

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

**May 20, 2014**

The Regular Meeting of the Third Laguna Hills Mutual Board of Directors, a California non-profit mutual benefit corporation, was held on Tuesday, May 20, 2014 at 9:30 A.M. at 24351 El Toro Road, Laguna Woods, California.

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

Directors Absent: Beth Perak, Jim Juhan

Staff Present: Jerry Storage, Kim Taylor, Wendy Panizza  
Executive Session: Jerry Storage, Kim Taylor, Alberto Garcia, James David, Bryan English, Blessilda Fernandez

Others Present: Kelly Richardson, Esq.

**CALL TO ORDER**

Director Mike Straziuso, President, called the meeting to order at 9:30 A.M. and confirmed that a quorum was present.

**PLEDGE OF ALLEGIANCE**

Director Ray Gros led the Membership in the Pledge of Allegiance.

**ACKNOWLEDGEMENT OF MEDIA**

A representative of the Globe was not present for the meeting and the Channel 6 Camera Crew, by way of remote cameras, was acknowledged as present.

**APPROVAL OF AGENDA**

Director Freshley made a motion to move agenda item 5(a) Update on United vs GRF Lawsuit to Unfinished Business as 11(f). Director di Lorenzo Dickins seconded the motion.

By a vote of 4-5-0 the amendment failed.

Director Troutman moved to add to the agenda, under New Business, 12(b) Discuss and Consider Donating \$100 to Quechee Vermont Library in Honor of Barbara Pitlik and 12(c) Discuss and Consider Purpose of the Paint Sub-Committee, Authorities and Possible Charter to Enable Better Coordination and Affective Communication with Staff.

By a vote of 8-0-0 the amendment carried.

Director Freshley moved to remove '3164-A Deny request for rear bedroom extension and rear patio addition with wood fence' from the Consent Calendar and place it under the Maintenance and Construction Report as agenda item 15(a).

By a vote of 8-0-0 the amendment carried.

Without objection, the agenda was approved as amended.

### **CHAIR'S REMARKS**

President Straziuso spoke on various issues concerning Third Mutual.

Mr. Kelly Richardson updated the Board and Members on the United vs GRF Lawsuit.

### **APPROVAL OF THE MINUTES**

Director Freshley moved to modify the minutes of April 23, 2014 to record that Director Tao and Director Freshley voted against Resolution 03-14-47 in the minutes of April 23, 2014. Director Tao seconded the motion.

By a vote of 5-4-0 the modification carried.

By a vote of 8-0-1 the motion carried to approve both the April 15, 2014 Regular Meeting minutes as written, and the April 23, 2014 Special Meeting minutes as modified.

### **CONSENT CALENDAR**

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

#### Maintenance & Construction Committee Recommendations:

- |                   |   |
|-------------------|---|
| 2390-1G           | Approve request for stepping stone path at patio and wrought iron gate, with contingencies                |
| 3032-B            | Approve request to retain patio extension, walkway and Trex® Cap on Patio Wall, with contingencies        |
| 3065-D            | Approve request for stone veneer on patio wall, with contingencies  |
| 3155-C            | Approve request to retain paver patio addition at rear of manor, with contingencies                       |
| <del>3164-A</del> | <del>Deny request for rear bedroom extension and rear patio addition with wood fence</del>                |
| 3164-A            | Approve request for front room addition, with contingencies   |
| 3385-B            | Approve request for rear patio extension and patio wall, with contingencies                               |
| 3392-B            | Deny request for alteration patio cover removal and replacement reimbursement – <b>Appeal</b>             |
| 3503-B            | Approve request to convert living room sliding glass door to French doors and windows, with contingencies |
| 5082              | Deny request to retain the existing exterior paint color palette  |
| 5055              | Approve request to paint the garage door the same color as the trim/fascia                                |
| 5120              | Deny request for room addition  |

- |        |  |
|--------|--|
| 5252   | Approve request for major remodel, with contingencies                      |
| 5334-A | Deny request for rear patio extension with enclosure                       |
| 5476-C | Approve request for bathroom addition in the garage, with contingencies    |
| 5128   | Approve request to paint the garage door the same color as the trim/fascia |

Landscape Committee Recommendations:

None

Finance Committee Recommendations:

**RESOLUTION 03-14-48**

**WHEREAS**, Member ID 932-310-08 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**, May 20, 2014, that the Board of Directors hereby approves the recording of a Lien for Member ID 932-310-08; 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 03-14-49**

**WHEREAS**, Member ID 934-500-45 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**, May 20, 2014, that the Board of Directors hereby approves the recording of a Lien for Member ID 934-500-45; 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 03-14-50**

**WHEREAS**, Member ID 930-764-23 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**, May 20, 2014, that the Board of Directors hereby approves the recording of a Lien for Member ID 930-764-23; 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.

