

**MINUTES OF THE REGULAR MEETING OF THE  
BOARD OF DIRECTORS OF UNITED LAGUNA WOODS MUTUAL  
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION**

**July 9, 2013**

The Regular Meeting of the Board of Directors of United Laguna Woods Mutual, a California Non-Profit Mutual Benefit Corporation, was held on Tuesday, July 9, 2013 at 9:30 A.M. at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Phil Doran, Pat English, Erna Ferris, Jerren Auble, Jack Bassler, Barbara B. Howard, John Beckett, Mike Comer, Jan LaBarge, John Parker, Allison Roddan

Directors Absent: None

Staff Present: Jerry Storage, Patty Kurzet, Cris Robinson (Executive Session: Jerry Storage, Patty Kurzet, Cris Robinson, Luis Rosas, Jeffrey Beaumont)

Others Present: Jeffrey Beaumont of Beaumont Gatilin Tashjian

**CALL TO ORDER**

Phil Doran, President of the Corporation, chaired and opened the meeting, and stated that it was a Regular Meeting held pursuant to notice duly given. A quorum was established and the meeting was called to order at 9:30 A.M.

**PLEDGE OF ALLEGIANCE**

Director Erna Ferris led the Pledge of Allegiance to the Flag.

**ACKNOWLEDGEMENT OF PRESS**

A representative of the Laguna Woods Globe was present, and the Channel 6 Camera Crew, by way of remote cameras, was acknowledged as present.

**APPROVAL OF AGENDA**

Director English moved to postpone agenda items 20(a-d) relating to the Trust and GRF Bylaws and send to counsel to review, and send 17(f) *Entertain Motion to Approve New Mutual Alterations Standard Section 41 Interior Hard Surface Flooring* back to committee. Director Howard seconded the motion and discussion was ensued.

Director Howard amended the motion to include 13(a) *Discuss and Consider Revised Health Care Provider Application*. Director English seconded the motion.

By a unanimous vote, the Board agreed to send agenda item 17(f) *Entertain Motion to Approve New Mutual Alterations Standard Section 41 Interior Hard Surface Flooring* back to the Committee.

Mrs. Robinson asked for clarification on the disposition of 13(a). Director Howard stated that the agenda item will be continued to the August meeting. By a unanimous vote, the

Board agreed to continue agenda item 13(a) *Discuss and Consider Revised Health Care Provider Application* to the August meeting.

Member Rhoda Lindner (2013-C) commented on the motion.

By a vote of 3-2-0 (Directors Ferris and Auble opposed), the motion to postpone and send agenda items 20(a-d) to legal counsel for review carried.

By a vote of 3-2-0 (Directors Ferris and Auble opposed), the Board approved the agenda as amended.

### **CHAIR'S REMARKS**

President Doran spoke to the Meet the Candidates Meeting that was held with the Board members and the potential candidates. President Doran thanked former counsel Sandra Gottlieb for her services and introduced Jeff Beaumont as the new legal counsel and briefly described his expertise to serve as Corporate Counsel. Mr. Beaumont thanked the Board for the opportunity to serve the Board and welcomed the challenge.

Ms. Marilyn Bristol spoke on behalf of the Candidate Information Committee and encouraged residents who are willing to run for the Board to pick up an application from the General Manager's Office.

### **UNITED MUTUAL MEMBER COMMENTS AND PUBLIC FORUM**

United Mutual Members were given the opportunity to speak to items not on the agenda and the Directors briefly responded to the comments.

### **APPROVAL OF MINUTES**

Director Bassler moved to approve the minutes of the Regular Meeting of June 11, 2013. Director Auble seconded the motion and the motion was approved with Director Ferris abstaining. Director English moved to approve the minutes of the Special Meeting of June 20, 2013. Director Bassler seconded the motion and the motion carried unanimously.

### **APPOINTMENTS TO FILL VACANCIES**

Candidates John Beckett, Ming-Lee Chang, Michael Comer, Peter DiBartolomeo (absent), Dorothy Dorrell, Howard Klein, Janice LaBarge, Caroline Lee (absent), Anthony Liberatore, Eva Lydick (absent), John Parker, Bill Ring, Harry Rockey (withdrew), and Allison Roddan each gave a brief presentation for their reasons for running for the Board and which term they were running for.

