



**BOARD OF DIRECTORS SPECIAL MEETING MINUTES
GOLDEN RAIN FOUNDATION
June 30, 2020**

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 1:00 p.m., on Tuesday, June 30, 2020, in Clubhouse Four.

PLEDGE OF ALLEGIANCE

Margery Dodero, Mutual Nine Director and former GRF Board Director, led the pledge.

ROLL CALL

Following the roll call, the Corporate Secretary reported that Directors Snowden, Stone, Gerber, Hopewell, Rapp, Friedman, and Massetti were present. Directors Perrotti, St. Aubin, Pratt, Gerber, Thompson, Fekjar, Dodero, Heinrichs, Findlay, Lukoff, Isom participated virtually by Zoom.com. Director Winkler was absent. The Executive Director was also present.

Seventeen Directors were present, with a quorum of the voting majority.

PRESIDENTS COMMENTS

President Stone did not provide comments.

ANNOUNCEMENTS

The President advised that the GRF Board will meet in Executive Session on July 2, 2020.

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

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- 3 minute limit per speaker, 16 - 25 speakers
- 2 minute limit per speaker, over 26 speakers

One member offered comments at the meeting and one member submitted a comment by email.

General

Reserve and Capital Funding Requests – Replacement and Purchase of Fitness Center Equipment

At its June 9, 2020 meeting the Golden Rain Board of Directors approved Fitness Center Expansion, Phase 1 (Physical Changes and Interior Finishes). Phase 2 of the project is now being brought forth to the Board for the replacement and addition of the Fitness Centers equipment under the direction of a professional fitness consultant with equipment under full manufacturer's warranty and maintenance and inspection programs. The replacement of the equipment has been recognized by our insurance broker as:

"...As you are aware, Phly values Leisure World Seal Beach and its Boards proven and trusted professionalism in making improvements that continue to make Leisure World Seal Beach a safer place.

The proposed fitness center under the direction of a professional consultant and proposed replacement of the fitness equipment is another example of the many proactive measures the community continues to take in seeing Leisure World Seal Beach continues to be the most safe community in the nation.

As we have discussed, we are in a very challenging/hard insurance market with all policies under significant scrutiny!

This is a very important change and another example of the type improvements which have enabled Phly to continue to provide the absolute best policy renewal terms , conditions and lowest premiums possible..."

Three companies were solicited to provide quotes on the equipment list that was approved by the Fitness Equipment Review Committee members, bids were as follows (see Exhibits). The new equipment will provide the Fitness Center with updated and technologically advanced equipment fitting the unique and varied needs of the community membership. Out- Fit - 323,740.54, Precor Commercial Fitness - \$327,105.43, and Commercial Fitness Equipment - \$341,209.65.

All quotes include tax, shipping, and setup fees. Also included will be an equipment warranty and a service agreement.

Reserve Funding (replacement of existing equipment) of \$286,698.95 and Capital funding (additional equipment) of \$37,042, is requested (see Exhibits).

Mrs. Perrotti MOVED, seconded by Ms. Rapp -

TO approve the acceleration of Reserve funding, in the amount of \$286,699, and authorized Capital Funding, in the amount of \$37,042, for a total funding authorization of \$323,741 and authorize the Executive Director to initiate the purchase of fitness equipment, from Out-Fit fitness company, in the amount of \$323,740.54.

Seven Directors, the Executive Director and the Director of Finance spoke on the motion.

The motion was carried unanimously by the Directors present.

Approve Sale of Existing Fitness Center Equipment

Contingent upon Board action to purchase new fitness equipment, existing equipment must be disposed of per Governing document 40-3323-3, Disposition of Surplus Equipment, (attached). The first sentence of the document states:

“...All surplus property and equipment which has come to an end of its useful life to the community is to be disposed of in such manner as to yield a maximum financial return...”

