

**MINUTES OF THE SPECIAL MEETING OF  
THE BOARD OF DIRECTORS  
SEAL BEACH MUTUAL FOURTEEN  
May 18, 2017**

A Special Meeting of the Board of Directors of Seal Beach Mutual Fourteen was called to order by President Melody at 12:30 p.m. on Thursday, May 18, 2017, in Clubhouse 4.

Those members present were: President Melody, Vice President Jorgenson, Secretary Simon, CFO Faucett, and Directors Stefun, Moore, and Shaddow. Also present were Mutual Fourteen shareholders, GRF Representative Lukoff, Mutual Administration Director Hopkins, and Recording Secretary Day.

**MINUTES**

President Melody asked for any corrections to the Special Meeting minutes of May 4, 2017. There being no corrections, they were approved as written.

**WELCOME**

President Melody welcomed everyone to the meeting.

**CORRESPONDENCE**

Secretary Simon presented one item of correspondence.

**NEW BUSINESS**

Following a discussion, President Melody asked for a motion to approve a three-year contract with Fenn Termite & Pest Control, which failed due to no first. It was the consensus of the Board to postpone action for further research.

**SPECIAL MEETING  
MUTUAL FOURTEEN**

**May 18, 2017**

**NEW BUSINESS (continued)**

Following a discussion, and upon a MOTION duly made by CFO Faucett and seconded by Secretary Simon, it was

RESOLVED, To approve the bid by Bright View to trim 110 trees, not to exceed \$5,000.

The MOTION passed unanimously.

Following a discussion, and upon a MOTION duly made by CFO Faucett and seconded by Secretary Simon, it was

RESOLVED, To approve the addition of 64 units to the re-piping schedule for an additional expenditure of \$256,000, for completion in 2017.

The MOTION passed unanimously.

Following a discussion, and upon a MOTION duly made by CFO Faucett and seconded by Secretary Simon, it was

RESOLVED, To approve the planting of two non-fruit bearing olive trees, one for the shareholder in Unit 16-L who offered to purchase the tree, not to exceed \$500; and one tree at the Mutual's expense, not to exceed \$500.

The MOTION passed unanimously.

Following a discussion, and upon a MOTION duly made by CFO Faucett and seconded by Secretary Simon, it was

**SPECIAL MEETING  
MUTUAL FOURTEEN**

**May 18, 2017**

**NEW BUSINESS (continued)**

RESOLVED, To approve the planting of one large ash or peppermint tree between Buildings 50 and 33, at a cost not to exceed \$500.

The MOTION passed unanimously.

The Board members discussed amending Policy 7502.14 – Carport Regulations. Upon a MOTION duly made by Secretary Simon and seconded by Director Shaddow, it was

RESOLVED, To amend Policy 7502.14 – Carport Regulations on a preliminary basis until the 30-day posting period is completed.

The MOTION failed with two “yes” votes (Stefun, Simon) and four “no” votes (Shaddow, Moore, Faucett, and Jorgenson).

Following further discussion of Policy 7502.14 – Carport Regulations (attached), and upon a MOTION duly made by Director Shaddow and seconded by Vice President Jorgenson, it was

RESOLVED, To amend Policy 7502.14 – Carport Regulations on a preliminary basis until the 30-day posting period is completed.

The MOTION passed with four “yes” votes (Faucett, Jorgenson, Moore, and Shaddow) and two “no” votes (Stefun, Simon).

President Melody discussed adopting Policy 7490.pb.14 – Performance/Payment Bond (attached). Upon a MOTION duly made by Secretary Simon and seconded by Director Shaddow, it was

**SPECIAL MEETING  
MUTUAL FOURTEEN**

**May 18, 2017**

**NEW BUSINESS (continued)**

RESOLVED, To adopt Policy 7490.pb.14 –  
Performance/Payment Bond on a preliminary basis until  
the 30-day posting period is completed.

The MOTION passed unanimously.

**SHAREHOLDER COMMENTS**

Several shareholders made comments.

**DIRECTOR COMMENTS**

President Melody appointed Secretary Simon and Director Shaddow to  
serve on a Pest Control Committee.

