

**MINUTES OF THE SPECIAL ZOOM CONFERENCE
MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL THREE
April 7, 2020**

The Special Zoom Conference Call meeting of the Board of Directors of Seal Beach Mutual Three was called to order by President Ginthner on Tuesday, April 7, 2020 at 12:12 p.m.

SHAREHOLDER COMMENTS

No Shareholders were present.

ROLL CALL

Present: President Ginthner, Vice President Turis, Secretary Hart, Chief Financial Officer Ledbetter and Directors Tye, Campbell, and Harris.

Guests: Mr. Roseman, Esq

Staff: Ms. Hopkins, Mutual Administration Director
Ms. Barua, Recording Secretary

NEW BUSINESS

Following a discussion and upon a MOTION duly made by Chief Financial Officer Ledbetter and seconded by Vice President Turis, it was

RESOLVED to ratify resolution "RESOLVED that the Board of Directors suspend all in-person meetings and adopt the policy for telephone and video conference meetings" made on Monday, March 30, 2020.

The MOTION passed.

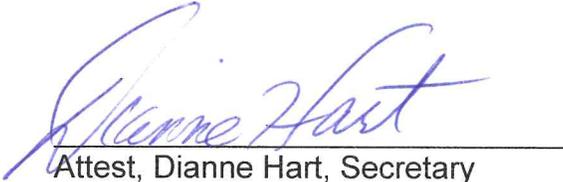
Following a discussion and upon a MOTION duly made by Vice President Turis and seconded by Chief Financial Officer Ledbetter, it was

RESOLVED that pursuant to the Mutual's Bylaws and any amendment thereto and other governing documents, the Board hereby establishes an Emergency Response Team to ensure continued operations of emergency items only, for a total of no more than \$50,000.00. The Emergency Response Team will be made up of Carol Ginthner, the Board President, Mike Turis, the Board Vice President, and Jan Ledbetter, the Board CFO. To include Secretary Dianne Hart if and when needed as an alternative.

The MOTION passed.

ADJOURNMENT

There being no further business to conduct, President Ginthner adjourned the meeting at 12:36 p.m.



Attest, Dianne Hart, Secretary
SEAL BEACH MUTUAL THREE
rb 04/07/2020
Attachments

**RESOLUTIONS IN THE SPECIAL ZOOM
CONFERENCE MEETING
April 7, 2020**

4/07/2020 RESOLVED to ratify resolution "RESOLVED that the Board of Directors suspend all in-person meetings and adopt the policy for telephone and video conference meetings" made on Monday, March 30, 2020.

RESOLVED that pursuant to the Mutual's Bylaws and any amendment thereto and other governing documents, the Board hereby establishes an Emergency Response Team to ensure continued operations of emergency items only, for a total of no more than \$50,000.00. The Emergency Response Team will be made up of Carol Ginthner, the Board President, Mike Turis, the Board Vice President, and Jan Ledbetter, the Board CFO. To include Secretary Dianne Hart if and when needed as an alternative.

SEAL BEACH MUTUAL NO. THREE

RESOLUTION OF THE BOARD OF DIRECTORS

SUSPENSION OF ALL IN-PERSON MEETINGS AND ADOPTION OF POLICY FOR TELEPHONE AND VIDEOCONFERENCE MEETINGS

Board of Directors – Executive Session

WHEREAS, Donald J. Trump, the President of the United States has declared a national emergency in response to the outbreak of the coronavirus, also known as COVID-19; and

WHEREAS, Gavin Newsom, the Governor of the State of California has declared a state of emergency in response to the outbreak of COVID-19; and

WHEREAS, the Centers for Disease Control and Prevention (CDC) has recommended that, for at least eight (8) weeks, all gatherings throughout the United States should be limited to no more than ten (10) people; and

WHEREAS, the Orange County Department of Public Health has recommended that large gatherings should be avoided, that persons over sixty-five (65) years of age, and other vulnerable populations should avoid person-to-person contact by remaining at home, and that employers allow their employees to telework to the extent reasonable and practical, and that there is now epidemiological evidence of community transmission in Orange County, indicating that COVID-19 is spreading in the community; and

WHEREAS, as of March 30, 2020, four hundred thirty-one (431) people within the County of Orange have been confirmed to be infected with COVID-19, and four (4) people within the County of Orange have died from COVID-19, and the number of those infected continues to rise, thus causing an emergency pandemic; and

WHEREAS, on March 18, 2020, the County Health Officer of Orange County ordered that all public and private gatherings should be postponed or cancelled; and

