



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

**Tuesday, August 18, 2020 - 9:30 a.m.
Laguna Woods Village Board Room/Virtual Meeting
24351 El Toro Road
Laguna Woods, California**

Directors Present: Steve Parsons, Annie McCary, Lynn Jarrett, John Frankel, Robert Mutchnick, Doug Gibson, Cush Bhada, Craig Wayne, Reza Karimi, Ralph Engdahl

Directors Absent: None

Staff Present: Jeff Parker, Siobhan Foster, Robbi Doncost, Shaun Lewis, Ernesto Munoz, Eileen Paulin, Kurt Wiemann, Becky Jackson, Cheryl Silva and Grant Schultz

Others Present: VMS: Wei-Ming Tao, Rosemarie diLorenzo, Raquel Unger
GRF: Egon Garthoffner

1. Call meeting to order / Establish Quorum

Steve Parsons, President of the Corporation, chaired and opened the meeting stating 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.

2. Pledge of Allegiance

Vice President McCary led the Membership in 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 McCary made a motion to approve the agenda as presented. The motion was seconded by Director Mutchnick and the motion passed by unanimous consent.

5. Approval of Minutes

a. July 21, 2020—Regular Open Meeting Minutes

Director McCary made a motion to approve the July 21, 2020, Regular Open Meeting minutes as presented. Director Jarrett seconded the motion.

President Parsons announced that the July 21, 2020, Regular Meeting minutes was approved by unanimous consent.

6. Report of the Chair

President Parsons commented about the work at Gate 10 and announced the upcoming televised budget meeting. He thanked everyone in the community for wearing masks to protect the community.

Director Jarrett gave a Landscape presentation on the following topics:

- 2021 Proposed Landscape Budget
- Landscape Modernization
- Aeration
- Slopes
- Trees
- Grounds Maintenance
- Landscaping Resources on Village Website
- Aliso Creek

7. Open Forum

- A Member commented about the Garden Villa paint project and the noise from alarm on the lift. Asked if the project can be put on hold;

Ernesto Munoz, Maintenance and Construction Director, responded about the paint project schedule.

8. Responses to Open Forum Speakers

- Jeff Parker-CEO responded that we are working with the protocols Ernesto Munoz suggested for the paint project.
- President Parsons commented about the need to continue maintenance in Third Mutual

9. CEO Report

Ernesto Munoz introduced the following new employees: Robbi Doncost, Manor Alterations Manager and Shaun Lewis, Construction Manager

Jeff Parker-CEO and Siobhan Foster-COO reported on the following subjects:

- Orange County has reported 43,925 positive cumulative COVID-19 cases and 810 deaths, as well as 414 currently hospitalized with 132 in ICU. Testing continues throughout the county and we are at 6.8% positive test rate. 102 cases per 100,000 were reported. Hospitalization rate has decreased by three percent (3%). 47 cases were reported in the City of Laguna Woods and he encouraged residents to continue

- to watch social distancing and wearing masks.
- Third Mutual version 1 budget hearings were held last month and version 2 budget hearing will be presented on Thursday, August 20, 2020.
 -
 - Flex Alert has called for voluntary shift of energy use during the hours of 3 p.m. and 10 p.m. Rolling power outages will continue during the heatwave.
 - Temporary coin distribution will take place on Thursdays from 1 p.m. to 5 p.m. at Clubhouses 3 and 5. Residents can purchase one \$10 roll of quarters at these locations.
 - Paving and Concert Program has begun. The schedule is listed on the website.
 - El Toro Water District public hearing on rate increases will be held on Thursday, September 24, 2020 at 7:30 a.m. as a virtual meeting;
 - Drive-in Movie Event will happen on August 21, 2020 and August 22, 2020 at 8 p.m. at the Village Maintenance Center.
 - U.S. Census Bureau members are out in the community collecting information. They are wearing masks and practicing social distancing. Please make sure that anyone claiming to be a part of the U.S. Census Bureau properly identifies themselves.

10. Consent Calendar

10a. Finance Committee Recommendations:

Consistent with its statutory obligations the Board members individually reviewed Third Laguna Hills Mutual preliminary financials for the month of June 2020, and by this vote ratify that such review be confirmed in this month's Board Member Open Session Meeting minutes per Civil Code §5501.

- (1) Recommendation to Approve a Resolution to Record Lien against Member ID# 931-900-12

RESOLUTION 03-20-57 **RECORDING OF A LIEN**

WHEREAS, Member ID 931-900-12 is currently delinquent to Third 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, August 18, 2020, that the Board of Directors hereby approves the recording of a Lien for Member ID 931-900-12 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.

- (2) Recommendation to Approve a Resolution to Record Lien against Member ID# 932-380-02

RESOLUTION 03-20-58
RECORDING OF A LIEN

WHEREAS, Member ID 932-380-02; is currently delinquent to Third 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, August 18, 2020, that the Board of Directors hereby approves the recording of a Lien for Member ID 932-380-02 and;

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

10b. Landscape Committee Recommendations:

- (1) Recommend to Approve Tree Removal Request (3209-C Via Buena Vista, Thompson)—One Indian Laurel Fig

RESOLUTION 03-20-59
APPROVE THE REQUEST FOR REMOVAL
OF ONE INDIAN LAUREL FIG TREE
3209-C VIA BUENA VISTA

WHEREAS, September 20, 2011, that the Board of Directors adopted Resolution 03-11-149 tree removal guidelines:

- Unless there is a purposeful reason, trees should not be removed merely because they are messy, or because of residents' personal preferences concerning shape, color, size, or fragrance.
- Trees should not be removed because of view obstruction if the obstruction is at a considerable distance from the complaining manor and therefore causes only a partial obstruction.

- Trees on slopes should not be removed if the removal will contribute to the destabilization of that slope.
- Trees which are damaging or will damage a structure, pose a hazard, in failing health or interfering with neighboring trees, will be considered for removal.

WHEREAS, on August 6 2020, the Landscape Committee reviewed the request for the removal of one Indian Laurel Fig tree. The request was received from the Member at 3209-C who cited the reasons as structural damage and the tree has outgrown the area and;

WHEREAS, the Committee determined that this tree does meet the guidelines set forth in Resolution 03-11-149 and recommends approving the request for the removal of one Indian Laurel Fig tree located at 3209-C Via Buena Vista.

NOW THEREFORE BE IT RESOLVED, August 18, 2020, the Board of Directors approves the request for the removal of one Indian Laurel Fig tree located at 3209-C;

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

(2) Recommend to Approve Hedge Trimming Request (5191 Duenas, Powers)

RESOLUTION 03-20-60
APPROVE THE REQUEST TO REDUCE THE HEIGHT OF A PORTION OF
THE CAROLINA CHERRY HEDGE LOCATED ADJACENT TO
5212 ELVIRA AND 5191 DUENAS

WHEREAS, on August 6 2020, the Landscape Committee reviewed the request to reduce the height of a portion of the Carolina Cherry Hedge located adjacent to the subject properties. The request was received from the Member at 5191 who contends that a hedge, which was installed by the resident at 5212 approximately two years ago and runs along the top of the slope that abuts the residences at 5191 Duenas and 5211 and 5212 Elvira, blocks the view of the neighboring open space from the patio of 5191 Duenas. The residents at 5191 contend that since the hedge is new and did not exist when the residence was purchased, the hedge should be maintained at a height that does not interfere with the view of the open space and;

WHEREAS, the Committee recommends approving the request that the portion of the Carolina Cherry Hedge located adjacent to 5212 Elvira and 5191 Duenas be maintained at a height that does not interfere with the view of the open space from 5191 Duenas.

NOW THEREFORE BE IT RESOLVED, August 18, 2020, the Board of Directors approves the request that the portion of the Carolina Cherry Hedge located adjacent to 5212 Elvira and 5191 Duenas be maintained at a height that does not interfere with the view of the open space from 5191 Duenas;

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

- 10c.** (1) Approve the Resolution for Variance Request by 5598-A to Extend the Double-door Entryway into Exclusive Use Common Area and Deny the request to Replace the Existing planters with a Concrete Slab on Previously Extended Common Area

RESOLUTION 03-20-61
5598-A VARIANCE REQUESTS

WHEREAS, Mr. Douglas Ferraro of 5598-A Vista Del Mando, A Casa Palma style unit, requested Board approval of a variance to extend the 6'-0" wide by 8'-0" tall double entry doors forward by 8' toward the roofline, into exclusive use common area and to replace a planter box with a concrete slab on previously extended common area; and

WHEREAS, on July 21, 2020, the Board approved the variance request to extend the entryway into exclusive use common area; and

WHEREAS, on July 21, 2020, the Board denied the variance request to replace the planter box with a concrete slab on previously extended common area; and

WHEREAS, a proposed resolution was not included with the original approval documents and is necessary to record the Board's actions on variance requests.

