



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

**Tuesday, July 17, 2018 - 9:30 AM  
Laguna Woods Village Community Center Board Room 24351 El Toro Road**

**NOTICE OF MEETING AND AGENDA**

- 1. Call meeting to order / Establish Quorum**
- 2. Pledge of Allegiance – Director Parsons**
- 3. Acknowledge Media**
- 4. Approval of Agenda**
- 5. Approval of Minutes**
  - a. June 8, 2018 – Agenda Prep/Special Open Session
  - b. June 19, 2018 – Regular Open Session
  - c. June 25, 2018 – Special Open Meeting (VMS Director Election)
- 6. Report of the Chair**
- 7. Open Forum (Three Minutes per Speaker) - *At this time Members may address the Board of Directors regarding items not on the agenda and within the jurisdiction of this Board of Directors. There is a maximum time limit of three minutes per speaker and a speaker may only address the Board once during this period. The Board reserves the right to limit the total amount of time allotted for the Open Forum.***
- 8. Responses to Open Forum Speakers**
- 9. Update from VMS – Director Sheinwold**
- 10. CEO Report**
- 11. Consent Calendar - *All matters listed under the Consent Calendar are recommended for action by committees and will be enacted by the Board by one***

*motion. In the event that an item is removed from the Consent Calendar by members of the Board, such item(s) shall be the subject of further discussion and action by the Board.*

a. Architectural and Control and Standards Committee Recommendations:

- (1) Receive and File Revisions to the Architectural Controls and Standards Committee Charter
- (2) Recommendation to Approve 3142-A (Las Flores, PL203C, 42) Back Patio Room
- (3) Recommendation to Approve 3235-C (La Reina, SB703R\_B, 43R) Replace Enclosed Patio with Room
- (4) Recommendation to Approve 3374-B (Navarro, P203RC, 46R) Replace Wrought Iron Fence with Glass Windbreak
- (5) Recommendation to Approve 5405 (Trinidad, C11RC\_2) Add/Modify Windows and Doors, Split Room and Den Remodel

b. Landscape Committee Recommendations:

- (1) Tree Removal:
  - 2192-E (Lu): Approve to remove Coast Redwood
  - 3217-B (Cohen): Deny request to remove olive tree; with approval for application of fruit suppressant one time annually at Member's expense
  - 3436-P (Costeens): Deny request to remove Silk Oak tree; with direction for staff to complete off-schedule pruning for sixty days.
  - 5450 (Kawamoto): Deny appeal request to remove Camphor tree

c. Finance Committee Recommendations:

- (1) Approve Resolution to Record Lien against Member's ID; 931-371-09
- (2) Approve Resolution to Record Lien against Member's ID; 931-591-35
- (3) Approve Resolution to Record Lien against Member's ID; 931-580-84
- (4) Approve Resolution to Record Lien against Member's ID; 932-200-59
- (5) Approve Resolution to Record Lien against Member's ID; 933-210-81
- (6) Approve Resolution to Record Lien against Member's ID; 931-720-36

d. Update Third Mutual Committee and GRF Committee Assignments

## **12. Unfinished Business – None**

- a. Entertain a Motion to Adopt a Temporary Container Policy (**JUNE initial notification - 30-day notification for Member comments and suggestions to conform to Civil Code §4360 has been satisfied**)
- b. Entertain a Motion to Adopt the Resale Correction Policy (**JUNE initial notification - 30-day notification for Member comments and suggestions to conform to Civil Code §4360 has been satisfied**)
- c. Entertain a Motion to Adopt the Unauthorized Alteration Fee (**June initial notification - 30-day notification for Member comments and suggestions to conform to Civil Code §4360 has been satisfied**)

## **13. New Business**

- a. Entertain a Motion to Introduce a Resolution for Revised Alteration Standard 31: Washer/Dryer Installations (**July initial notification-must postpone 30-days (August) for Member comments and suggestions to conform to Civil Code §4360**).
- b. Entertain a Motion to Introduce a Payment Plan Agreement Form (**July initial notification-must postpone 30-days (August) for Member comments and suggestions to conform to Civil Code §4360**).
- c. Entertain a Motion to Approve Supplemental Appropriation Funding for OCFA Fire Fuel Risk Reduction
- d. Energy Task Force Charter
- e. Resolution to Revise the Financial Guidelines/Guarantors for Manor Unit (**July initial notification-must postpone 30-days (August) for Member comments and suggestions to conform to Civil Code §4360**).
- f. Approve the Proposed Amendment to Trust Agreement to Extend its Term

## **14. Committee Reports**

- a. Report of the Finance Committee / Financial Report - Director Parsons - Next Meeting August 7, 2018, at 1:30 p.m. in the Board Room
- b. Report of the Architectural Controls and Standards Committee - Director Walsh - Next Meeting Monday, July 23, 2018, at 9:30 a.m. in the Sycamore Room
- c. Report of the Maintenance and Construction Committee - Director Carpenter - Next Meeting August 6, 2018, at 1:00 p.m. in the Board Room
  - Report of the Parking and Golf Cart Task Force - Director Frankel

- d. Report of the Landscape Committee - Director Tung - Next Meeting August 2, 2018, at 9:00 a.m. in the Board Room
- e. Report of the Laguna Woods Village Traffic Hearings - Director Zalon - Next Hearing July 18, 2018, at 9:00 a.m. in the Board Room and 1 p.m. in the Pine Room
- f. Report of the Communications Committee - Director Baum - Next Meeting July 18, 2018, at 1:30 p.m. in the Board Room
- g. Report of the Energy and Technology Committee - Director Walsh - Next Meeting August 1, 2018, at 9:30 a.m. in the Cypress Room
- h. Report of the Water Subcommittee - Director Tung - Next Meeting August 14, 2018 at 11:00 a.m. in the Sycamore Room
- i. Report of the Resident Policy and Compliance Task Force - Director Baum - Next Meeting TBD

#### **15. GRF Committee Highlights**

- a. Community Activities Committee - Next Meeting July 19, 2018, at 1:00 p.m. in the Board Room
- b. Finance Committee – Director diLorenzo. Next Meeting August 22, 2018, at 1:30 p.m. in the Board Room
- c. Maintenance & Construction Committee - Next Meeting August 8, 2018 at 9:30 a.m. in the Board Room
  - PAC Ad Hoc Committee – Next Meeting TBA
- d. Media and Communications Committee - Next Meeting August 20, 2018 at 1:30 p.m. in the Board Room
  - Thrive Project Task Force – Next Meeting July 18, 2018 at 9:30 a.m. in the Cypress Room
- e. Mobility and Vehicles Committee-Director Frankel - Next meeting August 1, 2018, at 1:30 p.m. in the Board Room
- f. Security and Community Access Committee – Director Bruninghaus. Next Meeting August 23, 2018, at 1:30 p.m. in the Board Room
  - Disaster Preparedness Task Force—Next meeting July 31, 2018, 9:30 a.m. in the Cypress Room



**16. Future Agenda Items--** *All matters listed under Future Agenda Items are Resolutions on 30-day public review or items for a future Board Meetings. No action will be taken by the Board on these agenda items at this meeting. The Board will take action on these items at a future Board Meeting.*

- a. Revisions to the Non-Emergency Chargeable Maintenance Services
- b. Resolution to Update Third Mutual Bylaw Section 6.4.5 Automatic Vacancy

**17. Director's Comments**

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

**Closed Executive Session Agenda**

*Approval of Agenda*

*Approval of the Following Meeting Minutes;*

*(a) June 19, 2018 – Regular Executive Session*

*Discuss and Consider Member Matters*

*Discuss Personnel Matters*

*Discuss and Consider Contractual Matters*

*Discuss and Consider Litigation Matters*

**19. Adjourn**

this page intentionally left blank



**OPEN MEETING**

**AGENDA PREP MINUTES OF THE BOARD OF DIRECTORS OF  
THE THIRD LAGUNA HILLS MUTUAL  
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION**

**Friday, June 8, 2017 – 9:00 AM  
Sycamore Room  
Laguna Woods Village Community Center - 24351 El Toro Road**

---

Directors present: Rosemarie diLorenzo, Bill Walsh, Burt Baum, Cush Bhada, Roy Bruninghaus, Bunny Carpenter, John Frankel, Steve Parsons, and Jules Zalon

Directors absent: Jack Connelly and James Tung

Staff present: Siobhan Foster, COO and Cheryl Silva

1. President diLorenzo established a quorum and called the meeting to order at 9:04 a.m.
2. Director Bruninghaus made a motion to approve the agenda. The motion was seconded by Director Baum and passed unanimously.
3. Discuss and Consider Items to be Placed on Third Mutual Board Agenda for June 19, 2018
4. The meeting was recessed for 5 minutes at 10:40 a.m. and reconvened to Executive Session at 10:40 a.m.

**Executive Session:**

5. President diLorenzo called the closed session to order at 10:49 a.m. and announced that a quorum was present.

(a) Discuss and Consider Legal and Contract Matters

Director Walsh added the following items to the Closed Session agenda:

- (1) Entertain a Motion to Award a Contract for the Garden Villa CMU Wall Rotation Project

Director Bruninghaus made a motion, seconded by Director Parsons approved unanimous consent.

(2) Entertain a Motion to Award a Contract for Walkway Lighting Upgrades for Gates 5, 6, 7, & 8

Director Bruninghaus made a motion, seconded by Director Baum to award a contract for walkway lighting upgrades for gates 5, 6, 7 & 8.

Discussion ensued among the Directors.

Director Carpenter made an amendment to approve the contract with the inclusion of itemized items.

President diLorenzo called for the vote and the motion passed by a vote of 8-1-0 (Director Zalon abstained).

(3) Entertain a Motion to Award a Contract for the Ridge Route Brush Clearance

Director Parson made a motion, seconded by Director Bruninghaus approved by unanimous consent.

(4) Discuss and Consider Changes to the Energy Committee.

Director Walsh discussed the options on whether or not Third Board Directors should participate in a GRF Energy Committee. President diLorenzo recommended that the discussion continue at the June Presidents and Vice Presidents meeting on Monday.

(5) Discuss and Consider 3456-B (Andaluz, P302RC) – Room Additions, A/C Relocation, Increase Electrical Service, Window Additions and Enlarge Courtyard

Director Walsh made a motion to accept staff recommendation on the variance request for (3456-B). The motion was seconded by Director Frankel and passed by unanimous consent.

(6) Discuss and Consider 5387-A (Cabrillo, RP203A) – Window to Door on Room Addition

Director Walsh made a motion to accept staff recommendation to deny the variance request for (5387-A) window and door room addition. The motion was seconded by Director Bruninghaus and passed by unanimous consent.

The meeting was adjourned at 11:50 a.m.



Burt Baum, Secretary of the Board  
Third Laguna Hills Mutual



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

**Tuesday, June 19, 2018 - 9:30 AM**

**Laguna Woods Village Community Center Board Room 24351 El Toro Road**

The Regular Meeting of the Third Laguna Hills Mutual Board of Directors, a California non-profit mutual benefit corporation, was held on Tuesday, May 15, 2018, at 9:30 a.m., at 24351 El Toro Road, Laguna Woods, California

Directors Present: Rosemarie diLorenzo, Bill Walsh, Steve Parsons, James Tung, Burt Baum, Roy Bruninghaus, Bunny Carpenter, John Frankel, Jules Zalon, Cush Bhada and Jack Connelly

Directors Absent: None

Staff Present: Brad Hudson, Siobhan Foster, Eileen Paulin, Kurt Wiemann, and Cheryl Silva

Others Present: Donna Dwaileebe (VMS)

**1. Call meeting to order / Establish Quorum**

Rosemarie diLorenzo, 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.

**2. Pledge of Allegiance**

Director Carpenter led the Membership in the Pledge of Allegiance.

**3. Acknowledge Media**

The Globe and the Village Television Crew, by way of remote cameras, were acknowledged as present.

**4. Approval of Agenda**

Director Walsh made a motion to approve the agenda as presented. Director Parsons seconded the motion and it passed by unanimous consent.

**5. Approval of Minutes**

- a. May 15, 2018 - Regular Open Session

Director Bruninghaus made a motion to approve the minutes of May 15, 2018. The motion was seconded by Director Bhada and passed by unanimous consent.

**6. Report of the Chair**

President diLorenzo announced the deadline to submit an application to serve on the VMS Board is Thursday, June 21, 2018. Applications are to be submitted to the Corporate Secretary.

**7. Open Forum**

Several Members spoke about the following:

- LWV Foundation Benefits
- Request to make Garden Villas Smoke Free
- Landscaping on Via Vista
- Exclusive Use of Common Area

**8. Responses to Open Forum Speakers**

Several Directors responded to Member comments.

**9. Update from VMS – Director Dwaileebe**

Director Dwaileebe reviewed the strategic plan of the VMS Board and gave an update on the VMS Board meetings. At the last VMS meeting, Chuck Holland gave an update on the new technology in the Village. She discussed the employer of choice initiative which includes an employee newsletter that highlights letters written from residents about VMS employees, recognition of employees and rewards for reporting safety concerns. A Health Fair for employees will be occurring this week.

**10. CEO Report**

Brad Hudson, CEO, reported on the following developments:

- Ridge Route brush removal;
- Slurry seal RV Lot A;
- Installation of new gate arms at Gatehouses 4, 10, 11 and 12;
- Dry Rot Project;
- Paddle Ball and Pickleball Courts;
- Security vehicles mobile devices;
- Paperless work centers;
- SCE update on replacement of the underground electrical cable to improve service;
- New golf cart decals;
- Bulky Items put out by the dumpsters;
- Illegal construction and asbestos contamination;
- Upcoming Recreation and Special Events; and
- Need to register guests on Dwelling Live to help with traffic on July 4th.

Brad Hudson, answered questions from the Board.  
Director Walsh commented that new coin boxes are being installed in the laundry rooms because of the recent theft of money from the coin boxes.

#### **11. Consent Calendar**

Director Walsh pulled item 11a(2) from the Consent Calendar for discussion.

##### **11a. Architectural and Control and Standards Committee Recommendations:**

- 1) Recommendation to Deny 5227 (Villa Terraza, C10B\_1) – Window Modification and Relocate A/C Unit

#### **RESOLUTION 03-18-69** **Variance Request**

**WHEREAS**, Mr. and Mrs. Steve Qu of 5227 Moya, a Villa Terraza style unit, requested Board approval of a variance to modify a previously approved window's dimensions and to relocate an existing air conditioning condenser unit;

**WHEREAS**, a Neighborhood Awareness Notice was sent to Owners of affected Units on May 14, 2018, notifying them that an application to make an alteration to a neighboring Unit had been made and that comments or objections could be made in writing to the Architectural Controls and Standards Committee or in person at the Architectural Controls and Standards Committee Meeting on May 29, 2018; and,

**WHEREAS**; the Architectural Controls and Standards Committee received a written objection from an affected neighbor.

**NOW THEREFORE BE IT RESOLVED**, on June 19, 2018, the Board of Directors hereby denies the request due to the objections from the affected neighbor.

**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 Deny 3456-B (Andaluz, P302RC) – Room Additions, A/C Relocation, Increase Electrical Service, Window Additions and Enlarge Courtyard

This agenda item was removed from the Consent Calendar.

- (3) Recommendation to Deny 5387-A (Cabrillo, RP203A) – Window to Door on Room Addition

#### **RESOLUTION 03-18-71** **Variance Request**

**WHEREAS**, Ms. Elizabeth Fiskin of 5387-A, a Cabrillo style unit, requests Board approval of a variance to replace the newly installed side windows on the room addition and replace them with sliding glass doors requiring a landing on Common Area; and

**WHEREAS**, a Neighborhood Awareness Notice was sent to Owners of affected Units on May 14, 2018, notifying them that an application to make an alteration to a neighboring Unit had been made and that comments or objections could be made in writing to the Architectural Controls and Standards Committee or in person at the Architectural Controls and Standards Committee Meeting on May 29, 2018.

**NOW THEREFORE BE IT RESOLVED**, on June 19, 2018, the Board of Directors hereby denies the request due to the doors requiring an exterior landing to be installed on common area;

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

11b. Landscape Committee Recommendations:

(1) Approve Tree Removal Appeal (5055)

**RESOLUTION 03-18-72**  
**Tree Removal Approval**

**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 June 7, 2018, the Landscape Committee recommended to approve the request to remove the trees located at 5055 Avenida Del Sole (Gasser); and

**NOW THEREFORE BE IT RESOLVED**, June 19, 2018, the Board of Directors approved a request for the removal of two Fern Pine trees at owner's expense;

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



(2) Deny Tree Removal Appeal (3420-3E)

**RESOLUTION 03-18-73**  
**Tree Removal Denial**

**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 June 7, 2018, the Landscape Committee recommended to deny the request to remove the tree located at 3420-3E Calle Azul (Claude); and

**NOW THEREFORE BE IT RESOLVED**, June 19, 2018, the Board of Directors denied a request for the removal of one Southern Magnolia tree;

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

(3) Approve Tree Removal Request (2366-A) Remove and Replant Two Trees at Mutual Expense

**RESOLUTION 03-18-74**  
**Tree Removal Approval**

**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 June 7, 2018, the Landscape Committee recommended to approve the request to remove the tree located at 2366-A Via Mariposa East (Kajikawa); and

**NOW THEREFORE BE IT RESOLVED**, June 19, 2018, the Board of Directors approved a request for the removal of two Rusty leaf Fig trees and replace with more suitable trees based on the location at Mutual expense;

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

(4) Approve Tree Removal Request (3208-B) Remove at Member's Expense

**RESOLUTION 03-18-75**  
**Tree Removal Approval**

**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 June 7, 2018, the Landscape Committee recommended to approve the request to remove the tree located at 3208-B Via Buena Vista (Cullers); and

**NOW THEREFORE BE IT RESOLVED**, June 19, 2018, the Board of Directors approved a request for the removal of one Jacaranda tree at Member's expense;

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

(5) Deny Tree Removal Request (2366-C)

**RESOLUTION 03-18-76**  
**Tree Removal Denial**

**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 June 7, 2018, the Landscape Committee recommended to deny the request to remove the tree located at 2366-C Via Mariposa (McNaughton); and

**NOW THEREFORE BE IT RESOLVED**, June 19, 2018, the Board of Directors denied a request for the removal of one Rusty leaf Fig tree and inspect/trim as needed during the next trim cycle;

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

(6) Deny Tree Removal Request (3009-C) Crown Reduce to Balance Tree

**RESOLUTION 03-18-77**  
**Tree Removal Denial**

**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 June 7, 2018, the Landscape Committee recommended to deny the request to remove the tree located at 3009-C Via Buena Vista (Ghasri); and

**NOW THEREFORE BE IT RESOLVED**, June 19, 2018, the Board of Directors denied a request for the removal of one Star Pine tree and crown reduce to mitigate unbalanced condition;

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

11c. Finance Committee Recommendations:

- (1) Approve Resolution to Record Lien against Member's ID; 932-201-01

**RESOLUTION 03-18-78**  
**Recording of a Lien**

**WHEREAS**, Member ID 932-201-01; 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**, June 19, 2018, that the Board of Directors hereby approves the recording of a Lien for Member ID 932-201-01 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) Approval of Resolution to File in Small Claims Court against Member's ID; 932-670-28

**RESOLUTION 03-18-79**  
**Filing of Separate Small Claims Court Case**

**WHEREAS**, the Finance Committee recommends filing separate Small Claims Court cases of \$5,000 (or less) in an attempt to collect delinquent chargeable services by way

of a judgment or stipulation against members/owners with a delinquent balance in Third Laguna Hills Mutual; and

**NOW THEREFORE BE IT RESOLVED**, June 19, 2018, that the Board of Directors hereby approves the filing of a separate Small Claims Court case for Member ID 932-670-28 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.

(3) Approval of Resolution to File in Small Claims Court against Member's ID;  
932-810-19

**RESOLUTION 03-18-80**  
**Filing of Separate Small Claims Court Case**

**WHEREAS**, the Finance Committee recommends filing separate Small Claims Court cases of \$2,500 (or less) in an attempt to collect delinquent chargeable services by way of a judgment or stipulation against members/owners with a delinquent balance in Third Laguna Hills Mutual; and

**NOW THEREFORE BE IT RESOLVED**, June 19, 2018, that the Board of Directors hereby approves the filing of a separate Small Claims Court case for Member ID 932-810-19 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.

(4) Approval of Resolution to File in Small Claims Court against Member's ID;  
932-120-64

**RESOLUTION 03-18-81**  
**Filing of Separate Small Claims Court Case**

**WHEREAS**, the Finance Committee recommends filing separate Small Claims Court cases of \$5,000 (or less) in an attempt to collect delinquent chargeable services by way of a judgment or stipulation against members/owners with a delinquent balance in Third Laguna Hills Mutual; and

**NOW THEREFORE BE IT RESOLVED**, June 19, 2018, that the Board of Directors hereby approves the filing of a separate Small Claims Court case for Member ID 932-120-64 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.

- (5) Approval of Resolution to File in Small Claims Court against Member's ID;  
931-581-27

**RESOLUTION 03-18-82**  
**Filing of Separate Small Claims Court Case**

**WHEREAS**, the Finance Committee recommends filing separate Small Claims Court cases of \$2,500 (or less) in an attempt to collect delinquent chargeable services by way of a judgment or stipulation against members/owners with a delinquent balance in Third Laguna Hills Mutual; and

**NOW THEREFORE BE IT RESOLVED**, June 19, 2018, that the Board of Directors hereby approves the filing of a separate Small Claims Court case for Member ID 931-581-27 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.

11d. Maintenance and Construction Committee Recommendations:

- (1) Award a Contract for the Garden Villa CMU Wall Rotation Project
- (2) Award a Contract for Walkway Lighting Upgrades for Gates 5, 6, 7 & 8

**Resolution 03-18-83**  
**Contract Award and Supplemental Appropriation  
for Walkway Lighting Upgrades in Gates 5, 6, 7 & 8**

**WHEREAS**, the Walkway Lighting Upgrade project was initiated in July 2017, when the Third Energy Committee indicated that it was interested in improving the existing pagoda-style walkway lighting;

**WHEREAS**, US Energy performed an audit of the existing lighting in Gates 5, 6, 7 & 8 to generate an inventory of the fixtures, containing the number, style, energy usage of each location and to get recommendations regarding possible replacement fixtures; and

**WHEREAS**, the Energy Committee agreed that 4000K was the preferred temperature for the lighting and were pleased with the specifications of the installed fixtures, and instructed staff to proceed with the bidding process for the project with the selected fixture,

**NOW THEREFORE BE IT RESOLVED**, on June 19, 2018, the Board of Directors of this Corporation hereby authorizes a supplemental appropriation from the Replacement Fund in the amount of \$125,000 and award of a contract to Super-green Solutions in the amount of \$124,906.24 for the Walkway Lighting Upgrade project in Gates 5, 6, 7 & 8; 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.

(3) Award a Contract for Ridge Route Brush Clearance

**Resolution 03-18-84**  
**Contract Award and Supplemental Appropriation**  
**for Ridge Route Drive Brush Clearance & Wall Improvements**

**WHEREAS**, the perimeter wall along the northern boundary of the Third Laguna Hills Mutual provides separation from an undeveloped road right-of-way that is approximately 2,000 linear feet in length and runs along Ridge Route Drive;

**WHEREAS**, due to increased crime in the bordering Laguna Woods Village neighborhoods, the Mutual has authorized the installation of enhanced security fencing along the top of the wall in an effort to deter unauthorized entry into the community from this area;

**WHEREAS**, the adjacent road right-of-way has heavy brush that encourages transients, illegal dumping, graffiti and other criminal activity; and

**WHEREAS**, in support of the fencing project and to further enhance the security of Village residents, the foliage and debris will be cleared out to allow for the fence construction project and to provide enhanced visibility along the entire length of the wall from the Laguna Woods dog park to Avenida de La Carlota, an area of over 70,000 square feet.

**NOW THEREFORE BE IT RESOLVED**, on June 19, 2018, the Board of Directors of this Corporation hereby authorizes a supplemental appropriation not to exceed the amount of \$330,000 from the Replacement Fund to fund the wall clearing and improvements; 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 Parsons made a motion to approve the Consent Calendar with the exception of agenda item 11a(2). The motion was seconded by Director Bruninghaus and passed by unanimous consent.

**11a(2) Recommendation to Accept Staff Recommendation 3456-B (Andaluz, P302RC)**  
– Room Additions, A/C Relocation, Increase Electrical Service, Window Additions and Enlarge Courtyard

**RESOLUTION 03-18-70**  
**Variance Request**

**WHEREAS**, Mr. Timothy Cooper and Mrs. Susan Smallwood of 3456-B of Bahia Blanca

West, an Andaluz style unit, are requesting Board approval of a variance for the following six alterations; room addition at master bathroom, room addition replacing existing solarium, install landing on common area to accommodate room addition's sliding glass door, enlarge existing courtyard and enclose with wall and gate, relocate existing air conditioning condenser, increase electrical service from 125 Amps to 200 Amps, add two new windows in the living room; and

**WHEREAS**, a Neighborhood Awareness Notice was sent to Owners of affected Units on May 14, 2018, notifying them that an application to make an alteration to a neighboring Unit had been made and that comments or objections could be made in writing to the Architectural Controls and Standards Committee or in person at the Architectural Controls and Standards Committee Meeting on May 29, 2018.

**NOW THEREFORE BE IT RESOLVED**, on June 19, 2018, the Board of Directors hereby approves the requests to construct the alterations which do not require the use of common area; room addition replacing existing solarium, relocate existing air conditioning condenser, increase electrical service from 125 Amps to 200 Amps, and add two new windows in the living room with the condition that the proposed alterations are constructed in accordance with the Conditions of Approval as attached to the official meeting minutes. The Board denies the alterations that require the use of common area; room addition at master bathroom, install landing on common area to accommodate room addition's sliding glass door, and enlarge existing courtyard and enclose with wall and gate;

**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.

Susan and Jim Smallwood (3456-B) addressed the Board regarding the Variance Request for their Unit.

Director Parsons made a motion to accept staff recommendation for the variance request at 3456-B. The motion was seconded by Director Bruninghaus. The motion passed by a vote of 8-2-0 (Director Frankel and Director Zalon opposed).

## **12. Unfinished Business**

- 12a. Entertain a Motion to Rescind Alteration Standard 45 – Solar Panels, 2 Story Buildings with Flat Roofs and Require a Variance Instead

Burt Baum, Secretary of the Board, presented a summary of the following resolution:

### **RESOLUTION 03-18-85**

#### **Rescind Standard 45: Solar Panels on Two-Story Buildings**

**WHEREAS**, the Architectural Controls and Standards Committee recognizes the need to amend Alteration Standards and create new Alteration Standards as necessary; and,



**WHEREAS**, due to the increased complexity of solar panel installation for two-story buildings, Standard 45 should to be rescinded in its entirety.

**NOW THEREFORE BE IT RESOLVED**, June 19, 2018, that the Board of Directors of this Corporation hereby rescinds Resolution 03-16-09 adopted January 19, 2016; and

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

**MAY INITIAL NOTIFICATION**

**30-day notification to comply with Civil Code §4360 has been satisfied.**

Director Baum made a motion to adopt a resolution to rescind standard 45: Solar Panels on Two-Story Buildings. The motion was seconded by Director Walsh and passed by unanimous consent.

- 12b. Entertain a Motion to Adopt a Resolution for Revised Alteration Standard for 5a: Satellite Dishes on 1-Story Buildings

Burt Baum, Secretary of the Board, presented a summary of the following resolution:

**RESOLUTION 03-18-86**

**Revise Alteration Standard 5A: Satellite Dishes; One-Story Buildings**

**WHEREAS**, the Architectural Controls and Standards Committee recognizes the need to amend Alteration Standards and create new Alteration Standards as necessary;

**WHEREAS**, the Architectural Controls and Standards Committee recognizes the need to revise Alteration Standard 5A: Satellite Dishes; One-Story Buildings and,

**NOW THEREFORE BE IT RESOLVED**, June 19, 2018, that the Board of Directors of this Corporation hereby adopts Alteration Standard 5A: Satellite Dishes; One-Story Buildings;

**1.0 GENERAL GUIDELINES**

See Standard Section 1: General Requirements

**2.0 APPLICATIONS**

- 2.1 Any installation permitted in Mutual Common Area at one-story buildings must follow all guidelines set forth by the following Mutual Alteration Standard.
- 2.2 Prior to installation of any satellite dish, a plan and the specifications of all proposed work and equipment must be submitted for approval as

specified in Section 1.5. The submitted plan must indicate all work to be done, i.e., type of dish, size, a full description, its location on the building, anchoring, and method of sealing wall(s) and attachments. Site location will be contingent upon Mutual approval.

- 2.3 The Mutual Member assumes all responsibility for any damage including, but not limited to, roof or wall damage, or damage from moisture intrusion resulting from improper installation of the satellite dish.
- 2.4 No satellite dish will be permitted which may become hazardous to other residents or workmen due to its location or dimensions.
- 2.5 Any satellite dish must be made easily removable as required for performance of maintenance. In the event a satellite dish must be removed it must be the Mutual Member's responsibility to remove and properly store the dish until such time that maintenance work has been completed. The cost of removal, storage and re-installation must be borne by the Mutual Member.
- 2.6 Any satellite dish installation must follow all guidelines set forth by the Federal Communications Commission's Over-the-Air-Reception-Devices rule (OTARD).
- 2.7 Any installation violating these guidelines is subject to immediate removal at the sole cost of the Mutual Member, and the restoration of any Mutual property, at the Member's expense.
- 2.8 Should the proposed location of a satellite dish be in an area that is technically Common Area, e.g., the roof, then the applicant is required to execute and submit to Third Laguna Hills Mutual, prior to installation of a dish, the "Agreement Regarding Satellite Dish Installation on Common Area Property".
- 2.9 Should the proposed location of a satellite dish be in a location that is currently occupied by a functional solar panel, an alternate location will be designated by the Alteration Department.
- 2.10 All satellite dish installations must be removed at the time of sale.

### **3.0 INSTALLATION GUIDELINES**

- 3.1 Satellite dish installation is permitted on Exclusive Use Common Area, i.e., patios, atrium or courtyard. The dish must stay within the footprint of such areas.
- 3.2 Satellite dish installation is permitted on building fascia. The Member must coordinate with and receive approval from the Alterations Department for all satellite dish locations. All satellite dish installations must not be visible from neighboring street(s). Satellite dishes must be installed not

less than twenty

(20) feet from the corner of the building closest to the street, and cannot be attached on a side of the building that faces the street

- 3.3 For satellite dish installations on building fascia of detached manors, the mounting bracket must be clamp style and must fully fit onto the fascia, with no overhang.
- 3.4 Satellite dish installation is permitted on flat roofs when the location does not interfere with the overall visual continuity of the manor and/or surrounding area. No satellite dish or any portion of a satellite dish and its related members ~~must~~ shall be attached to any built-up roofing on a flat roof. See 2.2 for installation criteria.
- 3.5 To install a dish on a flat roof, mount the satellite dish on a non-penetrating satellite dish roof-mount weighted down by a minimum of four 8" x 8" x 16" concrete blocks (see Example 1 below).
- 3.6 For installation of a satellite dish onto a flat PVC cool roof, the member must install a 3' X 3' satellite dish pad provided by the Mutual's roofing contractor at the expense of the Member.
- 3.7 Only one (1) satellite dish per manor is allowed.
- 3.8 Any satellite dish installed on Common Area must not exceed a diameter of 36".
- 3.9 No coaxial cable must be larger than ½" in diameter.
- 3.10 Fasteners must be properly sealed to prevent moisture intrusion. Sealants must be specifically manufactured for the application for which it is used.
- 3.11 Drilling through a roof is prohibited.
- 3.12 Mounting a satellite dish on a chimney is prohibited.
- 3.13 Utilization of any GRF Broadband installation and/or equipment is prohibited.
- 3.14 Mounting of a satellite dish to PVC, ABS or plumbing vent pipes is prohibited.
- 3.15 No modifications to any fascia, rain gutter or plumbing vent must be permitted. A satellite dish installation must not obstruct a rain gutter or plumbing vent in any way.
- 3.16 Satellite dishes and installation materials must be grounded in accordance with the National Electric Code.

**RESOLVED FURTHER**, that Resolution 03-13-119 adopted November 19, 2013, is hereby superseded in its entirety and no longer in effect; and

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

**MAY INITIAL NOTIFICATION**

**30-day notification to comply with Civil Code §4360 has been satisfied.**

Director Baum made a motion to adopt a resolution to revise Alteration Standard 5A: Satellite Dishes; One-Story Buildings for the second reading. Director Parsons seconded the motion and it passed by Unanimous consent.

12c. Entertain a Motion to Introduce a Resolution for Revised Alteration Standard for 5b: Satellite Dishes on 2-Story Buildings

Burt Baum, Secretary of the Board, presented a summary of the following resolution:

**RESOLUTION 03-18-87**

**Revise Alteration Standard 5B: Satellite Dishes; Two-Story Buildings**

**WHEREAS**, the Architectural Controls and Standards Committee recognizes the need to amend Alteration Standards and create new Alteration Standards as necessary;

**WHEREAS**, the Architectural Controls and Standards Committee recognizes the need to revise Alteration Standards 5B: Satellite Dishes; Two-Story Buildings and,

**NOW THEREFORE BE IT RESOLVED**, June 19, 2018, that the Board of Directors of this Corporation hereby adopts Alteration Standard 5B: Satellite Dishes; Two-Story Buildings;

**2.0 GENERAL GUIDELINES**

- 2.1 Any installation permitted in Mutual Common Area at two-story buildings must follow all guidelines set forth by the following Mutual Alteration Standard.
- 2.2 Prior to installation of any satellite dish, a plan and the specifications of all proposed work and equipment must be submitted for approval as specified in Section 1.5. The submitted plan must indicate all work to be done, i.e., type of dish, size, a full description, it's location on the building, anchoring, and method of sealing wall(s) and attachments. Site location will be contingent upon Mutual approval.
- 2.3 The Mutual Member assumes all responsibility for any damage including, but not limited to, roof or wall damage, or damage from moisture intrusion resulting from improper installation of the satellite dish.
- 2.4 No satellite dish will be permitted which may become hazardous to other residents or workmen due to its location or dimensions.
- 2.5 Any satellite dish must be made easily removable as required for performance of maintenance. In the event a satellite dish must be removed it must be the Mutual

Member's responsibility to remove and properly store the dish until such time that maintenance work has been completed. The cost of removal, storage and re-installation must be borne by the Mutual Member.

- 2.6 Any satellite dish installation must follow all guidelines set forth by the Federal Communications Commission's Over-the-Air-Reception- Devices rule (OTARD).
- 2.7 Any installation violating these guidelines is subject to immediate removal at the sole cost of the Mutual Member, and restoration of any Mutual property, at the Member's expense.
- 2.8 Should the proposed location of a satellite dish be in an area that is technically Common Area, e.g., the roof, then the applicant is required to execute and submit to Third Laguna Hills Mutual, prior to installation of a dish, the "Agreement Regarding Satellite Dish Installation on Common Area Property".
- 2.9 Should the proposed location of a satellite dish be in a location that is currently occupied by a functional solar panel, an alternate location will be designated by the Alteration Department.
- 2.10 All satellite dish installations must be removed at the time of sale.

### **3.0 INSTALLATION GUIDELINES**

- 3.1 Satellite dish installation is permitted on Exclusive Use Common Area, e.g. patios or balconies. Dish must stay within footprint of patio or perimeter of balcony railing.
- 3.2 Only one (1) satellite dish per manor is allowed.
- 3.3 Any satellite dish installed on Common Area must not exceed a diameter of 36", with the exception of manor types listed in paragraph 3.16 herein.
- 3.4 No coaxial cable must be larger than ½" diameter.
- 3.5 Unless otherwise specified, coaxial cable must be encased in ½", 26 gauge steel wire-mold fastened to the surface of the wall with ½" mounting clips and anchors, specified for stucco, attached every four feet. Wire-mold must be painted to match the surface to which it is attached prior to installation. Fasteners must be properly sealed to prevent moisture intrusion. Sealants must be specifically manufactured for the application for which it is used.
- 3.6 Drilling through a roof is prohibited.
- 3.7 Utilization of any GRF Broadband installation and/or equipment is prohibited.
- 3.8 Mounting of a satellite dish to PVC, ABS, plumbing vent pipes is prohibited.
- 3.9 No satellite dish or any portion of a satellite dish and its related members must not be attached to any built-up roofing on a flat roof.

3.10 Mounting a satellite dish on a chimney is prohibited.

3.11 No modifications to any fascia, rain gutter or plumbing vent shall be permitted.  
A satellite dish installation must not obstruct a rain gutter or plumbing vent in any way.

3.12 Satellite dishes and installation materials must be grounded in accordance with the National Electric Code.

3.13 Buildings with flat or mansard roof

- (a) Place the satellite dish approximately 15 feet from the edge of the flat roof above the manor for which the service is being provided. At no time can the dish be mounted on the side of the building or to existing fascia.
- (b) For installation of a satellite dish onto a flat PVC cool roof, the member must install a 3' X 3' satellite dish pad provided by the Mutual's roofing contractor at the expense of the Member.
- (c) Mount the satellite dish on a non-penetrating satellite dish roof-mount weighted down by a minimum of four 8"x8"x16" concrete blocks.
- (d) Extend the coaxial cable from the dish, across the surface of the roof, to the mansard roof. Continue over the mansard roof and rain gutter, firmly and without slack, until the coaxial cable reaches the overhang. (Do not alter or damage the tile or rain gutter in any way.
- (e) Attach wire-mold to the overhang, continue in a straight line to the wall of the building, and down vertically and horizontally, as required, to provide entry to the manor 24" from the floor. Encase the coaxial cable in the attached wire-mold. Penetrate the wall to bring coaxial cable into the manor. (See 3.5)
- (f) Do not place wire-mold within 18" of balconies, balcony railings or balcony overhangs. Do not place wire-mold across any part of an overhang vent or near, or on, windows. Do not alter or damage wall-mounted air conditioners.

**3.14 Buildings with flat roof and parapet**

- (a) Place the satellite dish on the flat roof approximately 15 feet from the parapet above the manor for which the service is being provided. At no time can the dish be mounted on the side of the building or to existing fascias.
- (b) For installation of a satellite dish onto a flat PVC cool roof, the member must install a 3' X 3' satellite dish pad provided by the Mutual's roofing contractor at the expense of the Member.
- (c) Mount the satellite dish on a non-penetrating satellite dish roof-mount weighted down by a minimum of four 8" x 8" x 16" cinderblocks (see

Example 1 below).

- (d) Extend the coaxial cable from the dish across the surface of the flat roof to the parapet. Continue the coaxial cable up the wall of the parapet, over the crown, and down until it is several inches below an existing wire-mold installation. (Do not attach the coaxial cable to the interior wall of the parapet with fasteners.) Attach new wire-mold immediately below the existing wire-mold installation and continue vertically and horizontally as required to reach the manor 24" from the floor. Encase the coaxial cable in the attached wire-mold. Penetrate the wall to bring coaxial cable into the manor. (See 3.5)
- (e) Do not use, alter or damage existing wire mold installation.

### **3.15 Seville**

- (a) Place the satellite dish approximately 15 feet from the edge of the flat roof above the manor for which the service is being provided. At no time can the dish be mounted on the side of the building, existing fascias, or on roof beams.
- (b) For installation of a satellite dish onto a flat PVC cool roof, the member must install a 3' X 3' satellite dish pad provided by the Mutual's roofing contractor at the expense of the Member.
- (c) Mount the satellite dish on a non-penetrating satellite dish roof-mount weighted down by a minimum of four 8" x 8" x 16" cinderblocks (see Example 1 below).
- (d) Extend the coaxial cable from the dish across the surface of the roof to the fascia. Attach the coaxial cable to the inside of the fascia and continue down to a location that is directly in line above the room selected for installation of the jack. Attach the coaxial cable to the overhang and continue to the wall of the building. Attach wire-mold to the wall, vertically, in a straight line down to provide entry to the manor 24" from the floor. Encase the coaxial cable in the attached wire-mold. Penetrate the wall to bring coaxial cable into the manor. (See 3.5)
- (e) Do not use, alter or damage existing wire-mold installation. Do not alter or damage rain gutters.

### **3.16 Catalina, Casa Milano, La Quinta and Villa Lugano series**

- (a) Mounting of satellite dishes on buildings is permitted only upon approval of Permits and Inspections office of a detailed plan indicating all work to be done, i.e., size, location, description and specifications.
- (b) Satellite dish installation is permitted on Exclusive Use Common Area, e.g., patios or balconies. Dish must stay within footprint of patio or perimeter of balcony railing.

**RESOLVED FURTHER**, that Resolution 03-13-120 adopted November 19, 2013, is hereby superseded in its entirety and no longer in effect; and

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

**MAY INITIAL NOTIFICATION**

**30-day notification to comply with Civil Code §4360 has been satisfied.**

Director Baum made a motion to adopt a resolution to revised Alteration Standard for 5b: Satellite dishes on 2-Story Buildings. Director Bhada seconded the motion passed by unanimous consent.

- 12d. Entertain a Motion to Adopt a Resolution for Revised Alteration Standard for 12: Exterior Wall Attachments

Burt Baum, Secretary of the Board, presented a summary of the following resolution:

**RESOLUTION 03-18-88**

**Revise Alteration Standard Section 12: Exterior Wall Attachments**

**WHEREAS**, the Architectural Controls and Standards Committee recognizes the need to amend Alteration Standards and create new Alteration Standards as necessary; and,

**WHEREAS**, the Architectural Controls and Standards Committee recognize the need to revise Alteration Standard Section 12: Exterior Wall Attachments.

**NOW THEREFORE BE IT RESOLVED**, June 19, 2018, that the Board of Directors of this Corporation hereby adopts the following Alteration Standard 12: Exterior Wall Attachments;

**2.0 APPLICATIONS**

- 2.1** No attachments may cover any electrical outlets or junction boxes.
- 2.2** No attachments may cover over plumbing access covers, cleanouts, or shutoffs.
- 2.3** No attachments may cover any vents, openings, or related items that will violate building code or hinder access in any way.
- 2.4** All attachments must be permanent in nature and not subject to extreme weathering or deterioration.
- 2.5** Any exterior wall attachment will be limited to only those walls which face limited common areas, such as patios or atriums, with the exception of American flags.

**3.0 TILE AND VENEER**

- 3.1** Tile and veneer used on a vertical surface exterior wall must be attached with thin set/epoxy mortar mixes.



3.2 Tile and veneer used will be limited to use on stucco covered exterior chimneys and entryway columns.

3.3 Tile must match in color, design, and size as close as possible any brickwork on building existing.

**4.0 TRELLIS AND WROUGHT IRON DESIGNS**

4.1 Any trellis attached to a wall must be painted the same color as the wall.

4.2 Trellis and wrought iron shall be within 12" of walls and not used as screens, shades, or shields, nor higher than wall to which it is attached.

4.3 Wrought iron shall be easily removable for access to the wall for painting purposes.

4.4 All lags or screws into walls must be sealed prior to installation to prevent water penetration.

4.5 All trellis and wrought iron shall be mounted vertically.

**5.0 MURALS AND WALL HANGINGS**

5.1 Any installation of murals or wall hangings shall be limited to patio and atrium locations. No installation will protrude above the height of a patio wall.

5.2 Visual access through a wrought iron gate will be considered to be within the above statement and not a factor.

**RESOLVED FURTHER**, that Resolution M3-96-28 adopted April, 1996, is hereby superseded in its entirety and no longer in effect; and

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

**MAY INITIAL NOTIFICATION**

**30- day notification to comply with Civil Code §4360 has been satisfied.**

Director Baum made a motion to adopt the amended resolution to revise Alteration Standard for 12: Exterior Wall Attachments. Director Frankel seconded the motion and it passed by unanimous consent.

12e. Entertain a Motion to Adopt a Resolution for Revised Alteration Standard  
14: Fireplaces

Burt Baum, Secretary of the Board, presented a summary of the following resolution:

**RESOLUTION 03-18-89**

**REVISE ALTERATION STANDARD 14: FIREPLACE INSTALLATIONS**

**WHEREAS**, the Architectural Controls and Standards Committee recognizes the need to amend Alteration Standards and create new Alteration Standards as necessary; and,

**WHEREAS**, the Architectural Controls and Standards Committee recognize the need to revise Alteration Standard 14: Fireplace Installations,

**NOW THEREFORE BE IT RESOLVED**, April 17, 2018, that the Board of Directors of this Corporation hereby introduces the following Standard 14: Fireplace Installations;

**1.0 GENERAL REQUIREMENTS**

See Standard Section 1: General Requirements

**2.0 APPLICATIONS**

- 2.1 No new wood or gas burning fireplaces are permitted
- 2.2 Any alteration to fireplaces shall be constructed to the same height and width as the originally designed units.
- 2.3 The exterior design and construction shall be as originally constructed.
- 2.4 Fireplaces may be removed in single story Manors.
- 2.5 The installation of a carbon monoxide detector is required when a fireplace is altered if one does not exist.

**3.0 SPARK ARRESTORS**

- 3.1 Spark arrestors ~~will~~ are ~~be~~ required for all fireplaces.
- 3.2 A permit will be required for installation of spark arrestors or rain caps for existing fireplaces. Some units, depending upon design and color, may be required to be painted to match the building or chimney color.
- 3.3 No spark arrestor or rain cap may protrude higher than 12" above the flue exit.

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

**April Initial Notification**

30-day notification to comply with Civil Code §4360 has been satisfied.

Director Baum made a motion to adopt the revised alteration standard 14: Fireplace Installations. Director Parsons seconded the motion and it passed by unanimous consent

- 12f. Entertain a Motion to Adopt a Resolution for Revised Alteration Standard for 16: Garage Doors

Director Baum, Secretary of the Board, presented a summary of the following Resolution:

**RESOLUTION 03-18-90**  
**Revise Alteration Standard 16: Garage Doors**

**WHEREAS**, the Architectural Controls and Standards Committee recognizes the need to amend Alteration Standards and create new Alteration Standards as necessary; and,

**WHEREAS**, the Architectural Controls and Standards Committee recognize the need to revise Alteration Standard 16: Garage Doors.

**NOW THEREFORE BE IT RESOLVED**, June 19, 2018, that the Board of Directors of this Corporation hereby adopts the following Alteration Standard 16: Garage Doors;

**1.0 GENERAL REQUIREMENTS**

**See Standard 1: General Requirements**

**2.0 APPLICATIONS**

No garage door will be installed that requires modification to the building structure.

**2.1** Garage doors shall utilize existing door frames with only minor modifications to facilitate fit and clearances.

**2.2** All garage doors in multi-unit buildings shall be selected and/or painted to maintain an appearance that conforms to the approved paint color criteria as dictated by the Mutual's Policy on Exterior Paint Colors and Procedures.

**2.3** All garage doors shall be of aluminum or steel construction. One-piece or al panel style is optional. Sectional style shall be limited to five panels maximum.

**2.4** Built-in self-closing mail slots are permissible.

**2.5** Built-in windows in the top panel or second from the top panel of a sectional panel style garage door are permissible.

**2.6** All design or patterns including window shape and size must be in keeping with the architecture of the building. Approval by the Permits and Inspections office will be deemed in keeping with the existing architecture of the building.

**2.7** No built-in type access or pet doors will be permitted.

**RESOLVED FURTHER**, that Resolution 03-15-127 adopted September 15, 2015, is hereby superseded in its entirety and no longer in effect; and

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

**MAY INITIAL NOTIFICATION**

**30-day notification to comply with Civil Code §4360 has been satisfied.**

Director Baum made a motion to adopt a resolution to revise Alteration Standard for 16: Garage Doors. Director Bruninghaus seconded the motion.

Discussion ensued among the Directors.

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

12g. Entertain a Motion to Adopt a Resolution for Revised Alteration Standard 18: Gutters & Downspouts

Burt Baum, Secretary of the Board, presented a summary of the following resolution:

**RESOLUTION 03-18-91**

**ALTERATION STANDARD SECTION 18 – GUTTERS AND DOWNSPOUTS**

**WHEREAS**, the Architectural Controls and Standards Committee recognizes the need to amend Alteration Standards and create new Alteration Standards as necessary; and,

**WHEREAS**, the Architectural Controls and Standards Committee recognizes the need to revise Alteration Standard Section 18 – Gutters and Downspouts.

