

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

July 10, 2007

The Regular Meeting of the Board of Directors of United Laguna Hills Mutual, a California Non-Profit Mutual Benefit Corporation, met on Tuesday July 10, 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, Burns Nugent, John Dalis, Ken Hammer, Marty Rubin, Maxine McIntosh, Mary Stone

Directors Absent: None

Others Present: Milt Johns, Patty Fox, Janet Price (10:44 A.M. - 10:58 A.M.)
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 Maxine McIntosh led the Pledge of Allegiance to the Flag.

ACKNOWLEDGEMENT OF PRESS

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

MEMBER COMMENTS

- Libby Marks (82-Q) commented on lack of lighting in the Community
- Helen Ensweiler (2121-S) commented on posting no-smoking signs in laundry rooms
- Larry Johnston (50-B) commented on traffic enforcement
- Frankie Henry (679-C) commented on GRF expenditures
- Connie Grundke (2214-B) commented on tracking maintenance costs and trends
- Len Peverieri (76-P) commented on GRF expenditures
- Kay Margason (510-C) inquired on paper trail on monthly payments
- Anton Rohrbacher (852-A) commented on the San Sebastian fence line, roof life, and monthly fee increases
- Jerry Sheinblum (3488-C) announced the next CCA Townhall Meeting at Clubhouse Five
- Casandra Kirk (72-B) commented on the San Sebastian project construction traffic

APPROVAL OF AGENDA

The agenda was approved as amended, due to time constraints, by moving 8(a) *Discussion on Need for Regulations on Water Use* and 8(b) *Discussion on Need for Long Range Planning* to after Agenda Item 16.

Director Mary Stone made a motion to return the variance requests from *66-E to paint gate white at the Mutual's expense* and *599-E retain air conditioning unit at its current location* back to the ASV Committee. Director Maxine McIntosh seconded the motion. President O'Brien indicated that such action was taken at the agenda meeting and ruled the motion out of order.

APPROVAL OF MINUTES

The Minutes of the Regular Meeting of June 12, 2007 were approved as submitted.

OLD BUSINESS

President O'Brien welcomed Arthur Moss, Chair of the Nominating Committee, who provided a report of the Nominating Committee and encouraged qualified residents to run for the Board.

NEW BUSINESS

The Secretary of the Corporation, Director Bevan Strom, read a proposed resolution on approving the format for the 2007 ballot package. Director Linda Wilson moved to approve the resolution. Director Maxine McIntosh seconded the motion. Discussion ensued.

President O'Brien reminded the Membership of the election calendar and the balloting process.

Director Mary Stone requested that TrueBallot look into enlarging the ballot font size.

Mutual members Libby Marks (82-Q), Arthur Moss (2130-C), and Kay Margason (510-C) addressed the Board on the font size

By a vote of 10-0-0 the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 01-07-77

RESOLVED, July 10, 2007, that the sample ballot package for the 2007 Annual Meeting Election of Directors of this Corporation, to be prepared by TrueBallot, is hereby approved; and

RESOLVED FURTHER, that the "Meet the Candidates" meeting will be held on Thursday, August 30, 2007 at 10:00 A.M; 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.

CHAIR'S REMARKS

President O'Brien commented on the difficulty and significant expense of converting stock cooperatives into condominiums after the HUD mortgage loans are paid off.

GENERAL MANAGER'S REPORT

Mr. Johns announced the Special GRF Board meeting to be held on July 11, 2007 to review staff's recommendations to GRF for expenditure guidelines; announced the upcoming Business Planning Meetings and encouraged the residents to participate; updated the Membership on GRF's land planning process, and reported on the temporary fence line at the San Sebastian project.

Ms. Janet Price entered the meeting at 10:44 A.M.

CONSENT CALENDAR

Without objection the Consent Calendar was approved and the following actions were taken:

Architectural Standards and Variances Committee:

RESOLUTION 01-07-78

RESOLVED, July 10, 2007 that the request of Mr. and Mrs. William Margolis of 34-C Calle Aragon for a variance to retain a window modification made in the downstairs bedroom is hereby denied.