WHEREAS, on March 19, 2020, Governor Newsom issued a stay at home order; and

WHEREAS, on March 29, 2020, President Trump extended federal guidelines on social distancing, encouraging all Americans to avoid gatherings of more than ten (10) people, until at least April 30, 2020;

WHEREAS, in light of the foregoing and because the Mutual is a senior community governed by Section 51.3 of the California Civil Code, the Board would like to suspend all further in-person meetings until the state of emergency has been lifted and/or it has been determined by the

appropriate governmental agencies that the threat of COVID-19 is no longer affecting the County of Orange; and

WHEREAS, in place in-person meetings, the Board would like to authorize that Executive Session meetings may be conducted via video and teleconference through ZOOM or similar platform; and

WHEREAS, in place of in-person open meetings, the Board would like to authorize that open meetings of the Mutual, when and if necessary, shall be conducted via video and teleconference through ZOOM or similar platform, and that dial-in and login information to allow Shareholders to observe and participate in the meeting via video or teleconference will be included in a notice posted in the Mutual's designated common area location in compliance with the Civil Code; and

WHEREAS, the Board would like to formally adopt the Video and Teleconference Policy which will govern the Mutual's policies and procedures for holding an open Board meeting via video or teleconference; and

THEREFORE, IT IS RESOLVED THAT: pursuant to the Mutual's Bylaws and any amendments thereto and other governing documents, and applicable statutes, the Board hereby: (1) suspends all further in-person meetings of the Mutual Board; (2) authorizes any meeting of the Board to take place via video or teleconference through ZOOM or similar platform; and (3) adopts the Video and Teleconference Policy for open Board meetings, which is attached to this Resolution and incorporated herein.

The suspension of in-person meetings is temporary and shall cease upon (i) the lifting of the state of emergency and/or a determination by the appropriate governmental agencies that the threat of COVID-19 is no longer affecting the County of Orange; or (ii) future resolution of the Board.

This resolution was adopted by the Board at its meeting on March 30, 2020 and shall be affixed to the minutes.

ADOPTED BY:



Signature of Authorized Board Member



Print Name of Authorized Board Member

Title: PRESIDENT

Date: 4-1-2020

Seal Beach Mutual No. Three

Policy on Teleconference and Videoconference Meetings

INTRODUCTION

Seal Beach Mutual No. Three (“Mutual”), recognizes the importance of Shareholders of the Mutual to have the ability to exercise their rights under the law to attend open meetings and address the Board of Directors (“Board”) thereat with respect to issues related to the Mutual, and is committed to working with Shareholders to help them exercise such rights during times when in-person Board meetings are prohibited by order of State and/or Local governmental agencies.

The Mutual recognizes that in order to fulfill its responsibilities, it must impose reasonable guidelines on open meetings to take place via teleconference and videoconference. Therefore, the Mutual has adopted this Policy on Teleconference and Videoconference Meetings (“Policy”), which sets forth reasonable guidelines for the Board and Shareholders who wish to attend Board meetings via teleconference and/or videoconference.

The Policy is designed to aid Shareholders and the Board in the process that must be complied with in order to properly hold and attend a Board meeting via teleconference and/or videoconference. The Policy supersedes any and all previous policies and guidelines promulgated by the Mutual on this subject matter, if any.

GUIDELINES

1. Board meetings to take place via teleconference and/or videoconference shall take place via Zoom or similar service. Zoom is a cloud-based conferencing platform which offers video and audio conferences as well as wireless screen-sharing. Zoom will be free to use for all Shareholders. Shareholders can access a Zoom conference call either via telephone or via video with the use of a computer, cell phone or tablet (e.g., iPad) capable of running the Zoom application.

2. The Mutual will provide notice to the Shareholders of a Board meeting to take place via tele/videoconference by posting notice of the same in the Mutual’s designated common area location for general notice. The general notice will provide the Shareholder with the date, time and location (if applicable) of the meeting and the name of the parcel/building director to contact for dial-in/login information. The Shareholder will be provided with instructions on how to access the call via telephone or via video upon the Shareholder contacting his or her parcel/building director and requesting the call-in or login information.

3. **The Shareholder may not distribute the call-in or login information to any person who is not a Shareholder of the Mutual.**

4. Telephonic/video Shareholder attendance is permitted in an open Board meeting. Shareholders may participate in an open Board meeting during the open Shareholder forum, but are otherwise not permitted pursuant to the Civil Code to participate in or interrupt the meeting. In order to make a comment during the open Shareholder forum, the Shareholder must submit their information,

including their name, Unit number, and telephone number, via e-mail at mutualsecretaries@lwsb.com, not later than 4:30 p.m., the business day before the date of the meeting. All Shareholders who have submitted their names and information by the above deadline will be called upon during the Shareholder forum portion of the tele/videoconference meeting and allowed to address the Board, subject to all rules in place for Shareholder forum.

