

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

**August 20, 2013**

The Regular Meeting of the Third Laguna Hills Mutual Board of Directors, a California non-profit mutual benefit corporation, was held on Tuesday, August 20, 2013 at 9:30 A.M. at 24351 El Toro Road, Laguna Woods, California.

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

Directors Absent: None

Staff Present: Cris Robinson, Patty Kurzet  
Executive Session: Cris Robinson, Patty Kurzet, 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 Perak 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, were acknowledged as present.

**APPROVAL OF AGENDA**

Without objection, the Board approved the agenda as submitted.

**CHAIR'S REMARKS—Mike Straziuso**

President Straziuso spoke to the definition of a Corporate Member and reported on yesterday's Corporate Members meeting to vote on adding a survey statement to the Mutuals' director election ballots to survey the membership's position on a direct election of the GRF Directors by district.

A presentation of civility and cyber bullying was given by Gene Hart, Security Division Director, and Marcia Wilson, Social Services Manager.

**APPROVAL OF THE MINUTES**

Without objection the Board approved the following minutes: June 14, 2013 Special Meeting (business plan version 1), July 16, 2013 Regular Meeting, July 17, 2013 Special Meeting (business plan version 2), and August 8, 2013 Special Meeting (business plan version 3) as written.

## **CONSENT CALENDAR**

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

### Maintenance and Committee Recommendations

- |         |                                                                                                             |
|---------|-------------------------------------------------------------------------------------------------------------|
| 2373-A  | Approve reimbursement of resale and damage restoration charges                                              |
| 3104-P  | Approve request for patio extension with cover and window to door conversion, with contingencies            |
| 3145-B  | Approve request to retain wood ramp, with contingencies                                                     |
| 3243-3G | Deny request for Mutual to reverse bio-hazard abatement and top-coat charges                                |
| 3270-A  | Approve request for room addition, with contingencies                                                       |
| 3323-A  | Approve request to extend solarium, with contingencies                                                      |
| 3345-A  | Approve request to retain interlocking paver walkway, with contingencies                                    |
| 5167    | Approve request to retain white vinyl fence, and tiled concrete walkway, with contingencies                 |
| 5167    | Approve request to retain koi pond, with contingencies                                                      |
| 5527    | Deny request for driveway concrete extension                                                                |
| 5334-A  | Approve request for front and rear room additions, rear patio extension with enclosures, with contingencies |
| 5352-A  | Approve request for crawlspace insulation and drywall installation, with contingencies                      |
| 5365-D  | Deny request to fill in planter                                                                             |
| 5581-A  | Approve request for rear patio addition, with contingencies                                                 |

### Landscape Committee Recommendations

None.

### Finance Committee Recommendation

## **RESOLUTION 03-13-80**

**WHEREAS**, Member ID 931-681-26 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**, August 20, 2013, that the Board of Directors hereby approves the recording of a Lien for Member ID 931-681-26; 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 03-13-81**

**WHEREAS**, Member ID 932-950-67 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**, August 20, 2013, that the Board of Directors hereby approves the recording of a Lien for Member ID 932-950-67; 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 03-13-82**

**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**, August 20, 2013, that the Board of Directors hereby approves the filing of separate Small Claims Court cases for Member ID 931-360-49, Member ID 932-120-63, Member ID 932-950-67; and Member ID 935-090-51; 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.

Approval of Following Members Ineligible to Vote in Director Election for 2013:

**Members Ineligible to Vote in Director Election 2013**

10909	13077	14742	17023
10929	13109	14761	17061
10941	13150	14830	17080
11494	13195	15034	17131

11522	13254	15081	17135
11593	13258	15202	17167
11600	13322	15213	17268
11617	13454	15281	17336
11635	13513	15349	17375
11807	13523	15402	17405
11828	13538	15419	17443
11841	13558	15455	17502
11862	13621	15460	17515
11917	13629	15488	17520
12031	13672	15490	17521
12049	13688	15497	17541
12214	13694	15514	17556
12217	13748	15688	17563
12222	13774	15719	17598
12237	13802	15759	17680
12242	13848	15790	17688
12246	13925	15821	17775
12249	13939	15852	
12252	13961	15875	
12289	14020	15881	
12336	14032	15911	
12350	14107	15923	
12371	14129	15968	
12385	14143	16012	
12390	14303	16028	
12518	14315	16053	
12544	14421	16211	
12579	14452	16348	
12702	14459	16391	
12778	14479	16429	
12797	14535	16443	
12856	14543	16497	
12871	14558	16619	
12918	14589	16646	
12928	14645	16712	
12944	14659	16860	
12963	14717	16931	

**GENERAL MANAGER'S REPORT**

The Membership was updated 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.

