



**BOARD OF DIRECTORS MEETING MINUTES
GOLDEN RAIN FOUNDATION
April 27, 2021**

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, April 27, 2021, in Clubhouse Four and via live stream.

PLEDGE OF ALLEGIANCE

Charity Kopp, Administration, Health Care Center, led the Pledge of Allegiance.

ROLL CALL

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

Directors Pratt, Thompson, Doderio, and Isom participated virtually, by Zoom.com. The Executive Director and the Director of Finance were also present.

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

ANNOUNCEMENTS

The President reminded the audience that draft and approved GRF Board minutes are not available from the receptionist in the Administration building.

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 provided 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.) 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 members offered comments at the meeting, and four members offered written comments, submitted prior to the meeting.

CONSENT AGENDA

The consent agenda included Committee/Board meeting minutes for the month of March 2021: the minutes of the Recreation Committee Board meeting, dated March 1, 2021, the minutes of the Physical Property Committee Board meeting, dated March 3, 2021, the minutes of the Executive Committee Board meeting, dated March 12, 2021, the minutes of the March 23, 2021 Board meeting, the minutes of the April 5, 2021 Special Board meeting, the minutes of the April 13, 2021 Special Board meeting, the April GRF Board Report, dated April 27, 2021, acceptance of the Financial Statements, March 2021, for Audit, approval of Reserve Funds Investment Purchase, and approval of Capital Funds Investment Purchase.

The Consent Agenda was adopted, as presented.

REPORTS

The reports of the Chairs of 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

AB 3182 Ad hoc Committee

FINAL VOTE: Amend 70-1400-1, Use of GRF (Trust) Facilities

At the March 23 meeting of the GRF Board of Directors, the Board voted to tentatively adopt 70-1400-1 Use of GRF (Trust) Facilities, pending a 28-day notice period to Foundation members. The document draft was published in the March 25 edition of 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 Civil Code **§4360**.

No correspondence was received during the 28-day notification to the membership period.

Mrs. Damoci MOVED, seconded by Ms. Rapp, and carried unanimously-

TO amend 70-1400-1, Use of GRF (Trust) Facilities, updating document language, adding Mutual Renter/Lessees conditions for use of Trust facilities, and clarifying that Permitted caregiver residents and non-resident health care providers are not entitled to use of any Trust facilities, as presented.

Communications/IT Committee

Approve Consent Calendar

The consent agenda included Adopt 20-5585-3, Advertising Procedures, Amend 20-5585-1, Advertising Policy, Amend 20-5585-2, Advertising Policy-Fees, Amend 20-2806-1, Community Publications, Rescind 20-2806-2, Community Publications – Fees, Rescind 20-2850-3, Advertising Commissions, Rescind 20-2860-1, Establishing Advertising Rates Rescind 20-2861-1, Advertising for Estate and Patio Sales, Rescind 20-2866-1, Bilingual Advertising, Rescind 20-5581-1, Communications Department Advertising, and Rescind 20-5583-3, Minibus Advertising.

The Consent Agenda was adopted, as presented.

COVID-19 Ad hoc Committee

Approve Reopening Table Tennis, Clubhouse Six

Orange County has lifted the COVID-19 Red Tier designation and advanced to the Orange Tier, with minimal disease activity and, therefore, reduced restrictions. In consideration of this, as well as a majority of residents having been vaccinated, the COVID 19 Ad Hoc Committee recommends that the Board approve reopening the Clubhouse Six Table Tennis area according to State and County guidelines including limiting the tables in play to four (4) for the use of authorized residents only. The Committee proposes allowing operations under these guidelines with oversight by the Recreation Department until a further directive from the State and County is in effect.

Ms. Heinrichs MOVED, seconded by Mr. Melody–

TO approve the limited reopening of Trust Property known as Clubhouse Six Table Tennis area operations under State and County guidelines with oversight by the Recreation Department.

Three Directors, the Executive Director and the Assistant Recreation Manager spoke on the motion.

The motion was carried unanimously.

