

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

January 16, 2007

The Regular Meeting of the Third Laguna Hills Mutual Board of Directors, a California non-profit mutual benefit corporation, was held on Tuesday, January 16, 2007 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, Carol Moore, Dominic Burrasca, Richard Moos, John Heiney

Directors Absent: Ray Gros

Others Present: Milt Johns, Patty Fox, Janet Price (9:20 A.M. – 9:38 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 Larry Souza 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 amended by moving the Laguna Canyon Foundation Presentation under the Chair's Report.

APPROVAL OF THE MINUTES

The Minutes of the Regular Meeting of December 19, 2006 were approved as submitted.

MEMBER COMMENTS

- Jerry Sheinblum (3488-C) announced the next CCA Townhall Meeting
- Bud Nesvig (2392-3H) commented on the Garden Villa Recreation Rooms
- Harriet Arnest (4010-1A) commented on the wall behind Building 4008

CHAIRMAN'S REPORT – Jim Matson

President Matson announced the resignation of Jim Keysor and opened the floor for nominations to fill the vacancy.

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Director Gunter Vogt nominated John Heiney to fill the position, term ending in 2007. John Heiney accepted the nomination. By a vote of 7-0-1 (Director Moore abstained) John Heiney was appointed and was invited to join the Board.

Mr. Bob Ring, representative of the Laguna Canyon Foundation, presented a plaque to Director Gunter Vogt in appreciation of his service on the Laguna Canyon Foundation Board.

GENERAL MANAGER'S REPORT

Mr. Milt Johns reminded the Board on the correct use of the microphones; updated the Membership on some current GRF projects; reported on proposed policies on vehicle operation and parking, and carport storage; and announced that the LWV website format will change to be more accessible to the residents.

Ms. Janet Price entered the meeting at 9:20 A.M.

Mutual Members Harriet Arnest (4010-1A) comment on the proposed parking policies, and Allen Cohen (2391-2A) commented on available land.

TREASURER'S REPORT

Director Richard Moos reported on the Treasurer's Report and Resale & Lease Activities.

Ms. Price left the meeting at 9:38 A.M.

OLD BUSINESS

Director Moos made a motion to remove from the table the motion to approve revised *Alteration Standard Section 19 – Balcony Modesty Paneling*. Director Vogt seconded the motion and the motion carried unanimously.

Director Hatch moved to approve the resolution. Director Vogt seconded the motion.

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

RESOLUTION 03-07-01

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 Mutual Alteration Standards with regard to *Section 19 - Balcony Modesty Paneling*;

NOW THEREFORE BE IT RESOLVED, January 16, 2007, that Mutual Alteration Standard *Section 19 - Balcony Modesty Paneling* 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.

Director Vogt made a motion to remove from the table the motion to revoke *Alteration Standard Section 36 – Stepping Stones*. Director Moos seconded the motion and the motion carried unanimously.

Director Heiney moved to approve the resolution. Director Vogt seconded the motion.

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

RESOLUTION 03-07-02

WHEREAS, the Maintenance & Construction Committee of this Corporation desires to provide Members more opportunity to enhance the property surrounding their manor;

NOW THEREFORE BE IT RESOLVED, January 16, 2007, that the Board of Directors of this Corporation hereby authorizes the revocation of *Alteration Standard Section 36 – Stepping Stones*; 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 03-05-19, adopted September 20, 2005 is hereby superseded and cancelled.

NEW BUSINESS

The Secretary of the Corporation, Director Isabel Muennichow, read the proposed resolution on approving appointees to the Nominating Committee. Director Muennichow moved to approve the resolution. Director Vogt seconded the motion. By a vote of 9-0-0 the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 03-07-03

RESOLVED, January 16, 2007 that the following persons are hereby appointed to serve on the Nominating Committee of this Corporation:

Dorothy Bilecki

Eleanor Cooper
Charles Little
Roger Noble
John Paulus
Justine Ratner
Virginia Templeton

RESOLVED FURTHER, that Resolution 03-06-02, adopted January 17, 2006 is hereby superseded and cancelled.

The Secretary of the Corporation read a proposed resolution on approving a protocol for referring member disciplinary matters to GRF. Director Vogt moved to approve the resolution. Director George Arnold seconded the motion and discussion ensued.