## **UNFINISHED BUSINESS**

The Secretary of the Corporation, Director Muennichow, read the following proposed resolution approving the revised Mutual Alteration Standard Section 4 – Air Conditioning Units/Heat Pumps, which was postponed to satisfy the 30-day notification requirement:

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

**WHEREAS**, the Board of Directors of this Corporation adopted Resolution M3-96-28 on May 21, 1996, which approved the Third Laguna Hills Mutual Standards; and

**WHEREAS**, the Maintenance & Construction Committee of this Corporation recognizes the need to further amend a portion of the standards with regard to Section 4 – Air Conditioning Units/Heat Pumps;

**NOW THEREFORE BE IT RESOLVED**, August 20, 2013, that Section 4 – Air Conditioning Units/Heat Pumps of the Mutual Alteration Standards is hereby amended as attached to the official minutes of this meeting; and

**RESOLVED FURTHER**, that Resolution 03-06-40 adopted September 19, 2006 and Resolution 03-10-100, adopted July 20, 2010 are hereby superseded and canceled and Resolution M3-96-28, adopted May 21, 1996 is hereby amended; 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 Welch moved to approve the resolution. Director Wellikson seconded the motion and discussion ensued.

Ms. Wendy Panizza, Property Services Manager, presented a summary of the changes to the Standard.

Director Freshley moved to refer the matter back to the Maintenance and Construction Committee. Director Muennichow seconded the motion and discussion ensued.

Members Jeff Sadler (2400-1D), Shari Horne (2354-3C), and Joan Milliman (969-3E) commented on the proposed Standard.

By a vote of 7-3-0 (Directors Troutman, Chang, Welch opposed), the motion to refer the matter back to committee carried.

Director Muennichow read a proposed resolution approving the revised Mutual Alteration Standard Section 22 – Patio and Balcony Covers, Aluminum and Vinyl, which was postponed to satisfy the 30-day notification requirement. Director Welch moved to approve the resolution. Director Wellikson seconded the motion.

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

**RESOLUTION 03-13-83**

**WHEREAS**, the Board of Directors of this Corporation adopted Resolution M3-96-28 on May 21, 1996, which approved the Third Laguna Hills Mutual Alteration Standards; and

**WHEREAS**, the Maintenance & Construction Committee of this Corporation recognizes the need to further amend a portion of the alteration standards with regard to Section 22 – Patio, Balcony and Eyebrow Covers, Aluminum and Vinyl;

**NOW THEREFORE BE IT RESOLVED**, August 20, 2013, that Section 22 – Patio and Balcony Covers, Aluminum and Vinyl of the Mutual Alteration Standards is hereby amended as attached to the official minutes of this meeting; and

**RESOLVED FURTHER**, that Resolution M3-96-28, adopted May 21, 1996 is hereby amended, and Resolution 03-08-08 adopted January 15, 2008 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 Muennichow read a proposed resolution approving a new Mutual Alteration Standard Section 43 - Hot Tubs, which was postponed to satisfy the 30-day notification requirement. Director Wellikson moved to approve the resolution. Director Welch seconded the motion.

Director Tso left the meeting at 10:54 A.M.

Director Freshley left the meeting at 10:56 A.M.

By a vote of 8-0-0 (Directors Freshley and Tso were absent from the meeting), the motion carried and the Board of Directors adopted the following resolution:

**RESOLUTION 03-13-84**

**WHEREAS**, the Board of Directors of this Corporation adopted Resolution M3-96-28 on May 21, 1996, which approved the Third Laguna Hills Mutual Standards; and

**WHEREAS**, this Corporation recognizes the need to establish a policy to streamline the proper installation and maintenance of Hot Tubs;

**NOW THEREFORE BE IT RESOLVED**, August 20, 2013, that the Board of Directors of this Corporation hereby adopts a new Mutual Alteration Standard Section 43 - Hot Tubs, as attached to the official minutes of this meeting; and

**RESOLVED FURTHER**, that Resolution M3-96-28, adopted May 21, 1996 is hereby amended, and Resolution M3-79-56, adopted April 17, 1979 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 Muennichow read a proposed resolution approving the revised Third Laguna Hills Mutual Interior Hard-Surface Flooring Complaint Rules, which was postponed to satisfy the 30-day notification requirement. Director Welch moved to approve the resolution. Director Troutman seconded the motion.

