

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

November 18, 2014

The Regular Meeting of the Third Laguna Hills Mutual Board of Directors, a California non-profit mutual benefit corporation, was held on Tuesday, November 18, 2014 at 9:30 A.M. at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Jim Matson, Beth Perak, Judith Troutman, John Luebbe, Rosemarie di Lorenzo Dickins, Ray Gros, Bert Moldow, Wei-Ming Tao, James Tung, Bunny Carpenter, John McRae

Directors Absent: None

Staff Present: Jerry Storage, Kim Taylor, Marcia Wilson, Marcel Bradley, Petros Frangos
Executive Session: Jerry Storage, Cris Robinson, Kim Taylor, Bryan English, Blessilda Fernandez, Francis Rangel, Wendy Panizza, Pamela Bashline

Others Present: None

CALL TO ORDER

Jim Matson, President of the Corporation, chaired and opened the meeting, and stated that it was a Regular Meeting held pursuant to notice duly given. A quorum was established, and the meeting was called to order at 9:30 A.M.

PLEDGE OF ALLEGIANCE

Director Bunny Carpenter led the Membership in the Pledge of Allegiance.

ACKNOWLEDGEMENT OF MEDIA

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

APPROVAL OF AGENDA

Without objection, the agenda was approved as written.

CHAIR'S REMARKS

President Matson spoke of various items concerning the Mutual.

APPROVAL OF THE MINUTES

Without objection, the Board approved the minutes of the October 21, 2014 Regular Meeting as amended by correcting on page 19 of 44 the last sentence of the second paragraph "By a vote of **10-0-0** the amendment carried.

CONSENT CALENDAR

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

Maintenance & Construction Committee Recommendations:

- | | |
|---------|---|
| 964-H | Deny request to reverse charges of \$1,223.73 for testing and abatement of asbestos cleanup |
| 2300-O | Approve request to retain XO kitchen window, clear skylight in kitchen, water heater in attic and Pex® tubing, with contingencies |
| 2300-O | Approve request to retain clear skylight in master bedroom, with contingencies |
| 2324-P | Approve request to retain Pex® tubing, with contingencies |
| 3044-P | Approve request to install doggie door in living room wall, with contingencies |
| 3155-C | Deny request to install a spa on previously approved patio extension |
| 3530-A | Deny request to widen driveway at manor |
| 4014-1A | Deny request to reverse charges totaling \$718.92 related to the replacement of a water heater at manor |
| 5101 | Approve request to install trapezoid windows, and a rear patio extension with an extended roofline, with contingencies |
| 5184 | Approve request to construct a room addition on the rear patio and to add windows in the garage, with contingencies |
| 5255 | Approve request to retain built-in fountain, with contingencies |
| B5404 | Approve request to postpone the fumigation in Building 5404 to be rescheduled by June 2015 |
| 5446 | Approve request to construct room additions on the rear and side patios, with contingencies |
| 5546-B | Approve request to install aluminum insulated patio cover on the rear patio, with contingencies |
| 5560-B | Approve request to install aluminum insulated patio cover on the rear patio, with contingencies |
| 5564-A | Approve request for a rear patio extension, with contingencies |
| 5574-A | Approve request for a rear patio extension, with contingencies |

Landscape Committee Recommendations:

- | | |
|---------|---|
| 5335-C | Deny request for tree removal |
| 5358-Q | Approve request for tree removal |
| 4026-2G | Approve the trimming request at the Mutual's expense on the regular trimming cycle and deny the request for lawn repair |

Finance Committee Recommendations:

RESOLUTION 03-14-122

Recording of a Lien

WHEREAS, Member ID 931-631-91 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, November 18, 2014, that the Board of Directors hereby approves the recording of a Lien for Member ID 931-631-91; 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 03-14-123

Recording of a Lien

WHEREAS, Member ID 932-311-38 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, November 18, 2014, that the Board of Directors hereby approves the recording of a Lien for Member ID 932-311-38; 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 03-14-124

Recording of a Lien

WHEREAS, Member ID 932-380-08 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, November 18, 2014, that the Board of Directors hereby approves the recording of a Lien for Member ID 932-380-08; 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 03-14-125

