



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

**Tuesday, November 19, 2019 - 9:30 a.m.
Laguna Woods Village Community Center Board Room 24351 El Toro Road,
Laguna Woods, California**

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

Directors Absent: None

Staff Present: Jeff Parker, CEO, Siobhan Foster, Eileen Paulin and Cheryl Silva

Others Present:

1. Call meeting to order / Establish Quorum

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

2. Pledge of Allegiance

Director Frankel led the Membership in the Pledge of Allegiance.

3. Acknowledge Media

President Parsons acknowledged the presence of the media.

4. Approval of Agenda

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

President Parsons called for the vote, and the motion passed unanimously.

5. Approval of Minutes

- a. October 4, 2019 – Special Open Meeting (Board Planning)
- b. October 15, 2019 – Regular Open Meeting
- c. October 29, 2019 – Special Open Meeting (Board/VMS Appointment)

Director Bhada made a motion to approve the October 4, 2019—Special Open Meeting, October 15, 2019—Regular Open Meeting and October 29, 2019, Special Open Meeting minutes, as presented. Director Jarrett seconded the motion.

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

6. Report of the Chair

President Parsons asked everyone to pay attention to the meeting because the Board has some important information to share. He asked the new director, Robert Mutchnick, to introduce himself. The Third Board is accepting applications for the vacancy on the Third Board. Nominations close December 11, 2019 at 5:00 p.m.

Open Forum

Several Members spoke about various issues:

- A Member commented about the Laguna Woods Foundation and the benefits of the Foundation. The Foundation has partnered with the Alzheimer's Orange County to help residents dealing this disease. Residents are encouraged to contact the Laguna Woods Foundation if they need assistance;
- A Member commented about the street light pilot program;
- Members commented about the Village Energy Task Force;
- A Member commented about the construction around their street and asked about the maintenance schedule.
- A Member commented about the minutes.

8. Responses to Open Forum Speakers

Board Members responded to the Members' concerns and requests:

- Director Parsons responded about the street lighting;
- Several Directors responded about the maintenance schedule;
- Jeff Parker, CEO, responded about the maintenance schedule which is posted on the website;
- Director Parsons asked staff to look into the minutes.

9. CEO Report

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

- City of Laguna Woods El Toro Road median upgrades;
- OCTA I-5/El Toro Road Interchange project update;
- Caltrans is working on two other projects to create more capacity;
- Streetlight pilot testing continues;
- SCE drones will appear overhead soon to inspect their equipment;
- Pool maintenance continues at pools 1, 2, 4, and 5. The pools will remain open during construction;
- New search tool function has been updated on the website;

- VMS Holiday hours for Thanksgiving is available on the website;
- The Annual Village Holiday Festival will be held on Friday, December 7th.
- Laguna Hills Mall rehabilitation update;
- CEO is working with Chris Macon, City Manager of Laguna Woods, to expedite the permit process for manor alterations;
- Toy donations can be dropped off at the Community Center in in the Clubhouse lobbies for Camp Pendleton Marine families;
- New bus system will be implemented January 2020.

President Parsons asked the residents for their feedback about the street lighting pilot program by December 2.

10. Consent Calendar

10a. Landscape Committee Recommendations:

- (1) Recommend to Approve of Request to Revise Landscape Adjacent to Manor (5165 Belmez) and convert to drought tolerant plantings at cost of member

RESOLUTION 03-19-110

APPROVE THE REQUEST TO REVISE LANDSCAPE ADJACENT TO 5165 BELMEZ

WHEREAS, on October 10, 2019, the Landscape Committee reviewed a request to revise the existing landscaping adjacent to 5165 Belmez and to convert it to drought tolerant plantings at the cost of the Member and;

WHEREAS, the Committee recommended approving this request to revise the existing landscaping adjacent to 5165 Belmez and to convert it to drought tolerant plantings since the plant material will be the same or similar to those currently being planted by Staff in the community. The approval of this request has the following conditions:

- All costs for design, construction, and maintenance of the improvement are the responsibility of the Member Owner at 5165.
- The requesting members understand that the area will remain Common Area subject to the use and passage of all members of Third Mutual.