The Board of Directors asked questions of the candidates and voted on prepared ballots.

The following candidates were announced as appointed to the Board of Directors:

3-month term, term ending October 2013: Mike Comer, John Parker, Allison Roddan  
1-year term, term ending October 2014: John Beckett, Janice LaBarge

The new Board members were congratulated and were invited to sit at the dais with the other Board members.

**UNFINISHED BUSINESS**

The Secretary of the Corporation, Director Auble, read the proposed resolution ratifying the appointment of officers. Director Bassler moved to approve the resolution. Director Ferris seconded the motion.

Without objection, the motion carried and the Board of Directors adopted the following resolution:

**RESOLUTION 01-13-119**

**RESOLVED**, July 9, 2013, that the following persons are hereby elected as officers of this Corporation:

Phil Doran	President
Jack Bassler	1st Vice President
Barbara B. Howard	2nd Vice President
Jerren Auble	Secretary
Pat English	Treasurer

**RESOLVED FURTHER**, that the following persons are hereby appointed as ex-officio officers of this Corporation:

Jerry Storage	Vice President
Betty Parker	Assistant Treasurer
Patty Kurzet	Assistant Secretary
Cris Robinson	Assistant Secretary
Wendy Panizza	Assistant Secretary
Scott Dunham	Assistant Secretary

**RESOLVED FURTHER**, that Resolution 01-12-180, adopted October 9, 2012 is hereby superseded and cancelled.

Director Auble read the following proposed resolution approving the revised Mutual Alteration Standard Section 34 – Awnings, which was postponed to satisfy the 30-day notification:

**RESOLUTION 01-13-xx**

**WHEREAS**, the Board of Directors of this Corporation adopted Resolution U-96-62 on May 14, 1996, which approved the United Laguna Woods Mutual Alteration Standards; and

**WHEREAS**, the Maintenance & Construction Committee has recommended that the Board of Directors further amend the United Laguna Woods Mutual Alteration Standards with suggested changes;

**NOW THEREFORE BE IT RESOLVED**, July 9, 2013, that the Board of Directors of this Corporation hereby approves the revisions of Mutual Alteration Standard Section 34 – Awnings, as attached to the official minutes of this meeting; and

**RESOLVED FURTHER**, that Resolution U-96-62, adopted May 14, 1996 is hereby amended, and Resolution 01-04-146, adopted October 6, 2004 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 English moved to return the matter back to the Committee. Director Bassler seconded the motion and discussion ensued.

By a vote of 7-0-3 (Directors Ferris, Parker, English, Howard, Bassler, Auble, Beckett voted in favor; and Directors LaBarge, Comer, Roddan abstained), the motion carried.

Without objection, Director Beckett was appointed to the Joint Task Force to Analyze the GRF Trust and Bylaws.

Mrs. Cris Robinson updated the Board on its recent action to call a Special Meeting of the Corporate Members, and stated that the Board will have to schedule a special Board meeting to review the subject report.

**NEW BUSINESS**

The following resolution regarding approval of revised Health Care Provider Applications was postponed until August:

**RESOLUTION 01-13-xxx**

**WHEREAS**, by way of Resolution 01-06-40 the Board of Directors of this

Corporation established guidelines for any applicant wishing to reside in a Manor as a permitted health care provider; and

**WHEREAS**, United Laguna Woods Mutual is a senior housing development as defined by Section 51.3 of the Unruh Civil Rights Act which permits the occupancy of a health care provider under certain circumstances; and

**WHEREAS**, under the guidance of legal counsel, the Board wishes to revise its "Application for Permitted Health Care Resident" to protect the privacy of the individual;

**NOW THEREFORE BE IT RESOLVED**, June 9, 2013, that the Board of Directors hereby approves its "Application for Permitted Health Care Resident" as attached to the official meeting of these minutes; and

**RESOLVED FURTHER**, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purposes of this resolution.

Director Auble read the following proposed resolution approving the revised rules defining responsibility for remediation costs associated with second-hand smoke infiltration:

**RESOLUTION 01-13-xxx**

**WHEREAS**, United Mutual has received numerous complaints from various residents concerning odors caused from residents consistently causing second-hand smoke to enter into and around their units; and

**WHEREAS**, there is emerging legal authority that, based on a heavy smoker's causation of an annoyance and/or a nuisance to neighbors by second-hand smoke and smoke infiltration into the neighbor's unit, an association may require the member responsible for the emission of the second-hand smoke to abate the annoyance and/or nuisance at the smoker's expense; and

**WHEREAS**, the costs associated with remediation measures to keep smoke infiltration from traveling from one unit to another, including sealing all reasonably accessible penetrations and other openings, will be paid for by said member causing the annoyance and/or nuisance from second-hand smoke and smoke infiltration; and

**WHEREAS**, second-hand smoke may emanate from the interior or exterior of the unit, but this Resolution speaks to the member

responsible for the creation of the second-hand smoke and the abatement of the annoyance and/or nuisance;

**NOW, THEREFORE, BE IT RESOLVED**, August 13, 2013, that the Board of Directors of this Corporation hereby adopts the revised rules defining responsibility for remediation costs associated with second-hand smoke infiltration:

1. Remediation costs considered reasonable would be paid for by said member;
2. Remediation costs due to defects or damages to property which is the Mutual's responsibility would be paid for by United Mutual; and
3. Remediation costs beyond those which would be construed as reasonable would be borne by complainant.

**RESOLVED FURTHER**; that the abatement costs and procedures shall be reviewed on a case-by-case basis, allowing for greater, more costly mitigation measures to be allocated to smokers whose habits are ruled to be excessive, which could change the cost obligation in Item 3 herein above; and

**RESOLVED FURTHER**, should consistent dispersion from second-hand smoke constitute a nuisance for neighbors affected by smoke infiltrating their units, the offending member shall be subject to member disciplinary action by the Board under Article 5 of the United Occupancy Agreement; and

**RESOLVED FURTHER**, that Resolution 01-08-21, adopted February 12, 2008 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 English moved to approve the resolution. Director Ferris seconded the motion and discussion ensued.

Members Mary Stone (356-C) commented on the motion.

Without objection, the motion was postponed to August to conform to the 30-day notification requirement.

#### **CONSENT CALENDAR**

Without objection, the Consent Calendar was approved and the Board took the following actions.

**Maintenance and Construction Committee Recommendations:**

**RESOLUTION 01-13-120**

**RESOLVED**, July 9, 2013, that the request of Ms. Altagracia Escano of 164-B Avenida Majorca to install a satellite dish on the roof of her manor is hereby denied; 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 01-13-121**

**RESOLVED**, July 9, 2013, that the request of Mr. and Mrs. Carlos Concepcion of 239-B Calle Aragon to retain tiles and a sink with a sink base cabinet in the patio area of their manor is hereby denied; and

**RESOLVED FURTHER**, that the Member(s) shall be required to remove the subject alterations within 30 days of the Board's decision on the matter, with repairs and painting of the stucco walls where the sink, cabinets and/or fasteners are removed to be performed by the Mutual at the Member(s) expense; and

**RESOLVED FURTHER**, that the Member(s) shall be noticed for a hearing due to the failure to obtain an alteration permit prior to the installation of the alteration; 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 01-13-122**

**RESOLVED**, July 9, 2013, that the request of Mr. and Mrs. Carlos Concepcion of 239-B Calle Aragon to retain the two patio extensions located on either side of the front entry walkway and to retain the stone tiles overlaid on the entry walkway at their manor is hereby approved; and

**RESOLVED FURTHER**, that all costs for repair and maintenance associated with the subject alteration, present and future, are the responsibility of the Mutual Member(s) at Manor at 239-B; and

**RESOLVED FURTHER**, that the Member(s) at Manor 239-B are required to remove, repair and or replace all patio extension materials contributing

to unsafe conditions and uneven transitions. The replacement of any patio extension materials must be performed per manufacturer's specifications; and

**RESOLVED FURTHER**, that a required Mutual permit must be obtained from the Permits and Inspections office located in the Laguna Woods Community Center; and

