

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

March 13, 2007

The Regular Meeting of the Board of Directors of United Laguna Hills Mutual, a California Non-Profit Mutual Benefit Corporation, met on Tuesday March 13, 2007, at 9:30 A.M. at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Beth O'Brien, Jan McLaughlin, Linda Wilson, Jim McNulty, Bevan Strom, Mary Stone, Burns Nugent, John Dalis, Maxine McIntosh, Ken Hammer, Marty Rubin

Directors Absent: None

Others Present: Milt Johns, Patty Fox
Executive Session: Milt Johns, Patty Fox, Cris Trapp

CALL TO ORDER

Beth O'Brien, President of the Corporation, chaired 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.

A moment of silence was held to honor the US Troops serving our country and those placed in harm's way.

PLEDGE OF ALLEGIANCE

Director Linda Wilson led the Pledge of Allegiance to the Flag.

ACKNOWLEDGEMENT OF PRESS

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

MEMBER COMMENTS

- Iris Gorin (828-Q) commented on the Board's involvement in a joint venture
- Dolores Stolle (60-A) commented on the Catholic Church expansion
- Jerry Sheinblum (3488-C) announced the next CCA Townhall Meeting

APPROVAL OF AGENDA

The agenda was approved as written.

APPROVAL OF MINUTES

The Minutes of the Regular Meeting of February 13, 2007 were approved as written.

OLD BUSINESS

Director Jan McLaughlin made a motion to remove from the table the motion to approve revoking Mutual Alteration Standard Section 32, *Windscreen, Glass Panel*. Director Mary Stone seconded the motion, and the motion carried unanimously.

The Secretary of the Corporation, Director Bevan Strom, read the proposed resolution.

Director McLaughlin moved to approve the resolution. The motion was seconded and discussion ensued.

Mutual Member Barbara Copley (410-D) commented on the resolution.

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

RESOLUTION 01-07-28

WHEREAS, the Architectural Standards and Variances Committee has recommended that the Board of Directors revokes Mutual Alteration Standard Section 32, *Windscreen, Glass Panel* due to the finding that the current standard does not meet Code requirements;

NOW THEREFORE BE IT RESOLVED, March 13, 2007, that the Board of Directors of this Corporation hereby approves the revocation of Mutual Alteration Standard Section 32, *Windscreen, Glass Panel*; 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; and

RESOLVED FURTHER, that effective March 13, 2007 that any installation of Glass Panel Windscreens must be approved by the Board through the Variance Request process prior to installation; and

RESOLVED FURTHER, that Resolution U-96-62, adopted May 14, 1996 is hereby amended and Resolution U-02-111 adopted August 13, 2002 is hereby superseded and cancelled.

NEW BUSINESS

No new business came before the Board.

CHAIR'S REMARKS

President O'Brien commented on upcoming water conservation requirements as well as United's exterior paint policy.

GENERAL MANAGER'S REPORT

Mr. Milt Johns updated the Membership on GRF's land planning process and announced the upcoming Business Planning Meetings and encouraged the residents to participate.

A motion was made and seconded to extend the courtesy of allowing Member Iris Gorin to speak under the General Manager's report. By a vote of 6-4-0 (Directors Wilson, Strom, Stone and Hammer opposed), the motion carried.

Mutual Member Iris Gorin (828-Q) commented on the GRF land planning process.

CONSENT CALENDAR

Without objection and by way of unanimous consent the Consent Calendar was approved and the following actions were taken:

Architectural Standards and Variances Committee:

RESOLUTION 01-07-29

RESOLVED, March 13, 2007 that the request of members residing in Buildings 209 and 210 to restore to black the metal entry courtyard doors at Buildings 209 and 210 is hereby approved; and

RESOLVED FURTHER, that the work shall be performed by the Mutual at the Mutual Member's expense.

RESOLUTION 01-07-30

RESOLVED, March 13, 2007 that the request of members residing in Buildings 244 – 247 that the metal courtyard entry gates be painted black is hereby approved at the Mutual's expense.

RESOLUTION 01-07-31

RESOLVED, March 13, 2007 that the appeal request of Mr. Louis Piso of 357-C Avenida Castilla for a patio extension and block wall is hereby denied.