NOW THEREFORE BE IT RESOLVED, November 19, 2019, the Board of Directors approves the request to revise the existing landscaping adjacent to 5165 Belmez and to convert it to drought tolerant plantings;

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

- (2) Recommend to Approve Request for Removal of One Fern Pine Tree (5586-A Via Dicha) due to presence of girdling roots and poor root structure

RESOLUTION 03-19-111
APPROVE THE REQUEST FOR REMOVAL OF ONE FERN PINE
5586-A VIA DICHA

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 October 10, 2019, the Landscape Committee reviewed a request for the removal of one Fern Pine tree. The request was received from the Member at 5586-A, who cited the reasons as structural damage and overgrown and;

WHEREAS, the Committee recommended approving the request for the removal of one Fern Pine tree located at 5586-A Via Dicha due to the presence of girdling roots, which is an indication there is poor root structure making the tree susceptible to failure. Additionally, there is rising of the common area walkway.

NOW THEREFORE BE IT RESOLVED, November 19, 2019, the Board of Directors approves the request for the removal of one Fern Pine tree located at 5586-A;

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

- (3) Recommend to Approve Request for Removal or One Indian Laurel Fig (3186-D Via Buena Vista) due to surface rooting

RESOLUTION 03-19-112
APPROVE THE REQUEST FOR REMOVAL OF ONE INDIAN LAUREL
FIG TREE 3186-D BUENA VISTA

WHEREAS, September 20, 2011, that the Board of Directors adopted Resolution 03-11-149, Tree Removal Guidelines:

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

WHEREAS, on October 10, 2019, the Landscape Committee reviewed a request for removal of one Indian Laurel Fig tree. The request was received from the Member at 3186-D who cited the reasons as overgrown and excessive roots at manor foundation and;

WHEREAS, the Committee recommended approving the request for the removal of one Indian Laurel Fig tree located at 3186-D Buena Vista given the fact that the tree has noticeable surface rooting extending to the foundation of the manor, the sewer line clean out, and the sidewalk. There is also a street light near the tree which requires annual clearance trimming at a cost of \$300 per trim. In the past, staff has recommended root trenching as an alternative to the removing of a tree. However, in this case, considering the number of roots involved, the trenching of this tree would leave the tree unstable.

NOW THEREFORE BE IT RESOLVED, November 19, 2019, the Board of Directors approves the request for the removal of one Indian Laurel Fig tree located at 3186-D;

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

10b. Finance Committee Recommendations:

- (1) Recommendation to Approve a Resolution to Record Lien against Member ID# 931-710-19

RESOLUTION 03-19-113
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, November 19, 2019, 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.

- 10c.** Consistent with its statutory obligations the Board members individually reviewed Third Laguna Hills Mutual financials for the month of September 2019, 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 McCary made a motion to approve the consent calendar as presented. Director Jarrett seconded the motion and the motion passed unanimously.

11. Unfinished Business

- 11a.** Entertain a Motion to Adopt a Resolution to Revise Alteration Standard 22: Patio & Balcony Covers

Director Jarrett presented a summary of the following resolution:

RESOLUTION 03-19-114

REVISE ALTERATION STANDARD 22: PATIO & BALCONY COVERS

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

WHEREAS, the Architectural Controls and Standards Committee recognizes the need to revise Alteration Standard 22: Patio and Balcony Cover / Aluminum and Vinyl and,

NOW THEREFORE BE IT RESOLVED, November 19, 2019, that the Board of Directors of this Corporation hereby supersedes and rescinds Resolution 03-13-83 and approves revisions to Alteration Standard 22: Patio and Balcony Cover / Aluminum and Vinyl as attached to the official meeting minutes;

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

JULY Initial Notification

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

Director Jarrett made a motion to Approval of a resolution to revise alternation standard 22: patio & balcony covers. Director Karimi seconded the motion.

Discussion ensued among the Directors.

President Parsons called for the vote and the motion passed unanimously.

11b. Entertain a Motion to Adopt a Resolution to Revise the Co-occupancy Policy

Director Jarrett presented a summary of the following Resolution:

RESOLUTION 03-19-115
REVISE THE CO-OCCUPANCY POLICY

I. Purpose

The purpose of this document is to define the policy of Third Laguna Hills Mutual (Third) regarding Members who seek approval from Third for an individual to be a Co-occupant of the Member's Unit. This Policy shall apply for occupancy by a resident with a Member, not to occupancy of the Member's Unit by a lessee/tenant, which is governed by and subject to provisions of Third's governing documents relating to leasing, including without limitation, the Lease Policy.

