



## **OPEN SESSION**

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

**Tuesday, July 21, 2020 - 9:30 a.m.  
Laguna Woods Village Virtual Meeting  
24351 El Toro Road  
Laguna Woods, California**

#### **NOTICE OF MEETING AND AGENDA**

- 1. Call meeting to order / Establish Quorum – President Parsons**
- 2. Pledge of Allegiance – President Parsons**
- 3. Acknowledge Media**
- 4. Approval of Agenda**
- 5. Approval of Minutes**
  - a. June 16, 2020 – Regular Open Meeting
- 6. Report of the Chair – This agenda item has been moved to item 17 on the agenda**
- 7. Open Forum (Three Minutes per Speaker) - *At this time Members only may address the Board of Directors regarding items not on the agenda and within the jurisdiction of this Board of Directors. The Board reserves the right to limit the total amount of time allotted for the Open Forum. Members can request to speak via email to [meeting@vmsinc.org](mailto:meeting@vmsinc.org) any time before the meeting is scheduled to begin or during the meeting. Please use the name of the board meeting in the subject line of the email or call [949-268-2020](tel:949-268-2020) beginning one half hour before the meeting begins and throughout the remainder of the meeting. You must provide your name and unit number.***
- 8. Responses to Open Forum Speakers**
- 9. CEO/COO Report**

Please silence your cell phones.

**10. 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. Finance Committee Recommendations:**

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

- b. (1) Approval of resolution to Record Lien against Member ID 934-902-51
- (2) Approval of resolution to Record Lien against Member ID 932-200-13
- (3) Approval of resolution to Record Lien against Member ID 931-371-09
- (4) Approval of resolution to Record Lien against Member ID 931-720-47
- (5) Approval of resolution to Record Lien against Member ID 931-710-19
- (6) Approval of resolution to Record Lien against Member ID 931-630-83
- (7) Approval of resolution to Record Lien against Member ID 932-670-28
- (8) Approval of resolution to Record Lien against Member ID 932-201-23
- (9) Approval of resolution to Record Lien against Member ID 932-310-40
- (10) Approval of resolution to Record Lien against Member ID 931-590-42

**c. Architectural Control & Standards Committee Recommendations:**

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

**11. Unfinished Business**

- a. Entertain a Motion to Approve a Resolution and Alternate Heat Source Policy for Alterations (**JULY Initial Notification—Must postpone 28 days for Member review and comment to comply with Civil Code §4360**)

**12. New Business**

**a. Landscape Committee Recommendation:**

Recommend to Deny Tree Removal Request: Recommend Denial of Tree Removal Request: 3135-B Via Serena N. (Yang) – One Canary Island Pine tree

- b. Entertain a Motion to Designate Smoke Free Building Policy & Procedure from the Resident Policy and Compliance Committee Meeting (**JULY Initial Notification—Must postpone 28-days for member review and comment in accordance with Civil Code §4360**)

### **13. Committee Reports**

- a. Report of the Finance Committee / Financial Report – Director Pearlstone. The Committee met on June 2, 2020; next meeting August 4, 2020, at 1:30 p.m. as a virtual meeting.
  - (1) Treasurer's Report
  - (2) Third Finance Committee Report
  - (3) Resales/Leasing Reports
- b. Report of the Architectural Controls and Standards Committee – President Parsons. The Committee met on June 19, 2020; next meeting July 27, 2020 at 9:30 a.m. as a virtual meeting
- c. Report of the Communications Committee – Director McCary. The Committee met on October 9, 2019; next meeting TBA
- d. Report of the Maintenance and Construction Committee – Director Mutchnick. The Committee met on July 6, 2020; next meeting September 7, 2020, at 1:30 p.m. as a virtual meeting
  - (1) Report of the Parking and Golf Cart Task Force – President Parsons. The Task Force met on January 6, 2020; next meeting TBA
  - (2) Garden Villa Rec. Room Sub-Committee – Director Jarrett. Next meeting TBA
- e. Report of the Landscape Committee – Director Jarrett. The Committee met on July 2, 2020; next meeting August 6, 2020, at 9:30 a.m. as a virtual meeting
- f. Report of the Water Subcommittee – Director Karimi. Next meeting TBA
- g. Report of the Resident Policy and Compliance Committee – Director Jarrett. The Committee met on June 30, 2020; next meeting July 29, 2020 at 9:30 a.m. as a virtual meeting.
- h. Energy Research Group – Director Mutchnick. The next meeting is TBA

### **14. GRF Committee Highlights**

- a. Community Activities Committee – Director McCary. The Committee met on June 11, 2020; next meeting August 13, 2020, at 1:30 p.m. as a virtual meeting
  - (1) Equestrian Center Ad Hoc Committee – Director Bhada. Next meeting TBA
- b. GRF Finance Committee – Director Pearlstone. The Committee met on June 29,

2020; next meeting August 19, 2020, at 1:30 p.m. as a virtual meeting

- c. GRF Landscape Committee – Director Jarrett. The Committee met on February 12, 2020; next meeting August 12, 2020 at 1:30 p.m.
- d. GRF Maintenance & Construction Committee – Director Bhada – The Committee met June 10, 2020; next meeting August 12, 2020, at 9:30 a.m. location TBA
  - (1) PAC Renovation Ad Hoc Committee – Director Pearlstone. The Committee met on July 13, 2020, as a virtual meeting
  - (2) Clubhouse 1 Renovation Ad Hoc Committee – Director Pearlstone. The Committee met on June 1, 2020 at 2:00 p.m.; next meeting TBA
- e. Media and Communications Committee – Director McCary. The Committee met on June 15, 2020 as a virtual meeting; next meeting August 17, 2020, at 1:30 p.m. as a virtual meeting
- f. Mobility and Vehicles Committee – Director Frankel – The Committee met on February 5, 2020; next meeting August 5, 2020, at 1:30 p.m. as a virtual meeting
- g. Security and Community Access Committee – Director Mutchnick. The Committee met on February 24, 2020; next meeting August 24, 2020 at 1:30 p.m. as a virtual meeting
  - (1) Disaster Preparedness Task Force – Director Engdahl. The Task Force met on January 28, 2020; next meeting July 28, 2020, 9:30 a.m. as a virtual meeting
- h. Report of the Laguna Woods Village Traffic Hearings – Director Frankel. The Traffic Hearings were on July 15, 2020; next meeting is August 19, 2020 at 9 a.m. and 1 p.m. as a virtual meeting.

**15. Future Agenda Items--** *All matters listed under Future Agenda Items are 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. Parking Report
- b. Resident Suggestion Program
- c. Alterations Review

**16. Director's Comments**

## **17. Report of the Chair**

- 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 Session Agenda**

*Approval of Agenda*

*Approval of the Following Meeting Minutes;*

*(a) June 12, 2020—Special Closed Meeting*

*(b) June 16, 2020—Closed Session*

*(c) June 26, 2020—Special Closed Meeting*

*(d) July 6, 2020—Special Closed Meeting*

*Discuss and Consider Member Matters*

*Discuss Personnel Matters*

*Discuss and Consider Contractual Matters*

*Discuss and Consider Litigation Matters*

## **19. Adjourn**

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

**Tuesday, June 16, 2020 - 9:30 a.m.  
Laguna Woods Village Board Room/Virtual Meeting  
24351 El Toro Road  
Laguna Woods, California**

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

Directors Absent: None

Staff Present: Jeff Parker, Siobhan Foster, Becky Jackson, Cheryl Silva and Grant Schultz

Others Present: Lora Young, Orange County Mosquito & Vector Control  
Wei-Ming Tao, Rosemarie diLorenzo

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

Steve Parsons, President of the Corporation, chaired and opened the meeting stating it was a Regular Meeting held pursuant to notice duly given. A quorum was established, and the meeting was called to order at 9:30 a.m.

**2. Pledge of Allegiance**

Director Karimi led the Membership in the Pledge of Allegiance.

**3. Acknowledge Media**

The Village Television Camera Crew, by way of remote cameras, was acknowledged as present.

**4. Approval of Agenda**

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

By consensus, the agenda was approved and the motion passed unanimously.

**5. Approval of Minutes**

**a. May 19, 2020—Regular Open Meeting Minutes**

Director Bhada made a motion to approve the May 19, 2020, Regular Open Meeting minutes as presented. Director McCary seconded the motion.

By consensus, the May 19, 2020, Regular Meeting minutes were approved.

**6. Report of the Chair**

President Parsons commented about important information that will be presented by our Committee Chairs. The resident survey has been initiated. Upgrade of GRF Facilities is pending and more information will be provided in the future. Continue to take precautions to protect yourself and others from COVID-19.

**7. Open Forum -- none**

**8. Responses to Open Forum Speakers -- none**

**9. CEO Report**

CEO Jeff Parker reported on the following subjects:

- The LED Walkway Lighting project by Siemens is completed at the clubhouses;
- Reopening plan was presented on TV6 and will be rebroadcast for all residents. It analyzes how staff is following the County and State guidelines.
- Medical Advisory Roundtable presentation was held on TV6 Friday, June 12, 2020 and will be rebroadcast;
- Starting yesterday doubles play will be allowed at the Tennis Center;
- Pools will be reopened shortly;
- Standard Operating Procedures are being reviewed and evaluated as facilities reopen;
- SCE will conduct public forums on June 30<sup>th</sup> and July 1<sup>st</sup> on rate increases;
- Golf cart parade will be held on July 4<sup>th</sup>.

**9a. Orange County Mosquito and Vector Control District Presentation**

Lora Young from the Orange County Mosquito and Vector Control District gave a presentation on how residents can help control mosquitos, rats, fire ants and flies in the Community.

Lora Young answered questions from the Board.

**10. Consent Calendar**

**10a. Finance Committee Recommendations:**



- (1) Recommendation to Approve a Resolution to Record Lien against Member ID# 931-590-42

**RESOLUTION 03-20-42**  
**RECORDING OF A LIEN**

**WHEREAS**, Member ID 931-590-42; 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 16, 2020, that the Board of Directors hereby approves the recording of a Lien for Member ID 931-590-42 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) Consistent with its statutory obligations the Board members individually reviewed Third Laguna Hills Mutual preliminary financials for the month of April 2020, and by this vote ratify that such review be confirmed in this month's Board Member Open Session Meeting minutes per Civil Code §5501.

Director Jarrett made a motion to approve the consent calendar as presented. Director Mutchnick seconded the motion and the motion passed without objection.

**11. Unfinished Business -- none**

**12. New Business**

**12a. Landscape Committee Recommendation**

Entertain a Motion to Deny Off-Schedule Tree Trimming Request: 3337-1G Punta Alta (Brown) – Two Silk Oak trees as it does not meet the guidelines in Resolution 03-11-149

Director Jarrett presented a summary of the following Resolution:

**RESOLUTION 03-20-43**  
**DENY THE REQUEST FOR OFF-SCHEDULE TREE TRIMMING**  
**TWO SILK OAK TREES AT 3337-1G PUNTA ALTA**

**WHEREAS**, on June 4, 2020, the Landscape Committee reviewed the request for the off-schedule trimming of two Silk Oak trees. The request was received from the

member at 3337-1G who cited the reasons as litter/debris and concern that the leaves on the sidewalk are hazardous to pedestrians and;

**WHEREAS**, the Committee determined that the trees do not meet the guidelines for off-schedule trimming since reducing the foliage of these trees to reduce the leaf drop would damage the overall health of the trees and recommends denying the request for the off-schedule trimming of two Silk Oak trees located at 3337-1G Punta Alta.

**NOW THEREFORE BE IT RESOLVED**, June 16, 2020, the Board of Directors denies the request for the off-schedule trimming of two Silk Oak trees located at 3337-1G;

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

Director Jarrett made a motion to deny the request for off-schedule tree trimming of two silk oak trees (3337-1G Punta Alta). Director Bhada seconded the motion.

Discussion ensued among the Directors.

President Parsons called for the vote, and the motion passed without objection.

### **13. Committee Reports**

- 13a.** Report of the Finance Committee / Financial Report – Director Pearlstone gave a presentation on the Treasurer’s report, Resale/Leasing report and the last Third Finance Committee report. The Committee met on June 2, 2020; next meeting July 7, 2020, at 1:30 p.m. location TBA.

- (1) Treasurer’s Report
- (2) Third Finance Committee Report
- (3) Resales/Leasing Reports

- 13b.** Report of the Architectural Controls and Standards Committee – Director Parsons. The Committee met on February 24, 2020; next meeting June 19, 2020, at 9:30 a.m. as a virtual meeting.

- 13c.** Report of the Communications Committee – Director McCary reported the Committee met on October 9, 2019; next meeting will be held on July 8, 2020 location TBA.

- 13d.** Report of the Maintenance and Construction Committee – Directors Mutchnick reported on the last Committee Meeting. The LED streetlight project is completed. Approval of washer and dryer in the Garden Villa Units will be re-evaluated next year. Looking at electrical projects that would be beneficial to the

community. The Committee met on May 4, 2020; next meeting July 6, 2020, at 1:30 p.m. in the Board Room.

(1) Report of the Parking and Golf Cart Task Force – President Parsons. The Task Force met on January 6, 2020; next meeting TBA.

(2) Garden Villa Rec. Room Sub-Committee – Director Jarrett reported on the last Sub-Committee Meeting which met on February 10, 2020; the next meeting TBA.

**13e.** Report of the Landscape Committee – Director Jarrett reported on the last Landscape Committee meeting. The recent rains have increased the vegetation in the Village. The Landscape manual is available on our website. The turf reduction project continues throughout the community. The Committee met on June 4, 2020; next meeting July 2, 2020, at 9:30 a.m. location TBA.

**13f.** Report of the Water Subcommittee – Director Karimi. The subcommittee met on October 9, 2019; next meeting TBA.

**13g.** Report of the Resident Policy and Compliance Committee – Director Jarrett reported on the last Committee meeting. The Task Force met on May 14, 2020; next meeting June 30, 2020, at 9:30 a.m. as a virtual meeting.

**13h.** Report of the Energy Research Group – Director Mutchnick. The next meeting will be held on July 1, 2020.

**14. GRF Committee Highlights**

**14a.** Community Activities Committee – Director Bhada reported on the Committee meeting. The July 4<sup>th</sup> Golf Cart Parade was approved. The Committee met on June 11, 2020; next meeting July 9, 2020, at 1:30 p.m. location TBA.

(1) Equestrian Center Ad Hoc Committee – Director Bhada. The next meeting TBA.

**14b.** GRF Finance Committee – Director Pearlstone. The Committee met on April 22, 2020; next meeting June 24, 2020, 1:30 p.m. as a virtual meeting.

**14c.** GRF Landscape Committee – Director Jarrett. The Committee met on February 12, 2020; next meeting TBA.

**14d.** GRF Maintenance & Construction Committee – Director Bhada showed a presentation on the Maintenance Service Center EV Charging Stations, RV Lot B & Maintenance Service Center Gate Access Installation and LED Walkway

Lighting Project and reported on the Committee meeting. The Committee met on June 10, 2020; next meeting August 12, 2020, at 9:30 a.m. location TBA.

(1) PAC Renovation Ad Hoc Committee – Director Pearlstone reported the Committee approved the maintenance improvement project. The Committee met on May 14, 2020 in closed session.

(2) Clubhouse 1 Renovation Ad Hoc Committee – Director Pearlstone reporting that the Committee is looking at the different renovation options. The Committee met on June 1, 2020, as a virtual meeting

**14e.** Media and Communications Committee – Director McCary reported on the Committee meeting. The Committee is looking at the Internet access, which was out yesterday because of the power outage. The new Village Breeze is out and contains the reopening schedule. Two members of the United Board are distributing masks at the Library. The committee met on June 15, 2020; next meeting July 20, 2020, at 1:30 p.m. location TBA.

**14f.** Mobility and Vehicles Committee – Director Frankel reported on the Committee meeting. The Committee met on February 5, 2020; next meeting August 5, 2020, at 1:30 p.m. location TBA.

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

(1) Disaster Preparedness Task Force – Director Engdahl. The Task Force met on January 28, 2020; next meeting July 28, 2020, 9:30 a.m. location TBA.

**14h.** Report of the Laguna Woods Village Traffic Hearings – Director Frankel. The hearings were held on February 19, 2020; next hearings will be June 17, 2020 at 9:00 a.m. and 1:00 p.m. as virtual meetings.

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

**15a.** Alternative Heat Source Policy (August initial notification—September postponed. Add to agenda for July 2020)

**15b.** Parking Report

**15c.** Resident Suggestion Program

**15d.** Resolution to Designate a Building as Non-Smoking (FEBRUARY referred back to Committee for revisions)

**15e.** Alterations Review

**16. Director's Comments**

- Director Bhada and McCary asked residents to continue to stay safe and follow health practices.
- Director Jarrett looks forward to the time when they can meet again in the Board room.
- Director Mutchnick looking forward to getting back to being active in the community.
- Director Gibson encouraged residents to call resident services if they see something that needs to be taken care of in the community.
- Director Engdahl and Karimi looks forward to the time when the Board can meet together.

**17. Recess**

The Board recessed at 11:03 a.m. and reconvened in Closed Session at 12:00 p.m.