Recording of a Lien

WHEREAS, Member ID 934-500-19 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, November 18, 2014, that the Board of Directors hereby approves the recording of a Lien for Member ID 934-500-19; 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 03-14-126

Recording of a Lien

WHEREAS, Member ID 934-900-89 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, November 18, 2014, that the Board of Directors hereby approves the recording of a Lien for Member ID 934-900-89; 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 03-14-127

Filing of Separate Small Claims Court Cases

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, November 18, 2014, that the Board of Directors hereby approves the filing of separate Small Claims Court cases for: Member ID 931-370-22 and Member ID 931-531-25; 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. Jerry Storage updated the membership on Third Mutual projects and ongoing GRF projects within the Community.

Ms. Marcia Wilson provided an overview of the Social Services Department and the services that they provide to residents of 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

Without objection, the Board moved Agenda Item 12(a) Entertain Motion to Approve Revisions to the Third Mutual Committee Appointments to Agenda Item 24.

NEW BUSINESS

Director di Lorenzo-Dickins moved to assign Directors Bunny Carpenter and Rosemarie di Lorenzo-Dickins to the GRF Process Ad Hoc Committee. Director Tao seconded the motion.

By a vote of 9-1-0 the motion carried.

Director di Lorenzo-Dickins moved to assign Directors Wei-Ming Tao and Rosemarie di Lorenzo-Dickins to the GRF Financial Reporting Study Group. Director Tung seconded the motion.

By a vote of 6-3-0 the motion carried.

Director McRae read a proposed resolution adopting the Contract Procedures/Responsibility Matrix. Director Tao moved to approve the resolution. Director di Lorenzo-Dickins seconded the motion and discussion ensued.

Director McRae moved to call the question; by a vote of 5-4-0, a 2/3rds vote was not obtained and the motion failed. Discussion continued.

By a vote of 4-6-0 the motion to approve the resolution failed.

RESOLUTION 01-14-XX

Operating Procedures – Contracts Responsibility Matrix

WHEREAS, in order to avoid confusion as to the role and responsibilities of the Board and the managing agent, an Operating Procedures – Contracts Responsibility Matrix was created to clearly define the responsibilities and authority of the Board and the responsibilities the Board may wish to delegate; and

NOW THEREFORE BE IT RESOLVED, November 18, 2014, that the Board of Directors of this Corporation hereby approves the attached document entitled “Operating Procedures – Contracts Responsibility Matrix” which identifies the responsibilities and duties of the Board, Committees, and the Managing Agent; 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 Moldow moved to send the resolution to each Committee that reviews contracts and return the item back to the Board in December. Director Luebbe seconded the motion.

By a vote of 10-0-0 the motion carried.

COMMITTEE REPORTS

Director Wei-Ming Tao gave the Treasurer's and the Finance Committee Reports, and commented on the Resale & Lease Activities.

Director McRae read a proposed resolution approving revisions to the Finance Committee Charter. Director Tao moved to approve the resolution. Director Tung seconded the motion and discussion ensued.

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

RESOLUTION 03-14-128

THIRD MUTUAL FINANCE COMMITTEE CHARTER

RESOLVED, that pursuant to Article VII, Section 1 of the Bylaws, the Finance Committee is hereby established as a standing committee of this Corporation; and

RESOLVED FURTHER, November 18, 2014, that the Board of Directors of this Corporation hereby assigns the duties and responsibilities of the Finance Committee of this Corporation as follows:

1. Annually review the proposed Third Laguna Hills Mutual Business Plan and recommend to the Board action regarding the same, including the amount of the assessment required to meet the following year's operating budget and reserve contributions.
2. Regularly review the financial statements and reports of Third Laguna Hills Mutual and review the performance of the managing agent related to the budget and operational efficiencies and make recommendations to the Board.
3. Review the investment of funds of Third Mutual to determine if they are in accordance with the investment policy. Review and recommend changes to the Board, as necessary, to the Mutual's investment policy.
4. Regularly review the status and sufficiency of the Mutual's reserve accounts.
5. Review any unplanned expenditure proposed by the Board or other Committees to determine the impact on and adequacy of related reserves and recommend appropriate action to the Board.
6. Function as an advisory and liaison body to the managing agent in matters pertaining to financial performance measurements, membership,

assessment delinquencies, leasing, and occupancy; and coordinate these matters with other standing committees having related concerns.

