

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

June 9, 2009

The Regular Meeting of the Board of Directors of United Laguna Hills Mutual, a California Non-Profit Mutual Benefit Corporation, met on Tuesday June 9, 2009, at 9:30 A.M. at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Lloyd Foster, Bevan Strom, Linda Wilson, Marty Rubin, Maxine McIntosh, Gail McNulty, Arlene Miller, Paul Vogel, John Dalis, Marv Rosenhaft, Mike Curtis

Directors Absent: None

Others Present: Milt Johns, Kim Taylor, Janet Powers, Esq.
Executive Session: Milt Johns, Cris Trapp, Kim Taylor

CALL TO ORDER

Lloyd Foster, President of the Corporation, chaired and opened the meeting, and stated that it was a Regular Meeting held pursuant to notice duly given. A quorum was established and the meeting was called to order at 9:30 A.M.

PLEDGE OF ALLEGIANCE

Director Gail McNulty led the Pledge of Allegiance to the Flag.

ACKNOWLEDGEMENT OF PRESS

Ms. Janet Whitcomb from the Laguna Woods Globe, and the Channel 6 Camera Crew, by way of remote cameras, were acknowledged as present.

APPROVAL OF AGENDA

Director Strom made a motion to add to the agenda, under New Business (9a), Wave Attorney Client Privilege and, under New Business (9c), Choosing one of the Options that Legal Council May Offer, under Civil Code §1363.05 of the Open Meeting Act. The motion seconded the motion and the motion carried by a vote of 9-1-0 (Director Curtis opposed), the motion carried.

Director Curtis made a motion to move agenda item 11, General Managers Report, to agenda item 19 Director's Forum. The motion failed due to a lack of a second.

MEMBER COMMENTS

- Dick Sharp (887-Q) Chair of United Nominating Committee announced that the Nominating Committee is looking for candidates for the United Board
- Mary Stone (356-C) commented on an email from Director Curtis
- Delsie Zuzak (674-A) commented on United Board Members and security
- Rhoda Lindner (2013-C) commented on recycling in the community
- Kay Margason (510-C) read a letter to the Board from Iris Gorin
- Charlene Sydow (646-A) commented on the GRF Board and Security

- Libby Marks (82-Q) commented on security in the community
- Frances Skidmore(2049-D) commented on residents behavior and the community
- Barbara Copley (410-D) commented on member participation
- Jerry Sheinblum (3488-C) announced the next CCA Town Hall Meeting
- Frankie Henry (679-C) commented on the Rules of Decorum
- Roberta Berk (933-B) commented on board meetings
- Jodie Foster (2162-C) commented on the community

RESPONSE TO MEMBER COMMENTS

- Director McIntosh addressed dialogue with Directors and Residents
- Director Dalis commented on Ms. Marks' comment
- Director Rosenhaft commented on Dick Sharp and Mary Stone's comments
- Director Curtis commented on Mary Stone's comment and communication
- President Foster responded to Director Curtis' comments
- Director Strom commented on dialog and meetings
- Director Rubin commented on discussion with residents and issues
- Director McNulty commented on members and recycling

APPROVAL OF MINUTES

Without objection, the Board reviewed and approved the Minutes of the Business Planning Kick-Off Meeting of March 4, 2009.

Director Wilson moved to table to the end of the meeting the approval of the minutes of the Regular Meeting of May 12, 2009 until such time as Director Curtis has reduced his revisions to writing for the Board's review. Director McIntosh seconded the motion and the motion carried unanimously.

CHAIR'S REMARKS

President Foster announced that great care is being taken to ensure that the recall is done correctly, fairly, and will withstand scrutiny. The members subject to recall are respectful and will adhere to the democratic process in regard to the recall. President Foster stated that the United Board of Directors is united in their opinion, with the exception of Director Curtis, that the recall is unnecessary, expensive, divisive, and destructive to the Community. The process will demand a great deal of the Board's time and will preclude the Board from executing their regular duties and fiduciary responsibilities in an efficient, effective manor. President Foster further stated that the past two years of relentless attacks, allegations and name calling by certain residents has had a profoundly adverse effect on the residents, their families and potential newcomers to the Community. President Foster concluded his remarks stating that the United Directors believe its time for all the Boards, Community Leaders and the silent majority to speak out and say enough is enough.

