

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

January 3, 2006

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 January 3, 2006, at 9:30 A.M., at 24351 El Toro Road, Laguna Woods, California.

Directors Present: George Portlock, Joseph Heller, Marty Rhodes, Bea McArthur, Maury Kravitz, Mark Stein, Cynthia Chyba, Bob Miller, Ruth May, Noel Hatch, Jack Bassler

Directors Absent: None

Others Present: Milt Johns, Patty Fox, Janet Price (9:59 A.M. – 10:08 A.M.)
Executive Session: Cris Trapp

CALL TO ORDER

George Portlock, President served as Chairman 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.

A moment of silence and reflection was held to honor our US Troops who are serving our Country, and for those who are in harm's way.

PLEDGE OF ALLEGIANCE TO THE FLAG

Director Noel Hatch led the membership in the Pledge of Allegiance to the Flag.

ACKNOWLEDGEMENT OF PRESS

Cheryl Walker from the News, and Staff from TV Channel 6 Camera Crew were acknowledged.

APPROVAL OF AGENDA

The agenda was approved as written.

APPROVAL OF MINUTES

The Minutes of the December 6, 2005 Regular Board Meeting were approved as submitted.

CHAIRMAN'S REPORT

President Portlock provided comments on the misinformation circulating in the Community regarding selling the Stables and other land use plans.

OLD BUSINESS

There was no old business before the board.

NEW BUSINESS

By way of consensus, the Board appointed Director Marty Rhodes to the Joint Ad Hoc Committee re: GRF Bylaw Review.

CONSENT CALENDAR

The consent calendar was approved and the following action was taken:

RESOLUTION 90-06-01

GOLDEN RAIN FOUNDATION OF LAGUNA WOODS MAINTENANCE AND CONSTRUCTION COMMITTEE CHARTER

WHEREAS, a Maintenance and Construction Committee has been established pursuant to Article 7, Section 7.1.1 of the Bylaws of this Corporation:

NOW THEREFORE BE IT RESOLVED, January 3, 2006 the Board of Directors of this Corporation hereby assigns the duties and responsibilities of this Committee, as follows:

1. Perform the duties and responsibilities imposed upon all standing committees as set forth in the current resolution entitled, "General Duties of Standing Committees."
2. Serve as liaison between the GRF Board and the Maintenance and Landscape Divisions.
3. Review the capital requirements, service levels, and projected revenue related to the Maintenance and Landscape Divisions and recommend appropriate action to the GRF Business Planning Committee.
4. Review all unbudgeted requests for programs or capital equipment originated by the Maintenance and Landscape Divisions and recommend appropriate action to the Finance Committee.
5. Ensure that the real property, equipment and fixtures owned or leased by GRF are maintained as necessary to sustain a consistent level of performance to meet the requirements of the community.
6. Direct the managing agent to prepare specifications and contracts used for procurement of goods and services and review and modify design criteria as appropriate.
7. Direct the managing agent to implement capital plan projects per Board approved scope of work.

8. Determine policy governing landscape design and maintenance standards at GRF facilities with consideration given to aesthetics, maintenance and water requirements.
9. Work to promote the optimum and most efficient use of utilities at GRF Facilities.
10. Serve as liaison between the GRF Board and the Managing Agent to ensure that vehicles and any associated equipment are appropriate for the intended services.

RESOLVED FURTHER, that the Committee shall perform such other tasks as may be assigned by the GRF President or Board; and

RESOLVED FURTHER, that Resolution G-98-88 mandates that any standing committee member who misses four (4) of the regularly scheduled monthly meetings within any twelve (12) month period may be removed from that committee by a vote of the Board of Directors; and

RESOLVED FURTHER, that Resolution G-02-07(a), adopted February 5, 2002 is hereby superceded and cancelled.

COMMITTEE REPORTS

Director Maury Kravitz reported on the Treasurer's Report and from the Finance Committee.

Director Marty Rhodes reported from the Community Activities Committee.

Director Joseph Heller reported from the Maintenance and Construction Committee.

The Secretary of the Corporation, Director Cynthia Chyba read a proposed resolution on approving a supplemental appropriation to install a Centralized Irrigation System over a five-year program. Director Chyba made a motion to approve the resolution. Director Bea McArthur seconded the motion. Discussion ensued.

Ms. Janet Price entered the meeting at 9:59 A.M.

United Mutual Member Mike Curtis (342-A) commented on the irrigation system.

