



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

**Tuesday, August 13, 2019, 9:30 a.m.
24351 El Toro Road, Laguna Woods, California**

Directors Present: Juanita Skillman, Carl Randazzo, Cash Achrekar, Maggie Blackwell, Gary Morrison, Elsie Addington, Manuel Armendariz, Reza Bastani, Anthony Liberatore, Sue Margolis and Andre Tornig

Directors Absent: None

Staff Present: Jeff Parker, CEO; Siobhan Foster, COO; Eileen Paulin, Chris Spahr, Tim Moy, Betty Parker, and Daniel Hillburn

Others Present: VMS: Dick Rader
Jeff Beaumont, Esq. of Beaumont Tashjian

1. Call Meeting to Order/Establish Quorum

President Skillman called the meeting to order at 9:30 a.m. and acknowledged that a quorum was present.

2. Pledge of Allegiance

Director Armendariz led the Pledge of Allegiance.

3. Acknowledge Media

The Village Television Camera Crew, by way of remote cameras, was acknowledged as present.

4. Approval of Agenda

Director Randazzo made a motion, seconded by Director Addington, to approve the agenda.

President Skillman called for the vote to approve the agenda as presented and the motion passed unanimously.

5. Approval of Minutes

- a. July 8, 2019—All Boards All Directors Special Meeting (2020 Budget)

- b. July 9, 2019 – Regular Open Session
- b. July 11, 2019 – United Special Meeting (2020 Budget)

Director Blackwell made a motion to approve the minutes of July 8, 2019, All Boards All Directors Special Meeting (2020 Budget); July 9, 2019, Regular Open Session and July 11, 2019, Special Meeting (2020 Budget). The motion was seconded by Director Armendariz.

President Skillman called for the vote and the All Boards All Directors Special Meeting (2020 Budget) of July 8, 2019, United Regular Open Session minutes of July 9, 2019, and United Special Meeting (2020 Budget) minutes of July 11, 2019, were approved without objection.

6. Report of the Chair

President Skillman introduced Tim Moy, Director of Security and Community Access, to give an update on Disaster Preparedness.

Tim Moy, Director of Security and Community Access, gave an update on how seniors and disabled individuals can prepare for an Earthquake or other disasters.

Gary Morrison, Treasurer, gave an update from the United Special Meeting (2020 Budget Version 2) on August 9, 2019.

President Skillman commented about the Presidents and 1st Vice Presidents Meetings.

7. Open Forum

Members made comments regarding the following:

- The benefits of the LWV Foundation.
- A Member commented on dust created by the maintenance carts on the dirt road and security problem with transients jumping the fence into United.
- A Member commented on a neighbor running water and flushing toilet constantly and noise.
- A Member commented on a problem with young couple living in the unit near his unit causing a nuisance.
- A Member commented on the water being turned off due to maintenance at 2:30 a.m.

8. Responses to Open Forum Speakers

Several Directors responded to Member comments:

- Director Achrekar invited a resident to attend the Resident Advisory Committee meeting and commented that the Handyman Program Task Force is evaluating all suggestions and possibilities for the Handyman Program.
- CEO Jeff Parker commented that the paving contract work should be finished near the end of October. Staff will investigate issues raised by the residents.
- Director Margolis commented that the shepherd's crook is five years old and the Board is looking into installing the higher version.
- Director Randazzo commented that the Board should have a discussion with

Chief Moy about resident safety during natural disasters.

- Director Armendariz commented that the Handyman Program needs to cover staff costs of \$50 per hour. He suggested that the Board use reserve funds for expenditures in order to lower assessments.
- Director Morrison commented in opposition to using reserve funds because the mutual should be protected in emergencies such as natural disasters. He is a candidate for re-election to the United Board.
- Director Torng commented on the Handyman Program and GRF Board, and spoke in favor of reducing reserves because the Mutual needs money for operations. He is a candidate for re-election to the United Board.
- Director Blackwell commented that we cannot expect a return on solar in the first year, but that it will work for us in the future. She is cautious and does not want to deplete reserve funds. She is running for reelection for the United Board.

a. Follow-up from the June 11, 2019, Board Meeting Open Forum – Director Margolis

Director Margolis responded to Member comments:

- Guarantor policy was submitted for today's agenda.
- A tree causing problems for a resident has been trimmed.
- Funds have been set aside for sewers and water lines, but sewer lines are being prioritized first because they are in worse shape than the water lines.
- The Board is trying to work on implementing a new Handyman Program.

