



**BOARD OF DIRECTORS MEETING MINUTES
GOLDEN RAIN FOUNDATION
November 24, 2020**

CALL TO ORDER

President Susan Hopewell called the regular monthly meeting of the Board of Directors (BOD) of the Golden Rain Foundation (GRF) to order at 10:00 a.m., on Tuesday, November 24, 2020, in Clubhouse Four and via live stream.

PLEDGE OF ALLEGIANCE

Jackie Dunagan, President of the Presidents' Council and of Mutual Fifteen, led the Pledge of Allegiance.

ROLL CALL

Following the roll call, the Corporate Secretary reported that Directors Perrotti, Snowden, Stone, Hopewell, Rapp, Heinrichs, Damoci, Melody, and Friedman were present.

Directors Pratt, Gerber, Thompson, Slutsky, Doderer, Levine, Isom, and Massetti participated virtually, by Zoom.com. The Executive Director and the Director of Finance were also present.

Seventeen Directors participated, with a quorum of the voting majority.

ANNOUNCEMENTS

The GRF Board met in an Executive Session meeting on October 2, 2020.

SERVICE ANNIVERSARIES AND EMPLOYEES OF THE MONTH

To minimize the number of required attendees at today's meeting, we are postponing the service awards and staff commendations.

SEAL BEACH COUNCIL MEMBER'S REPORT

Seal Beach Council member Sandra Massa-Lavitt was unable to provide an update on the proceedings of the Seal Beach City Council meeting.

HEALTH CARE CENTER ADVISORY BOARD UPDATE

The Health Care Center Administrator presented an update on the Health Care Center.

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

No members offered comments at the meeting and no members offered written comments, submitted prior to the meeting.

CONSENT AGENDA

The consent agenda included Committee/Board meeting minutes for the month of October 2020, the minutes of the October 27, 2020 Board meeting, the October GRF Board Report, dated November 24, 2020, acceptance of the Financial Statements, October 2020, for Audit and Reserve Funds Investment Purchase.

The Consent Agenda was adopted, as presented.

REPORTS

The reports of the Chairs of the AB 3182 Ad hoc Committee, the Bulk Cable Services Ad hoc Committee, the COVID-19 Ad hoc Committee, the Chair of the Strategic Planning Ad hoc Committee, and the Website Redesign Ad hoc Committee were presented.

NEW BUSINESS

General

Emergency Action – Public Safety/Purple Tier

Mrs. Perrotti MOVED seconded by Ms. Gerber -

TO close all outdoor activities under public health and safety concerns, effective November 25, 2020, including Veterans' Plaza, the Golf Course, Mission Park, and the Amphitheater, for a period of

three weeks.

Six Directors and the Executive Director spoke on the motion.

The motion was carried with three no votes (Friedman, Melody, Thompson).

28-Day Notifications to the Membership

FINAL VOTE: Amend 70-1412.2-1, Smoking Prohibition

At its meeting on October 5, 2020, the Recreation Committee recommended the GRF Board amend 70-1412.02-1, Smoking Prohibition.

At its meeting of October 27, 2020, the Board of Directors voted to tentatively amend this document, pending a 28-day notice period to Foundation members. The document draft was published in the October 29 edition on the *LW Weekly*. Members were welcomed to submit their comments or questions to the Board Office on this matter. This process is recommended in accordance with the Davis-Stirling Act, Civil Code §4360.

No correspondence was received, regarding amendment of 70-1412.02-1, Smoking Prohibition, during the 28-day notification to the membership period.

Mr. Melody MOVED, seconded by Ms. Rapp –

TO amend 70-1412.02-1, Smoking Prohibition, expanding the smoking prohibition to all GRF amenities and including “vaping” to products prohibited at all GRF amenities, as presented.

Three Directors spoke on the motion.

The motion was carried unanimously.

FINAL VOTE: Amend 70-1447-1 Use of Community Facilities, Mini Farm - Rules

At its meeting on October 05, 2020, the Recreation Committee recommended the GRF Board amend 70-1447-1, Use of Community Facilities, Mini Farm – Rules.

