

Randy:

The pool project was started well before COVID-19 and I don't see how the pandemic can be any part of the reason we are still, over a year later, without a pool. I have some questions regarding the pool situation and would appreciate your response.

(Davidr) The pool/locker room project contract was signed February 28, 2020. 16 days later March 15, 2020 the Governor of California closed the State. It is true the construction industry has worked through Covid-19 and has not stopped and is busier than ever. What is missing is the acknowledgement and empathy that people are being exposed to Covid-19 to realize lost workdays to quarantining, away from work and family, becoming ill with Covid – 19, that in some cases result in hospitalization, alone without family, with the worst outcome, not surviving. I hope consideration and empathy can be given to the reality that Covid-19 has had a real impact on the Community and construction industry, and it is not business as usual.

Our team of staff and consultants has worked diligently from the beginning to keep all pieces moving forward to get what work that can be started, started. Work like demolition of pool, pool hole backfills and soil stabilization, 6" sewer line installed for Pool backwash, relocation of Gas Meter, working with SCE to get power to the pool equipment room, corroded electrical conduit replaced, and many other things.

1) Will we be receiving a refund or credit to our accounts for this amenity that we have been without for over a year? If not, why? (Davidr) GRF ended the 2020 year with surplus funds of \$524,134 that were returned to the Mutuals per GRF board action. The 2021 budget included the assumption that the pandemic would continue throughout the majority of the budget year. As such, the budget for community entertainment was drastically reduced by over \$235,000. At the end of 2021, should surplus funds exist from the operating budget, the distribution of those funds will be addressed through policy.

2) Is SGE developing plans for the new pool or are they subbing it out to other contractors to finish? If yes, who are these companies? If yes, is this part of the delay? (Davidr) SGE is the Architect of record who is working with Plumbing, Mechanical, and Electrical Engineers to coordinate with the Pool Engineers plans. The plans for the Pool and Locker Rooms are complete and were submitted for plan check to the City of Seal Beach and the County of Orange. The plans were returned with plan check comments. The Architect and Engineers are actively working to respond to the comments and prepare plans to go back to the City and County.

3) Who is the person responsible for SGE? Who at LWSB do they report to? Who is managing the project on the LWSB side? (Davidr) The Physical Property Dept is managing the project to review documents and coordinate information to keep the project moving and keep change orders to a minimum.

4) Who is the Landscape Architect? Who do they report to? Who is responsible for overseeing the work? (Davidr) There is no Landscape Architect at this point in the project.

5) Delays happen, however, do the contracts written contain a "non-performance" clause? I ask because if it is the contractor's fault, there should be penalties involved for underperforming work and missed time deadlines. (Davidr) This is a custom project working with existing infrastructure, and structures that require a level of oversight. The effort has been consistent by all parties to deliver a project that serves the community. So Cal Gas upsized and moved the gas meter, we are working with SCE to deliver 3 phase power for the pool equipment, and a many other things have been done in anticipation of issuance of permits.

6) Who signs the contracts when a company is selected? Is an attorney involved in reviewing and/or writing the contract(s)? (Davidr) The Board of Directors makes a motion to approve a project that includes authorizing the President to sign the Contract.

7) What exactly is the selling point you have given realtors when they are trying to sell properties and

there is NO pool? What is the response given prospective buyers? (Davidr) The Pool and Locker Rooms are in the process to correct conditions discovered during the Pool Project to replaster the Pool and update the Locker Rooms. The plan check process is underway and when that is complete, and permits are provided construction will begin.

The situation we are in is unacceptable. NO work appears to have been made much less started on the pool. As a shareholder, I request direct, honest and transparent answers because the pool is the ONE amenity I use (or used to).

Please respond to my questions above -