GENERAL MANAGER'S REPORT

Mr. Milt Johns provided a brief summary of the history of the transfer fee. Mr. Johns announced that a special open meeting for the Corporate Members will be held Friday, June 26, 2009 at 11:00 AM, in the Board room. Mr. Ronald Kingston an expert on Transfer Fee legislation and its history will be a presenter at the meeting.

NEW BUSINESS

Director Wilson moved to wave the Attorney Client Privilege for Ms. Janet Powers, for the purpose of today's meeting only, to answer questions about the recall issues. Director Rosenhaft seconded the motion and the motion carried unanimously.

President Foster introduced Ms. Janet Powers as partner with Fiore, Racobs and Powers, who addressed the Board and gave a brief overview of her background with regard to recalls. Ms. Powers stated that she was retained by HKC to consult for the recall. Ms. Powers read the recall petition.

Ms. Powers provided to the Board an outline of the recommended scenarios on how to hold a recall meeting.

Option A: Have an informal town hall meeting at appropriate venue, which is open to all Members to attend, is broadcast to all manors, at which the Directors who are the subject of the recall can have an opportunity to be heard (as provided in United's Bylaws), and at which the recall proponents may also speak, and any other Member may present their point of view. Secret ballots would then be mailed out to the entire United Membership, who would have at least 30 days (per Section 1363.03 of Davis Stirling) to return the ballots to the Inspectors of Election. This is the same process followed for annual elections.

Option B: The Mutual would mail out the ballots to the Membership, who would have at least thirty (30) days to return those ballots and thereafter hold a Special Meeting of the Members at which the Directors who are the subject of the recall can have an opportunity to be heard, as provided in United's Bylaws, and at which the recall proponents may also speak, and any other Member may present their point of view. The Special Meeting would need to be held at a large capacity venue, such as Verizon Amphitheatre, and transportation (buses) would need to be provided to bring Members to the Special Meeting. The polls would be open all day at the Special Meeting, and ballots could either be brought to the meeting or mailed in by the Members. The total ballots returned by mail and cast at this meeting would then be tallied by True Ballot.

Ms. Powers answered questions from the Board and Members.

Members Libby marks (82-Q) Mary Stone (356-C), Roberta Berk (933-B), Barbara Copley (410-D), Elliott Nesvig (2392-3H) asked questions of Ms. Powers with regard to the recall options.

Director Rubin left the meeting at 11:50 A.M.

Director Wilson moved to discontinue questions. Director McIntosh seconded the motion.

By a vote of 8-0-1 (Director Curtis abstained, and Director Rubin was absent from the meeting).

Director Rubin returned to the meeting at 11:55 A.M.

The Board entertained a motion to approve a supplemental appropriation in the amount of \$105,000 to effect a recall election and special election.

The Secretary of the Corporation, Director Linda Wilson, read the proposed resolution. Director Wilson moved to approve the motion and Director McIntosh seconded the motion. Discussion ensued.

Director Curtis recommended that the Directors who are on the recall petition recuse themselves from voting on the motion. President Foster ruled that as long as they are a Director on the United Board, they have the right to vote.

Director Rosenhaft moved to amend the resolution to read at bullet point 4 "if necessary" and to change \$105,000 to \$121,000. Director McIntosh seconded the motion and discussion ensued.

Member Rhoda Lindner (2013-C) commented on the motion.

By a vote of 9-0-1 (Director Curtis abstained) the amendment carried.

Members Mary Stone of (356-C), Jane Krajnik of (2035-B), and Patricia Gothard of (61-Q) commented on the motion.

By a vote of 9-0-1 (Director Curtis abstained) the motion as amended carried and the Board of Directors adopted the following resolution:

RESOLUTION 01-09-123

WHEREAS, on June 1, 2009, the President of this Corporation received a petition signed by at least 5% of the Membership, as required by the Bylaws, calling for a Special Meeting of the Members to recall four (4) United Board Directors;

NOW THEREFORE BE IT RESOLVED, June 9, 2009, that the Board of Directors of this Corporation hereby authorizes a supplemental appropriation in the amount of ~~\$105,000~~ **\$121,000** from the Contingency Fund to affect the Recall Election; and the expenditures attendant to this appropriation including costs and contingencies associated with:

- Two balloted meetings including one meeting to decide the recall--a mandatory expenditure--and another to fill vacancies if necessary;
- Legal fees;
- All mailings attendant to the two meetings;

- A membership meeting in person for all of United's membership, including the venue, security, insurance, security for and transportation to and from such a meeting, **if necessary**; and
- Inspectors of Election/Election contractor.

