

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

**April 18, 2006**

The Regular Meeting of the Third Laguna Hills Mutual Board of Directors, a California non-profit mutual benefit corporation, was held on Tuesday, April 18, 2006 at 9:00 A.M. at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Richard Moos, Mark Schneider, Gunter Vogt, James Matson, George Arnold, Robert Hatch, Raymond Gros, Larry Souza, Jim Keysor, Phyllis Fish

Directors Absent: Dominic Burrasca

Others Present: Janet Price, Patty Fox  
*Executive Session:* Cris Trapp

**CALL TO ORDER**

Director Richard Moos, President of the Corporation, chaired the meeting and stated that it was a regular meeting held pursuant to notice duly given and that a quorum was present. The meeting was called to order at 9:00 A.M.

A moment of silence was held to honor the US Troops serving our country and those in harm's way.

**PLEDGE OF ALLEGIANCE**

Director Ray Gros led the Membership in the Pledge of Allegiance to the Flag.

**ACKNOWLEDGEMENT OF PRESS**

Cheryl Walker from the Laguna Woods Globe, and the LWV Channel 6 Camera Crew were acknowledged as present.

**APPROVAL OF AGENDA**

The Agenda was approved as submitted.

**APPROVAL OF THE MINUTES**

The Minutes of the Regular Meeting of March 21, 2006, and the Special Meeting of March 27, 2006 were approved as submitted.

**CHAIRMAN'S REPORT – Richard Moos**

President Moos welcomed Janet Price who acted as General Manager pro tem at today's meeting. President Moos commented on the Golden Rain Foundation's decision to rebuild Clubhouse Two; and updated the membership on a meeting held with Assemblyman Chuck DeVore and the four Board Presidents on reserves.

**GENERAL MANAGER'S REPORT**

Ms. Price introduced Mr. Jerry Storage who reported on local developments under review by the Cities of Irvine and Lake Forest, and informed the Community on the impacts on increased traffic in and around Laguna Woods and decreased water quality in the local water sheds.

The Secretary of the Corporation, Director Gunter Vogt read a proposed resolution on the proposed local developments. Director Vogt moved to approve the resolution. Director Mark Schneider seconded the motion. Discussion ensued.

United and Third Mutual Members Ray Barrett (223-B), Jerry Sheinblum (3488-C), and Bud Nesvig (2392-3H) addressed Mr. Storage on the developments.

After thorough discussion, and by a unanimous vote of 9-0-0, the motion carried and the Board of Directors adopted the following resolution:

**RESOLUTION 03-06-19**

**WHEREAS**, there are developments under review by the Cities of Irvine and Lake Forest both of which require General Plan and Zoning Code amendments; and

**WHEREAS**, it has been determined by way of review of the attendant Environmental Impact Reports (EIRs) that the residential developments and zone changes that are being considered by these Cities will have local impacts on increased traffic in and around Laguna Woods, and decreased water quality in the local water sheds; and

**WHEREAS**, the developments may also significantly increase traffic onto Moulton Parkway and El Toro Road, and reduce the service standard of the intersection of Moulton and El Toro from a "D" to a "Failed" level; and

**WHEREAS**, due to the City of Irvine's (Irvine Company's) proposed project which is adjacent to the Gates 10 and 11 area, light and glare issues attendant to the new residential construction are also a concern; and

**WHEREAS**, the Golden Rain Foundation (GRF) has hired a law firm to represent GRF's interests in a response to both the Cities of Lake Forest and Irvine for the purpose of providing comments and concerns on behalf of the Community on their EIRs; and

**WHEREAS**, GRF has also approved the retention of a traffic engineer to offer current data and interpretation of data to determine the local impacts on traffic;

**NOW THEREFORE BE IT RESOLVED**, April 18, 2006 that the Board of Directors of this Corporation hereby endorses GRF's opposition position on these developments by way of a letter to the Cities of Lake Forest and Irvine; 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 by way of a letter executed by the President of this Corporation that expresses the Board's endorsement.

Mr. Jerry Storage and Ms. Cris Trapp left the meeting at 9:54 A.M.

### **TREASURER'S REPORT**

Director Bob Hatch reported on the Treasurer's Report and from the Third Finance Committee.

Ms. Jodie Martin reported that due to the natural catastrophes over the years the earthquake market has deteriorated and the cost of earthquake insurance coverage has increased significantly.

Director Schneider made a motion to approve Alternative One, Decrease Coverage to \$10,000,000 at a maximum cost of \$604,763. The motion was seconded and carried unanimously.

Mutual Member Bud Nesvig (2392-3H) commented on insurance coverage.

Director Hatch reported on the Mutual's Resale & Lease Activity.

### **OLD BUSINESS**

Ms. Wendy Bucknum provided an update on AB 2851 (DeVore) – *Condominium Plan Change Requirements* sponsored by Third Laguna Hills Mutual.