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

RESOLUTION 03-07-04

WHEREAS, Third Mutual holds monthly closed session hearings during which Member disciplinary matters are addressed; and pursuant to Third's Bylaws, the Board has the authority to impose monetary fines upon Members who have been found to violate the rules and regulations; and

WHEREAS, there are Members who do not pay the imposed fines, and the Mutual has limited options to collect such fines; and

WHEREAS, GRF, by way of Resolution 90-06-110, agreed to assist the Mutual in the enforcement of Member disciplinary decisions made by the Mutual Board by suspending Mutual Members' rights to use certain GRF facilities;

NOW THEREFORE BE IT RESOLVED, January 16, 2007, that in order to maintain a manageable number of referrals per month to GRF, the Board of Directors of this Corporation hereby establishes the following thresholds for referral of Member disciplinary matters to the GRF Board:

- Refer no more than two (2) Member disciplinary matters to GRF each month
- Refer only matters where the assessed fine is at least \$500 and has been unpaid for a period of ninety (90) days or longer
- If there are more than two matters that meet the above two criteria, the Board shall weigh the seriousness of the violation and prioritize them accordingly before referring the matters to the GRF Board;

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

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

Maintenance & Construction Committee Recommendations:

- | | |
|---------|---|
| 3376-B | Approval of request to install additional phone line in manor, with contingencies |
| 3494-B | Approval of request to extend back patio slab and install block wall, with contingencies |
| 3399-A | Approval of request to install decorative wrought iron around windows, French doors and above garage door, with contingencies |
| 4026-1B | Denial of request to retain the removal of rear patio railing |
| 5048 | Denial of request to retain unauthorized satellite dish on chimney |
| 5296 | Approval of request to extend entry door area into existing entry patio/courtyard area, with contingencies |
| 5547-B | Approval of request to retain black painted front entry doors, with contingencies |
| 5559-B | Approval of request to extend back patio slab and install block wall, with contingencies |

Landscape Committee Recommendations

- | | |
|---------|---|
| 3033-A | Approval of request for tree removal at the Mutual's Expense |
| 5055 | Approval of request for off-schedule tree trimming at the Mutual member's expense |
| 5517-1A | Approval of request for tree removal at the Mutual's expense |

Finance Committee Recommendation

RESOLUTION 03-07-05

WHEREAS, Member ID 933-190-43 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, January 16, 2007 that the Board of Directors hereby approves the recording of a Lien for Member ID 933-190-43; 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 replace the wall behind Building 4008. Director Moos made a motion to approve the resolution. Director Vogt seconded the motion.

Mutual Members Pauline Page (4008-2E) and Harriet Arnest (4010-1A) addressed the Board on the resolution.

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

RESOLUTION 03-07-06

WHEREAS, a 204-ft section of Laguna Woods Village perimeter block wall behind Building 4008 has rotated out of vertical alignment;

NOW THEREFORE BE IT RESOLVED, January 16, 2007 that the Board of Directors hereby authorizes a supplemental appropriation in the amount of \$158,500 to be funded from the Replacement Fund to replace the entire 204 feet of wall with ornamental metal fencing with block columns, block base, and install a V-gutter on the upslope wall side; 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 Jim Matson reported from the Standards Sub Committee.

In Director Ray Gros's absence, Director Matson reported from the Plumbing Ad-Hoc Committee.

Director Gunter Vogt reported from the Landscape Committee.

The Secretary of the Corporation read the changes to the proposed Landscape Committee Charter. Director Vogt moved to approve the resolution. Director Moos seconded the motion. By a vote of 9-0-0 the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 03-07-07

WHEREAS, the Landscape Committee has been established pursuant to Article VII, Section 1 of the bylaws of this Corporation;

NOW THEREFORE BE IT RESOLVED, January 16, 2007 that the Board of Directors of this Corporation hereby assigns the duties and responsibilities of this Committee as follows:

1. Insure that the level of service provided by the Landscaping Division, and the funds needed to accomplish this, are adequate to maintain Third Mutual landscaping in an aesthetically pleasing and cost-effective manner.
2. Determine service levels and capital and operating budget requirements for the Community and to review annual landscape budgets prepared by the managing agent and make recommendations to the board of directors.
3. Insure that the rules and regulations as listed in the Landscape Maintenance Manual are enforced uniformly throughout Third Laguna Hills Mutual.
4. Work with the Golden Rain Foundation (GRF) Landscape Committee to:
 - a. Help them determine (as accurately as possible) the water needed for varying types of landscape developments that would maintain the beauty of the grounds throughout the Community and to help them set up some long range plans for future landscape developments and practices that would work best with the anticipated future water supplies available for irrigation uses in the Community.
 - b. Promote the optimum and most efficient use of water in the Third Laguna Hills Mutual.
5. Work with the United Laguna Hills Mutual Landscape Committee, the Golden Rain Foundation Landscape Committee and our managing agent to:
 - a. Update the rules and regulations in the Community's Landscape Manual.
 - b. Develop policies with regard to control of pests such as ants, rodents, etc.

6. Review each petition for a change in landscape and visit those sites (1) for which clarification is deemed necessary and (2) for which a denial is being considered. Based upon information supplied by a qualified staff member, a petition may be granted without an on-site visit.
7. Perform such tasks as may be assigned or referred to this committee by the President.

