



**BOARD OF DIRECTORS MEETING MINUTES
GOLDEN RAIN FOUNDATION
April 24, 2018**

CALL TO ORDER

President Linda Stone called the regular monthly meeting of the Board of Directors (BOD) of the Golden Rain Foundation (GRF) to order at 6:00 p.m., on Tuesday, April 24, 2018, in Clubhouse Four.

PLEDGE OF ALLEGIANCE

Joy Reed, GRF Board Corporate Secretary, led the Pledge of Allegiance.

ROLL CALL

Following the roll call, Corporate Secretary reported that Directors Perrotti, R. Stone, Snowden, Pratt, L. Stone, Reed, Gould, Hopewell, Rapp, McGuigan, Doderio, Winkler, Damoci, Lukoff, Crossley, Fekjar, and Moore were present. Director Heinrichs was absent. The Executive Director and the Director of Finance were also present.

Seventeen Directors were present, with a quorum of nine.

PRESIDENTS COMMENTS

Tonight, I'm going to keep my comments short so that we may all go home in time for those favorite 9 and 10 pm shows.

Walls J & K (west end of LW behind Service Maintenance, Mutual 3, Clubhouse 2, and the RV Lot). The J & K wall project was approved in January 2015. Later this evening, you will hear from Mark Weaver, Facilities Director, of the latest and greatest concerning this project. Personally, I will be very happy to see the end of the perimeter wall project that began in **2001**. There were a few years without work due to lack of funds but, 17 years later, we will be fully enclosed. Thanks to all who were a part of this project.

Pool Project Timeline

April 25th (tomorrow) is the Town Hall at 10 am, CH 4.

May 2nd, The Recreation Committee will review and approve Questionnaire #1.

May 19th, Questionnaire #1 will be inserted into the LW Weekly for entire community feedback.

July 3rd, Review of Questionnaire #1 responses at the Recreation meeting.

July 18th, Responses published in the LW Weekly.

August 1st, Recreation Committee review of Questionnaire #2 (questions to be developed based upon community feedback).

August 29th, 2nd Pool Town Hall meeting.

September 5th, Recreation Committee meeting with discussion on next steps to be taken.

Mission Park

Area drains will be installed by April 27 with the forms put in place on May 1 and the concrete poured on May 3rd.

Mission Park should be open for business by July 1st.

Veterans Plaza

The trees are in, the stage backing will be installed tomorrow. All that is left is the lighting.

Veterans Plaza will be finished in time for Memorial Day.

Main Gate

The main gate landscaping is finished with all trees lighted. What a beautiful sight this is at night. We are now waiting for the plants to grow and bloom. It will be quite stunning. As soon as we approved the benches, etc. for in front of Security, we will schedule a ribbon cutting and the Main Gate project will be officially finished. This project was started under President Mario Michaelides, through President Ronde Winkler and President Carole Damoci. I am honored to be President at its completion.

And now to the business at hand.

ANNOUNCEMENTS

The GRF Board of Directors met for an Executive Session meeting on April 6, 2018 to discuss legal and contractual matters.

SERVICE ANNIVERSARIES

The service anniversary awards were deferred until the May 2018 meeting.

SEAL BEACH COUNCIL MEMBER'S REPORT

Seal Beach Council Member Sandra Massa Lavitt provided an update of the City of Seal Beach Council meeting.

SHAREHOLDER/MEMBER COMMENTS

In accordance with Policy 5610, Participation by Foundation Members, members may enter into a comment period prior to the beginning of business. **NOTE:** Foundation members are permitted to make comments before the business of the Board begins. Requests must be registered in advance of the meeting. The Open Meeting Act allows boards of directors to establish reasonable time limits for the open forum and for speakers to address the board. ([Civ. Code §4925\(b\)](#).) Time limits, per speaker, are limited to:

- 4 minute limit per speaker, when there are no more than 15 speakers
- 3 minute limit per speaker, 16 - 25 speakers
- 2 minute limit per speaker, over 26 speakers

Five shareholder/member offered comments.

