



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

**Friday, May 4, 2018 - 11:30 AM
Laguna Woods Village Community Center, 24351 El Toro Road
Sycamore Room**

**The purpose of this meeting is to discuss and consider the resolutions introduced
in March, 2018 that were on 30-day notification.**

Board Members Present: Rosemarie diLorenzo, Bill Walsh, James Tung,
Burt Baum, Roy Bruninghaus, Bunny Carpenter, John
Frankel,

Board Members Absent: Steve Parsons

Staff Present: Siobhan Foster, COO and Cheryl Silva

- 1. President diLorenzo called the meeting to order at 11:15 a.m. and establish a quorum was present.**
- 2. Pledge of Allegiance was led by John Frankel**
- 3. Director Zalon made a motion to approve the agenda as presented. Director Bruninghaus seconded the motion and it passed by unanimous consent.**
- 4. Unfinished Business**
 - 6a. Entertain a Motion to Approve a Resolution on a Policy for Alterations of Attics, Soffits and Suspended Ceilings (MARCH initial notification – 30-day notification to conform to Civil Code §4360 has been satisfied)**

Director Baum, Secretary of the Board, presented the following resolution:

Resolution 03-18-55

Policy for Alteration of Attics, Soffits and Suspended Ceilings

WHEREAS, the Board of Directors of Third Laguna Hills Mutual (“Board”) established policies and procedures for the construction of any alterations, additions and expansions; and

WHEREAS, the Board, through Resolution 03-17-77, adopted and implemented the Common Area Use Policy which restricts the Board from granting use of common area for alterations;

WHEREAS, the Davis-Stirling Common Interest Development Act ("Act") defines the area above and outside the interior surface of a Manor as common area and Staff receives numerous requests for alterations, including but not limited to, removing suspended ceilings and soffits which, if done, would encroach into this common area;

WHEREAS, the Board has consulted with Staff and legal counsel and determined that the Act permits the granting of exclusive use of use of common area, within the interior of the structure, that is generally inaccessible and not of general use to the membership at large and transfers the responsibility of maintenance and management to the Owner; and

WHEREAS, the Board has determined that the area below the structural members and above suspended ceilings and soffits meets these requirements.

NOW THEREFORE, BE IT RESOLVED, May 4, 2018, that the Board of Directors hereby adopts the following Resolution for establishment of the Policy for Alteration of Soffits and Suspended Ceilings;

RESOLVED FURTHER, an alteration which removes suspended ceilings and soffits that does not negatively affect, or encroach upon, structural members or the structural soundness of the structures that meets the criteria set forth in the Third Architectural Review Procedures may be approved by Staff through the Mutual Consent process;

RESOLVED FURTHER, any such alteration, with the exception of alterations permitted by existing and future Mutual Standards, shall not include any alteration of the structural members or protrude into or affect any space above the lowest part of the structural members; and,

RESOLVED FURTHER, the area above the structural members or outside of the walls of a manor, referred to as attics and crawl spaces, are common area and may not be used for alterations without prior approval of the Board,

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

MARCH Initial Notification
30-Day notification to comply with Civil Code §4360 has been satisfied.

Director Baum made a motion to adopt the resolution on a policy for alterations of attics, soffits and suspended ceilings. Director Bruninghaus

seconded the motion.

Discussion ensued among the Directors.

President Baum asked for the vote and the motion passed by unanimous consent.

