

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

July 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, July 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, Robert Hatch, Ray Gros (entered the meeting at 9:24 A.M.), Phyllis Fish, Dominic Burrasca (entered the meeting at 9:13 A.M.), George Arnold, Jim Keysor, Larry Souza

Directors Absent: None

Others Present: Milt Johns, Patty Fox
Executive Session: Milt Johns, Patty Fox, Cris Trap, GRF Board Members (1:00 P.M. – 1:16 P.M.)

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 Mark Schneider led the Membership in the Pledge of Allegiance to the Flag.

ACKNOWLEDGEMENT OF PRESS

Cheryl Walker from the Laguna Woods Globe was acknowledged as present, and the LWV Channel 6 Camera Crew were acknowledged as present by way of remote cameras.

APPROVAL OF AGENDA

The Agenda was approved as amended by adding Resident Comments at the beginning of the meeting.

**GOOD OF THE ORDER
AUDIENCE**

- Jerry Sheinblum (3488-C) announced the next CCA Townhall Meeting on Thursday July 27, 2006 to discuss manor insurance
- Karel Brouwer (3189-C) commented on landscaping and irrigation near Vista Del Lago West and Avenida Sosiega

APPROVAL OF THE MINUTES

The Minutes of the Regular Meeting of June 20, 2006 were approved as amended by changing the word "gas" to "electric" on page 2.

CHAIRMAN'S REPORT – Richard Moos

President Moos announced a sighting of a mountain lion near Gate 9 and encouraged residents to be careful when walking around the Community.

Director Dominic Burrasca entered the meeting at 9:13 A.M.

GENERAL MANAGER'S REPORT

Mr. Milt Johns updated the Board on the status of the 2007 Business Plan Meetings and announced the next meetings to discuss Version 2 and Version 3.

TREASURER'S REPORT

Director Bob Hatch reported on the Treasurer's Report and announced that the Third Finance Committee did not meet.

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

OLD BUSINESS

No action was taken.

NEW BUSINESS

The Secretary of the Corporation, Director Gunter Vogt, read a proposed resolution on approving the Ballot Package for the 2006 Director Election. Director Vogt moved to approve the resolution. Director Matson seconded the motion.

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

RESOLUTION 03-06-27

RESOLVED, July 18, 2006, that the ballot package for the 2006 election of directors of this corporation, as prepared by the managing agent, is hereby approved; 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 Bob Hatch made a motion to approve the "Meet the Candidates" date of August 28, 2006 at 10:00 A.M. Director Phyllis Fish seconded the motion and the motion carried unanimously.

The Secretary of the Corporation read a proposed resolution on approving GRF Committee Assignments. A motion was made and seconded to approve the resolution. The motion carried by a vote of 8-0-1 (Director Fish abstained) and the following resolution was adopted:

RESOLUTION 03-06-28

RESOLVED, July 18, 2006 that, in compliance with Article 7, Section 7.2 of the Golden Rain Foundation Bylaws, adopted May 2002, the following persons are hereby appointed to serve on the committees of the Golden Rain Foundation:

Business Planning

Bob Hatch
Richard Moos

Bus Services Committee

Dominic Burrasca
Phyllis Fish

Broadband Services Committee

Larry Souza
Jim Keysor

City-Wide Trails and Signs Sub-Committee

Gunter Vogt

Community Activities

Mark Schneider
George Arnold

Finance

Bob Hatch
Gunter Vogt

Government and Public Relations

Mark Schneider
Jim Keysor

GRF Landscape Committee

Dominic Burrasca
Gunter Vogt

GRF Maintenance and Construction

Jim Matson
Larry Souza

Security

Ray Gros

George Arnold

RESOLVED FURTHER, that Resolution 03-05-32, adopted October 18, 2005 is superseded and cancelled.

Director Ray Gros entered the meeting at 9:24 A.M.

