



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

**Tuesday, January 21, 2020 - 9:30 a.m.
Laguna Woods Village Community Center Board Room 24351 El Toro Road,
Laguna Woods, California**

Directors Present: Steve Parsons, Annie McCary, Cush Bhada, Lynn Jarrett, John Frankel, Reza Karimi, Ralph Engdahl, Robert Mutchnick, and Craig Wayne

Directors Absent: Jon Pearlstone

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

Others Present: Third Board Candidates: Doug Gibson, Gan Mukhopadhyay and Susan Smallwood
VMS Board: Wei-Ming Tao, Rosemarie diLorenzo

1. Call meeting to order / Establish Quorum

Steve Parsons, 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 Bhada led the Membership in the Pledge of Allegiance.

3. Acknowledge Media

President Parsons acknowledged the presence of the media.

4. Approval of Agenda

Director McCary made a motion to approve the agenda as presented. Director Bhada seconded the motion.

President Parsons called for the vote on the agenda as presented and the motion passed unanimously.

5. Approval of Minutes

a. December 17, 2019—Regular Open Meeting Minutes

Director Karimi made a motion to approve the December 17, 2019—Regular Open Meeting minutes as presented. Director Mutchnick seconded the motion.

President Parsons called for the vote, and the motion passed unanimously.

6. Report of the Chair

Vice President McCary commented about health issues and preventative measures during the flu season.

7. Third Mutual Board Director Candidate Appointment (Term Ending 2020)

Candidate Introduction, Candidate Statements, Candidate Interview, Vote by Secret Ballot and Announcement of New Board Member.

President Parsons introduced the candidates running for the Third Board vacancy:

- Doug Gibson
- Gan Mukhopadhyay
- Susan Smallwood

Each Candidate was given three (3) minutes to give their candidate statement.

Candidates were given two (2) minutes to answer questions from the Board.

Director Mutchnick made a motion to commence voting for the Third Board Vacancy. Director Karimi seconded the motion.

By consensus, the motion was passed unanimously.

The Board voted by secret ballot.

President Parsons announced that Doug Gibson is the new Third Board Member.

8. Open Forum

Several Members spoke about various issues:

- A Member encouraged Members to donate to the Village Community Fund to support projects in the community;
- A Member commented about the Laguna Woods Foundation and the benefits that donations provide;
- A resident commented about washers with unbalanced loads;
- A Member asked for a response to her complaint in December;
- A Member commented about the problem of geese, the increase in dryer time and noise from floors above.

9. Responses to Open Forum Speakers

Board Members responded to the Members' concerns and requests.

- CEO Parker responded about the Scrivener corrections to the minutes;
- Director Bhada responded about the washer and dryer machines, the geese problem and noise from neighbors that live in the floors above;
- Director Karimi asked how washer and dryer machines are maintained;

10. CEO Report

Jeff Parker, CEO, and Siobhan Foster, COO, reported on the following subjects:

- New processes to meet the KPIs on the Strategic Plan. Working with the President of the Board on critical initiatives;
- The 2020 Census, residents will have a choice to respond online or by phone.
- Enhanced 2020 transportation started on January 20, 2020. Informational meeting will be held on Wednesday, January 29, at 10 a.m. at Clubhouse 1, Main Lounge. In addition staff will be onsite at Clubhouse 1 every weekday from 9 a.m. to noon to assist residents in their local trip plans;
- Boost is a new Village transportation service provided in partnership with Lyft rideshare. The Boost service will be available when the Easy Rider fixed-route system is not in service.
- The City of Laguna Woods' Senior Mobility Program subsidizes the cost of taxi travel for Laguna Woods' residents who are at least 60 years of age. Taxi Bucks, Non-emergency Medical Transportation (NEMT) and Irvine Station (Transportation Center travel vouchers are available through Laguna Woods City Hall;
- City of Laguna Woods Board Meeting is now broadcast on Channel 3.
- Prevent golf cart theft by using a wheel lock, steering wheel lock or any other locking mechanism to secure golf carts;
- Village trash and recycling schedule for 2020 is posted on the website. Bulky items are picked up on the third Saturday of each month;
- GRF to auction obsolete equipment. Resident can inspect obsolete equipment from Friday, January 24, through Friday, February 21, from 12:30 to 3:00 p.m. at the Laguna Woods Village warehouse, located in the maintenance building. Completed bid forms must be completed and returned to the warehouse by Friday, February 21 at 3 p.m. Bids will be open and all participants notified on Monday, February 24, by 11 a.m.

