

**A G E N D A**  
**REGULAR MONTHLY MEETING OF THE BOARD OF DIRECTORS**  
**SEAL BEACH MUTUAL TWO**  
**September 20, 2018**  
**Meeting begins at 9:00 a.m.**  
**Administration Building Conference Room A**

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE
2. SHAREHOLDER COMMENTS (2-3 minutes per shareholder agenda items only)
3. ROLL CALL
4. INTRODUCTION OF GRF REPRESENTATIVE, STAFF, AND GUEST(S):

Mr. Pratt, GRF Representative  
Ms. Snowden, GRF Representative  
Ms. Miller, Finance Director  
Ms. Hopkins, Mutual Administration Director  
Mr. Jones, Building Inspector  
Ms. Villalobos, Recording Secretary

5. APPROVAL OF MINUTES:  
**Regular Meeting Minutes of August 16, 2018**  
**Special (agenda) Meeting Minutes of September 10, 2018 (p.3)**
6. **GUEST SPEAKER** Ms. Miller
  - a. Discuss and vote to approve/deny the 2019 Mutual Budget (p.4)
7. **BUILDING INSPECTOR'S REPORT** Mr. Jones  
Permit Activity; Escrow Activity; Contracts & Projects; Shareholder and Mutual Requests (handout)
8. **GRF REPRESENTATIVE(S)** Mr. Pratt & Ms. Snowden
9. **UNFINISHED BUSINESS**
  - a. Discuss and vote to ratify the amended/posted Policy 7557.02 – Caregivers (p.5--8) Dr. Harris
  - b. Discuss and vote to ratify the adopted/posted Policy 7490.pb.02 - Payment and Performance Bond (p.9-10) Ms. Keller
  - c. Discuss and vote to ratify the amended/posted Policy 7582.02 – Towing Vehicles (p.11-13) Ms. Keller
  - d. Discuss and vote to further amend Policy 7583.02 - Limitation of Vehicles (p.14-15) Mrs. Esslinger
  - e. Discuss and vote to further amend Policy 7510.02 - Eligibility Requirements (p. 16-20) Ms. Jacquelin
  - f. Discuss and vote to further amend Policy 7585.02 – Governing Documents (p.21-23) Ms. Keller
  - g. Discuss and vote to adopt Policy 7541 – Co-Occupants, Qualified Permanent Residents and Health Care Providers (p.24-25) Ms. MacLaren

**STAFF BREAK BY 11:00 a.m.**

10.. **NEW BUSINESS**

- a. Discuss and vote to accept resignation of Chief Financial Officer (p.26) Mrs. Esslinger
  - b. Discuss and vote to appoint a new Mutual Two Director (p.27) Mrs. Esslinger
  - c. Discuss and vote to appoint a Chief Financial Officer for 2018-2019 term (p.28) Mrs. Esslinger
  - d. Discuss and vote to approve/deny Proposal to fix sprinklers on Golden Rain Rd (p.29) Ms. Nugent
  - e. Discuss and vote to approve/deny the invoice from J&J Landscaping (p.30) Dr. Harris
  - f. Discuss and vote to approve/deny Service Maintenance paint railings (p.31) Ms. Nugent
  - g. Discuss and vote to approve/deny Service Maintenance repair speed bumps (p.32) Ms. Nugent
  - h. Discuss and vote to approve/deny payment to Empire Pipe Cleaning & Equipment (p.33) Ms. Nugent
  - i. Discuss and vote to approve/deny a proposal to roof ten buildings (p.34) Mrs. Esslinger
  - j. Discuss and vote to approve/deny Tree Trimming Contract with J&J Landscaping (p.35) Ms. Jacquelin
  - k. Discuss and vote to approve/deny Proposal for sprinkler repair by J&J Landscaping (p.36) Dr. Naret
  - l. Discuss and vote to approve/deny the planting of trees in designated areas (p.37) Ms. Jacquelin
  - m. Discuss and vote to adopt Policy 7501.02 – Pet Policy and rescind Policy 7501 – Pet Policy (p. 38-72) Ms. Keller
  - n. Discuss and vote to approve/deny additional funds for laundry room 27(p.73 ) Ms. MacLaren
  - o. Discuss and vote to approve/deny donation of Generator (p. 74) Ms. Sporcich
  - p. Discuss and vote to approve/deny Physical Property prepare bid specs for handyman (p.75) Ms. Nugent
  - q. Discuss and vote to approve/deny the removal of a Brazilian Pepper Tree (p.76) Dr. Naret
11. SECRETARY / CORRESPONDENCE Ms. Keller
12. CHIEF FINANCIAL OFFICERS REPORT
13. MUTUAL ADMINISTRATION DIRECTOR Ms. Hopkins
14. ANNOUNCEMENTS  
**NEXT MEETING, October 18, 2018 at 9:00 a.m.**  
**Administration Building Conference Room A**
15. COMMITTEE REPORTS (will discuss as time allows)
16. DIRECTORS' COMMENTS
17. SHAREHOLDER(S) ' COMMENTS 2-3 MINUTES (time permitting)
18. ADJOURNMENT
19. EXECUTIVE SESSION

**STAFF WILL LEAVE THE MEETING BY 12:00 p.m.**

MINUTES OF A SPECIAL MEETING OF THE

BOARD OF DIRECTORS

SEAL BEACH MUTUAL TWO

9/10/18

In accordance with the Corporation Bylaws, and pursuant to posted due notice of the Shareholders, a special Meeting of the Board of Directors of Seal Beach was called to order by President Esslinger at 1:36 p.m. in CH-5 Boardroom B Meeting Room.

Those Directors present were: President Esslinger, Vice President Nugent, CFO Brooks, Secretary Keller, and Directors Jacquelin, MacLaren, Naret, Harris, and Sporcich. 15 Shareholders were present.

The purpose of the meeting was to prepare the agenda for the September 20, 2018 regular Monthly Board Meeting.

No votes were taken at the meeting.

The meeting was adjourned at 3:00 p.m.

A handwritten signature in black ink that reads "Peggy Keller". The signature is written in a cursive, flowing style.

Attest Peggy Keller, Secretary  
Seal Beach Mutual Two

# Mutual Corporation No. Two

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## MEMO

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**TO:** MUTUAL BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO APPROVE/DENY THE 2019 MUTUAL BUDGET  
(GUEST SPEAKER ITEM A)  
**DATE:** SEPTEMBER 20, 2018  
**CC:** MUTUAL FILE

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At the September 20, 2017, Board Meeting, the Board of Directors past the following resolution: *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.*

On September 20, 2018, the Board of Directors will review and vote to approve the Mutual Budget for 2019.

***RESOLVED, To approve the 2019 Operating Budget for Mutual Two of \$2,666,870, resulting in a regular monthly Mutual assessment of \$257.22 per apartment per month, for an increase of \$4.89 per month over the total Mutual operating costs of 2018, as presented, and to adopt this budget forthwith.***

# Mutual Corporation No. Two

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## MEMO

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**TO:** MUTUAL TWO BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO RATIFY THE AMENDED/POSTED POLICY 7557.02 –  
CAREGIVERS (UNFINISHED BUSINESS ITEM A)  
**DATE:** SEPTEMBER 20, 2018  
**CC:** MUTUAL FILE

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At the July 19, 2018, Board Meeting, the Board of Directors amended Policy 7557.02 – Caregivers.

The 30-day posting requirement has been met and on September 20, 2018, the Board of Directors will vote to rarify the amended/posted Policy 7557.02 – Caregivers (attached).

***I move to ratify amended/posted Policy 7557.02 – Caregivers .***

MUTUAL OPERATIONS

## AMENDED DRAFT

## RESIDENT REGULATIONS

Caregivers – Mutual Two Only1. Licensing Requirements

- a. In order to work as a caregiver in Mutual Two, caregiver should have a valid Seal Beach Business License or work for an agency with a valid Seal Beach Business License, per Seal Beach City Ordinance 1435. A copy of the license must be in the possession of caregiver at all times.

Exemption: A family member (of a shareholder) who is acting in the capacity of a caregiver is exempt from possessing a business license, but must apply and receive a caregiver's pass and badge.

- b. A caregiver working in Mutual Two must have a valid driver's license if driving a vehicle into Leisure World.

2. Pass and Badge Requirements

All caregivers, whether working as a family member, as an individual, or through an agency, must apply and receive a caregiver's pass and clear badge holder through the Golden Rain Foundation Stock Transfer Office.

The pass must be renewed every six months June and January.  
The pass must be worn in clear sight at all times.  
Passes or badge holders may not be transferred or lent to anyone.

3. Use of Laundry Facilities

- a. Part-time caregivers may use laundry facilities for shareholder's laundry only. ~~Part-time caregivers who use Mutual laundry facilities for their personal or family use will be permanently barred from Mutual Two.~~

**b. Part time caregivers who use Mutual laundry facilities for their personal or family use will be permanently barred from Mutual Two.**

- c. ~~b.~~ Caregivers who are 24-hour live-ins may use washers and dryers for their personal use, but may not use the washers and dryers for other family members or friends.

d. ~~e.~~ Washers and dryers are to be cleaned after every use.

(draft amended on 7-13-18 ka)

MUTUAL OPERATIONS**AMENDED DRAFT**

## RESIDENT REGULATIONS

Caregivers – Mutual Two Only

- ~~e. d.~~ Only two washers and dryers may be used at a time.
  - ~~f. e.~~ Washed items are not allowed to be hung on patios.
  - ~~f.~~ ~~Part time caregivers who use Mutual laundry facilities for their personal or family use will be permanently barred from Mutual Two.~~
  - g. Caregivers must comply with Policy 7575.02 – Laundry Room Use.**
  - h. No items soiled with human waste may be placed in washers.**
4. General Requirements
- ~~a.~~ ~~Caregiver must cease any noise that could be considered disruptive after 10 p.m., i.e., no loud televisions, radios, or talking, so as not to disturb the quiet enjoyment of neighbors.~~
  - a. A licensed medical physicians written certificate stating the shareholder's need for a caregiver is required and it needs to be renewed yearly.**
  - b. Caregiver must comply with and assist shareholder in complying with all Mutual Two Policy and Occupancy Agreement requirements. (Neighbors' rights to peaceable possession must be respected**
  - c. Caregivers must cease any noise that could be considered disruptive after 10:00 p.m., i.e., no loud televisions, radios, and or talking, so as not to disturb the quiet enjoyment of neighbors**
  - ~~d. b.~~ Caregivers are not allowed to bring family members or friends to the apartment unit
  - ~~e. e.~~ Caregivers are not allowed to bring pets into **Mutual Two** Leisure World.
  - ~~d.~~ ~~Caregivers are not allowed to use community facilities, including laundry facilities, unless caregiver is a 24-hour live-in.~~
  - f. Caregivers are not allowed to use GRF Community Facilities, other than to accompany the shareholder to the facility.**

(draft amended on 7-13-18 ka)