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

*During the May 19, 2020 Regular Closed Session, the Board:*

*Approved the Agenda*

*Approved the Meeting Minutes of:*

*(a) April 3, 2020 – Emergency Closed Meeting*

*(b) April 10, 2020 – Special Closed Meeting*

*(c) April 21, 2020 – Regular Closed Session*

*(d) May 11, 2020 – Special Closed Meeting*

*Discussed and Considered Legal and Litigation Matters*

*Discussed and Considered Contractual Issues:*

*Slope Acacia Renovation Project*

*Discussed Personnel Matters*

*Discussed Matters Related to COVID-19*

*Discussed the Disciplinary Case Report*

**18. Adjourn**

With no further business to come before the Board of Directors, the meeting was adjourned at 3:16 p.m.



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Lynn Jarrett, Secretary of the Board  
Third Laguna Hills Mutual

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**RESOLUTION 03-20-XX**

**Recording of a Lien**

**WHEREAS**, Member ID 934-902-51 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 21, 2020, that the Board of Directors hereby approves the recording of a Lien for Member ID 934-902-51 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.

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**RESOLUTION 03-20-XX**

**Recording of a Lien**

**WHEREAS**, Member ID 932-200-13; 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 21, 2020, that the Board of Directors hereby approves the recording of a Lien for Member ID 932-200-13 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.

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**RESOLUTION 03-20-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 21, 2020, 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.

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**RESOLUTION 03-20-XX**

**Recording of a Lien**

**WHEREAS**, Member ID 931-720-47; 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 21, 2020, that the Board of Directors hereby approves the recording of a Lien for Member ID 931-720-47 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.

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**RESOLUTION 03-20-XX**

**Recording of a Lien**

**WHEREAS**, Member ID 931-710-19; 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 21, 2020, that the Board of Directors hereby approves the recording of a Lien for Member ID 931-710-19 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.

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**RESOLUTION 03-20-XX**

**Recording of a Lien**

**WHEREAS**, Member ID 931-630-83; 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 21, 2020, that the Board of Directors hereby approves the recording of a Lien for Member ID 931-630-83 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.

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**RESOLUTION 03-20-XX**  
**Recording of a Lien**

**WHEREAS**, Member ID 932-670-28; 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 21, 2020, that the Board of Directors hereby approves the recording of a Lien 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.

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**RESOLUTION 03-20-XX**

**Recording of a Lien**

**WHEREAS**, Member ID 932-201-23; 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 21, 2020, that the Board of Directors hereby approves the recording of a Lien for Member ID 932-201-23 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.

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**RESOLUTION 03-20-XX**

**Recording of a Lien**

**WHEREAS**, Member ID 932-310-40; 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 21, 2020, that the Board of Directors hereby approves the recording of a Lien for Member ID 932-310-40 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.

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**RESOLUTION 03-20-XX**

**Recording of a Lien**

**WHEREAS**, Member ID 931-590-42; 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 21, 2020, that the Board of Directors hereby approves the recording of a Lien for Member ID 931-590-42 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.

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## STAFF REPORT

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**DATE:** June 19, 2020  
**FOR:** Third Mutual Board  
**SUBJECT:** Variance Request  
Mr. Douglas Ferraro of 5598-A (Casa Palma, 10R)  
Request to Extend Entryway onto Exclusive Use Common Area and to  
Replace Planter with Concrete Slab on Previously Extended Common Area

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### **RECOMMENDATION**

Staff recommends the Board approve the request to extend the entry way onto Exclusive Use Common Area with the conditions 2-28 stated in Appendix A, and deny the request to replace the planter with concrete slab. Should the Board approve the request to replace the planter with concrete, staff recommends it be with the additional condition #1 as stated in Appendix A.

### **BACKGROUND**

Mr. Ferraro of 5598-A Vista Del Mando, a Casa Palma style unit, is requesting Board approval of a variance to extend the existing entryway onto exclusive use common area by constructing a new wall and relocating the existing door 8' into the entry way (see Attachments 1 and 2).

Mr. Ferraro has also requested to remove the existing stucco wall, block wall and an alteration planter on the rear of the unit. A new concrete slab with tile would replace the existing planter to extend the existing patio. Staff is recommending denying this portion of the request due to a section of the proposed work being conducted on common area.

The cost of the proposed alteration would be borne by the Member.

### **DISCUSSION**

Mr. Ferraro is proposing to move the existing 6'-0" wide by 8'-0" tall double entry doors forward by 8' to extend his entryway. This proposal would take place under the existing roof and would not require any new roof tie-in. The existing skylight will allow for natural light in the covered entryway. According to the condominium plan for the unit the entryway is exclusive use common area.

Stamped structural drawings will be required as a Condition of Approval along with the requirement to obtain a City of Laguna Woods permit to ensure code compliance and that structural integrity requirements are met. Detailed architectural drawings along with a City permit that would ensure Title 24 is met will be required for Mutual approval of any and all proposals considered. A City of Laguna Woods building permit final would verify compliance with all applicable building codes.

Extending the entry way of a Casa Palma unit has been previously approved at 5559-A in 2008 and in Villa Paraisa style floor plans has been previously approved for Units 5232 in December 2012, 5152 in January 2015, 5293 in September 2015, 5106 in April 2016, 5269 in June 2016, 5212 in December 2017 and 5098 in April 2018. Mr. Ferraro is also requesting to

remove the existing original planter along with an alteration planter (installed with Mutual Consent in 2012) and to replace it with a concrete slab to allow for tiling the area to match the rest of the rear patio. The area is approx. 11'9" wide and 6'-6" long located behind the master bathroom; see site plan for clarification (see Attachment 1). The proposed area is enclosed with a block wall with wrought iron fence (see Attachment 3) and has no direct access from other common area locations.

Staff recommends denial of this request in conjunction with current Third Mutual's Common Area Use Policy (RESOLUTION 03-18-146) "BE IT RESOLVED FURTHER, that no further alteration may be approved or constructed on any previously approved or "grandfathered" alteration that encroaches upon common area, other than like for like, that augments, enlarges, or changes the construction, purpose, or use of the previously approved or grandfathered alteration."

Neighbor Awareness Notices were sent to affected Units 5597-B and 5598-B on October 9, 2019; as of the writing of this report, no responses were received.

At the time of preparing this report, there is one open Mutual Consent for demolition in the kitchen and bathroom as part of a kitchen remodel and a solar tube in the bathroom.

All future costs and maintenance associated with the subject alterations are the responsibility of the Mutual member(s) at 5598-A.

**Prepared By:** Gavin Fogg, Inspections Supervisor

**Reviewed By:** Alisa Rocha, Alterations Coordinator

#### **ATTACHMENT(S)**

Appendix A: Conditions of Approval  
Appendix B: Condo/Foundation Plan  
Appendix C: Existing Plan  
Attachment 1: Site Plan  
Attachment 2: Variance Request, July 30, 2019  
Attachment 3: Photos  
Attachment 4: Map

## **ENDORSEMENTS (to Board)**

### **5598-A (D. Ferraro) – Approve Request to extend double-door entryway onto exclusive use common area and Deny Request to replace the Planters with a Concrete Slab on Previously Extended Common Area**

Staff Officer Ernesto Munoz and the Alterations Supervisor summarized the variance requests and answered questions from the committee. This is a two-part variance request for the addition of a concrete slab to replace the existing planters on the rear patio and to extend the double door front entryway to the roof line which is within the existing footprint. This variance was originally heard by the Committee in October 2019. Both requests were subsequently placed as a future agenda item for further discussion.

Discussion ensued regarding why the concrete slab request should be denied and why extending the double-door entryway underneath the existing roof line should be approved.

A motion was made to recommend the Board approve the request to extend the entry way onto Exclusive Use Common Area with the conditions 2-28 stated in Appendix A, and deny the request to replace the existing planters with a concrete slab. However, should the Board approve the request to replace the planters with concrete, staff recommends that the approval include the additional condition #1 as stated in Appendix A of the staff report.

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## APPENDIX A

### CONDITIONS OF APPROVAL

Conditions of approval would be as follows:

1. Patio Slab installation must follow Mutual Standard 21: Patio Slabs.
2. No improvement shall be installed, constructed, modified or altered at unit **5598-A**, ("Property") within the Third Laguna Hills Mutual ("Mutual") unless and until a Mutual Consent for Alterations application for the improvement has been made to, and approved, in writing, by, the Village Management Services, Inc. ("VMS, Inc."), Alterations Division ("Division"), or, in the event of a Variance from the Mutual's Alteration Standards, the Architectural Control and Standards Committee ("ACSC"). In the event written permission is given for the installation, construction, modification or alteration of any improvement(s) upon the Property, the Member Owner or Owners ("Member Owner") agrees to comply with the Mutual's Governing Documents and any specific terms or conditions imposed, and that the installation, construction, modification or alteration shall be in strict compliance with the terms of the approval.
3. A Variance for Unit Alterations has been granted at **5598-A** for **Entry Way Extension on Exclusive Use Common Area**, subject to the attached plans stamped approved and is subject to the final inspection by the Division. Any variations to the approved attached plans are not allowed and could result in a stop work notice and/or severe fines to the Member.
4. Prior to the issuance of a Mutual Consent for Unit Alterations, a complete set of unit specific plans prepared by a licensed architect or structural engineer depicting the proposed improvement must be submitted to the Division office located in the Laguna Woods Village Community Center. The plans must depict any required structural modifications ensuring the structural integrity of the building is maintained upon completion of the proposed improvement.
5. All costs for maintenance, repair, renovation, replacement or removal of the improvement, present and future, are the responsibility of the Property's Member Owner at **5598-A** and all future Mutual members at **5598-A**.
6. Parking of contractors or other invitees' vehicles is prohibited in covered resident parking, open resident spaces, handicapped spaces or fire lanes. Contractors or other invitees must park on the street. To the extent possible contractors' or other invitees' vehicles should be limited in number.
7. This approval does not change the number of bedrooms or the original maximum occupants permitted in the Unit.
8. Member Owner(s) of the Property must sign and submit to the Mutual, c/o VMS, Inc., at the Division office located in the Laguna Woods Village Community Center, an executed and notarized "Covenant to Run with the Land" for a proposed improvement that would utilize any portion of the Mutual's Common Area. Prior to the issuance of a Mutual Consent for Unit Alterations, that "Recordable Common Area Agreement" must be filed with the Orange County Clerk/Recorder.

9. A City of Laguna Woods permit is required, which may include the requirement to obtain clearance from the South Coast Air Quality Management District (Asbestos Hot Line at (909) 396-2336). Prior to the issuance of a Mutual Consent for Unit Alterations, the appropriate City of Laguna Woods permit number(s) must be submitted to the Division office located in the Laguna Woods Village Community Center. The City permit must be finalized within the prescribed timeframe, and a copy of the final permit must be submitted to the Division within two weeks.
10. Prior to the issuance of a Mutual Consent for Unit Alterations, if required, a Mutual Roof Alteration Notification ("Tie-In Form") must be submitted to the Division. All roof tie-ins must be performed by a C-39 Licensed Contractor. The Member Owner may hire a C-39 Licensed Contractor of his/her own choice to perform roof tie-ins for the installation of solar panels on all roof types except PVC Cool Roofs. For PVC Cool Roofs, regardless of the roof type, all tie-ins must be performed by the Mutual's roofing contractor at the Member Owner's expense. All tie-ins may only be made to sound structural elements. Existing structural elements proposed to be tied to, which exhibit signs of dry rot or other structural defects, must first be replaced or repaired at the Member Owner's expense during construction of the improvement.
11. Prior to the issuance of a Mutual Consent for Unit Alterations, any altered exterior surface should match the Building color; vinyl fence/gate will be either white or taupe, tubular steel or wrought iron fence/gate will be black or white; the approved colors and materials are identified as "Third Laguna Hill Mutual Color Selections" at Resident Services, located at the Community Center first floor.
12. Member Owner shall be responsible for all activity by contractors, subcontractors, material suppliers and their employees and agents and any others who perform work on the Property, including any violation of the Mutual's Governing Documents, including, but not limited to, traffic and parking violations, maintenance of a clean job site at all times, and use of Mutual property for storage of equipment or materials without prior approval. Member Owner acknowledges and agrees that all such persons are his/her invitees. Member Owner shall be responsible for informing all his/her invitees of the Mutual's Rules and Regulations.
13. Member Owner hereby consents to and grants to the Mutual and the Division, and their representatives, a right of entry upon the Property at any time to be used to inspect the Property and the improvements thereon and for the Mutual and the Division, and their representatives and contractors to remedy any violation upon the Property, including, but not limited to, removing trash, removing any improvement installed without approval or modifying an improvement to bring the same into compliance with the terms of the approval.
14. Member Owner shall be liable for any violation of the Mutual's Governing Documents by any invitee, including any fine, assessment, traffic or other charge levied in connection therewith.
15. Member is responsible for following the gate clearance process in place to admit contractors and other invitees.
16. Prior to the Issuance of a Mutual Consent for Unit Alterations, the Member shall post a Conformance Deposit in the amount of \$250 for all improvements exceeding a total of



\$500. The Conformance Deposit will be held until Final City Building Permit Issuance if required, to assure no damages to Mutual property occurs during construction, including, but not limited to, internet/TV, landscaping, or exterior walls/roof.

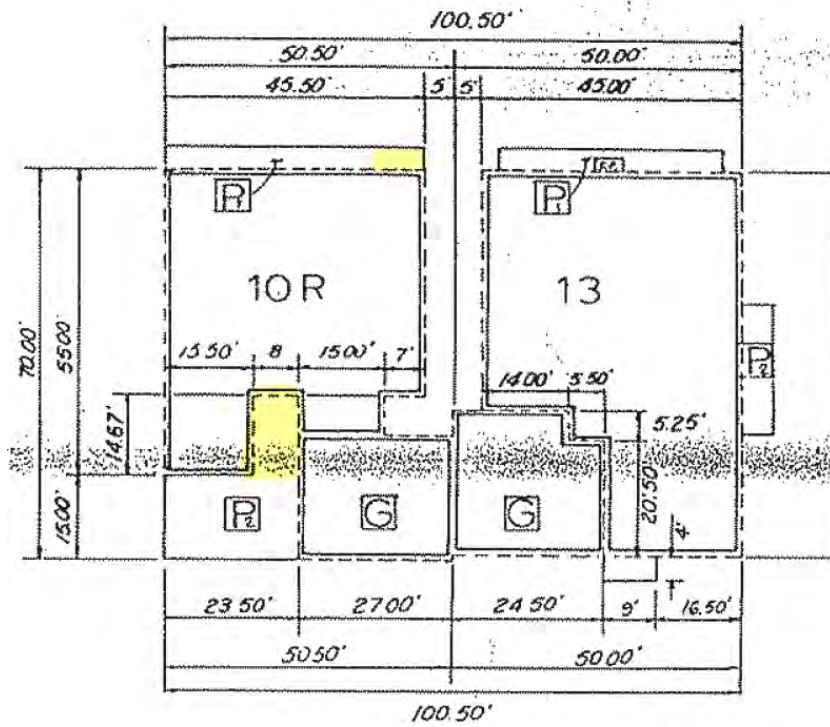
17. The Conformance Deposit shall be held by the Mutual and applied, at the Mutual's sole discretion, to any fine levied against the Member Owner or the Property, to cover and/or recoup any costs whatsoever, including, but not be limited to, administrative and legal costs, incurred by the Mutual or VMS, Inc., in connection with the Property, or to any unpaid charges or assessments on the Mutual's account for the Property. For example, the Mutual could apply all or a portion of the Conformance Deposit to cover the following: fines levied against any invitee of Member Owner; fines levied for construction violations; costs incurred by the Mutual in repairing damage to Mutual property caused by Member Owner's contractor or other invitee; costs incurred by the Mutual in curing a violation on the Property; costs incurred in removing or altering an improvement upon the Property; or to an unpaid assessment, special assessment, late charge, interest or collection costs posted to the Mutual's account for the Property. The foregoing list is illustrative only and in no way represents the only situations where the Mutual could apply all or a portion of the Conformance Deposit.
18. If at any time the amount of the Conformance Deposit falls below 3/4ths of the amount originally required to be posted, Member Owner agrees to immediately deposit additional sums with the Mutual in an amount sufficient to return the Conformance Deposit to the originally required level. Until the Conformance Deposit is so replenished, an automatic stop work order shall be in effect.
19. Any remaining Conformance Deposit is refundable if the Member Owner notifies the Division, in writing, that the improvement(s) for which the Conformance Deposit was posted have been completed in accordance with the approval, and the Division agrees with the same. The Mutual will mail the unused portion of the Conformance Deposit, if any, to the Member Owner's address of record with the Mutual. Under no circumstances shall Member Owner be entitled to any interest on any portion of the Conformance Deposit. If no written request for return of a Conformance Deposit is made by Member Owner within two years from the date when the Conformance Deposit is posted with the Mutual, the Conformance Deposit will be deemed forfeited to the Mutual.
20. All improvements must be installed in accordance with the California State Building Code, and the published Mutual Architectural Alterations Standards. See <http://www.lagunawoodsvillage.com>.
21. During construction, work hours established by the Mutual and the Noise Ordinance set forth in the City of Laguna Woods Municipal Code must be adhered to at all times.
22. During construction, both the Mutual Consent for Unit Alterations and the City Building Permit must be on display for public view at all times in a location approved by the Division.
23. It is mandatory that no waste or materials associated with the construction be dumped in the Village trash bins; such waste or materials associated with the construction must be disposed of offsite by the contractor.
24. A dumpster is approved for placement at the location identified by Security Staff by calling

949-580-1400. All dumpsters must conform to the Policy for Temporary Containers. Dumpsters must be ordered from the approved City of Laguna Woods waste hauler and must be maintained at all times.