**GENERAL MANAGER'S REPORT**

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

**MEMBER COMMENTS**

Third Mutual Members were given the opportunity to speak to any issues not on the agenda.

**DIRECTORS' RESPONSES TO MEMBER COMMENTS**

The Directors briefly responded to Member Comments.

**UNFINISHED BUSINESS**

Director Troutman read a proposed resolution approving revisions to the Real Estate Signage Policy, which was postponed to conform to the 30-day notification requirement. Director Troutman moved to approve the resolution. Director Gros seconded the motion and discussion ensued.

By a vote of 8-0-0, the motion carried and the Board of Directors adopted the following resolution:

**RESOLUTION 03-14-51**

**THIRD LAGUNA HILLS MUTUAL OPEN HOUSE/BROKER PREVIEW  
POLICY**

**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**, May 20, 2014, 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 Wednesday and 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**, real estate agents 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 that signs may be posted on the day of the broker preview no earlier than 9:00 A.M. and must be removed no later than 2:00 P.M. on the same day; and

**RESOLVED FURTHER**, that non-residents wishing to visit the open house/broker preview 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 03-13-45, adopted April 16, 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 read a proposed resolution approving the Third Laguna Hills Mutual Investment Policy, which was postponed to conform to the 30-day notification requirement. Director Troutman moved to approve the resolution. Director Gros seconded the motion and discussion ensued.

By a vote of 8-0-0 the motion carried and the Board of Directors adopted the following resolution:

### **RESOLUTION 03-14-52**

#### **THIRD LAGUNA HILLS MUTUAL INVESTMENT POLICY**

**RESOLVED**, May 20, 2014, that the Managing Agent of this Corporation, and an Investment Manager are hereby authorized to invest the funds of the Corporation which, in the opinion of said Managing Agent are not required within a reasonable time to pay obligations of the Corporation; and

**RESOLVED FURTHER**, that the Board of Directors of this Corporation hereby authorizes the Managing Agent of this Corporation, to retain an Investment Manager and to give that Manager discretion to transact purchases and sales of investments for the Third Laguna Hills Mutual account. Such discretion is subject to the underlying conditions as stated below. The Board will determine the amount to be managed in this discretionary account; and

**RESOLVED FURTHER**, that all investments on behalf of this Corporation must be made with the underlying principles in the following order of priority: (1) safety, (2) liquidity, where applicable, and (3) yield, and are subject to the following conditions:

1. Notification of confirmation shall be given to the Managing Agent and Treasurer of this Corporation upon completion of each investment transaction;
2. For funds administered by the Managing Agent no investment may be sold, withdrawn, redeemed or otherwise converted to cash prior to maturity without a demonstrated immediate need for the funds and the consent of any two of the Treasurer or the President or 1st Vice President of this Corporation. Furthermore, if a member of the Board of the Corporation desires an investment to be sold, withdrawn, redeemed or otherwise converted to cash prior to maturity, approval must be received from the Board of Directors of this Corporation;
3. No funds shall be invested except in authorized investments as provided herein. Authorized investments are limited to:
  - a. obligations of, or fully guaranteed as to principal, by the United States of America;
  - b. Up to 30% of the portfolio may be invested in Corporate Bonds rated A through AAA;
  - c. No more than 3% of the portfolio is to be invested in any one corporate bond issuer; and
  - d. Up to 25% of the portfolio may be invested in Government Sponsored Federal Agencies, namely FNMA (Federal National Mortgage Association – Fannie Mae), FHLMC (Federal Home Loan Mortgage Corporation – Freddie Mac, and FHLB (Federal Home Loan Bank).
4. Investments on behalf of this Corporation may be made concurrently with investments made on behalf of other corporations at Laguna Woods Village, Laguna Woods, California. However, separate investment receipts will be held in the name of this Corporation. Any such investments may be held for the account of the Corporation in book-entry form;

**RESOLVED FURTHER**, that Resolution 03-09-129 adopted October 20, 2009 is hereby superseded and canceled; and

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

Director Troutman read a proposed resolution approving revisions to the Resale Policy, which was postponed to conform to the 30-day notification requirement. Director Troutman moved to approve the resolution. Director Gros seconded the motion and discussion ensued.