RESOLVED FURTHER, that, due to the statutory timing requirements of the election, and due to the fact that True Ballot has already been subjected to United's competitive bidding process and that their fees have been found to be reasonable, the Board hereby approves single sourcing the Recall Election and the Special Election to True Ballot as the Inspector of Election and contractor to conduct the election; and

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

Director Wilson moved to choose Option A as outlined in the recommended scenarios on how to hold a recall meeting. Director Rosenhaft seconded the motion.

Members Ann Hoffelder of (559-D), Lynn Hamm of (747-C), Frankie Henry of (679-C), and Susan Dearing of (899-D) commented on the recall.

By a vote of 10-0-0 the motion carried unanimously and the Board adopted the following option:

Option A: Have an informal town hall meeting at appropriate venue, which is open to all Members to attend, is broadcast to all manors, at which the Directors who are the subject of the recall can have an opportunity to be heard (as provided in United's Bylaws), and at which the recall proponents may also speak, and any other Member may present their point of view. Secret ballots would then be mailed out to the entire United Membership, who would have at least 30 days (per Section 1363.03 of Davis Stirling) to return the ballots to the Inspectors of Election. This is the same process followed for annual elections.

Due to time constraints and a prior engagement, Mr. Bob Hill, the General Manager, of the El Toro Water District was unable to stay and give a presentation on the District's Mandatory Water Rationing Program.

The Secretary of the Corporation read a proposed resolution proclaiming the El Toro Water District Mandatory Water Rationing Program. Director Wilson moved to approve the resolution. Director McIntosh seconded the motion.

Director Curtis moved to add a Resolved Further to the resolution which states that the United Board hereby requests that its members follow level 1 as described by the El Toro Water District. The motion failed due to a lack of a second.

Director Curtis moved to add another Resolved Further to have the resolution read that United reduce grass watering by 30%. The motion failed due to a lack of a second.

Director Dalis called for the vote, and the motion carried unanimously.

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

RESOLUTION 01-09-124

WHEREAS, The El Toro Water District (ETWD), serves United Laguna Hills Mutual; and

WHEREAS, very serious drought conditions exist as a result of three straight years of below-average rainfall, very low snowmelt runoff, and the largest court-ordered water transfer restrictions in state history; and

WHEREAS, United Laguna Hills Mutual supports ETWD's 2009 Water Conservation and Water Supply Shortage Program, effective April 1, 2009, that outlines newly adopted mandatory rules for all of its customers; and

WHEREAS, the purpose and intent of the Program is to minimize or avoid the effect and hardship of potential shortages of potable water to the greatest extent possible;

NOW THEREFORE BE IT RESOLVED, June 9, 2009, that the Board of Directors of this Corporation hereby commits to working with ETWD to encourage all Laguna Woods Village residents to strive to change consumption habits to endeavor to conserve water; and

RESOLVED FURTHER, staff would assist with dissemination of information from El Toro Water District, including articles and links on the Community website and by direct mailing at no cost to United Laguna Hills Mutual; and

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

Director Wilson moved to approve the motion to direct staff to prepare a subject report regarding hoarding issues and its impact on stock cooperative owners. Director Rubin seconded the motion.

By a vote of 9-1-0 (Director Curtis opposed), the motion carried.

The Secretary of the Corporation read a proposed resolution to adopt oversight criteria for the Managing Agent and expand communication with the Membership at a cost of \$15,000.

Director Wilson moved to approve the resolution. Director Rosenhaft seconded the motion and discussion ensued.

By a vote of 9-0-1 (Director Strom abstained) the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 01-09-125

WHEREAS, The United Laguna Hills Mutual Board of Directors has a strong desire to provide outstanding service to the membership, coupled with accountability standards and open communication between the Board and the membership; and,

WHEREAS, Both the Board and PCM staff recognize the need for and the benefits associated with creating a detailed list of performance standards that can be objectively used by the Board to evaluate the overall performance of PCM, Inc. in its capacity as managing agent; and,

WHEREAS, The management agreement between the parties establishes the contractual obligation of the Board to provide this oversight of its managing agent;

NOW THEREFORE BE IT RESOLVED, June 9, 2009, that the Board of Directors of this Corporation hereby adopts oversight criteria for the Managing Agent and expanded communication with the membership at a cost of \$15,000 to be funded from Operating Surplus; and

