

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

March 20, 2007

The Regular Meeting of the Third Laguna Hills Mutual Board of Directors, a California non-profit mutual benefit corporation, was held on Tuesday, March 20, 2007 at 9:30 A.M. at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Jim Matson, Gunter Vogt, Isabel Muennichow, Bob Hatch, Larry Souza, Carol Moore, Dominic Burrasca, Richard Moos, Ray Gros

Directors Absent: None

Others Present: Milt Johns, Patty Fox, Janet Price (10:00 A.M. – 10:33 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 9:30 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 amended by adding *9(b) Report on Management Agreement*.

APPROVAL OF THE MINUTES

The Minutes of the Regular Meeting of February 20, 2007 and the Special Meeting of March 8, 2007 were approved as submitted.

MEMBER COMMENTS

- Jerry Sheinblum (3488-C) announced the next CCA Townhall Meeting
- Bud Nesvig (2392-3H) commented on Garden Villa Recreation Room spending
- Pamela Grundke (2399-3C) announced the next Resident's Voice meeting
- Roslyn Ackerman (2294-D) commented on clean-up charges for plumbing leak
- Joy Wintemute (2353-3D) commented on Third Party Fees
- George Portlock (2379-B) clarified statements made by a previous speaker

CHAIRMAN'S REPORT – Jim Matson

President Matson announced that the Management Agreement has been fully executed by all parties; commented that the City and the El Toro Water District will begin a water conservation program in Gate 11; announced that Third will continue the Elevator Replacement Program with Resident member Hillel Pitlik also continuing as a representative; and announced that George Arnold has resigned from the Board and that the Nominating Committee is looking for qualified candidates to fill two positions on the Board.

GENERAL MANAGER'S REPORT

Mr. Milt Johns updated the Membership on GRF's land planning process and informed the residents that Tony Canzoneri will host a Townhall Meeting on April 25, 2007 at 1:30 P.M.; and announced the upcoming Business Planning Meetings and encouraged the residents to participate.

Ms. Janet Price entered the meeting at 10:00 A.M.

TREASURER'S REPORT

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

Director Bob Hatch summarized the events leading up to the execution of the Management Agreement.

OLD BUSINESS

President Matson entertained a motion to remove from the table the motion to approve revisions to the paint program color selection policy.

Director Gunter Vogt made a motion to remove the motion from the table. Director Moos seconded the motion and the motion carried unanimously.

The Secretary of the Corporation, Director Isabel Muennichow, read a proposed resolution on revising the paint color selection policy. Director Muennichow moved to approve the resolution and the motion was seconded.

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

RESOLUTION 03-07-12

WHEREAS, by way of Resolution M3-97-31 the Board adopted its Exterior Paint Colors and Procedures Policy which allows residents to select building paint colors; and

WHEREAS, Resolution M3-02-09 allows residents to select colors from approved exterior paint color palettes, as long as buildings that are side by side are not the same color; and

WHEREAS, the Maintenance and Construction Committee recommended revising the Mutual's Paint Policy to allow manor owners more flexibility on selecting exterior paint colors;

NOW THEREFORE BE IT RESOLVED, March 20, 2007 that the Board of Directors of this Corporation hereby modifies the existing Policy on Exterior Paint Colors and Procedures by removing the restriction that no two buildings that are side by side can be the same color, thus allowing side by side buildings to be painted the same color; and

RESOLVED FURTHER, that Resolution M3-97-31 adopted June 17, 1997 and Resolution M3-02-09 adopted February 19, 2002 are hereby amended; and Resolution 03-06-64 adopted December 4, 2006 by way of unanimous consent is hereby superseded and cancelled; 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.

Ms. Janet Price left the meeting at 10:33 A.M.

NEW BUSINESS

The Secretary of the Corporation read a proposed resolution on appointing Inspectors of Election for the 2007 Director Election. Director Muennichow moved to approve the resolution and the motion was seconded.

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

RESOLUTION 03-07-13

RESOLVED, March 20, 2007, that the Board of Directors of this Corporation hereby appoints the following persons as Inspectors of Election for the counting of Ballots for the 2007 Election of Directors of this Corporation:

Hillel Pitlik
Charline Brant
Gene Brant
Howard Baumann, Alternate

President Matson informed the Board on the proposed changes to the Mutual Committee Appointments and due to the vacant Board positions, and without objection, the approval of the Mutual Committee Appointments were tabled to next month.