9. a. Update from VMS - Director Rader

Director Rader gave an update from the July VMS Board Meeting. He discussed the VMS Board's strategic plan to provide exemplary customer service, facilitate efficient operations, provide for a safe community, provide transparent communications, and become an employer of choice.

b. Introduction of Candidates for United Mutual VMS Board Director to Fill Director Vacancy (Term Ending 2021) & Interview, Secret Ballot and Election of new United VMS Board Member

Dorothy Pacella and Lenny Ross, candidates for VMS Board Director to fill Director vacancy for a term ending in 2021, addressed the Board and answered questions.

The Board submitted their ballots to Corporate Secretary Cheryl Silva. Secretary Blackwell oversaw the counting of the ballots. President Skillman announced that Dorothy Pacella won the majority of the vote and has been appointed VMS Director.

10. CEO Report

CEO Jeff Parker reported on the following subjects:

- Gates 10 and 14 are open early; Gate 4 is expected to open on August 19.

- A new bus was added to the fleet on July 24.
- There are three bulky item pickup options available to residents: monthly pickup offered on the third Saturday of each month; incidental pickup on regularly scheduled service days; and in-home pickup (two pickups per address per owner). Residents must notify resident Services in advance for pickup service.
- The Dwelling Live program allows residents to register guests from their tablet or smart phone.
- August 14 is the Recreation Department's training session to help staff continue providing excellent service to residents.
- The Disaster Preparedness Task Force is planning training sessions that are free to residents: basic first aid on Monday September 16, from 1 to 4 p.m. at Clubhouse 7; good neighbor captain program on Wednesday October 2, from 1 to 3 p.m. at the PAC; and adult CPR and AED programs training on Monday, October 21, from 1 to 4 p.m. at Clubhouse 7. Email disasterpreparedness@vmsinc.org or call 949-268-2356 to register.
- He expressed thanks on behalf of staff to the United Board for their hard work and comments during the budget process.

11. Consent Calendar

11a. Finance Committee Recommendations:

- (1) Approval of Resolution to Record Lien against Member ID #947-423-49

RESOLUTION 01-19-58
Recording of a Lien

WHEREAS, Member ID 947-423-49; 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, August 13, 2019, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-423-49 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.

- 11b.** Consistent with its statutory obligations under Civil Code §5501, a subcommittee of the Board consisting of the Treasurer and at least one other Board member reviewed

the United Laguna Woods Mutual financials for the month of June 2019, and such review is hereby ratified.

Director Blackwell made a motion to approve the Consent Calendar as presented. The was seconded by Director Achrekar.

Discussion ensued among the Directors.

President Skillman called for the vote to approve the Consent Calendar as presented and the motion passed by a vote of 8-3-0 (Directors Armendariz, Margolis and Torng opposed).

12. Unfinished Business

12a. Entertain a Motion to Adopt a Resolution for Enforcement of Move-In and Move-Out Rules and Regulations

Director Blackwell read the following resolution:

RESOLUTION 01-19-59 **Move-In/Move-Out Hours**

WHEREAS, the Governing Documents Review Committee has recommended adopting the Move-In/Move-Out Hours, to fairly and reasonable address timeframes for residents moving into the Community; and

WHEREAS, the current Move-In/Move-Out Hours allow for moves to commence between the hours of 7:00 AM and 6:00 PM with completion by 10:00 PM, of the same day; and

WHEREAS, no vehicle of any household goods carrier shall be loaded, unloaded, or permitted to be loaded or unloaded, in or upon any real property managed by this Corporation unless such loading or unloading occurs during the designated times; and

WHEREAS, no household goods shall be deposited, permitted to be deposited, permitted to remain, carried, or permitted to be carried, prior to loading or subsequent to unloading of any vehicle of a household goods carrier, in or upon any real property managed by this Corporation except during the hours that such loading or unloading is permitted;

NOW THEREFORE BE IT RESOLVED, August 13, 2019, the Board of Director of this Corporation hereby adopts a resolution amending the Move-In/Move-Out hours to commence between the hours of 7:00 AM and 4:00 PM with completion by 8:00 PM.; and

RESOLVE FURTHER, that the officers and agents of this Corporation are

hereby authorized on behalf of the Corporation to carry out this resolution as written.

