

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

December 17, 2013

The Regular Meeting of the Third Laguna Hills Mutual Board of Directors, a California non-profit mutual benefit corporation, was held on Tuesday, December 17, 2013 at 9:30 A.M. at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Mike Straziuso, Kathryn Freshley, Beth Perak, Judith Troutman, Jim Juhan, Rosemarie di Lorenzo Dickins, Ray Gros, Bert Moldow, Hank Gioia, Wei-Ming Tao, Won Chang

Directors Absent: None

Staff Present: Jerry Storage, Patty Kurzet
Executive Session: Jerry Storage, Patty Kurzet, Cris Robinson, Wendy Panizza, 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 Troutman 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 expressed his gratitude to his wife, board members, Staff, the Globe Staff, and Kelly Richardson for all the support that they have given him to carry out his duties on the Board.

APPROVAL OF THE MINUTES

Without objection the Board approved the November 19, 2013 Regular Meeting minutes as written.

CONSENT CALENDAR

Without objection, the Board approved the Consent Calendar as amended by removing 5078: *Approve request to construct room extensions, rear patio extension and cover from the*

Maintenance and Construction Consent Calendar, placing it under the Maintenance and Construction Committee Report for discussion, and took the following actions:

Maintenance & Construction Committee Recommendations:

- | | |
|--------|--|
| 2366-A | Deny request for reversal of damage restoration charges totaling \$612.35 |
| 3151-C | Approve request to install garden wall and pavers in common area, with contingencies |
| 3316-A | Approve request to construct room addition, with contingencies |
| 3377-A | Deny request to repaint the trim of Building 3377 the color of Taupewood at the member's expense |
| 3377 | Deny all future requests to repaint the trim a different color than per the Mutual's color pallet for Building 3337 at Mutual expense or member expense |
| 3430-A | Deny request to install a wrought iron fence in common area |
| 3487-A | Deny appeal request that the Board remove Contingency #9 of previously approved variance request that notices the member that a vehicle cannot be parked in the driveway with one end extending beyond the concrete swale and into the street |
| 3506-B | Approve request to extend the back patio, and install enclosure and cover, with contingencies |
| 3514-A | Approve request to construct a rear room addition, garage extension, patio wall, entry revision and perform door and window modifications, with contingencies |
| • | Approve to remove section of fence at Gate 7 entrance per OCFA requirement |

Landscape Committee Recommendations:

None

Finance Committee Recommendations:

RESOLUTION 03-13-128

WHEREAS, Member ID 931-460-07 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, December 17, 2013, that the Board of Directors hereby approves the recording of a Lien for Member ID 931-460-07; 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 03-13-129

WHEREAS, Member ID 931-460-32 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, December 17, 2013, that the Board of Directors hereby approves the recording of a Lien for Member 931-460-32; 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 03-13-130

WHEREAS, Member ID 932-390-07 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, December 17, 2013, that the Board of Directors hereby approves the recording of a Lien for Member ID 932-390-07; 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 03-13-131

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, December 17, 2013, that the Board of Directors hereby approves the filing of separate Small Claims Court cases for Member ID 931-350-18, 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.

GENERAL MANAGER'S REPORT

Mr. 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.

UNFINISHED BUSINESS

The Secretary of the Corporation, Director Judith Troutman, read the proposed changes to the Mutual's GRF Committee Appointments. Director di Lorenzo Dickins moved to approve the resolution. Director Tao seconded the motion.

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

RESOLUTION 03-13-132

GRF Committee Appointments

RESOLVED, December 17, 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 Committee

Mike Straziuso
Hank Gioia

Energy Committee

Bert Moldow
Judith Troutman

Community Activities Committee

Beth Perak
Rosemarie di Lorenzo Dickins

Finance Committee

Hank Gioia
Wei-Ming Tao

Government and Public Relations Committee

Jim Juhan
Wei-Ming Tao

Landscape Committee

Judith Troutman
Rosemarie di Lorenzo Dickins

Maintenance and Construction Committee

Jim Juhan
Kathryn Freshley

Media and Communication Committee

Kathryn Freshley
Beth Perak

Mobility and Vehicles Committee

Mike Straziuso
Ray Gros

Recreation Master Plan Ad Hoc Committee

Hank Gioia
Judith Troutman

Security and Community Access Committee

Ray Gros
Bert Moldow

RESOLVED FURTHER, that Resolution 03-13-108, adopted October 15, 2013 is hereby superseded and canceled.

Director Gros moved to appoint Denny Welch as an Advisor to the Traffic Rules and Regulations Ad Hoc Committee. Director Troutman seconded the motion and the motion carried unanimously.

Director Troutman read the following proposed resolution approving the revised Rules for Board Meetings:

RESOLUTION 03-14-xxx

WHEREAS, each Owner Member of Laguna Woods Village has an ongoing interest and right under California law to participate in the governance of their community; and

WHEREAS, the Board of Directors of the Third Laguna Hills Mutual has an equal interest and duty under law to ensure that the management of the community's affairs is carried out professionally and in adherence with the provisions of the Davis-Stirling Act; and

WHEREAS, the Board of Directors wishes to promote order and regulate meeting time in an even and consistent fashion; and

NOW THEREFORE BE IT RESOLVED, January 21, 2014, that the Board of Directors of this Corporation hereby approves the attached revised Rules for Board Meetings; and

RESOLVED FURTHER, that Resolution 03-13-04 adopted January 15, 2013 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 Troutman moved to approve the resolution. Director Gros seconded the motion.