II. Definitions

- a. Application – the form prescribed by Third to apply for approval to Co-occupy the Unit (Exhibit A).
- b. Approval – written authorization to Co-occupy the Unit granted by Third or authorized VMS Staff Member(s).
- c. Assessment – the monthly amount which Members are bound to pay pursuant to the terms of the Bylaws and CC&Rs. Also known as carrying charges.
- d. Charge – a fee, fine, and/or monetary penalty that Third may levy upon a Member(s) pursuant to the Governing Documents.
- e. Co-habitants – persons who live together as spouses or persons who are

domestic partners within the meaning of Section 297 of the California Family Code.

- f. Community – Laguna Woods Village.
- g. Co-occupant – a person who resides with a Qualifying Resident and who satisfies at least one of the following criteria and shall provide such additional certification or information as the Corporation or its managing agent may require:
 - i. At least forty-five (45) years of age; or
 - ii. A spouse of a Qualifying Resident; or
 - iii. A co-habitant of a Qualifying Resident, or
 - iv. A provider of primary economic support to a Qualifying Resident; or
 - v. A provider of primary physical support to a Qualifying Resident. (refer to the Private Caregiver Policy)
 - vi. A permanently physically or mentally impaired or terminally ill adult who is a dependent child of the Qualifying Resident or Co-Occupant
- h. Golden Rain Foundation (GRF) – the Golden Rain Foundation of Laguna Hills, a California nonprofit mutual benefit corporation.
- i. Governing Documents – the Articles of Incorporation and Bylaws of Third, the recorded Covenants, Conditions, and Restrictions (CC&R's) applicable to any Unit, the Rules and Regulations, and any Resolutions or Policies of the Board, as the same may be lawfully amended or modified from time to time.
- j. Guarantor – person(s) accepting financial responsibility for an occupant residing in Third. Each guarantor shall enter into an agreement with Third to become financially responsible, jointly and severally, for all expenses associated with the applicant's residency.
- k. Identification (ID) Card – photo ID card issued by GRF to Members, Co- occupants, and Lessees of the Community authorizing use and access to the Community Facilities.
- l. Landlord and Tenant Relationship – for purposes of this document, shall mean a formally executed written agreement between the Owner and a Co-occupant, authorizing the Co-occupant to occupy space in the Manor for a specified dollar amount of periodic payment to the Owner.
- m. Member – Any person entitled to membership in Third as provided in the Articles and By-laws.

- n. Qualifying Resident – any person who is at least 55 years of age and who has been approved by the Board of Directors for occupancy of a Unit.
- o. Staff Member – individual employed by Village Management Services, Inc. (VMS), authorized agent to act on behalf of Third.
- p. Third – the corporate homeowners association that was formed in 1970 and by 1984 had acquired the assets and liabilities by vote of each of the 59 individual mutuals within the larger Leisure World (now Laguna Woods Village), a common interest development, with full authority to “manage, operate, and maintain” them.
- q. Unit – a dwelling unit owned by the Member. Also known as a Manor.
- r. Vehicle Decal – identifying marker, supplied by GRF, to residents; a decal is required for parking within the Community other than by guests or contractors.

III. Fees

See Schedule of Fees.

IV. Terms and Conditions

a. General Information

- i. Third is an independent-lifestyle and age-restricted senior citizen community, as defined by California Civil Code §51.3. No form of healthcare or assisted living is provided by Third. Each resident is responsible for his/her own health, safety, care and welfare.
- ii. Authorization for Co-occupancy shall be effective only when approved in writing by Third and issued in writing by an authorized VMS Staff Member of Third.
- iii. An Application to reside in a Unit shall be made on the form prescribed by Third (Exhibit A). Any changes in such form shall not be deemed a change in this Co-occupancy Policy which requires notice to the Member(s) of Third.
- iv. Approval of the Co-occupancy Application by Third, in and of itself, does not confer any right on the Co-occupant other than the revocable right to occupy the Unit named on the Application.