NOW THEREFORE BE IT RESOLVED, on August 18, 2020, the Board of Directors hereby acknowledges and adopts this resolution for the previously given approval and denial of the two variance requests at 5598-A Vista Del Mando;

RESOLVED FURTHER, all costs for maintenance, repair, renovation, replacement or removal of the improvement, present and future, are the responsibility of the property's Member Owner at 5598-A and all future Mutual members at 5598-A;

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.

- 10d.** Ratify Approval of Resolution for Adoption of Modified Temporary COVID-19 Rules

RESOLUTION 03-20-62
BOARD RESOLUTION REGARDING THE ADOPTION
OF MODIFIED TEMPORARY COVID-19 RULES

RECITALS

WHEREAS, on June 26, 2020, the Third Laguna Hills Mutual and United Laguna Woods Mutual Boards of Directors adopted Temporary COVID-19 Rules on an emergency basis in response to the ongoing public health threat to members/residents of each of said Mutuals from the COVID-19 disease outbreak and global health pandemic (the "Disease").

WHEREAS, Mutual No. Fifty which had previously implemented comprehensive restrictions to reduce risk of exposure to the Disease, supported the Temporary COVID-19 Rules adopted on an emergency basis by Third Laguna Hills Mutual and United Laguna Woods Mutual on June 26, 2020.

WHEREAS, the Boards of Directors of Third Laguna Hills Mutual, United Laguna Woods Mutual, and Mutual No. Fifty sought unanimity among all corporations within Laguna Woods Village, including the Golden Rain Foundation, pertaining to the adoption of Temporary COVID-19 Rules due to the severity of the public health crisis facing the entire Laguna Woods Village Community.

WHEREAS, on July 6, 2020, Third Laguna Hills Mutual held a Special Meeting (closed) and authorized the formation of a committee (two members from each corporation) to review and make changes to the resolution adopted by Third Laguna Hills Mutual and United Laguna Woods Mutual on June 26, 2020, and supported by Mutual No. Fifty, to achieve critical unanimity among all corporations within Laguna Woods Village.

WHEREAS, designated representatives of the boards of directors from Third Laguna Hills Mutual, United Laguna Woods Mutual, the Golden Rain Foundation, and Mutual No. Fifty met on July 14, 2020, and as needed thereafter, to achieve unanimity among the corporations and develop modified Temporary COVID-19 Rules to be considered on an emergency basis by each corporation in response to the Disease.

WHEREAS, the Board of Directors of Third Laguna Hills Mutual held a duly called emergency meeting on July 24, 2020, at which a quorum of the Board was present.

WHEREAS, the meeting of the Third Laguna Hills Mutual Board was held on an emergency basis pursuant to California Civil Code Section 4923, as unforeseen circumstances require immediate attention and action by the Board where notice for such meeting was impractical.

WHEREAS, a majority of the members of the Third Laguna Hills Mutual Board determined that in accordance with California Civil Code Section 4360(d), immediate rule changes are required to compel residents to refocus on utilizing face coverings and social distancing (creating a six foot distance between people) in light of the ongoing threat of public health to Third Laguna Hills Mutual members in light of the Disease.

WHEREAS, in light of ongoing health concerns relating to the transmission of the Disease and the ease with which it spreads, the State of California has mandated that all persons be required

to wear a cloth face covering while not within their homes and to maintain social distancing as referenced above.

WHEREAS, the modified Temporary COVID-19 Rules shall be adopted on an emergency basis, without notice or a member review and comment period, in accordance with California Civil Code Section 4360(d) and shall be effective for one hundred twenty (120) days from the effective date of the initial Temporary COVID-19 Rules adopted by Third Laguna Hills Mutual and United Laguna Woods Mutual, unless the Board modifies or rescinds the modified Temporary COVID-19 Rules on an earlier date pursuant to formal Board action. It is understood that the conditions and general health advice pertaining to the Disease may change from time to time and at any time; as such, the Board acknowledges that future changes to the modified Temporary COVID-19 Rules may be required and shall be reasonably made, as applicable, within the Board's discretion.

WHEREAS, the modified Temporary COVID-19 Rules shall be hereby adopted pursuant to this Resolution and shall be deemed an effective governing document and effective operating rules for Third Laguna Hills Mutual.

RESOLUTION

IT IS HEREBY RESOLVED that the foregoing recitals are incorporated into and made a part of this Resolution.

IT IS HEREBY FURTHER RESOLVED that the modified Temporary COVID-19 Rules are hereby adopted on an emergency basis in accordance with California Civil Code Section 4360(d). A copy of the Temporary COVID-19 Rules is enclosed with this Resolution and incorporated into and made a part of this Resolution in their entirety.

IT IS HEREBY FURTHER RESOLVED that, a copy of this Resolution and the Temporary COVID-19 Rules shall be distributed and/or posted in a manner deemed suitable by the Board to adequately notify Third Laguna Hills Mutual membership.

10e. Resolution Updating the Third Board Committee Appointments

RESOLUTION 03-20-63 **THIRD MUTUAL COMMITTEE APPOINTMENTS**

RESOLVED, August 18, 2020,, that the following persons are hereby appointed to serve on the committees and services of this Corporation;

RESOLVED FURTHER, that each committee chair in consultation with the vice chair may appoint additional members and advisors with interim approval by the President subject to the approval of the Board of Directors:

Architectural Standards and Control Committee

Steve Parsons, Chair
John Frankel
Lynn Jarrett
Ralph Engdahl
Robert Mutchnick
Craig Wayne, Alternate
Voting Advisors: Mike Butler and Mike Plean
Staff Advisor: Siobhan Foster

Communications Committee

Annie McCary, Chair
Lynn Jarrett
Reza Karimi
Doug Gibson
Steve Parsons, Alternate

Executive Hearing Committee

Annie McCary, Chair
Ralph Engdahl, Co-Chair
Robert Mutchnick
Doug Gibson
Steve Parsons, Alternate
John Frankel, Alternate

Finance (Committee of the Whole)

Robert Mutchnick, Chair
Steve Parsons, Co-Chair
~~Jon Pearlstone, Chair~~
Non-Voting Advisors: John Hess, Wei-Ming Tao

Investment Task Force

Robert Mutchnick
Craig Wayne, Alternate
~~Jon Pearlstone~~

Garden Villa Recreation Room Subcommittee (Quarterly)

Lynn Jarrett, Chair
Doug Gibson
Robert Mutchnick
Craig Wayne, Alternate

~~Jon Pearlstone~~

Voting Advisors: Sharon Molineri, Stuart Hack, Randy Scott

Landscape Committee

Lynn Jarrett, Chair

Cush Bhada

Reza Karimi

Annie McCary

Ralph Engdahl, Alternate

Doug Gibson, Alternate

~~Jon Pearlstone, Co-Chair~~

Advisors: Cindy Baker,

Maintenance and Construction Committee

Robert Mutchnick, Chair

Cush Bhada, Co-Chair

John Frankel

Craig Wayne

Ralph Engdahl, Alternate

Reza Karimi, Alternate

Steve Parsons, Alternate

~~Jon Pearlstone~~

New Resident Orientation

Per Rotation List

Water Conservation Committee (Quarterly)

Reza Karimi, Chair

Lynn Jarrett

John Frankel

Ralph Engdahl

Doug Gibson, Alternate

~~Robert Mutchnick~~

Advisor: Kathryn Freshley, Kay Havens

Parking & Golf Cart Task Force

Steve Parsons, Chair

Lynn Jarrett

John Frankel

Ralph Engdahl

Craig Wayne, Alternate

Advisors: Hal Horne

Resident Policy and Compliance Task Force

Lynn Jarrett, Chair
Steve Parsons
Robert Mutchnick
Ralph Engdahl
Cush Bhada, Alternate
Reza Karimi
Voting Advisors: Stuart Hack

Energy Research Group

Cush Bhada
John Frankel
Ralph Engdahl
Reza Karimi, Alternate
Advisors: Sue Stephens, Bill Walsh

RESOLVED FURTHER, that Resolution 03-20-36, adopted May 19, 2020, 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.

