

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

March 8, 2016

The Regular Meeting of the Board of Directors of United Laguna Woods Mutual, a California Non-Profit Mutual Benefit Corporation, was held on Tuesday, March 8, 2016 at 9:30 AM at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Lenny Ross, Juanita Skillman, Jack Bassler, Ming-Lee Chang, Don Tibbetts, Jan LaBarge, Barbara Copley, Tom Sirkel, Pat English, Eva Lydick

Directors Absent: Ken Hammer

Staff Present: Open Session: Brad Hudson, Catherine Laster
Executive Session: Cris Robinson, Catherine Laster, Pamela Bashline, Francis Rangel

Others Present: Jeff Beaumont Esq. of Beaumont Gitlin Tashjian (11:00 AM)

CALL TO ORDER

Lenny Ross, 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 AM.

PLEDGE OF ALLEGIANCE

Director Ming-Lee Chang led the Pledge of Allegiance to the Flag.

ACKNOWLEDGEMENT OF MEDIA

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 Skillman moved to approve the agenda written Director Bassler seconded the motion.

By a vote of 9-0-0 the motion carried and the agenda was approved as written.

UNITED MUTUAL MEMBER COMMENTS AND PUBLIC FORUM

United Mutual Members were given the opportunity to speak to items within the jurisdiction of the Board of Directors.

Steve Leonard (696-D) commented on his experience with cul-de-sac parking.

Carol Feldman (695-Q) expressed her views on sub-leasing manors.

Mike Peters (467-A) commented on children buying manors from parent(s).

Valerie Coleman (421-C) commented on sub-leasing.

Mike Landry (693-B) commented on cul-de-sac parking and third car parking.

CJ Wanser (697-C) commented on sub-leasing.

Bill Lofholm (359-A) commented on sub-leasing.
Georgiana Willis (858-D) commented on fines for sub-leasing of manors.
Gisela Gutman (2218-A) commented on why people rent.
Stevie Magid (439-A) commented on sub-leasing.
Rachel Gutin-Unger (696-C) commented on confusion with the rental policy with Real Estate Agents.
Howard Malmon (788-A) commented on sub-leasing.
Nancy Lannnon (669-N) commented on investors in the community.
Marian Bengal (138-A) commented on sub-leasing rules.
Charles Luce (308-A) commented on working together as a community.
Mike Comer (380-A) commented on resident investors.
Betty Salazar (40-O) commented on the board process.
Mary Maillefer (2290-P) commented on the sub-lease renewal process.
Jerrri Auble (118-P) commented the consequences of sub-leasing.

RESPONSE TO MEMBER COMMENTS

The United Mutual Directors briefly responded to Member Comments.

CHAIR'S REMARKS

President Ross thanked the members for their comments. President Ross wished Director Hammer and Mrs. Hammer a speedy recovery; explained the third car rules changes will take effect in April; and commented on outside contractors needing knowledge of the parking rules. President Ross invited members to attend a United Town Hall meeting on the subject of sub-leasing which will be held March 31, 2016 in Clubhouse 3 at 4:30 PM.

REPORT OF CEO

Mr. Bradley Hudson invited members to attend the 'Meet the CEO/GM' Town Hall meeting on Thursday March 10, 2016 in the Board Room. Mr. Hudson reported on the hiring of a new Community Manager and Information Technology Director to help with transparency and recruiting for Security & General Services Director to improve customer service.

APPROVAL OF MINUTES

- (a) February 9, 2016 – Regular Open Session**
- (b) February 18, 2016 – Special Open Session**

Director LaBarge moved to approve the regular open session minutes of February 9, 2016 as amended by removing the word protest from Director Copley statement on agenda item 9(a) page 8 and the special open minutes of February 18, 2016 as amended by showing Director Chang as present. Director Tibbetts seconded the motion.

By a vote of 9-0-0 the minutes were approved as amended.

