

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

January 20, 2015

The Regular Meeting of the Third Laguna Hills Mutual Board of Directors, a California non-profit mutual benefit corporation, was held on Tuesday, January 20, 2015 at 9:30 A.M. at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Jim Matson, Beth Perak, Rosemarie di Lorenzo Dickins, Ray Gros, James Tung, Bunny Carpenter, John Luebbe, Wei-Ming Tao, John McRae, Bert Moldow (via telephone open session)

Directors Absent: Judith Troutman

Staff Present: Jerry Storage, Kim Taylor, Geoff Schneekluth, Pamela Bashline, Marcel Bradley
Executive Session: Jerry Storage, Cris Robinson, Kim Taylor, Bryan English, Francis Rangel, Blessilda Fernandez, Cynthia Grace

Others Present: Denver R. Andrews, Jr. Esq. (Executive Session)
GRF President Kathryn Freshley (Executive Session)

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 Rosemarie di Lorenzo Dickins led the Membership in the Pledge of Allegiance.

ACKNOWLEDGEMENT OF MEDIA

A representative of the Globe was not present for the meeting. 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 December 16, 2014 Regular Open Meeting as written.

CONSENT CALENDAR

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

Maintenance & Construction Committee Recommendations:

- | | |
|------------|---|
| 2349-A | Approve request for a stepping stone path at rear patio, with contingencies |
| 3108-A | Deny request for patio extension |
| B3344/3345 | Approve request for driveway extension, at Member expense; the Mutual to assume responsibility for repair and maintenance |
| 3397-B | Deny request for patio enclosure on previously extended patio |
| 3441-A | Approve request for rear room addition, with contingencies |
| 3441-A | Deny request to install a rollup privacy door at front of manor |
| 3460-A | Approve request to retain bougainvillea at the exterior of the patio wall, with contingencies |
| 5562-A | Approve request for multiple alterations, with contingencies |

Landscape Committee Recommendations:

- | | |
|---------|--|
| 2384-2E | Deny request for tree removal |
| 5422 | Approve request for tree removal, at Mutual Member's expense |

Finance Committee Recommendations:

RESOLUTION 03-15-01

Recording of a Lien

WHEREAS, Member ID 931-370-37 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, January 20, 2015, that the Board of Directors hereby approves the recording of a Lien for Member ID 931-370-37; 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 03-15-02

Recording of a Lien

WHEREAS, Member ID 931-531-36 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, January 20, 2015, that the Board of Directors hereby approves the recording of a Lien for Member ID 931-531-36; 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 03-15-03

Recording of a Lien

WHEREAS, Member ID 932-440-13 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, January 20, 2015, that the Board of Directors hereby approves the recording of a Lien for Member ID 932-440-13; 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 03-15-04

Recording of a Lien

WHEREAS, Member ID 932-720-17 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, January 20, 2015, that the Board of Directors hereby approves the recording of a Lien for Member ID 932-720-17; 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 03-15-05

Recording of a Lien

WHEREAS, Member ID 932-950-71 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, January 20, 2015, that the Board of Directors hereby approves the recording of a Lien for Member ID 932-950-71; 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 03-15-06

Recording of a Lien

WHEREAS, Member ID 933-030-30 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, January 20, 2015, that the Board of Directors hereby approves the recording of a Lien for Member ID 933-030-30; 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 03-15-07

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, January 20, 2015, that the Board of Directors hereby approves the filing of separate Small Claims Court cases for: Member ID 931-531-36, and Member ID 932-720-17; 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.

MEMBER COMMENTS

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

Mr. Geoff Schneekluth left the meeting at 9:55 AM.

DIRECTORS' RESPONSES TO MEMBER COMMENTS

The Directors briefly responded to Member Comments.

UNFINISHED BUSINESS

Director McRae read a proposed resolution approving a 180-Day Expiration Policy for Alteration Permits, which was postponed in December to comply with Civil Code §4360. Director Gros moved to approve the resolution. Director McRae seconded the motion and discussion ensued.

