



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

Tuesday, April 16, 2019 - 9:30 a.m.

Laguna Woods Village Community Center Board Room 24351 El Toro Road

The Regular Meeting of the Third Laguna Hills Mutual Board of Directors, a California non-profit mutual benefit corporation, was held on Tuesday, April 16, 2019, at 9:30 a.m., at 24351 El Toro Road, Laguna Woods, California

Directors Present: Rosemarie diLorenzo, Steve Parsons, Roy Bruninghaus, John Frankel, Jon Pearlstone, Lynn Jarrett, Reza Karimi, Annie McCary, and Bunny Carpenter

Directors Absent: Cush Bhada and Jack Connelly

Staff Present: Jeff Parker, CEO, Siobhan Foster, Eileen Paulin, and Cheryl Silva

Others Present: Wei-Ming Tao (VMS), Raquel Unger (VMS)

1. Call meeting to order / Establish Quorum

Rosemarie diLorenzo, 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.

2. Pledge of Allegiance

Director Parsons led the Membership in the Pledge of Allegiance.

3. Acknowledge Media

The Globe and the Village Television Crew, by way of remote cameras, were acknowledged as present.

4. Approval of Agenda

Director Jarrett made a motion to approve the agenda. Director McCary seconded the motion.

Director Parsons requested to move agenda item 10a(1) to Unfinished Business for clarification.

Director Parsons made a motion to approve the agenda as amended. The motion was seconded by Director Pearlstone and passed by unanimous consent.

5. Approval of Minutes

- a. March 19, 2019 – Regular Open Session
- b. March 27, 2019 - Special Strategic Planning

Director Bruninghaus made a motion to approve the March 19, 2019, Regular Open Session and the March 27, 2019, Special Strategic Planning minutes, as presented. Director Karimi seconded the motion, and the motion passed by unanimous consent.

6. Report of the Chair

President diLorenzo commented about the Special Strategic Planning and Pre-Budget Meetings. She announced that Ralph Engdahl is the new Third/VMS Board Member.

7. Open Forum

Several Members spoke about various issues:

- Laguna Woods Village Foundation benefits and commitment to neighbors helping neighbors;
- Extermination schedule and asked that trash information flyers be posted outside the trash areas;
- Information sent electronically.

8a. Responses to Open Forum Speakers

Board Members responded to the Members' concerns and requests:

- President diLorenzo commented that there is an extermination schedule, that the Board is addressing the trash issues in the Community, and how information is communicated to the residents;
- Director Jarrett commented about the bulky item pick-up schedule.

9. CEO Report

Jeff Parker CEO, reported on the following subjects:

- Public hearing on the I-5/EI Toro Interchange on Thursday, April 18, 2019, 4:30 pm at the Holiday Inn in Lake Forest;
- National Prescription Medication Take Back Day is April 27, 2019. Bring your unused prescription medications to Laguna Woods City Hall between 10 a.m. to 2 p.m.;
- Results of the street light project directed by Siemens; goals to acquire the street lights from Edison, to convert them to LED, and to define the aesthetic look wanted, traffic safety, and the locations where the lights are needed;
- New legislation that would provide for election by acclamation, SB754;
- Update on Upcoming Recreation Events: Memorial Golf Tournament, Saturday, May 18, 2019, Arbor Day, Friday, April 26, 2019 at Clubhouse 1 at 10:30 a.m.; Easter at the Equestrian Center will be held on Saturday, April 20, 2019 from 9 to 11 a.m.;

Jeff Parker, CEO, answered questions from the Board.

10. Consent Calendar

This item was removed from the Consent Calendar for discussion under Unfinished Business:

10a. Architectural Control and Standards Committee Recommendations

- (1) Recommend Approval – 5341-A (La Princesa, P41R) – Vinyl Fence Around Previously Extended Patio Slab

RESOLUTION 03-19-36
VARIANCE REQUEST

WHEREAS, Mr. Collin L. Hatch of 5341-A Bahia Blanca, a La Princesa style unit, is requesting Board approval of a variance to install a vinyl fence around a previously extended patio slab; and,

WHEREAS, a Neighborhood Awareness Notice was sent to Owners of affected units on March 7, 2019, notifying them that an application to make an alteration to a neighboring unit had been made and that comments or objections could be made in writing to the Architectural Controls and Standards Committee or in person at the Architectural Controls and Standards Committee Meeting on March 25, 2019.