- v. Third shall, to the extent required by law, provide notice of potential asbestos-containing materials used during construction (Exhibit B) to any approved Co-occupant at the time of approval of a Co-occupancy Application.
- vi. Appearance of the Community is important, and residents, including without limitation Qualifying Residents and approved Co-occupants, are required to keep their balconies, patios, walkways, and carports free of clutter per the Governing Documents.
- vii. The Resident Services Department will notify the Member(s) of the approval or denial status of the application, or of the need for additional information to approve or deny said application, within seven (7) business days of submittal of the complete application.
- viii. Guest occupancy is permitted for a maximum period of sixty (60) days per twelve (12) month period, per guest, solely in conjunction with the occupancy by a Qualifying Resident or Co-occupant. No guest may occupy a Unit in the absence of a Qualifying Resident or Co-occupant.
- ix. Unless otherwise required by law, the maximum number of persons allowed to occupy a Unit is equal to the number of original construction bedrooms plus one: no more than two persons in a one bedroom Unit; no more than three persons in a two bedroom Unit; no more than four persons in a three bedroom Unit. There is an additional monthly GRF fee for each person in excess of two occupying a Unit.
- x. Third and Member(s) have the right to terminate Co-occupant status at any time, without cause. Subject to any restriction or limitation on such right provided by law, including without limitation Civil Code § 51.3.
- xi. Members seeking an individual to share expenses and/or mutual companionship must complete a Co-occupancy application for review and consideration by Third. This would include, for example, such arrangements as friends or companions residing with a Member, widows or widowers with a companion, and other arrangements with companions residing with a Member whether or not they are sharing costs/expenses, so long as such Co-Occupant otherwise meets the requirements for occupancy. A Co-occupant may not be in a Landlord-Tenant Relationship with or a lessee of a Member, and a Lease

Authorization for such co-occupancy will be rejected in accordance with Third's Lease Policy.

- xii. Advertisements by Members for prospective Co-occupants in any print media and/or any websites must state the following:
 - 1. Laguna Woods Village is a 55 and older Community
 - 2. Duration of stay must be longer than 60 days
 - 3. Must apply for and receive Approval for Co-occupancy in Third
 - 4. Co-occupant will be bound by and subject to the provisions of Third's governing documents.

b. Occupancy

- i. Co-occupant(s) shall be entitled to occupy only the Unit indicated on the Co-occupancy Application.
- ii. The Member(s) and Co-occupant cannot have a Landlord-Tenant Relationship. Landlord-Tenant occupancy at Third is governed by Third's Lease Policy, which prohibits leasing of less than the entirety of a Unit and room rentals.
- iii. Both Co-occupant(s) and Member(s) must reside in the Unit; the Board reserves the right to require proof of residency of any Member or Co-occupant who has received Approval for Co-Occupancy.
- iv. Individuals may reside in the Unit as a Co-occupant only if they co- occupy with the Member(s) who is/are in residence, and meet the requirements of a Co-Occupant as described in the governing documents, including without limitation this Co-Occupancy Policy.
- v. Approved Co-occupant(s) will receive a Resident ID and may use the facilities and receive the services made available by GRF, unless such privileges have been revoked against the Member with whom the Co-occupant(s) resides. The facilities and services may be modified or discontinued by GRF at any time.
- vi. Member shall at all times be responsible for the conduct and deportment of the Co-occupant, and subject to disciplinary and/or enforcement action in accordance with Third's enforcement policies and procedures due to violations of the Governing Documents by a Co-occupant.
- vii. Co-occupant shall be subject to the same rules, regulations, and restrictions of the Governing Documents that apply to

Members, except with respect to payment of carrying charges. If at any point in time Co-occupant becomes the legal or equitable owner of the Membership, Co-occupant must apply for Membership in Third in the form generally used by Third and pay all amounts required pursuant to the Membership application.

- viii. Member(s) and Co-occupant(s) shall be equally responsible for payment of any charges incurred by Co-occupant(s) in respect to service provided by GRF or Third that is not included within the Assessments paid by Member(s).
- ix. As a condition of any Co-occupant Approval, Member(s) agrees to pay to Third an additional fee each month for each Co-occupant in excess of two at the rate prescribed by Third, which may change from time to time.
- x. Member(s) shall be responsible for cancelling the Co-occupancy status and returning Co-occupant's ID Card and Vehicle Decal when Co-occupant ceases to reside in the Unit. Use by the Member of a Co-occupant ID Card and/or Vehicle Decal after the termination of residency by the Co-occupant shall be a violation of this Policy and subject to disciplinary action by Third.
- xi. Co-occupant shall not have been convicted of a felony within the last 20 years or a misdemeanor involving moral turpitude within five years immediately preceding the date of application. Approval granted due to false or misleading information on a Co-occupancy Application shall be subject to immediate revocation by Third of the Co-occupant's residency and disciplinary action against the Member in accordance with Third's enforcement policies and procedures.

