

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

December 19, 2006

The Regular Meeting of the Third Laguna Hills Mutual Board of Directors, a California non-profit mutual benefit corporation, was held on Tuesday, December 19, 2006 at 9:00 A.M. at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Jim Matson, Gunter Vogt, Isabel Muennichow, Bob Hatch, George Arnold, Larry Souza, Ray Gros (9:12 A.M.), Carol Moore, Dominic Burrasca

Directors Absent: Jim Keysor, Richard Moos

Others Present: Milt Johns, Patty Fox, Janet Price (9:10 A.M. – 9:21 A.M.)
Executive Session: Milt Johns, Patty Fox, Cris Trapp

CALL TO ORDER

Director Jim Matson, 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 placed in harm's way.

PLEDGE OF ALLEGIANCE

Director Bob Hatch led the Membership in the Pledge of Allegiance to the Flag.

ACKNOWLEDGEMENT OF PRESS

Cheryl Walker from the Laguna Woods Globe, and by way of remote cameras, 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 November 21, 2006, and the Action By Way of Unanimous Consent of December 4, 2006 were approved as submitted.

MEMBER COMMENTS

- Karel Brouwer (3189-C) addressed the Board on termites
- Kay Margason (510-C) thanked the Board for serving the Community and wished everyone a Happy Holiday
- Isabel Muennichow announced the next CCA Townhall Meeting

CHAIRMAN'S REPORT – Jim Matson

President Matson commented on the Board's success and efforts made during the year; and updated the Membership on finalizing the Management Agreement.

Ms. Janet Price entered the meeting at 9:10 A.M.

GENERAL MANAGER'S REPORT

Mr. Milt Johns announced that HUD approved the GRF Bylaw changes and summarized the actual changes for the Membership, and informed the Membership on the new GRF Member Disciplinary Policy.

Director Ray Gros entered the meeting at 9:12 A.M.

TREASURER'S REPORT

In Director Richard Moos's absence, Director Bob Hatch reported on the Treasurer's Report and Resale & Lease Activities.

Mutual Member Karel Brouwer (3189-C) addressed Director Hatch on his report.

Ms. Price left the meeting at 9:21 A.M.

OLD BUSINESS

No action was taken.

By way of consensus, the Board agreed to move "New Business" until after the Maintenance and Construction report.

CONSENT CALENDAR

Absent any objections and by way of consensus, the Consent Calendar was approved and the following actions were taken:

Maintenance & Construction Committee Recommendations:

- | | |
|---------|--|
| 2223-A | Denial of request for reimbursement of window replacement cost |
| 2397-1A | Denial of request to retain satellite dish installation in carport area of building |
| 3090-A | Approval of request for Mutual to install lighting outside manor |
| 3136-C | Approval of request to change roof type on previously approved room addition |
| 5077 | Approval of relocating walkway and stepping stones installation |
| 5344-A | Approval of request to retain retrofit windows with grids in master suite, dining room, and family room addition |
| 5388-A | Approval of request to replace back patio roof with aluminum and glass enclosure |

Landscape Committee Recommendations

- | | |
|---------|---|
| 2401-2A | Approval of appeal request for off-schedule tree removal at the Mutual's Expense |
| 3354-A | Approval of appeal request for off-schedule courtyard patio conversion |
| 3429-O | Denial of appeal request for tree removals (2) |
| 2371-C | Approval of request for tree removal on-schedule at the Mutual's expense, or off-schedule at the Mutual Members expense |
| 3016-C | Denial of request for tree removal |
| 3026-B | Denial of request for lawn replacement; approval of plant replacements at the Mutual's expense |
| 3063-C | Denial of request for off-schedule tree trimming/topping; approval of removal of shrub at the Mutual's expense |
| 3207-C | Denial of request for tree removal and replacement |
| 3211-C | Denial of request for lawn replacement |
| 3307-O | Approval of request to waive relandscaping charges |
| 3438-N | Denial of request for tree removal |
| 3497-P | Denial of request for tree removal; approval of off-schedule trimming at the lessee's expense |
| 5077 | Approval of request for lawn replacement/artificial turf at the Mutual Member's expense |
| 5226 | Approval of request for plant replacements/relandscaping at the Mutual Member's expense |
| 5391-B | Denial of request for tree removal |
| 5412 | Approval of request for off-schedule tree removal and replacement at the Mutual's expense |
| 5499-1G | Approval of request for plant replacement at the Mutual Member's expense per written consensus |
| 5502-A | Denial of request for tree removal; approval of off-schedule crown reduction at the Mutual's expense. |