**RESOLVED FURTHER**, that all landscape, irrigation, and drainage modifications associated with the alterations are to be completed by the Landscape Division at the expense of the Mutual member(s) at 239-B; 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 01-13-123**

**RESOLVED**, July 9, 2013, that the request of Ms. Joyce Mudd of 499-D Avenida Sevilla to retain the Trex deck installed over her entry patio is hereby approved; and

**RESOLVED FURTHER**, that all costs for repair and maintenance associated with the subject alteration, present and future, are the responsibility of the Mutual Member(s) at Manor at 499-D; and

**RESOLVED FURTHER**, that the Mutual Member at 499-D is required to remove the bottom step to provide access for maintenance requirements and for repair and painting of the manor; and

**RESOLVED FURTHER**, that the Mutual Member at 499-D is required to remove the yellow adhesive tape on the edge of the top step and apply a permanent marking of a contrasting color; and

**RESOLVED FURTHER**, that a required Mutual permit must be obtained from the Permits and Inspections office located in the Laguna Woods Community Center; and

**RESOLVED FURTHER**, that the Mutual Member is hereby noticed that the Mutual may need to perform repairs and maintenance to the manor and patio walls, and any damage that could result to the alteration composite decking would be the responsibility of the Mutual Member, and not the Mutual; and

**RESOLVED FURTHER**, that the Mutual Member is responsible to move and/or remove the composite decking as necessary to facilitate the performance of maintenance and repairs to Mutual property; and

**RESOLVED FURTHER**, that the Member shall be noticed for a hearing in accordance with the Board's directive in May 2010 at which time the Board determined that if Members failed to obtain alteration permits prior to the installation of any alteration they would be automatically noticed for a hearing; 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 01-13-124**

**RESOLVED**, July 9, 2013, that the request of Ms. Carmela Convertino of 503-C Avenida Sevilla that the Mutual rescind the charge of \$1,598.31 for re-roofing the alteration atrium enclosure and breakfast room at her manor is hereby denied; and

**RESOLVED FURTHER**, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purposes of this resolution.

**RESOLUTION 01-13-125**

**RESOLVED**, July 9, 2013, that the request of Ms. Paulette Masiello of 516-C Calle Aragon to replace two bedroom windows at her manor is hereby approved; and

**RESOLVED FURTHER**, that all costs for repair and maintenance associated with the subject alteration, present and future, are the responsibility of the Mutual Member(s) at Manor 516-C; and

**RESOLVED FURTHER**, that all exterior siding shall be placed so as to utilize the factory made lapping along the vertical edges of the plywood; and

**RESOLVED FURTHER**, that all required Mutual and City of Laguna Woods permits must be obtained and the appropriate City of Laguna Woods permit numbers be submitted to the Mutual through the Permits and Inspections Office located in the Laguna Woods Village Community Center; 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 01-13-126**

**RESOLVED**, July 9, 2013, that the request of Ms. Jane Strait of 540-D Via Estrada to extend the walkway at her manor is hereby approved; and

**RESOLVED FURTHER**, that all costs for repair and maintenance associated with the subject alteration, present and future, are the responsibility of the Mutual Member(s) at Manor 540-D; and

**RESOLVED FURTHER**, that a required Mutual permit must be obtained through the Permits and Inspections Office located in the Laguna Woods Community Center; and

**RESOLVED FURTHER**, that the walkway extension must be of concrete construction, installed as per standard construction practices; and

**RESOLVED FURTHER**, that any required landscape, irrigation, and drainage modifications associated with the alteration are to be performed by the Landscape Division at the expense of the requesting Mutual member; 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 01-13-127**

**RESOLVED**, July 9, 2013, that the request of Mr. and Mrs. Gordon Davis of 603-A Avenida Sevilla to retain vinyl rain gutters and downspouts at their manor is hereby denied; and

**RESOLVED FURTHER**, that the Board requires removal of the subject gutters and downspouts within thirty (30) days of the Board's decision; and

**RESOLVED FURTHER**, that the Member(s) shall be noticed for a hearing due to the failure to obtain an alteration permit prior to the installation of the alteration; 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 01-13-128**