**NOW THEREFORE BE IT RESOLVED**, April 17, 2018, that the Board of Directors of this Corporation hereby introduces the following Alteration Standard Section 18 – Gutters and Downspouts;

**1.0 GENERAL REQUIREMENTS**

**See Standard Section 1: General Requirements**

**2.0 APPLICATIONS**

- 2.1** A splash block will be required in areas where a downspout empties into an area in which erosion may result.
- 2.2** No downspout may be installed that will drain into an area that will affect surface drainage in an adverse way.
- 2.3** Applications to roofs where hangers penetrate or may harm the roofing in any way are prohibited.
- 2.4** All gutters and downspouts shall be seamless and the same style and color as the existing gutters on the building.
- 2.5** Gutters and downspouts will be of the same color to match the surface they are attached to.

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

**April Initial Notification**

**30-day notification to comply with Civil Code §4360 has been satisfied.**

Director Baum made a motion, seconded by Director Bruninghaus, to adopt the revised Alteration Standard 16: Garage Doors with the correction of the word "effect" to "affect" in 2.2.

Discussion ensued among the Directors.

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

12h. Entertain a Motion to Introduce a Resolution for Revised Alteration Standard for 26: Skylights

Burt Baum, Secretary of the Board, presented a summary of the following resolution:

**RESOLUTION 03-18-92**

**Revise Alteration Standard Section 26: Skylight Installations**

**WHEREAS**, the Architectural Controls and Standards Committee recognizes the need to amend Alteration Standards and create new Alteration Standards as necessary; and,

**WHEREAS**, the Architectural Controls and Standards Committee recognize the need to revise Alteration Standard Section 26: Skylight Installations.

**NOW THEREFORE BE IT RESOLVED**, May 15, 2018, that the Board of Directors of this Corporation hereby introduces the following Alteration Standard 26: Skylight Installations;

**1.0 GENERAL REQUIREMENTS**

**See Standard Section 1: General Requirements**

**2.0 APPLICATIONS**

**2.1** Skylights may be of openable or fixed type.

**2.2** Interior finish, such as open well or luminous panel ceiling, is optional. Size of opening at ceiling line is optional unless specifically called out on Standard Plan drawing to be of a special size, to comply with light and ventilation requirement.

**2.3** Skylight(s) installed in any roof, under warranty with the Mutual's reroofing contractor, shall be sealed using the same specifications in force at that time.

**2.4** Roofing must be in strict conformance with the I.B.C., Third Mutual Standards, and standard drawings.

- 2.5 Electrical fixtures may be placed inside skylight wells providing they meet the latest edition of the N.E.C.
- 2.6 Skylights shall be in keeping with the architecture of the building and be either off-white or smoke tinted in color. Approval by the Alterations Division office will be deemed in keeping with the existing architecture. All skylights shall match other existing skylights. Clear skylights are not acceptable on any roof.
- 2.7 One skylight shall be permitted per 10 linear feet of a patio cover's longest dimension, and all skylight placement and spacing shall be approved by the Permits and Inspections office.
- 2.8 Maximum skylight size shall not exceed International Building Code and Title 24 requirements. All non-standard skylights are to be reviewed by the Mutual's Board of Directors.
- 2.9 Skylights shall be curb mounted and installed per Standard Plans and/or drawings in detail, size and location. Skylights will meet or exceed all current International Building Code (I.B.C.), State and/or City Standards.
- 2.10 Skylights shall be mounted on minimum 2"x6" curbs. Mounting shall be with Galvanized or equal hex-head screws to aid in removal during reroofing.
- 2.11 No skylight shall be installed within 12" of any vent, ridge, or vertical structure.
- 2.12 Skylights installed in existing acoustical sprayed ceilings may encounter asbestos. The resident(s) and contractor(s) must meet or exceed requirements of Federal, State or local government regarding asbestos removal procedures.
- 2.13 All skylights shall be of ICBO approved double lens construction.
- 2.14 Square-Flex™ or equivalent skylight tubes are permitted, provided that the installation meets all of the aforementioned standards.
- 2.15 **No trusses shall be cut in the installation of skylights.**

**RESOLVED FURTHER**, that Resolution 03-03-43 adopted May 20, 2003, is hereby superseded in its entirety and no longer in effect; and

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

**MAY INITIAL NOTIFICATION**

**30-day notification to comply with Civil Code §4360 has been satisfied.**

Director Baum made a motion to adopt a resolution the revised Alteration Standard for 26: Skylights. Director Parsons seconded the motion and it passed by unanimous consent.

- 12i. Entertain a Motion to Introduce a Resolution for Revised Alteration Standard for 27: Tubular Skylights

Burt Baum, Secretary of the Board, presented a summary of the following resolution:

**RESOLUTION 03-18-93**  
**Revise Alteration Standard 27: Tubular Skylight Installations**

**WHEREAS**, the Architectural Controls and Standards Committee recognizes the need to amend Alteration Standards and create new Alteration Standards as necessary; and,

**WHEREAS**, the Architectural Controls and Standards Committee recognize the need to revise Alteration Standard 27: Tubular Skylight Installations.

**NOW THEREFORE BE IT RESOLVED**, June 19, 2018, that the Board of Directors of this Corporation hereby adopts the following Alteration Standard 27: Tubular Skylight Installations;

**1.0 GENERAL REQUIREMENTS**

**See Standard Section 1: General Requirements**

**2.0 DEFINITIONS**

- 2.1** "Tubular skylight" refers to skylights with a cylindrical roof-mounted light collector typically consisting of an acrylic lens set in a metal frame. A reflective sun scoop in the rooftop assembly directs sunlight into a metal or plastic tube with a highly reflective interior coating. The reflective tube guides sunlight to a diffuser lens mounted on the interior ceiling surface that spreads light throughout the room.
- 2.2** Tubular skylights are sold under several different brand names. For the purpose of definition, some of the more common brand names include: Solatube, Daylight, Solar Bright, Sun-Dome, Sun-Tek, True Light, etc.

**3.0 APPLICATIONS**

- 3.1** All roofing work shall be in strict conformance with current building codes and any applicable Mutual standard drawings.
- 3.2** **Notification:** Member must notify the Alterations Division office of any broken/damaged roofing materials, before any installation begins. Additional roofing materials may be required for typical installations, due to breakage/damage. Member is responsible for restoring the roof to its original pre-installation condition, regardless of the amount of replacement required. All materials will match the existing manufacturer and color or approved equal by the Permits and Inspections office.
- 3.3** **Final Inspection:** During the final inspection, should the Alterations Division office notice damaged/broken roofing materials that appear to be caused by the

installer/installation and absent prior notice of damage, the Member will be responsible for the proper repair(s).

- 3.4 ASBESTOS:** Installations in existing acoustical sprayed ceilings may encounter asbestos. The Member(s) must assure that the requirements of federal, state and local government regarding asbestos removal procedures are met or exceeded.
- 3.5** No units shall be installed with the edge of the tubular skylight flashing within 12" of any vent, ridge or vertical structure.
- 3.6** Hypolon skirts will not be permitted as acceptable flashings.
- 3.7** All tubular skylight flashings are required to be minimum 8" in height.
- 3.8** All tubular skylight installations require a 2" Turret Extension to conform to Mutual Standards height requirements.
- 3.9** All tubular skylight flashings and related parts to be painted either Flat Black (BUR Roofs); Flat Black or Orange (Tile and Metal Shingle Roofs); Flat Black or Tan (Comp/Shingle Roofs) or to match color scheme of roof.
- 3.10** Products: Henry Asphalt Primer (#103 or #105), Henry Cold-Ap Cement (#403), Henry Underlayment (#604), Henry Interply Adhesive (#902). Henry products may be substituted by an equal or better product. All substituted products require approval from the Permits and Inspections office.
- 3.11 No trusses shall be cut in the installation of the skylights.**

#### **4.0 INSTALLATION SPECIFICATIONS**

##### **4.1 FLAT ROOFS (Built Up Roofing)**

- a.** 10", 14" and 16" tubular skylights are the only size units approved for installation on BUR roofs.
- b.** Spud back the perimeter around the flashing edge a minimum of 10" and maximum 14", leaving roof surface smooth and gravel-free for primer and base felt application.
- c.** Apply Henry Asphalt Primer to flashing and scraped/spudded roof surface and let dry.
- d.** Apply Henry Cold-Ap Cement # 403 to base of flashing per manufacturer's specifications and press in place. Nail aluminum base through raised surface of outer ring, 10 inches on center.



*(First Ply/Base Ply)*

- e. Apply Henry Cold-Ap Cement # 403 at the rate of 2 gallons per 100 sq. ft. and cover with Henry Fiberglass ply sheet 25lb #604 starting at vertical surface across the flashing and over roof surface to a point three (3) inches beyond the edge of the flashing.

*(Second and Third Ply)*

- f. Apply Henry Interply Adhesive #902 and a second ply of Henry Fiberglass Ply Sheet #604 two (2) inches beyond the perimeter of the base ply and continue across roof, terminating at vertical surface, allowing the Henry Interply Adhesive #902 to ooze out slightly onto the vertical surface and above the ply. Apply a third ply of Henry Fiberglass Ply Sheet #604 two (2) inches beyond the perimeter of second ply and continue across roof, terminating at vertical surface and again allow the Henry Fiberglass Ply Sheet #604 to ooze out slightly onto the vertical surface and above the ply. Both ply to be embedded in Henry Cold-Ap Cement # 403 at the rate of 2 gallons per 100 sq. ft.
- g. Apply one layer of \*MB Cap embedded in Henry Cold-Ap Cement # 403 at the rate of 2 gallons per 100 sq. ft. starting at the bottom of the vertical surface across the newly installed plies, to a point seven (7) inches away from the flashing edge and embed #11 Granule Aggregate or cap sheet (if flat or built up roof (BUR) is cap sheet).
- h. If cap sheet is used, nail perimeter of cap sheet 4 inches on center. Apply a 3 coarse application over cap sheet edge using Henry Cold-Ap Cement # 403 and webbing.
- i. Reapply gravel evenly to entire area, stopping at the tubular skylight vertical surface.

#### **4.2 3 STORY BUILDINGS**

Installations of tubular skylights on all three-story buildings are to follow Mutual Standards for Built-Up Roofing with the following changes:

- a. Install a (1) one-layer 5/8" type X drywall chase around the reflective tube. Drywall chases to be inclusive of attic area and to start from drywall ceiling and terminate at plywood roof sheathing. Each end and all incisions into the drywall chase to be filled with drywall compound.

#### **4.3 PITCHED ROOFS:** All pitched roof (over 3:12) installations shall be as follows:

##### **4.3.1 Asphalt Composition Shingles**

10" and 14" tubular skylights are the only size units approved for installation on pitched Composition Shingle roofs in Third Mutual.

- a. Pitched Metal Flashing: The powder coated black epoxy based finish applied over a 0.032 in. thick aluminized steel stamped seamless flashing with 32 total added rigid ribs and 8 pre-punched fastener holes shall be placed into existing Asphalt Composition Shingles as existing roof jacks are installed.
- b. Metal Turret Extension: Shall be installed onto Pitched Metal Flashings with a polyurethane sealant and screwed into flashing with (4) #8x1/2 philip head, self-tapping stainless steel screws.
- c. Turret Shroud: Shall be installed onto Pitched Metal Flashing and Turret Extension.
- d. No caulking will be used as primary water leak protection.

#### **4.3.2 Concrete & Clay Tile**

10" and 14" tubular skylights are the only size units approved for installation on all tile roofs in Third Mutual.

- a. Counter base Flashing: injected molded polypropylene CC2 classified, 30% mica filled .125 inch thick mold tech pattern MT11365 finish base flashing shall be installed between rafters and be laced into existing underlayment as existing roof jacks are installed.
  - 1. Monier concrete tiles over space sheathing and/or plywood with no underlayment do not require the installation of a Counter base Flashing.
- b. Secondary Flashing: Polypropylene (Tile Retro Kit for 10" Solatubes) or .060 inch thick A93003 aluminum secondary pre-formed flashing shall be installed over Counter base Flashing. Polypropylene Turret Extension: shall be installed onto Secondary Flashing with a polyurethane sealant and screwed into flashing with (4) #8x1/2" philip head, self-tapping stainless steel screws.
- c. Turret Shroud: shall be installed onto Secondary Flashing and Turret Extension.
- d. No caulking will be used as primary water leak protection.
- e. All tiles shall be saw cut and not "broken to fit".

#### **4.3.3 Metal Shingles**

10" and 14" tubular skylights are the only size units approved for installation on all tile roofs in Third Mutual. Single flashing permitted only on metal shingle roofs.

- a. Counter base Flashing: injected molded polypropylene CC2 classified, 30% mica filled .125 inch thick mold tech pattern MT11365 finish base flashing shall be installed between rafters and be laced into existing underlayment as existing roof jacks are installed.
- b. Polypropylene Turret Extension: shall be installed onto Counter base Flashing with a polyurethane sealant and screwed into flashing with (4) #8x1/2" philip head, self-tapping stainless steel screws.
- c. Turret Shroud: shall be installed onto Flashing and Turret Extension.
- d. All tiles shall be saw-cut or sheared and not "broken or bent" to fit.

**RESOLVED FURTHER**, that Resolution 03-07-46 adopted May 15, 2007, is hereby superseded in its entirety and no longer in effect; and

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

**MAY INITIAL NOTIFICATION**

**30-day notification to comply with Civil Code §4360 has been satisfied.**

Director Baum made a motion to adopt a resolution to revised Alteration Standard for 27: Tubular Skylights. Director Parsons seconded the motion and it passed by unanimous consent.

**13. New Business**

13a. Entertain a Motion to Update Third Mutual Bylaw Section 6.4.5 Automatic Vacancy  
The Board moved this item to closed session.

13b. Entertain a Motion to Approve a Temporary Container Policy

Director Baum, Secretary of the Board, presented a summary of the following Resolution:

**RESOLUTION 03-18-XX**  
**Temporary Container Policy**

**WHEREAS**, the placement of temporary containers such as dumpsters, portable storage units (PODS), and contractor trailers has caused safety and mobility concerns throughout the Village; and,

**WHEREAS;** staff has developed a policy that addresses these concerns.

**NOW THEREFORE BE IT RESOLVED**, June 19, 2018, that the Board of Directors hereby introduces the Proposed Temporary Container Policy as attached to the official meeting minutes;

**RESOLVED FURTHER**, after a 24 hour notice from the contractor or Member, the Security Division will provide members and contractors locations to place these items;

**RESOLVED FURTHER**, the safety, placement, and housekeeping of these items are the responsibility of the member;

**RESOLVED FURTHER**, the Mutual reserves the right to remove or relocate any item to remedy an unsafe condition; 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.

**JUNE Initial Notification**

Should the Board endorse the proposed revisions, 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 30-days from the postponement to comply with Civil Code §4360.

Discussion ensued among the Directors.

By consensus, the Board introduced a resolution for 30-day review to approve a Temporary Container Policy.

13c. Entertain a Motion to Introduce the Revised Resale Correction Policy

Director Baum, Secretary of the Board, presented a summary of the following Resolution:

**RESOLUTION 03-18-XX**  
**REVISED RE SALE POLICY**

**WHEREAS**, on May 20, 2014, the Board of Directors approved Resolution 03-14-53, establishing a security deposit for resale inspections;

**WHEREAS**, resale inspections and inspection reports are an integral part of the resale process and non-conforming conditions or alterations noted on the inspection reports are vital for the protection of Mutual property and assets; and,

**WHEREAS**, Staff has found the current security deposit section of the resale policy to be administratively burdensome and withholds funds from members for an unreasonable length of time.

**NOW THEREFORE BE IT RESOLVED**, June 19, 2018, that the Board of Directors hereby introduces the Proposed Revised Resale Policy as attached to the official meeting minutes;

**RESOLVED FURTHER**, corrections and deficiencies found in the resale inspection will be noted in the report and will be provided to the seller;

**RESOLVED FURTHER**, the Seller will be held responsible for the corrections and deficiencies;

**RESOLVED FURTHER**, corrections and repairs to Mutual property and assets shall be completed by the close of escrow;

**RESOLVED FURTHER**, the remainder of the existing policy will remain unchanged;

**RESOLVED FURTHER**, that Resolution 03-14-53, adopted May 20, 2014, is hereby superseded in its entirety and no longer in effect; 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.

**JUNE Initial Notification**

Should the Board endorse the proposed revisions, 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 30-days from the postponement to comply with Civil Code §4360.

Discussion ensued among the Directors.

Lynne Corboz (3505-C) asked questions regarding this resolution.

By consensus, the Board introduced a resolution for 30-day review to revise the resale policy.

**13d. Entertain** a Motion to Introduce the Unauthorized Alteration Fee

Director Baum, Secretary of the Board, presented a summary of the following Resolution:

**RESOLUTION 03-18-XX**  
**Unauthorized Alteration Fee**

**WHEREAS**, the Mutual has seen an increase in unauthorized alterations; and,

**WHEREAS**, significant administrative staff time is necessary to investigate, document and process unauthorized alteration incidents.

**NOW THEREFORE BE IT RESOLVED**, June 19, 2018, that the Board of Directors hereby introduces the Unauthorized Alteration Fee;

**RESOLVED FURTHER**, effective September 1, 2018, the administrative fee for processing Mutual Consents after-the-fact will be \$300;

**RESOLVED FURTHER**, when it has been determined that a member has started or completed alterations without proper prior Mutual Consent, a Stop Work notice will be issued and the member will be scheduled for a disciplinary hearing before the Board;  
**RESOLVED FURTHER**, the member will be directed to apply for Mutual Consent and shall pay the Unauthorized Alteration Fee, which shall be in addition to the Board approved Mutual Consent processing fees;

**RESOLVED FURTHER**, payment of the Unauthorized Alteration Fee does not preclude the Member from disciplinary action by the Board;

**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.

**JUNE Initial Notification**

Should the Board endorse the proposed revisions, 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 30-days from the postponement to comply with Civil Code §4360.

Discussion ensued among the Directors.

By consensus, the Board introduced a resolution for 30-day review for an Unauthorized Alteration Fee.

**14. Committee Reports**

- 14a. Report of the Finance Committee / Financial Report - Director Parsons reported on the Treasurer's Report, Resale and Lease Reports. Next Meeting July 3, 2018, at 1:30 p.m. in the Board Room
- 14b. Report of the Architectural Controls and Standards Committee - Director Walsh gave an update from the last committee meeting. Next Meeting Tuesday, June 25, 2018, at 9:30 a.m. in the Sycamore Room
- 14c. Report of the Maintenance and Construction Committee - Director Walsh gave an update from the last committee meeting. Director Carpenter added comments about the Breezeways. Next Meeting July 2, 2018, at 1:00 p.m. in the Board Room
  - Report of the Parking and Golf Cart Task Force - Director Frankel
- 14d. Report of the Landscape Committee - Director Tung gave an update from the last committee meeting. Director Zalon showed pictures of other slopes in the area that converted to drought resistant native plants. Next Meeting July 5, 2018, at 9:00 a.m. in the Board Room

- 14e. Report of the Laguna Woods Village Traffic Hearings - Director Zalon gave an update from the last committee meeting. Next Hearing June 20, 2018, at 9:00 a.m. in the Board Room and 1:00 p.m. in the Pine Room
- 14f. Report of the Communications Committee - Director Baum gave an update from the last committee meeting. Next Meeting July 18, 2018, at 1:30 p.m. in the Board Room
- 14g. Report of the Energy and Technology Committee - Director Walsh gave an update from the last committee meeting. At the next meeting the committee will change to Village Energy Task Force and the charter for the Task Force will be discussed. Next Meeting August 1, 2018, at 9:30 a.m. in the Cypress Room
- 14h. Report of the Water Subcommittee - Director Tung gave an update from the last committee meeting. Next Meeting August 14, 2018 at 11:00 a.m. in the Sycamore Room
- 14i. Report of the Resident Policy and Compliance Task Force - Director Baum gave an update from the last committee meeting. Next Meeting TBD

**15. GRF Committee Highlights**

- 15a. Community Activities Committee – Director Parsons reported on past and upcoming recreation and special events. Next Meeting July 19, 2018, at 1:00 p.m. in the Board Room
- 15b. Finance Committee – Director Parsons reported on highlights from the last committee meeting. Presentation by Blackrock will happen at the next meeting. Next Meeting August 22, 2018, at 1:30 p.m. in the Board Room
- 15c. Maintenance & Construction Committee – Director Frankel reported on highlights from the last committee meeting. Next Meeting August 8, 2018 at 9:30 a.m. in the Board Room
  - PAC Ad Hoc Committee – Next Meeting June 22, 2018 9:00 a.m. in the Board Room
- 15d. Media and Communications Committee – Director Baum reported on highlights from the last committee meeting. Next Meeting June 20, 2018 at 1:30 p.m. in the Board Room
  - Thrive Project Task Force – Next Meeting June 20, 2018 at 9:30 a.m. in the Cypress Room
- 15e. Mobility and Vehicles Committee-Director Frankel reported on highlights from the last committee meeting. Next meeting August 1, 2018, at 1:30 p.m. in the Board Room

15f. Security and Community Access Committee – Director Bruninghaus reported on highlights from the last committee meeting. Next meeting June 28, 2018, at 1:30 p.m. in the Board Room

- Disaster Preparedness Task Force—Next meeting July 31, 2018, 9:30 a.m. in the Cypress Room

**16. Future Agenda Items--** *All matters listed under Future Agenda Items are Resolutions on 30-day public review or items for a future Board Meetings. No action will be taken by the Board on these agenda items at this meeting. The Board will take action on these items at a future Board Meeting.*

16a. Approve Revisions to the Non-Emergency Chargeable Maintenance Services

**17. Director's Comments**

- President diLorenzo asked about the Power Outage Task Force.
- Director Carpenter commented we are ahead of scheduled on the Breezeway Project and under budget.
- Director Zalon thanked the President for keeping us on time.

**18. Recess**

The Board recessed at 12:51 p.m. and reconvened into Executive Session at 1:25 p.m.

**Summary of Previous Closed Session Meeting per Civil Code Section §4935**

*During the May 15, 2018, Regular Executive Session, the Board:*

*Approval of Agenda*

*Approval of the Following Meeting Minutes;*

*(a) April 17, 2018 – Regular Executive Session*

*Discuss and Consider Member Matters*

*Discuss and Consider Legal and Litigation Matters*

**19. Adjourn**

With no further business to come before the Board of Directors, the meeting was adjourned on June 19, 2018 at 5:51 p.m.



Burt Baum, Secretary of the Board  
Third Laguna Hills Mutual





## **~~Third Laguna Hills Mutual~~**

### **Section STANDARD 5A: – **Satellite Dishes: 1 One- Story Buildings****

ADOPTED NOVEMBER 2006, RESOLUTION 03-06-57  
REVISED APRIL 2007, RESOLUTION 03-07-31  
GENERAL REQUIREMENTS REVISED APRIL 2011, RESOLUTION 03-11-49  
REVISED NOVEMBER 2013, RESOLUTION 03-13-119  
GENERAL REQUIREMENTS REVISED JANUARY 2018, RESOLUTION 03-18-  
12  
REVISED MAY 2018, RESOLUTION 03-18-XX

#### **1.0 GENERAL GUIDELINES**

#### **SEE STANDARD SECTION 1: GENERAL REQUIREMENTS**

**1.1 PERMITS AND FEES:** A Mutual permit is required for all alterations to the building. A City of Laguna Woods permit may be required. All fees for both Mutual and City permits shall ~~must~~ be paid for by the Member and/or his or her contractor. Member and/or his or her contractor must provide the Permits and Inspections office with City permit number(s) prior to beginning work.

**1.2 MEMBERS' RESPONSIBILITY:** The Member is solely responsible for the maintenance, repair, and/or removal of all alterations to the building.

- ~~1.3 **CODES AND REGULATIONS:** All work shall must comply with all applicable local, state, and federal requirements, including, but not limited to, the current edition of the National Electric Code (NEC).~~
- ~~1.4 **WORK HOURS:** No work shall must commence prior to 7:00a.m. and no work shall must be permitted after 6:00p.m. Monday through Friday. Work on Saturday shall must be permitted from 9:00a.m. — 2:00p.m. for work which results in construction-related noise (e.g. cutting tile, hammering, use of power tools). For work that does not result in excessive noise, such as painting and carpet installation, permitted hours are 7:00a.m. — 6:00p.m. No work whatsoever shall must be permitted on Sunday.~~
- ~~1.5 **PLANS:** The Member applying for a permit shall must provide to the Permits and Inspections office a detailed plan(s) for approval indicating all work to be done, i.e., size, location, description and specifications.~~
- ~~1.6 **DUMPSITES:** The premises shall must be kept free of accumulation of waste materials and/or rubbish caused by construction work. The Member and/or his or her contractor is responsible for removal of debris and excess material and must leave work areas **"BROOM CLEAN"** daily. **USE OF COMMUNITY DUMPSITES FOR CONSTRUCTION RELATED DUMPING IS NOT PERMITTED.** Contractor's or Member's dumpsters, if required, must have location approved by the Permits and Inspections office.~~
- ~~1.7 **CONTRACTOR:** Installation must be performed by a California licensed contractor of the appropriate trade.~~
- ~~1.8 **CONTRACTOR'S CONDUCT:** Member's contractor's, their personnel, and sub-contractors shall must refrain at all times from using profanity, abusive or loud language, and must wear shirts at all times. Radio, MP3, CD or cassette players are not permitted on the project site. Contractor personnel will, at all times, extend and exhibit a courteous demeanor to residents.~~

## **2.0 GENERAL GUIDELINES**

- 2.1** Any installation permitted in Mutual Common Area at one story buildings must follow all guidelines set forth by the following Mutual Alteration Standard.
- 2.2** Prior to installation of any satellite dish, a plan and the specifications of all proposed work and equipment must be submitted for approval as specified in Section 1.5. The submitted plan must indicate all work to be done, i.e., type of dish, size, a full description, it's location on the building, anchoring, and method of sealing wall(s) and attachments. Site location will be contingent upon Mutual approval.
- 2.3** The Mutual Member assumes all responsibility for any damage including, but not limited to, roof or wall damage, or damage from moisture intrusion resulting from improper installation of the satellite dish.
- 2.4** No satellite dish will be permitted which may become hazardous to other residents or workmen due to its location or dimensions.
- 2.5** Any satellite dish must be made easily removable as required for performance of maintenance. In the event a satellite dish must be removed it ~~shall~~must be the Mutual Member's responsibility to remove and properly store the dish until such time that maintenance work has been completed. The cost of removal, storage and  
re-installation ~~shall~~must be borne by the Mutual Member.
- 2.6** Any satellite dish installation must follow all guidelines set forth by the Federal Communications Commission's Over-the-Air-Reception-Devices rule (OTARD).
- 2.7** Any installation violating these guidelines is subject to immediate removal at the sole cost of the Mutual Member, and the restoration of any Mutual property, at the Member's expense.

2.8 Should the proposed location of a satellite dish be in an area that is technically Common Area, e.g., the roof, then the applicant is required to execute and submit to Third Laguna Hills Mutual, prior to installation of a dish, the "Agreement Regarding Satellite Dish Installation on Common Area Property" or similarly titled document.

2.9 If the proposed location of a satellite dish be in a location that is currently occupied by a functional solar panel, an alternate location will be designated by the Alteration Department.

2.10 All satellite dish installations must be removed at the time of sale.

### 3.0 INSTALLATION GUIDELINES

3.1 Satellite dish installation is permitted on Exclusive Use Common Area, i.e., patio, patio, atrium or courtyard. The dish must stay within the footprint of patio, such areas.

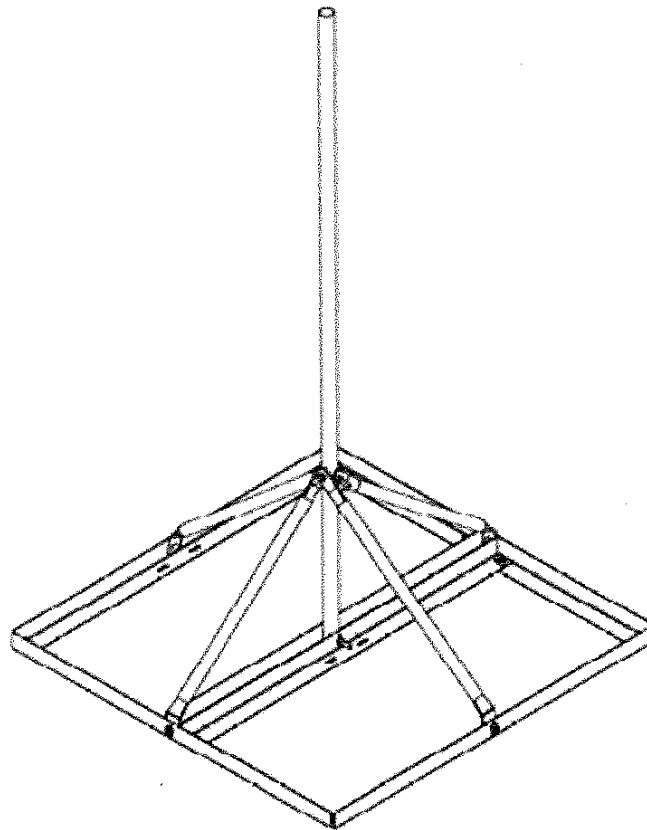
3.2 Satellite dish installation is permitted on building fascias of detached manors only. The resident Member shall make all efforts coordinate with and receive approval from the Alterations Department for all satellite dish locations. All to install a satellite dish installations must that will not be visible from neighboring street(s). Satellite dishes must be installed no less than twenty (20) feet from the corner of the building closest to the street, and cannot be attached on a side of the building that faces the street.

3.3 For satellite dish installations on building fascias of detached manors, the mounting bracket and its perimeter bolt pattern must be clamp style and must fully fit onto the fascia, with no overhang.

3.4 Satellite dish installation is permitted on **flat roofs** when the location does not interfere with the overall visual continuity of the manor and/or surrounding area. No satellite dish or any portion of a satellite dish and its related Member shall be attached to any built-up roofing on a flat roof. See 2.2 for installation criteria.

- 3.5 To install a dish on a **flat roof**, mount the satellite dish on a non-penetrating satellite dish roof-mount weighted down by a minimum of four 8" x 8" x 16" ~~cinder blocks~~ concrete blocks (see Example 1 below).
- 3.6 For installation of a satellite dish onto a **flat PVC cool roof**, the member must install a 3' X 3' satellite dish pad provided by the Mutual's roofing contractor at the expense of the Member.
- 3.7 Only one (1) satellite dish per manor is allowed.
- 3.8 Any satellite dish installed on Common Area ~~shall~~must not exceed a diameter of 36".
- 3.9 No coaxial cable ~~shall~~must be larger than ½" in diameter.
- 3.10 Fasteners ~~shall~~must be properly sealed to prevent moisture intrusion. Sealants ~~shall~~must be specifically manufactured for the application for which it is used.
- 3.11 Drilling through a roof is prohibited.
- 3.12 Mounting a satellite dish on a chimney is prohibited.
- 3.13 Utilization of any GRF Broadband installation and/or equipment is prohibited.
- 3.14 Mounting of a satellite dish to PVC, ABS, or plumbing vent pipes is prohibited.
- 3.15 No modifications to any fascia, rain gutter or plumbing vent ~~shall~~must be permitted. A satellite dish installation ~~shall~~must not obstruct a rain gutter or plumbing vent in any way.

- 3.16** ~~It is recommended that satellite~~ Satellite dishes and installation materials must be grounded in accordance with the National Electric Code.



**Example 1: Non-Penetrating Satellite Dish Roof Mount**

ATTACHMENT 2



**~~Third Laguna Hills Mutual~~**

**~~Section STANDARD 5B: – Satellite Dishes; 2Two-Story Buildings~~**

ADOPTED NOVEMBER 2006, RESOLUTION 03-06-58

REVISED APRIL 2007, RESOLUTION 03-07-32

GENERAL REQUIREMENTS REVISED APRIL 2011, RESOLUTION 03-11-49

REVISED NOVEMBER 2013, RESOLUTION 03-13-120

GENERAL REQUIREMENTS REVISED JANUARY 2018, RESOLUTION 03-18-12

REVISED MAY 2018, RESOLUTION 03-18-XX

**1.0 GENERAL REQUIREMENTS**

**SEE STANDARD SECTION-1: GENERAL REQUIREMENTS**

**1.1 PERMITS AND FEES:** ~~A Mutual permit is required for all alterations to the building. A City of Laguna Woods permit may be required. All fees for both Mutual and City permits shall be paid for by the Member and/or his or her contractor. Member and/or his or her contractor must provide the Permits and Inspections office with City permit number(s) prior to beginning work.~~

**1.2 MEMBERS' RESPONSIBILITY:** ~~The Member is solely responsible for the maintenance, repair, and/or removal of all alterations to the building.~~

**1.3 CODES AND REGULATIONS:** ~~All work shall comply with all applicable local, state, and federal requirements including, but not limited to, the current edition of the National Electric Code (NEC).~~

**1.4 WORK HOURS:** ~~No work shall commence prior to 7:00a.m. and no work shall be permitted after 6:00p.m. Monday through Friday. Work on Saturday shall be permitted from 9:00a.m. – 2:00p.m. for work which results in construction-related noise (e.g. cutting tile, hammering, use of power tools). For work that does not result in excessive noise, such as painting and carpet installation, permitted hours are 7:00a.m. – 6:00p.m. No work whatsoever shall be permitted on Sunday.~~

~~1.5 **PLANS:** The Member applying for a permit shall provide to the Permits and Inspections office a detailed plan(s) for approval indicating all work to be done, i.e., size, location, description and specifications.~~

~~1.6 **DUMPSITES:** The premises shall be kept free of accumulation of waste materials and/or rubbish caused by construction work. The Member and/or his or her contractor is responsible for removal of debris and excess material and must leave work areas "BROOM CLEAN" daily. **USE OF COMMUNITY DUMPSITES FOR CONSTRUCTION RELATED DUMPING IS NOT PERMITTED.** Contractor's or Member's dumpsters, if required, must have location approved by the Permits and Inspections office.~~

~~1.7 **CONTRACTOR:** Installation must be performed by a California licensed contractor of the appropriate trade.~~

~~1.8 **CONTRACTOR'S CONDUCT:** Member's contractor's, their personnel, and sub-contractors shall refrain at all times from using profanity, abusive or loud language, and must wear shirts at all times. Radio, MP3, CD or cassette players are not permitted on the project site. Contractor personnel will, at all times, extend and exhibit a courteous demeanor to residents.~~

## **2.0 GENERAL GUIDELINESAPPLICATIONS**

**2.1** Any installation permitted in Mutual Common Area at two story buildings must follow all guidelines set forth by the following Mutual Alteration Standard.

**2.2** Prior to installation of any satellite dish, a plan and the specifications of all proposed work and equipment must be submitted for approval as specified in Section 1.5. The submitted plan must indicate all work to be done, i.e., type of dish, size, a full description, it's location on the building, anchoring, and method of sealing wall(s) and attachments. Site location will be contingent upon Mutual approval.



- 2.3 The Member ~~shall~~must indemnify the Mutual and assumes all responsibility for any damage including, but not limited to, roof or wall damage, or damage from moisture intrusion resulting from improper installation of the satellite dish.
- 2.4 No satellite dish will be permitted which may become hazardous to other residents or workmen due to its location or dimensions.
- 2.5 Any satellite dish must be made easily removable as required for performance of maintenance. In the event a satellite dish must be removed it ~~shall~~must be the Mutual Member's responsibility to remove and properly store the dish until such time that maintenance work has been completed. The cost of removal, storage and re-installation ~~shall~~must be borne by the Mutual Member.
- 2.6 Any satellite dish installation must follow all guidelines set forth by the Federal Communications Commission's Over-the-Air-Reception- Devices rule (OTARD).
- 2.7 Any installation violating these guidelines is subject to immediate removal at the sole cost of the Mutual Member, and restoration of any Mutual property, at the Member's expense.
- 2.8 Should the proposed location of a satellite dish be in an area that is Common Area, the applicant is required to execute and submit to Third Laguna Hills Mutual, prior to installation of a dish, the "Agreement Regarding Satellite Dish Installation on Common Area Property" ~~or similarly titled document.~~
- 2.9 Should the proposed location of a satellite dish be in a location that is currently occupied by a functional solar panel, an alternate location will be designated by the Alteration Division.
- §2.10 All satellite dish installations must be removed at the time of resale.

### 3.0 **INSTALLATION GUIDELINES**

- 3.1 Satellite dish installation is permitted on Exclusive Use Common Area, e.g. patios or balconies. Dish must stay within footprint of patio or perimeter of balcony railing.
- 3.2 Only one (1) satellite dish per manor is allowed.
- 3.3 Any satellite dish installed on Common Area ~~shall~~must not exceed a diameter of 36", with the exception of manor types listed in paragraph 3.16 herein.
- 3.4 No coaxial cable ~~shall~~must be larger than 1/2" diameter.
- 3.5 Unless otherwise specified, coaxial cable ~~shall~~must be encased in 1/2", 26 gauge steel ~~wire mold~~wire mold -fastened to the surface of the wall with 1/2"- mounting clips and anchors, specified for stucco, attached every four feet. ~~Wire mold~~Wire mold ~~shall~~must be painted to match the surface to which it is attached **prior to installation**. Fasteners ~~shall~~must be properly sealed to prevent moisture intrusion. Sealants ~~shall~~must be specifically manufactured for the application for which it is used.
- 3.6 Drilling through a roof is prohibited.
- 3.7 Utilization of any GRF Broadband installation and/or equipment is prohibited.
- 3.8 Mounting of a satellite dish to PVC, ABS, plumbing vent pipes is prohibited.
- 3.9 No satellite dish or any portion of a satellite dish and its related members ~~shall~~must be attached to any built-up roofing on a flat roof.

**3.10** Mounting a satellite dish on a chimney is prohibited.

**3.11** No modifications to any fascia, rain gutter or plumbing vent ~~shall~~must be permitted. A satellite dish installation ~~shall~~must not obstruct a rain gutter or plumbing vent in any way.

**3.12** ~~It is recommended that satellite~~ Satellite dishes and installation materials must be grounded in accordance with the National Electric Code.

**3.13 Buildings with flat roof and mansard roof**

- (a) Place the satellite dish approximately 15 feet from the edge of the flat roof above the manor for which the service is being provided. At no time can the dish be mounted on the side of the building or to existing fascias.
- (b) For installation of a satellite dish onto a **flat PVC cool roof**, the member must install a 3' X 3' satellite dish pad provided by the Mutual's roofing contractor at the expense of the Member.
- (c) Mount the satellite dish on a non-penetrating satellite dish roof-mount weighted down by a minimum of four, 8" x 8" x 16" cinderblocks (see Example 1 below).
- (d) Extend the coaxial cable from the dish, across the surface of the roof, to the mansard roof. Continue over the mansard roof and rain gutter, firmly and without slack, until the coaxial cable reaches the overhang. (Do not alter or damage the tile or rain gutter in any way.
- (e) Attach ~~wire~~wire mold to the overhang, continue in a straight line to the wall of the building, and down vertically and horizontally, as required, to provide entry to the manor 24" from the floor. Encase the coaxial cable in the attached

wiremoldwire mold. Penetrate the wall to bring coaxial cable into the manor. (See 3.5)

- (f) Do not place wiremoldwire mold within 18" of balconies, balcony railings or balcony overhangs. Do not place wiremoldwire mold across any part of an overhang vent or near, or on, windows. Do not alter or damage wall-mounted air conditioners.

### 3.14 Buildings with flat roof and parapet

- (a) Place the satellite dish on the flat roof approximately 15 feet from the parapet above the manor for which the service is being provided. At no time can the dish be mounted on the side of the building or to existing fascias.
- (b) For installation of a satellite dish onto a **flat PVC cool roof**, the member must install a 3' X 3' satellite dish pad provided by the Mutual's roofing contractor at the expense of the Member.
- (c) Mount the satellite dish on a non-penetrating satellite dish roof-mount weighted down by a minimum of four, 8" x 8" x 16" cinderblocks (see Example 1 below).
- (d) Extend the coaxial cable from the dish across the surface of the flat roof to the parapet. Continue the coaxial cable up the wall of the parapet, over the crown, and down until it is several inches below an existing wire- mold installation. (Do not attach the coaxial cable to the interior wall of the parapet with fasteners.) Attach new wiremoldwire mold immediatelyimmediately below the existing wiremoldwire mold installation and continue vertically and horizontally as required to reach the manor 24" from the floor. Encase the coaxial cable in the attached wiremoldwire mold. Penetrate the wall to bring coaxial cable into the manor. (See 3.5)

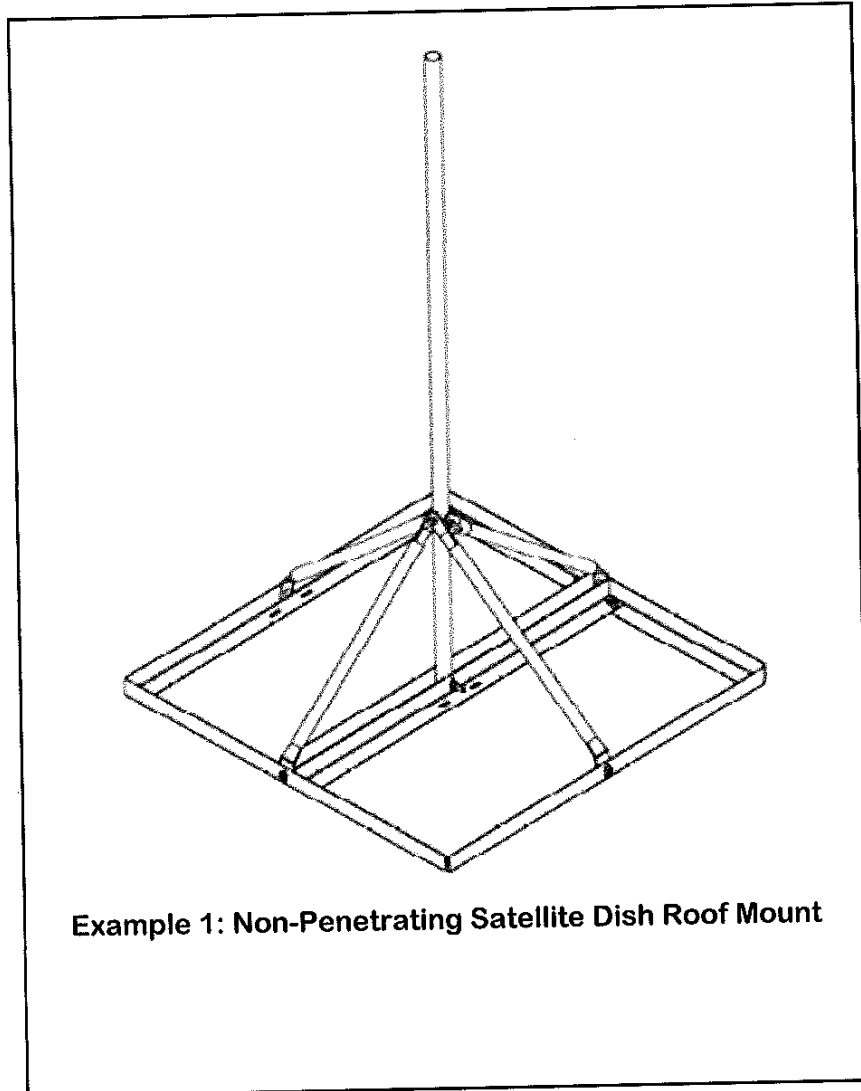
- (e) Do not use, alter or damage existing wire mold installation.

### 3.15 Seville

- (a) Place the satellite dish approximately 15 feet from the edge of the flat roof above the manor for which the service is being provided. At no time can the dish be mounted on the side of the building, existing ~~fascias~~fascia, or on roof beams.
- (b) For installation of a satellite dish onto a **flat PVC cool roof**, the member must install a 3' X 3' satellite dish pad provided by the Mutual's roofing contractor at the expense of the Member.
- (c) Mount the satellite dish on a non-penetrating satellite dish roof-mount weighted down by a minimum of four, 8" x 8" x 16" ~~cinder blocks~~concrete blocks (see Example 1 below).
- (d) Extend the coaxial cable from the dish across the surface of the roof to the fascia. Attach the coaxial cable to the inside of the fascia and continue down to a location that is directly in line above the room selected for installation of the jack. Attach the coaxial cable to the overhang and continue to the wall of the building. Attach wire mold to the wall, vertically, in a straight line down to provide entry to the manor 24" from the floor. Encase the coaxial cable in the attached wire mold. Penetrate the wall to bring coaxial cable into the manor. (See 3.5)
- (e) Do not use, alter or damage existing ~~wire mold~~wire mold installation. Do not alter or damage rain gutters.

### 3.16 ~~Catalina~~, Casa Milano, La Quinta and Villa Lugano series

- (a) Mounting of satellite dishes on buildings is permitted only upon approval of Permits and Inspections office of a detailed plan indicating all work to be done, i.e., size, location, description and specifications.
- (b) Satellite dish installation is permitted on Exclusive Use Common Area, e.g., patios or balconies. Dish must stay within footprint of patio or perimeter of balcony railing.



**Example 1: Non-Penetrating Satellite Dish Roof Mount**



## ~~THIRD LAGUNA HILLS MUTUAL~~

### ~~SECTION 14~~ **STANDARD 14: FIREPLACE INSTALLATIONS**

JANUARY 1989

REVISED APRIL 1996, RESOLUTION M3-96-28

GENERAL REQUIREMENTS REVISED APRIL 2011, RESOLUTION 03-11-49

REVISED MAY 2013, RESOLUTION 03-13-55

REVISED APRIL 2018, RESOLUTION 03-18-XX

#### 1.0 GENERAL REQUIREMENTS

See Standard Section 1: General Requirements

#### ~~1.0 GENERAL REQUIREMENTS~~

- ~~1.1 PERMITS AND FEES:~~ A Mutual permit is required for all alterations to the building. A City of Laguna Woods permit may be required. All fees for both Mutual and City permits shall be paid for by the Member and/or his or her contractor. Member and/or his or her contractor must provide the Permits and Inspections office with City permit number(s) prior to beginning work.
- ~~1.2 MEMBERS' RESPONSIBILITY:~~ The Member is solely responsible for the maintenance, repair, and/or removal of all alterations to the building.
- ~~1.3 CODES AND REGULATIONS:~~ All work shall comply with all applicable local, state, and federal requirements including, but not limited to, the current edition of the National Electric Code (NEC).
- ~~1.4 WORK HOURS:~~ No work shall commence prior to 7:00a.m. and no work shall be permitted after 6:00p.m. Monday through Friday. Work on Saturday shall be permitted from 9:00a.m. — 2:00p.m. for work which results in construction-related noise (e.g. cutting tile, hammering, use of power tools). For work that does not result in excessive noise, such as

~~painting and carpet installation, permitted hours are 7:00a.m. — 6:00p.m.  
No work whatsoever shall be permitted on Sunday.~~

~~1.5 **PLANS:** The Member applying for a permit shall provide to the Permits and Inspections office a detailed plan(s) for approval indicating all work to be done, i.e., size, location, description and specifications.~~

~~1.6 **DUMPSITES:** The premises shall be kept free of accumulation of waste materials and/or rubbish caused by construction work. The Member and/or his or her contractor is responsible for removal of debris and excess material and must leave work areas "**BROOM CLEAN**" daily. **USE OF COMMUNITY DUMPSITES FOR CONSTRUCTION RELATED DUMPING IS NOT PERMITTED.** Contractor's or Member's dumpsters, if required, must have location approved by the Permits and Inspections office.~~

~~1.7 **CONTRACTOR:** Installation must be performed by a California licensed contractor of the appropriate trade.~~

~~1.8 **CONTRACTOR'S CONDUCT:** Member's contractor's, their personnel, and sub-contractors shall refrain at all times from using profanity, abusive or loud language, and must wear shirts at all times. Radio, MP3, CD or cassette players are not permitted on the project site. Contractor personnel will, at all times, extend and exhibit a courteous demeanor to residents.~~

## 2.0 **APPLICATIONS**

~~2.1 All installations must meet the Southern California Air Quality Management District (SCAQMD) Rule 445 Wood Burning Devices as required by the City of Laguna Woods (949-639-0500). No new wood or gas burning fireplaces are permitted~~

~~2.2 Any alterations to fireplaces shall be constructed to the same height and width as the originally designed units.~~

~~2.3 Fireplaces will be permitted to be built only as a part of a building where a fireplace had been an optional item during construction and shall be located as shown on the original plan.~~



**2.43** The exterior design and construction shall be as originally planned~~constructed~~.

**2.54** Fireplaces will be permitted to may be removed in single story Manors.

**2.65** The installation of a carbon monoxide detector is required when a fireplace is ~~installed~~ altered if one does not exist.