5. Professionalism is no less important in the teleconference and videoconference meeting space than it is in an in-person open meeting. It is important to be mindful that meeting participants can see and/or hear everything that others in the meeting are doing and saying. The way that every participant speaks and acts is a reflection of the person's role and reputation. The meeting administrator may choose to mute all meeting attendees who are not directors of the Mutual until such time as the attendee is called upon to address the Board during Shareholder forum.

6. Any Shareholders who wish to call in to a tele/videoconference meeting by telephone, must ensure that the number they are calling from is not blocked. This is necessary so that the meeting administrator may identify attendees and un-mute the appropriate line when the Shareholder is called upon to address the Board during Shareholder forum.

7. The phone numbers of Shareholders who call into the meeting will be displayed to all other participants attending the meeting via videoconference. Shareholders may not call into the meeting from a blocked number.

8. There shall be no recording of any Board meeting by the Shareholders.

9. The Shareholders shall not engage in activities or conduct that would constitute a nuisance to the other members of the Mutual. Specifically, the Shareholders shall not interrupt the meeting, or disrupt or interrupt the Board members during the open meeting.

10. All meetings held via teleconference and videoconference will be subject to any and all applicable Rules of the Mutual, as the same may be amended from time to time; however, if there is a conflict between the requirements of this Policy and the Rules, the requirements as set forth in this Policy will control.

11. Minutes of all open Board meetings, including a tele/video conference meeting, shall be made available to all Shareholders upon request and shall be posted in accordance with the Mutual's policy applicable to all other open meetings.

SEAL BEACH MUTUAL NO. THREE

RESOLUTION OF THE BOARD OF DIRECTORS FORMING AN EMERGENCY ESSENTIAL RESPONSE PANEL

Board of Directors – Executive Session

WHEREAS, Donald J. Trump, the President of the United States has declared a national emergency in response to the outbreak of the coronavirus, also known as COVID-19; and

WHEREAS, Gavin Newsom, the Governor of the State of California has declared a state of emergency in response to the outbreak of COVID-19; and

WHEREAS, the Centers for Disease Control and Prevention (CDC) has recommended that, for at least eight (8) weeks, all gatherings throughout the United States should be limited to no more than ten (10) people; and

WHEREAS, the Orange County Department of Public Health has recommended that large gatherings should be avoided, that persons over sixty-five (65) years of age, and other vulnerable populations should avoid person-to-person contact by remaining at home, and that employers allow their employees to telework to the extent reasonable and practical, and that there is now epidemiological evidence of community transmission in Orange County, indicating that COVID-19 is spreading in the community; and

WHEREAS, as of March 30, 2020, four hundred thirty-one (431) people within the County of Orange have been confirmed to be infected with COVID-19, and four (4) people within the County of Orange have died from COVID-19, and the number of those infected continues to rise, thus causing an emergency pandemic; and

WHEREAS, on March 18, 2020, the County Health Officer of Orange County ordered that all public and private gatherings should be postponed or cancelled; and

WHEREAS, on March 19, 2020, Governor Newsom issued a stay at home order; and

WHEREAS, on March 29, 2020, President Trump extended federal guidelines on social distancing, encouraging all Americans to avoid gatherings of more than ten (10) people, until at least April 30, 2020;

WHEREAS, in light of the foregoing and because the Mutual is a senior community governed by Section 51.3 of the California Civil Code, the Board would like to suspend all further in person meetings until it has been determined by the appropriate governmental agencies that the threat of COVID-19 is no longer affecting the County of Orange; and

WHEREAS, on March 30, 2020, the Board authorized that all Board meetings, may be conducted via video and teleconference through ZOOM, or similar platform, subject to the requirements of the Teleconference and Videoconference Policy adopted on April 7, 2020; and

WHEREAS, Civil Code §5500 requires the Mutual Board to fulfill certain financial review requirements on a monthly basis; and Civil Code §5501 permits said obligations to be met where a subcommittee of the Board consisting of the treasurer (CFO) and at least one (1) other Board member reviews the financial documents independent of a Board meeting, so long as the review is ratified at the subsequent open Board meeting and that ratification is noted in the minutes; and