V. Procedure

- a. The Member(s) must complete and submit the Co-occupancy Application for Board review and receive Approval prior to the occupancy of his/her Unit by a Co-occupant. The Application is available for download at www.lagunawoodsvillage.com or upon request from the Resident Services Department.
- b. The Board or authorized VMS Staff Member(s) will review the Application and approve or deny the request in writing, or, as may be applicable, request additional information necessary to process the Application.

- c. Upon receipt of an Application, the Resident Services Department will research if the Member(s) has/have received notices of rules violations or is subject to any outstanding Charges or Assessments before approval of the application. A Co-occupancy application will not be approved if the Member has any outstanding Charges or Assessments.
- d. The Resident Services Department will notify the Member(s) of the results within seven business days, unless it notifies the Member(s) that it requires additional time to review and/or requests additional information from the Member(s) while conducting its review.
- e. The Resident Services Department hours of operation are Monday-Friday, federal holidays excepted, 8:00 A.M. to 5:00 P.M., phone number (949) 597-4323. Mailing address is P.O. Box 2220, Laguna Hills, CA 92654- 2220.

VI. Enforcement

Third is authorized to take disciplinary action against a Member(s) whose Unit may be found in violation of the Governing Documents. When a complaint is lodged regarding the occurrence of a violation, the Board of Directors has a fiduciary duty to investigate said violation(s) and impose, if appropriate, disciplinary measures as set forth in the Governing Documents.

In accordance with its enforcement and disciplinary powers pursuant to the Governing Documents, the Board has the authority to, without limitation, impose monetary fines, suspend Member(s) privileges, and/or bring forth legal action against a Member whose Unit is found to be in violation. The Member(s) are entirely responsible for ensuring that the Governing Documents and all Community rules and policies are followed by anyone they allow into the Community. This includes, without limitation, any Co-occupant, Lessee, Guest, Care Provider, Vendor, invitee or contractor. Any disciplinary action, restriction or revocation of a Member's privileges applies to the Member's Co-occupant(s) and any guest or invitee of either the Member or Co-occupant.

The Member(s) and Co-occupant(s) must read and agree to comply with and be bound by all the Governing Documents and the Community Rules.

Nothing contained herein shall relieve Member(s) of the performance of any obligation owed to Third and/or GRF under the Governing Documents.

A complaint may be registered by calling the Security Department at 949-580-1400 or the Compliance Division by calling 949-268-CALL or email to compliance@vmsinc.org.

AUGUST Initial Notification
28-day notification for Member review and comment to comply with Civil Code §4360 has
been satisfied.

Director Jarrett made a motion to adopt a resolution to revise the Co-occupancy policy.
Director Karimi seconded the motion.

Discussion ensued among the Directors.

President Parsons called for the vote and the motion passed unanimously.

12. New Business

12a. Recommend to Deny Request for Removing Existing Landscape Adjacent to Manor and Place Pavers in its Stead (3415-A Punta Alta) Alteration Request

Director Jarrett presented a summary of the following Resolution:

RESOLUTION 03-19-116 DENY REQUEST TO REVISE LANDSCAPE ADJACENT TO 3415-A PUNTA ALTA

WHEREAS, on October 10, 2019, the Landscape Committee reviewed a request to remove the existing landscaping adjacent to Manor 3415-A and to place pavers there at their cost and;

WHEREAS, the Committee recommended denying this request to remove the existing landscaping adjacent to the manor and to place pavers there.

NOW THEREFORE BE IT RESOLVED, November 19, 2019, the Board of Directors denies the request to remove the existing landscaping adjacent to Manor 3415-A and to place pavers there;

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 removing existing landscape adjacent to manor and place pavers in its stead for 3415-A Punta Alta. The motion was seconded by Director Mutchnick.

Discussion ensued among the Directors.

President Parsons called for the vote, and the motion passed by a vote of 8-2-0 (Director Bhada and Wayne opposed).