CONSENT CALENDAR – APPROVAL OF BOARD COMMITTEE MEETING MINUTES

In accordance with Civil Code 4090, the Foundation will make available a summary of the meetings where a quorum of the Board was present. A quorum of the Board was present at the following Committee meetings:

- Minutes of the Special Security, Bus & Traffic Committee Board Meeting of March 5, 2018
- Minutes of the Recreation Committee Board Meeting of March 7, 2018
- Minutes of the Communications Committee Board Meeting of March 8, 2018
- Minutes of the Executive Committee Board Meeting of March 9, 2018
- Minutes of the Architectural Design & Review Committee Board Meeting of March 12, 2018
- Minutes of the Security, Bus & Traffic Committee Board Meeting of March 14, 2018
- Minutes of the Finance Committee Board Meeting of March 19, 2018

APPROVAL OF BOARD MEETING MINUTES

The minutes of the March 27, 2018 meeting were approved, as presented.

REPORTS

The Chair of the Los Alamitos Medical Center Advisory Council presented a report on the Council's activities.

The Chair of the Management Services Review Ad hoc Committee presented a report on the progress of the Ad hoc Committee.

The Chair of the Strategic Planning Ad hoc Committee presented a report on the progress of the Ad hoc Committee.

NEW BUSINESS

General

Reserve Funding Request – Administration Building: Elevator

The Administration Building elevator installed in 1988, has exceeded its useful life; it has required frequent and expensive repairs over the past 2 years, on several occasions, members unable to use the stairs could not attend meetings in the upstairs conference room or had to use the stairs to get to the second floor due to the failure of the elevator and on a few occasions, people have been trapped inside for a period of time.

It has been recommended by Thyssen Krupp, our current elevator service contractor, to conduct a major retrofit (replacement of controls, pump, pump reservoir, wiring) of Trust Asset 1800,

(Reserve cut sheet attached in the agenda packet).

Thyssen Krupp has provided an estimate of \$72,631, dated April 13, 2018 (proposal attached). A second estimate, from Amtech Elevator Service, in the amount of \$71,880, was communicated to the Board.

Due to contractual provisions "Work Not Included", staff recommends contingency funding in the amount of \$20,000 (code updates, electrical, hazardous waste disposal services, permits, taxes, fire systems, etc.). Note: Elevator may be completely out of service 4-6 weeks.

Due to the importance of the elevator, staff recommends the replacement be treated as an emergency and fast tracked to the April 24, 2018, Board meeting for approval.

At its regularly scheduled meeting on April 16, 2018, the Finance Committee determined sufficient Reserves funds are available.

Ms. Rapp MOVED, seconded by Mr. Dodero –

TO approve the acceleration of Reserve funding, for the replacement of Asset ID 1800, Elevator, Administration Building, in the amount of \$92,631 (\$72,631 and a \$20,000 contingency) and authorize the President to sign the contract. The Board further authorizes the Chair of the Physical Properties Committee to review and approve the use of contingency funds.

Seven Board members and the Executive Director spoke on the motion.

The motion was carried with one no vote (R. Stone).

Capital Funding Request – Mission Park: Concrete

The approved conceptual plans for Mission Park (Exhibit A in the agenda packet), provided funding for new (*emphasis added*) concrete as follows: flat work concrete and grading – walkways: \$3,500, concrete: \$8,000, gathering area: \$7,350 for a total of \$18,850.

Once the Multipurpose courts were installed, a site survey noted the need to remove all concrete from around Clubhouse Two to establish proper drainage away from the building.

MJ Jurado provided Estimate 17-0369 (attached in the agenda packet for the installation of the concrete as noted in the original plans and includes removal and replacement of all concrete, required grading and drainage).

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The approved budget for Mission Park included a \$30,000 contingency for such needs. As the project is still in the early stages and additional electrical has been identified to replace the wiring and conduit to the existing lights, an additional \$33,201 of Capital funds are requested, allowing the contingency funds to remain, pending any other unforeseen need. Jurado's proposal is for \$52,051, the original estimate was for \$18,850, resulting in the request for additional funding.

Mrs. Perrotti MOVED, seconded by Ms. Hopewell –

TO approve additional Capital Funding, in the amount of \$33,201, for the project 841-17, identified as Mission Park and further approve the MJ Jurado proposal 17-0369, in the amount of \$52,051, and authorize the President to sign the contract.