**MUTUAL OPERATIONS**

**AMENDED DRAFT**

**RESIDENT REGULATIONS**

**Caregivers – Mutual Two Only**

**5. Caregiver Vehicle and Parking Regulations**

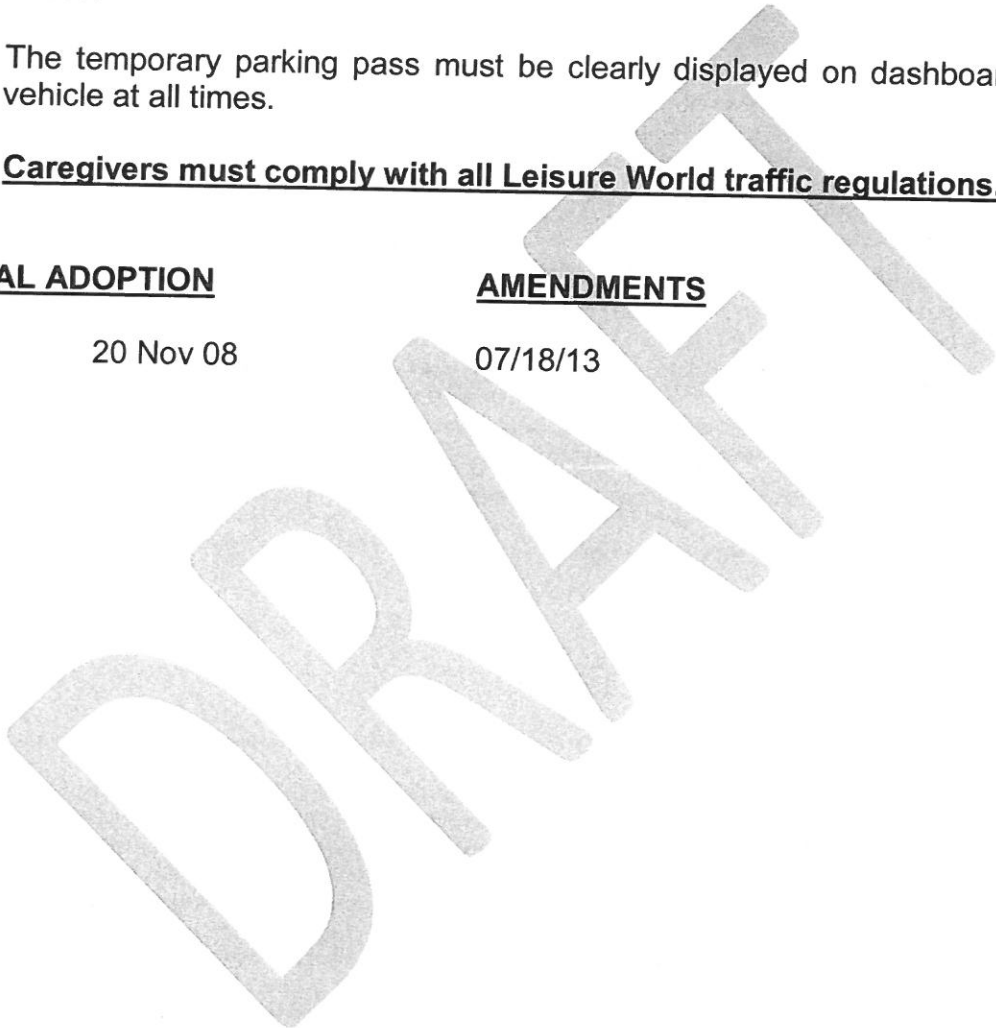
- a.** If shareholder does not have a vehicle, caregiver may use the carport space for their own vehicle after obtaining a temporary parking pass through the Stock Transfer Office.
- b.** The temporary parking pass must be clearly displayed on dashboard of caregiver's vehicle at all times.
- c. Caregivers must comply with all Leisure World traffic regulations.**

**MUTUAL ADOPTION**

**AMENDMENTS**

TWO:            20 Nov 08

07/18/13



(draft amended on 7-13-18 ka)



# Mutual Corporation No. Two

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## MEMO

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**TO:** MUTUAL BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO RATIFY ADOPTED/POSTED POLICY 7490.PB.02 –  
PAYMENT AND PERFORMANCE BOND (UNFINISHED BUSINESS ITEM B)  
**DATE:** SEPTEMBER 20, 2018  
**CC:** MUTUAL FILE

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At the August 16, 2018, Board Meeting, the Board of Directors adopted Policy 7490.pb.02 – Payment and Performance Bond.

The 30-day posting requirement has been met and on September 20, 2018, the Board of Directors will vote to ratify the adopted/posted Policy 7490.pb.02 – Payment and Performance Bond (attached).

*I move to ratify adopted/posted Policy 7490.pb.02 – Payment and Performance Bond.*

**MUTUAL OPERATIONS****ADOPT DRAFT****PHYSICAL PROPERTY****Payment and Performance Bond – Mutual Two**

RESOLVED, Performance Bond – permits for any construction work valued at more than \$10,000 performed in Mutual Two shall require a Performance Bond. The bond shall require sufficient funds in the event the work is not completed on time and according to approved plans and also to the satisfaction of Mutual Two for any reason. Exceptions are as follows:

1. The contractor is listed on the Physical Property list of approved contractors, and
2. The contractor has completed more than \$100,000 per year in contracts in Leisure World for the last three years.

**MUTUAL****ADOPTION**

TWO:

(draft created on 08-01-18 ka)

Page 1 of 1

# Mutual Corporation No. Two

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## MEMO

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**TO:** MUTUAL BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO RATIFY THE AMENDED/POSTED POLICY 7582.02 – TOWING VEHICLES (UNFINISHED BUSINESS ITEM C)  
**DATE:** SEPTEMBER 20, 2018  
**CC:** MUTUAL FILE

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At the August 16, 2018, Board Meeting, the Board of Directors amended Policy 7582.02 – Towing Vehicles.

The 30-day posting requirement has been met and on September 20, 2018, the Board of Directors will vote to ratify the amended/posted Policy 7582.02 – Towing Vehicles (attached).

*I move to ratify the amended/posted Policy 7582.02 – Towing Vehicles.*

MUTUAL OPERATIONS**AMEND****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 all 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(b0);
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~~72-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~~72-hour warning notice will be provided to the Mutual Administration Department for processing;
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;

(draft created on 8-10-18 pk/ka)

**MUTUAL OPERATIONS**

**AMEND**

**SHAREHOLDER REGULATIONS**

**Towing Vehicles – Mutual Two**

3. After the ~~96~~**72**-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~~**72**-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.

DRAFT

**MUTUAL ADOPTION**

**AMENDMENT(S)**

TWO: 2-18-16

01-19-17

(draft created on 8-10-18 pk/ka)

# Mutual Corporation No. Two

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## MEMO

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**TO:** MUTUAL BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO FURTHER AMEND POLICY 7583.02 – LIMITATION OF VEHICLES (UNFINISHED BUSINESS ITEM D)  
**DATE:** SEPTEMBER 20, 2018  
**CC:** MUTUAL FILE

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At the August 16, 2018, Board Meeting, the Board of Directors adopted Policy 7583.02 – Limitation of Vehicles.

On September 20, 2018, the Board of Directors will vote to further amend Policy 7583.02 – Limitation of Vehicles.(attached).

***I move to further amend Policy 7583.02 – Limitation of Vehicles on a preliminary basis until the 30-day posting period has been completed.***

MUTUAL OPERATIONS

**ADOPT**

**RESIDENT REGULATIONS**

**LIMITATION OF VEHICLES PER UNIT**

Mutual Two will only approve two cars per unit. Security will only issue decals for the number of members per unit.

DRAFT

MUTUAL    ADOPTION

TWO:

(draft created on 8-10-18 pk/ka)  
(draft further amended on 9-13-18 ka)

# Mutual Corporation No. Two

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## MEMO

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**TO:** MUTUAL BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO FURTHER AMEND POLICY 7510.02 – ELIGIBILITY REQUIREMENTS (UNFINISHED BUSINESS ITEM E)  
**DATE:** SEPTEMBER 20, 2018  
**CC:** MUTUAL FILE

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At the August 16, 2018, Board Meeting, the Board of Directors amended Policy 7510.02 – Eligibility Requirements.

On September 20, 2018, the Board of Directors will vote to further amend Policy 7510.02 – Eligibility Requirements (attached).

***I move to further amend Policy 7510.02 – Eligibility Requirements on a preliminary basis until the 30-day posting period is completed.***



**MUTUAL OPERATIONS****AMEND****RESIDENT REGULATIONS****Eligibility Requirements – Mutual Two Only**

All persons seeking approval of the Board of Directors of Seal Beach Mutual Two 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, as confirmed by a birth certificate or passport. A driver's license is not acceptable as proof of age.
  2. Financial Ability
    - a. Verified monthly income that is at least four (4) times or greater 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. Verified monthly income/assets may be in the form of the past two years of:
      1. Tax returns;
      2. 1099s for interest and dividends;
      3. 1099-Rs for retirement income from qualified plans and annuities;
      4. SSA-1099 Social Security Benefit Statement;
      5. Brokerage statements and current interim statement.
      6. Six to twelve months of checking/savings account statements.
    - b. 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 Paragraph 2.a. above.
    - c. Projected assessments will be the previous year's assessment (total of carrying  
(draft created on 8-10-18 pk/ka)  
(draft further amended on 9-13-18 pk/ka)

**MUTUAL OPERATIONS****AMEND****RESIDENT REGULATIONS****Eligibility Requirements – Mutual Two Only**

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) 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.<sup>1</sup>

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 resident shareholder's income shall be considered for qualifying.
- e. If moving within Leisure World, or if there are any additions/changes to the title, the proposed shareholder(s) must meet these eligibility requirements.

3. Health

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

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.

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<sup>1</sup> 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.

(draft created on 8-10-18 pk/ka)

(draft further amended on 9-13-18 pk/ka)

**MUTUAL OPERATIONS****AMEND****RESIDENT REGULATIONS****Eligibility Requirements – Mutual Two Only****D. Credit Report**

**In addition to the above financial verification documents a recent credit report from one of the established credit reporting companies must be provided to the Stock Transfer Office by the prospective resident owner. The Stock Transfer Office must ensure that the following conditions are met and must include that information with the financial verification report:**

- **A minimum FICO score of 650 for 6 months:**
- **A period of not less than 5 years must have elapsed since the prospective resident owner was discharged or dismissed from a bankruptcy.**
- **The prospective resident owner must have no reported late payments of more than 30 days on a current mortgage in the previous 12 months.**

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.

(draft created on 8-10-18 pk/ka)  
(draft further amended on 9-13-18 pk/ka)

Page 3 of 4

MUTUAL OPERATIONS

**AMEND**

**RESIDENT REGULATIONS**

Eligibility Requirements – Mutual Two Only

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

MUTUAL ADOPTION

AMENDMENT DATES

TWO

04-16-70

09-16-93, 08-21-08

(draft created on 8-10-18 pk/ka)

(draft further amended on 9-13-18 pk/ka)

# Mutual Corporation No. Two

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## MEMO

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**TO:** MUTUAL BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO FURTHER AMEND POLICY 7585.02 – GOVERNING DOCUMENTS.(UNFINISHED BUSINESS ITEM F )  
**DATE:** SEPTEMBER 20, 2018  
**CC:** MUTUAL FILE

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At the August 16, 2018, it was the consensus of the Board of Directors to postpone review of Policy 7585.02 – Governing Documents Compliance Corrective Measures and Fines until the next regular board meeting.

