

AGENDA
REGULAR MONTHLY MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL NO. TWELVE
Administration Conference Room

Thursday, November 10, 2016, at 9:00 a.m.

1. CALL TO ORDER, *PLEDGE OF ALLEGIANCE*
2. ROLL CALL
3. INTRODUCTION OF GRF REPRESENTATIVE, GUEST(S), STAFF:
 - a. Mrs. Damoci, GRF Representative
 - b. Ms. Hopkins, Mutual Administration Director
 - c. Mr. Salazar, Building Inspector
4. SHAREHOLDER'S COMMENTS
5. GOLDEN RAIN FOUNDATION REPRESENTATIVE'S REPORT, Mrs. Damoci
6. APPROVAL OF MINUTES:
 - a. Regular Meeting: October 13, 2016
 - b. Special Meetings: October 3, 2016; October 10, 2016; October 17, 2016;
and October 24, 2016
7. BUILDING INSPECTOR'S REPORT, Mr. Salazar
 - a. Building permit approvals
 - b. Tree Pruning Proposal contract for 2017
8. CORRESPONDENCE
9. ANNOUNCEMENTS
10. MUTUAL ADMINISTRATION DIRECTOR'S REPORT, Ms. Hopkins
11. EMERGENCY PREPAREDNESS COORDINATOR'S REPORT, Gary Sprague
 - a. Smoke alarms survey status (due date November 4, 2016)
 - b. Great ShakeOut follow-up report
12. MUTUAL TWELVE/GRF MANAGEMENT AGREEMENT, COMMITTEE REPORT,
CFO Ferraro

STAFF SECRETARY BREAK (time to be determined by President)

13. UNFINISHED BUSINESS

14. NEW BUSINESS

- a. Clarify Emergency Contingency Reserves
- b. Rescind resolution to accept Class One tree proposal for 2017 made at the September 8, 2016, meeting
- c. Prepare Occupancy Agreement Amendment for June 2017 Mutual Twelve Annual Shareholders' Meeting ballot
- d. Amend Policy 7402.12 – Working Hours – Contractors, Vendors and Shareholders – Mutual Twelve
- e. Adopt Policy 7481.12 – Infrastructure Modifications (formally 7496.12)
- f. Propose Policy 7482.12 – Flooring Alterations – Mutual Twelve
- g. Amend Policy 7585.12 – Governing Document Compliance Corrective Measures and Fines – Mutual Twelve
- h. Rescind and relocate Policy 7585.12.1 – Fine Schedule
- i. Discuss 2017 Guest Passes – Board Resolution
- j. Cancel December 8 Regular Board Meeting?

15. CHIEF FINANCIAL OFFICER'S REPORT, Ms. Ferraro

16. DIRECTORS' REMARKS

17. EXECUTIVE SESSION (in compliance with Civil Code 4935, if required)

18. ADJOURNMENT

NEXT MEETING: DECEMBER 8, 2016

(STAFF SECRETARY WILL LEAVE THE MEETING BY 12:10 P.M.)

Contact President Gillon if you would like informal email notice of special meetings at Margaret.Gillon@mutual12.org

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL NO. TWELVE
October 3, 2016

CALL TO ORDER:

The Special Meeting of Seal Beach Mutual No. Twelve was called to order by President Gillon} at 1:42 on Monday, October 3, 2016 in the Physical Property Conference Room.

ROLL CALL:

Those members present were: President Gillon, CFO Ferraro, Secretary Sprague, Directors Findlay, Anderson, Carson

Absent were: Vice President Fluharty

Also present: Inspector Salazar

One Shareholder

The purpose of the meeting is to Review, make recommendations on and/or approve GRF Building Permits, Invoice Approvals, and Mutual issues.

Following a discussion on 42B and on **MOTION** duly made by CFO Ferraro, and second by President Gillon, it was:

RESOLVED: To approve the permit for 42B for remodel and authorize the President to sign the permit.

The Motion passed.

The Board discussed the final vault painting by Hutton with Inspector Salazar.

The Board discussed the vinyl fence which is to be installed at 34F. Inspector Salazar to find additional company for installation if Jurado is not available.