Twelve Board members and the Executive Director spoke on the motion.

The motion was carried unanimously by the Board members present.

Architectural Review and Design Committee

Main Gate: Bench, Refuse Receptacle Replacement

Recommendations have been made to replace the benches, trash and ash cans around the Main Gate Building. The Architectural Design and Review Committee, at its April 9, 2018 meeting, unanimously agreed to replace the following with the approved ADRC selections (attached in the agenda packet): five benches, three trash containers, and two ash cans.

Ms. Fekjar MOVED, seconded by Mr. Doderio and carried unanimously by the Board members present –

TO authorize the Executive Director purchase five benches, three trash containers, and two ash cans for the replacement of the same around the Main Gate Building, at a cost not to exceed \$7,110.91 (includes tax not in attached quote), funding from contingencies of the Main Gate Entrance Project.

Communication Committee

Rescind Policy 2850-36, Display Advertising Commission

At its regularly scheduled meeting on April 12, 2018, the Communication Committee moved to rescind Policy 2850-36, Display Advertising Commission, as it is procedure rather than a policy.

Mr. Dodero MOVED, seconded by Mr. Gould and carried unanimously by the Board members present-

TO rescind Policy 2850-36, Display Advertising Commission.

Finance Committee

Accept March 2018 Finance Statements

At the regularly scheduled meeting of the Finance Committee on April 16, 2018, the Committee duly moved to recommend to the Golden Rain Foundation Board of Directors acceptance of the March 2018 financial statements for audit.

Ms. Snowden MOVED, seconded by Ms. Hopewell and carried unanimously by the Board members present-

TO accept the March 2018 Financial Statements for audit.

Approve CDAR Purchase

At the regular scheduled meeting of the Finance Committee on April 16, 2018, the members discussed the liquid funds held in various financial institutions and noted the balances in some of the financial institutions exceed the FDIC insurance limits and therefore are not in compliance with Policy 5520-31 – Reserves. When reviewing liquid funds, the Committee took into consideration the additional liquidity gained from investment maturities in October as well.

Based on the amount of liquid reserve funds versus total reserve commitments, the committee passed a motion to recommend to the board to invest \$800,000 from the First Foundation Bank Money Market Reserve account and from proceeds of a maturing CDAR (Reserve funds) in a 52-week CDAR at an annual rate of .70% which will be fully insured by the FDIC. Remaining liquid reserve funds will be sufficient to fulfill current and future commitments.

Ms. Winkler MOVED, seconded by Ms. Hopewell -

TO continue the investment ladder by investing \$500,000 from the

First Foundation Bank Money Market Reserve account and from

proceeds of a maturing CDAR (Reserve funds) in a 52-week CDAR

@ .70%, which will be fully insured by the FDIC.

Six Board members, the Executive Director, and the Director of Finance spoke on the motion.

The motion was carried with two no votes (Crossley, Gould).

Approve CARE Lease

The Golden Rain Foundation (GRF) is the owner (In Trust) of the premises which consists of real property located at 1661 Golden Rain Road, Building E, Seal Beach, California, 90740, commonly identified as Clubhouse 6 (CH6). The primary use of the property, identified as CH6, is a general use amenity for the members of GRF and further contains a 709 square foot apartment (CH6 Apartment) on the first floor which has been generally used for accommodation of ambulance service support staff for community rapid response (Exhibit A in the agenda packet).

Under Article VII, Section A, of the Trust, which states:

"...TRUSTEE shall have, in addition to all powers, rights and privileged provided by law for trustees, and all powers necessary to carry out the duties herein imposed on TRUSTEE, the further powers to grant, bargain, sell for cash or credit, convey exchange, lease for terms, either within or beyond the end of the trust, for any purpose...the Trust Estate or any part thereof in such a manner and such terms and conditions as the TRUSTEE deems advisable. In all such cases TRUSTEE shall have the sole discretion respecting such transactions..."

Per Article VII, Section A, of the Trust, the GRF Board has the sole authority over the use Trust Property. Further, the GRF Board must act in a manner which represents the mutual benefit of all members of GRF. As such, the Board, in its authority, has deemed the best mutual use of the area identified as the CH6 Apartment.