WHEREAS, the Board would like to form an Emergency Essential Response Panel, made up of Carol Ginthner, the Board President, Mike Turis, the Board Vice President, Jan Ledbetter, the Board CFO, and as an alternative, the Board Secretary Dianne Hart, so that it may authorize limited expenditures necessary for the continued operation of the Mutual during the state of emergency and review any financial documents, including without limitation, contracts, and financial statements, and to take any additional required action in order to carry out the foregoing actions, between meetings of the Board; and

WHEREAS, the Board is permitted to establish the Emergency Essential Response Panel as an executive committee of the Board under California Corporations Code §311 and any other applicable statutes; and

WHEREAS, serving at the pleasure of the Board, and subject to the other limitations of Corporations Code §311 and other applicable law, the Emergency Essential Response Panel will, among other things, assist the Board in: executing all of its duties; managing the affairs of the Association between meetings of the Board; and protecting the interests of the Mutual as a whole during the state of emergency; and

WHEREAS, a majority of the authorized number of Directors on the Board resolves to establish the Emergency Essential Response Panel as an executive committee at the Board meeting on this March 30, 2020.

THEREFORE, IT IS RESOLVED THAT: pursuant to the Mutual's Bylaws and any amendments thereto and other governing documents, and applicable statutes, the Board hereby establishes an Emergency Essential Response Panel to be made up of President Carol Ginthner, Vice President Mike Turis, CFO Jan Ledbetter and as an alternative, Secretary Dianne Hart. The Emergency Essential Response Panel shall have authority to take limited action, in between Board meetings, as necessary to ensure the continued operation of the Mutual during the state of emergency. Such actions shall include:

- (3) authorizing expenditures necessary to meet the reoccurring monthly obligations of the Mutual;
- (4) authorizing expenditures up to \$50,000.00 in the aggregate, as necessary, to (a) address health and/or property threatening emergencies involving common areas of

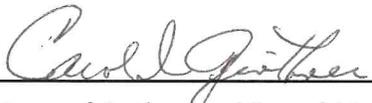
- the Mutual, and (b) meet non-reoccurring expenses of the Mutual necessary to maintain the safety, sanitation, and essential operation of the Mutual development;
- (5) completing the monthly review of financial records required by Civil Code §5500, which review shall be ratified at the subsequent open Board meeting and reflected in the minutes;
 - (6) communicating with the Mutual's legal counsel concerning all matters discussed herein and making all pertinent decisions relating to the matters over which authority has been delegated to the Emergency Essential Response Panel.

While the Emergency Essential Response Panel is comprised of less than a quorum of the Board and, thus, is not required to hold open meetings, all actions taken by the Emergency Essential Response Panel shall be recorded and incorporated into the minutes of the next open Board meeting.

While this Resolution is in effect, monthly financials prepared in accordance with Civil Code §5500 and reflecting all expenditures approved by the Emergency Essential Response Panel shall be distributed by Golden Rain Foundation to all members of the Mutual Board on a monthly basis.

The authority granted to the Emergency Essential Response Panel by this Resolution is temporary and shall cease upon (i) the lifting of the state of emergency and/or a determination by the appropriate governmental agencies that the threat of COVID-19 is no longer affecting the County of Orange; or (ii) future resolution of the Board.

This resolution was adopted by the Board in open session and shall be affixed to the minutes.



Signature of Authorized Board Member



Print Name of Authorized Board Member

Title: *PRESIDENT*

Date: *4-9-2020*

NOTICE

TO ATTEND: The Shareholder will be provided with instructions on how to access the call via telephone or via video upon the Shareholder contacting his or her parcel/building director and requesting the call-in or log-in information.

TO PROVIDE COMMENTS DURING MEETING: In order to make a comment during the open Shareholder forum, the Shareholder must submit their information, including their name, Unit number, and telephone number, via e-mail at mutualsecretaries@lwsb.com, not later than 4:30 p.m., the business day before the date of the meeting.

TO: SHAREHOLDERS OF MUTUAL THREE

**FROM: MUTUAL THREE
BOARD OF DIRECTORS**

**SUBJECT: SPECIAL BOARD MEETING
(ZOOM CONFERENCE CALL)**

DATE: TUESDAY, APRIL 7, 2020

TIME: 12:00 P.M. – 1:00 P.M.

LOCATION: VIDEO/TELEPHONE CONFERENCE

The purpose of this meeting is to:

- (1) Document the vote of the Board regarding the suspension of all in-person meetings and adoption of the policy for telephone and video conference meeting**
- (2) Discuss and vote to form an emergency essential response team**