25. A portable bathroom is approved for placement at the location identified by Security Staff by calling 949-580-1400.
26. The Mutual Consent for Unit Alterations expires six months after the date of approval, unless an application is submitted with fees and approved by the Division for an extension. Only one extension for a maximum of an additional six months may be granted.
27. Violations of the forgoing conditions or the Mutual's Governing Documents (See <http://www.lagunawoodsvillage.com>), including, but not limited to, work outside the approved plans, excessive noise, illegal dumping, or working after hours, will result in disciplinary action, which could result in a stop work notice, loss of privileges and/or severe fines to the Owner Member. Such fines left unpaid will result in forfeiture of a portion or all of the Conformance Deposit required above or other legal remedy.
28. Mutual member shall indemnify, defend and hold harmless Third and its officers, directors, committee members and agents from and against any and all claims, demands, costs, fines, judgments, settlements and any other costs, expenses, amounts and liabilities arising from Mutual member's improvements and installation, construction, design and maintenance of same.

## APPENDIX B

### Condominium Plan

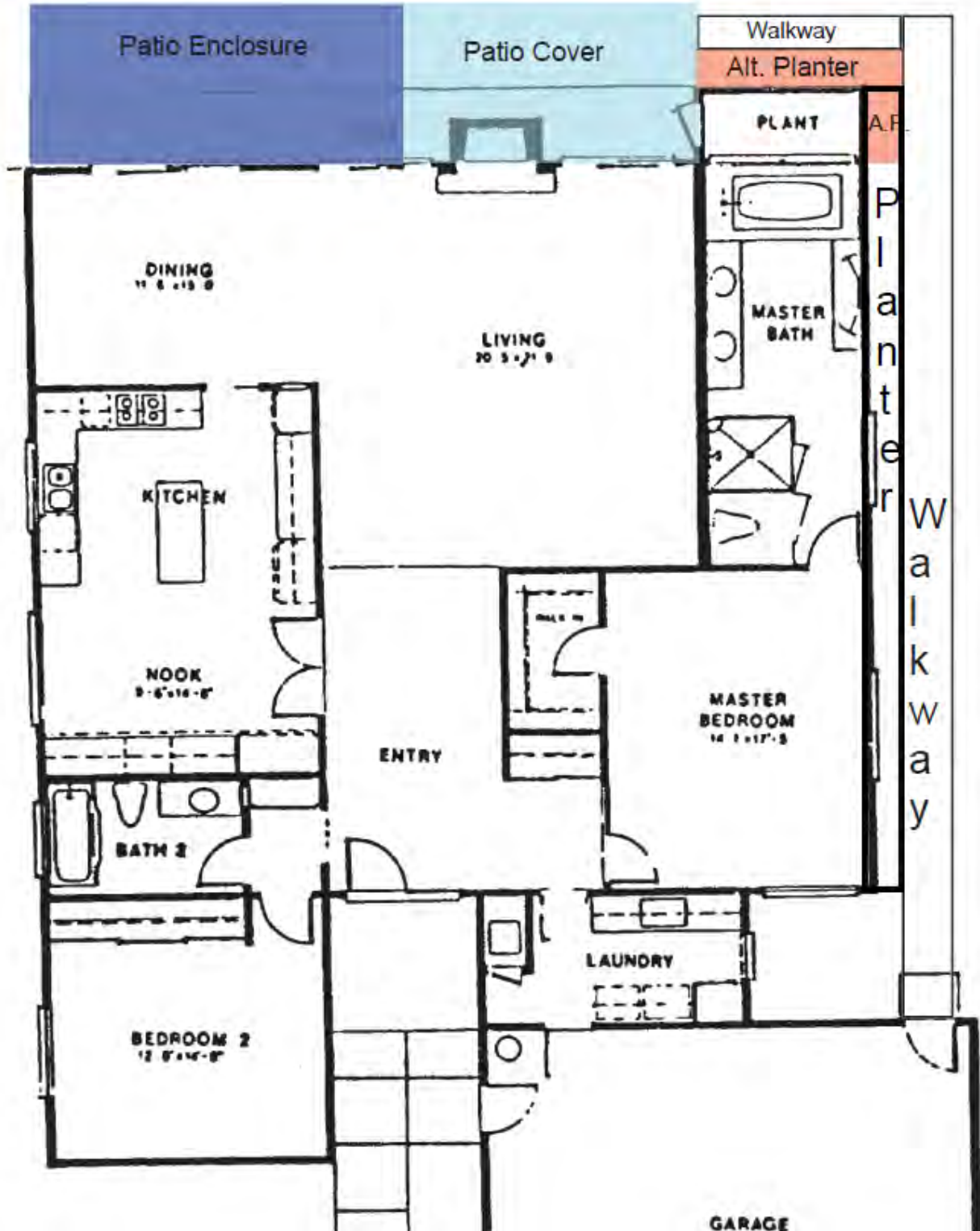


TYPICAL FOR BUILDINGS 5595 , 5598,

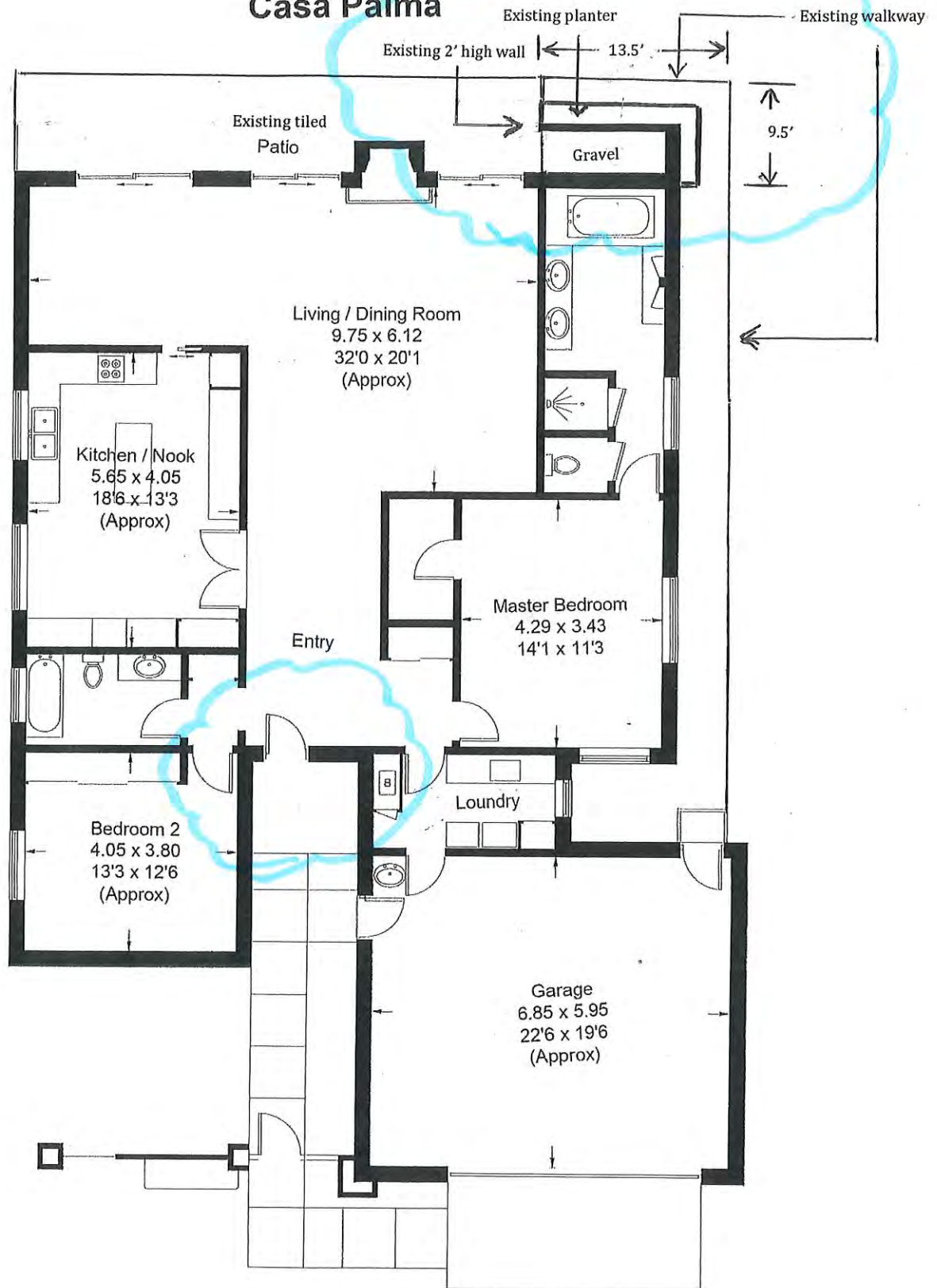
### Foundation Plan

## APPENDIX C

### Existing Plan



## Casa Palma



### FERRARO PROJECT 5598-A Vista Del Mando Existing Floor Plan

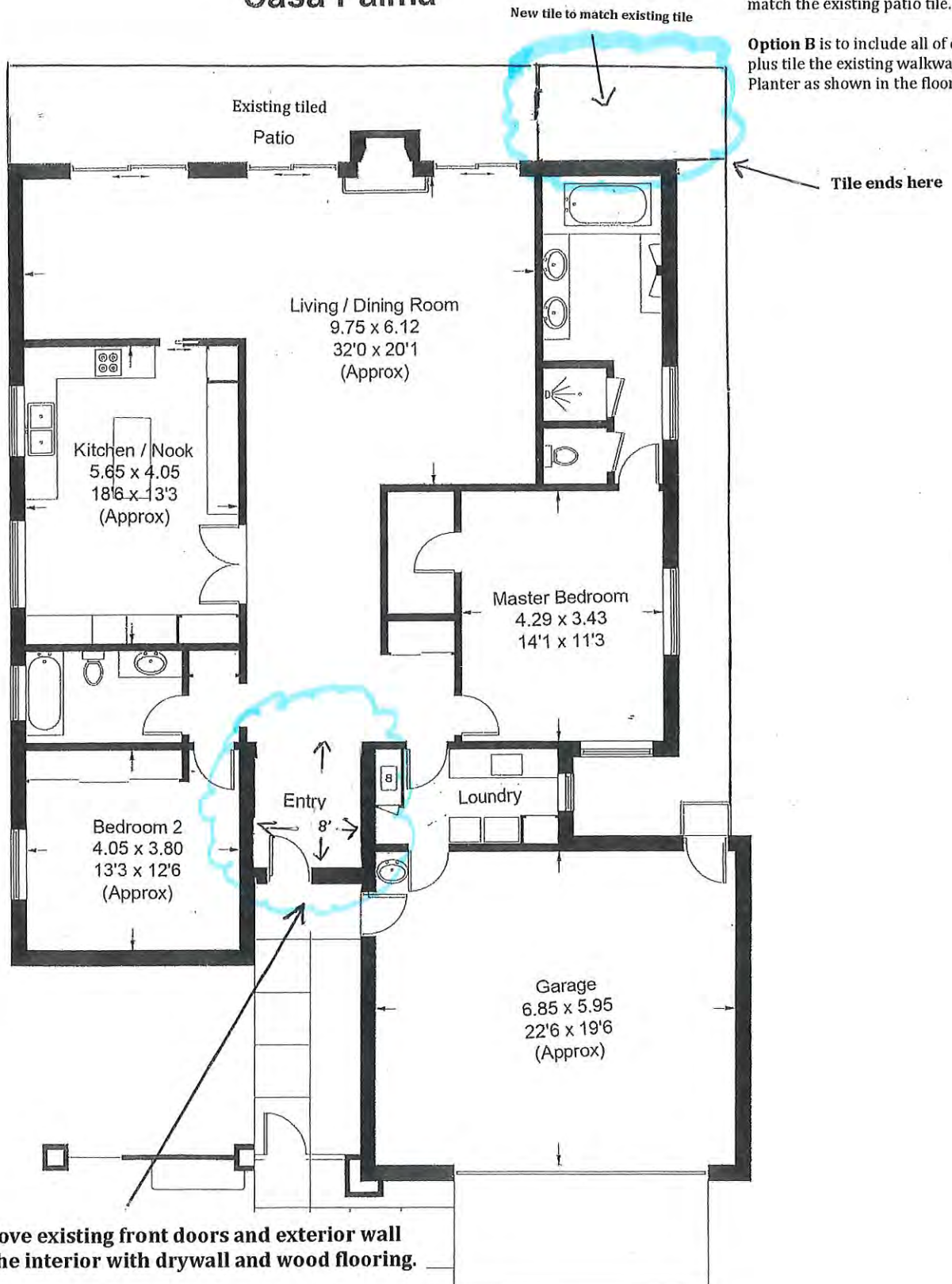


# Casa Palma

## Scope of Work:

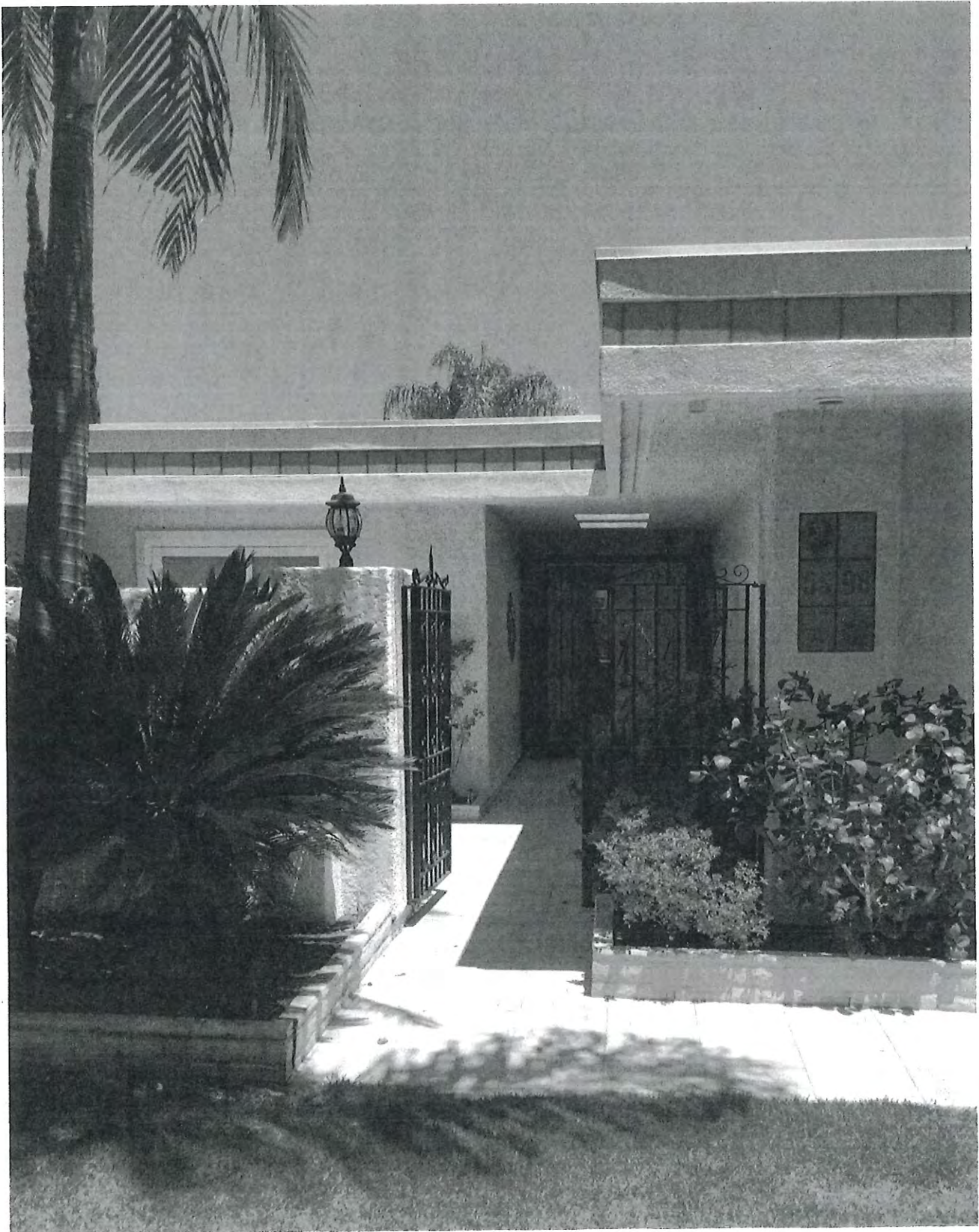
**Option A** is to remove the 2' stucco wall and the 8" block wall, pour concrete in the whole planter area and install tile to match the existing patio tile.