- 6b. Entertain a Motion to Approve a Resolution for Revised Alteration Standards for 19:Balcony Railing Paneling (**MARCH initial notification - 30-day notification to conform to Civil Code §4360 has been satisfied**)

Director Baum, Secretary of the Board, presented the following resolution:

Resolution 03-18-56
Balcony Railing Paneling Policy and
Revised Alteration Standard Section 19 – Balcony Modesty Paneling

WHEREAS, the Architectural Controls and Standards Committee endeavors to promote architectural and aesthetic consistency through the Mutual;

WHEREAS, the installation of various types of materials for balcony railing panels on balconies has led to an inconsistent aesthetics within the Mutual;

WHEREAS, during the Prior-to-Paint Program members are required to remove balcony railing panels to allow Staff access to paint the railings; upon completion of painting, Members are permitted to replace the panels after painting;

WHEREAS, the Architectural Controls and Standards Committee recognizes the need to amend Alteration Standards and create new Alteration Standards as necessary; and,

WHEREAS, the Architectural Controls and Standards Committee recognize the need to revise Alteration Standard Section 19: Balcony Modesty Paneling.

NOW THEREFORE BE IT RESOLVED, May 4, 2018, the Board of Directors adopts this Resolution that shall only allow the installation of balcony railing panels per Alteration Standard Section 19;

RESOLVED FURTHER, the Prior to Paint Program requires Members to remove balcony railing panels from the balcony so the painting crews can

complete their work;

RESOLVED FURTHER, when the Member requests to replace the balcony railing panels, unless the existing paneling is metal, permanently attached to the railing, and painted by Staff in the Paint Program, they will be required to conform with Alteration Standard Section 19 to maintain uniformity throughout the community;

RESOLVED FURTHER, that the Board of Directors hereby introduces the following Alteration Standard Section 19 – Balcony Railing Panels;

1.0 GENERAL REQUIREMENTS

See Standard Section 1: General Requirements

2.0 APPLICATIONS

2.1 All balcony railing panels shall be attached directly to the railing. No panels shall be attached to the building, deck, or flooring.

2.2 Paneling height may be up to the top railing and extend no further than the bottom of the railing. Paneling shall not extend to the balcony deck. Paneling must cover the railing completely from side to side, and shall not extend beyond any existing railing.

2.3 All paneling shall be rigid and easily removable.

2.4 Paneling shall be of white vinyl lattice only as manufactured by Veranda® or Dimensions®; existing attached metal panels that are painted to match the color of the wall to which the railing is attached may remain.

2.5 Paneling shall be attached to the inside portion of handrails.

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.

March Initial Notification

30-day notification to comply with Civil Code §4360 has been satisfied.

Director Baum made a motion to adopt a resolution for revised alteration standards for 19: Balcony Railing Paneling. Director Walsh seconded the motion and it passed by unanimous consent.

- 6c. Entertain a Motion to Approve a Resolution for a Policy on Closets and Partition Walls (**MARCH initial notification - 30-day notification to conform to Civil Code §4360 has been satisfied**)

Secretary of the Board, Director Baum, presented the following resolution:

Resolution 03-18-57
Closets and Interior Partition Walls Policy

WHEREAS, the Architectural Control and Standards Committee directed Staff to create a policy pertaining to closets and interior partition walls for members who are proposing to repurpose or relocate a closet or partition wall within their Manor.

NOW THEREFORE BE IT RESOLVED, May 4, 2018, that the Board of Directors of this Corporation hereby adopts the following Closets and Partition Walls Policy; and

RESOLVED FURTHER, architectural drawings shall be provided for approval to the Alterations Division Office for review and to meet the intent of this policy, for all non-load bearing wall (partition wall) revisions including but not limited to closets or panel walls, prior to issuance of a Mutual Consent from the Alterations Department and before construction begins; and

RESOLVED FURTHER, Staff shall thoroughly review the submitted drawings; if Staff determines that the proposed alteration does not affect load bearing walls or alter the original purpose of the room(s), meets the intent of this policy, and conforms to all pertinent Alteration Policies, Staff may issue a Mutual Consent; and

RESOLVED FURTHER, if Staff determines that the proposed alteration does not meet the intent of this policy and the Member desires to pursue the proposed alteration, Staff shall process the request as a Variance for review by the Architectural Controls and Standards Committee; and

RESOLVED FURTHER, all proposals of load-bearing wall revisions will require Board approval via the Variance process; and

RESOLVED FURTHER, any proposed wall revision that would create a new room or change the use of a room will require Board approval through the Variance process; 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.