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

RESOLUTION 03-15-08

180 Day Expiration for Alteration Permits Policy

WHEREAS, Members in Third Laguna Hills Mutual are required to obtain an Alteration Permit from the Mutual for many alterations to their manors prior to performing any work to their manor; and

WHEREAS, the purpose of Alteration Permit is to ensure the Member's alterations are performed in accordance with the Alteration Standards, Standard Plans, and Board-approved variances for the Mutual; and

WHEREAS, currently Third Laguna Hills Mutual Alteration Permits have no expiration date which allows permits to remain open for extended periods of time, resulting in the Mutual being unable to finalize Mutual permits in a timely manner;

NOW THEREFORE BE IT RESOLVED, January 20, 2015, the Board of Directors of this Corporation hereby adopts a 180 Day Expiration for Alteration Permits, as follows:

- (a) Work shall be completed within 180 calendar days of the permit issuance date.
- (b) If the work is not completed on time, the Member may apply for a one time only extension not to exceed 90 calendar days. This extension may be granted providing the Member has shown due diligence toward completion, and the original 180-day period has not expired at the time of extension.
- (c) Work not completed within the 180 calendar days or within an approved 90-day extension will require a new permit with all applicable fees.
- (d) Work completed during the extension period must comply with the most recent code or Mutual standard changes.
- (e) Work not completed within either of the above expiration dates may, at the discretion of the Board, be demolished and returned to original condition at the expense of the Member; 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 the Third Mutual Board Operation Procedures – Contracts, which identifies the responsibilities and duties of the Board, Committees, and the Managing Agent. Director Tao moved to approve the resolution. Director Tung seconded the motion and discussion ensued.

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

RESOLUTION 03-15-09

Third Mutual Board Operation Procedures – Contracts

WHEREAS, in order to avoid confusion as to the role and responsibilities of the Board and the managing agent, a Third Mutual Board Operation Procedures - Contracts 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, January 20, 2015, that the Board of Directors of this Corporation hereby approves the attached document entitled “Third Mutual Board Operation Procedures - Contracts” 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.

NEW BUSINESS

Director McRae read a proposed resolution approving the Select Audit Task Force Charter. Director McRae moved to approve the resolution. Director Tao seconded the motion and discussion ensued.

Director Tao moved to delete “appointed by the Task Force” and insert “that will either be the GRF President or the GRF Treasurer” in the Membership paragraph below. Director Tung seconded the amendment. By a vote of 7-0-1 the amendment carried.

By a vote of 7-0-1 the motion as amended carried, and the Board adopted the following resolution:

RESOLUTION 90-15-05 - APPROVED JANUARY 6, 2015

RESOLUTION 01-15-04 - APPROVED JANUARY 13, 2015
RESOLUTION M50-15-06 - APPROVED JANUARY 15, 2015
RESOLUTION 03-15-10 - APPROVED JANUARY 20, 2015

**LAGUNA WOODS VILLAGE CORPORATIONS
SELECT AUDIT TASK FORCE CHARTER**

RESOLVED, January 20, 2015, that the Boards of Directors of this Corporation hereby assigns the duties and responsibilities of this Task Force, as follows:

MISSION

The purpose of the Select Audit Task Force is to assist the Village corporations' oversight of:

- The independent public accounting firm's qualifications and independence.
- The performance of the independent public accounting firm and its relationship with the managing agent's accounting function.
- The managing agent's responsibilities to assure that there is in place an effective system of controls reasonably designed to:
 - Safeguard the assets and revenues of the corporations.
 - Assure the integrity of the financial statements of the corporations by ensuring all operating and reserve expenditures have been appropriately recorded and effectively presented to the corporate boards.
 - Maintain compliance with the ethical standards, policies, plans, and procedures of the four corporations and with all applicable laws and regulations.

MEMBERSHIP is determined by the Corporate Presidents, subject to approval by the respective boards. The Task Force shall be comprised of one representative from each corporation and one at-large member, ~~**appointed by the Task Force**~~, **that will either be the GRF President or the GRF Treasurer**, with audit or financial expertise. The Task Force members shall appoint a chair.

DUTIES AND RESPONSIBILITIES

The Select Audit Task Force shall:

1. Meet as often as it determines is necessary to accomplish its duties and responsibilities.
2. Direct the preparation of Requests for Proposal for the annual audits of the financial statements of the Laguna Woods Village Corporations and determine firm to be engaged.