By a unanimous vote of 10-0-0, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 90-06-02

WHEREAS, the current Irrigation Control System has several physical limitations that prevent maximum operating efficiency; and

WHEREAS, such limitations can be overcome by upgrading to a centralized computer control system, resulting in reduced water consumption, reduced labor, and optimal plant health and appearance;

NOW THEREFORE BE IT RESOLVED, January 3, 2006 that the Board of Directors of this Corporation hereby authorizes a supplemental appropriation in the amount of \$419,000 to be funded from the Equipment Fund; and

RESOLVED FURTHER, that such funds shall be used to install a Centralized Irrigation System over a five-year program, with \$37,000 for the first year of implementation of the GRF system, and \$382,000 to purchase the Cluster Control Units for use throughout the Community; and

RESOLVED FURTHER, that the annual Business Plans in years 2007 through 2010 will include the projected reserve expenditures for full implementation of GRF's systems, equating to approximately \$179,000 in today's dollars;

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.

Ms. Price left the meeting at 10:08 A.M.

The Secretary of the Corporation, Director Chyba read a proposed resolution on approving a supplemental appropriation to purchase a Yard and Wood Waste Particle Reduction Grinder. Director Chyba made a motion to approve the resolution. Director Maury Kravitz seconded the motion. Discussion ensued.

By a unanimous vote of 10-0-0, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 90-06-03

WHEREAS, on November 1, 2005 the Board of Directors of this Corporation adopted Resolution 90-05-86 which approved a replacement for the existing brush chipper used for green waste collection; and

WHEREAS, recent research for green waste processing equipment uncovered a general-purpose yard and wood waste particle reduction grinder that would provide significant benefits in the Landscape operation;

NOW THEREFORE BE IT RESOLVED, January 3, 2006 that the Board of Directors of this Corporation hereby authorizes a supplemental appropriation in the amount of \$80,000 from the Equipment Fund to purchase a Yard and Wood Waste Particle Reduction Grinder; and

RESOLVED FURTHER, that Resolution 90-05-86 adopted November 1, 2005 is hereby rescinded; 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.

The Secretary of the Corporation, Director Chyba read a proposed resolution on approving a supplemental appropriation to install a push button door system at Clubhouse Seven. Director Chyba made a motion to approve the resolution. Director McArthur seconded the motion. Discussion ensued.

United Mutual Member Ray Barrett (223-B) commented on the resolution.

By a unanimous vote of 10-0-0, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 90-06-04

RESOLVED, January 3, 2006 that the Board of Directors of this Corporation hereby authorizes a supplemental appropriation in the amount, not to exceed, \$5,000 to be funded from the Facilities Fund to install a push button door system at Clubhouse Seven; 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.

United Mutual Members Maxine McIntosh (68-C); Mike Curtis (342-A); and Lucie Falk (3377-A) addressed Director Heller on his report.

Director Mark Stein reported from the Security and Community Access Committee.

United Mutual Member Linda Wilson (816-P) commented on Disaster Task Force preparedness.

Director Bea McArthur reported from the Government & Public Relations Committee.

Director Rhodes provided a summary of the current legislative bills.

United Mutual Member Mike Curtis (342-A) commented on the legislative report regarding HUD Mortgages.

Director Bob Miller reported from the Broadband Services Committee, and provided a summary of a five-year forecast for the System.

United Mutual Members Linda Wilson (816-P), Ray Barrett (223-B), and Mike Curtis (342-A) commented on the forecast.

Director Maury Kravitz reported from the Bus Services Committee.

United Mutual Member Linda Wilson (816-P) commented on the On-Demand B-Bus, and the Community's monthly ridership.

GOOD OF THE ORDER:

Mutual Members:

- Lucie Falk (3377-A) commented on pool use and maintenance
- Jerry Sheinblum (3488-C) announced the next CCA Townhall Meeting
- Mike Curtis (342-A) commented on misleading information
- Ray Barrett (223-B) commented on the golf cart access in the Community

Board of Directors:

- Director Rhodes commented on land sales
- Milt Johns commented on Director efforts to inform residents on various issues affecting the Community
- Director Heller commented on Ray Barrett's request to install push doors for the Bridge Club at Clubhouse Seven
- Director Kravitz commented on communicating and obtaining the facts
- Director Hatch commented on Director Rhodes' hard work on the Board, and on obtaining the facts to make sound decisions
- Director May thanked the Board for approving the push button system at Clubhouse 7
- President Portlock thanked Mr. Hatch on his comments

RECESS INTO EXECUTIVE SESSION

The meeting recessed at 11:40 A.M. and went into Executive Session at 12:28 P.M.

During the December Executive Session, the Board approved the minutes of the Regular Executive Session Meeting of November 1, 2005; discussed litigation and contractual issues; and reviewed the Litigation Status Report.

ADJOURNMENT

There being no further business to come before the Board of Directors, the meeting adjourned at 2:13 P.M.

Cynthia Chyba, Secretary