**Option B** is to include all of option A plus tile the existing walkway around the Planter as shown in the floor plan.



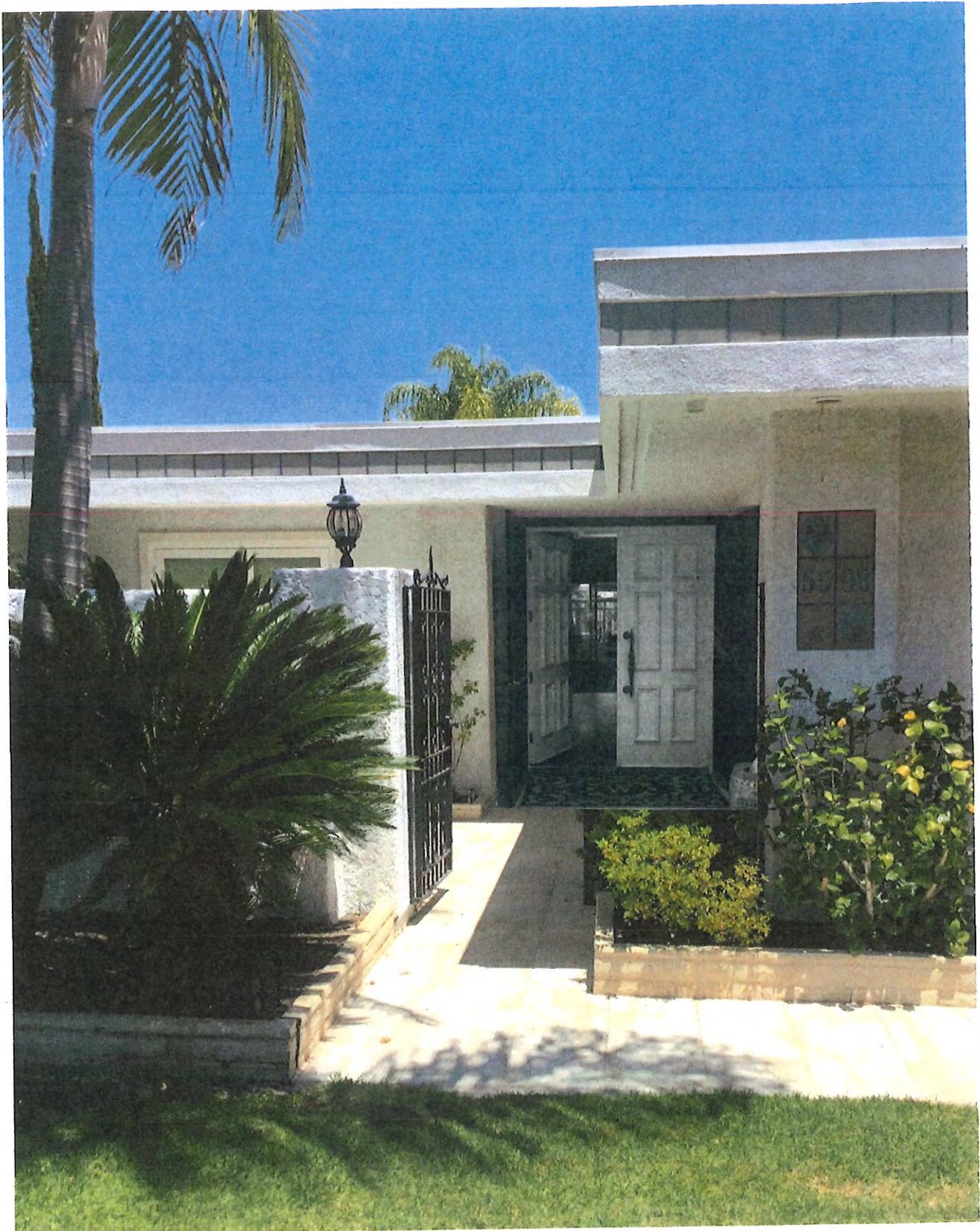
## FERRARO PROJECT 5598-A Vista Del Mando Proposed Floor Plan

## Existing Front Elevation 5598-A





## Proposed Front Elevation 5598-A





Subject: Planter  
Date: July 25, 2019 at 10:38 AM  
To: [REDACTED]

RS



Sent from my iPad





Laguna Woods Village

MANOR # 5598-A☐ ULWM☒ TLHM

## Variance Request Form

SA 21404262

Model: <u>Casa Palma</u>	Plan:	Date: <u>7-10-19</u>
Member Name: <u>Douglas Ferraro</u>	Signature: <u>[Signature]</u>	
Phone: [Redacted]	E-mail: [Redacted]	
Contractor Name/Co: <u>West Coast Remodeling</u>	PI: [Redacted]	
Mailing Address: (to be used for official correspondence) <u>5598-A Vista Del Mando</u>		

## Description of Proposed Variance Request ONLY:

- ① Extend the existing front doors 8' further out to give the house a larger entry.
- ② Remove existing planter outside of the master bathroom window and pour concrete between the exterior wall and the existing walkway.

## Dimensions of Proposed Variance Alterations ONLY:

- ① 8' wide X 8' Depth X 9' high
- ② 14' wide X 7' Depth

## FOR OFFICE USE ONLY

RECEIVED BY: [Signature] DATE RECEIVED: 7/30/19 Check# 78334 BY: [Signature] W.C. Remodel

<b>Alteration Variance Request</b>	<b>Complete Submittal Cut Off Date:</b>
<b>Check Items Received:</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> Drawing of Existing Floor Plan</li> <li><input type="checkbox"/> Drawing of Proposed Variance</li> <li><input type="checkbox"/> Dimensions of Proposed Variance</li> <li><input type="checkbox"/> Before and After Pictures</li> <li><input type="checkbox"/> Other: _____</li> </ul>	<b>Meetings Scheduled:</b> <ul style="list-style-type: none"> <li>Third AC&amp;S Committee (TACSC): <u>Aug 26 2019</u></li> <li>United M&amp;C Committee: _____</li> <li>Board Meeting: <u>Sept 17 2019</u></li> <li> <input type="checkbox"/> Denied           <input type="checkbox"/> Approved         </li> <li> <input type="checkbox"/> Tabled           <input type="checkbox"/> Other: <u>Agenda Item # 10c(1)</u> </li> </ul>



From: Richard Smith [REDACTED]  
Subject: 5598-A  
Date: July 25, 2019 at 10:37 AM  
To: [REDACTED]

RS





From: Richard Smith [REDACTED]  
Subject: Front door  
Date: July 25, 2019 at 10:37 AM  
To: [REDACTED]

RS



From: Richard Smith [REDACTED]  
Subject: Same  
Date: July 25, 2019 at 10:38 AM  
To: [REDACTED]

RS



Sent from my iPad



**From:** Richard Smith [REDACTED]  
**Subject:** Planter  
**Date:** July 25, 2019 at 10:38 AM  
**To:** [REDACTED]

RS



Sent from my iPad



Attachment: 3

Entry Door



Entry Door









Planter



Planter





Planter



Planter



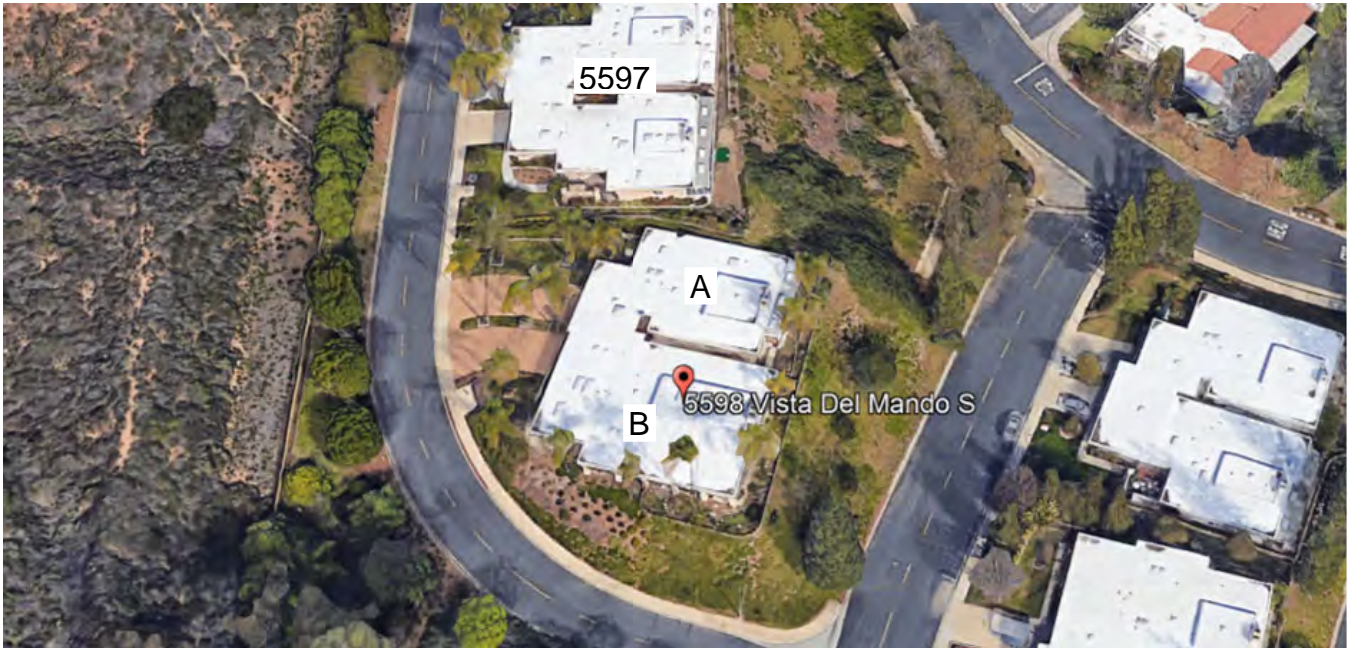


Planter





Attachment: 4





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## **STAFF REPORT**

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**DATE:** July 21, 2020  
**FOR:** Third Mutual Board of Directors  
**SUBJECT:** Alternate Heat Source Policy for Alterations

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### **RECOMMENDATION**

Approve the proposed Alternate Heat Source Policy for Alterations and Resolution as shown in Attachments 1 and 2.

### **BACKGROUND**

The heat source for bedroom and living rooms for Third Mutual units was originally provided through radiant heat from conductive coils in the ceiling.

The installations of alterations such as skylights, solar tubes, ceiling fans or recessed lighting can compromise the radiant heat source due to penetrations in the ceiling which damage the circuit required to conduct the electrical current.

Per the California Residential Building Code, a bedroom or living room is required to have a dedicated heat source in order to be considered a habitable area.

When a member applies for a Mutual Consent to install an alteration that may compromise the radiant heat, they are required to provide a letter from a certified electrician to confirm the heating coils were not affected by the alteration's installation and are still operable. If the system has been compromised then an alternate heat source must be installed. The alternate heat source can be provided by either a Central HVAC system that vents into the room, or a wall mounted heater, both would require an approved Mutual Consent on file.

### **DISCUSSION**

The City of Laguna Woods has approved the use of plug-in wall mounted heaters as an acceptable alternate heat source to the radiant heat. Such plug-in heaters do not require a City permit for installation.

California Building Code, section 1204.8 only requires the alternate heat source to maintain a room temperature of 68 degrees and be installed 3 feet above floor level.

During the resale process, staff has found wall heaters un-plugged and stored in closets, unable to perform their function of providing heat to the room in which they were intended for use.

The new policy would require a hard wired, dedicated circuit for a wall heater, which would require an electrical permit from the City of Laguna Woods to be provided, in order to obtain a Mutual Consent for the alternate heat source. This would mean the heating unit would be a fixed appliance and will guarantee the living room and bedroom(s) meet the heating requirements at all times.

Additional safety concerns have been raised when allowing the radiant heat source to remain active once the ceiling has been penetrated, due to the inability to perform a thorough inspection of each heating coil, together with the possibility that over time with building settlement changes, previously innocuous penetrations to the ceiling may result in live wire coming into contact with metallic screws/hooks. If the original system has been compromised, the proposed policy would no longer allow the original radiant heat to remain as a primary heat source.

The member will be required to utilize the existing ceiling heat electrical circuit as a dedicated circuit for the alteration alternate heat source, or obtain a Mutual Consent and City permit that shows the thermostat has been fully disconnected from the ceiling heat.

### **FINANCIAL ANALYSIS**

None

**Prepared By:** Gavin Fogg, Inspections Supervisor

**Reviewed By:** Ernesto Munoz P.E., Maintenance & Construction Director

### **ATTACHMENT(S)**

Attachment 1: Alternate Heat Source Policy for Alterations

Attachment 2: Resolution 03-20-XX Alternate Heat Source Policy for Alterations



## **ENDORSEMENTS (to Board)**

### **Alternate Heat Source Policy for Alterations**

The Alterations Supervisor summarized the proposed policy and answered questions from the committee.

Discussion ensued regarding repair of ceiling heat system; compromised heating coils; responsibility to provide an alternate heat source; realtors using portable heaters; disconnection of thermostat; separate or common circuit breakers for each heating source; the requirement for a certified electrician to disconnect the ceiling heater coils and Garden Villa ceiling heat systems.

By consensus, the Committee recommended that the Board approve the proposed Alternate Heat Source Policy for Alterations and the proposed Resolution.

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**ATTACHMENT 1**  
**Alternate Heat Source Policy for Alterations**

I. Definitions

A. Original Heat Source

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

B. Alternate Heat Source

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

C. Alteration Heat Source

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

II. Determination Of Heat Source Failure/Safety Hazard

A. Determination of Heat Source Replacement Unit

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

III. Alteration Heat Source Replacement Units

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

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

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

#### IV. Replacement Responsibility of Original Heat Source

##### A. Disabling Radiant Heat System

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

##### B. Maintenance and Repair

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

## **ATTACHMENT 2**

### **Resolution 03-20-XX Alternate Heat Source Policy for Alterations**

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

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

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

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

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

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

#### **JULY Initial Notification**

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

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## **RESOLUTION 03-20-XX**

### **Deny the Request of Off-Schedule Trimming of One Canary Island Pine Tree 3135-B Via Serena N.**

**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 2, 2020, the Landscape Committee reviewed the request for the removal of one Canary Island Pine tree. The request was received from the Member at 3135-B who cited the reasons as sewer damage, structural damage, litter/debris, and a slip hazard and;

**WHEREAS**, the Committee determined that the trees do not meet the guidelines for tree removal and recommends denying the request for the removal of one Canary Island Pine tree located at 3135-B Via Serena N.

**NOW THEREFORE BE IT RESOLVED**, July 21, 2020, the Board of Directors denies the request for the removal of one Canary Island Pine tree located at 3135-B;

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

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## STAFF REPORT

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**DATE:** July 21, 2020  
**FOR:** Third Mutual Board of Directors  
**SUBJECT:** Smoke-Free Building Designation Policy and Procedure

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### **RECOMMENDATION**

Staff recommends adoption of a Smoke-Free Building Designation Policy and Procedure.

### **BACKGROUND**

The Board created a Residency Policy and Compliance Committee to review policies and processes for consistency. The committee and staff have identified areas of improvement including, but not limited to, the need to adopt a Smoke-Free Building Designation Policy and Procedure. On January 24, 2017, the Board adopted a Non-Smoking Policy to fairly and reasonably address smoking in Laguna Woods Village. The policy defines the areas where smoking is prohibited and the responsibility for remediation costs associated with second-hand smoke infiltration (Resolution 03-17-05). On October 31, 2019, the Residency Policy and Compliance Committee discussed and considered legal implications for designating a building as smoke-free. By unanimous vote, the Committee approved the creation of a procedure to designate a building as smoke-free.

On December 2, 2019, staff was directed to obtain clarification from Legal Counsel regarding:

- A resale disclosure for buyers to be aware that a unit being purchased is in a building designated as smoke free. Legal Counsel advised that it is the owner's responsibility to make the disclosure to the purchaser of the unit, not Third's.
- Include the estimated cost each unit owner may pay to have the covenant that runs with the land to be recorded with the County of Orange. The information was included in the updated policy.

On January 15, 2020, staff was directed to obtain clarification from Legal Counsel regarding:

- An internal procedure for notifications during the resale process. Legal Counsel advised the Resale Inspection form can include language that states: "Building ### has been designated as a smoke free building and all units located inside building ## are thus designated as smoke free. See Resolution 03-XX-XXX for further information."

### **DISCUSSION**

There are certain Members who have requested that Third designate buildings in which their Units are located as "smoke-free", to reduce those Members', their co-occupants' and lessees', as application, exposure to second hand smoke. The purpose of a Smoke-Free Building Designation Policy and Procedure is to provide for a systematic, fair, and reasonable manner to designate building as non-smoking. The Board has consulted with Third's legal counsel on the legality of prohibiting smoking in Third and the Board has determined that upon certain conditions and requirements being met, that multi-dwelling unit buildings in Third can be

permanently designated as “smoke-free” going forward so long as specific terms and conditions are met.

### **FINANCIAL ANALYSIS**

There is no financial impact to Third. However, the cost for Members to designate their building as smoke-free is estimated at \$225 per Unit which includes preparation of the actual covenant for each unit and filing cost with the state.