**ADJOURNMENT**

President Melody adjourned the meeting at 1:49 p.m. and announced that  
there would be an Executive Session following the meeting to discuss  
member issues.

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Attest

Susan Simon, Secretary

SEAL BEACH MUTUAL FOURTEEN

cd:6/13/17

**MUTUAL OPERATIONS****AMENDED POLICY DRAFT****SHAREHOLDER REGULATIONS****Carport Regulations – Mutual Fourteen****A. Carport Use**

1. Carports are to be used for parking of self-propelled land vehicles in operating condition; e.g., car, truck, motorcycle, scooters, golf carts, and a power wheel chair may occupy your carport. Stored items may include 2 bicycles, 2 tricycles, 1 broom, 1 ladder, 1 step stool, 1 shopping cart or wagon, and 1 dolly or hand truck. Vehicles and stored items belonging to a shareholder must not infringe upon another shareholder's space.
  - a. Any vehicle without proof of current valid State registration may not be parked in Mutual Fourteen at any time.
  - b. Any vehicles without a Seal Beach Leisure World decal on windshield or ~~pass~~ displayed may not be parked on Mutual property.
  - c. All parking permits must be displayed on dashboard of vehicle identifying Mutual Fourteen building and unit number.
  - d. Vehicles in violation are subject to immediate tow away at owner's expense.
2. Current fire regulations prohibit the storage of fuel, oil or any combustible materials in the carport areas.
3. All vehicles when parked in the carports must be headed in and must not protrude outward beyond drip line.
4. Mechanical repairs on vehicles are not permitted to be performed in a carport, except for simple flat tire repair or jumping of a battery.
5. In accordance with Seal Beach Municipal Code 9.20.010, any vehicle leaking oil, antifreeze, or any other hazardous material is prohibited from parking in a Mutual carport or on a Mutual street or driveway.
6. In the absence of an authorized vehicle for parking, the carport floor space may NOT be used as a storage area, whether free-standing or in a container. Boats or trailers of any size or kind may not be parked in the carport.
7. If a carport is found to be in violation by the Director, a notice will be given to the shareholder to seek compliance. The material(s) stored in violation must be removed within ten days of a verbal and/or written notice to the shareholder. If the shareholder fails to cure the regulation violation(s) the board will have service maintenance remove and/or correct the items in violation and charge the expense to the shareholder. All

MUTUAL OPERATIONS**AMENDED POLICY DRAFT****SHAREHOLDER REGULATIONS****Carport Regulations – Mutual Fourteen**

items removed will be considered to have been abandoned and therefore will not be returnable at a later date.

**B. Carport Assignments**

1. Carport assignments are controlled by the Mutual Corporation and a record of assignments is kept in the Stock Transfer Office of the Golden Rain Foundation.
  - a. Any vehicle parked in a carport must bear a current vehicle decal issued by the Golden Rain Foundation Security Department, ~~except as stated in Section 2 a. and 2 b. 2.~~ **or guest pass or permit signed by a Mutual Fourteen Director and placed on the vehicle's dashboard lower left corner.**
2. Carport space may not be rented to or used by anyone who is not a shareholder of Mutual Fourteen and a member of the Golden Rain Foundation.
  - a. ~~The carport assignee may allow temporary, short-term parking of a vehicle used by a house guest. A temporary parking permit must be filled out and signed by a Director and placed on the vehicle's dashboard lower left corner (permits available at Stock Transfer).~~
  - b. A shareholder temporarily using the assigned carport of another shareholder for less than one month must obtain a temporary parking permit to be filled out and signed by a Director and placed on the vehicle's dashboard lower left corner (permits available at Stock Transfer).
    - 1) Rentals intended for longer than a month shall be registered with Golden Rain Foundation by the completion of a Rental Form filed with the GRF Stock Transfer Office, with copies to the Mutual Corporation and to Security.
    - 2) A shareholder temporarily using the assigned carport of another shareholder for less than one month need only notify a Director and have a note containing the date, shareholder's name and unit number on the dashboard or in a location visible from the outside.
    - 3) The rental is only temporary and is valid only so long as both participating parties agree.
    - 4) The rental is automatically terminated by the transfer of ownership of either party's unit.

