

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

**February 19, 2013**

The Regular Meeting of the Third Laguna Hills Mutual Board of Directors, a California non-profit mutual benefit corporation, was held on Tuesday, February 19, 2013 at 9:30 A.M. at 24351 El Toro Road, Laguna Woods, California.

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

Directors Absent: None

Staff Present: Jerry Storage, Patty Kurzet  
Executive Session: Jerry Storage, Patty Kurzet, Cris Robinson, Luis Rosas

Others Present: Kelly Richardson, Esq.

**CALL TO ORDER**

Director Mike Straziuso, President of the Corporation, called the meeting to order at 9:30 A.M.

**PLEDGE OF ALLEGIANCE**

Director Wellikson led the Membership in the Pledge of Allegiance to the Flag.

**ACKNOWLEDGEMENT OF MEDIA**

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

**APPROVAL OF AGENDA**

Director Bayer moved to refer 12(g) *Discuss and Consider Ethical Guidelines for Directors* to the Board Operating Rules Committee. Director Wellikson seconded the motion and discussion ensued.

Director Muennichow amended the motion that the Board Operating Rules Ad Hoc Committee revise the ethical guidelines and present it at the March meeting. Director Welch seconded the motion and discussion ensued. By a vote of 8-2-0 (Directors Tso and Freshley opposed), the amendment carried.

The original motion carried as amended by a vote of 8-2-0 (Directors Tso and Freshley opposed).

Director Wellikson moved to place 12(a) *Approve Revised Mutual Committee Appointments* and 12(b) *Approve Revised GRF Committee Appointments* under the Consent Calendar.

Director Bayer seconded the motion and the motion carried by a vote of 9-1-0 (Director Muennichow opposed).

Director Troutman moved to remove the following agenda items: 12(h) *Discuss and Consider Holding Agenda Meetings*, 12(i) *Discuss and Consider Election of Officers*, and 12(j) *Entertain Motion to Rescind Board Meeting Rules (Resolution 03-13-04)* from the agenda. Director Wellikson seconded the motion.

Director Troutman moved the previous question. Director Wellikson seconded the motion and the motion failed by a lack of a 2/3 vote.

Discussion continued on the main motion.

Director Muennichow amended the motion that agenda item 12(h) *Discuss and Consider Holding Agenda Meetings* be removed from the main motion. Director Tso seconded the motion and discussion ensued.

By a vote of 7-1-2 (Director Gioia opposed; and Directors Wellikson and Chang abstained), the amendment carried.

The original motion carried as amended by a vote of 8-2-0 (Directors Tso and Freshley opposed).

The agenda was approved as amended by a vote of 8-2-0 (Directors Tso and Freshley opposed).

#### **CHAIR'S REMARKS—Mike Straziuso**

President Straziuso commented on the following: bulk pickup program, establishment of the agenda, posting issues by way of email and internet, and the Moulton Parkway Widening project.

#### **APPROVAL OF THE MINUTES**

Director Bayer moved to approve the minutes of the January 15, 2013 Regular Meeting. Director Welch seconded the motion and the motion carried with Director Freshley opposing.

#### **CONSENT CALENDAR**

Without objection, the Board approved the Consent Calendar as amended, and the Board took the following actions:

##### Maintenance & Construction Committee Recommendations:

- |              |  |
|--------------|--|
| 3137-A       | Deny <b>appeal</b> request to install plastic bamboo shades                      |
| Bldg 3276/77 | Approval to install solar motion sensor light in trash area adjacent to 3273     |
| 3338-1F      | Approve request for a rear patio extension, with contingencies                   |
| 3439-B       | Approve request to retain painted mural and wall attachments, with contingencies |

- 5418            Approve request to re-roof Building 5418 with salvaged clay tile and bill the Member \$585 for the extra cost to the Mutual

Landscape Committee Recommendations

- Approve Reproduction of Recycling Flyer at a Cost not to Exceed \$300 in 2013

Finance Committee Recommendation

**RESOLUTION 03-13-07**

**WHEREAS**, Member ID 931-530-97 is currently delinquent to Third Laguna Hills Mutual with regard to the monthly assessment; and

**WHEREAS**, a Notice of Delinquent Assessment (Lien) will be filed upon adoption of this resolution following at least a majority vote of the Board (with no delegation of such action by the Board), acting in an open meeting, and for which the Board's vote is recorded in the minutes;