On September 20, 2018, the Board of Directors will vote to amend Policy 7585.02 – Governing Documents Compliance Corrective Measures and Fines (attached).

***I move to amend Policy 7585.02 – Governing Documents Compliance Corrective Measures and Fines on a preliminary basis until the 30-day posting period is completed.***

**AMEND**

**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.

**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".

(draft created on 9-13-18 ka)

**AMEND**

**SHAREHOLDER REGULATIONS**

**GOVERNING DOCUMENT COMPLIANCE CORRECTIVE MEASURES AND FINES – Mutual Two**

**FINE SCHEDULE**

**Before fine is assessed the Shareholder has the right to a hearing within 60–days of the fine. Please send written request to the Mutual President.**

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

**MUTUAL ADOPTION**

**AMENDMENTS**

TWO: 11-16-17

# Mutual Corporation No. Two

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## MEMO

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**TO:** MUTUAL BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO ADOPT POLICY 7541- CO-OCCUPANTS, QUALIFIED PERMANENT RESIDENTS AND HEALTH CARE PROVIDERS  
(UNFINISHED BUSINESS ITEM G )  
**DATE:** SEPTEMBER 20, 2018  
**CC:** MUTUAL FILE

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At the September 20, 2018 Board Meeting, the Board of Directors will vote to adopt Policy 7541 -Co-Occupants, Qualified Permanent Residents and Health Care Providers (attached).

***I move to adopt Policy 7541 - Co-Occupants, Qualified Permanent Residents and Health Care Providers on a preliminary basis until the 30-day posting period is completed.***



MUTUAL OPERATIONS**DRAFT****RESIDENT REGULATIONS****Co-Occupants, Qualified Permanent Residents and Health Care Providers**

The community facilities of the Golden Rain Foundation are maintained for the use of members of Leisure World Seal Beach with the following exceptions:

1. Co-Occupants

- a. Senior citizens, as defined in California Civil Code Section ~~51.3(c)(1)~~ **51.3(b)(1)**, who are not members but are approved by the Mutuels to reside with a stockholder, shall be entitled to use all of the community facilities upon payment of a fee equal to the Amenities Fee listed in Policy 5061-31. (Forms 9001 and 9002)
- b. In order to comply with section 51.3 of the California Civil Code, the following classes of citizens may reside in Leisure World Seal Beach.
  - i.) Is 55 years of age or older
  - ii.) Has completed the Co-Occupant Application
  - iii.) Has written authorization from the Mutual President, or any Mutual Officer so designated by the Mutual President, to reside in the dwelling unit.
  - iv.) Has paid the required Amenities Fee to the Golden Rain Foundation

2. Qualified Permanent Residents

- a. Persons who are not senior citizens as defined in California Civil Code Section ~~51.3(c)(1)~~ **51.3(b)(1)**, who can present proof that they are eligible to be classified as Qualified Permanent Residents under California Civil Code Section ~~51.3(c)(2)~~, **51.3(b)(2)**, shall be entitled to use all of the community facilities upon payment of a fee equal to the Amenities Fee listed in Policy 5061-31. (Forms 9003 and 9004)

3. Health Care Providers

- a. Permitted health care residents, as defined in California Civil Code Section ~~51.3(c)(6)~~ **51.3(B)(7)**, shall be required to obtain Service Passes and are not entitled to use any of the community facilities. The administration shall furnish each Mutual a monthly report of those health care providers residing in the Mutual.

# Mutual Corporation No. Two

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## MEMO

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**TO:** MUTUAL TWO BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO ACCEPT THE RESIGNATION OF CHIEF FINANCIAL OFFICER (NEW BUSINESS ITEM A)  
**DATE:** SEPTEMBER 20, 2018  
**CC:** MUTUAL FILE

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On September 10, 2018, Chief Financial Officer Brooks resigned from the Mutual Two Board of Directors.

***I move to accept with regret the resignation of Chief Financial Officer, effective September 10, 2018.***

# *Mutual Corporation No. Two*

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## MEMO

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**TO:** MUTUAL TWO BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO APPOINT A NEW MUTUAL TWO DIRECTOR  
(NEW BUSINESS ITEM B)  
**DATE:** SEPTEMBER 20, 2018  
**CC:** MUTUAL FILE

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*I move to appoint \_\_\_\_\_ as Director to Mutual Two Board for the remaining 2018-2019 term of office.*

# Mutual Corporation No. Two

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## MEMO

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**TO:** MUTUAL TWO BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO APPOINT A CHIEF FINANCIAL OFFICER  
(NEW BUSINESS ITEM C)  
**DATE:** SEPTEMBER 20, 2018  
**CC:** MUTUAL FILE

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*I move to appoint \_\_\_\_\_ as Chief Financial Officer to Mutual Two Board of Directors for the remaining 2018-2019 term of office.*

# *Mutual Corporation No. Two*

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## MEMO

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**TO:** MUTUAL TWO BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO APPROVE/DENY THE PROPOSAL TO REPAIR  
SPRINKLERS AT GOLDEN RAIN ROAD (NEW BUSINESS ITEM D)  
**DATE:** SEPTEMBER 20, 2018  
**CC:** MUTUAL FILE

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*I move to approve/deny the proposal from Service Maintenance and J&J Landscaping to repair sprinkler valves at the circle by Building 72, at a cost not to exceed \$750 and authorize the President to sign the contracts. Funds to be taken from Infrastructure Reserves.*

# *Mutual Corporation No. Two*

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## MEMO

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**TO:** MUTUAL TWO BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO APPROVE/DENY THE INVOICE FROM J&J  
LANDSCAPING (NEW BUSINESS ITEM E)  
**DATE:** SEPTEMBER 20, 2018  
**CC:** MUTUAL FILE

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*I move to approve/deny the invoice from J&J Landscaping to clean the channel located at Greenbelt at Building 1, at a cost not to exceed \$224 funds to be taken from Infrastructure Reserves.*

# Mutual Corporation No. Two

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## MEMO

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**TO:** MUTUAL TWO BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO APPROVE/DENY SERVICE MAINTENANCE PAINT  
RAILINGS (NEW BUSINESS ITEM F)  
**DATE:** SEPTEMBER 20, 2018  
**CC:** MUTUAL FILE

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*I move to approve/deny that Service Maintenance prep and paint two railings and add two reflectors at the bridge located at the end of the greenbelt channel at Building 1, at a cost not to exceed \$300, funds to be taken from Infrastructure Reserve.*

# *Mutual Corporation No. Two*

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## MEMO

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**TO:** MUTUAL TWO BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO APPROVE/DENY SERVICE MAINTENANCE REPAIR  
SPEED BUMPS (NEW BUSINESS ITEM G)  
**DATE:** SEPTEMBER 20, 2018  
**CC:** MUTUAL FILE

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*I move to approve/deny the proposal from Service Maintenance to patch/repair and paint the speed bump located at Carport 38, at a cost not to exceed \$150, funds to be taken from Infrastructure Reserve.*



# *Mutual Corporation No. Two*

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## MEMO

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**TO:** MUTUAL TWO BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO APPROVE/DENY PAYMENT TO EMPIRE PIPE  
CLEANING & EQUIPMENT (NEW BUSINESS ITEM H)  
**DATE:** SEPTEMBER 20, 2018  
**CC:** MUTUAL FILE

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*I move to approve/deny a payment of \$4,084.80 to Empire Pipe Cleaning & Equipment Inc. for year 2018-2019 as per contract signed October 27, 2017. Funds to be taken from Infrastructure Reserve.*

# Mutual Corporation No. Two

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## MEMO

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**TO:** MUTUAL TWO BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO APPROVE/DENY PROPOSAL TO ROOF TEN BUILDINGS (NEW BUSINESS ITEM I)  
**DATE:** SEPTEMBER 20, 2018  
**CC:** MUTUAL FILE

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*I move to approve/deny the proposal from Roofing Standards submitted August 20, 2018, to complete the roofing for Buildings 28,38,50,51,55,58,59,63,70, and 72 at a cost not to exceed \$877,250 and authorize the President to sign the contract. Funds to be taken from Infrastructure Reserves.*

# *Mutual Corporation No. Two*

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## MEMO

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**TO:** MUTUAL TWO BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO APPROVE/DENY TREE TRIMMING CONTRACT WITH J&J LANDSCAPING (NEW BUSINESS ITEM J)  
**DATE:** SEPTEMBER 20, 2018  
**CC:** MUTUAL FILE

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*I move to approve/deny the tree trimming contract with J&J Landscaping for tree trimming of (88) trees at a cost not to exceed \$26,000 and authorize the President to sign the contract. Funds to be taken from Infrastructure Reserves.*

# Mutual Corporation No. Two

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## MEMO

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**TO:** MUTUAL TWO BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO APPROVE/DENY PROPOSAL FOR SPRINKLER REPAIRS BY J&J LANDSCAPING (NEW BUSINESS ITEM K)  
**DATE:** SEPTEMBER 20, 2018  
**CC:** MUTUAL FILE

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*I move to approve/deny the contract from J&J Landscaping to repair and/or add 4" pop-up Rain Bird sprinklers with a swing join in front of Mutual Two apartments, at a cost not to exceed \$51,105 and authorize the President to sign the contract. Funds to be taken from Infrastructure Reserves.*

# *Mutual Corporation No. Two*

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## MEMO

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**TO:** MUTUAL TWO BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO APPROVE/DENY THE PLANTING OF TREES IN DESIGNATED AREAS (NEW BUSINESS ITEM L)  
**DATE:** SEPTEMBER 20, 2018  
**CC:** MUTUAL FILE

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*I move to approve/deny that J & J Landscaping plant twenty (20) (24' size box) trees, at a cost not to exceed \$6,000 and authorize the President to sign the contract.*

# Mutual Corporation No. Two

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## MEMO

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**TO:** MUTUAL TWO BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO ADOPT POLICY 7501.02- PET POLICY AND  
RESCIND POLICY 7501 – PET POLICY (NEW BUSINESS ITEM M)  
**DATE:** SEPTEMBER 20, 2018  
**CC:** MUTUAL FILE

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On September 20, 2018, the Board of Directors will vote to adopt Policy 7501 – Pet Policy and rescind Policy 7501- Pet Policy.

*I move to adopt Policy 7501.02 – Pet Policy and rescind Policy 7501 – Pet Policy on a preliminary basis until the 30-day posting period is completed.*

MUTUAL OPERATIONS**DRAFT****RESIDENT REGULATIONS**Pet Ownership Policy**ARTICLE I - RULES AND REGULATIONS****A. California State Law**

The State of California has enacted a Section of the law which amends the common-interest law pertaining to the Mutual Corporation designated Section §1360.5 of the Civil Code. It is provided that in a common-interest development where there is an owner of a separate interest as defined therein, the owner is entitled to have at least one pet within the confines of the separate interest, subject to reasonable rules and regulations of the association.

**B. Definition of Pet**

The law defines a "pet" as "any domesticated bird, cat, dog, aquatic animal kept within an aquarium, or other animal as agreed to between the Association and the homeowner."