President Matson read the proposed changes to the GRF Committee Appointments resolution. Without objection the Board approved the revisions and the following resolution was adopted:

RESOLUTION 03-07-14

RESOLVED, March 20, 2007 that, in compliance with Article 7, Section 7.3 of the Golden Rain Foundation Bylaws, adopted May 2006, the following persons are hereby appointed to serve on the committees of the Golden Rain Foundation:

Business Planning

Richard Moos
Jim Matson

Bus Services Committee

Dominic Burrasca
Ray Gros (replaced George Arnold)

Broadband Services Committee

Carol Moore
Isabel Muennichow (replaced Jim Matson)

Community Activities

Dominic Burrasca (replaced George Arnold)
Carol Moore

Finance

Bob Hatch
Richard Moos

Government and Public Relations

Isabel Muennichow
Dominic Burrasca

Joint Long Range Planning

Isabel Muennichow
Bob Hatch

Landscape Committee

Gunter Vogt
Larry Souza

Maintenance and Construction

Larry Souza
Jim Matson (replaced John Heiney)

Security

Ray Gros

Dominic Burrasca (replaced George Arnold)

RESOLVED FURTHER, that Resolution 03-07-11, adopted February 20, 2007 is superseded and cancelled.

By way of consensus the Board appointed Director Richard Moos and Director Carol Moore to the GRF Fees Ad Hoc Committee.

No discussion was held on a document request policy.

CONSENT CALENDAR

Without objection Landscape items *3377-A Denial of request for installation of two trees* and *3431-A Denial of request for tree removal* were removed from the Landscape Consent Calendar to the Closed Session Agenda for discussion.

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

Maintenance & Construction Committee Recommendations:

- | | |
|---------|---|
| 2389-2H | Approval of request to retain white vinyl framed picture window in living room, with contingencies |
| 2397-1A | Approval of appeal request to retain unauthorized satellite dish installed in garage area, with contingencies |
| 3148-C | Approval of request to install front patio slab and extend front arbor, with contingencies |
| 3233-A | Approval of request to retain oversized planter bed and wall, with contingencies |
| 3415-C | Approval of request to extend rear patio slab, with contingencies |
| 5013 | Approval of request to perform multiple interior and exterior alterations, with contingencies |
| 5571-B | Approval of request to remove existing driveway and install interlocking brick pavers, with contingencies |
| 5595-B | Approval of request to retain red painted front entry doors, with contingencies |

Landscape Committee Recommendations

- | | |
|--------|--|
| 2234-D | Denial of request for installation of two trees |
| 2241-D | Approval of request for retaining wall at the Mutual's expense |
| 2242-B | Approval of request for planter conversion at the Mutual's expense |
| 2252-A | Approval of request for removal of two tree removals at the Mutual's expense |

3039-O	Approval of request for tree removal at the Mutual's expense
3299-A	Denial of request for tree removal
5335-C	Approval of request for tree removal on-schedule at the Mutual's expense, or off-schedule at the Mutual Member's expense
5397-A	Approval of request for tree removal at the Mutual's expense
5518-1E	Approval of request for relandscaping at the Mutual Member's expense

Finance Committee Recommendation

RESOLUTION 03-07-15

WHEREAS, Member ID 930-764-56 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, March 20, 2007 that the Board of Directors hereby approves the recording of a Lien for Member ID 930-764-56; 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 03-07-16

WHEREAS, Member ID 931-682-06 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, March 20, 2007 that the Board of Directors hereby approves the recording of a Lien for Member ID 931-682-06; 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 03-07-17

WHEREAS, Member ID 932-201-54 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, March 20, 2007 that the Board of Directors hereby approves the recording of a Lien for Member ID 932-201-54; 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 03-07-18

WHEREAS, Member ID 932-201-57 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, March 20, 2007 that the Board of Directors hereby approves the recording of a Lien for Member ID 932-201-57 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 03-07-19

WHEREAS, Member ID 932-310-45 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, March 20, 2007 that the Board of Directors hereby approves the recording of a Lien for Member ID 932-310-45; 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 03-07-20

WHEREAS, Member ID 932-600-04 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, March 20, 2007 that the Board of Directors hereby approves the recording of a Lien for Member ID 932-600-04; 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 the following proposed resolution approving revisions to Mutual Alteration Standard *Section 27- Tubular Skylight Installations*:

RESOLUTION 03-07

WHEREAS, the Board of Directors of this corporation adopted Resolution M3-96-28 on May 21, 1996, which approved the Third Laguna Hills Mutual Alteration Standards, (revised April, 1996); and

WHEREAS, the Maintenance & Construction Committee of this Corporation recognizes the need to further amend a portion of the Standards with regard to *Section 27 – Tubular Skylight Installations*;

NOW THEREFORE BE IT RESOLVED, May 15, 2007, that Section 27 – *Tubular Skylight Installations* is hereby amended as attached to the official minutes of this meeting; and

RESOLVED FURTHER, that Resolution M3-96-28, adopted May 21, 1996 is hereby amended and Resolution 03-03-44 adopted May 20, 2003 is hereby superseded and cancelled; 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 Hatch made a motion to approve the resolution. Director Souza seconded the motion. Discussion ensued and without objection Section 3.1 was removed, and the word “contractor” was removed from Sections 3.3 – 3.5.

