

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

October 8, 2012

The Special Meeting of the Third Laguna Hills Mutual Board of Directors, a California non-profit mutual benefit corporation, was held on Monday, October 8, 2012 at 10:00 A.M. at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Mike Straziuso, Won Chang, Isabel Muennichow, Rae Tso, Hank Gioia, Sy Wellikson, Kathryn Freshley, Denny Welch, Marc Bayer, Jim Juhan, Judith Troutman

Directors Absent: None

Staff Present: Jerry Storage, Patty Kurzet, Tim Huval, Alberto Garcia, Betty Parker, Scott Dunham
Executive Session: Jerry Storage, Patty Kurzet, Cris Robinson

Others Present: Kelly Richardson, Esq. and Tom Ryan (Consultant)

CALL TO ORDER

Director Mike Straziuso, President of the Corporation, called the meeting to order at 10:00 A.M.

Mr. Huval reported on the 2010 flood events and recent improvements that were made.

Mr. Huval reported on options for the Board to consider for the El Toro – CDS 219 Storm Drain Project. The options included: Alternative One (underground flow) or Alternative Two (overland flow).

Members involved with the flood area were given the opportunity to speak to the issue.

Director Wellikson moved to accept Alternative Two (overland flow). Director Bayer seconded the motion and discussion ensued.

The Secretary of the Corporation, Director Muennichow, read a proposed resolution authorizing an additional supplemental appropriation in the amount of \$850,890 for (Option B) Alternative Two: Design and construct storm drain improvements to the landscape swale and bridge crossing at CDS 219.

Director Wellikson moved to end debate and the motion carried by a vote of 8-1-1 (Director Freshley opposed, and Director Muennichow abstained).

By a vote of 9-1-0 (Director Freshley opposed), the main motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 03-12-125

WHEREAS, Resolution 03-11-105 appropriated \$1,000,000 from the Disaster Fund to replace the existing 78-inch pipe from the El Toro Tunnel to the outlet near Building 2390 with a 12-foot by 6-foot box culvert and upgrade the crossing at CDS 219 to a 12-foot by 6-foot three cell culvert as recommended by the Consultant in response to the flood events that occurred in December 2010; and

WHEREAS, the lowest competitive bid exceeds the appropriated amount; and

WHEREAS, the Board directed Staff to investigate an alternative solution with the consultant and contractor to pursue a less expensive option due to the cost of the original design, and Staff presented the alternative to the Board to increase the capacity of the swale near Building 2390, to upgrade the bridge crossing at CDS 219, and to construct a flood wall to protect the buildings adjacent to the golf course, all at an estimated cost of \$1,550,890; and

WHEREAS, improvements to supplement or increase the capacity of the existing 78-inch drainage pipe are necessary and both a below ground option and an above ground option are available; and

WHEREAS, the below ground option provides for conveyance of storm water from the El Toro tunnel through a box culvert to the swale area near Building 2390 at an estimated cost of \$2,400,000, and, when considered with the improvements noted above at \$1,550,890, result in a total project cost of \$3,950,890; and

WHEREAS, the above ground option requires grading modifications, improvements to the existing flood walls along the landscaped area adjacent to Buildings 2014, 2016 and 2384, and modifications to Via Mariposa including installation of slotted curbing to force water to flow into the golf course fairway at Hole 8 at an estimated cost of \$300,000, and, when considered with the improvements noted above at \$1,550,890, result in a total project cost of \$1,850,890; and

WHEREAS, a total of \$1,000,000 has already been appropriated by way of Resolution 03-11-105;

NOW THEREFORE BE IT RESOLVED, October 8, 2012, that the Board of Directors of this Corporation hereby authorizes an additional supplemental appropriation in the amount of \$850,890 to be funded from the Disaster Fund for Alternative Two: Design and construct storm drain improvements to the landscape swale and bridge crossing at CDS 219 and implement an above ground option to supplement the capacity of the existing 78-inch drainage pipe; and

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

Tim Huval, Alberto Garcia, Betty Parker, Scott Dunham and Tom Ryan left the meeting at 11:34 A.M.

The Board discussed the proposed Board Meeting Rules Policy.

Director Freshley moved to table the discussion indefinitely. Director Tso seconded the motion and the motion failed by a vote 4-6-0 (Directors Bayer, Tso, Freshley, and Gioia voted in favor).

Director Wellikson moved to postpone the discussion to a special meeting to be called by the President. Director Bayer seconded the motion.

Director Welch amended the motion to postpone the meeting until 2:00 today in the Sycamore Room. The motion failed due to the lack of a second.

The original motion carried by a vote of 8-2-0 (Directors Chang and Welch opposed).

The Board adjourned into Executive Session at 12:35 P.M.

ADJOURNMENT

With no further business before the Board of Directors, the special meeting was adjourned at 12:53 P.M.

Isabel Muennichow, Secretary