NOW THEREFORE BE IT RESOLVED, on April 16, 2019, the Board of Directors hereby approves the request to install a vinyl fence around the previously extended patio slab provided that ~~Gate #1~~ is removed from the proposed plan;

RESOLVED FURTHER, all costs for maintenance, repair, renovation, replacement or removal of the improvement, present and future, are the responsibility of the Property's Member Owner at 5341-A and all future Mutual members at 5341-A;

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 Karimi made a motion to approve the Consent Calendar with the addition of the removal of Gate #1 to the description of the Architectural Control and Standards Committee's recommendation to approve 10a(1). The motion was seconded by Director Jarrett and passed by unanimous consent.

10b. Finance Committee Recommendations:

- (1) Approval of Resolution to Record Lien against Member ID# 932-440-28

RESOLUTION 03-19-37
RECORDING OF A LIEN

WHEREAS, Member ID 932-440-28; 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, April 16, 2019, that the Board of Directors hereby approves the recording of a Lien for Member ID 932-440-28 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.

(2) Approval of Resolution to Record Lien against Member ID# 931-660-73

RESOLUTION 03-19-38
RECORDING OF A LIEN

WHEREAS, Member ID 931-660-73; 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, April 16, 2019, that the Board of Directors hereby approves the recording of a Lien for Member ID 931-660- 73 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.

(3) Approval of Resolution to Record Lien against Member ID# 931-710-89

RESOLUTION 03-19-39
RECORDING OF A LIEN

WHEREAS, Member ID 931-710-89; 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, April 16, 2019, that the Board of Directors hereby approves the recording of a Lien for Member ID 931-710- 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.

10c. 2019 Election Schedule and Resolution to Approve the Inspector of Election

RESOLUTION 03-19-40
APPROVE INSPECTOR OF ELECTION SERVICES

WHEREAS, Civil Code §5110 requires an association to select an independent third party as an inspector of elections;

WHEREAS, for transparency purposes and due to the number of ballots received it is necessary to contract for an Inspector of Elections;

WHEREAS, an Inspector of Elections is used, among other tasks, to print and mail voter packages, inspect and tabulate ballots, and certify results; and,

NOW THEREFORE BE IT RESOLVED, April 16, 2019, that the Board of Directors of Third Laguna Hills Mutual hereby approves single-sourcing a contract to UniLect to perform Inspectors of Election services for the 2019 Annual Meeting of the Corporate Members; and

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

10d. Consistent with its statutory obligations the Board members individually reviewed the Mutual's financials for the month of February, 2019 and by this vote ratify that such review be confirmed in this month's Board Member Open Session Meeting minutes per Civil Code §5501

11. Unfinished Business -- None

The Board discussed agenda item 10a(1) under Unfinished Business (see above).

President diLorenzo left the meeting at 10:15 a.m.

12. New Business

12a. Entertain a Motion to Introduce a Resolution to Amend Golf Cart Policies and Procedures

Director Bruninghaus, Secretary of the Board, presented a summary of the following Resolution:

RESOLUTION 03-19-XX **Golf Cart Policy and Procedures**

WHEREAS, The Third Laguna Hills Mutual (TLHM) Board adopted Resolution 03-17-151 Golf Cart Policies and Procedures to include fines for unpermitted golf carts using mutual electricity;

WHEREAS, the current Schedule of Traffic and Monetary Penalties do not have a specific fine for unpermitted golf carts using TLHM electricity; and

WHEREAS, the Residency Policy and Compliance Task Force has recommended amendments to the Schedule of Traffic and Monetary Penalties to include fines for unpermitted golf cart using TLHM electricity; and

NOW THEREFORE BE IT RESOLVED, on April 16, 2019, the Board of Directors of this Corporation hereby introduces the revisions to the Schedule of Traffic and Monetary Penalties, as attached to the official minutes of this meeting;

FEES AND FINES

Refer to the TLHM Fee Sheet and the Schedule of Traffic and Monetary Penalties.

RESOLVED FURTHER, that Resolution 03-17-151 approved on December 19, 2017; is hereby superseded and canceled; and

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

APRIL Initial Notification

Should the Board endorse the proposed revisions, Staff recommends that a motion be made and seconded to accept the resolution and allow discussion to ensure that the resolution reads to the satisfaction of the Board. Staff then recommends

that a Board Member postpones the resolution to the next available Board Meeting no less than 28- days from the postponement to comply with Civil Code §4360.

Director Bruninghaus made a motion to introduce the proposed amendment to the Golf Cart Policies and Procedures to include a separate fine for golf carts cited using Mutual electricity without an Annual Electric Golf Cart decal for 28-day review. The motion was seconded by Director Jarrett.

Discussion ensued among the Directors.

Vice President Parsons called for the vote and the motion passed by unanimous consent (President diLorenzo was absent for the vote).