The reading of the proposed resolution on Committee Appointments was waived and the Secretary of the Corporation read the proposed changes to the Committee Appointments. Director Vogt moved to approve the resolution. Director Phyllis Fish seconded the motion.

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

### **RESOLUTION 03-06-20**

**RESOLVED**, April 18, 2006 that the following persons are hereby appointed to serve on the committees and services of this corporation:

#### **Maintenance and Construction**

Jim Matson, Chair

Larry Souza, Vice Chair

Ray Gros

Phyllis Fish

Jim Keysor

Mark Schneider

Gunter Vogt

George Arnold

Robert Hatch

Dominic Burrasca

Richard Moos

Advisors: John Heiney

**Landscape**

Phyllis Fish, Chair  
Dominic Burrasca  
Jim Keysor  
George Arnold  
Robert Hatch

**Mark Schneider**

Advisors: John Dudley, Ann Souza, Carol Moore  
Non-voting advisor: **Ken Hammer**

**Finance**

Bob Hatch, Chair  
Gunter Vogt, Vice Chair  
Jim Matson  
Larry Souza  
Ray Gros  
Phyllis Fish  
Jim Keysor  
Mark Schneider  
George Arnold  
Dominic Burrasca  
Richard Moos  
*Advisor: Jim Hart, **Bill Partridge***

**Long Range Planning**

Mark Schneider, Chair  
Ray Gros, Vice Chair  
Jim Keysor  
Bob Hatch

**Traffic**

Ray Gros, Chair  
George Arnold, Vice Chair  
Dominic Burrasca

**Select Audit**

Bob Hatch  
Richard Moos

**Resident Information Services**

Phyllis L. Fish  
Dominic Burrasca

**New Resident Orientation**

Per Rotation List

**Representative to Laguna Canyon Foundation**

Gunter Vogt

**City Wide Trails Sub-Committee**

**Gunter Vogt**

**RESOLVED FURTHER**, Resolution 03-06-14, adopted March 21, 2006 is hereby superseded and canceled.

**NEW BUSINESS**

Ms. Bucknum provided an update on AB 770 and SB 551 Ombudsman Bill amendments.

Director Jim Keysor made a motion to oppose AB 770 (Mullin) and SB 551 (Lowenthal) – *Common Interest Developments Ombudsperson*. Director Jim Matson seconded the motion. The motion carried by a unanimous vote of 9-0-0.

The Secretary of the Corporation, Director Vogt read the following proposed resolution on revised election procedures. Director Vogt moved to approve the resolution. The motion was seconded.

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

**RESOLUTION 03-06-21**

**WHEREAS**, California Civil Code §1363.03, effective July 1, 2006 regulates the manner in which Common Interest Developments conduct their election process; and

**WHEREAS**, Senator Battin introduced Senate Bill 1560 on February 23, 2006 to amend California Civil Code §1363.03;

**WHEREAS**, SB 1560 modifies election requirements as follows:

- Allows the inspectors of election to appoint and oversee additional persons to count and tabulate votes (i.e. staff or outside contractor)
- Clarifies quorum requirements as stated in bylaws of an association
- Would require that a director not participate in decisions in which the director has a material financial interest
- Clarifies the use of proxies as stated in the bylaws of an association
- Once a secret ballot is cast it shall be irrevocable
- A membership meeting shall not be required unless required by the governing documents
- Specifies that procedures in the code shall apply only to membership voting, not delegate or elected representative voting (i.e. GRF)

**WHEREAS**, this Bill does not address the Community's current allowance for self-nomination by petition; and

**NOW THEREFORE BE IT RESOLVED**, April 18, 2006 that the Board of Directors of this Corporation hereby approves and authorizes staff to communicate to appropriate state legislative entities and HOA industry organizations, regarding newly introduced Senate Bill 1560, language that requires allowance of a self nomination process by petition, based on a reasonable number of required signatures and if specified in the community's governing documents; 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.

### **CONSENT CALENDAR**

The Consent Calendar was approved and the following actions were taken:

#### Maintenance & Construction Committee Recommendations:

2314-D	Approval of request to retain white vinyl windows and doors
3024-A	Denial of request to retain non-conforming water heater enclosure on patio
3081-D	Approval of request for installation of lighting outside manor at the Mutual Member's expense, with contingencies
3108-Q	Denial of appeal request to retain light brown vinyl frame (trim) on retrofitted windows in living room, master bedroom, and guest bedroom, and retain picture window in the living room
3163-D	Approval of request to enclose back patio, with contingencies
3349-A	Approval of request to enclose back patio and install windows, with contingencies
3366-1C	Denial of request to retain unauthorized patio enclosure
3422-E	Approval of request to enclose back patio, with contingencies
5279	Approval of request to enclose back patio, with contingencies
5289	Approval of request to install bay window in Bedroom Two, and install picture window in Dining Room, with contingencies
5305	Approval of request to enclose back patio, with contingencies
5375-C	Approval of request to enclose back patio, with contingencies
5388-C	Approval of request to enclose back patio, with contingencies
5492-A	Approval of request to enclose back patio, with contingencies