In reviewing various options under the terms of the document, to secure the “maximum financial return” and based upon the varied types of equipment, all equipment would have to be sold “as is” with a clear release of all warranty and liability at time of sale:

The Golden Rain Foundation, Seal Beach (“Seller”), for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby bargain, sell, quitclaim, transfer, deliver, and convey, all without representation or warranty, to name (“Buyer”), all of Seller’s right, title, and interest in and to the following used personal property (the “Property”) located as of the date hereof “AS-IS”, “WHERE IS” and “WITH ALL FAULTS”:

List property being conveyed:

Buyer and Seller acknowledge as follows:

THE PROPERTY TRANSFERRED HEREIN IS IN USED CONDITION AND IS TRANSFERRED “AS IS” AND “WHERE IS”. SELLER MAKES NO EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS OF ANY KIND WHATSOEVER IN REGARD TO THE EQUIPMENT. SELLER HEREBY DISCLAIMS ANY AND ALL REPRESENTATIONS AND WARRANTIES IN REGARD TO THE PROPERTY, INCLUDING, WITHOUT LIMITATION, THOSE OF MERCHANTABILITY, FITNESS FOR USE OR FITNESS FOR ANY PARTICULAR USE, OR OF QUALITY, DESIGN, CONDITION, CAPACITY, SUITABILITY OF PERFORMANCE.

Buyer represents and warrants that it has fully examined and inspected the Property, and has not relied and is not relying upon Seller to assist it in any way in such examination or inspection, or in the operation, maintenance, service or repair of the

Property, nor shall Seller provide any assistance with delivery and set up of the Property.

As strong limitations are imposed to mitigate possible risk and liability, an option is available to consign the equipment to K Allan Consulting, who has the industry knowledge and contacts to potentially sell the equipment for a possible maximum financial return.

Ms. Rapp MOVED, seconded by Ms. Hopewell-

TO approve a variance to Governing Document 40-3323-3, Disposition of Surplus Equipment, to dispose of surplus GRF property as Identified as the existing Fitness Equipment to K Allen Consulting, to seek the maximum financial return on the disposition of the property. K Allen Consulting shall provide a detailed inventory of all property consigned and shall provide to GRF a return of 30 % of the sale to GRF as a condition of the consignment of the property for sale.

Five Directors and the Executive Director spoke on the motion.

The motion was carried unanimously by the Directors present.

Approve Sale of Existing Fitness Center Equipment

Guidelines were recommended for the reopening of the following outdoor facilities, under the required Covid-19 guidelines at the Mission Park area, at the June 23, 2020 GRF Board of Directors meeting, which included Pickleball/ Multipurpose Courts, is scheduled to reopen in two stages: Stage 1 - Pickleball and Stage 2 – Bocce ball.

The Board moved to remove the item from the agenda. Attached in the agenda packet were recommended revisions to the guidelines by Board members Findlay, Hopewell, Perrotti, Rapp, and Thompson.

Mr. Friedman MOVED, seconded by Ms. Rapp-

TO open Mission Park, Stage 1, under the required guidelines and protocols, as presented, for active outdoor activities (Pickleball, opening at a date to be determined). GRF reserves the exclusive right to close Mission Park without notice for non-compliance to posted guidelines.

Mr. Friedman MOVED, seconded by Mrs. Perrotti –

TO amend the motion, replacing “June 29” with “opening at a date to be determined”.

Two Directors and the Executive Director spoke on the motion.

The motion was carried with three no votes (Pratt, Gerber, Isom).

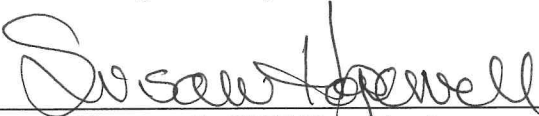
The amended original motion failed unanimously.

BOARD MEMBER COMMENTS

Twelve Board members spoke on the meeting proceedings.

ADJOURNMENT

The meeting was adjourned was at 2:28 p.m.

A handwritten signature in cursive script, reading "Susan Hopewell", written over a horizontal line.

Susan Hopewell, GRF President
Golden Rain Foundation
dfb 06.30.20