3. Recommend the scope of any additional audit activities not already provided for in corporations' budgets as deemed necessary and appropriate.
4. Have oversight of the selected accounting firm engaged for the annual audit of the four Laguna Woods Village Corporations and the engaged audit firm shall report directly to the Select Audit Task Force.
5. Ensure the engaged audit firm submits to the Task Force annually a formal written statement delineating all relationships between the audit firm and the managing agent including its subsidiaries.
6. Receive from auditors any concerns regarding accounting, internal controls or audit matters, including the confidential anonymous submission by any managing agent employee regarding questionable accounting or auditing matters.
7. Discuss with the managing agent and the engaged auditor any disagreements regarding the financial reporting, audit problems or difficulties, and the agent's response thereto.
8. Review and discuss with the managing agent and the auditors, the audit reports for each corporation, in respect to any significant accounting financial reporting policies, issues or judgments made in connection with preparation or audit of each of the Village corporation's financial statements and other financial or informational reports provided to the Village corporate boards.
9. Recommend to the Village Corporation Finance Committees any appropriate action in connection with the audit reports received, reviewed and discussed.
10. Annually review the Task Force Charter and propose any changes deemed appropriate by the Task Force to the Village Boards for approval.
11. Perform such other tasks as are assigned by the Laguna Woods Village Boards.

Director Luebbe moved to renew the CAI Board Membership for 2015. Director Perak seconded the motion. By a vote of 5-4-0 the motion carried.

Pamela Bashline entered the meeting at 10:30 AM.

Director Gros moved to form one Traffic Committee for the entire Community and appoint Director Ray Gros as Third's representative to the Committee. Director Luebbe seconded the motion. By a vote of 9-0-0 the motion carried.

Director Gros moved to approve the concept of one set of Traffic Rules for the entire Community. Director Perak seconded the motion. By a vote of 9-0-0 the motion carried.

Director McRae moved to approve the El Toro Water District's request to place signs for the Retrofit Program. Director Tung seconded the motion. By a vote of 9-0-0 the motion carried.

Ms. Pamela Bashline discussed the current Third Mutual Occupancy Rules with the Board and answered questions.

Ms. Pamela Bashline left the meeting at 10:45 AM.

COMMITTEE REPORTS

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

Director James Tung reported from the Landscape Committee.

Director McRae read a proposed resolution approving the CDS 219 Drainage Project Landscape Design Plan and cost estimates with an appropriation of \$71,189.81 to be funded from the Replacement Reserves - Mutual Revitalization. Director McRae moved to approve the resolution. Director Tung seconded the motion and discussion ensued.

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

RESOLUTION 03-15-11

CDS 219 Drainage Project Landscape Design Plan and Cost Estimates

WHEREAS, as a result of flood events occurring in December 2010 at a number of Buildings in cul-de-sacs 203, 219, 221, and 222, a Civil Engineering Consultant was retained to perform a regional watershed evaluation of the areas affected and recommended reasonable modification measures to help reduce the threat of future flooding; and

WHEREAS, the Landscape Committee has reviewed and recommends approval of the drainage project landscape design plan and cost estimates for Third Mutual Property and the Golden Rain Foundation property for cul-de-sac 219;

NOW THEREFORE BE IT RESOLVED, January 20, 2015, the Board of Directors of this Corporation hereby approves a total of \$71,189.81 (Third Mutual property \$45,240.19 and Golden Rain Foundation property \$25,949.62) to be funded from the Replacement Reserves - Mutual Revitalization Program; and

RESOLVED FURTHER, that the Board directs staff to refrain from planting any trees until further research is presented to the Board; and

RESOLVED FURTHER, that the Board will negotiate with the Golden Rain Foundation Board to seek recovery of \$25,949.62; and

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

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

Director McRae read a proposed resolution approving the Exterior Paint Color Options for Single and Two-Story Buildings. Director McRae moved to approve the resolution. Director di Lorenzo Dickins seconded the motion and discussion ensued.

