

MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF GOLDEN RAIN FOUNDATION OF LAGUNA WOODS
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION

July 3, 2012

The Regular Meeting of the Golden Rain Foundation of Laguna Woods Board of Directors, a California non-profit mutual benefit corporation, was held on Tuesday, July 3, 2012, at 9:30 A.M., at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Lloyd Foster, Ken Hammer, Don Tibbetts, Bevan Strom, Lynne Dvorak, Patrick Murphy, Linda Wilson, Marv Rosenhaft, Pat Feeney, Ray Gros

Directors Absent: Maxine McIntosh

Others Present: Cris Robinson, Patty Kurzet
Executive Session: Cris Robinson, Patty Kurzet, Sandy Meyer

CALL TO ORDER

President Lloyd Foster served as Chair of the meeting and stated that it was a regular meeting held pursuant to notice duly given and that a quorum was present. The meeting was called to order at 9:30 A.M.

PLEDGE OF ALLEGIANCE TO THE FLAG

Director Gros led the membership in the Pledge of Allegiance to the Flag.

ACKNOWLEDGEMENT OF PRESS

A representative of the Laguna Woods Globe was present, and the Channel 6 Camera Crew, by way of remote cameras, was acknowledged as present.

APPROVAL OF AGENDA

The agenda was approved as submitted.

APPROVAL OF MINUTES

The Board reviewed and approved without objection the minutes of the Regular Meeting of June 5, 2012 and the minutes of the Special Meeting of June 20, 2012.

MEMBER COMMENTS

- Barbara Copley (410-D) commented on a legal opinion regarding common monies and GRF paying \$96,000 for staff support expenditures.
- Lucie Falk (3377-A) commented on the two-way road at Clubhouse Two, relocation of a dumpster, tree trimming, and water flow at the pool showers.
- Roberta Berk (933-B) commented on GRF paying \$96,000 for staff support expenditures.
- Jody Foster (2162-C) commented on non-member use of GRF facilities.
- Corky Eley (2401-2E) commented on the GRF Trust.

- Charlene Sydow (646-A) commented on GRF paying for staff support expenditures.
- Pamela Grundke (2214-B) commented on GRF paying for staff support expenditures.
- Larry Souza (5077) commented on staff support expenditures.
- Mary Wall (239-D) commented on GRF paying for staff support expenditures.

The Directors briefly responded to Members' comments.

GENERAL MANAGER'S REPORT

In Mr. Storage's absence, Mrs. Robinson updated the membership on the ongoing GRF projects within the Community.

CHAIR'S REPORT

No report was given.

OLD BUSINESS

Director Wilson read the following proposed resolution approving the revised Recreational Division Policy:

RESOLUTION 90-12

WHEREAS, a recommendation has been made by the Community Activities Committee to streamline and reduce confusion regarding the Recreation Division Policy to accommodate the needs of the residents;

NOW THEREFORE BE IT RESOLVED, August 7, 2012, that the Board of Directors of this Corporation hereby adopts the attached new Recreation Division Policy; and

RESOLVED FURTHER, that Resolution 90-07-81 and Resolution 90-07-82 adopted November 6, 2007 are hereby superseded and cancelled; and

RESOLVED FURTHER, that Resolution 90-11-28, Resolution 90-08-15, and Resolution 90-08-44 (prior resolutions pertaining to grandfathered events - exceptions to the roll over reservation policy) are hereby superseded and cancelled; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of this Corporation to carry out the purpose of this Resolution.

Director Dvorak provided a summary of the proposed changes.

Director Wilson moved to approve the resolution. Director Dvorak seconded the motion and discussion ensued.

Director Strom amended Section III.E.3.b (Equestrian Center/Stables) to read: "Only resident solely-owned horses may be boarded." Dvorak seconded and discussion ensued. The amendment carried.

Director Dvorak amended Section I.B.1 (Access to GRF Recreation Facilities) to read: "Guests must always be accompanied by a resident except at the pools where the resident may sign in the guest and leave, or if the guest has a Pool Privilege Pass."

Members Dottie Fredericks (776-Q), Lucie Falk (3377-A), and Roberta Berk (933-B) spoke to the amendment.

The amendment carried.