11. Consent Calendar

11a. Architectural Control and Standards Committee Recommendations:

- (1) Recommend to Approve a Request to Retain Non-Standard Color on Two Exterior Entry Doors (3510-3G)

RESOLUTION 03-20-01
VARIANCE REQUEST

WHEREAS, Ms. Sharon Evans of 3510-3G, a Villa Nueva style unit, is requesting Board approval of a variance to retain non-standard color on two exterior entry doors; and,

WHEREAS, a Neighborhood Awareness Notice was sent to Owners of affected units on November 25, 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 December 3, 2019.

NOW THEREFORE BE IT RESOLVED, on January 21, 2020, the Board of Directors hereby approves the request to retain non-standard color on two exterior entry doors;

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 3510-3G and all future Mutual members at 3510-3G

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) Recommend to Approve a Request to Retain Non-Standard Entry Door and Install Stacked Stone Veneer on Front Exterior Wall (5165)

RESOLUTION 03-20-02
VARIANCE REQUEST

WHEREAS, Ms. Hope H. Miller of 5165 Belmez, a Villa Paraisa style unit, is requesting Board approval of a variance to retain non-standard entry door and install stacked stone veneer on front exterior wall; and,

WHEREAS, a Neighborhood Awareness Notice was sent to Owners of affected units on November 25, 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 December 3, 2019.

NOW THEREFORE BE IT RESOLVED, on January 21, 2020, the Board of Directors hereby approves the request to retain non-standard entry door and install stacked stone veneer on front exterior wall;

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 5165 and all future Mutual members at 5165.

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) Recommend to Approve a Request to Replace Planter with Wood Frame/Stucco Bathroom Extension on Original Exclusive Use Common Area (5589-A)

RESOLUTION 03-20-03
VARIANCE REQUEST

WHEREAS, Ms. Victoria S. Pullman of 5589-A Avenida Sosiega West, a Casa Palma style unit, is requesting Board approval of a variance to replace planter with wood frame/stucco bathroom extension on original exclusive use common area; and,

WHEREAS, a Neighborhood Awareness Notice was sent to Owners of affected units on November 25, 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 December 3, 2019.

NOW THEREFORE BE IT RESOLVED, on January 21, 2020, the Board of Directors hereby approves the request to replace planter with wood frame/stucco bathroom extension on original exclusive use common area;

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 5589-A and all future Mutual members at 5589-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.

11b. Landscape Committee Recommendations:

- (1) Ratify award of contract to West Coast Arborists, Inc. in the amount of \$503,121, which includes a ten percent contingency, to perform the tree maintenance services.
- (2) Ratify award of contract to Mission Landscape, Inc. in the amount of \$470,176 for slope landscape maintenance.
- (3) Recommend to Approve Tree Removal Request—3086-C Via Serena N. (Graham) – one Shamel Ash

RESOLUTION 03-20-04
**APPROVE THE REQUEST FOR REMOVAL OF ONE SHAMEL
ASH TREE – 3086-C VIA SERENA N.**

WHEREAS, September 20, 2011, that the Board of Directors adopted Resolution 03-11-149, Tree Removal Guidelines:

- Unless there is a purposeful reason, trees should not be removed merely because they are messy, or because of residents' personal preferences concerning shape, color, size, or fragrance.
- Trees should not be removed because of view obstruction if the obstruction is at a considerable distance from the complaining manor and therefore causes only a partial obstruction.
- Trees on slopes should not be removed if the removal will contribute to the destabilization of that slope.
- Trees which are damaging or will damage a structure, pose a hazard, in failing health or interfering with neighboring trees, will be considered for removal.

WHEREAS, on January 2, 2020, the Landscape Committee reviewed a request for removal of one Shamel Ash tree. The request was received from the Member at 3086-C who cited the reasons as overgrown, possible sewer damage, litter/debris, sidewalk damage, and a potential trip and fall hazard from fallen leaves onto the sidewalk and;

WHEREAS, the Committee determined that the tree meets the guidelines established in Resolution 03-11-149, and recommends approving the request for the removal of one Shamel Ash tree located at 3086-C Via Serena N.

NOW THEREFORE BE IT RESOLVED, January 21, 2020, the Board of Directors approves the request for the removal of one Shamel Ash tree located at 3086-C;

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

11c. Finance Committee Recommendations:

- (1) Recommendation to Approve a Resolution to Record Lien against Member ID# 931-720-36

RESOLUTION 03-20-05
RECORDING OF A LIEN

WHEREAS, Member ID 931-720-36; 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 21, 2020, that the Board of Directors hereby approves the recording of a Lien for Member ID 931-720-36 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.