**NOW THEREFORE BE IT RESOLVED**, February 19, 2013, that the Board of Directors hereby approves the recording of a Lien for Member ID 931-530-97; 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 03-13-08**

**WHEREAS**, Member ID 931-580-22 is currently delinquent to Third Laguna Hills Mutual with regard to the monthly assessment; and

**WHEREAS**, a Notice of Delinquent Assessment (Lien) will be filed upon adoption of this resolution following at least a majority vote of the Board (with no delegation of such action by the Board), acting in an open meeting, and for which the Board's vote is recorded in the minutes;

**NOW THEREFORE BE IT RESOLVED**, February 19, 2013, that the Board of Directors hereby approves the recording of a Lien for Member ID 931-580-22; 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 03-13-09**

**WHEREAS**, Member ID 931-901-23 is currently delinquent to Third Laguna Hills Mutual with regard to the monthly assessment; and

**WHEREAS**, a Notice of Delinquent Assessment (Lien) will be filed upon adoption of this resolution following at least a majority vote of the Board (with no delegation of such action by the Board), acting in an open meeting, and for which the Board's vote is recorded in the minutes;

**NOW THEREFORE BE IT RESOLVED**, February 19, 2013, that the Board of Directors hereby approves the recording of a Lien for Member ID 931-901-23; 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 03-13-10**

**WHEREAS**, Member ID 933-050-31 is currently delinquent to Third Laguna Hills Mutual with regard to the monthly assessment; and

**WHEREAS**, a Notice of Delinquent Assessment (Lien) will be filed upon adoption of this resolution following at least a majority vote of the Board (with no delegation of such action by the Board), acting in an open meeting, and for which the Board's vote is recorded in the minutes;

**NOW THEREFORE BE IT RESOLVED**, February 19, 2013, that the Board of Directors hereby approves the recording of a Lien for Member ID 933-050-31; 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 03-13-11**

**WHEREAS**, The Finance Committee recommends filing separate Small Claims Court cases of \$2,500 (or less) in an attempt to collect delinquent assessments by way of a judgment or stipulation against members/owners in Third Laguna Hills Mutual; and

**NOW THEREFORE BE IT RESOLVED**, February 19, 2013, that the Board of Directors hereby approves the filing of separate Small Claims Court cases for Member ID 931-580-22, Member ID 933-190-02, Member ID 935-050-71, and Member ID 935-100-27; 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.

OTHER ITEMS

**RESOLUTION 03-13-12**

Mutual Committee Appointments

**RESOLVED**, February 19, 2013, that the following persons are hereby appointed to serve on the committees and services of this Corporation; and

**RESOLVED FURTHER**, that each committee chair in consultation with the vice chair may appoint additional members and advisors with interim approval by the President subject to the approval of the Board of Directors:

**Board Operating Rules Committee**

Mike Straziuso, Chair  
Isabel Muennichow  
Marc Bayer

**Revitalization Committee**

Won Chang, Chair  
Jim Juhan, Vice Chair  
Isabel Muennichow

**Denny Welch**

**Judith Troutman**

*Non-Voting Advisors: Doh Shin, Bob Hatch*

**Finance (Committee of the Whole)**

Rae Tso, Chair  
Hank Gioia, Vice Chair  
*Non-Voting Advisors: Jim Hart, Mary Robertson*