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

RESOLUTION 03-15-12

**Exterior Paint Color Combination Options
for Single and Two-story Buildings**

RESOLVED, January 20, 2015, that the Board of Directors of this Corporation hereby approves the following paint color combination options as recommended by the Exterior Paint Colors Ad Hoc Committee:

OPTION ONE

- | | |
|-----------------------------------|-------------------|
| ○ Body | Lexington Park |
| ○ Trim/Fascia | White High-Hiding |
| ○ Popouts/Entry Door/Accent Walls | Khaki Green |
| ○ Entry Door Option | Krimson Lake |

OPTION TWO

Not Available

OPTION THREE

- | | |
|-----------------------------------|-------------------|
| ○ Body | Basic Khaki |
| ○ Trim/Fascia | White High-Hiding |
| ○ Popouts/Entry Door/Accent Walls | Wooddruff |
| ○ Entry Door Option | Chocolate Kiss |

OPTION FOUR

- | | |
|-----------------------------------|-------------------|
| ○ Body | Shadow Box |
| ○ Trim/Fascia | White High-Hiding |
| ○ Popouts/Entry Door/Accent Walls | Taupewood |

- Entry Door Option

Grapevine

OPTION FIVE

- Body
- Trim/Fascia
- Popouts/Entry Door/Accent Walls
- Entry Door Option

Barrister White
Onionskin Tan
Brazil Nut
Pedulum

OPTION SIX

- Body
- Trim/Fascia
- Popouts/Entry Door/Accent Walls
- Entry Door Option

Contemporary White
Wrightstone
Obelisk
Krimson Lake

OPTION SEVEN

- Body
- Trim/Fascia
- Popouts/Entry Door/Accent Walls
- Entry Door Option

Basic Khaki
Antique Photographs
Brownington Court
Tarragon Glory

OPTION EIGHT

Deleted 12/16/14

- ~~○ Body~~ Highland Plains
- ~~○ Trim/Fascia~~ Brown Study
- ~~○ Popouts/Entry Door/Accent Walls~~ Crème Brulee
- ~~○ Entry Door Option~~ Tarragon Glory

OPTION NINE

- Body
- Trim/Fascia
- Popouts/Entry Door/Accent Walls
- Entry Door Option

Legend Tan
Turret Brown
Brushwood
Chocolate Kiss

OPTION TEN

- *Body*
- *Trim/Fascia*
- *Popouts/Entry Door/Accent Walls*
- *Entry Door Option*

White HighHiding
Night Sky
White HighHiding
Krimson Lake

OPTION ELEVEN

- *Body*
- *Trim/Fascia*
- *Popouts/Entry Door/Accent Walls*
- *Entry Door Option*

White HighHiding
Shadow Box
Taupewood
Gapevine Wreath

RESOLVED FURTHER, that such color combination options shall be the only paint colors approved for use on the Mutual's building exteriors, during the execution of the Mutual's Exterior Paint Program; and

RESOLVED FURTHER, that Members residing at each building shall select by majority vote, the Color Group Option for their building from the Board approved Color Options, and

RESOLVED FURTHER, that Resolution 03-14-142, adopted December 16, 2014 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 this resolution as written.

Director di Lorenzo-Dickins moved to eliminate the use of green colored top coat applied to the walkway surfaces of the Three-Story Garden Villas and LH-21 type buildings and use standard beige color top coat on all coated decking surfaces. Director Tung seconded the motion. By a vote of 9-0-0 the motion carried.

Director McRae read the following proposed resolution to approve the Exterior Paint Color Selection Procedure:

RESOLUTION 03-15-XX

Exterior Paint Color Selection Procedure

WHEREAS, the Third Laguna Hills Mutual Paint Color Subcommittee and the Third Laguna Hills Mutual Maintenance and Construction Committee have recommended that the Board adopt the proposed Exterior Paint Color Selection Procedure; and

NOW THEREFORE BE IT RESOLVED, March 17, 2015, that the Third Laguna Hills Mutual Exterior Paint Color Selection Procedure, as attached to the official minutes of this meeting, is hereby approved; and

RESOLVED FURTHER, Resolution M3-97-31 adopted June 17, 1997; Resolution M3-02-09 adopted February 19, 2002; and Resolution 03-07-12, adopted March 20, 2007 are 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 this resolution as written.

Director McRae moved to approve the resolution. Director Carpenter seconded the motion and discussion ensued.

By a vote of 9-0-0 the motion carried and the resolution was postponed to the March meeting to satisfy the 30-day notification requirement.