### **3.0 SPARK ARRESTORS**

**3.1** Spark arrestors will be required for ~~new~~ all units ~~fireplaces~~.

~~**3.2** Spark arrestors shall be flat wire or screen type as part of the flue assembly designed for the unit.~~

**3.2** A permit will be required for installation of spark arrestors or rain caps for existing fireplaces. Some units, depending upon design and color, may be required to be painted to match the building or chimney color.

**3.3** No spark arrestor or rain cap may protrude higher than 12" above the flue exit.

ATTACHMENT 2



~~THIRD LAGUNA HILLS MUTUAL~~

**SECTION STANDARD 12: EXTERIOR WALL ATTACHMENTS**

MARCH 1983

REVISED APRIL 1996, RESOLUTION M3-96-28

GENERAL REQUIREMENTS REVISED APRIL 2011, RESOLUTION 03-11-49

GENERAL REQUIREMENTS REVISED JANUARY 2018, RESOLUTION 03-18-12

REVISED JUNE 2018, RESOLUTION 03-18-XX

**SECTION 12—**

**1.0 GENERAL REQUIREMENTS**

**SEE STANDARD SECTION 1: GENERAL REQUIREMENTS**

- ~~1.1 **PERMITS AND FEES:** A Mutual permit is required for all alterations to the building. A City of Laguna Woods permit may be required. All fees for both Mutual and City permits shall be paid for by the Member and/or his or her contractor. Member and/or his or her contractor must provide the Manor Alterations Department with City permit number(s) prior to beginning work.~~
- ~~1.2 **MEMBERS' RESPONSIBILITY:** The Member is solely responsible for the maintenance, repair, and/or removal of all alterations to the building.~~
- ~~1.3 **CODES AND REGULATIONS:** All work shall comply with all applicable local, state, and federal requirements.~~
- ~~1.4 **WORK HOURS:** No work shall commence prior to 7:00a.m. and no work shall be permitted after 6:00p.m. Monday through Friday. Work on Saturday shall be permitted from 9:00a.m. — 2:00p.m. for work which results in construction-related noise (e.g. cutting tile, hammering, use of power tools). For work that does not result in excessive noise, such as painting and carpet installation, permitted hours are 7:00a.m. — 6:00p.m. No work whatsoever shall be permitted on Sunday.~~
- ~~1.5 **PLANS:** The Member applying for a permit shall provide to the Permits and Inspections office a detailed plan(s) for approval indicating all work to be done, i.e., size, location, description and specifications.~~
- ~~1.6 **DUMPSITES:** The premises shall be kept free of accumulation of waste materials and/or rubbish caused by construction work. The Member and/or his or her contractor is responsible for removal of~~



debris and excess material and must leave work areas **"BROOM CLEAN"** daily. **USE OF COMMUNITY DUMPSITES FOR CONSTRUCTION RELATED DUMPING IS NOT PERMITTED.** Contractor's or Member's dumpsters, if required, must have location approved by the Permits and Inspections office.

- 1.7 **CONTRACTOR:** Installation must be performed by a California licensed contractor of the appropriate trade.
- 1.8 **CONTRACTOR'S CONDUCT:** Member's contractor's, their personnel, and sub-contractors shall refrain at all times from using profanity, abusive or loud language, and must wear shirts at all times. Radio, MP3, CD or cassette players are not permitted on the project site. Contractor personnel will, at all times, extend and exhibit a courteous demeanor to residents.

## 2.0 **APPLICATIONS**

- 2.1 No attachments may cover any electrical outlets or junction boxes.
- 2.2 No attachments may cover over plumbing access covers, cleanouts, or shutoffs.
- 2.3 No attachments may cover any vents, openings, or related items that will violate building code or hinder access in any way.
- 2.4 All attachments must be permanent in nature and not subject to extreme weathering or deterioration.
- 2.5 Any exterior wall attachment will be limited to only those walls which face limited Exclusive Use Common Areas, such as patios or atriums with the exception of American Flags.

## 3.0 **TILE AND VENEER PAVERS**

- 3.1 Tile pavers and veneer used on a vertical surface exterior wall must be attached with thin set/epoxy mortar mixes.
- 3.2 Tile and veneer used as a brick veneer will be limited to use on stucco covered exterior chimneys and entryway columns.
- 3.3 Tile must match in color, design, and size as close as possible any existing brickwork on building existing.



#### **4.0 TRELLIS AND WROUGHT IRON DESIGNS**

- 4.1 Any trellis attached to a wall must be painted the same color as the wall.
- 4.2 Trellis and wrought iron shall be within 12" of walls and not used as screens, shades, or shields, nor higher than wall to which it is attached to.
- 4.3 Wrought iron shall be easily removable for access to the wall for painting purposes.
- 4.4 All lags or screws into walls must be sealed prior to installation to prevent water penetration.
- 4.5 All trellis and wrought iron shall be mounted vertically.

#### **5.0 MURALS AND WALL HANGINGS**

- 5.1 Any installation of murals or wall hangings shall be limited to patio and atrium locations. No installation will protrude above the height of a patio wall.
- 5.2 Visual access through a wrought iron gate will be considered to be within the above statement and not a factor.



## ~~THIRD LAGUNA HILLS MUTUAL~~

### ~~SECTION STANDARD 16: GARAGE DOORS, SECTIONAL OR ONE PIECE~~

JANUARY 1993

REVISED AUGUST 2002, RESOLUTION M3-02-39

GENERAL REQUIREMENTS REVISED APRIL 2011, RESOLUTION 03-11-49

REVISED DECEMBER 2014, RESOLUTION 03-14-141

REVISED SEPTEMBER 2015, RESOLUTION 03-15-127

GENERAL REQUIREMENTS REVISED JANUARY 2018, RESOLUTION 03-18-12

REVISED APRIL 2018, RESOLUTION 03-18-XX

#### 1.0 GENERAL REQUIREMENTS

##### SEE STANDARD SECTION 1: GENERAL REQUIRMENTS

#### 1.0 GENERAL REQUIREMENTS

- ~~1.1 PERMITS AND FEES:~~ A Mutual Consent for Manor Alteration(s) is required for all alterations to the building. A City of Laguna Woods permit may be required. All fees for both Mutual Consents and City permits shall be paid for by the Member and/or his or her contractor. Member and/or his or her contractor must provide the Manor Alterations Department with City permit number(s) prior to beginning work.
- ~~1.2 MEMBERS' RESPONSIBILITY:~~ The Member is solely responsible for the maintenance, repair, and/or removal of all alterations to the building.
- ~~1.3 CODES AND REGULATIONS:~~ All work shall comply with all applicable local, state, and federal requirements including, but not limited to, the current edition of the National Electric Code (NEC).
- ~~1.4 WORK HOURS:~~ No work shall commence prior to 7:00a.m. and no work shall be permitted after 6:00p.m. Monday through Friday. Work on Saturday shall be permitted from 9:00a.m. — 2:00p.m. for work which results in construction-related noise (e.g. cutting tile, hammering, use of power tools). For work that does not result in excessive noise, such as

~~painting and carpet installation, permitted hours are 7:00a.m. — 6:00p.m.  
No work whatsoever shall be permitted on Sunday.~~

- ~~1.5 **PLANS:** The Member applying for a permit shall provide to the Manor Alterations Department a detailed plan(s) for approval indicating all work to be done, i.e., size, location, description and specifications.~~
- ~~1.6 **DUMPSITES:** The premises shall be kept free of accumulation of waste materials and/or rubbish caused by construction work. The Member and/or his or her contractor is responsible for removal of debris and excess material and must leave work areas **"BROOM CLEAN"** daily. **USE OF COMMUNITY DUMPSITES FOR CONSTRUCTION RELATED DUMPING IS NOT PERMITTED.** Contractor's or Member's dumpsters, if required, must have location approved by the Manor Alterations Department.~~
- ~~1.7 **CONTRACTOR:** Installation must be performed by a California licensed contractor of the appropriate trade.~~
- ~~1.8 **CONTRACTOR'S CONDUCT:** Member's contractor's, their personnel, and sub-contractors shall refrain at all times from using profanity, abusive or loud language, and must wear shirts at all times. Radio, MP3, CD or cassette players are not permitted on the project site. Contractor personnel will, at all times, extend and exhibit a courteous demeanor to residents.~~

## 2.0 **APPLICATIONS**

- 2.1 No garage door will be installed that requires modification to the building structure.
- 2.2 Garage doors shall utilize existing door frames with only minor modifications to facilitate fit and clearances.
- 2.3 ~~With the exception provided in paragraph 2.4, All~~ garage doors in multi-unit buildings shall be selected and/or painted to maintain an appearance that conforms to the approved paint color criteria as dictated by the Mutual's Policy on Exterior Paint Colors and Procedures. ~~The style and color of all doors installed shall be selected to match other garage doors in the same building.~~
- 2.4 Alteration metal garage doors with a white/off-white factory finish are exempt from being painted during the Exterior Paint Program when white/off-white is part of the approved color scheme for that particular building.
- 2.54 All garage doors shall be of aluminum, wood or steel construction. One-piece or sectional panel style is optional. Sectional style shall be limited to five panels maximum.

- | 2.65 Built-in self closing mail slots are permissible.
- | 2.76 Built-in windows in the top panel or second from the top panel of a sectional panel style garage door are permissible.
- | 2.87 All design or patterns including window shape and size must be in keeping with the architecture of the building. Approval by the ~~Permits and Inspections office~~ Alterations Department will be deemed in keeping with the existing architecture of the building.
- | 2.98 No built-in type access or pet doors will be permitted.



## ~~THIRD LAGUNA HILLS MUTUAL~~

### **SECTION 18 GUTTERS & DOWNSPOUTS**

**OCTOBER 1981**

**REVISED APRIL 1996 RESOLUTION M3-96-28**

**GENERAL REQUIREMENTS REVISED APRIL 2011, RESOLUTION 03-11-49**

**GENERAL REQUIREMENTS REMOVED JANUARY 2018, RESOLUTION 03-18-XX**

**REVISED MARCH 2018, RESOLUTION 03-18-XX**

#### **1.0 GENERAL REQUIREMENTS**

##### **See Standard Section1: General Requirements**

- 1.1 PERMITS AND FEES:** A Mutual permit is required for all alterations to the building. A City of Laguna Woods permit may be required. All fees for both Mutual and City permits shall be paid for by the Member and/or his or her contractor. Member and/or his or her contractor must provide the Permits and Inspections office with City permit number(s) prior to beginning work.
- 1.2 MEMBERS' RESPONSIBILITY:** The Member is solely responsible for the maintenance, repair, and/or removal of all alterations to the building.
- 1.3 CODES AND REGULATIONS:** All work shall comply with all applicable local, state, and federal requirements including, but not limited to, the current edition of the National Electric Code (NEC).
- 1.4 WORK HOURS:** No work shall commence prior to 7:00a.m. and no work shall be permitted after 6:00p.m. Monday through Friday. Work on Saturday shall be permitted from 9:00a.m. — 2:00p.m. for work which results in construction-related noise (e.g. cutting tile, hammering, use of power tools). For work that does not result in excessive noise, such as painting and carpet installation, permitted hours are 7:00a.m. — 6:00p.m. No work whatsoever shall be permitted on Sunday.





- ~~1.5~~ **PLANS:** The Member applying for a permit shall provide to the Permits and Inspections office a detailed plan(s) for approval indicating all work to be done, i.e., size, location, description and specifications.
- ~~1.6~~ **DUMPSITES:** The premises shall be kept free of accumulation of waste materials and/or rubbish caused by construction work. The Member and/or his or her contractor is responsible for removal of debris and excess material and must leave work areas **"BROOM CLEAN"** daily. **USE OF COMMUNITY DUMPSITES FOR CONSTRUCTION RELATED DUMPING IS NOT PERMITTED.** Contractor's or Member's dumpsters, if required, must have location approved by the Permits and Inspections office.
- ~~1.7~~ **CONTRACTOR:** Installation must be performed by a California licensed contractor of the appropriate trade.
- ~~1.8~~ **CONTRACTOR'S CONDUCT:** Member's contractor's, their personnel, and sub-contractors shall refrain at all times from using profanity, abusive or loud language, and must wear shirts at all times. Radio, MP3, CD or cassette players are not permitted on the project site. Contractor personnel will, at all times, extend and exhibit a courteous demeanor to residents.

## **2.0 APPLICATIONS**

- 2.1** A splashblock will be required in areas where a downspout empties into an area in which erosion may result.
- 2.2** No downspout may be installed that will drain into an area that will effect yard surface drainage in an adverse way.
- 2.3** Applications to roofs where hangers penetrate or may harm the roofing in any way ~~will not be allowed~~are prohibited.



- 
- 2.4** All gutters and downspouts ~~will~~shall be seamless and ~~of the same~~  
type style and color as to match the existing gutters on the building.
- 2.5** Gutters and downspouts will be of the same color to match the surface  
they are attached to.

ATTACHMENT 2



~~THIRD LAGUNA HILLS MUTUAL~~

**SECTION STANDARD 26: SKYLIGHT INSTALLATIONS**

AUGUST 1992

REVISED MAY 2003, RESOLUTION 03-03-43

GENERAL REQUIREMENTS REVISED APRIL 2011, RESOLUTION 03-11-49

GENERAL REQUIREMENTS REVISED JANUARY 2018, RESOLUTION 03-18-12

REVISED MAY-2018, RESOLUTION 03-18-XXX

**1.0 GENERAL REQUIREMENTS**

**SEE STANDARD SECTION 1: GENERAL REQUIREMENTS**

- 1.1 ~~PERMITS AND FEES:~~ A Mutual permit is required for all alterations to the building. A City of Laguna Woods permit may be required. All fees for both Mutual and City permits shall be paid for by the Member and/or his or her contractor. Member and/or his or her contractor must provide the Permits and Inspections office with City permit number(s) prior to beginning work.
- 1.2 ~~MEMBERS' RESPONSIBILITY:~~ The Member is solely responsible for the maintenance, repair, and/or removal of all alterations to the building.
- 1.3 ~~CODES AND REGULATIONS:~~ All work shall comply with all applicable local, state, and federal requirements including, but not limited to, the current edition of the National Electric Code (NEC).
- 1.4 ~~WORK HOURS:~~ No work shall commence prior to 7:00a.m. and no work shall be permitted after 6:00p.m. Monday through Friday. Work on Saturday shall be permitted from 9:00a.m. — 2:00p.m. for work which results in construction-related noise (e.g. cutting tile, hammering, use of power tools). For work that does not result in excessive noise, such as painting and carpet installation, permitted hours are 7:00a.m. — 6:00p.m. No work whatsoever shall be permitted on Sunday.
- 1.5 ~~PLANS:~~ The Member applying for a permit shall provide to the Permits

Agenda Item # 12h

and Inspections office a detailed plan(s) for approval indicating all work to be done, i.e., size, location, description and specifications.

- ~~1.6 DUMPSITES: The premises shall be kept free of accumulation of waste materials and/or rubbish caused by construction work. The Member and/or his or her contractor is responsible for removal of debris and excess material and must leave work areas "BROOM CLEAN" daily. USE OF COMMUNITY DUMPSITES FOR CONSTRUCTION RELATED DUMPING IS NOT PERMITTED. Contractor's or Member's dumpsters, if required, must have location approved by the Permits and Inspections office.~~
- ~~1.7 CONTRACTOR: Installation must be performed by a California licensed contractor of the appropriate trade.~~
- ~~1.8 CONTRACTOR'S CONDUCT: Member's contractor's, their personnel, and sub contractors shall refrain at all times from using profanity, abusive or loud language, and must wear shirts at all times. Radio, MP3, CD or cassette players are not permitted on the project site. Contractor personnel will, at all times, extend and exhibit a courteous demeanor to residents.~~

## **2.0 APPLICATIONS**

- 2.1** Skylights may be of openable or fixed type.
- 2.2** Interior finish, such as open well or luminous panel ceiling, is optional. Size of opening at ceiling line is optional unless specifically called out on Standard Plan drawing to be of a special size, to comply with light and ventilation requirement.
- 2.3** Skylight(s) installed in any roof, under warranty with the Mutual's reroofing contractor, shall be sealed using the same specifications in force at that time.
- 2.4** Roofing must be in strict conformance with the I.U.B.C., Third Mutual Standards, and standard drawings.
- 2.5** Electrical fixtures may be placed inside skylight wells providing they meet the latest edition of the N.E.C.
- 2.6** Skylights shall be in keeping with the architecture of the building and be either off-white or smoke tinted in color. Approval by the P.C.M. Permits and Inspections Alterations Department office will be deemed in keeping with the existing architecture. All skylights shall match other existing skylights. Clear skylights are not acceptable on any

roof.

- 2.7 One skylight shall be permitted per 10 linear feet of a patio cover's longest dimension, and all skylight placement and spacing shall be approved by the Permits and Inspections office.
- 2.8 Maximum skylight size shall not exceed ~~Uniform-International~~ Building Code and Title 24 requirements. All ~~questionable-non-standard~~ skylights are to be reviewed by the Mutual's Board of Directors.
- 2.9 Skylights shall be curb mounted and installed per Standard Plans and/or drawings in detail, size and location. Skylights will meet or exceed all current ~~Uniform-International~~ Building Code (~~I~~U.B.C.), State and/or City Standards.
- 2.10 Skylights shall be mounted on minimum 2"x6" curbs. Mounting shall be with Galvanized or equal hex-head screws to aid in removal during reroofing.
- 2.11 No skylight shall be installed within 12" of any vent, ridge, or vertical structure.
- 2.12 Skylights installed in existing acoustical sprayed ceilings may encounter asbestos. The resident(s) and contractor(s) must meet or exceed requirements of Federal, State or local government regarding asbestos removal procedures.
- 2.13 All skylights shall be of ICBO approved double lens construction.
- 2.14 Square-Flex™ or equivalent skylight tubes are permitted, provided that the installation meets all of the aforementioned standards.
- 2.15 No trusses shall be cut in the installation of skylights.

ATTACHMENT 2



~~THIRD LAGUNA HILLS MUTUAL~~

**SECTION STANDARD 27: TUBULAR SKYLIGHT INSTALLATIONS**

SEPTEMBER 1995  
REVISED MAY 2003, RESOLUTION 03-03-44  
REVISED MAY 2007, RESOLUTION 03-07-46  
GENERAL REQUIREMENTS REVISED APRIL 2011, RESOLUTION 03-11-49  
GENERAL REQUIREMENTS REVISED JANUARY 2018, RESOLUTION 03-18-12  
REVISED MAY 2018, RESOLUTION 03-18-XXX

**1.0 GENERAL REQUIREMENTS**

**SEE STANDARD SECTION 1: GENERAL REQUIREMENTS**

- 1.1 PERMITS AND FEES:** A Mutual permit is required for all alterations to the building. A City of Laguna Woods permit may be required. All fees for both Mutual and City permits shall be paid for by the Member and/or his or her contractor. Member and/or his or her contractor must provide the Permits and Inspections office with City permit number(s) prior to beginning work.
- 1.2 MEMBERS' RESPONSIBILITY:** The Member is solely responsible for the maintenance, repair, and/or removal of all alterations to the building.
- 1.3 CODES AND REGULATIONS:** All work shall comply with all applicable local, state, and federal requirements including, but not limited to, the current edition of the National Electric Code (NEC).
- 1.4 WORK HOURS:** No work shall commence prior to 7:00a.m. and no work shall be permitted after 6:00p.m. Monday through Friday. Work

~~on Saturday shall be permitted from 9:00a.m. — 2:00p.m. for work which results in construction related noise (e.g. cutting tile, hammering, use of power tools). For work that does not result in excessive noise, such as painting and carpet installation, permitted hours are 7:00a.m. — 6:00p.m. No work whatsoever shall be permitted on Sunday.~~

~~1.5 **PLANS:** The Member applying for a permit shall provide to the Permits and Inspections office a detailed plan(s) for approval indicating all work to be done, i.e., size, location, description and specifications.~~

~~1.6 **DUMPSITES:** The premises shall be kept free of accumulation of waste materials and/or rubbish caused by construction work. The Member and/or his or her contractor is responsible for removal of debris and excess material and must leave work areas "**BROOM CLEAN**" daily. **USE OF COMMUNITY DUMPSITES FOR CONSTRUCTION RELATED DUMPING IS NOT PERMITTED.** Contractor's or Member's dumpsters, if required, must have location approved by the Permits and Inspections office.~~

~~1.7 **CONTRACTOR:** Installation must be performed by a California licensed contractor of the appropriate trade.~~

~~1.8 **CONTRACTOR'S CONDUCT:** Member's contractor's, their personnel, and sub-contractors shall refrain at all times from using profanity, abusive or loud language, and must wear shirts at all times. Radio, MP3, CD or cassette players are not permitted on the project site. Contractor personnel will, at all times, extend and exhibit a courteous demeanor to residents.~~

## 2.0 **DEFINITION**

2.1 "Tubular skylight" refers to skylights with a cylindrical roof-mounted light collector typically consisting of an acrylic lens set in a metal frame. A reflective sun scoop in the rooftop assembly directs sunlight into a metal or plastic tube with a highly reflective interior coating. The reflective tube guides sunlight to a diffuser lens mounted on the interior ceiling surface that spreads light throughout the room.

2.2 Tubular skylights are sold under several different brand names. For the purpose of definition, some of the more common brand names include: Solatube, Daylight, Solar Bright, Sun-Dome, Sun-Tek, True Light, etc.

## 3.0 **APPLICATIONS**

- 3.1 All roofing work shall be in strict conformance with current building codes and any applicable Mutual standard drawings.
- 3.2 **Notification:** Member must notify the ~~Permits and Inspections~~Alterations Division office of any broken/damaged roofing materials, before any installation begins. Additional roofing materials may be required for typical installations, due to breakage/damage. Member is responsible for restoring the roof to its original pre-installation condition, regardless of the amount of replacement required. All materials will match the existing manufacturer and color or approved equal by the Permits and Inspections office.
- 3.3 **Final Inspection:** During the final inspection, should the ~~Permits and Inspections~~Alterations Division office notice damaged/broken roofing materials that appear to be caused by the installer/installation and absent prior notice of damage, the Member will be responsible for the proper repair(s).
- 3.4 **ASBESTOS:** Installations in existing acoustical sprayed ceilings may encounter asbestos. The Member(s) must assure that the requirements of federal, state and local government regarding asbestos removal procedures are met or exceeded.
- 3.5 No units shall be installed with the edge of the tubular skylight flashing within 12" of any vent, ridge or vertical structure.
- 3.6 Hypolon skirts will not be permitted as acceptable flashings.
- 3.7 All tubular skylight flashings are required to be minimum 8" in height.
- 3.8 All tubular skylight installations require a 2" Turret Extension to conform to Mutual Standards height requirements.
- 3.9 All tubular skylight flashings and related parts to be painted either Flat Black (BUR Roofs); Flat Black or Orange (Tile and Metal Shingle Roofs); Flat Black or Tan (Comp/Shingle Roofs) or to match color scheme of roof.
- 3.10 Products: Henry Asphalt Primer (#103 or #105), Henry Cold-Ap Cement (#403), Henry Underlayment (#604), Henry Interply Adhesive (#902). Henry products may be substituted by an equal or better product. All substituted products require approval from the Permits and Inspections office.
- 3.11 No trusses shall be cut in the installation of the skylights.



## **4.0 INSTALLATION SPECIFICATIONS**

### **4.1 FLAT ROOFS (Built Up Roofing)**

- a. 10", 14" and 16" tubular skylights are the only size units approved for installation on BUR roofs.
- b. Spud back the perimeter around the flashing edge a minimum of 10" and maximum 14", leaving roof surface smooth and gravel-free for primer and base felt application.
- c. Apply Henry Asphalt Primer to flashing and scraped/spudded roof surface and let dry.
- d. Apply Henry Cold-Ap Cement # 403 to base of flashing per manufacturer's specifications and press in place. Nail aluminum base through raised surface of outer ring, 10 inches on center.

*(First Ply/Base Ply)*

- e. Apply Henry Cold-Ap Cement # 403 at the rate of 2 gallons per 100 sq. ft. and cover with Henry Fiberglass ply sheet 25lb #604 starting at vertical surface across the flashing and over roof surface to a point three (3) inches beyond the edge of the flashing.

*(Second and Third Ply)*

- f. Apply Henry Interply Adhesive #902 and a second ply of Henry Fiberglass Ply Sheet #604 two (2) inches beyond the perimeter of the base ply and continue across roof, terminating at vertical surface, allowing the Henry Interply Adhesive #902 to ooze out slightly onto the vertical surface and above the ply. Apply a third ply of Henry Fiberglass Ply Sheet #604 two (2) inches beyond the perimeter of second ply and continue across roof, terminating at vertical surface and again allow the Henry Fiberglass Ply Sheet #604 to ooze out slightly onto the vertical surface and above the ply. Both plies to be embedded in Henry Cold-Ap Cement # 403 at the rate of 2 gallons per 100 sq. ft.
- g. Apply one layer of \*MB Cap embedded in Henry Cold-Ap Cement # 403 at the rate of 2 gallons per 100 sq. ft. starting at the bottom of the vertical surface across the newly installed plies, to a point seven (7) inches away from the flashing edge

and embed #11 Granule Aggregate or cap sheet (if flat or built up roof (BUR) is cap sheet).

- h. If cap sheet is used, nail perimeter of cap sheet 4 inches on center. Apply a 3 coarse application over cap sheet edge using Henry Cold-Ap Cement # 403 and webbing.
- i. Reapply gravel evenly to entire area, stopping at the tubular skylight vertical surface.

#### **4.2 3 STORY BUILDINGS**

Installation of tubular skylights on all three-story buildings are to follow Mutual Standards for Built-Up Roofing with the following changes:

- a. Install a (1) one-layer 5/8" type X drywall chase around the reflective tube. Drywall chase to be inclusive of attic area and to start from drywall ceiling and terminate at plywood roof sheathing. Each end and all incisions into the drywall chase to be filled with drywall compound.
- b. ~~An "In Progress" inspection by the Permits and Inspections office is required for all tubular skylights installed in 3 Story buildings.~~

#### **4.3 PITCHED ROOFS: All pitched roof (over 3:12) installations shall be as follows:**

##### **4.3.1 Asphalt Composition Shingles**

10" and 14" tubular skylights are the only size units approved for installation on pitched Composition Shingle roofs in Third Mutual.

- a. Pitched Metal Flashing: The powder coated black epoxy based finish applied over a 0.032 in. thick aluminized steel stamped seamless flashing with 32 total added rigid ribs and 8 pre-punched fastener holes shall be laced into existing Asphalt Composition Shingles as existing roof jacks are installed.
- b. Metal Turret Extension: Shall be installed onto Pitched Metal Flashings with a polyurethane sealant and screwed into flashing with (4) #8x1/2 philip head, self-tapping stainless steel screws.
- c. Turret Shroud: Shall be installed onto Pitched Metal Flashing and Turret Extension.

- d. No caulking will be used as primary water leak protection.

#### **4.3.2 Concrete & Clay Tile**

10" and 14" tubular skylights are the only size units approved for installation on all tile roofs in Third Mutual.

- a. Counterbase Flashing: injected molded polypropylene CC2 classified, 30% mica filled .125 inch thick mold tech pattern MT11365 finish base flashing shall be installed between rafters and be laced into existing underlayment as existing roof jacks are installed.
  - 1. Monier concrete tiles over space sheathing and/or plywood with no underlayment do not require the installation of a Counterbase Flashing.
- b. Secondary Flashing: Polypropylene (Tile Retro Kit for 10" Solatubes) or .060 inch thick A93003 aluminum secondary pre-formed flashing shall be installed over Counterbase Flashing.
- c. Polypropylene Turret Extension: shall be installed onto Secondary Flashing with a polyurethane sealant and screwed into flashing with (4) #8x1/2" philip head, self-tapping stainless steel screws.
- d. Turret Shroud: shall be installed onto Secondary Flashing and Turret Extension.
- e. No caulking will be used as primary water leak protection.
- f. All tiles shall be saw cut and not "broken to fit".

#### **4.3.3 Metal Shingles**

10" and 14" tubular skylights are the only size units approved for installation on all tile roofs in Third Mutual. Single flashing permitted only on metal shingle roofs.

- a. Counterbase Flashing: injected molded polypropylene CC2 classified, 30% mica filled .125 inch thick mold tech pattern MT11365 finish base flashing shall be installed between rafters and be laced into existing underlayment as existing roof jacks are installed.

- b.** Polypropylene Turret Extension: shall be installed onto Counterbase Flashing with a polyurethane sealant and screwed into flashing with (4) #8x1/2" philip head, self-tapping stainless steel screws.
- c.** Turret Shroud: shall be installed onto Flashing and Turret Extension.
- d.** All tiles shall be saw-cut or sheared and not "broken or bent" to fit.



### **Temporary Container Policy**

This policy is intended to regulate the location, identification and maintenance of temporary containers such as dumpsters, contractor trailers, and portable storage containers (PODs). All references to temporary container s shall include all of the aforementioned items.

No dumping of building materials, construction/remodeling debris, carpet, or large, bulky items is allowed in/around any trash receptacle provided by Laguna Woods Village. It is the resident's responsibility to ensure such materials are properly removed from the community by themselves or their contractor. This rule applies to residents performing their own work, contractors, vendors, service companies, and delivery personnel.

Temporary containers may be permitted with the following conditions:

- 24 hour notice is given by the contractor or Member to Security @ 949-580-1400; provide building, unit number, and the name of resident.
- Temporary container must be clearly marked at all times, by the contractor or Member, with the unit number from which the debris is sourced. The marking must be legible and able to withstand the elements (permanent marker on duct tape, waterproof label etc.)
- Location of temporary container must be authorized by the on-duty Watch Commander or designee.
- Temporary container must be covered at the end of each work day. The area around the temporary container shall be kept clean and free of debris and dirt. The area shall be cleaned promptly upon removal of the temporary container.
- Contractor and Owner shall be responsible for placing and maintaining adequate warning signs, lights, barricades and devices at all times in order to promote the safe movement of traffic.
- Contractor and Owner shall be responsible to ensure temporary containers are equipped with reflectors on all sides. Warning devices shall be placed in advance of each temporary container as directed by Watch Commander or designee. All warning signs, barriers, barricades, flags and other devices shall comply with or exceed the standards required in the Manual of Uniform Traffic Devices (MUTCD). All traffic devices shall be removed promptly upon removal of temporary container.
- Temporary containers may be in place for a maximum of seven days or until full, whichever occurs first.

- Dumpsters may be limited to “Insta-Bin” type; roll off temporary containers may be permitted if space allows, with prior approval of staff.
- No hazardous materials can be disposed of in temporary containers.
- Temporary containers must have wheel chocks to prevent movement.

Inquiries will be referred to on-duty Watch Commander for direction as to where the container can be placed. Staff will be assigned to meet with the resident or their contractor to determine an appropriate location for the container.

Key considerations for temporary container placement:

- Traffic safety.
- Sufficient room to place / retrieve the container.
- Protection of hardscape and landscape assets; placement on landscaped areas, walkways or sidewalks is prohibited.
- Placement in any parking spaces, e.g. guest spaces and carports, is prohibited.
- Proximity to the unit and efficiency for the contractor.

Failure of the Member or their contractor to cooperate in placement of the container as directed by Staff may result in a disciplinary hearing before the Board. Members will be responsible for damages caused by temporary container placement. Removal of encroachments to protect public safety:

- Whenever the Watch Commander or designee determines that a temporary container or other encroachment located in the community causes a dangerous condition or obstruction, he or she may cause the immediate removal, relocation and/or remedy of that condition without prior notice to the responsible owner or permittee of that encroachment.
- The Watch Commander or designee may remove or cause to be removed any temporary container or other encroachment that is placed on the community that is in violation of these conditions, provided that a reasonable attempt has been made to contact the owner and to give twenty-four (24) hours' notice of the intent to remove the bin.
- The responsible property owner and/or operator shall pay all costs incurred by the Mutual for removal, storage or clean up resulting from the placement of a temporary container.

If a resident is concerned about the placement of safety of a temporary container, they should immediately contact Security @ 949-580-1400.

### **PROPOSED REVISED RESALE POLICY**

It is the policy of the Third Laguna Hills Mutual housing corporation that transfers of property through the resale process shall be handled as expeditiously as possible, in accordance with Mutual review and approval processes.

Further, it is the policy of the Mutual that the Seller of a condominium property in Third Mutual, or his agent, should:

Within two business days after listing or making the property available for sale, the Seller or Seller's authorized agent should notify the Resale Inspection Office, in writing of the listing and submit to the Resale Department a "Request for 1<sup>st</sup> Inspection Report". The notification shall include the name of the listing real estate agent or personal agent of the Seller, Seller's address and telephone number, the listing contract date, and Seller's current address and telephone number if Seller is not residing in the manor being listed for sale; and at least one week prior to close of escrow, the Seller or his Agent will request that a Final Inspection be scheduled.

#### **Seller's Authorization to Release Information**

Seller, or authorized agent, shall execute and deliver the Seller's Authorization for Release of Information to the Managing Agent. No information will be released by the Mutual or the Managing Agent to any party until the Managing Agent receives the Release.

#### **Mutual Board's Review of Buyer's Qualifications**

Upon receipt of all requisite documents from the Escrow Office handling the resale transaction, and completion of the First Inspection, the Mutual will have fifteen (15) calendar days to review and approve or deny the Buyer's application for membership.

#### **Occupancy by Buyer Prior to Close of Escrow**

A Buyer is not be permitted to occupy a manor prior to Board approval of the Buyer's membership qualifications except by receiving Board approval of a Lease Permit through the GRF Lease Permit Office.

If a Seller agrees to permit the Buyer to occupy the manor after Board approval, and prior to close of escrow, both parties shall execute and present a Hold Harmless Agreement or similar Mutual Issued document through the Security Division. Early occupancy based on the Hold Harmless Agreement shall be limited to fifteen (15) calendar days. Buyers who intend to occupy the manor for more than fifteen (15) days prior to close of escrow shall obtain a Lease Permit approved by the Board through the GRF Lease Permit Office.

#### **Carryover Occupancy by Seller**

If Buyer and Seller agree that Seller may continue to occupy the manor after close of escrow, such occupancy shall be limited to fifteen (15) calendar days. Seller who intends to carry over

### Attachment 3

occupancy for more than fifteen (15) days following close of escrow shall obtain a Lease Permit approved by the Board through the GRF Lease Permit Office.

#### Security Deposit

~~If the inspection reveals an architectural violation, failure to maintain an alteration, or other damage to common area caused by the member or member's occupants, or if at the time of the inspection the member owes the Mutual unpaid assessments, fines or other amounts, the amounts sufficient to rectify the member's indebtedness to the Mutual will be held at escrow in a holding account. Any surplus funds shall be returned to the appropriate party.~~

#### Resale Corrections

If the inspection reveals an architectural violation, failure to maintain an alteration, or other damage to common area caused by the Member or Member's occupants, the Member shall be responsible for such violations, alteration maintenance, and damage to common area. The Member must make all corrections before the close of escrow. The Mutual will make all corrections to landscaping; the cost of which shall be paid to the Mutual prior to close of escrow.

In the event that a Member is unable to ensure the repairs are completed by close of escrow, due to illness or circumstances beyond their control, the Member may be permitted to transfer the responsibility to the Buyer. The Buyer will be required to sign an acknowledgement accepting the responsibility for the repairs. The repairs will be required to be completed within six months after the close of escrow. Failure to complete the repairs will be subject to disciplinary action by the Board. The Member will be required to provide complete documentation of the illness or extenuating circumstances. The request for variance from this policy will require the approval of two Officers of the Board.

If at the time of the inspection the Member owes the Mutual unpaid assessments, fines or other amounts, the amounts sufficient to rectify the Member's indebtedness to the Mutual will be held at escrow in a holding account.





**OPEN MEETING**

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

Monday, June 25, 2018  
Laguna Woods Village Community Center  
**Board Room • 1:30 p.m.**

---

Directors Present: Rosemarie diLorenzo, Bill Walsh, Steve Parsons, Roy Bruninghaus, Bunny Carpenter, John Frankel, Jules Zalon, Cush Bhada and Jack Connelly

Directors Absent: James Tung and Burt Baum

Staff Present: Cheryl Silva, Whitney Thornton and Eileen Paulin

Others Present: None

1. Call Meeting to Order – Rosemarie diLorenzo, Chair
2. Establish Quorum – Rosemarie diLorenzo, Chair  
President diLorenzo called the meeting to order at 1:30 p.m. and established that a quorum was present
3. Members Comments  
Richard Brian Johnston (5486-A) asked why his name was not on the ballot. Cheryl Silva (staff) explained that she had not received his application. Johnson stated that he had sent his application to her via email before the deadline.

Director Frankel made a motion to allow the candidate application of Richard Brian Johnston to be accepted with the caveat that the application process will be updated to avoid this from happening again. Director Zalon seconded the motion, and the motion passed by a vote of 8-1-0 (Director Walsh opposed)

June 25, 2018

The Board took a 10-minute recess to allow Johnston time to distribute a hard copy of his application to Board members.

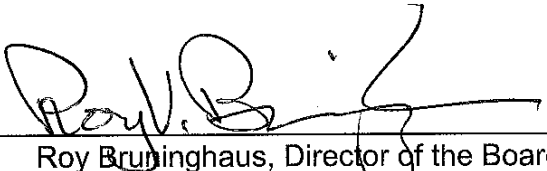
4. Introduction of the candidates to fill the Third Mutual VMS vacancy with a term ending in 2020 – Director Parsons
  - (a) Raquel Gutin-Unger
  - (b) Gloria Moldow
  - (c) Richard Brian Johnston

The candidates gave a brief statement of their qualifications and interest in the VMS Board position. Each candidate answered the same five questions prepared in advance by the Board and one additional question from Board members who chose to do so.

The Board Members voted by secret ballot.

President diLorenzo announced that Raquel Gutin-Unger was elected as the Third Mutual VMS Director.

5. Adjournment  
President diLorenzo adjourned the meeting at 3:17 p.m.



Roy Brunninghaus, Director of the Board  
Third Laguna Hills Mutual



## STAFF REPORT

---

**DATE:** July 17, 2018  
**FOR:** Board of Directors  
**SUBJECT:** Architectural Control and Standards Committee Charter

---

### **RECOMMENDATION**

Receive and File.

### **BACKGROUND**

On December 20, 2016, the Board of Directors passed Resolution 03-16-128 (Attachment 1) which created the Architectural Control and Standards Committee (ACSC) Charter.

On July 20, 2017, the Board of Directors revised sections of the Charter as part of Resolution 03-17-77.

### **DISCUSSION**

Resolution 03-16-128 established the ACSC and set forth the duties and responsibilities under which the Committee is to operate. Resolution 03-17-77 clarified and revised the factors to be considered in evaluating whether to approve a Manor Alteration Application. The Resolution also revised two of the duties and responsibilities; ¶2 §3, relating to the appeal process and ¶2 §5, relating to neighbor awareness.

Current policy is to revise and restate resolutions and policies in lieu of amending them. The Charter has been revised to reflect the amendments in Resolution 03-17-77 and is attached for historical clarity (Attachment 2).

### **FINANCIAL ANALYSIS**

None.

**Prepared By:** Kurt Wiemann, Permits, Inspections and Restoration Manager

**Reviewed By:** Eve Morton, Alterations Coordinator

### **ATTACHMENT(S)**

**Attachment 1:** Original Architectural Control and Standards Committee Charter (Resolution 03-16-128)  
**Attachment 2:** Revised Architectural Control and Standards Committee Charter  
**Attachment 3:** Revised Architectural Control and Standards Committee Charter (redlines)

this page intentionally left blank

## ATTACHMENT 1

### Original Charter

#### **RESOLUTION 03-16-128**

##### **Third Mutual Architectural Control and Standards Committee Charter**

**RESOLVED**, that pursuant to Article 7, of the Bylaws and Article X of the Amended and Restated Declaration of Covenants, Conditions and Restrictions, the Architectural Control and Standards Committee is hereby established as a standing committee of this Corporation; and

**RESOLVED FURTHER**, December 20, 2016, that the Board of Directors of this Corporation hereby assigns the duties and responsibilities of the Architectural Control and Standards Committee of the Corporation as follows:

1. The Architectural Control and Standards Committee shall have the responsibility to recommend approval or denial of all requests for nonstandard alterations and modifications, or alterations that have generated neighbor objection. Final recommendations shall be noted on the Mutual's monthly Board meeting Agenda Consent Calendar.
2. In their decision, the Committee shall consider the following criteria:
  - Compliance with existing standards
  - Aesthetic effect
  - Cost impact on the Mutual
  - Conformity with Local and State Building Codes
  - Compliance with applicable law
  - Value impact
3. The Mutual Board may choose to become involved in a Member's appeal of the Committee's decision. Should the Board become involved, prior to the review of the appeal, the Committee will document justification of their decision. If necessary, the Committee has the authority to consult with the Mutual Legal Counsel for advice.
4. The Committee shall have the authority to recommend new Architectural Standards or any revisions of all Mutual Architectural Standards. Final approval will rest with the Mutual Board.
5. The Committee shall require Neighbor Awareness and Approval forms for all alteration requests including requests that appear to conform to standards.
6. The Committee shall review advancements in technology and methods that could result in increased efficiencies and/or cost savings to the Mutual.

## ATTACHMENT 1

### Original Charter

7. The Committee may impose contingencies upon approvals to ensure the structural, architectural, or common area integrity of the Members' request.
8. The Committee shall insure that all structural alterations, including any internal and external physical changes, performed or caused to be performed by a Member, shall not be performed without prior written consent of the Mutual. Consent is given either by proper processing of approved alteration standard, or use of the variance request process. The Committee will recommend a Disciplinary Hearing for all alterations preceding approval or deviation from approved changes.
9. The intended activities of the Committee may include but may not be limited to meeting when necessary, meeting on a monthly basis, reviewing staff recommendations regarding compliance with architectural standards or variance requests, conducting tours, and providing communications to the Community.
10. This committee shall exist and function in accordance with bylaws and CC&Rs.
11. This Committee shall be comprised of no more than five Directors.
12. This committee may appoint up to three voting advisors, subject to the approval of the Board.

ATTACHMENT 2

(Revised Charter)

**THIRD LAGUNA HILLS MUTUAL  
ARCHITECTURAL CONTROL AND STANDARDS COMMITTEE CHARTER**

RESOLUTION 03-16-128  
REVISED JULY, 2017 RESOLUTION 03-17-77  
REVISED JULY, 2018, RESOLUTION 03-18-XX

**RESOLVED**, that pursuant to Article 7, of the Bylaws and Article X of the Amended and Restated Declaration of Covenants, Conditions and Restrictions, the Architectural Control and Standards Committee is hereby established as a standing committee of this Corporation; and

**RESOLVED FURTHER**, July 17, 2018, that the Board of Directors of this Corporation hereby amends the duties and responsibilities of the Architectural Control and Standards Committee of the Corporation as follows;

1. The Architectural Control and Standards Committee shall have the responsibility to recommend approval or denial of all requests for nonstandard alterations and modifications, or alterations that have generated neighbor objection. Final recommendations shall be noted on the Mutual's monthly Board meeting Agenda Consent Calendar.
2. In their decision, the Committee shall consider the following criteria:
  - a) The Mutual's governing documents, including the current Third Architectural Alteration Standards
  - b) The Mutual's then current architectural and building guidelines
  - c) Aesthetic effect
  - d) Any other approved staff (as may be applicable), Committee and Board policies and procedures
  - e) Cost impact on the Mutual
  - f) Conformity with Local and State Building Codes
  - g) Compliance with applicable Municipal, State and Federal law
  - h) Value impact
  - i) Mutual's *Conditions of Approval for the Alteration*
3. If a Member chooses to appeal the Committee's decision, prior to the review of the appeal, the Committee will document justification of their decision. If necessary, the Committee has the authority to consult with the Mutual Legal Counsel for advice.
4. The Committee shall have the authority to recommend new Architectural Standards or any revisions of all Mutual Architectural Standards. Final approval will rest with the Mutual Board.

## ATTACHMENT 2

### (Revised Charter)

5. The Committee shall require that Neighbor Awareness Notice of Hearing be mailed, by staff, to the owners of record of all potentially affected neighboring Manors, for all alteration requests, including requests that appear to conform to the Third Architectural Alteration Standards and policies..
6. The Committee shall review advancements in technology and methods that could result in increased efficiencies and/or cost savings to the Mutual.
7. The Committee may impose contingencies upon approvals to ensure the structural, architectural, or common area integrity of the Members' request.
8. The Committee shall insure that all structural alterations, including any internal and external physical changes, performed or caused to be performed by a Member, shall not be performed without prior written consent of the Mutual. Consent is given either by proper processing of approved alteration standard, or use of the variance request process. The Committee will recommend a Disciplinary Hearing for all alterations preceding approval or deviation from approved changes.
9. The intended activities of the Committee may include but may not be limited to meeting when necessary, meeting on a monthly basis, reviewing staff recommendations regarding compliance with architectural standards or variance requests, conducting tours, and providing communications to the Community.
10. This committee shall exist and function in accordance with bylaws and CC&Rs.
11. This Committee shall be comprised of no more than five Directors.
12. This committee may appoint up to three voting advisors, subject to the approval of the Board.



## ATTACHMENT 3

### Revised Charter (Redlines)

#### THIRD LAGUNA HILLS MUTUAL ARCHITECTURAL CONTROL AND STANDARDS COMMITTEE CHARTER

RESOLUTION 03-16-128

REVISED JULY, 2017 RESOLUTION 03-17-77

REVISED JULY, 2018 RESOLUTION 03-18-XX

**RESOLVED**, that pursuant to Article 7, of the Bylaws and Article X of the Amended and Restated Declaration of Covenants, Conditions and Restrictions, the Architectural Control and Standards Committee is a standing committee of this Corporation; and

**RESOLVED FURTHER**, July 17, 2018, that the Board of Directors of this Corporation hereby amends the duties and responsibilities of the Architectural Control and Standards Committee of the Corporation as follows:

1. The Architectural Control and Standards Committee shall have the responsibility to recommend approval or denial of all requests for nonstandard alterations and modifications, or alterations that have generated neighbor objection. Final recommendations shall be noted on the Mutual's monthly Board meeting Agenda Consent Calendar.
2. In their decision, the Committee shall consider the following criteria:
  - a) The Mutual's governing documents, including the current Third Architectural Alteration Standards
  - b) The Mutual's then current architectural and building guidelines  
Compliance with Existing Standards
  - c) Aesthetic effect
  - d) Any other approved staff (as may be applicable), Committee and Board policies and procedures
  - e) Cost impact on the Mutual
  - f) Conformity with Local and State Building Codes
  - g) Compliance with applicable Municipal, State and Federal law
  - h) Value impact
  - i) Mutual's Conditions of Approval for the Alteration
3. If a Member chooses to appeal the Committee's decision, prior to the review of the appeal, the Committee will document justification of their decision. If necessary, the Committee has the authority to consult with the Mutual Legal Counsel for advice. The Mutual Board may choose to become involved in a Member's appeal of the Committee's decision. Should the Board become involved, prior to the review of the

## ATTACHMENT 3

### Revised Charter (Redlines)

~~appeal, the Committee will document justification of their decision. If necessary, the Committee has the authority to consult with the Mutual Legal Counsel for advice.~~

4. The Committee shall have the authority to recommend new Architectural Standards or any revisions of all Mutual Architectural Standards. Final approval will rest with the Mutual Board.

5. The Committee shall require that Neighbor Awareness Notice of Hearing be mailed, by staff, to the owners of record of all potentially affected neighboring Manors, for all alteration requests, including requests that appear to conform to the Third Architectural Alteration Standards and policies. ~~The Committee shall require Neighbor Awareness and Approval forms for all alteration requests including requests that appear to conform to standards.~~

6. The Committee shall review advancements in technology and methods that could result in increased efficiencies and/or cost savings to the Mutual.

7. The Committee may impose contingencies upon approvals to ensure the structural, architectural, or common area integrity of the Members' request.

8. The Committee shall insure that all structural alterations, including any internal and external physical changes, performed or caused to be performed by a Member, shall not be performed without prior written consent of the Mutual. Consent is given either by proper processing of approved alteration standard, or use of the variance request process. The Committee will recommend a Disciplinary Hearing for all alterations preceding approval or deviation from approved changes.

9. The intended activities of the Committee may include but may not be limited to meeting when necessary, meeting on a monthly basis, reviewing staff recommendations regarding compliance with architectural standards or variance requests, conducting tours, and providing communications to the Community.