At the regularly scheduled meeting of the Finance Committee on April 16, 2018, the Committee duly moved and approved to recommend to the Board, a lease agreement (attached in agenda packet) between GRF and CARE for the exclusive use of Trust Property identified as the CH6 Apartment, for the following general terms: Term - 2 years, May 1, 2018 to April 31, 2020, Monthly lease - \$3,000 (\$36,000 annually).

Mr. McGuigan MOVED, seconded by Ms. Fekjar -

TO approve a lease (May 1, 2018 to April 31, 2020) between the Golden Rain Foundation and CARE, a California Corporation, for the **limited** use of Trust Property identified as the CH6 Apartment, per terms and conditions of the attached agreement, in the amount of \$3,000 per month, and authorize the President to sign the lease conditioned upon CARE's submission of all documents required under the agreement.

Five Board members and the Executive Director spoke on the motion.

The motion was carried unanimously by the Board members present.

Approve RV Club Lease

The Golden Rain Foundation (GRF) is the owner (In Trust) of the premises which consists generally of a 5 acre parcel of real property located at 13599 El Dorado Drive, Seal Beach, California, 90740; Tract No. 4401, MM/154/9-17 as recorded with the County of Orange, State of California (RV LOT).

The primary use of the property identified as RV LOT has been for the storage of vehicles used for recreation, under Article VII, Section A, of the Trust, which states:

“...TRUSTEE shall have, in addition to all powers, rights and privileged provided by law for trustees, and all powers necessary to carry out the duties herein imposed on TRUSTEE, the further powers to grant, bargain, sell for cash or credit, convey exchange, lease for terms, either within or beyond the end of the trust, for any purpose...the Trust Estate or any part thereof in such a manner and such terms and conditions as the TRUSTEE deems advisable. In all such cases TRUSTEE shall have the sole discretion respecting such transactions...”

Per Article VII, Section A of the Trust, the GRF Board has the sole authority over the use Trust Property. Further, the GRF Board must act in a manner which represents the mutual benefit of all members of GRF. As such, the Board, in its authority, has deemed the best mutual use of the area identified as the RV LOT.

The lease agreement for the exclusive use of Trust Property between GRF and the RV Club will be expiring on May 31, 2018 (copy of existing lease attached in agenda packet).

Mrs. Damoci MOVED, seconded by Mr. McGuigan -

TO not renew the lease to the RV Club and to have the Club remove
all club-owned property from the lot by May 31, 2018.

Director R. Stone recused himself from speaking or voting on the motion.

Five Board members spoke on the motion.

The motion to not renew the lease failed with seven no votes (Crossley, Dodero, Moore, Pratt, Rapp, Reed, Winkler), one abstention (Gould), and one recusal (R. Stone).

Ms. Rapp MOVED, seconded by Mr. Lukoff-

TO refer the RV Club lease to the Finance Committee for review and
to grant the RV Club a sixty (60) day extension of the current lease.

Two Board members spoke on the motion.

The motion was carried with one recusal (R Stone).

Mutual Administration

Rescind Policy 7730, Member's Personal Records

At its regularly scheduled meeting on April 10, 2018, the Mutual Administration Committee moved to rescind Policy 7730, Member's Personal Records, as it is covered by California statute.

Mr. Crossley MOVED, seconded by Ms. Rapp and carried unanimously by the Board members present-

TO rescind Policy 7730 – Member's Personal Records.

Adopt Policy 1001-30, Glossary of Terms

At its meeting on April 10, 2018, the Mutual Administration Committee recommended the Golden Rain Foundation (GRF) Board of Directors (BOD) adopt Policy 1001-30, Glossary of Terms in order to maintain consistency in documents.

Ms. Hopewell MOVED, seconded by Ms. Rapp and carried unanimously by the Board members present-

TO adopt Policy 1001-30, Glossary of Terms.

Physical Property Committee

Reserve Funding Request – Amphitheater/News Building: Exterior Paint

It has been requested to obtain quotes for the painting of the exterior of the complete Amphitheater area and Administration Building. The Physical Properties Department received quotes from two contractors, as called out in the Vista Paint Specifications, dated 2/21/2018, as follows: CertaPro Painters - \$38,500 and Hutton Painting - \$28,800.