Director McRae read the following proposed resolution to approve the Paint Policy for Garage Doors on Multi-Unit Buildings:

RESOLUTION 03-15-XX

Garage Doors on Multi-Unit Building Paint Policy

WHEREAS, alteration metal garage doors, like other components of a residential building, are painted the Board-approved color schemes for the body or accent color during the Mutual's Exterior Paint Program; and

NOW THEREFORE BE IT RESOLVED, March 17, 2015, the Board of Directors hereby adopts a Multi-Unit Building Garage Door Paint Policy exempting alteration metal garage doors with a white/off-white factory finish from being painted during the Exterior Paint Program when white/off-white is part of the approved color scheme for that particular building; and

RESOLVED FURTHER, all other garage doors on multi-unit buildings will be painted the designated color from the color scheme option selected for the building (whichever is selected for the building following established Board approved color selection procedures) in which the garage doors are located; and

RESOLVED FURTHER, 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 moved to approve the resolution. Director Tung seconded the motion and discussion ensued.

By a vote of 9-0-0 the motion carried and the resolution was postponed to the March meeting to satisfy the 30-day notification requirement.

Director McRae read the following proposed resolution to approve the Alteration Standard Section 40 Exterior Roll-Up Shades (Sun Screens):

RESOLUTION 03-14-XX

Alteration Standard Section 40 Exterior Roll-Up Shades (Sun Screens)

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 revise a portion of the Mutual Alteration Standards with regard to Section 40 Exterior Roll-Up Shades (Sun Screens);

NOW THEREFORE BE IT RESOLVED, March 17, 2015, that Mutual Alteration Standard Section 40 Exterior Roll-Up Shades (Sun Screens) is hereby revised as attached to the official minutes of this meeting; and

RESOLVED FURTHER, that Resolution 03-07-48, adopted May 15, 2007 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 this resolution as written.

Director McRae moved to approve the resolution. Director Tao seconded the motion and discussion ensued.

By a vote of 9-0-0 the motion carried and the resolution was postponed to the March meeting to satisfy the 30-day notification requirement.

Director Matson reported from the Water Subcommittee.

Director Moldow reported from the Energy Committee.

Mr. Marcel Bradley entered the meeting at 11:25 AM.

Director McRae read a proposed resolution approving an Electric Car Charging Subcommittee Charter and Mission Statement. Director McRae moved to approve the resolution. Director Tung seconded the motion and discussion ensued.

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

RESOLUTION 03-15-13

**Third Laguna Hills Mutual Electric Car Charging
Subcommittee Charter and Mission Statement**

NOW THEREFORE IT BE RESOLVED, January 20, 2015, the Board of Directors of the Third Laguna Hills Mutual hereby assigns the duties and responsibilities of this Committee, as follows:

Draft Mission Statement

The mission of the Electric Car Charging Subcommittee is to identify all feasible solutions for residents of Laguna Woods who either own or propose to purchase electric vehicles to charge their batteries at a reasonable cost and present the solutions to Third Mutual Energy Committee.

To accomplish this goal, the Subcommittee needs to:

1. Collect energy demand information on all current plug-in electric vehicles. Research documentation on the Internet through AAA's book on electric vehicles.
2. Document current infrastructure load limits.
 - a. First priority Garden Villa infrastructure – Research schematics for electrical in Garden Villas.
 - b. Carport infrastructure.
3. Identify policy to support electric vehicles and propose infrastructure enhancements required, should demand exceed rated limits of existing meters, breakers, and wiring and estimate costs for such modifications.
4. Identify costs recovery methods to amortize any infrastructure modifications for 120v and 240v solutions.
 - a. Registration of electric vehicles.
 - b. Energy cost-mileage calculations.
5. Propose pilot operation in carports in underground garages.
6. Evaluate commercial charging stations:
 - a. 240v stations owned by Mutual.
 - b. Location of 240v stations in guest parking, golf cart parking, streetlight poles, laundry rooms areas.
7. Consider installation of Community-owned charging stations.
8. Identify policy changes necessary to support electrical vehicle charging.
9. Identify existing electric vehicle pluggable cars.