- 1 Members of the reptile and monkey families, **except reptiles such as a small lizard or turtle that is housed in a terrarium or aquarium**, are prohibited.
- 2 **Any raucous-voiced birds are prohibited.**
- 3 **All member of the snake and arachnid families are prohibited.**

*The following Paragraph (1) replaces the above Paragraph (1) for Mutual Four and Ten only:*

- ~~(1) All members of the snake, monkey and arachnid families, as well as any raucous-voiced birds, are prohibited.~~

~~A reptile, such as a small lizard or turtle that is housed in a terrarium or aquarium, is permitted.~~

- (2) At no time shall it be appropriate for resident owners to house or maintain within the confines of the Mutual any animal commonly known as a farm animal, domesticated farm animal, or any animal commonly maintained on a farm for the purpose of breeding for its fur, feathers, byproducts, or for human consumption, or as may be found in specialty meat markets; farm animals may consist of, but not be limited to: duck, goose, chicken, potbellied pig, piglet, cow, calf, goat, rabbit, lamb, miniature horse, pony, etc.

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MUTUAL OPERATIONS

DRAFT

## RESIDENT REGULATIONS

Pet Ownership PolicyC. Definition of Rules for Pet Ownership

Similar rules have been enacted pursuant to law by the Federal Government substantially to the same effect as the California law, and under the federal rules there have been developed criteria as to what are reasonable rules and regulations of the Mutual related to the keeping of pets. Those rules are adopted by the Mutual Corporation as being reasonable rules and regulations for the keeping of a pet, and are set forth in this policy adopted by the Mutual Corporation as Rules and Regulations as pertaining to occupancy of a separate interest within the Mutual Corporation. Those rules are as follows:

(1) The **number** of quadruped pets per apartment shall be restricted to one.

**(2) The number of birds per apartment shall be restricted to two.** (~~Mutual One, Two, Three, Four, Six, Seven, Ten, Eleven, Twelve, and Sixteen~~); ~~two pairs (Mutual Eight and Fifteen)~~; ~~four (Mutual Fourteen)~~.

~~The following Paragraph 1(a) of Article I, Section C is applicable to Mutual Ten and Fourteen only:~~

a) Birds brought into Mutual Fourteen **Two** as pets must be examined by a veterinarian, vaccinated against all infections, and certified to be free of the avian flu virus. Birds shall be kept inside the resident owner's apartment at all times; they are not allowed in the patio area. The resident owner is responsible for the safe disposal of cage debris. The debris must be sealed in a plastic bag and placed in the trash bin in order not to attract rodents to the area. Birds must be quiet enough not to disturb the resident owner's neighbors. The same general rules shall be applicable for birds as for quadruped animals. **Raucous birds are prohibited.**

~~In Mutual Ten, birds shall be kept inside the resident owner's apartment at all times; they are not allowed in the open patio area. The resident owner is responsible for the safe disposal of cage debris. The debris must be sealed in a plastic bag and placed in the trash bin in order not to attract rodents to the area. Birds must be quiet enough not to disturb the resident owner's neighbors. The same general rules shall be applicable for birds as for quadruped animals.~~

(2) The breed of the pet shall be of such nature that its weight is not expected to exceed

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**MUTUAL OPERATIONS****DRAFT****RESIDENT REGULATIONS****Pet Ownership Policy**

**twenty-five (25) pounds** at time of full maturity.

- (3) Pets are **prohibited from common area facilities**, such as clubhouse facilities, **Mission Park, Veteran's Park**, library, golf course, health care center, Amphitheater, swimming pool area, Administration Building, lobbies, and laundry rooms, **except service animals and emotional support animals**. In all other permitted areas, the pet must be on a **leash** not longer than six feet and under the control of, and accompanied by, a resident and/or adult agent of the resident pet owner and/or responsible adult. **The City of Seal Beach states that a leash should not exceed six feet. The Mutual Two fine is \$100.00.**
- (a) While traversing the streets or sidewalks of the Mutual Corporation while making ingress and egress to or from the resident's apartment, at all times, the resident pet owner and/or responsible adult must have in evidence and in plain view a **plastic bag and/or a poop scoop** device for the purpose of immediately removing any pet waste deposited on any lawn or ground area.
- (b) In accordance with Seal Beach City Code, Section 3-10.26 - Maintaining Sanitary Conditions, persons allowing their dog or cat to defecate on property other than their own property, shall remove such feces immediately or be subject to a city fine of \$25, **in addition to the Mutual fine, per occurrence.**
- (4) The resident pet owner shall immediately, and forthwith, **remove any pet waste** deposited by the pet in all common areas where said pet is permitted.
- (a) The Mutual Corporation will impose a fine, per occurrence, on any resident pet owner who fails to immediately remove any such pet waste deposited by their pet.
- (1) The imposed fine shall be \$25, per occurrence or the actual amount charged by the janitorial services company to have one of its employees remove the pet waste, if greater than \$25.
- (2) The imposed fine shall be paid by the resident pet owner to the Mutual Corporation.
- (5) Resident pet owners are required to **control noise and odor** caused by a pet. Any noise or odor which adversely affects any other resident is not permitted.

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**RESIDENT REGULATIONS**

**Pet Ownership Policy**

- (6) All quadruped pets brought into the Mutual by a resident pet owner shall have been **spayed or neutered**.
- (7) No quadruped pet may be **left unattended** in any dwelling area for more than four (4) hours. All pets must be under the resident pet owner's control in an apartment, so as not to be a hazard to security officers, maintenance staff, fire inspectors, paramedics, mail carriers or service providers or other employees requiring access to an apartment where there are pets.
  - (a) Resident pet owners who, on a temporary basis, allow a neighbor to assume responsibility for their pet for a period longer than four (4) consecutive hours must notify the Security Department of the temporary arrangement and provide a sign for the neighbor to post on the exterior of the neighbor's residence, near the front door, notifying service providers and employees who require access to the apartment in an emergency that a pet is temporarily being housed inside the apartment.

**The following Paragraph 7(b) of Article 7, Section C is applicable to Mutual One only:**

- ~~(b) Any permitted pet must, at all times, be accompanied and under the full control of their owners, no animal shall be left unattended in any fenced, gated or enclosed patio. Pet doors leading to the outdoors and onto open and enclosed patios are not permitted.~~

~~Pet doors shall not be installed through front doors, sliding glass doors, windows or walls of any unit or building **without permission from the Mutual Two Board of Directors, then obtaining a permit from the GRF Physical Property Department.** All pet doors previously installed prior to 2/1/13 at the discretion of the Board shall be removed at the shareholder's expense to the satisfaction of the Mutual within 30 days after receiving notice from the Mutual Administration Manager.~~

- (8) All **quadruped** pets to be living within the Mutual, before being registered for admittance, shall have been inoculated in accordance with all federal, state and local laws, and shall be licensed by the City of Seal Beach as required, and shall carry a current license tag on their collar. Said licensing shall be pursuant to all applicable local

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MUTUAL OPERATIONS**DRAFT****RESIDENT REGULATIONS****Pet Ownership Policy**

and state laws and regulations.

- (a) All properly registered pets (cats and dogs) shall also be required to wear a bright-colored Mutual tag on their collar along with the license tag, thereby showing proof of registration with GRF.
- (9) Pets not owned by a resident shall not be brought upon the premises of the Mutual Corporation.
- (a) Residents may not, even temporarily, keep a non-registered pet owned by another person in their dwelling unit.
- (10) It shall not be permissible to maintain a pet in a residence unless sanitary standards are maintained governing the disposal of pet waste.

*The following Paragraph 10(a) of Article I, Section A, is applicable to Mutual Sixteen only:*

- (a) ~~At no time shall it be appropriate for resident shareholders of Mutual No. Sixteen house or maintain within the confines of Seal Beach Mutual No. Sixteen any animal commonly known as a farm animal, domesticated farm animal, or any animal commonly maintained on a farm for the purpose of breeding for its fur, feathers, byproducts or for human consumption, or as may be found in specialty meat markets; farm animals may consist of, but not be limited to: duck, goose, chicken, potbellied pig, piglet, cow, calf, goat, rabbit, lamb, miniature horse, pony, etc.~~
- (11) Resident pet owners with properly registered pets shall be permitted to walk their pet while pet is on a leash not longer than six feet for the purpose of exercising and/or depositing pet waste on any lawn area.

*Exceptions: **Mutual Twelve:** Resident pet owners who reside outside of Mutual Twelve may not walk their pet on the lawns or grounds of Mutual Twelve. **Mutual Sixteen:** Resident pet owners who reside outside of Mutual Sixteen may not walk their pet on the lawns or grounds of Mutual Sixteen.*

- (a) ~~At all times, the resident pet owner or responsible adult must have in evidence and in plain view a plastic bag and/or a poop scoop device for the purpose of~~

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MUTUAL OPERATIONS**DRAFT****RESIDENT REGULATIONS****Pet Ownership Policy**

~~immediately removing any pet waste deposited on any lawn or ground area.~~

- ~~(b) Provide written documentary proof to the Golden Rain Foundation that the pet to occupy resident's unit is licensed pursuant to all applicable state and local laws and regulations, and will carry a licensed tag as described in Paragraph (9) of Article 1, Section C of the Mutual Pet Ownership Policy,~~
- ~~(c) Complete and sign a Pet Ownership Registration Form as prepared by the Golden Rain Foundation and the Seal Beach Mutual Corporation in which resident resides pursuant to the Orange County Fair Housing Authority (OCFHA) and Department of Housing and Urban Development (HUD).~~
- ~~(d) Provide written proof that the pet has been inoculated before being admitted to be with resident in accordance with all federal, state and local laws.~~
- ~~(e) Acknowledge the right of the Golden Rain Foundation, and the Seal Beach Mutual Corporation in which the resident resides, to adopt and implement reasonable rules and regulations governing pet ownership in accordance with Civil Code §1360.5, and agree to be bound thereto, except to the extent modified by the agreement with the Mutual Corporation in which resident resides so as to provide reasonable accommodations to the resident.~~
- (13) Resident pet owners owning a cat, or another pet using a litter box, are required to change the litter at least twice each week. Resident pet owners are required to separate the pet waste from the litter at least once each day. Pet waste shall be deposited in airtight plastic bags before being deposited in the trash or garbage bins. **Do not** flush kitty litter down the toilet, as this will cause a sewer blockage.
- (14) Resident pet owners owning a cat or dog pursuant to these regulations shall procure a policy of liability insurance in an the amount of **\$300,000**, sufficient for the indemnification of other persons who may be injured by the pet of the resident with coverage in an amount sufficient to cover their personal liability.
- (15) Resident pet owners must display a pet ownership decal in a prominent location near the front door of their residence in order to alert security officers, maintenance staff, fire inspectors, mail carriers, or other employees requiring access to an apartment where there are pets.