MARCH Initial Notification
30-Day notification to comply with Civil Code §4360 has been satisfied.

Director Baum made a motion to adopt a resolution for a policy on closets and partition walls. Director Bruninghaus seconded the motion.

Discussion ensued among the Directors.
Kurt Wiemann answered questions from the Board.

President diLorenzo asked for the vote and the motion passed by unanimous consent.

- 6d. Entertain a Motion to Approve a Resolution for a Tree Topping Policy (MARCH initial notification - 30-day to conform to Civil Code §4360 has been satisfied)

Director Baum, Secretary of the Board, presented the following resolution:

Resolution 03-18-58
Tree Topping Policy

WHEREAS, the Board of Directors (the "Board") of Third Laguna Hills Mutual ("Mutual") held a meeting on May 4, 2018, at which a quorum of the Board was present;

WHEREAS, pursuant to the Mutual's Governing Documents, the Association, acting through the Board, is responsible for the management and upkeep of the Mutual's common areas, including the landscaping and trees;

WHEREAS, the Third Mutual Landscape Committee recommended the establishment of a "No Tree Topping" Policy for trees in Third Mutual, with the following exceptions:

1. Staff would be authorized to 'top' a tree to treat or eliminate an insect or disease infestation; and
2. Staff would be authorized to 'top' a tree that has already been topped and is deemed to not be a candidate for restoration trimming; and
3. Staff would be authorized to evaluate stands of trees in selected areas when necessary and recommend to the Landscape Committee the selective removal of certain trees within the grouping, while still preserving the overall look and intent of the grouped plantings.

NOW, THEREFORE BE IT RESOLVED, May 4, 2018 that the Board of

the Mutual hereby approves the "No Tree Topping" policy for the management of trees within the Mutual's common areas.

RESOLVED FURTHER, that the officers and agents of the Mutual are hereby authorized on behalf of the Mutual to carry out this Resolution.

MARCH Initial Notification

30-day notification to comply with Civil Code §4360 has been satisfied.

Director Baum made a motion to adopt a resolution for a tree topping policy. Director Tung seconded the motion.

Discussion ensued among the Directors.

President diLorenzo asked for the vote and the motion pass by unanimous consent.

- 6e. Entertain a Motion to Approve a Resolution for Electrical Use Reimbursement Policy Revision (**MARCH initial notification - 30-day to conform to Civil Code §4360 has been satisfied**)

Director Baum, Secretary of the Board, presented the following resolution:

Resolution 03-18-45
Revised Electricity Usage Reimbursement Policy

WHEREAS, the Mutual has historically reimbursed members for electricity consumption related to the restoration of manors as a result of moisture intrusion, as well as for excess electricity consumed due to hot water supply line leaks; and

NOW THEREFORE BE IT RESOLVED, March 20, 2018, that the Board of Directors of this Corporation hereby adopts the revised Electricity Usage Reimbursement Policy, in accordance with Resolution 03-17-68 (Damage Restoration Policy), as follows:

- For moisture-intrusion events where dry-down of property is required, the Mutual will reimburse for electricity used at a flat rate of \$32.00 for each room requiring the use of dry-down equipment, as verified by the Moisture Intrusion Coordinator. A closet or hallway will be considered as a room for reimbursement purposes.
- For hot water leaks where excess electricity has been consumed, the Mutual will reimburse for excess electricity consumption for a maximum

period of three Southern California Edison billing periods, as evidenced by detailed billing statements for each of the three periods involved. Additional electricity use beyond the period of three billing cycles is the responsibility of the Member and is not reimbursable by the Mutual.

- All reimbursements will be charged to the Disaster Fund.

RESOLVED FURTHER, that Resolution 03-11-48 adopted April 19, 2011 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.