At its meeting of October 27, 2020, the Board of Directors voted to tentatively amend this document, pending a 28-day notice period to Foundation members. The document draft was published in the October 29 edition on the *LW Weekly*. Members were welcomed to submit their comments or questions to the Board Office on this matter. This process is recommended in accordance with the Davis-Stirling Act, Civil Code §4360.

Twelve items of correspondence were received, regarding amendment of 70-1447-1, Use of Community Facilities, Mini Farm – Rules, during the 28-day notification to the membership period.

Ms. Levine MOVED, seconded by Ms. Rapp –

TO amend 70-1447-1, Use of Community Facilities, Mini Farm – Rules, establishing that Mini Farm plots holders must be GRF Members in good standing, adding a prohibition against alcoholic beverages, animals (excepting Qualified Service Animals), firearms, and radios, and establishing rules for the length of leases and plot abandonment. Further, amended are lessee responsibilities of the plots, lessee guests, establishing plot maintenance expectations, and establishing conditions for vacating a plot. Additionally, establishing lease non-compliance actions, and informing plot holders that the Recreation Department has the right to review and adjust operating rules and to enter any plot at any time is included, as presented.

Fourteen Directors, the Executive Director and the Library Operations Supervisor spoke on the motion.

The motion was carried with six recusals (Heinrichs, Hopewell, Isom, Perrotti, Rapp, Snowden).

AB 3182 Ad hoc Committee

TENTATIVE VOTE: Adopt 40-3182-2, Member/Owner (M/O) and Renter/Lessee (R/L) Fines, Fees and Deposits

On September 28, 2020, Governor Newsom signed [AB 3182](#) into law, which goes into effect January 1, 2021. The new law requires revision of all governing documents to include but be limited to:

- Voids rental caps more restrictive than 25%;
- Allows 30-day lease restrictions but appears to void anything greater than 30 days (law firms are split on this point);
- Mandates all associations amend their governing documents;
- Voids restrictions on January 1 but allows associations until December 31, 2021 to amend their governing documents; and
- Imposes a penalty of \$1,000 on associations that do not comply.

Golden Rain Foundation Board Meeting Minutes, November 24, 2020

GRF, acting under management agreements with the Mutuals, must supply support services as directed and on behalf of the Mutual Boards policies to be complaint with provisions of AB3182. GRF membership is a requirement to dwell within the community including reasonable use policies and fees. 40-3182-2 is required for GRF to be compliant with AB 3182.

Mrs. Damoci MOVED, seconded by Mrs. Perrotti-

TO adopt 40-3182-2, Member/Owner (MO) and Renter/Lessee (R/L) Fines, Fees and Deposits, pending a 28-day notification to the members, and a final decision by the GRF Board of Directors on December 23, 2020.

Three Directors and the Executive Director spoke on the motion.

The motion was carried unanimously.

TENTATIVE VOTE: Adopt 50-3182-1, Member/Owner (M/O) and Renter/Lessee (R/L) – Rules

On September 28, 2020, Governor Newsom signed [AB 3182](#) into law, which goes into effect January 1, 2021. The new law requires revision of all governing documents to include but be limited to:

- Voids rental caps more restrictive than 25%;
- Allows 30-day lease restrictions but appears to void anything greater than 30 days (law firms are split on this point);
- Mandates all associations amend their governing documents;
- Voids restrictions on January 1 but allows associations until December 31, 2021 to amend their governing documents; and
- Imposes a penalty of \$1,000 on associations that do not comply.

GRF, acting under management agreements with the Mutuals, must supply support services as directed and on behalf of the Mutual Boards policies to be complaint with provisions of AB3182. GRF membership is a requirement to dwell within the community including reasonable use policies and fees. 50-3182-1 is required for GRF to be compliant with AB 3182.

Ms. Gerber MOVED, seconded by Mr. Melody-

TO adopt 50-3182-1, Member/Owner (MO) and Renter/Lessee (R/L) – Rules, pending a 28-day notification to the members, and a final decision by the GRF Board of Directors on December 23, 2020.

