months to park their second vehicle in those parking areas designated for residents and their guests. They must have a vehicle parked in their carport space.

The following information must be provided to get approval from the Mutual 2 Board of Directors:

Shareholder Name: _____

Address &Unit#: _____

Date Departing: _____

Date Returning: _____

Vehicle Description: _____

Vehicle License #: _____

Carport & Space #s: _____

Shareholder signature: _____

Mutual 2 Director Signature: _____

Date Authorized by Mutual: _____