RESOLVED FURTHER, that the Committee shall perform such other tasks as are assigned by the Third Laguna Hills Mutual President or Board of Directors; and

RESOLVED FURTHER, that Resolution 03-03-28 adopted March 18, 2003 is hereby superseded and cancelled.

Director Isabel Muennichow reported from the Third Long Range Planning Committee.

United Mutual Members Pamela Grundke (2214-B) addressed the Board on GRF land use and sales and Kay Margason (510-C) thanked the Board for listening to United residents.

Director Muennichow recommended that when there is an issue that needs the required statutory 30-day notification, that the materials be available to the residents at the front desk in the Community Center before the meeting.

Mutual Member Karel Brouwer (3189-C) addressed the Board on assessment increases.

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.

Mutual Member Bud Nesvig (2392-3H) addressed the Board on the GRF Needs Assessment Analysis.

Director Dominic Burrasca reported from the Landscape Committee.

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

In Director Ray Gros's absence, Director Arnold reported from the GRF Security and Community Access Committee.

Director Carol Moore reported from the Broadband Services Committee.

Director Dominic Burrasca reported from the Bus Services Committee.

DIRECTORS COMMENTS

- Director Burrasca commented on manor sales and financial requirements
- Director Arnold commented on advertising on bus benches
- Director Moore welcomed Director John Heiney to the Board and commented on selling land
- Director Vogt commented on hiring an attorney to assist GRF on land use
- Director Moos commented on land use alternatives
- Director Souza commented on getting the facts regarding GRF's land use projects
- Director Hatch commented on land planning
- President Matson encouraged the residents to attend committee meetings to express their opinions and issues

Mutual Member Jerry Sheinblum (3488-C) suggested that GRF notify residents prior to any land planning.

The meeting recessed at 10:58 A.M. and reconvened into Executive Session at 11:15 A.M.

The Traffic Committee of the Board did not meet in Executive Session in December to discuss member disciplinary issues.

During its December 19, 2006 Regular Executive Session Board Meeting the Board reviewed and approved the Minutes of the Regular Executive Meeting of November 21, 2006 and the Minutes of the Special Executive Session Meeting of December 6, 2006; discussed litigation issues; and heard eight member disciplinary hearing matters, and one Appeal hearing.

With no further business before the Board of Directors, the meeting was adjourned at 4:50 P.M.

Isabel Muennichow, Secretary

THIRD LAGUNA HILLS MUTUAL

SECTION 19 BALCONY MODESTY PANELING

JANUARY 1989

APRIL 1996, RESOLUTION M3-96-28

REVISED OCTOBER 2006, RESOLUTION 03-07-01

1.0 GENERAL REQUIREMENTS

- 1.1 PERMITS AND FEES:** A Mutual permit is required for all alterations to the building. A City of Laguna Woods permit may be required. All fees for both Mutual and City permits shall be paid for by the member and/or his contractor. Member and/or his contractor must supply the Permits and Inspections office with City permit number prior to beginning work.
- 1.2 MEMBERS RESPONSIBILITY:** The member is solely responsible for the maintenance, repair, and/or removal of all alterations to the building.
- 1.3 CODES AND REGULATIONS:** All work shall comply with all applicable local, state, and federal requirements including but not limited to the current edition of the Uniform Building Code.
- 1.4 WORK HOURS:** No work shall commence prior to 7:00 a.m. and no work will be permitted after 6:00 p.m. Monday through Friday. Saturday work should be held to a minimum and no work whatsoever on Sunday.
- 1.5 PLANS:** The member applying for a permit shall provide to the Permits and Inspection office a detailed plan(s), for approval, indicating all work to be done, i.e., size, location, description, and specifications.
- 1.6 DUMPSITES:** The premises shall be kept free from accumulation of waste materials and/or rubbish caused by the construction work. Member and/or his contractor is responsible for removal of debris and excess material and must leave work areas "**BROOM CLEAN**" daily. **USE OF COMMUNITY DUMPSITES FOR CONSTRUCTION RELATED DUMPING IS NOT PERMITTED.** Contractor's dumpsters, if required, must have location approved by the Permits and Inspections office.
- 1.7 CONTRACTOR:** Installation must be performed by a California licensed contractor of the appropriate trade.

2.0 APPLICATIONS

- 2.1** All modesty panels will be attached directly to the railing. No panels shall be attached to the building, deck, or flooring.

- 2.2** Paneling will cover the railing completely from top to bottom and side to side, and will not extend beyond any existing railing.
- 2.3** All paneling will be rigid and easily removable.
- 2.4** Corrugated fiberglass, masonite, and other such less weather-proof items will not be permitted.
- 2.5** Paneling may be of white vinyl lattice, or metal that has no openings or gaps and is painted to match the color of the wall to which the railing is attached.
- 2.6** Paneling will be attached only to the inside portion of handrails.