

**A G E N D A**  
**REGULAR MONTHLY MEETING OF THE BOARD OF DIRECTORS**  
**SEAL BEACH MUTUAL SIXTEEN**  
**November 9, 2021**  
**Meeting begins at 2:00 p.m.**  
**Zoom/Video Conference Call Meeting and Conference Rm A**

**TO ATTEND:** The Shareholder will be provided with instructions on how to access the call via telephone upon the Shareholder contacting Mutual Administration and requesting the call-in information. Please submit your information, including your name, Unit number, and telephone number, via e-mail at [mutualsecretaries@lwsb.com](mailto:mutualsecretaries@lwsb.com), by no later than 3:00 p.m., the business day before the date of the meeting.

**TO PROVIDE COMMENTS DURING MEETING ON ZOOM:** In order to make a comment during the open Shareholder forum, the Shareholder must (i) notify their director of their intent to speak during Shareholder open forum, or (ii) submit their information, including their name, Unit number, and telephone number, via e-mail at [mutualsecretaries@lwsb.com](mailto:mutualsecretaries@lwsb.com), by no later than 3:00 p.m., the business day before the date of the meeting.

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE
2. ROLL CALL
3. INTRODUCTION OF GRF REPRESENTATIVE, STAFF, AND GUESTS:
  - Ms. Isom, GRF Representative
  - Mr. Harper, Building Inspector
  - Ms. Barua, Portfolio Specialist
  - Ms. Vasquez, Recording Secretary
4. SHAREHOLDERS' COMMENTS (2-3 minutes per shareholder)
5. **APPROVAL OF MINUTES:**
  - a. Approval of Regular Meeting Minutes of October 12, 2021.
6. **BUILDING INSPECTOR'S REPORT** Mr. Harper  
Permit Activity; Escrow Activity; Contracts & Projects; Shareholder and Mutual Requests (p.3)
7. GRF REPRESENTATIVE Ms. Isom
8. PRESIDENT'S/CHIEF FINANCIAL OFFICER'S REPORT Mr. Watkins
9. VICE PRESIDENT'S REPORT Ms. Gardette
10. **UNFINISHED BUSINESS**  
No Unfinished Business
11. **NEW BUSINESS**
  - a. Discuss and vote to approve Monthly Finances. (p.4)
  - b. Discuss and vote to approve walkway repair. (p.5)
  - c. Discuss and vote to approve priming and painting of 34 light posts. (pp.6-7)
  - d. Discussion on 2022 Reserve Study.

- e. Discussion on Mutual 16 Policy 7585.16 – Compliance Corrective Measures and Fines. (pp.8-15)

**STAFF BREAK BY 3:00 P.M.**

- 12. SECRETARY / CORRESPONDENCE Mrs. Clawson
- 13. PORTFOLIO SPECIALIST’S REPORT Ms. Barua
- 14. ANNOUNCEMENTS

**NEXT REGULAR BOARD METING: December 14, at 2:00 p.m.  
Location: Zoom/Video Conference Call Meeting and Conference Rm A**

- 15. **COMMITTEE REPORTS**
  - a. Grounds
  - b. Physical Property
  - c. Emergency Preparedness
- 16. DIRECTORS’ COMMENTS
- 17. ADJOURNMENT
- 18. EXECUTIVE SESSION

**STAFF WILL LEAVE THE MEETING BY 4:00 P.M.**

# INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: **16**

INSPECTOR: **Mark Harper**

MUTUAL BOARD MEETING DATE: **November 9, 2021**

Print Date : 11/1/2021

## PERMIT ACTIVITY

UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	START DATE	COMP. DATE	CHANGE ORDER	FINAL INSPECTION	CONTRACTOR / COMMENTS
50-D	REMODEL	BOTH	09/14/21	10/20/21	NO	NONE	LOS AL BUILDERS
52-C	WASHER/DRYER	BOTH	11/08/21	11/28/21	NO	NONE	OGAN
53-H	REMODEL	BOTH	09/21/21	10/29/21	NO	10/25/21 FINAL	AMD CONSTRUCTION