- 12b.** Recommend to Approve Request to Retain Non-Standard Landscape with the Exception of the Stepping Stones (3364-1G Punta Alta) – Retain Non-Standard Landscaping

Director Jarrett presented a summary of the following Resolution:

RESOLUTION 03-19-117
**APPROVE THE REQUEST TO RETAIN LANDSCAPE REVISIONS,
WITH THE EXCEPTION OF THE STEPPING STONES
3364-1G PUNTA ALTA**

WHEREAS, on October 10, 2019, the Landscape Committee reviewed a request for permission to retain, after the fact, new drought tolerant landscape material and stepping stones in an area adjacent to the manor. The request was received from the Member at 3364-1G and;

WHEREAS, the Committee recommended approving the request to retain the drought tolerant landscaping located in an area adjacent to 3364-1G Punta Alta with the following conditions:

- That all costs for design, construction, and maintenance of the improvement are the responsibility of the Property's Member Owner at 3364-1G.
- The requesting Members understand that the area will remain Common Area subject to the use and passage of all members of Third Mutual.
- The stepping stones must be removed immediately.

NOW THEREFORE BE IT RESOLVED, November 19, 2019, the Board of Directors approves the request to retain the drought tolerant landscaping in an area adjacent to 3364-1G, with the conditions indicated above;

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 approve request to retain non-standard landscape with the exception of the stepping stones 3364-1G Punta Alta. The motion was seconded by Director Karimi.

Discussion ensued among the Directors.

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

- 12c.** Recommend to Deny Off-Schedule Tree Trimming (5515-2G Paseo Del Lago W.)
-- Two Cajeput Trees

Director Jarrett presented a summary of the following resolution:

RESOLUTION 03-19-118
DENY THE REQUEST FOR OFF SCHEDULE TRIMMING
OF TWO CAJEPUT TREES
5515-2G PASEO DEL LAGO W.

WHEREAS, on October 10, 2019, the Landscape Committee reviewed a request for off schedule trimming of two Cajepu trees. The request was received from the Member at 5515-2G, who cited the reasons as overgrown, excessive growth due to rains, view obstruction, and pollen on her balcony and;

WHEREAS, the Committee recommended denying the request for off schedule trimming of two Cajepu trees located at 5515-2G Paseo Del Lago W. based on there was ample clearance from the balcony, there are a number on trees in this general area which may or may not be the cause of the pollen situation, and these trees do not meet the policy requirements regarding view obstruction.

NOW THEREFORE BE IT RESOLVED, November 19, 2019, the Board of Directors denies the request for the off schedule trimming of two Cajepu trees located at 5515-2G;

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 Cajepu trees at 5515-2G Paseo del Lago W. Motion was seconded by Director Karimi.

Discussion ensued among the Directors.

President Parsons called for the vote, and the motion passed by a vote of 8-2-0 (Directors Bhada and Wayne opposed).

12d. Entertain a Motion to Introduce a Resolution to Revise the Alternative Fee Schedule

Director Jarrett presented a summary of the following Resolution:

RESOLUTION 03-19-XX
REVISED ALTERNATIVE FEE SCHEDULE

WHEREAS, alteration and variance requests require significant staff time for proper processing, including research, report preparation, and then presentation to the appropriate committee and then the Board; and

WHEREAS, in order to offset administrative costs associated with processing variance requests, which is often followed by multiple resubmittals, and can be followed by an appeal to the Board as mandated in accordance with Resolution 03-13-105; and

WHEREAS, the Mutual currently charges a \$35 fee for a Mutual Consent and a \$150 fee for a Variance; and

WHEREAS, the new alteration fee schedule will be increased to better align the fees with the administrative time required to process said manor alterations; and

WHEREAS, the Board realizes that the current fee schedule does not appropriately cover staff time.

NOW THEREFORE BE IT RESOLVED, December 17, 2019, to partially offset administrative costs associated with processing alteration and variance requests, the Board of Directors of this Corporation hereby revise the alteration and inspection fees as attached to the official minutes of this meeting; the Variance request processing fee will remain at \$150; and

RESOLVED FURTHER, October 20, 2017, that Resolution 03-17-120 adopted October 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 resolution.

NOVEMBER Initial Notification

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

Director Jarrett made a motion, seconded by Director Pearlstone, to introduce a resolution for the revised alternative fee schedule and place it on 28-day review.

Discussion ensued among the Directors.

President Parsons called for the vote and the motion passed to introduce the resolution for 28-day review by a vote of 9-0-1 (Director Mutchnick abstained).