Director McRae read the following proposed resolution to adopt an Electrical Vehicle Charging Policy:

RESOLUTION 03-15-XX

PEV Vehicles Permitted to Utilize 120 Volt Outlets in the Common Areas

WHEREAS, the State of California and the US Government offer significant financial incentives to buyers to encourage their purchase of PEVs due to reduced greenhouse gases, Laguna Woods should do what it can to support the government's environment objectives; and

WHEREAS, the current pluggable electric car policy prohibits PEV car owners to plug into common area outlets; this policy discriminates against owners of PEV vehicles where parking is under building garages or car ports, and

WHEREAS, all PEV vehicles support charging using a 120 volt circuit; it places a charging load similar to that of a golf cart and in some cases actually requires lower power demand of some golf carts; and

WHEREAS, no data is available to ascertain the circuit capacity utilized on the 120 volt circuits, and it would be costly to hire a consultant to identify all 120 volt circuits and the existing power demand on those circuits, it is deemed more reasonable to take any corrective action at the time an excessive loading condition occurs;

NOW THEREFORE BE IT RESOLVED, on March 17, 2015 that all PEV vehicles will be permitted to utilize 120 Volt outlets in the common areas under the following rules and regulations:

1. Every PEV will be registered through the existing automobile registration process currently in place.
2. An electricity usage deposit will be required for every PEV registered for any manor which does not have access to its own private garage. An initial deposit (amount to be determined by the Mutual Board) shall be required and held in escrow. At registration the car mileage will be recorded. At the expiration date of the sticker (normally 12 months), cost for electrical usage shall be computed under the formula presented herein. Should computed electrical cost be less than the deposit, the difference will be reimbursed. Should charges exceed the deposit, the balance due will be paid in order to apply for renewal.
3. To prevent unauthorized use of Mutual common area 120 volt electrical outlets, all authorized PEVs will be issued a sticker to be affixed to the inside windshield designating that the car is properly registered for the use of 120 volt outlets in the common area. This sticker is the property of Third Mutual and can be revoked for failure to report annual mileage upon expiration of the sticker or for any non-payment of fees.
4. Electrical charges shall be computed in the following manner:

The total miles driven in the prior 12-month period (or portion thereof) will be divided by 3.5 to calculate the kilowatt usage of common area electricity used to charge the PEV (3.5 equates to miles driven per KW charged). This value will be multiplied by the existing electrical common area billing rate of Southern California Edison or any other electric service provider.

5. Owners of PEV s are solely responsible for the proper use and maintenance of their vehicle and any associated equipment used in charging the vehicle and may not make any alterations to Mutual outlets, wiring, circuit breakers or electric service panels.

6. Owners of PEVs wishing to employ high voltage for charging will be responsible for installation of such service and shall be required to apply for a permit and make necessary arrangements with the electrical service provider (currently SCE) for installation of a separate service panel and conduit and appropriate electrical outlet. In such an event, vehicle registration will not be required.

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

Director McRae moved to approve the resolution. Director Luebbe seconded the motion and discussion ensued.

By a vote of 5-2-1 the motion carried and the resolution was postponed to the March meeting to satisfy the 30-day notification requirement.

Mr. Marcel Bradley left the meeting at 12:05 PM.

Due to time constraints the Board did not discuss Solar Panel Funding for Multi-Story Buildings.

Director Gros reported from Resident Problem Resolution Services.

Director Gros reported from the Security and 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.

DIRECTORS' COMMENTS

The Directors made their final comments.

ADDITIONAL MEMBER COMMENTS

Members made additional comments.

The Board recessed at 12:20 PM. and reconvened into Executive Session at 1:10 PM.

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

During its December 16, 2014 Regular Executive Session Board Meeting, the Board approved the November 18, 2014 Regular Executive Session minutes and the December 5, 2014 Special Executive Session minutes as written. The Board heard five disciplinary hearings and imposed \$1,550 in fines for violations of the Mutual's rules and regulations;

heard sixteen Common Area Damage Reimbursement Hearings; discussed other member disciplinary matters; approved a storm drain construction resolution; approved one Non-Judicial Foreclosure Sale Date; approved two Assessment Debt Write-offs; approved one Chargeable Service Write-off; held one Meet and Confer; discussed Laguna Hills Negative Declaration; discussed El Toro Water District Rebate Program; discussed membership and resale matters; and discussed legal matters.