7. Perform such additional functions as may be assigned or referred to this committee by the President as well as those that are necessary and prudent to fulfill the Committee's duties and responsibilities.
8. Review reports and recommendations from auditors and recommend to the Board any appropriate action; and
9. In coordination with GRF and Corporate Members, examine the need for review of managing agent organizational entities. Review the implementation of consultant findings and make recommendations to the Board.
10. Direct the preparation of a request for proposal for the annual financial audit of Third Laguna Hills Mutual.
11. Regularly review all insurance and risk management programs for Third Laguna Hills Mutual and recommend to the Board actions to be taken to maintain adequate protection and coverage.

RESOLVED FURTHER, that Resolution 03-04-30, adopted November 6, 2004, is hereby superseded and cancelled.

Director McRae read a proposed resolution approving the Laguna Woods Village Cost Savings Ad Hoc Committee and Charter. Director Tao moved to approve the resolution. Director di Lorenzo-Dickins seconded the motion and discussion ensued.

Director Moldow moved to amend the resolution by adding 'any unnecessary' and remove 'non-value added' to II. A. By a vote of 10-0-0 the amendment carried.

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

RESOLUTION 03-14-129

Laguna Woods Village Cost Saving Ad Hoc Committee

Committee Charter

NOW THEREFORE BE IT RESOLVED, November 18, 2014, the Board of Directors of the Third Laguna Hills Mutual hereby assigns the duties and responsibilities of this Ad Hoc Committee, as follows:

- I. **Name:** Laguna Woods Village Cost Saving Ad Hoc Committee
- II. **Statement of Purpose:** The purpose of this committee shall be to:
 - A. Understand current process/lack of process to reduce **any unnecessary** ~~non-value added~~ costs or delays. Apply measures to quantify the impact.
 - B. Uncover problem areas that prevent cost saving projects from being realized.
 - C. Brainstorm cost saving ideas/opportunity for improvements and set measures to monitor the implementation of cost saving ideas.
 - D. Unify the approach to cost saving ideas across the organization.
 - I. Facilitate the awareness and promotion of waste reduction/cost savings.
 - II. Identify and measure waste.
 - E. Support of operating management:
 - I. Create performance measures and reports that measure project performance against stated objectives.
 - II. Design reporting to track operating performance against Board priorities.

Director James Tung reported from the Landscape Committee.

Mr. Marcel Bradley and Mr. Petros Frangos entered the meeting at 11:30 AM.

Director Rosemarie di Lorenzo-Dickins reported from the Maintenance and Construction Committee.

Director McRae read a proposed resolution approving renovating one Garden Villa lobby, Building 2385, using the Garden Villa mailroom design concept, excluding chair rail and two-tone paint, and authorizing the redirection of the 2014 Replacement Reserves Plan of \$5,860 designated for lobby wallpaper replacement and a Supplemental Appropriation of \$3,470. Director Moldow moved to approve the resolution. Director Luebbe seconded the motion and discussion ensued.

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

RESOLUTION 03-14-130

Garden Villa Lobby Refurbishment

WHEREAS, at the Third Laguna Hills Mutual Maintenance and Construction Committee meeting on October 6, 2014, the Committee had voted to table the original Garden Villa Lobby wallpaper refurbishment project; and

WHEREAS, the Third Laguna Hills Mutual Maintenance and Construction Committee has received additional information from the Garden Villa Association regarding the condition of the wallpaper in the lobby of Building 2385;

NOW THEREFORE BE IT RESOLVED, November 18, 2014, the Board of Directors of this Corporation hereby approves the renovation of one Garden Villa Lobby (Building 2385) using the Garden Villa mailroom design concept, excluding chair rail and two-tone paint and authorizes the redirection of the 2014 Replacement Reserves Plan of \$5,860 designated for lobby wallpaper replacement and a supplemental appropriation of \$3,470, to be funded from the Replacement Reserve Fund; 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 McRae read a proposed resolution approving disabling the locking mechanism on door handle sets on all common area storage rooms located in LH-21 type buildings. Director di Lorenzo-Dickins moved to approve the resolution. Director Perak seconded the motion and discussion ensued.