**Prepared By:** Blessilda Wright, Compliance Supervisor

**Reviewed By:** Francis Rangel, Operations Manager

### **ATTACHMENT(S)**

Attachment 1: Smoke-Free Building Designation Policy and Procedure

Attachment 2: Resolution

Attachment 3: Petition

Attachment 4: Covenant

Attachment 5: Checklist

Attachment 6: Hearing Notice

Attachment 7: Hearing Determination – Approval

Attachment 8: Hearing Determination – Denial

## **ENDORSEMENT (to Board)**

### **Discuss & Consider Designate Smoke Free Building Policy and Procedure**

On January 24, 2017, the Board adopted a Non-Smoking Policy to fairly and reasonably address smoking in Laguna Woods Village. The policy defines the areas where smoking is prohibited and the responsibility for remediation costs associated with second-hand smoke infiltration (Resolution 03-17-05). On October 31, 2019, the Residency Policy and Compliance Committee discussed and considered legal implications for designating a building as smoke-free. By unanimous vote, the Committee approved the creation of a procedure to designate a building as smoke-free.

On December 2, 2019, staff was directed to obtain clarification from Legal Counsel regarding:

- A resale disclosure for buyers to be aware that a unit being purchased is in a building designated as smoke free. Legal Counsel advised that it is the owner's responsibility to make the disclosure to the purchaser of the unit, not Third's.
- Include the estimated cost each unit owner may pay to have the covenant that runs with the land to be recorded with the County of Orange. The information was included in the updated policy.

On January 15, 2020, staff was directed to obtain clarification from Legal Counsel regarding:

- An internal procedure for notifications during the resale process. Legal Counsel advised the Resale Inspection form can include language that states: "Building ### has been designated as a smoke free building and all units located inside building ## are thus designated as smoke free. See Resolution 03-XX-XXX for further information."

Director Mutchnick made a motion to approve Designate Smoke Free Building Policy and Procedure. Director Parsons seconded the motion.

By unanimous vote, the motion carried.

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**Smoke-Free Building Designation Policy and Procedure**  
**Resolution 03-20-XX; Adopted \_\_\_\_\_ XX, 2020**

**I. Purpose**

Third Laguna Hills Mutual (“Third”) is the corporation formed to administer, manage and operate the business and affairs of the common interest development commonly known as Third Laguna Hills Mutual located at Laguna Woods Village in Laguna Woods, California (the “Development”). The Development is comprised of 6,102 separate dwelling units (collectively, the “Units”). Each occupant of a Unit is either a “Member”, “Qualifying Resident”, “Co-occupant” or “Lessee”, as such terms are defined in Third’s Bylaws (as may be amended from time to time, the “Bylaws”).

While many of the Units in Third are standalone residences, a significant portion of the Units are located within multi-dwelling Unit buildings (each, a “Building”) at the Development. Effective as of [REDACTED], 20[REDACTED], pursuant to Resolution 03-20-XX of Third’s Board of Directors (the “Board”), individual multi-dwelling Unit Buildings can be designated as non-smoking in perpetuity (the “Designation”) by the Members who are owners of the individual Units within a Building, except as may otherwise be required by law. Designation of a Building may occur upon the collective and unanimous written consent of all of the then current Members who own the Units in a Building in accordance with the procedures described below.

The purpose of this Smoke-Free Building Designation Policy and Procedure (“Policy”) is to establish and identify those specific procedures that must be followed in order to designate a Building as smoke-free.

**II. Smoke-Free Definition**

For the purposes of this Policy and for the Designation of any Building as smoke-free, “smoking” shall mean inhaling, exhaling, burning, holding or carrying any lighted cigarette, cigar, cigarillo, pipe or other lighted smoking device for burning tobacco or any other plant product (including but not limited to marijuana) in any manner or in any form, known as of the date of this Resolution or created and/or becomes known at a date after the effective date of this Designation. Smoking also includes the inhaling, exhaling, burning, carrying, or use of electronic cigarettes and/or vaping devices (electronic

tobacco delivery systems), hookahs, any other tobacco or nicotine product, marijuana (including medical marijuana), and/or legal or illegal substance(s).

If a Building is designated as smoke-free, no smoking shall be permitted in any area of the Building, including any Common Area portion of the Building (including any exclusive use Common Area) and any individually owned unit, including Owner's Unit. Any violation of the Designation may subject a Member to disciplinary action in accordance with this Policy, as further described below.

### **III. Process for Smoke-Free Designation**

Any Member may petition Third for a Designation for the Building in which his/her Unit is located (the "Petitioner"), by completing and submitting to Third the form titled "Petition for Designation as a Smoke-Free Building" (as may be amended from time to time, the "Petition"). Attached to the Petition is a "Petition Agreement Form" (the "Agreement Form") that must be signed by all of the Members who own the Units in the Building proposed for Designation at the time the completed Petition is submitted to Third (the "Applicable Members"). If the Agreement Form is not signed by all Applicable Members in front of a notary public, then the Petition will be deemed incomplete and returned to the Petitioner. By signing the Agreement Form, the Applicable Members agree to be bound by the terms of the Agreement Form.

Within thirty (30) days of receipt of the complete Petition and Agreement Forms, as described above, Third will prepare for each of the Applicable Members to sign an "Agreement and Covenant to Run with Land (Non-Smoking Building Designation)" (as may be amended from time to time, the "Covenant"), which will, when completed and executed before a Notary, be recorded against each Applicable Member's Unit in the Building. The Covenant will be sent by Third to the Applicable Members' mailing address(es) on record with Third via first class mail. All of the Applicable Members will be required to return signed and notarized original copies of the Covenant to Third. Each Applicable Member shall be responsible for the costs incurred by Third for the preparation and recordation of the Covenant for their Unit, which costs are estimated at \$225.00.\*

When the complete and original executed Covenants signed by all Applicable Members are submitted to and verified as complete by Third, the Board will schedule a hearing with the Applicable Members to confirm that none of them oppose the Designation of their Building. The hearing will be held in an open session meeting of the Board within sixty (60) days of the verification. At the hearing, the Applicable Members will have an opportunity to be heard before the Board regarding the Petition and their opposition to

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\* This fee may be changed at any time by Third and such change shall not constitute a rule change to this Smoke-Free Building Designation Policy and Procedure which requires notice to the Members of Third.

same, if any. Notice of the hearing will be sent by Third to the Applicable Members' mailing address(es) on record with Third, via first class mail at least fifteen (15) days prior to the hearing.

If any Applicable Member opposes the Petition at the Hearing, then the Board will deny the Petition. The Applicable Members will be advised of the smoke-free Designation denial via first class mail within fifteen (15) days after the Hearing. The Petitioner or any other Applicable Member can resubmit a Petition for the Building to Third if a Petition is denied by the Board, provided, however, that a Petition for a specific Building may be submitted to Third only once during any six (6) month period.

If no Applicable Member opposes the Petition at the hearing, then the Board will approve the Petition. The Applicable Members will be advised of the smoke-free Designation approval via first class mail within fifteen (15) days after the hearing. The Designation will be effective forty-five (45) days after the hearing (the "Conversion Date")

#### **IV. Conversion to a Smoke-Free Building**

In the event the Petition is approved, after the notice of approval and before the Conversion Date:

1. The Board will execute all of the Covenants for the Manors in the Building receiving the Designation, and will arrange for the recording of the Covenants with the County Recorder's Office. Once Third receives back the fully recorded Covenants, a copy shall be mailed to each Applicable member via first class mail.
2. Copies of the fully executed Covenants will be placed in Third's corporate records for each of the Units in the Building, and provided to the employees and/or contractors of Third and/or Third's managing agent who are responsible for providing information regarding the Units to Members, prospective Members (through the current Member, and/or through the current Member's real estate broker or agent, as applicable) and lenders of either.
3. A "Smoke-Free Building" list compiled and maintained by Third will be updated to reflect that the Building is subject to Designation and the effective date of the Designation.
4. The "Smoke Free Building" webpage on Third's website will be updated to reflect that the Building is subject to Designation and the effective date of the Designation.

5. Third will post signs containing the language “No Smoking Anywhere in Building” at the main/common entrances to each Building designated as smoke-free (both at the exterior and interior entrances), if any, as well as in at least two (2) prominent places within common hallways/walkways on the floor of each Building, as may be applicable. The signs shall be of a design, material and size to be determined by the Board. As may be practical, Third will try to use the same or similar Signs for different Buildings subject to the Designation.
6. All Applicable Members will be required to remove all tobacco products, medical marijuana and other substances that generate smoke from their Units and the Building, as may be applicable. Notwithstanding the foregoing, Third shall have no duty to inspect the Units to confirm that this removal has occurred.

At the end of the conversion period, the Building will be deemed to have received a permanent Designation as a non-smoking Building. All Applicable Members and all current and future Qualifying Residents, Co-occupants and Lessees residing in a Unit in the Building, and the family members, guests and invitees of each of them, shall be prohibited from smoking anywhere in the Building as of the Conversion Date. Further, all new lease agreement and renewals of existing lease agreements for Units at the Building must include language prohibiting smoking of any substances anywhere within the applicable Unit and the other portions of the Building.

## **V. Violations of the Smoke-Free Designation**

Once a Designation is effective for a Building, no smoking or vaping of any products or items of any kind shall be allowed within the Building. Smoking within a Unit of a Building receiving a Designation shall be a violation of the Covenant applicable to the Manor associated with such person. If an alleged violation is reported to Third, Third will investigate the alleged violation, and, as appropriate, call an offending Member to a hearing before the Board regarding the violation, in accordance with the disciplinary proceeding requirements pursuant to applicable law and Third's governing documents, including without limitation the Bylaws, Rules and Regulations, and the Schedule of Monetary Penalties.

In the event of a verified violation, the offending Member shall be subject to the rights and remedies of Third with respect to such violation as shall be permitted pursuant to the recorded Covenant (in the same manner as any other violation of Third's governing documents), as described in any CC&Rs, the Bylaws, the other governing documents of Thirds and at law, including, without limitation, the imposition of monetary penalties and/or the suspension of membership privileges.



All Applicable Members are also able to enforce compliance of the Designation against any other Applicable Member, at their own cost and expense, and in accordance with the provisions of the Third's governing documents and applicable law.

Notwithstanding the foregoing, in no event shall Third be liable for any injury to any person or damage to any property of any kind resulting from an alleged or actual violation of the Designation.

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## **RESOLUTION 03-20-XX**

### **Smoke-Free Building Designation Policy and Procedure**

**WHEREAS**, the Board of Directors (the “Board”) of Third Laguna Hills Mutual (“Third”) held a meeting on \_\_\_\_\_, 2020, at which a quorum of the Board was present;

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

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

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

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

**WHEREAS**, the Board recognizes that Members, their co-occupants and tenants, if applicable, have a right to privacy within their respective Units and a right to freely use and occupy the Units (in accordance with Third’s governing documents), that Members purchased their Units with the understanding that smoking was not expressly prohibited in their Unit, and that legal precedent does not exist as to whether the Board can unilaterally prohibit smoking in Units; and

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

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

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

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

**NOW, THEREFORE, BE IT RESOLVED**, on [REDACTED], 20[REDACTED], that the Board has determined that the Designation Documents, and the procedures and requirements described thereunder, shall be immediately effective upon adoption by the Board, to provide for a systematic, fair and reasonable manner to designate buildings at the Development as non-smoking.

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

#### JULY Initial Notification

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

## THIRD LAGUNA HILLS MUTUAL

### Petition for Designating a Building as Smoke-Free

(to be completed by Petitioning Member only)

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

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

My information:

Name: \_\_\_\_\_

Unit Address: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

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

By: \_\_\_\_\_

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

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## THIRD LAGUNA HILLS MUTUAL

### Petition Agreement Form

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

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

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

Unit Address: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

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

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

STATE OF CALIFORNIA )  
 )  
COUNTY OF \_\_\_\_\_ )

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

Notary Public



STATE OF CALIFORNIA )  
 )  
COUNTY OF \_\_\_\_\_ )

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

Notary Public

Recording requested by and  
when recorded mail to:

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

Attn: \_\_\_\_\_

\_\_\_\_\_  
Space above for Recorder's use\_

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

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

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

### RECITALS

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

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

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

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

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

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

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

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

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

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

#### TERMS AND CONDITIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**"Owner"**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

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

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

**ACKNOWLEDGEMENT**

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

**"Third"**

Third Laguna Hills Mutual

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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

STATE OF CALIFORNIA )  
 )  
COUNTY OF \_\_\_\_\_ )

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

Notary Public



STATE OF CALIFORNIA )  
 )  
COUNTY OF \_\_\_\_\_ )

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

## Notary Public

**EXHIBIT “A”**

**UNIT LEGAL DESCRIPTION**

SAMPLE

**EXHIBIT “B”**

**PETITION FOR DESIGNATING A BUILDING AS SMOKE-FREE**

SAMPLE

**EXHIBIT “C”**

**OWNER’S PETITION AGREEMENT FORM**

SAMPLE



### Checklist for Designation of a Building as Smoke-Free

This checklist is designed for use in keeping track of the steps required to designate a building in Third's development as smoke-free (the "Designation") and documenting the completion/satisfaction of such steps, consistent with Third's procedure for Designation.

Building Address: \_\_\_\_\_  
(the "Building") \_\_\_\_\_

Petitioner: \_\_\_\_\_

Completed (check)	Step	Date of Submittal/ Action	Task (as more fully described in the Smoke-Free Building Designation Policy and Procedure)
	1		Receipt of a completed "Petition for Designating a Building as Smoke-Free" (the "Petition") signed by a Third member(s) who is a record owner(s) of a unit in the Building (the "Petitioner").
	2		Receipt of a completed and notarized "Petition Agreement Form" (an "Agreement Form"), which is an attachment to the Petition, signed separately by each of the Third members who are owners of a unit in the Building (collectively, the "Applicable Members").
	3		<p>Upon Receipt of the completed Petition and Agreement Forms, coordinate with Third's legal counsel for the preparation of the "Covenant to Run With the Land Regarding Designation of a Building as Smoke-Free" (the "Covenant") for the Building to be signed by each of the Applicable Members and Third.</p> <p><i>*The Amendments and Covenant must be prepared and mailed to the Applicable Members within thirty (30) days of Third's receipt of a complete Petition and complete Agreement Forms, to the Applicable Members' mailing addresses on record with Third.</i></p>

Completed (check)	Step	Date of Submittal/ Action	Task (as more fully described in the Smoke-Free Building Designation Policy and Procedure)
	4		<p>Mailing of the applicable Amendments and the Covenant to the Applicable Members.</p> <p><i>*The Amendments and Covenant must be prepared and mailed to the Applicable Members within thirty (30) days of Third's receipt of a complete Petition and complete Agreement Forms, to the Applicable Members' mailing addresses on record with Third.</i></p>
	5		<p>Receipt of notarized signatures by each of the Applicable Members for the Covenant.</p>
	6		<p>Verification that the executed Covenant copies received are signed by all Applicable Members, original and notarized, as applicable (the "Verification").</p> <p><i>*If the forms are not complete, the Petitioner should be advised in writing of same, why the forms are incomplete and what is required for the forms to be complete and the Designation process to move forward.</i></p>
	7		<p>Schedule a hearing before the Board to determine if any of the Applicable Members oppose the designation of the Building as smoke-free (the "Hearing").</p> <p><i>*The Hearing must occur within sixty (60) days of the Verification.</i></p>
	8		<p>Mailing of the notice of the Hearing to all of the Applicable Members.</p> <p><i>*The notice must be sent by first class mail at least fifteen (15) days prior to the Hearing, to the Applicable Members' mailing addresses on record with Third</i></p>
	9		<p>The Hearing is held.</p>
	10		<p>Petition and Designation approved by Board</p> <p><i>* If any Applicable Member opposes the Petition at the Hearing, then the Board will deny the Petition. If no Applicable Member opposes the Petition at the Hearing, then the Board will approve the Petition.</i></p> <p><b><u>IF PETITION DENIED, STOP HERE</u></b></p>

Completed (check)	Step	Date of Submittal/ Action	Task (as more fully described in the Smoke-Free Building Designation Policy and Procedure)
	11		<p>If the Petition and Designation were approved by the Board, the effective date of the Designation for the Building (the "Conversion Date") must be set.</p> <p><i>*The Conversion Date will be the date that is forty-five (45) days after the Hearing.</i></p>
	12		<p>Mailing of the Hearing results.</p> <p><i>*The Applicable Members must be advised of the Hearing results via first class mail within fifteen (15) days after the Hearing, to the Applicable Members' mailing addresses on record with Third. If the Petition and Designation are approved, the Applicable Members should be advised of the Designation approval and the Conversion Date. If the Petition and Designation are not approved, the Applicable Members should be advised of the Designation denial and that the Petitioner or any other Applicable Member can resubmit a Petition for Designation of the Building, provided that a Petition may be submitted to Third for the Building only once during any six (6) month period.</i></p>
	13		Third executes the Covenants, and the executed Covenants are submitted to the Orange County Registrar-Recorder for recordation.
	14		Upon receipt of the recorded Covenants from the County Recorder, a copy of each of the Covenants is mailed to the respective Applicable Members.
	15		A copy of the recorded Covenant is placed in Third's corporate records for each of the Units in the Building.
	16		A copy of the recorded Covenant is distributed to the employees and/or contractors of Third and/or Third's managing agent (e.g. persons or parties managing membership, real estate, Unit maintenance and escrow matters for Third) who are responsible for providing information regarding the Units to Members, prospective Members (through the current Member, and/or through the current Member's real estate broker or agent, as applicable) and lenders of either.