By a vote of 8-0-0 the motion carried and the Board of Directors adopted the following resolution:

**Resolution 03-14-53**

**Resale Policy**

**WHEREAS**, it is the policy of the Third Laguna Hills Mutual that the Seller of a condominium property in Third Mutual, or his agent, must adhere to the established Resale Policy to allow for an orderly transfer of ownership;

**NOW THEREFORE BE IT RESOLVED**, May 20, 2014 that the Board of Directors of this Corporation hereby approves the Proposed Resale Policy as attached to the official meeting minutes; and

**RESOLVED FURTHER**, that Resolutions 03-03-59 and 03-03-60 are hereby superseded and cancelled; and

**RESOLVED FURTHER**, that staff shall take the necessary steps to inform the realty community and the residents of Third Mutual; 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 send a letter to California Public Utilities Commission regarding SDG&E's planned tariff hike and to express the Board's concern with the tariff hike, as presented, under Director Bert Moldow's signature. Further, Corporate Council is to draft a separate letter to PUC, to be sent under separate posting, stating the Board's strong opposition to the settlement agreement with SCE and that the PUC withhold the \$3.3 billion dollar settlement agreement until the completion of the Phase 3 Investigation Hearing. Director Moldow seconded the motion.

Members commented on the motion.

By a vote of 8-0-0 the motion carried.

Director Troutman read a proposed resolution approving revisions to the GRF Committee Appointments. Director Troutman moved to approve the resolution. Director Gros seconded the motion and discussion ensued.

By a vote of 8-0-0 the motion carried and the Board of Directors adopted the following resolution:

**RESOLUTION 03-14-54**

**GRF Committee Appointments**

**RESOLVED**, May 20, 2014, 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**

Judith Troutman  
Ray Gros

**Community Activities Committee**

Beth Perak  
Rosemarie di Lorenzo Dickins

**Finance Committee**

Hank Gioia  
Wei-Ming Tao

**Government and Public Relations Committee**

Wei-Ming Tao  
Beth Perak

**Landscape Committee**

Judith Troutman  
**Jim Juhan**  
Rosemarie di Lorenzo Dickins

**Maintenance and Construction Committee**

Jim Juhan  
**Judith Troutman**  
Kathryn Freshley

**Media and Communication Committee**

Kathryn Freshley  
Jim Juhan

**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 03-14-26, adopted March 18, 2014 is hereby superseded and canceled.

**NEW BUSINESS**

The Board discussed placing signage at the laundry rooms to inform Members to conserve energy usage at peak times. By way of consensus, the Board directed staff to bring a sign sample to the next Maintenance and Construction Committee for review.

President Straziuso moved to donate \$100 to Quechee Vermont Library in honor of Barbara Pitlik. Director Gros seconded the motion.

By a vote of 8-0-0 the motion carried.

The Board discussed the purpose of the Paint Sub-Committee, authorities and possible Charter to enable better coordination and affective communication with Staff. By way of consensus, the Board directed Director Troutman to bring the discussion to the next Maintenance and Construction meeting.

**COMMITTEE REPORTS**

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

Director di Lorenzo Dickins reported from the Landscape Committee.

Director Troutman reported from the Maintenance and Construction Committee.

Ms. Wendy Panizza entered the meeting 11:50 AM.

The Board discussed the request of 3164-A for a rear bedroom extension and rear patio addition with wood fence.

Member from 3164-A commented on the agenda item.

Director Freshley moved to approve the request of 3164-A for a rear bedroom extension and rear patio addition with wood fence. Director Tao seconded the motion.

By a vote of 4-5-0 the motion failed.

Director Gros moved to deny the request of 3164-A for a rear bedroom extension and rear patio addition with wood fence.

By a vote of 5-4-0 the motion carried.