Approve Reopening Picnic Area, Clubhouse One

Orange County has lifted the COVID-19 Red Tier designation and advanced to the Orange Tier, with minimal disease activity and therefore reduced restrictions. In consideration of this, as well as a majority of residents having been vaccinated, the COVID 19 Ad Hoc Committee recommends that the Board approve reopening the Clubhouse One picnic area, by reservation only, according to State and County guidelines. Use shall be restricted to authorized residents and to the outdoor area only while under the Orange Tier. The Committee proposes allowing operations under these guidelines with oversight by the Recreation Department until a further directive from the State and County is in effect.

Mr. Massetti MOVED, seconded by Ms. Rapp -

TO approve the limited reopening of trust property known as
Clubhouse One picnic area by reservation only under State and
County guidelines with oversight by the Recreation Department.

Eight Directors, the Executive Director, and the Assistant Recreation Manager spoke on the motion.

The motion was carried unanimously.

Rescind 70-1448-3, Golf Course- Emergency Operational Procedure

Orange County has lifted the COVID-19 Red Tier designation and advanced to the Orange Tier, with minimal disease activity and, therefore, reduced restrictions. In consideration of this, as well as a majority of residents having been vaccinated, the COVID 19 Ad Hoc Committee recommends that the Board rescind the Golf Course Emergency Operational Procedure, 70-1448-3. Under Orange County and State guidelines, face coverings are to be worn in between strokes, and social distancing of six (6) feet maintained; however, reservations are not required. That is discretionary to the venue. The Committee proposes allowing operations under these guidelines with oversight by the Recreation Department until a further directive from the State and County is in effect.

Ms. Snowden MOVED, seconded by Mr. Dodero, and carried unanimously by the Directors present-

TO rescind the Emergency Operational Procedure 70-1448-3 of
Trust Property known as the Turtle Lake Golf Course and to

continue operations under State and County guidelines with oversight by the Recreation Department.

Five Directors and the Executive Director spoke on the motion.

The motion was carried unanimously.

Rescind 70-1448-3F, Fitness Center - Emergency Operational Procedure

Orange County has lifted the COVID-19 Red Tier designation and advanced to the Orange Tier, with minimal disease activity and, therefore, reduced restrictions. In consideration of this, as well as a majority of residents having been vaccinated, the COVID 19 Ad Hoc Committee recommends that the Board rescind the Fitness Center Emergency Operational Procedure, 70-1448-3F. Under Orange County and State guidelines, fitness centers are now allowed up to 25% capacity, with continued sanitization procedures, and social distancing of 6 feet. The Recreation Department recommends a maximum of 35 qualified residents confined to the equipment areas while in the Orange Tier. The Committee proposes allowing operations under these guidelines with oversight by the Recreation Department until a further directive from the State and County is in effect.

Ms. Gerber MOVED, seconded by Mrs. Perrotti-

TO rescind the Emergency Operational Procedure 70-1448-3F of Trust Property known as the Fitness Center, in Clubhouse Six, and to continue operations under State and County guidelines with oversight by the Recreation Department.

Seven Directors, the Executive Director and the Assistant Recreation Manager spoke on the motion.

The motion was carried unanimously.

Executive Committee

Amend 50-1610-3, GRF Membership Eligibility Criteria

At its meeting on April 9, 2021 the Executive Committee moved to recommend the GRF Board amend 50-1610-3, GRF Membership Eligibility Criteria.

Ms. Stone MOVED, seconded by Ms. Snowden-

TO amend 50-1610-3, GRF Membership Eligibility Criteria, accepting revisions suggested by corporate counsel, as amended.

Two Directors and the Executive Director spoke on the motion.

The motion was carried unanimously.

Capital & Reserve Funding Requests- Administration Office and Workstation Improvements, Phase Two

For the review and consideration of the Committee, Phase Two of the workplace ergonomic process, within the administration building. The phases of ergonomic process within the Administration Offices are: Phase One – Mutual Administration (completed in 2019), Phase Two – Administration (Assistant to the Executive Director and Assistant to the Executive Coordinators workstations (subject of this request), Phase Three (pending) – Human Resources offices

Phase Four (pending) – Executive Coordinator office,

Phase Two of the proposed ergonomic process, within the administration building, is built upon the actions already taken within the Mutual Administration department: removal of approximately 10 feet of wall, replacement of a workstation which has outlived its useful life with an ergonomic workstation., addition of a training/flex workstation to the configuration.