Three Directors spoke on the motion.

The motion was carried unanimously.

Architectural Design & Review Committee

Operations Funding Request – Landscape Contract – Community Facilities Maintenance

The landscape contract for Community Facilities Maintenance expires on December 31, 2020. The Physical Property Department sent out an RFP to four contractors and received the following bids:

Bid Summary							
Landscape Maintenance - Community Facilities 2021-2022-2023							
Project # 960-20							
Bidder	Year 1 - monthly	Year 1	Year 2 - montly	Year 2	Year 3 - monthly	Year 3	3 Year Total
Anguiano Lawn Care	\$ 14,320.00	\$ 171,840.00	\$ 14,320.00	\$ 171,840.00	\$ 14,320.00	\$ 171,840.00	\$ 515,520.00
J & J Landscaping	\$ 10,100.00	\$ 121,200.00	\$ 10,300.00	\$ 123,600.00	\$ 10,500.00	\$ 126,000.00	\$ 370,800.00
Pinnacle Landscape Management	\$ 17,146.00	\$ 205,752.00	\$ 17,746.00	\$ 212,952.00	\$ 18,367.00	\$ 220,404.00	\$ 639,108.00
Total Landscape Maintenance	did not bid	did not bid	did not bid	did not bid	did not bid	did not bid	did not bid

The current contractor is Anguiano Lawn Care, and the current yearly contract cost is Community Facilities - \$171,840. Funding for the Community Facilities 2021 budget is \$179,000.

At a special meeting on November 12, 2020 the Architectural Design Review Committee (ADRC) unanimously recommends the GRF Board award a three-year contract to J&J Landscaping for the Community Facilities Landscape Maintenance at a total cost of \$370,800. Specifications were attached as exhibit A, in the agenda packet. The proposal was attached as exhibit B, in the agenda packet.

Ms. Levine MOVED, seconded by Mr. Melody –

TO award a contract to J&J Landscaping for the Community Facilities Landscape Maintenance, at a cost of \$370,800, for a three-year term, Operations funding, and authorize the President to sign the contract.

Nine Directors, the Executive Director and the Facilities Director spoke on the motion.

The motion was carried with one no vote (Stone) and one abstention (Damoci).

Operations Funding Request – Landscape Contract –Golf Course

The landscape contract for the Golf Course Maintenance expires on December 31, 2020. The Physical Property Department sent out an RFP to four contractors and received the following bids:

Landscape Maintenance - Golf Course 2021-2022-2023							
Project # 959-20							
Bidder	Year 1 - monthly	Year 1	Year 2 - monthly	Year 2	Year 3 - monthly	Year 3	3 Year Total
Anguiano Lawn Care	\$ 15,003.81	\$ 180,045.72	\$ 15,003.81	\$ 180,045.72	\$ 15,003.81	\$ 180,045.72	\$ 540,137.16
J & J Landscaping	\$ 13,700.00	\$ 164,400.00	\$ 13,950.00	\$ 167,400.00	\$ 14,200.00	\$ 170,400.00	\$ 502,200.00
Pinnacle Landscape Management	did not bid	did not bid	did not bid	did not bid	did not bid	did not bid	did not bid
Total Landscape Maintenance	did not bid	did not bid	did not bid	did not bid	did not bid	did not bid	did not bid

The current contractor is Anguiano Lawn Care and the current yearly contract costs for the Golf Course is \$168,267. Funding for the Golf Course 2021 budget is \$176,700.

At a special meeting on November 12, 2020, the Architectural Design Review Committee unanimously recommended the GRF Board award a three-year contract to J&J Landscaping, for the Golf Course Landscape Maintenance, at a total cost of \$502,200. Specifications attached as exhibit A, in the agenda packet. Proposal is attached as exhibit B, in the agenda packet.

Ms. Heinrichs MOVED, seconded by Mr. Dodero–

TO award a contract to J&J Landscaping for the Golf Course Landscape Maintenance, at a total cost of \$502,200 for a three-year term, Operations funding, and authorize the President to sign the contract.