By a vote of 8-0-0 (Directors Freshley and Tso were absent from the meeting), the motion carried and the Board of Directors adopted the following resolution:

**RESOLUTION 03-13-85**

**WHEREAS**, flooring is an integral sound attenuation element of the building where a floor is above another manor; and

**WHEREAS**, the installation of hard-surface flooring, which shall include wood, but not be limited to, tile, slate, linoleum, bamboo, laminates, and stone, within a manor can result in unreasonable noise being transmitted into the manor immediately below, which noise can adversely affect said resident's quality of life; and

**WHEREAS**, the Mutual has received complaints that the installation and/or utilization of hard-surface flooring within certain manors has resulted in an obstruction or interference with the rights of persons in the manors located immediately below, has annoyed said persons by unreasonable noise, thereby creating or constituting a nuisance; and

**WHEREAS**, Article III, Section 6 of Third's Amended and Restated Declaration of Covenants, Conditions and Restrictions (CC&Rs) states that "no Owner or Resident shall permit or suffer anything to be done or kept within the Project which will obstruct or interfere with the rights of other persons in the Project or annoy them by unreasonable noises or otherwise, nor shall any Owner or Resident commit or permit any nuisance"; and

**NOW THEREFORE BE IT RESOLVED**, August 20, 2013, that the Board of Directors hereby approves the revised Third Laguna Hills Mutual Interior Hard-Surface Flooring Complaint Rules, as attached hereto and to the official minutes of this meeting; and

**RESOLVED FURTHER**, that these Interior Hard-Surface Flooring Complaint Rules shall govern complaints by any Owner or resident of a first or second floor condominium that the interior hard-surface flooring in the condominium immediately above is in violation of Article III, Section 6 of the Mutual's CC&Rs and/or Third Laguna Hills Mutual Alteration Standard Section 11A – Interior Hard-Surface Flooring; and

**RESOLVED FURTHER**, that Resolution 03-10-98, adopted July 20, 2010 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.

Directors Freshley and Tso returned to the meeting at 11:02 A.M.

#### **NEW BUSINESS**

The Board discussed water district tiered billing rates.

Member Bert Moldow (3503-A) commented on water usage.

The Board discussed possible electric power rate increases due to the closing of San Onofre.

Member Bert Moldow (3503-A) commented on electric power.

#### **COMMITTEE REPORTS**

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

Director Muennichow read a proposed resolution authorizing to transfer monies to offset the 2012 operating deficit. Director Tso moved to approve the resolution. Director Wellikson seconded the motion and discussion ensued.

Director Wellikson called for the previous question and the question was called by a 2/3rds vote.

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

#### **RESOLUTION 03-13-86**

**WHEREAS**, Third Laguna Hills Mutual (Third Mutual) ended the fiscal year

2012 with an operating deficit of \$1,003,436; and

**WHEREAS**, an association has several options to address an operating deficit, including: 1) borrow from reserves, 2) impose a special assessment; 3) increase regular assessments; or 4) reduce spending. Third Mutual has another option due to the nature of a special separate reserve called the Unappropriated Expenditures Fund which was established via Resolution 696. Since 1977, Third Mutual has maintained this reserve for the purpose of collecting "...funds for the payment of authorized expenses not provided for in the annual operating budget"; and

**WHEREAS**, prior legal counsel confirmed that the Unappropriated Expenditures Fund is designed to supplement the operating budget and can be used to fund an operating deficit;

**NOW THEREFORE BE IT RESOLVED**, August 20, 2013, that the Board of Directors of this Corporation authorizes a transfer of \$750,000 from the Unappropriated Expenditures Fund to offset the 2012 operating deficit; 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 approve revisions to an escrow document entitled "Enjoying your Life in Third Laguna Hills Mutual, A Condominium in Laguna Woods Village". Director Welch seconded the motion and discussion ensued. The motion carried unanimously.

Director Chang reported from the Landscape Committee.

Director Welch reported from the Maintenance and Construction Committee.