**MUTUAL OPERATIONS****AMENDED POLICY DRAFT****SHAREHOLDER REGULATIONS****Carport Regulations – Mutual Fourteen**

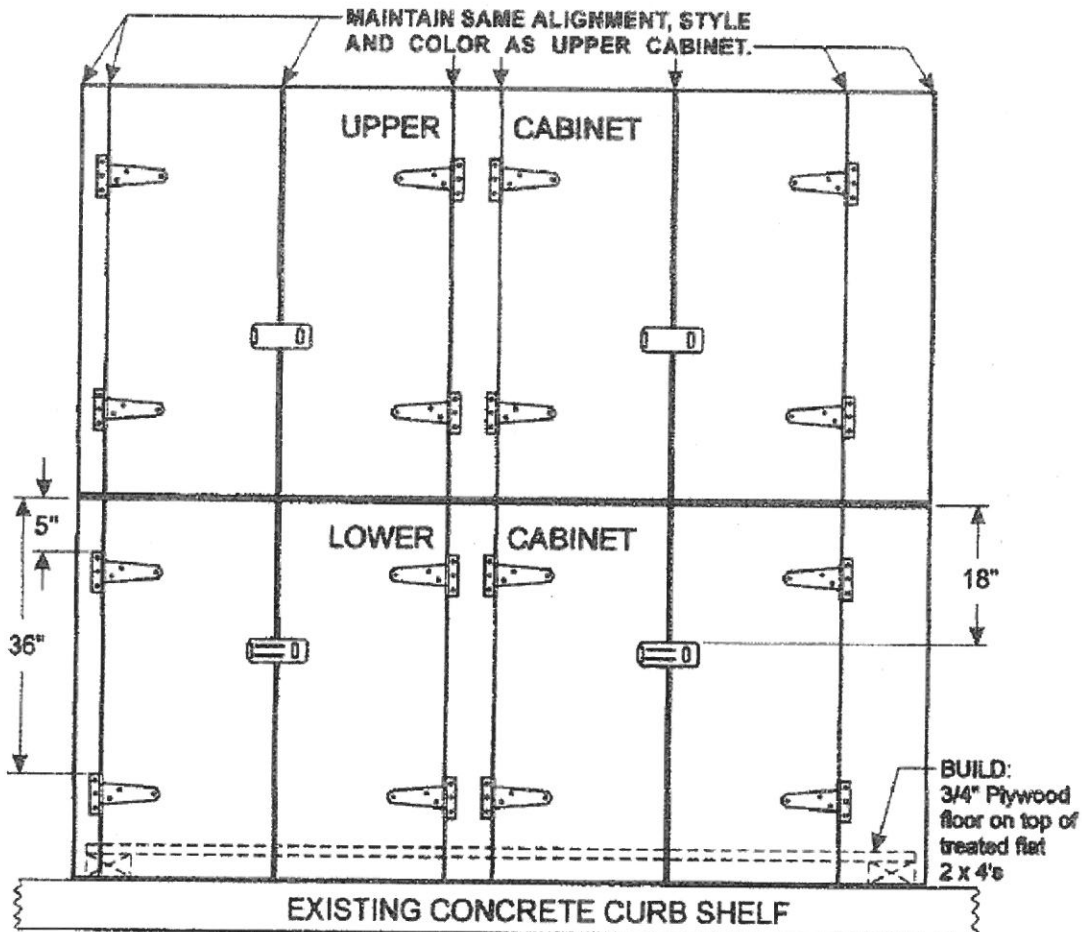
- 5) At all times, the Mutual Corporation retains the authority to revoke and cancel a carport rental agreement at its discretion.
3. Cars or self-propelled land vehicles parked in a carport in violation of the carport policy herein stated may be towed without further notice in accordance with Policy 7582, Towing, provided that two directors sign the directive for towing.
- C. Carport Maintenance
1. Shareholders may take reasonable steps to protect their vehicles from damage caused by birds or wild animals.
    - a. Wildlife-friendly methods of discouraging bird nesting and droppings, including hanging of CD or DVD discs, metal or wooden slants to block perches, wire, fishing line or store-bought deterrents are allowed.
  2. Carports shall be maintained by the Shareholder by removing unsightly oil, anti-freeze coolant, grease, and emission spots.
    - a. Shareholders shall remove all oil spots upon discovery. If shareholder fails to remove the spot(s), the shareholder shall be notified of the spill and be given ten business days to have the spot(s) cleaned up. If the shareholder does not remove the spot(s), the Mutual Corporation shall have them removed at the expense of the shareholder.
    - b. Shareholders may request or use any professional spot and oil removal group of their own or may request that Mutual Fourteen commission the removal and authorize charging the fees to their unit at any time, with or without notification to remove.
- D. Secondary Carport Storage Cabinets
1. Shareholders are permitted to have a secondary carport storage cabinet installed beneath the existing cabinet with the approval of the Board of Directors and a permit from the GRF Physical Property Department. A licensed contractor or handyman\* shall build the cabinet per the dimensions and specifications shown on page 5. Paint and hardware must match the existing cabinet. Shareholders are responsible for maintaining and repairing any damage to the carport cabinets.