RESOLUTION 01-07-32

RESOLVED, March 13, 2007 that the request of Ms. Roidina Salisbury of 422-E Avenida Castilla to install a new construction 3'-0" X 3'-0" XO dual pane white vinyl window in the kitchen is hereby approved; and

RESOLVED FURTHER, that all future costs and maintenance associated with the subject alteration are the responsibility of the Mutual member at 422-E; and

RESOLVED FURTHER, that prior to issuance of a permit, electrical plans for the porch light detailing the proposed location of the fixture, wiring and conduit, and structural plans for the window must be submitted to the Permits and Inspections Office located in the Laguna Woods Village Community Center for approval; 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 must be submitted to the Mutual through the Permits and Inspections office located in the Laguna Woods Village Community Center.

RESOLUTION 01-07-33

RESOLVED, March 13, 2007 that the request of Ms. Monireh Amirmoez of 726-P Avenida Majorca to install a satellite dish on the roof or balcony enclosure of her manor is hereby denied.

Landscape Committee Recommendation:

No recommendations. Monthly meeting was not held.

Finance Committee Recommendations:

No recommendations.

COMMITTEE REPORTS and SERVICES

FINANCE REPORT

Director Jim McNulty reported on the Treasurer's Report and the Finance Committee.

Director McNulty summarized the events leading up to the execution of the Management Agreement.

Director Stone made a motion to allow Members to address the Board on the Management Agreement Report and to limit the time to 15 minutes. Director Linda Wilson seconded the motion. Discussion ensued and without objection the motion carried.

Mutual Members Iris Gorin (828-Q) inquired on the attorneys involved in writing the Agreement and Gunther Austin (326-B) addressed the Board on the Agreement.

Director Jan McLaughlin reported from the Architectural Standards and Variances Committee.

The Secretary of the Corporation read the following proposed resolution on rescinding the current Land Use Alteration Policy.

RESOLUTION 01-07

WHEREAS, the current Land Use Alteration Policy contains conflicting and confusing language in the Resolution that results in erroneous

interpretation pertaining to the allowable square footage to construct a room addition;

NOW THEREFORE BE IT RESOLVED, May 8, 2007 that the Board of Directors of this Corporation hereby rescinds Resolution 01-04-54, adopted April 13, 2004; and

RESOLVED FURTHER, that the maximum square foot usage of 207 feet be included as a guideline in the Mutual's Alteration Standards for room additions and enclosures on patios, atriums and balconies; 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 Wilson made a motion to approve the resolution. Director Ken Hammer seconded the motion. Discussion ensued.

Mutual Member Len Peverieri (76-P) addressed the Board on the ASV Report.

Director McNulty made a motion to table the resolution to the May Meeting to satisfy the required statutory thirty-day notice requirements. Director John Dalis seconded the motion and without objection the motion carried.

The Secretary of the Corporation read the following proposed resolution on revising the current Paint Standard Policy:

RESOLUTION 01-07-

WHEREAS, the United Painting Color Standards were establish by way of Resolution 01-04-16; and

WHEREAS, the Mutual's current policy with respect to gates is to paint the gates the color of the buildings' trim color when the buildings are painted; and

WHEREAS, multiple residents have expressed a desire to retain the black color of the entry gates during the paint program;

NOW THEREFORE BE IT RESOLVED, May 8, 2007, the Board of Directors of this Corporation hereby revises the Paint Standard policy to include that metal courtyard entry gates/doors will be black, and original wood gates will be painted the Building's trim color; and

RESOLVED FURTHER, that Resolution 01-04-16 adopted January 13, 2004 is hereby amended; 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 Strom made a motion to consider the resolution as an initial notification. Director McLaughlin seconded the motion and without objection the motion carried.

Director McLaughlin moved to approve the resolution. Director Marty Rubin seconded the motion and discussion ensued.

Mutual Members Iris Gorin (828-Q) and Ken Bennett (942-A) commented on the policy.

Director McLaughlin made a motion to table the resolution to the May Meeting to satisfy the required statutory thirty-day notice requirements. Director Rubin seconded the motion and without objection the motion carried.

The Secretary of the Corporation read the following proposed resolution on approving a Saturday work hour policy:

RESOLUTION 01-07

WHEREAS, the General Requirements for all Alteration Standards with respect to Saturday work hours is ambiguous;

NOW THEREFORE BE IT RESOLVED, May 8, 2007 that the Board of Directors of this Corporation hereby adopts the following Saturday work hour policy for inclusion in the General Requirements of all Alteration Standards:

“No work shall commence prior to 8:00 am and no work shall be permitted after 5:00 pm on Saturday.”

RESOLVED FURTHER, that the General Requirements of all Alteration Standards will be modified to reflect this change; 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 Strom moved to approve the resolution. Director Maxine McIntosh seconded the motion and discussion ensued.

