

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

February 11, 2014

The Regular Meeting of the Board of Directors of United Laguna Woods Mutual, a California Non-Profit Mutual Benefit Corporation, was held on Tuesday, February 11, 2014 at 9:30 A.M. at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Pat English, Jack Bassler, John Beckett, Ming-Lee Chang, Howard Klein, Ken Hammer, Anthony Liberatore, Jan LaBarge, Eva Lydick, Erna Ferris (Resigned at 10:05 AM), Bevan Strom

Directors Absent: None

Staff Present: Jerry Storage, Kim Taylor (Executive Session: Jerry Storage, Kim Taylor, Cris Robinson, Wendy Panizza, Pamela Bashline, Luis Rosas

Others Present: Jeff Beaumont of Beaumont Gatilin Tashjian (Executive Session Only)

CALL TO ORDER

Pat English, 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 Jan LaBarge led the Pledge of Allegiance to the Flag.

ACKNOWLEDGEMENT OF PRESS

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

APPROVAL OF AGENDA

Without objection, the Board approved the agenda as written.

CHAIR'S REMARKS

President English commented on a GRF Special Board meeting scheduled for this Thursday, February 13th regarding plans for the Village Greens Bar asking for all to attend and voice their opinion, and commented on a GRF moratorium with regard to Mutual Directors' appearances on TV6.

UNITED MUTUAL MEMBER COMMENTS AND PUBLIC FORUM

United Mutual Members were given the opportunity to speak to items and the Directors briefly responded to the comments.

Carol Feldman (695-Q) commented on an elevator issue in building 695.

Tony Dauer (96-C) commented on lighting and conserving water.

Gunther Austin (326-B) commented on a leak near a carport.

Linda Wilson (816-P) commented on United Mutual adding a committee to hear Member problems.

Maggie Brown (468-D) asked for United Board's plan with regard to dry rot, plumbing, etc. and commented on United's history of opposing GRF.

Maxine McIntosh (68-C) commented on the recent corporate vote with regard to the website.

Pamela Grundke (2214-B) thanked United Board for their efforts.

Paul Vogel (2185-O) commented on residents who benefit from the Foundation of Laguna Woods Village.

RESPONSE TO MEMBER COMMENTS

The Directors briefly responded to Member Comments.

Director Erna Ferris commented on the United Board, gave her resignation and left the meeting at 10:05 AM.

APPROVAL OF MINUTES

Without objection, the Board approved the minutes of the Regular Session of January 14, 2014.

UNFINISHED BUSINESS

Ms. Cris Robinson discussed the cost associated with the processing of paperwork for designating a building smoke-free. The cost has been reduced to \$150 per manor. Ms. Robinson commented on the approximate cost and aesthetics of the signs that will be posted on the buildings that are designated smoke-free.

Members Linda Wilson (816-P), Barbara Copley (410-D), Nancy Young (827-O), Maxine McIntosh (68-C), and Marilyn Man (73-O) commented on the discussion.

The Secretary of the Corporation, Director John Beckett, read a proposed resolution approving the United Mutual Committee assignments. Director Strom moved to approve the resolution, Director Klein 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 as amended:

RESOLUTION 01-14-15

RESOLVED, February 11, 2014, that the following persons are hereby appointed to serve the Corporation in the following capacities:

Finance Committee

Jan LaBarge - Chair

~~Barbara B. Howard - Vice Chair~~

Pat English

Bevan Strom

Advisors: Florence Kleinfeld, Lou Skogen

Governing Documents Review Ad Hoc Committee

~~Barbara B. Howard, Chair~~

John Beckett, ~~Vice~~ Chair

Howard Klein

Bevan Strom

Advisors: ~~Janey Dorrell~~, James Thorpe

Landscape Committee

Jack Bassler – Chair

Eva Lydick – Vice Chair

Anthony Liberatore

Ken Hammer

Advisors: Cynthia Chyba, ~~Jerren Auble~~, Pamela Grundke

Maintenance and Construction Committee

Jack Bassler, Chair

Ming Lee Chang, Vice Chair

Jan LaBarge

Anthony Liberatore

Advisors: Janey Dorrell, ~~Bevan Strom~~

New Resident Orientation

Per Rotation List

Standards Sub-Committee

Jack Bassler, Chair

Ming Lee Chang

Anthony Liberatore

Traffic Hearing (quarterly)

John Beckett, Chair

~~Erna Ferris~~

Ken Hammer

Walkway Lighting Subcommittee

Ming Lee Chang, Chair

Jack Bassler, ~~Chair~~

Howard Klein

Advisors: Doug Rook, Collette Sigman

Laguna Canyon Foundation

TBD

Joint Task Force to Review GRF Bylaws and Trust

TBD

TBD

RESOLVED FURTHER, that Resolution 01-13-216, adopted December 10, 2013, is hereby superseded and canceled.