Mutual Member Lucie Falk (3377-A) commented on roof tiles.

Director Hatch made a motion to table the resolution to the May Meeting to satisfy the required statutory thirty-day notice requirements. Director Gros seconded the motion and the motion carried unanimously.

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

RESOLUTION 03-07

WHEREAS, the Board of Directors of this corporation adopted Resolution M3-96-28 on May 21, 1996, which approved the Third Laguna Hills Mutual Alteration 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, May 15, 2007, 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 Resolution M3-96-28, adopted May 21, 1996 is hereby amended and Resolution 03-06-41, adopted September 19, 2006 is superseded and cancelled; 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 Moos moved to approve the resolution. Director Gros seconded the motion and discussion ensued.

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

The Secretary of the Corporation read the following proposed resolution approving new Mutual Alteration Standard *Section 40 for Exterior Roll-Up Shades (Sun Screens)*:

RESOLUTION 03-07

WHEREAS, this Corporation recognizes the need to establish a policy to address the proper installation and maintenance of exterior roll-up shades;

NOW THEREFORE BE IT RESOLVED, May 15, 2007, the Board of Directors of this Corporation hereby approves the new Mutual Alteration Standard, *Section 40 for Exterior Roll-Up Shades (Sun Screens)*, as attached to the official minutes of this meeting; and

RESOLVED FURTHER, that Resolution M3-96-28, adopted May 21, 1996 is hereby amended; 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 Moos moved to approve the resolution. Director Gros seconded the motion and discussion ensued. Without objection changes were made to add the words "or equivalent" to sections 2.2 and 2.3.

Mutual Members Lucie Falk (3377-A) addressed the Board on shade installation and George Portlock (2379-B) commented on previous shade standards.

Director Souza made a motion to table the resolution to the May Meeting to satisfy the required statutory thirty-day notice requirements. Director Vogt seconded the motion.

By a vote of 8-0-0 the motion carried.

Roslyn Ackerman (2294-D) commented on replacing shades.

Director Gros commented on working with Assemblyman Ackerman on finding ways to reduce high electricity bills. By way of consensus, the Board did not object to Director Gros working with the other Board members to put together a plan to submit to the California legislature for assistance.

Mutual Members Bud Nesvig (2392-3H) commented on high electricity bills and Jerry Sheinblum (3488-C) commented on petitioning to Assemblyman Ackerman on the issue.

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.

Mutual Members Lucie Falk (3377-A) commented on care of new plantings; Richard Haskell (3242-A) commented on water consumption; and Pamela Grundke (2399-3C) commented on water conservation.

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

Resident Pamela Grunde (2399-3C) encouraged the Board to pursue an operational review.

Director Dominic Burrasca reported from Resident Information Services.

Director Ray Gros 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 Carol Moore reported from the Community Activities Committee.

Director Gunter Vogt reported from the Landscape Committee.

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

Director Ray Gros 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 filling the vacant positions on the Board
- Director Moore encouraged residents to support the Earthworks Group
- Director Vogt commented on Corporate Members Meeting to appoint another member to the GRF Nominating Committee
- Director Moos reminded the Board Members to attend the Special Board Meeting to approve the financial statements

- Director Souza reminded members that any improvements cost money and encouraged residents to attend the Budget meetings
- President Matson encouraged residents to improve their manors and commented on filling the two vacancies on the Board

The meeting recessed at 12:09 P.M. and reconvened into Executive Session at 12:55 P.M.

The Traffic Committee of the Board met in Executive Session on February 28, 2007 to discuss member disciplinary issues.

During its February 20, 2007 Regular Executive Session Board Meeting the Board reviewed and approved the Minutes of the Regular Executive Meeting of January 16, 2007; discussed litigation and contractual issues; and heard two member disciplinary hearing matters.

With no further business before the Board of Directors, the meeting was adjourned at 2:50 P.M.

Isabel Muennichow, Secretary