CONSENT CALENDAR

Director LaBarge moved to approve the Consent Calendar as written. Director Tibbetts seconded the motion. By a vote of 9-0-0 the motion carried and approved the following:

(10a) Maintenance and Construction Committee Recommendations:

RESOLUTION 01-16-21

Variance Request

RESOLVED, March 8, 2016, that the variance request of Mr. Almario A. Bernardo to construct a room addition at Manor 129-C, is hereby approved; and

RESOLVED FURTHER, all costs and maintenance of the alterations, present and future, are the responsibility of the Mutual member(s) at 129-C; and

RESOLVED FURTHER, a required Mutual Consent and City of Laguna Woods permit must be obtained and the 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 Manor Alterations Department located in Laguna Woods Village Community Center; and

RESOLVED FURTHER, unit-specific plans depicting the proposed alteration, signed and wet-stamped by a California-licensed architect or engineer must be submitted to the Manor Alterations Department for approval. These plans must include structural details and calculations required to insure the structural integrity of the building is maintained upon completion of the proposed room addition; and

RESOLVED FURTHER, Mutual Consent and City permits must be initiated prior to manor transfer and within 6 months of the Board's approval; and.

RESOLVED FURTHER, the member will be noticed for a hearing due to the rules violations; 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 01-16-22

Variance Request

RESOLVED, March 8, 2016, that the variance request of Ms. Ruth Stevens to retain a non-standard water heater relocation and cabinet installed on the patio of Manor 157-B, is hereby approved; and

RESOLVED FURTHER, All future costs and maintenance associated with the subject alterations are the responsibility of the Mutual member(s) at 157-B; and

RESOLVED FURTHER, a required Mutual Consent for Manor Alteration(s) and a City of Laguna Woods permit must be obtained for the water heater relocation

and the appropriate City of Laguna Woods permit number(s) must be submitted to the Manor Alterations Department office located in the Laguna Woods Community Center; and

RESOLVED FURTHER, Mutual Consent and City permits must be initiated prior to manor transfer and within 6 months of the Board's approval; and

RESOLVED FURTHER, the member will be noticed for a hearing due to the rules violations; 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 01-16-23

Variance Request

RESOLVED, March 8, 2016, that the variance request of Mr. Jer-Shi Chen to install a washer and dryer in a cabinet, and laundry sink in the patio of Manor 274-B, is hereby approved; and

RESOLVED FURTHER, all future costs and maintenance associated with the subject alterations are the responsibility of the Mutual member(s) at 274-B; and

RESOLVED FURTHER, a required Mutual Consent for Manor Alteration(s) and a City of Laguna Woods permit 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; and

RESOLVED FURTHER, unit-specific plans depicting the plumbing and electrical modifications, signed by a California-licensed architect or engineer must be submitted to the Manor Alterations Department office located in the Laguna Woods Village Community Center for approval; and

RESOLVED FURTHER, the Board has, from time to time, received complaints of noise transference due to alterations within the interior of neighboring manors. For example, alterations to walls that allow noise to travel differently, alterations to plumbing that cause water noises within the shared walls, or alterations to floor coverings. The Board should advise the member that should the Board receive such a complaint concerning an alteration, the requesting member may be subject to member disciplinary proceedings and could be required to take additional noise mitigating measures, up to and including removing the alteration and restoring to original; and

RESOLVED FURTHER, Mutual Consent and City permits must be initiated prior to manor transfer and within 6 months of the Board's approval; 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 01-16-24

Variance Request

RESOLVED, March 8, 2016, that the variance request of Mr. Irwin Braude for a room addition and bedroom window reduction at Manor 701-C, is hereby approved; and

RESOLVED FURTHER, all future costs and maintenance associated with the subject alterations are the responsibility of the Mutual member(s) at 701-C; and

RESOLVED FURTHER, a required Mutual Consent for Manor Alterations and a City of Laguna Woods permit must be obtained and the appropriate City of Laguna Woods permit number(s) must be submitted to the Manor Alterations Department office located in the Laguna Woods Community Center; and

RESOLVED FURTHER, unit-specific plans depicting the proposed alterations, signed and wet-stamped by a California-licensed architect or engineer must be submitted to the Manor Alterations Department office located in the Laguna Woods Village Community Center for approval. These plans must include structural details and calculations required to insure the structural integrity of the building is maintained upon completion of the proposed front room addition; and

RESOLVED FURTHER, Mutual Consent and City permits must be initiated prior to manor transfer and within 6 months of the Board's approval 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.

(10b) Landscape Committee Recommendations:

- | | |
|-------|--|
| 525-O | Deny request for tree removal |
| 817-C | Approve request for non-standard mortarless block garden wall at the Member's expense, and the Mutual standard block is to be used |

(10c) Finance Committee Recommendations:

RESOLUTION 01-16-25

Recording of a Lien

WHEREAS, Member ID 947-376-33 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, March 8, 2016, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-376-33; 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.