Ms. Cris Robinson provided the Board an update on the Paseo de Valencia Widening Project. Ms. Robinson stated that United Mutual has hired a sound consultant to provide the Board with any sound impacts, from inside and outside of manors, which may occur with the widening project.

NEW BUSINESS

The Board discussed requesting GRF to allow the United Board to participate in the oversight of Clubhouse 2 destructive testing.

Director Hammer made a motion to request from GRF the ability for United Board to assign a representative for oversight for the Clubhouse 2 destructive testing and to serve on any GRF committee for Clubhouse 2 destructive testing. The motion was seconded by Director Beckett.

Members Maxine McIntosh (68-C), Mary Stone (356-C), Marc Bayer (796-B), Barbara Copley (410-D) and Pamela Grundke (2214-B) commented on the motion.

Director Strom moved to amend the motion to include a professional independent consultant to serve as an assistant to Director Bassler. The amendment failed from lack of a second.

Director Strom amended the motion to authorize counsel to hire the independent consultant for independent oversight for the Clubhouse 2 destructive testing. The amendment failed from lack of a second.

By a vote of 9-0-0 the original motion carried unanimously.

The Board discussed establishing a United Mutual Recreation Master Plan Review Committee and directed staff to put the item on the March agenda for discussion and consideration.

The Board discussed the makeup of GRF Committees and directed staff to put the item on the March agenda for discussion and consideration.

The Secretary of the Corporation, Director Beckett, read a proposed resolution calling a Corporate Members meeting to reaffirm the January 9, 2014 GRF Bylaw Amendment. Director Hammer seconded the motion and discussion ensued.

Director Strom moved to amend the resolution to add "and other matters" to the end of the first 'Whereas.' The motion was second by Director Beckett.

Members Barbara Copley (410-D), Mary Stone (356-C), Marc Bayer (796-B), and Pamela Grundke (2214-B) commented on the resolution.

By a vote of 9-0-0, the amendment carried.

Director Strom moved to amend the resolution by deleting the second 'Whereas.' The motion failed from a lack of a second.

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

United Resolution 01-14-16

WHEREAS, on January 9, 2014, the Corporate Members of GRF voted to amend Bylaw 2.1.6, so that GRF is required to obtain a majority vote of the Mutual Directors prior to engaging in any business or activity involving the construction or demolition of Community Facilities **and other matters**; and

WHEREAS, the Board has been informed that GRF is spending approximately \$25,000 per week on architectural and engineering studies involving the future construction of a "Gate 12 Main Lounge; and

WHEREAS, GRF has not obtained a majority vote of the Mutual Directors prior to engaging in those activities;

THEREFORE, BE IT RESOLVED, February 11, 2014, that the Managing Agent is directed to call a Special Meeting of the Corporate Members, at the earliest date that is acceptable to the Inspector of Election, so that the Corporate Members may vote whether to notify GRF, pursuant to Bylaw 2.1.7, that a majority vote of the Corporate members is required prior to GRF engaging in any further business or activity involving the construction or demolition of Community Facilities.

BE IT FURTHER RESOLVED, that the officers and agents of this Corporation are authorized on behalf of the Corporation to carry out the purpose of this resolution.

Due to Director Ferris' resignation President English made a motion to add to the agenda, 'Call a Special Board meeting for the purpose of appointing a new Board member to replace Director Ferris.' By a vote of 9-0-0 the motion carried unanimously.

Without objection, the Board directed Staff to call a Special Board meeting for the purpose of appointing a new Board member to replace Director Ferris. Possible dates for the Special Board meeting were discussed.