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**MUTUAL OPERATIONS****DRAFT****RESIDENT REGULATIONS****Pet Ownership Policy**

- (16)-Resident pet owners, upon the sale of their apartment, **prior to the close of escrow**, shall have the apartment treated professionally by a licensed pest control company **if fleas are discovered by Service Maintenance when preparing the unit for new occupants**, ~~prior to the close of escrow~~, at the owner's expense.
- (17) In the event of any emergency related to a pet, and in the event there is no state or local authority (or designated agent of such an authority), the Mutual Corporation reserves the right to remove a pet that becomes vicious, displays symptoms of severe illness, or demonstrates other behavior that constitutes an immediate threat to the health or safety of other residents of Seal Beach Leisure World, and/or their guests. ~~Subject to execution of an agreement by the resident pet owner,~~ A representative of the Mutual Corporation, along with the Security Department, may enter the premises, if necessary, to remove the pet only if the resident pet owner refuses to remove the pet at the Mutual Corporation's request, or if the Mutual Corporation cannot contact the resident pet owner to make a removal request, and may take such action with respect to the pet as may be permissible under federal, state and local laws, which may include placing the pet in a facility that will provide care and shelter for a period not to exceed thirty (30) days.
- (a) Resident pet owner or resident pet owner's estate shall remain responsible for any and all damages, injuries and related expenses caused by the pet, which may include:
- (1) Payment of any legal expenses incurred by the Mutual Corporation and Golden Rain Foundation in the enforcement of this policy and provisions.
- (18) If the health or safety of a pet is threatened by the death or incapacity of the resident pet owner, or by other factors that render the resident pet owner unable to care for the pet, and pursuant to the authorization in the Pet Ownership Registration Form, the Mutual Corporation may contact a responsible party or parties listed on the Pet Ownership Registration Form for the purpose of removing and caring for the animal. If the responsible party or parties are unwilling or unable to care for the pet, the Mutual Corporation may contact the appropriate state or local authority and request the removal of the pet. If there is no state or local authority, the Mutual Corporation may remove the pet and place it in a facility that will provide care and shelter until the responsible party or representative may be contacted, or the resident pet owner is able

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**RESIDENT REGULATIONS**

**Pet Ownership Policy**

to assume responsibility for the pet, but not for longer than thirty (30) days. The cost of the animal care shall be borne by the resident pet owner.

- (19) In the event that no resolution, as related to the care of the pet under and pursuant to Article I, Section C, Paragraphs (18) and (19) above, is made within thirty (30) days, the Mutual Corporation and/or the Golden Rain Foundation are authorized to deliver the pet to any local humane society or association, either private, state, federal, or county.

**ARTICLE II - REGISTRATION OF QUADRUPED PETS AND BIRDS**

- A. All residents bringing quadruped pets **and/or birds** onto the Mutual premises shall register their pets with the agent for the Mutual Corporation, to wit: the Golden Rain Foundation Stock Transfer Office. The pet must be registered before it is brought onto the Mutual premises. Further, the pet registration information and licensing must be updated on or before December 31 of each year. The Mutual/GRF Pet Ownership Registration Form will include or be accompanied by:
- (1) A certificate signed by a licensed veterinarian or a state or local authority empowered to inoculate animals, stating that the quadruped pet has received all inoculations required by applicable state, and local laws.
  - (2) Information sufficient to identify the pet, and to demonstrate that it is a common household pet.
  - (3) The name, address, and telephone number of one or more responsible parties who will care for the pet if the pet owner dies, is incapacitated, or is otherwise unable to care for the pet.
  - (4) The resident pet owner shall sign a statement on said Pet Ownership Registration Form indicating that he/she has read the Pet Ownership Policy and agrees to comply with the contents therein. The resident pet owner shall acknowledge that the pet owner and the pet are subject to exclusion from the Mutual Corporation and the dwelling unit if there is not a compliance with the rules and registration requirements. The resident pet owner shall acknowledge that failure to comply with the rules and registration shall be grounds for refusing to permit a pet to be situated in a dwelling unit of the Mutual Corporation, and continued violations may cause termination of the resident pet owner's residency.

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- (5) The insurance carrier for the liability insurance required as to the pet, together with the address of the agent, and the amount of coverage procured shall be indicated on the Pet Ownership Registration Form. Resident pet owners shall bring a copy of their insurance policy into the Stock Transfer Office and have a copy made of the cover and declaration pages, which will then be placed in the pet occupancy file. Coverage requirements are outlined in Article 1, Section C, Item (15) of this policy.

**ARTICLE III - VIOLATION OF PET OWNERSHIP POLICY**

- A. In the event of a determination of a violation of the Pet Ownership Policy, the Mutual Corporation shall serve a written notice of the pet rule violation on the resident pet owner.
1. Serve a written notice of pet rule violation on the resident pet owner. The written notice shall contain a statement of the factual basis for determining which violation has occurred to constitute alleged violation of the Pet Ownership Policy. The written notice shall state that the resident pet owner has ten (10) days from the effective date of service of the notice to:
    - a. Correct the violation (including, in appropriate circumstances, removal of the pet).
    - b. Make a written request to hold a meeting with the Mutual Board of Directors to discuss the alleged violation.
      - (1). The resident pet owner is entitled to be accompanied by another person of his/her choice at a meeting, if a meeting is requested.
  2. The resident pet owner's failure to correct the violation, to request a meeting, or to appear at a requested meeting, may result in an initiation of procedures to terminate the resident pet owner's occupancy in the Mutual Corporation.
- B. These rules and regulations concerning pets shall have no application to a resident with a bona fide service **or emotion support** animal or animal required because of a physical disability of the resident, who requires a service animal specifically trained to assist the

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**MUTUAL OPERATIONS****DRAFT****RESIDENT REGULATIONS****Pet Ownership Policy**

resident, under and pursuant to The Americans with Disabilities Act<sup>1</sup> (A.D.A.). **Service and Emotional Support animals are exempt from the limitations on size and the restrictions on access to Trust Facilities. The resident must have the pets vaccinated and adhered to other rules requiring picking up waste, six foot leash, etc., to keep the Mutual clean and safe. They must comply with all other Pet rules and regulations.** In such cases, there shall be a certification as related to such animal, and a verifiable description of the service the animal is specially trained to perform for the disabled person as described in Article IV, Sections A, B and C.

**ARTICLE IV - SERVICE ANIMALS**

- A. Service Animal means any certified guide dog, signal dog, or other animal individually trained to do work or perform service tasks for the benefit of an individual with a disability including, but not limited to, guiding individuals with impaired vision, alerting individuals with impaired hearing to the sound of intruders, providing minimal protection or rescue work, pulling a wheelchair, fetching dropped items, and any other service task for which the animal has been trained, and which will benefit the disabled person. The purpose of these definitions is to address the issue of rights of access for all disabled persons who are accompanied by a service animal:
- (1) A guide dog is defined as a dog which has been trained or is being specially trained for, or in conjunction with, a school such as Assistance Dogs International for guide dogs to lead in harness and serve as an aid to the mobility of a particular blind person.
  - (2) A hearing dog is defined as a dog which has been or is being specially trained by, or in conjunction with, a school such as Assistance Dogs International for hearing dogs to alert a particular deaf or hearing-impaired person to certain sounds.
  - (3) A service dog is defined as a dog which has been or is being specially trained by, or in

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<sup>1</sup> Americans with Disabilities Act, Rules and Regulations regarding service animals, Code of Federal Regulations (28 CFR Part 36-Nondiscrimination on the Basis of Disability by Public Accommodations and in Commercial Facilities), Subpart A-General, Section 36.104, Definitions



MUTUAL OPERATIONS**DRAFT****RESIDENT REGULATIONS****Pet Ownership Policy**

conjunction with, a school such as Assistance Dogs International for service dogs to the individual requirements of a physically-disabled person, including, but not limited to, any of the following: pull wheelchair as needed, retrieve or carry dropped items, open and close doors, or provide balance or counter balance.

- (a) Each school for assistance dogs provides documents of certification, such as an identification card for the individual disabilities of the disabled person and the requirements for a service dog.
- B. Based on the aforementioned A.D.A. descriptions of a service animal, the Mutual Board of Directors hereby adopts the following certification policy in the identification process for the use of a service animal within the confines of the Seal Beach Leisure World Mutual Corporation common area properties:
- (1) Upon request, each service animal owner shall provide the Stock Transfer Agent's Office with an original "Physician's Declaration" form describing, under penalty of perjury, the requirements and the need for a service animal as defined by The A.D.A. The "Physician's Declaration" form shall include a full description of the physical tasks to be performed by the trained service animal for its disabled owner. Please see blank Physician's Declaration attached.
- C. The Seal Beach Leisure World Mutual Corporations further adopt and require compliance with the following exclusion regarding "SERVICE ANIMAL," pursuant to Section 5.303 of Title 24-Housing and Urban Development<sup>2</sup>.
- (1) The Mutual Corporation may require that service animals qualify for this exemption, and shall grant this exemption if:
- (i) The shareholder or prospective shareholder certifies, in writing, that the shareholder, or a member of his or her immediate family, such as a qualified permanent resident or a co-occupant, is a person with a disability;
- (ii) **The resident provides proof that** the animal has been trained to assist persons

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<sup>2</sup> Code of Federal Regulations, Title 24, Volume 1, Parts 0 to 199, Revised as of April 1, 2000, Housing and Urban Development, Part 5, Subpart C, Pet Ownership for the Elderly or Persons with Disabilities, General Requirements, Section 5.303, Exclusion for animals that assist persons with disabilities.

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- with that specific disability; and
- (iii) The animal actually assists the person with that disability.

~~(2) Reserved~~

(b) Nothing in this Subpart B will:

- (1) Limit or impair the rights of persons with disabilities;
- (2) Authorize GRF and Mutual Corporations to limit or impair the rights of persons with disabilities; or
- (3) Affect any authority that GRF or Mutual Corporations may have to regulate animals that assist persons with disabilities, under federal, state or local laws.

Please see the "Social/Companion Animal Claim Form" or "Service Animal Claim Form," whichever may be appropriate in your circumstance.

**SERVICE ANIMAL CLAIM FORM – ATTACHMENT A**

The following claim form is for exemption from specific Mutual Rules and Regulations regarding ownership of a Service Animal, as provided for under Title 24, Department of Housing and Urban Development (HUD), Part 5 - General HUD Program Requirements; Waivers, Table of Contents, Sub part C - Pet Ownership for the Elderly or Persons with Disabilities; General Requirements Section 5.303, Exclusions for Animals That Assist Persons with Disabilities.

A. In order to qualify for this exemption, all sections of the Service Animal Claim Form must be completed and signed by the eligible shareholder. Upon completion, this form will be submitted to the appropriate Mutual Board of Directors for the purpose of reviewing the qualifications of the applicant/shareholder in granting this requested exemption.

1. I, \_\_\_\_\_ (name of applicant/shareholder, **member**), hereby certify that I have a disability which qualifies me to apply for exemption from certain sections of the Pet Ownership Policy, and that my disability qualifies me to have a Service Animal under the auspices of the above-named HUD Act.

(i) Based on the certification of my attending physician, Dr. \_\_\_\_\_, the necessary Service Animal so stated on

(draft created 9-13-18 pk/ka)

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the "Physician's Declaration" form has been trained at: (e.g., *Assistant Dogs International*) per the attached certificate:

\_\_\_\_\_

(ii) I further certify that, upon my command, this Service Animal can perform the following service tasks to assist me with my disability: \_\_\_\_\_

2. The Board of Directors will review the applicant's request for exemption from **Article 1, Section C, Item 3, and 3a**, of Policy 7501, Pet Ownership Policy.