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

OLD BUSINESS

The Board entertained the motion postponed from the prior month approving the revised Interim Dual Ownership Agreement. The Secretary of the Corporation read postponed resolution:

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

RESOLUTION 01-09-126

WHEREAS, the Interim Dual Ownership Agreement ("Agreement") permits a member to purchase a second membership, and own the old and new membership concurrently for up to six months, to facilitate the Member's move from one manor to another; and

WHEREAS, the Board of Directors of this Corporation recognizes the need to reduce the possible abuse of the Interim Dual Ownership Agreement by persons who purchase United Membership's solely for resale and profit;

NOW THEREFORE BE IT RESOLVED, June 9, 2009, the Board of Directors of the Corporation hereby approves continuing the use of the Interim Dual Ownership Agreement, contingent upon receipt of a valid listing agreement and verification that the listing appears on the Multiple Listing Service (MLS); and

RESOLVED FURTHER, the number of Board approved Agreements will be limited to one (1) Agreement per owner/member in any two-year period; and

RESOLVED FURTHER, that an independent appraisal will be required at the Owner's expense for the Board to consider renewing an Agreement; and

RESOLVED FURTHER, that the revised Interim Dual Ownership Agreement shall be submitted to Counsel for review before implementation; and

RESOLVED FURTHER, that Resolution 01-03-147 adopted November 10, 2003 is hereby superseded and cancelled; and

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

CONSENT CALENDAR

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

Architectural, Maintenance and Planning Committee

RESOLUTION 01-09-127

RESOLVED, June 9, 2009 that the appeal request of Ms. Marie Mendicino of 397-C Avenida Castilla to install a white vinyl framed, tempered glass room addition on her upper balcony is hereby denied.

RESOLUTION 01-09-128

RESOLVED, June 9, 2009, that the appeal request of Mr. and Mrs. John Badgley of 403-C Avenida Castilla to retain the alteration plants on the block walls surrounding their manor's patio is hereby denied.

RESOLUTION 01-09-129

RESOLVED, June 9, 2009, that the appeal request from the Owner-Occupants of Building 410 for repainting the atrium walls of the manors at Building 410, in lieu of the entire Building, is hereby approved; and

RESOLVED FURTHER, that the color shall be Pearl White with the cost of the repainting to be 50% at the expense of the Mutual up to \$1,000 and 50% at the expense of the members of Building 410.

RESOLUTION 01-09-130

RESOLVED, June 9, 2009, that the appeal request of Mr. and Mrs. James Reid of 501-G Avenida Sevilla to retain the grape ivy vines on the patio walls surrounding their manor is hereby denied.

RESOLUTION 01-09-131

RESOLVED, June 9, 2009, that the request of Ms. Donna Anderson of 533-G Via Estrada to retain a patio extension is hereby approved; and

RESOLVED FURTHER, that all costs for installation, repair, and maintenance associated with the subject alterations are the responsibility of the Mutual Member(s) at 533-G; and

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

RESOLVED FURTHER, that the patio extension is constructed adhering to United Mutual Standards Section 22 for *Patio Slab Extensions*; 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 Members(s) at 533-G.

RESOLUTION 01-09-132

RESOLVED, June 9, 2009, that the request of Ms. Gloria Green-Rotkin of 789-B Via Los Altos to retain a patio extension is hereby approved; and

RESOLVED FURTHER, that all costs for installation, repair, and maintenance associated with the subject alterations are the responsibility of the Mutual Member(s) at 789-B; and

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

RESOLUTION 01-09-133

RESOLVED, June 9, 2009, that the request of Mr. and Mrs. Steve Hess of 796-B Via Los Altos to retain the non-standard painted front doors at their manor is hereby approved.

RESOLUTION 01-09-134

RESOLVED, June 9, 2009, that the request of Mr. and Mrs. Steve Hess of 796-B Via Los Altos to retain a retractable awning is hereby approved; and

RESOLVED FURTHER, that all future costs and maintenance associated with the subject alteration are the responsibility of the Mutual member(s) at Manor 796-C; 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 awning be installed so that the top of the rail is below the existing 8'-0" tall patio walls.