Three Directors spoke on the motion.

The motion was carried with one no vote (Stone) and one abstention (Damoci).

Consent Agenda: Update GRF Committee Charters

The consent agenda: update GRF Committee Charters (Communications/IT, Mutual Administration, Physical Property, and Recreation) was approved, as presented.

The President called for a 15-minute break at 11:42 a.m.

Consent Agenda: COVID-19 Ad hoc Committee

The consent agenda to adopt and implement 70-1448-3R, Emergency Operational Rule-Mission Park, Phase One and to adopt 70-1448-3S, Emergency Operational Procedures – Pool and Spa, Phase One, was presented.

Ms. Snowden MOVED, seconded by Ms. Rapp, and carried unanimously-

TO remove the consent agenda and include it on the December GRF

Board of Directors' agenda.

Finance Committee

Consent Agenda: Leases

The consent agenda to approve the Friends of the Library Club, the Genealogy Club, the Golden Age Foundation, the Historical Society Club, the GRF And LW Trailer Club, the Radio Club, the Rolling Thunder Club, the Theater Club, the Video Producers Club and Mutual Eight, was approved, as presented.

Conceptual Approval – Exclusive Use of Trust Property, Building Five

At the November 16, 2020 meeting of the Finance Committee, the Committee reviewed a request from the Executive Director for conceptual review under Policy 40-5115-3, Finance Committee Charter, section 4.13:

“...Review and make recommendations to the BOD concerning all income producing leases and management agreements;”

The request was founded in the possible use of a limited section of Trust property, as identified below, to generate revenue to help offset GRF expenses.

Trust property, identified as Building D, has approximately 248 square feet of space, located between the Café and Conference Room C and conveniently located. Staff would like to propose renovation of the space for leasing (short terms) for professional, service providers, and even pop up retail. Based on some very preliminary decisions with existing advertisers, there is strong interest.

Improvements to the location to be suitable for leasing include, but are not limited to:

- *Addition of a glass store front*
- *Carpet replacement*
- *General interior repairs and replacements*
- *Furnishing*
- *Lighting replacement*

Costs are estimated at \$14,000 to \$18,000, depending on final scope of work, with weekly lease rates estimated at \$500 plus, for a possible annual return of \$15,000 or more.

After review and deliberation, the Committee moved and approved to recommend to the Board conceptual approval to renovate a section of Building Five and develop policy for the commercial use of approximately 248 square feet of Trust Property.

The action before the Board is to determine if committee and staff time should be allocated to this proposed use of Trust property and the improvement required to lease the property.

Mr. Melody MOVED, seconded by Ms. Rapp -

TO conceptually approve the modification of 248 square feet within the first floor of Building Five for leasing to generate revenue to offset expenses. Such conceptual approval is solely given in order to allocate committee and staff resources to fully develop all costs, income projections ,and policies which will require amendment to allow to lease this limited portion of Trust property for commercial use. The Finance Committee shall, at completion of the review, provide a detailed report to the Board for review and consideration.

The motion was carried with one no vote (Damoci).

Approve Master Insurance Policy

DLD Insurance Brokers, Inc. has partnered with the Golden Rain Foundation (GRF) for over 29 years to secure broad and competitive insurance options, in terms of both pricing and coverage conditions. The master insurance package includes coverage for Directors & Officers (D&O), Errors & Omissions (E&O), Forefront Portfolio (Crime/Fiduciary/KRE/Workplace Violence) and Property/Causality.

For this renewal period, the master policy covering both GRF and the Mutuals shows an overall increase of 9.63% over the expiring policy period or overall favorable to the 2021 budget by 6%. Premiums for the renewing coverage period listed by coverage type and comparisons to the expiring policies and the 2021 budgets are shown in Exhibit A – 2020-2021 Insurance Premium Proposal Comparative.