Finance Committee Recommendation

RESOLUTION 03-06-65

WHEREAS, Member ID 931-460-55 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, December 19, 2006 that the Board of Directors hereby approves the recording of a Lien for Member ID 931-460-55; 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 03-06-66

WHEREAS, Member ID 931-591-67 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, December 19, 2006 that the Board of Directors hereby approves the recording of a Lien for Member ID 931-591-67; 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 03-06-67

WHEREAS, Member ID 931-630-21 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, December 19, 2006 that the Board of Directors hereby approves the recording of a Lien for Member ID 931-630-21; 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 03-06-68

WHEREAS, Member ID 931-900-39 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, December 19, 2006 that the Board of Directors hereby approves the recording of a Lien for Member ID 931-900-39; 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 03-06-69

WHEREAS, Member ID 932-720-74 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, December 19, 2006 that the Board of Directors hereby approves the recording of a Lien for Member ID 932-720-74; 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 03-06-70

WHEREAS, Member ID 932-791-75 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, December 19, 2006 that the Board of Directors hereby approves the recording of a Lien for Member ID 932-791-75; 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 03-06-71

WHEREAS, Member ID 933-030-30 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, December 19, 2006 that the Board of Directors hereby approves the recording of a Lien for Member ID 933-030-30; 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 03-06-72

WHEREAS, Member ID 933-040-52 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, December 19, 2006 that the Board of Directors hereby approves the recording of a Lien for Member ID 933-040-52; 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 03-06-73

WHEREAS, Member ID 933-050-11 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, December 19, 2006 that the Board of Directors hereby approves the recording of a Lien for Member ID 933-050-11; 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 03-06-74

WHEREAS, Member ID 933-612-10 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, December 19, 2006 that the Board of Directors hereby approves the recording of a Lien for Member ID 933-612-10; 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 03-06-75

WHEREAS, Member ID 935-100-13 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, December 19, 2006 that the Board of Directors hereby approves the recording of a Lien for Member ID 935-100-13; 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.

COMMITTEE REPORTS

Director Larry Souza reported from the Maintenance and Construction Committee.

The Secretary of the Corporation read a proposed resolution on authorizing a supplemental appropriation to repair the slope near 3338 Punta Alta. Director Hatch made a motion to approve the resolution. Director Larry Souza seconded the motion.

By a vote of 8-0-0 the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 03-06-76

WHEREAS, the slope located near 3338 Punta Alta sustained surficial soil movement damage in September 2006;

NOW THEREFORE BE IT RESOLVED, December 19, 2006 that the Board of Directors of this Corporation hereby authorizes a supplemental appropriation in the amount of \$58,850 from the Unappropriated Expenditures Fund to repair the slope near 3338 Punta Alta; 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.

The Secretary of the Corporation read a proposed resolution on authorizing a supplemental appropriation to install ceramic tile on the walkway connecting Buildings 2294 and 2295. Director Gunter Vogt made a motion to approve the resolution. Director Dominic Burrasca seconded the motion.

By a vote of 8-0-0 the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 03-06-77

WHEREAS, the existing ceramic floor tile on the 1st floor tiled walkway connecting Buildings 2294 and 2295 has deteriorated and large areas of tile have become loose;

NOW THEREFORE BE IT RESOLVED, December 19, 2006 that the Board of Directors of this Corporation hereby authorizes a supplemental appropriation in the amount of \$22,000 from the Unappropriated Expenditures Fund to install ceramic tile on the walkway connecting Buildings 2294 and 2295; 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 consensus, the Board agreed to establish an Exterior Architectural Sub-Committee comprised of residents with backgrounds in architecture and design to review and consider exterior architecture improvement submittals for the purpose of enhancing Mutual property.