MARCH Initial Notification
30-Day notification to comply with Civil Code §4360 has been satisfied.

Director Baum made a motion to adopt a resolution for electrical use reimbursement policy revision. Director Tung seconded the motion and the motion passed by unanimous consent.

- 6f. Entertain a Motion to Approve an Emergency Resolution for Unoccupied Manor Inspection Policy

Director Baum, Secretary of the Board, presented the following resolution:

Resolution 03-18-59
EMERGENCY RESOLUTION TO ADOPT A POLICY FOR
INTERIOR INSPECTION OF UNOCCUPIED MANORS

WHEREAS, unoccupied Manors present a number of concerns to Third Mutual and its residents, including without limitation, potential damage to the Mutual's Common Areas, and those concerns increase the longer the Manor is unoccupied;

WHEREAS, the fiduciary responsibility of the Board is to protect the Mutual's assets and it is to the benefit of the Mutual and its residents to inspect the condition of Manors which have been unoccupied for a period of six (6) months or more, or which are reasonably believed to pose potential maintenance concerns; and,

WHEREAS, based on the advice of the Mutual's legal counsel and consistent with the Mutual's governing documents, the Mutual has the right to access an owners Manor at any time in the event of an emergency and

the right to access an owner's Manor at a reasonable hour in non-emergency situations for the purpose of inspection;

NOW THEREFORE BE IT RESOLVED, May 4, 2018, that the Board of Directors hereby enacts the Emergency Unoccupied Manor Inspection Policy ("Policy");

RESOLVED FURTHER, that except in case of an emergency inspection, in which case the Mutual or a representative thereof may enter without prior notice to the Manor owner, the Mutual must provide a minimum of fifteen (15) days' prior written notice to the owner of record of each Manor that is unoccupied or presumed to be unoccupied before any inspection is carried out in a Manor in accordance with this Policy;

RESOLVED FURTHER, the Mutual will conduct non-emergency inspections in accordance with said notice of inspection and charge administrative costs/fees as set by the Mutual for each such inspection, including the cost of gaining entrance into the Manor, as may be applicable;

RESOLVED FURTHER, if the Owner of record of an unoccupied Manor objects in writing to the inspection of such Manor or specifically denies entry, the matter may be referred to the Board for member disciplinary action;

RESOLVED FURTHER, non-emergency inspections will be conducted with premises patrol personnel in attendance to document and ensure there is no adverse impact upon the Manor interior by the Mutual's inspection; such inspection with patrol personnel is subject to a fee(s) for the cost to the Mutual to provide such persons to witness the inspection;

RESOLVED FURTHER, the inspector must identify and note conditions within each inspected Manor in a written report, which shall be provided to the Manor Owner by mailing the report to the Owner's mailing address in the Mutual's records, and facilitate the maintenance or remediation of adverse conditions identified to protect against damage to Mutual property, Common Area damage, or nuisance to neighboring Manors and residents;

RESOLVED FURTHER, that any necessary emergency maintenance or repairs (meaning those that are required to prevent damage imminent damage or injury to persons or property) identified in the inspection and carried out by the Mutual, that are the responsibility of the member will be charged to the owner of record after a noticed hearing before the Board in

accordance with the Mutual's governing documents;

RESOLVED FURTHER, that necessary emergency maintenance and repairs that are the responsibility of the Mutual will be carried out at the Mutual's expense;

RESOLVED FURTHER, that Resolution 03-14-25 adopted March 18, 2014 is hereby superseded in its entirety and no longer in effect; 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 Baum made a motion to adopt an emergency resolution for unoccupied manor inspection policy. Director Walsh seconded the motion.


Discussion ensued among the Directors.

Director Walsh asked for the vote and the motion passed by unanimous consent.

7. Director's Comments

None

8. Adjourn 11:51 a.m.



Burt Baum, Secretary of the Board
Third Mutual Laguna Hills