Director Rosenhaft amended Section I.B.4 (Access to GRF Recreation Facilities) to change the minimum age for tennis and paddle tennis/pickle ball from 10 to 6. The motion was seconded and discussion ensued.

Members Rich Haskel (3240-A) and Tony Dauer (96-C) spoke to the amendment.

The amendment carried.

Director Strom amended Section III.E.3.e (Equestrian Center/Stables) to read: "There is a limit of one boarded horse per membership." Director Wilson seconded the motion and discussion ensued. Without objection, the amendment was withdrawn.

Without objection, the motion as amended was postponed to August to satisfy the 30-day notification requirement.

NEW BUSINESS

Director Wilson read a proposed resolution approving the request from Donald P. Wagner, Assemblyman 70th District, for use of Clubhouse Five to co-host a legislative town hall meeting. Director Wilson moved to approve the resolution. Director Rosenhaft seconded the motion.

By a vote of 9-0-0, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 90-12-78

WHEREAS, State Assemblyman Donald P. Wagner who represents Laguna Woods in the 70th Assembly District requested the use of Clubhouse Five on September 21, 2012 from 9:00 AM to 11:00 AM to co-host a legislative town hall meeting to share tips and guidelines from a panel of financial and health experts for the residents of Laguna Woods Village;

NOW THEREFORE BE IT RESOLVED, July 3, 2012, that the Board of Directors of this Corporation hereby approves the request from Donald P. Wagner, Assemblyman 70th District, for use of Clubhouse Five on September 21, 2012 from 9:00 AM to 11:00 AM to co-host a legislative town hall meeting for Laguna Woods residents; and

RESOLVED FURTHER, that the outside rental fee shall be waived; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

CONSENT CALENDAR

Without objection the Consent Calendar was approved as written, and the Board approved the following actions:

RESOLUTION 90-12-79

RESOLVED, July 3, 2012, that the Board of Directors of this Corporation hereby approves the use of the Redwood Room in the Laguna Woods Village Community Center, at no cost, by the AARP TaxAide Group during the 2013 tax season every Wednesdays from 8:00 AM until 5:00 PM from January 23, 2013 through April 10, 2013 for tax preparation services; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

RESOLUTION 90-12-80

RESOLVED, July 3, 2012, that the Board of Directors of this Corporation hereby accepts the donation of an assortment of tools and materials, valued at a total of \$140 from the Woodshop Supervisor on behalf of Woodshop users;

RESOLVED FURTHER, that such equipment shall be used in the Clubhouse Four Workshop; and

RESOLVED FURTHER, that the donation to the Golden Rain Foundation shall not qualify as a tax-deductible charitable contribution; and

RESOLVED FURTHER, that the President of this Corporation is hereby authorized to advise said donor in writing and to express the thanks of the corporation.

RESOLUTION 90-12-81

WHEREAS, the United States Tennis Association (USTA) would like to hold its annual national seniors tennis tournament at Laguna Woods Village in May 2013; and

WHEREAS, the Laguna Woods Tennis Club is requesting to host the event at its own expense and is requesting the use of a clubhouse to hold an evening dinner for players and guests;

NOW THEREFORE BE IT RESOLVED, July 3, 2012, that the Board of Directors of this Corporation hereby approves the request of the Laguna Woods Tennis Club to host the USTA national seniors tennis tournament for five to seven days in May 2013; and

RESOLVED FURTHER, that the Board further approves the use of a clubhouse by the Laguna Woods Tennis Club to hold an evening dinner for players and guests and hereby directs Staff to work out the final details of the event with the Laguna Woods Tennis Club; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

COMMITTEE REPORTS

Director Murphy gave the Treasurer's and Finance Committee reports.

Mrs. Betty Parker gave the Broadband Finance Report and Mr. Russ Ridgeway spoke to the bidding process for the Connexion contract and GRF's reacquisition of such.

Members Marty Rhodes (5369-2A), Roberta Berk (933-B), Lucie Falk (3377-A), and Tony Dauer (96-C) spoke to the Broadband report.

Director Ken Hammer reported from the Mobility & Vehicles Committee.

Director Lynne Dvorak reported from the Community Activities Committee.

Director Wilson read a proposed resolution approving to exceed the 2012 Operating Budget to add an Assistant Golf Professional I position. Director Rosenhaft moved to approve the resolution. Director Dvorak seconded the motion and discussion ensued.