RESOLUTION 01-09-135

RESOLVED, June 9, 2009, that the request of Mr. Marvin Tanner of 796-C Via Los Altos to retain a washer and dryer installed in the storage cabinet on his patio is hereby approved; and

RESOLVED FURTHER, that all future costs and maintenance associated with the subject alteration are the responsibility of the Mutual member(s) at Manor 796-C; 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 01-09-136

RESOLVED, June 9, 2009, that the request of Mr. Cedic Castro of 832-C Ronda Mendoza to retain additional carport storage cabinets at his manor is hereby denied; and

RESOLVED FURTHER, that the Board hereby requires Mr. Castro to remove the additional cabinets within 30 days of the Board's decision on the matter.

RESOLUTION 01-09-137

RESOLVED, June 9, 2009, that the request of Mr. and Mrs. Gerald Westre of 855-P Ronda Mendoza to install a sliding glass door and stoop in the patio enclosure of their manor is hereby approved; and

RESOLVED FURTHER, that all costs and maintenance of the alteration, present and future, are the responsibility of the Mutual member(s) at 855-P; 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 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(s) at 855-P.

RESOLUTION 01-09-138

RESOLVED, June 9, 2009, that the request of Mr. Timothy Pointer of 909-A Ronda Sevilla to retain a tile-covered concrete walkway leading to the patio of his manor is hereby denied; and

RESOLVED FURTHER, that the Board hereby requires Mr. Pointer to remove the walkway and restore the subject area to its pre-walkway condition within 30 days of the Board's decision on the matter.

Landscape Committee Recommendation:

- 56-E Approval of tree removal at the Mutual's expense
- 442-D Denial of request for tree removal
- 757-D Approval of request for plant replacements at the Mutual Member's expense with the exception of the addition of one Pygmy Date Palm at the Mutual's expense
- 923-B Denial of request for off-schedule trimming

Finance Committee Recommendations:

RESOLUTION 01-09-139

WHEREAS, Member ID 947-363-41 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, June 9, 2009, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-363-41; 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 01-09-140

WHEREAS, Member ID 947-366-32 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, June 9, 2009, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-366-32; 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 01-09-141

WHEREAS, Member ID 947-405-06 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, June 9, 2009, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-405-06; 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 01-09-142

WHEREAS, Member ID 947-407-44 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, June 9, 2009, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-407-44; 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 01-09-143

WHEREAS, Member ID 947-415-36 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, June 9, 2009, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-415-36; 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 01-09-144

WHEREAS, Member ID 947-420-29 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, June 9, 2009, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-420-29; 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 01-09-145

WHEREAS, Member ID 947-433-77 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, June 9, 2009, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-433-77; 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 01-09-146

WHEREAS, Member ID 947-434-22 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, June 9, 2009, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-434-22; 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.

Items Postponed from Previous Meeting

No items came before the Board.

COMMITTEE REPORTS and SERVICES

FINANCE REPORT

Director Paul Vogel gave the Treasurer's and the Finance Committee Reports.

Director Marv Rosenhaft reported from the Architectural, Maintenance and Planning Committee.

The Secretary of the Corporation read a proposed resolution to approve the formalization of a policy regarding the use of the Neighbor Awareness Form.

RESOLUTION 01-09-

WHEREAS, the Board of directors recognizes that many policies have been implemented by way of practice over the years but not formally documented:
and

WHEREAS, the United Mutual Architectural, Maintenance and Planning Committee recommends that the Board of Directors document specific policies:

NOW THEREFORE BE IT RESOLVED, July 14, 2009, that the Board of Directors of this Corporation hereby approves a policy that requires that a Mutual Member who submits an Application for Alteration Permit or a Variance Request for an alteration that in any way impacts neighboring manors must obtain all impacted neighbors' signatures on the Neighbor Awareness form and submit the signed forms or an appropriate Certificate of Mailing receipt to the Permits and Inspections office prior to the issuance of either a report on the subject, in the case of non-standard alterations, or a Mutual permit, in the case of standard alterations; and

RESOLVED FURTHER, that no Variance Request nor standard alteration request shall be considered, no permit shall be issued, and no construction shall begin prior to the receipt of required Neighbor Awareness form or an appropriate Certificate of Mailing receipt; and

RESOLVED FURTHER, that should an affected neighbor(s) express concern in writing over a proposed alteration, approval of the alteration will be required by the Board prior to the issuance of a permit; 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 moved to approve the resolution. The motion was seconded.

Director Wilson moved to postpone the resolution to the Old Business portion of the July Meeting to satisfy the required statutory thirty-day notice requirement. Director Dalis seconded the motion and the motion carried unanimously.