10. This committee shall exist and function in accordance with bylaws and CC&Rs.

11. This Committee shall be comprised of no more than five Directors.

12. This committee may appoint up to three voting advisors, subject to the approval of the Board.

**RESOLUTION 03-18-XXX**  
**Variance Request**

**WHEREAS**, Ms. Yu-Hsiung Chen of 3142-A Via Vista, a Las Flores style manor, is requesting Board approval of a variance to construct a room addition on the rear patio; and,

**WHEREAS**, a Neighborhood Awareness Notice was sent to Owners of affected Units on June 15, 2018, notifying them that an application to make an alteration to a neighboring Unit had been made and that comments or objections could be made in writing to the Architectural Controls and Standards Committee or in person at the Architectural Controls and Standards Committee Meeting on June 25, 2018.

**NOW THEREFORE BE IT RESOLVED**, on July 17, 2018, the Board of Directors hereby approves the request to construct a room addition with the condition that the addition must only be constructed on the original footprint of the manor and that the proposed alteration is constructed in accordance with the Conditions of Approval as included in the official Board Decision Notice;

**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 3142-A and all future Mutual members at 3142-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.

THIS PAGE LEFT BLANK INTENTIONALLY

**RESOLUTION 03-18-XXX**  
**Variance Request**

**WHEREAS**, Mr. Michael Epstein of 3235-C San Amadeo, a La Reina style manor, is requesting Board approval of a variance to reconfigure an enclosed rear patio to an enclosed room; and

**WHEREAS**, a Neighborhood Awareness Notice was sent to Owners of affected Units on June 15, 2018, notifying them that an application to make an alteration to a neighboring Unit had been made and that comments or objections could be made in writing to the Architectural Controls and Standards Committee or in person at the Architectural Controls and Standards Committee Meeting on June 25, 2018.

**NOW THEREFORE BE IT RESOLVED**, on July 17, 2018, the Board of Directors hereby approves the request to construct an enclosed room on the same footprint as the existing enclosed front patio with the condition that the proposed alteration is constructed in accordance with the Conditions of Approval as included in the official Board Decision Notice;

**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 3235-C and all future Mutual members at 3235-C;

**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.

THIS PAGE LEFT BLANK INTENTIONALLY

**RESOLUTION 03-18-XXX**  
**Variance Request**

**WHEREAS**, Mr. Michael Cunningham of 3374-B Punta Alta, a Navarro style unit, is requesting Board approval of a variance to replace the wrought iron fence around the existing front patio with a glass windbreak; and

**WHEREAS**, a Neighborhood Awareness Notice was sent to Owners of affected Units on June 15, 2018, notifying them that an application to make an alteration to a neighboring Unit had been made and that comments or objections could be made in writing to the Architectural Controls and Standards Committee or in person at the Architectural Controls and Standards Committee Meeting on June 25, 2018.

**NOW THEREFORE BE IT RESOLVED**, on July 17, 2018, the Board of Directors hereby approves the request to replace the wrought iron fence around the existing front patio with a glass windbreak with the condition that the proposed alteration is constructed in accordance with the Conditions of Approval as included in the official Board Decision Notice;

**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 3374-B and all future Mutual members at 3374-B;

**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.

THIS PAGE LEFT BLANK INTENTIONALLY



**RESOLUTION 03-18-XXX**  
**Variance Request**

**WHEREAS**, Ms. Grace Chen of 5405 Via Carrizo, a Trinidad style manor, is requesting Board approval of a variance for the following six alterations; replace sliding glass doors in both bedrooms with windows, replace the living room sliding glass door with a French door, reapportion space in the second bedroom to create a third bedroom, replace the dining room sliding glass door with a French door, reduce the size of the dining nook window, and add a window in the garage; and

**WHEREAS**, a Neighborhood Awareness Notice was sent to Owners of affected Units on June 15, 2018, notifying them that an application to make alterations to a neighboring Unit had been made and that comments or objections could be made in writing to the Architectural Controls and Standards Committee or in person at the Architectural Controls and Standards Committee Meeting on June 25, 2018.

**NOW THEREFORE BE IT RESOLVED**, on July 17, 2018, the Board of Directors hereby approves the requests to replace sliding glass doors in both bedrooms with windows, replace the living room sliding glass door with a French door, replace the dining room sliding glass door with a French door, reduce the size of the dining nook window, and add a window in the garage, with the condition that the proposed alterations are constructed in accordance with the Conditions of Approval as included in the official Board Decision Notice. The Board approves the request to reapportion space in the second bedroom to create a third room on the condition that the room be classified as a den and no closet is to be constructed in this space;

**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 5405 and all future Mutual members at 5405;

**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.

THIS PAGE LEFT BLANK INTENTIONALLY

**RESOLUTION 03-18-XX**  
**Tree Removal Request Determinations**

**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 July 5, 2018, the Landscape Committee recommended to deny the request to remove the Camphor tree located at 5450 Calle Pico; deny the request to remove the Silk Oak at 3436-P Bahia Blanca West; and approve the request to remove a Coast Redwood at 2192-E Via Mariposa East; deny the request to remove the Olive Tree at 3217-B; and;

**NOW THEREFORE BE IT RESOLVED**, July 17, 2018, the Board of Directors denied the request to remove the Camphor tree located at 5450 Calle Pico; denied the request to remove the Silk Oak at 3436-P Bahia Blanca West; and approved the request to remove a Coast Redwood at 2192-E Via Mariposa East; deny the request to remove the Olive Tree at 3217-B; and;

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

this page intentionally left blank

## **RESOLUTION 03-18-XX**

### **Recording of a Lien**

**WHEREAS**, Member ID 931-371-09; 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**, July 17, 2018, that the Board of Directors hereby approves the recording of a Lien for Member ID 931-371-09 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 03-18-XX**

### **Recording of a Lien**

**WHEREAS**, Member ID 931-591-35; 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**, July 17, 2018, that the Board of Directors hereby approves the recording of a Lien for Member ID 931-591-35 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 03-18-XX**

### **Recording of a Lien**

**WHEREAS**, Member ID 931-580-84; 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**, July 17, 2018, that the Board of Directors hereby approves the recording of a Lien for Member ID 931-580-84 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 03-18-XX**

### **Recording of a Lien**

**WHEREAS**, Member ID 932-200-59; 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**, July 17, 2018, that the Board of Directors hereby approves the recording of a Lien for Member ID 932-200-59 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 03-18-XX**

### **Recording of a Lien**

**WHEREAS**, Member ID 933-210-81; 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**, July 17, 2018, that the Board of Directors hereby approves the recording of a Lien for Member ID 933-210-81 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 03-18-XX**

### **Recording of a Lien**

**WHEREAS**, Member ID 931-720-36; 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**, July 17, 2018, that the Board of Directors hereby approves the recording of a Lien for Member ID 931-720-36 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.

this page intentionally left blank





**RESOLUTION 03-18-xx**

**Third Mutual Committee Appointments**

**RESOLVED**, July 17, 2018, 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**

William Walsh, Chair

Steve Parsons, Co-Chair

Roy Bruninghaus

John Frankel

Rosemarie diLorenzo, Alternate

Voting Advisors: Mike Butler, Bob Hatch and Mike Plean

**Communications Committee**

Burt Baum, Chair

Roy Bruninghaus

Jack Connelly

Bunny Carpenter

Bill Walsh

Non-Voting Advisors: Carol St. Hillaire

**Energy Task Force**

Bill Walsh, Chair

John Frankel

Juanita Skillman (United)

Carl Randazzo (United)

Bert Moldow (GRF)

Jim Juhan (GRF)

Voting Advisors: Steven Leonard

**Executive Hearing Committee**

Steve Parsons, Chair  
Rosemarie diLorenzo, Co-Chair  
Bunny Carpenter  
John Frankel  
James Tung  
Cush Bhada, Alternate  
Jules Zalon, Alternate

**Finance (Committee of the Whole)**

Steve Parsons, Chair  
Rosemarie diLorenzo, Co-Chair  
Non-Voting Advisors: John Hess, Wei-Ming Tao

**Garden Villa Recreation Room Subcommittee**

Rosemarie diLorenzo, Chair  
Cush Bhada  
Voting Advisors: Lynn Jarrett, Sharon Molineri, Stuart Hack

**Laguna Woods Village Traffic Hearings**

John Frankel  
Jules Zalon

**Landscape**

James Tung, Chair  
Jules Zalon, Co-Chair  
John Frankel  
Roy Bruninghaus  
Jack Connelly  
Non-Voting Advisors: Violet Lawrence

**Maintenance and Construction (Committee of the Whole)**

Bill Walsh, Chair  
Bunny Carpenter, First Co-Chair  
John Frankel, Second Co-Chair  
Cush Bhada  
Voting Advisors: Steve Leonard

**New Resident Orientation**

Per Rotation List

**Water Conservation Committee**

James Tung, Chair  
Jules Zalon, Co-Chair  
John Frankel

**Third Mutual Parking & Golf Cart Task Force**

John Frankel, Chair  
Roy Bruninghaus  
Bunny Carpenter  
Rosemarie di Lorenzo  
Bill Walsh

**Third Mutual Resident Policy and Compliance Task Force**

Burt Baum, Chair  
Bunny Carpenter  
Rosemarie diLorenzo  
Roy Bruninghaus, Alternate  
Steve Parsons, Alternate  
Stuart Hack, Advisor

**RESOLVED FURTHER**, that Resolution 03-17-65, adopted May 15, 2018, 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.

this page intentionally left blank



**RESOLUTION 03-17-xx**  
**GRF Committee Appointments**

**RESOLVED**, July 17, 2018, 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**

Rosemarie diLorenzo  
Steve Parsons

**Community Activities Committee**

Steve Parsons  
Jules Zalon  
Jack Connelly, Alternate

**Finance Committee**

Rosemarie di Lorenzo  
Steve Parsons  
**Jack Connelly** Bill Walsh, Alternate

**Landscape Committee**

James Tung  
Jules Zalon  
John Frankel, Alternate

**Maintenance and Construction Committee**

John Frankel  
Bunny Carpenter  
**Cush Bhada**, Alternate

**Media and Communication Committee**

Burt Baum  
Roy Bruninghaus  
Jack Connelly, Alternate

**Mobility and Vehicles Committee**

Roy Bruninghaus

John Frankel

**PAC Renovation Ad Hoc Committee**

Beth Perak, Chair (GRF)

Joan Milliman, Vice Chair (GRF)

Richard Palmer, (GRF)

John Frankel, (Third)

~~Jules Zalon~~ Bill Walsh, (Third)

Juanita Skillman, (United)

Don Tibbitts, (United)

Irving Waaland, (Mutual 50)

Non-Voting Advisers: Sheila Bilaka, John Perak

**Security and Community Access Committee & Disaster Preparedness**

Roy Bruninghaus

John Frankel

~~James Tung~~

Cush Bhada, Alternate

**RESOLVED FURTHER**, that Resolution 03-18-66, adopted May 15, 2018, 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.



## STAFF REPORT

---

**DATE:** July 17, 2018  
**FOR:** Board of Directors  
**SUBJECT:** Temporary Container Policy

---

### **RECOMMENDATION**

Approve the Temporary Container Policy.

### **BACKGROUND**

The Board of Directors directed Staff to develop a policy regarding the placement of temporary containers such as dumpsters, contractor trailers, and portable storage containers.

On May 29, 2018, the ACSC reviewed this Staff Report and Resolution. The Committee voted to recommend the item for approval by the Board.

### **DISCUSSION**

Due to an increase in resident complaints regarding the placement of dumpsters, contractor trailers and portable storage containers, Staff has developed a policy to provide guidance for Staff when directing contractors in the placement of these items. The policy was developed jointly between the Alterations and Security Divisions. The policy will be implemented by Security personnel with support from the Alterations Division.

Due to the myriad of configurations of streets, cul-de-sacs and parking areas within the Village, a single document stating the exact placement locations is impractical. The intent of this policy is to provide guidelines and restrictions regarding the actual placement of each item to ensure safe and practical placement.

The policy will be available in Resident Services at the Alterations Counter. It will be provided by the Alterations Division to contractors and Members when issuing Mutual Consents. Additionally, the policy will be posted on the website.

### **FINANCIAL ANALYSIS**

None.

**Prepared By:** Kurt Wiemann, Permits, Inspections and Restoration Manager

**Reviewed By:** Eve Morton, Alterations Coordinator

### **ATTACHMENT(S)**

**Attachment 1:** Resolution 03-18-XX for Temporary Container Policy

**Attachment 2:** Proposed Temporary Container Policy

this page intentionally left blank



**RESOLUTION 03-18-XX**

**Temporary Container Policy**

**WHEREAS**, the placement of temporary containers such as dumpsters, portable storage units (PODS), and contractor trailers has caused safety and mobility concerns throughout the Village; and,

**WHEREAS**, staff has developed a policy that addresses these concerns.

**NOW THEREFORE BE IT RESOLVED**, July 17, 2018, that the Board of Directors hereby adopt the Temporary Container Policy as attached to the official meeting minutes;

**RESOLVED FURTHER**, after a 24 hour notice from the contractor or Member, the Security Division will provide members and contractors locations to place these items;

**RESOLVED FURTHER**, the safety, placement, and housekeeping of these items are the responsibility of the member;

**RESOLVED FURTHER**, the Mutual reserves the right to remove or relocate any item to remedy an unsafe condition; 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.

June Initial Notification

30-Day notification to comply with Civil Code §4360 has been satisfied.

this page intentionally left blank



## **Temporary Container Policy**

This policy is intended to regulate the location, identification and maintenance of temporary containers such as dumpsters, contractor trailers, and portable storage containers (PODs). All references to temporary container s shall include all of the aforementioned items.

No dumping of building materials, construction/remodeling debris, carpet, or large, bulky items is allowed in/around any trash receptacle provided by Laguna Woods Village. It is the resident's responsibility to ensure such materials are properly removed from the community by themselves or their contractor. This rule applies to residents performing their own work, contractors, vendors, service companies, and delivery personnel.

Temporary containers may be permitted with the following conditions:

- 24 hour notice is given by the contractor or Member to Security @ 949-580-1400; provide building, unit number, and the name of resident.
- Temporary container must be clearly marked at all times, by the contractor or Member, with the unit number from which the debris is sourced. The marking must be legible and able to withstand the elements (permanent marker on duct tape, waterproof label etc.)
- Location of temporary container must be authorized by the on-duty Watch Commander or designee.
- Temporary container must be covered at the end of each work day. The area around the temporary container shall be kept clean and free of debris and dirt. The area shall be cleaned promptly upon removal of the temporary container.
- Contractor and Owner shall be responsible for placing and maintaining adequate warning signs, lights, barricades and devices at all times in order to promote the safe movement of traffic.
- Contractor and Owner shall be responsible to ensure temporary containers are equipped with reflectors on all sides. Warning devices shall be placed in advance of each temporary container as directed by Watch Commander or designee. All warning signs, barriers, barricades, flags and other devices shall comply with or exceed the standards required in the Manual of Uniform Traffic Devices (MUTCD). All traffic devices shall be removed promptly upon removal of temporary container.
- Temporary containers may be in place for a maximum of seven days or until full, whichever occurs first.

- Dumpsters may be limited to 3 yard size (6'x4'x4'); roll off dumpsters may be permitted if space allows, with prior approval of staff.
- Temporary Storage Containers (PODs) may be limited to eight feet in length. Larger sizes may be permitted if space allows, with prior approval of staff.
- No hazardous materials can be disposed of in temporary containers.
- Temporary containers with wheels must have wheel chocks to prevent movement.

Inquiries will be referred to on-duty Watch Commander for direction as to where the container can be placed. Staff will be assigned to meet with the resident or their contractor to determine an appropriate location for the container.

Key considerations for temporary container placement:

- Traffic safety.
- Sufficient room to place / retrieve the container.
- Protection of hardscape and landscape assets; placement on landscaped areas, walkways or sidewalks is prohibited.
- Placement in any parking spaces, e.g. guest spaces and carports, is prohibited.
- Proximity to the unit and efficiency for the contractor.

Failure of the Member or their contractor to cooperate in placement of the container as directed by Staff may result in a disciplinary hearing before the Board. Members will be responsible for damages caused by temporary container placement. Removal of encroachments to protect public safety:

- Whenever the Watch Commander or designee determines that a temporary container or other encroachment located in the community causes a dangerous condition or obstruction, he or she may cause the immediate removal, relocation and/or remedy of that condition without prior notice to the responsible owner or permittee of that encroachment.
- The Watch Commander or designee may remove or cause to be removed any temporary container or other encroachment that is placed on the community that is in violation of these conditions, provided that a reasonable attempt has been made to contact the owner and to give twenty-four (24) hours' notice of the intent to remove the bin.
- The responsible property owner and/or operator shall pay all costs incurred by the Mutual for removal, storage or clean up resulting from the placement of a temporary container.

If a resident is concerned about the placement of safety of a temporary container, they should immediately contact Security @ 949-580-1400.



## STAFF REPORT

---

**DATE:** July 17, 2018  
**FOR:** Board of Directors  
**SUBJECT:** Revisions to Resale Policy

---

### **RECOMMENDATION**

Approve a resolution to introduce the Revised Resale Policy.

### **BACKGROUND**

On September 16, 2003, the Board of Directors approved Resolution 03-03-59 establishing criteria for the Resale Policy; on May 20, 2014 the Board of Directors approved Resolution 03-14-53, revising the Resale Policy (Attachment 1). The revisions include, among other items, a security deposit for resale inspections.

The proposed Resolution (Attachment 2) revises only the security deposit section of the policy. The remainder of the policy remains functional and unchanged.

On May 29, 2018, the ACSC reviewed this Staff Report and Resolution. The Committee voted to recommend the item for approval by the Board.

### **DISCUSSION**

The 2014 revisions to the Resale Policy established a security deposit for "...architectural violation, failure to maintain an alteration, or other damage to common area caused by the member or member's occupants." The Policy also states that surplus funds from the deposit "...shall be returned to the appropriate party."

Under the current program, when a manor is put on the market for resale, Staff inspects the manor and notes in the inspection report any non-conforming conditions or alterations found. These are listed as corrections and can be damage to Mutual property, non-maintained alterations, or non-conforming landscape. These items are then listed in the Correction Report which accompanies the First Inspection Report and is provided to both the Buyer and Seller.

The inspector then determines the cost of each correction based upon predetermined costs; these costs are based on materials and staff chargeable service rates. The Seller is responsible for ensuring the necessary repairs or corrections are completed. If the corrections are not made by the final inspection, adequate funds to perform the repairs are withheld; a check is issued to the Mutual at close of escrow as a deposit for the corrections.

The current policy and procedures do not state who is responsible for the corrections once escrow closes. The current procedure gives the Buyer the option to make the repairs and be reimbursed for all verified costs up to the deposit amount. Historically, the remaining repairs have been referred to Staff; current staffing and service levels preclude Staff from completing the repairs in a timely manner. Consequently, the majority of the repairs are not completed and funds are held for long periods of time.

The policy also states that the funds are to be returned to “the appropriate party” without distinguishing that party.

Staff recommends creating a policy which directly addresses these issues. The proposed policy will identify the responsibility of the repairs, set a time frame for the repairs, and eliminate the need for a deposit in most cases.

If damage has occurred to Mutual property, the Seller will be held responsible for the repair. Per the CC&Rs, the Seller will also be held responsible for repairs and maintenance of alterations. Since landscaping in the Village is only performed by Staff, non-conforming landscape corrections will be performed by Staff and charged to the Seller at chargeable service rates.

Additionally, Staff proposes to require repair or correction of all items listed in the Correction Report by the close of escrow, per the Agreement. In the proposed policy, as in the current procedures, the resale inspector will note corrections but will not assign a predetermined cost to correct the deficiencies.

In the event that a Member is unable to ensure the repairs are completed by close of escrow, due to illness or circumstances beyond their control, Staff proposes to allow the Buyer to accept responsibility for the repairs. The buyer would be required to sign an acknowledgement of their responsibility to make the repairs and will be given six months to complete the repairs or face disciplinary action by the Board. The seller will be required to provide complete documentation of the illness or extenuating circumstances prior to close of escrow. This variance from policy would require the approval of two Officers of the Board.

To allow ample time to educate the membership, realtors and escrow companies, Staff proposes to make the revised policy effective September 1, 2018.

### **FINANCIAL ANALYSIS**

None.

**Prepared By:** Kurt Wiemann, Permits, Inspections and Restoration Manager

**Reviewed By:** Eve Morton, Alterations Coordinator

### **ATTACHMENT(S)**

**Attachment 1** Resolution 03-14-53 - Existing Resale Policy  
**Attachment 2:** Proposed Resolution for Revised Resale Policy 03-18-XX  
**Attachment 3:** Proposed Revised Resale Policy

**Resolution 03-14-53**

**Current Resale Policy**

**WHEREAS**, it is the policy of the Third Laguna Hills Mutual that the Seller of a condominium property in Third Mutual, or his agent, must adhere to the established Resale Policy to allow for an orderly transfer of ownership;

**NOW THEREFORE BE IT RESOLVED**, May 20, 2014 that the Board of Directors of this Corporation hereby approves the Proposed Resale Policy as attached to the official meeting minutes; and

**RESOLVED FURTHER**, that Resolutions 03-03-59 and 03-03-60 are hereby superseded and cancelled; and

**RESOLVED FURTHER**, that staff shall take the necessary steps to inform the realty community and the residents of Third Mutual; 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.

**RESALE POLICY – THIRD LAGUNA HILLS MUTUAL**

It is the policy of the Third Laguna Hills Mutual housing corporation that transfers of property through the resale process shall be handled as expeditiously as possible, in accordance with Mutual review and approval processes.

Further, it is the policy of the Mutual that the Seller of a condominium property in Third Mutual, or his agent, should:

Within two business days after listing or making the property available for sale, the Seller or Seller's authorized agent should notify the Resale Inspection Office, in writing of the listing and submit to the Resale Department a "Request for 1<sup>st</sup> Inspection Report". The notification shall include the name of the listing real estate agent or personal agent of the seller, Seller's address and telephone number, the listing contract date, and Seller's current address and telephone number if seller is not residing in the manor being listed for sale; and at least one week prior to close of escrow, the Seller or his Agent will request that a Final Inspection be scheduled.

**Seller's Authorization to Release Information**

Seller, or authorized agent, shall execute and deliver the Seller's Authorization for Release of Information to the Managing Agent. No information will be released by the Mutual or the Managing Agent to any party until the Managing Agent receives the Release.

**Mutual Board's Review of Buyer's Qualifications**

Upon receipt of all requisite documents from the Escrow Office handling the resale transaction, and completion of the First Inspection, the Mutual will have fifteen (15) calendar days to review and approve or deny the buyer's application for membership.

**Occupancy by Buyer Prior to Close of Escrow**

A buyer is not be permitted to occupy a manor prior to Board approval of the Buyer's membership qualifications except by receiving Board approval of a Lease Permit through the GRF Lease Permit Office.

If a Seller agrees to permit the Buyer to occupy the manor after Board approval, and prior to close of escrow, both parties shall execute and present a Hold Harmless Agreement through the Security Division. Early occupancy based on the Hold Harmless Agreement shall be limited to fifteen (15) calendar days. Buyers who intend to occupy the manor for more than fifteen (15) days prior to close of escrow shall obtain a Lease Permit approved by the Board through the GRF Lease Permit Office.

**Carryover Occupancy by Seller**

If Buyer and Seller agree that Seller may continue to occupy the manor after close of escrow, such occupancy shall be limited to fifteen (15) calendar days. Seller who intends to carry over occupancy for more that fifteen (15) days following close of escrow shall obtain a Lease Permit approved by the Board through the GRF Lease Permit Office.

**Security Deposit**

If the inspection reveals an architectural violation, failure to maintain an alteration, or other damage to common area caused by the member or member's occupants, or if at the time of the inspection the member owes the Mutual unpaid assessments, fines or other amounts, the amounts sufficient to rectify the member's indebtedness to the Mutual will be held at escrow in a holding account. Any surplus funds shall be returned to the appropriate party.



**RESOLUTION 03-18-XX**

**REVISED RESALE POLICY**

**WHEREAS**, on May 20, 2014, the Board of Directors approved Resolution 03-14-53, establishing a security deposit for resale inspections;

**WHEREAS**, resale inspections and inspection reports are an integral part of the resale process and non-conforming conditions or alterations noted on the inspection reports are vital for the protection of Mutual property and assets; and,

**WHEREAS**, Staff has found the current security deposit section of the resale policy to be administratively burdensome and withholds funds from members for an unreasonable length of time.

**NOW THEREFORE BE IT RESOLVED**, July 17, 2018, that the Board of Directors hereby adopts the Proposed Revised Resale Policy as attached to the official meeting minutes;

**RESOLVED FURTHER**, effective September 1, 2018, corrections and deficiencies found in the resale inspection will be noted in the report and will be provided to the seller;

**RESOLVED FURTHER**, the Seller will be held responsible for the corrections and deficiencies;

**RESOLVED FURTHER**, corrections and repairs to Mutual property and assets shall be completed by the close of escrow;

**RESOLVED FURTHER**, the remainder of the existing policy will remain unchanged;

**RESOLVED FURTHER**, that Resolution 03-14-53, adopted May 20, 2014, is hereby superseded in its entirety and no longer in effect; 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.

June Initial Notification

30-Day notification to comply with Civil Code §4360 has been satisfied.

this page intentionally left blank

### **PROPOSED REVISED RESALE POLICY**

It is the policy of the Third Laguna Hills Mutual housing corporation that transfers of property through the resale process shall be handled as expeditiously as possible, in accordance with Mutual review and approval processes.

Further, it is the policy of the Mutual that the Seller of a condominium property in Third Mutual, or authorized agent, should:

Within two business days after listing or making the property available for sale, the Seller or Seller's authorized agent should notify the Resale Inspection Office, in writing of the listing and submit to the Resale Department a "Request for 1<sup>st</sup> Inspection Report". The notification shall include the name of the listing real estate agent or personal agent of the Seller, Seller's address and telephone number, the listing contract date, and Seller's current address and telephone number if Seller is not residing in the manor being listed for sale; and at least one week prior to close of escrow, the Seller or the authorized agent will request that a Final Inspection be scheduled.

#### **Seller's Authorization to Release Information**

Seller, or authorized agent, shall execute and deliver the Seller's Authorization for Release of Information to the Managing Agent. No information will be released by the Mutual or the Managing Agent to any party until the Managing Agent receives the Release.

#### **Mutual Board's Review of Buyer's Qualifications**

Upon receipt of all requisite documents from the Escrow Office handling the resale transaction, and completion of the First Inspection, the Mutual will have fifteen (15) calendar days to review and approve or deny the Buyer's application for membership.

#### **Occupancy by Buyer Prior to Close of Escrow**

A Buyer is not be permitted to occupy a manor prior to Board approval of the Buyer's membership qualifications except by receiving Board approval of a Lease Permit through the GRF Lease Permit Office.

If a Seller agrees to permit the Buyer to occupy the manor after Board approval, and prior to close of escrow, both parties shall execute and present a Hold Harmless Agreement or similar Mutual Issued document through the Security Division. Early occupancy based on the Hold Harmless Agreement shall be limited to fifteen (15) calendar days. Buyers who intend to occupy the manor for more than fifteen (15) days prior to close of escrow shall obtain a Lease Permit approved by the Board through the GRF Lease Permit Office.

### **Carryover Occupancy by Seller**

If Buyer and Seller agree that Seller may continue to occupy the manor after close of escrow, such occupancy shall be limited to fifteen (15) calendar days. Seller who intends to carry over occupancy for more than fifteen (15) days following close of escrow shall obtain a Lease Permit approved by the Board through the GRF Lease Permit Office.

### **Security Deposit**

~~If the inspection reveals an architectural violation, failure to maintain an alteration, or other damage to common area caused by the member or member's occupants, or if at the time of the inspection the member owes the Mutual unpaid assessments, fines or other amounts, the amounts sufficient to rectify the member's indebtedness to the Mutual will be held at escrow in a holding account. Any surplus funds shall be returned to the appropriate party.~~

### **Resale Corrections**

~~If the inspection reveals an architectural violation, failure to maintain an alteration, or other damage to common area caused by the Member or Member's occupants, the Member shall be responsible for such violations, alteration maintenance, and damage to common area. The Member must make all corrections before the close of escrow. The Mutual will make all corrections to landscaping; the cost of which shall be paid to the Mutual prior to close of escrow.~~

~~In the event that a Member is unable to ensure the repairs are completed by close of escrow, due to illness or circumstances beyond their control, the Member may be permitted to transfer the responsibility to the Buyer. The Buyer will be required to sign an acknowledgement accepting the responsibility for the repairs. The repairs will be required to be completed within six months after the close of escrow. Failure to complete the repairs will be subject to disciplinary action by the Board. The Member will be required to provide complete documentation of the illness or extenuating circumstances. The request for variance from this policy will require the approval of two Officers of the Board.~~

~~If at the time of the inspection the Member owes the Mutual unpaid assessments, fines or other amounts, the amounts sufficient to rectify the Member's indebtedness to the Mutual will be held at escrow in a holding account.~~



## STAFF REPORT

---

**DATE:** July 17, 2018  
**FOR:** Board of Directors  
**SUBJECT:** Unauthorized Alteration Fee

---

### **RECOMMENDATION**

Approve the Unauthorized Alteration Fee.

### **BACKGROUND**

On October 20, 2017, the Board passed Resolution 03-17-120, which adjusted the processing fees for Mutual Consents based on actual costs. Since that time, the Mutual has experienced an increase in alteration work being performed without proper Mutual Consents. Article III §8 and Article X of the CC&Rs require approval of the Board prior to performing any alteration.

On May 29, 2018, the ACSC reviewed this Staff Report and Resolution. The Committee voted to recommend the item for approval by the Board.

### **DISCUSSION**

At the direction of the Board, the Alterations Division has worked closely with Security and Compliance Staff to enforce Mutual Rules and Regulations regarding alterations and construction activity. As a result of these efforts, Staff has seen an increase in requests for Mutual Consents for work that has been started or completed without prior authorization.

When unauthorized work is discovered, an Alterations Inspector is dispatched to the manor and investigates the circumstances. A Stop Work Notice is issued, complete documentation is performed, and a ticket is entered into the system. The Alterations Inspector returns to the manor within three business days to ensure that the work has stopped.

After the Alterations Inspector completes the initial investigation, documentation and follow-up, the Compliance section is notified. Compliance staff sends a notice to the offending party describing the allegations and the disciplinary action that will ensue if not corrected. The matter is then scheduled for a disciplinary hearing with the Board of Directors to determine if member-discipline is merited. Payment of the Unauthorized Alteration processing fee does not preclude the Member from disciplinary action by the Board.

On October 20, 2017, the Board passed Resolution 03-17-120, which adjusted the processing fees for Mutual Consents. The new fees were based on the administrative costs to process the documentation required for the Mutual Consents. Due to the extended processes and additional staff involvement, processing unauthorized alterations adds additional administrative costs that were not included in the Resolution.

Based on advice from legal counsel, the Mutual may charge fees to defray the costs for administering a service. The Compliance Division estimates that an average of five hours of staff time is spent processing each case; the Alterations Division estimates an average of three hours of staff time for each incident. Based on actual administrative costs incurred, Staff proposes to charge an additional Unauthorized Alteration Fee of \$300 for processing unauthorized alterations.

### **FINANCIAL ANALYSIS**

Additional fee revenue will offset existing administrative costs in operations, as outlined above.

**Prepared By:** Kurt Wiemann, P.I.R. Manager

**Reviewed By:** Eve Morton, Alterations Coordinator

### **Attachments:**

**Attachment 1:** Proposed Resolution 03-18-XX for Unauthorized Alteration Fee

**RESOLUTION 03-18-XX**

**Unauthorized Alteration Fee**

**WHEREAS**, the Mutual has seen an increase in unauthorized alterations; and,

**WHEREAS**, significant administrative staff time is necessary to investigate, document and process unauthorized alteration incidents.

**NOW THEREFORE BE IT RESOLVED**, July 17, 2018, that the Board of Directors hereby adopts the Unauthorized Alteration Fee;

**RESOLVED FURTHER**, effective September 1, 2018, the administrative fee for processing Mutual Consents after-the-fact will be \$300;

**RESOLVED FURTHER**, when it has been determined that a member has started or completed alterations without proper prior Mutual Consent, a Stop Work notice will be issued and the member will be scheduled for a disciplinary hearing before the Board;

**RESOLVED FURTHER**, the member will be directed to apply for Mutual Consent and shall pay the Unauthorized Alteration Fee, which shall be in addition to the Board approved Mutual Consent processing fees;

**RESOLVED FURTHER**, payment of the Unauthorized Alteration Fee does not preclude the Member from disciplinary action by the Board;

**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.

June Initial Notification

30-Day notification to comply with Civil Code §4360 has been satisfied.

this page intentionally left blank





## STAFF REPORT

---

**DATE:** July 17, 2018  
**FOR:** Board of Directors  
**SUBJECT:** Revisions to Alteration Standard 31: Washer and Dry Installations

---

### **RECOMMENDATION**

Approve a resolution to revise Alteration Standard 31: Washer and Dryer Installations.

### **BACKGROUND**

On June 25, 2018, the ACSC reviewed this Staff Report and Resolution. The Committee voted to recommend the item for approval by the Board.

The Architectural Controls and Standards Committee (ACSC) requested Staff to review and revise the current Alteration Standards for applicability, usefulness, and current technology.

There are currently 40 Alteration Standards available for Members to use to perform alterations to their manor. Many have not been reviewed or updated for years to reflect changes in technology, materials, and construction methods.

Alteration Standard 31: Washer and Dryer Installation was last revised in December 1998, via Resolution M3-98-65.

### **DISCUSSION**

The ACSC has reviewed the existing Alteration Standard 31: Washer and Dry Installation and determined that the Standard needs to be revised to reflect the current Building Codes, Municipal Codes, or Mutual policies. The proposed revisions to the Standard are as follows:

- §2.6 A Mutual Consent will be not be issued for manors that do not qualify as determined by existing waste line sizes. Minimum sizes are ~~2~~ 3" ABS plastic and 3" cast iron.
- §2.12 The installation of washers and dryers in three-story buildings is prohibited and variance requests for washers and dryers in three-story buildings will not be accepted. Variances for the installation of washer and dryers in individual manors will not be granted in three-story buildings.

### **FINANCIAL ANALYSIS**

None.

**Prepared By:** Kurt Wiemann, Permits, Inspections and Restoration Manager

**Reviewed By:** Eve Morton, Alterations Coordinator

**ATTACHMENT(S)**

**Attachment 1:** Resolution 03-18-XXX Revise Alteration Standard 31: Washer and Dry Installations

**Attachment 2:** Red Lines of Alteration Standard 31: Washer and Dry Installations

**Attachment 3:** Revised Standard 31: Washer and Dry Installations

## **Attachment 1**

### **RESOLUTION 03-18-XX**

#### **Revise Alteration Standard 31: Washer and Dry Installations**

**WHEREAS**, the Architectural Controls and Standards Committee recognizes the need to amend Alteration Standards and create new Alteration Standards as necessary; and,

**WHEREAS**, the Architectural Control and Standard Committee recognizes the need to revise Alteration Standard 31: Washer and Dry Installations.

**NOW THEREFORE BE IT RESOLVED**, July 17, 2018, that the Board of Directors of this Corporation hereby introduces Alteration Standard 31: Washer and Dry Installations as attached to the official meeting minutes;

**RESOLVED FURTHER**, that Resolution M3-98-65 adopted December, 1998, is hereby superseded in its entirety and no longer in effect;

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

#### **July Initial Notification**

Should the Board endorse the proposed revisions, 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 30-days from the postponement to comply with Civil Code §4360.

this page intentionally left blank

## ~~THIRD LAGUNA HILLS MUTUAL~~



### **SECTION STANDARD 31 WASHER & DRYER INSTALLATIONS**

APRIL 1991

REVISED DECEMBER 1998, RESOLUTION M3-98-65

GENERAL REQUIREMENTS REVISED APRIL 2011, RESOLUTION 03-11-49

**GENERAL REQUIREMENTS REVISED JANUARY 2018, RESOLUTION 03-18-12**

**REVISED JULY 2018, RESOLUTION 03-18-XXX**

#### **1.0 GENERAL REQUIREMENTS**

See Standard Section 1: General Requirements

#### **2.0 EXTERIOR CABINETS**

- 2.1 All patio installations shall be enclosed in a cabinet which meets all manufacturer's requirements.
- 2.2 The cabinet design shall be submitted to the ~~Permits and Inspections office~~Alterations Division prior to issuance of ~~-a Mutual Consent an alteration permit~~. The design shall address protection of the equipment from the elements.
- 2.3 Cabinets must be obscured from public view (i.e., block wall, closed patio).
- 2.4 Cabinets to be painted to match existing color of building.
- 2.5 Location of unit and/or plumbing connections must be submitted in writing to the the ~~Permits and Inspections office~~Alterations Division prior to issuance of a ~~permit~~Mutual Consent.
- 2.6 ~~No permits~~A Mutual Consent will be not be issued for manors that do not qualify as determined by existing waste line sizes. Minimum sizes are 23" ABS plastic and 3" cast iron.

- 2.7 All penetrations through existing walls shall be properly flashed and caulked to provide a weather tight seal around all protruding plumbing, electrical and vent lines.
- 2.8 Connections below slab shall be properly vented and covered with sand and "Visqueen" before replacement of concrete.
- 2.9 All hot and cold water supply lines shall be of minimum 1/2" diameter, type L copper.
- 2.10 All pressure lines shall be securely strapped to prevent movement or knocking.
- 2.11 All electrical wiring to be located in walls. No exposed conduit will be permitted.
- 2.12 The installation of washers and dryers in three-story buildings is prohibited and variance requests for washers and dryers in three-story buildings will not be accepted. Variances for the installation of washers and dryers in individual manors will not be granted in three-story buildings.



## **STANDARD 31: WASHER & DRYER INSTALLATIONS**

APRIL 1991

REVISED DECEMBER 1998, RESOLUTION M3-98-65

GENERAL REQUIREMENTS REVISED APRIL 2011, RESOLUTION 03-11-49

GENERAL REQUIREMENTS REVISED JANUARY 2018, RESOLUTION 03-18-12

REVISED JULY 2018, RESOLUTION 03-18-XXX

### **1.0 GENERAL REQUIREMENTS**

See Standard Section 1: General Requirements

### **2.0 EXTERIOR CABINETS**

- 2.1** All patio installations shall be enclosed in a cabinet which meets all manufacturer's requirements.
- 2.2** The cabinet design shall be submitted to the Alterations Division prior to issuance of a Mutual Consent. The design shall address protection of the equipment from the elements.
- 2.3** Cabinets must be obscured from public view (i.e., block wall, closed patio).
- 2.4** Cabinets to be painted to match existing color of building.
- 2.5** Location of unit and/or plumbing connections must be submitted in writing to the the Alterations Division prior to issuance of a Mutual Consent.
- 2.6** A Mutual Consent will be not be issued for manors that do not qualify as determined by existing waste line sizes. Minimum sizes are 3" ABS plastic and 3" cast iron.
- 2.7** All penetrations through existing walls shall be properly flashed and caulked to provide a weather tight seal around all protruding plumbing, electrical and vent lines.

- 2.8 Connections below slab shall be properly vented and covered with sand and "Visqueen" before replacement of concrete.
- 2.9 All hot and cold water supply lines shall be of minimum 1/2" diameter, type L copper.
- 2.10 All pressure lines shall be securely strapped to prevent movement or knocking.
- 2.11 All electrical wiring to be located in walls. No exposed conduit will be permitted.
- 2.12 **The installation of washers and dryers in three-story buildings is prohibited and variance requests for washers and dryers in three-story buildings will not be accepted.**





## **STAFF REPORT**

---

**DATE:** July 17, 2018  
**FOR:** Board of Directors  
**SUBJECT:** Delinquent Assessment – Payment Plan Agreement

---

### **RECOMMENDATION**

Staff and the Finance Committee recommend the Board approve revisions to the Delinquent Assessment - Payment Plan Agreement form, initiating a monthly charge for interest at the rate of 10% per annum, and introducing an administrative fee of \$25 per month.

### **BACKGROUND**

As indicated in the Third Mutual Collection and Lien Enforcement Policy, any Member who is unable to timely pay regular assessments is entitled to make a written request for a payment plan to the Board. The Board considers payment plan requests on a case-by-case basis, and is under no obligation to grant requests.

A Delinquent Assessment – Payment Plan form is used to create an agreement between the delinquent Member and the Mutual. The form includes several payment options and conditions for repayment. Once completed by the Member, the form is submitted for review by the Finance Committee with a Staff recommendation for approval, denial, or modification.

The Finance Committee requested legal review of this form to provide stronger collection language if terms of the agreement are breached and to recover costs associated with accepting payments over time.

### **DISCUSSION**

On July 3, 2018 the Third Finance Committee reviewed the existing Payment Plan Agreement Form including changes submitted by legal counsel, with stronger collection language added to help reinforce collection activity that will occur if a member breaches the agreed-to payment plan for delinquent assessments. The form also incorporates a new interest rate of 10% per annum and a new administrative fee of \$25 for every month the agreement is in effect.

### **FINANCIAL ANALYSIS**

The stronger terms of the payment plan agreement are likely to result in additional compliance and repayment of delinquent assessments.

**Prepared By:** Betty Parker, Chief Financial Officer

**Reviewed By:** Steve Hormuth, Controller

**ATTACHMENT(S)**

ATT1 – Delinquent Assessment – Payment Plan Agreement

ATT2 – Resolution



## DELINQUENT ASSESSMENT – PAYMENT PLAN AGREEMENT

Manor Number: \_\_\_\_\_ Assessment Delinquency: \_\_\_\_\_

Member SS#: \_\_\_\_\_ DL# \_\_\_\_\_

The undersigned hereby acknowledges the assessment delinquency shown above. He or she acknowledges the rights of Third Laguna Hills Mutual (the Mutual) to collect such assessments, together with accrued late charges, interest and collection costs, in accordance with the laws of the State of California and the governing documents of the Mutual. The following reflects the standards that have been adopted by the Board of Directors. Refer to the Payment Plan Standards For Delinquent Assessment Payments document for more details. The undersigned agrees to repay the delinquency debt according to the following plan,

### Check One:

- ☐ **INSTALLMENTS:** The delinquent balance will be paid off in its entirety within \_\_\_\_\_ months. To achieve this, extra monthly payments will be made in the amount of \$ \_\_\_\_\_. **These payments will be in addition to the regular monthly assessment.** Extra payments will commence on \_\_\_\_\_ and be made on or before the first of each successive month until the delinquency and accrued late charges are paid in full. With this standard payment option, the undersigned is also required to submit a completed financial statement form (enclosed) as well as a copy of pages one and two of the two most recent federal tax returns.
- ☐ **LUMP SUM:** Payment in full of the delinquent amount will be made in a lump sum on or before \_\_\_\_\_. **This payment will be in addition to the regular monthly assessment.**
- ☐ **ESCROW:** The undersigned states that the manor is presently for sale, and will present a copy of the executed listing agreement in conjunction with this agreement. If the listing agreement expires before the manor is sold, a new executed listing agreement must be presented. The total term of the payment plan under this option cannot exceed 90 days. Payment in full of the delinquent amount will be made from the proceeds of sale of the manor, through escrow. Further, undersigned understands and agrees that accrued fees, charges and legal collection costs will be collected through escrow. This option allows a request for review by the Board of Directors for an extension.
- ☐ **OTHER:** Member's payment plan proposal that is in accordance with the standards for payment plans adopted by the Mutual: \_\_\_\_\_. **This will be in addition to the regular monthly assessment**

### Initial All:

- ☐ The undersigned understands that interest will accrue at the rate of 10% per annum, in accordance with the Collection and Lien Enforcement Policy of the Mutual, until the delinquency is paid in full. In addition, the undersigned shall pay an administrative fee of \$25.00 for every month this agreement is in effect. If this agreement is breached and the Board of Directors for the Mutual allows re-instatement, Owner will be responsible for payment of all attorneys' fees, costs, interest, late fees and assessments incurred as a result of said breach before this agreement will be deemed "paid in full."
- ☐ The undersigned understands that the Mutual will pursue all available legal means to collect the sums due on the manor including the recording of a lien for an additional cost of a minimum of \$625 if the terms of this agreement are breached. If any one payment is not received by the deadline stated, the Mutual shall, without any further notice to undersigned, have the power and authority to pursue any and all collection remedies against undersigned and/or undersigned's property, including but not limited to non-judicial foreclosure, judicial foreclosure, any remedies available, and a lawsuit for purposes of securing a money judgment. Undersigned waives any and all claims against the Mutual and its agents and attorneys, and undersigned waives any and all defenses available related to or arising out of this matter, the amounts owed under this agreement, and any other obligation stated herein.
- ☐ The undersigned understands that he or she has the right to meet with the Board of Directors of the Mutual to discuss a reasonable alternative payment plan option (see the fourth option above), according to the payment plan standards adopted by the Board of Directors of the Mutual.

Member Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Mutual Officer Signature: \_\_\_\_\_

Date: \_\_\_\_\_

#### Return signed form by mail to:

Assessment Payment Representative  
PO Box 2220  
Laguna Woods, CA 92654-2220

#### Or deliver in person to:

Assessment Payment Representative  
24351 El Toro Road  
Laguna Woods, CA 92637  
Phone: (949) 597-4221 Fax: (949) 472-4154

Agenda Item # 13b



## DELINQUENT ASSESSMENT – PAYMENT PLAN AGREEMENT

Manor Number: \_\_\_\_\_ Assessment Delinquency: \_\_\_\_\_

Member SS#: \_\_\_\_\_ DL# \_\_\_\_\_

The undersigned hereby acknowledges the assessment delinquency shown above. He or she acknowledges the rights of Third Laguna Hills Mutual (the Mutual) to collect such assessments, together with accrued late charges, interest and collection costs, in accordance with the laws of the State of California and the governing documents of the Mutual. The following reflects the standards that have been adopted by the Board of Directors. Refer to the Payment Plan Standards For Delinquent Assessment Payments document for more details. The undersigned agrees to repay the delinquency debt according to the following plan,

### Check One:

- ☐ **INSTALLMENTS:** The delinquent balance will be paid off in its entirety within \_\_\_\_\_ months. To achieve this, extra monthly payments will be made in the amount of \$ \_\_\_\_\_. **These payments will be in addition to the regular monthly assessment.** Extra payments will commence on \_\_\_\_\_ and be made on or before the first of each successive month until the delinquency and accrued late charges are paid in full. With this standard payment option, the undersigned is also required to submit a completed financial statement form (enclosed) as well as a copy of pages one and two of the two most recent federal tax returns.
- ☐ **LUMP SUM:** Payment in full of the delinquent amount will be made in a lump sum on or before \_\_\_\_\_. **This payment will be in addition to the regular monthly assessment.**
- ☐ **ESCROW:** The undersigned states that the manor is presently for sale, and will present a copy of the executed listing agreement in conjunction with this agreement. If the listing agreement expires before the manor is sold, a new executed listing agreement must be presented. The total term of the payment plan under this option cannot exceed 90 days. Payment in full of the delinquent amount will be made from the proceeds of sale of the manor, through escrow. Further, undersigned understands and agrees that accrued fees, charges and legal collection costs will be collected through escrow. This option allows a request for review by the Board of Directors for an extension.
- ☐ **OTHER:** Member's payment plan proposal that is in accordance with the standards for payment plans adopted by the Mutual: \_\_\_\_\_. **This will be in addition to the regular monthly assessment**

### Initial All:

- ☐ The undersigned understands that interest ~~will may~~ accrue at the rate of 10% per annum, in accordance with the Collection and Lien Enforcement Policy of the Mutual, until the delinquency is paid in full. In addition, the undersigned shall pay an administrative fee of \$25.00 for every month this agreement is in effect. If this agreement is breached and the Board of Directors for the Mutual allows re-instatement, Owner will be responsible for payment of all attorneys' fees, costs, interest, late fees and assessments incurred as a result of said breach before this agreement will be deemed "paid in full."
- ☐ The undersigned understands that the Mutual ~~will reserves the right to~~ pursue all available legal means to collect the sums due on the manor including the recording of a lien for an additional cost of a minimum of \$625 if the terms of this agreement are breached. If any one payment is not received by the deadline stated, the Mutual shall, without any further notice to undersigned, have the power and authority to pursue any and all collection remedies against undersigned and/or undersigned's property, including but not limited to non-judicial foreclosure, judicial foreclosure, any remedies available, and a lawsuit for purposes of securing a money judgment. Undersigned waives any and all claims against the Mutual and its agents and attorneys, and undersigned waives any and all defenses available related to or arising out of this matter, the amounts owed under this agreement, and any other obligation stated herein.
- ☐ The undersigned understands that he or she has the right to meet with the Board of Directors of the Mutual to discuss a reasonable alternative payment plan option (see the fourth option above), according to the payment plan standards adopted by the Board of Directors of the Mutual.