Director Muennichow read the following proposed resolution establishing an appeals policy:

**RESOLUTION 03-13-xx**

**WHEREAS**, Third Mutual's governing documents require a Member to seek approval from the Board of Directors on many matters of Corporate business by way of the committee structure for review of a question that will ultimately be determined by the Board; and

**WHEREAS**, such committees forward recommendations regarding Members' requests to the Third Board for consideration, and if the proposed request is disapproved, then such decision is subject to appeal to the Third Board by the Mutual Member;

**NOW THEREFORE BE IT RESOLVED**; October 15, 2013, that the Board of Directors of this Corporation hereby establishes the following appeals policy for

alterations and surrounding area improvement requests, and other matters of corporate business, for this Corporation:

1. Within 30 days of the Board's decision, made at an open Board meeting, a requesting Member may appeal the Board's decision by requesting another review by the appropriate Third committee; and
2. The appropriate Third Mutual committee will perform a review of the appeal; and
3. Upon receipt and review of the recommendation from the committee, the Board of Directors will make a final decision; and
4. A second appeal can be reconsidered by the appropriate Third Mutual committee one year from the date of the Board's final decision on the first appeal. This twelve-month period shall apply to both the original requesting Mutual Member and the subsequent member(s) on the same issue, if any.
5. After the second appeal has been reconsidered by the Board of Directors, no further appeals on the same matter (brought forth by the Member or subsequent Member) will be reconsidered by the Board of Directors; and

**RESOLVED FURTHER**, that Resolution 03-09-97 adopted August 18, 2009 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 Welch moved to approve the resolution. Director Tso seconded the motion and discussion ensued.

Members Bert Moldow (3503-A), Shari Horne (2354-3C), and Joan Milliman (969-3E) commented on the motion.

Director Tso called for the previous question and the question failed by a 2/3rds vote.

Without objection, the Board postponed the motion to October to conform to the 30-day notification requirement.

Director Muennichow read a proposed resolution authorizing an unbudgeted operating expenditure to remove asbestos containing flooring materials from the Recreation Room kitchens and restrooms at buildings 2393, 2394, and 4006. Director Welch moved to approve the resolution. Director Tso seconded the motion.

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

**RESOLUTION 03-13-87**

**WHEREAS**, the Garden Villa Recreation Room Sub-Committee has determined that replacement of the vinyl flooring in the Recreation Room kitchens and restrooms at Buildings 2384, 2355, 3243, 5499, 2393, 2394, and 4006 is necessary; and

**WHEREAS**, the replacement of the vinyl flooring requires removal of original asbestos containing flooring materials to facilitate installation of new flooring at buildings 2393, 2394, and 4006; and

**WHEREAS**, removal of asbestos containing materials requires the services of an appropriately qualified contractor;

**NOW THEREFORE BE IT RESOLVED**, August 20, 2013, that the Board of Directors of this Corporation hereby authorizes an unbudgeted operating expenditure from the General Maintenance Operating Fund in the amount of \$6,600 to obtain services of a qualified contractor for removal and disposal of existing asbestos containing flooring materials from the Recreation Room kitchens and restrooms at buildings 2393, 2394, and 4006; 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 Freshley moved to appropriate additional funding in the amount of \$87,341 to complete the copper pipe epoxy lining at all 13 buildings in 2013. Director Wellikson seconded the motion and discussion ensued.

President Straziuso called the previous question and the question was called by a 2/3 vote.

By a vote of 8-2-0 (Directors Trout and Welch opposed), the motion carried and the following resolution was adopted:

**RESOLUTION 03-13-88**

**WHEREAS**, the 2013 Reserves Plan for Third Mutual includes \$1,388,509 for epoxy lining copper water pipes in 13 buildings; and additional work including extra building cuts, installation of pressure regulators, and a price increase per building from the previous year has increased the cost of the 2013 epoxy lining program;

**NOW THEREFORE BE IT RESOLVED**, August 20, 2013, that the Board of Directors of this Corporation hereby authorizes a supplemental appropriation in the amount of \$87,341 to be funded from the Replacement Fund to complete the copper pipe epoxy lining at all 13 buildings in 2013; 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 Welch moved to direct staff to continue to replace the common area fire alarm systems in the 3-story buildings as originally planned, and with no electronic monitoring and connectivity to individual manors. President Straziuso seconded the motion and the motion carried unanimously.

Director Welch reported from the Standards Sub-Committee.

Director Welch reported from the Garden Villa Recreation Room Sub-Committee.

President Straziuso reported from the Board Operating Rules Committee and directed counsel to update the Election Rules and incorporate the 2014 changes as necessary.

Director Welch reported from Resident Problem Resolution Services.

Director Gioia reported from the Quarterly Traffic Committee.

Director Welch reported from the Traffic Rules and Regulations Ad Hoc Committee.