At the April 2, 2018 Physical Property Committee meeting, the Committee reviewed the bidding contractors and cost and unanimously moved to request the GRF Board award a contract to Hutton Painting to paint the exterior of the Amphitheater area and Administration Building, at a cost of \$28,800 and include \$1,000 for contingencies, for a total cost not to exceed \$29,800, and send the request to the Finance Committee for funding review. The applicable section of the reserve study (attached in the agenda packet - totaling \$24,250, reserved for painting these areas in 2018).

At its regular meeting on April 16, 2018, the Finance Committee reviewed available funding for this Reserve project and unanimously resolved funding is available.

Mr. Pratt MOVED, seconded by Mr. Gould -

TO award a contract to Hutton Painting for \$28,800 to paint the complete Amphitheater area and Administration Building, using the color scheme approved by the ADRC, adding \$1,000 in contingencies, for a total cost not to exceed \$29,800, Reserve Funding and authorize the President to sign the contract.

One Board member and the Executive Director spoke on the motion.

The motion was carried unanimously by the Board members present.

Reserve Funding Request – Clubhouse Four: Interior Paint (Ceramic, Art, Lapidary and Storage Rooms)

At the regularly scheduled meeting of the Physical Property Committee on April 2, 2018, the Committee moved and approved to recommend to the Board the award of a contract to Hutton Painting, to paint the interior of the Ceramic, Art, Lapidary and storage rooms within Clubhouse Four, at a cost of \$4,600 and include \$1,000 for contingencies, for a total cost not to exceed \$5,600, pending Finance Committee review of this non-scheduled reserve replacement project. Proposals were received from Kress Construction (\$10,800) and Hutton Painting (\$4,600).

At the April 16, 2018 meeting of the Finance Committee, the Committee determined sufficient Reserves funds are available.

Mr. Stone MOVED, seconded by Mr. Doderio -

TO approve accelerated Reserve funding in the amount of \$5,600 (\$4,600, Hutton Painting and \$1,000, contingency funding), and authorize the President to sign the contract with Hutton Painting to paint the interior of the Ceramic, Art, Lapidary and storage rooms within Clubhouse Four.

One Board Member and the Executive Director spoke on the motion.

The motion was carried unanimously by the Board members present.

The President called for a ten minute break at 7:39 p.m.

Reserve Funding Request – Clubhouse Four: LED Lights (Ceramic, Art & Lapidary Rooms)

At the regularly scheduled meeting of the Physical Property Committee on April 2, 2018, the Committee moved and approved to recommend to the Board the replacement of the incandescent lighting with energy efficient LED lighting within Clubhouse Four, Ceramic, Art, and Lapidary rooms, for a cost not to exceed \$16,340 (\$9,340 for materials and \$7,000 for GRF labor – approx. 166 Hours), pending Finance Committee review for this non-scheduled reserve replacement project.

At the April 16, 2018 meeting of the Finance Committee, the Committee determined sufficient Reserves funds (light replacement) and non-budgeted operational funds (GRF labor) are available.

Mr. Lukoff MOVED, seconded by Mr. Dodero and carried unanimously by the Board members present-

TO approve accelerated Reserve funding, in the amount of \$9,340, and Non-Budgeted Operational expenses of \$7,000, from Cost Center 74, for the replacement of lighting within Clubhouse Four at the Ceramic, Art, and Lapidary rooms with energy efficient LED lighting and authorize the Executive Director to initiate the required purchase and the installation of the lighting.

Clubhouse One: Interior Paint (approved Clubhouse Revitalization Funding)

It has been requested to obtain quotes for the painting of the interior of Clubhouse One. The Physical Properties Department received quotes from two contractors for this task, as follows: CertaPro Painters - \$20,500 and Hutton Painting - \$24,000.

At its April 2, 2018 meeting, the Physical Property Committee reviewed the quotes and discussed the qualifications of the bidding contractors. Based on the information provided, the Committee moved to recommend the GRF Board award a contract to CertaPro Painters, at a cost of \$20,500 including \$ 1,000 for contingencies, for a total cost not to exceed \$21,500, funding from the Clubhouse Revitalization Project.