CONSENT CALENDAR

Without objection, the Consent Calendar was approved as presented and the Board took the following actions:

Maintenance and Construction Committee Recommendations:

RESOLUTION 01-14-17

RESOLVED, February 11, 2014, that the request of Fu Mei Hu Chen of 217-F Avenida Majorca to have the HVAC condenser relocated at the expense of the Mutual Member(s) at 217-E 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 01-14-18

RESOLVED, February 11, 2014, that the request of Mr. Philip, Ms. Nancy and Mr. Bradley Higbee of 299-A Avenida Sevilla to retain paver walkway, paver patio extension, and PEX tubing at their manor is hereby approved; and

RESOLVED FURTHER, that all costs for the installation, repair and maintenance associated with the subject alterations are the responsibility of the Mutual Member(s) at 299-A; and

RESOLVED FURTHER, that all required Mutual and City of Laguna Woods permits for the PEX tubing must be obtained and 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 paver walkway must be re-installed as per standard construction practices and the slope must not exceed one inch per foot (8.33%); 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 01-14-19

WHEREAS, Ms. Nina Sotelo of 310-A requested that the Mutual, at its expense, install an additional walkway lighting near Carport 247;

NOW THEREFORE BE IT RESOLVED, February 11, 2014, that the Board of Directors hereby approves the request of Ms. Nina Sotelo of 310-A to install an additional walkway lighting near Carport 247, at the Mutual's expense, at a cost of approximately \$150 to be funded from the Replacement 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.

RESOLUTION 01-14-20

RESOLVED, February 11, 2014, that the request of Ms. Penelope Gardner of 374-A Avenida Castilla to install multiple chaseways for HVAC ductless system at her manor is hereby approved; and

RESOLVED FURTHER, that all future costs and maintenance associated with the subject alteration are the responsibility of the Mutual member(s) at Manor 374-A; and

RESOLVED FURTHER, that all required Mutual and the City of Laguna Woods permits must be obtained. The relevant City of Laguna Woods permit number(s) and proof of completion, as evidenced by the final inspection signature, must be submitted to the Mutual through the Permits and Inspections Office located in Laguna Woods Village Community Center; and

RESOLVED FURTHER, that the installation must be performed in accordance with Alteration Standard Section 6 Air Conditioning Units/Heat Pumps, with the exception that the installation is not limited to one run; 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 01-14-21

RESOLVED, February 11, 2014, that the request of Ms. Sharon Sills of 386-E Avenida Castilla to install window alterations, entry patio extension, and tile entry walkway at her manor is hereby approved; and

RESOLVED FURTHER, that all costs and maintenance of the alteration, present and future, are the responsibility of the Mutual member(s) at 386-E; and

RESOLVED FURTHER, that all required Mutual and City of Laguna Woods permits must be obtained and the appropriate City of Laguna Woods permit number(s) must be submitted to the Permits and Inspections office located in the Laguna Woods Community Center prior to issuance of a Mutual permit; and

RESOLVED FURTHER, that detailed site specific plans, wet-stamped and signed by a California licensed architect or engineer, must be submitted to the Permits and Inspections office located in the Laguna Woods Village Community Center prior to issuance of a permit. These plans must detail the required structural modifications necessary to ensure that the structural integrity of the building is maintained upon completion of the Living Room window addition; 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 386-E; and

RESOLVED FURTHER, that the windows must be installed in accordance with United Laguna Woods Mutual Standard Section 31: Window and Window Attachments; and

RESOLVED FURTHER, that the entry patio extension must be performed in accordance with United Laguna Woods Mutual Standard Section 22: Patio Slab Extensions; and

RESOLVED FURTHER, that the tile must be installed in accordance with United Laguna Woods Mutual Standard Section 15: Exterior Floor Coverings; 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 01-14-22

RESOLVED, February 11, 2014, that the request of Ms. Katherine Rath of 544-G Vista Estrada that the Mutual approve reimbursement in the amount of \$361.00 for costs associated with dry down work as a result of a leak event on June 24, 2013, is hereby approved; and

RESOLVED FURTHER, that the reimbursement expense is hereby authorized as an unbudgeted expenditure from the 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.