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

RESOLUTION 03-14-131

LH-21 Storage Room Handle Installation

WHEREAS, Resolution 03-14-79, approved July 15, 2014, requires that the doors accessing the LH-21 storage rooms must remain unlocked to help “ensure the prevention of any storage practices that may pose a substantial and material threat to the health, safety and well-being of all residents”; and

WHEREAS, the Third Laguna Hills Mutual Maintenance and Construction Committee are recommending that the Board approve disabling the locking mechanism, where they exist, on door handle sets on all common area storage rooms located in LH-21 type buildings;

NOW THEREFORE BE IT RESOLVED, November 18, 2014, the Board of Directors of this Corporation hereby approves disabling the locking mechanism, where they exist, on door handle sets on all common area storage rooms located in LH-21 type buildings, funded as an unbudgeted operating expense from General Maintenance ; and

RESOLVED FURTHER, that the Mutual will provide a two-week advance notification to the LH-21 building residents prior to disabling the locking mechanism; 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 McRae read a proposed resolution to rescind authorizing \$25,000 to hire an architect to provide services to evaluate and prepare plans for standard modifications to buildings in Third Mutual that have building design issues that hasten dry rot (Resolution 03-12-82). Director Perak moved to approve the resolution. Director di Lorenzo-Dickins seconded the motion and discussion ensued.

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

RESOLUTION 03-14-132

Rescind Resolution to Retain Architectural Services to Evaluate and Prepare Plans for Buildings with Design Issues that Hasten Dry Rot (Resolution 03-12-82)

WHEREAS, by way of resolution 03-12-82, the Board approved an appropriation of \$25,000 funded from the Unappropriated Expenditures Fund to retain architectural services to evaluate and prepare plans for standard modifications to buildings in Third Mutual that have building design issues that hasten dry rot; and

WHEREAS, the original architectural estimate was \$50,000 and the appropriation assumed that United Laguna Woods Mutual would participate and fund \$25,000 to hire an architect for both Mutuels, however United Mutual has decided not to participate; and

WHEREAS, the Third Laguna Hills Mutual Maintenance and Construction Committee have recommended that the Board rescind resolution 03-12-82;

NOW THEREFORE BE IT RESOLVED, November 18, 2014, the Board of Directors of this Corporation hereby rescinds resolution 03-12-82, to retain architectural services to evaluate and prepare plans for standard modifications to buildings in Third Mutual that have building design issues that hasten dry rot; 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 di Lorenzo-Dickins moved to deny a Supplemental Appropriation of \$92,900 to fund the remaining 2014 scope of work for the Roof Tile Program and to defer buildings that could not be completed within the 2014 Budget to the 2015 Program. Director Tung seconded the motion.

By a vote of 10-0-0 the motion carried.

Director Moldow reported from the Energy Committee.

Director Luebbe moved to form an Electrical Vehicle Charging Ad Hoc Committee and assign Directors Moldow, Luebbe, and Gros, with Advisors Bill Walsh and Steven Leonard. Director di Lorenzo-Dickins seconded the motion.

By a vote of 10-0-0 the motion carried.

Director McRae read a proposed resolution approving revisions to the Energy Committee Charter. Director di Lorenzo-Dickins moved to approve the resolution. Director Luebbe seconded the motion and discussion ensued.

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

RESOLUTION 03-14-133

**Third Laguna Hills Mutual Energy Committee
Charter and Mission**

NOW THEREFORE IT BE RESOLVED, November 18, 2014, the Board of Directors of the Third Laguna Hills Mutual (hereafter, "Mutual") hereby assigns the duties and responsibilities of this Committee, as follows:

The mission of the Third Mutual Laguna Hills Energy Committee is to identify and recommend to the Board investments in energy technologies which will address safety, economic, environmental and aesthetic issues of the Mutual and its residents and enhance the future property values.