## Escrow Activity

UNIT#	NMI	PLI	NBO	FI	FCOEI	COE Date	ROF
52-L		06/23/21					

**NMI:** New Member Inspect **PLI:** Pre Listing Inspect **NBO:** New buyer Orientation **FI:** Final Inspect **FCOEI:** Final COE Inspect **COE:** Close of Escrow **ROF:** Release of Funds

Contract Services	Project Discription	Expiration
Fenn Pest & Termite	Termite Inspections	2022
Fenn Pest & Termite	Bait Station	08/2023
Johns Landscape/Anguiano Lawn Care	Month to Month	
Empire Pipe Sewer Cleaning for Years 2020/ 2022 Outgoing Only - 2021 Outbound & Under Bldg. - 3 Year Total \$965.58		

## Site Visits


# *Mutual Corporation No. Sixteen*

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## MEMO

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**TO:** MUTUAL BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO APPROVE MONTHLY FINANCES (NEW BUSINESS, ITEM A)  
**DATE:** NOVEMBER 9, 2021  
**CC:** MUTUAL FILE

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I move to acknowledge, per the requirements of the Civil Code Section 5500(a)-(f), a review of the reconciliations of the operating and reserve accounts, operating revenues and expenses compared to the current year's budget, statements prepared by the financial institutions where the Mutual has its operating and reserve accounts, an income and expense statement for the Mutual's operating and reserve accounts, the check registers, monthly general ledger and delinquent assessment receivable reports for the month of September 2021.

# *Mutual Corporation No. Sixteen*

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## MEMO

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**TO:** MUTUAL BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO APPROVE WALKWAY REPAIR (NEW BUSINESS, ITEM A)  
**DATE:** NOVEMBER 9, 2021  
**CC:** MUTUAL FILE

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I move to approve the walkway repair from GRF Service Maintenance, at a cost not to exceed \$1,800. Funds to come from Infrastructure Reserve and authorize the President to sign any documentation.

# *Mutual Corporation No. Sixteen*

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## MEMO

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**TO:** MUTUAL BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO APPROVE PAINTING OF 34 LIGHT POSTS (NEW BUSINESS, ITEM C)  
**DATE:** NOVEMBER 09, 2021  
**CC:** MUTUAL FILE

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I move to approve the priming and painting of 34 light posts proposal from Advance Custom Paint, at a cost not to exceed \$ 2,380. Funds to come from Painting Reserves and authorize the President to sign any necessary documentation.

Advance Custom Paint, Inc.

Juan Herrera  
11710 Ryerson Ave  
Downey, CA 90241  
Phone: (562) 706-8305  
Lic. # 888003

# Proposal

Bill To:

Mutual 16  
Seal Beach, CA 90740  
Attn: Mark Harper

Job Address:

Mutual 16  
Light Posts

Date

10/29/21

Job Description: Exterior

Total

Scope of work

Scrape loose paint wire wheel sand prime spot prime and paint with two coats with Rustolioum  
Oil base paint 34 Light posts 34 X \$70,00

\$ 2,380.00

**Total:** \$2,380.00

Note: Price includes labor and materials.

Thank you, for considering us to paint your project.

**MUTUAL OPERATIONS****RESIDENT REGULATIONS**  
**COMPLIANCE CORRECTIVE MEASURES AND FINES**

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Any activity, situation instance or circumstance that is an alleged violation of the governing documents will generally be processed according to the procedures outlined herein.

In the event any member of the Board of Directors or a Shareholder of Mutual 16 files an Alleged Violation Report form with the Board, the following steps will be taken:

- Step No. 1: Director Complainant: Director shall make the complaint via email or letter to the President. The information to be included: Name (if known), Unit #, Nature of the violation, Policy violated (if known), Picture (if possible), any other supporting documents or complete the Alleged Violation Report. Shareholder Complainant: Shareholder shall complete the Alleged Violation Report.
- Step No. 2: If it is determined that the alleged violation has potential merit, proceed with Step No. 3.
- Step No. 3: Warning to Correct the President shall arrange for Mutual Administration to send a "Warning to correct" letter, which shall include:
- a) nature of the alleged Violation,
  - b) specific governing document violated (Policy Number, Occupancy Agreement, Bylaws, etc.) and
  - c) the notice to "immediately correct but in no event later than 30 days." If the alleged violation is not one that is "correctible", Step No. 4 will be followed.
- Step No. 4: Notice of Intent to Impose Discipline (see attached form) When an alleged violation has not been corrected by the 30th day: (or fewer days if so warned,) or if the alleged violation is not "correctible", send the "Notice of Intent to Impose Discipline" to the shareholder stating the nature of the alleged violation and the member's right to appear before the Board of Directors at a hearing in executive session on at least 10

(JULY 2020)



## **MUTUAL OPERATIONS**

### **RESIDENT REGULATIONS** **COMPLIANCE CORRECTIVE MEASURES AND FINES**

days' notice by first class mail or by personal delivery, concerning the potential imposition of monetary fine and/or any other discipline.

Step No. 5: A hearing with the Board of Directors will be held, at the shareholder's option, so that the member may be heard and may present pertinent evidence, along with the testimony and evidence of interested persons.

Step No. 6: If the shareholder is found to be in violation of the Association's governing documents, the Board may exercise any of the following options:

(a) choose to correct (or cause to be corrected) the violation and assess the shareholder for the costs and expenses of doing so, including attorney's fees; and/or

(b) impose and assess monetary fine(s) against the shareholder pursuant to the Fine Schedule;

(c) suspend the shareholder's voting or other privileges (if applicable).

(d) seek a remedy in the legal system, including, without limitation, the imposition of a lien and/or foreclosure on the shareholder's property, where allowed by law;

Step No. 7: The shareholder will be notified as to any disciplinary action rendered by the Board of Directors within 15 days after such action.

NOTE: The governing documents are defined as the Bylaws, the Occupancy Agreement, and the Policies.

**MUTUAL OPERATIONS**

**RESIDENT REGULATIONS**  
**COMPLIANCE CORRECTIVE MEASURES AND FINES**

ALLEGED VIOLATION REPORT

DATED: \_\_\_\_\_

I. PERSON MAKING REPORT  
(Complainant)

NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

PHONE NUMBER: \_\_\_\_\_

II. Time, Place & Nature of Alleged Violation (fill in as completely as possible)

DATE: \_\_\_\_\_ TIME: \_\_\_\_\_

LOCATION: \_\_\_\_\_

NATURE OF VIOLATION: \_\_\_\_\_  
\_\_\_\_\_

III. VIOLATOR'S INFORMATION:  
(Respondent)

NAME: \_\_\_\_\_

PHONE NO.: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

IV. ADDITIONAL WITNESSES:

NAME: \_\_\_\_\_

ADDRESS/PHONE: \_\_\_\_\_

NAME: \_\_\_\_\_

ADDRESS/PHONE: \_\_\_\_\_

(JULY 2020)

**MUTUAL OPERATIONS**

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V. OTHER EVIDENCE (PHOTOGRAPHS, DOCUMENTS, ETC.) SUPPORTING THE ALLEGED VIOLATION: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

VI. SPECIFIC GOVERNING DOCUMENT VIOLATED (Cite exact provision of Declaration of Covenants, Bylaws, Rules or Regulations violated):

\_\_\_\_\_ VII. ORIGINAL COMPLAINANT:

The original complainant (person making this complaint) acknowledges that he or she must agree to appear as a witness at any formal hearing hereon or the Board may refuse to consider the alleged violation.

It is so acknowledged: \_\_\_\_\_  
(Signature of Complainant)

**MUTUAL OPERATIONS**

**RESIDENT REGULATIONS**  
**COMPLIANCE CORRECTIVE MEASURES AND FINES**

NOTICE OF INTENT TO IMPOSE DISCIPLINE

To Shareholder:

\_\_\_\_\_

Please be advised that you are hereby given notice that the Board of Directors will hold a hearing on:

\_\_\_\_\_ (Date)  
\_\_\_\_\_ (Time)  
\_\_\_\_\_ (Place)

to consider the imposition of a formal warning or a monetary fine or other disciplinary measure against you concerning an alleged violation of the Association's governing documents, that is:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

You have the right to attend the hearing and address the Board of Directors and to present any pertinent evidence on your behalf.