The Board discussed 72F. Inspector Salazar waiting on invoice from contractor.

Following a discussion, it was the Consensus of the Board to allow Share Holders to donate plants to an area to be maintained by the Mutual. Process will be similar to tree donation process.

Discussion on 62J flooding other units. Inspector Salazar to contact Share Holder's adjustor regarding invoices from restoration company.

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS
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October 3, 2016

Following a discussion and on **MOTION** duly made by CFO Ferraro and second by Director Carson it was:

RESOLVED: To approve invoice #776 from Trust 1 Restoration for \$758.83, invoice #777 for \$758.83 and invoice #778 for \$380.26 for emergency dry out services at 62C,D,I to be paid by Emergency Reserve Fund.

Further, all invoices to be billed to Share Holder at 62J for reimbursement to the Mutual.

The Motion passed.

Following a discussion on Class 1 Arboriculture proposal for 2017, it was the Consensus of the Board to request Inspector Salazar to go out to bid.

The meeting was adjourned to Executive Session. There were no Motions made in Executive Session.

ADJOURNMENT:

President Gillon adjourned the meeting at 2:57 p.m.

Attest:

Rose Marie Sprague, Secretary
SEAL BEACH MUTUAL NO. TWELVE
/RMS

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL NO. TWELVE
October 10, 2016

CALL TO ORDER:

The Special Meeting of Seal Beach Mutual No. Twelve was called to order by President Gillon at 1:31 on Monday, October 10, 2016 in the Physical Property Conference Room.

ROLL CALL:

Those members present were: President Gillon, Vice President Fluharty, CFO Ferraro, Secretary Sprague, Directors Findlay, Carson

Absent were: Director Anderson

Also present Inspector Salazar

The purpose of the meeting is to review, make recommendations on and/or approve GRF Building Permits, Mutual and Shareholder concerns.

Following a discussion on 6F President Gillon and Director Carson will address the shareholders concern.

Following a discussion on 71A and on **MOTION** duly made by Vice President Fluharty, and second by Director Carson, it was:

RESOLVED, To approve the permit to move the condenser unit shifted to the left out of the attic access area, a new concrete pad poured and authorize the President to sign the permit.

The Motion passed

Following a discussion on 42B and on **MOTION** duly made by President Gillon, and second by CFO Ferraro, it was:

RESOLVED, To approve the permit for 42B and authorize the President to sign the permit.

The Motion passed

Discussion on 72F. Inspector Salazar to review the work done by Pinnacle.

Discussion on 74E. Vice President Fluharty discussed the lawn damage at 74E. Pinnacle to repair the damage.

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS
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Discussion on 73L. The Board directed Inspector Salazar to obtain estimates on the repairs at 73L. Director Carson to contact Service Maintenance to have a plumber check the unit.

Following a discussion and on **MOTION** duly made by President Gillon and second by Director Carson, it was:

RESOLVED, To permanently rescind the access to the flowerbed at the St. Andrews end of building 73 adjoining units 73F and 73G to all shareholders now and in the future who live in those units.

The Motion passed.

The Board recessed at 3:37.

The Board return to Session at 3:40

The meeting adjourned to Executive Session.

ADJOURNMENT:

President Gillon adjourned the meeting at 3:44

Attest:

Rose Marie Sprague, Secretary
SEAL BEACH MUTUAL NO. TWELVE
/RMS

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL NO. TWELVE
OCTOBER 17, 2016

CALL TO ORDER:

The Special Meeting of Seal Beach Mutual No. Twelve was called to order by President Gillon at 1:36 on Monday, October 17, 2016 in the Physical Property Conference Room

ROLL CALL:

Those members present were: President Gillon, Vice President Fluharty, CFO Ferraro, Secretary Sprague, Directors Carson and Anderson

Absent were: Director Findlay

Also present: Inspector Salazar

One Shareholder

The purpose of the meeting is review, make recommendations on and/or approve GRF Building Permits, approve invoices, and other Shareholder concerns.