Member Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Mutual Officer Signature: \_\_\_\_\_

Date: \_\_\_\_\_

### Return signed form by mail to:

Manor Assessment Payment Representative  
PO Box 2220  
Laguna Woods, CA 92654-2220

### Or deliver in person to:

Manor Assessment Payment Representative  
24351 El Toro Road  
Laguna Woods, CA 92637  
Phone: (949) 597-4221 Fax: (949) 472-4154

**Resolution 03-18-XX**  
**Delinquent Assessment Payment Plan Agreement**

**WHEREAS**, any Member who is unable to timely pay regular assessments is entitled to make a written request for a payment plan to the Board;

**WHEREAS**, each request for a payment plan is approved or denied on a case-by-case basis after review by the Finance Committee;

**WHEREAS**, a Delinquent Assessment – Payment Plan form, which includes several payment options and conditions, is used to create an agreement between the delinquent Member and the Mutual;

**WHEREAS**, the Third Finance Committee recommends a revised Payment Plan Agreement Form with changes submitted by legal counsel to help reinforce collection activity that will occur if a member breaches the agreed-to payment plan for delinquent assessments; and

**WHEREAS**, the Finance Committee recommends recovering costs associated with accepting payments over time including the initiation of interest charges and an administrative fee for every month the agreement is in effect;

**NOW THEREFORE BE IT RESOLVED**, on July 17, 2018, the Board of Directors of this Corporation hereby introduces revisions to the Delinquent Assessment - Payment Plan Agreement form, as attached to this Corporate record, initiating a monthly charge for interest at the rate of 10% per annum, and introducing a new payment plan administrative fee of \$25 per month; 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**

**Should the Board endorse the proposed revisions, 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 30-days from the postponement to comply with Civil Code §4360.**

this page intentionally left blank



## STAFF REPORT

---

**DATE:** July 17, 2018  
**FOR:** Third Mutual Board of Directors  
**SUBJECT:** Award a Contract and Approve Supplemental Funding for Orange County Fire Authority Fire Fuel Risk Reduction

---

### **RECOMMENDATION**

Award a contract to Brightview Landscape in an amount not to exceed \$200,000 and approve a supplemental appropriation of the same amount, to be funded from the Contingency Fund, to perform fuel modification on slopes within Third Mutual, at the direction of the Orange County Fire Authority (OCFA) to reduce the risks associated with wildland fires on adjacent properties.

### **BACKGROUND**

Inspections of high risk fire areas within Third Mutual are performed annually by OCFA. Any violations or areas of concern are addressed through mutually agreed upon 'work plans' which guide staff in the modification of vegetation in landscaped areas to reduce the fire risk and to establish or improve the defensible space against wildland fires coming from open lands adjacent to Laguna Woods Village (Village).

The OCFA Fire Prevention Specialist (Specialist) recently evaluated the high risk areas of the Village and pointed out the areas of greatest concern for fire risk. The main areas focused on are along the northwest boundary of the Village along the Bahia Blanca corridor, and along El Toro Road at the southwestern border of the Village. The Specialist recommended a short term program of lowering the shrubs (primarily acacia) and establishing a greater vertical separation from trees. A longer-term program to remove acacia or other combustible woody plants and replace them with lower growing fire resistant species was suggested. Staff has prepared a work plan to establish a scope of work and a methodology to the project that has been communicated to the OCFA Specialist.

On July 3, 2018 the Finance Committee discussed budgets proposed for slope renovations in 2019 and the need to fund this work in 2018 to begin slope clearing and maintenance. A motion was made and carried unanimously to recommend that the Board approve a supplemental appropriation of \$100,000 from the Unappropriated Expenditures Fund for Slope Renovations.

On July 6, 2018 at the Agenda Preparation meeting, by consensus the Board recommended increasing this funding to \$200,000.

### **DISCUSSION**

While the longer-range goal of establishing a management plan and securing funding is pursued, the more immediate direction from OCFA to make progress is being addressed. Staff

has met with and obtained support from the union that represents the landscape field workers of Village Management Services, Inc. to proceed with contracting out the necessary fire-prevention work on slopes. A proposal was received from Brightview Landscape, a vendor currently contracted with Third Mutual to perform similar work on Ridge Route Drive, to begin fuel modification work within Third Mutual to address direction received from OCFA. Brightview Landscape would cut the acacia and other plant material to three feet in height, remove dead vegetation and raise the lower branches on slope trees to twelve feet above the shrubs. All greenwaste material generated by the work would be chipped and delivered to the GRF composting facility as part of the proposal.

Brightview Landscape was recently awarded a contract to perform similar work on Ridge Route Drive. The company had the lowest responsible bid for that formally, competitively bid project. That work will begin in early August. The company has the appropriate manpower, equipment and experience to perform the scope of the project in a safe efficient manner.

Should the Third Board award the contract to Brightview Landscape and approve the supplemental appropriation, Brightview Landscape is prepared to begin work on July 30, 2018.

### **FINANCIAL ANALYSIS**

The scope of the immediate fuel modification effort is estimated to cost approximately \$55,000. The contract incorporates a price per man-hour of \$65.00. With the requested funding of \$200,000, much more extensive fuel modification work would be completed, moving to high risk interior slopes based on the direction of OCFA's and significantly reducing the fire risk to a much greater area within Third Mutual. If all fuel modification work is completed and there are remaining funds, slope brush reduction in lower risk slope areas would be addressed as well.

There is no current year funding for this project. Supplemental funding would be provided from the Contingency Fund.

**Prepared By:** Bruce Hartley, General Services Director

**Reviewed By:** Siobhan Foster, Chief Operating Officer

Betty Parker, Chief Financial Officer

### **ATTACHMENT(S)**

ATT-1: Brightview Landscape Cost Proposal

ATT-2: Resolution 03-18-xx



July 5, 2018

Thank you for the opportunity to present a [Tree Care Proposal for Laguna Woods Village](#). After speaking with you and walking the property, we've put together a competitive bid to perform this work. Following is a summary of the primary objectives we discussed:

- **Improve property aesthetics while reducing hazards** –Using our knowledge and experience, we have made recommendations for your trees with this in mind, which can include pruning, health care, removals, stump grinding and replanting options.

We know that you have a choice when it comes to selecting a tree care contractor. As you consider your options, please remember what makes BrightView distinct.

- 24/7 Emergency Response
- Self-Performed Work; No Subcontractors
- Neat, Clean, Uniformed Tree Care Crews
- Company-Supplied, Regularly-Maintained Tools & Equipment
- Regularly Solicited Customer Feedback Via 3<sup>rd</sup> Party Firm
- Work Performed in Accordance with Industry Best Practices
- Strict, Self-Imposed Safety Standards
- Personal and Property Damage Insurance, Specifically for Tree Work
- Same Three-Person Teams Together on Every Job
- Certified Arborist or Tree Care Specialist on Every Job
- Multi-Year Tree Management Programs
- Landscape Design, Installation & Maintenance Solutions

As soon as you are ready, we can schedule the work and look forward to working together. Thank you for your consideration.

Sincerely,



Larry Martony, Certified Arborist #WE-8794A  
714-476-3525 (cell)  
[Larry.Martony@Brightview.com](mailto:Larry.Martony@Brightview.com)



## Laguna Woods Village Tree Care Services Proposal

<b>Customer Name</b>	Laguna Woods Village	<b>Jobsite Name</b>	Laguna Woods Village
<b>Customer Phone</b>	949.597.4620	<b>Jobsite Address</b>	23611 Ridge Route Drive
<b>Customer E-Mail</b>	shervin.pourjaneki@vmsinc.org	<b>Jobsite City, St, Zip</b>	Laguna Woods, CA
<b>Billing Address</b>	24351 El Toro Road,	<b>Jobsite Contact</b>	Bruce Hartley
<b>Billing City, St, Zip</b>	Laguna Woods CA 92637	<b>Jobsite Contact Phone</b>	949.597.4620

### Service

#### Brush Clearing - Day Rate 6 man team - \$3,120

#### Items included in this price

Jobsite clean-up and debris disposal	<input checked="" type="checkbox"/>	All materials	<input checked="" type="checkbox"/>
City ordinances for noise and traffic blockage researched and followed	<input checked="" type="checkbox"/>	All applicable taxes	<input checked="" type="checkbox"/>
Company-supplied, regularly-maintained tools and equipment	<input checked="" type="checkbox"/>	Drive time	<input checked="" type="checkbox"/>

1960 South Yale Street Santa Ana , CA 92704

Fax (714) 546-7295 Cell (714) 476-3525

www.brightview.com

**Total Proposed Cost**

**TBD**

THIS IS NOT AN INVOICE

# Growing Your Assets



Enhance the value of your property, improve aesthetic appeal and mitigate risk with healthy, well-maintained trees. Our knowledgeable team is committed to helping you achieve exceptional results through proactive tree management, protection and restoration.

## Comprehensive Services to Meet your Goals

- Arborist Consulting
- Tree Health Care
- Pruning
- Tree Preservation
- Tree Support Systems (cabling and bracing)
- Emergency Storm Response
- Lightning Protection Systems
- Tree Removal Services



**BrightView** 

### Contact Us

Larry Martony  
714 476 3525  
[larry.martony@brightview.com](mailto:larry.martony@brightview.com)

[www.brightview.com](http://www.brightview.com)



## Greater Property Value and Curb Appeal

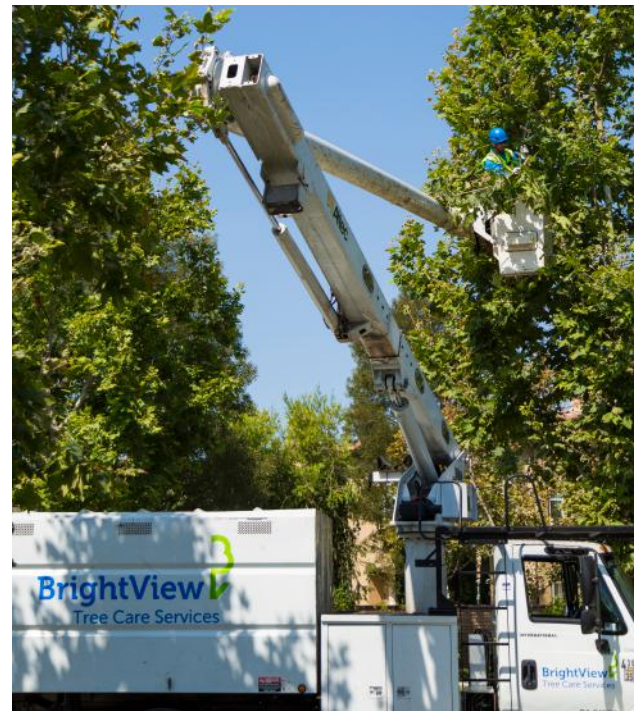
Trees add beauty to your landscape, create a pleasant environment for visitors and can increase the value of your property by as much as 20 percent. Ongoing care helps ensure your trees stay healthy and vibrant.

## Reduced Risks

Well-managed trees offer inherent risk-mitigation benefits through increased privacy and security. Plus, by identifying potential issues before they arise, our team makes sure you're prepared to prevent tree-related problems and damage.

## Environmental Benefits

From reducing energy needs by naturally moderating temperatures to improving air quality and slowing erosion, trees offer a wide range of environmental and sustainability benefits. We work with you to quantify the impact trees could have for your property and strategically place them for optimal results.



# Take your Trees to New Heights

## With you Every Step of the Way

As with any aspect of your landscape, tree care is part of a lifecycle that promotes consistent results you can take pride in. Our comprehensive capabilities allow us to be your partner through every stage.

## A Wealth of Resources Dedicated to You

With deep knowledge in design, construction, horticulture, agronomy and arboriculture, we bring together **the right experts to get the job done.**



# BrightView Tree Care Services

## Terms & Conditions

1. **Bid Specifications:** The Contractor shall recognize and perform in accordance with only written terms, specifications, and drawings contained or referred to herein. All materials shall conform to bid specifications.
2. **Work Force:** Contractor shall designate a qualified representative with experience in tree management. The work force shall be presentable at all times. All employees shall be competent and qualified and shall be legally authorized to work in the U.S.
3. **Tree & Stump Removal:** Trees removed will be cut as close to the ground as possible based on conditions near to or next to the bottom of the tree trunk. Additional charges will be levied for unseen hazards such as, but not limited to concrete or brick filled trunks, metal rods, etc. If requested, mechanical grinding of visible tree stump will be done to a defined width and depth below ground level at an additional charge to the Client/Owner. Defined backfill and landscape material may be specified. Client/Owner shall be responsible for contacting Underground Service Alert to locate underground utility lines prior to start of work. BrightView Tree Care Services is not responsible for damage done to underground utilities such as, but not limited to, cables, wires, pipes, and irrigation parts. BrightView Tree Care Services will repair damaged irrigation lines at the Client/Owner's expense.
4. **Scheduling of Work:** If the jobsite conditions materially change from the time of approval of this proposal to the time the work starts, such that the job costs are adversely changed, this proposal is null and void. Scheduling of work is dependent on weather conditions and workloads. Our office will call the day prior to the work being done, unless other arrangements are made.
5. **Work Hours:** Any work, including emergency work, overtime and weekend work performed outside of the normal working hours (Monday-Friday between 6:30 a.m. and 2:30 p.m.) shall be billed at overtime rates. Use of power equipment will commence at 7:00 a.m., unless otherwise specified in the scope of work. Additional charges will be applied if crews cannot use power equipment by 9:00 a.m.
6. **License and Permits:** Contractor shall maintain a Landscape Contractor's license if required by State or local law and will comply with all other license and permit requirements of relevant city, state and federal governments, as well as all other requirements of law.
7. **Taxes:** Contractor agrees to pay all applicable taxes, including sales taxes on material supplied, where applicable.
8. **Insurance:** Contractor agrees to provide General Liability Insurance, Automotive Liability Insurance, Worker's Compensation Insurance, and any other insurance required by law or Client/Owner, as specified in writing prior to commencement of work. If not specified, Contractor will furnish insurance with a \$1,000,000 limit of liability.
9. **Liability:** Contractor shall indemnify the Client/Owner and its agents and employees from and against any liabilities that arise out of Contractor's work to the extent such liabilities are adjudicated to have been caused by Contractor's negligence or willful misconduct. Contractor shall not be liable for any damage that occurs from acts of God. Acts of God are defined as those caused by windstorm, hail, fire, flood, earthquake, hurricane and freezing, etc. Under these circumstances, Contractor shall have the right to renegotiate the terms and prices of this agreement within sixty (60) days. Any illegal trespass, claims and/or damages resulting from work requested that is not on property owned by Client/Owner or not under Client/Owner management and control shall be the sole responsibility of Client/Owner.
10. **Waiver of Liability:** Requests for crown thinning in excess of twenty-five percent (25%), or work not in accordance with ISA (International Society of Arboricultural) standards will require a signed waiver of liability.
11. **Subcontractors:** Contractor reserves the right to hire qualified subcontractors to perform specialized functions or work requiring specialized equipment.
12. **Additional Services:** Any additional work not specified in the signed written proposal that involves additional costs will be executed only upon signed written order and will become an extra charge over and above the estimate.
13. **Access to Job Site:** Client/Owner shall provide all utilities to perform the work. Client/Owner shall furnish access to all parts of the job site where Contractor is to perform work as required by the Contract or other functions related thereto, during normal business hours and other reasonable periods of time. Contractor will perform the work as reasonably practical after the owner makes the site available for performance of the work.
14. **Invoicing:** Client/Owner shall make payment to Contractor within fifteen (15) days of receipt of invoice.
15. **Cancellation:** Notice of cancellation of work must be received in writing before the crew is dispatched to their location or Client/Owner will be liable for a minimum travel charge of \$150.00 and billed to Client/Owner.
16. **Assignment:** The Client/Owner and the Contractor, respectively, bind themselves, their partners, successors, assignees and legal representatives to the other party with respect to all covenants of this Contract. In the event of sale or transfer of Client/Owner's interest in its business and/or the property which is the subject of this agreement, Client/Owner must first obtain the written consent of Contractor for the assignment of any interest in this agreement to be effective.
17. **Disclaimer:** This proposal for tree care services was estimated and priced based upon a site visit and visual inspection from ground level using ordinary means, at or about the time this proposal was prepared. The price quoted in this proposal for the work described, is the result of that ground level visual inspection and therefore our company will not be liable for any additional costs or damages for additional work not described herein, or liable for any incidents/accidents resulting from conditions, that were not ascertainable by said ground level visual inspection by ordinary means at the time said inspection was performed. The work performed by BrightView Tree Care Services is intended to reduce the chances of tree failure and any corresponding property liabilities, in addition to enhancing aesthetic value but is not a guarantee. We cannot be held responsible for unknown or otherwise hidden defects of your trees, which may fail in the future. The corrective work proposed herein cannot guarantee exact results. Professional engineering, architectural, and/or landscape design services ("Design Services") are not included in this Agreement and shall not be provided by the Contractor. Any design defects in the Contract Documents are the sole responsibility of the Owner. If the Client/Owner must engage a licensed engineer, architect and/or landscape design professional, any costs concerning these Design Services are to be paid by the Client/Owner directly to the designer involved.

### Acceptance of this Proposal

Contractor is authorized to perform the work stated on the face of this proposal. Payment will be 100% due at time of billing. If payment has not been received by BrightView Tree Care Services within fifteen (15) days after billing, BrightView Tree Care Services shall be entitled to all costs of collection, including reasonable attorneys' fees and it shall be relieved of any obligation to continue performance under this or any other Contract with Client/Owner. Interest at a per annum rate of 1% per month, or the highest rate permitted by law, will be charged on unpaid balance 45 days after billing.

**NOTICE:** FAILURE TO MAKE PAYMENT WHEN DUE FOR COMPLETED WORK ON CONSTRUCTION JOBS, MAY RESULT IN A MECHANIC'S LIEN ON THE TITLE TO YOUR PROPERTY.

### Customer

Signature \_\_\_\_\_ Title \_\_\_\_\_

Printed Name \_\_\_\_\_ Date \_\_\_\_\_

### BrightView Tree Care Services

 \_\_\_\_\_  
Certified Arborist WE-8794A

Signature \_\_\_\_\_ Title \_\_\_\_\_

Larry Martony \_\_\_\_\_ July 5, 2018

Printed Name \_\_\_\_\_ Date \_\_\_\_\_

this page intentionally left blank

**RESOLUTION 03-18-xx**  
**Fire Risk Reduction**

**WHEREAS**, the Board of Directors (the “Board”) of Third Laguna Hills Mutual (“Mutual”) held a meeting on July 17, 2018, at which a quorum of the Board was present;

**WHEREAS**, pursuant to the Mutual’s Governing Documents, the Association, acting through the Board, is responsible for the management and upkeep of the Mutual’s common areas, including the landscaping and trees;

**WHEREAS**, the Third Mutual Finance Committee recommended the Award of a contract to Brightview Landscape in an amount not to exceed \$200,000 and approve a supplemental appropriation of the same amount, to be funded from the Contingency Fund, to perform fuel modification on slopes within Third Mutual, at the direction of the Orange County Fire Authority (OCFA) to reduce the risks associated with wildland fires on adjacent properties.

**NOW, THEREFORE BE IT RESOLVED**, July 17, 2018 that the Board of the Mutual hereby approves the award of a contract to Brightview Landscape in an amount not to exceed \$200,000 and approves a supplemental appropriation of the same amount, to be funded from the Contingency Fund;

**RESOLVED FURTHER**, that the officers and agents of the Mutual are hereby authorized on behalf of the Mutual to carry out this Resolution

this page intentionally left blank





## **STAFF REPORT**

---

**DATE:** July 17, 2018  
**FOR:** Board of Directors  
**SUBJECT:** Proposed Charter for Village Energy Task Force

---

### **RECOMMENDATION**

Dissolve the Third Laguna Hills Mutual Energy and Technology Committee and approve the proposed Charter for the creation of a Village Energy Task Force (Attachment 1).

### **BACKGROUND**

All three Corporations have recently entered into an Energy Consultant contract with The Energy Coalition in order to pursue an overall energy strategy for the community in light of rising energy costs, increased energy consumption, and rapidly changing technology, and a desire to obtain professional guidance to develop programs and projects to implement this strategy.

### **DISCUSSION**

Representatives from the three corporations met on July 5, 2018 and created a charter and mission statement for a joint energy taskforce, where energy efficiency measures could be developed.

### **FINANCIAL ANALYSIS**

None.

**Prepared By:** Laurie Chavarria, Executive Assistant

**Reviewed By:** Ernesto Munoz, P.E., Maintenance and Construction Director

### **ATTACHMENT(S)**

Attachment 1 – Proposed Charter

this page intentionally left blank

## Attachment 1 – Proposed Charter & Mission Statement

### Village Energy Task Force Charter and Mission

In July 2018, the Boards of Directors of the Third Laguna Hills Mutual, United Laguna Woods Mutual and the Golden Rain Foundation hereby assigns the duties and responsibilities of this Task Force, as follows:

***The Village Energy Task Force will consist of two directors each from Third Mutual, United Mutual and the Golden Rain Foundation. Member Advisors as approved by the Task Force will be voting members.***

***The mission of the Village Energy Task Force is to identify and recommend to all Boards, investments in energy technologies that will address the safety, economic, environmental and aesthetic issues of Third and United Mutual and GRF (the Corporations) with the common goal to enhance the wellbeing of Laguna Woods Village residents.***

1. Recommend to the respective Committees and Boards, for their approval, all actions that will result in energy savings for residents and an improved environment for the Community.
2. Review energy statements and other reports affecting the Corporations' energy usage and recommend actions.
3. Work closely with Staff and review all devices or systems that either generate, control or consume energy within the Corporations. Identify alternatives that would be beneficial, taking into consideration factors such as efficiency, reliability, sustainability, installation, cost, return on investment, carbon foot print, human factors, and operability. Propose priorities of actions.
4. Seek out energy incentive programs applicable to the Corporations.
5. Work with the respective Communications Committees to make residents aware of Task Force actions as well as actions they can take to reduce their own energy costs and improve the environment.
6. In conjunction with Staff, make progress reports to the respective corporate M&C Committees on investigation results, resident actions and comments, as well as M & C Committee-approved projects.
7. To improve familiarity with technology and products, the Task Force should arrange seminars and invite speakers from vendors, universities, trade groups or consultants.
8. Suggest actions the Boards can take with respect to the California Public Utility Commission or the California legislature regarding proposed tariff charges or energy related bills affecting the Corporations.
9. Meet and Confer with the City of Laguna Woods on energy saving initiatives offered to municipalities by the State of California through Investor Owned Utilities (IOU) such as Southern California Edison.
10. The Chair and Vice Chair of the Task Force will be elected by members of the Task Force.

this page intentionally left blank



## STAFF REPORT

---

**DATE:** July 17, 2018  
**FOR:** Board of Directors  
**SUBJECT:** Guidelines for Financial Qualifications

---

### **RECOMMENDATION**

Entertain a motion to approve the proposed Guidelines for Financial Qualifications.

### **BACKGROUND**

Third Laguna Hills Mutual, acting through its Board of Directors, previously adopted operating rules concerning financial qualifications pursuant to the following Board resolutions:

1. Administrative Guidelines for Financial Qualification (Res. No. 03-05-17);
2. Financial Guarantor (Res. No. M3-91-38); and
3. Financial Qualifications Policy (Res. No. 03-16-95).

The forgoing operating rules are collectively referred to as the Financial Resolutions.

### **DISCUSSION**

The proposed Guidelines for Financial Qualifications are consistent with the Financial Resolutions except with regard to Guarantor arrangements. The proposed Guidelines are prepared in this manner because the financial qualifications and Guarantor provisions are interdependent and the intent is for these provisions to be stated in one document for ease of reference.

Section IV of the proposed Guidelines for Financial Qualifications contains the aforementioned Guarantor arrangements, including specific requirements and the conditions under which the Board may withhold its approval of any Guarantor.

It is in the Mutual's best interests to protect and preserve its financial integrity, ensure consistency among the provisions of its governing documents, including without limitation, the Financial Resolutions, and promote the uniform application of the provisions of said governing documents.

**FINANCIAL ANALYSIS**

None.

**Prepared By:** Siobhan Foster, COO

**Reviewed By:** Brad Hudson, CEO

**ATTACHMENT**

Attachment 1: Resolution 03-18-XX Guidelines for Financial Qualifications



**RESOLUTION 03-18-XX**  
**Guidelines For Financial Qualifications**

**WHEREAS**, Third Laguna Hills Mutual (“Mutual”), acting through its Board of Directors (“Board”), previously adopted operating rules concerning financial qualifications pursuant to the following Board resolutions:

1. Administrative Guidelines for Financial Qualification (Res. No. 03-05-17);
2. Financial Guarantor (Res. No. M3-91-38); and
3. Financial Qualifications Policy (Res. No. 03-16-95).

**WHEREAS**, the forgoing operating rules are collectively referred to herein as the “Financial Resolutions”.

**WHEREAS**, it is in the Mutual’s best interests to protect and preserve its financial integrity, ensure consistency among the provisions of its governing documents (including without limitation, the Financial Resolutions), and promote the uniform application of the provisions of said governing documents.

**NOW, THEREFORE BE IT RESOLVED**, on July 17, 2018, that the Board hereby introduces, and the Financial Resolutions are hereby superseded by, the Guidelines for Financial Qualifications set forth below.

**GUIDELINES FOR FINANCIAL QUALIFICATIONS**

The governing documents of Third Laguna Hills Mutual (“Mutual”) require each person seeking to acquire an ownership interest in a unit (“Applicant”) to obtain the prior written approval of the Mutual’s Board of Directors (“Board”) before doing so. As a condition to obtaining such approval, each Applicant must provide to the Board documentation that conclusively establishes that Applicant satisfies certain financial requirements as set forth in the Mutual’s governing documents (“Application”). For the purposes of determining whether an Application will be approved or denied, the Board has adopted these Guidelines for Financial Qualifications (“Guidelines”), which shall remain in effect until such time as these Guidelines may be changed, modified, or amended by a duly adopted Board resolution.

**I. General Application Requirements.**

- a. As a condition of approval, each Applicant must submit to the Mutual an Application with **all** of the following documentation provided in a form satisfactory to the Board:
  1. A federal income tax return for the most recent year that is signed, dated, and includes Schedules A, B and E, as applicable, as well as any other financial verification documents requested by the Board. By way of example, but without limitation, other verification documents may be required if any Applicant derives income from a business owned by the Applicant (personally or through a legal entity), in which case the applicable business tax schedule and profit and loss statement may also be required.



2. Net worth verification pursuant to Section II of these Guidelines.
  3. Income verification pursuant to Section III of these Guidelines.
  4. A completed Financial Statement and Credit Information form.
  5. Verification of the Applicant's identity, which must be a natural person, or a designated individual acting on behalf of a corporation, LLC or Trust.
  6. If the Applicant desires to have a Guarantor to enable the Applicant to Qualify to purchase a unit (as defined below), all documents required pursuant to Section IV of these Guidelines shall also apply to the Guarantor.
  7. If the Applicant desires to purchase more than one (1) unit or already owns at least one (1) unit at the Mutual, all documents required pursuant to Section IV of these Guidelines shall be required for each unit application.
- b. The Board may deny any Application that does not include **all** of the documentation required herein, in a form consistent with these Guidelines and satisfactory to the Board, except as otherwise required by law.
  - c. Any Application (including, without limitation, any document submitted in connection with said Application) that contains false or misleading information will be denied. If an Application was approved and it is later determined that such Application contained false or misleading information and if escrow had not closed by the time such discovery was made the Board may immediately withdraw its approval without the Mutual suffering any liability whatsoever. If escrow, as referenced immediately above, has already closed when the discovery of the false and misleading documentation is discovered, the Applicant will be deemed an owner, not in good standing and will, after a noticed hearing before the Board, be denied the owner's amenity rights applicable, unless suspended, by an owner in the Mutual.
  - d. Notwithstanding anything to the contrary contained herein, if more than one (1) Applicant will acquire an ownership interest or reside in any single unit, such Applicants' income and net worth may, in the Board's sole reasonable discretion, be calculated collectively.

## **II. Net Worth Requirements.**

- a. As a condition of approval, each Applicant shall submit satisfactory verification of net worth that is greater than or equal to the *sum* of the purchase price of the unit *plus* one hundred twenty-five thousand dollars (\$125,000) in acceptable assets.
- b. When computing net worth for the purposes of this Section, acceptable assets shall be limited to those assets that are considered, in the Board's sole discretion, to be liquid,





marketable or income producing. Examples of acceptable assets include, without limitation, the following:

1. Equity in residential and income real estate.
  2. Savings accounts in banks and credit unions.
  3. Cash value life insurance.
  4. Certificates of deposit and money market accounts.
  4. IRA, SEP, 401(k), Profit Sharing and Keogh accounts.
  5. Federal, state, or municipal government bonds.
  6. U.S. traded investments (e.g., NYSE, Amex, OTC, Nasdaq, etc.) valued at current market prices.
  7. Mortgages and promissory notes; provided that the interest in such mortgages or promissory notes is reported on the Applicant's tax return.
- c. When computing net worth for the purposes of this Section, acceptable assets will **not** include, without limitation, the following:
1. Equity in mobile homes, recreational vehicles, boats, trailers, airplanes, automobiles, or other vehicles of any kind.
  2. Vacant or undeveloped real estate.
  3. Artwork, jewelry, or other collectibles (e.g., coins, dolls, stamps, etc.).
  4. Term life insurance.
  5. Annuity funds that cannot be withdrawn in lump sum.
  6. Anticipated bequests, devises or inheritances.
  7. Mortgages and promissory notes where the interest in such mortgages or promissory notes is **not** reported on the Applicant's tax return.

### III. **Income Requirements.**

- a. As a condition of approval, each Applicant shall submit satisfactory verification of annual income that is greater than or equal to the *sum* of the total of the unit's annual mortgage payment *plus* forty-five thousand dollars (\$45,000) per year.



- b. Traditional retirement account assets (e.g., 401K, ERISA, IRA, Profit Sharing, etc.) will be considered as a source of annual income in accordance with this subsection. For the purposes of the income verification requirement pursuant to subsection (a) above, the portion of an Applicant's traditional retirement account assets attributable to said Applicant's annual income shall be deemed to be the greater of the following:

1. The mandatory annual distributions for the Applicant's retirement accounts; **or**
2. The total amount of the Applicant's retirement accounts *multiplied* by eighty percent (80%), and then *dividing* this product by twenty-five (25) years, as follows:

$$\text{Attributable Income} = (\text{Total Retirement Account Assets} \times 80\%) \div 25$$

- c. Examples of acceptable income verifications include, without limitation, the following:

1. Federal tax returns from the most recent year.
2. W-2 forms or paycheck stubs.
3. Bank, credit union, or investment account statements.
4. Letters from bankers with verifiable first-hand knowledge of the Applicant's finances.
5. Notices of annuities and social security payments.
6. Credit reports.

- d. Examples of **unacceptable** income verifications include, without limitation, the following:

1. Letters from employers, accountants, enrolled agents, investment counselors, or attorneys.
2. Any income not reported on federal income tax returns.

#### IV. **Guarantors.**

- a. In the event any Applicant is unable to satisfy the financial requirements set forth in the Mutual's governing documents (including, without limitation, these Guidelines), the Board may permit said Applicant to have a financial guarantor in accordance with this Section IV ("Guarantor").
- b. Each Applicant supported by a Guarantor shall submit proof that their primary residence is located in California, USA and satisfactory verification of a net worth of at least one



hundred twenty-five thousand dollars (\$125,000) in acceptable assets, notwithstanding the requirements of Section II and Section III of these Guidelines.

- c. Each Guarantor shall enter into an agreement with the Mutual to become financially responsible, jointly and severally, for all expenses associated with the Applicant's ownership, residency and/or membership at the Mutual ("Assessment/Charges Guarantor Obligation Form"). A Assessment/Charges Guarantor Obligation Form is attached hereto as Exhibit "A" and incorporated in its entirety herein by this reference as if fully set forth in these Guidelines.
- d. Each Guarantor shall submit **all** of the following documentation in a form satisfactory to the Board:
  - 1. A fully executed and completed Assessment/Charges Guarantor Obligation Form.
  - 2. Proof that the Guarantor's primary residence is located in California, USA.
  - 3. Verification of net worth equal to the *sum* of the purchase price of the unit *plus* two hundred thousand dollars (\$200,000) in acceptable assets.
  - 4. Verification that the Guarantor's annual income is greater than or equal to the *sum* of the total of the unit's annual mortgage payment *plus* eighty-thousand dollars (\$80,000) per year.
  - 5. A credit report.
- e. The Board may withhold its approval of any Guarantor for, without limitation, any the following reasons:
  - 1. A Guarantor or Applicant fails to provide **all** of the documentation as required by subsection (d), above, in a form consistent with these Guidelines and satisfactory to the Board.
  - 2. A Guarantor is subject to a bankruptcy proceeding that is pending or has not been discharged.
  - 3. Any foreclosure or short sale of any property owned by the Guarantor.
  - 4. Any outstanding balances, collection accounts, or judgments owed by the Guarantor.
  - 5. A Guarantor's credit score is lower than 680.
  - 6. A Guarantor resides in a primary residence outside of the State of California.



7. A Guarantor's bank is located outside of the State of California.
  8. A Guarantor already guarantees (1) one or more units within Laguna Woods Village.
  9. A Guarantor provides any false or misleading information to the Board.
  10. Any other reasonable grounds that call into question a Guarantor's financial ability or fitness to serve in this capacity on an Applicant's behalf.
- f. Each Guarantor's assurances shall only apply to the Applicant(s) and unit expressly identified on the Assessment/Charges Guarantor Obligation Form. No Guarantor's assurances may be transferred to any other Applicant or unit.

V. **Multiple Units.** As a condition of approval, any Applicant who desires to purchase more than one (1) unit or already owns at least one (1) unit at the Mutual shall submit satisfactory verification of annual income and net worth requirements pursuant to this Section V.

- a. **Net Worth Requirements.** The Applicant shall submit satisfactory verification of net worth that is greater than or equal to the *sum* of the purchase price for each unit *plus* one hundred twenty-five thousand dollars (\$125,000) in acceptable assets per unit, as follows:

Unit 1: purchase price for Unit 1 + \$125,000

Unit 2: purchase price for Unit 1 + \$125,000 +  
purchase price for Unit 2 + \$125,000

Unit 3: purchase price for Unit 1 + \$125,000 +  
purchase price for Unit 2 + \$125,000 +  
purchase price for Unit 3 + \$125,000

- b. **Income Requirements.** The Applicant shall submit satisfactory verification of annual income as follows:

1. Annual Income that is greater than or equal to the *sum* of the following: the total of the first unit's annual mortgage payment *plus* forty-five thousand dollars (\$45,000) per year *plus* the total of the second unit's annual mortgage payment *plus* forty-five thousand dollars (\$45,000) per year *plus* an additional twenty-two thousand five hundred dollars (\$22,500).
2. For each additional unit, the annual income requirement shall be calculated consistent with subsection (b)(1), above – that is, the additional unit's annual mortgage payment *plus* an additional twenty-two thousand five hundred dollars (\$22,500) over the previous annual income requirement, as follows:



Unit 1: annual mortgage payment + \$45,000

Unit 2: annual mortgage payment on Unit 1 + \$45,000 +  
annual mortgage payment on Unit 2 + \$45,000 + \$22,500

Unit 3: annual mortgage payment on Unit 1 + \$45,000 +  
annual mortgage payment on Unit 2 + \$45,000 + \$22,500 +  
annual mortgage payment on Unit 2 + \$45,000 + \$22,500 + \$22,500

#### July Initial Notification

Should the Board endorse the proposed revisions, 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 approval of the resolution to the next available Board Meeting no less than 30-days from the postponement to comply with Civil Code §4360

this page intentionally left blank



## EXHIBIT “A”

### THIRD LAGUNA HILLS MUTUAL A California Non-Profit Mutual Benefit Corporation (the “Mutual”)

#### ASSESSMENT/CHARGES GUARANTOR OBLIGATION FORM

##### **A. The Parties**

Owner(s): \_\_\_\_\_ (collectively, the “Owner”)  
Property Address: \_\_\_\_\_ (the “Property”)  
Guarantor: \_\_\_\_\_ (“Guarantor”)

**B. Guarantee Payment.** Guarantor hereby guarantees unconditionally to the Mutual and the Mutual's agents as follows:

1. Guarantor guarantees unconditionally to promptly pay for all HOA assessments, regular or special, compliance assessments, reimbursable assessments, chargeable services etc., late charges, interest, costs, trustee fees, attorney fees, or any other amount charged by the Mutual to the HOA assessment account for the Property, including fines, after a noticed hearing before the Board, reimbursement assessments, special assessments, chargeable services etc. (collectively, the “Charges”).

2. Guarantor guarantees unconditionally to be jointly and severally responsible for/liable for all Charges related and charged to the Owner's assessment account.

**C. Waiver of Right to Demand Enforcement.** Because the Guarantor is jointly and severally liable for the Charges, Guarantor guarantees unconditionally to waive any right to require the Mutual or the Mutual's agents to proceed against the Owner for any default occurring under the Governing Documents before seeking to enforce this Assessment/Charges Guarantor Obligation Form.

**D. Broad Interpretation.** This Assessment/Charges Guarantor Obligation Form shall be construed as a general, absolute, and unconditional Guaranty of payment and shall continue in perpetuity and said guarantees shall apply to all amounts charged by the Mutual to the Owner's account during the time which the Owner is a title/record owner of the Property. If any of the provisions of this Assessment/Charges Guarantor Obligation Form shall be determined to be invalid or unenforceable under applicable law, such provision shall, insofar as possible, be construed or applied in such manner as will permit enforcement.

##### **E. Enforcement.**

1. The Mutual may enforce this Assessment/Charges Guarantor Obligation Form without being obligated to resort first to any security or any other remedy against the Owner, and Guarantor



hereby waives any notice of default and/or any right to cure same and there shall be no presentment or dishonor hereunder.

2. This Assessment/Charges Guarantor Obligation Form is general and shall inure to, and may be relied upon and enforced by, any successor or assign of the Mutual.

3. This Assessment/Charges Guarantor Obligation Form shall be governed by the laws of the State of California and the parties specifically agree that any legal action brought under this Assessment/Charges Guarantor Obligation Form or any underlying lease shall be brought only in Orange County, California, which Court is agreed to have jurisdiction over the parties.

4. The Parties waive the right to a jury trial in any such legal action.

5. If the Guarantor breaches this Assessment/Charges Guarantor Obligation Form, the Mutual shall be entitled to a full award of attorney fees, costs and expenses relative to any enforcement efforts taken, including any litigation pursued to enforce this Assessment/Charges Guarantor Obligation Form. Guarantor agrees to pay the Mutual's actual attorney fees, costs, and expenses in the enforcement of the Governing Documents and this Assessment/Charges Guarantor Obligation Form, whether before the lawsuit/proceeding is filed, after the lawsuit/proceeding is filed, or in any and all trial and appellate tribunals, whether suit be brought or not, if, after default, counsel shall be employed by the Mutual.

6. All amounts due to the Mutual hereunder shall bear interest at the highest rate allowed by law from the date of default.

**F. Modification.** Alteration, Modification or Revocation of this Assessment/Charges Guarantor Obligation Form is not permitted unless otherwise agreed to and signed by the Parties in writing.

**G. No Strict Performance Required.** Failure of the Mutual to insist upon strict performance or observance of any of the terms of the Governing Documents or to exercise any right held by the Mutual will not diminish the enforceability of this Assessment/Charges Guarantor Obligation Form. Guarantor agrees that the foregoing obligations shall in no way be terminated, affected, or impaired by reason of any action which the Mutual may take, or fail to take against the Owner, or by reason of any waiver of, or failure to enforce, any of the rights or remedies to the Mutual in the Governing Documents and all amendments thereto.

**H. Binding on Successors.** The obligations of Guarantor shall be binding upon Guarantor and his/her/their successors and assigns.

**I. Effective Immediately Upon Signature.** Guarantor fully understands this Assessment/Charges Guarantor Obligation Form is neither a reference, credit check, nor application, that the Mutual has relied on Guarantor's representations and warranties contained herein and it is fully effective upon Guarantor's signature.





IN WITNESS WHEREOF, this Assessment/Charges Guarantor Obligation Form is executed this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

By:\_\_\_\_\_

Dated:\_\_\_\_\_

Print Name:\_\_\_\_\_

Address:\_\_\_\_\_

Phone Number:\_\_\_\_\_

E-Mail:\_\_\_\_\_

this page intentionally left blank



## STAFF REPORT

---

**DATE:** July 17, 2018  
**FOR:** Board of Directors  
**SUBJECT:** Proposed Amendment to Golden Rain Foundation Trust Agreement to Extend Term

---

### **RECOMMENDATION**

Entertain a motion to authorize the President to execute for recordation the Proposed Amendment to the Golden Rain Foundation Trust Agreement to extend the term for 20 years from March 2, 2024, following the Corporate Members vote at the Corporate Members Meeting scheduled for August 13, 2018 at 9:30 a.m. in the Board Room.

### **BACKGROUND**

The Golden Rain Foundation of Laguna Woods is the Trustee of the Golden Rain Foundation Trust created by the Trust Agreement. United Laguna Woods Mutual, Third Laguna Hills Mutual, and Laguna Woods Mutual No. Fifty are the trustors and beneficiaries of the Trust, and the only current Cooperatives, as that term is defined by and provided in the Trust Agreement.

Section VI of the Trust Agreement provides that the Trust, if not earlier terminated, shall in all events terminate 60 years from the date of the Agreement (March 2, 1964) or 21 years after the date of death of the last to die of Mark L. Conroy, Jr., Westminster, California; Kevin Ross Letsan, Villa Park, California; Allan Oakley Hunter, Jr., Fresno, California; Matthew Van Zandt Mayer, Orange, California; Jeffrey P. Tuck, Pasadena, California; and Pamela Jane Swart, Arlington Heights, Illinois, whichever occurs earlier.

Third Mutual, United Mutual, Mutual No. Fifty, and the Golden Rain Foundation, desire to amend the Trust Agreement to extend the termination date of the Trust.

### **DISCUSSION**

Either the passage of 60 years from March 2, 1964, or 21 years after the death of the last of above persons will trigger termination of the Trust. Preliminary research indicates that one or more of the above persons are alive. March 2, 2024 is 60 years from March 2, 1964, and since this is less than 21 years from the present, the Trust will terminate on March 2, 2024. Therefore, the immediate purpose of the proposed amendment is to ensure the Trust does not terminate on March 2, 2024. Secondly, by amending the Trust to remove the contingency for termination based on the date of the last to die of the above individuals, the possibility of the Trust unknowingly terminating is eliminated. The proposed amendment provides certainty and manageability.

Either the passage of 60 years from March 2, 1964, or 21 years after the death of the last of above persons will trigger termination of the Trust. Preliminary research indicates that one or more of the above persons are alive. March 2, 2024 is 60 years from March 2, 1964, and since this is less than 21 years from the present, the Trust will terminate on March 2, 2024. Therefore, the immediate purpose of the Proposed Amendment to the Trust Agreement is to ensure the Trust does not terminate on March 2, 2024. Secondly, by amending the Trust to remove the contingency for termination based on the date of the last to die of the above individuals, the possibility of the Trust unknowingly terminating is eliminated. The Proposed Amendment to the Trust Agreement provides certainty and manageability.

Section VI of the Trust Agreement allows the Trust Agreement to be amended by written instrument executed by the Trustee (Golden Rain Foundation), and by all the Cooperatives which remain beneficiaries of the Trust (United Mutual, Third Mutual, and Mutual No. Fifty) by and through their Boards of Directors.

The Trust Agreement is subject to the Davis-Stirling Common Interest Development Act particularly Civil Code § 4265 (formerly Civil Code § 1357), which governs amendments extending the terms of declarations such as the Trust Agreement, under which Section of the Act the term of the Trust Agreement cannot be extended more than 20 years from the date upon which it would terminate under its present wording.

The proposed extension of the term of the Trust Agreement for 20 years from March 2, 2024 would not violate the rule against perpetuities as presently in effect in California because it would not extend the termination date of the Trust Agreement more than 90 years from the date of its creation.

The Third Laguna Hills Board has reviewed the Proposed Amendment to the Trust Amendment language on multiple occasions and its legal counsel has reviewed and recommends approval.

Following approval by GRF and each of the housing mutuals, pursuant to article VI of the Trust and California Civil Code § 4265 et seq., the proposed amendment extending the Trust will be put to a Corporate Members vote on August 13, 2018.

On July 3, 2018, the GRF Board recommended approval the Proposed Amendment to the Trust Agreement and on July 10, 2018, the United Board did the same. Mutual No. Fifty will be considering the Proposed Amendment to the Trust Agreement at an upcoming meeting.

### **FINANCIAL ANALYSIS**

None.

**Prepared By:** Siobhan Foster, COO

**Reviewed By:** Brad Hudson, CEO

**ATTACHMENT(S)**

Attachment 1: Golden Rain Trust Agreement

Attachment 2: Proposed Amendment to Golden Rain Trust Agreement

this page intentionally left blank

TRUST AGREEMENT

GOLDEN RAIN FOUNDATION OF LAGUNA HILLS, a California corporation, hereinafter referred to as "TRUSTEE", does hereby acknowledge and declare that LAGUNA HILLS MUTUAL NO. ONE, a California corporation, hereinafter referred to as "TRUSTOR", has or will transfer to TRUSTEE sums totaling Six Hundred Nineteen Thousand and Twenty-Three Dollars (\$619,023.00), hereinafter called the "Original Trust Fund," to be held IN TRUST on the following terms:

RECITALS

A. TRUSTEE is a nonprofit membership corporation formed primarily for the purpose of providing services and furnishing community facilities to TRUSTOR and other corporations formed to provide cooperative apartment housing within the project known as Rossmore Leisure World of Laguna Hills, Orange County, California (TRUSTOR and such other corporations being collectively and individually hereinafter called the "Cooperatives");

B. TRUSTOR is a corporation formed primarily to engage in the business of providing housing on a mutual nonprofit basis to be regulated by the Federal Housing Commissioner.

C. TRUSTEE'S present and proposed operations include (but are not limited to):

- (1) Receipt of additional funds (which together with the original funds agreed to be transferred hereunder are hereinafter called "Trusted Sums") from the Cooperatives;
- (2) Acquisition of property to be held for the use and benefit of the cooperatives;
- (3) Acquisition or construction of various community facilities, streets and utilities (all, together with the land underlying them to the extent interests in such land are held by TRUSTEE, herein referred to as "Improvements") designed to meet the needs of the Cooperatives and their members and for such other uses and purposes as are specified in this Trust Agreement, such Improvements being expressly impressed with the trust declared hereunder;
- (4) Continued legal ownership and maintenance of all such Improvements during the continuation of this Trust, all such Improvements being nevertheless impressed with and held subject to an express trust for the benefit of the Cooperatives under the

terms of this Trust Agreement;

(5) Acquisition, ownership and maintenance in trust hereunder for the benefit of the Cooperatives and for such other uses and purposes as are specified in this Trust Agreement of any types of personal property deemed by the TRUSTEE to be in best interests of the Cooperatives and their shareholders; and

(6) Payment to the Cooperatives or application for their benefit by TRUSTEE of any Trusteed Sums in excess of TRUSTEE'S costs in performance of TRUSTEE'S duties, such payment or application to be apportioned by TRUSTEE among the Cooperatives in proportion to the respective Trusteed Sums paid in by each such Cooperative.

D. This Trust Agreement is executed at the request of United California Bank (which together with its successors and assigns is hereinafter called "Mortgagee"), as Beneficiary of Deeds of Trust executed by or now planned to be executed by the Cooperatives and is intended to meet its demands on TRUSTEE and the Cooperatives for assurances in definitive and explicit form guaranteeing and safeguarding, to the Cooperatives and their shareholders and successors in interest, all beneficial rights in the Improvements, including the operation and management thereof by TRUSTEE for their benefit, and their rights granted herein to require dissolution of the Trust and distribution to the Cooperatives of the Trust Estate.

#### PROVISIONS

##### Section I

##### NAME OF TRUST

This Trust may be referred to as the GOLDEN RAIN FOUNDATION OF LAGUNA HILLS TRUST.