RESOLUTION 01-07-79

RESOLVED, July 10, 2007 that the request of Mr. and Mrs. Larry Cunningham of 154-D Avenida Majorca for a variance to upgrade an electrical panel at their Manor is hereby approved; and

RESOLVED FURTHER, that all future costs and maintenance associated with the subject alterations are the responsibility of the Mutual Member(s) at 154-D; and

RESOLVED FURTHER, that all required Mutual and City of Laguna Woods permits must be obtained and the appropriate City of Laguna Woods permits 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 Mutual Members at 154-D must provide a minimum of 48 hours notice to residents of Building 154 before interrupting electrical service to the building; and

RESOLVED FURTHER, that all landscape, irrigation, and drainage modifications associated with the alteration are to be completed by the Landscape Division at the expense of the Mutual member at 154-D; and

RESOLVED FURTHER, that reasonable accommodations must be provided to residents of neighboring manors in Building 154, at the Cunningham's expense, should the need arise because of necessity, hardship, or extended timetables due to the work being performed.

RESOLUTION 01-07-80

RESOLVED, July 10, 2007 that the request of Mr. and Mrs. Larry Cunningham at 154-D Avenida Majorca for a variance to perform major remodeling to their manor to include a patio extension with room addition, bathroom remodel, modified atrium enclosure, and window additions is hereby approved; and

RESOLVED FURTHER, that all future costs and maintenance associated with the subject alterations are the responsibility of the Mutual Member(s) at 154-D; and

RESOLVED FURTHER, that prior to the issuance of a Mutual permit for the proposed alterations the Mutual Member(s) of Manor 154-D must submit to the Permits and Inspections office an Alteration Consent form signed by the Mutual Member(s) of Manors 152-A, 152-B, 152-C, 153-A, 153-B, 153-C, 153-D, 154-A, 154-B, 154-C, 155-A, and 155-D indicating those Member's approval of the proposed alterations; and

RESOLVED FURTHER, that all required Mutual and City of Laguna Woods permits must be obtained and the appropriate City of Laguna Woods permits 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 detailed site specific plans, wet-stamped and signed by a California licensed architect or engineer detailing the required structural modifications necessary to ensure that the structural integrity of the building is maintained upon completion of the room addition and extensions, inclusive of required roof tie-ins, must be submitted to the Permits and Inspections office located in the Laguna Woods Village Community Center prior to issuance of a permit; and

RESOLVED FURTHER, that detailed site specific plans, wet-stamped and signed by a California licensed architect or engineer detailing the required plumbing modifications necessary to ensure that the integrity of the building's plumbing system is maintained upon completion of the existing

bathroom remodel, must be submitted to the Permits and Inspections office located in the Laguna Woods Village Community Center prior to issuance of a permit; and

RESOLVED FURTHER, that a Notification to Roof Alteration form must be completed and submitted to the Laguna Woods Village Permits and Inspections office located in the Laguna Woods Village Community Center.

RESOLUTION 01-07-81

RESOLVED, July 10, 2007 that the request of Ms. Sharon Nelson, POA, on behalf of her mother Ms. Mildred Connolly of 444-C Avenida Sevilla to retain the extended rear patio slab is hereby approved; and

RESOLVED FURTHER, that all future costs and maintenance associated with the subject alterations are the responsibility of the Mutual Member(s) at 444-C; and

RESOLVED FURTHER, that all required Mutual permit for the rear patio extension must be obtained from the Permits and Inspections Office located in Laguna Woods Village Community Center; and

RESOLVED FURTHER, that the 113 square feet for the patio extension would count towards the 207 square feet lifetime total; and

RESOLVED FURTHER, that the request to retain the trellis is hereby denied.

RESOLUTION 01-07-82

RESOLVED, July 10, 2007 that the request of Mrs. Dolores Cullers of 517-D Calle Aragon for a variance to perform major remodeling to her manor to include a living room extension, bathroom addition, patio wall openings, and washer/dryer in the patio storage room is hereby approved; and

RESOLVED FURTHER, that all future costs and maintenance associated with the subject alterations are the responsibility of the Mutual Member(s) at 517-D; and

RESOLVED FURTHER, that all required Mutual and City of Laguna Woods permits must be obtained and the appropriate City of Laguna Woods permits 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 detailed site specific plans, wet-stamped and signed by a California licensed architect or engineer detailing the required structural modifications necessary to ensure that the structural integrity of the building is maintained upon completion of the bedroom extension, inclusive of required roof tie-ins, must be submitted to the Permits and Inspections office located in the Laguna Woods Village Community Center prior to issuance of a permit; and

RESOLVED FURTHER, that detailed site specific plans, wet-stamped and signed by a California licensed architect or engineer detailing the required plumbing modifications necessary to ensure that the integrity of the building's plumbing system is maintained upon completion of the existing bathroom remodel and new bathroom addition, must be submitted to the Permits and Inspections office located in the Laguna Woods Village Community Center prior to issuance of a permit; and

RESOLVED FURTHER, that a Notification to Roof Alteration form must be completed and submitted to the Laguna Woods Village Permits and Inspections office located in the Laguna Woods Village Community Center.