Following a discussion on 41C and on **MOTION** made by President Gillon, and second by Secretary Sprague, it was:

RESOLVED, To approve the permit for 41C for heat pump and authorize the President to sign the permit.

The Motion passed

Following a discussion on 72F it was the Consensus of the Board that the invoice from Alpha Masters in the amount of \$3800 was believed to be accurate.
(4 Yes)

Following a discussion on Roofing Standards SRO list, Inspector Salazar to reconcile the list.

Following a discussion on the Vacant Unit Inspection list, Inspector Salazar advised inspection is pending.

The meeting was adjourned to Executive Session. There were no Motions made in Executive Session.

ADJOURNMENT:

President Gillon adjourned the meeting at 2:35

Attest:

Rose Marie Sprague, Secretary
SEAL BEACH MUTUAL NO. TWELVE
/RMS

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL NO. TWELVE
October 24, 2016**

CALL TO ORDER:

The Special Meeting of Seal Beach Mutual No. Twelve was called to order by President Gillon at 1:35 on Monday, October 24, 2016 in the Physical Property Conference Room.

ROLL CALL:

Those members present were: President Gillon, Vice President Fluharty, Secretary Sprague, Directors Findlay, Carson, Anderson

Absent were: CFO Ferraro

Also present Inspector Salazar

The purpose of the meeting is review, make recommendations on and/or approve GRF Building Permits'

Discussion on 64D, Stover foundation issues. Inspector Salazar to inspect unit and advise the Board.

Following a discussion on 7H and on **MOTION** made by President Gillon, and second by Director Anderson, it was:

RESOLVED, The Board rejects the permit for 7H for Air Conditioner.

The Motion passed

Following a discussion on 64B and on **MOTION** made by President Gillon and second by Director Carson, it was:

RESOLVED, To approve the permit for 64B for Skylight installation and authorize the President to sign the permit.

The Motion Passed

Following a discussion on 77G and on **MOTION** made by President Gillon and second by Director Anderson it was:

RESOLVED, To approve the permit for 77G Flooring as long as the Shareholder and Contractor come in and complete the application and authorize the President to sign the permit.

The Motion passed.

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS
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October 24, 2016**

Following a discussion on attic water pipes and on **MOTION** made by Director Findlay and second by Director Anderson it was:

RESOLVED, To have Service Maintenance inventory the water distribution pipes in the attics and as they find leaks to notify the Board and make the repairs.

The Motion passed

Executive Session was held by the Board and contract issues were discussed. The following Resolution was made in Executive Session by President Gillon and second by Vice President Fluharty it was:

RESOLVED, The Board shall not, in the future, approve, allow or authorize contractor Alpha Master Builders Inc., California contractor license number 921621, their respective employees, sub-contractors, or any person associated with such entity to perform any modifications or alterations whatsoever to Association property wherever situated.

The Motion passed

ADJOURNMENT:

President Gillon adjourned the meeting at 2:55

Attest:

Rose Marie Sprague, Secretary
SEAL BEACH MUTUAL NO. TWELVE
/RMS

MUTUAL OPERATIONS

PHYSICAL PROPERTY

Working Hours – Contractors, Vendors and Shareholders – Mutual Twelve

RESOLUTION; :

THAT ~~contractors~~ **CONTRACTORS** or ~~vendors~~ **VENDORS** engaged by a shareholder for the purpose of performing interior or exterior remodeling, or installing or removing equipment and appliances associated with such work on the apartment in this Mutual, will be permitted to do so only between the hours of 8:00 a.m. and 5:00 p.m. No work is permitted on Saturdays, Sundays or holidays. ~~except as noted below.~~

Contractors must follow the rules and regulations as set forth by the Golden Rain Foundation Physical Property Department. [Bold in final]

These limitations also apply to shareholders who are doing any permissible work on their own. ~~Shareholders or their contractors or vendors doing work in an apartment may work on Saturdays if:~~

- ~~a) Prior permission is obtained from the Mutual President; AND~~
- ~~b) The work involves no noise; AND~~
- ~~c) The work is done between the hours of 8:00 a.m. and 5:00 p.m.~~