##### Section II

##### THE TRUST ESTATE

The Trust Estate hereunder shall include the Original Trust Fund, all Trusteed Sums hereinafter received from Cooperatives, all parcels of land and all Improvements acquired or constructed in trust hereunder, all sums paid to TRUSTEE by the Cooperatives to cover TRUSTEE'S costs of maintenance of the Improvements, and any other money or property



hereafter held by or received by TRUSTEE in trust hereunder. TRUSTEE hereby expressly acknowledges and declares that it has received and holds IN TRUST hereunder all that certain real property described in Exhibit A which is attached hereto and hereby incorporated herein by this reference.

#### Section III

#### BENEFICIARIES

The original beneficiary of this Trust is Laguna Hills Mutual No. One. Any other Cooperative may at any time become an additional trustor and beneficiary hereunder by manifesting its election to do so through deposit with TRUSTEE of a written instrument adopting and agreeing to the terms of this instrument, and by TRUSTEE'S written acceptance of it as an additional beneficiary; Provided, that such Cooperative shall deposit in escrow, or deliver to TRUSTEE in trust hereunder its Trusteed Sums as soon as the same become available to such Cooperative. No beneficiary may assign its beneficial interest hereunder except in conjunction with a conveyance under deed of trust or mortgage by such beneficiary. Any action of a beneficiary authorized hereunder, or by law, with respect to the Trust or the Trust Estate may be taken by any officer of such beneficiary, acting under authority granted such officer by majority vote of the Board of Directors of such beneficiary, or by the successor in interest of such beneficiary.

#### Section IV

#### RIGHTS OF THIRD PARTIES

TRUSTEE is hereby expressly granted and reserves the right to deal, for the use and benefit of the Cooperatives and their members, with Mortgages, Federal Housing Administration, Rossmore Corporation, and all other third parties, and no such third party shall be required to examine the terms of this Trust Agreement or to inquire into TRUSTEE'S authority to act hereunder. Nothing contained in this Trust Agreement shall have the effect of diminishing or modifying the procedural or substantive rights or remedies of any third party against TRUSTEE or the Trust Estate.

#### Section V

#### DUTIES, COMPENSATION AND REIMBURSEMENT OF THE TRUSTEE

TRUSTEE shall perform for the benefit of all the Cooperatives and their members

all the duties imposed upon TRUSTEE under separate written agreement and any addenda thereto with Laguna Hills Mutual No. One and United California Bank, as Mortgagee. A copy of said agreement is attached hereto and incorporated herein by this reference as Exhibit B. Notwithstanding any provision of this agreement or said Exhibit B to the contrary, TRUSTEE shall perform at all times in accordance with a Regulatory Agreement executed with the Federal Housing Administration which is attached hereto and incorporated herein by this reference as Exhibit C. TRUSTEE shall receive no profits or other compensation for any of its services rendered as trustee, but shall receive full reimbursement for its costs of acquisition and maintenance of trust assets to the extent and in the manner provided in said agreements. Without in any manner limiting the above, TRUSTEE'S duties shall include, but not be limited to, the following:

- (1) Performance of all acts of TRUSTEE contemplated in, or necessary or desirable for the carrying out of, the plan of operations hereinabove outlined in Recital C hereof;
- (2) Furnishing to all of the beneficiaries, and to Mortgagee and to Federal Housing Administration, not less often than annually, audited statements certified by a competent firm of Certified Public Accountants, adequately accounting for TRUSTEE'S activities and operations hereunder; and
- (3) Retention in a separate bank account of all funds which are part of the Trust Estate.

#### Section VI

#### REVOCATION, ALTERATION, AMENDMENT AND TERMINATION

This Trust is and shall be irrevocable by and shall not be subject to alteration, modification or amendment by TRUSTEE, except as provided in paragraph C of Section VII hereof. The Trust may at any time or from time to time be altered, modified or amended by written instrument executed by TRUSTEE and by all the Cooperatives which have at such time become, and then remain beneficiaries of the Trust. The Trust may at any time be terminated by the written election, delivered to TRUSTEE, of all the Cooperatives which have at such time become, and then remain, beneficiaries of the Trust. If any beneficiary shall have assigned its beneficial interest hereunder, consent

of the assignee shall also be required for any such alteration, modification, amendment or termination. This Trust shall in all events terminate, if it has not earlier been terminated, 60 years from the date hereof or 21 years after the date of the death of the last to die of Mark L. Conroy, Jr., Westminster, California; Kevin Ross Letson, Villa Park, California; Allan Oakley Hunter, Jr., Fresno, California; Matthew Van Zandt Moyer, Orange, California; Jeffrey P. Tuck, Pasadena, California; and Pamela Jane Swart, Arlington Heights, Illinois. Promptly following termination of this Trust, the TRUSTEE shall render an accounting to each of the Beneficiaries and shall distribute all of the Trust Estate, subject to any debts of or charges against the Trust Estate (including but not limited to obligations, if any, of the Trust Estate to the TRUSTEE), to the beneficiaries, in the form of undivided interests proportional to their respective Trusteed Sums.

#### Section VII

#### RIGHTS AND POWERS OF THE TRUSTEE

A. TRUSTEE shall have, in addition to all powers, rights and privileges provided by law for trustees, and all powers necessary to carry out the duties herein imposed on TRUSTEE, the further powers to grant, bargain, sell for cash or credit, convey, exchange, convert; lease for terms, either within or beyond the end of the trust, for any purpose; assign, partition, divide, subdivide, improve, insure, loan, reloan, invest and reinvest the Trust Estate or any part thereof in such manner and on such terms and conditions as TRUSTEE deems advisable. In all such cases TRUSTEE shall have sole discretion respecting such transactions. With respect to all such transactions TRUSTEE shall have no liability concerning them whatever, except for willful and wrongful misconduct.

B. TRUSTEE reserves and is expressly granted the right and power in its sole discretion to acquire land, interests in land, improvements and personal property and to sell, transfer or dedicate the same either outright to the beneficiaries, or for public use, or to religious organizations for church use, or otherwise as TRUSTEE reasonably deems for the general welfare of the Cooperatives and their members, with or without adequate consideration, or to itself, but only for a fair and adequate consideration.

C. TRUSTEE reserves and is expressly granted the right and power to amend this instrument unilaterally if any such amendment is expressly required or requested by any federal, state or local governmental agency, in order to avoid or cure any violation

of law or of any applicable governmental regulation, or in order to make possible or more convenient the securing of any governmental authorization or permit necessary to the TRUSTEE or any Cooperative for any phase of the operations contemplated by the parties hereunder.

D. TRUSTEE reserves and is expressly granted the right and power to interpret this instrument on the basis of advice of its counsel and such interpretation shall be final and binding on all beneficiaries and other interested persons.

E. TRUSTEE may accept additional funds or property from TRUSTOR or any other beneficiary to be held subject to this Trust.

F. TRUSTEE may employ such assistance, professional and otherwise, as it deems helpful in the affairs of the Trust, and may pay the costs and expenses thereof from the Trust Estate.

G. TRUSTEE may litigate, compromise, release, settle, pay or otherwise contest or dispose of any claims or demands against the Trust, any beneficiary, or TRUSTEE, including claims for taxes and interest and penalties thereon, or any claims or demands of the Trust against any person or organization.

H. TRUSTEE may vote stock in person or by proxy and shall have and may exercise all of the rights, and may assume any or all of the obligations of a security owner in any reorganization or other adjustment or proceeding affecting any asset of the Trust.

I. Title to trust assets may be held in the name of a nominee selected by TRUSTEE, where such is to the benefit of the Trust.

J. TRUSTEE is expressly prohibited from exercising any power vested in it under this trust for the primary benefit of TRUSTEE, or for the benefit of any person other than the beneficiaries of this Trust and their stockholders.

K. TRUSTEE may borrow money and incur indebtedness and give security therefor from the Trust Estate.

L. TRUSTEE may not, without the prior written consent of Mortgagee, or Mortgagee's successors in interest, and the Federal Housing Administration, sell, assign, transfer, or dispose of any community facility buildings or structures, or the land underlying them.

#### Section VIII REGULATION OF TRUSTEE

A. TRUSTEE may resign. Upon the occurrence of any vacancy in the trusteeship

for any reason, the then beneficiaries, acting unanimously, shall appoint a successor trustee. If the beneficiaries do not appoint a successor within thirty (30) days of the date of such resignation or other vacancy, then any beneficiary may petition a court of competent jurisdiction, at the expense of the Trust, to appoint a successor trustee.

B. TRUSTEE may disclose the provisions of this Trust whenever he deems such disclosure is advisable.

C. No bond or other security shall be required of TRUSTEE or any successor Trustee hereunder, except as may be required and specified by the Federal Housing Administration.

D. All successor trustees upon succeeding as trustee, as herein provided, shall thereupon, without any further deed, act or conveyance, become vested with all the rights, titles, powers, obligations and trusts, including all discretionary powers, with like effect as if originally named as TRUSTEE herein.

E. TRUSTEE shall not commingle any assets held in trust hereunder with any other assets owned or held by TRUSTEE.

#### Section IX

#### RULES OF INTERPRETATION

A. If any provision or provisions of this Trust are determined to be void or unenforceable, the remaining valid and enforceable provisions shall nevertheless be and remain operative.

B. The singular number shall include the plural and the plural, the singular, and the masculine, feminine and neuter genders shall each include the other unless the context clearly requires a different construction.

C. The Trust shall be interpreted under the laws of the State of California.

D. This Trust Agreement is not intended to, and is not to be interpreted as, in any way diminishing or abrogating any of the duties or obligations imposed on TRUSTEE under the agreements attached hereto as Exhibit B and Exhibit C, but is intended as a supplement to such agreements for the purpose of further clarifying and defining the fiduciary responsibilities of TRUSTEE to the Cooperatives and their members, and the successors in interest of the Cooperatives under such agreement. In the event of conflict between this agreement and the Regulatory Agreement executed with the

Federal Housing Administration (Exhibit C), the terms of said Regulatory Agreement shall prevail.

## Section X

## RIGHTS OF ASSIGNEES

All fiduciary responsibilities undertaken by TRUSTEE for the benefit of the Cooperatives are likewise hereby undertaken for the benefit of any assignees or successors in interest of the Cooperatives.

## Section XI

## RECORDATION

This instrument may be recorded by TRUSTOR or TRUSTEE, and any assignment of any beneficial interest herein or part thereof by any beneficiary may be recorded.

IN WITNESS WHEREOF, TRUSTOR and TRUSTEE have caused this instrument to be executed by their duly authorized officers, and have caused their corporate seals to be affixed as of March 2, 1964.

GOLDEN RAIN FOUNDATION OF  
LAGUNA HILLS, a California non-  
profit corporation, TRUSTEE

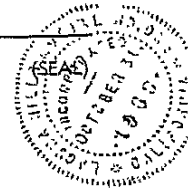
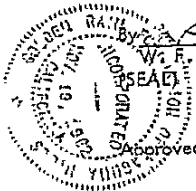
LAGUNA HILLS MUTUAL NO. ONE,  
a California corporation, TRUSTOR

By L. M. Letson  
L. M. Letson, President

By D. C. Gardner  
D. C. Gardner, Vice President

By W. F. Schulz  
W. F. Schulz, Secretary

By W. F. Schulz  
W. F. Schulz, Secretary



Approved as to Form:

FEDERAL HOUSING ADMINISTRATION

By J. R. [Signature]

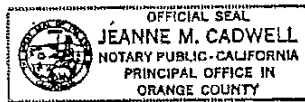
UNITED CALIFORNIA BANK, Mortgagee

By [Signature]

STATE OF CALIFORNIA )  
COUNTY OF ORANGE ) ss.

On this 2nd day of March, 1964, before me, the undersigned, a Notary Public in and for said County and State, personally appeared L. M. Letson, known to me to be the President, and W. F. Schulz, known to me to be the Secretary of GOLDEN RAIN FOUNDATION OF LAGUNA HILLS, the corporation that executed the within instrument, and known to me to be the persons who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.



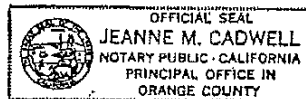
*Jeanne M. Cadwell*  
Jeanne M. Cadwell, Notary Public in and  
for the County of Orange, State of California

My Commission Expires July 5, 1967.

STATE OF CALIFORNIA )  
COUNTY OF ORANGE ) ss.

On this 2nd day of March, 1964, before me, the undersigned, a Notary Public in and for said County and State, personally appeared D. C. Gardner, known to me to be the Vice President, and W. F. Schulz, known to me to be the Secretary of LAGUNA HILLS MUTUAL NO. ONE, the corporation that executed the within instrument, and known to me to be the persons who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.



*Jeanne M. Cadwell*  
Jeanne M. Cadwell, Notary Public in and  
for the County of Orange, State of California

My Commission Expires July 5, 1967.

DESCRIPTION OF REAL PROPERTY

Lot 5 and Lots B, C, D, E and F of Tract No. 5061  
in the County of Orange, State of California, as  
per map recorded in Book 183, Pages 4 to 8 inclusive  
of Miscellaneous Maps, in the office of the county  
recorder of said County.

EXHIBIT "A"



A G R E E M E N TParties

GOLDEN RAIN FOUNDATION OF LAGUNA HILLS, a California nonprofit corporation, hereinafter referred to as "GOLDEN RAIN,"

LAGUNA HILLS MUTUAL NO. ONE, a California corporation, hereinafter referred to as "LAGUNA HILLS,"

and

UNITED CALIFORNIA BANK, a California corporation, hereinafter referred to as "MORTGAGEE."

Recitals

A. LAGUNA HILLS has been formed for the purpose of constructing, owning and operating a cooperative housing project to be constructed in two increments or individual projects and to be located on that certain real property located in Orange County, California, hereinafter referred to as the "Property." The legal description of the Property is set forth in "Exhibit A" attached hereto and by this reference made a part hereof. The acquisition of the Property and the construction of the improvements thereon are to be financed by the sale of stock of LAGUNA HILLS and by two mortgage loans from MORTGAGEE, said loans to be insured by FRA under Section 213 of the National Housing Act. LAGUNA HILLS is the first of several such corporations, hereinafter referred to collectively as "Cooperatives" which are planned to be formed for the purpose of constructing, owning and operating cooperative housing projects, which projects when completed will contain an estimated total of 18,000 dwelling units, all to be located in a new community in Orange County, California to be known as Rossmoor Leisure World of Laguna Hills, hereinafter referred to as "LEISURE WORLD."

B. Certain community facilities, private streets, and certain other off-site amenities, hereinafter referred to as "Improvements," are planned to be constructed within the boundaries of Leisure World. They will be owned and maintained by GOLDEN RAIN in trust for the Cooperatives and their successors in interest and will be operated by GOLDEN RAIN on a non-profit basis for the benefit of the Cooperatives and their members and successors in interest. A schedule of the Improvements and their estimated cost is attached hereto marked "Exhibit B" and hereby made a part hereof. It is understood by the parties hereto that said schedule is subject to change depending upon changes in the Improvements themselves which become necessary or advisable, costs actually incurred, and the extent of the development of Leisure World.

C. As provided in its By-Laws, the resident membership of GOLDEN RAIN, except for its incorporators, is limited to the members of the Cooperatives. Each such member shall be automatically entitled to such membership by virtue of his membership in one of the Cooperatives. Conversely, by the terms of the Occupancy Agreement required to be signed by each member of a Cooperative, resident membership in GOLDEN RAIN will be a condition of the member's occupancy of his respective dwelling unit. By the terms of its Articles of Incorporation and By-Laws, the voting control of GOLDEN RAIN is vested in its corporation members, which are the Cooperatives, or their successors in interest, each corporation member being entitled to that number of votes equal to its own membership.

D. MORTGAGEE has heretofore filed on behalf of LAGUNA HILLS applications for mortgage insurance covering its two individual projects, and FHA has issued mortgage insurance commitments. The projects are identified in the files of FHA by project number. The project number of each project, the mortgage loan amount and the FHA estimate of total replacement cost are set forth in "Exhibit A". The

amounts of the commitments are based on FHA's estimate of total replacement cost. In the case of each project there is included in the replacement cost estimate the value attributed to the particular Improvements determined by FHA to be essential to the project and required to be completed as a condition of its insurance of the mortgage loan. The value attributed to the Improvements is reflected in the value of the land. Those Improvements (principally community facilities) required to be completed prior to FHA initial endorsement of the mortgage loan note are reflected in the "fair market value of land in fee simple and 'as is'" (as set forth in the commitment). Those improvements (e.g., utilities, street improvements and drainage structures) not required to be completed prior to initial endorsement but for which assurance of completion is required prior thereto in the form of an escrow, are reflected in the "Estimated Available Market Price of Site in Fee Simple" (as set forth in the commitment).

E. It is assumed that the Improvements will be valued by FHA in the same manner as above described in the case of each individual project in Leisure World, and that the actual cost of all of the Improvements will not exceed the aggregate value attributed thereto by FHA. It is the intention of GOLDEN RAIN to finance the acquisition and construction of the Improvements, including underlying land, out of mortgage loan proceeds received by the Cooperatives (residual amounts available for land on first advance). Land for each individual project is planned to be purchased by the Cooperatives at a price not in excess of FHA's "Estimated Available Market Price of Sites in Fee Simple", less the value attributed to Improvements. It is further planned that each Cooperative will transfer in trust to GOLDEN RAIN, funds equal to such value which will be applied by GOLDEN RAIN toward payment of the cost of the Improvements. In the case of those Improvements for which FHA may require assurance of completion, (e.g., utilities, street improvements and drainage structures), it

is intended that the Cooperatives deposit in escrow the necessary funds from mortgage proceeds, such funds upon release from escrow to be transferred to GOLDEN RAIN in trust the same as if transferred directly from the Cooperatives.

Terms

1. To the extent that FHA in any mortgage insurance commitment issued by it with respect to any mortgage executed by any Cooperative attributes by virtue of the Improvements additional value to the land, such Cooperative, upon initial endorsement of the mortgage loan note by FHA and acquisition of the land, shall transfer in trust to GOLDEN RAIN out of mortgage loan proceeds or other available funds an amount equal to such additional value. In the event FHA does not make available a breakdown of the "as is" value of the land which reflects the value attributed to the particular Improvements required to be completed as a condition precedent to initial endorsement of the mortgage loan, then such additional value shall be deemed to be the difference between said "as is" value and the price agreed to be paid by the Cooperative for the land, exclusive of the Improvements, plus FHA's estimate of the cost of the Improvements for which an escrow is required by FHA to assure their completion, and the value of which is reflected in the FHA "Estimated available Market Price of Site in Fee Simple" as set forth in its commitment.

Immediately upon receipt of the above-described funds from the Cooperative, GOLDEN RAIN shall deposit the same in a separate trust account and pursuant to a trust agreement substantially as attached hereto as "Exhibit C". GOLDEN RAIN shall be reimbursed from trust funds for cost of Improvements acquired or constructed by GOLDEN RAIN but only to the extent of the cost of Improvements acceptably completed and approved by FHA.

In the case of Improvements with respect to which FHA may require an escrow to assure their completion, the

Cooperative shall deposit an amount equal to FHA's estimate of the cost thereof in an escrow with a depository and pursuant to an escrow agreement both approved by FHA. The amount to be transferred by the Cooperative to GOLDEN RAIN in trust shall be reduced by the amount of the escrow deposit, and the funds deposited in escrow shall be transferred to GOLDEN RAIN in trust upon their release from escrow the same as if transferred directly from the Cooperative.

2. It is specifically understood and agreed that completion of all of the Improvements as planned is dependent upon the development of Leisure World being fully completed, and GOLDEN RAIN shall not be obligated to construct the Improvements to a greater extent than required by the actual development of Leisure World, or to expend thereon any more money than it receives from time to time in trust as provided in paragraph 1 hereof; provided, however, that the obligation of a Cooperative to complete certain specified off-site improvements as a condition of a particular FHA mortgage insurance commitment shall in no wise be affected by the foregoing provision of this paragraph 2.

3. GOLDEN RAIN shall proceed with the acquisition or construction of the Improvements as rapidly as the development of Leisure World permits. The acquisition or construction of all of the Improvements listed in "Exhibit B" will only be undertaken if Leisure World is fully developed. In the event Leisure World is not fully developed, the Improvements will of necessity be proportionately reduced. During the development of Leisure World the order of acquisition or construction of the Improvements will be determined by GOLDEN RAIN subject to approval by FHA. Performance bonds shall be required in connection with all major items of construction. Where Improvements are acquired by GOLDEN RAIN fully completed no bond will be required.

4. No Cooperative shall be obligated to pay for Improvements more than its respective increment contributed to said trust. Such obligation shall be discharged by payment to GOLDEN RAIN in trust of the amount required to be so paid under paragraph 1 hereof.

5. GOLDEN RAIN in its said capacity as Trustee shall maintain the Improvements and the grounds and equipment appurtenant thereto in good repair and condition. In the event all or any part of said Improvements shall be damaged by fire or other casualty, the money derived from any insurance on the property shall be held in trust by and for the benefit of the Cooperatives in such manner as may be determined in the discretion of GOLDEN RAIN as Trustee, provided that any such insurance proceeds in excess of \$5,000.00 shall only be applied in a manner approved by FHA.

6. The beneficial interest of each Cooperative under the trust agreement to be executed as provided in paragraph 1 hereof shall be assigned to MORTGAGEE immediately following the creation of such interest. MORTGAGEE agrees that it will assign to the FHA such beneficial <sup>interest</sup> under said trust agreement as relates to any individual project which MORTGAGEE assigns or conveys to the FHA pursuant to a claim for mortgage insurance benefits.

7. Within 90 days following the end of each fiscal year GOLDEN RAIN shall furnish the Cooperatives, FHA, and MORTGAGEE with a complete annual financial report, prepared and certified by a Public Accountant or Certified Public Accountant and based upon examination of its books and records. The books and records of GOLDEN RAIN shall at all times be maintained in reasonable condition and available for examination and inspection at any reasonable time by FHA or MORTGAGEE or its respective duly authorized agents.

8. Any Cooperative other than LAGUNA HILLS may become a party to this agreement upon the execution of an Addendum, in form substantially the same as "Exhibit D" attached hereto and incorporated herein by this reference, by such joining

Cooperative, GOLDEN RAIN, and MORTGAGEE, and by the supplementing of "Exhibit A" to reflect information pertinent to such joining <sup>Cooperative</sup> ~~Mutual~~. Each such joining Cooperative shall thereby become obligated to perform all duties, shall be subject to all such conditions and restrictions and shall be entitled to all such performance by all other present and future parties hereto as if such joining Cooperative had been an original party to this agreement.

9. This agreement shall inure to the benefit of and bind the successors and assigns of MORTGAGEE under any one or all of the several FHA insured mortgages on any property in Leisure World.

IN WITNESS WHEREOF, the parties hereto have executed this agreement this 2nd day of March, 1964.

GOLDEN RAIN FOUNDATION OF LAGUNA HILLS

By [Signature] VICE PRESIDENT

LAGUNA HILLS MUTUAL NO. ONE,

By [Signature] PRESIDENT

UNITED CALIFORNIA BANK

By [Signature]

FHA Project Nos.	No. of Apt. Units	FHA Estimate of Replacement Cost	Description of Real Property on Which Apartments Will be Built (All in County of Orange, State of California)	
LAGUNA HILLS MUTUAL NO. ONE	122-30309-M	218	\$3,226,544	Lots 11, 12 and 13 of Tract #5061
	122-30310-M	152	2,166,475	Lots 9 and 10 of Tract #5061

EXHIBIT A



ROSEMOOR LEISURE WORLD LAGUNA HILLS  
SUMMARY OF ESTIMATED COSTS  
COMMUNITY FACILITIES AND OFFSITE IMPROVEMENTS

SCHEDULE A

Improvements Within Boundaries of Tentative Tract 4920 \$ 6,206,917.00 = 28.0¢ Sq. Ft.

SCHEDULE B

Improvements Attributable to Total Project Area \$ 4,836,512.00 = 7.5¢ Sq. Ft.

SCHEDULE C

Estimated Costs of Community Facilities \$ 7,859,385.00 = 12.3¢ Sq. Ft.  
47.8¢ Sq. Ft.

EXHIBIT B

COST DEVELOPMENT ROSSMOOR LEISURE WORLD

BOOK 6953 PAGE 538

LAGUNA HILLSImprovements within Boundaries of Tentative Tract 4920A. Private Street Improvements

32' Wide Travel Way 11,000 L.F. X \$10.50	\$ 115,500
36' Wide Travel Way 27,000 L.F. X \$11.50	310,500
46' Wide Travel Way 2,700 L.F. X \$14.50	<u>39,150</u>
	\$ 465,150.00

B. Drainage Construction (Residential Area)

Conc. Lined Channel 4,330 L.F. X \$23.00	\$ 99,590
Combination Equestrian Structures	5,000
36" RCP 8,000 L.F. X \$18.00	144,000
42" RCP 1,480 L.F. X \$20.00	29,600
54" RCP 1,450 L.F. X \$23.00	33,350
Conc. Box Culv. & Apptr. 200 L.F. X \$110.00	22,000
Aliso Creek Crossing 1 X \$16,000	16,000
Std. Catch Basing 16 X \$750.00	<u>12,000</u>
	\$ 361,540.00

C. Grading Pvt. Streets, Recreation Sites

90 Acres X 6,500 CY/Ac = 585,000 CY X \$ .40	\$ 234,000.00
--	---------------

D. Rough Grading Lot Area

6,000 CY/Acre X \$ .40 X 511	\$ 1,226,400.00
------------------------------	-----------------

E. Water Distribution System on Private Streets to Meter

511 Ac X 1,908/Ac	\$ 974,988.00
-------------------	---------------

NOTE: Large Distribution Mains Furnished by Water Co.

F. Water Lines Meter to Bldg.

(Arc. Section)

G. Gravity Sewer Lines (Less House Connections of 6" X 4" VCP)

8" VCP 44,683 L.F. X \$4.10	\$ 183,209
8" VCP 20,000 L.F. X \$4.10	82,000
10" VCP 4,300 L.F. X \$5.10	21,930
12" VCP 3,200 L.F. X \$8.25	26,400
15" VCP 2,300 L.F. X \$10.80	24,840
18" VCP 2,300 L.F. X \$12.90	29,670
21" VCP 1,300 L.F. X \$14.80	<u>19,240</u>
	\$ 387,289.00

SCHEDULE A

(Arch. Section)

BOOK 6953 PAGE 539

H. Sewers (Onsite)

I. Edison Underground

27,000' X \$25.00 = \$675,000

\$675,000 + (\$100.00/unit X 6,285 units) \$ 1,303,500

Plus Underground Utilities (Edison & Telephone)

\$2.00 X 230 L.F./Ac X Ac 286,160

\$ 1,589,660.00

J. Engineering

6,285 units X \$154.00 Per Unit

\$ 967,890.00

\$ 6,206,917.00

TOTAL

\$6,206,917.00 = \$ 12,147.00 Per Acre = 28¢ Per Sq. Ft.  
511 Acres

## COST DEVELOPMENT ROSSMOOR LEISURE WORLD

LAGUNA HILLSImprovements Attributable to Total Project Area .A. El Toro Road Improvements

Traffic Interchange L.S.	\$ 109,920	
Drainage L.S.	56,000	
Excavation 75,600 CY X \$ .40	30,240	
Roadway 104' RW 8,320 L.F. 8,320 X \$44.00	366,080	
Roadway 52' RW 7,000 L.F. 7,000 X \$22.00	<u>154,000</u>	
		\$ 716,240.00

B. Moulton Parkway Improvement.

Roadway 10,150 L.F. X \$44.00	\$ 446,600	
Drainage L.S.	45,950	
Excavation 210,000 CY X \$ .40	<u>84,000</u>	
		\$ 576,550.00

C. Paseo de Valencia

Roadway 70' R/W 3,840 L.F. X \$36.00	\$ 138,240	
104' R/W 4,000 L.F. X \$44.00	176,000	
52' R/W 3,005 L.F. X \$22.00	66,110	
Drainage L.S.	10,000	
Aliso Creek Crossing L.S.	65,000	
Excavation 125,000 CY X \$ .40	<u>50,000</u>	
		\$ 505,350.00

D. Aliso Creek Improvement.

3,800' of Channel		\$ 200,000.00
-------------------	--	---------------

E. Sewer Trunks & Pump Stations.

Trunk A.	\$ 246,000	
Paseo de Valencia to P.S. #2	49,000	
Trunk C. & P.S. #5	137,000	
P.S. #4 to Plant	60,000	
Moulton Parkway to Trunk A	<u>23,000</u>	
		\$ 515,000.00

<u>F. Underground Conduits and Manholes for Pacific Telephone Co.</u>		
Underground Trunk Cables L.S.	\$ 60,000	\$ 60,000.00
<u>G. Chain Link Fencing Along Channels etc.</u>		
30,000 L.F. X \$2.50		\$ 75,000.00
<u>H. Screen Walls Around Perimeter and Along Public Roads.</u>		
70,000 L.F. X \$6.55		\$ 458,500.00
<u>I. Street Lighting</u>		
1,000 units X \$240.00 ea		\$ 240,000.00
<u>J. Street Signs</u>		
		\$ 22,500.00
<u>K. World Globe Main Entrance Way, Lakes, Landscaping, Sprinklers, etc.</u>		
		\$ 122,844.00
<u>L. Relocation Costs Existing Utilities</u>		
Telco Toll Cable Realignment	\$ 220,000	
Temp. Sewer Oxidation Pond	15,000	
Up & Down Costs of Edison Co. Pole Lines		
15,000' X \$5.00	75,000	
Reconstruction of "blow off" on Tr. Cities		
Water Line	30,000	
Temp. Sewer Pump Station & 6" ACP Force Main		
3,125 L.F. 6" ACP X \$4.00	12,500	
Pump Station	6,500	
Temp Chain Link Fencing at Various Locations		
5,000 L.F. X \$2.50	12,500	
Temp Grading & Surfacing of Access Road to		
Moulton Ranch Properties	6,000	
Detour Construction on El Toro	8,500	
Temp Drainage & Grading Required to Maintain		
Drainage	7,500	
Relocation & Removal of Existing Houses on Property	12,500	
		\$ 407,000.00
Sub Total		\$ 3,598,934.00
Engineering Fees 10%		\$ 359,893.40
Forward		\$ 4,288,827.40

Revised 12/1/02

SCHEDULE B

EUM 1000 PM 11:12

	Balance Forward	\$ 4,238,252.00
M.	<u>Engineering Costs</u>	
	(See Schedule A)	
N.	<u>Soil Tests</u>	\$ 46,000.00
O.	<u>Subdivision Bond Premiums</u>	\$ 276,000.00
P.	<u>City &amp; County Fees &amp; Variances</u>	\$ 156,630.00
Q.	<u>Grading Bonds &amp; Permit Fees</u>	\$ 69,000.00
	<b>TOTAL</b>	<b>\$ 4,836,512.00</b>

$\frac{\$ 4,836,512.00}{1463 \text{ Acres}} = \$ 3,306.00 \text{ per Acre} = 7.5\text{¢ per Sq. Ft.}$

## ROSSMOOR LEISURE WORLD LAGUNA HILLS

## ESTIMATED COSTS

## OF COMMUNITY FACILITIES

	LAND AVERAGE	LAND COST	BLDGS & IMPROVEMENTS	TOTAL COSTS
2 - Club Houses with Pools	14.14	\$ 140,000	\$1,300,000	\$1,440,000
5 - Club Houses	21.4	214,000	1,380,000	1,594,000
Auditorium	5	50,000	520,000	570,000
Riding Stable	5.9	59,000	99,750	158,750
Maintenance Bldg	2.4	24,000	483,405	512,405
18 Hole Golf Course	157	1,570,000	525,300	2,095,300
Guard Houses & Gates	-	-	64,000	64,000
Administration Bldg	4.978	49,780	740,900	790,680
Water Improved	22	220,000	40,000	260,000
Contingency Reserve 5%	-	-	-	374,385
		TOTAL		<u>\$7,839,385</u>

$\frac{\$7,839,385}{1,463 \text{ Acres}} = \$5,372.00 \text{ Per Acre} = 12.3¢ \text{ Per Sq. Ft.}$

The Agreement to which this "Exhibit C" is attached is in turn attached as "Exhibit B" to that certain Trust Agreement dated March 2, 1964 between Golden Rain Foundation of Laguna Hills, Trustee, and Laguna Hills Mutual No. One, Trustor. Said Trust Agreement is incorporated herein by reference as this "Exhibit C".

EXHIBIT C



ADDENDUM TO AMENDED AGREEMENT

Pursuant to the provisions of paragraph 8 of  
the Amended Agreement to which this Addendum is attached,  
LAGUNA HILLS MUTUAL NO. \_\_\_\_\_ hereby elects to be-  
come a party to said Agreement.

LAGUNA HILLS MUTUAL NO. \_\_\_\_\_,  
a California corporation

By \_\_\_\_\_

ACCEPTED:

GOLDEN RAIN FOUNDATION OF LAGUNA HILLS,  
a California corporation

By \_\_\_\_\_

UNITED CALIFORNIA BANK

By \_\_\_\_\_

EXHIBIT "D"

AMENDMENT TO TRUST AGREEMENT

GOLDEN RAIN FOUNDATION OF LAGUNA HILLS, as Trustee under that Trust Agreement dated March 2, 1964, recorded in Book 6953, Page 519 of the Official Records of Orange County, California, and LAGUNA HILLS MUTUAL NO. ONE, Trustor of said Trust, hereby agree to amend said Trust Agreement by substituting the amended Agreement attached hereto in place of "Exhibit B" attached to said Trust Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this amendment as of March 30, 1964.

GOLDEN RAIN FOUNDATION OF LAGUNA HILLS,  
Trustee

By *L. M. Letson*  
L. M. Letson, President

By *W. F. Schulz*  
W. F. Schulz, Secretary

LAGUNA HILLS MUTUAL NO. ONE, Trustor

By *D. C. Gardner*  
D. C. Gardner, Vice President

By *W. F. Schulz*  
W. F. Schulz, Secretary

APPROVED:

UNITED CALIFORNIA BANK

By *M. R. Miller* THE PRESIDENT

FEDERAL HOUSING COMMISSIONER

By *James Terrell*

STATE OF CALIFORNIA }

COUNTY OF ORANGE }

ss.

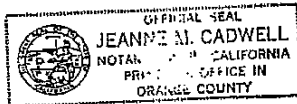
\$17.20

RECORDED AT REQUEST OF  
TITLE INS. & TRUST CO.  
IN OFFICIAL RECORDS OF  
ORANGE COUNTY, CALIF.  
APR 6 1964  
RUBY McFARLAND, County Recorder

On this 30th day of March, 1964, before me, the undersigned, a Notary Public in and for said County and State, personally appeared L. M. Letson, known to me to be the President, and W. F. Schulz, known to me to be the Secretary of GOLDEN RAIN

FOUNDATION OF LAGUNA HILLS, the corporation that executed the within instrument, and known to me to be the persons who executed the within instrument, and known to me to be the persons who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its Board of Directors.

WITNESS my hand and official seal.



*Jeanne M. Cadwell*  
Notary Public in and for the County  
of Orange, State of California

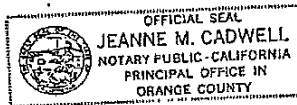
JEANNE M. CADWELL  
My Commission Expires July 4, 1967

STATE OF CALIFORNIA }  
COUNTY OF ORANGE }

ss.

On this 30th day of March, 1964, before me, the undersigned, a Notary Public in and for said County and State, personally appeared D. C. Gardner, known to me to be the Vice President, and W. F. Schulz, known to me to be the Secretary of LAGUNA HILLS MUTUAL NO. ONE, the corporation that executed the within instrument, and known to me to be the persons who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to its By-Laws or a Resolution of its Board of Directors.

WITNESS my hand and official seal.



*Jeanne M. Cadwell*  
Notary Public in and for the County  
of Orange, State of California

JEANNE M. CADWELL  
My Commission Expires July 4, 1967

AMENDED AGREEMENT

The parties hereto hereby agree to amend the Agreement dated March 2, 1964, between GOLDEN RAIN FOUNDATION OF LAGUNA HILLS, LAGUNA HILLS MUTUAL NO. ONE, and UNITED CALIFORNIA BANK, in entirety to read as follows:

Parties

GOLDEN RAIN FOUNDATION OF LAGUNA HILLS, a California nonprofit corporation, hereinafter referred to as "GOLDEN RAIN",

LAGUNA HILLS MUTUAL NO. ONE, a California corporation, hereinafter referred to as "LAGUNA HILLS", and

UNITED CALIFORNIA BANK, a California corporation, hereinafter referred to as "MORTGAGEE".

Recitals

A. LAGUNA HILLS has been formed for the purpose of constructing, owning and operating a cooperative housing project to be constructed in two increments or individual projects and to be located on that certain real property located in Orange County, California, hereinafter referred to as the "Property." The legal description of the Property is set forth in Exhibit I attached hereto and by this reference made a part hereof. The acquisition of the Property and the construction of the improvements thereon are to be financed by the sale of stock of LAGUNA HILLS and by two mortgage loans from MORTGAGEE, said loans to be insured by the Federal Housing Administration (hereinafter called "FHA") under Section 213 of the National Housing Act. LAGUNA HILLS is the first of several such corporations, hereinafter referred to collectively as "Cooperatives" which are planned to be formed for the purpose of constructing, owning and operating cooperative housing projects, which projects when completed will contain an estimated total of 18,000 dwelling units, all to be located in a new community in Laguna Hills, Orange County, California, to be known as Rossmoor Leisure World of Laguna Hills, hereinafter referred to as "LEISURE WORLD".

B. Certain community facilities, private streets, and certain other off-site amenities, hereinafter referred to as

"Improvements," are planned to be constructed within the boundaries of Leisure World. They will be owned and maintained by GOLDEN RAIN in trust for the Cooperatives and their successors in interest and will be operated by GOLDEN RAIN on a non-profit basis for the benefit of the Cooperatives and their members and successors in interest. A schedule of the Improvements and their estimated cost is attached hereto marked Exhibit II and hereby made a part hereof. It is understood by the parties hereto that said schedule is subject to change depending upon changes in the Improvements themselves which become necessary or advisable, costs actually incurred, and the extent of the development of Leisure World.

C. As provided in its By-Laws, the resident membership of GOLDEN RAIN, except for its incorporators, is limited to the members of the Cooperatives. Each such member shall be automatically entitled to such membership by virtue of his membership in one of the Cooperatives. Conversely, by the terms of the Occupancy Agreement required to be signed by each member of a Cooperative, resident membership in GOLDEN RAIN will be a condition of the member's occupancy of his respective dwelling unit. By the terms of its Articles of Incorporation and By-Laws, the voting control of GOLDEN RAIN is vested in its corporation members, which are the Cooperatives, or their successors in interest, each corporation member being entitled to that number of votes equal to its own membership.

D. MORTGAGEE has heretofore filed on behalf of LAGUNA HILLS applications for mortgage insurance covering its two individual projects, and FHA has issued mortgage insurance commitments. The projects are identified in the files of FHA by project number. The project number of each project, the mortgage loan amount and the FHA estimate of total replacement cost are set forth in Exhibit I. The amounts of the commitments are based on FHA's estimate of total replacement cost. In the case of each project there is included in the replacement cost estimate the value attributed to the particular Improvements determined by FHA to be

essential to the project and required to be completed as a condition of its insurance of the mortgage loan. The value attributed to the Improvements is reflected in the value of the land. Those Improvements (principally community facilities) required to be completed prior to FHA initial endorsement of the mortgage loan note are reflected in the "fair market value of land in fee simple and 'as is'" (as set forth in the commitment). Those improvements (e.g., utilities, street improvements and drainage structures) not required to be completed prior to initial endorsement but for which assurance of completion is required prior thereto in the form of an escrow, are reflected in the "Estimated Available Market Price of Site in Fee Simple" (as set forth in the commitment).

E. It is assumed that the Improvements will be valued by FHA in the same manner as above described in the case of each individual project in Leisure World, and that the actual cost of all of the Improvements will not exceed the aggregate value attributed thereto by FHA. It is the intention of GOLDEN RAIN to finance the acquisition and construction of the Improvements, including underlying land, out of mortgage loan proceeds received by the Cooperatives (residual amounts available for land on first advance). Land for each individual project is planned to be purchased by the Cooperatives at a price not in excess of FHA's "Estimated Available Market Price of Sites in Fee Simple," less the value attributed to Improvements. It is further planned that each Cooperative will transfer in trust to GOLDEN RAIN, funds equal to such value which will be applied by GOLDEN RAIN toward payment of the cost of the Improvements. In the case of those Improvements for which FHA may require assurance of completion, (e.g., utilities, street improvements and drainage structures), it is intended that the Cooperatives deposit in escrow the necessary funds from mortgage proceeds, such funds upon release from escrow to be transferred to GOLDEN RAIN in trust the same as if transferred directly from the Cooperatives.

Terms

1. To the extent that FHA in any mortgage insurance commitment issued by it with respect to any mortgage executed by any Cooperative attributes by virtue of the Improvements additional value to the land, such Cooperative, upon initial endorsement of the mortgage loan note by FHA and acquisition of the land, shall transfer in trust to GOLDEN RAIN out of mortgage loan proceeds or other available funds an amount equal to such additional value. In the event FHA does not make available a breakdown of the "as is" value of the land which reflects the value attributed to the particular Improvements required to be completed as a condition precedent to initial endorsement of the mortgage loan, then such additional value shall be deemed to be the difference between said "as is" value and the price agreed to be paid by the Cooperative for the land, exclusive of the Improvements, plus FHA's estimate of the cost of the Improvements for which an escrow is required by FHA to assure their completion, and the value of which is reflected in the FHA "Estimated Available Market Price of Site in Fee Simple" as set forth in its commitment.

Immediately upon receipt of the above-described funds from the Cooperative, GOLDEN RAIN shall deposit the same in a separate trust account and pursuant to a trust agreement substantially as attached hereto as Exhibit III. GOLDEN RAIN shall be reimbursed from trust funds for cost of Improvements acquired or constructed by GOLDEN RAIN but only to the extent of the cost of Improvements acceptably completed and approved by FHA.

In the case of Improvements with respect to which FHA may require an escrow to assure their completion, the Cooperative shall deposit an amount equal to FHA's estimate of the cost thereof in an escrow with a depository and pursuant to an escrow agreement both approved by FHA. The amount to be transferred by the Cooperative to GOLDEN RAIN in trust shall be reduced by the amount of the

escrow deposit, and the funds deposited in escrow shall be transferred to GOLDEN RAIN in trust upon their release from escrow the same as if transferred directly from the Cooperative.

2. It is specifically understood and agreed that completion of all of the Improvements as planned is dependent upon the development of Leisure World being fully completed, and GOLDEN RAIN shall not be obligated to construct the Improvements to a greater extent than required by the actual development of Leisure World, or to expend thereon any more money than it receives from time to time in trust as provided in paragraph 1 hereof; provided, however, that the obligation of a Cooperative to complete certain specified off-site improvements as a condition of a particular FHA mortgage insurance commitment shall in no wise be affected by the foregoing provision of this paragraph 2.

3. GOLDEN RAIN shall proceed with the acquisition or construction of the Improvements as rapidly as the development of Leisure World permits. The acquisition or construction of all of the Improvements listed in Exhibit II will only be undertaken if Leisure World is fully developed. In the event Leisure World is not fully developed, the Improvements will of necessity be proportionately reduced. During the development of Leisure World the order of acquisition or construction of the Improvements will be determined by GOLDEN RAIN subject to approval by FHA. Performance bonds shall be required in connection with all major items of construction. Where Improvements are acquired by GOLDEN RAIN fully completed no bond will be required.

4. No Cooperative shall be obligated to pay for Improvements more than its respective increment contributed to said trust. Such obligation shall be discharged by payment to GOLDEN RAIN in trust of the amount required to be so paid under paragraph 1 hereof.

5. GOLDEN RAIN in its said capacity as Trustee shall maintain the Improvements and the grounds and equipment appurtenant



thereinto in good repair and condition. In the event all or any part of said Improvements shall be damaged by fire or other casualty, the money derived from any insurance on the property shall be held in trust by and for the benefit of the Cooperatives in such manner as may be determined in the discretion of GOLDEN RAIN as Trustee, provided that any such insurance proceeds in excess of \$5,000.00 shall only be applied in a manner approved by FHA.

6. GOLDEN RAIN shall operate and manage the Improvements and provide administrative, recreational and medical services for the benefit of the members of the Cooperatives and their successors in interest at cost and on a nonprofit basis. The cost thereof shall be included in the monthly carrying charges charged on a pro rata basis to the members by their respective Cooperatives. Not less than sixty (60) days prior to the beginning of each fiscal year GOLDEN RAIN shall prepare an operating budget setting forth its estimate of the cost of operating and managing the Improvements and providing the other aforesaid services desired for the ensuing year and shall cause copies of same to be delivered to the members of the Cooperatives or to the Cooperatives for delivery to their members. The estimate of cost shall include administrative expenses, operating expense, utilities, hazard insurance, taxes and assessments, interest and amortization, and a reasonable contingency reserve. GOLDEN RAIN in its capacity as Trustee of the Golden Rain Foundation Trust shall maintain and repair the Improvements for the benefit of the Cooperatives and their successors in interest at cost and on a nonprofit basis and shall prepare and deliver cost estimates for such maintenance and repair in the same manner and such costs shall be charged in the same manner as provided above for operating and managing costs. Such costs shall include a reasonable reserve for replacement and renovation.

7. In the discretion of its Board of Directors, GOLDEN RAIN shall refund or credit to the members of the Cooperatives after the end of each fiscal year their respective proportionate shares of such sums as have been collected to pay the cost of the aforesaid services which are in excess of the amount expended or obligated therefor.

8. The extent of the services to be provided in connection with the community facilities and the rules and regulations with respect to the use of said facilities shall be determined and established by the Board of Directors of GOLDEN RAIN in its sole discretion.

9. The beneficial interest of each Cooperative under the trust agreement to be executed as provided in paragraph 1 hereof shall be assigned to MORTGAGEE immediately following the creation of such interest. MORTGAGEE agrees that it will assign to the FHA such beneficial interest under said trust agreement as relates to any individual project which MORTGAGEE assigns or conveys to the FHA pursuant to a claim for mortgage insurance benefits.

10. Within 90 days following the end of each fiscal year GOLDEN RAIN shall furnish the Cooperatives, FHA, and MORTGAGEE with a complete annual financial report, prepared and certified by a Public Accountant or Certified Public Accountant and based upon examination of its books and records. The books and records of GOLDEN RAIN shall at all times be maintained in reasonable condition and available for examination and inspection at any reasonable time by FHA or MORTGAGEE or its respective duly authorized agents.

11. Any Cooperative other than LAGUNA HILLS may become a party to this agreement upon the execution of an Addendum, in form substantially the same as Exhibit IV attached hereto and incorporated herein by this reference, by such joining Cooperative, GOLDEN RAIN, and MORTGAGEE, and by the supplementing of Exhibit I to reflect information pertinent to such joining Cooperative. Each such joining Cooperative shall thereby become obligated to perform all duties, shall be subject to all such conditions and restrictions and shall be entitled to all such performance by all other present and future parties hereto as if such joining Cooperative had been an original party to this agreement.

12. This agreement shall inure to the benefit of and bind the successors and assigns of MORTGAGEE under any one or

all of the several FHA insured mortgages on any property in Leisure World.

13. This Agreement is not intended to end and is not to be interpreted as in any way diminishing or abrogating any of the duties or obligations imposed on GOLDEN RAIN under the Regulatory Agreement dated March 2, 1964 between GOLDEN RAIN FOUNDATION OF LAGUNA HILLS and PHILIP N. BROWNSTEIN, as Federal Housing Commissioner. In the event of conflict between this Agreement and the Regulatory Agreement, the terms of said Regulatory Agreement shall prevail. In the event of a conflict between this Agreement and the Trust Agreement dated March 2, 1964, between GOLDEN RAIN FOUNDATION OF LAGUNA HILLS, as Trustee, and LAGUNA HILLS MUTUAL NO. ONE, as Trustor, the terms of this Agreement shall prevail.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement this 30<sup>th</sup> day of March, 1964.

GOLDEN RAIN FOUNDATION OF LAGUNA HILLS

By [Signature]

LAGUNA HILLS MUTUAL NO. ONE

By [Signature]

UNITED CALIFORNIA BANK

By [Signature]

	FHA Project Nos.	No. of Apt. Units	FHA Estimate of Replacement Cost	Description of Real Property on Which Apartments Will be Built (All in County of Orange, State of California)
LAGUNA HILLS MUTUAL NO. ONE	122-30309-M	218	\$3,226,544	Lots 11, 12 and 13 of Tract #5061
	122-30310-M	152	2,166,475	Lots 9 and 10 of Tract #5061

EXHIBIT I

## ROSSMOOR LEISURE WORLD LAGUNA HILLS

## SUMMARY OF ESTIMATED COSTS

COMMUNITY FACILITIES AND OFFSITE IMPROVEMENTSSCHEDULE A

Improvements Within Boundaries of Tentative Tract 4920 \$ 6,206,917.00 - 28.0¢ Sq. Ft.