B. Nothing in this Sub part (B) will:

1. Limit or impair the rights of persons with disabilities; (2) Authorize the Golden Rain Foundation and/or Mutual Corporation to limit or impair the rights of persons with disabilities; or (3) Affect any authority that the Golden Rain Foundation or Mutual Corporation may have to regulate animals that assist persons with disabilities, under federal, state or local laws.

I declare under penalty of perjury under federal, state and local laws, that the foregoing information, and any accompanying statements, is true and correct to the best of my knowledge.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Applicant/Shareholder

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Legal Representative, if Applicable

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-----FOR OFFICIAL USE ONLY-----

Based upon the above -- declaration as filed by \_\_\_\_\_ (name of applicant/shareholder), the applicant/shareholder is hereby granted an exemption from **Article 1, Section C, Item 3, and 3a**, of Policy 7501, Pet Ownership Policy. **This exemption shall be renewed on the anniversary of this agreement and every year thereafter throughout the tenancy of the applicant/shareholder.**

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Golden Rain Foundation or Mutual Corporation Representative

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**SERVICE ANIMAL - PHYSICIAN'S DECLARATION – ATTACHMENT B**

I, Dr. \_\_\_\_\_ declare and say:  
(Print name here)

1. I am a California-licensed physician acting within the scope of my licensure having education, experience and training in diagnosing disabled persons to qualify them for a Service Animal under the Americans with Disabilities Act and Guidelines.

My office address \_\_\_\_\_

My office telephone number is \_\_\_\_\_

2. Patient's \_\_\_\_\_ Name \_\_\_\_\_ (please print) \_\_\_\_\_ for whom this declaration is provided.

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- 2. I have conducted a physical examination of my patient and hereby certify that said patient has a physical disability. Based upon the examination which I conducted, it is my medical opinion that my patient has such a disability that requires a Service Animal to perform physical tasks and assistance. The tasks and assistance that the Service Animal will perform are:

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Said patient requires an animal trained to perform the above-stated task(s) to assist my patient with such disability. This patient is capable of caring for a Service animal and for causing the animal to practice the skills required for the disability on a regular basis.

- 3. I declare, under penalty of perjury under the laws of the State of California, that the foregoing is true and correct. This declaration was executed on:

the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_  
                     Day  Month  Year

At \_\_\_\_\_, State of California  
   Name of City

\_\_\_\_\_  
 Type or Print Name of Physician    Signature of Physician

=====

**EMOTIONAL SUPPORT ANIMAL  
SHAREHOLDER'S DECLARATION FORM  
ATTACHMENT A**

I, \_\_\_\_\_ (name of applicant/shareholder), hereby  
certify that I have an emotional connection, bond and relationship with: (Name & Animal)

\_\_\_\_\_

This connection, bond and relationship to my emotional support animal qualifies me to apply  
for this exemption from certain provisions of Pet Ownership Policy 7501.

Based on the certification of my attending physician, Dr. \_\_\_\_\_,  
the necessary ESA, provides me with the following mental and emotional support,  
without which I would be unable to complete one or more of my day-to-day functions.  
Specifically, my animal provides and allows me to do the following:

- a. \_\_\_\_\_
- b. \_\_\_\_\_
- c. \_\_\_\_\_

I therefore request an exemption from Policy 7501, Pet Ownership Policy.

*Nothing in this request will limit or impair the rights of persons with disabilities; authorize the Golden Rain  
Foundation and/or Mutual Corporation to limit or impair the rights of persons with disabilities; or affect any  
authority that the Golden Rain Foundation or Mutual Corporation may have to regulate animals that assist  
persons with disabilities, under federal, state or local laws.*

**I declare that the foregoing information, and any accompanying statements, is true  
and correct to the best of my knowledge.**

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Applicant/Shareholder

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Applicant/Shareholder

EMOTIONAL SUPPORT ANIMAL  
PHYSICIAN'S DECLARATION - ATTACHMENT B

I, Dr. \_\_\_\_\_ declare and say:  
(Print name here)

- I am a California-licensed physician
- I am a California licensed Mental Health-Care provider:

Acting within the scope of my licensure having education, experience and training in diagnosing persons to qualify them for an Emotional Support (comfort) Animal.

My office address \_\_\_\_\_

My office telephone number is (\_\_\_\_\_) \_\_\_\_\_

Patient's Name (please print) \_\_\_\_\_ for whom this declaration is provided.

Based upon the examination which I conducted, it is my medical opinion that my patient has such a need for the comfort and support of their emotional support animal as to necessitate a request on their behalf for an exemption from certain provisions of the Seal Beach Leisure World Mutual Pet Ownership policy to allow approval of said emotional support animal, as it provides the following comfort necessary for my patient's well being and ability to navigate on a day-to-day basis. Specifically:

Type of animal: \_\_\_\_\_

Animal Provides the following Specific emotional support to my patient:

\_\_\_\_\_  
\_\_\_\_\_

I declare, under that the foregoing is true and correct to the best of my knowledge. This declaration was executed on:

The \_\_\_\_\_ day of the month of \_\_\_\_\_, 20\_\_.

Signature: Dr. \_\_\_\_\_

Based upon the above declaration as filed by \_\_\_\_\_ (name of applicant/shareholder), the applicant/shareholder is hereby granted an exemption from Policy 7501, Pet Ownership Policy. **This exemption shall be renewed on the anniversary of this agreement and every year thereafter throughout the tenancy of the applicant/shareholder.**

\_\_\_\_\_  
Date

\_\_\_\_\_  
Mutual Corporation Representative



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**ARTICLE I - RULES AND REGULATIONS**

**A. California State Law**

The State of California has enacted a Section of the law which amends the common-interest law pertaining to the Mutual Corporation designated Section §1360.5 of the Civil Code. It is provided that in a common-interest development where there is an owner of a separate interest as defined therein, the owner is entitled to have at least one pet within the confines of the separate interest, subject to reasonable rules and regulations of the association.

**B. Definition of Pet**

The law defines a "pet" as *"any domesticated bird, cat, dog, aquatic animal kept within an aquarium, or other animal as agreed to between the Association and the homeowner."*

- (1) All members of the reptile and monkey families, as well as any raucous-voiced birds, are prohibited.

*The following Paragraph (1) replaces the above Paragraph (1) for Mutual Four and Ten only:*

- (1) All members of the snake, monkey and arachnid families, as well as any raucous-voiced birds, are prohibited.

A reptile, such as a small lizard or turtle that is housed in a terrarium or aquarium, is permitted.

- (2) At no time shall it be appropriate for resident owners to house or maintain within the confines of the Mutual any animal commonly known as a farm animal, domesticated farm animal, or any animal commonly maintained on a farm for the purpose of breeding for its fur, feathers, byproducts, or for human consumption, or as may be found in specialty meat markets; farm animals may consist of, but not be limited to: duck, goose, chicken, potbellied pig, piglet, cow, calf, goat, rabbit, lamb, miniature horse, pony, etc.

**C. Definition of Rules for Pet Ownership**

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Similar rules have been enacted pursuant to law by the Federal Government substantially to the same effect as the California law, and under the federal rules there have been developed criteria as to what are reasonable rules and regulations of the Mutual related to the keeping of pets. Those rules are adopted by the Mutual Corporation as being reasonable rules and regulations for the keeping of a pet, and are set forth in this policy adopted by the Mutual Corporation as Rules and Regulations as pertaining to occupancy of a separate interest within the Mutual Corporation. Those rules are as follows:

- (1) The **number** of quadruped pets per apartment shall be restricted to one. The number of birds per apartment shall be restricted to two (Mutual One, Two, Three, Four, Six, Seven, Ten, Eleven, Twelve, and Sixteen); two pairs (Mutual Eight and Fifteen); four (Mutual Fourteen).

*The following Paragraph 1(a) of Article I, Section C is applicable to Mutual Ten and Fourteen only:*

- a) Birds brought into Mutual Fourteen as pets must be examined by a veterinarian, vaccinated against all infections, and certified to be free of the avian flu virus. Birds shall be kept inside the resident owner's apartment at all times; they are not allowed in the patio area. The resident owner is responsible for the safe disposal of cage debris. The debris must be sealed in a plastic bag and placed in the trash bin in order not to attract rodents to the area. Birds must be quiet enough not to disturb the resident owner's neighbors. The same general rules shall be applicable for birds as for quadruped animals.

In Mutual Ten, birds shall be kept inside the resident owner's apartment at all times; they are not allowed in the open patio area. The resident owner is responsible for the safe disposal of cage debris. The debris must be sealed in a plastic bag and placed in the trash bin in order not to attract rodents to the area. Birds must be quiet enough not to disturb the resident owner's neighbors. The same general rules shall be applicable for birds as for quadruped animals.

- (2) The breed of the pet shall be of such nature that its weight is not expected to exceed **twenty-five (25) pounds** at time of full maturity.
- (3) Pets are **prohibited from common area facilities**, such as clubhouse facilities, library, Golf course, health care center, Amphitheater, swimming pool area, Administration

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Building, lobbies, and laundry rooms. In all other permitted areas, the pet must be on a **leash** not longer than six feet and under the control of, and accompanied by, a resident and/or adult agent of the resident pet owner and/or responsible adult.

- (a) While traversing the streets or sidewalks of the Mutual Corporation while making ingress and egress to or from the resident's apartment, at all times, the resident pet owner and/or responsible adult must have in evidence and in plain view a **plastic bag and/or a poop scoop** device for the purpose of immediately removing any pet waste deposited on any lawn or ground area.
- (b) In accordance with Seal Beach City Code, Section 3-10.26 - Maintaining Sanitary Conditions, persons allowing their dog or cat to defecate on property other than their own property, shall remove such feces immediately or be subject to a city fine of \$25.
- (4) The resident pet owner shall immediately, and forthwith, **remove any pet waste** deposited by the pet in all common areas where said pet is permitted.
  - (a) The Mutual Corporation will impose a fine, per occurrence, on any resident pet owner who fails to immediately remove any such pet waste deposited by their pet.
    - (1) The imposed fine shall be \$25, per occurrence or the actual amount charged by the janitorial services company to have one of its employees remove the pet waste, if greater than \$25.
    - (2) The imposed fine shall be paid by the resident pet owner to the Mutual Corporation.
- (5) Resident pet owners are required to **control noise and odor** caused by a pet. Any noise or odor which adversely affects any other resident is not permitted.
- (6) All quadruped pets brought into the Mutual by a resident pet owner shall have been **spayed or neutered**.
- (7) No quadruped pet may be **left unattended** in any dwelling area for more than four (4) hours. All pets must be under the resident pet owner's control in an apartment, so as not to be a hazard to security officers, maintenance staff, fire inspectors, paramedics,

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mail carriers or service providers or other employees requiring access to an apartment where there are pets.