- 11d.** Consistent with its statutory obligations the Board members individually reviewed Third Laguna Hills Mutual financials for the month of November 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.

Director Karimi made a motion to approve the consent calendar as presented. Director Mutchnick seconded the motion and the motion passed unanimously.

12. Unfinished Business

- 12a.** Entertain a Motion to Adopt a Resolution to Approve a Species-Based Tree Trimming Program

Director Jarrett presented a summary of the following resolution:

RESOLUTION 03-19-06 SPECIES-BASED TREE TRIMMING POLICY

WHEREAS, the Board of Directors recognizes that many policies and services have been implemented by way of practice over the years but not formally documented;

WHEREAS, the current tree trimming schedule is based on an inspection based rotation in which trees are inspected every 34 months to determine the necessity of trimming on an individual tree basis;

WHEREAS, some tree species require trimming more frequently than every 34 months and some less frequently, which has led to inefficiencies and an increased amount of service requests and storm damage;

WHEREAS, Third Mutual maintains over 12,000 trees with 224 different species, each having different growth rates;

WHEREAS, Staff has determined that using a species basis to determine the tree trimming schedule would reduce the inefficiencies and service request trims;

NOW THEREFORE BE IT RESOLVED, January 21, 2020, that the Board of Directors hereby adopts the species-based trimming cycles attached to the official meeting minutes;

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.

DECEMBER Initial Notification—28 day notification for member review and comment to comply with Civil Code §4360.

Director Jarrett made a motion to approve a Species-Based Tree Trimming Program. Director Bhada seconded the motion.

Discussion ensued among the Directors.

President Parsons called for the vote and the motion passed unanimously.

12b. Entertain a Motion to Adopt a Resolution for Internal Dispute Policy

Director Jarrett presented a summary of the following Resolution:

RESOLUTION 03-20-07
INTERNAL DISPUTE RESOLUTION

WHEREAS, Civil Code §5910 establishes requirements for Internal Dispute Resolution meetings; and

WHEREAS, the Board recognizes the need to revise the Internal Dispute Resolution to include a time frame for reaching a resolution; and

NOW THEREFORE BE IT RESOLVED; January 21, 2020, that the Board of Directors of this Corporation hereby approves the revised Internal Dispute Resolution, as attached to the official minutes of this meeting; and

RESOLVED FURTHER, that Resolution 03-15-85 adopted June 16, 2015 is hereby superseded in its entirety and cancelled;

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.

DECEMBER Initial Notification—28 day notification for member review and comment to comply with Civil Code §4360.

Director Jarrett made a motion to adopt a resolution for Internal Dispute Policy. Director Karimi seconded the motion.

Discussion ensued among the Directors.

President Parsons called for the vote and the motion passed unanimously.

13. New Business

- 13a.** Entertain a Motion to Approve a Transfer of \$8,000,000 in Cash from Funds held at Bank of America to the Discretionary Investment Account held and Managed by SageView/Fidelity Investments

President Parsons presented a summary of the following Resolution:

RESOLUTION 03-20-08
TRANSFER OF FUNDS TO DISCRETIONARY INVESTMENTS

WHEREAS, the Corporation desires to maximize interest earnings on invested cash balances.

RESOLVED, January 21, 2020, that the Board of Directors of this Corporation hereby authorizes the transfer of \$8,000,000 in cash from funds held at Bank of America to the discretionary investment account held and managed by Fidelity/SageView; and

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

President Parsons made a motion to the transfer of funds to the discretionary investment account managed by SageView. Director Jarrett seconded the motion.

Discussion ensued among the Directors.

President Parsons called for the vote, and the motion passed unanimously.

14. Committee Reports

- 14a.** Report of the Finance Committee / Financial Report – President Parsons. The Committee met on January 7, 2020; next meeting February 4, 2020, at 1:30 p.m. in the Board Room.
- (1) Treasurer's Report
 - (2) Third Finance Committee Report
 - (3) Resales/Leasing Reports
- 14b.** Report of the Architectural Controls and Standards Committee – Director Jarrett. The Committee met on December 3, 2019; next meeting January 27, 2020, at 9:30 a.m. in the Board Room.

14c. Report of the Communications Committee – Director McCary. The Committee met on October 9, 2019; next meeting TBA.