1. Recommend to the Board for their approval all actions that will result in energy savings for Mutual residents and an improved environment for the Community.
2. Review monthly mutual energy statements and other reports affecting the energy usage of this Corporation. Review anomalous deviations and identify causes of the same and, where undesirable, recommend corrective action. Request development of tools by Staff to facilitate this action.

3. Work closely with Staff and review all devices or systems that either generate, control or consume electricity within Mutual. Identify alternatives that would be beneficial to the Mutual taking into consideration factors such as efficiency, reliability, sustainability, installation, cost, return on investment, carbon foot print, human factors, and operability. Propose priorities of actions.
4. Seek out financial energy incentive programs applicable to the Mutual.
5. Maintain communications with the other Laguna Woods corporate energy committees and exchange information pertinent to each committee.
6. Work with the Mutual's Communications Committee to make Mutual residents aware of actions they can take to reduce their own energy costs and aid the environment.
7. In conjunction with Staff, make monthly progress reports to the Mutual's M&C Committee on investigation results, resident actions and comments and Committee-approved projects.
8. To avoid misunderstandings due to lack of familiarity with technology and products the Committee shall arrange seminars and invite speakers from vendors, universities, trade groups or consultants and establish a blog site to provide information and answer questions.
9. Suggest action the Board should take with respect to the California Public Utility Commission or legislature regarding proposed tariff charges or bills affecting the Mutual.
10. Work with the Mutual's residents and their installers to identify policy changes that can facilitate residents' actions to reduce energy costs.
11. Advise the Board of Directors regarding requests for proposals pertaining to energy considerations for review and possible modification by the Board before going to Purchasing.
12. Review the bidders list on energy-related proposals, review their qualifications, and advise the Board regarding the qualifications and completeness of energy-related proposals. The Committee will not contact bidders or potential bidders once a bid request has been made, until bids have been received.

13. Identify the energy-related aspects of proposed Mutual projects, and alert and advise the Board to the energy impacts of such projects and make appropriate recommendations to the Mutual Board.

RESOLVED FURTHER, that Resolution 03-14-116, adopted October 21, 2014 is hereby superseded and canceled.

Mr. Marcel Bradley and Mr. Petros Frangos left the meeting at 12:00 PM.

Director Gros reported from Resident Problem Resolution Services.

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

Director Perak reported from the Communications Committee.

Director Gros reported on the Laguna Canyon Foundation.

GRF COMMITTEE HIGHLIGHTS

GRF Committee highlights were given.

UNFINISHED BUSINESS CONTINUED

Director McRae read a proposed resolution approving revisions to the Third Mutual Committee Appointments. Director di Lorenzo Dickins moved to approve the resolution. Director Tung seconded the motion and discussion ensued.

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

RESOLUTION 03-14-134

Mutual Committee Appointments

RESOLVED, November 18, 2014, 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

Jim Matson, Chair
Rosemarie di Lorenzo Dickins
James Tung
Beth Perak

Communications Committee

Beth Perak, Chair
John Luebbe
Bunny Carpenter
Judith Troutman
Non-Voting Advisor: ***Joan Milliman, Hal Horne***

Cost Savings Ad Hoc Committee

Wei-Ming Tao
Rosemarie di Lorenzo-Dickins
James Tung
John McRae
Non-Voting Advisors: ***Richard Johnston - Chair, Colin Johnston, and John Davis***

Electrical Vehicle Charging Ad Hoc Committee

Bert Moldow
John Luebbe
Ray Gros
Non-Voting Advisors: ***Bill Walsh and Steven Leonard***

Energy Committee

Bert Moldow, Chair
James Tung
John Luebbe
Non-Voting Advisors: ***Bill Walsh, Steven Leonard***

Finance (Committee of the Whole)

Wei-Ming Tao, Chair
Rosemarie di Lorenzo Dickins, Vice Chair
Non-Voting Advisors: ***Colin Johnston, Richard Johnston, and John Davis***