RESOLUTION 03-20-64
GRF COMMITTEE APPOINTMENTS

RESOLVED, August 18, 2020, that in compliance with Article 7, Section 7.3 of the Golden Rain Foundation Bylaws, the following persons are hereby appointed to serve on the committees of the Golden Rain Foundation:

Business Planning Committee

Steve Parsons
Robert Mutchnick
Lynn Jarrett
Jon Pearlstone

Community Activities Committee

Annie McCary
Cush Bhada
Doug Gibson, Alternate
John Frankel, Alternate
Jon Pearlstone, Alternate

Equestrian Center Ad Hoc Committee

Cush Bhada
Annie McCary

GRF Finance Committee

Steve Parsons
Robert Mutchnick
Reza Karimi, Alternate
~~Jon Pearlston~~

Purchasing Ad Hoc Committee (new)

Steve Parsons
Robert Mutchnick
Cush Bhada, Alternate
~~Jon Pearlstone~~

GRF Landscape Committee

Lynn Jarrett
Reza Karimi
Cush Bhada, Alternate
~~Ralph Engdahl, Alternate~~

GRF Maintenance and Construction Committee

Cush Bhada
John Frankel
Doug Gibson, Alternate
Ralph Engdahl, Alternate
~~Jon Pearlstone, Alternate~~

Clubhouse 1 Renovation Ad Hoc Committee

Robert Mutchnick
Cush Bhada
Ralph Engdahl
~~Jon Pearlstone~~

PAC Renovation Ad Hoc Committee

Robert Mutchnick
Ralph Engdahl
John Frankel, Alternate
~~Cush Bhada~~
~~Jon Pearlstone~~

Media and Communication Committee

Annie McCary
Lynn Jarrett

Craig Wayne, Alternate
Doug Gibson, Alternate

Mobility and Vehicles Committee

Craig Wayne
John Frankel
Cush Bhada, Alternate

Security and Community Access Committee

Cush Bhada
Doug Gibson
Annie McCary, Alternate
John Frankel, Alternate
~~Robert Mutchnick~~
~~Ralph Engdahl~~
Reza Karimi, Alternate

Disaster Preparedness

Annie McCary
John Frankel
~~Ralph Engdahl~~
Doug Gibson, Alternate

Laguna Woods Village Traffic Hearings

John Frankel
Doug Gibson
Robert Mutchnick, Alternate
~~Ralph Engdahl, Alternate~~

Strategic Planning Committee

Steve Parsons
Robert Mutchnick
Lynn Jarrett, Alternate

RESOLVED FURTHER, that Resolution 30-20-37, adopted May 19, 2020, 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

Director McCary made a motion to approve the consent calendar as presented. Director Mutchnick seconded the motion.

President Parsons called for the vote and the motion passed by unanimous consent.

11. Unfinished Business

11a. Entertain a Motion to Adopt a Resolution and Alternate Heat Source Policy for Alterations

President Parsons presented a summary of the following Resolution:

RESOLUTION 03-20-65 ALTERNATE HEAT SOURCE POLICY FOR ALTERATIONS

WHEREAS, there is no documented policy currently in place that outlines the procedure for an alteration alternate heat source within a manor when the original heat source system fails.

NOW THEREFORE BE IT RESOLVED, August 18, 2020, that the Board of Directors of this Corporation hereby adopts the Alteration Alternate Heat Source Policy that defines the conditions under which the Mutual will approve a heat source replacement by the Member, the standard type of heat source to be installed, and the Member responsibility for the replacement of such; and

RESOLVED FURTHER, that no new Mutual Consents will be issued that may compromise the original radiant heat source without having a corresponding alternate heat source listed on the same Mutual Consent or an existing alternate heat source already installed; and

RESOLVED FURTHER, alternative heat sources shall be hardwired and installed on a dedicated circuit as needed; and

RESOLVED FURTHER, where the original radiant heat system has been verified as compromised due to penetrations made previously or existing to the ceiling, the corresponding thermostat must be disconnected from that radiant heat system; 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.

JULY Initial Notification

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

Director Mutchnick made a motion to adopt a resolution for an alternate heat source policy for alterations. Director Parsons seconded the motion and the motion passed by unanimous consent.

11b. Entertain a Motion to Adopt a Resolution to Designate Smoke Free Building Policy & Procedure from the Resident Policy and Compliance Committee Meeting

Director Jarrett presented a summary of the following Resolution:

RESOLUTION 03-20-66
SMOKE-FREE BUILDING DESIGNATION POLICY AND PROCEDURE

WHEREAS, the Board of Directors (the "Board") of Third Laguna Hills Mutual ("Third") held a meeting on July 21, 2020, at which a quorum of the Board was present;

WHEREAS, the members (each, a "Member") of Third Laguna Hills Mutual ("Third") have an interest in their health, safety and welfare while within Third's common interest development (the "Development"), including when in the separate interest dwelling units located within the Development (each, a "Unit") in which the Members, their co-occupants and tenants, as applicable, reside; and

WHEREAS, certain Members have requested that Third's Board designate the buildings in which their Units are located as "smoke-free", to reduce those Members', their co-occupants and tenants, as applicable, exposure to second-hand smoke; and

WHEREAS, the Board has determined that in addition to addressing health concerns related to second-hand smoke raised by Members as referenced above, prohibiting smoking in buildings at the Development will reduce the risk of fires related to accidents stemming from the use of smoking tobacco, marijuana and other substances, and reduce maintenance and repair costs for building components needed due to wear and tear to those components caused by smoke; and

WHEREAS, the Board has consulted with Third's legal counsel on the legality of prohibiting smoking at the Development and the Board has determined that upon certain conditions and requirements being met, that multi-dwelling unit buildings at the Development can be permanently designated as "smoke-free" going forward so long as specific terms and conditions are met; and

WHEREAS, the Board recognizes that Members, their co-occupants and tenants, if applicable, have a right to privacy within their respective Units and a right to freely use and occupy the Units (in accordance with Third's governing

documents), that Members purchased their Units with the understanding that smoking was not expressly prohibited in their Unit, and that legal precedent does not exist as to whether the Board can unilaterally prohibit smoking in Units; and

WHEREAS, the Board has determined that it will designate a building containing Units as non-smoking if all of the then Members who are record owners of the Units in that building agree in writing before a notary public, that the building should be non-smoking and if certain other requirements are met; and

WHEREAS, the Board has tasked Third's legal counsel with drafting documents related to implementing and managing the designation of buildings at the Development as non-smoking that provide for such designation in a systematic, fair and reasonable manner; and

WHEREAS, Third's legal counsel has drafted those documents, the Board has reviewed those documents, and the Board believes those documents and the procedures and requirements described in those documents meet the Member needs and business requirements of Third; and

WHEREAS, those documents consist of (i) the "Smoke-Free Building Designation Policy and Procedure", (ii) the "Petition for Designating a Building as Smoke-Free", (iii) the "Petition Agreement Form" and (iv) the "Agreement And Covenant to Run with Land (Non-Smoking Building Designation)" (collectively, the "Designation Documents"), all of which are attached to this Resolution and incorporated in their entirety herein by this reference.

NOW, THEREFORE, BE IT RESOLVED, August 18, 2020, that the Board has determined that the Designation Documents, and the procedures and requirements described thereunder, shall be immediately effective upon adoption by the Board, to provide for a systematic, fair and reasonable manner to designate buildings at the Development as non-smoking.

RESOLVED FURTHER; that the directors, officers and agents of Third are hereby authorized on behalf of Third to carry out the purposes of this Resolution.

JULY Initial Notification

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

Director Parsons made a motion to adopt a resolution to designate a smoke free building policy and procedure. Director Mutchnick seconded the motion.

President Parsons called for the vote and the motion passed by unanimous consent.

12. New Business

12a. Landscape Committee Recommendation

Entertain a Motion to Deny Tree Removal Request: 2379-D Via Mariposa W. (Frei) –
One Silk Oak tree

Director Jarrett presented a summary of the following Resolution:

RESOLUTION 03-20-67
DENY THE REQUEST FOR REMOVAL
OF ONE SILK OAK TREE
2379-D VIA MARIPOSA W.