Mutual Member Gail McNulty (2140-D) commented on the work hour policy.

Director McIntosh amended the motion to limit the Saturday work hours to four hours from 1:00 P.M – 5:00 P.M. Director Dalis seconded the motion and discussion ensued.

Mutual Members Ken Bennett (942-A), Gunther Austin (326-B), and Libby Marks (82-Q) addressed the Board on the proposed amendment.

Without objection Maxine McIntosh withdrew her amendment.

Director Stone made a motion to table the resolution to the May Meeting to satisfy the required statutory thirty-day notice requirements. Director Hammer seconded the motion and without objection the motion carried.

The Secretary of the Corporation read the following proposed resolution on approving standards governing carport storage:

RESOLUTION 01-07

RESOLVED, May 8, 2007 that the Board of Directors of this Corporation hereby establishes the following standards governing carport storage:

RESOLVED FURTHER, that carports are to be used exclusively for the parking of personal, non-commercial vehicles used for personal transportation; and

RESOLVED FURTHER, that except as permitted by the Mutual, carport storage of personal property in carports shall be contained in cabinets in accordance with the Mutual Standards; and

RESOLVED FURTHER, that the storage of oversized items (those that do not fit into the carport storage cabinet) or disaster relief materials owned by the Member of the Corporation that are not unsightly or unsuitable as determined by the Mutual may be stored in the space directly beneath the Member's carport storage cabinet; and

RESOLVED FURTHER, that storage of any type of material in crawl spaces of buildings owned by this Corporation, and in void areas of buildings owned by this Corporation, shall not be permitted and shall be removed and the property restored, if necessary, at the expense of the owner; and

RESOLVED FURTHER, that the improper or unsafe storage of any item or materials that creates a substantial and material threat to the health, safety and well-being of all residents, including but not limited to noxious, corrosive or combustible materials is strictly prohibited; and

RESOLVED FURTHER, that the Corporation shall issue Notice of Violations to Mutual Members in violation of this resolution which may result in member disciplinary action; and

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

Without objection administrative changes were made and approved.

Director Stone moved to approve the resolution. Director Wilson seconded the motion. Discussion ensued.

Director Strom amended the motion to revise the fifth paragraph to state as follows:

RESOLVED FURTHER, that storage of any type of material in other areas not approved for Member storage by the Mutual for Members in property owned by this Corporation, shall not be permitted and shall be removed and the property restored, if necessary, at the expense of the owner; and

The motion was seconded and additional changes were suggested.

Director McIntosh made a motion to return the resolution back to the ASV Committee for clarification. Director Burns Nugent seconded the motion. Without objection the motion carried.

Director Linda Wilson reported from the Landscape Committee.

Director Bevan Strom reported from the Planning and Project Development Committee.

Director McNulty made a motion to waive the reading of the resolution to approve the committee charter. Director Stone seconded the motion. Without objection the motion carried.

Director Stone made a motion to approve the resolution. Director Hammer seconded the motion and discussion ensued and changes were suggested.

Without objection the Board approved the changes.

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

RESOLUTION 01-07-34

WHEREAS, on October 20, 2006, pursuant to Article VII, Section I of the Bylaws, the Board of Directors of this Corporation established the Planning and Project Development Committee as a standing committee; and

NOW THEREFORE BE IT RESOLVED, March 13, 2007, that the Committee shall perform the duties and responsibilities imposed upon all standing committees as set forth in the current resolution entitled "General Duties of Standing Committees;" and

RESOLVED FURTHER, that the Committee shall maintain a working liaison with the Maintenance Division of the Managing Agent's organization to ensure that the real property and fixtures owned and managed by United Laguna Hills Mutual are maintained, reconditioned, improved or augmented as necessary or desired to meet the policies established by the Board of Directors, requirements of the members, mortgage holders and government agencies involved; and

RESOLVED FURTHER, that the Committee shall review maintenance service level requirements and variances in connection with the current Business Plan; and

RESOLVED FURTHER, that the Committee shall explore and review suggestions for short-term and long-term Mutual-wide improvements and cost-effective programs for approval by the Finance Committee and Board of Directors; and

RESOLVED FURTHER, that the Committee shall establish building colors palette and determine primary roof, building and trim colors for buildings, as appropriate; update at least every five years; and

RESOLVED FURTHER, that the Committee shall review the budget requirements, service levels, all attendant costs and projected income related to services to be provided by the Maintenance Division and make necessary recommendations to the Finance Committee and Board of Directors; and