COMMITTEE REPORTS

(11) Finance Report

Director Pat English reported from the Finance Committee, gave the United Treasurer's Report, and commented on the Resale Activities Report.

(12) Maintenance and Construction Committee

Director Tibbetts reported from the Maintenance and Construction Committee.

(13) Energy Committee

Director Bassler reported from the Energy Committee.

(14) Landscape Committee

Director Lydick reported from the Landscape Committee.

(15) Governing Documents Review Committee

Director Skillman reported from the Governing Documents Review Committee.

(16) Parking Committee

In Director Hammer absence the report from the Parking Committee and agenda item 8(a) was deferred until the April meeting.

Agenda item 16a "Discuss and Consider Requiring Residents to Provide Proof of a Valid State Issued Driver's License Following an Unlicensed Driver Notice of Violation" was postponed to the April meeting.

(17) Laguna Woods Village Traffic Hearings

In Director Hammer absence, the report from the Traffic Hearing was deferred until the April meeting.

(18) Report on Disciplinary Cases

Director Sirkel reported on the Disciplinary cases.

(19) UNFINISHED BUSINESS

(19a) Secretary of the Board, Director Juanita Skillman, read the following proposed resolution approving an additional supplemental appropriation of \$2,200 to fund costs for legal counsel specializing in probate matters:

RESOLUTION 01-16-26

Supplemental Appropriation for Legal Counsel that Specializes in Probate Matters

WHEREAS, United Laguna Woods Mutual is currently being represented in probate court in the matter of the Golden Rain Foundation of Laguna Hills Trust dated March 2, 1964, which was an unexpected legal expense; and

WHEREAS, on July 14, 2015 the United Mutual Board of Directors approved resolution 01-15-103 authorizing a Supplemental Appropriation of \$45,000 to fund legal costs for legal counsel that specializes in probate matters; and

WHEREAS, unpaid legal fees through January 2016 related to the probate matter have exceeded the remaining balance of funds appropriated by Resolution 01-15-103;

NOW THEREFORE BE IT RESOLVED, March 8, 2016, that the Board of Directors hereby authorizes an additional supplemental appropriation not to exceed \$2,200, to be funded from the Contingency Fund, to fund costs for legal counsel that specializes in probate matters; 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 Skillman moved to approve the resolution. Director English seconded the motion. Discussion ensued.

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

(20) NEW BUSINESS

(20a) Secretary of the Board, Director Juanita Skillman, read the following proposed resolution approving Bradley Hudson as Ex-officio Officer of the Corporation:

RESOLUTION 01-16-27

Ratify Officer Appointments

RESOLVED, March 8, 2016 that the following persons are hereby elected as officers of this Corporation:

Lenny Ross	President
Jan LaBarge	1st Vice President
Don Tibbetts	2nd Vice President
Juanita Skillman	Secretary
Pat English	Treasurer

RESOLVED FURTHER, that the following person is hereby appointed as a **non-voting** ex-officio officer of this Corporation:

Bradley Hudson	Vice President
Betty Parker	Vice President
Jackie Giacomazzi	Vice President

RESOLVED FURTHER, that Resolution 01-15-167, adopted December 22, 2015 is hereby superseded and cancelled.

Director Skillman moved to approve the resolution. Director Sirkel seconded the motion. Discussion ensued.

Director Copley made a motion to approve the resolution as amended by adding "non-voting" to the resolution. Director Chang seconded the motion.

By a vote of 9-0-0 the motion carried and the Board approved the resolution as amended.

(20b) Secretary of the Board, Director Juanita Skillman, read the following proposed resolution approving Martin & Chapman as Inspector of Election for 2016:

RESOLUTION 01-16-28

**Approve Inspector of Election Services to
Martin and Chapman**

RESOLVED, March 8, 2016, that due to Martin and Chapman's agreement to conform to the criteria established in the specifications as an Inspector of Election, carrying the proper insurance, and its familiarity with the Community, the Board of Directors of this Corporation hereby approves Martin and Chapman as the Inspectors of Election for the 2016 Director election and agrees to single-source the contract; 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 Skillman moved to approve the resolution. Director English seconded the motion. Discussion ensued.