**RESOLVED**, July 9, 2013, that the request of Mr. Alireza Sohrabi of 645-

B Avenida Sevilla to install a washer and dryer on the patio of his manor is hereby approved; and

**RESOLVED FURTHER**, that all costs for repair and maintenance associated with the subject alteration, present and future, are the responsibility of the Mutual Member(s) at Manor 645-B; and

**RESOLVED FURTHER**, that the Mutual Member must submit for review, plans detailing all plumbing and electrical changes. The plans must verify that the manor's plumbing and electrical systems can accommodate the added burden placed upon them by the washer and dryer; and

**RESOLVED FURTHER**, that all required Mutual and the City of Laguna Woods permits must be obtained. The appropriate City of Laguna Woods permit numbers must be submitted to the Mutual through the Permits and Inspections Office located in the Laguna Woods Village Community Center; and

**RESOLVED FURTHER**, that the washer/dryer must be installed as per United Mutual Alteration Standard Section 29 - Washer and Dryer Installations; 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 01-13-129**

**RESOLVED**, July 9, 2013, that the request of Ms. Susan Nathan of 954-A Calle Aragon that the Mutual reimburse the expense incurred in the amount of \$1,744.75 to have an outside vendor remove drywall and deteriorated moisture barrier paper in the master bedroom of her manor is hereby approved; and

**RESOLVED FURTHER**, that the amount of \$1,744.75 shall be charged to the Mutual's Contingency Fund; 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.

#### **Landscape Committee Recommendations:**

None.

#### **Finance Committee Recommendations:**

**RESOLUTION 01-13-130**

**WHEREAS**, Member ID 947-415-77 is currently delinquent to United Laguna Woods Mutual with regard to the monthly assessment; 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**, July 9, 2013, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-415-77; 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 01-13-131**

**WHEREAS**, Member ID 947-454-25 is currently delinquent to United Laguna Woods Mutual with regard to the monthly assessment; 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**, July 9, 2013, that the Board of Directors hereby approves the recording of a Lien for Member 947-454-25; 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.

**GENERAL MANAGER'S REPORT**

Due to time constraints, Mr. Storage did not present his General Manager's report.

**COMMITTEE REPORTS and SERVICES**

**FINANCE REPORT**

Director English reported from the Finance Committee, gave the Treasurer's Report, Delinquency Report, and commented on the Resale & Lease Activities.

Director Bassler reported from the Maintenance and Construction Committee.

Director Bassler moved to rescind the Board's directive established May 11, 2010 to automatically schedule disciplinary hearings for failure to obtain an alteration permit. Director Howard seconded the motion and discussion ensued.

Member Mary Stone (356-C) commented on the motion.

Director English moved to send the matter back to Committee. Director Howard seconded the motion and discussion ensued.

Member Roberta Berk (933-B) commented on motion.

The motion carried by a vote of 8-2-0 (Directors Comer and Auble opposed).

Director Auble read a proposed resolution authorizing Staff to attach 4-inch pedestals to the MHN30-PD front load washing machines upon request. Director English moved to approve the resolution. Director Ferris seconded the motion and discussion ensued.

Members Marty Rhodes (5369-2A), Roberta Berk (933-B), Maxine McIntosh (68-C), and Linda Wilson (816-P) commented on the motion.

By a vote of 9-0-1 (Director Labarge abstained), the motion carried and the Board of Directors adopted the following resolution:

#### **RESOLUTION 01-13-132**

**WHEREAS**, several residents have concerns regarding the accessibility of the newest model of high-efficiency, front loading washing machines installed in the Laundry Rooms, in that the MHN30-PD model is difficult to load and unload because the door to the washing machine is lower than the doors of other machines;

**NOW THEREFORE BE IT RESOLVED**, July 9, 2013, that the Board of Directors of this Corporation hereby authorizes Staff to attach 4-inch pedestals to the MHN30-PD front load washing machines upon request; and

**RESOLVED FURTHER**, that the Board authorizes an unbudgeted expenditure from the general maintenance at a cost of \$150 per machine; 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 Board reviewed the following proposed resolution to install the Neighborhood Identity Sign and the Directory Sign at CDS 67, with the estimated cost of \$11,550:

**RESOLUTION 01-13-xxx**

**WHEREAS**, by way of Resolution 01-11-230, the Board of Directors of this Corporation authorized the use of funds through the 2012 Landscape Revitalization Reserves Plan to upgrade cul-de-sac (CDS) 67 as part of its master plan pilot program which included the installation of additional lighting, construction of a trash enclosure arbor, painting the carports and two signs; and

**WHEREAS**, the lighting, trash enclosure, and painting were completed in 2012 and the two signs were bid separately earlier this year and exceed the approved appropriation to install the signs; and

**WHEREAS**, the Maintenance and Construction Committee recommended to move forward with the installation of a Neighborhood Identity Sign and a Directory Sign;

**NOW THEREFORE BE IT RESOLVED**, July 9, 2013, that the Board of Directors of this Corporation hereby agrees to install two signs, the Neighborhood Identity Sign and the Directory Sign, at an estimated cost of \$11,550 to be funded from the Replacement Fund – Landscape Revitalization component of the 2013 Reserves Plan; 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.

Members Mary Stone (356-C) and Barbara Copley (410-D) commented on the resolution.

Director Ferris moved to place all pilot projects on hold for 30-60 days until all projects are thoroughly reviewed by the new Board. Director Howard seconded the motion and discussion ensued. The motion carried unanimously.

Director Auble read the following proposed resolution approving the revised Mutual Alteration Standard Section 6 - Air Conditioning Units/Heat Pumps:

**RESOLUTION 01-13-xxx**

**WHEREAS**, the Board of Directors of this Corporation adopted Resolution U-96-62 on May 14, 1996, which approved the United Laguna Woods Mutual Alteration Standards; and

**WHEREAS**, the Maintenance & Construction Committee has recommended that the Board of Directors further amend the Mutual Alteration Standards with suggested changes;

**NOW THEREFORE BE IT RESOLVED**, August 13, 2013, that the Board of Directors of this Corporation hereby approves the revisions of Section 6 – Air Conditioning Units/Heat Pumps, as attached to the official minutes of this meeting; and

**RESOLVED FURTHER**, that Resolution U-96-62, adopted May 14, 1996 is hereby amended and Resolution 01-03-168, adopted December 9, 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 Auble moved to approve the resolution. Director English seconded the motion and discussion ensued.

Without objection, the motion was postponed to conform to the 30-day notification requirement.

Director Auble read the following proposed resolution approving the revised Mutual Alteration Standard Section 29–Washer and Dryer Installations:

**RESOLUTION 01-13-xx**

**WHEREAS**, the Board of Directors of this Corporation adopted Resolution U-96-62 on May 14, 1996, which approved the United Laguna Woods Mutual Alteration Standards; and

**WHEREAS**, the Maintenance and Construction Committee recognizes the need to further amend a portion of the Alteration Standards with regard to Section 29–Washer and Dryer Installations;

**NOW THEREFORE BE IT RESOLVED**, August 13, 2013, that the Board of Directors of this Corporation hereby approves the revisions of United Mutual Alteration Standard Section 29–Washer and Dryer Installations, as attached to the official minutes of this meeting; and

**RESOLVED FURTHER**, that Resolution U-96-62, adopted May 14, 1996 is hereby amended, and Resolution 01-08-01 adopted January 8, 2008 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 Bassler moved to approve the resolution. Director Roddan seconded the motion and discussion ensued.

Without objection, the motion was postponed to conform to the 30-day notification requirement.

The following proposed resolution establishing a new Mutual Alteration Standard, Section 41–Interior Hard Surface Flooring, was returned back to the Maintenance and Construction Committee:

**RESOLUTION 01-13**

**WHEREAS**, the Board of Directors of this Corporation adopted Resolution U-96-62 on May 14, 1996, which approved the United Laguna Woods Mutual Alteration Standards; and

**WHEREAS**, this Corporation recognizes the need to establish a policy to streamline the proper installation and maintenance of interior hard surface flooring;

**NOW THEREFORE BE IT RESOLVED**, August 13, 2013, that the Board of Directors of this Corporation hereby establishes a new Mutual Alteration Standard Section 41–Interior Hard Surface Flooring, as attached to the official minutes of this meeting; and

**RESOLVED FURTHER**, that Resolution 01-10-134 adopted July 13, 2010 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.