Mr. Kelly Richardson provided a summary of the revisions.

The Board discussed the proposed changes.

Director Troutman amended the motion to add a statement at the end of section III (D) *Agenda Packets* as follows: "Executive session agenda packets will not be distributed to Directors in electronic form". Director Gioia seconded the motion. The motion carried by a vote of 6-1-3 (Director Freshley opposed and Directors Moldow, di Lorenzo Dickins and Tao abstained).

Director Freshley moved to delete section III (D) *Agenda Packets*. The motion failed due to the lack of a second.

Director Troutman read the proposed changes.

Without objection, the Board postponed the resolution to the January meeting to satisfy the 30-day notification requirement.

Director Troutman read the following proposed resolution approving the revised Rules Regarding Chargeable Services:

RESOLUTION 03-14-xx

WHEREAS, the New Civil Code Section 5855 starting January 1, 2014

requires hearings on any financial claims the Mutual wishes to impose upon members who have damaged (or allowed damage to) common area; and

WHEREAS, the Mutual's legal counsel recommended changes to the Mutual's current chargeable services rules; and

NOW THEREFORE BE IT RESOLVED, January 21, 2014 that the Board of Directors of this Corporation hereby adopts the revised Rules Regarding Chargeable Services, as attached to the minutes of this meeting, effective January 2, 2014; and

RESOLVED FURTHER, that Resolution 03-12-131 adopted October 16, 2012, 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 Troutman moved to approve the resolution. Director Gros seconded the motion and discussion ensued.

Mr. Kelly Richardson provided a summary of the revisions.

Director Troutman read the proposed changes.

Without objection, the Board postponed the resolution to the January meeting to satisfy the 30-day notification requirement.

Director Troutman read the following proposed resolution approving the revised Third Laguna Hills Mutual Vehicle, Traffic, and Parking Rules:

RESOLUTION 03-14-xxx

WHEREAS, by way of Resolution 03-13-106 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, January 21, 2014, that the Board of Directors of this Corporation hereby adopts the revised Third Laguna Hills Mutual Vehicle, Traffic, and Parking Rules, as attached to the minutes of this meeting; and

RESOLVED FURTHER, that Resolution 03-13-106 adopted October 15, 2013 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 Troutman moved to approve the resolution. Director Gros seconded the motion.

Director Troutman read the proposed change.

Without objection, the Board postponed the resolution to the January meeting to satisfy the 30-day notification requirement.

NEW BUSINESS

The Board discussed establishing an Energy Committee.

Director Moldow moved to establish an Energy Committee. Director Tao seconded the motion and discussion continued.

Director Moldow substituted the original motion to establish the Energy Committee as a Sub-Committee under the Maintenance & Construction Committee. Director Gros seconded the motion and the motion carried unanimously.

Without objection, the Board appointed Director Moldow, Chair, Director Tao, and Director Troutman as members of the Committee.

COMMITTEE REPORTS

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

Director Troutman reported from the Landscape Committee.

Director Juhan reported from the Maintenance and Construction Committee.

The Board discussed the variance request of 5078 to construct room extensions, rear patio extension and cover.

Director Juhan moved to approve the request of 5078 to construct room extensions, rear patio extension and cover. Director Freshley seconded the motion and discussion continued.

By a vote of 9-1-0 (Director Troutman opposed), the motion carried.

No report was given from the Standards Sub-Committee.

No report was given from the Garden Villa Recreation Room Sub-Committee.

No report was given from the Board Operating Rules Committee.

Director Juhan reported from Resident Problem Resolution Services.

Director Gioia reported from the Quarterly Traffic Committee.

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

Director Chang reported from the Revitalization Committee.

Director Perak reported that the Communications Committee will have its first meeting in January.

Director Juhan reported from the Joint Task Force to Analyze the GRF Trust and Bylaws.

Director Gros reported on the Laguna Canyon Foundation.

GRF Committee Reports

- Director Moldow announced that the GRF Energy Committee will have its first meeting next week.

DIRECTORS' COMMENTS

Directors made their final comments.

ADDITIONAL MEMBER COMMENTS

No additional member comments were made.

The Board recessed at 11:29 A.M. and reconvened into Executive Session at 11:39 A.M.

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

During its November 19, 2013 Regular Executive Session Board Meeting, the Board approved the October 14, 2013 Special Executive Session minutes and the October 15, 2013 Regular Executive Session minutes. The Board approved the recording of Notices of Default for Member ID 932-120-99, Member ID 932-380-13, and Member ID 934-500-12; approved one chargeable services debt write-off and three assessment debt write-offs; heard one disciplinary hearing and imposed fines totaling \$100 for violations of the Mutual's rules and regulations; discussed other member disciplinary, contractual and legal matters.

During its December 6, 2013 Special Executive Session Board Meeting, the Board discussed contractual issues.

With no further business before the Board of Directors, the meeting was adjourned at 3:22 PM.

Judith Troutman, Secretary