~~Contractors must follow the rules and regulations as set forth by the Golden Rain Foundation Physical Property Department.~~

No shareholder may do work requiring a GRF Building Permit unless that shareholder is a contractor or employee of a contractor or subcontractor complying with all GRF and Mutual requirements. [Bold in final]

MUTUAL ADOPTION
TWELVE: 11-09-8

AMENDMENTS
01-13-11

(Jan 11)

MUTUAL OPERATIONS**DRAFT POLICY****PHYSICAL PROPERTY****Infrastructure Modifications – Mutual Twelve – Effective 6-27-16**

This Policy supplements laws, codes, Golden Rain Foundation and Mutual 12 governing documents, and other requirements. It does not weaken or eliminate any requirement of any kind that is not addressed herein.

A. GENERAL REQUIREMENTS

1. Any building exterior or **interior** common area modification must be approved by Board RESOLUTION* unless Board approval is on file or clear in policy (**Exception: Interior walls may be painted or papered without a GRF or Mutual permit.**)
2. **Any shareholder modification that does not require a GRF Physical Property Permit, does require a Mutual Permit (Policy 7480.12.1 – Architectural Standards – Approval Form).**
3. **All such modifications approved for shareholders shall be at shareholder expense.**
4. **Shareholder and shareholder's contractor are responsible for repair and/or replacement of any Mutual 12 infrastructure components disturbed, modified or damaged during construction.**

As an example but not a limitation, repair or replacement of Mutual sidewalk light wiring damaged during and resulting from shareholder walkway replacement, sprinkler line work, grade changes, etc. must be corrected at contracting shareholder expense.

5. **There shall be no shareholder construction or other shareholder encroachment under the attic access, in front of or in a location compromising access to or interfering in any way with any kind of electrical, electronic and or information transmission equipment including their enclosures wherever located. No encroachment shall be allowed on any kind of easement or access not mentioned above unless exempted by Board RESOLUTION*.**
6. **Any shareholder modification that does not require a GRF Physical Property Permit, does require a Mutual permit (Policy 7480.12.1 – Architectural Standards – Approval Form).**

MUTUAL OPERATIONS**DRAFT POLICY****PHYSICAL PROPERTY****Infrastructure Modifications – Mutual Twelve – Effective 6-27-16**

- ~~7.~~ **6. Neither GRF nor the Mutual allow allows contractors to work outside of regular business hours. If contractors or their employees are found on site outside of regular business hours a fine may be imposed for up to \$500 for each occurrence in addition to other punitive action.**
- ~~8.~~ **7. All applicable law and codes, GRF and Mutual requirements and contract supersede GRF Building Inspector “FINISH BUILDING” sign off on the GRF Building permit.**

B. LANDSCAPE

- 1. Proof of grade protection or restoration is a required component of any proposal for a GRF Building Permit that includes expansion into the patio area and/or any exterior common area modification.**
- 2. Any time, including garden border adjustments, changes are made or turf is restored, excess soil shall be removed and any new soil shall be added at shareholder expense. In any Mutual or shareholder contract, price of soil and turf addition or removal shall be included whether specifically stated in the contract or not.**
- 3. For any modification requiring sprinkler changes, the entire turf area adjacent to the separate interest must have adequate coverage. Sprinklers must be changed as needed on build outs to prevent sprinkling of windows. When garden border changes narrow the garden area, sprinklers must be added as needed at shareholder expense. Additionally, coverage of other areas on the affected sprinkler station(s) shall not be negatively affected.**
- 4. All grounds and sprinkler modification, including but not limited to grade and garden borders, must be performed by the Mutual’s landscape contractor unless another contractor is authorized by Board resolution.**

C. PRIMARY ENTRANCE WALKWAY RELOCATION AND CHANGES

1. The primary contractor is responsible for the work performed.
2. Shareholder(s) of the adjoining unit, if any, must agree to the relocation of their entrance walkway, if applicable. A written agreement must be signed by both parties prior to any

MUTUAL OPERATIONS**DRAFT POLICY****PHYSICAL PROPERTY****Infrastructure Modifications – Mutual Twelve – Effective 6-27-16**

work being performed by the contractor.