Please acknowledge your receipt of this notice and indicate, by checking the appropriate box (1) if you will contest the alleged violation and if so (2) if you desire the hearing to be held in executive session.

Very truly yours,

BOARD OF DIRECTORS

I hereby acknowledge my receipt of this notice and:

- will not oppose the alleged violation or
- will oppose the alleged violation and
- desire a hearing in executive session.

Dated: \_\_\_\_\_ Signed: \_\_\_\_\_

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**MUTUAL OPERATIONS****RESIDENT REGULATIONS**  
**COMPLIANCE CORRECTIVE MEASURES AND FINES**

## PROCEDURE FOR SHAREHOLDER HEARING

1. Statement of alleged violation(s) by acting chairperson.
2. Shareholder in alleged violation decides to hold hearing in executive session or not.
  - (a) Each party will be entitled to make an opening statement, starting with the complainant's case;
  - (b) Each party will be entitled to produce documentary evidence and testimony and to cross-examine the opposing party and the opposing party's witnesses;
  - (c) Each party will be entitled to make a closing statement;
  - (d) Formal rules of evidence will not apply and all relevant evidence should be admitted, although hearsay evidence, by itself, will not be sufficient to support a finding;
  - (e) Any party will be permitted to waive the right to exercise his or her rights in any part of the hearing process, and the Board will be entitled to exercise its reasonable discretion in specifying the rules by which the hearing will be conducted, as long as the alleged violator is given an opportunity to confront and to cross-examine the evidence introduced by the opposing party and to be heard in his or her own defense.
4. Alleged violator, complainant and witnesses are excused.
5. Discussion and decision by the Board, or, that the matter will be taken under submission with a determination within 35 days after the hearing. Notice to shareholder given within 15 days of the imposition of disciplinary action, if any.
6. Adjournment.

## DOCUMENTATION

Name of Shareholder: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Address: \_\_\_\_\_

Factual Findings on Issues:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(JULY 2020)

**MUTUAL OPERATIONS**

**RESIDENT REGULATIONS**  
**COMPLIANCE CORRECTIVE MEASURES AND FINES**

Board ruling on any discipline to be imposed:

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Additional Comments:

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Date: \_\_\_\_\_

By: \_\_\_\_\_

SIGNATURE OF CHAIRPERSON

**MUTUAL OPERATIONS****RESIDENT REGULATIONS**  
**COMPLIANCE CORRECTIVE MEASURES AND FINES**

## FINE SCHEDULE

1. If a member does not oppose the alleged violation or if the result of the hearing is a decision that a violation of the governing documents existed, a fine of \$100.00 may be imposed for each separate violation of the governing documents, subject to the following:

(a) If the violation is of a continuous nature and necessitates remedial action, the failure of the member to remedy the underlying situation or circumstance within 60 days of the imposition of the first monetary fine, will constitute a new and separate violation, subject to an additional fine of \$200.00. The failure of the member to correct the violation within 120 days of the imposition of the first monetary fine will constitute a third separate violation, subject to an additional fine of \$400.00.

(b) If a member violates the same provision of the governing document on two separate occasions within any 12-month period of time, the fine for the second offense will be \$200.00. If the member violates the same provision three or more times within any 12-month time period, the fine for the third and subsequent violations will be \$400.00 each.

2. At any point, the Board may choose to use the legal system or cause a correction of a violation to effect a remedy or cure, and the member may be assessed the costs and expenses incurred by the Mutual, including attorney's fees.

3. Should a violation occur which causes the Mutual to incur a financial obligation or expense, then the member responsible for the violation shall be assessed the amount of the obligation or expense incurred by the Mutual. For example, if a member damages any common property, the repair and replacement costs will be assessed to the member.

4. The Mutual may also, under appropriate circumstances, suspend voting privileges.

**MUTUAL      ADOPTION      AMENDMENT(S)**

SIXTEEN:      10-03-17      07-07-2020

(JULY 2020)