With no further business before the Board of Directors, the meeting was adjourned at 5:30 PM.

John McRae, Secretary

Third Mutual Board Operation Procedures – Contracts

1. Request for Analysis-Determination of Objectives

The decision to commission an Analysis Request primarily resides with the Board of Directors however; a committee chair with committee approval may also request an analysis from the Managing Agent. There may be situations where a committee will request an analysis from other professional organizations and/or vendors. Certain contracts are processed based upon board-approved service levels and appropriations, and are not a result of an Analysis Review.

2. Analysis Review

The committee having jurisdiction over this activity has the option to prepare an Analysis Request 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 and/or vendor may be requested to draft the Analysis or preliminary proposal.

3. Approval of Appropriation by Resolution of Board to Fund Analysis

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

4. Scope of Work/Specification (SOW)

4.1 Draft: This activity, which is a statement of particulars, such as, type, scope, size, performance, terms, Conditions, etc. will be performed by the Managing Agent in conjunction with the appropriate committee.

4.2 Approval: The scope of work/specifications will be reviewed and approved by the appropriate committee.

4.2.1: SOW/Specifications' expected value less than \$25,000: The Board and/or the committee has the option to grant the Managing Agent authority to approve the scope of work/specification without committee review and approval.

5. Request for Proposal (RFP)

5.1 Preparation/Delivery: The Managing Agent will prepare and take delivery of all RFP's

5.2 Approval: The committee will approve all RFPs with expected values greater than \$25,000.00

5.2.1 RFP's expected value less than \$25,000.00: The Board and/or the committee have the option to grant the Managing Agent authority to send the RFP to the selected vendors without committee review and approval.

6. Bidders List

6.1 Preparation: The Managing Agent will prepare the Bidders List following approval of RFP. The committee may recommend appropriate bidders be added to the list.

6.2 Approval/Modification: The appropriate committee may choose to approve the Bidders List.

6.2.1 RFP's expected value less than \$25,000.00: The Board and/or the committee has the option to grant the Managing Agent authority to selected vendors without committee review and approval.

7. Bid Opening

7.1 Pre-bid Meeting: If required, will be set up and conducted by the Managing Agent. Staff shall notify committee members of the Bidder's Conference time, date and location and may attend at their discretion.

7.2 Bid Opening: The Board has the option to participate in this activity and/or delegate the responsibility to the appropriate committee. Staff shall notify board and/or committee members of the Bidder's Conference time, date and location and may attend at their discretion.

8. Price and Cost Analysis

The Managing Agent will prepare the Price and Cost Analysis, justification and all supporting documentation with the recommendation of the vendor that best fulfills all aspects of the RFP and SOW. This activity may include a concurrent report by the committee involved in the RFP and Bidding process.

9. Bid Review

The Board has the option to participate in the Bid Analysis or 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 delegate the responsibility to the Managing Agent.

10. Contract Award

10.1 Contracts in excess of \$25,000: The appropriate committee will review and

approve the award of the contract.

10.2 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.

10.3 Contracts expected value less than \$25,000 and within the Budget Activity: The Board and/or the committee have the option to grant the Managing Agent the authority to award the contract without committee review and approval.

11. 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

RESPONSIBILITY MATRIX

Delegation of the Initiation, Authorization and Performance of Actions and Comments 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.. Analysis Review			O	P
3. Approval to fund Analysis	A			
4.1 SOW/Specification - Draft		R,O	R,O	P
4.2 SOW/Specification - Approval		R	R, A	P,A
5.1 RFP - Preparation/Delivery				P
5.2 RFP - Approval in excess of \$25,000		R	R,A	R,A
5.2.1 RFP Approval - Less than \$25,000		O	O	P
6. 1 Bidders List - Preparation				P
6.2 Bidders List Approval/Modification			R,A	
7.1 Pre-Bid Meeting		O	O	P

7.2	Bid Opening	O	O	P
8.	Price & Cost Analysis			P
9.	Bid Review	O	O	P
10. 1	Contract Award - Approval in excess of \$25,000.	R	R,A	R,A
10.2	Contract Award - Approval of Exp. exceeding the Budget	R	R,A	R,A
10.3	Contract Award - Approval less than \$25,000.	O	O	P
11	Administration of Contract and/or Work	R	R	P

Key

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

I (1) = Initiate activity within committee charter and with objective parameters

A = Authorize an activity that is within the Governing Documents.