CONSENT CALENDAR

By way of consensus, the Consent Calendar was approved and the following actions were taken:

Maintenance & Construction Committee Recommendations:

- | | |
|---------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2399-3A | Approval of request to retain unauthorized roof mounted heating A/C unit, with contingencies |
| 3056-D | Approval of request to replace existing Kitchen window with a 5'-0" x 3'-6" XO white aluminum framed window, with contingencies |
| 3148-C | Approval of request to install a fireplace in the living room of Manor, with contingencies |
| 3460-B | Approval of request to install interlocking concrete pavers in Common Area behind the garage of Manor, with contingencies |
| 4008-3C | Approval of request to retain unauthorized roof mounted heating A/C unit, with contingencies |
| 4012-3D | Approval of request to retain unauthorized roof mounted heating A/C unit, with contingencies |
| 5268 | Approval of request to extend Master Bedroom by incorporating an attached private garden area, with contingencies |
| 5316 | Approval of request to enlarge the back patio of her Manor on to Mutual Common Area, with contingencies |
| 5316 | Denial of request to install iron fencing on the front patio wall of manor |
| 5528-B | Approval of request to enlarge front patio on to Common Area and add iron fencing between the existing gate column and neighboring wall, with contingencies |

Landscape Committee Recommendations

- | | |
|---------|-----------------------------------------------------------------------------------|
| 2340-P | Denial of request for two (2) tree removals |
| 2394-1E | Approval of request for off-schedule tree removal at the Mutual's expense |
| 2401-2A | Approval of request for off-schedule tree trimming at the Mutual member's expense |
| 2405-1E | Denial of request for trimming of overgrown shrubbery |

- 3193-B Approval of request for off-schedule tree removal at the Mutual's expense
- 3485-A Denial of request for tree removal
- 5335-C Approval of request for two (2) off-schedule tree removals at the Mutual's expense
- 5365-D Approval of request for plant removal and replacement at the Mutual's expense
- 5589-A Approval of request for plant removal and replacements at the Mutual member's expense

Finance Committee Recommendation

No Recommendations were made

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 Mutual Alteration Standard Section 4 *Air Conditioning Units/Heat Pumps*:

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 4 *Air Conditioning Units/Heat Pumps*;

NOW THEREFORE BE IT RESOLVED, September 19, 2006, that Mutual Alteration Standard Section 4 –*Air Conditioning Units/Heat Pumps* 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 03-06-09, adopted February 21, 2006 is superseded and cancelled.

Director Vogt moved to approve the resolution. The motion was seconded.

Director Matson made a motion to table the resolution to satisfy the required statutory thirty-day notice requirements. Director Mark Schneider seconded the motion and the motion carried unanimously.

The Secretary of the Corporation read the following proposed resolution on approving revised Mutual Alteration Standard Section 29 *Solarium*:

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, (revised April, 1996); and

WHEREAS, the Maintenance & Construction Committee of this Corporation recognizes the need to further amend a portion of the alteration standards with regard to Section 29 – *Solariums*;

NOW THEREFORE BE IT RESOLVED, September 19, 2006, that Mutual Alteration Standard Section 29 – *Solariums* 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 03-03-10 adopted January 21, 2003 is hereby superseded and cancelled.

Director Vogt moved to approve the resolution. Director Matson seconded the motion and discussion ensued.

By way of consensus, the Board agreed to change the word “single-pane” to “double-pane” in Section 4.2.

Director Vogt made a motion to table the resolution to satisfy the required statutory thirty-day notice requirements. The motion was seconded and carried unanimously.

The Secretary of the Corporation read the following proposed resolution on approving revised Mutual Alteration Standard Section 34 *Windows and Window Attachments*:

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 34 *Windows and Window Attachments*;

NOW THEREFORE BE IT RESOLVED, September 19, 2006, that Mutual Alteration Standard Section 34 *Windows and Window Attachments* 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 03-06-10, adopted February 21, 2006 is superseded and cancelled.

Director Vogt moved to approve the resolution. Director Matson seconded the motion and discussion ensued.