12b. Entertain a Motion to Introduce a Resolution to Revise the Lease Policy

Director Bruninghaus, Secretary of the Board, presented a summary of the following Resolution:

RESOLUTION 03-19-XX
Clarifications to Lease Policy

WHEREAS, the Board of Directors (the "Board") of Third Laguna Hills Mutual ("Mutual") held a meeting on April 16, 2019, at which a quorum of the Board was present;

WHEREAS, the Board is obligated to manage and enforce the residency requirements for Mutual Members and other residents and tenants as set forth in the Mutual's governing documents, including without limitation the Mutual's, Declaration of Covenants, Conditions, and Restrictions (CC&Rs), Bylaws, and Operating Rules; and

WHEREAS, pursuant to its duties under the Mutual's Governing Documents, the Board is obligated to review lease applications for prospective leases between Mutual Members and their proposed tenants and any amendments, extension, or renewals thereof in accordance with the provisions of the Bylaws, CC&Rs and Operating Rules; and

WHEREAS, the Board previously adopted a revised Lease Policy by Resolution 03-17-153 which clarified some of the requirements and restrictions relating to leasing of Manors at the Mutual;

WHEREAS, despite language in the current Lease Policy prohibiting the subleasing of any Manor by a Member or Lessee, it has come to the attention of the Board that Members and Lessees have been avoiding such restriction and leasing individual rooms or engaging in rent sharing arrangements by applying for a Lease Authorization Amendment to add Lessees to the Lease who are actually roommates to the Lessee during the Lease Term;

WHEREAS, it has also come to the Board's attention that some Members and Lessees are advertising for such room rental and rent sharing arrangements on websites such as Craigslist and Nextdoor as well as other message boards with the intent to engage in sublease arrangements in violation of the governing documents, and that some Members and Lessees have been advertising on vacation rental websites such as Airbnb, VRBO, and Homeaway for room rentals and arrangements to have persons stay as "guests" despite the Mutual's prohibition on leases less than sixty (60) days in duration;

WHEREAS, the Board has determined that it would be in the best interests of the Mutual to modify some of the restrictions in the Lease Policy to clarify what leasing practices are not permitted and to prevent abuse by Members and Lessees of the authorization procedures to engage in leasing activity that is otherwise restricted by the Mutual's governing documents;

NOW, THEREFORE BE IT RESOLVED, May 21, 2019 that the Board of the Mutual hereby approves and adopts the revised Lease Authorization Policy; and

RESOLVED FURTHER, that the Mutual's managing agent is hereby directed to disseminate this information to the realty community serving Laguna Woods Village; and

RESOLVED FURTHER, that Resolution 03-17-153 and the prior version of the Lease Authorization Policy adopted by said Resolution are hereby superseded by this Resolution and the revised Lease Authorization Policy adopted pursuant to this Resolution; and

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

APRIL Initial Notification

Should the Board endorse the proposed revisions, Staff recommends that a motion be made and seconded to accept the resolution and allow discussion to ensure that the resolution reads to the satisfaction of the Board. Staff then recommends that a Board Member postpones the resolution to the next available Board Meeting no less than 28- days from the postponement to comply with Civil Code §4360.

Director Bruninghaus made a motion to introduce a resolution to revise the Lease Authorization Policy for 28-day review. The motion was seconded by Director Karimi.

Discussion ensued among the Directors.

Vice President Parsons called for the vote and the motion passed by unanimous consent (President diLorenzo was absent for the vote).

President diLorenzo returned to the meeting at 10:30 a.m.

13. Committee Reports

- 13a. Report of the Finance Committee / Financial Report - Director Parsons presented the Treasurer's Report. Director Parsons reported on the Resale and Lease Activity Reports. The Committee met on April 2, 2019; next meeting May 7, 2019, at 1:30 p.m. in the Board Room
- 13b. Report of the Architectural Controls and Standards Committee - Director diLorenzo reported on the last meeting. The Committee continues to update standards. The Committee met on March 25, 2019; next meeting April 22, 2019, at 9:30 a.m. in the Board Room
- 13c. Report of the Maintenance and Construction Committee - Director Carpenter reported from the last meeting. The Committee is working on installation of the street lights, another pilot program for the street lights, garden villas, and new signs for the cul-de-sacs. The Committee met on March 4, 2019; next meeting May 6, 2019, at 1:00 p.m. in the Board Room.
- Report of the Parking and Golf Cart Task Force - Director Parsons. The Task Force had a meeting late last year. Next meeting TBA.
- 13d. Report of the Landscape Committee - Director Jarrett reported from the last meeting. The Committee is working on landscape maintenance, herbicide testing for weed control, aeration for the lawns, water conservation, tree trimming, and the turf modification project. The Committee met on April 4, 2019; next meeting May 2, 2019, at 9:00 a.m. in the Board Room
- 13e. Report of the Laguna Woods Village Traffic Hearings - Director Frankel gave an update from the last meeting. The Traffic Hearings were held on March 20, 2019; next hearing will be on April 17, 2019, at 9:00 a.m. in the Board Room and 1:00 p.m. in the Sycamore Room.
- 13f. Report of the Communications Committee - Director Bruninghaus gave an update since the last meeting. The Committee met on March 13, 2019; next meeting TBA. Note the May 8, 2019 has been cancelled.
- 13g. Report of the Village Energy Task Force - Director Frankel gave an update from the last meeting. The Task Force discussed the street lighting project. The Task Force met on March 6, 2019; next meeting May 1, 2019, at 1:30 p.m. in the Board Room.
- 13h. Report of the Water Subcommittee - Director diLorenzo gave a report from the last meeting. The Subcommittee met on March 4, 2019; next meeting June 11, 2019 at 11:00 a.m. in the Sycamore Room.