By a vote of 7-2-0 (Directors Wilson and Strom opposed), the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 90-12-82

WHEREAS, the Community Activities Committee recommended including \$49,500 in the 2013 Operating Budget to add an Assistant Golf Professional position to the Golf Operations staff to address the changes in operation with the new Village Greens building and additional service levels; and

WHEREAS, it was suggested that the Board add the Assistant Golf Professional position in October 2012 when the busy season begins;

NOW THEREFORE BE IT RESOLVED, July 3, 2012, that the Board of Directors of this Corporation hereby agrees to exceed the 2012 Operating Budget by approximately \$12,000 in order to add the Assistant Golf Professional I position in October 2012; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

Director Wilson read a proposed resolution approving to exceed the 2012 Operating Budget to keep the Village Greens open until 10:00 PM. Director Dvorak moved to approve the resolution. Director Rosenhaft seconded the motion.

By a vote of 7-2-0 (Directors Wilson and Strom opposed), the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 90-12-83

WHEREAS, the 2013 Operating Budget was increased by an estimated annual cost of \$10,000 to keep the Village Greens open until 10:00 PM when it has a reservation booked; and

WHEREAS, it was suggested that the Board expand the hours in October 2012 to better serve the residents;

NOW THEREFORE BE IT RESOLVED, July 3, 2012, that the Board of Directors of this Corporation hereby agrees to exceed the 2012 Operating Budget by approximately \$2,500 to keep the Village Greens open until 10:00 PM when it has a reservation booked from October 1 until December 31, 2012; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

Director Wilson read a proposed resolution approving to provide a basic phone connection and phone at the head end building for the Amateur Radio Club. Director Wilson moved to approve the resolution. Director Dvorak seconded the motion and discussion ensued.

By a vote of 7-2-0 (Directors Hammer and Strom opposed), the motion as amended carried and the Board of Directors adopted the following resolution:

RESOLUTION 90-12-84

WHEREAS, the Amateur Radio Club transmitter site is moving from Clubhouse One to the head end building and needs a phone connection installed for the Club and emergency communications with the Disaster Task Force;

NOW THEREFORE BE IT RESOLVED, July 3, 2012, that the Board of Directors of this Corporation hereby agrees to provide a basic phone connection and phone at the head end building and that the Amateur Radio Club pay the monthly cost of service; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

In Director McIntosh's absence, Director Don Tibbetts reported from the Landscape Committee.

Director Don Tibbetts reported from the Maintenance and Construction Committee.

Director Wilson read a proposed resolution agreeing to not replace the Clubhouse Six trellis/arbor. Director Wilson moved to approve the resolution. Director Dvorak seconded the motion.

Members Roberta Berk (933-B) and Larry Souza (5077) commented on the motion.

By a vote of 9-0-0, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 90-12-85

WHEREAS, by way of Resolution 90-11-125, the Board of Directors of this Corporation authorized funding for the Clubhouse 6 renovation which included replacing the trellis/arbor over the northeast patio; and

WHEREAS, the trellis/arbor was removed during the Clubhouse shutdown in February 2012 due to dry rot safety concerns;

NOW THEREFORE BE IT RESOLVED, July 3, 2012, that the Board of Directors of this Corporation hereby agrees to not replace the Clubhouse Six trellis/arbor as provided for in Resolution 90-11-125 and to add tables with umbrellas on the patio in its stead; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

Director Wilson read a proposed resolution authorizing a supplemental appropriation to remove the planter at Gatehouse 7. Director Wilson moved to approve the resolution. Director Rosenhaft seconded the motion and discussion ensued.

By a vote of 5-3-1 (Directors Hammer, Strom, and Feeney opposed; and Director Gros abstained), the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 90-12-86

WHEREAS, a water intrusion issue was identified at the Gatehouse 7 planter;

NOW THEREFORE BE IT RESOLVED, July 3, 2012, that the Board of Directors of this Corporation hereby authorizes a supplemental appropriation in the amount of \$18,400 to be funded from the Facilities Fund to remove the planter at Gatehouse 7, repair the building, and plant ground level landscaping in front of the guardhouse; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

Director Wilson read a proposed resolution authorizing a supplemental appropriation to fumigate Clubhouse One. Director Wilson moved to approve the resolution. Director Dvorak seconded the motion.