By way of consensus, the Board appointed Director Bob Hatch, resident Member John Hile, and resident Member and licensed Architect, John Badgley to the Exterior Architectural Sub-Committee.

Mr. Dennis Cafferty of the El Toro Water District and Mr. Doug Koller, PCM Construction Management Specialist, entered the meeting at 9:30 A.M.

NEW BUSINESS

Mr. Dennis Cafferty of the El Toro Water District provided a presentation of the proposed installation of a second water main to service the Gate 14 Emergency Access Road.

By way of consensus, the Board approved the installation of the emergency water line and execution of an easement.

Mutual Member John Hile (4023-N) addressed the Board on the water line.

Mr. Dennis Cafferty and Mr. Doug Koller left the meeting at 9:48 A.M

Director Jim Matson reported from the Standards Sub Committee.

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

Director Gunter Vogt reported from the Landscape Committee.

Director Isabel Muennichow reported from the Third Long Range Planning Committee and commented on the establishment of various sub-committees and indicated that staff would not attend or operate the meetings.

By way of consensus the Board approved the following Sub-Committees and appointees:

- **Building Study Sub-Committee** for the purpose of analyzing the condition of the buildings and discuss modernization methods; and the following are hereby appointed to said Sub-Committee: Carol Moore, Bob Hatch, Isabel Muennichow, Mary Stone, Marsha Steinbrenner.
- **Communications Sub-Committee** for the purpose of improving communications with residents; and the following are hereby appointed to said Sub-Committee: Isabel Muennichow, Linda Wilson, Bevan Strom, Marty Rhodes, and Cheryl Walker.
- **Real Estate Sub-Committee** for the purpose of studying Laguna Woods Village real estate trends; and the following are hereby appointed to said Sub-Committee: Bob Hatch, Bevan Strom, Marty Rhodes and Bud Nesvig.

Director Dominic Burrasca reported from Resident Information Services.

Director George Arnold reported from the Traffic Committee.

GRF COMMITTEE REPORTS

Director Robert Hatch reported from the GRF Finance Committee.

Director Larry Souza reported from the Maintenance & Construction Committee.

Director George Arnold reported from the Community Activities Committee.

Director Dominic Burrasca reported from the Landscape Committee.

Mutual Member Karel Brouwer (3189-C) addressed the Board on memorial plaques.

Director Isabel Muennichow reported from the Government and Public Relations Committee.

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

United Mutual Member Kay Margason (510-C) addressed Director Gros on the traffic at Gate 3.

Director Carol Moore reported from the Broadband Services Committee.

Director Jim Keysor reported from the Bus Services Committee.

DIRECTORS COMMENTS

- Director Burrasca commented on the mailing of assessment payment booklets
- Director Muennichow commented on the City's responsibility of repairing streetlights
- Director Moore commented on the short meeting
- Director Souza commended Staff for a job well done over the year, encouraged the residents to improve their manors, and wished the residents a Happy Holiday
- Director Hatch expressed his sentiments on working with the Board and wished everyone a Happy Holiday
- President Matson expressed his sentiments on working with the Board over the year and stated he was looking forward to future dealings with the Board

The meeting recessed at 10:47 A.M. and reconvened into Executive Session at 10:56 A.M.

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

During its November 21, 2006 Regular Executive Session Board Meeting the Board reviewed and approved the Minutes of the Regular Executive Meeting of October 17, 2006 and the Minutes of the Special Executive Session Meeting of November 1, 2006; discussed personnel, contractual and litigation issues; and heard three member disciplinary hearing matters.

During its December 6, 2006 Special Executive Session Board Meeting the Board discussed third party contracts.

With no further business before the Board of Directors, the meeting was adjourned at 5:13 P.M.

Isabel Muennichow, Secretary