Garden Villa Recreation Room Subcommittee

Rosemarie di Lorenzo Dickins, Chair
John McRae
Bunny Carpenter
Non-Voting Advisors: ***Lenta Jarrett, Sharon Molineri, Shari Horne***

Landscape (Committee of the Whole)

James Tung, Chair
Judith Troutman, Vice Chair
John McRae
Non-Voting Advisors: ***John Dudley, Dawn Johnston***

Maintenance and Construction (Committee of the Whole)

Rosemarie di Lorenzo Dickins, Chair
Bunny Carpenter, Vice Chair
Non-Voting Advisors: **Robert Sherinian**

Meet and Confer

Jim Matson, Chair
James Tung
John Luebbe
Ray Gros

New Resident Orientation

Per Rotation List

Paint Color Subcommittee

~~Wei-Ming Tao~~
Jim Matson, Chair
Rosemarie di Lorenzo Dickins
Judith Troutman
Non-Voting Advisor: **Ruth Matson**

Resident Problem Resolution Services

Ray Gros, Chair

Jim Matson
James Tung

Slope Renovation/Turf Conversion Sub-Committee

Jim Matson – Chair

James Tung

John McRae

Non-Voting Advisor: Darlene Bacus

Standards Subcommittee

John McRae, Chair
James Tung
Judith Troutman
Ray Gros
Non-Voting Advisor: TBD

Traffic Hearing (quarterly)

Ray Gros, Chair
John Luebbe
Bert Moldow

Laguna Canyon Foundation

Ray Gros

RESOLVED FURTHER, that Resolution 03-14-110, adopted October 21, 2014 is hereby superseded and canceled.

DIRECTORS' COMMENTS

The Directors made their final comments.

ADDITIONAL MEMBER COMMENTS

Members made additional comments.

The Board recessed at 12:15 P.M. and reconvened into Executive Session at 1:15 P.M.

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

During its October 21, 2014 Regular Executive Session Board Meeting, the Board approved the September 16, 2014 Regular Executive Session minutes and the Special Executive Session minutes of October 9, 2014 as written. The Board heard three disciplinary hearings and imposed \$400 in fines for violations of the Mutual's rules and regulations; held 10 Common Area Damage Reimbursement hearings; held 5 Electrical Upgrade Hearings; discussed other member disciplinary matters; approved two recordings of Notice for Defaults; approved an Assessment Debt Write-off; approved a Chargeable Services write-off; discussed Trust amendments; and discussed litigation matters.

During its Special Executive Meeting of November 7, 2014 the Board discussed and considered the local storm drain project.

With no further business before the Board of Directors, the meeting was adjourned at 4:50 PM.

John McRae, Secretary

Operating Procedures - Contracts

1. Request for Analysis-Determination of Objectives

The decision to commission a subject report request primarily resides with the Board of Directors; however, a committee chair with committee approval may also request a subject report from the managing agent. There may be situations where a committee will request reports from other professional organizations. Certain contracts are processed based upon board-approved service levels and appropriations, and are not a result of a subject report.

2. Subject Report

The committee having jurisdiction over this activity has the option to prepare the subject report, unless otherwise directed by the Board of Directors when the project is assigned to the committee. However, the report preparation usually will be performed by the managing agent. Occasionally, another professional organization may be requested to draft the report.

3. Approval of Appropriation by Resolution of Board

This activity is reserved for the Board of Directors. The approval follows the review of the subject report by the appropriate committees with their respective recommendation submitted for action. The board will then review the subject report and the attendant recommendations and either approve the recommended action or return the subject report to committee for further consideration.

4. Draft of Specifications for a Contracted Activity

This activity, which is a statement of particulars, such as, type, scope, size, performance, terms, conditions, etc., will be performed by the managing agent.

5. Approval of Scope of Work/Specifications

The scope of work/specifications will be reviewed and approved by the appropriate committee. In circumstances where the expected value of the contract will be less than \$25,000 the managing agent has the authority to approve the scope of work/specification without committee review and approval.