WHEREAS, September 20, 2011, that the Board of Directors adopted Resolution 03-11-149 tree removal guidelines:

- Unless there is a purposeful reason, trees should not be removed merely because they are messy, or because of residents' personal preferences concerning shape, color, size, or fragrance.
- Trees should not be removed because of view obstruction if the obstruction is at a considerable distance from the complaining manor and therefore causes only a partial obstruction.
- Trees on slopes should not be removed if the removal will contribute to the destabilization of that slope.
- Trees which are damaging or will damage a structure, pose a hazard, in failing health or interfering with neighboring trees, will be considered for removal.

WHEREAS, on August 6 2020, the Landscape Committee reviewed the request for the removal of one Silk Oak tree. The request was received from the Member at 2379-D who cited the reasons as litter/debris in the patio area, fire hazard, and poisonous to animals and;

WHEREAS, the Committee determined that the tree is not a poisonous tree and does not meet the guidelines set forth in Resolution 03-11-149 and recommends denying the request for the removal of one Silk Oak tree located at 2379-D Via Mariposa W.

NOW THEREFORE BE IT RESOLVED, August 18, 2020, the Board of Directors denies the request for the removal of one Silk Oak tree located at 2379-D;

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

Director Wayne made a motion to deny tree removal request 2379-D Via Mariposa W. (Frei) one Silk Oak tree. Director McCary seconded the motion and the motion passed by unanimous consent.

12b. Entertain a Motion to Introduce a Resolution Approving Guidelines for Financial Qualification Annual Income Requirement for Guarantors

Director Jarrett presented a summary of the following Resolution:

RESOLUTION 03-20-XX
**AMENDMENT OF GUIDELINES FOR FINANCIAL
QUALIFICATIONS**

WHEREAS, Third Laguna Hills Mutual ("Third") is formed to manage, operate and maintain housing within Laguna Woods Village;

WHEREAS, Third is authorized to adopt rules and regulations to carry out the purposes of this Corporation through its Board of Directors;

WHEREAS, financial qualifications have been established by the Board of Directors to ensure, to the extent possible, the financial integrity of the Corporation;

WHEREAS, a review of the Guidelines for Financial Qualifications revealed an apparent discrepancy in the administration of financial qualifications applicable to applicants and to guarantors;

WHEREAS, the minimum annual income requirement for guarantors is currently established at the sum of \$80,000 plus the annual mortgage payment;

NOW THEREFORE BE IT RESOLVED, September XX, 2020, that the Third Laguna Hills Mutual amends its Guidelines for Financial Qualifications to increase the annual income requirement for guarantors to be the sum of \$150,000 plus the annual mortgage payment;

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.

AUGUST Initial Notification

Should the Board endorse the proposed resolution, Staff recommends that a motion be made and seconded to accept the resolution and allow discussion to ensure that the resolution reads to the satisfaction of the Board. Staff then recommends that a Board Member postpones the resolution to the next available Board Meeting no less than 28-days from the postponement to comply with Civil Code §4360.

Director Mutchnick made a motion to introduce a resolution for the amendment of guidelines for financial qualifications regarding the annual income requirement for guarantors to be placed on 28-day review. Director Parsons seconded the motion.

President Parsons called for the vote and the motion passed by a vote of 9-0-1 (Director Bhada abstained)

12c. Entertain a Motion to Introduce a Resolution for Third Mutual Rules for Board Members

Director Jarrett presented a summary of the following Resolution:

RESOLUTION 03-20-XX
RULES FOR BOARD MEETINGS

WHEREAS, each Owner Member of Laguna Woods Village has an ongoing interest and right under California law to participate in the governance of their community; and

WHEREAS, the Board of Directors of the Third Laguna Hills Mutual has an equal interest and duty under law to ensure that the management of the community's affairs is carried out professionally and in adherence with the provisions of the Davis-Stirling Act; and

WHEREAS, the Board of Directors wishes to promote order and regulate meeting time in an even and consistent fashion;

NOW THEREFORE BE IT RESOLVED, September XX, 2020, that the Board of Directors of this Corporation hereby approves the attached revised Rules for Board Meetings; and

RESOLVED FURTHER, that Resolution 03-14-04 adopted January 21, 2014 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.

AUGUST Initial Notification

Should the Board endorse the proposed resolution, Staff recommends that a motion be made and seconded to accept the resolution and allow discussion to ensure that the resolution reads to the satisfaction of the Board. Staff then recommends that a Board Member postpones the resolution to the next available Board Meeting no less than 28-days from the postponement to comply with Civil Code §4360.

Director Parsons made a motion to introduce a resolution for Third Mutual Rules for Board Members to be placed on 28-day review. Director Mutchnick seconded the motion.

Discussion ensued among the directors.

President Parsons made a motion to table this item and send it back to committee for corrections. President Parsons called for the vote to table this item and the motion passed by a vote of 10-0-0.

13. Committee Reports

- 13a.** Report of the Finance Committee / Financial Report – Director Mutchnick. gave a presentation on the Treasurer's report, Resale/Leasing report and the last Third Finance Committee report. The Committee met on August 4, 2020; next meeting September 1, 2020, at 1:30 p.m. as a virtual meeting.
- (1) Treasurer's Report
 - (2) Third Finance Committee Report
 - (3) Resales/Leasing Reports
- 13b.** Report of the Architectural Controls and Standards Committee – Director Parsons commented about the Alternate Heat Source Project. The Committee met on July 27, 2020; next meeting September 28, 2020, at 9:30 a.m. as a virtual meeting.
- 13c.** Report of the Communications Committee – Director McCary reported the Committee met on October 9, 2019; next meeting TBA.
- 13d.** Report of the Maintenance and Construction Committee – Directors Mutchnick reported on the last Committee Meeting. Many of the employees have been brought back and programs are now continuing. The Committee met on July 6, 2020; next meeting September 9, 2020, at 1:30 p.m. as a virtual meeting.
- (1) Report of the Parking and Golf Cart Task Force – President Parsons. The Task Force met on January 6, 2020; next meeting TBA.
 - (2) Garden Villa Rec. Room Sub-Committee – Director Jarrett reported the Sub-Committee met on February 10, 2020; next meeting October 5, 1:30 p.m. as a virtual meeting.
- 13e.** Report of the Landscape Committee – Director Jarrett reported on the last Landscape Committee meeting. The Committee met on August 6, 2020; next meeting September 3, 2020, at 9:30 a.m. as a virtual meeting.
- 13f.** Report of the Water Subcommittee – Director Karimi. The subcommittee met on October 9, 2019; next meeting TBA.

13g. Report of the Resident Policy and Compliance Committee – Director Jarrett reported on the last Committee meeting. Director Jarrett commented about the non-smoking building resolution, BBQ rules, and rules for board meeting. The committee met on July 29, 2020; next meeting September 22, 2020, at 9:30 a.m. as a virtual meeting.

13h. Report of the Energy Research Group – Director Mutchnick. The next meeting TBA.

14. GRF Committee Highlights

14a. Community Activities Committee – Director McCary reported on the Committee meeting. The Committee is researching outdoor fitness equipment and activities. The Committee met on August 13, 2020; next meeting September 10, 2020, at 1:30 p.m. as a virtual meeting.

(1) Equestrian Center Ad Hoc Committee – Director Bhada. The Committee met on July 15, 2020; the next meeting August 25, 2020 at 9:30 a.m.

14b. GRF Finance Committee – Director Mutchnick. The Committee met on June 29, 2020; next meeting August 19, 2020, 1:30 p.m. as a virtual meeting.

14c. GRF Landscape Committee – Director Jarrett. The Committee is looking into making the Aliso Creek a natural habitat. The Committee met on August 12, 2020; next meeting TBA.

14d. GRF Maintenance & Construction Committee – Director Bhada reported on the last Committee meeting. The Committee is looking into the lighting for the employee parking lot and PAC improvements were discussed. The Committee met on August 12 2020; next meeting October 14, 2020, at 9:30 a.m. as a virtual meeting.

(1) PAC Renovation Ad Hoc Committee – Director Mutchnick reported from the last Committee meeting. The Committee met on July 13, 2020.

(2) Clubhouse 1 Renovation Ad Hoc Committee – Director Mutchnick reporting from the last Committee meeting. The Committee met on June 1, 2020; next meeting August 28, 2020 at 9:00 a.m. as a virtual meeting

14e. Media and Communications Committee – Director McCary reported on the Committee meeting. The new Committee Chair is Sue Stephens. The Committee discussed the Village Breeze and phone books. Residents will have the opportunity to drop off their ballots at City Hall for the national election in November. The committee met on August 17, 2020; next meeting September 21, 2020, at 1:30 p.m. as a virtual meeting.