- 3. New walkway shall be a minimum width of four feet and a maximum width of five feet. Any flare shall be included within the five-foot width.**
- 4. Walkways may include brick, flagstone, or any similar material between Mutual walkways and resident porch area. The maximum five-foot width must include at least three-inch cement mow strip on each side. Non-standard walkway damage will not be the responsibility of the Mutual or the gardening contractor.**
- 5.** The contractor's site plan shall show all changes necessary to meet the following conditions:
 - a. The site plans shall define the areas affected by the relocation of the entrance walkways which are connected to the main sidewalk and all affected units.
 - b. The site plans shall show:
 1. The original "as is" walkway and sprinklers in dash lines;
 2. The proposed relocated walkway(s) and sprinkler units including those to be installed to ensure coverage of all turf areas affected in heavy lines.
 3. The lawn area(s) affected by the proposed relocated walkway must be properly watered and the plan must indicate this by showing the position of each affected sprinkler. Sprinkler units must be located on each side of each new walkway and in all other turf areas affected by the relocation. The sprinkler units shall be the same type as others used in the Mutual.
- 6.** The new lawn adjoining each new walkway shall be tapered (up or down) to match the level of each new walkway so that lawn mowers can easily move across each walkway without causing damage. New sod is to be used to taper lawns to the level of each new walkway.
- 7.** All expenses relating to any work done on the Mutual property of affected units are to be charged to the requesting shareholder. **Mutual landscape contractor to do all landscape work beyond flower bed (See also Policy 7408.12 – Contractor Liability).**

MUTUAL OPERATIONS

DRAFT POLICY

PHYSICAL PROPERTY

Infrastructure Modifications – Mutual Twelve – Effective 6-27-16

D. SECOND ENTRANCE

1. The stoop of any second entrance located at the edge of a building's footprint shall not exceed minimum code requirements in length and width.
2. Walkways are not allowed on second entrances.
3. Third entrances are not allowed.

E. THRESHOLDS

1. All door thresholds must be flush with the patio or stoop.
2. Demolition and replacement of existing patio slabs shall take place as needed to accomplish this requirement.

F. STEPS

Steps are not allowed anywhere on the Mutual 12 premises, interior or exterior (the concrete platforms in the back of the carports are not steps).

G. APRONS

1. **Policy 7425.12 requires a 12-inch exterior apron added to the main foundation structure. Wider aprons are not permitted.**
2. **A bay foundation may be flush with the structure or have an apron not to exceed 6".**

H. SOUNDPROOFING

1. Soundproofing is always required:

- a. **On all common walls exposed during construction**
- b. **On all walls of second bathrooms**

2. Soundproofing is recommended:

- a. **For common walls, in particular any room considered a bedroom or sleeping room.**

MUTUAL OPERATIONS

DRAFT POLICY

PHYSICAL PROPERTY

Infrastructure Modifications – Mutual Twelve – Effective 6-27-16

I. INSULATION

- 1. Before any construction involving the attic receives the FINISH BUILDING sign off, all insulation must be put back in place or replaced so that protection is at least as good as original. Skylight structure insulation must be put in place securely.
- 2. Shareholder is encouraged to specify high quality fire resistance insulation anywhere insulation is required.

J. ACCESS

- 1. As required by CA Civil Code Section 4760 support of the common interest development may not be compromised. Following are ~~exnmaples~~ examples of infrastructure considerations:
 - a. Observation opening for the water heater must be at least 8” x 8” and as visable and easily accessible as the original.
 - b. Plumbing fixtures whether in the original location or relocated must be no more obstructed than the original.
 - c. Any variance, such as but not limited to under sink water purifier, required requires Board approval and GRF Building Permit and work on obstructed original fixtures will be at shareholder’s expense.