6. Preparing the RFP with Approved Scope of Work/Specifications

This activity will be initiated by the committee after the committee's approval of the scope of work/specifications. TThe managing agent will prepare the RFP and if the value of the contract is expected to be less than \$25,000 and is within the approved budget, staff has the authority to issue the RFP with the appropriate scope of work/specifications without review by the appropriate committee.

7. Approval of RFP with Approved Scope of Work/Specifications

\$25,000, the managing agent will proceed to send the RFP to the selected vendors.

8. Creation of Initial Bidders List (Excluding Financial and Legal Contracts)

The bidders list will be created by the managing agent following approval of the RFP. The committee may recommend appropriate bidders be added to the list.

9. Approval/Modification of Final Bidders List

If the contract is expected to exceed \$25,000, the appropriate committee may choose to approve the bidders list.

10. Delivery of Request for Proposal (RFP)

This activity is performed by the managing agent.

11. Pre-bid Meeting

The Board may request that appropriate committee representatives participate in the meeting.

12. Bid Opening

The Board does not have to participate in this activity; they may delegate the responsibility to an appropriate committee or, if the expected contract is less than \$25,000, delegate the responsibility to the managing agent.

13. Bid Analysis

The Board does not have to participate in Bid Analysis; they may delegate the responsibility to an appropriate committee who may elect to exercise control of the bid review and prepare a recommendation to the Board or, if the expected contract is less than \$25,000, delegate the responsibility to the managing agent.

14. Recommendation for Award of Contract

The managing agent will prepare a memo with the recommendation of the vendor that best fulfills all aspects of the RFP and the required specifications of the work to be performed. This activity may include a concurrent report by the committee involved in the RFP and Bidding process. For contracts valued at less than \$25,000 and within the budget for the activity, the managing agent is delegated the authority to award the contract to the vendor best fulfilling the requirements of the RFP and the scope of work/specifications without committee review and board approval.

15. Approval to Award Contract

For contracts valued at less than \$25,000 and within the budget for the activity, the managing agent is delegated the authority to award the contract to the vendor best fulfilling the requirements of the RFP and the scope of work/specifications without committee review and board approval.

For contracts in excess of \$25,000 the appropriate committee will review and approve the award of contract. For activities requiring expenditures exceeding the budget, the appropriate committee will review and recommend approval of the contract to the Board. The Board will proceed to approve a resolution to award the contract to the recommended vendor.

16. Administration of Contract and/or Work

The managing agent performs this activity with reporting, when requested, to the appropriate committee of progress and discussion of any issues arising during the previous month with the vendor, such that there are no surprises for Board members regarding the contract work and activities.

Delegation of the Initiation, Authorization and Performance of Actions and Commitments that are Within the Responsibility Scope of the Organization	Organization			
	Board of Directors	Board Committee Chair	Board Committee	Managing Agent

Contracts

1	Request for Analysis--Determination of Objectives	I	I ¹	I ¹	
2	Subject Report			O	P
3	Approval of Appropriation by Resolution of Board	A			
4	Draft of Specifications for a Contracted Activity				P
5	Approval of Specifications		R	R,A	P,A
6	Initiate a RFP with Approved Scope of Work/Specifications			I	P
7	Approval of RFP with Approved Scope of Work/Specifications		R	R,A	R,A
8	Creation of Initial Bidders List (Excludes Financial and Legal Contracts)			I	P
9	Approval/Modification of Final Bidders List			R,A	
10	Delivery of RFP				P
11	Pre-bid Meeting		O	O	P
12	Bid Opening		O	O	P
13	Bid Analysis		O	O	P
14	Recommendation of Award of Contract				P
15	Approval to Award Contract		R	R,A	R,A
16	Adminstration of Contract and/or Work		R	R	P

Key

I = Initiate an activity, directive may come from either, but the directive is required

I¹ = Initiate activity within committee charter and with objective parameters

A = Authorize an activity that is within the Governing Documents. The Managing Agent is authorized to approve contracts of less than \$xx,xxx

O = The Committee or Board may choose to exercise participation at this level; if not, the Agent will perform the task

R = Review Reports and/or for Approval, where Necessary and Appropriate

P = Performed By

