

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

May 14, 2012

The Special Meeting of the Board of Directors of United Laguna Hills Mutual, a California Non-Profit Mutual Benefit Corporation, was held on Monday, May 14, 2012 at 10:00 A.M. at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Ron Beldner, Charles Hammer, Roger Turner, John Dalis, Paul Vogel, Jack Bassler, Barbara Howard, Catherine Brians, Heather Gerson, Mary Stone

Directors Absent: Barbara Copley

Staff Present: Jerry Storage, Cris Robinson, Patty Kurzet

Others Present: Bob Hill and Dennis Cafferty of the El Toro Water District

CALL TO ORDER

President Ron Beldner called the meeting to order at 10:00 A.M. and confirmed that a quorum was present.

Mr. Bob Hill informed the Boards that the presentation is for information only at this time and provided a brief overview of El Toro Water District's (ETWD) Recycled Water Expansion Project.

Mr. Dennis Cafferty presented the cost savings, benefits, and timeline of the project.

The Project will only impact GRF, Third Mutual and Mutual 50 and ETWD will need future discussions with the respective Boards to discuss issues that will impact the individual corporations.

ETWD will continue to coordinate closely with staff regarding the Project.

Mr. Cafferty and Mr. Hill answered questions from the Board members.

Summary of Previous Closed Session Meetings per Civil Code Section §1363.05

During its Regular Executive Session meeting of May 8, 2012, the Board reviewed and approved the minutes of the Regular Executive Session meeting of April 10, 2012 and the minutes of the Special Executive Session meeting of April 30, 2012. The Board approved one write-off; heard two (2) disciplinary hearings and imposed fines totaling \$700 for violations of the Mutual's rules and regulations; and discussed litigation, contractual, and other member disciplinary matters.

With no further business before the Board of Directors, the special meeting was adjourned at 11:11 A.M.

Ron Beldner, President