The Secretary of the Corporation read a proposed resolution to authorize an unbudgeted expenditure of \$79,700 for building rehab/dry rot. Director Wilson moved to approve the resolution. Director Dalis seconded the motion and discussion ensued.

By a vote of 10-0-0, the motion carried unanimously.

RESOLUTION 01-09-147

WHEREAS, the Building Rehab/Dry Rot category in the General Maintenance budget is used to record repair costs for reported occurrences of dry rotted building components and other related structural repairs throughout the Mutual; and

WHEREAS, staff has projected that costs associated with dry rot and structural repairs to be performed in 2009 will exceeded the budgeted amount of \$44,917;

NOW THEREFORE BE IT RESOLVED, June 9, 2009, that the Board of Directors of this Corporation hereby authorizes the unbudgeted expenditures of \$79,700 for Building Rehab/Dry Rot; and

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

The Secretary of the Corporation read a proposed resolution to revise the alteration re-roofing policy. Director Wilson moved to approve the resolution. Director McIntosh seconded the motion and discussion ensued.

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

RESOLUTION 01-09-148

WHEREAS, under the current policy approved August 10, 2004 by Resolution 01-04-112, the Mutual will remove and replace all roof alterations during replacement of the main building roof, and the cost for replacement of the alteration roof shall be charged to the resident; and

WHEREAS, strict interpretation of this policy results in the replacement of alteration roofs that are contiguous with the building roof and alteration roofs that are not contiguous with the building roof, and

WHEREAS, to maintain the integrity of the building roof system it is only beneficial for the Mutual to consistently replace roof alterations that are contiguous with the building roof;

NOW THEREFORE BE IT RESOLVED, June 9, 2009 that the Board of Directors of this Corporation hereby rescinds Resolutions 01-04-112 adopted August 10, 2004 and adopts the policy whereby the Mutual will remove and replace roof alterations that are contiguous with the building roof during replacement of the main building roof, and the cost for replacement of the alteration roof shall be charged to the resident; and

RESOLVED FURTHER, that the Mutual Member shall continue to be responsible for the maintenance of the alteration roof; 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.

Waste Water Collection System Component Remediation

Director Wilson moved to engage engineering and construction services for the programmatic remediation of mutual-maintained waste water collection system components. Director Rosenhaft seconded the motion and discussion ensued.

Director McNulty moved to call the question and by a vote of 9-1-0 (Director Curtis opposed) the motion carried.

By a vote of 9-1-0 (Director Curtis opposed) the main motion carried.

Director Linda Wilson reported from the Landscape Committee.

Director Marty Rubin reported from the Resident Relations Information Services.

Director Maxine McIntosh reported from the Traffic Committee.

GRF HIGHLIGHTS

Due to time constraints, the Directors waived the GRF Committee reports and Directors' Forum.

DIRECTORS' FORUM

- Director Curtis commented on the recall and those members who requested to remove their names from the recall list
- Director Dalis commented on the Community and the managing agent

- Director McIntosh commented on the recall
- Director Vogel quoted an email regarding the recall
- Director Rosenhaft thanked the residents for their participation in the meeting
- Director Strom commented on a Directors duty to educate themselves as much as possible
- Director Wilson commented on the progression of issues being addressed by the Board
- Director Rubin commented on the recall process and the oversight process
- Director McNulty thanked Director Curtis for the recall stating that it has brought people together in support of the Directors being recalled
- Director Miller commented on the cost of the recall and the board members that are being recalled

MEETING RECESS

The Regular Open Session Meeting recessed for lunch at 1:43 P.M. and reconvened back into the Regular Executive Session at 2:25 P.M.

Summary of Previous Closed Session Meetings per Civil Code Section §1363.05

During its Regular Executive Session Meeting of May 12, 2009, the Board of Directors reviewed and approved the minutes of the Regular Executive Session Meeting of April 14, 2009; authorized Notices of Default to be filed for Member ID 947-393-08, Member ID 947-424-53 and ID 947-444-09; heard four (4) disciplinary hearings and imposed fines totaling \$1,150 for violations of the Mutual's rules and regulations. The Board also discussed other member disciplinary, and pending and potential litigation matters.

During its Special Executive Session Meeting of June 1, 2009, the Board discussed litigation matters.

ADJOURNMENT

With no further business before the Board of Directors, the meeting was adjourned at 4:00 P.M.

Linda Wilson, Secretary