Due to the time constraints, the Board agreed to refer the remaining agenda items to next month.

The following resolutions related to the GRF Trust and Bylaws were postponed pending counsel review:

**RESOLUTION 01-13-xx**

**WHEREAS**, the Joint Task Force to Analyze the GRF Trust and Bylaws was tasked with resolving conflicts between the Trust and GRF Bylaws and between the Trust and practice;

**WHEREAS**, the Trust at Section VII, Section A provides:

**A.** “TRUSTEE shall have, in addition to all powers, rights and privileges provided by law for trustees, and all powers necessary to carry out the duties herein imposed on TRUSTEE, the further powers to grant, bargain,

sell for cash or credit, convey, exchange, convert; lease for terms, either within or beyond the end of the trust, for any purpose; assign, partition, divide, subdivide, improve, insure, loan, reloan, invest and reinvest the Trust Estate or any part thereof in such manner and on such terms and conditions as TRUSTEE deems advisable. *In all such cases TRUSTEE shall have sole discretion respecting such transaction.* With respect to all such transactions TRUSTEE shall have no liability concerning them whatever, except for willful and wrongful misconduct.” **(Italics and underlining added for emphasis)**

**WHEREAS**, the GRF Bylaws at Articles 2.1.4 and 2.1.6 state in part:

2.1.4 To engage in any business or activity now or hereafter permitted by law, the Articles of Incorporation of this Corporation, and these Bylaws, conditioned on the requirement that any business or activity involving:

- The creation of new Mutuals or Manors as part of or in addition to any of the existing Housing Corporations, i.e., United Laguna Hills Mutual, Third Laguna Hills Mutual, and Laguna Woods Mutual Fifty;
- The sale or lease of Golden Rain Foundation or Golden Rain Foundation Trust real estate and/or real estate improvements;
- The acquisition of real estate;
- The construction of additional facilities;
- The demolition and/or rebuilding of existing facilities;

will be presented to the Corporate Members for the purpose of informing the Corporate Members on the nature of the business or activity in which GRF desires to engage and to assess the Corporate Members’ respective opinions on the business or activity considered.”

2.1.6 “GRF shall obtain a majority vote from the Corporate Members (as defined in Paragraph 2.4.10) prior to engaging in any business or activity specified in the first three bulleted items of Paragraph 2.1.4...”

**NOW THEREFORE BE IT RESOLVED**, July 9, 2013, that the Board of Directors of this Corporation hereby approves, in concept, amending the Trust restricting GRF from:

- The creation of new Mutuals or Manors as part of or in addition to any of the existing Housing Corporations, i.e., United Laguna Woods Mutual, Third Laguna Hills Mutual, and Laguna Woods Mutual Fifty;
- The sale or lease of Golden Rain foundation or Golden Rain Foundation Trust real estate and/or real estate improvements;
- The acquisition of real estate;

without the majority vote of the Corporate Members (directors of the Housing Mutuals, i.e. Third Laguna Hills Mutual, United Laguna Woods Mutual, and Laguna Woods Mutual No. Fifty);

**RESOLVED FURTHER**, that the intent of this action is that the resulting Trust language will be consistent with the GRF Bylaws on the matter of property procurement or sale; 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 01-13-xx**

**WHEREAS**, the Joint Task Force to Analyze the GRF Trust and Bylaws was tasked with resolving conflicts between the Trust and GRF Bylaws and between the Trust and practice; and

**WHEREAS**, the practice of GRF has been to provide services to the Housing Mutuals; and

**WHEREAS**, GRF Bylaws at Article 2 sets forth GRF's purposes to include:

2.1.1 to develop and maintain facilities and services for the community areas of Laguna Woods Village, Laguna Woods, exclusive of the common areas of the Mutuals, on a mutual basis for the use of the Mutual Members (other than Lessors), Qualifying Residents, Co-Occupants, Tenants, and their guests [Emphasis added]; and

2.1.2 to operate the community facilities to provide various community-wide service as an integral portion of Laguna Woods Village, Laguna Woods "Senior Citizens Housing Development" in conformance with Civil Code Section 51.3 of the Unruh Civil Rights Act."