ATTACHMENTS:

- CONTRACTOR COMPLIANCE AGREEMENT

MUTUAL ADOPTION

AMENDMENTS

Twelve: 06-27-16 (Emergency 120 days)

07-14-16;

(Additional amendments made by MU 12 Board in highlights 10/13/16 jl)
(Draft created on 09-09-16 by jl)

MUTUAL OPERATIONS

DRAFT POLICY

PHYSICAL PROPERTY

Infrastructure Modifications – Mutual Twelve – Effective 6-27-16

CONTRACTOR COMPLIANCE AGREEMENT

I/We the undersigned, understand and agree to comply with all of the laws, codes, governing documents, and requirements of the Golden Rain Foundation and Seal Beach Mutual No. Twelve for work briefly described below applicable to:

Unit No: _____ GRF Building Permit No.: _____

COMPANY NAME: _____

BY: _____ Title: _____
(Signature)

Name Printed: _____ Date: _____

SHAREHOLDER UNDERSTANDING OF RESPONSIBILITY

Prior to signing this or any other document related to this ~~modification~~ modification of Mutual 12 property I/We have obtained any and all assistance needed to fully understand my our responsibility as shareholder/owner of the separate interest.

I/We understand that the sentence, "I agree all work will comply with Foundation and Mutual Corporation policies, regulations, and procedures." is included in the NOTICE TO RESIDENT OF AGREEMENT section of the GOLDEN RAIN FOUNDATION BUILDING PERMIT.

PRINT NAME

(Signature) Date: _____

MUTUAL OPERATIONS

DRAFT

PHYSICAL PROPERTY

Flooring Alterations – Mutual Twelve Only

- A. All flooring repair or replacement except original, unaltered asbestos tile that has not become shareholder responsibility as a result of negligence or misuse is shareholder responsibility. (See Occupancy Agreement Article 11(a) (1) and (2), Policy 7622.12 Mutual Repairs and Replacements and Policy 7701.12 Personal Liability and Property Insurance.)

- B. A GRF Building Permit with the MUTUAL 12 FLOORING PERMIT RESOLUTION attached, both fully signed, is required for flooring additions, alterations and replacements.

[Note to typist: “All flooring repair or replacement” and “is shareholder responsibility” to be bold and underlined in ratified policy.]

(See page 2 for MUTUAL 12 FLOORING PERMIT RESOLUTION.)

[Note to typist: See original FLOORING PERMIT RESOLUTION for what is to be bold and/or underlined in the ratified policy.]

MUTUAL ADOPTION

AMENDMENTS

TWELVE:

MUTUAL OPERATIONS

DRAFT

PHYSICAL PROPERTY

Flooring Alterations – Mutual Twelve Only

MUTUAL 12 FLOORING PERMIT RESOLUTION

February 11, 2016

RESOLVED, Effective immediately, that Mutual 12 requires a GRF Building Permit for all floor covering, including carpet, installed at shareholder expense. Both interior and patio/porch floor covering require a GRF Building Permit. All installed flooring must have attached to the permit the flooring manufacturer's specifications.

Reasons for this requirement include,

- Assurance that no asbestos containing material is removed or compromised,
- No Mutual property is damaged,
- Patio/porch flooring is appropriate (for example, if tile - non skid),
- Shareholder understands what is and what is not allowed and,
- Shareholder understands that Mutual 12 is not responsible for damage to or failure of flooring purchased and installed at any time by shareholders or their successor shareholders regardless of date of installation or cause of damage or failure.

Further resolved that this RESOLUTION dated February 11, 2016 be attached to the permit and signed by the shareholder and installer or contractor.

Shareholder:

Signature: _____ Apt # _____

Name
Printed: _____ Date: _____

Installer/Contractor: Company Name _____

Signature: _____
Date: _____

Name
Printed: _____

MUTUAL ADOPTION

AMENDMENTS

TWELVE:

DRAFT**MUTUAL OPERATIONS****RESIDENT REGULATIONS****GOVERNING DOCUMENT COMPLIANCE****CORRECTIVE MEASURES AND FINES – MUTUAL TWELVE ONLY****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. Twelve Occupancy Agreement, Bylaws, 7000 Series Policies, and Rules and Regulations, all as amended and supplemented (collectively, "Governing Documents").

Reporting Violations:

Any resident shareholder, including any shareholder serving on the Board, may report violations. Contact Security, Community Administration, 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 "Governing Documents" 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.