Ms. Rapp MOVED, seconded by Mr. Gould -

TO award a contract to CertaPro Painters for \$20,500, to paint the interior of Clubhouse One, using the color scheme approved by the ADRC, adding \$1,000 in contingencies, for a total cost not to exceed

\$21,500, funding from the Clubhouse Revitalization Project, and authorize the President to sign any applicable contracts.

Five Board members and the Facilities Director spoke on the motion.

Ms. Rapp MOVED, seconded by Mrs. Damoci -

TO amend motion to include “contingent on verification by the Facilities Director of scope of work” and to increase the contingency fund to \$2,500.

Five Board members and the Facilities Director spoke on the motion.

The amendment was carried unanimously by the Board members present.

The amended main motion was carried unanimously by the Board members present.

Rescind Policy 5512-70, Bidding Procedure

At its regularly scheduled meeting on April 2, 2018, the Physical Property Committee moved to rescind Policy 5512-70, Bidding Procedure, as it is a procedure rather than a policy.

Mr. Pratt MOVED, seconded by Ms. Snowden -

TO rescind Policy 5512-70, Bidding Procedure.

Two Board members and the Executive Director spoke on the motion.

The motion was carried unanimously by the Board members present.

Recreation Committee

Operating Funding Request – Golf Course Tree Pruning

The Recreation Department went out to bid for golf course tree trimming for review and selection of the Contractor for contract. Quotes solicited were included in the agenda packet.

At its meeting on April 4, 2018, the Recreation Committee approved to contract with Anguiano Lawn Care (John's), for three years, in the amount \$21,840.00, for the golf course tree trimming

Mr. McGuigan MOVED, seconded by Mr. Moore and carried unanimously by the Board members present-

TO approve Anguiano Lawn Care (Johns), for a three year contract, in the amount of \$21,840.00, Operating funds, for the golf course tree trimming.

Mission Park Revision

The approved conceptual plans for Mission Park (Exhibit A in the agenda packet), called for the installation of a basketball post, backboard and hoop, between the rear two courts. The Committee concurred to consider alternate locations that would not impede the use of the Pickleball Courts. An alternate location was identified that would not interfere with the use of the courts and would provide additional general use area (Exhibit B in the agenda packet).

Cost estimates for Mission Park, as approved, included \$6,200, for a cantilever post and court markings. The cost of the proposed alternate is estimated at the same amount: 20' x 20" concrete slab, with tooled basketball key - \$3,500 (Price provide by M J Jurado), Standard park style basketball post, backboard and hoop - \$1,500, Fill in wall - \$500 and contingency - \$700. The proposed revisions also include: Relocation of the entrance from the parking lot (\$500), "Squaring" of the walkways and patio pads to increase usable areas (\$1,500 to 2,000), and Relocation of the Mission Bell from the library and installation, as approved by ADRC (\$500-1000). Costs are within the approved contingency funding.

Mrs. Perrotti MOVED, seconded by Mr. Gould –

TO approve revisions to Mission Park, as shown on Exhibit B (in the agenda packet.)

Six Board members and the Executive Director spoke on the motion.

The motion was carried unanimously by the Board members present.

Amend Policies

Mrs. Damoci MOVED, Mr. Gould seconded -

TO combine agenda items 10 g.iii – viii. into one motion.

Two Board Directors spoke on the motion.

The motion was carried unanimously by the Board members present.

Mrs. Damoci MOVED, seconded by Ms. Rapp and carried unanimously by the Board members present-

TO approve the amendment of Policies 1202-50, Club Membership, 1401-50, Outside Buses, 1403-50, Commercial Use, 1405-50,

Literature – Community Facilities, 1471-50, Display of Trophies and
1511-50, Dissemination of Information – Clubs, as presented, in a
consent agenda format.

CONTROLLER'S REPORT

The Finance Director provided a financial report earlier in the meeting.

EXECUTIVE DIRECTOR'S REPORT

The Executive Director provided a written report for the Board.

BOARD MEMBER COMMENTS

Seventeen Board members spoke on the proceedings of today's meeting.

ADJOURNMENT

The meeting was adjourned was at 8:40 p.m.



Joy Reed, Corporate Secretary
GRF Board of Directors
dfb