- (a) Resident pet owners who, on a temporary basis, allow a neighbor to assume responsibility for their pet for a period longer than four (4) consecutive hours must notify the Security Department of the temporary arrangement and provide a sign for the neighbor to post on the exterior of the neighbor's residence, near the front door, notifying service providers and employees who require access to the apartment in an emergency that a pet is temporarily being housed inside the apartment.

**The following Paragraph 7(b) of Article 7, Section C is applicable to Mutual One only:**

- (b) Any permitted pet must, at all times, be accompanied and under the full control of their owners, no animal shall be left unattended in any fenced, gated or enclosed patio. Pet doors leading to the outdoors and onto open and enclosed patios are not permitted.

Pet doors shall not be installed through front doors, sliding glass doors, windows or walls of any unit or building. All pet doors previously installed prior to 2/1/13 at the discretion of the Board shall be removed at the shareholder's expense to the satisfaction of the Mutual within 30 days after receiving notice from the Mutual Administration Manager.

- (8) All pets to be living within the Mutual, before being registered for admittance, shall have been inoculated in accordance with all federal, state and local laws, and shall be licensed by the City of Seal Beach as required, and shall carry a current license tag on their collar. Said licensing shall be pursuant to all applicable local and state laws and regulations.
- (a) All properly registered pets (cats and dogs) shall also be required to wear a bright-colored Mutual tag on their collar along with the license tag, thereby showing proof of registration with GRF.
- (9) Pets not owned by a resident shall not be brought upon the premises of the Mutual Corporation.

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- (a) Residents may not, even temporarily, keep a non-registered pet owned by another person in their dwelling unit.
- (10) It shall not be permissible to maintain a pet in a residence unless sanitary standards are maintained governing the disposal of pet waste.

*The following Paragraph 10(a) of Article 1, Section A, is applicable to Mutual Sixteen only:*

- (a) At no time shall it be appropriate for resident shareholders of Mutual No. Sixteen house or maintain within the confines of Seal Beach Mutual No. Sixteen any animal commonly known as a farm animal, domesticated farm animal, or any animal commonly maintained on a farm for the purpose of breeding for its fur, feathers, byproducts or for human consumption, or as may be found in specialty meat markets; farm animals may consist of, but not be limited to: duck, goose, chicken, potbellied pig, piglet, cow, calf, goat, rabbit, lamb, miniature horse, pony, etc.
- (11) Resident pet owners with properly registered pets shall be permitted to walk their pet while pet is on a leash not longer than six feet for the purpose of exercising and/or depositing pet waste on any lawn area.
  - (a) At all times, the resident pet owner or responsible adult must have in evidence and in plain view a plastic bag and/or a poop scoop device for the purpose of immediately removing any pet waste deposited on any lawn or ground area.
  - (b) Provide written documentary proof to the Golden Rain Foundation that the pet to occupy resident's unit is licensed pursuant to all applicable state and local laws and regulations, and will carry a licensed tag as described in Paragraph (9) of Article 1, Section C of the Mutual Pet Ownership Policy,
  - (c) Complete and sign a Pet Ownership Registration Form as prepared by the Golden Rain Foundation and the Seal Beach Mutual Corporation in which resident resides pursuant to the Orange County Fair Housing Authority (OCFHA) and Department of Housing and Urban Development (HUD).
  - (d) Provide written proof that the pet has been inoculated before being admitted to be

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with resident in accordance with all federal, state and local laws.

- (e) Acknowledge the right of the Golden Rain Foundation, and the Seal Beach Mutual Corporation in which the resident resides, to adopt and implement reasonable rules and regulations governing pet ownership in accordance with Civil Code §1360.5, and agree to be bound thereto, except to the extent modified by the agreement with the Mutual Corporation in which resident resides so as to provide reasonable accommodations to the resident.
- (13) Resident pet owners owning a cat, or another pet using a litter box, are required to change the litter at least twice each week. Resident pet owners are required to separate the pet waste from the litter at least once each day. Pet waste shall be deposited in airtight plastic bags before being deposited in the trash or garbage bins. **Do not** flush kitty litter down the toilet, as this will cause a sewer blockage.
- (14) Resident pet owners owning a cat or dog pursuant to these regulations shall procure a policy of liability insurance in an amount sufficient for the indemnification of other persons who may be injured by the pet of the resident with coverage in an amount sufficient to cover their personal liability.
- (15) Resident pet owners must display a pet ownership decal in a prominent location near the front door of their residence in order to alert security officers, maintenance staff, fire inspectors, mail carriers, or other employees requiring access to an apartment where there are pets.
- (16) Resident pet owners, upon the sale of their apartment, shall have the apartment treated professionally by a licensed pest control company prior to the close of escrow, at the owner's expense.
- (17) In the event of any emergency related to a pet, and in the event there is no state or local authority (or designated agent of such an authority), the Mutual Corporation reserves the right to remove a pet that becomes vicious, displays symptoms of severe illness, or demonstrates other behavior that constitutes an immediate threat to the health or safety of other residents of Seal Beach Leisure World, and/or their guests. Subject to execution of an agreement by the resident pet owner, a representative of the Mutual Corporation, along with the Security Department, may enter the premises, if necessary, to remove the pet only if the resident pet owner refuses to remove the pet

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at the Mutual Corporation's request, or if the Mutual Corporation cannot contact the resident pet owner to make a removal request, and may take such action with respect to the pet as may be permissible under federal, state and local laws, which may include placing the pet in a facility that will provide care and shelter for a period not to exceed thirty (30) days.

- (a) Resident pet owner or resident pet owner's estate shall remain responsible for any and all damages, injuries and related expenses caused by the pet, which may include:
  - (1) Payment of any legal expenses incurred by the Mutual Corporation and Golden Rain Foundation in the enforcement of this policy and provisions.
- (18) If the health or safety of a pet is threatened by the death or incapacity of the resident pet owner, or by other factors that render the resident pet owner unable to care for the pet, and pursuant to the authorization in the Pet Ownership Registration Form, the Mutual Corporation may contact a responsible party or parties listed on the Pet Ownership Registration Form for the purpose of removing and caring for the animal. If the responsible party or parties are unwilling or unable to care for the pet, the Mutual Corporation may contact the appropriate state or local authority and request the removal of the pet. If there is no state or local authority, the Mutual Corporation may remove the pet and place it in a facility that will provide care and shelter until the responsible party or representative may be contacted, or the resident pet owner is able to assume responsibility for the pet, but not for longer than thirty (30) days. The cost of the animal care shall be borne by the resident pet owner.
- (19) In the event that no resolution, as related to the care of the pet under and pursuant to Article I, Section C, Paragraphs (18) and (19), above is made within thirty (30) days, the Mutual Corporation and/or the Golden Rain Foundation are authorized to deliver the pet to any local humane society or association, either private, state, federal, or county.

**ARTICLE II - REGISTRATION OF QUADRUPED PETS**

- A. All residents bringing quadruped pets onto the Mutual premises shall register their pets with the agent for the Mutual Corporation, to wit: the Golden Rain Foundation Stock Transfer Office. The pet must be registered before it is brought onto the Mutual premises. Further,

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the pet registration information and licensing must be updated on or before December 31 of each year. The Mutual/GRF Pet Ownership Registration Form will include or be accompanied by:

- (1) A certificate signed by a licensed veterinarian or a state or local authority empowered to inoculate animals, stating that the quadruped pet has received all inoculations required by applicable state, and local laws.
- (2) Information sufficient to identify the pet, and to demonstrate that it is a common household pet.
- (3) The name, address, and telephone number of one or more responsible parties who will care for the pet if the pet owner dies, is incapacitated, or is otherwise unable to care for the pet.
- (4) The resident pet owner shall sign a statement on said Pet Ownership Registration Form indicating that he/she has read the Pet Ownership Policy and agrees to comply with the contents therein. The resident pet owner shall acknowledge that the pet owner and the pet are subject to exclusion from the Mutual Corporation and the dwelling unit if there is not a compliance with the rules and registration requirements. The resident pet owner shall acknowledge that failure to comply with the rules and registration shall be grounds for refusing to permit a pet to be situated in a dwelling unit of the Mutual Corporation, and continued violations may cause termination of the resident pet owner's residency.
- (5) The insurance carrier for the liability insurance required as to the pet, together with the address of the agent, and the amount of coverage procured shall be indicated on the Pet Ownership Registration Form. Resident pet owners shall bring a copy of their insurance policy into the Stock Transfer Office and have a copy made of the cover and declaration pages, which will then be placed in the pet occupancy file. Coverage requirements are outlined in Article 1, Section C, Item (15) of this policy.

**ARTICLE III - VIOLATION OF PET OWNERSHIP POLICY**

- A. In the event of a determination of a violation of the Pet Ownership Policy, the Mutual Corporation shall serve a written notice of the pet rule violation on the resident pet owner.
- (1) Serve a written notice of pet rule violation on the resident pet owner. The written notice

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shall contain a statement of the factual basis for determining which violation has occurred to constitute alleged violation of the Pet Ownership Policy. The written notice shall state that the resident pet owner has ten (10) days from the effective date of service of the notice to:

- (a) Correct the violation (including, in appropriate circumstances, removal of the pet).
  - (b) Make a written request to hold a meeting with the Mutual Board of Directors to discuss the alleged violation.
    - 1. The resident pet owner is entitled to be accompanied by another person of his/her choice at a meeting, if a meeting is requested.
  - (2) The resident pet owner's failure to correct the violation, to request a meeting, or to appear at a requested meeting, may result in an initiation of procedures to terminate the resident pet owner's occupancy in the Mutual Corporation.
- B. These rules and regulations concerning pets shall have no application to a resident with a bona fide service animal or animal required because of a physical disability of the resident, who requires a service animal specifically trained to assist the resident, under and pursuant to The Americans with Disabilities Act<sup>1</sup> (A.D.A.). In such cases, there shall be a certification as related to such animal, and a verifiable description of the service the animal is specially trained to perform for the disabled person as described in Article IV, Sections A, B and C.