RESOLUTION 01-07-83

RESOLVED, July 10, 2007 that the request of Mr. Tom LaMar of 623-A Avenida Sevilla for a variance to construct two openings in the existing patio wall 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 623-A; 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; and

RESOLVED FURTHER, that the finished opening must match the existing finish on the patio wall. Brick veneer or other trim and finishes will not be allowed.

RESOLUTION 01-07-84

RESOLVED, July 10, 2007 that the request of Mrs. Jeannine Williams of 774-Q Via Los Altos to retain a satellite dish installed on the roof of her manor is hereby denied.

RESOLUTION 01-07-85

RESOLVED, July 10, 2007 that the request of Mr. Thomas Bergfald of 905-A Ronda Sevilla for a variance to retain a flagpole installed in the front planter of his manor is hereby denied.

RESOLUTION 01-07-86

RESOLVED, July 10, 2007 that the request of Ms. Stormy Panosian of 2030-C Via Mariposa East that the Mutual install lighting to illuminate common area walkways that lead from the rear parking area of cul-de-sac 205, through a greenbelt area between Buildings 2029 and 2030, and between Buildings 2028 and 2029 leading back to Carports C2017 and C2028 is hereby denied.

Landscape Committee Recommendation:

- | | |
|--------|---|
| 329-D | Approval of appeal request to install an additional tree at the Mutual member's expense |
| 23-D | Approval of request for tree removal at the Mutual Member's expense |
| 86-D | Approval of request for relandscaping in front of vacant manor at the Mutual's expense |
| 498-D | Approval of request for tree removal at the Mutual's expense |
| 602-A | Approval of request for landscaping modifications at the Mutual member's expense |
| 836-B | Denial of request for plant replacements |
| 2035-B | Approval of request for tree removal at the Mutual's expense |

Finance Committee Recommendations:

RESOLUTION 01-07-87

WHEREAS, Member ID 947-387-74 is currently delinquent to United Laguna Hills Mutual with regard to the monthly assessment; and

WHEREAS, a Notice of Delinquent Assessment (Lien) will be filed upon adoption of this resolution following at least a majority vote of the Board (with no delegation of such action by the Board), acting in an open meeting, and for which the Board's vote is recorded in the minutes;

NOW THEREFORE BE IT RESOLVED, July 10, 2007 that the Board of Directors hereby approves the recording of a Lien for Member ID 947-387-74; 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 01-07-88

WHEREAS, Member ID 947-388-49 is currently delinquent to United Laguna Hills Mutual with regard to the monthly assessment; and

WHEREAS, a Notice of Delinquent Assessment (Lien) will be filed upon adoption of this resolution following at least a majority vote of the Board (with no delegation of such action by the Board), acting in an open meeting, and for which the Board's vote is recorded in the minutes;

NOW THEREFORE BE IT RESOLVED, July 10, 2007 that the Board of Directors hereby approves the recording of a Lien for Member ID 947-388-49; 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.

COMMITTEE REPORTS and SERVICES

FINANCE REPORT

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

The Secretary of the Corporation read a proposed resolution on transferring funds. Director Wilson moved to approve the resolution. Director McIntosh seconded the motion and discussion ensued.

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

RESOLUTION 01-07-89

WHEREAS, according to the Davis-Stirling Act, a Common Interest Development shall not retain significant operating surplus (funds that are not needed to defray current operating costs); and

WHEREAS, for the year ended December 31, 2006, United Laguna Hills Mutual had an operating surplus of approximately \$172,950. During the 2007 Business Plan, staff projected a surplus for 2006 and the Board reduced the 2007 operating budget by \$75,876 in order to reduce member assessments;

NOW THEREFORE BE IT RESOLVED, July 10, 2007 that the Board of Directors of this Corporation hereby authorizes the transfer of the remaining amount of the 2006 surplus of \$97,000 from the Operating Surplus to 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.