Director Muennichow read the following resolution approving the revised Traffic Rules and Regulations:

**RESOLUTION-03-13-xx**

**WHEREAS**, by way of Resolution 03-10-50 the Board of Directors of this Corporation have adopted standards for traffic enforcement and parking enforcement, and in an effort to provide comprehensive traffic rules and regulations enforceable to the residents of Third Mutual, both standards have been consolidated to improve consistency within the community; and

**WHEREAS**, the Traffic Rules and Regulations are intended to adhere to and not contradict the California Vehicle Code and/or Davis-Stirling Act;

**NOW THEREFORE BE IT RESOLVED**, October 15, 2013, that the Board of Directors of this Corporation hereby adopts the Third Laguna Hills Mutual Traffic Rules and Regulations, as attached to the minutes of this meeting; and

**RESOLVED FURTHER**, that Resolution 03-10-50 adopted April 20, 2010 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 Welch moved to approve the resolution. Director Troutman seconded the motion and discussion ensued.

Mr. Victor Polek commented on the proposed Traffic Rules and Regulations and answered questions of the Board.

Members Joan Milliman (969-3E) and Shari Horne (2354-3C) commented on the proposed policy.

Without objection, the Board agreed to submit the proposed policy for publication and postponed the motion to October to conform to the 30-day notification requirement.

Due to time constraints, the Board agreed to defer the following remaining agenda items.

- Report of the Revitalization Committee.
- Report of Joint Task Force to Analyze the GRF Trust and Bylaws.

#### **GRF Committee Reports**

- No reports were made.

#### **DIRECTORS' COMMENTS**

No comments were made.

#### **ADDITIONAL MEMBER COMMENTS**

No additional member comments were made.

The Board recessed at 1:00 P.M. and reconvened into Executive Session at 1:51 P.M.

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

During its July 16, 2013 Regular Executive Session Board Meeting, the Board reviewed and approved the June 18, 2013 Regular Executive Session minutes; and discussed other member disciplinary, contractual and legal matters.

With no further business before the Board of Directors, the meeting was adjourned at 5:20 PM.

## THIRD LAGUNA HILLS MUTUAL

### SECTION 22 PATIO AND BALCONY COVERS, ALUMINUM AND VINYL

**JANUARY 1989**

**REVISED JANUARY 2003, RESOLUTION 03-03-08**

**REVISED JANUARY 2008, RESOLUTION 03-08-08**

**GENERAL REQUIREMENTS REVISED APRIL 2011, RESOLUTION 03-11-49**

**REVISED AUGUST 2013, RESOLUTION 03-13-83**

#### **1.0 GENERAL REQUIREMENTS**

- 1.1 PERMITS AND FEES:** A Mutual permit is required for all alterations to the building. A City of Laguna Woods permit may be required. All fees for both Mutual and City permits shall be paid for by the Member and/or his or her contractor. Member and/or his or her contractor must provide the Permits and Inspections office with City permit number(s) prior to beginning work.
- 1.2 MEMBERS' RESPONSIBILITY:** The Member is solely responsible for the maintenance, repair, and/or removal of all alterations to the building.
- 1.3 CODES AND REGULATIONS:** All work shall comply with all applicable local, state, and federal requirements including, but not limited to, the current edition of the National Electric Code (NEC).
- 1.4 WORK HOURS:** No work shall commence prior to 7:00a.m. and no work shall be permitted after 6:00p.m. Monday through Friday. Work on Saturday shall be permitted from 9:00a.m – 2:00p.m. for work which results in construction-related noise (e.g. cutting tile, hammering, use of power tools). For work that does not result in excessive noise, such as painting and carpet installation, permitted hours are 7:00a.m. – 6:00p.m. No work whatsoever shall be permitted on Sunday.
- 1.5 PLANS:** The Member applying for a permit shall provide to the Permits and Inspections office a detailed plan(s) for approval indicating all work to be done, i.e., size, location, description and specifications.
- 1.6 DUMPSITES:** The premises shall be kept free of accumulation of waste materials and/or rubbish caused by construction work. The Member and/or his or her contractor is responsible for removal of debris and excess material and must leave work areas "**BROOM CLEAN**" daily. **USE OF COMMUNITY DUMPSITES FOR CONSTRUCTION RELATED DUMPING IS NOT PERMITTED.** Contractor's or Member's dumpsters, if required, must have location approved by the Permits and Inspections office.

1.7 **CONTRACTOR:** Installation must be performed by a California licensed contractor of the appropriate trade.