By a vote of 9-0-0 the motion carried

(20c) Discuss and Consider Renewing ECHO Membership for 2016.

Director LaBarge moved to renew the ECHO Membership for 2016. Director Sirkel seconded the motion. Discussion ensued.

By a vote of 8-1-0 (Director Copley Opposed) the motion carried.

(20d) Discuss and Consider Laguna Hills Half Marathon and 5K.

Director Copley moved to approve the Laguna Hills Half Marathon and 5K. Director English seconded the motion. Discussion ensued.

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

(20e) Discuss and Consider Appointing Two Directors to the Community Newsletter Subcommittee and Approve Two Email Addresses.

Director Skillman moved to appoint Lenny Ross and Jan LaBarge to the Community Newsletter Subcommittee. Discussion ensued. There was no discussion regarding the two email addresses.

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

(20f) Secretary of the Board, Director Juanita Skillman, read the following proposed resolution approving to align Stock Certificate with the Occupancy Agreement:

Resolution 01-16-XX

Resolution to Align Stock Certificate with Occupancy Agreement

WHEREAS, Resolution U-89-94 approved an exception to the owner-occupancy requirement which is codified in the Occupancy Agreement;

WHEREAS, the exception to said requirement allows parents for whom children purchase a share in the cooperative housing development to become occupants;

WHEREAS, to ensure compliance with the age restrictions set out in Civil Code Section 51.3 and contained in the Occupancy Agreement, the Board of Directors has determined that the age-qualifying parent(s) shall be listed on the Stock Certificate, and therefore, the age-qualifying parent(s) who resides in the Manor shall be a Member(s) of this Corporation; and

WHEREAS, Bylaws, Article III, Section 2(a) states: "The number of persons seeking to reside in the same Manor shall not exceed the maximum permissible number permitted by the Rules and Regulations of the Corporation;" and

WHEREAS, Resolution U-90-15 states: "the maximum occupancy permitted for any manor in United Laguna Hills Mutual shall be equal to the number of rooms designated by the corporation as bedrooms plus one additional occupant;"

WHEREAS, to ensure compliance with the Bylaws, the number of persons listed on the Stock Certificate shall not exceed the number of rooms designated by the corporation as bedrooms plus one additional occupant.

NOW THEREFORE BE IT RESOLVED, April 12, 2016 staff is directed to ensure that resale and non-escrow transfer applications reflect the age-qualifying parent(s) as a proposed shareholder Member of this Corporation,

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

Director Skillman moved to approve resolution as written. Director Lydick seconded the motion. Discussion ensued.

By a vote of 9-0-0 the motion carried and the resolution was postponed to the April meeting to satisfy the 30-day notification requirement, to comply with Civil Code §4360.

(21) GRF COMMITTEE HIGHLIGHTS

Directors provided brief highlights from GRF Committees.

(22) DIRECTORS' FORUM

The Directors made final comments.

(23) MEETING RECESS

The Regular Open Session Meeting recessed for lunch at 12:08 PM and reconvened into the Regular Executive Session at 1:00 PM.

ADJOURNMENT

With no further business before the Board of Directors, the meeting was adjourned at 5:10 PM.

Juanita Skillman, Secretary
United Laguna Woods Mutual

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

During the February 9, 2016 Regular Executive Session meeting the Board reviewed and approved the minutes of January 12, 2016 – Regular Executive Session, the January 19, 2016 – Special Executive Session, January 25, 2016 - Special Executive Session, and the January 28, 2016 - Executive Committee Hearing Meetings as written; approved four (4) hearing requests; held three (3) disciplinary hearings and imposed \$100 in fines for violations of the Mutual's rules and regulations; held one (1) Meet and Confer; approved one (1) late charge write-off; discussed the delinquency report; discussed and considered numerous Member disciplinary matters; approved a supplemental appropriation for the probate matter; discussed and considered United/VMS Management Agreement; discussed subleasing matters; discussed and considered Membership and Occupancy matters; and discussed litigation matters.

During the February 18, 2016 and the February 23, 2016 Special Closed Board meetings the Board discussed personnel matters.

During the February 25, 2016 Special Executive Committee Board meeting the Board discussed and considered Common Area Damage Reimbursement Hearings and Member Disciplinary Hearings.