14f. Mobility and Vehicles Committee – Director Frankel reported on the Committee meeting. The Committee is discussing electric vehicles. The Committee met on August 5, 2020; next meeting October 7, 2020, at 1:30 p.m. as a virtual meeting.

14g. Security and Community Access Committee – Director Mutchnick. The Committee met on February 24, 2020; next meeting August 24, 2020, at 1:30 p.m. as a virtual meeting.

(1) Disaster Preparedness Task Force – Director Engdahl deferred his time to Director McCary. The Task Force is working on the Great Shake Out in October, how to handle pets and individuals on life support during a disaster. The Task Force met on July 28, 2020; next meeting September 29, 2020, 9:30 a.m. as a virtual meeting.

14h. Report of the Laguna Woods Village Traffic Hearings – Director Frankel. The hearings were held on July 15, 2020; next hearings will be August 19, 2020 at 9:00 a.m. as virtual meetings.

15. Future Agenda Items – *All matters listed under Future Agenda Items are items for a future Board Meetings. The Board will take action on these items at a future Board Meeting.*

15a. Parking Report

15b. Resident Suggestion Program

15c. Alterations Review

16. Director's Comments

- President Parsons encouraged residents to watch the televised Budget Meeting on Thursday. The vacancy to replace Jon Pearlstone will take place during the annual election.
- Director Bhada thanked staff for the updates on COVID-19;
- Director McCary commented that Census workers will come door-to-door to collect data from resident that did not turn in their information online or by mail.
- Director Mutchnick thanked Betty Parker and Chris Swanson in helping him with financial information.
- Director Jarrett thanked Ellyce Rothrock and Grant Schultz for helping with the slide presentation.
- Director Gibson and Wayne thanked Lynn Jarrett for her Landscape presentation.
- Director Engdahl commented that the trees are looking good in the Community.

17. Recess

The Board recessed at 11:12 a.m. and reconvened in Closed Session at 11:30 a.m.

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

During the July 21, 2020 Regular Closed Session, the Board:

Approved the Agenda

Approved the Meeting Minutes of:

- (a) June 12, 2020 – Special Closed Meeting*
- (b) June 16, 2020 – Regular Closed Session*
- (c) June 26, 2020 – Special Closed Meeting*
- (d) July 6, 2020 – Special Closed Meeting*

Discussed and Considered Legal and Litigation Matters

Discussed Contractual Matters

Discussed Personnel Matters

Discussed Matters Related to COVID-19

Discussed the Disciplinary Case Report

Discussed Member Payment Plans

18. Adjourn

With no further business to come before the Board of Directors, the meeting was adjourned at 2:00 p.m.

A handwritten signature in dark ink, appearing to read "Lynn Jarrett", is written over a horizontal line.

Lynn Jarrett, Secretary of the Board
Third Laguna Hills Mutual



RESOLUTION 03-20-62

**BOARD RESOLUTION REGARDING THE ADOPTION OF
MODIFIED TEMPORARY COVID-19 RULES**

RECITALS

WHEREAS, on June 26, 2020, the Third Laguna Hills Mutual and United Laguna Woods Mutual Boards of Directors adopted Temporary COVID-19 Rules on an emergency basis in response to the ongoing public health threat to members/residents of each of said Mutuels from the COVID-19 disease outbreak and global health pandemic (the "Disease").

WHEREAS, Mutual No. Fifty which had previously implemented comprehensive restrictions to reduce risk of exposure to the Disease, supported the Temporary COVID-19 Rules adopted on an emergency basis by Third Laguna Hills Mutual and United Laguna Woods Mutual on June 26, 2020.

WHEREAS, the Boards of Directors of Third Laguna Hills Mutual, United Laguna Woods Mutual, and Mutual No. Fifty sought unanimity among all corporations within Laguna Woods Village, including the Golden Rain Foundation, pertaining to the adoption of Temporary COVID-19 Rules due to the severity of the public health crisis facing the entire Laguna Woods Village Community.

WHEREAS, on July 6, 2020, Third Laguna Hills Mutual held a Special Meeting (closed) and authorized the formation of a committee (two members from each corporation) to review and make changes to the resolution adopted by Third Laguna Hills Mutual and United Laguna Woods Mutual on June 26, 2020, and supported by Mutual No. Fifty, to achieve critical unanimity among all corporations within Laguna Woods Village.

WHEREAS, designated representatives of the boards of directors from Third Laguna Hills Mutual, United Laguna Woods Mutual, the Golden Rain Foundation, and Mutual No. Fifty met on July 14, 2020, and as needed thereafter, to achieve unanimity among the corporations and develop modified Temporary COVID-19 Rules to be considered on an emergency basis by each corporation in response to the Disease.

WHEREAS, the Board of Directors of Third Laguna Hills Mutual held a duly called emergency meeting on July 24, 2020 at which a quorum of the Board was present.

WHEREAS, the meeting of the Third Laguna Hills Mutual Board was held on an emergency basis pursuant to California Civil Code Section 4923, as unforeseen circumstances require immediate attention and action by the Board where notice for such meeting was impractical.

Emergency Resolution Regarding Covid-19 Rules
Resolution 03-20-62

WHEREAS, a majority of the members of the Third Laguna Hills Mutual Board determined that in accordance with California Civil Code Section 4360(d), immediate rule changes are required to compel residents to refocus on utilizing face coverings and social distancing (creating a six foot distance between people) in light of the ongoing threat of public health to Third Laguna Hills Mutual members in light of the Disease.

WHEREAS, in light of ongoing health concerns relating to the transmission of the Disease and the ease with which it spreads, the State of California has mandated that all persons be required to wear a cloth face covering while not within their homes and to maintain social distancing as referenced above.

WHEREAS, the modified Temporary COVID-19 Rules shall be adopted on an emergency basis, without notice or a member review and comment period, in accordance with California Civil Code Section 4360(d) and shall be effective for one hundred twenty (120) days from the effective date of the initial Temporary COVID-19 Rules adopted by Third Laguna Hills Mutual and United Laguna Woods Mutual, unless the Board modifies or rescinds the modified Temporary COVID-19 Rules on an earlier date pursuant to formal Board action. It is understood that the conditions and general health advice pertaining to the Disease may change from time to time and at any time; as such, the Board acknowledges that future changes to the modified Temporary COVID-19 Rules may be required and shall be reasonably made, as applicable, within the Board's discretion.

WHEREAS, the modified Temporary COVID-19 Rules shall be hereby adopted pursuant to this Resolution and shall be deemed an effective governing document and effective operating rules for Third Laguna Hills Mutual.

RESOLUTION

IT IS HEREBY RESOLVED that the foregoing recitals are incorporated into and made a part of this Resolution.

IT IS HEREBY FURTHER RESOLVED that the modified Temporary COVID-19 Rules are hereby adopted on an emergency basis in accordance with California Civil Code Section 4360(d). A copy of the Temporary COVID-19 Rules is enclosed with this Resolution and incorporated into and made a part of this Resolution in their entirety.

IT IS HEREBY FURTHER RESOLVED that, a copy of this Resolution and the Temporary COVID-19 Rules shall be distributed and/or posted in a manner deemed suitable by the Board to adequately notify Third Laguna Hills Mutual membership.

**CERTIFICATE OF SECRETARY
OF
THIRD LAGUNA HILLS MUTUAL**

I, the undersigned, do hereby certify that:

1. I am the duly appointed and acting Secretary of Third Laguna Hills Mutual, a California nonprofit mutual benefit corporation; and

2. The foregoing Resolution of the Board of Directors of Third Laguna Hills Mutual was approved by a majority of a quorum of the Board members during a duly held emergency Board meeting held on July 24, 2020.

IN WITNESS WHEREOF, I have hereunto subscribed my hand this ____ day of _____, _____.

By: _____

Name: _____

Title: Secretary

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Village Management Services, Inc.

**Joint Boards COVID-19 Resolution on
Face Covering Rules, Large Gathering Rules, Fine Schedule and Collective
Enforcement**

It has been observed that many Laguna Woods Village residents have become lax, over time, in observing face covering /mask usage and social distancing requirements. The purpose of this resolution, which is to refocus residents on these practices for the common good, presents clear written rules for all to follow and provides for penalties/fines for habitual rule breakers.