Completed (check)	Step	Date of Submittal/ Action	Task (as more fully described in the Smoke-Free Building Designation Policy and Procedure)
	17		The “Smoke-Free Building” list compiled and maintained by Third will be updated to reflect that the Building is subject to the Designation as of the Conversion Date.
	18		The “Smoke-Free Building” webpage on Third’s website will be updated to reflect that the Building is subject to the Designation as of the Conversion Date.
	19		Third will post Board-approved signs containing the language “ <u>No Smoking Anywhere in Building</u> ” at the main/common entrances to the Building (both at the exterior and interior entrances), if any, as well as in at least two (2) prominent places within common hallways/walkways on the floor of the Building, as may be applicable.
	20		All Applicable Members will be sent a notice reminding them to either remove all tobacco products, medical marijuana and other substances that generate smoke from their Units and the Building or to place on notice persons who enter their Unit of the Designation of the Building as smoke-free and the prohibition of smoking in the Unit.





## Notice of Hearing Regarding Designation of a Building as Smoke-Free

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

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

The hearing will be held as follows:

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

Time: \_\_\_\_\_

Location: \_\_\_\_\_

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

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



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

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

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

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

Should you have any questions, please contact [REDACTED] via telephone at [REDACTED] or via email at [REDACTED].



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

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

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

Should you have any questions, please contact [REDACTED] via telephone at [REDACTED] or via email at [REDACTED].

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## Financial Report

Preliminary as of May 31, 2020



INCOME STATEMENT (in Thousands)	ACTUAL
Assessment Revenue	\$13,818
Non-assessment Revenue	\$1,264
Total Revenue	\$15,082
Total Expense	\$11,631
Net Revenue/(Expense)	\$3,451

1

## Financial Report

Preliminary as of May 31, 2020



OPERATING ONLY INCOME STATEMENT (in Thousands)	ACTUAL
Assessment Revenue	\$8,429
Non-assessment Revenue	\$431
Total Revenue	\$8,860
Total Expense <sup>1</sup>	\$8,090
Operating Surplus	\$770

1) excludes depreciation

2

## Financial Report

Preliminary as of May 31, 2020

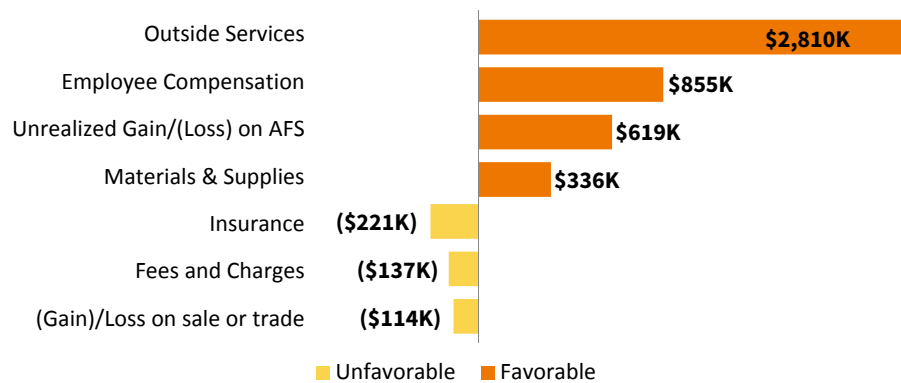


INCOME STATEMENT (in Thousands)	ACTUAL	BUDGET	VARIANCE B/(W)
Assessment Revenue	\$13,818	\$13,818	\$0
Non-assessment Revenue	\$1,264	\$828	\$436
Total Revenue	\$15,082	\$14,646	\$436
Total Expense	\$11,631	\$15,708	\$4,077
Net Revenue/(Expense)	\$3,451	(\$1,062)	\$4,513

3

## Financial Report

Preliminary as of May 31, 2020



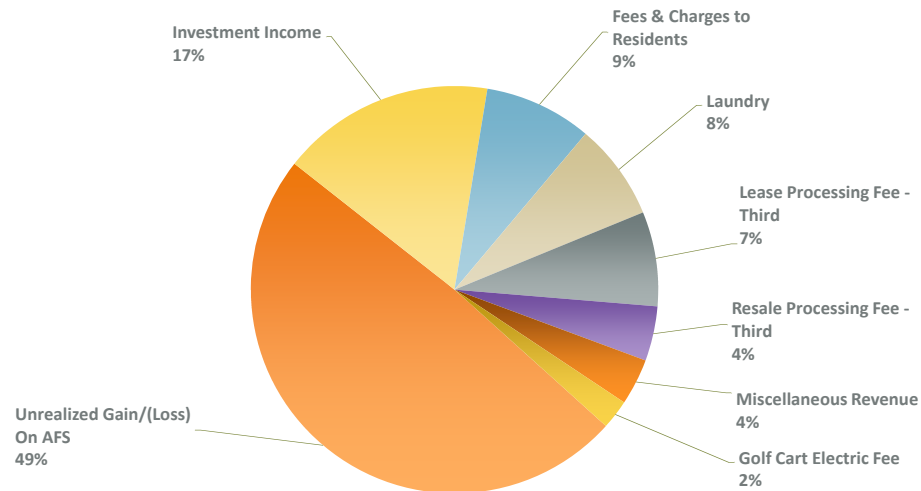
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## Financial Report

Preliminary as of May 31, 2020



### Total Non Assessment Revenues \$1,264,115



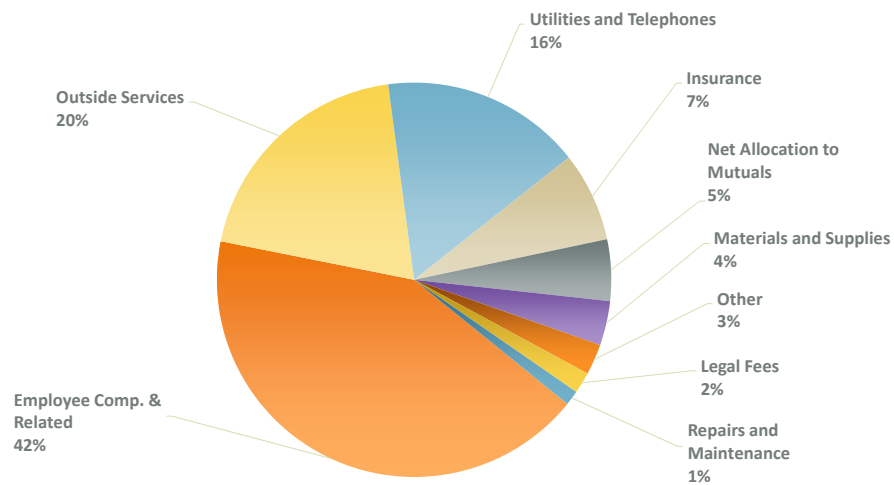
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## Financial Report

Preliminary as of May 31, 2020



### Total Expenses \$11,631,450



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## Financial Report

Preliminary as of May 31, 2020



NON OPERATING FUND BALANCES (in Thousands)	Replacement Funds*	Disaster Fund	Unappropriated Expenditures Fund	Garden Villa Fund	TOTAL
Beginning Balances: 1/1/20	\$16,033	\$9,065	\$3,626	\$73	\$28,797
Contributions & Interest	5,114	722	349	38	6,223
Expenditures	2,733	704	15	33	3,485
Current Balances: 5/31/20	\$18,414	\$9,083	\$3,960	\$78	\$31,535

\* Includes Elevator and Laundry Funds

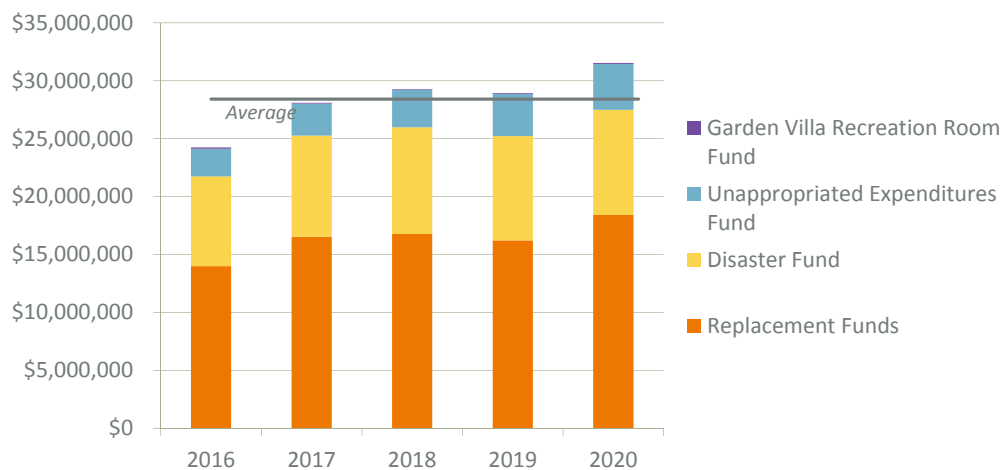
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## Financial Report

Preliminary as of May 31, 2020



### FUND BALANCES – Third Mutual



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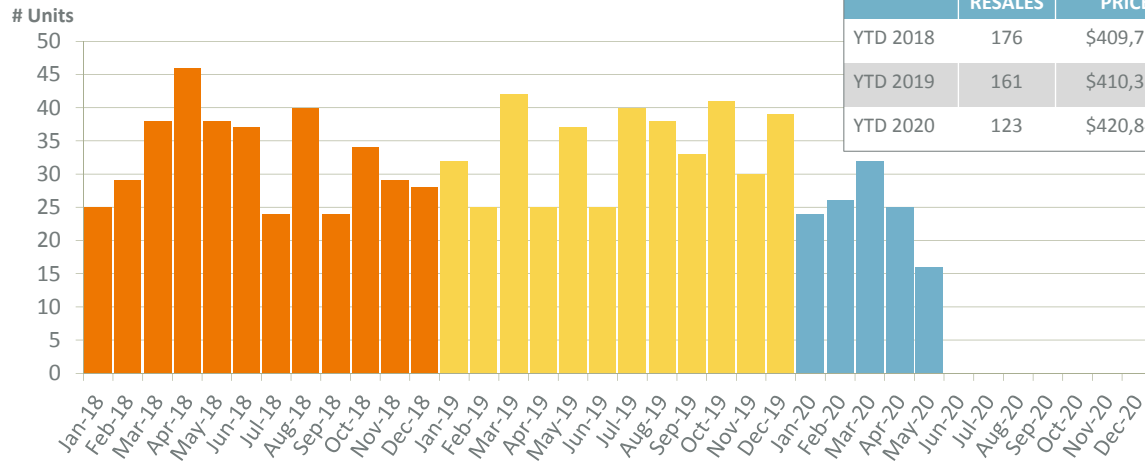


# Financial Report

Preliminary as of May 31, 2020



## RESALE HISTORY – Third Mutual



	NO. OF RESALES	AVG. RESALE PRICE
YTD 2018	176	\$409,729
YTD 2019	161	\$410,360
YTD 2020	123	\$420,849

**Third Laguna Hills Mutual**  
**Statement of Revenues & Expenses - Preliminary**  
**5/31/2020**  
(\$ IN THOUSANDS)

		CURRENT MONTH			YEAR TO DATE			PRIOR YEAR	TOTAL
		ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET
<b>Revenues:</b>									
<b>Assessments:</b>									
1	Operating	\$1,686	\$1,686		\$8,429	\$8,428		\$7,820	\$20,228
2	Additions to restricted funds	1,078	1,078		5,390	5,390		5,608	12,935
3	<b>Total assessments</b>	<u>2,764</u>	<u>2,764</u>		<u>13,818</u>	<u>13,818</u>		<u>13,428</u>	<u>33,163</u>
<b>Non-assessment revenues:</b>									
4	Fees and charges for services to residents	20	49	(29)	108	245	(137)	332	588
5	Laundry	16	18	(2)	97	92	5	77	220
6	Investment income	38	45	(7)	215	223	(9)	259	536
7	Unrealized gain/(loss) on AFS investments	82		82	619		619		
8	Miscellaneous	47	54	(6)	226	268	(42)	367	643
9	<b>Total non-assessment revenue</b>	<u>204</u>	<u>166</u>	<u>39</u>	<u>1,264</u>	<u>828</u>	<u>436</u>	<u>1,034</u>	<u>1,988</u>
10	<b>Total revenue</b>	<u>2,968</u>	<u>2,929</u>	<u>39</u>	<u>15,082</u>	<u>14,646</u>	<u>436</u>	<u>14,462</u>	<u>35,150</u>
<b>Expenses:</b>									
11	Employee compensation and related	873	1,169	296	4,920	5,775	855	5,342	13,940
12	Materials and supplies	78	147	68	423	759	336	585	1,787
13	Utilities and telephone	466	483	17	1,916	2,115	200	1,929	5,542
14	Legal fees	33	42	9	203	208	6	133	500
15	Professional fees		9	9	42	77	36	74	145
16	Equipment rental	1	2	1	9	8	(1)	13	20
17	Outside services	357	1,291	934	2,298	5,109	2,810	2,639	11,661
18	Repairs and maintenance	28	32	4	140	158	18	141	380
19	Other Operating Expense	5	16	11	48	83	35	61	199
20	Insurance	171	126	(45)	853	632	(221)	541	1,517
21	Investment expense	4	4		6	20	13	23	47
22	Uncollectible Accounts	11	10	(1)	15	50	35	165	120
23	(Gain)/loss on sale or trade				114		(114)	7	
24	Depreciation and amortization	11	11		57	57		60	136
25	Net allocation to mutuals	108	130	23	586	656	71	500	1,577
26	<b>Total expenses</b>	<u>2,147</u>	<u>3,472</u>	<u>1,325</u>	<u>11,631</u>	<u>15,708</u>	<u>4,077</u>	<u>12,212</u>	<u>37,572</u>
27	Excess of revenues over expenses	<u>\$821</u>	<u>(\$543)</u>	<u>\$1,364</u>	<u>\$3,451</u>	<u>(\$1,062)</u>	<u>\$4,513</u>	<u>\$2,250</u>	<u>(\$2,421)</u>



**Statement of Revenues & Expenses - Preliminary**  
Variance Explanations as of May 31, 2020

**SUMMARY**

Third financial results were better than budget by \$4,513K as of May 31, 2020, primarily due to timing of programs and program adjustments related to the COVID-19 pandemic. Explanations for categories with significant variances are found below.

**REVENUE**

**Fees and Charges for Services to Residents – (\$137K) [Line 4](#)**

Unfavorable variance resulted from revenue not yet recorded from prior year moisture intrusion events, pending determination hearings. Variance was partially offset by more plumbing chargeable service. Water heater replacement is an expanded service that has generated more revenue than anticipated at the time of budget preparation.

**Unrealized gain/(loss) on AFS Investments – \$619K [Line 7](#)**

Favorable variance due to reporting of Unrealized Gain on Available for Sale Investments. A monthly entry is made to reflect investment market conditions, which fluctuate. The variance was partially offset by realized losses, recorded in line 23, below.

**EXPENSES**

**Employee Compensation and Related – \$855K [Line 11](#)**

Favorable variance resulted from staff furloughs throughout the organization due to the ongoing COVID-19 pandemic. Additional savings occurred in Landscape Services: slope maintenance and tree maintenance were outsourced creating a savings labor hours; mulch distribution will be primarily performed in the fall months; and blowing is expected to increase as mowing frequency increases to a weekly basis in the summer months. To a lesser extent, favorable variance was furthered by open positions in Landscape and M&C.

**Materials and Supplies – \$336K [Line 12](#)**

Favorable variance due to timing and programs put on hold since mid-March due to the COVID-19 pandemic. Fewer materials used in programs such as building structures (carpentry), dry rot repairs and exterior paint program. Many purchases were delayed until facilities and services reopen.

**Utilities and Telephone – \$200K [Line 13](#)**

Average water consumption was lower than budget due to favorable weather conditions. Evapotranspiration (ET) weather data was used to measure water usage for irrigation. To a lesser extent, the variance was furthered by electricity savings due to energy consumption offset by solar credits.

**Outside Services – \$2,810K [Line 17](#)**



**Statement of Revenues & Expenses - Preliminary**  
Variance Explanations as of May 31, 2020

Favorable variance is due to:

- **Exterior Lighting – \$691K**

Favorable variance is due to timing of scheduled work for the Street Light LED Conversion Project, which consists of retrofitting the existing lighting fixtures to more efficient LED technology. In 2019, M&C conducted pilot programs and chosen fixtures were approved for installation in December. Staff completed staging the area for installation with the funds that were carried over from 2019. Siemens began installation work on May 13, starting with the cobra head fixture locations. Siemens began the installation of the King K427 light fixtures in June.