The new master insurance policy proposal of \$2,516,806 includes a 3-year pollution policy totaling \$93,762, of which \$31,254 is to be allocated to the 2021 budget year. Total premium expenditure of \$2,454,298 will be recognized in the 2021 budget.

Combined funds (Foundation and Mutuals), in the amount of \$2,564,405 were included in the respective 2021 operating budgets based upon estimates and assumptions made during the budget period.

Ms. Isom MOVED, seconded by Ms. Rapp -

TO approve the master insurance policy proposal dated November 1, 2020, as submitted, in the amount of \$2,516,806, for the policy period of December 1, 2020 to November 30, 2021 and authorize the President to sign the required renewal documents pursuant to the related proposal as prepared and submitted by DLD Insurance Brokers, Inc.

One Director spoke on the motion.

The motion was carried unanimously.

Physical Property Committee

Reserve Funding Request – RV Lot Entrance, Replacement of Pavement and Concrete

The Physical Property Committee (PPC) requested staff to obtain a quote from MJ Jurado to replace the entry drive to the RV Lot with concrete. The cost for this task is \$21,600. See attached quote. Staff recommends a \$2,000 contingency.

At its meeting on November 10, 2020, the PPC unanimously recommended the Board award a contract to MJ Jurado, at a cost of \$21,600, adding a contingency of \$2,000, for a cost not to exceed \$23,600.

At its meeting on November 16, 2020, the Finance Committee reviewed this request and determined Reserve funding for this project is available.

Ms. Rapp MOVED, seconded by Mr. Dodero -

TO award a contract to MJ Jurado to replace the entry drive to the RV Lot with concrete, adding \$2,000 contingency, for a total cost not to exceed \$23,600, Reserve funding, as approved by the Finance Committee.

Seven Directors and the Executive Director spoke on the motion.

The motion failed with two yes votes (Pratt, Melody) and the item will be returned to the Physical Property Committee for review.

Security, Bus & Traffic Committee

On October 21, 2020, the Executive Director met with Captain Henderson and Captain Ezroj of the Seal Beach Police Department (SBPD) to review matters of mutual community concern. As SBPD is a highly valued community partner, the Executive Director asked if there was any equipment needs of the Department which he could present to Committee and, ultimately, the Board, to support SBPD, our community, and our City.

The only item was Stalker Message Board and Trailer. Stalker Variable Message Board Sign and Trailer, includes Traffic Data Collector, rotates 360 degrees, Raise - Lower - Pivot, Choose (In Feet) 3 X 6 Or 4 X 8 Display Panels, Battery and Solar Powered.

Currently, the City deploys one of their existing units routinely to our community. If approved, this unit would be assigned to Leisure World Seal Beach as part of ongoing messaging (GRF would be allowed to run community notices as well) and traffic data collection. The unit would be maintained by the City.

Item	Invoice	Tax @ 8.75%	Total
Stalker MC360 3 x 6	\$20,179.35	\$1,765.69	\$21,945.04
C360 4 x 8	\$24,135.43	\$2,111.85	\$26,247.28

At the October 22, 2020 meeting of the Security Bus and Traffic Committee, the Committee moved and approved to forward this donation to the Board, pending the review and determination on the availability of Capital funds.

Mr. Pratt MOVED, seconded by Ms. Heinrichs-

TO approve the purchase of a Stalker MC360, in the amount of \$21,945.04, Capital Funding, and authorized the Executive Director to initiate the purchase

Mrs. Damoci MOVED, seconded by Ms. Stone-

TO amend the motion to add to the motion "and approve the donation of the Stalker MC360 to the City of Seal Beach Police Department."

Seven Directors and the Executive Director spoke on the motion.

The amended motion failed unanimously.

Ms. Rapp left the meeting at 12:45 p.m.

EXECUTIVE DIRECTOR COMMENTS

The Executive Director did not provide additional comments.

BOARD MEMBER COMMENTS

Nine Board members spoke on the meeting proceedings.

ADJOURNMENT

The meeting was adjourned was at 12:53 p.m.



Marsha Gerber, Corporate Secretary
Golden Rain Foundation
dfb 11.24.20