- 12e.** Entertain a Motion to Introduce a Resolution for Revised Alteration Standard 28: Soft Water Units

Director Jarrett presented a summary of the following Resolution:

RESOLUTION 03-19-XX
REVISED ALTERATION STANDARD 28: SOFT WATER UNITS

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

WHEREAS, the Architectural Controls and Standards Committee recognizes the need to revise Alteration Standard 28: Soft Water Units and,

NOW THEREFORE BE IT RESOLVED, November 19, 2019, that the Board of Directors of this Corporation hereby revises Alteration Standard 28: Soft Water Units as attached to the official meeting minutes; 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 as written.

NOVEMBER Initial Notification

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

Director Jarrett made a motion, seconded by Director Bhada, to introduce a resolution for the revised alteration standard 28: soft water units and place it on 28-day review.

Discussion ensued among the Directors.

President Parsons called for the vote and the motion passed unanimously to introduce the resolution for 28-day review.

- 12f.** Entertain a Motion to Introduce a Resolution for Revised Alteration Standard 42: Ramps

Director Jarrett presented a summary of the following Resolution:

RESOLUTION 03-19-XX
ALTERATION STANDARD 42: RAMPS

WHEREAS, the Architectural Controls and Standards Committee recognizes the need to amend a policy to address the proper installation and maintenance of Ramps;

WHEREAS, the Architectural Controls and Standards Committee recognizes the need to revise Alteration Standard 42: Ramps and,

NOW THEREFORE BE IT RESOLVED, November 19, 2019, that the Board of Directors of this Corporation hereby revises Alteration Standard 42: Ramps as attached to the official meeting minutes; 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.

NOVEMBER Initial Notification

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

Director Jarrett made a motion, seconded by Director McCary, to introduce a resolution for the revised alternative standard 42: ramps and place it on 28-day review.

Discussion ensued among the Directors.

President Parsons called for the vote and the motion passed unanimously to introduce the resolution for 28-day review.

- 12g.** Entertain a Motion to Approve a Resolution for Garden Villa Mailroom Flooring Replacement Material

RESOLUTION 03-19-XXX

GARDEN VILLA MAILROOM FLOORING REPLACEMENT MATERIAL

WHEREAS, the flooring in all 53 Garden Villa mailrooms were evaluated and were found to have varying degrees of wear and damage; and

WHEREAS, the Mutual does not have a reserve replacement program for mailroom tile flooring and currently only performs repairs as needed; and

WHEREAS, the Third Mutual Maintenance & Construction Committee of this Corporation is recommending the Board approve ceramic tile as the replacement flooring material in Garden Villa mailrooms; and

WHEREAS, glazed ceramic tile is an ideal material for use as mailroom flooring, which are high traffic areas; ceramic tile is water-resistant, durable, easy to maintain, affordable, and their resistance to allergens make it an appropriate material for use in an area with humid conditions.

NOW THEREFORE BE IT RESOLVED, November 19, 2019 that the Board of Directors of this Corporation hereby authorize glazed ceramic tile as the replacement flooring material in Garden Villa mailrooms; and

RESOLVED FURTHER, replacement of the floor tiles in the mailrooms will be completed in conjunction with the mailroom renovations as needed using a glazed ceramic tile similar in color and design so as to match existing flooring & paint colors in both the elevators and lobbies; and

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

NOVEMBER Initial Notification

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

Director Jarrett made a motion, seconded by Director Bhada, to introduce a resolution for the Garden Villa mailroom flooring replacement material and place it on 28-day review.

Discussion ensued among the Directors.

President Parsons called for the vote and the motion passed unanimously to introduce the resolution for 28-day review.

12h. Entertain a Motion to Approve Supplemental Funding for the Replacement of LH-21 Enclosed Bulletin Board Cabinets

Director Jarrett presented a summary of the following Resolution:

RESOLUTION 03-19-119
SUPPLEMENTAL FUNDING FOR LH-21 DIRECTORY BOXES

WHEREAS, staff evaluated the existing building directory boxes/bulletin board cabinets and found that the boxes have deteriorated, are rusting, and are difficult to operate; and

WHEREAS, the proposed bulletin board has a measurement of 36"x36" with a shatter-resistant clear acrylic panel, an aluminum frame, silver trim finish, and are designed for exterior use; and

WHEREAS, removal of existing directory boxes and bulletin board cabinets at the 28, LH-21 buildings and installation of the one new exterior single door enclosed bulletin board cabinet at each building is unbudgeted and would require a supplemental appropriation in the amount of \$12,585 from the Unappropriated Expenditures Fund, for the work to be completed using an outside vendor.