- 13i. Report of the Resident Policy and Compliance Task Force - Director Bruninghaus gave an update from the last meeting. The Task Force met on March 11, 2019; next meeting TBA. This task force meets only when necessary.

14. GRF Committee Highlights

- 14a. Community Activities Committee – Director diLorenzo reported on highlights from the last Committee meeting. The Committee discussed changing the chairs at the clubhouses. The Committee met on March 14, 2019; next meeting May 9, 2019 at 1:30 p.m. in the Board Room.
- 14b. Finance Committee – Director diLorenzo reported on highlights from the last Committee meeting. The Committee did not meet in March, 2019; next meeting April 24, 2019, at 1:30 p.m. in the Board Room.
- 14c. Landscape Committee – Director Jarrett reported on highlights from the last Committee meeting. The Committee did not meet in March, 2019; next meeting May 15, 2019 at 1:30 p.m. in the Board Room
- 14d. Maintenance & Construction Committee – Director Carpenter reported on highlights from the last Committee meeting. The Pickleball and Paddle Tennis courts are completed and were done under budget. The installation of the new gate arms is on schedule. The Committee met on April 10, 2019; next meeting June 5, 2019, at 9:30 a.m. in the Board Room
- 14e. Media and Communications Committee – Director Bruninghaus reported on highlights from the last Committee meeting. The Committee talked about the Caltrans El Toro/I5 Interchange Project, RFIDs for the new gate arms, and the elimination of the old analog channel guide. The Committee met on April 15, 2019; next meeting May 20, 2019, at 1:30 p.m. in the Board Room
- 14f. Mobility and Vehicles Committee -- Director Pearlstone reported on highlights from the last Committee meeting. At the last meeting there was a presentation from the consultants on how the bus service could be improved. Committee met on April 3, 2019; next meeting June 5, 2019, at 1:30 p.m. in the Board Room
- 14g. Security and Community Access Committee – Director Parsons gave an update from the last Committee meeting. The Committee did not meet in March, 2019; next meeting April 22, 2019, at 1:30 p.m. in the Board Room
- Disaster Preparedness Task Force – Director Frankel reported on the last meeting. The Task Force discussed door hangers. The Task Force met on March 26, 2019; next meeting May 28, 2019, 9:30 a.m. in the Board Room
- 15. Future Agenda Items--** *All matters listed under Future Agenda Items are Resolutions on 28-day public review or items for a future Board Meetings. No action will be taken by the Board on these agenda items at this meeting. The Board will take action on these items at a future Board Meeting.*

15a. Introduce a Resolution to Revise the Alteration and Inspection Fees (This item needs to go to the Finance Committee for review)

15b. Presentation by Orange County Animal Control regarding Coyotes

16. Director's Comments

- Director Karimi commented about fire safety in the Community.

17. Recess

The Board recessed at 11:10 a.m. and reconvened in Executive Session at 12:00 p.m..

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

*During the March 5, 2019, Special Closed Session, the Board:
Discussed and Considered Legal and Contractual Matters*

During the March 19, 2019, Regular Executive Session, the Board:

Approved the Agenda

Approved the Following Meeting Minutes;

(a) February 19, 2019 – Regular Executive Session

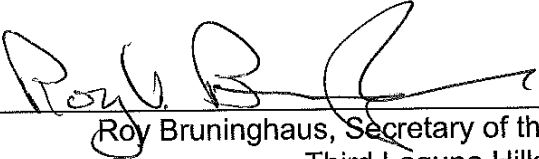
Discussed and Considered Member Matters

Discussed and Considered Legal and Litigation Matters

Discussed and Considered Contractual Issues

19. Adjourn

With no further business to come before the Board of Directors, the meeting was adjourned at 4:20 p.m.



Roy Bruninghaus, Secretary of the Board
Third Laguna Hills Mutual