SCHEDULE B

Improvements Attributable to Total Project Area \$ 4,836,512.00 - 7.5¢ Sq. Ft.

SCHEDULE C

Estimated Costs of Community Facilities \$ 7,859,385.00 - 12.3¢ Sq. Ft.  
47.8¢ Sq. Ft.

EXHIBIT II

COST DEVELOPMENT ROSSMOOR LEISURE WORLD

BOOK 6992 PAGE 611

LAGUNA HILLSImprovements within Boundaries of Tentative Tract 4920A. Private Street Improvements

32' Wide Travel Way 11,000 L.F. X \$10.50	\$ 115,500
36' Wide Travel Way 27,000 L.F. X \$11.50	310,500
46' Wide Travel Way 2,700 L.F. X \$14.50	<u>39,150</u>
	\$ 465,150.00

B. Drainage Construction (Residential Area)

Conc. Lined Channel 4,330 L.F. X \$23.00	\$ 99,590
Combination Equestrian Structures	5,000
36" RCP 8,000 L.F. X \$18.00	144,000
42" RCP 1,480 L.F. X \$20.00	29,600
54" RCP 1,450 L.F. X \$23.00	33,350
Conc. Box Culv. & Apptr. 200 L.F. X \$110.00	22,000
Aliso Creek Crossing 1 X \$16,000	16,000
Std. Catch Basing 16 X \$750.00	<u>12,000</u>
	\$ 361,540.00

C. Grading Pvt. Streets, Recreation Sites

90 Acres X 6,500 CY/Ac = 585,000 CY X \$ .40	\$ 234,000.00
--	---------------

D. Rough Grading Lot Area

6,000 CY/Acre X \$ .40 X 511	\$ 1,226,400.00
------------------------------	-----------------

E. Water Distribution System on Private Streets to Meter

511 Ac X 1,908/Ac	\$ 974,933.00
-------------------	---------------

NOTE: Large Distribution Mains Furnished by Water Co.

F. Water Lines Meter to Bldg.

(Arc. Section)

G. Gravity Sewer Lines. (Less House Connections of 6" X 4" VCP)

8" VCP 44,683 L.F. X \$4.10	\$ 183,209
8" VCP 20,000 L.F. X \$4.10	82,000
10" VCP 4,300 L.F. X \$5.10	21,930
12" VCP 3,200 L.F. X \$8.25	26,400
15" VCP 2,300 L.F. X \$10.80	24,840
18" VCP 2,300 L.F. X \$12.90	29,570
21" VCP 1,300 L.F. X \$14.80	<u>19,240</u>
	\$ 387,239.00

H. Sewers (Onsite)

I. Edison Underground

27,000' X \$25.00 = \$675,000

\$675,000 ÷ (\$100.00/unit X 6,285 units) = \$ 1,303,500

Plus Underground Utilities (Edison & Telephone)

\$2.00 X 280 L.F./Ac X Ac

286,160

\$ 1,589,660.00

J. Engineering

6,285 units X \$154.00 Per Unit

\$ 967,890.00

TOTAL

\$ 6,206,917.00

\$6,206,917.00 = \$ 12,147.00 Per Acre = 28¢ Per Sq. Ft.  
511 Acres

## COST DEVELOPMENT ROSSMOOR LEISURE WORLD

LAGUNA HILLSImprovements Attributable to Total Project AreaA. El Toro Road Improvements

Traffic Interchange L.S.	\$ 109,920	
Drainage L.S.	56,000	
Excavation 75,600 CY X \$ .40	30,240	
Roadway 104' RW 8,320 L.F. 8,320 X \$44.00	366,080	
Roadway 52' RW 7,000 L.F. 7,000 X \$22.00	<u>154,000</u>	
		\$ 716,240.00

B. Moulton Parkway Improvement

Roadway 10,150 L.F. X \$44.00	\$ 446,600	
Drainage L.S.	45,950	
Excavation 210,000 CY X \$ .40	<u>84,000</u>	
		\$ 576,550.00

C. Paseo de Valencia

Roadway 70' R/W 3,840 L.F. X \$36.00	\$ 138,240	
104' R/W 4,000 L.F. X \$44.00	176,000	
52' R/W 3,005 L.F. X \$22.00	66,110	
Drainage L.S.	10,000	
Aliso Creek Crossing L.S.	65,000	
Excavation 125,000 CY X \$ .40	<u>50,000</u>	
		\$ 505,350.00

D. Aliso Creek Improvement

3,800' of Channel	\$ 200,000.00
-------------------	---------------

E. Sewer Trunks & Pump Stations

Trunk A	\$ 246,000	
Paseo de Valencia to P.S. #2	49,000	
Trunk C & P.S. #5	137,000	
P.S. #4 to Plant	60,000	
Moulton Parkway to Trunk A	<u>23,000</u>	
		\$ 515,000.00



F. Underground Conduit and Manholes for Pacific Telephone Co.

Underground Trunk Cables L.S.	\$ 60,000	\$ 60,000.00
-------------------------------	-----------	--------------

G. Chain Link Fencing Along Channels etc.

30,000 L.F. X \$2.50		\$ 75,000.00
----------------------	--	--------------

H. Screen Walls Around Perimeter and Along Public Roads.

70,000 L.F. X \$6.55		\$ 458,500.00
----------------------	--	---------------

I. Screens Lighting

1,000 units X \$240.00 ea		\$ 240,000.00
---------------------------	--	---------------

J. Street Signs

	\$ 22,500.00
--	--------------

K. World Globe Main Entrance Way, Lakes, Landscaping, Sprinklers, etc.

	\$ 122,844.00
--	---------------

L. Relocation Costs Existing Utilities

Telco Toll Cable Realignment	\$ 220,000
------------------------------	------------

Temp. Sewer Oxidation Pond	16,000
----------------------------	--------

Up & Down Costs of Edison Co. Pole Lines	
--	--

15,000' X \$5.00	75,000
------------------	--------

Reconstruction of "blow off" on Tri Cities	
--	--

Water Line	30,000
------------	--------

Temp. Sewer Pump Station & 6" ACP Force Main	
--	--

3,125 L.F. 6" ACP X \$4.00	12,500
----------------------------	--------

Pump Station	6,500
--------------	-------

Temp Chain Link Fencing at Various Locations	
--	--

5,000 L.F. X \$2.50	12,500
---------------------	--------

Temp Grading & Surfacing of Access Road to	
--	--

Moulton Ranch Properties	6,000
--------------------------	-------

Detour Construction on El Toro	8,500
--------------------------------	-------

Temp Drainage & Grading Required to Maintain	
--	--

Drainage	7,500
----------	-------

Relocation & Removal of Existing Houses on Property	12,500
---	--------

	\$ 407,000.00
--	---------------

Sub Total	\$ 3,898,984.00
-----------	-----------------

Engineering Fees 10%	\$ 389,898.00
----------------------	---------------

Forward	\$ 4,288,882.00
---------	-----------------

SCHEDULE B

BOOK 6992 PAGE 615

	Balance Forward	\$ 4,238,282.00
M.	<u>Engineering Costs</u>	
	(See Schedule A)	
N.	<u>Soil Tests</u>	\$ 46,000.00
O.	<u>Subdivision Bond Premiums</u>	\$ 276,000.00
P.	<u>City &amp; County Fees &amp; Variances</u>	\$ 156,630.00
Q.	<u>Grading Bonds &amp; Permit Fees</u>	\$ 69,000.00
	 TOTAL	 \$ 4,836,512.00

$\$ \frac{4,836,512.00}{1463 \text{ Acres}} = \$ 3,306.00 \text{ per Acre} = 7.5\text{¢ per Sq. Ft.}$

## ROSSMOOR LEISURE WORLD LAGUNA HILLS

## SUGGESTED ESTIMATED COSTS

## OF COMMUNITY FACILITIES

	LAND AVERAGE	LAND COST	BLDGs & IMPROVEMENTS	TOTAL COSTS
2 - Club Houses with Pools	14.14	\$ 140,000	\$1,300,000	\$1,440,000
5 - Club Houses	21.4	214,000	1,320,000	1,594,000
Auditorium	5	50,000	520,000	570,000
Riding Stable	5.9	59,000	99,750	158,750
Maintenance Bldg	2.4	24,000	488,405	512,405
18 Hole Golf Course	157	1,570,000	525,300	2,095,300
Guard Houses & Gates	-	-	64,000	64,000
Administration Bldg	4.978	49,780	740,900	790,680
Park Improved	22	220,000	40,000	260,000
Contingency Reserve 5%	-	-	-	274,350
		TOTAL		\$7,859,385

$\frac{\$7,859,385}{1,462 \text{ Acres}} = \$5,372.00 \text{ Per Acre} = 12.3¢ \text{ Per Sq. Ft.}$

The Agreement to which this Exhibit III is attached is in turn attached as Exhibit B to that certain Trust Agreement dated March 2, 1964 between GOLDEN RAIN FOUNDATION OF LAGUNA HILLS, Trustee, and LAGUNA HILLS MUTUAL NO. ONE, Trustor. Said Trust Agreement is incorporated herein by reference as this Exhibit III.

EXHIBIT III

ADDENDUM TO AMENDED AGREEMENT

Pursuant to the provisions of paragraph 11 of the  
Amended Agreement between GOLDEN RAIN FOUNDATION OF LAGUNA HILLS,  
LAGUNA HILLS MUTUAL NO. ONE, and UNITED CALIFORNIA BANK, dated

\_\_\_\_\_, LAGUNA HILLS MUTUAL NO. \_\_\_\_\_  
hereby elects to become a party to said Agreement.

LAGUNA HILLS MUTUAL NO. \_\_\_\_\_,  
a California corporation

DATE \_\_\_\_\_

By \_\_\_\_\_

ACCEPTED:

GOLDEN RAIN FOUNDATION OF LAGUNA HILLS,  
a California corporation

DATE \_\_\_\_\_

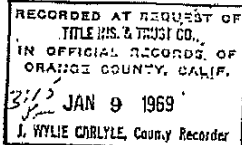
By \_\_\_\_\_

UNITED CALIFORNIA BANK

DATE \_\_\_\_\_

By \_\_\_\_\_

EXHIBIT IV

AMENDMENT TO TRUST AGREEMENT

Golden Rain Foundation of Laguna Hills, as Trustee under that certain Trust Agreement dated March 2, 1964, recorded in Book 6953 page 519 of the Official Records of Orange County, California, as amended by instrument dated March 30, 1964, recorded in Book 6992 page 599 of said records, and First Laguna Hills Mutual and Laguna Hills Mutuals No. Nine and Eleven through Twenty-One, Trustors thereunder, hereby agree to amend said agreement, including "Amended Agreement" and "Regulatory Agreement" attached as exhibits thereto, as follows:

1. Wherever the word "Cooperatives" is used in said agreement, including the exhibits attached thereto, it shall also mean management bodies of condominium housing projects at Rossmoor Leisure World, Laguna Hills, California.

2. Wherever the words "Members of Cooperatives" are used in said agreement, including the exhibits attached thereto, they shall also mean the members of the management bodies of condominium housing projects at Rossmoor Leisure World, Laguna Hills, California.

3. In the event the development of a cooperative housing project or a condominium housing project is not financed with a mortgage loan insured by the FHA, then the amount to be transferred by the cooperative in trust to Golden Rain shall be determined by Golden Rain.

Executed at Laguna Hills, California.

October 4, 1968.

GOLDEN RAIN FOUNDATION  
OF LAGUNA HILLS

By R. L. Price  
Trustee

FIRST LAGUNA HILLS MUTUAL

By Wm. H. Price  
Trustors

LAGUNA HILLS MUTUAL NO. NINE

By George H. Price  
Trustor

LAGUNA HILLS MUTUAL NO. ELEVEN

By Wm. H. Price  
Trustor

LAGUNA HILLS MUTUAL NO. TWELVE

By Wm. H. Price  
Trustor

LAGUNA HILLS MUTUAL NO. THIRTEEN

By Wm. H. Price  
Trustor

LAGUNA HILLS MUTUAL NO. FOURTEEN

By Wm. H. Price  
Trustor

LAGUNA HILLS MUTUAL NO. FIFTEEN

By Wm. H. Price  
Trustor

LAGUNA HILLS MUTUAL NO. SIXTEEN

By Wm. H. Price  
Trustor

LAGUNA HILLS MUTUAL NO. SEVENTEEN

By R. L. Price  
Trustor

LAGUNA HILLS MUTUAL NO. EIGHTEEN

By Martha R. Price  
Trustor

LAGUNA HILLS MUTUAL NO. NINETEEN

By R. L. Price  
Trustor

LAGUNA HILLS MUTUAL NO. TWENTY

By R. L. Price  
Trustor

LAGUNA HILLS MUTUAL NO. TWENTY-ONE

By R. L. Price  
Trustor

APPROVED:

UNITED CALIFORNIA BANK

By [Signature]  
Assistant Vice President

GOVERNMENT NATIONAL  
MORTGAGE ASSOCIATION

By [Signature]  
Assistant Vice President

THE BOMERY SAVINGS BANK

By [Signature]  
Assistant Vice President

BELMONT SAVINGS AND LOAN  
ASSOCIATION

By [Signature]

METROPOLITAN LIFE INSURANCE  
COMPANY

By [Signature]  
H. M. CRANE, ASSISTANT GENERAL COUNSEL

FEDERAL HOUSING  
ADMINISTRATION

By [Signature]  
E. M. O'TOOLE (Authorized Agent)

STATE OF CALIFORNIA  
COUNTY OF ORANGE

} SS.

On September 30, 1968 before me, the undersigned, a Notary Public in and for said State, personally appeared R. L. Price, known to me to be the President of the corporation that executed the within Instrument, known to me to be the person who executed the within Instrument on behalf of GOLDEN RAIN FOUNDATION OF LAGUNA HILLS, and acknowledged to me that GOLDEN RAIN FOUNDATION OF LAGUNA HILLS executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

Signature [Signature]  
Marjorie F. Brandon



STATE OF CALIFORNIA  
COUNTY OF ORANGE

} SS.

On September 30, 1968 before me, the undersigned, a Notary Public in and for said State, personally appeared W. M. Harrell, known to me to be the Vice President of the corporation that executed the within Instrument, known to me to be the person who executed the within Instrument on behalf of FIRST LAGUNA HILLS MUTUAL, and acknowledged to me that FIRST LAGUNA HILLS MUTUAL executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

Signature [Signature]  
Marjorie F. Brandon



STATE OF CALIFORNIA  
COUNTY OF ORANGE

} SS.

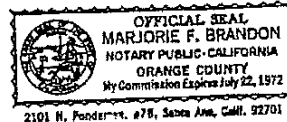
On September 30, 1968 before me, the undersigned, a Notary Public in and for said State, personally appeared George Throssell, known to me to be the President of the corporation that executed the within Instrument, known to me to be the person who executed the within Instrument on behalf of LAGUNA HILLS MUTUAL NO. NINE, and acknowledged to me that LAGUNA HILLS MUTUAL NO. NINE executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

Signature

*Marjorie F. Brandon*

Marjorie F. Brandon



STATE OF CALIFORNIA  
COUNTY OF ORANGE

} SS.

On September 30, 1968 before me, the undersigned, a Notary Public in and for said State, personally appeared W. Marshall Dale, known to me to be the President of the corporation that executed the within Instrument, known to me to be the person who executed the within Instrument on behalf of LAGUNA HILLS MUTUAL NO. ELEVEN, and acknowledged to me that LAGUNA HILLS MUTUAL NO. ELEVEN executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

Signature

*Marjorie F. Brandon*

Marjorie F. Brandon



STATE OF CALIFORNIA  
COUNTY OF ORANGE

} SS.

On September 30, 1968 before me, the undersigned, a Notary Public in and for said State, personally appeared R.N. Smoot, known to me to be the President of the corporation that executed the within Instrument, known to me to be the person who executed the within Instrument on behalf of LAGUNA HILLS MUTUAL NO. TWELVE, and acknowledged to me that LAGUNA HILLS MUTUAL NO. TWELVE executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

Signature

*Marjorie F. Brandon*

Marjorie F. Brandon





STATE OF CALIFORNIA  
COUNTY OF ORANGE

} SS.

On September 30, 1968 before me, the undersigned, a Notary Public in and for said State, personally appeared Everett Smith, known to me to be the President of the corporation that executed the within Instrument, known to me to be the person who executed the within Instrument on behalf of LAGUNA HILLS MUTUAL NO. THIRTEEN, and acknowledged to me that LAGUNA HILLS MUTUAL NO. THIRTEEN executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

Signature

*Marjorie F. Brandon*  
Marjorie F. Brandon



STATE OF CALIFORNIA  
COUNTY OF ORANGE

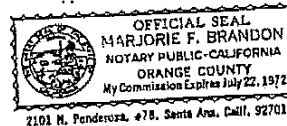
} SS.

On September 30, 1968 before me, the undersigned, a Notary Public in and for said State, personally appeared John E. Meeke, known to me to be the President of the corporation that executed the within Instrument, known to me to be the person who executed the within Instrument on behalf of LAGUNA HILLS MUTUAL NO. FOURTEEN, and acknowledged to me that LAGUNA HILLS MUTUAL NO. FOURTEEN executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

Signature

*Marjorie F. Brandon*  
Marjorie F. Brandon



STATE OF CALIFORNIA  
COUNTY OF ORANGE

} SS.

On October 4, 1968 before me, the undersigned, a Notary Public in and for said State, personally appeared A. Herman Lynch, known to me to be the President of the corporation that executed the within Instrument, known to me to be the person who executed the within Instrument on behalf of LAGUNA HILLS MUTUAL NO. FIFTEEN, and acknowledged to me that LAGUNA HILLS MUTUAL NO. FIFTEEN executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

Signature

*Marjorie F. Brandon*  
Marjorie F. Brandon



STATE OF CALIFORNIA  
COUNTY OF ORANGE

} SS.

On September 30, 1968 before me, the undersigned, a Notary Public in and for said State, personally appeared Arthur G. Kruse, known to me to be the President of the corporation that executed the within Instrument, known to me to be the person who executed the within Instrument on behalf of LAGUNA HILLS MUTUAL NO. SIXTEEN, and acknowledged to me that LAGUNA HILLS MUTUAL NO. SIXTEEN executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

Signature

*Marjorie F. Brandon*

Marjorie F. Brandon



STATE OF CALIFORNIA  
COUNTY OF ORANGE

} SS.

On September 30, 1968 before me, the undersigned, a Notary Public in and for said State, personally appeared R. L. Price, known to me to be the President of the corporation that executed the within Instrument, known to me to be the person who executed the within Instrument on behalf of LAGUNA HILLS MUTUAL NO. SEVENTEEN, and acknowledged to me that LAGUNA HILLS MUTUAL NO. SEVENTEEN executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

Signature

*Marjorie F. Brandon*

Marjorie F. Brandon



STATE OF CALIFORNIA  
COUNTY OF ORANGE

} SS.

On October 4, 1968 before me, the undersigned, a Notary Public in and for said State, personally appeared Martha Ann Berdrow, known to me to be the President of the corporation that executed the within Instrument, known to me to be the person who executed the within Instrument on behalf of LAGUNA HILLS MUTUAL NO. EIGHTEEN, and acknowledged to me that LAGUNA HILLS MUTUAL NO. EIGHTEEN executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

Signature

*Marjorie F. Brandon*

Marjorie F. Brandon



STATE OF CALIFORNIA  
COUNTY OF ORANGE

} SS.

BOOK 884.1 PAGE 221

On September 30, 1968 before me, the undersigned, a Notary Public in and for said State, personally appeared R. L. Price, known to me to be the President of the corporation that executed the within Instrument, known to me to be the person who executed the within Instrument on behalf of LAGUNA HILLS MUTUAL NO. NINETEEN, and acknowledged to me that LAGUNA HILLS MUTUAL NO. NINETEEN executed the within instrument pursuant to its by-laws or a resolution of its board of directors..

WITNESS my hand and official seal.

Signature

*Marjorie F. Brandon*

Marjorie F. Brandon



STATE OF CALIFORNIA  
COUNTY OF ORANGE

} SS.

On September 30, 1968 before me, the undersigned, a Notary Public in and for said State, personally appeared R. L. Price, known to me to be the President of the corporation that executed the within Instrument, known to me to be the person who executed the within Instrument on behalf of LAGUNA HILLS MUTUAL NO. TWENTY, and acknowledged to me that LAGUNA HILLS MUTUAL NO. TWENTY executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

Signature

*Marjorie F. Brandon*

Marjorie F. Brandon



STATE OF CALIFORNIA  
COUNTY OF ORANGE

} SS.

On September 30, 1968 before me, the undersigned, a Notary Public in and for said State, personally appeared R. L. Price, known to me to be the President of the corporation that executed the within Instrument, known to me to be the person who executed the within Instrument on behalf of LAGUNA HILLS MUTUAL NO. TWENTY-ONE, and acknowledged to me that LAGUNA HILLS MUTUAL NO. TWENTY-ONE executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

Signature

*Marjorie F. Brandon*

Marjorie F. Brandon



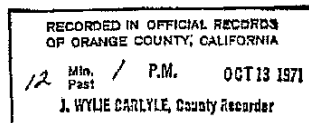
~~ORIGINAL~~

12310

EX- 9845 PAGE 89

Recorded at request of and  
When recorded mail to:

William F. Price  
500 Newport Center Drive  
Newport Beach, California 92660



\$ 12.00

#### AMENDMENT TO TRUST AGREEMENT

##### Parties

The parties to this agreement are: Golden Rain Foundation of Laguna Hills, a California nonprofit corporation, First Laguna Hills Mutual, a California nonprofit corporation, Second Laguna Hills Mutual, a California nonprofit corporation, Third Laguna Hills Mutual, a California nonprofit corporation, Laguna Hills Mutual No. Twenty-Six, a California nonprofit corporation, Laguna Hills Mutual No. Thirty, a California nonprofit corporation, Laguna Hills Mutual No. Thirty-One, a California nonprofit corporation, Laguna Hills Mutual No. Thirty-Two, a California nonprofit corporation and Laguna Hills Mutual No. Thirty-Three, a California nonprofit corporation.

##### Recitals

1. Golden Rain Foundation of Laguna Hills is Trustee and the other parties hereto are Trustors under that certain Trust Agreement dated March 2, 1964 and recorded as Document No. 6217 on March 6, 1964 in Book 6953, Page 519 of Official Records in the Office of the County Recorder of the County of Orange, State of California, hereinafter referred to as the Trust Agreement.

2. Exhibit B attached to said Trust Agreement was amended by agreement dated March 30, 1964 and recorded as Instrument No. 4746 on April 6, 1964 in Book 6992, Page 599 of Official Records in the Office of the County Recorder of the County of Orange, State of California.
3. Exhibit C attached to said Trust Agreement was amended by agreement dated February 1, 1966 and recorded as Instrument No. 8001 on February 11, 1966 in Book 7838, Page 70 of Official Records in the Office of the County Recorder of the County of Orange, State of California.
4. Said Trust Agreement was further amended by agreement dated October 4, 1968 and recorded as Instrument No. 4899 on January 9, 1969 in Book 8841, Page 215 of Official Records in the Office of the County Recorder of the County of Orange, State of California.
5. It is the desire of the parties hereto that said Trust Agreement, as amended, be amended further as set forth herein.

Terms

In consideration of the mutual promises contained herein the parties hereto hereby agree as follows:

1. Paragraph J of Section VII of said Trust Agreement is hereby amended to read as follows:
  - J. TRUSTEE is expressly prohibited from exercising any power vested in it under this Trust for the primary benefit of TRUSTEE or for the benefit of any person other than the beneficiaries of this Trust and their members, provided that subject to prior written consent of the beneficiaries exercising two-thirds of the voting power of TRUSTEE,

as provided in the by-laws of TRUSTEE, TRUSTEE may provide medical services to or permit the use of any medical facilities by persons other than the beneficiaries of this Trust or their members under such terms and conditions as may be determined by TRUSTEE.

2. Section IX of said Trust Agreement is hereby amended by adding the following paragraphs E, F, and G:
  - E. Wherever the word "Cooperatives" is used in this agreement or in any exhibit attached hereto, including any amendments of this agreement or exhibits attached hereto, it shall also mean management bodies of condominium housing projects at Rossmoor Leisure World of Laguna Hills, California.
  - F. Wherever the words "Members of Cooperatives" are used in this agreement or in any exhibit attached hereto, including any amendments of this agreement or exhibits attached hereto, they shall also mean the members of the management bodies of condominium housing projects at Rossmoor Leisure World of Laguna Hills, California.
  - G. In the event the development of a cooperative housing project or a condominium housing project is not financed with a mortgage loan insured by the FHA, then the amount to be transferred by the cooperative in trust to Golden Rain shall be determined by Golden Rain.
3. Paragraph 8 of Exhibit B attached to said Trust Agreement, as amended, is hereby amended to read as follows:
  8. The extent of the services to be provided by GOLDEN

RAIN, the rules and regulations with respect to the use of the Improvements, the persons entitled to receive said services or to use said Improvements and the charges therefor shall be determined and established by the Board of Directors of GOLDEN RAIN in its sole discretion, provided that the furnishing of any medical services to or the use of any facilities by persons other than the Cooperatives or members of the Cooperatives shall be subject to prior written consent of the Cooperatives exercising two-thirds of the voting power of Golden Rain, as provided in the by-laws of Golden Rain.

4. The amendment to the Trust Agreement dated October 4, 1968 and recorded as Instrument No. 4899 on January 9, 1969 in Book 8841, Page 215 of Official Records in the Office of the County Recorder of the County of Orange, State of California, is hereby superseded and cancelled.
5. This agreement shall be effective upon execution of written consent by United California Bank, The Bowery Savings Bank, Metropolitan Life Insurance Company, Government National Mortgage Association and Great Western Savings and Loan Association of Southern California, as Mortgagees of the real property of certain parties to this agreement, and the Federal Housing Administration.

Dated: SEP 29 1971

GOLDEN RAIN FOUNDATION OF LAGUNA HILLS

By R L Price, Pres  
R. L. Price, President

FIRST LAGUNA HILLS MUTUAL

By W. M. Harrell  
W. M. Harrell, President

SECOND LAGUNA HILLS MUTUAL

By J. A. Sickenger  
J. A. Sickenger, President

THIRD LAGUNA HILLS MUTUAL

By Wallace T. Filson  
Wallace T. Filson, President

LAGUNA HILLS MUTUAL NO. TWENTY-SIX

By Rolland R. John  
Rolland R. John, President



LAGUNA HILLS MUTUAL NO. THIRTY

By C. L. Featherstone  
C. L. Featherstone, President

LAGUNA HILLS MUTUAL NO. THIRTY-ONE

By James T. Loomer  
James T. Loomer, President

LAGUNA HILLS MUTUAL NO. THIRTY-TWO

By W. E. Rideout  
W. E. Rideout, President

LAGUNA HILLS MUTUAL NO. THIRTY-THREE

By W. T. Carlisle  
W. T. Carlisle, President

The undersigned hereby consent to the foregoing agreement:

UNITED CALIFORNIA BANK

By *Clarence E. Dunlap*  
Clarence E. Dunlap, Vice President

THE BOWERY SAVINGS BANK

By *William A. Leed*  
William A. Leed, Vice President

METROPOLITAN LIFE INSURANCE COMPANY

By *E. A. Stoudt*  
VICE-PRESIDENT REAL ESTATE FINANCING  
E. A. Stoudt

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

By *Attorney-in-Fact*  
ATTORNEY-IN-FACT

GREAT WESTERN SAVINGS AND LOAN  
ASSOCIATION OF SOUTHERN CALIFORNIA

By *E. A. Crane*  
E. A. Crane  
Vice President

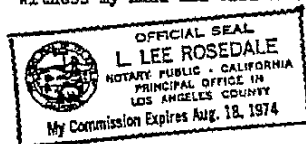
FEDERAL HOUSING ADMINISTRATION

By *Raymond Carrasco*

STATE OF CALIFORNIA :  
COUNTY OF LOS ANGELES :

On this 29th day of September, 1971, before me L. Lee Rosedale, a Notary Public in and for said County, personally appeared RAYMOND CARRASCO known to me to be the duly appointed AREA DIRECTOR HUD AREA OFFICE - Los Angeles, California, and the person whose name is subscribed to the within instrument, and acknowledged that he executed the same by virtue of the authority vested in him by 35 F.R. 16106 on behalf of GEORGE ROMNEY, Secretary of Housing and Urban Development.

Witness my hand and official seal.



*L. Lee Rosedale*  
Notary Public in and for Said County  
and State.

ACKNOWLEDGMENTS

STATE OF CALIFORNIA }  
COUNTY OF ORANGE } ss.

On February 19, 1971 before me, the undersigned, a Notary Public in and for said County and State personally appeared R. L. Price known to me to be the President of Golden Rain Foundation of Laguna Hills, the corporation that executed the within Instrument, known to me to be the person who executed the within Instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within Instrument to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.



*Marjorie F. Brandon*  
Notary Public

STATE OF CALIFORNIA }  
COUNTY OF ORANGE } ss.

On February 18, 1971 before me, the undersigned, a Notary Public in and for said County and State personally appeared W.M. Harrell known to me to be the President of First Laguna Hills Mutual, the corporation that executed the within Instrument, known to me to be the person who executed the within Instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within Instrument to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

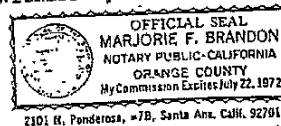


*Marjorie F. Brandon*  
Notary Public

STATE OF CALIFORNIA }  
COUNTY OF ORANGE } ss.

On February 18, 1971 before me, the undersigned, a Notary Public in and for said County and State, personally appeared J.A. Sickenberger known to me to be the President of Second Laguna Hills Mutual, the corporation that executed the within Instrument, known to me to be the person who executed the within Instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within Instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

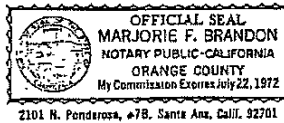


*Marjorie F. Brandon*  
Notary Public

STATE OF CALIFORNIA }  
COUNTY OF ORANGE } ss.

On February 17, 1971 before me, the undersigned, a Notary Public in and for said County and State, personally appeared Wallace T. Filson known to me to be the President of Third Laguna Hills Mutual, the corporation that executed the within Instrument, known to me to be the person who executed the within Instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within Instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.



*Marjorie F. Brandon*  
Notary Public

STATE OF CALIFORNIA }  
COUNTY OF ORANGE } ss.

On February 19, 1971 before me, the undersigned, a Notary Public in and for said County and State, personally appeared Rolland R. John known to me to be the President of Laguna Hills Mutual No. Twenty-Six, the corporation that executed the within Instrument, known to me to be the person who executed the within Instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within Instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

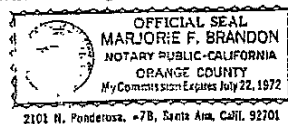


*Marjorie F. Brandon*  
Notary Public

STATE OF CALIFORNIA }  
COUNTY OF ORANGE } ss.

On February 19, 1971 before me, the undersigned, a Notary Public in and for said County and State, personally appeared C.L. Featherstone known to me to be the President of Laguna Hills Mutual No. Thirty, the corporation that executed the within Instrument, known to me to be the person who executed the within Instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within Instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.



*Marjorie F. Brandon*  
Notary Public

STATE OF CALIFORNIA }  
COUNTY OF ORANGE } ss.

On February 17, 1971 before me, the undersigned, a Notary Public in and for said County and State, personally appeared James T. Loom known to me to be the President of Laguna Hills Mutual No. Thirty-One, the corporation that executed the within Instrument, known to me to be the person who executed the within Instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within Instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.



*Marjorie F. Brandon*  
Notary Public

STATE OF CALIFORNIA }  
COUNTY OF ORANGE } ss.

On February 18, 1971 before me, the undersigned, a Notary Public in and for said County and State, personally appeared W. E. Rideout known to me to be the President of Laguna Hills Mutual No. Thirty-Two, the corporation that executed the within Instrument, known to me to be the person who executed the within Instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within Instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

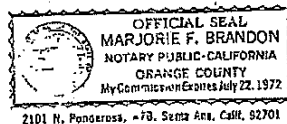


*Marjorie F. Brandon*  
Notary Public

STATE OF CALIFORNIA }  
COUNTY OF ORANGE } ss.

On February 19, 1971 before me, the undersigned, a Notary Public in and for said County and State, personally appeared W.T. Carlisle known to me to be the President of Laguna Hills Mutual No. Thirty-Three, the corporation that executed the within Instrument, known to me to be the person who executed the within Instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within Instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

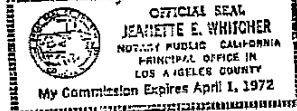


*Marjorie F. Brandon*  
Notary Public

STATE OF CALIFORNIA }  
COUNTY OF LOS ANGELES } ss.

On February 26, 1971 before me, the undersigned, a Notary Public in and for said County and State, personally appeared Clarence E. Dunlap known to me to be the Vice President of United California Bank, the corporation that executed the within Instrument, known to me to be the person who executed the within Instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within Instrument pursuant to its by-laws or resolution of its board of directors.

WITNESS my hand and official seal.



*[Signature]*  
Notary Public

STATE OF NEW YORK }  
COUNTY OF NEW YORK } ss.

On MAR 17 1971 before me, the undersigned, a Notary Public in and for said County and State, personally appeared WM. A. LERO known to me to be the Vice President of The Bowery Savings Bank, the corporation that executed the within Instrument, known to me to be the person who executed the within Instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within Instrument pursuant to its by-laws or resolution of its board of directors.

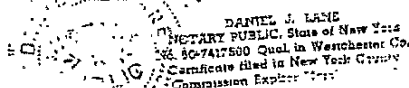
WITNESS my hand and official seal.

*[Signature]*  
Notary Public  
MEHKN F. MEYER  
NOTARY PUBLIC, State of New York  
No. 24203285  
Qualified in Kings County  
Certificate filed in New York Court  
Term Expires March 30, 1971

STATE OF NEW YORK }  
COUNTY OF NEW YORK } ss.

On 20 THDAY OF MAR 1971 before me, the undersigned, a Notary Public in and for said County and State, personally appeared E. A. Stoudt known to me to be the Vice President of Metropolitan Life Insurance Company, the corporation that executed the within Instrument, known to me to be the person who executed the within Instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within Instrument pursuant to its by-laws or resolution of its board of directors.

WITNESS my hand and official seal.



*[Signature]*  
Notary Public

STATE OF CALIFORNIA )  
COUNTY OF LOS ANGELES ) ss

On this 5th day of April, 1971, before me, the undersigned, a Notary Public in and for said State, personally appeared Jack. [unclear], known to me to be the person whose name is subscribed to the within instrument as the Attorney-in-fact of GOVERNMENT NATIONAL MORTGAGE ASSOCIATION, and acknowledged that he subscribed the name of GOVERNMENT NATIONAL MORTGAGE ASSOCIATION thereto as principal, and his own name as Attorney-in-fact.

WITNESS my hand and official seal.

[Signature]  
Notary Public in and for said State

Notary Public

STATE OF CALIFORNIA )  
COUNTY OF LOS ANGELES ) ss.

On April 30, 1971 before me, the undersigned a Notary Public in and for said County and State, personally appeared E. A. CRANE known to me to be the Vice President of Great Western Savings and Loan Association of Southern California, the corporation that executed the within instrument, known to me to be the person who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.



[Signature]  
Notary Public

976

Recording Requested By
Name: Beaumont Gitlin Tashjian
Address: 21650 Oxnard Street, Suite 1620
City, State, Zip Code Woodland Hills, CA 91367

Recorded In Official Records, Orange County  
Hugh Nguyen, Clerk-Recorder



\* \$ R 0 0 0 9 1 8 1 4 6 9 8 \*  
2017000138455 10:58 am 04/06/17  
276 415 A17 F13 5  
0.00 0.00 0.00 0.00 12.00 0.00 0.00 0.00

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Title of Document

AMENDMENT TO TRUST AGREEMENT

IT  
SP  
FF  
CF

ORIGINAL



### AMENDMENT TO TRUST AGREEMENT

In consideration of the recitals set forth herein, Golden Rain Foundation of Laguna Woods, a California non-profit mutual benefit corporation, United Laguna Woods Mutual, a California non-profit mutual benefit corporation, Third Laguna Hills Mutual, a California non-profit mutual benefit corporation, and Laguna Woods Mutual No. Fifty, a California non-profit mutual benefit corporation, agree to amend the Golden Rain Foundation Trust Agreement, dated March 2, 1964, and recorded in the Orange County Recorder's Office on March 6, 1964, as Document No. 6217 in Book 6953, Page 519, as amended (the "Trust Agreement").

### RECITALS

A. Golden Rain Foundation of Laguna Woods is the Trustee of the Golden Rain Foundation of Laguna Hills Trust (the "Trust") created by the Trust Agreement.

B. United Laguna Woods Mutual, Third Laguna Hills Mutual, and Laguna Woods Mutual No. Fifty are the current trustors and beneficiaries of the Trust, and the only current Cooperatives as provided in the Trust Agreement.

C. Golden Rain Foundation of Laguna Woods, United Laguna Woods Mutual, Third Laguna Hills Mutual, and Laguna Woods Mutual No. Fifty desire to amend the Trust Agreement to clarify and limit the powers conferred upon Golden Rain Foundation of Laguna Woods, as Trustee of the Trust Agreement, in the Trust Agreement.

D. Pursuant to Section VI of the Trust Agreement, which allows the Trust Agreement to be amended by written instrument executed by the Trustee (Golden Rain Foundation of Laguna Woods), and by all the Cooperatives which remain beneficiaries of the Trust (United Laguna Woods Mutual, Third Laguna Hills Mutual, and Laguna Woods Mutual No. Fifty), the Trust Agreement is amended as set forth below.

### AMENDMENTS

1. Paragraph A of Section VII of the Trust Agreement is amended as follows:

A. TRUSTEE shall have, in addition to all powers, rights and privileges provided by law for trustees, and all powers necessary to carry out the duties herein imposed on TRUSTEE, the further powers to grant, bargain, sell for cash or credit, convey, exchange, convert, lease for terms, either within or beyond the end of the trust, for any purpose; assign, partition, divide, subdivide, improve, inure, loan, re-loan, invest and reinvest the Trust Estate or any part thereof in such manner and on such terms and conditions as TRUSTEE deems advisable. In all such cases TRUSTEE shall have discretion, subject to the restrictions in Paragraph M below, respecting such transactions. With

respect to all such transactions TRUSTEE shall have no liability concerning them whatever, except for willful and wrongful misconduct.

2. Paragraph B of Section VII of the Trust Agreement is amended as follows:

B. TRUSTEE reserves and is expressly granted the right and power in its discretion, subject to the restrictions in Paragraph M below, to acquire land, interests in land, improvements, and personal property, and to sell, transfer or dedicate the same either outright to the beneficiaries, or for public use, or to religious organizations for church use, or otherwise as TRUSTEE reasonably deems for the general welfare of the Cooperatives and their members, with or without adequate consideration, or to itself, but only for a fair and adequate consideration.

3. Section VII of the Trust Agreement is amended by adding the following Paragraph M:

M. Notwithstanding any other language, above in this Section or elsewhere in this Trust Agreement, the TRUSTEE is required to present in writing to the Corporate Members, as defined in the GRF Bylaws, to: (i) inform on the nature of the proposed business or activity in which GRF desires to engage; and (ii) obtain approval of the Corporate Members prior to any business or activity involving:

(1) The creation of new Mutuals or Manors as part of or in addition to any of the existing Cooperatives, i.e., United Laguna Woods Mutual, Third Laguna Hills Mutual, and Laguna Woods Mutual No. Fifty;

(2) The sale, lease and/or conveyance (but excluding any license or easement) of Golden Rain Foundation or Golden Rain Foundation Trust real estate and/or Improvements, subject to any minimum dollar amount and/or minimum lease length as set forth in the Bylaws;

(3) The acquisition of real estate, subject to any minimum dollar amount and/or minimum size set forth in the Bylaws;

(4) The construction of additional facilities (for purposes of this subparagraph "M", "facilities" shall mean

a single structure or addition to an existing structure of a minimum cost or minimum size as stated in the Bylaws in total floor space and intended for office, residential, recreational or commercial use or any combination thereof);

(5) The demolition and/or rebuilding of existing facilities, as defined above (for purposes of this subparagraph "M", "rebuilding" shall mean reconstruction after the complete demolition of such a facility) except as authorized by the Bylaws; and/or

(6) The borrowing of any money except as authorized in the Bylaws and any hypothecation and/or mortgaging of any Golden Rain Foundation or Golden Rain Foundation Trust real estate and/or Improvements.

EFFECTIVE DATE

This Amendment to the Trust Agreement shall be effective immediately upon execution of this instrument by all signatories.

**GOLDEN RAIN FOUNDATION OF  
LAGUNA WOODS**

By: [Signature]

Date: 3/30/2017

**UNITED LAGUNA WOODS MUTUAL**

By: [Signature]

Date: 3/30/17

**THIRD LAGUNA HILLS MUTUAL**

By: [Signature]

Date: 3/30/2017

**LAGUNA WOODS MUTUAL NO.  
FIFTY**

By: [Signature]

Date: 3/30/17

this page intentionally left blank

## AMENDMENT TO TRUST AGREEMENT

### EXTENSION OF TRUST

In consideration of the recitals set forth herein, Golden Rain Foundation of Laguna Woods, a California non-profit mutual benefit corporation, United Laguna Woods Mutual, a California non-profit mutual benefit corporation, Third Laguna Hills Mutual, a California non-profit mutual benefit corporation, and Laguna Woods Mutual No. Fifty, a California non-profit mutual benefit corporation, agree to amend the Golden Rain Foundation Trust Agreement, dated March 2, 1964, and recorded in the Orange County Recorder's Office on March 6, 1964, as Document No. 6217 in Book 6953, Page 519, as amended (the "Trust Agreement").

### RECITALS

A. Golden Rain Foundation of Laguna Woods is the Trustee of the Golden Rain Foundation of Laguna Hills Trust (the "Trust") created by the Trust Agreement.

B. United Laguna Woods Mutual, Third Laguna Hills Mutual, and Laguna Woods Mutual No. Fifty are the trustors and beneficiaries of the Trust, and the only current Cooperatives, as that term is defined by and provided in the Trust Agreement.

C. Section VI of the Trust Agreement provides that the Trust, if not earlier terminated, shall in all events terminate sixty (60) years from the date of the Agreement or twenty-one (21) years after the date of death of the last to die of: Mark L. Conroy, Jr., Westminster, California; Kevin Ross Letsan, Villa Park, California; Allan Oakley Hunter, Jr., Fresno, California; Matthew Van Zandt Mayer, Orange, California; Jeffrey P. Tuck, Pasadena, California; and Pamela Jane Swart, Arlington Heights, Illinois.

D. Golden Rain Foundation of Laguna Woods, United Laguna Woods Mutual, Third Laguna Hills Mutual, and Laguna Woods Mutual No. Fifty desire to amend the Trust Agreement to extend the termination date of the Trust.

E. Pursuant to Section VI of the Trust Agreement, which allows the Trust Agreement to be amended by written instrument executed by the Trustee (Golden Rain Foundation of Laguna Woods), and by all the Cooperatives which remain beneficiaries of the Trust (United Laguna Woods Mutual, Third Laguna Hills Mutual, and Laguna Woods Mutual No. Fifty), by and through their Boards of Directors, the Trust Agreement shall be amended as set forth below.

F. The Trust Agreement has been and is, since the inception of the Davis-Stirling Common Interest Development Act ("Act"), subject to the Act, which governs amendments extending the terms of declarations, such as the Trust Agreement, under which pursuant to Sections of the Act the term of the Trust Agreement cannot be extended more than twenty (20) years from the date upon which it would terminate under its present wording.

G. Extending the term of the Trust Agreement for twenty (20) years from the March 2, 2024 current termination date would not violate the rule against perpetuities as presently in effect in California because it would not extend the termination date of the Trust Agreement more than ninety (90) years from the date of its creation.

H. In all other respects, the Trust Agreement and the Trust will be ratified, affirmed and approved. This Amendment to Trust Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

I. Each signatory to this Amendment to Trust Agreement represents and warrants to the others that he or she has full authority and is duly and fully authorized to execute this Amendment to Trust Agreement.

### AMENDMENT

Section VI of the Trust Agreement is deleted in its entirety and replaced with the following:

“This Trust is and shall be irrevocable by and shall not be subject to alteration, modification or amendment by TRUSTEE, except as provided in paragraph C of Section VII hereof. The Trust may at any time or from time to time be altered, modified or amended by written instrument executed by TRUSTEE and by all the Cooperatives which have at such time become, and then remain Beneficiaries of the Trust. The Trust may at any time be terminated by the written election, delivered to TRUSTEE, of all the Cooperatives which have at such time become, and then remain, beneficiaries of the Trust. If any Beneficiary shall have assigned its beneficial interest hereunder, consent of the assignee shall also be required for any such alteration, modification, amendment or termination.

The Trust shall in all events terminate, if it has not earlier been terminated or further extended, by amendment, consistent with the Act and the rule against perpetuities, twenty (20) years from March 2, 2024.

Promptly following termination of this Trust, the TRUSTEE shall render an accounting to each of the Beneficiaries and shall distribute all of the Trust Estate, subject to any debts of or charges against the Trust Estate (including but not limited to obligations, if any, of the Trust Estate to the TRUSTEE), to the Beneficiaries, in the form of undivided interests proportional to their respective Trusteed Sums.”

EFFECTIVE DATE

This Amendment to Trust Agreement shall become effective when executed by all signatories and when recorded in the Official Records of Orange County, California.

**GOLDEN RAIN FOUNDATION  
OF LAGUNA WOODS**

By:\_\_\_\_\_

Its: \_\_\_\_\_

Date:\_\_\_\_\_

**UNITED LAGUNA WOODS MUTUAL**

By:\_\_\_\_\_

Its: \_\_\_\_\_

Date:\_\_\_\_\_

**THIRD LAGUNA HILLS MUTUAL**

By:\_\_\_\_\_

Its: \_\_\_\_\_

Date:\_\_\_\_\_

**LAGUNA WOODS MUTUAL NO.  
FIFTY**

By:\_\_\_\_\_

Its: \_\_\_\_\_

Date:\_\_\_\_\_

STATE OF CALIFORNIA )  
 )ss  
COUNTY OF ORANGE )

I certify under Penalty of Perjury under the laws of the State of California that the foregoing paragraph is true and correct.

Notary Public in and for  
Said County and State

STATE OF CALIFORNIA )  
 )ss  
COUNTY OF ORANGE )

I certify under Penalty of Perjury under the laws of the State of California that the foregoing paragraph is true and correct.

Notary Public in and for  
Said County and State



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                    )  
  )ss  
COUNTY OF ORANGE                    )

On \_\_\_\_\_, 201\_\_\_\_, before me, \_\_\_\_\_, **NOTARY PUBLIC**, personally appeared \_\_\_\_\_ who proved to me on the basis of satisfactory evidence to be the person(s) whose names 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 in and for  
Said County and State

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                    )  
  )ss  
COUNTY OF ORANGE                    )

On \_\_\_\_\_, 201\_\_\_\_, before me, \_\_\_\_\_, **NOTARY PUBLIC**, personally appeared \_\_\_\_\_ who proved to me on the basis of satisfactory evidence to be the person(s) whose names 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 in and for  
Said County and State

CERTIFICATION OF AMENDMENT

I, the undersigned, the duly elected and acting Secretary of Golden Rain Foundation, a California corporation ("Trustee"), do hereby affirm, acknowledge and certify that the AMENDMENT TO TRUST AGREEMENT was duly adopted pursuant to the terms of the Trust Agreement on \_\_\_\_\_, 20\_\_.

This Certificate is under penalty of perjury on \_\_\_\_\_, 20\_\_, in \_\_\_\_\_, California.