JULY initial notification-28-day notification for Member review and comment to comply with Civil Code §4360 has been satisfied.

Director Blackwell made a motion to approve a resolution for enforcement of move-in and move-out rules and regulations. The motion was seconded by Director Randazzo.

Discussion ensued among the Directors. A resident commented on the resolution.

President Skillman called for the vote and the motion passed by a vote of 9-1-1 (Director Tornig opposed; Director Bastani was absent for the vote).

12b. Entertain a Motion to Adopt a Resolution for Traffic School Eligibility

Director Blackwell read the following resolution:

RESOLUTION 01-19-60
Vehicle, Traffic and Parking Rules

WHEREAS, the Security Department is responsible for the administration of the Laguna Woods Village Vehicle, Traffic, and Parking Rules; including coordination of Traffic School; and

WHEREAS, Traffic School is designed for Laguna Woods Village drivers, to address traffic safety topics, and is available to an individual once during any three-year period; and

WHEREAS, the Board has identified violations that are ineligible for Traffic School, such as certain parking violations that are not related to the material discussed in Traffic School and serious moving violations that endanger the Community;

NOW THEREFORE BE IT RESOLVED, on August 13, 2019, the Board of Directors of this Corporation hereby adopts a resolution amending the Traffic School section of the Vehicle, Traffic and Parking Rules, as attached to the official minutes of this meeting; and

RESOLVED FURTHER, that Resolution 01-19-11 approved on January 8, 2019; is hereby superseded and canceled; and

RESOLVED FURTHER; that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution as written.

JULY initial notification-28-day notification for Member review and comment to comply with Civil Code §4360 has been satisfied.

Director Blackwell made a motion to adopt a resolution for traffic school eligibility. The motion was seconded by Director Morrison.

Discussion ensued among the Directors.

President Skillman called for the vote and the motion passed by a vote of 9-2-0 (Director Tornig and Bastani opposed).

13. New Business

13a. Entertain a Motion to Introduce a Revised Resolution to Allow Guarantors for Prospective Members

Director Blackwell read the following resolution:

RESOLUTION 01-19-XX

Authorization to Accept Personal Unconditional Continuing Guaranty & Security Agreement and to Revise Financial Qualifications Policy (rev. 5-23-18)

WHEREAS, United Laguna Woods Mutual (hereinafter "United" or "Corporation"), is a non-profit mutual benefit corporation, existing under and by virtue of the laws of the State of California, organized for the purpose of providing its Members with housing on a cooperative non-profit basis pursuant to the provisions set forth in its Articles of Incorporation and Bylaws and Board Resolutions (collectively referred to as the "Governing Documents");

WHEREAS, the Corporation's Amended and Restated Bylaws ("Bylaws") provides the purpose of the Corporation is to, among other things, "manage, maintain, preserve, and administer the business of a common interest development, specifically, a stock cooperative";

WHEREAS, the Bylaws provide that the Board of Directors of the Corporation is responsible for managing the business and affairs and exercising all corporate powers of the Corporation;

WHEREAS, United is a stock cooperative wherein each shareholder-member is granted the right to occupy a specific unit pursuant to an Occupancy Agreement together with ownership of one share in the cooperative, provided each shareholder-member meets the financial qualifications set forth in the Financial Qualifications Policy (rev. 5-23-18);

WHEREAS, the Board of Directors desires the ability to enter into

Occupancy Agreement(s) with certain Members whereby same require guarantor(s) to meet the Corporation's financial qualifications in order to qualify for membership and consistent policies regarding same;

NOW, THEREFORE, be it resolved that the following resolution is adopted by the Board of Directors:

1. Personal Unconditional Continuing Guaranty & Security Agreement. The Corporation, by and through the Board of Directors, is authorized to enter into Personal Unconditional Continuing Guaranty & Security Agreement, in the manner and

form attached hereto as Exhibit A and incorporated herein by reference thereto, and such Personal Unconditional Continuing Guaranty & Security Agreement will bind the Corporation.