**Garden Villa Recreation Room Subcommittee**

Denny Welch  
Marc Bayer

**Joint Signage Ad Hoc Committee (with GRF and United)**

Isabel Muennichow  
Judith Troutman

**Landscape (Committee of the Whole)**

Won Chang, Chair  
Judith Troutman, Vice Chair

*Non-Voting Advisors: Barbara Marsh, John Dudley*

**Maintenance and Construction (Committee of the Whole)**

Denise Welch, Chair  
Marc Bayer, Vice Chair  
*Non-Voting Advisors: TBD*

**Management Agreement Ad Hoc Committee**

Mike Straziuso, Chair  
Rae Tso, Vice Chair  
Sy Wellikson

**Meet and Confer**

Kathryn Freshley  
Denny Welch  
Sy Wellikson

**New Resident Orientation**

Per Rotation List

**Paint Color Sub-Committee**

Isabel Muennichow  
Judith Troutman

**Resident Problem Resolution Services**

Denny Welch, Chair  
Marc Bayer, Vice-Chair  
Mike Straziuso

**Standards Sub-Committee**

Denny Welch  
Judith Troutman  
Marc Bayer  
Jim Juhan

**Traffic Hearing (quarterly)**

Kathryn Freshley  
Rae Tso  
3<sup>rd</sup> on rotating basis

**Traffic Rules and Regulations Ad Hoc Committee**

Denny Welch, Chair  
Jim Juhan, Vice Chair  
Hank Gioia  
*Advisor: Hal Horne*

**Laguna Canyon Foundation**

Isabel Muennichow

**RESOLVED FURTHER**, that Resolution 03-12-132, adopted October 16, 2012, is hereby superseded and canceled.

**RESOLUTION 03-13-13**

GRF Committee Appointments

**RESOLVED**, February 19, 2013, that in compliance with Article 7, Section 7.3 of the Golden Rain Foundation Bylaws, adopted July 2012, the following persons are hereby appointed to serve on the committees of the Golden Rain Foundation:

**Business Planning**

Mike Straziuso

Rae Tso

**Clubhouse Two Renovation Ad Hoc Committee**

Hank Gioia

Marc Bayer

**Community Activities**

Marc Bayer

Denny Welch

**Finance**

Rae Tso

Hank Gioia

**Landscape Committee**

Won Chang

**Isabel Muennichow** ~~Judith Troutman~~

**Maintenance and Construction**

Denny Welch

Marc Bayer

**Media and Communication Committee**

Rae Tso

**Judith Troutman** ~~Won Chang~~

**Mobility and Vehicles Committee**

Kathryn Freshley

Jim Juhan

**Security and Community Access**

Mike Straziuso  
Sy Wellikson

**RESOLVED FURTHER**, that Resolution 03-12-133, adopted October 16, 2012 is hereby superseded and canceled.

**GENERAL MANAGER'S REPORT**

Mr. Jerry Storage updated the Membership on the ongoing GRF projects within the Community and on Third Mutual projects.

**MEMBER COMMENTS**

Third Mutual Members were given the opportunity to speak and the Directors briefly responded.

Director Wellikson moved the Finance Committee Report as the next order of business. Director Welch seconded the motion. The motion carried by a vote of 8-1-1 (Director Freshley opposed and Director Muennichow abstained).

**COMMITTEE REPORTS**

Director Rae Tso gave the Treasurer's and the Finance Committee Reports, and commented on the Resale & Lease Activities.

**UNFINISHED BUSINESS**

The Board considered the following proposed resolution adopting a Heat Source Replacement Policy which was postponed to satisfy the 30-day notification requirement.

Director Welch moved to refer the proposed policy back to the Maintenance and Construction Committee. Director Bayer seconded the motion and discussion ensued.

By a vote of 10-0-0, the following resolution was referred back to the Maintenance and Construction Committee:

**RESOLUTION 03-13-**

**WHEREAS**, there is no documented policy currently in place that outlines the procedure for replacement of a heat source within a manor when the original heat source system fails;

**NOW THEREFORE BE IT RESOLVED**, February 19, 2013, that the Board of Directors of this Corporation hereby adopts a Heat Source Replacement Policy, as attached to the official minutes of this meeting, that defines the conditions under which the Mutual will undertake a heat source replacement, the standard type of heat source to be installed, and the maintenance responsibility for the replacement of such; and



**RESOLVED FURTHER**, that a reserve component for heat source replacement shall be established beginning with the 2014 Reserve Expenditures Plan; 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 Muennichow moved to postpone the discussion on holding “Coffee Meetings” for Third Mutual to next month. Director Gioia seconded the motion and discussion ensued. The motion carried unanimously.

Director Juhan recused himself from the meeting at 11:46 A.M.

Mr. Richardson summarized the issue pertaining to the City’s proposal for installing a 180-foot high netting for its Moulton Parkway widening project. The Board discussed its position on the matter.

Director Freshley moved to communicate to the City and GRF that any action to move forward with the project would be considered inappropriate. Director Tso seconded the motion and discussion ensued.

Members Carol Skydell (3070-B), Joe Silva (3039-N), Tony Sorich (3402-B), and Pat Feeney (2399-1E) commented on the motion.

The motion carried unanimously.

Director Freshley moved to not accept any resolution of the widening project that would install netting that would be higher than the trees that are currently installed. Director Tso seconded the motion and discussion ensued.

Director Welch moved to delete the wording “install netting that would be higher than the trees that are currently installed”. Director Gioia seconded the motion. The motion failed with Directors Gioia and Welch voting in favor.