By way of consensus the Board agreed to add a "." between the words "replacing" and "Metal" in Section 3.1.2.

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

The Secretary of the Corporation read the following proposed resolution on approving revised Mutual Alteration Standard 35 – *Glass Windscreens / Windbreaks*:

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 alteration standards with regard to Section 35 – *Glass Windscreens / Windbreaks*;

NOW THEREFORE BE IT RESOLVED, September 19, 2006, that Mutual Alteration Standard Section 35 – *Glass Windscreens / Windbreaks* 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 03-03-46 adopted May 20, 2003 is hereby superseded and cancelled.

Director Vogt moved to approve the resolution. Director Matson seconded the motion and discussion ensued.

By way of consensus, the Board agreed to remove "4.7" in Section 5.6 and to clarify Section 5.5 with regards to pane size.

Director Vogt made a motion to table the resolution to satisfy the required statutory thirty-day notice requirements, subject to clarification to Sections 5.5 and 5.6. Director Matson seconded the motion and the motion carried unanimously.

The Secretary of the Corporation read the following proposed resolution on approving new Mutual Alteration Standard 38 – *Patio Enclosures*:

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, this Corporation recognizes the need to establish a policy to streamline the proper installation and maintenance of Patio Enclosures;

NOW THEREFORE BE IT RESOLVED, September 19, 2006, that the Board of Directors of this Corporation hereby adopts a policy on *Patio Enclosures - Section 38*, 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.

By way of consensus, the Board agreed to remove "4.7" in Section 5.6 and to clarify Section 5.5.

Director Matson made a motion to table the resolution to satisfy the required statutory thirty-day notice requirements, subject to clarification to Sections 5.5 and 5.6. Director Vogt seconded the motion and the motion carried unanimously.

The Secretary of the Corporation read the following proposed resolution on approving new Mutual Alteration Standard 39 – *Balcony Enclosures*:

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, this Corporation recognizes the need to establish a policy to streamline the proper installation and maintenance of Balcony Enclosures;

NOW THEREFORE BE IT RESOLVED, September 19, 2006, that the Board of Directors of this Corporation hereby adopts a policy on *Balcony Enclosures - Section 39*, 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.

Director Vogt moved to approve the resolution. Director Matson seconded the motion and discussion ensued.

By way of consensus, the Board agreed to change the word “single-pane” to “double-pane” in Section 4.2. and to clarify Section 4.5.

A motion was made and seconded to table the motion to satisfy the required statutory thirty-day notice requirements, subject to clarification to Sections. 4.2 and 4.5. The motion carried unanimously.

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.

Mutual Member Jerry Sheinblum (3488-C) commented on land planning.

Director Dominic Burrasca 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 that the GRF Finance Committee did not meet.

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.

Mutual Member Jerry Sheinblum (3488-C) encouraged the residents to walk on the sidewalks and not the streets.

On Behalf of Director Jim Keysor, Director Larry Souza reported from the Broadband Services Committee.

Director Phyllis Fish reported from the Bus Services Committee.

GOOD OF THE ORDER

DIRECTORS

- Director Schneider thanked the Chairman for conducting a good meeting and commented on the agenda format
- Director Burrasca commented on the current Bus demand-response software

AUDIENCE

- Jeanne Friedman (3420-2D) inquired about hotel accommodations during termite extermination program

The meeting recessed at 10:49 A.M. and reconvened into Executive Session at 11:01 A.M.

During its June Regular Executive Session Meeting, the Board approved the Minutes of the Special Executive Meeting of May 8, 2006, the Regular Executive Meeting of May 16, 2006, and the Special Executive Meeting of June 7, 2006; discussed member disciplinary and contractual issues; and reviewed the Litigation Status Report.

During its July 14, 2006 Special Executive Session Meeting, the Board discussed contractual issues.

The Traffic Committee of the Board met in Executive Session on June 22, 2006 to discuss member disciplinary issues.

With no further business before the Board of Directors, the meeting was adjourned at 3:15 P.M.

Gunter Vogt, Secretary