RESOLVED FURTHER, that the Committee shall review the substance of specifications used for procurement of goods and services for programs under the review of this Committee. The Committee will consult with Managing Agent on the selection for award of proposal, offer quotation or competitive bid for the Corporation as needed. After approval by the Finance Committee and Board of Directors, **execution** shall be under the direction and control of the **Officers and Agent of the Corporation** ~~Managing Agent~~; and

RESOLVED FURTHER, that the Committee shall review on a continuing basis long-range plans and needs for building and infrastructure maintenance and, in consultation with appropriate committees, recommend to the Board of Directors appropriate means for achieving such plans and needs; and

RESOLVED FURTHER, that the Committee shall review all requests for unbudgeted capital components or programs suggested by the Maintenance Division, other committees or members, and recommend appropriate action to the Finance Committee; and

RESOLVED FURTHER, that the Committee shall monitor major Operating and Reserve maintenance programs, roofing, asphalt maintenance and replacement, external painting, appliance replacement and the like; and

RESOLVED FURTHER, that the Committee shall perform such other tasks as may be assigned by the Board of Directors or its President, including identification of critical issues that may rise and options which may become available to this Corporation after payment of all HUD-insured mortgages; and

RESOLVED FURTHER, that the Committee shall perform such other tasks as may be assigned by the President or Board of Directors.

The Secretary of the Corporation read the following proposed resolution on adopting a vehicle operation and parking policy:

RESOLUTION 01-07

RESOLVED, May 8, 2007 that the Board of Directors of this Corporation hereby adopts the attached "Standard for Vehicle Operation and Parking on Property Owned or Managed by United Laguna Hills Mutual", **including Appendix A, Section 2**, to govern the appropriate use for vehicle operation and parking on the property owned or managed by the Mutual; and

RESOLVED FURTHER, that such Standard is intended to adhere to and not contradict the California Vehicle Code and/or Davis-Stirling Act; and

RESOLVED FURTHER, that enforcement of said rules shall commence upon proper notice to the Membership of the Community; and

RESOLVED FURTHER, that such Standard shall run in accordance with the Laguna Woods Village Traffic Rules and Regulations, adopted by way of Resolution U-02-80; 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; and

RESOLVED FURTHER, that Resolution 379 adopted May 23, 1978, Resolution U-85-173 adopted October 22, 1985, Resolution U-86-152 adopted November 25, 1986, Resolution U-01-77 adopted August 14, 2001, and Resolution 01-05-37 adopted April 12, 2005 are hereby superseded and cancelled.

Director Strom moved to approve the resolution. Director McIntosh seconded the motion and discussion ensued.

Without objection, the statement “, including Appendix A, Section 2,” was added in the first paragraph.

Director Stone made a motion to table the resolution to the May Meeting to satisfy the required statutory thirty-day notice requirements. Director McIntosh seconded the motion and without objection the motion carried.

Director Linda Wilson reported from the Resident Relations Information Services.

The Directors reported from the GRF Committees to which they are assigned.

DIRECTORS' FORUM

- Director Stone reminded the Members to adhere to standards regarding roll up shades
- Director Strom encouraged residents to deposit dryer lint in the proper receptacle
- Director Wilson commented on the Bus Specialist Information Group
- Director Dalis urged residents to call the City to pick up discarded electronic equipment
- Director Hammer reminded the Community that GRF owns the equipment, not PCM, and encouraged the residents to slow down while driving in the Community
- Director McIntosh commented on the pretty pictures displayed on message board
- Director McLaughlin commented on keeping the Community pretty and positive
- President O'Brien expanded on Director Strom's and Director Hammer's comments, and recognized Staff for its hard and diligent work in preparing information included in the Board agendas

MEETING RECESS

The Regular Open Session Meeting recessed for lunch at 12:25 P.M. and reconvened back into the Regular Executive Session at 1:21P.M.

During its February 13, 2007 Regular Executive Session, the Board reviewed, revised and approved the minutes of the Regular Executive Session Minutes of January 9, 2007 and the Special Executive Session Minutes of January 24, 2007. The Board heard two (2) Regular Disciplinary Hearings and imposed fines totaling \$200 for violations of the Mutual's rules and regulations. The Board also discussed other disciplinary matters, contractual, and pending litigation matters; and approved the recording of Notices of Default for Member ID 947-366-90 and Member ID 947-400-14.

The Traffic Committee of the Board met in Executive Session on February 21, 2007 to discuss member disciplinary issues.

ADJOURNMENT

With no further business before the Board of Directors, the meeting was adjourned at 4:29 P.M.

Bevan Strom, Secretary