1.8 **CONTRACTOR'S CONDUCT:** Member's contractor's, their personnel, and sub-contractors shall refrain at all times from using profanity, abusive or loud language, and must wear shirts at all times. Radio, MP3, CD or cassette players are not permitted on the project site. Contractor personnel will, at all times, extend and exhibit a courteous demeanor to residents.

## 2.0 **DEFINITIONS**

2.1 Patio: A paved area that adjoins the manor at ground level, which does not serve as a walkway or landing.

2.2 Balcony: A platform that projects from the wall of a manor and is enclosed by a parapet or railing.

## 3.0 **BUILDING TYPES**

3.1 Aluminum or vinyl patio covers will not be allowed in Casa Palma, Casa Sienna, Casa Lorenzo or Casa Monaco.

## 4.0 **APPLICATIONS**

4.1 All patio and balcony covers must be built as per standard plan drawings. The maximum allowable overhang dimension will be 6 inches to accommodate the flat roof's incorporated gutter system. See Section 5.0 for exceptions.

4.2 Patio cover roofs shall not extend beyond the height of an existing 8 foot tall patio wall.

4.3 Patio covers will span only the patio area as defined by the patio slab, wall or as indicated on the standard plan drawing. Balcony covers will span the entire width of the balcony.

4.4 Covers may be installed over atriums such that the minimum open area of the atrium is left open and unobstructed as per building code requirements. The cover may not extend above the height of the existing walls.

4.5 Posts shall be of aluminum or vinyl including alumawood and vinyl-clad materials. Plant-ones are optional, but if installed must be of aluminum or vinyl fabrication, including alumawood and vinyl-clad materials. Headers must also be of aluminum or vinyl fabrication, including alumawood and vinyl-clad materials.

- 4.6 All posts for patio covers must be anchored to the concrete slab and be located on or inside of block walls if any. Attachments to block walls must meet all building code requirements.
- 4.7 All posts on balcony covers must be anchored to the balcony deck in accordance with all building code requirements. All penetrations must be sealed to prevent moisture intrusion into balcony deck.
- 4.8 Plastic panels as produced by the manufacturer may be installed per approved specifications as outlined by the manufacturer's recommendations. No corrugated non-structural panels will be allowed. Only those covers with state approved engineering specifications will be accepted.
- 4.9 Plastic skylight panels, as produced by the manufacturer, may be installed per approved specifications as outlined by the manufacturer's recommendations.
- 4.10 Color options for aluminum materials are factory-finished white, almond, or anodized bronze. Color options for vinyl materials are white, taupe or tan.
- 4.11 If access to existing downspouts is blocked, then new downspouts of similar design, material and quality must be installed and painted the appropriate color. Downspouts shall not empty into other patio areas or hinder maintenance in any way.

## **5.0 PATIOS OVER WHICH A BALCONY EXISTS**

- 5.1 Patio covers may not extend beyond the original construction footprint of a manor that lies beneath a balcony, exclusive of the required 6" overhang for the incorporated gutter system.
- 5.2 Flat roofs may not replace existing eyebrow covers if the enclosure extends beyond the original construction footprint.
- 5.3 Existing flat roofs may be replaced with a flat roof of equal or lesser size.
- 5.4 The color of the patio cover roof surface must be factory-finished almond. Almond colored caulking shall be used and the width of the caulk lines shall be kept to a minimum.