Item	Description
1 Face coverings in public areas: Owners/Shareholders	<ul style="list-style-type: none">• Require face coverings in Village public areas, including:<ul style="list-style-type: none">○ Every public area within the Village (sidewalks, streets, parking lots, open areas, creek areas), including walking to and from manor, car, mailbox, laundry room, etc. Car interiors are not considered public areas.○ Exception pursuant to state law: For active exercise within conditionally opened sports areas, specifically on golf courses, tennis/pickleball/paddle tennis courts, lawn bowling greens and in swimming pools when 6-foot social distancing requirement is met. Refer to GRF procedures pertaining to conditional reopening of these facilities for more information;○ Exception pursuant to state law: Children 2 years of age and younger;○ Exception pursuant to state law: Persons with a medical or mental health condition, or disability that prevents wearing a face covering. This includes persons with a medical condition for whom wearing a face covering could obstruct breathing or who are unconscious, incapacitated or otherwise unable to remove a face covering without assistance. These individuals are required to wear a face shield within the Village if possible; and○ Exception pursuant to state law: Persons who are hearing impaired, or communicating with a person who is hearing impaired, where the ability to see the mouth is essential for communication. These individuals are required to wear a face shield within the Village if possible.

Emergency Resolution Regarding Covid-19 Rules
Resolution 03-20-62

Item	Description
	<ul style="list-style-type: none">• Face covering: Material that is worn covering the nose and mouth. Face shields are not acceptable when worn without appropriate face covering.• Penalty owner/shareholders: There will be escalating fines based on the number of violations.<ul style="list-style-type: none">○ First violation: Fine \$0○ Second violation: Fine \$100○ Third violation: Fine \$250• Suspension of privileges/rights: Suspension of membership privileges for a period of up to 30 days for a single noncontinuing violation. Membership privileges for any continuing violation may be suspended for so long as such continuing violation exists and remains uncured.• Hearing process: In accordance with the Davis-Stirling Common Interest Development Act.
2 Face covering check at gates in guest lanes	<ul style="list-style-type: none">• Require each driver and passenger entering Village in the guest lane to demonstrate possession of face covering.• Deny access to drivers and passengers who do not have face coverings for each occupant in the vehicle.
3 Face coverings in public areas: Contractors (private and VMS), service providers, visitors	<ul style="list-style-type: none">• Require face coverings in Village public areas, including:<ul style="list-style-type: none">○ Every public area within Village (sidewalks, streets, parking lots, open areas, creek areas), including walking to and from any manor, car, mailbox, laundry room, etc.; and○ For contractors and service providers: When loading and unloading vehicles, carrying tools and equipment to manor, taking breaks and similar activities.○ USPS employees must adhere to Postal Service policy, which requires employees to wear face coverings in areas where state and local governments have ordered or directed people to wear face coverings.• Penalty for violations by contractors, service providers, visitors:<ul style="list-style-type: none">○ First violation: Village access suspended 14 days○ Second violation: Village access suspended 30 days○ Third violation: Village access suspended 60 days

Emergency Resolution Regarding Covid-19 Rules
Resolution 03-20-62

Item	Description
4 Large gatherings	<ul style="list-style-type: none">• Prohibit large group gatherings in any open space; large groups are defined as more than 15 individuals per group.• Penalty owner/shareholders: There will be escalating fines based on number of violations.<ul style="list-style-type: none">○ First violation: Fine \$0○ Second violation: Fine \$100○ Third violation: Fine \$250• Suspension of privileges/rights: Suspension of membership privileges for a period of up to 30 days for a single noncontinuing violation. Membership privileges for any continuing violation may be suspended for so long as such continuing violation exists and remains uncured.• Hearing process: In accordance with the Davis-Stirling Common Interest Development Act.
5 Indoor activities	<ul style="list-style-type: none">• Prohibit indoor activities at GVA recreation rooms.
6 Temperature checks: Community Center	<ul style="list-style-type: none">• Maximize number of Community Center employees who telecommute; limit number of Community Center employees who must be present on any given day.• Require temperature checks of employees entering Community Center.• Deny access to employees with temperature greater than 100.4 degrees pursuant to CDC guidelines.
7 Temperature checks: Contractors (private and VMS) and service providers	<ul style="list-style-type: none">• Require contractors and service providers to require daily employee temperature checks as part of their pandemic response plans prior entering the Village.• Contractors and service providers must not send employees to the Village when temperatures exceed 100.4 degrees pursuant to CDC guidelines.

Timeline

- Effective date: Monday, June 29, 2020
- Warning period: Monday, June 29, to Sunday, July 5, 2020
- Enforcement begins: Monday July 6, 2020
- Updated: Tuesday, July 28, 2020
- Duration: Maximum of 120 days from effective date

Enforcement Notes

- Citations will be issued to violators as residents of United Mutual, Third Mutual or Mutual No. Fifty regardless of violation location.
- Hearing will occur in accordance with the Davis-Stirling Common Interest Development Act.
- United Mutual, Third Mutual or Mutual No. Fifty would take responsibility for levying of fines and suspension of cable television service for nonpayment.
- GRF would take responsibility for suspension of GRF membership as part of any continuing violation.

Disclaimer

- This policy is intended to reduce risk of exposure to the COVID-19 virus but is not a guarantee of your health/safety. Residents should use their own good judgment in determining the amount of risk of exposure in using any shared facilities or amenities. Risk of exposure involves many factors out of the control of the Village corporations and management, including the compliance (or noncompliance) and safe/unsafe behavior of others using the same facilities or amenities.
-



Alternate Heat Source Policy for Alterations

Resolution 03-20-65; Adopted August 18, 2020

I. Definitions

A. Original Heat Source

As related to this policy, an Original Heat Source is defined as a radiant heat system within the original manor ceiling, specifically excluding operational controls such as thermostat fixtures.

B. Alternate Heat Source

As related to this policy, an Alternate Heat Source is defined as an approved heat source installed in place of either the original radiant ceiling heat or a Mutual-installed replacement heat source.

C. Alteration Heat Source

Any replacement heat source installed by a Member (or any predecessor of the Member) is defined as an alteration for which the Member is solely responsible in accordance with the Mutual's alteration policies.

II. Determination Of Heat Source Failure/Safety Hazard

A. Determination of Heat Source Replacement Unit

1. The Mutual shall be responsible for determining when one or more heat source(s) within a unit require a replacement to comply with Section III of this policy.
2. The Mutual will evaluate and determine on a case by case basis at the time of review, the best suited heat source for the room requiring a replacement.

III. Alteration Heat Source Replacement Units

A. Alteration heat sources must comply with all applicable current laws, ordinances, codes and regulations as confirmed by the City of Laguna Woods.

1. Due to size and heating requirements, the standard replacement heat source for a bedroom shall be a hard wired wall heater on a dedicated circuit.

2. Due to size and heating requirements, the standard replacement heat source for a living/dining area shall be a heat pump.
3. A Central HVAC system may service each of the areas listed above to satisfy the replacement requirement.
4. Due to the lack of an approved Building Code compliant procedure for repairing a radiant heat system, repair or the Original Heat Source is prohibited.

IV. Replacement Responsibility of Original Heat Source

A. Disabling Radiant Heat System

1. The Member is responsible to ensure the compromised radiant heat system has been disconnected from the corresponding thermostat. The Member is required to obtain applicable Mutual Consents and City of Laguna Woods Permits for the work performed.

B. Maintenance and Repair

1. In accordance with Mutual alteration policies, the new heat source will be deemed to be an Alteration Heat Source for which the Member shall be solely responsible, including the performance and costs of maintenance, repair and replacement thereof.



**Notice of Hearing Regarding Designation of a Building as Smoke-Free
Resolution 03-20-66; Adopted August 18, 2020**

Pursuant to Third's "Smoke-Free Building Designation Policy and Procedure" (the "Procedure"), Third's Board of Directors has received completed forms petitioning for the designation of the building located at _____, Laguna Woods, California 92637 (the "Building") as smoke-free.

The Board has scheduled a hearing, in accordance with the Procedure, to determine if any of the members of Third who are record owners of units in the Building (the "Applicable Members") oppose the designation of the Building as smoke-free. The forms received by Third regarding designation of the Building as smoke-free indicate that all of the Applicable Members approve such designation.

The hearing will be held as follows:

Date: _____

Time: _____

Location: _____

Please be advised that if any Applicable Member opposes the designation of the Building as smoke-free at the hearing, then the Board will deny the petition for such designation. If no Applicable Member opposes the petition at the hearing, then the Board will approve the petition and the Building will become smoke free on a permanent and irrevocable basis forty-five (45) days from the date of the above noticed hearing.