Specifically, the Corporation may accept from guarantor(s) located in California a guarantee to pay a Member's debt and/or obligation should the Member default or otherwise fail to pay a debt and/or obligation owed to the Corporation pursuant to an executed Personal Unconditional Continuing Guaranty & Security Agreement, and to cause security documents, which the Corporation may require, which shall evidence the California asset(s) pledge by such guarantor(s). The Guaranty and Security Agreement includes not only a promise to pay, but it identifies the guarantor's means to pay (the security or collateral), and authorizes the creditor (i.e., United) to file UCC financing statements with respect to the security or collateral in California. This option, i.e., the filing of a UCC financing statement with the Secretary of State, creates collateral and secures United's debt.

2. Further Acts. The Board of Directors may do and perform such other acts and things as may be reasonably necessary and proper in order to carry into effect the provisions of this Resolution, including, but not limited to, revising the current operative Financial Qualifications Policy (rev. 5-23-18) to allow prospective Members to meet the Corporation's financial qualifications, and to revise such other documentation, as may be necessary and appropriate.

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

AUGUST initial notification-Must postpone 28-days for Member review and comment to comply with Civil Code §4360.

Director Blackwell made a motion to introduce a resolution to allow guarantors for prospective members. The motion was seconded by Director Armendariz.

Discussion ensued among the Directors.

President Skillman called for the vote and the motion passed by a vote of 10-1-0 (Director Bastani opposed).

13b. Entertain a Motion to Approve the 2020 Collection and Lien Enforcement Policy

Director Blackwell read the following resolution:

RESOLUTION 01-19-65
2020 Collection and Lien Enforcement Policy

WHEREAS, in accordance with California Civil Code, United Laguna Woods Mutual maintains a collection and lien enforcement policy that outlines the procedures, policies and practices employed by the Mutual in enforcing lien rights or other legal remedies for default in payment of assessments; and

WHEREAS, legal counsel has reviewed the existing Collection and Lien Enforcement Policy and determined that the policy as written complies with Civil Code requirements and reflects current practices for collection of Mutual delinquencies.

NOW THEREFORE BE IT RESOLVED, September 10, 2019, that the Board of Directors hereby adopts the 2020 United Laguna Woods Mutual Collection and Lien Enforcement Policy as attached to the official minutes of this meeting; and

RESOLVED FURTHER, the policy statement is provided pursuant to the requirements of California Civil Code section 5310(a)(7) and will be distributed to members in November 2019 as part of the Annual Policy Statement.

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

Director Blackwell made a motion to approve a resolution for the 2020 Collection and Lien Enforcement Policy. The motion was seconded by Director Achrekar.

Discussion ensued among the Directors.

President Skillman called for the vote and the motion passed by a vote of 9-0-0 (Directors Liberatore and Armendariz was absent for the vote).

13c. Entertain a Motion to Approve Supplemental Funding for the 2019 Water Heater Replacement Program

RESOLUTION 01-19-66
**Supplemental Funding for the
2019 Water Heater Replacement Program**

WHEREAS, United Laguna Woods Mutual was constructed in the mid 1960's and the original water heaters did not have temperature pressure (TP) relief valves, therefore drain lines were not installed in most units; and

WHEREAS, in 2015, the City of Laguna Woods Building Department began enforcing the 2013 California Plumbing Code (CPC) regarding the installation of new replacement water heaters with (TP) relief valves; and

WHEREAS, the water heater replacement program was placed on hold while staff researched alternatives to this costly requirement, thus creating a significant backlog; and

WHEREAS, United Mutual eventually received approval to use of a water shut off device in addition to the installation of a Smitty pan at the base of the water heater, as a secondary containment method, when directing a drain line to the exterior is not possible; and

WHEREAS, current funding is not sufficient to complete the backlog of water heater installations; and

WHEREAS, the completion of the water heater program would require a supplemental appropriation in the amount of \$940,000 to be funded from the Replacement Fund to cover the 2019 budget variance and complete the backlog of installations this year; and

WHEREAS, on June 26, 2019, the M&C Committee directed staff to continue the water heater replacement program, and bring a report to the Finance Committee and Board in order to secure supplemental funding.