**ARTICLE IV - SERVICE ANIMALS**

- A. Service Animal means any certified guide dog, signal dog, or other animal individually trained to do work or perform service tasks for the benefit of an individual with a disability including, but not limited to, guiding individuals with impaired vision, alerting individuals with

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<sup>1</sup> Americans with Disabilities Act, Rules and Regulations regarding service animals, Code of Federal Regulations (28 CFR Part 36-Nondiscrimination on the Basis of Disability by Public Accommodations and in Commercial Facilities), Subpart A-General, Section 36.104, Definitions

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impaired hearing to the sound of intruders, providing minimal protection or rescue work, pulling a wheelchair, fetching dropped items, and any other service task for which the animal has been trained, and which will benefit the disabled person. The purpose of these definitions is to address the issue of rights of access for all disabled persons who are accompanied by a service animal:

- (1) A guide dog is defined as a dog which has been trained or is being specially trained for, or in conjunction with, a school such as Assistance Dogs International for guide dogs to lead in harness and serve as an aid to the mobility of a particular blind person.
  - (2) A hearing dog is defined as a dog which has been or is being specially trained by, or in conjunction with, a school such as Assistance Dogs International for hearing dogs to alert a particular deaf or hearing-impaired person to certain sounds.
  - (3) A service dog is defined as a dog which has been or is being specially trained by, or in conjunction with, a school such as Assistance Dogs International for service dogs to the individual requirements of a physically-disabled person, including, but not limited to, any of the following: pull wheelchair as needed, retrieve or carry dropped items, open and close doors, or provide balance or counter balance.
    - (a) Each school for assistance dogs provides documents of certification, such as an identification card for the individual disabilities of the disabled person and the requirements for a service dog.
- B. Based on the aforementioned A.D.A. descriptions of a service animal, the Mutual Board of Directors hereby adopts the following certification policy in the identification process for the use of a service animal within the confines of the Seal Beach Leisure World Mutual Corporation common area properties:
- (1) Upon request, each service animal owner shall provide the Stock Transfer Agent's Office with an original "Physician's Declaration" form describing, under penalty of perjury, the requirements and the need for a service animal as defined by The A.D.A. The "Physician's Declaration" form shall include a full description of the physical tasks to be performed by the trained service animal for its disabled owner. Please see blank Physician's Declaration attached.
- C. The Seal Beach Leisure World Mutual Corporations further adopt and require compliance

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with the following exclusion regarding "SERVICE ANIMAL," pursuant to Section 5.303 of Title 24-Housing and Urban Development<sup>2</sup>.

- (1) The Mutual Corporation may require that service animals qualify for this exemption, and shall grant this exemption if:
  - (i) The shareholder or prospective shareholder certifies, in writing, that the shareholder, or a member of his or her immediate family, such as a qualified permanent resident or a co-occupant, is a person with a disability;
  - (ii) The animal has been trained to assist persons with that specific disability; and
  - (iii) The animal actually assists the person with that disability.
- (2) Reserved
- (b) Nothing in this Subpart B will:
  - (1) Limit or impair the rights of persons with disabilities;
  - (2) Authorize GRF and Mutual Corporations to limit or impair the rights of persons with disabilities; or
  - (3) Affect any authority that GRF or Mutual Corporations may have to regulate animals that assist persons with disabilities, under federal, state or local laws.

Please see the "Social/Companion Animal Claim Form" or "Service Animal Claim Form," whichever may be appropriate in your circumstance.

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<sup>2</sup>

Code of Federal Regulations, Title 24, Volume 1, Parts 0 to 199, Revised as of April 1, 2000, Housing and Urban Development, Part 5, Subpart C, Pet Ownership for the Elderly or Persons with Disabilities, General Requirements, Section 5.303, Exclusion for animals that assist persons with disabilities.

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**Pet Ownership Policy**

**ADOPTION DATES BY MUTUAL**

<b>• Adoption Date</b>	<b>Amendment Dates before Rewrite</b>	<b>Adopt. Date of Rewrite</b>	<b>Amendment Dates of Rewritten Policy</b>
1 07-15-67		01-25-01	05-24-01, 01-24-02, 12-06-02, 09-22-05, 04-26-06, 01-24-14
2 08-17-67	07-16-87, 08-17-00	01-18-01	05-17-01, 02-21-02, 05-15-03, 08-18-05, 07-20-06
3 11-21-66		02-09-01	05-18-01, 01-11-02, 11-08-02, 10-03-05, 03-10-06
4 08-28-67		02-05-01	07-02-01, 01-07-02, 11-04-02, 10-03-05, 05-01-06
5 12-21-66	09-20-00	01-17-01	05-16-01, 01-16-02, 11-20-02, 08-17-05, 03-15-06
6 06-20-69	05-23-00	01-23-01	05-23-01, 01-22-02, 11-26-02, 08-23-05, 03,28-06
7 08-18-67	02-17-84, 11-21-00	01-19-01	07-20-01, 01-18-02, 11-15-02, 10-21-05, 03-17-06,11-20-13

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MUTUAL OPERATIONS**RESCIND MUTUAL TWO****RESIDENT REGULATIONS**Pet Ownership Policy

	<u>Adoption Date</u>	<u>Amendment Dates before Rewrite</u>	<u>Adopt. Date of Rewrite</u>	<u>Amendment Dates of Rewritten Policy</u>
8	11-28-66		01-22-01	05-25-01, 01-28-02, 11-25-02, 10-24-05, 04-24-06
10	01-16-68	06-26-91	01-24-01	06-27-01, 01-23-02, 11-27-02, 10-26-05, 04-26-06, 01-24-07
11	05-22-69		01-18-01	06-21-01, 03-11-02, 11-21-02, 08-18-05, 04-20-06
12	09-14-67	12-03-99	02-08-01	07-12-01, 01-10-02, 11-14-02, 09-08-05, 03-09-06, 07-09-18
15	06-05-67		02-16-01	05-10-01, 01-21-02, 11-18-20, 10-17-05, 03-20-06
16	01-01-68	01-15-90	02-20-01	06-18-01, 01-21-02, 11-18-02, 05-05-05, 01-16-06, 06-19-06

**For Mutual 9, see Policy 7501.9**  
**For Mutual Fourteen, see Policy 7501.14**  
**For Mutual Seventeen, see Policy 7501.17**

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MUTUAL OPERATIONS**RESCIND MUTUAL TWO****RESIDENT REGULATIONS**Pet Ownership Policy**SERVICE ANIMAL CLAIM FORM – ATTACHMENT A**

The following claim form is for exemption from specific Mutual Rules and Regulations regarding ownership of a Service Animal, as provided for under Title 24, Department of Housing and Urban Development (HUD), Part 5 - General HUD Program Requirements; Waivers, Table of Contents, Sub part C - Pet Ownership for the Elderly or Persons with Disabilities; General Requirements Section 5.303, Exclusions for Animals That Assist Persons with Disabilities.

A. In order to qualify for this exemption, all sections of the Service Animal Claim Form must be completed and signed by the eligible shareholder. Upon completion, this form will be submitted to the appropriate Mutual Board of Directors for the purpose of reviewing the qualifications of the applicant/shareholder in granting this requested exemption.

1. I, \_\_\_\_\_ (name of applicant/shareholder), hereby certify that I have a disability which qualifies me to apply for exemption from certain sections of the Pet Ownership Policy, and that my disability qualifies me to have a Service Animal under the auspices of the above-named HUD Act.

(i) Based on the certification of my attending physician, Dr. \_\_\_\_\_, the necessary Service Animal so stated on the "Physician's Declaration" form has been trained at: (e.g., *Assistant Dogs International*) per the attached certificate:  
\_\_\_\_\_

(ii) I further certify that, upon my command, this Service Animal can perform the following service tasks to assist me with my disability: \_\_\_\_\_

2. The Board of Directors will review the applicant's request for exemption from **Article 1, Section C, Item 3, and 3a**, of Policy 7501, Pet Ownership Policy.

B. Nothing in this Sub part (B) will:

1. Limit or impair the rights of persons with disabilities; (2) Authorize the Golden Rain Foundation and/or Mutual Corporation to limit or impair the rights of persons with disabilities; or (3) Affect any authority that the Golden Rain Foundation or Mutual

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MUTUAL OPERATIONS

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**Pet Ownership Policy**

Corporation may have to regulate animals that assist persons with disabilities, under federal, state or local laws.

I declare under penalty of perjury under federal, state and local laws, that the foregoing information, and any accompanying statements, is true and correct to the best of my knowledge.

\_\_\_\_\_  
Date Signature of Applicant/Shareholder

\_\_\_\_\_  
Date Signature of Legal Representative, if Applicable

-----**FOR OFFICIAL USE ONLY**-----

Based upon the above -- declaration as filed by \_\_\_\_\_ (name of applicant/shareholder), the applicant/shareholder is hereby granted an exemption from **Article 1, Section C, Item 3, and 3a**, of Policy 7501, Pet Ownership Policy. **This exemption shall be renewed on the anniversary of this agreement and every year thereafter throughout the tenancy of the applicant/shareholder.**

\_\_\_\_\_  
Date Signature of Golden Rain Foundation or Mutual Corporation Representative

**SERVICE ANIMAL - PHYSICIAN'S DECLARATION – ATTACHMENT B**

I, Dr. \_\_\_\_\_ declare and say:  
(Print name here)

- 1. I am a California-licensed physician acting within the scope of my licensure having education, experience and training in diagnosing disabled persons to qualify them for a Service Animal under the Americans with Disabilities Act and Guidelines.

My office address \_\_\_\_\_

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**MUTUAL OPERATIONS**

**RESCIND MUTUAL TWO**

**RESIDENT REGULATIONS**

**Pet Ownership Policy**

My office telephone number is \_\_\_\_\_

2. Patient's \_\_\_\_\_ Name \_\_\_\_\_ (please print) \_\_\_\_\_ for whom this declaration is provided.

2. I have conducted a physical examination of my patient and hereby certify that said patient has a physical disability. Based upon the examination which I conducted, it is my medical opinion that my patient has such a disability that requires a Service Animal to perform physical tasks and assistance. The tasks and assistance that the Service Animal will perform are:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Said patient requires an animal trained to perform the above-stated task(s) to assist my patient with such disability. This patient is capable of caring for a Service animal and for causing the animal to practice the skills required for the disability on a regular basis.

3. I declare, under penalty of perjury under the laws of the State of California, that the foregoing is true and correct. This declaration was executed on:

the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_  
Day Month Year

At \_\_\_\_\_, State of California  
Name of City

\_\_\_\_\_  
Type or Print Name of Physician

\_\_\_\_\_  
Signature of Physician

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# *Mutual Corporation No. Two*

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## MEMO

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**TO:** MUTUAL TWO BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO APPROVE ADDITIONAL FUNDS FOR LAUNDRY ROOM 27(NEW BUSINESS ITEM N)  
**DATE:** SEPTEMBER 20, 2018  
**CC:** MUTUAL FILE

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*I move to approve/deny additional funds of \$500 for the completion of the conversion to laundry room twenty-seven.*

# *Mutual Corporation No. Two*

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## MEMO

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**TO:** MUTUAL TWO BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO APPROVE/DENY DONATION OF THE GENERATOR  
(NEW BUSINESS ITEM O)  
**DATE:** SEPTEMBER 20, 2018  
**CC:** MUTUAL FILE

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*I move to approve/deny that Mutual Two donate the generator to Emergency Buddy System.*

# *Mutual Corporation No. Two*

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## MEMO

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**TO:** MUTUAL TWO BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO APPROVE/DENY PHYSICAL PROPERTY PREPARE  
BID SPECS FOR HANDYMAN SERVICES (NEW BUSINESS ITEM P)  
**DATE:** SEPTEMBER 20, 2018  
**CC:** MUTUAL FILE

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*I move to approve/deny that Physical Property prepare bid specs and go out to bid for handyman services.*

# *Mutual Corporation No. Two*

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## MEMO

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**TO:** MUTUAL TWO BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO APPROVE/DENY THE REMOVAL OF A BRAZILIAN PEPPER TREE (NEW BUSINESS ITEM Q)  
**DATE:** SEPTEMBER 20, 2018  
**CC:** MUTUAL FILE

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*I move to approve/deny the removal of a Brazilian Pepper Tree located at the end of Building 57 at a cost not to exceed \$1,200 and authorize the President to sign the contract.*