Phase II project costs are as follows: Talimar Workstation, \$4,000, Non-scheduled Reserve funding, glass “sneeze” guard, \$750, Capital funding, computer, and monitors, \$1,400, Capital funding, and materials/supplies for wall removal, \$600, non-budgeted Operating funds for a total project cost of \$6,750.

At its April 19, 2021 meeting, the Finance Committee reviewed these Capital and Reserve funding requests and concurred funding was available.

Mr. Friedman MOVED, seconded by Mr. Dodero –

TO approve Phase Two, Administration Offices, ergonomic process improvements and the addition of a training/flex workstation, in an amount not to exceed \$6,700, funding sources: Reserves \$3,800, Capital \$2,150 and non-budgeted Operating funds \$600.

Three Directors and the Executive Director spoke on the motion.

The motion was carried unanimously.

Finance Committee

Release of Spreadsheet of Services Provided to the Mutual Corporations

At the April 19, 2021 meeting of the Finance Committee, the Committee moved to request the GRF Board release the list created by Management Services Review Ad Hoc Committee and

distributed to all Mutual Boards with a cover letter, drafted by the Executive Director and approved by the GRF President.

This action was based upon:

The Golden Rain Foundation of Seal Beach (GRF), since inception, has carried a duality of roles, Trustee of all property held in common by the sixteen (16) collective and independent Mutual corporations, and, as the managing agent, acting as directed and on behalf of the sixteen (16) mutual corporations under a management agreement.

Such management agreements were established between 1962 and 1981 (59 to 40 years ago) and were based on generally accepted principles of the time. As evident by the dates the agreements were enacted, all predate the establishment of law commonly referred to as the "Davis Stirling Act" (DS) which went into effect on January 1, 1986.

It is also important to note, based on the longevity of our community, GRF was not required to be compliant with terms and conditions of the DS act until 2008 (163 Cal.App.4th 1141) with final resolutions of the Mutuals of DS compliance by 2018.

With the current management agreements clearly outdated, there exists a clear and present need to bring all management agreements into terms and conditions consistent with DS and best practices for a Homeowners Association Management company in California and for the mutual benefit of the Mutual Corporations, which GRF serves.

To facilitate the building of a joint consensus on GRF services, which would be provided under a new management agreement on behalf of all Mutuals, the GRF Board established an Ad hoc Committee with the specific task to identify the multiple and varied services provided by GRF. During the course of over 18 months, a detailed review of GRF services was conducted, with feedback by attending Mutual Board Presidents. The result of this study, which has over 500 separate and distinct services provided by GRF for the Mutuals, constituting 40-50% of GRF operational expenses, is attached.

Why are new agreements required at this time?

- Contracts are a standard practice so that both parties understand their specific roles and duties. That's why a legitimate contract between you and your HOA management company is important, too. From daily duties to payment terms, you want everything in your HOA management contract to be clear and fair.
- Provide a legal document that clearly states expectations with agreed upon services provided by the GRF's-to-GRF's clients, Mutuals 1-12 and 14 to 17.
- Contain other important details such as the terms of service. It will specify the beginning and end of the contract, as well as provisions for continuing, exiting, or [terminating the partnership](#) between GRF and the Mutuals (i.e. services that would no longer be available to a Mutual if it opted out).
- Clearly state fees for additional services over and beyond the agreed to scope of services provided.
- Compliance with all applicable laws and industry best practices.

- Ensure all GRF operations, which are supported through Shareholder/Membership monthly carrying charges, represent the mutual benefit of our community.

Ms. Rapp MOVED, seconded by Ms. Snowden-

TO approve the release of the list created by Management Services Review Ad hoc Committee and cover letter to all Mutual Boards and authorize the President to sign the letter.

Two Directors spoke on the motion.

The motion was approved with one recusal (Melody)

Operating Funds Request - Prepaid Dynamic Support Hours

At its meeting held on December 23, 2020, the GRF board approved funds of \$9,750 to purchase 50 hours of prepaid Microsoft support from Boyer & Associates, the consultants who provide support for the Microsoft Dynamics software application. Unforeseen support needs relating to the 2020 year-end software update and to the inventory database affecting reporting have resulted in the consumption of all 50 prepaid hours earlier than expected.