**NOW THEREFORE BE IT RESOLVED**, July 9, 2013, that the Board of Directors of this Corporation hereby approves, in concept, amending the Trust, the GRF Bylaws, and GRF Articles of Incorporation to expressly authorize GRF to allow GRF-owned equipment to be used to provide the types of services that have historically been provided to the Mutuals; 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 01-13-xx**

**WHEREAS**, the Joint Task Force to Analyze the GRF Trust and Bylaws was tasked with resolving conflicts between the Trust and GRF Bylaws and between the Trust and practice; and

**WHEREAS**, the practice of GRF has been to allow non-member use of GRF facilities; and

**WHEREAS**, the Trust Amendment, recorded October 13, 1971 states in part: "The extent of the services to be provided by GOLDEN RAIN, the rules and regulations with respect to the use of the improvements, the persons entitled to receive said services or to use said Improvements and the charges therefor shall be determined and established by the Board of Directors of GOLDEN RAIN in its sole discretion, provided that the furnishings of any medical services to or the use of any facilities by persons other than the Cooperatives or members of the Cooperatives shall be subject to prior written consent of the Cooperatives exercising two-thirds of the voting power of Golden Rain, as provided in the by-laws of Golden Rain."

**NOW THEREFORE BE IT RESOLVED**, July 9, 2013, that the Board of Directors of this Corporation hereby approves the policy allowing non-residents, as approved by the Golden Rain Foundation Board of Directors, use of the GRF facilities; and

**RESOLVED FURTHER**, that upon approval of this resolution, further approval will be presented to the Directors of the Housing Mutuals at a Corporate Members meeting to establish the required two-thirds vote in favor of allowing non-residents to use GRF facilities, after such vote is achieved, a resolution shall be adopted by the Corporate Members which will provide the required written consent to the Golden Rain Foundation to allow non-residents use of its facilities; 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 01-13-xx**

**WHEREAS**, the Joint Task Force to Analyze the GRF Trust and Bylaws was tasked with resolving conflicts between the Trust and GRF Bylaws and between the Trust and practice; and

**WHEREAS**, the Task Force evaluated dissolving the Trust, restating the Trust, or extending out the termination date of the Trust; and

**WHEREAS**, the Trust states in part: "This Trust shall in all events terminate, if it has not earlier been terminated, 60 years from the date hereof or 21 years after the date of the death of the last to die of Mark L. Conroy, Jr., Westminster, California; Kevin Ross Letson, Villa Park, California; Allan Oakley Hunter, Jr., Fresno, California; Matthew Van Zandt

Moyer, Orange, California; Jeffrey P. Tuck, Pasadena, California; and Pamela Jan Swart, Arlington Heights, Illinois”; and

**NOW THEREFORE BE IT RESOLVED**, July 9, 2013, that the Board of Directors of this Corporation hereby approves an Amendment to the Trust that adds “This Trust shall continue, if it has not earlier been terminated, until March 2, 2074”; 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.

#### **GRF HIGHLIGHTS**

- No highlights were given.

#### **DIRECTORS' FORUM**

No final comments were made.

#### **MEETING RECESS**

The Regular Open Session Meeting recessed at 1:01 P.M. and reconvened into the Regular Executive Session at 1:51 P.M.

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

During its June 11, 2013 Regular Executive Session meeting, the Board reviewed and approved the minutes of the Regular Executive Session of May 14, 2013 as written; heard five disciplinary hearings and imposed fines totaling \$900 for violations of the Mutual's rules and regulations; and discussed contractual, and other member disciplinary issues.

During its June 20, 2013 Special Executive Session meeting, the Board discussed litigation and contractual matters.

During its July 3, 2013 Special Executive Session meeting, the Board discussed legal and contractual matters.

During its July 9, 2013 Special Executive Session meeting, the Board discussed matters with legal counsel.

#### **ADJOURNMENT**

With no further business before the Board of Directors, the meeting was adjourned at 4:38 P.M.

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Jerren Auble, Secretary