NOW THEREFORE BE IT RESOLVED, on August 13, 2019, the Board of Directors of this Corporation hereby authorizes a supplemental appropriation in the amount of \$940,000, to be funded from the Replacement Fund, to fund the budget variance and complete the backlog of water heater replacements in 2019; and

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

Director Blackwell made a motion to approve supplemental funding for the 2019 water heater replacement program. The motion was seconded by Director Randazzo.

Discussion ensued among the Directors.

President Skillman called for the vote and the motion passed unanimously.

14. Committee Reports

14a. Report of the Finance Committee / Financial Report – Director Morrison showed a presentation on the Treasurer’s Report and reviewed the resale and lease reports. The Committee met on July 30, 2019; next meeting will be September 24, 2019, 2:00 p.m. in the Sycamore Room.

14b. Report of the Architectural Control and Standards Committee – Director Achrekar gave a report from the last Committee meeting. The Committee did not meet in July 2019; next meeting will be August 15, 2019, 9:30 a.m. in the Elm Room. Director Randazzo will chair the next meeting.

14c. Report of the Communications Committee – Director Blackwell updated the board on the upcoming elections. She thanked the Board Members that contributed to The Breeze publication. Director Blackwell and another member on the Communications Committee wrote a letter to the editor of the Globe clarifying some inaccuracies in a previously published letter. Next meeting TBA.

14d. Report of Member Hearings Committee (closed session) – Director Achrekar gave a report from the last Committee meeting. The Committee met on July 25, 2019; next meeting will be August 22, 2019, 9:00 a.m. in the Sycamore Room.

14e. Report of the Governing Documents Review Committee – Director Blackwell gave a report from the last Committee meeting. The guarantor policy approved earlier was a product of the Committee. The Committee met on July 22, 2019; next meeting will be September 24, 2019, 1:30 p.m. in the Sycamore Room.

14f. Report of the Landscape Committee – Director Blackwell gave a report from the last Committee meeting. The Committee is working on the tree trimming schedule, turf reduction areas, and the process to close landscaping tickets. Free mulch is available at Clubhouse 4. The Committee met on August 8, 2019; next meeting will be October 10, 2019, 9:00 a.m. in the Board Room.

14g. Report of the Maintenance & Construction Committee – Director Randazzo gave a report from the last Committee meeting. At the next meeting the Committee will discuss emergency planning costs for staff and outside contractors, and will take up a verbal discussion on the Solar Power Plant Task Force report. All residents are invited. The Committee did not meet in July 2019; next meeting will be August 28, 2019, 9:00 a.m. in the Board Room.

14h. Report of the Resident Advisory Committee – Director Achrekar encouraged residents to attend the next Committee meeting to resolve any issues they have in the Community. The Committee met on July 11, 2019; next meeting will be August 15, 2019, 4:00 p.m. in the Sycamore Room.

15. GRF Committee Highlights

15a. Report of the Finance Committee – Director Morrison gave highlights from the last Committee meeting. The Committee did not meet in July 2019; next meeting will be August 21, 2019, 1:30 p.m. in the Board Room.

15b. Report of the Community Activities Committee – Director Skillman and Margolis gave highlights from the last Committee meeting. The Committee is working on the sale of CBC produces at the golf shop, limiting the number of clubs, donation for the video club. The Committee met on July 11, 2019 and July 23, 2019; next meeting will be September 12, 2019, 1:30 p.m. in the Board Room.

15c. Report of the Landscape Committee – Director Blackwell gave highlights from the last Committee meeting. The Committee did not meet in July 2019; next meeting will be August 14, 2019, 1:30 p.m. in the Board Room.