\*Policy 7401, Contractor License, states that the Mutual will not permit an unlicensed individual to perform work in the Mutual that costs more than \$500.

**MUTUAL OPERATIONS****AMENDED POLICY DRAFT****SHAREHOLDER REGULATIONS****Carport Regulations – Mutual Fourteen**

2. Shareholders that install a secondary carport storage cabinet without the prior written approval of the Board of Directors and a permit from the GRF Physical Property Department will be subject to the Fine Schedule. If a shareholder installs or constructs a secondary carport storage cabinet that is not in compliance with the specifications shown on page 5, the Mutual Board of Directors may issue written notice of the violation and the shareholder shall have ten days to “cure” the violation (the “Cure Period”). If shareholder fails to cure the violation within the Cure Period, the Mutual Board of Directors may fine the shareholder pursuant to the Fine Schedule shown below.
3. Any vehicle parked in a carport with secondary cabinets installed must not extend beyond the carport drip line. Secondary cabinets are non-standard items and may need to be removed at the seller’s expense upon the sale or transfer of the unit.



**MUTUAL OPERATIONS****AMENDED POLICY DRAFT****SHAREHOLDER REGULATIONS****Carport Regulations – Mutual Fourteen****NOTES:**

1. Lower cabinet will vary from 46 1/2" TO 48" in height. Build accordingly.
2. Lower cabinet front must be flush with existing concrete curb shelf.
3. Block all areas between upper and lower cabinet to prevent rodent intrusion.
4. Install 4' long standard size wheel stop and secure with two 5/8" Zinc plated Hex head bolts and Zinc plated Fender washers, use appropriate concrete anchors. (Solid plastic stops are preferable) Adjust distance for specific vehicle.

**MATERIALS:**

1. HASP = Masterlock No. 704DPF - Big Paint Store - \$6.50 ea.
2. HINGES = Stanley, SKU-218272 Heavy Duty Gate Hinge - Hardware Source - \$2.49 ea.
3. Use quality 3/4" exterior plywood on front, doors and sides with the same or better finish as the top cabinets and calk where needed.
4. Prime and paint all visible surfaces, inside and out.

**MUTUAL ADOPTION**

FOURTEEN: 02-11-72

**AMENDMENTS**09-23-88, 11-10-99, 12-08-99, 08-23-11, 09-27-11,  
04-24-12, 11-27-12, 04-23-13, 08-16-16, 01-17-17

(Draft created 05-18-17 cd)

**MUTUAL OPERATIONS**

**ADOPT DRAFT POLICY**

**PHYSICAL PROPERTY**

**Performance/Payment Bond – Mutual Fourteen**

RESOLVED, Performance/Payment Bonds – permits for any construction work valued at more than \$10,000 to be performed in Mutual Fourteen shall require a Performance/Payment Bond that shall provide sufficient funds to Mutual Fourteen to complete work in the event it is not completed by the date stated in the permit for any reason, if:

1. The contractor has not been completing more than \$100,000 in contracts in Leisure World Seal Beach per year, for the last three years.

**MUTUAL ADOPTION**

FOURTEEN: