

OPEN MEETING

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

February 21, 2017

The Regular Meeting of the Third Laguna Hills Mutual Board of Directors, a California non-profit mutual benefit corporation, was held on Tuesday, February 21, 2017 at 9:30 A.M., at 24264 El Toro Road, Laguna Woods, California.

Directors Present: Rosemarie diLorenzo Dickins, Burt Baum, Bill Walsh, Steve Parsons, James Tung, John Frankel, Bert Moldow, Bunny Carpenter, Annette Sabol-Soule, Susan Caine, and Jules Zalon

Directors Absent: None

Staff Present: Open Session: Brad Hudson, Pat Healy
Executive Session: Brad Hudson, Francis Rangel, Tim Moy

Others Present: VMS Director Donna Dwaileebe and Denver Andrews Jr. Esq.,
Law office of Denver R. Andrews, Jr.

(1) **CALL TO ORDER**

Rosemarie diLorenzo Dickins, President of the Corporation opened the meeting and stated that it was a Regular Meeting held pursuant to notice duly given. A quorum was established and the meeting was called to order at 9:32 A.M.

(2) **PLEDGE OF ALLEGIANCE**

Chair Rosemarie diLorenzo Dickins led the Membership in the Pledge of Allegiance.

(3) **ACKNOWLEDGEMENT OF MEDIA**

Channel 6 Camera Crew, by way of remote cameras, was acknowledged as present.

(4) **APPROVAL OF AGENDA**

Directors asked for the following changes to the Agenda:

- Director Baum asked to pull Item 23(a) and continue at the next open meeting of March 21, 2017
- Director Moldow requested the recommendation for Manor 5212 in Item 7(a) be changed to **"Approve request to extend living room into existing patio enclosure, extend bedroom top rear of the manor, with conditions, and deny request to install rear patio slab extension."**
- Director Moldow asked that Item 17(a) be removed from the Agenda, and Item 14(f) relative to creation of an earthquake sub-committee be added.

Director Baum moved, seconded by Director Walsh to approve the Agenda as amended; by a vote of 10-0-0 the motion carried.

(5) **CHAIR'S REPORT**

President diLorenzo Dickins:

- Read in the Breeze Newsletter that "Third brings law and order to the Village"; noted that the Board is working diligently to ensure that regulations are appropriate and equitable for all residents.
- Introduced Mr. Jules D. Zalon, the newest appointment to the Third Laguna Hills Mutual Board of Directors.
- Recognized Ms. Ingrid Corning, who was not present at the meeting, for her efforts following recent storms to keep drains free from debris; her efforts saved money for our community.

(6) **APPROVAL OF THE MINUTES**

Director Parsons moved, seconded by Director Soule, to approve the Minutes of January 24, 2017, and asked that a correction be made on page 23 of 25 on the "Application of Care Provider Permit" to reflect that the application applies to the **"Third Laguna Hills Mutual"**. Director Parsons then moved, seconded by Director Walsh to approve the January 24, 2017 Minutes as amended. By a vote of 10-0-0 the motion carried.

Director Tung moved, seconded by Director Parsons, to approve the Special Open meeting Minutes of February 14, 2017 as written. By a vote of 10-0-0 the motion carried.

(7) **CONSENT CALENDAR**

Director Moldow moved, seconded by Director Tung, to approve the Consent Calendar as amended to reflect that the recommendation for the request to install rear patio slab extension in Manor 5212 is "deny". By unanimous vote, the Board approved the Consent Calendar. **NOTE: Following the vote on the Consent Calendar, the Chair stated that the matters concerning Manor 5212 were also on the Closed Session Agenda, and the Board by unanimous consent removed this item from the Consent Calendar and deferred approval until further consideration in Closed Session. All other Resolutions and Recommendations were adopted as follows:**

(a) **Architectural Control and Standard Recommendations:**

RESOLUTION 03-17-10

Common Area - Variance Request

WHEREAS, Ms. Rowena St. Moritz of 3319-D Via Carrizo, Third Laguna Hills Mutual, submitted a request for a variance installation of a room addition with a bathroom in the front patio and common area next to the patio; and

WHEREAS, Third Laguna Hills Mutual Board of Directors (the Board) has considered the request utilizing the Common Area Use Policy as approved by the Board via Resolution 03-15-155 as revised in accordance with California Civil Code § 4600 on October 20, 2015;

NOW THEREFORE BE IT RESOLVED, on February 21, 2017 the Board of Directors hereby approves the request for a variance to grant exclusive use of the subject common area to the requesting member due to the finding that the proposed alteration meets the following criteria:

1. Mutual Member(s) at 3319-D Via Carrizo must sign and submit to Third Laguna Hills Mutual, c/o VMS, Inc., Attention Pamela Bashline, Community Services Manager, the "Recordable Common Area Agreement" for the subject expansion utilizing Common Area.
2. All costs and maintenance of the alteration, present and future, are the responsibility of the Mutual member(s) at 3319-D Via Carrizo.
3. Prior to the issuance of a Mutual Consent for Manor Alterations a complete set of unit specific plans prepared by a licensed architect or structural engineer depicting the proposed alterations must be submitted to the Manor Alterations Department 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 alterations.
4. Upon to the issuance of a Mutual Consent for Manor Alterations a Third Mutual Roof Alteration Notification (Tie-In Form) must be submitted to the Manor Alterations Department office located in the Laguna Woods Village Community Center.
5. A required Mutual Consent for Manor Alterations must be obtained through the Manor Alterations Department Office located in the Laguna Woods Village Community Center.
6. All landscape, irrigation, and drainage modifications associated with the alterations are to be completed by the Landscape Division at the expense of the Mutual member(s) at Manor 3319-D Via Carrizo. Both permits must be finalized within the prescribed timeframe for permits.
7. All alterations must be installed in accordance to California State Building Code, and Third Mutual Standard Section 11: Exterior Floorcover, Section 34: Window & Window Attachments.
8. Neighbor Awareness Form(s) must be obtained from the neighbor at 3318-C and 3319-C. No construction may proceed prior to receiving this executed form and approval by the Alterations Division and the City of Laguna Woods.

RESOLVED FURTHER, the member is required to comply with all of the contingencies as presented in the report and approved by the Board; and

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

(b) Finance Committee Recommendations:

RESOLUTION 03-17-11

Recording of a Lien

WHEREAS, Member ID 931-480-72 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, February 21, 2017, that the Board of Directors hereby approves the recording of a Lien for Member ID 931-480-72; and

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

RESOLUTION 03-17-12

Recording of a Lien

WHEREAS, Member ID 931-590-10 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, February 21, 2017, that the Board of Directors hereby approves the recording of a Lien for Member ID 931-590-10; and

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

RESOLUTION 03-17-13

February 21, 2017

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, February 21, 2017, 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.

RESOLUTION 03-17-14

Recording of a Lien

WHEREAS, Member ID 931-510-44 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, February 21, 2017, that the Board of Directors hereby approves the recording of a Lien for Member ID 931-510-44; and

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

RESOLUTION 03-17-15

Filing of Separate Small Claims Court Case

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

NOW THEREFORE BE IT RESOLVED, February 21, 2017, that the Board of Directors hereby approves the filing of a separate Small Claims Court case for Member ID 931-590-10; 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.

(c) Landscape Committee Recommendations:

- | | |
|---------|--|
| 3338-1A | Approve Request for Tree Removal (Agenda Item #15; Page 1) |
| 3511-C | Deny Request for Tree Removal (Agenda Item # 15; Page 1) |
| 5245 | Approve Request for Tree Removal (Agenda Item #15; Page 1-2) |

(8) UPDATE FROM VMS – DIRECTOR DONNA DWAILEEBE

- Briefed the Board on VMS goals, the status of the Strategic Plan, and detailed various examples of exemplary service by staff.
- Noted that future agendas will cover a report on earthquake insurance, benefits comparison, and succession and cross training.
- Noted that staff expects to launch the new website in this Spring; phase 1 is layout and design development; phase 2 is the resident portal and the ability to fill out service requests on line and, phase 3 is the Board portal'
- On March 29th, the VMS will be presenting the Strategic Plan as a team with department staff.

Following Director Dwaileebe's report, Chair diLorenzo Dickins requested that VMS examine the current Employee Recognition Program which is primarily an internal program; she suggested that the program be expanded to allow residents and board members to submit names of employees for recognition of exemplary service.

(9) REPORT OF THE CEO – BRADLEY HUDSON

- Informed Board that Granicus is currently streaming the Third Board Meeting on a pilot basis to an audience of one.
- Resident transportation will be available for destination shopping to various locations every Tuesday beginning March 7, 2017.
- The new Easy Rider Bus Guide is now available to the community
- Improvements for TV-6 are ongoing,
- Theft of bikes and golf cart chargers are on the rise and residents need to be diligent and lock up all valuables.
- Residents should notify Resident Services for any compliance issue.
- The latest rains and wind caused a lot of damage in the Village; over 100 large trees were damaged, and of these, over 58 trees were located in the Third Mutual.
- Also, due to the recent weather conditions, 22 roofs need repair.
- The call volume was very high this weekend – over 800 calls on Friday alone between 5:00PM and 7:00PM.

(10) THIRD MUTUAL RESIDENT COMMENTS AND PUBLIC FORUM

Third Mutual Members were given the opportunity to speak to items within the jurisdiction of the Board of Directors:

- Attorney Daniel Nordberg, representing Mr. and Mrs. Christopher Powers (5191) expressed concerned that the Board had adopted item 7(a) related to a Manor at 5212 Elvira on the Consent calendar
 - Asked for reconsideration due to new evidence
 - Noted that he had communicated his concerns with Denver Andrews
 - Concerned Board not performing fiduciary duties
- Lynn Jarrett (4010-1c) asked that the Board review chargeable services, and expressed concern that owners had to pay for replacement of rugs and re-painting due to leaks in Manor 5519-1G.
- Monika Hobson (3300-B) referred to notice in OC Register that residents of Laguna Woods Village should call Security for customer service incidents; noted that she called security to report that outside lights were out; and although Security took her information, they did not change the lights out.
 - Lights out for entire weekend – circuit breaker needed replacement
- Ken Nickoll (3106 –O) concerned about rejection of occupancy request he submitted; appeal also denied
- Also concerned about dim street lights in the neighborhood
- Craig Wayne (4024-B) expressed concerns related to how requests for customer service are processed, and how residents can obtain status of requests
 - Expressed concern that communication between Resident Services and residents is not adequate
 - Specific Issue related to damage to concrete caused by a tree
- Chris Collins (3306 –Q) representing the Laguna Woods Foundation gave a brief update and thanked everyone for their support of the Foundation

(11) RESPONSES TO MUTUAL RESIDENT COMMENTS (TIME LIMIT OF 3 MINUTES FOR DIRECTOR)

Third Mutual Directors and CEO Hudson responded briefly to Member Comments. Chair diLorenzo responded to Mr. Nordberg and notified him that the Item he referenced (item7(a)) is also on the Closed Agenda and that the Consent action taken by the Board would be deferred until consultation with the Board's legal Counsel in Closed Session which immediately follows the open session.

(12) UNFINISHED BUSINESS

- (a) Secretary of the Board Baum read the following resolutions regarding Modification of Purchasing Policy and to the Third Mutual Board Operation Procedures:

RESOLUTION 03-17-16

Review of Non-Standard Contracts by Legal Counsel

WHEREAS, the Third Laguna Hills Mutual Board of Directors revises as necessary the Purchasing Policy, Third Mutual Board Operations Procedures – Contracts, and the Contracts Responsibility Matrix to ensure that adequate purchasing controls are in place; to streamline the internal purchasing and contracting process; and to ensure transparency and that a professional and complete process is used for the procurement of high quality products and services for the community; and

WHEREAS, vendors occasionally require non-standard contracts, containing terms, structure, or conditions unfamiliar to Staff; and

WHEREAS, the Board of Directors of this Corporation has a fiduciary duty to ensure that contracts are not unduly disadvantageous to Members; and

WHEREAS, the review of non-standard contracts can divert an inordinate amount of Staff time from other tasks; and

WHEREAS, Staff does not include a contract lawyer and the frequency of non-standard contracts requiring review does not currently justify the expense of a full-time position for a contract lawyer;

NOW THEREFORE BE IT RESOLVED, February 21, 2017, that the Board of Directors of this Corporation hereby approves revisions to the Purchasing Policy, Third mutual Board Operations Procedures – Contracts, and the Contracts Responsibility Matrix as attached to the official minutes of this meeting; and

RESOLVED FURTHER, that Resolution 03-16-107, adopted October 18, 2016 is hereby superseded and cancelled; and

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

Director Baum moved, seconded by Director Walsh to approve the resolution as written. By a vote of 10-0-0 the motion carried.

RESOLUTION 03-17-17

Third Mutual Board Operation Procedures – Contracts

WHEREAS, in order to clarify the role and responsibilities of the Board and the Management Company, a Third Mutual Board Operation Procedures - Contracts was created to clearly define the responsibilities and authority of the Board and the responsibilities the Board may wish to delegate; and

NOW THEREFORE BE IT RESOLVED, February 21, 2017 that the Board of Directors of this Corporation hereby approves the attached document entitled "Third Mutual Board Operation Procedures - Contracts" which identifies the responsibilities and duties of the Board, Committees, and the Management Company; and

RESOLVED FURTHER, that Resolution 03-16-100, adopted September 20, 2017 is hereby superseded and cancelled; and

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

PURCHASING POLICY

1. PURPOSE

The Purchasing Department's goal is to obtain the product or service that best meets the needs of the corporation at the best possible value and to protect the corporation from litigation resulting from these services.

2. CODE OF CONDUCT

No employee, officer, or agent shall participate in the selection, award, or administration of a contract if a real or apparent conflict of interest would be involved. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. The officers, employees, and agents of the Corporation shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, or parties to sub agreements except for where the financial interest is not substantial or the gift is an unsolicited item of nominal value. Members of the Corporation Board of directors shall comply with all relevant fiduciary duties, including those governing conflicts of interest, when they vote upon matters related to procurement contracts in which they have a direct or indirect financial or personal interest. Officers, employees, directors, and agents of the Corporation shall be subject to disciplinary actions for violations of these standards.

3. FUNDS

Funding for all procurement is approved by the Corporation Board of Directors through the capital plan, a supplemental appropriation or the operating budgets of each department, prior to procurement of goods or services.

4. COMPETITIVE BIDDING PROCESS

The Purchasing Department carries out a bidding process whether the request is for an item, a service or a project. The following steps are taken:

- a. A Purchase Requisition (PR) and a detailed Scope of Work (SOW) are submitted by the requesting department. The Purchasing Department reviews the SOW and if it requires more detail, it is returned to the requesting department with questions and comments.
- b. The Purchasing Department will incorporate the final SOW into a request for proposal (RFP) for professional services or bid solicitation for constructions services, together with brief information about the community, insurance requirements, a pre-bid meeting date and the deadline for submitting proposals/bids. The RFP/bid solicitation is normally sent to at least three (3) vendors/contractors to obtain bids, or may be widely advertised.
- c. When the proposal/bids are received, the Purchasing Department will evaluate them to ensure that each bidder meets the SOW and will recommend the best qualified bid and competitive proposal/bid. If a proposal is submitted late, the Purchasing & Supply Manager will determine if the proposal should be accepted or rejected.

Exceptions to carrying out the bidding process are when:

- The Board of Directors passes a resolution to single source the work.
- The item or project is under \$2,500, unless required by the Purchasing & Supply Manager.
- A specialized item or project is required and vendors/contractors are limited or the vendor/contractor has previously proven their expertise in this field. (Sole Source)
- Work is required immediately (e.g. a broken water main).
- A current material purchase agreement or annual service contract is expiring using a proven vendor/contractor and their pricing does not increase.
- A contractor is currently working under a service contract and the same work is required for a one-time project.
- Having received no complaints from a contractor currently working if no price increases.
- Blanket purchase orders are used. Items are supplied without agreed prices on an emergency basis only.
- Change Order to an existing contract, as per the Board-adopted Contract Change Order Policy.

5. AWARD PROCESS

- a. After proposal/bids are received, opened, and analyzed by staff, a detailed Contract Award report will be prepared for the appropriate Committee or Board as outlined in the Board-adopted Delegation of Action and Commitments Matrix. The Contract Award report will be prepared by the Division overseeing the services to be contracted for, and shall include a comparison spreadsheet listing all the proposals/bidders; a description of the services to be contracted for; and staff's recommendations.

6. CONTRACTS

Following the competitive bidding process, the parties enter into an agreement. The process and document differs between product and services:

- a. Supply item:

The Buyer uses the Purchase Requisition (PR) to create a Purchase Order (PO) and then forwards it to the vendor.

- b. Stock item:

A material purchase agreement is written and after execution the Warehouse Department creates purchase requisitions when the stock items are required. The requisitions are approved by the Purchasing & Supply Manager and the items ordered by the Buyers.

- c. Annual service:

A contract is written for the service and when executed a Purchase Order from the requisition is generated to enable payment through the accounting system.

- d. Minor project (Less than \$1,000):

The Purchasing Department obtains approval of the contractor and value from the requesting division. The Contract Administrator adds conditions to the purchase requisition, prepares a Purchase Requisition and the Purchasing Department generates a Purchase Order after all requirements are met, and forwards it to the contractor.

- e. Small Project (\$1,000 - \$25,000):

- f. Medium Project (\$25,000 - \$100,000):

The Purchasing Department obtains approval of the contractor and value from the requesting division and a contract is written for the work. The contract SOW is copied from the RFP with any changes that occurred during the bidding process. The completed contract is signed by the

contractor then by the VMSI CEO or designated Division Director.

The Purchasing Department obtains approval of the contractor and value from the appropriate Committee via the requesting division and a contract is written for the work. The contract SOW is copied from the RFP with any changes that occurred during the proposal/bidding process. The completed contract is signed by the contractor then by two Officers of the Board.

g. Large Project (>\$100,000):

The Purchasing Department obtains approval of the contractor and value from the appropriate Board via the requesting division and a contract is written for the work. The contract SOW is copied from the RFP with any changes that occurred during the proposal / bidding process. The completed contract is signed by the contractor then by two Officers of the Board.

h. Very Large and Special Projects (>\$500,000)

Additional process and specific procedures required for Very Large Projects with direct Board involvement not covered here.

i. Leasing;

Leasing agreement will be forwarded to the appropriate Board for signature. Examples are Copier Equipment, Golf Carts and other agreements that the leasing agent require on their forms.

j. The Purchasing Department will assist the requesting department to cancel a contract or produce written warnings to a contractor.

k. Non-Standard Contracts:

Non-standard contracts will be forwarded to VSM legal counsel with expertise in contract law for review.

7. CHANGE ORDER TO CONTRACTS

a. Per the Board-adopted Change Order Policy.

8. AX FINANCE SYSTEMS

a. When an executed contract is completed, the Contract Administrators will process the PR and a PO will be generated for work approval and payment.

Third Mutual Board Operation Procedures – Contracts

1. Request for Analysis-Determination of Objectives (Project Request Form)

The decision to commission an Analysis Request primarily resides with the Board of Directors however; a committee chair with committee approval may also request an analysis from Staff. There may be situations where a committee will request an analysis from other professional organizations and/or vendors. Certain contracts are processed based upon board-approved service levels and appropriations, and are not a result of an Analysis Review.

2. Analysis Review

The Division Director having jurisdiction over this activity will cause an Analysis to be prepared for the project and preparation for the subject report.

3. Approval of Appropriation by Resolution of Board

Approval of project funding through Budget adoption. With Board approval, a consultant may be engaged to develop preliminary cost estimates for budgeting purposes.

3.1 GRF Capital Improvements Greater than \$500,000

This activity is reserved for All Corporate Members with the Board of Directors. The preparation shall be by Staff.

4. Scope of Work/Specifications

Staff has the responsibility to create the scope of work/specification and the Committee may elect to review it before it is advertised for bids, or requests for proposals are issued.

5. Request for Proposal (RFP)/Bid Solicitation with Scope of Work/Specifications

Staff will prepare the RFP or Bid Solicitation

6. Consultant/Bidders List Preparation

The bidders list will be created by Staff.

7. Consultant Interviews / Pre-Bid meeting

Staff has the responsibility to organize and manage consultant interviews and/or pre-bid meetings. The Committee may elect to participate in the interviews/meetings.

7.1 Bid Opening

The Board does not have to participate in this activity; Bid openings will be conducted by Staff.

8. Bid Review (Price and Cost Analysis)

Staff will prepare the Price and Cost Analysis which will be presented to the Board upon recommendation for contract award.

8.1 Non-Standard Contract Review

Staff will forward non-standard contracts to legal counsel with expertise in contract law for review. After legal counsel has completed the review, Staff will prepare the Price and Cost Analysis and which will be presented to the Board upon recommendation for contract award.

9. Contract Award - \$25,000 to \$100,000

The appropriate committee will review staff's recommendation and approve to award the contract to the vendor best fulfilling the requirements of the RFP/Bid Solicitation. The Board will have final approval of the contract award within the Governing Documents.

9.1 Contract Award – Amounts Greater than \$100,000

The appropriate committee will review and recommend approval for contract award to the Board for the vendor best fulfilling the requirements of the RFP/Bid Solicitations. The Board will have final approval of the contract award within the Governing Documents.

10. Change Orders

Process per the Board-adopted Contract Change Order Policy

11. Administration of Contract and/or Work

Staff performs this activity with reporting, when requested, to the appropriate committee of progress and discussion of any issues which may have a substantial impact on cost or completion date for the project.

12. Project Acceptance

Division Directors overseeing projects in excess of \$100,000 in value will present to the Board a comprehensive report at project completion. The report will outline the project progression and timeline; the final accounting of the contract amounts, including all change orders issued for the project. Staff will recommend the project be accepted by the appropriate Board. Once the Board accepts the project as complete, all retention, bonds, and other moneys due will be released.

CONTRACTS - RESPONSIBILITY MATRIX					
Action	Organization				
Delegation of the Initiation, Authorization and Performance of Actions and Comments that are Within the Responsibility Scope of the Organization	Board of Directors	Committee Chair	Staff	All Corporate Members	Legal Counsel
1. Request for Analysis - Determination of Objectives- Project Request Form	I	I(1)			
2. Analysis Review			P		
3. Approval to fund Analysis	A				
3.1 GRF Capital Improvements Greater than \$500,000	A		P	A	
4. Scope of Work /Specifications		O	P		

5. Request for Proposals (RFP)/Bid Solicitation-Preparation/Delivery			P		
6. Consultant/Bidders List-Preparation			P		
7. Consultant Interviews/Pre-Bid Meeting		O	P		
7.1 Bid Opening			P		
8. Bid Review & Price & Cost Analysis			P		
8.1 Non-Standard Contract Review			P		R
9. Contract Award- \$25,000 to \$100,000	A	R	P		
9.1 Contract Award- Approval Greater than \$100,000	A	O	P		
10. Change Orders- Per Adopted Contract Change Order Policy			P		
11. Administration of Contract and/or Work			P		
12. Project Acceptance (Projects over \$100,000)			P		
Key					
I= Initiate an Activity, directive may come from either, but the directive is required					
I(1)= Initiate activity within Committee charter and with objective parameters					
A= Authorize an activity that is within the Governing Documents					
O= The Committee or Board may choose to exercise participation at this level; if not, the Agent will perform the task					
R= Review reports and/or for Approval, where necessary and appropriate					
P= Performed by Staff					

Director Baum moved, seconded by Director Parsons to approve the resolution as written. By a vote of 10-0-0 the motion carried.

(13) NEW BUSINESS

February 21, 2017

- (a) Secretary of the Board Baum read the following resolution regarding Single Sourcing to Martin & Chapman as Inspector of Election Services for Corporate Members Votes in 2017

RESOLUTION 03-17-18

Approve Inspector of Election Services

RESOLVED, February 21, 2017, that due to Martin and Chapman's agreement to conform to the criteria established in the specifications as an Inspector of Election, carrying the proper insurance, and its familiarity with the Community, the Board of Directors of this Corporation hereby approves to single-source the contract to Martin and Chapman to perform the Inspectors of Election services for all elections in 2017; and

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

Director Baum moved, seconded by Director Parsons to approve the resolution as written. By a vote of 10-0-0 the motion carried.

(14, 14a, & 14b) REPORT OF THE FINANCE COMMITTEE – Director Steve Parsons

Director Parsons reported from the Finance Committee and stated that the report had been revised since publication of the Agenda, and gave a brief update on the Lease and Update report.

- (c) Secretary of the Board Baum read the following resolution regarding Revisions to Deactivation of Cable Service at a Delinquent Member's Unit (**resolution was postponed to the March meeting to satisfy the 30-day notification requirement.**

RESOLUTION 03-17-xx

Revision to Deactivation of Cable Service at a Delinquent Member's Unit, *when a Member becomes 60-Days Delinquent*

WHEREAS, Third Laguna Hills Mutual desires to strengthen delinquency collection procedures; and

WHEREAS, the Collection and Lien Enforcement Policy And Procedures For Assessment Delinquencies states "Failure to pay the assessments or failure to pay interest, a late fee, and/or the Administrative Collection Fee may also result in suspension of Membership in and the ability to use the facilities or services provided by the Golden Rain Foundation of Laguna Woods or by this Mutual"; and

February 21, 2017

WHEREAS, the GRF Board adopted Resolution 90-15-09 which authorizes GRF, at the request of the Mutual, to take disciplinary or suspension action against a Mutual Member which includes, but is not limited to, the suspension of the Mutual Member's right to use the cable TV system; and

WHEREAS, The Board desires to include fines, fees, damage resolutions, any chargeable services or delinquencies that may result in the suspension of a member's right to use GRF facilities and services, and,

NOW THEREFORE BE IT RESOLVED, on March 21, 2017 that the Board of Directors hereby approves deactivation of cable service at a delinquent member's unit, when a Member becomes 60-days delinquent, currently or hereafter, except when a member's payment plan is approved by the Board and remains current; and

RESOLVED FURTHER, that Resolution 03-15-100 adopted July 21, 2015 is hereby superseded and cancelled; and

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

Director Baum moved, seconded by Director Parsons, to approve the resolution with a clarification that the resolution relates to all fees, fines, and chargeable services. By a vote of 10-0-0 the motion carried.

- (d) Secretary of the Board Baum read the following resolution regarding an increase in Late Charge for Fines, Fees, and Chargeable Services from \$10 to \$35 Per Month

RESOLUTION 03-17-XX

Late Charge for Fines, Fees, and Chargeable Services

WHEREAS, the Collection and Lien Enforcement Policy specifies a late charge in the amount of \$20 per month for delinquent assessments; and

WHEREAS, the Corporation also imposes a late charge of \$10 per month for collection efforts on other (non-assessment) delinquent amounts;

NOW THEREFORE BE IT RESOLVED, April 18, 2017, that the Board of Directors hereby approves that the late charge for unpaid Fines, Fees, and Chargeable Services will be a flat fee of \$35 per month, charged at least 25 days after the date of the original invoice; and

RESOLVED FURTHER, that the effective date of the new fee amount will be May 1, 2017; and

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

Director Baum moved, seconded by Director Moldow to approve the resolution as written. By a vote of 10-0-0 the motion carried and the resolution was postponed to the April meeting to satisfy the 30-day notification requirement, to comply with Civil Code §4360.

~~(e) Entertain Motion to Approve Revisions to 2017 Collection and Lien Enforcement Policy - Policy - (Initial notification; must postpone to April to conform to 30-day notification requirement)~~ **REMOVED FROM THE AGENDA**

(f) Director Moldow moved, seconded by Director Frankel to approve creation of an Earthquake Task Force to study the feasibility and financial impact of earthquake insurance. By a vote of 10-0-0, the motion carried.

(15) REPORT OF THE LANDSCAPE COMMITTEE – Director James Tung

Director Tung reported on recent issues and activities from the Landscape Committee.

(16) REPORT OF THE WATER COMMITTEE – Director James Tung

Director Tung reported on recent issues and activities from the Water Committee.

(17) REPORT OF THE MAINTENANCE & CONSTRUCTION COMMITTEE -Director Bert Moldow

Director Moldow reported that the Maintenance & Construction Committee did not meet this month and that Item 17(a) was pulled from the Agenda because it has not been heard in the Committee as of this date.

~~(a) Paving Program Acceptance Report~~ **REMOVED FROM AGENDA**

(18) REPORT OF THE ARCHITECTURAL CONTROL AND STANDARDS COMMITTEE – Director Bert Moldow

Director Moldow reported on recent issues and activities from the Architectural and Standards Committee.

(a) Alternative Construction Material for Patios, Balcony Covers, and Solariums.

1. Secretary of the Board Baum read the following resolution to approve Alternative Construction Materials for Newly Constructed External Surfaces:

RESOLUTION 03-17-XX

Alternative Construction Materials for Newly Constructed external Surfaces.

February 21, 2017

WHEREAS, the Board of Directors of this corporation adopted Resolution 03-03-09 on January 21, 2003, which amended a portion of the standards with regard to Section 23 – Balcony and Patio Cover, Wood, (revised May, 1996); and

WHEREAS, the Architectural Control and Standards Committee of this Corporation recognizes the need to make further changes to the Third Laguna Hills Mutual Standards, (revised April, 1996); and

WHEREAS, Laguna Woods Village is experiencing a major dry rot infestation resulting in costly remediation work; and

WHEREAS, the use of wood on newly constructed external surfaces such as fascia boards, terraces, railings, walls, and arbors is now prohibited; and

NOW THEREFORE BE IT RESOLVED, April 18, 2017, that Section 23 – Balcony and Patio Cover, Wood is hereby eliminated; and

RESOLVED FURTHER, that Resolution M3-96-28, adopted May 21, 1996 is hereby amended; and

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

Director Baum moved, seconded by Director Parsons to approve the resolution as written. **By a vote of 10-0-0 the motion carried and the resolution was postponed to the April meeting to satisfy the 30-day notification requirement, to comply with Civil Code §4360.**

Secretary of the Board Baum read the following resolution to approve Alternative Construction Materials for Solariums

RESOLUTION 03-17-XX

Alternative Construction Materials for Solariums

WHEREAS, the Board of Directors of this corporation adopted Resolution M3-96-28 on May 21, 1996, which approved the Third Laguna Hills Mutual Standards, (revised April, 1996); and

WHEREAS, the Architectural Control and Standards Committee of this Corporation recognizes the need to further amend a portion of the alteration standards with regard to Section 29 – Solariums;

NOW THEREFORE BE IT RESOLVED, April 18, 2017, that Mutual Alteration Standard Section 29 – Solariums is hereby amended as attached to the official minutes of this meeting; 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; and

RESOLVED FURTHER, that Resolution 03-03-10 adopted January 21, 2003 is hereby amended, and Resolution 03-06-42 adopted September 19, 2006 is hereby superseded and cancelled.

Director Baum moved, seconded by Director Parsons to approve the resolution as written. **By a vote of 10-0-0 the motion carried and the resolution was postponed to the April meeting to satisfy the 30-day notification requirement, to comply with Civil Code §4360.**

THIRD LAGUNA HILLS MUTUAL

SECTION 29: Solariums

FEBRUARY, 1992

REVISED JANUARY 2003, RESOLUTION 03-03-10

REVISED SEPTEMBER 2006, RESOLUTION 03-06-42

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

1.0 GENERAL REQUIREMENTS

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

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

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

2.0 **SPECIFICATIONS/ APPLICATIONS**

- 2.1 A solarium is a glass-enclosed room whose walls and ceiling permit passage of the sun's rays, is constructed on a concrete area that adjoins the manor at ground level, and does not serve as a walkway or landing.
- 2.2 Posts must be of ~~wood~~ or aluminum only. Plant-ons are optional.
- 2.3 All posts are to be on an existing slab or inside patio walls. Posts may be placed on existing alteration wall(s) only if such wall has been constructed and approved for such application.
- 2.4 Structural framing must match the color of the existing trim as closely as possible. Color may match stucco in some cases where no wood trim exists, as determined by the Permits and Alterations office.
- 2.5 Plastic panels as produced by the manufacturer of patio covers or enclosures may be installed per International Conference of Building Officials (I.C.B.O.) approved specifications outlined by the manufacturer. No corrugated, non-structural panels will be allowed.
- 2.6 Downspouts shall be painted to match the surface to which they are attached. Downspouts shall not empty into other patio areas or hinder maintenance or drainage in any way.
- 2.7 Air conditioning units may not exhaust into the solarium enclosure.
- 2.8 In no case shall additional plumbing, heating fixtures, or air conditioning units be added as part of such enclosure.

- 2.9 All attachments, directly to existing surfaces, shall be properly sealed to prevent damage to Mutual property. Any/all such damage shall be the responsibility of the manor owner.
- 2.10 The Mutual member is solely responsible for the maintenance and repair of the solarium enclosure, and is responsible for all costs associated with any other damage to Mutual property that may result from the installation of the solarium enclosure.
- 2.11 All work and materials required to complete such enclosure shall conform to all applicable city and county codes and/or state ordinances not included herein. Plans and specifications shall be submitted to the Permits and Inspections office at the time of Application for Permit.
- 2.12 A solarium cannot be installed in an area where a Standard Plan exists for a room addition.
- 2.13 Doors may only be installed on the ends or short sides of the solarium enclosure as approved by the permits and Inspections office, and required stoops shall be installed per the Uniform Building Code.

3.0 SURFACE PREPARATION

- 3.1 Prior to any installation, existing patio surfaces shall be checked for any defects or irregularities which might affect such installation or cause any future damages to the building.
- 3.2 All attachments to the patio slab must be directly to the patio surface, not applied over any type of material applied over the patio surface.

4.0 FRAME OR TRACK

- 4.1 Frames and/or tracks are to be of wood or aluminum only. The dimensions shall be kept to a minimum to optimize the area of glass firmly in place. All wood shall be painted to match existing surfaces to which it is attached. All aluminum shall be anodized bronze unless others exist if attached to a dark painted surface; aluminum or white powder coated color if attached to a light surface. Pre-existing enclosures on the building shall set color precedence on the same elevation.

5.0 TYPE OF GLASS

- 5.1 All glass used must be clear in nature and be of tempered-type safety glass; no less than 1/8" thick. Installation of a structure with glass that is thicker than 1/8" could be considered a habitable room addition and Uniform Building Code

specifications for engineering would be required for the structure, and may require Board approval, to be determined by the Permits and Inspections office.

- 5.2 Glass shall be single-pane type.
- 5.3 Frosted, bottle-type, stained, or louvered-glass type shall not be allowed.
- 5.4 Solar glass, tinted glass, smoke-type glass or film that is applied to glass at the time of manufacture shall be accepted provided it conforms to Sec. 5.5.
- 5.5 Reflective tints or films applied to glass after manufacture may be applied to glass providing it does not have a reflectivity factor of more than 15%. Documentation of such material must be on hand and approved before such application.

(19) **REPORT OF THE ENERGY AND TECHNOLOGY COMMITTEE** –Director Bill Walsh

Director Walsh reported on recent issues and activities from the Energy and Technology Committee.

- (a) Secretary of the Board Baum read the following resolution regarding approving staff's recommendation to amend the Third Laguna Hills Mutual Vehicle, Traffic and Parking Rules – Plug in Electric Vehicles. **Resolution.** Motion carried by a vote of 10-0-0.

RESOLUTION 03-17-19

PEV Vehicles Permitted to Utilize 120 Volt Outlets in the Common Areas

WHEREAS, the State of California and the US Government offer significant financial incentives to buyers to encourage their purchase or leasing of PEVs (Plug-In Electric Vehicles) due to reduced greenhouse gases, Laguna Woods should do what it can to support the government's environment objectives; and

WHEREAS, all PEVs support charging using a 120 volt circuit; it places a charging load similar to that of a golf cart and in some cases actually requires lower power demand than some golf carts; and

WHEREAS, no data is available to ascertain the circuit capacity utilized on the 120 volt circuits, and it would be costly to hire a consultant to identify all 120 volt circuits and the existing power demand on those circuits, it is deemed more reasonable to take any corrective action at the time an excessive loading condition occurs; and

WHEREAS, on September 15, 2015 the Board authorized resident owned or leased PEVs to utilize 120 Volt outlets in the common areas at a fee; and

WHEREAS, a recommendation has been made to lower the fee and eliminate the tracking of mileage and calculated usage;

NOW THEREFORE BE IT RESOLVED, on January 24, 2017 Resolution 03-17-04 amending the Third Laguna Hills Mutual VEHICLE, TRAFFIC, AND PARKING RULES was adopted by the Third Board;

FURTHER RESOLVED, that Resolution 03-17-04 is hereby amended and superseded to clarify that an electricity usage flat fee of \$240 per year or \$20 per month may be pro-rated for PEV's registered during the year.

7.13 PLUG IN ELECTRIC VEHICLES (PEV)

NON-RESIDENT PEVs are prohibited from connecting to common area outlets, except for self-contained, fee-per-use charging stations.

Any PEV connected to a common area outlet without authorization may be disconnected by Security staff, in addition to the other enforcement actions allowed in these rules.

Owners of PEVs are solely responsible for the proper use and maintenance of their vehicle and any associated equipment used in charging the vehicle and may not make any unauthorized alterations to Mutual outlets, wiring, circuit breakers or electric service panels.

RESIDENT VEHICLES that are battery electric powered GOLF CARTS may connect to Mutual common area electricity upon payment of the electrical use fee set by the BOARD. A GRF decal is not authorized on any GOLF CART when the electrical use fee is not paid.

RESIDENT PEVs of other types (e.g. battery electric and plug-in hybrid vehicles) are allowed to connect to Mutual electricity upon payment of the electrical use deposit and fee set by the BOARD, and properly display on the vehicle a Third Mutual issued Electric Vehicle decal.

- An electricity usage flat fee of \$240 per year or \$20 per month may be pro-rated for PEV's registered during the year. The fee is required for every PEV registered to any MANOR that does not have a private garage, or a private charging station per the requirements of the BOARD-approved Alteration Standard Section 44 Electric Vehicle Charging Stations.
- Participating PEVs will be issued a Mutual authorized decal, affixed by staff to the exterior of the rearmost window in the lower corner furthest from the driver.

- The decal is the property of Third Mutual and may be revoked upon expiration, withdrawal or termination from program, or non-compliance with these rules.



- The decal signifies the PEV is authorized to connect to outlets in the Third Mutual common area.
- Connection to outlets controlled by GRF, United, or Mutual Fifty is prohibited, except for self-contained, fee-per-use charging stations.
- Connection to an outlet metered at any individual MANOR is prohibited without the controlling RESIDENT'S express permission.

7.14 EXTENSION CORDS

In the interest of safety, unattended extension cords may not be used IN THIRD for any purpose. Any unattended extension cord may be disconnected by Security staff, in addition to the other enforcement actions allowed in these rules.

7.15 FINES

Fines for violation of §7.13 – 7.14 are as follows:

- First Offense: \$0
- Second Offense: \$25
- Each Subsequent Offense: \$50

RESOLVED FURTHER, that Resolution 03-15-129 approved September 15, 2016 is hereby superseded and cancelled; and

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

Director Baum moved, seconded by Director Soule to approve the resolution as written. The motion carried by a vote of 10-0-0.

February 21, 2017

- (b) Secretary of the Board Baum read the following resolution regarding Modification of Resolution 03-16-118 for Solar Panels – Two Story Buildings. **Resolution.**

RESOLUTION 03-17-20

Alternative Standards Section 45 Solar Panels, 2 Story Buildings

WHEREAS, the Board of Directors of this Corporation adopted Resolution M3-96-28 on May 21, 1996, which approved the Third Laguna Hills Mutual Standards: and

WHEREAS, the Maintenance & Construction Committee of this Corporation recognizes the need to amend a portion of the Mutual Alteration Standards with regard to Section 45 Solar Panels, 2 Story Buildings;

NOW THEREFORE BE IT RESOLVED, February 21, 2017, that Mutual Alteration Standard Section 45 Solar Panels, 2 Story Buildings is hereby amended as attached to the official minutes of this meeting; and

RESOLVED FURTHER, that Resolution 03-16-118, adopted November 18, 2016 is hereby superseded and cancelled; and

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

Third Laguna Hills Mutual

**Section 45 - Solar Panels, 2 Story Buildings
with Flat Roofs**

**ADOPTED OCTOBER 2014, RESOLUTION 03-14-108
REVISED JANUARY 2016, RESOLUTION 03-16-09**

1.0 GENERAL REQUIREMENTS

- 1.1 PERMITS AND FEES:** A Mutual Consent for Manor Alteration(s) is required for all alterations to the building. A City of Laguna Woods permit may be required. All fees for both Mutual Consents and City permits shall be paid for by the Member and/or his or her contractor. Member and/or his or her contractor must provide the Manor Alterations Department with City permit number(s) prior to beginning work.
- 1.2 MEMBERS' RESPONSIBILITY:** The Member is solely responsible for the maintenance, repair, and/or removal of all alterations to the building.

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

2.0 **APPLICATIONS**

- 2.1 In this section, "Solar Panel" refers to roof mounted panels that use solar energy to generate electricity using photo-voltaic cells (Solar Electric System).
- 2.2 This section refers to two story dwellings with shared flat roof space. The system shall be designed so the panel array does not encroach outside of the area allocated on the roof for each owner of a manor. Refer to Pages 6, 7, 8, 9 and 10 for roof allocation on the flat roofs of 6-, 8-, and 12-unit buildings. Assigned spaces that have had a previous alteration installed such as, but not limited to, skylights and solar tubes, not allowing a down stairs member to install solar panels in their space will be assigned a new space by staff if available.

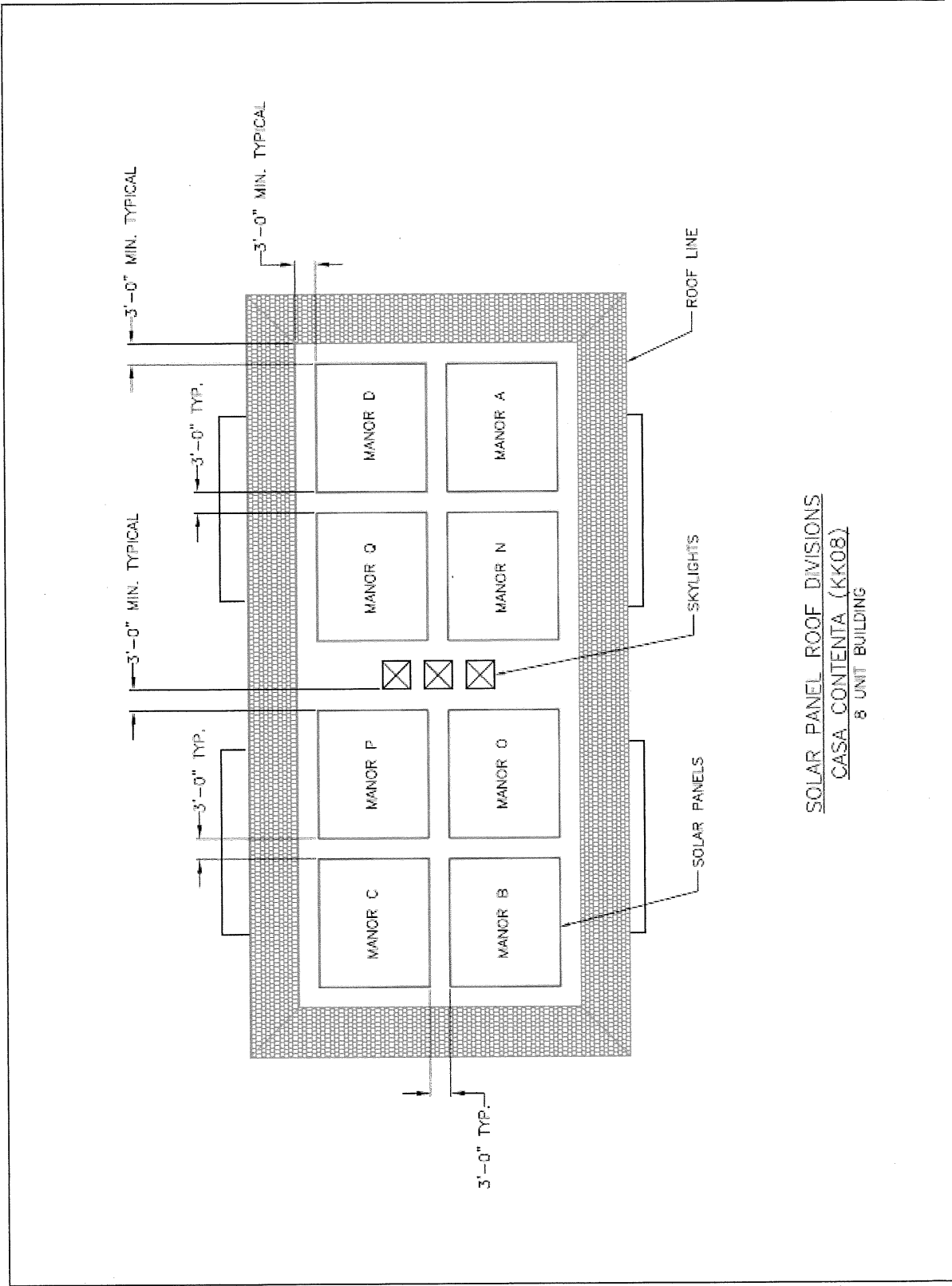
- 2.4** Detailed, site-specific plans, including for all electrical lines for the solar panel installation, including penetrations, shall be submitted to the Manor Alterations Department for approval.
- 2.5** Detailed plans of the installation of roof jacks should be submitted to the Manor Alterations Department for approval, and installation of roof jacks, including hot mopping and flashing, is required to be completed during the original installation.
- 2.6** All roof tie-ins must be performed by a C-39 Licensed Contractor. The Member may hire a C-39 Licensed Contractor of their 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, for all installations, all tie-ins must be performed by the Mutual's roofing contractor at the Member's expense.
- 2.7** Mounting systems must be installed with ten inch risers to allow the Mutual's Contractor to properly install the new PVC roof.
- 2.8** Electric lines must be set on blocking above the surface to facilitate re-roofing.
- 2.9** Structural calculations for the existing roof structure, signed and wet-stamped by a California-licensed structural engineer are required to ensure the solar panel system does not compromise the existing roof structure and that the roof is adequate to accept attachments and to support all applied loadings, per the California Building Code and any other applicable laws or ordinances.
- 2.10** The mounting system must have a current Engineering Certification that certifies the system will be structurally adequate and satisfy building codes when installed per the instructions.
- 2.11** The solar panel array must be located a minimum of 3 feet from the edge of the roof; and a minimum of 3 feet shall be maintained between rows of solar panels, and between any architectural features such as, but not limited to skylights, mechanical equipment, and vent pipes in order to enable proper access for maintenance.
- 2.12** The solar panel array cannot be installed over any existing Mutual component or Member alteration.
- 2.13** Flat roof mounting shall be set with the highest point flush with the top of the parapet wall so as to be hidden from the ground or surrounding properties.
- 2.14** Lag screws must have adequate pullout strength and shear capacities.

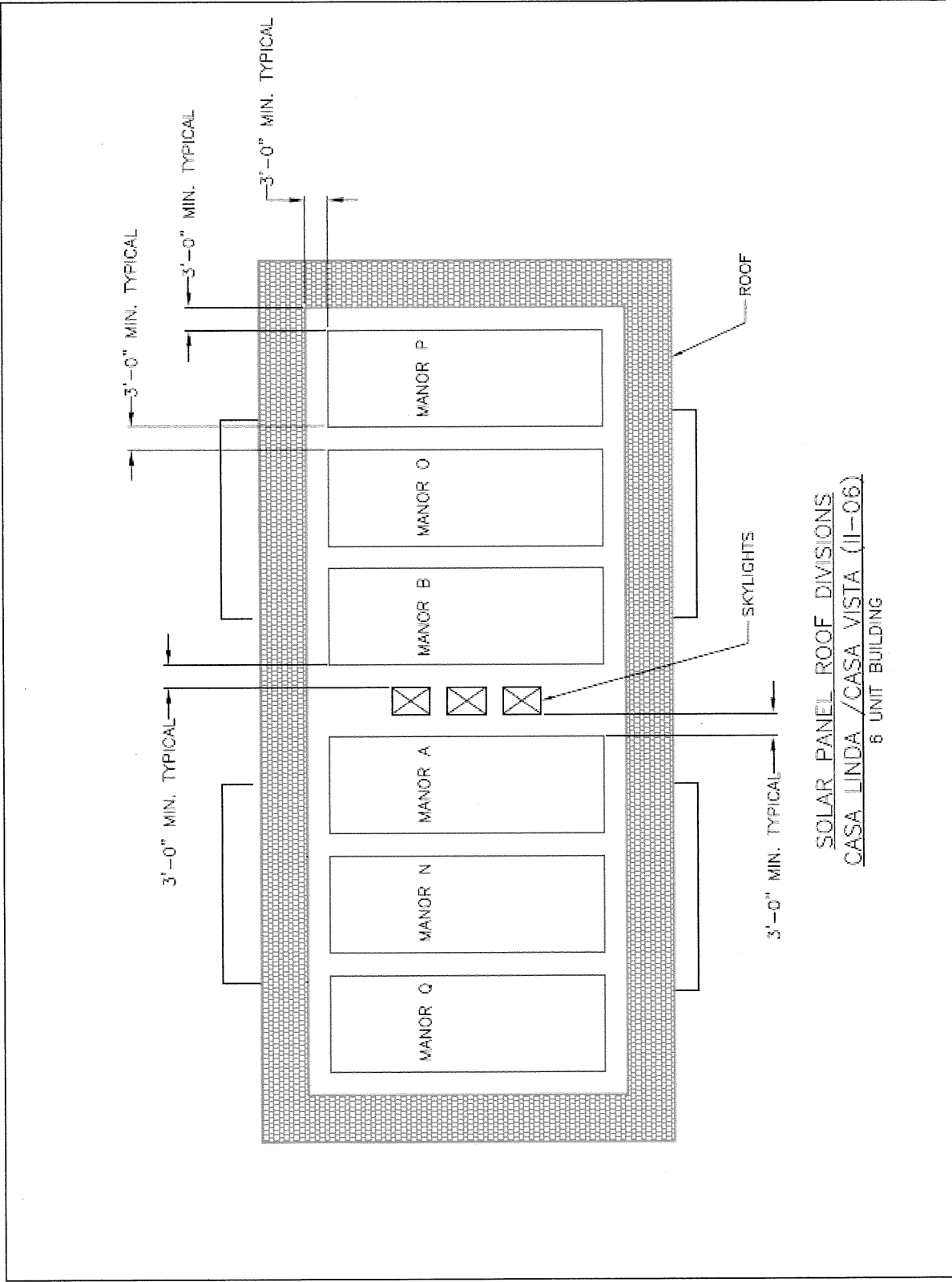
- 2.15 The waterproof integrity of the roof, including the selection and use of appropriate flashing and sealers, must be maintained.
- 2.16 Solar Electric Panels, and their associated electrical components, must be UL listed, or comply with equivalent international standards.
- 2.17 The use of solar micro-inverter or power optimizer technology is required due to the potential number of separate systems that could be installed on one building.
- 2.18 A solar panel system may only serve a single Manor.
- 2.19 Leasing of Solar Panels is permitted only under the following conditions:
 - a. Only pre-paid leases are permitted, and Member must provide the Mutual a copy of the pre-paid lease contract together with proof of payment before any work on the construction or installation of the solar panel system begins; and
 - b. The pre-paid lease contract must be assignable by the Member.
- 2.20 Panels for water solar heating systems are not permitted.

3.0 **OBLIGATIONS**

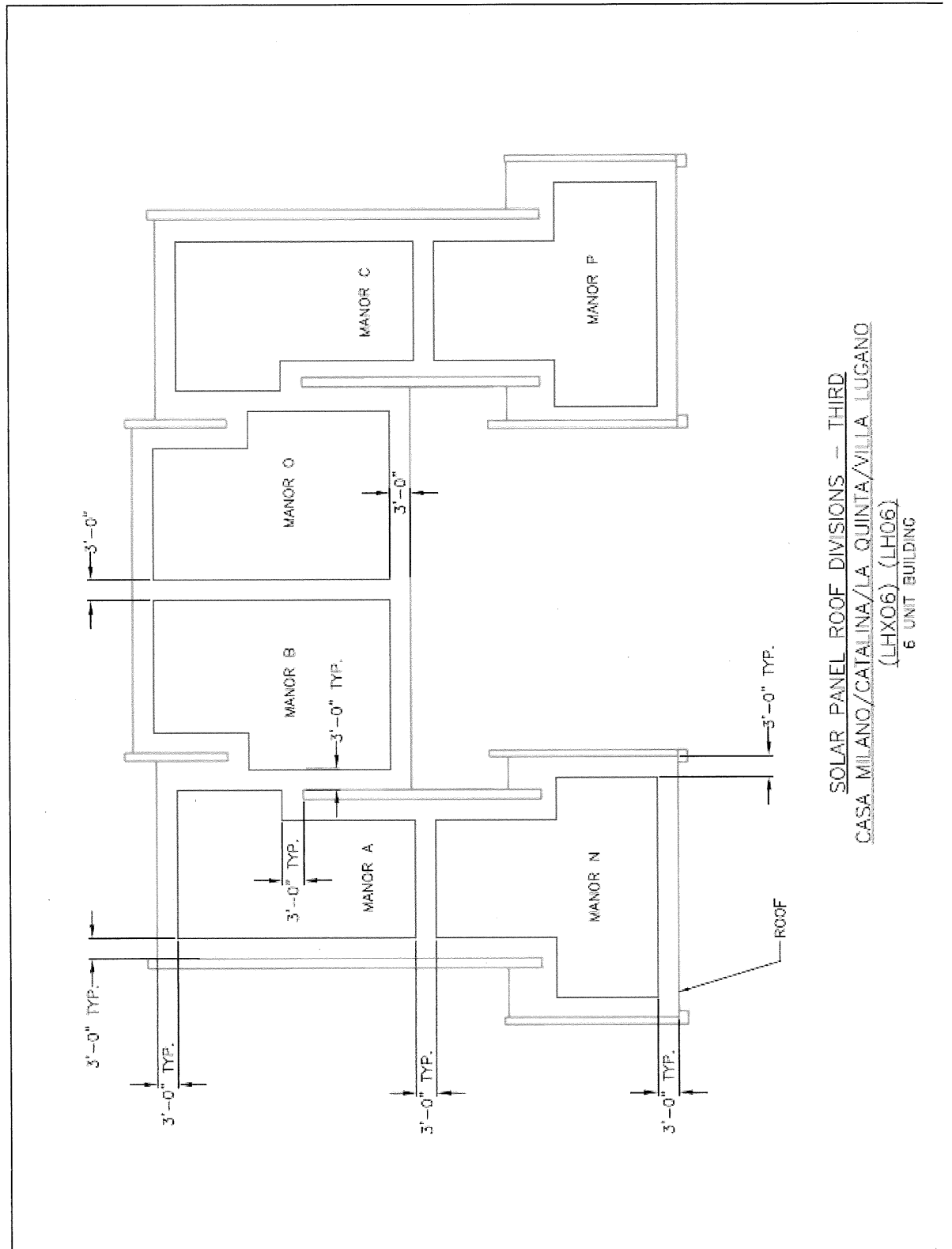
- 3.1 Member accepts responsibility and agrees to pay for repairs to common areas, including but not limited to roofing, framing, wiring and drywall caused, in whole or in part, by Member's solar panels or their installation, operation, maintenance or removal, and Member accepts all responsibility for damage to Member's Manor or other Manors or to personal property caused or contributed to by the installation, operation, maintenance or removal of the solar panels.
- 3.2 The Member is responsible for, and will bear all costs associated with removing, altering, covering or reinstalling the alteration as may be necessary or appropriate to allow the Mutual to conduct maintenance or repairs of common area. If the Mutual gives a minimum of thirty (30) days advance written notice of the need to remove, alter, cover or replace the solar panel and the Member does not accomplish this within five calendar days before the removal, alteration, or covering is necessary, then the Mutual will accomplish the removal, alteration or covering at the Member's cost, which will be billed as a Chargeable Service to the Member.
- 3.3 The Member is responsible for, and will bear all costs associated with, clean-up or repair of Mutual owned or controlled property made necessary by or resulting from the alteration.

- 3.4** All costs associated with roof replacement above and beyond the typical cost for roof replacement due to the solar panel installation shall be borne by the Member(s).
- 3.5** The roof area for possible solar panel installation is allocated to Manors within a given building as in the attached diagrams. It is Member's responsibility to ascertain and adapt to any roof interference by vents or other roof installations already in place.
- 3.6** Upon sale of Member's Manor, all obligations herein shall apply to all subsequent owners of the Manor.
- 3.7** If Member discontinues use of the solar panels, Member will remove panels, all associated parts, connections and wiring associated with the solar panels after giving notice to the Mutual through the Permit and Inspections office.
- 3.8** Regardless of the roof type, the restoration of the roof must be performed by the Mutual's roofing contractor at the Member's expense.
- 3.9** Member must present to the Mutual a vendor/installer agreement that requires vendor to hold harmless and indemnify the Mutual for any and all claims, damages, costs and expenses, including attorney fees related to or arising from the installation, use, maintenance, repair or removal of the solar panel system.

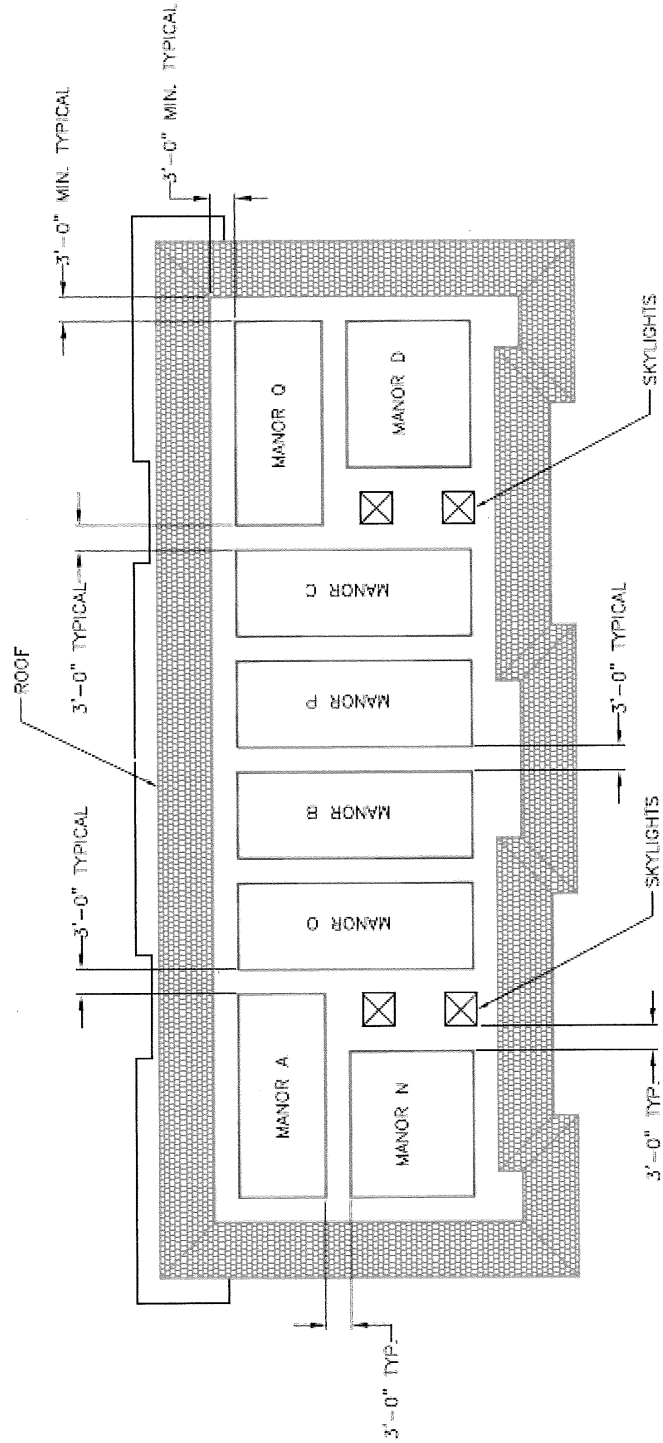




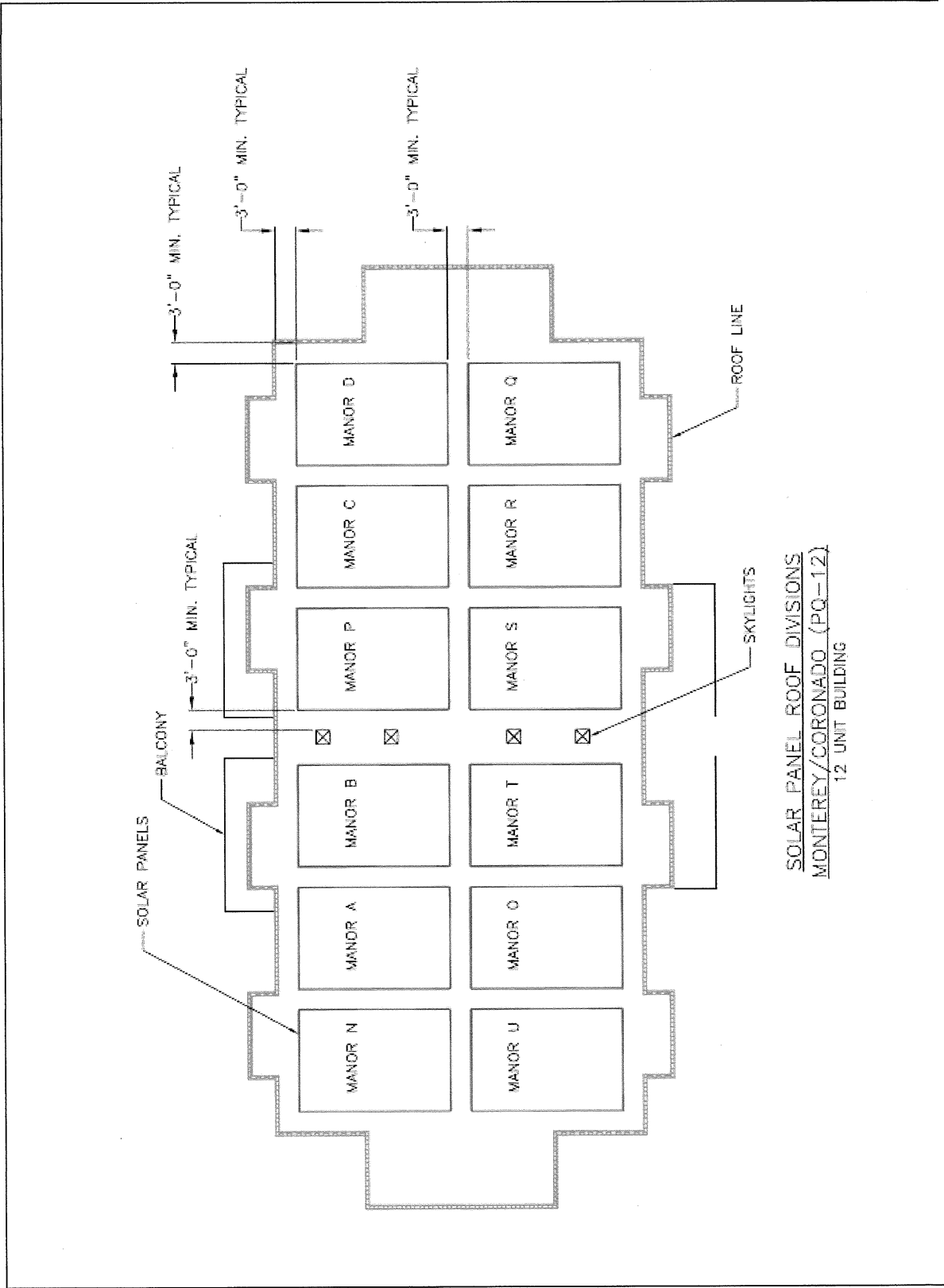
February 21, 2017



SOLAR PANEL ROOF DIVISIONS -- THIRD
CASA MILANO/CATALINA/LA QUINTA/VILLA LUCANO
(LHX06) (LH06)
6 UNIT BUILDING



SOLAR PANEL ROOF DIVISIONS
CASTILLA / LA BRISA (HH08)
8 UNIT BUILDING



Director Baum moved, seconded by Director Soule to approve the resolution as written. The motion carried by a vote of 10-0-0.

**(20) REPORT OF RESIDENT PROBLEM RESOLUTION SERVICES COMMITTEE—
Director Burt Baum**

Director Baum reported on recent issues and activities from the Resident Problem Resolution Services Committee.

(21) REPORT OF THE LAGUNA WOODS VILLAGE TRAFFIC HEARINGS COMMITTEE – Director John Frankel

Director Frankel reported on recent issues and activities from the Laguna Woods Village Traffic Hearings Committee.

(22) REPORT OF THE COMMUNICATION COMMITTEE- Director Burt Baum

Director Baum reported on recent issues and activities from the Communications Committee.

**(23) REPORT OF THE RESIDENT POLICY AND COMPLIANCE TASK FORCE -
Director Baum**

Director Baum reported on recent issues and activities from the Resident Policy and Compliance Task Force. He stated that Item 23(a) has been continued to the Third Board Meeting of March 21, 2017.

(a) Entertain Motion to Approve the Lease Policy and Forms **CONTINUED TO
MARCH 21, 2017**

(24) GRF CFOMMITTEE HIGHLIGHTS

- Director Parsons reported that new lifeguards have been hired, and more fitness classes have been planned

(25) DIRECTORS' COMMENTS

- Director Moldow Noted that on the previous Friday, he observed two electric chargers on a garage floor in a Garden Villa unit; reminded residents that this is extremely dangerous
- Chair diLorenzo informed the Directors that she has updated the committee assignments and will present them for consideration on the Meeting of March 21, 2017.

(26) MEETING RECESS

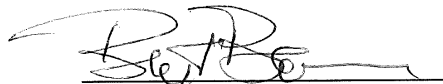
February 21, 2017

The Regular Open Session Meeting recessed at 12:45 PM and reconvened into the Regular Executive Session at 1:15 PM.

CLOSED EXECUTIVE SESSION AGENDA

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

1. Approval of Agenda
2. Approval of Minutes of Meeting
 - (a) January 24, 2017 – Regular Executive Session
 - (b) January 30, 2017 – Special Executive Committee Hearing
3. Hold Disciplinary Hearings and Discuss Member Disciplinary Matters
4. Discuss and Consider Member Matters
5. Discuss Personnel Matters
6. Discuss and Consider Contractual Matters
7. Discuss and Consider Litigation Matters



Burt Baum, Secretary
Third Laguna Hills Mutual

Board Member	Email Address	Telephone
Burt Baum	bsqrd54@gmail.com	949-597-4265
Susan Caine	suzcaine@mac.com	
Bunny Carpenter	hnybny871@yahoo.com	714-329-4202
R. di Lorenzo Dickins	rdd0128@gmail.com	949-943-7430
John Frankel	jfrankel@prodigy.net	949-581-2377
Bert Moldow	bmoldow@gmail.com	949-587-9776
Steve Parsons		949-597-4265
Annette Soule		949-380-7715
James Tung	Tungjp88@gmail.com	626-839-3376
Bill Walsh	email4billw@gmail.com	949-587-0672
Jules D. Zalon	jzalon@zalon0ffice.com	973-324-5929

Please address your letter to a Director by name to:

Third Mutual Board of Directors
Community Center
24351 El Toro Road
Laguna Woods, CA 92637