

MINUTES OF THE SPECIAL MEETING OF THE
BOARD OF DIRECTORS OF THIRD LAGUNA HILLS MUTUAL
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION

May 14, 2012

The Special Meeting of the Third Laguna Hills Mutual Board of Directors, a California non-profit mutual benefit corporation, was held on Monday, May 14, 2012 at 10:00 A.M. at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Mike Straziuso, Won Chang, Isabel Muennichow, Rae Tso, Sy Wellikson, Denny Welch, Carol Moore, Kathryn Freshley, Dick Palmer, , John Paulus

Directors Absent: Lucy Shimon

Staff Present: Jerry Storage, Cris Robinson, Patty Kurzet

Others Present: Bob Hill and Dennis Cafferty of the El Toro Water District

CALL TO ORDER

President Mike Straziuso called the meeting to order at 10:00 A.M.

Mr. Bob Hill provided a brief overview of El Toro Water District's (ETWD) Recycled Water Expansion Project.

Mr. Dennis Cafferty presented the cost savings, benefits, and timeline of the project.

Mr. Cafferty and Mr. Hill answered questions from the Board members.

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

During its April 17, 2012 Regular Executive Session Board Meeting, the Board reviewed and approved the minutes of the Regular Executive Session of March 20, 2012. The Board approved six write-offs; approved filing six separate Small Claims Cases of \$2,500 (or less); heard three disciplinary hearings and imposed fines totaling \$900 for violations of the Mutual's rules and regulations; discussed the legal matter of Lee Childress v. Third Mutual; and discussed other member disciplinary, contractual and legal matters.

ADJOURNMENT

With no further business before the Board of Directors, the special meeting was adjourned at 11:11 A.M.

Isabel Muennichow, Secretary