RESOLUTION 01-14-23

RESOLVED, February 11, 2014, that the request of Ms. Barbara Paine of 2084-A Ronda Granada to modify entry walkway steps at her manor is hereby approved; and

RESOLVED FURTHER, that all costs for installation, repair and maintenance associated with the subject alteration are the responsibility of the Mutual Member(s) at 2084-A; and

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

RESOLVED FURTHER, that the subject walkway steps must be installed as per standard construction practices and must include safety stripes painted on the front edge of each tread; and

RESOLVED FURTHER, that all landscape, irrigation and drainage modifications associated with the alteration (if any) are to be completed by the Landscape Division at the expense of the Mutual Member(s) at 2084-A; 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 01-14-24

WHEREAS, Member ID 947-441-37 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, February 11, 2014, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-441-37; 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.

- **Approve Renewal of ECHO Membership for One Year for \$575**

GENERAL MANAGER'S REPORT

Due to time constraints Mr. Storage did not give the General Manager's Report.

COMMITTEE REPORTS and SERVICES

FINANCE REPORT

Director LaBarge reported from the Finance Committee and commented on the Resale & Lease Activities.

Director Bassler reported from the Maintenance and Construction Committee.

Director Beckett read the following proposed resolution approving the Hard Surface Flooring Policy Revisions:

Amended by adding "*...that exceeds original sound attenuation levels*" at the end of the second **Resolved Further**.

RESOLUTION 01-14-XX

WHEREAS, the installation of hard surface flooring in manors situated on a building level directly over other manors has generated some nuisance complaints to the Mutual due to noise transmitted to the lower neighboring units when members have replaced original flooring types, i.e. carpet and vinyl flooring, with hard surface flooring; and

WHEREAS, the United Laguna Hills Mutual Occupancy Agreement requires that "a member shall not obstruct or interfere with the rights of other members or annoy them by unreasonable noise..." and legal counsel has opined that the Mutual has the authority to establish reasonable rules in order to regulate unreasonable noises; and

WHEREAS, October 13, 2009, the Board of Directors adopted resolution 01-09-227 which prohibited any future installation of hard surface flooring in second floor manors, effective January 1, 2010;

WHEREAS, July 13, 2010, the Board of Directors adopted resolution 01-10-134 affirming the adoption of a policy which prohibits any installation of hard surface flooring on a building level under which interior space of any other dwelling unit exists; and

NOW THEREFORE BE IT RESOLVED, April 8, 2014, the Board of Directors shall allow the installation of hard surface flooring in the kitchen, and bathroom(s) of manors on a building level under which another dwelling unit exists; and

RESOLVED FURTHER, the installation of hard surface flooring in areas of the manor that are not the kitchen, and bathroom(s) continue to be prohibited in manors on a building level under which another dwelling unit exists; and

RESOLVED FURTHER, that hard surface flooring is defined as any flooring other than original flooring types of carpet, vinyl or linoleum ***that exceeds original sound attenuation levels***; 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.

Director Beckett moved to approve the resolution as amended. The motion was seconded and discussion ensued.

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

Without objection, the Board postponed the resolution to the April meeting to satisfy the 30-day notification requirement.

Director Bassler reported that the United Alteration Standards Sub-Committee did not meet.

Director Bassler reported that the Walkway Lighting Sub-Committee did not meet.

Director Bassler reported that the Landscape Committee did not meet.

Director Beckett reported from the Governing Documents Review Ad Hoc Committee.

GRF COMMITTEE HIGHLIGHTS

- Director Lydick reported on the GRF Media and Communications Committee.

DIRECTORS' FORUM

- The Directors provided final comments.

MEETING RECESS

The Regular Open Session Meeting recessed at 12:15 P.M. and reconvened into the Regular Executive Session at 1:15 P.M

Summary of Previous Closed Session Meetings per Civil Code Section §4935

During its January 14, 2013 Regular Executive Session Meeting, the Board reviewed and approved the minutes of the Regular Executive Session of December 10, 2013, and the minutes of the Special Executive Session of December 30, 2013 as written. The Board heard three disciplinary hearings and imposed fines in the amount of \$150 for violations of the Mutual's rules and regulations; discussed numerous member disciplinary matters; and reviewed its Litigation Status Report.

ADJOURNMENT

With no further business before the Board of Directors, the meeting was adjourned at 5:07 P.M.

John Beckett, Secretary