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

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

P = Performed By

Third Laguna Hills Mutual Exterior Paint Program Paint Color Selection Procedure

A set of Exterior Paint Color Options for use on Third Laguna Hills Mutual residential buildings (manors) shall be approved by the Third Laguna Hills Mutual Board of Directors (Board). Using the Board approved Color Options, manor owners shall have the opportunity to vote for their preferred Color Option for the Building in which they are an owner following this Board established selection procedure. Color Options shall not be intermixed or combined with other Color Options.

The Color Option designated for each building shall be selected on a per building basis via a simple majority vote of the voting manor owners at each building, one vote per manor.

The Mutual shall provide each manor owner an opportunity to cast their Color Option vote at a meeting conducted by the Mutual's agent to be held at or near the subject building. Notification of that meeting shall be sent via regular U.S. mail to each manor owner not less than two weeks in advance of the meeting date. The meeting date will be scheduled approximately ten weeks in advance of the anticipated painting start date for the first building in each grouping of buildings to be painted as determined by the Mutual's managing agent. Members not able to attend the meeting to cast their vote must submit their vote in writing to the Mutual prior to the meeting date. Alternate meeting dates will not be arranged. Color Option votes received after the meeting date will not be considered.

The meeting notification letter shall provide reference information for viewing the available color options on a completed building and/or on color boards posted at a designated location. The notification will provide a contact person's name and telephone number for inquiries regarding the paint color selection process.

Changes to the Color Option selected for a building will not be considered after the voting deadline, which is the above referenced meeting date.

If no votes are cast or no majority vote is reached for a particular building, a default color determined by the Paint Colors Subcommittee or Maintenance and Construction Committee will be assigned to that building.

The Board reserves the right to make all final decisions with respect to building exterior paint color selections.

Third Laguna Hills Mutual

SECTION 40 – EXTERIOR ROLL-UP SHADES (SUN SCREENS)

ADOPTED MAY 2007, RESOLUTION 03-07-48

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

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 APPLICATION

2.1 Installation of qualified off-the-shelf shades (sun screens) by a professional is strongly encouraged for the safety of the Member and the quality of the installation. Installation of custom ordered shades must be done by a professional (see paragraph 1.7 above.)

2.2 All shades (sun screens) shall be made of a solar screen fabric (Textilene, or equivalent) that blocks 80% of the sun's rays, and be of a roll-up design.

2.3 Shades (sun screens) shall be Desert Sand, or equivalent, in color.

2.4 The edges of the material must be straight. No scalloped or decorative edges will be allowed.

2.5 Guide wires or clips are permissible but they cannot be attached to balcony decks. Guide wires, if used, must be installed so that they do not create tripping hazards.

2.6 Powered shades (sun screens) and timers are permitted.

2.7 Electrical wiring must be installed in electrical conduit, and wiring run lengths should be minimized. Junction boxes and conduit must be painted to conform to the approved paint color for the building. Electrical work must be performed by a California licensed contractor.

2.8 Track mounted, or side channel, shades (sun screens) are not permitted.

2.9 Shades (sun screens) shall be hung only in a vertical position.

2.10 No shade (sun screen) shall be installed that is outside of the footprint of a patio or balcony.

2.11 If the patio or balcony has a wall or railing, then the shades (sun screens) must hang inside the perimeter of the wall or railing.

- 2.12 Shades (sun screens) must be hung parallel to the wall or railing.
- 2.13 No shades (sun screens) shall be allowed that encroach upon a neighbor's view.
- 2.14 Metal housings that enclose the raised shade (sun screen) and roller mechanism are permissible.
- 2.15 Any wood ledgers added to the manor during the installation must match the color of the surface to which they are attached, per the Mutual's exterior paint program.
- 2.16 Fasteners shall be properly sealed to prevent moisture intrusion.
- 2.17 Balcony floors may not be penetrated.
- 2.18 Shades (sun screens) must be removed, or replaced, at the Mutual Member's expense, when the shades become discolored, damaged or otherwise fall into disrepair.