Ms. Price left the meeting at 10:58 A.M.

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

Director Linda Wilson reported from the Landscape Committee.

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

Due to time constraints, and without objection, the Board deferred the proposed resolution adopting an exterior paint program color selection procedure to next month.

Director Linda Wilson reported from the Resident Relations Information Services.

Item 8(b) *Discussion on the need for long range planning* was deferred to next month.

A discussion was held relative to the need to regulate water use throughout the Community due to the current drought.

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

DIRECTORS' FORUM

- Director McIntosh encouraged the residents to attend the budget meetings
- Director Stone reminded the Membership to be considerate of neighbors
- Director Hammer reminded the Membership to maintain balconies to prevent mold

MEETING RECESS

The Regular Open Session Meeting recessed for lunch at 11:30 A.M. and reconvened back into the Regular Executive Session at 12:06 P.M.

The Traffic Committee of the Board did not meet in Executive Session on June 20, 2007 to discuss member disciplinary issues.

During its June 12, 2007 Regular Executive Session Meeting, the Board of Directors reviewed, revised and approved the Regular Executive Session Meeting Minutes of May 8, 2007. The Board heard two (2) Regular Disciplinary Hearings and imposed fines totaling

\$600 for violations of the Mutual's rules and regulations. The Board also discussed other disciplinary matters, contractual, and pending litigation matters

ADJOURNMENT

With no further business before the Board of Directors, the meeting was adjourned at 4:58 P.M.

Bevan Strom, Secretary

UNITED LAGUNA HILLS MUTUAL

SECTION 17 PATIO GATES & COURTYARD DOORS MAY 1996, RESOLUTION U-96-62 REVISED JUNE 2007, RESOLUTION 01-07-62

1.0 GENERAL REQUIREMENTS

- 1.1 **PERMITS AND FEES:** A Mutual permit is required for all alterations to the building. A City of Laguna Woods permit may be required. All fees for both Mutual and City permits shall be paid for by the Member and/or his contractor. Member and/or his contractor must supply the Permits and Inspection office with City permit numbers prior to beginning work.
- 1.2 **MEMBERS RESPONSIBILITY:** The Member is solely responsible for the maintenance and repair of all alterations to the building. Removal maybe required upon sale of a manor, or deterioration of the alteration.
- 1.3 **CODES AND REGULATIONS:** All work shall comply with applicable local, state, and federal requirements including but not limited to the current edition of the Uniform Building Code.
- 1.4 **WORK HOURS:** No work shall start before 7:00 a.m. and no work will be permitted after 6:00 p.m. Monday through Friday. No work shall commence prior to 8:00a.m. and no work shall be permitted after 5:00p.m. on Saturday. No work whatsoever shall be permitted on Sunday.
- 1.5 **PLANS:** The Member applying for a permit shall provide to the Permits and Inspection office a detailed plan(s), for approval, indicating all work to be done, i.e., size, location, description, and specifications.
- 1.6 **DUMPSITES:** The premises shall be kept free from accumulation of waste materials and/or rubbish caused by the construction work. Member and/or his contractor is responsible for removal of debris and excess material and must leave work areas "**BROOM CLEAN**" daily. **USE OF COMMUNITY DUMPSITES FOR CONSTRUCTION RELATED DUMPING IS NOT PERMITTED.** Contractor's dumpsters, if required, must have location approved by the Permits and Inspections office.
- 1.7 **CONTRACTOR:** Installation must be performed by a California licensed contractor of the appropriate trade.

2.0 APPLICATIONS

- 2.1 Only single panel gates, with two hinges, are allowed.

- 2.2** All wood gates and wood courtyard doors will be painted to match the trim color of the building.
- 2.3** Metal patio gates and metal courtyard doors will be painted black.
- 2.4** Gates may be installed that open into patio areas; and also where limited access to entryways does not obstruct necessary access to common areas.
- 2.5** Gates and courtyard doors will be constructed of wood or metal only.
- 2.6** Gates to be matching in construction if facing each other and within 25 feet.
- 2.7** Gates and courtyard doors shall be no higher than the wall in which they are part of, with the exception of decorative arc or radius finished tops.