When purchasing prepaid support hours, the rate is discounted by \$20 per hour. There is no expiration date on these prepaid hours. Staff recommends purchasing a second block of 100 prepaid support hours for \$19,500, a total savings of \$2,000. Operating funds will be used for this purchase. However, the expense will be charged against the budget year in which the services will be provided.

At the regularly scheduled meeting of the Finance Committee on April 19, 2021, the Committee approved the purchase of a block of 100 prepaid support hours from Boyer & Associates and has determined operating funds of \$9,750 are available.

Mr. Massetti MOVED, seconded by Mr. Friedman, and carried unanimously -

TO approve the purchase of a prepaid block of 100 support hours from Boyer & Associates in the amount of \$9,750 from operating funds.

Mutual Administration Committee

Amend 50-1023-1, GRF Pet Ownership Rules

At its meeting on April 12, 2021 the Mutual Administration Committee moved to recommend the GRF Board amend 50-1023-1, GRF Pet Ownership Rules.

Ms. Levine MOVED, seconded by Mrs. Damoci-

TO amend 50-1023-1, GRF Pet Ownership Rules, updating document language and the areas pets are not allowed, as presented.

Nine Directors spoke on the motion.

The motion was carried unanimously.

Amend 50-5165-3, Mutual Administration & Service Maintenance Charter

At its meeting on April 12, 2021 the Mutual Administration Committee moved to recommend the GRF Board amend 50-5165-3, Mutual Administration & Service Maintenance Charter.

Mr. Dodero MOVED, seconded by Ms. Rapp -

TO amend 50-5165-3, Mutual Administration & Service Maintenance Charter, updating the committee's name, as presented.

Three Directors spoke on the motion.

The motion was carried unanimously.

Physical Property Committee

Emergency Action: Replacement of HVAC Unit Four, Clubhouse Six

Upon the failure of Heat Pump #4, Clubhouse Six, the Physical Property Department obtained a quote from the contractor of record, Greenwood Heating and Air, for the replacement of this Reserve Component, at a cost of \$9,500.

The failure of the heat pump would result in added stress to the other units; with the eminent opening of the Fitness Center in Clubhouse Six, the Executive Director took emergency action to replace the unit.

Ms. Rapp MOVED, seconded by Mr. Dodero, and carried unanimously-

TO ratify the Executive Director's emergency action to award a contract to Greenwood Heating and Air to replace the Heat Pump in Clubhouse Six; unit #4, for a cost not to exceed \$9,500, funding from Reserves.

Approve Cancellation of Contract – Storage Closet, Clubhouse Three

The contractor who was awarded the contract to construct a new Storage Area at Clubhouse Three has advised us of a change in the cost of the project. New plans of the entire building would be needed to continue the request for a permit. Upon informing the Physical Property Committee, at its April 7, 2017, the Committee recommends cancelling the contract with BA Construction: the Physical Property Committee MOVED to recommend the GRF Board of Directors authorize cancellation of the contract with BA construction for the Clubhouse Three Storage Closet project. (April 7, 2021).

Mr. Melody MOVED, seconded by Ms. Gerber, and carried unanimously –

TO cancel the contract with BA construction for the Storage Closet, Clubhouse Three project.

Capital Funding Request – Fireplace Renovation, Clubhouse Three

It has been requested by the Recreation Committee to obtain costs to modify Trust Property amenities located at Clubhouse Three, Fireplace Renovation. The general specifications and costs are as follows: remove the fireplace surround, add an 18" tall block wall at steel columns, add LED lighting to illuminate the new planter area, patch the flooring with suitable flooring, face the new surround and existing brick with ADRC approve stacked stone.

These tasks can be completed in-house, by the Service Maintenance Department, for a material cost of approximately \$8,500. Staff recommends a \$1,000 contingency for this project for a total cost not to exceed \$9,500 (see attached estimate).

The Physical Property Committee reviewed the scope of work and the proposed in-house cost of the project at its April 7, 2021 regular scheduled meeting. The Committee unanimously recommended the GRF Board approve funding for this project, pending Finance Committee review.