#### Landscape Committee Recommendations

964-C	Denial of request for tree removal
2391-2E	Denial of appeal request for tree topping
3230-C	Denial of request for two (2) tree removals

3296-D	Approval of appeal request for tree removal
3336-1C	Denial of appeal request for tree removal
5333-B	Denial of appeal request for tree removal
2195-A	Approval of request for two (2) tree removals off-schedule at the Mutual's expense
3047-A	Denial of request for lowering of shrubs on slope
3266-B	Denial of request for tree removal and relandscaping
3270-C	Denial of request for tree removal
3377-A	Approval of request for tree removal
3493-P	Denial of request for larger, more abundant plants
5131	Denial of request for ground cover removal
5307	Denial of request for tree removal

Finance Committee Recommendations

**RESOLUTION 03-06-22**

**WHEREAS**, Member ID 931-460-22 is currently delinquent to Third Laguna Hills Mutual with regard to the monthly assessment in an amount exceeding \$1800; 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 18, 2006 that the Board of Directors hereby approves the recording of a Lien for Member ID 931-460-22; 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 03-06-23**

**WHEREAS**, Member ID 932-380-13 is currently delinquent to Third Laguna Hills Mutual with regard to the monthly assessment in an amount exceeding \$1800; 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 18, 2006 that the Board of Directors hereby approves the recording of a Lien for Member ID 932-380-13; 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 03-06-24**

**WHEREAS**, Member ID 934-500-12 is currently delinquent to Third Laguna Hills Mutual with regard to the monthly assessment in an amount exceeding \$1800; 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 18, 2006 that the Board of Directors hereby approves the recording of a Lien for Member ID 934-500-12; 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.

**COMMITTEE REPORTS**

Director Jim Matson reported from the Maintenance and Construction Committee.

The Secretary of the Corporation read the following proposed resolution on approving revised Alteration Standard Section 5 Satellite Dishes & Amateur Radio Antennas:

**RESOLUTION 03-06**

**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 further amend a portion of the standards with regard to Section 5 *Satellite Dishes & Amateur Radio Antennas*;

**NOW THEREFORE BE IT RESOLVED**, June 20, 2006, that Section 5 – *Satellite Dishes & Amateur Radio Antennas* is hereby amended as attached to the official minutes of this meeting; 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; and

**RESOLVED FURTHER**, that Resolution M3-96-28, adopted May 21, 1996 is hereby amended and Resolution 03-04-32, adopted November 16, 2004 is superseded and cancelled.

Director Vogt moved to approve the resolution. Director Schneider seconded the motion. Discussion ensued.

Director Matson made a motion to table to satisfy the statutory thirty-day notification requirements. Director Vogt seconded the motion, and the motion carried unanimously.

Mutual Member Bud Nesvig (2392-3H) addressed Director Matson on the installation of satellite dishes on three-story buildings.

Director Jim Matson reported from the Standards Sub Committee.

Director Ray Gros reported from the Plumbing Ad-Hoc Committee.

Director Phyllis Fish reported from the Landscape Committee.

Director Mark Schneider reported from the Third Long Range Planning Committee.

In Dominic Burracsa's absence, Director Phyllis Fish reported from Resident Information Services.

Director Ray Gros reported from the Traffic Committee.

Director Jim Matson reported from the Joint GRF Bylaw Review Ad Hoc Committee.

### **GRF COMMITTEE REPORTS**

Director Robert Hatch reported from the GRF Finance Committee.

Director Jim Matson reported from the Maintenance & Construction Committee.

Director Mark Schneider reported from the Community Activities Committee.

Director Mark Schneider reported from the Government and Public Relations Committee.

Director Ray Gros reported from the GRF Security and Community Access Committee.

Director Jim Keysor reported from the Broadband Services Committee.

No one reported from the Bus Services Committee.

**GOOD OF THE ORDER**  
**AUDIENCE**

- John Paulus (5515-3B) commented on saving electricity
- Jerry Sheinblum (3488-C) announced the next CCA Townhall meeting in Clubhouse 5 at 1:30 P.M.
- Bud Nesvig (2392-3H) commented on lighting in Garden Villas

**DIRECTORS**

- Director Phyllis Fish commented on bus purchases
- Director Jim Matson commented on his appearances on Channel 6
- Director Gunter Vogt reminded the membership to attend the City Hall Council Meeting on Wednesday to discuss golf carts

The meeting recessed at 11:30 A.M. and reconvened into Executive Session at 12:37 P.M.

During its March Regular Executive Session Meeting, the Board approved the minutes of the Regular Executive Session of February 21, 2006; discussed member disciplinary and contractual issues; and reviewed the Litigation Status Report.

The Traffic Committee of the Board met in Executive Session in March to discuss member disciplinary issues.

With no further business before the Board of Directors, the meeting was adjourned at 3:10 P.M.

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Gunter Vogt, Secretary