Director Muennichow made a substitute motion that the Board object to GRF’s current solution on the issue. Director Welch seconded the motion and discussion ensued.

Members Carol Skydell (3070-B) commented on the motion.

The motion failed by a vote of 2-6-1 (Directors Muennichow and Welch voted in favor, and Director Chang abstained).

Director Welch moved to amend the tree line height wording with “70 feet”. Director Tso seconded the motion and discussion ensued. By a vote of 5-3-1 (Directors Wellikson, Freshley, Tso, Welch, and Troutman voted in favor, and Director Chang abstained).

By a vote of 5-3-1 (Directors Wellikson, Freshley, Tso, Welch, and Troutman voted in favor, and Director Chang abstained), the motion carried as amended.

### **NEW BUSINESS**

Director Muennichow moved that 1) the Candidate Information Committee, as it currently exists, be dissolved, 2) that a new committee be established made up of from two to four former directors to answer questions from candidates for the board; and 3) that the Election SOP be rewritten to specify qualifications for these candidates. The motion failed due to the lack of a second.

Director Muennichow read a proposed resolution approving the Candidate Information Committee appointments. Director Welch moved to approve the resolution. Director Wellikson seconded the motion and discussion ensued.

Director Muennichow amended the motion to remove Shari Horne and replace her with Joan Milliman. Director Welch seconded the motion.

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

#### **RESOLUTION 03-13-14**

**RESOLVED**, February 19, 2013, that the following persons are hereby appointed to serve on the Candidate Information Committee of this Corporation:

Bob Hatch  
~~Shari Horne~~  
Joan Milliman  
Jim Hart  
Marty Rhodes  
Mary Robertson  
Barbara Marsh, Alternate

**RESOLVED**, that Resolution 03-12-56, adopted April 17, 2012 is hereby superseded and cancelled.

Director Muennichow read a proposed resolution approving the Inspectors of Election. Director Welch moved to approve the resolution. Director Muennichow seconded the motion.

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

#### **RESOLUTION 03-13-15**

**RESOLVED**, February 19, 2013, that the Board of Directors of this Corporation hereby appoints the following persons as Inspectors of Election:

Hillel Pitlik  
Charline Brant  
Gene Brant

**RESOLVED FURTHER**, that such appointees shall serve for the counting of the ballots for the 2013 Election of Directors of this Corporation and any other elections that may arise; and

**RESOLVED FURTHER**, that such appointments shall remain in effect until successors are appointed by the Board; and

**RESOLVED FURTHER**, that Resolution 03-12-26 adopted February 21, 2012 is hereby superseded and cancelled.

Director Juhan returned to the meeting at 12:37 P.M.

Director Muennichow read the following proposed resolution revising the Mutual's open house rule by including broker previews:

**RESOLUTION 03-13-xx**

**THIRD LAGUNA HILLS MUTUAL OPEN HOUSE RULE**

**WHEREAS**, the GRF Board has passed a Resolution allowing Open House directional signage to be posted on GRF property with the intention of improving the marketability of cooperatives and condominiums in Laguna Woods Village; and

**WHEREAS**, providing directional signage to a particular cul-de-sac to a scheduled Open House will help guide traffic to the cooperative or condominium for sale or rent; and

**NOW THEREFORE BE IT RESOLVED**, April 16, 2013, that open houses in Third Mutual are hereby authorized to be held every Saturday and Sunday, between the hours of 11:00 A.M. and 4:00 P.M.; and

**RESOLVED FURTHER**, that broker previews are hereby authorized to be held every Thursday, between the hours of 9:30 A.M. and 1:30 P.M.; and

**RESOLVED FURTHER**, that a maximum of three signs with a maximum size of 24" x 24" may be displayed, in accordance with Section 713 of the California Civil Code; and signs shall be placed only at the entrance to, and within the cul-de-sacs in which the manor is located; and

**RESOLVED FURTHER**, directional signs shall be placed at street intersections to direct traffic to a specific cul-de-sac. There shall be one sign per direction with a maximum of four signs per intersection; and

**RESOLVED FURTHER**, directional signs shall be with 24" x 9" corrugated plastic with vinyl lettering and adhere to the GRF approved colors, font and logo; and

**RESOLVED FURTHER**, realtors shall be responsible for providing the signs and shall adhere to the specifications in accordance with this resolution; and