- **Building Structures – \$501K**

Favorable variance resulted from work being postponed due to the COVID-19 pandemic. In May, M&C Committee directed staff to restart certain programs such as building structures dry rot and parapet wall removal. Dry rot repairs for five buildings were completed before the program was placed on hold; invoices are pending. Repairs on buildings 2353 and 2354 are in progress. Although parapet wall work was placed on hold in March, work commenced in June; five buildings are scheduled for parapet wall removal in 2020.

- **Roof Replacements – \$380K**

Favorable variance is due to work being put on hold related to the COVID-19 pandemic. Roof replacement is budgeted evenly throughout the year and work was scheduled to begin towards the end of March. After being placed on hold for three months, work began in June and invoices are expected in July.

- **Paving – \$320K**

Although budget is spread evenly throughout the year, paving programs such as asphalt repair, parkway concrete, and seal coat are scheduled from September through October.



**Statement of Revenues & Expenses - Preliminary**  
Variance Explanations as of May 31, 2020

- **Waste Line Remediation – \$221K**

Favorable variance is due to work being put on hold related to the COVID-19 pandemic. While the primary focus is on three-story buildings this year, other buildings with a high risk for stoppages will also be evaluated for epoxy lining. The three-story buildings take an average of 6-weeks to complete. There are five Garden Villa buildings left to complete this year. On May 19th, the Board approved a \$250,000 budget reduction to the 2020 program.

Offset:

- **Tree Maintenance – (\$102K)**

Although annual tree trimming is budgeted to be performed by in-house staff, work is now being done by outside vendors at a lower rate.

**Insurance – (\$221K) [Line 20](#)**

Unfavorable variance due to higher premiums at the 10/1/19 renewal for property and casualty insurance. Insurance premium increases were implemented after 2020 budget was finalized. Significant changes in market conditions, catastrophic losses including wildfires in California, and a non-renewal situation required a new layered program structure to achieve the existing limits in a tight market.

**(Gain)/loss on sale or trade – (\$114K) [Line 23](#)**

Unfavorable variance due to realized loss occurring from sale of underperforming investments, which partially offsets some of the unrealized gain reflected in line 7, above.

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# Monthly Resale Report

PREPARED BY

Community Services Department

MUTUAL

All Mutuals

REPORT PERIOD

June, 2020

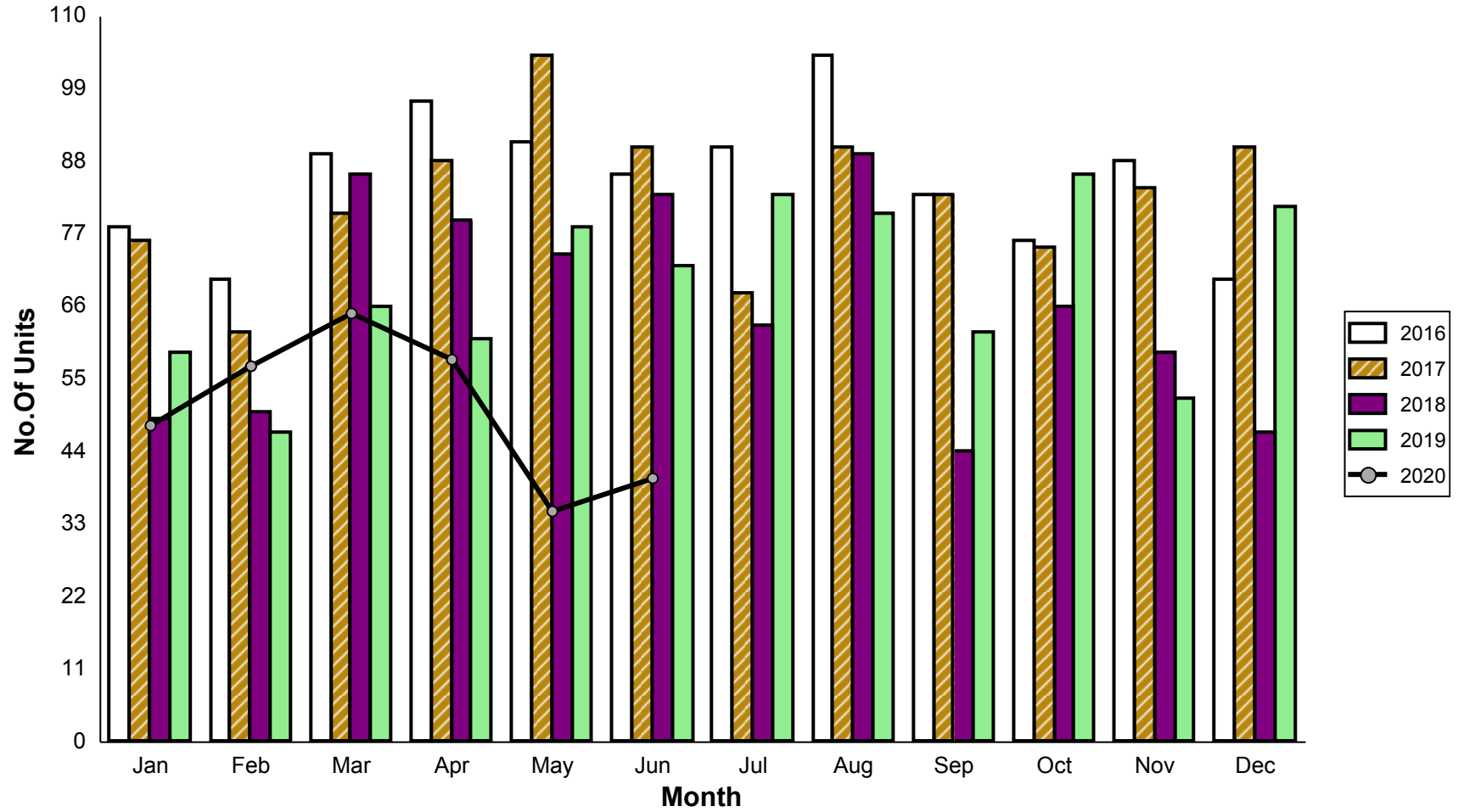
MONTH	NO. OF REALES		TOTAL SALES VOLUME IN \$\$		AVG RESALE PRICE	
	THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR
January	48	59	\$16,125,300	\$18,540,250	\$335,944	\$314,242
February	57	47	\$18,886,210	\$14,770,050	\$331,337	\$314,256
March	65	66	\$21,969,916	\$23,445,712	\$337,999	\$355,238
April	58	61	\$18,200,321	\$20,041,551	\$313,799	\$328,550
May	35	78	\$10,277,500	\$23,975,536	\$293,643	\$307,379
June	41	72	\$12,360,899	\$21,298,290	\$301,485	\$295,810
July		* 83		* \$27,170,573		* \$327,356
August		* 80		* \$26,206,000		* \$327,575
September		* 62		* \$20,171,980		* \$325,355
October		* 86		* \$26,648,300		* \$309,864
November		* 52		* \$18,653,350		* \$358,718
December		* 81		* \$27,517,600		* \$339,723
<b>TOTAL</b>	304.00	383.00	\$97,820,146	\$122,071,389		
<b>MON AVG</b>	50.00	63.00	\$16,303,358	\$20,345,232	\$319,034	\$319,246

\* Amount is excluded from percent calculation

Year to date total now includes Mutual Fifty



## Resales - 5 Year Comparison



# Monthly Resale Report

PREPARED BY

MUTUAL

REPORT PERIOD

Community Services Department

Third

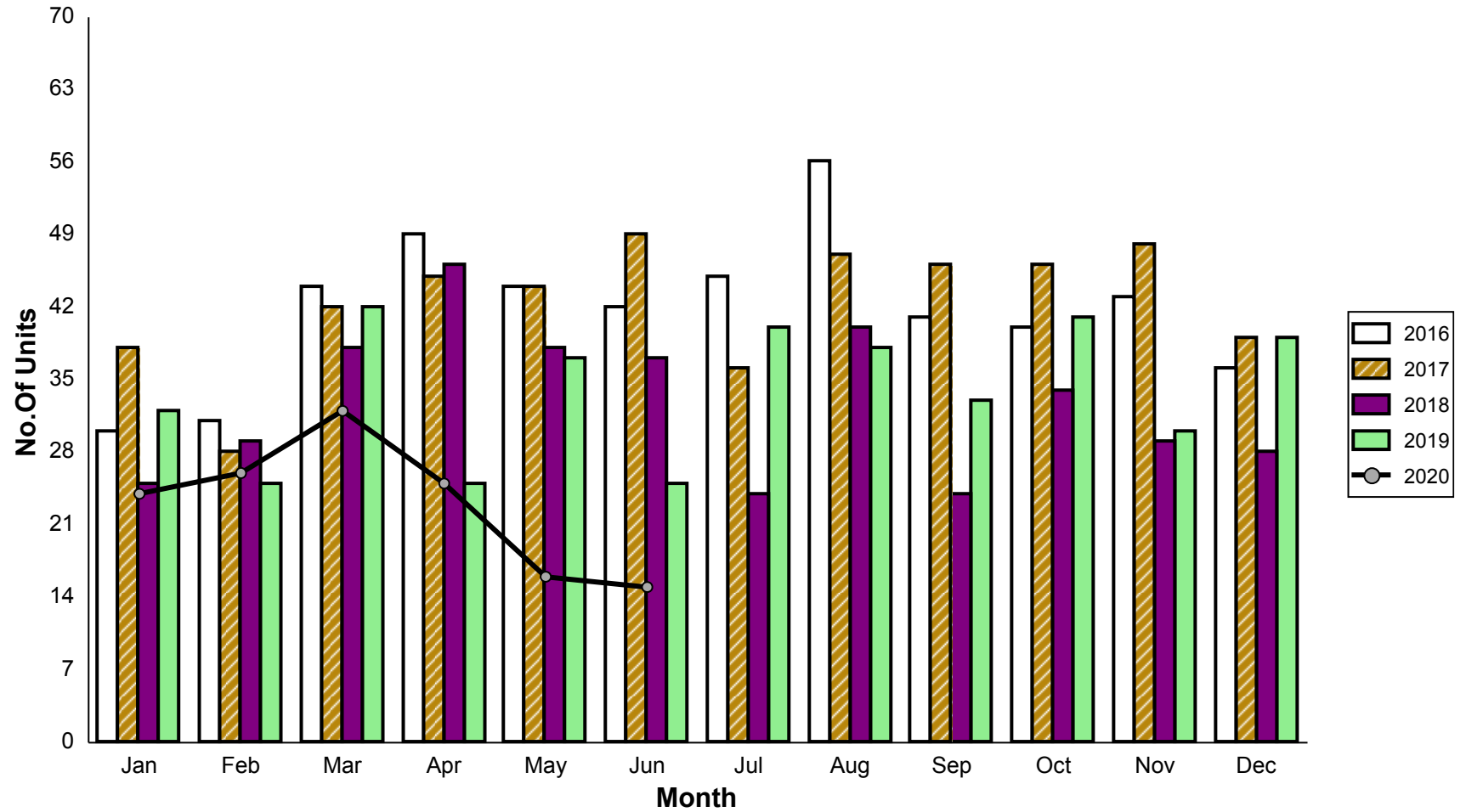
June, 2020

MONTH	NO. OF REALES		TOTAL SALES VOLUME IN \$\$		AVG RESALE PRICE	
	THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR
January	24	32	\$10,015,000	\$12,482,100	\$417,292	\$390,066
February	26	25	\$12,158,700	\$10,208,000	\$467,642	\$408,320
March	32	42	\$13,946,416	\$16,639,712	\$435,826	\$396,184
April	25	25	\$10,830,833	\$10,435,500	\$433,233	\$417,420
May	16	37	\$5,604,000	\$16,273,033	\$350,250	\$439,812
June	15	25	\$5,881,500	\$10,290,000	\$392,100	\$411,600
July		* 40		* \$17,327,373		* \$433,184
August		* 38		* \$15,994,900		* \$420,918
September		* 33		* \$12,643,180		* \$383,127
October		* 41		* \$16,142,900		* \$393,729
November		* 30		* \$13,520,950		* \$450,698
December		* 39		* \$18,319,800		* \$469,738
<b>TOTAL</b>	138.00	186.00	\$58,436,449	\$76,328,345		
<b>MON AVG</b>	23.00	31.00	\$9,739,408	\$12,721,391	\$416,057	\$410,567
<b>% CHANGE - YTD</b>	-25.8%		-23.4%		1.3%	

% Change calculated (ThisYear - LastYear)/LastYear

\* Amount is excluded from percent calculation

## Resales - 5 Year Comparison



# Resales Report

## Third Laguna Hills Mutual

### June, 2020

Close	Manor	Mutual	Price	Model/Style	Listing Realtor	Buyer Realtor	Escrow
06/23/2020	2110-P	3	\$240,000	Casa Linda	Village Real Estate	Balboa Real Estate	Granite Escrow
06/17/2020	2173-T	3	\$195,000	Coronado	Keller Williams Real Estate	Century 21 Rainbow	Granite Escrow
06/26/2020	2222-D	3	\$357,000	Cordoba	Regency Real Estate	Re/Pro	Generations Escrow
06/22/2020	2340-O	3	\$227,500	Casa Linda	Villa Real Estate	Century 21 Astro	Key Escrow
06/19/2020	2382-B	3	\$425,000	Cordoba	Century 21 Rainbow	Redfin	Corner Escrow Inc.
06/26/2020	2397-2C	3	\$325,000	Villa Capri	Village Real Estate	Coldwell Banker	Granite Escrow
06/03/2020	3129-P	3	\$294,000	Casa Vista	Allison James	Keller Williams Real Estate	Granite Escrow
06/01/2020	3241-2D	3	\$375,000	Villa Puerta	Laguna Premier Realty, Inc	RealtyQuest	Blue Pacific Escrow
06/24/2020	3322-B	3	\$799,000	El Doble	HomeSmart Evergreen	Century 21 Astro	Escrow Options Group
06/17/2020	3365-3A	3	\$370,000	Sierra	Century 21 Masters	HomeSmart Evergreen	Corner Escrow Inc.
06/17/2020	3365-2E	3	\$318,000	Sierra	HomeSmart Evergreen	Laguna Premier Realty, Inc	Escrow Options Group
06/30/2020	3420-3D	3	\$500,000	Casa Dorado	Keller Williams Real Estate	Surterre Properties, Inc.	Central Escrow
06/16/2020	4004-2F	3	\$233,000	Villa Nueva	Legacy 15 Real Estate	HomeSmart Evergreen	Platinum One
06/19/2020	5001	3	\$905,000	Villa Serena	Pacific Legacy RE	Laguna Premier Realty, Inc	Blue Pacific Escrow
06/30/2020	5359-B	3	\$318,000	La Brisa	Bullock Russell Real Estate	KAM Financial & Realty	Generations Escrow

Number of Resales: 15

Total Resale Price: \$5,881,500

Average Resale Price: \$392,100

Median Resale Price: \$325,000

## Monthly Resale Report Third Mutual

PREPARED BY  
Community Services Department

Jun-20

Period	Month	NUMBER OF RESALES				TOTAL SALES VOLUME IN \$\$				AVG RESALE PRICE			
		2020	2019	2018	2017	2020	2019	2018	2017	2020	2019	2018	2017
1	January	24	32	25	38	\$10,015,000	\$12,482,100	\$8,807,150	\$14,513,062	\$417,292	\$390,066	\$352,286	\$381,923
2	February	26	25	29	28	\$12,158,700	\$10,208,000	\$12,600,892	\$9,887,500	\$467,642	\$408,320	\$434,514	\$353,125
3	March	32	42	38	42	\$13,946,416	\$16,639,712	\$16,909,199	\$15,185,800	\$435,826	\$396,184	\$444,979	\$361,567
4	April	25	25	46	45	\$10,830,833	\$10,435,500	\$18,869,626	\$18,847,150	\$433,233	\$417,420	\$410,209	\$418,826
5	May	16	37	38	44	\$5,604,000	\$16,273,033	\$15,452,990	\$18,157,951	\$350,250	\$439,812	\$406,658	\$412,681
6	June	15	25	37	49	\$5,881,500	\$10,290,000	\$16,981,138	\$21,011,450	\$392,100	\$411,600	\$458,950	\$428,805
7	July	0	40	24	36	\$0	\$17,327,373	\$9,892,800	\$13,526,020	\$0	\$433,184	\$412,200	\$375,723
8	August	0	38	40	47	\$0	\$15,994,900	\$17,327,000	\$17,967,189	\$0	\$420,918	\$433,175	\$382,281
9	September	0	33	24	46	\$0	\$12,643,180	\$12,552,692	\$16,020,038	\$0	\$383,127	\$523,029	\$356,001
10	October	0	41	34	46	\$0	\$16,142,900	\$14,146,300	\$18,804,700	\$0	\$393,729	\$416,068	\$408,798
11	November	0	30	28	49	\$0	\$13,520,950	\$10,675,000	\$19,847,200	\$0	\$450,698	\$381,250	\$405,045
12	December	0	39	28	38	\$0	\$18,319,800	\$13,693,599	\$18,509,275	\$0	\$469,738	\$489,057	\$487,086
TOTAL		138	186	213	246	\$58,436,449	\$76,328,345	\$89,620,995	\$97,602,913				
MON AVG		23.0	31.0	35.5	41.0	\$9,739,408	\$12,721,391	\$14,936,833	\$16,267,152	\$416,057	\$410,567	\$417,933	\$392,821
% CHANGE-YTD		-25.8%	-12.7%	-13.4%	2.5%	-23.4%	-14.8%	-8.2%	20.3%	1.3%	-1.8%	6.4%	15.7%

% Change calculated (This Year - Last Year)/Last Year

Percent calculation only includes YTD figures in black.