(Nov 14)

DRAFT

MUTUAL OPERATIONS

RESIDENT REGULATIONS

GOVERNING DOCUMENT COMPLIANCECORRECTIVE MEASURES AND FINES – MUTUAL TWELVE ONLYFINE SCHEDULE: [Bold in final]

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 “Governing Documents.”

FINE SCHEDULE

Notice of Violation: Warning or fine of \$25.00

Continuing non-compliance will result in further fines of \$25.00 for each day the violation continues.

Invoices for fines are due and payable immediately.

MUTUAL ADOPTION

DRAFT

MUTUAL OPERATIONS

RESIDENT REGULATIONS

GOVERNING DOCUMENT COMPLIANCE

CORRECTIVE MEASURES AND FINES – MUTUAL TWELVE ONLY

TWELVE: 11-13-14

(Nov 14)

RESCIND AND RELOCATE**MUTUAL OPERATIONS****RESIDENT REGULATIONS****FINE SCHEDULE**

~~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 "Governing Documents."~~

FINE SCHEDULE

~~Notice of Violation: Warning or fine of \$25.00~~

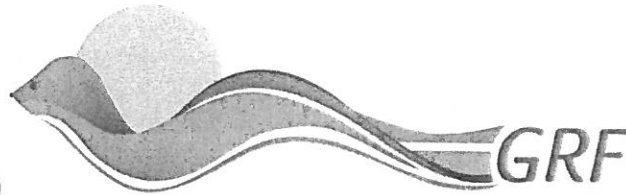
~~Continuing non-compliance will result in further fines of \$25.00 for each day the violation continues.~~

~~Invoices for fines are due and payable immediately.~~

~~"Governing Documents" is defined as Seal Beach Mutual No. Twelve Occupancy Agreement, Bylaws, 7000 Series Policies, and Rules and Regulations, all as amended and supplemented.~~

MUTUAL ADOPTION

TWELVE: 11-13-14



MUTUAL BOARD ACTION REQUEST

TO: MUTUAL BOARD OF DIRECTORS
FROM: RANDY ANKENY, EXECUTIVE DIRECTOR
SUBJECT: 2017 GUEST PASSES
DATE: NOVEMBER 1, 2016
CC: FILE

2017 is less than 55 days away and we are preparing to print the 2017 guest passes. In accordance with policy 5536.1-33, four (4) guest passes will be sent to each unit. These passes will clearly indicate the unit address that the passes were supplied to for tracking of responsible party and guest verification. Per policy, four (4) additional guest passes may be issued per stipulations on Policy 5536.1-33.

As the policy is clear that the Executive Director or Mutual Administration Director is authorized to provide the additional passes, I respectfully seek action from each Mutual as follows;

On or before December 16, 2016, please provide a Board resolution (attached) providing direction on your Board approval to issue up to four (4) guest passes, or a lesser amount, as stipulated by your Board.

Of note:

- Each additional guest pass sold will be tracked with a monthly report provided to the Boards, noting the pass numbers and Shareholder/Member Guest Pass was issued to.
- For clear transparency and community notification, I will run an article in the news the week of December 19th, on the Guest Pass policy and note by Mutual the number of additional Guest Passes allowed.

Board Resolution

In accordance with GRF Policy 5536.1-33, up to four (4) additional Guest Passes may be issued to a Shareholder/Member per Policy terms and conditions. The GRF Executive Director and Mutual Administration Director, as agents for the Mutual Board, does hereby seek approval to issue up to four (4) Guest Passes or a lesser number of Guest Passes, as duly approved by the Board.

I move to authorize the GRF Executive Director or Mutual Administration Director to issue _____ additional Guest Passes, in accordance with GRF Policy 5536.1-37. Each Guest Pass shall carry a unique identification number with a monthly report provided by the GRF Stock Transfer Office to the Mutual Board of Guest Passes issued noting the Shareholder/Member name as responsible party for the Guest.

Date Board Approved: _____, 2016

Signed: _____, Print Name: _____

Board President or Secretary