This hearing will be held at an open session meeting of Third's Board, and this notice has been prepared and distributed/posted in accordance with the requirements of the Procedure, Third's other governing documents and applicable state statute.



Petition for Designating a Building as Smoke-Free
(to be completed by Petitioning Member only)

I am a Member of Third Laguna Hills Mutual ("Third"). I am completing this Petition for Designating a Building as Smoke-Free (this "Petition") to request that the Building in which my Unit is located, including all Units and Common Areas comprising the Building, be designated as non-smoking, as defined in the Smoke-Free Building Designation Policy and Procedure (the "Procedure").

Prior to completing this form, I acknowledge and agree that I have read and understand the Procedure regarding the requirements for approval of this Petition and designation of my Building as non-smoking, and that I will be considered the Petitioner under the Procedure. The capitalized terms used in this Petition shall have the same meaning given to them in the Procedure, unless otherwise defined herein.

My information:

Name: _____

Unit Address: _____

Mailing Address: _____

I understand that this Petition must be signed by all of the Applicable Members in my Building, on the form attached hereto and identified as the Petition Agreement Form (the "Agreement") before this Petition will be considered by the Board, and that an executed Covenant to Run With the Land Regarding Designation of a Building as Smoke-Free ("Covenant") for each Unit in my Building must also be submitted with this Petition. If an Agreement and Covenant are not completed and signed by all such Members and submitted with this Petition, then this Petition will be deemed incomplete and returned to me. By signing this Petition, I agree to be bound by the terms of this Petition and the Procedure, and to execute and submit a Covenant with this Petition.

By: _____

Date: _____



Petition Agreement Form

I/We am/are a Member(s) of Third Laguna Hills Mutual, and I/We acknowledge and agree that I/We have read the Petition to which this Agreement is attached and the Procedure governing the Petition. I/We understand that by executing this Agreement and the attached Covenant, I/We am/are requesting that the Building in which my/our Unit is located be designated permanently and forever as a non-smoking Building. I/We further understand that upon such designation, should it occur, that neither I/We nor any current or future residents of, or visitors to, my/our Unit may smoke or vape any substance (tobacco, marijuana or otherwise) in my/our Unit or any portion of the Building in which my/our Unit is located, that I/we are, as a Member(s) responsible for the violation of the Designation by me/we, my/our guests and/or invitees actions, and that a non-smoking designation may negatively impact the market value of my/our Unit.

Upon such non-smoking designation, any smoking in my/our Unit will be deemed a violation of the Covenant and Third's governing documents, and could result in, enforcement action by Third, including, without limitation, the imposition of monetary penalties and/or the suspension of membership privileges, or be the subject of litigation, if determined by the Third Board to be in the best interests of the Designation. My/Our signature(s) below, which must be executed in front of a notary public who completes the following notary page, and my/our execution of the Covenant to Run With the Land Regarding Designation of a Building as Smoke-Free shall be deemed agreement with and acknowledgement of these potential enforcement actions by Third in the event of a smoking violation with respect to my/our Unit.

I/We understand that an original notarized copy of this Agreement signed by each of the Members who are owners of record for a Unit in my Building, and an original copy of the Covenant noted above, executed by all such Members for their respective Units, must be submitted to Third before the Petition to which this Agreement is attached will be considered by the Board. If the Agreement and Covenant are not completed and executed by all such Members, then the Petition will be deemed incomplete and my/our Building will not be designated as smoke-free.

Unit Address: _____

Mailing Address: _____

By: _____

By: _____

Name: _____

Name: _____

Date: _____

Date: _____

STATE OF CALIFORNIA)
)
COUNTY OF _____)

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Notary Public

STATE OF CALIFORNIA)
)
COUNTY OF _____)

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Notary Public



**Results of Hearing Regarding Designation of a Building as Smoke-Free
(Approval of Designation of Building as Smoke-Free)**

On _____, a hearing was held before/with Third's Board of Directors to determine whether the building located at _____, Laguna Woods, California 92637 (the "Building") would be designated as smoke-free, in accordance with Third's Smoke-Free Building Designation Policy and Procedure (the "Procedure"). All members of Third who are record owners of a Unit in the Building (the "Applicable Members") were sent notice of that hearing in accordance with the requirements of the Procedure, Third's other governing documents and applicable state statute. Prior to the hearing, all Applicable Members had submitted forms in accordance with the Procedure evidencing unanimous Applicable Member support for the designation of the Building as smoke-free.

At the hearing, none of the Applicable Members opposed the designation of the Building as smoke-free. Accordingly, in accordance with the Procedure, the Building will be designated as smoke-free on a permanent and irrevocable basis as of _____ (the "Conversion Date"), forty-five (45) days after the above noted hearing date. All Applicable Members will be required to remove all tobacco products, medical marijuana and other substances that generate smoke from their Units and the Building on or before the Conversion Date or, in the alternative, place on notice persons who enter their Unit of the designation of the Building as smoke-free and the prohibition of smoking in the Unit. All current and future persons residing in, occupying, leasing or visiting a Unit in the Building, and the family members, guests and invitees of each, shall be prohibited from smoking anywhere in the Unit and Building as of the Conversion Date on a permanent and irrevocable basis.

In the near future, a fully executed recorded copy of the Agreement and Covenant to Run with Land (Non-Smoking Building Designation), signed by each of the Applicable Members, will be forwarded to each such Applicable Member. Further communication with regard to this matter is forthcoming to you from Third, and this notice of hearing results is being sent in compliance with the Procedure, Third's other governing documents and applicable state statute.

Should you have any questions, please contact _____ via telephone at _____ or via email at _____.



**Results of Hearing Regarding Designation of a Building as Smoke-Free
(Denial of Designation of a Building as Smoke-Free)**

On _____, a hearing was held before/with Third's Board of Directors to determine whether the building located at _____, Laguna Woods, California 92637 (the "Building") would be designated as "smoke-free", in accordance with Third's Smoke-Free Building Designation Policy and Procedure (the "Procedure"). All members of Third who are record Owners of a Unit in the Building (the "Applicable Members") were sent notice of that hearing in accordance with the requirements of the Procedure, Third's other governing documents and applicable state statute. Prior to the hearing, all Applicable Members had submitted forms in accordance with the Procedure evidencing unanimous Applicable Member support for the designation of the Building as smoke-free.

At the hearing, one or more of the Applicable Members opposed the designation of the Building as smoke-free. Accordingly, in accordance with the Procedure, the Building will not be designated as smoke-free. As described in the Procedure, in six (6) months the Applicable Members may re-petition and re-submit documentation to seek designation of the Building as smoke free; such action may only be taken once in any six (6) month period.

Should you have any questions, please contact _____ via telephone at _____ or via email at _____.

Recording requested by and
when recorded mail to:

**Third Laguna Hills Mutual
c/o VMS, Inc.
24351 El Toro Road
Laguna Woods, CA 92637**

Attn: _____

Space above for Recorder's use_

**AGREEMENT AND COVENANT TO RUN WITH LAND
(NON-SMOKING BUILDING DESIGNATION)**

AGREEMENT AND COVENANT TO RUN WITH LAND (NON-SMOKING BUILDING DESIGNATION)

This AGREEMENT AND COVENANT TO RUN WITH LAND (NON-SMOKING BUILDING DESIGNATION) (this "Covenant"), effective as of the date of execution hereof, is entered into by _____ and _____ (collectively, the "Owner") in favor of Third Laguna Hills Mutual ("Third"). Owner and Third shall sometimes be referred to herein individually as a "Party" and collectively as the "Parties" in this Covenant.

RECITALS

A. Third is the governing body responsible for the management, operation and administration of the common interest development commonly known as Third Laguna Hills Mutual located in Laguna Woods, California (the "Development").

B. Owner is the owner of the condominium unit located at _____, Laguna Woods, California 92637 (the "Unit"), which is a part of the Development and is more particularly described in **Exhibit "A"** attached hereto and incorporated herein by reference.

C. The Development is subject to those certain Declarations of Covenants, Conditions and Restrictions for the various mutuals comprising Third (collectively, and as may be amended from time to time, the "Declaration"), including that *Amended and Restated Declaration of Covenants, Conditions and Restrictions* applicable to the Unit recorded in the official records of Orange County, California on _____, 19____ as Document No. _____, as may be amended from time to time.