14d. Report of the Maintenance and Construction Committee – Director Bhada. The Committee met on January 6, 2020; next meeting March 2, 2020, at 1:30 p.m. in the Board Room.

(1) Report of the Parking and Golf Cart Task Force – Director Parsons. The Task Force met on January 6, 2019; next meeting TBA.

14e. Report of the Landscape Committee – Director Jarrett. The Committee met on January 2, 2020; next meeting February 6, 2020, at 9:30 a.m. in the Board Room.

14f. Report of the Water Subcommittee – Director Jarrett. The subcommittee met on October 9, 2019; next meeting TBA.

14g. Report of the Resident Policy and Compliance Committee – Director Jarrett. The Task Force met on January 15, 2020; next meeting TBA.

14h. Report of the Village Energy Task Force – Director Frankel. The Task Force met on January 10, 2020; next meeting TBA.

15. GRF Committee Highlights

15a. Community Activities Committee – Director Bhada. The Committee met on January 9, 2020; next meeting March 12, 2020, at 1:30 p.m. in the Board Room.

15b. Finance Committee – Director Parsons. The Committee met on December 18, 2019; next meeting February 19, 2020, at 1:30 p.m. in the Board Room.

15c. Landscape Committee – Director Engdahl. The Committee met on December 4, 2019; next meeting February 12, 2020, at 1:30p.m. in the Board Room.

15d. Maintenance & Construction Committee – Director Frankel – The Committee met on January 13, 2020; next meeting February 12, 2020, at 9:30 a.m. in the Board Room.

(1) PAC Renovation Ad Hoc Committee – Director Parsons. The Committee met on December 12, 2019.

- 15e.** Media and Communications Committee – Director McCary. The Committee met on December 16, 2019; next meeting January 22, 2020, at 9:30 a.m. in the Board Room.
- 15f.** Mobility and Vehicles Committee – Director Frankel – The Committee met on November 27, 2019; next meeting February 5, 2020, at 1:30 p.m. in the Board Room.
- 15g.** Security and Community Access Committee – Director Mutchnick. The Committee met on January 20, 2020; next meeting February 24, 2020, at 1:30 p.m. in the Board Room.
- (1) Disaster Preparedness Task Force – Director McCary. The Task Force met on November 26, 2019; next meeting January 28, 2020, 9:30 a.m. in the Board Room.
- 15h.** Report of the Laguna Woods Village Traffic Hearings – Director Frankel. The hearings were held on January 15, 2019; next hearings February 19, 2020, at 9:00 a.m. in the Board Room and 1:00 p.m. in the Sycamore Room.
- 16. Future Agenda Items** – *All matters listed under Future Agenda Items are items for a future Board Meetings. The Board will take action on these items at a future Board Meeting.*
- 16a.** Parking Report
- 16b.** Census Report
- 16c.** Alternative Heat Source Policy (August initial notification—September postponed)
- 16d.** Resident Suggestion Program
- 16e.** Businesses owning property within Laguna Woods Village
- 16f.** Smoke Free Building Program
- 16g.** Nuisance and Harassment Policy

This item was added to the future agenda items:

- 16h.** Election Rules

17. Director's Comments

- Director McCary commented on the noise complaint that was mentioned during open forum;
- Director Jarrett welcomes the new director to the Board;
- Director Wayne commented on Gate 14 Landscape Modernization Project;
- Director Gibson made comments on the noise complaint issue and thanked the board for welcoming him.

18. Recess

The Board recessed at 11:10 p.m. and reconvened in Executive Session at 11:50 p.m.

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

During the December 17, 2019, Closed Session, the Board:

Approved the Agenda

Approved the Following Meeting Minutes;

(a) October 22, 2019-/Special Closed Session (Insurance Renewals)

(b) November 7, 2019 – Special Closed Session (VMS Agreement- Part 5)

(c) November 19, 2019 – Regular Closed Session

Discussed and Considered Member Matters

Discussed and Considered Legal and Litigation Matters

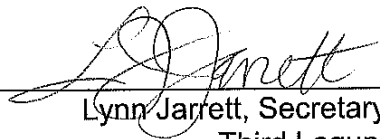
Discussed and Considered Contractual Issues

Award of Contract for Tree Maintenance Services to West Coast Arborists, Inc.

Award of Contract for Slope Maintenance Services to Mission Landscape, Inc.

19. Adjourn

With no further business to come before the Board of Directors, the meeting was adjourned at 4:33 p.m.



Lynn Jarrett, Secretary of the Board
Third Laguna Hills Mutual