**THIRD LAGUNA HILLS MUTUAL**  
**SECTION 43 HOT TUBS**  
**AUGUST 2013, RESOLUTION 03-13-84**

**1.0 GENERAL REQUIREMENTS**

- 1.1 PERMITS AND FEES:** A Mutual permit is required for alterations to the building. A City of Laguna Woods permit may be required. All fees for both Mutual and City permits shall be paid for by the Member and/or his or her contractor. Member and/or his or her contractor must provide the Permits and Inspections office with City permit number(s) prior to beginning work.
- 1.2 MEMBERS' RESPONSIBILITY:** The Member is solely responsible for the maintenance, repair, and/or removal of all alterations to the building.
- 1.3 CODES AND REGULATIONS:** All work shall comply with all applicable local, state, and federal requirements including, but not limited to, the current edition of the National Electric Code (NEC).
- 1.4 WORK HOURS:** No work shall commence prior to 7:00a.m. and no work shall be permitted after 6:00p.m. Monday through Friday. Work on Saturday shall be permitted from 9:00a.m – 2:00p.m. for work which results in construction-related noise (e.g. cutting tile, hammering, use of power tools). For work that does not result in excessive noise, such as painting and carpet installation, permitted hours are 7:00a.m. – 6:00p.m. No work whatsoever shall be permitted on Sunday.
- 1.5 PLANS:** The Member applying for a permit shall provide to the Permits and Inspections office a detailed plan(s) for approval indicating all work to be done, i.e., size, location, description and specifications.
- 1.6 DUMPSITES:** The premises shall be kept free of accumulation of waste materials and/or rubbish caused by construction work. The Member and/or his or her contractor is responsible for removal of debris and excess material and must leave work areas "**BROOM CLEAN**" daily. **USE OF COMMUNITY DUMPSITES FOR CONSTRUCTION RELATED DUMPING IS NOT PERMITTED.** Contractor's or Member's dumpsters, if required, must have location approved by the Permits and Inspections office.
- 1.7 CONTRACTOR:** Installation must be performed by a California licensed contractor of the appropriate trade.
- 1.8 CONTRACTOR'S CONDUCT:** Member's contractor's, their personnel, and sub-contractors shall refrain at all times from using profanity, abusive or loud language, and must wear shirts at all times. Radio, MP3, CD or cassette players are not permitted on the project site. Contractor personnel will, at all times, extend and exhibit a courteous demeanor to residents.

## **2.0 DEFINITIONS**

- 2.1** For the purpose of this Standard, a Hot Tub shall be defined as a large tub that can accommodate two or more persons, and is filled with hot aerated water and used for recreation and physical therapy.

## **3.0 OBLIGATIONS**

- 3.1** The member is hereby noticed that the Mutual may need to perform repairs and maintenance to the manor and patio walls, and any damage that could result to the alteration hot tub would be the responsibility of the Member, and not the Mutual.
- 3.2** Further, the member is responsible to move and/or remove the hot tub as necessary to facilitate the performance of maintenance and repairs to Mutual property.
- 3.3** The member is required to provide proof of personal liability insurance with limits of at least \$1,000,000 per occurrence with an insurer with an AM Best rating of A-VIII or higher and to name Third Laguna Hills Mutual as an additional insure with proof to be forwarded to the Risk Management Department annually. Limit may be a combination of homeowners and umbrella or excess liability insurance.

## **4.0 APPLICATIONS**

- 4.1** A hot tub may only be installed on top of a concrete patio slab surrounded by patio walls at least 5' in height, and at ground level. A hot tub must be portable and may not be permanently installed in any fashion.
- 4.2** Hot tubs on balconies or raised platforms are prohibited.
- 4.3** A Mutual and City permit is required for the hot tub, and for electrical modifications made to accommodate the hot tub, if any.
- 4.4** A hot tub may only drain into the sanitary sewer system, and not into the street, the storm drains, or adjacent landscaped areas.
- 4.5** A hot tub must be covered completely when not in use.

**THIRD LAGUNA HILLS MUTUAL  
INTERIOR HARD-SURFACE FLOORING COMPLAINT RULES  
July 20, 2010, RESOLUTION 03-10-98  
REVISED AUGUST 2013, RESOLUTION 03-13-85**