# MONTHLY LEASING REPORT

Report Period:  
June-2020

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	21	392	1289	1723	1688	31	35	123	3
February	20	21	402	1285	1728	1699	54	34	83	1
March	19	25	393	1288	1725	1708	73	37	93	7
April	10	22	388	1281	1701	1691	79	32	107	3
May	8	15	391	1232	1646	1682	104	31	151	4
June	14	15	373	1299	1701	1692	69	44	117	5
July										
August										
September										
October										
November										
December										
Monthly Average	15.3	19.8	389.8	1279.0	1704.0	1693.3	68.3	35.5	112.3	3.8
Percentage Leased	1701 / 6102 = 27.9%									

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**OPEN MEETING**

**REGULAR MEETING OF THE THIRD LAGUNA HILLS MUTUAL  
ARCHITECTURAL CONTROL AND STANDARDS COMMITTEE**

**Friday, June 19, 2020 – 9:30 a.m.  
Virtual On-line Meeting**

**REPORT**

**MEMBERS PRESENT:** Steve Parsons - Chair, John Frankel, Lynn Jarrett, Ralph Engdahl, Robert Mutchnick, Advisors, Mike Plean and Mike Butler

**MEMBERS ABSENT:** None

**OTHERS PRESENT:** Doug Gibson

**STAFF PRESENT:** Ernesto Munoz, Gavin Fogg, Laurie Chavarria

**1. Call to Order**

Chair Parsons called the meeting to order at 9:30 a.m.

**2. Acknowledgement of Media**

None.

**3. Approval of February 24, 2020 Meeting Report**

The meeting report for February 24, 2020 was approved as written.

**4. Approval of the Agenda**

Chair Parsons added a previous variance request from 5598-A as Item #9 and the consideration for a revision to the February 24, 2020 meeting report as Item #10. The agenda was approved as amended.

**5. Committee Chair Remarks**

Chair Parsons remarked on getting this Committee up and running again and was appreciative of the members in attendance.

**6. Member Comments - (Items Not on the Agenda)**

Chris Powers (5191) emailed in a comment about the way open meetings are held during the pandemic and the difficulty residents have trying to participate.

Various Committee members responded to the comment.

## **7. Department Head Update**

Staff Officer Ernesto Munoz updated the Committee on the virtual reopening of the Manor Alterations Division. There are processing time delays for the extensive amount of permit applications being received, in addition to the open positions that still need to be filled.

## **Reports**

## **8. Alternate Heat Source Policy for Alterations**

The Alterations Supervisor summarized the proposed policy and answered questions from the committee.

Discussion ensued regarding repair of ceiling heat system; compromised heating coils; responsibility to provide an alternate heat source; realtors using portable heaters; disconnection of thermostat; separate or common circuit breakers for each heating source; the requirement for a certified electrician to disconnect the ceiling heater coils and Garden Villa ceiling heat systems.

By consensus, the Committee recommended that the Board approve the proposed Alternate Heat Source Policy for Alterations and the proposed Resolution.

## **9. 5598-A (D. Ferraro) – Request to extend entryway onto exclusive use common area and to replace the Planter with a Concrete Slab on Previously Extended Common Area**

Staff Officer Ernesto Munoz and the Alterations Supervisor summarized the variance requests and answered questions from the committee. This is a two-part variance request for the addition of a concrete slab to replace the existing planters on the rear patio and to extend the double door front entryway to the roof line which is within the existing footprint. This variance was originally heard by the Committee in October 2019. Both requests were subsequently placed as a future agenda item for further discussion.

Discussion ensued regarding why the concrete slab request should be denied and why extending the double-door entryway underneath the existing roof line should be approved.

Chris Powers (5191) emailed in a comment that the entryway extension should be denied based on the CC&R's and the Davis-Stirling Act.

A motion was made to recommend the Board approve the request to extend the double-door entry way onto Exclusive Use Common Area with the conditions 2-28 stated in Appendix A, and deny the request to replace the existing planters with a concrete slab. However, should the Board approve the request to replace the

planters with concrete, staff recommends that the approval include the additional condition #1 as stated in Appendix A of the staff report.

#### **10. Consider a revision to Item #6 on the February 24, 2020 meeting report**

Chair Parsons summarized the request by Lynne Corboz (3505-C) to amend Item #6 on the February 24, 2020 meeting report to include a more thorough explanation on why her variance request was denied and why it doesn't meet the exception of the Davis-Stirling Act 4600, section (b)(3)(E).

Discussion ensued regarding the verbiage, as described by Advisor Butler, which could be added to the meeting report as an explanation for the denial of Ms. Corboz's variance request.

By consensus, the Committee decided to submit the proposed verbiage to legal counsel for review. If approved, the meeting report for February 24, 2020 will be amended to reflect the explanation requested by Ms. Corboz.

#### **Future Agenda Items:**

- Stucco wall hangings/anchors (July)
- Concrete slabs for exterior electrical panels
- New building material information (hard surface flooring)

#### **Concluding Business:**

#### **11. Committee Member Comments**

There were no Committee Member Comments.

#### **12. Date of next meeting – July 27, 2020**

#### **13. Adjourned at 10:30 a.m.**

**DRAFT**

Steve Parsons, Chair

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**OPEN MEETING**

**REGULAR MEETING OF THE THIRD LAGUNA HILLS MUTUAL  
LANDSCAPE COMMITTEE**

**Thursday, July 2, 2020 – 9:30 a.m.**

**VIRTUAL MEETING**

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

**REPORT**

**COMMITTEE MEMBERS PRESENT:** Chair - Lynn Jarrett, Annie McCary, Cush Bhada, Reza Karimi, Jon Pearlstone

**COMMITTEE MEMBERS ABSENT:**

**OTHERS PRESENT:**

**ADVISORS PRESENT:** Cindy Baker

**STAFF PRESENT:** Kurt Wiemann, Eve Morton, Maribel Flores

**1. Call to Order**

Chair Jarrett called the meeting to order at 9:30 a.m.

**2. Acknowledgement of Media**

No media was present.

**3. Approval of the Agenda**

Director Bhada made a motion to approve the agenda. The motion passed with a unanimous vote.

**4. Approval of the June 4, 2020 Report**

Director Bhada moved to approve the Report. The motion passed with a unanimous vote.

**5. Committee Chair Remarks**

Chair Jarrett stated that this is a virtual Open meeting and indicated that Members are welcome to email or call with a Member Comment during the first 15 minutes of the meeting.

Chair Jarrett spoke that she misses seeing people in the Board Room.

The tree request form is online if you need to request a tree removal or off-schedule trimming. Then, this committee will review the request.

The lawns are beautiful right now. The aeration made a big difference.

The tree crews are out there trimming trees.

Many people are talking about rats.

## **6. Department Head Update**

Mr. Wiemann discussed vegetable plantings and fruit trees and the connection to the rat problems. Staff has been removing fruit trees through escrow and when they find unmaintained fruit trees. Removing the source of food is the biggest step in controlling rat populations.

The aeration should be helping the turf look better and better. Staff will be fertilizing the turf in the fall.

Staff is working for compliance with Orange County Fire Authority (OCFA) on clearing the slopes.

He is working on the budget for next year. Finance is reviewing it. He will review the budget with the committee next month.

More slopes will be added to the slope contract next year.

He stated the plant growth regulators are not hazardous to anyone. They are used on the soft edges, the edges that are around the flower beds. This stops the growth there and should give us 5-6 weeks between edgings which will help on staff hours that which may distributed elsewhere in the Landscape Department.

### Consent Calendar:

None.

### Reports:

## **7. Project Log**

Mr. Wiemann reviewed the Project Log with the committee.

## **8. Tree Work Status Report**

Mr. Wiemann reviewed this report with the committee.

Unfinished Business  
None.

Items for Discussion and Consideration:

**9. Tree Removal Request: 3135-B Via Serena N. (Yang) – One Canary Island Pine tree**

Ms. Morton read a statement emailed in by this Member regarding their request.

Director McCary made a motion to accept staff's recommendation and deny removal of this tree. Director Karimi seconded. The committee was in unanimous support.

Director Bhada asked Mr. Wiemann if anything can be done now regarding this tree. Mr. Wiemann stated that it is scheduled for trimming next year. It is a beautiful, healthy tree and is not very dense. The trimming will help when it is done. There has been no report of the roots causing damage to their plumbing. Pine trees don't cause a lot of sewer/pipe damage.

**10. Discuss Cost of Proposed Turf Reduction Project in Cul-De-Sac 343**

Director Pearlstone made motion to move forward with this project. Director Bhada seconded. The committee was in unanimous support.

Mr. Wiemann discussed this project. This project will have similar plants to the Gate 14 turf reduction project.

Director Bhada inquired as to what Members must do if they wish to put in drought tolerant plants. Mr. Wiemann said they must fill out a Landscape Request Form. The committee will review their request.

Items for Future Agendas:

- Budget
- 5-year turf reduction plan

Concluding Business

**11. Member Comments (Items Not on the Agenda)**

*The Community Center is closed and this will be a virtual meeting which Members may view on the Village website under Residents>Governance>Board Meeting Videos. Member comments will be read during the meeting and the committee will respond. Please send your comment to the Committee by either calling (949) 268-2020 within the half hour prior to this meeting and fifteen minutes after the start of the meeting. Or, you may email [meeting@vmsinc.org](mailto:meeting@vmsinc.org) with your comment any time prior to the meeting and up to fifteen minutes after the start of this meeting. You must provide your name, manor number, and the meeting your comment is meant for.*



**Yvonne Horton (5475-B)** emailed in the comment, "I think my street, 5475-B Paseo Del Lago East, was missed during the slope weeding. Calle Carmelita looks beautiful, as well as Paseo Del Lago East CDS 373. I just wanted to bring this to your attention. Thank you for all your good works."

**Steve Stanfill (3425-C)** emailed in the comment, "First, let me thank Kurt Wiemann for the job he is doing. I have seen considerable improvement in our Landscape Services over the past 12-16 months. Second, thanks to all of our directors for your service to the community."

As a Good Neighbor Building Captain, I frequently get questions on multiple subjects which include landscape maintenance. I try to stay informed & up to date on projects, process & procedures so I can respond accordingly & keep the "rumor mill" at bay. Additionally, I perform a considerable amount of landscape maintenance around my building on a regular basis.

The issue I'm having difficulty understanding are the weekly Landscape Projected Activities spreadsheets as it correlates to the section maps & crew assignment routes.

For Landscape Shrub/Bed Maintenance activities, four weeks ago my crew was working at the end of my street/cul-de-sac and I, along with neighbors, were expecting & told they would be moving down our street the next week(as the route map indicates). That did not happen, but instead the crew started several blocks away not finishing my street/cul-de-sac.

The Shrub/Bed Maintenance work for my building was done this week. It has been stated in multiple meetings and documented in the Landscape Maintenance Manual that for Shrub/Bed Maintenance activities "The landscape crews are scheduled to visit each building four times a year.". We are now at the beginning of July & the last time Shrub/Weeding activity was done for my building was on February 6 (21 weeks ago or 5 months ago). The prior Shrub/Bed Maintenance activity for my building was September 26, 2019 (19 weeks between maintenance activities).

Hopefully, someone can provide some clarity, address this issue and a path forward for improvement on schedules, the "Landscape Projected Activities" schedule and the work flow/route.

Thank you for your time."

## **12. Response to Member Comments**

Mr. Wiemann stated that he will look into these issues and will follow up with the two Members.

## **13. Committee Member Comments**

Director Bhada stated that Landscaping is going in the right direction.

Director Pearlstone stated that he is looking forward to see what more we can do.

Director Karimi stated that some residents are doing their own weeding. Should we encourage this or not?

Director McCary goes out walking early each morning. She said the slope maintenance men are all over the place and doing a good job. Kudos to those crew supervisors and to the Landscape department.

Advisor Baker does a lot of her own weeding and believes residents should be welcome to do their own weeding, if they wish, as long as no one is taking out improper plants.

Chair Jarrett hopes the weeds are not thrown into the gutter. That is nice if people want to do some weeding on their own.

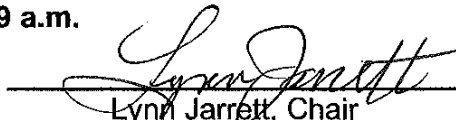
Mr. Wiemann stated that a fair amount of residents do their own weeding in between staff visits. If residents put all of their weeding debris into a pile, staff will pick it up if the resident calls Resident Services.

Director Bhada recommended putting an article about this topic into the next Breeze or in the emails to residents.

Chair Jarrett thanked Mr. Wiemann for his work and she appreciates that he always has the answers to their questions.

**14. Date of Next Meeting – August 6, 2020 at 9:30 a.m.**

**15. Adjournment at 10:19 a.m.**



Lynn Jarrett, Chair

Kurt Wiemann, Staff Officer

Eve Morton, Landscape Operations Coordinator – 268-2565





## **OPEN MEETING**

### **REGULAR MEETING OF THE THIRD LAGUNA HILLS MUTUAL RESIDENT POLICY AND COMPLIANCE COMMITTEE**

Tuesday, June 30, 2020 – 9:30 a.m.

#### **VIRTUAL MEETING**

Laguna Woods Village Community Center, Board Room – 24351 El Toro Road

**MEMBERS PRESENT:** Lynn Jarrett, Chair, Steve Parsons, Ralph Engdahl, Robert Mutchnick and Reza Karimi

**MEMBERS ABSENT:** None

**ADVISORS PRESENT:** Stuart Hack

**ADVISORS ABSENT:** None

**STAFF PRESENT:** Blessilda Wright, Carlos Rojas, and Debbie Ballesteros

#### **CALL TO ORDER**

Lynn Jarrett, Chair, called the meeting to order at 9:31 a.m.

#### **ACKNOWLEDGEMENT OF PRESS**

The Media was not present.

#### **APPROVAL OF AGENDA**

Chair Jarrett would like to table Guarantors and add Parking Policy and Guest Restrictions to the agenda.

Director Mutchnick moved to approve the agenda as amended. Director Karimi seconded the motion.

By unanimous vote, the motion carried.

#### **APPROVAL OF MEETING REPORTS**

Director Karimi made a motion to approve the May 15, 2020 meeting report as presented. Director Mutchnick seconded the motion.

By unanimous vote, the motion carried.

#### **CHAIRMAN'S REMARKS**

Chair Jarrett stated that Guarantors will be added to the next meeting. She also commented that the committee will review current rules and tighten the rules as needed.

## **MEMBER COMMENTS ON NON-AGENDA ITEMS**

None

## **REPORTS**

None

## **ITEMS FOR DISCUSSION AND CONSIDERATION**

### **Designate Smoke Free Building Policy and Procedure**

The Committee discussed the Designate Smoke Free Building Policy & Procedure. The Committee commented and asked questions.

Director Mutchnick made a motion to approve Designate Smoke Free Building Policy & Procedure. Director Parsons seconded the motion.

By unanimous vote, the motion carried.

### **BBQ Rules & Regulations**

The Committee reviewed and discussed BBQ Rules & Regulations. The Committee commented and asked questions.

By consensus, the Committee tabled the matter for the next meeting for additional research. Additionally, the Committee will schedule a special meeting and invite the Orange County Fire Authority.

### **Guarantors**

This item is tabled for the next meeting.

### **Parking Rules**

The Committee discussed the parking rules and process for compliance. This item is tabled for the next meeting.

### **Guest Limit**

The Committee discussed the guest limit rules. This item is tabled for the next meeting.

## **ITEMS FOR FUTURE AGENDAS**

- Rules for Board Meetings
- Lease Cap and Waiting list Rules
- Qualification for Lease Authorization Permit
- Vehicle, Traffic and Parking Rules

## **CONCLUDING BUSINESS**

### **Committee Member Comments**

Director Engdahl stated that he could send out the information he presented regarding BBQ Rules.


Advisor Hack stated that he would like the BBQ rules and regulations to be reviewed sooner than later so he can advise the Garden Villa Association.

**Date of Next Meeting**

The next meeting is scheduled for Wednesday, July, 29, 2020 at 9:30 a.m. as a virtual meeting.

**Adjournment**

With no further business before the Committee, the Chair adjourned the meeting at 10:50 a.m.

  
[Lynn Jarrett \(Jul 14, 2020 11:58 PDT\)](#)  
Lynn Jarrett, Chair  
Third Laguna Hills Mutual






# TLHM Resident Policy and Compliance Committee- Minutes 06-30-20

Final Audit Report

2020-07-14

Created:	2020-07-14
By:	Debbie Ballesteros (Debbie.Ballesteros@vmsinc.org)
Status:	Signed
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