GOLDEN RAIN FOUNDATION,  
a California corporation

By: \_\_\_\_\_  
Secretary

# Financial Report

As of May 31, 2018



## INCOME STATEMENT

---

### ACTUAL

(in Thousands)

**TOTAL REVENUE**

**\$14,107**

**TOTAL EXPENSE**

**11,839**

**Revenue over Expense**

**\$2,268**

# Financial Report

As of May 31, 2018



## INCOME STATEMENT - OPERATING

**ACTUAL**

(in Thousands)

Assessment Revenue	<b>\$7,866</b>
--------------------	----------------

Non-assessment Revenue	<b>\$577</b>
------------------------	--------------

Total Revenue	<b>\$8,443</b>
---------------	----------------

Total Expense	<b>\$8,196</b>
---------------	----------------

Net Revenue/(Expense)	<b>\$347</b>
-----------------------	--------------

w/o Depreciation	<b>\$308</b>
------------------	--------------

# Financial Report

As of May 31, 2018



## INCOME STATEMENT – NON OPERATING

**ACTUAL**

(in Thousands)

**Assessment Revenue**

**\$5,481**

**Non-assessment Revenue**

**\$184**

**Total Revenue**

**\$5,665**

**Total Expense**

**\$3,644**

**Net Revenue/(Expense)**

**\$2,021**

# Financial Report

As of May 31, 2018



**Through May, Third was better than budget by \$2,268K primarily in outside services:**

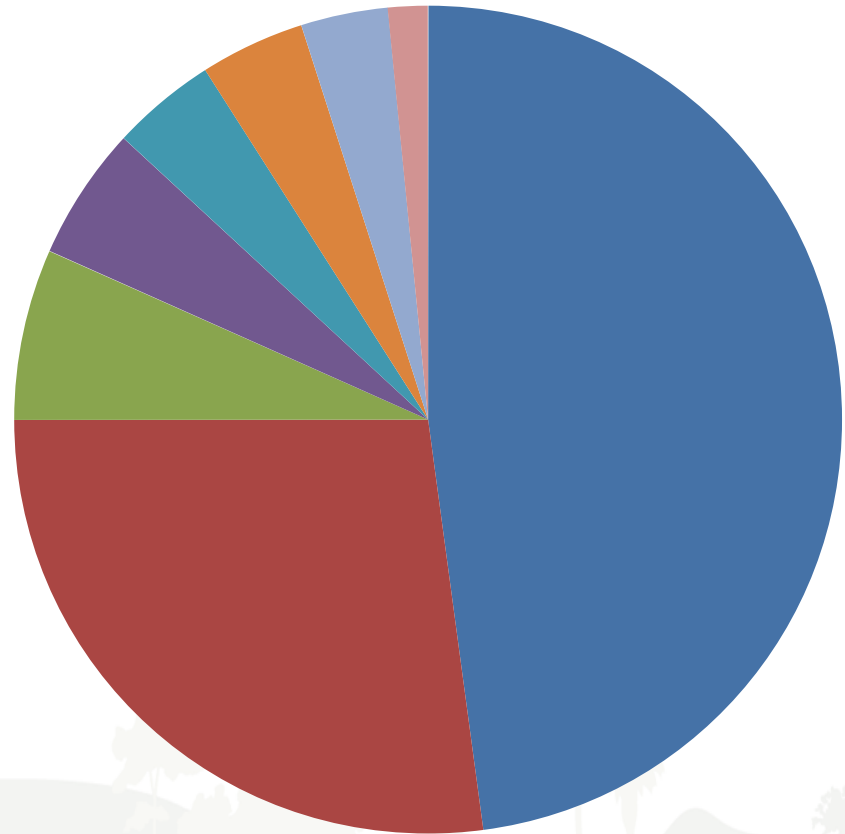
- **Building Structures;** staff presented consultant report in July; instructed to begin bid process.
- **Disaster Fund;** contingency funds for emergency expenditures not covered by insurance.
- **Exterior Lighting;** for acquisition of street lights from Edison, which will take place later in year.
- **Paving;** Concrete work completed in June and asphalt work is scheduled for August.

# Financial Report

As of May 31, 2018

## Total Operating Expenses \$8,195,923

- 48% Employee Compensation & Related
- 27% Utilities and Telephones
- 7% Insurance
- 5% Net Allocation to Mutuals
- 4% Outside Services
- 4% Material and Supplies
- 3% Other Operating Expense
- 2% Repairs and Maintenance



# Financial Report

As of May 31, 2018



## NON OPERATING FUND BALANCES

---

**ACTUAL**

(in Thousands)

**Beginning Balances: 1/1/18**

**\$28,094**

**Contributions & Interest**

**5,665**

**Expenditures**

**(3,644)**

**Current Balances: 5/30/18**

**\$30,115**

---





## Financial Report for July 17, 2018 Board Meeting

---

**SLIDE 1** – Total revenue for Third through May 31, 2018 was \$14,107K compared to expenses of \$11,839K, resulting in more revenue than expense by \$2,268K.

**SLIDE 2** – Now we look at those same results with a distinction between operating and reserve funds. This chart shows how much of our revenue went into operations, with \$7,866K coming in from assessments and \$577K coming from non-assessment revenue. This is compared to operating expenditures of \$8,196K. After backing out depreciation, which is not funded through operations, we can see a bottom line operating surplus of \$308K as of the reporting period.

**SLIDE 3** – This chart shows how much of our revenue went into reserve funds and the amount expended to date.

**SLIDE 4** – Through May, Third was better than budget by \$2,268K primarily due to outside service work on reserve programs:

- Building Structures, timing. Staff received a detailed report from a consultant determining which buildings need work. Staff presented the report in July; work will commence after the bid process and Board approval of the contractor selection.
- Disaster Fund, less use of contingency. The disaster fund includes funding for emergency expenditures not covered by insurance, including insurance policy deductibles. If damage restoration expense exceeds the deductible amount, insurance payouts are coded to this fund. Further, an insurance reimbursement of \$181,870 for reimbursement of a fire was booked in February.
- Exterior Lighting, timing. This program is for the acquisition of street lights from Edison which is going to take place later in the year.
- Paving, timing. Concrete work completed in June and asphalt work is scheduled for August.

**SLIDE 5** – On this pie chart, we see the Operating expenses to date of \$8.2 Million by category, showing that our largest categories of expense are for compensation and utilities.

**SLIDE 6** – The reserve balances on May 31, 2018 were about \$30 Million. To date, contributions to reserves including assessments and interest earnings totaled over \$5.6 Million and expenditures to date totaled just over \$3.6 Million.

**[No slide]** – In closed session, we reviewed delinquencies for unpaid assessments totaling \$318K, which represents less than 1% of the annual assessment budget. We are able to maintain such a relatively low level of delinquencies by following prescribed collection policies to pursue payment on these accounts, either through the non-judicial foreclosure process or by obtaining personal judgments in small claims court. The Board has been working closely with our collection firm and legal counsel to pursue further collection activity for unpaid accounts. We also reviewed delinquencies for fines, fees and chargeable services totaling \$204K. The Board is pursuing further collection activity such as cable TV disconnection and small claims.

this page intentionally left blank



## **REPORT OF THE REGULAR OPEN MEETING OF THE THIRD LAGUNA HILLS MUTUAL FINANCE COMMITTEE**

Tuesday, July 3, 2018 – 1:30 p.m.  
Laguna Woods Village Community Center Board Room, 24351 El Toro Road

**MEMBERS PRESENT:** Steven Parsons – Chair, Bill Walsh, James Tung, Jules Zalon Cush Bhada, John Frankel, Roy Bruninghaus, Advisors: Wei-Ming Tao, John Hess, Michael Cunningham

**MEMBERS ABSENT:** Rosemarie diLorenzo, Burt Baum, Jack Connell, Bunny Carpenter

**STAFF PRESENT:** Betty Parker, Steve Hormuth, Christopher Swanson

### **Call to Order**

Director Parsons, Treasurer, chaired the meeting and called it to order at 1:33 p.m.

### **Acknowledgment of Media**

None.

### **Approve Meeting Agenda**

A motion was made and carried unanimously to approve the agenda with the following addition:

- Slope Renovation

### **Approval of the Regular Meeting Report for June 5, 2018**

A motion was made and carried unanimously to approve the Committee report as presented.

### **Chair Remarks**

Director Parsons introduced Michael Cunningham as the new Third Finance Committee advisor and welcomed him to the Committee.

### **Member Comments (Items Not on the Agenda)**

None.

### **Department Head Update**

Betty Parker, Financial Services Director, commented on the 2019 Business Planning meetings scheduled for the week of July 9 and encouraged everyone to attend. A handout was provided showing the revised GRF Electronic Payment Policy and the new fee requirements for credit card payments on assessments. Ms. Parker also noted that the Third Mutual request for notification to owners when a lessee or occupant is delinquent has been submitted for AX software modification to automatically generate a courtesy letter.

### **Preliminary Financial Statements Dated May 31, 2018**

The Committee reviewed and commented on the financial statements dated May 31, 2018 and provided the following directives:

- Correction of additional occupant fee
- Correction of compensation accrual reversal
- Correction of exterior lighting coding (from Maintenance)
- Verify coding for emergency telephones in elevators.

### **Solar Energy Update**

The Committee reviewed the Solar System First-Year Charges schedule, detailing credits versus charges generated for the solar unit on Buildings 3420 and 3243. The Committee discussed the run rate comparison to prior year and a change in the Net Energy Metering – Aggregation (NEM-A) fee from \$25 to \$2.70 per meter.

### **Programmable Drying Costs Per Load**

The Committee discussed a proposal from the Maintenance & Construction Committee (M&C) to install coin-operated dryers and initiate a time-based fee.

A motion was made, seconded, and passed unanimously to follow the M&C recommendation and initiate a charge of \$0.25 per 20 minutes of dry time.

### **Slope Renovations**

The Committee discussed budgets proposed for slope renovations in 2019 and the need to fund this work in 2018 to get a start on slope clearing and maintenance.

A motion was made and carried unanimously to recommend that the Board approve a supplemental appropriation of \$100,000 from the Unappropriated Expenditures Fund for Slope Renovations.

### **Future Agenda Items**

Audit of SCE Billing for Solar  
Discussion of Accruals  
Owner Notification of Lessee/Occupant Delinquencies

### **Committee Member Comments**

None.

### **Date of Next Meeting**

Tuesday, August 7, 2018 at 1:30 p.m. in the Board Room.

### **Recess to Closed Session**

The meeting recessed to closed session at 3:11 p.m.

**DRAFT**

---

Steven Parsons, Chair

# Monthly Resale Report

PREPARED BY

Community Services Department

MUTUAL

All Mutuals

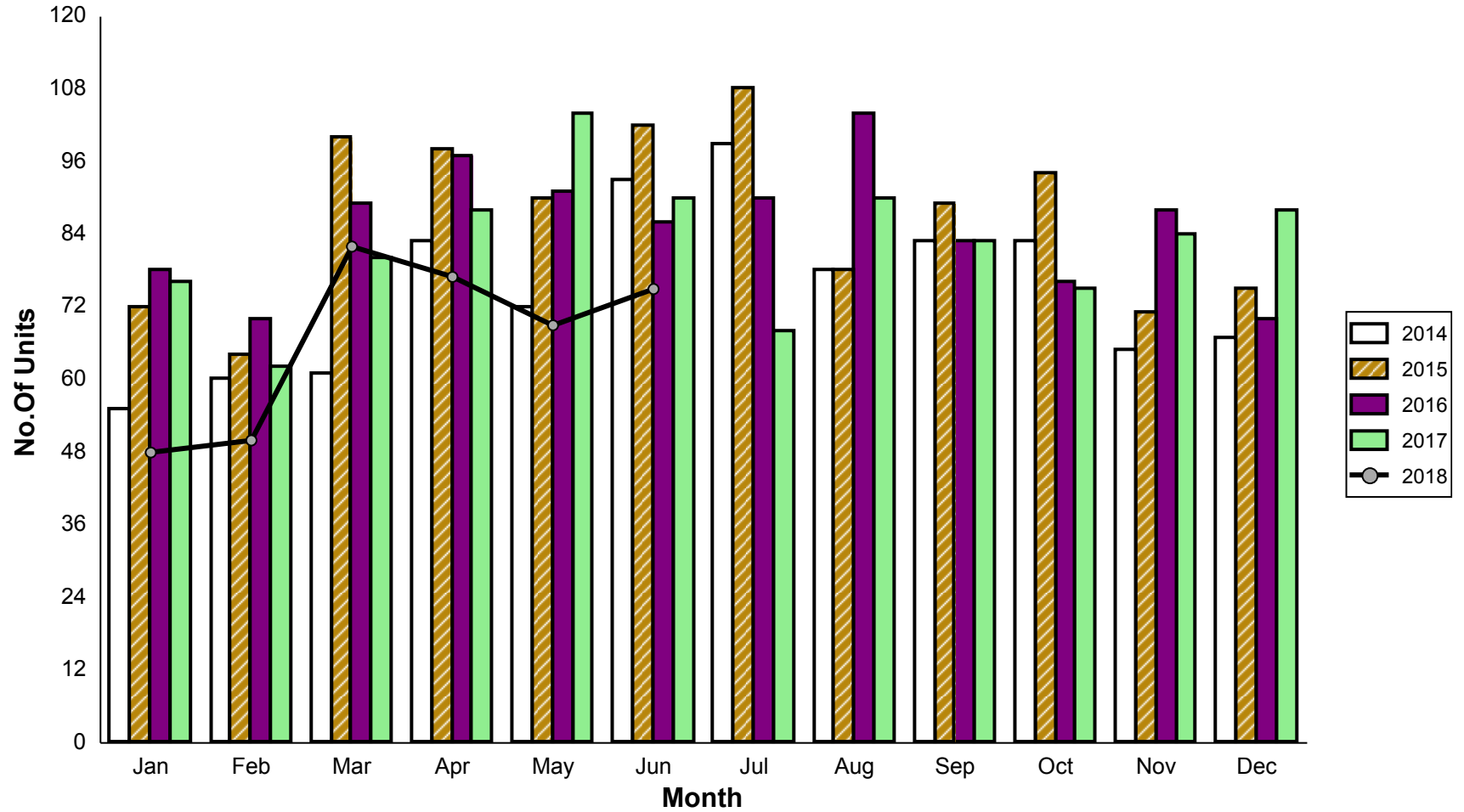
REPORT PERIOD

June, 2018

MONTH	NO. OF REALES		TOTAL SALES VOLUME IN \$\$		AVG RESALE PRICE	
	THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR
January	48	76	\$14,821,540	\$23,481,992	\$308,782	\$308,974
February	50	63	\$18,660,142	\$18,400,200	\$373,203	\$292,067
March	82	80	\$28,065,799	\$24,765,800	\$359,818	\$309,573
April	77	88	\$27,694,226	\$29,024,579	\$364,398	\$329,825
May	69	105	\$24,187,990	\$34,046,751	\$350,551	\$327,373
June	75	90	\$27,815,038	\$31,945,600	\$381,028	\$354,951
July		*		\$21,413,120		* \$314,899
August		*		\$29,277,556		* \$325,306
September		*		\$25,481,938		* \$310,755
October		*		\$26,703,200		* \$356,043
November		*		\$29,641,100		* \$344,664
December		*		\$31,413,715		* \$356,974
TOTAL	401.00	502.00	\$141,244,735	\$161,664,922		
MON AVG	66.00	83.00	\$23,540,789	\$26,944,154	\$356,297	\$320,460

\* Amount is excluded from percent calculation

## Resales - 5 Year Comparison



Revised

## Monthly Resale Report

PREPARED BY  
Community Services Department

MUTUAL  
Third

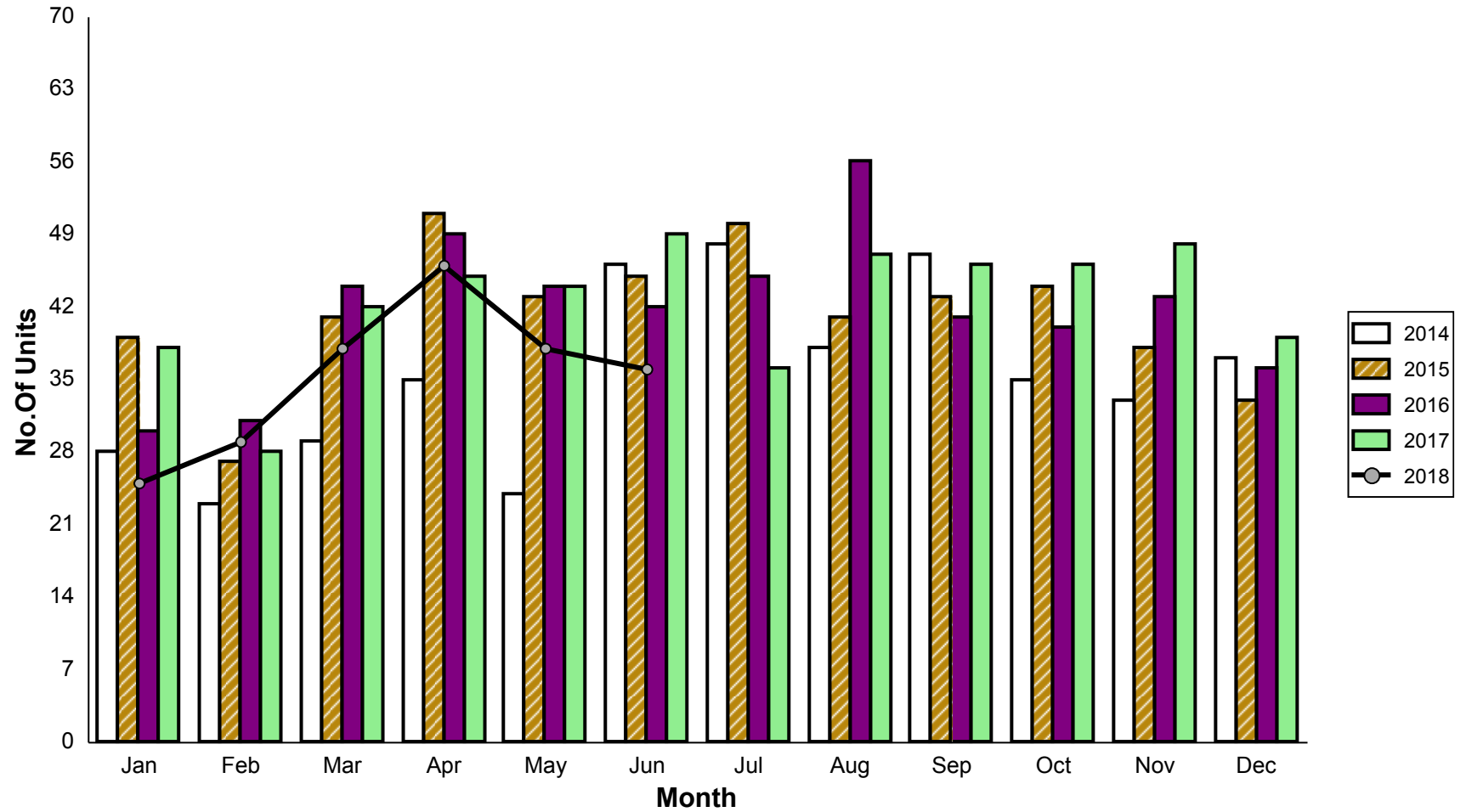
June 2018

Period	Month	NO. OF RESALES				TOTAL SALES VOLUME IN \$\$				AVG RESALE PRICE			
		2018	2017	2016	2015	2018	2017	2016	2015	2018	2017	2016	2015
1	January	25	38	30	39	\$8,807,150	\$14,513,062	\$10,663,350	\$11,735,750	\$352,286	\$381,923	\$355,445	\$300,917
2	February	29	28	31	27	\$12,600,892	\$9,887,500	\$11,354,000	\$7,690,000	\$434,514	\$353,125	\$366,258	\$284,815
3	March	38	42	44	41	\$16,909,199	\$15,185,800	\$14,408,861	\$16,302,100	\$444,979	\$361,567	\$327,474	\$397,612
4	April	46	45	49	51	\$18,869,626	\$18,847,150	\$18,170,528	\$14,509,805	\$410,209	\$418,826	\$370,827	\$284,506
5	May	38	44	44	43	\$15,452,990	\$18,157,951	\$13,703,900	\$12,983,750	\$406,658	\$412,681	\$311,452	\$301,948
6	June	36	49	42	45	\$16,793,638	\$21,011,450	\$12,838,300	\$15,321,388	\$466,490	\$428,805	\$305,674	\$340,475
7	July		36	46	50		\$13,526,020	\$16,112,500	\$16,392,300		\$375,723	\$350,272	\$327,846
8	August		47	56	41		\$17,967,189	\$21,085,200	\$12,231,250		\$382,281	\$376,521	\$298,323
9	September		46	41	43		\$16,020,038	\$12,651,500	\$15,332,500		\$356,001	\$308,573	\$356,570
10	October		46	40	44		\$18,804,700	\$13,386,500	\$12,924,787		\$408,798	\$334,663	\$293,745
11	November		49	43	38		\$19,847,200	\$16,453,200	\$12,332,000		\$405,045	\$382,633	\$324,526
12	December		38	36	33		\$18,509,275	\$12,528,800	\$11,532,800		\$487,086	\$348,022	\$349,479
TOTAL		212	246	240	246	\$89,433,495	\$97,602,913	\$81,138,939	\$78,542,793				
MON AVG		35.3	41.0	40.0	41.0	\$14,905,583	\$16,267,152	\$13,523,157	\$13,090,466	\$419,189	\$392,821	\$339,522	\$318,379
% CHANGE-YTD		-13.8%	2.5%	-2.4%	32.3%	-8.4%	20.3%	3.3%	30.7%	6.7%	15.7%	6.6%	-1.0%

% Change calculated (This Year - Last Year)/Last Year

Percent calculation only includes YTD figures in black.

## Resales - 5 Year Comparison





# Resales Report

## Third Laguna Hills Mutual

### June, 2018

Close	Manor	Mutual	Price	Model/Style	Listing Realtor	Buyer Realtor	Escrow
06/14/2018	2171-O	3	\$419,000	Casa Linda	Prime Realty Grp	New Star Realty & Investment	Homestead Escrow
06/28/2018	2201-B	3	\$415,000	San Sebastian	Century 21 Rainbow	Century 21 Rainbow	Granite Escrow
06/04/2018	2239-B	3	\$344,000	Castilla	Bullock Russell Real Estate	Regency Real Estate	Iron Key Escrow
06/04/2018	2270-B	3	\$265,000	Castilla	HomeSmart Evergreen	Century 21 Rainbow Realty	Escrow Options Group
06/20/2018	2279-N	3	\$323,000	Casa Contenta	Pacific Sotheby's International	HomeSmart Evergreen	Homestead Escrow
06/29/2018	2283-O	3	\$215,000	Casa Contenta	Prea Realty Inc.	Professionals Broker	Homestead Escrow
06/27/2018	2326-A	3	\$395,000	Casa Linda	Laguna Premier Realty, Inc	Seven Gables Real Estate	Granite Escrow
06/28/2018	2329-B	3	\$228,000	Casa Linda	Purplebricks Realty, Inc.	HomeSmart Evergreen	Granite Escrow
06/20/2018	2337-F	3	\$303,000	La Jolla	Regency Real Estate	Regency Real Estate	Granite Escrow
06/29/2018	2379-B	3	\$332,500	Cordoba	Surterre Properties, Inc.	Century 21 Masters	Granite Escrow
06/26/2018	2394-1F	3	\$330,000	Garden Villa	Keller Williams Real Estate	Century 21 Rainbow	Granite Escrow
06/19/2018	3036-Q	3	\$449,900	Casa Del Mar	Century 21 Rainbow	Laguna Premier Realty, Inc	Granite Escrow
06/12/2018	3039-O	3	\$275,000	Casa Del Mar	Laguna Premier Realty, Inc	Laguna Premier Realty, Inc	Pacific Closing Services
06/18/2018	3113-D	3	\$390,000	Encanto	Coldwell Banker	Unknown	West Coast Escrow
06/04/2018	3193-B	3	\$650,000	La Reina	Laguna Premier Realty, Inc	Presidential Real Estate	Pacific Closing Services
06/20/2018	3223-A	3	\$575,000	El Doble	Laguna Premier Realty, Inc	Michael Plummer	Pacific Closing Services
06/07/2018	3227-B	3	\$521,000	La Princesa	Laguna Premier Realty, Inc	Laguna Premier Realty, Inc	Granite Escrow
06/20/2018	3250-N	3	\$425,000	Casa Vista	FSBO	FSBO	Homestead Escrow
06/20/2018	3264-A	3	\$663,000	El Doble	Keller Williams Real Estate	Metro Properties, Inc.	Homestead Escrow
06/06/2018	3297-C	3	\$642,238	La Reina	HomeSmart Evergreen	Coldwell Banker	Escrow Options Group
06/18/2018	3326-C	3	\$360,000	Catalina	Century 21 Rainbow	Laguna Premier Realty, Inc	Granite Escrow
06/08/2018	3336-2D	3	\$275,000	Sierra	Laguna Premier Realty, Inc	Laguna Beach Properties	Pacific Closing Services
06/15/2018	3357-A	3	\$380,000	Catalina	Century 21 Award	ReMax Premier Realty	Homestead Escrow

# **Resales Report** **Third Laguna Hills Mutual** **June, 2018**

Close	Manor	Mutual	Price	Model/Style	Listing Realtor	Buyer Realtor	Escrow
06/01/2018	3365-3G	3	\$346,000	Sierra	California Custom Realty	Nautical Properties	Granite Escrow
06/20/2018	3486-1E	3	\$265,000	Sierra	Laguna Premier Realty, Inc	Re/Max Consultants	Granite Escrow
06/20/2018	3490-A	3	\$805,000	Cabrillo	HomeSmart Evergreen	Realty Benefit	Escrow Options Group
06/11/2018	3499-3D	3	\$579,000	El Mirador	Century 21 Rainbow	Laguna Premier Realty, Inc	Granite Escrow
06/18/2018	4005-1A	3	\$370,000	Villa Nueva	Unknown	Unknown	West Coast Escrow
06/19/2018	5079	3	\$853,000	Villa Serena	Remax Tiffany	ALL COASTAL REAL ESTATE	Integra Escrow
06/06/2018	5294	3	\$895,000	Villa Paraisa	HomeSmart Evergreen	Village Real Estate	Escrow Options Group
06/05/2018	5326-P	3	\$375,000	Casa Vista	Laguna Premier Realty, Inc	Presidential Incorporated	Pacific Closing Services
06/04/2018	5347-B	3	\$335,000	Casa Vista	First Team Estates	Laguna Premier Realty, Inc	Granite Escrow
06/14/2018	5375-B	3	\$775,000	Casa Rosa	Century 21 Rainbow	Clint Lukens Realty	Homestead Escrow
06/07/2018	5475-B	3	\$595,000	Villa Fuente	Paul M. Lange & Associates	Century 21 Rainbow Realty	Homestead Escrow
06/04/2018	5514-A	3	\$750,000	Casa Rosa	Laguna Premier Realty, Inc	Laguna Premier Realty, Inc	Granite Escrow
06/19/2018	5541-B	3	\$675,000	El Prado	Keller Williams Real Estate	Keller Williams Real Estate	Homestead Escrow

Number of Resales: 36

Total Resale Price: \$16,793,638

Average Resale Price: \$466,490

Median Resale Price: \$392,500



# MONTHLY LEASING REPORT

Report Period:  
June-2018

MONTH	LEASES IN EFFECT				Total this year	Total last year	Total Expirations	New Monthly Transactions		
	3 Months	6 Months	12 Months	12+Months				Leases	Renewals	Extensions
January	21	22	378	1192	1613	1678	75	31	95	0
February	21	24	386	1220	1651	1664	38	50	138	1
March	14	22	375	1233	1644	1667	52	45	124	0
April	9	22	385	1240	1656	1630	50	46	93	0
May	15	20	381	1209	1625	1653	66	54	110	0
June	29	25	379	1229	1662	1652	53	78	151	2
July					0	1659				
August					0	1667				
September					0	1648				
October					0	1646				
November					0	1656				
December					0	1669				

Monthly Average	18.2	22.5	380.7	1220.5	1641.8	Jan- June 1657.3	55.7	50.7	118.5	0.5
-----------------	------	------	-------	--------	--------	---------------------	------	------	-------	-----

Percentage Leased	1662 / 6102 = 27%									
-------------------	-------------------	--	--	--	--	--	--	--	--	--

this page intentionally left blank



**OPEN MEETING**

**REGULAR MEETING OF THE THIRD LAGUNA HILLS MUTUAL  
ARCHITECTURAL CONTROL AND STANDARDS COMMITTEE**

**Monday, June 25, 2018 – 9:30 a.m.  
Laguna Woods Village Community Center Sycamore Room  
24351 El Toro Road**

**REPORT**

**COMMITTEE MEMBERS PRESENT:** Chair – Bill Walsh, Roy Bruninghaus, Rosemarie diLorenzo, Steve Parsons, John Frankel

**COMMITTEE MEMBERS ABSENT:** None

**ADVISORS PRESENT:** Bob Hatch, Mike Butler, Michael Plean

**STAFF PRESENT:** Kurt Wiemann, Gavin Fogg, Eve Morton

**1. Call to Order**

Chair Walsh called the meeting to order at 9:30 a.m.

**2. Acknowledgement of Media**

No media were present.

**3. Approval of May 29, 2018 Report**

Director Frankel moved to approve the Report. Director Bruninghaus seconded. The motion passed with a unanimous vote.

**4. Approval of the Agenda**

Director Frankel moved to approve the Agenda. Advisor Plean seconded. The motion passed with a unanimous vote.

**5. Committee Chair Remarks**

Chair Walsh had no remarks.

**6. Member Comments - (Items Not on the Agenda)**

A resident thanked the Board for the moratorium on Common area.

President diLorenzo commented on how important it is to take care of this community and to work hard to prevent the breaking of Village rules such as unpermitted alterations and installation of washer and dryers in three-story buildings.

## **7. Department Head Update**

None.

### Consent:

*All matters listed under the Consent Calendar are considered routine and will be enacted by the Committee by one motion. In the event that an item is removed from the Consent Calendar by members of the Committee, such item(s) shall be the subject of further discussion and action by the Committee.*

None.

### Reports:

## **8. 3142-A (Las Flores, PL203C, 42) Room Addition on Back Patio**

The committee requested that Staff include the tract map, with dimensions clearly shown, for all variance requests at future committee meetings. Mr. Wiemann stated in an effort to keep the agenda packet size manageable, staff would add the tract maps to the visual presentation at each committee meeting.

Director Bruninghaus moved to accept this variance on the condition that the room addition shall only be constructed on the original footprint. Director Frankel seconded. The Committee was in unanimous support.

## **9. 3235-C (La Reina, SB703R\_B, 43R) Replace Enclosed Patio with Room Addition**

After discussion, Director Bruninghaus moved to accept Staff's recommendation and approve this request with a condition of approval stating 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 3235-C and all future Mutual members at 3235-C. Director Parsons seconded. The Committee was in unanimous support.

## **10. 3374-B (Navarro, P203RC, 46R) Replace Wrought Iron Fence with Glass Windbreak**

Director Bruninghaus moved to accept Staff's recommendation and approve this request. Director Parsons seconded. The Committee was in unanimous support.

## **11. 5405 (Trinidad, C11RC\_2) Add/Modify Windows and Doors, Room Addition and Bathroom Remodel**

President diLorenzo moved to accept Staff's recommendation and approve this request with the following conditions; the room must be called a den and a closet shall not be permitted. Director Parsons seconded. The Committee was in unanimous support.

## **12. Review Architectural Standard 30: Storage Cabinets**

Discussion ensued regarding what happens when people put in storage cabinets that weren't permitted.

The committee requested that Mr. Wiemann write a resolution policy for the next committee agenda regarding instituting a grace period or amnesty for unpermitted items such as store-bought storage cabinets.

Advisor Parsons requested that Mr. Wiemann search for an existing resolution regarding storage cabinets on multi-story buildings.

The committee requested to remove the reference to "first- come, first- served" in §4.3.

The committee requested that there be only one cabinet allowed on visible balconies. Mr. Wiemann suggested guidelines such as storage cabinets can't exceed a certain percentage of patio/balcony area.

The committee asked Staff to consider 6' high vs. 4' high cabinets in 2.8.

The committee requested Staff work on additional updates to this Standard and bring it back to the next committee meeting for review.

### **13. Review Architectural Standard 31: Washer/Dryer Installations**

The committee asked that §2.6 is corrected to read "A Mutual Consent will not be issued..."

President diLorenzo moved to accept Staff's recommendation as amended. Director Parsons seconded. The committee was in unanimous support.

### **Reports:**

None.

### **Items for Future Agendas**

### **Concluding Business:**

### **14. Committee Member Comments**

Several comments were made.

Advisor Plean requested and the committee agreed that the committee be apprised of what the Board's final decisions were on committee items or on items which were discussed with legal counsel.

### **15. Date of next meeting – Monday, July 23, 2018**

### **16. Adjourned at 11:36 a.m.**



Chair, Bill Walsh

Kurt Wiemann, Staff Officer

Eve Morton, Alterations Coordinator, 268-2565

this page intentionally left blank





**OPEN MEETING**

**REPORT OF REGULAR MEETING OF THE THIRD LAGUNA HILLS MUTUAL  
MAINTENANCE AND CONSTRUCTION COMMITTEE**

**Monday, July 2, 2018 – 1:00 PM**

**Laguna Woods Village Community Center Board Room  
24351 El Toro Road**

**MEMBERS PRESENT:** Bill Walsh – Chair, Bunny Carpenter, John Frankel, Rosemarie di Lorenzo, Roy Bruninghaus, Steve Parsons, Cush Bhada, Jules Zalon, James Tung, Advisors: Steve Leonard, Dr. David Finley

**MEMBERS ABSENT:** Burt Baum, Jack Connelly

**STAFF PRESENT:** Ernesto Munoz – Staff Officer, Siobhan Foster, Laurie Chavarria

**1. Call to Order**

Chair Walsh called the meeting to order at 1:01 PM and stated that the meeting is being held pursuant to notice duly given and established that a quorum of the Committee was present.

**2. Acknowledgement of Media**

The media was not present.

**3. Approval of the Agenda**

Items 9 and 10 were pulled from the Consent Calendar for discussion. The agenda was approved as amended.

**4. Approval of Meeting Report for June 4, 2018**

Director Bruninghaus requested a correction be made to the second sentence in the first paragraph on page 4 of 5. The sentence will be changed to “Staff will order...”

The meeting report from June 4, 2018 was approved as amended.

## **5. Chair's Remarks**

Chair Walsh welcomed SGE Consulting, as well as Dr. David Finley to the dais for the dry rot portion of the program.

## **6. Member Comments (Items Not on the Agenda)**

- Lynn Jarrett (4010-1C) commented on the GV breezeway recessed area project; a recent plumbing emergency that was handled efficiently between security and plumbing staff; suggested that GV mailroom flooring replacement be added as an item for a future agenda and asked for updates on the dryer replacements and rec room standard conditions.

Ernesto Munoz, Chair Walsh and Director di Lorenzo briefly responded to the comments.

## **7. Department Head Update**

Ernesto Munoz introduced Dr.'s Eugene and Steve Gordin of SGE who provided a comprehensive presentation on the dry rot study of 20 buildings of various models throughout Third Mutual.

Discussion ensued regarding immediate repair needs found during the study, how the cost of repairing 20 buildings models compares to the 700 buildings they represent, repair details that can be applied on multiple building types, possible change orders for additional dry rot findings, pilot program for a procedure to investigate dry rot with minimal disruption to the resident, and destructive testing,

Per questions received from Chair Walsh, Ernesto Munoz also provided an update on the following topics:

1. Balcony and Breezeway Resurfacing (not GV Breezeway pilot): This program was able to start in May, a month earlier than originally planned. To date, 22 of the 56 buildings on the 2018 program have been resurfaced.
2. The GV Lobby Renovations: The 10 lobbies renovated in 2018 were: 2370, 3499, 2353, 2354, 2393, 5517, 969, 2400, 3241 and 2399. As of June 8th the Garden Villa Lobby program was complete. The average cost of each lobby renovation is \$11,412. There are 35 lobbies left to fully renovate. After completion in 2022, budgeted funds will not be required until 2032.
3. The Trash Chute Repairs in Three Story Buildings: This project experienced a 2 week delay due to materials (custom collars) taking longer than expected to be delivered. The project is now scheduled to begin in mid-July and notices have been sent to the first 15 buildings.
4. Asphalt Paving Program: The Asphalt Paving work began in May and will be

completed in July. The 2018 program will consist of 90,500 square feet of pavement replacement. The scheduled cul-de-sacs include: 315, 316, 322, 323, 366, 3150 and 3317. The original cul-de-sacs planned for 2018 were changed to the above cul-de-sacs due to ETWD Reclaimed Water project scheduling conflicts. Resident notifications for work to be completed in June/July were sent out in May.

5. The 2018 Parkway Concrete Repair & Funding Source: This work is funded from of the Reserve Fund. The concrete replacement work began in May. In June the concrete work was completed and is currently curing to gain strength prior to completing the asphalt work in July. Concrete invoicing has been received and payment is in process.
6. 2018 Building Address Signs: The signs have been ordered and are the estimated start date for installation is July 23<sup>rd</sup>.
7. 2018 Building Structures: Several building structural repair requests have been received for minor repairs and building settlement issues. Repairs are in progress or completed at the following locations: B4007, 2170-A, B5193, 5500-1G, 5330-Q, 2404-3A, B2395, B4020, 2127-O, 5503-A, 5583-A, B2384, B2315, B2301, 40063-D, 4004-3G, & B2384.

B967 contract was awarded at the 6/19/18 Board meeting: B5359 is a small repair that has been awarded and is being scheduled by the vendor.

RFP's are being prepared for repairs at Buildings 5258, 2267, 2280, and 2328.

8. How is the vinyl tile on the elevator floors holding up: The vinyl tile in the elevator at Building 4026 that was installed in May of 2017 is holding up very well. Building 2393 had their floor replaced this year.
9. GV Breezeway Pilot: Building 2384 began construction in March 2018, and was completed the first week of June. Buildings 2385 and 2386 are in progress and scheduled to be completed in July.
10. Walkway lighting project in Gates 5 & 6: The contractor currently has about 100 bollards in stock, which will be installed in the next two weeks. The remaining 490 are on order and are expected to arrive in late July. We are estimating an installation rate of 50-60 bollards per week. If this schedule is maintained, the project could be completed in the first week of October.
11. Exterior Lighting Replacement Fund: \$18,705 was a miss-coded invoice that Finance is in the process of correcting.

**Consent:**

*All matters listed under the Consent Calendar are considered routine and will be enacted by the Committee by one motion. In the event that an item is removed from the Consent Calendar by members of the Committee, such item(s) shall be the subject of further discussion and action by the Committee.*

Items 9 and 10 were pulled from the Consent Calendar for discussion. The Consent Calendar was approved as amended.

**8. Programs Report**

**9. Maintenance Expenditures and Variance Explanations**

Director di Lorenzo commented on concrete repairs and tree maintenance.

Director Parsons commented on the plumbing expenditures.

Director Frankel asked about pet fees during the fumigation program.

Ernesto Munoz briefly responded to all questions and comments.

**10. Project Log**

Director di Lorenzo asked staff to add descriptions to the color coding for each section of the project log.

**Reports:**

**11. Dry Rot Investigation Report & Presentation by SGE**

Ernesto Munoz summarized the report and proposed that we advertise the project for construction to bring a recommendation to award a contract to a future meeting.

Discussion ensued regarding a management company, building inspector, project oversight, and how to project the repair findings on future buildings.

By consensus, staff was directed to solicit contractor bids for the Dry Rot Repair project for construction of twenty buildings. Sixteen buildings were identified in the Engineering Investigation of Fungal Damage (Dry Rot Report) as requiring repairs, and four additional buildings will be proposed as alternate bids.

**12. Programmable Drying Costs per Load**

Ernesto Munoz summarized the report and staff's recommendation for the programmable drying costs per load.

Staff has investigated the costs of installing new coin operated commercial dryers and the associated return on investment (ROI). This ROI is affected by the expected amount of money required to dry one load of laundry.

Staff had previously set a level of \$0.50 per load to calculate the payback for this project with an estimate that a typical load of laundry can be dried in 40 minutes or less. By setting a rate of \$0.25 per 20 minutes of drying time, this calculation will remain at previous levels and maintain expected costs to users.

The cost to purchase new commercial Speed Queen coin-operated dryers is \$294,000. The analysis estimates \$110,000 additional income per year associated with the installation of these machines.

With an assumption that users spend \$0.50 per load, this equates to a payback period of just over 2 years and a return on investment of 19%.

The 2019 Business Plan has been prepared based on the assumption of \$0.50 per load generating approximately \$110,000 per year in additional revenue.

Discussion ensued regarding pedestals without drawers, installation costs, project timing, installation scheduling, and pricing for venting of the dryers to the outside in the Garden Villa buildings.

By consensus staff was directed to advertise for bids as soon as possible and bring back a recommendation to award a contract to replace all laundry room dryers with commercial, coin-operated dryers. The bid will include the installation of washer and dryer pedestals as well as venting the dryers in three-story buildings to the outside.

A motion was made and unanimously approved to recommend the Board authorize the programming of the future coin operated commercial dryers be set at a rate of \$0.25 cents per 20 minutes of drying time.

### **13. Non-Emergency Chargeable Maintenance Services**

Ernesto Munoz summarized the report and answered questions from the Committee.

Discussion ensued regarding list of services, alterations, water heater warranties, and parts and labor warranties.

By consensus, this item will be tabled until the next meeting. Members of the Committee will refine the list of services and limitations for discussion at the August meeting.

### **14. Water Heater Inventory List (oral discussion)**

The Committee briefly reviewed the water heater inventory list.

**Items for Future Agendas:**

- Vehicle Decal Policy Revisions
- Alteration Flooring Replacement Disbursement (due to moisture intrusion)
- Contract Award for Commercial Dryer Replacement Project (September)
- GV Inspection and Replacement of Receptacles in Garages
- GV Garage Cabinet Costs per Building

**Concluding Business:**

**Committee Member Comments**

There were no member comments.

**Date of Next Meeting – August 6, 2018**

**Adjournment**

The meeting was adjourned at 3:40 PM.

DRAFT

---

Bill Walsh, Chair

DRAFT

---

Bunny Carpenter

**REPORT OF THE REGULAR MEETING OF THE  
THIRD LAGUNA HILLS MUTUAL LANDSCAPE COMMITTEE**

Thursday, July 5, 2018 – 9:00 a.m.

Laguna Woods Village Community Center Board Room – 24351 El Toro Road

**MEMBERS PRESENT:** James Tung – Chair, Jules Zalon – Co Chair, John Frankel, Roy Bruninghaus , Violet Lawrence (Advisor)

**MEMBERS ABSENT:** Jack Connelly

**OTHER DIRECTORS:**

**STAFF PRESENT:** Bruce Hartley, Larry Hernandez, Bob Merget, Becky Jackson, Kelli Newton

**1. Call to Order**

Chair Tung called the meeting to order at 9:00 a.m.

**2. Acknowledgement of Media**

No media was present.

**3. Approval of the Agenda**

The title of Item #9 was changed to 'Landscape Renovation Project Update' and Item #15 was added, titled 'Supplemental Funding Request for Fuel Modification'

The amended Agenda was approved by consensus

**4. Approval of Meeting Report for June 7th, 2018**

The Committee report was approved by consensus without objection.

<b>5.</b>	<b>Chair's</b>	<b>Remarks</b>
-----------	----------------	----------------

Chair Tung commented regarding the request for benches at West Creek. GRF M&C Committee directed that two benches be added in the West Creek area.

**6. Member Comments (Items Not on the Agenda)**

- Judith Hurst (3138-C) spoke regarding damage from a ficus tree to her patio pavers.
- Wan Chi Lai (4007-2G) had submitted a petition to remove a tree. It was not on the agenda.
- Eileen Lazar (5220) asked about extra maintenance being performed in the Gate 11 area.
- Costeens (3436-P) spoke about potholes on Avenida Sosiega.

**7. Response to Member Comments**

Mr. Hartley responded to Ms. Hurst and Ms. Lai on tree removal; Lai's tree removal request was received after deadline and will be on the next agenda. He also addressed Mr. Costeen's issues regarding potholes.

Larry Hernandez responded to Ms. Lazar regarding schedules.

## **8. Department Head Update**

Mr. Hartley commented the main focus of the Landscape Division right now is meeting schedules and staying consistent with the work. He spoke regarding staffing levels. He informed the Committee that the pesticide use topic will be discussed at a special United Landscape Committee meeting on July 19, 2018.

### **Consent:**

None

### **Reports:**

#### **9. Water Efficient Landscape Project update**

Mr. Hartley commented on the completion of the Gate 9 entrance project. The next project will be the Gate 11 –Pina slope.

All three projects will be completed by in-house staff with projected completion by end of 2018. Eileen Lazar (5220) requested the replacement of two trees within the project area that had died. Committee and staff agreed.

#### **10. Fire Risk Management Update**

Mr. Hartley commented regarding OCFA visits to the community and that staff had communicated the proposed plan to address high risk fire areas with contract work beginning in the next 30 days. .

Advisor Violet spoke on the idea of using goats for vegetation management as the City of Laguna Beach does.

Doug Gibson and Eileen Lazar spoke about Gate 11 area brush.

### **Items for Discussion and Consideration:**

#### **11. UgMo Soil Moisture Sensor Program**

Mr. Hartley provided background on the test project for managing irrigation via moisture sensors and the high cost of the proposed shared savings program offered by Sustainability Partners, LLC. He said staff does not support the contract and provided detail.

Chair Tung commented on the poor visual quality of the turf area being tested in Gate 14 and that changing to water saving landscape would be a better option via a funded turf reduction program. He stated that appearance is an important factor. Director Zalon commented on UGMO moisture sensor program. Suggested looking at the cost savings from total turf removal similar to a large project called Ocean Ranch.

Motion to 'Recommend to the Board the termination of the contract with Sustainability Partners, LLC' was made by Director Bruninghaus, second by Director Zalon and carried unanimously.

#### **12. Request to Install Pavers – 3197-B (Nicholson) –**

Mr. Hartley provided background on the request. Suggested the request come to the Landscape Committee first then to the Architectural Controls and Standards Committee.

Resident Nicholson spoke in support of his request explaining the need and proposed to make all improvements at his own expense.

Motion made by Director Bruninghaus to 'Approve; subject to the approval of the Architectural Committee', second by Director Zalon approved unanimously.

#### **13. Appeal – Denial of Tree Removal Request (Kawamoto) 5450 Calle Pico**

Mr. Hartley provided background on request and previous Committee denial. He stated the



Committee previously visited site and determined tree was not causing any damage. Howard Kawamoto spoke; asking Committee to reconsider the tree removal. He offered to pay for tree removal and replacement. Director Zalon made a motion to deny the appeal; second by Director Bruninghaus, approved by Committee unanimously.

#### **14. Tree Removal Requests**

- a. **3217-B Via Carrizo (Cohen)** – Mr. Cohen commented on the Olive tree. Stating: Produces enormous amount of debris. Olives are slippery. Previous owner has slipped on the olive debris. Signatures from other owners wanting tree removed. Spends 2 hours per day sweeping up debris and should not have to. Olives drop for a few months during the year. (Resident of 3218-B ( Pat). Sandra Cohen (3217-B) spoke on health issues and does not want the risk of falling due to the tree debris. Director Bruninghaus made a motion to deny the removal, but allowing the Member to have the tree sprayed to suppress the olives one time per year at Member's expense, second by Director Zalon, passed unanimously.
- b. **3436-P Bahia Blanca West (Costeens)** Mr. Costeens spoke, stating the tree is blocking views and creates excessive debris. Director Bruninghaus made a motion to deny the request, second by Director Zalon, passed unanimously. Staff agreed to thin out the tree within the next 30-60 days.
- c. **2192-E Via Mariposa East (Lu)** – Motion made by Director Bruninghaus to approve tree removal, second by Director Zalon, approved unanimously by the Committee.

**15. 'Supplemental Funding Request for Fuel Modification'** Mr. Hartley provided background on fire risk reduction cost quote for immediate attention to high fire risk areas identified by OCFA. A request for \$55,000 in funding was presented. Director Bruninghaus made a motion to recommend to the Board the award of a contract to Brightview Landscape and supplemental funding in the amount of \$100,000, second by Director Zalon, approved unanimously by the Committee

#### **Items for Future Agendas:**

**16. Fire Risk Management (TBD)**

**17 Slope Renovation Project Updates (TBD)**

#### **Concluding Business:**

**18. Committee Member Comments**

Director Zalon commented on improvements being made in cleaning sidewalks. Director Bruninghaus spoke regarding trees.

**19. Date of the Next Meeting – August 2, 2018**

**20. Adjournment** Meeting adjourned at 11 a.m.

**DRAFT**

James Tung, Chair  
Third Landscape Committee