1. **APPLICABILITY.** These Interior Hard-Surface Flooring Complaint Rules (“Rules”) shall govern complaints by any Owner or resident of a first or second floor Condominium that the interior hard-surface flooring in the Condominium immediately above is in violation of Article III section 6 of the Amended and Restated Declaration of Covenants, Conditions and Restrictions and/or Section 11A of the Third Laguna Hills Mutual Alteration Standards.
2. **WRITTEN COMPLAINTS.** Any Owner or resident of a first or second floor Condominium who alleges that the existence of and/or utilization of the interior hard-surface flooring in the Condominium immediately above it is in violation of Article III section 6 of the Amended and Restated Declaration of Covenants, Conditions and Restrictions and/or Section 11A of the Third Laguna Hills Mutual Alteration Standards, must submit a written complaint to the Mutual on a form provided by the Mutual (the “Hard-Surface Flooring Complaint Form” or “Complaint”). Upon receipt of said Complaint, the Mutual will forward a packet to the complaining Condominium Owner(s), the Owner(s) of the Condominium against which the Complaint has been lodged, and the residents of same (if different from the Owners), which packet will include the Complaint, these Rules, and a written demand that all affected parties meet and confer in person in a good faith effort to resolve the Complaint (collectively the “Meet and Confer Packet”).
3. **MEET AND CONFER PROCESS.** Upon receipt of the Meet and Confer Packet, all affected parties shall meet and confer in person in a good faith effort to resolve the Complaint between themselves. If the affected parties resolve the Complaint, they shall notify the Mutual in writing of the terms and conditions of such resolution. If the affected parties are unable to resolve the Complaint between themselves, then the complaining Owner or resident must so notify the Mutual in writing on a form provided by the Mutual (the “Notice of Failure To Resolve Hard-Surface Flooring Complaint” or “Notice”).
4. **INVESTIGATION OF COMPLAINTS.** Upon the Mutual’s receipt of the Notice of Failure To Resolve Hard-Surface Flooring Complaint from the complaining Owner or resident, then the Mutual shall: a) forward a copy of said Notice to the Owners and residents of the Condominium which is the subject of the Complaint, and b) select, retain and advance the costs for an acoustical testing and engineering expert, who shall perform FIIC testing on interior hard-surface flooring located in bedroom(s), the living room, and hallway(s), whichever is the subject of the Complaint. Testing shall not necessarily be required on interior hard-surface flooring located in the dining room, kitchen, nook, or bathroom(s). The Mutual’s payment of such expert costs shall be subject to its right to obtain reimbursement of such costs by imposition and levy of a Reimbursement Assessment upon the appropriate Condominium and Condominium Owners pursuant to the Governing Documents and these Rules.

**5. FIIC TESTING.** All FIIC testing which is conducted under these Rules shall be performed by an expert selected by the Mutual in its sole discretion. The expert shall be experienced in the field of acoustical testing and engineering. Said expert shall promptly forward to the Mutual a written report which shall include all test results as well as his, her or its findings, opinions and recommendations. The Mutual shall forward copies of the report to the complaining Condominium Owners and residents, and to the Owners and residents of the Condominium wherein the interior hard-surface flooring at issue is located.

**6. OWNER AND RESIDENT COOPERATION.** All Condominium Owners and residents involved shall fully cooperate with the Mutual, its agents and experts in connection with FIIC testing. Said cooperation shall include allowing the Mutual, its agents and experts to enter, inspect, photograph, and test all Condominiums which are identified in the Complaint. If entry into a Condominium is required, such entry shall be done at reasonable times, upon reasonable prior notice, and with as little inconvenience to the Condominium Owners and residents as possible. The Board shall impose and levy a Reimbursement Assessment against the appropriate Condominium Owners and their respective Condominiums in order to reimburse the Mutual for all costs, expenses and attorneys fees which the Mutual incurs in connection with the Complaint or the enforcement of these Rules.

## **7. BOARD HEARINGS AND ORDERS.**

i) As soon as reasonable after the Mutual receives the expert's test results and report, a hearing shall be held before the Board of Directors. At the hearing, the Board shall consider all relevant matters, including whether there has been any violation of Article III section 6 of the Amended and Restated Declaration of Covenants, Conditions and Restrictions and/or Section 11A of the Third Laguna Hills Mutual Alteration Standards.

ii) After the hearing has concluded, the Board of Directors shall determine such actions, remedies, fines, penalties, suspensions, Reimbursement Assessments, and other orders that the Board in its discretion deems appropriate to be taken, including, but not limited to:

(1) Imposing and levying a Reimbursement Assessment against either the Owner of the Condominium where the interior hard-surface flooring at issue is located or the Owner of the Condominium which originated the Complaint (even if the Complaint was made by a non-Owner resident in the Condominium) to reimburse the Mutual for all costs, expenses and attorneys fees that the Mutual has incurred in connection with the Complaint or its enforcement of these Rules, including the costs of FIIC testing, expert consultations, and expert reports;

(2) Directing the Owner(s) and/or resident(s) of the Condominium where the interior hard-surface flooring at issue is located to take remedial action to correct the situation that resulted in the Complaint, submit documents verifying that such remedial action has been completed, and/or allow an expert selected by the Mutual and paid for in advance by said Owners to perform follow-up FIIC testing to verify the effectiveness of the remedial action; and

(3) Making such other and further orders as it deems appropriate, including imposing monetary penalties and fines, imposing and levying Reimbursement Assessments, suspending the right to use any facilities owned, operated or managed by the Mutual, suspending the right to vote in Mutual elections, recommending to GRF that it take

disciplinary action against the Owner(s) and/or resident(s) with respect to the Owner(s) and/or resident(s) use of GRF provided facilities and amenities, and/or setting additional hearings.