At its April 19, 2021 meeting, the Finance Committee reviewed this Capital funding request and concurred that funding is available.

Mr. Collazo MOVED, seconded by Mr. Melody-

TO authorize the Executive Director to issue work orders to the Service Maintenance Department for the following tasks, not to exceed \$10,000, including \$1,000 in contingency funds: remove the fireplace surround, add an 18" tall block wall at steel columns, add LED lighting to illuminate the new planter area, patch the flooring with

suitable flooring, and face the new surround and existing brick with
ADRC approve stacked stone.

Two Directors and the Executive Director spoke on the motion.

The motion was carried unanimously.

Reserve Funding Request – Contract for Elevator Service, Building Five

The elevator located at Building Five has required repetitive service. It has been recommended for a modernization upgrade by ThyssenKrupp, the current elevator service contractor. The update will include increased durability, improved fire safety features, decreased waiting times, improved energy consumption, reduced operational cost, and improvement in troubleshooting problems. The Physical Property Committee has recommended that more than one bid be received for this task: ThyssenKrupp - \$85,000, electrical/fire included, Specialized Elevator - \$84,248, does not include electrical/fire, and Elite Elevator Service - \$47,097, does not include fire (added \$2,800). Staff recommends adding \$3,000 contingency funding for this project.

The Physical Property Committee reviewed cost and scope of work for this project and unanimously recommends the Board award a contract to Elite Elevator Service, for a cost of \$47,097, add a contingency of \$3,000, for a total project cost not to exceed \$50,097, pending Finance Committee review.

At its April 19, 2021 meeting, the Finance Committee reviewed this Reserve funding request and concurred funding was available.

Mr. Pratt MOVED, seconded Ms. Rapp, and carried unanimously -

TO award a contract to Elite Elevator Service, for a modernization upgrade to the elevator located at Building Five, for a cost of \$47,097 and adding \$3,000 contingency funding, for a total cost not to exceed \$50,097, Reserve Funding, and authorize the President sign the needed contracts.

Recreation Committee

Approval of Non-scheduled Amphitheater Events (Movies and Shows), Summer 2021

At its meeting on April 19, 2021, the Finance Committee approved funding, in the amount not to exceed \$49,000, to provide an Amphitheater season for 2021.

The Recreation Committee is requesting that the Board approve:

- Four (4) Amphitheater shows (cost not to exceed \$10,000 each),
- Six (6) movies (cost not to exceed \$1,000 each),

with funds not to exceed \$46,000, to cover the cost of the entertainment, movie licensing, production (as/if required), and all the incidentals required to provide these events.

The show and movie selection proposed by the Entertainment Sub-Committee at the Amphitheater, during the months of June, July, August, and September 2021, will be conducted in accordance with all:

- Public Health and Safety orders,
- Maximum occupancy of the Amphitheater under the Public Health and Safety orders at the time of the event.

Due to the possibility of ongoing revisions to Public Health and Safety Orders, it is requested to grant the Recreation Director the authority to revise the Amphitheater occupancy numbers and scheduling issues for compliance to such protocols.

Mrs. Perrotti MOVED, seconded Mr. Slutsky -

TO approve four (4) Amphitheater shows and six (6) movies, with funds approved by the Finance Committee, in an amount not to exceed \$46,000, with the following stipulations: Public Health and Safety Orders would allow for reasonable occupancy within the Amphitheater to justify the expense associated with the event.

Four Directors, the Executive Director and the Recreation Director spoke on the motion.

The motion was carried unanimously.

Mrs. Perrotti MOVED, seconded Mr. Melody -

TO authorize the Recreation Director be given the authority to make any necessary revisions needed for occupancy and scheduling of the events as Public Health and Safety Orders may change.

Two Directors, the Executive Director and the Recreation Director spoke on the motion.

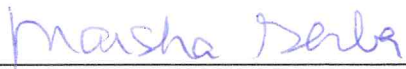
The motion was carried unanimously.

BOARD MEMBER COMMENTS

Four Directors offered comments.

ADJOURNMENT

The meeting was adjourned was at 12:36 P.M.



Marsha Gerber, Corporate Secretary
Golden Rain Foundation
dfb 04.27.21