**RESOLVED FURTHER**, non-conformance to this policy shall result in removal of sign from premises; and

**RESOLVED FURTHER**, that signs may be posted on the day of the open house no earlier than 10:00 A.M., and must be removed no later than 5:00 P.M. on the same day; and

**RESOLVED FURTHER**, that non-residents wishing to visit the open house must be either accompanied by a licensed real estate agent who has been approved for Laguna Woods Village entry, or granted Gate access by the Seller/Resident of the property; and

**RESOLVED FURTHER**, that members selling their properties "For Sale By Owner" shall be required to comply with the same guidelines as Realtors; and

**RESOLVED FURTHER**, that Resolution 03-11-214, adopted December 20, 2011, is hereby superseded and cancelled; 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 Bayer moved to approve the resolution. Director Welch seconded the motion and discussion ensued.

Without objection, the Board agreed to disseminate the proposed policy to the membership for 30-days for final approval in April.

The Board discussed and considered to continue to hold Agenda Meetings. The Board agreed to discuss the matter further next month.

Due to time constraints, Director Muennichow moved to postpone the remaining agenda items to next month except 15(b) *Entertain Motion to Authorize Additional Supplemental Appropriation of \$89,870 to Replace Dry-Rotted Wood Structural Components at Buildings 4002, 4003, 4004, and 4005 Exterior Stairways* and 20(b) *Entertain Motion to Approve*

*Mailing Out Quality of Life Study to Every Other Manor in Third Mutual at a cost not to exceed \$4000.* Director Freshley seconded the motion and the motion carried unanimously.

The Board considered a proposed resolution authorizing a supplemental appropriation to complete dry-rot repairs of the exterior stairway support structures at Buildings 4002, 4003, 4004 and 4005. Director Tso moved to approve the resolution. Director Bayer seconded the motion.

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

**RESOLUTION 03-13-16**

**WHEREAS**, by way of Resolution 03-12-41, the Board appropriated monies to replace dry-rotted wood structural components at Buildings 4001, 4002, 4003, 4004 and 4005 exterior stairways; and

**WHEREAS**, additional dry-rot wood structural components have been uncovered during the repairs;

**NOW THEREFORE BE IT RESOLVED**, February 19, 2013, that the Board of Directors of this Corporation hereby authorizes an additional supplemental appropriation in the amount of \$89,870 to be funded from the Replacement Fund to complete repairs of the exterior stairway support structures at Buildings 4002, 4003, 4004 and 4005; 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.

Without objection, the Board waived the reading of a proposed resolution authorizing an expenditure of up to \$4,000 to print and mail the Quality of Life Study. Director Tso moved to approve the resolution. Director Welch seconded the motion.

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

**RESOLUTION 03-13-17**

**WHEREAS**, the Revitalization Committee has been established to identify and evaluate the objectives necessary to modernize Third Laguna Hills Mutual property and maintain the quality and integrity of Third Mutual housing and its landscaped environment; and

**WHEREAS**, in order to set policy goals and determine spending priorities for the revitalization of Third Mutual, the Committee developed a survey for the purpose of conducting a random sampling of residents;

**NOW THEREFORE BE IT RESOLVED**, February 19, 2013, that the Board of Directors of this Corporation hereby authorizes an expenditure up to \$4,000 to print and mail a Quality of Life Study out to every other manor in Third Mutual, to be funded from the existing reserves plan for Replacement Fund - Revitalization; 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.

**GRF Committee Reports**

No comments were made.

**DIRECTORS' COMMENTS**

No comments were made.

**ADDITIONAL MEMBER COMMENTS**

No comments were made.

The Board recessed at 1:10 P.M. and reconvened into Executive Session at 1:54 P.M.

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

During its January 15, 2013, 2012 Regular Executive Session Board meeting, the Board approved the December 18, 2012 Regular Executive Session minutes. The Board approved two write-offs for delinquent assessments; heard three disciplinary hearings and imposed fines totaling \$800 for violations of the Mutual's rules and regulations; discussed the legal matters of Drino v. Third Mutual lawsuits; and discussed other member disciplinary, contractual and legal matters.

During its February 5, 2013 Special Executive Session meeting the Board discussed contractual and potential litigation.

During its February 15, 2013 Special Executive Session meeting the Board discussed potential litigation.

With no further business before the Board of Directors, the meeting was adjourned at 5:35 P.M.

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Isabel Muennichow, Secretary