15d. Report of the Maintenance & Construction Committee – Director Randazzo gave highlights from the last Committee meeting. The Committee did not meet in July 2019; next meeting will be August 14, 2019, 9:30 a.m. in the Board Room.

- PAC Ad Hoc Committee—Next meeting will be held on August 15, 2019, at 2:00 p.m. in the Board Room.

15e. Village Energy Task Force Charter – Director Randazzo gave a report from the last Task Force meeting. The Task Force met on July 3, 2019; there will be a Special Meeting on August 19, 2019, at 10:00 a.m. in the Board Room. The next regular meeting will be held on September 4, 2019 at 1:30 p.m. in the Board Room.

15f. Report of the Media and Communication Committee – Director Blackwell gave highlights from the last Committee meeting. The Committee discussed advertisers on Village Television and a glitch that scrambled the television channels, which has been fixed. The Committee met on July 15, 2019; next meeting will be August 19, 2019, 1:30 p.m. in the Board Room. The Committee discussed advertisers on Village Television.

15g. Report of the Mobility and Vehicles Committee – Director Addington gave highlights from the last Committee meeting. They have received a new landscaping grinder which is used to make mulch. The Committee is working on the new bus routes. The Committee met on August 7, 2019; next meeting will be October 2, 2019, 1:30 p.m. in the Board Room.

15h. Report of the Security and Community Access Committee – Director Liberatore gave highlights from the last Committee meeting. The Committee did not meet in July 2019; next meeting will be August 26, 2019, 1:30 p.m. in the Board Room.

15i. Laguna Woods Village Traffic Hearings – Director Torng summarized the frequently repeated violations heard at the traffic hearings. Residents who are interested in learning about traffic school are encouraged to attend a session. The hearings were held on July 17, 2019; next hearings will be on August 21, 2019, 9:00 a.m. in the Board Room and 1:00 p.m. in the Sycamore Room.

15j. Disaster Preparedness Task Force – Director Achrekar gave highlights from the last Committee meeting. He encouraged residents to become a Good Neighbor Captain for your neighborhood; those interested can find sign-up sheets online or call the Disaster Preparedness Task Force at 949-597-4237. The Task Force met on July 30; next meeting will be on September 24, 2019, 9:30 a.m. in the Board Room.

16. Future Agenda Items

16a. Committee Advisor Qualifications, Procedures and Policy

16b. Recognition Agreement for Lenders.

17. Director's Comments

- Director Margolis and Torng commented in support of using reserve funds to reduce assessments.
- Director Torng commented about the reading the entire resolution for the residents.
- Director Achrekar congratulated Dorothy Pacella on her appointed to the VMS Board.
- Director Blackwell asked that residents not call her in the middle of the night to report problems. She was requested by the Board to give a summary of the resolution, but she is willing to read the entire resolution. She spoke against using reserve funds to reduce assessments.
- Director Morrison asked about showing the resolutions on the screen during the meeting.
- Directors Blackwell, Morrison and Liberatore reiterated the importance of having a strong reserve fund account.
- Director Addington commented about having another company manage the finances.
- President Skillman announced the Meet the Candidate meeting on Friday, August 16, 2019, at 10:00 a.m. in the Board Room.

18. Recess - *At this time the Meeting will recess for lunch and reconvene to Executive Session to discuss the following matters per California Civil Code §4935.*

The meeting recessed at 1:10 p.m. into the Executive Session.

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

During the July 9, 2019, Regular Executive Session, the Board:

Approval of Agenda

Approval of the Following Meeting Minutes;

(a) June 11, 2019 – Regular Closed Meeting

Discussed Member Disciplinary Cases

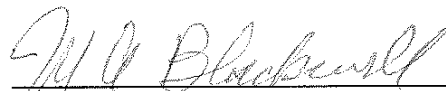
Discussed and Considered Contractual Matters

Discussed Personnel Matters

Discussed and Considered Legal and Litigation Matters

19. Adjourn

The meeting was adjourned at 6:30 p.m.



Maggie Blackwell, Secretary of the Board
United Laguna Woods Mutual