United Laguna Hills Mutual

SECTION 40 – EXTERIOR ROLL-UP SHADES (SUN SCREENS)

ADOPTED JUNE 2007, RESOLUTION 01-07-63

1.0 GENERAL REQUIREMENTS

- 1.1 PERMITS AND FEES:** A Mutual permit is required for all alterations to the building. A City of Laguna Woods permit may be required. All fees for both Mutual and City permits shall be paid for by the Member and/or his or her contractor. Member and/or his or her contractor must provide the Permits and Inspections office with City permit number(s) prior to beginning work.
- 1.2 MEMBERS' RESPONSIBILITY:** The Member is solely responsible for the maintenance, repair, and/or removal of all alterations to the building.
- 1.3 CODES AND REGULATIONS:** All work shall comply with all applicable local, state, and federal requirements including, but not limited to, the current edition of the Uniform Building Code(UBC) the California Building Code (CBC) and the National Electrical Code (NEC).
- 1.4 WORK HOURS:** No work shall commence prior to 7:00a.m. and no work shall be permitted after 6:00p.m. Monday through Friday. No work shall commence prior to 8:00a.m. and no work shall be permitted after 5:00p.m. on Saturday. No work whatsoever shall be permitted on Sunday.
- 1.5 PLANS:** The Member applying for a permit shall provide to the Permits and Inspections office a detailed plan(s) for approval indicating all work to be done, i.e., size, location, description and specifications.
- 1.6 DUMPSITES:** The premises shall be kept free of accumulation of waste materials and/or rubbish caused by construction work. The Member and/or his or her contractor is responsible for removal of debris and excess material and must leave work areas "**BROOM CLEAN**" daily. **USE OF COMMUNITY DUMPSITES FOR CONSTRUCTION RELATED DUMPING IS NOT PERMITTED.** Contractor's or Member's dumpsters, if required, must have location approved by the Permits and Inspections office. Contractors must use the same company used by the City of Laguna Woods.
- 1.7 CONTRACTOR:** Installation must be performed by a California licensed contractor of the appropriate trade.

2.0 APPLICATION

- 2.1 Installation of qualified off-the-shelf shades (sun screens) by a professional is strongly encouraged for the safety of the Member and the quality of the installation. Installation of custom ordered shades must be done by a professional (see paragraph 1.7 above.)
- 2.2 All shades (sun screens) shall be made of a solar screen fabric (Textilene, or equivalent) that blocks 80% of the sun's rays, and be of a roll-up design.
- 2.3 Shades (sun screens) shall be Desert Sand, or equivalent, in color.
- 2.4 The edges of the material must be straight. No scalloped or decorative edges will be allowed.
- 2.5 Guide wires or clips are permissible but they cannot be attached to balcony decks. Guide wires, if used, must be installed so that they do not create tripping hazards.
- 2.6 Powered shades (sun screens) and timers are permitted. Automatic sensors for the powered unit requires approval of a variance.
- 2.7 Electrical wiring must be installed in electrical conduit, and wiring run lengths should be minimized. Junction boxes and conduit must be painted to conform to the approved paint color for the building. Electrical work must be performed by a California licensed contractor.
- 2.8 Track mounted, or side channel, shades (sun screens) are not permitted.
- 2.9 Shades (sun screens) shall be hung only in a vertical position.
- 2.10 No shade (sun screen) shall be installed that is outside of the footprint of a patio or balcony.
- 2.11 If the patio or balcony has a wall or railing, then the shades (sun screens) must hang inside the perimeter of the wall or railing.
- 2.12 Shades (sun screens) must be hung parallel to the wall or railing.
- 2.13 No shades (sun screens) can hang directly over a door or window, and shades (sun screens) cannot be mounted to the wall of the Manor.
- 2.14 No shades (sun screens) shall be allowed that encroach upon a neighbor's view.
- 2.15 Metal housings that enclose the raised shade (sun screen) and roller mechanism are permissible.
- 2.16 Any wood ledgers added to the manor during the installation must match the color of the surface to which they are attached, per the Mutual's exterior paint program.

- 2.17 Fasteners shall be properly sealed to prevent moisture intrusion.
- 2.18 Balcony floors may not be penetrated.
- 2.19 Shades (sun screens) must be removed, or replaced, at the Mutual Member's expense, when the shades become discolored, damaged or otherwise fall into disrepair.