D. Notwithstanding the fact that Third's governing documents, including, without limitation, the Declaration do not prohibit smoking within any of the individually owned units in the Development, including Owner's Unit, Owner, along with all of the owners of units within the same building as the Unit within the Development (the "Building"), has petitioned Third to designate the Building as a non-smoking building in accordance with the procedures of Third's Smoke-Free Building Designation Policy and Procedure (the "Policy").

E. Owner's request to designate the Building as non-smoking, and Owner's agreements and obligations related to same, are also described in (i) the completed "Petition for Designating a Building as Smoke-Free" applicable to the Building (the "Petition"), attached hereto as **Exhibit "B"** and incorporated herein by reference, and (ii) the "Petition Agreement Form" executed by Owner applicable to the Petition (the "Form"), attached hereto as **Exhibit "C"** and incorporated herein by reference.

F. Third's Board of Directors (the "Board") held a hearing in accordance with the Policy regarding the petition, subsequently determined that the requirements of the Policy to designate the Building as non-smoking had been met, and granted the petitioners' request to so designate the Building.

G. In accordance with the Policy, Owner, along with all of the owners of units within the Building, has agreed to and executed this Covenant regarding the non-smoking designation of the Building and agrees on behalf of Owner's self and Owner's successors-in-interest that the Building shall be henceforth be non-smoking, and that Owner and the Unit shall be bound to the terms of this Covenant.

H. Third and Owner intend that this Covenant be made and entered into pursuant to the provisions of California Civil Code Section 1468, in effect as of the effective date of this Covenant, and that this Covenant shall run with the real property encompassing the Building and the real property of Owner, and that it shall benefit and be binding upon Third, Third's members, and Owner during their ownership of any portion of the real property affected hereby, and upon each party having an interest in the real property derived through any owner thereof.

I. Any capitalized terms not defined herein shall have the meanings given to them in the Declaration, as may be applicable.

NOW, THEREFORE, Owner does hereby covenant and agree as follows:

TERMS AND CONDITIONS

1. Incorporation of Recitals. The Recitals of this Covenant are hereby incorporated herein by this reference in their entirety as if fully set forth in this Covenant.

2. Building Non-Smoking Designation. Owner acknowledges and agrees that the Building in which Owner's Unit is located will be permanently and forever designated as a non-smoking building. No smoking shall be permitted in any area of the Building, including any Common Area portion of the Building (including any exclusive use Common Area) and any individually owned unit, including Owner's Unit. For the purposes of this Covenant, smoking shall mean inhaling, exhaling, burning, holding or carrying any lighted cigarette, cigar, cigarillo, pipe or other lighted smoking device for burning tobacco or any other plant product (including but not limited to marijuana) in any manner or in any form known as of the date of execution of this Covenant or which is created and/or becomes known at a date after the effective date of the non-smoking designation of the Building. Smoking also includes the inhaling, exhaling, burning, carrying, or use of electronic cigarettes and/or vaping devices (electronic tobacco delivery systems), hookahs, any other tobacco or nicotine product, marijuana (including medical marijuana), and/or legal or illegal substance known as of the date of execution

of this Covenant or which is created and/or becomes known at a date after the effective date of the non-smoking designation of the Building.

3. Violation of the Designation. Failure to adhere to the smoking restriction by Owner, any occupant of the Unit, or any guest or invitee of Owner or such occupant of the Unit, shall be a breach of this Covenant and shall constitute a nuisance pursuant to the governing documents of Third, and will subject Owner to the rights and remedies of Third under this Covenant; Third's governing documents, including without limitations the Declaration, the Bylaws, and any duly adopted Rules and Regulations; and at law.

4. Recordation of Covenant. Owner consents to and acknowledges that this Covenant will be recorded in the Official Records of the County Recorder of Orange County, State of California, and may, therefore, affect title to or the value of Owner's interest in the Property.

5. Attorney's Fees. If any legal action or proceeding is instituted by either Party to enforce or interpret any of the terms of this Covenant, the prevailing Party shall be entitled to recover from the other Party attorneys' fees, costs and expenses incurred in the prosecution or defense of such action, including, without limitation, fees and costs of retaining expert witnesses, incurred in good faith.

6. Effect of Waiver. The waiver by either Party of a breach of any term, promise or condition of this Covenant shall not constitute a waiver of any subsequent breach of the same or any other term, promise or condition. The failure by either Party to enforce any right for a period of time shall not constitute a waiver of such right or any term, promise or condition of this Covenant.

7. Covenant Running With the Land. Owner and Third further agree and covenant that the covenants provided herein shall run with both the land owned by Owner (the Unit) and the land controlled by Third (the Common Area) and shall benefit or be binding upon each successive owner, during such successor's ownership and/or control of any portion of the land affected by this Covenant (the Unit and the Common Area), and upon each party having any interest in such land and derived through any owner thereof; further, that the successive owner of the Unit and controller of the Common Area are to be bound by the covenants provided herein. The covenants running with the land described herein shall run with the land regardless of whether the Unit is sold or transferred through a bona fide sale to a third party or through an interfamilial or trust transfer of any type. Specifically, all future owners of the Unit agree that by way of their assumption of title to the Unit they shall be bound by, without limitation, the specific obligations and limitations described in this Covenant.

8. Disclosure of Covenant. Owner agrees and represents that Owner will not look to Third or hold Third responsible to disclose to potential buyers of the Unit any information concerning this Covenant, and the Association shall have no obligation to

disclose such information inasmuch as Owner and successive owners, as applicable, bear the sole responsibility to make such disclosure known.

9. Indemnity. Owner agrees to indemnify, defend and hold harmless Third and its past, present and future directors, officers, committee members, managing agents and attorneys (collectively, the “Released Parties”) from and against any and all claims, actions, lawsuits, liabilities, costs and expenses of any kind or nature whatsoever, including but not limited to attorney's fees and costs, (collectively, the “Claims”) involving, pertaining to or in connection with (i) the designation of the Building and/or the Unit as non-smoking and Third's power to so designate the Building and enforce such restriction; and (ii) this Covenant, and to pay all attorneys' fees and costs incurred by any of the Released Parties arising out of any litigation with respect to any Claims.

10. Relationship to Declaration. Nothing contained herein shall in any way constitute a release from or waiver of any of the conditions, covenants and restrictions contained in the Declaration or Third's other governing documents; this Covenant only concerns the non-smoking designation of the Building, and shall not be interpreted or construed to affect any other rights, powers, duties, burdens or obligations of Owner or Third, or any other parties.

11. Severability. The provisions of this Covenant are severable, and if any provision contained herein is determined by a court of competent jurisdiction to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions of this Covenant, and any partially unenforceable provisions to the extent enforceable, shall nevertheless be binding and enforceable.

12. Representation. Neither Third nor its legal counsel has rendered advice to Owner of any nature whatsoever with respect to execution of this Covenant, and Owner acknowledges that Owner has been advised by independent legal counsel, or has had the reasonable opportunity to be advised by independent legal counsel, with regard to this Covenant prior to executing it.

13. Amendment and Modification. This Covenant may only be modified or amended by a written instrument executed by Owner and acknowledged by Third and recorded in the official records of the County of Orange, California. This Covenant shall be construed according to its fair meaning and as though no single party drafted this Covenant. This Covenant shall also be construed in accordance with, and governed by, the laws of the State of California. The failure by Third to enforce any provision of this Covenant shall not be deemed to be a waiver of Third to enforce the applicable provision, or any other provision of this Covenant, in the future.

14. Reimbursement of Costs. Owner agrees to reimburse Third its attorneys' fees and costs incurred in the preparation and recordation of this Covenant. Such payment shall be made by Owner to Third within five (5) business days after demand by Third.

IN WITNESS WHEREOF, Owner has executed this Covenant on the date written below.

“Owner”

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

ACKNOWLEDGEMENT

Third has acknowledged this Covenant as of the date written below.

“Third”

Third Laguna Hills Mutual

By: _____

Name: _____

Title: _____

Date: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____, before me, _____,
Notary Public, personally appeared _____, who
proved to me on the basis of satisfactory evidence to be the person(s) whose
name(s) is/are subscribed to the within instrument and acknowledged to me that
he/she/they executed the same in his/her/their authorized capacity(ies), and that by
his/her/their signature(s) on the instrument the person(s), or the entity upon behalf
of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF _____)

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of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public