By a vote of 9-0-0, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 90-12-87

WHEREAS, termite infestation and associated damage has been identified at Clubhouse One which requires the facility to be tented and fumigated for termite eradication;

NOW THEREFORE BE IT RESOLVED, July 3, 2012, that the Board of Directors of this Corporation hereby authorizes a supplemental appropriation in the amount of \$46,200, to be funded from the Contingency Fund, to fumigate Clubhouse One from August 13, 2012 to August 16, 2012; and

RESOLVED FURTHER, that during such time, Clubhouse One will be closed and portable restrooms will be provided for the bus drivers and residents using the bus system; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

Director Don Tibbetts reported from the Clubhouse Two Renovation Ad Hoc Committee.

Director Pat Feeney reported from the Media & Communications Committee.

Director Ray Gros reported from the Security and Community Access Committee.

Director Wilson read the following proposed resolution approving to hire one additional Security Traffic Specialist and Security vehicle:

RESOLUTION 90-12-

WHEREAS, in order to improve traffic safety and reduce the number of traffic accidents in the Community, an additional Traffic Specialist and Security vehicle is necessary to assist GRF in enforcing its traffic rules and regulations;

NOW THEREFORE BE IT RESOLVED, July 3, 2012, that the Board of Directors of the Corporation hereby approves hiring one additional Security Traffic Specialist as an unbudgeted operating expense in the Security Division for 2012 and inclusion of this position in future business plans at an estimated annual cost of \$74,200; and

RESOLVED FURTHER, that the Board of Directors hereby authorizes a supplemental appropriation in the amount of \$24,700 to be funded from the Equipment Fund to purchase an additional Security vehicle for the Traffic Specialist; and

RESOLVED FURTHER, that the addition of said vehicle would also produce an unbudgeted operating expense in Vehicle Maintenance for fuel and maintenance for the remainder of 2012, which would be included in future business plans; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

Director Wilson moved to approve the resolution. Director Gros seconded the motion and discussion ensued.

Director Dvorak moved to refer the matter back to the Security and Community Access Committee for re-evaluation. Director Wilson seconded the motion and discussion ensued. By a vote of 8-1-0 (Director Murphy opposed), the motion carried.

Director Wilson moved to hold a Town Hall Meeting in July or August for Security and Community Access for Staff to provide residents with additional information, and answer questions, regarding GRF mandated vehicle decals, guest parking permits and gate passes. Director Gros seconded the motion and discussion ensued.

Member Roberta Berk (933-B) spoke to the motion.

The motion carried unanimously.

Director Gros reported on the Laguna Canyon Foundation.

Director Rosenhaft reported on the Joint Signage Ad Hoc Committee.

The Board discussed future board agenda items.

DIRECTORS' COMMENTS

- Director Rosenhaft spoke to the July 4th Holiday and the need to respect people more.
- Director Hammer commented on Traffic Rules and Regulations.
- Director Murphy announced that Merrill Lynch will make a presentation on July 31, 2012.

MEETING RECESS

The regular open meeting recessed at 12:37 P.M. and reconvened into Executive Session at 1:19 P.M.

Summary of Previous Closed Session Meetings per Civil Code Section §1363.05

During its Regular Executive Session Meeting of June 5, 2012, the Board reviewed and approved without objection the minutes of the Regular Executive Session of May 1, 2012, the Special Executive Session of May 11, 2012, the Special Executive Session of May 18, 2012, the Special Executive Session of May 22, 2012, the Special Emergency Executive Session of May 23, 2012, the Special Executive Session of May 29, 2012, and the Special Executive Session of June 1, 2012. The Board discussed contractual issues regarding the Moulton Parkway Widening Phase II project, use of the Equestrian Center, Connexion, Third Mutual flood mitigation, Ware Disposal, and the former

Community name. The Board held one disciplinary hearing and discussed the following litigation matter: Larry Badgwell v. GRF.

During its Special Executive Session Meeting of June 20, 2012, the Board discussed contractual issues regarding Moulton Parkway Widening Phase II project.

During its Special Executive Session Meeting of June 26, 2012, the Board discussed contractual issues regarding the GRF Trust and the Management Agreement.

ADJOURNMENT

There being no further business to come before the Board of Directors, the meeting adjourned at 3:23 P.M.

Lloyd Foster, President