Ms. Wendy Panizza left the meeting 12:15 PM.

Director Moldow reported from the Energy Subcommittee.

President Straziuso reported from Resident Problem Resolution Services.

Director Chang reported from the Revitalization Committee.

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

No report was given from the Communications Committee.

Director Gros reported on the Laguna Canyon Foundation.

President Straziuso moved to add to the agenda, Third Laguna Hills Mutual response to United Board regarding the United vs GRF Lawsuit, by way of resolution.

By a vote of 3-5-0 the motion failed.

#### **GRF COMMITTEE HIGHLIGHTS**

Director di Lorenzo Dickins reported from the GRF CAC Committee.

#### **DIRECTORS' COMMENTS**

Directors made their final comments.

#### **ADDITIONAL MEMBER COMMENTS**

No additional member comments were made.

The Board recessed at 12:30 P.M. and reconvened into Executive Session at 1:45 P.M.

#### **Summary of Previous Closed Session Meetings per Civil Code Section §4935**

During its April 15, 2014 Regular Executive Session Board Meeting, the Board approved the March 18, 2014 Regular Executive Session minutes as written. The Board heard three disciplinary hearings and imposed \$700 in fines for violations of the Mutual's rules and regulations; approved one notice of default; the Board heard nine Damage Restoration Hearings; discussed potential litigation matters; and discussed other member disciplinary matters.

With no further business before the Board of Directors, the meeting was adjourned at 4:30 PM.

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Judith Troutman, Secretary

## **RESALE POLICY – THIRD LAGUNA HILLS MUTUAL**

It is the policy of the Third Laguna Hills Mutual housing corporation that transfers of property through the resale process shall be handled as expeditiously as possible, in accordance with Mutual review and approval processes.

Further, it is the policy of the Mutual that the Seller of a condominium property in Third Mutual, or his agent, should:

Within two business days after listing or making the property available for sale, the Seller or Seller's authorized agent should notify the Resale Inspection Office, in writing of the listing and submit to the Resale Department a "Request for 1<sup>st</sup> Inspection Report". The notification shall include the name of the listing real estate agent or personal agent of the seller, Seller's address and telephone number, the listing contract date, and Seller's current address and telephone number if seller is not residing in the manor being listed for sale; and at least one week prior to close of escrow, the Seller or his Agent will request that a Final Inspection be scheduled.

### **Seller's Authorization to Release Information**

Seller, or authorized agent, shall execute and deliver the Seller's Authorization for Release of Information to the Managing Agent. No information will be released by the Mutual or the Managing Agent to any party until the Managing Agent receives the Release.

### **Mutual Board's Review of Buyer's Qualifications**

Upon receipt of all requisite documents from the Escrow Office handling the resale transaction, and completion of the First Inspection, the Mutual will have fifteen (15) calendar days to review and approve or deny the buyer's application for membership.

### **Occupancy by Buyer Prior to Close of Escrow**

A buyer is not be permitted to occupy a manor prior to Board approval of the Buyer's membership qualifications except by receiving Board approval of a Lease Permit through the GRF Lease Permit Office.

If a Seller agrees to permit the Buyer to occupy the manor after Board approval, and prior to close of escrow, both parties shall execute and present a Hold Harmless Agreement through the Security Division. Early occupancy based on the Hold Harmless Agreement shall be limited to fifteen (15) calendar days. Buyers who intend to occupy the manor for more than fifteen (15) days prior to close of escrow shall obtain a Lease Permit approved by the Board through the GRF Lease Permit Office.

### **Carryover Occupancy by Seller**

If Buyer and Seller agree that Seller may continue to occupy the manor after close of escrow, such occupancy shall be limited to fifteen (15) calendar days. Seller who intends to carry

over occupancy for more that fifteen (15) days following close of escrow shall obtain a Lease Permit approved by the Board through the GRF Lease Permit Office.

**Security Deposit**

If the inspection reveals an architectural violation, failure to maintain an alteration, or other damage to common area caused by the member or member's occupants, or if at the time of the inspection the member owes the Mutual unpaid assessments, fines or other amounts, the amounts sufficient to rectify the member's indebtedness to the Mutual will be held at escrow in a holding account. Any surplus funds shall be returned to the appropriate party.