NOW THEREFORE BE IT RESOLVED, on November 19, 2019, the Board of Directors of this Corporation hereby authorize a supplemental appropriation in the amount of \$12,585 to be funded from the Unappropriated Expenditures Fund, for the replacement of LH-21 enclosed bulletin board cabinets; and

RESOLVED FURTHER, the vendor will remove all existing building directory boxes and bulletin boards at each of the 28, LH-21 buildings, patch and repair the stucco, touch-up paint the area to match existing and install the new exterior single door enclosed bulletin board cabinets; 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 Jarrett made a motion to approve supplemental funding for the replacement of LH-21 enclosed bulletin board cabinets. Director Bhada seconded the motion

Discussion ensued among the Directors.

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

- 12i.** Entertain a Motion to Approve Third Investment Policy Revisions and Direct Sageview to Transition to Index Fund Portfolio

Director Jarrett presented a summary of the following Resolution:

RESOLUTION 03-19-120
THIRD LAGUNA HILLS MUTUAL INVESTMENT POLICY

RESOLVED, November 19, 2019 that the Managing Agent of this corporation, and an outside Investment Manager are hereby authorized to invest the funds of the corporation which, in the opinion of said managing agent are not required within a reasonable time to pay obligations of the corporation; and

RESOLVED FURTHER, that the Board of Directors of this Corporation hereby authorizes the Managing Agent of this corporation, to retain an Investment Manager and to give that Manager discretion to transact

purchases and sales of investments for Third Laguna Hills Mutual's account. Such discretion is subject to the underlying conditions as stated below. The Board will determine the amount to be managed in this discretionary account; and

RESOLVED FURTHER, that all investments on behalf of this corporation must be made with the underlying principles in the following order of priority: (1) safety, (2) liquidity, where applicable, and (3) yield, and are subject to the following conditions:

1. Notification of confirmation shall be given to the managing agent and treasurer of this corporation upon completion of each investment transaction;
2. For funds administered by the Managing Agent in a non-discretionary account, no investment may be sold, withdrawn, redeemed or otherwise converted to cash prior to maturity without a demonstrated immediate need for the funds and the consent of any two of the following: the Treasurer, the President or the 1st or 2nd Vice President of this corporation. Furthermore, if there is a request that an investment be sold, withdrawn or otherwise converted to cash prior to maturity where there has been no demonstrated immediate need, approval must be received from the Board of Directors of this corporation;
3. Funds shall be invested only in authorized investments as provided herein. Authorized investments are limited to:
 - a. Obligations of, or fully guaranteed as to principal by, the United States of America;
 - b. Up to 30% of the portfolio may be invested in Corporate Bonds rated A BBB through AAA; specifically A3/A-/A- Baa3/BBB-/BBB- or better by Moody's/S&P/Fitch. A bond is only required to meet the criteria of one rating service. If a bond does not meet these minimum credit quality criteria in at least one of the above-mentioned rating services, the bond may not be purchased or if owned, must be removed from the portfolio within 30 days. This removal criteria will not apply to bond mutual funds that have a stated objective of investing in investment grade rated bonds. Removal of downgraded bonds that fall below the investment grade rating will be determined by the fund manager.
 - c. No more than 3% of portfolio is to be invested in any one corporate bond issuer; and
 - d. Up to 25% of the portfolio may be invested in Government

Sponsored Federal Agencies, namely FNMA (Federal National Mortgage Association – Fannie Mae), FHLMC (Federal Home Loan Mortgage Corporation – Freddie Mac, and FHLB (Federal Home Loan Bank).

4. Investments on behalf of this corporation may be made concurrently with investments made on behalf of other corporations at Laguna Woods Village. However, separate investment receipts will be held in the name of this corporation. Any such investments may be held for the account of the corporation in book-entry form;
5. Any authorized investments, as defined in Item 3 above, previously made by said Managing Agent or Investment Manager, are hereby ratified; and

RESOLVED FURTHER, that Resolution 03-16-54 adopted on May 17, 2016, is hereby superseded and cancelled.

Director Karimi made a motion to approve Third investment policy revisions and direct Sageview to transition to index fund portfolio. Director Bhada seconded the motion

Discussion ensued among the Directors.

President Parsons called for the vote and the motion passed unanimously (Director Wayne was absent for the vote).

13. Committee Reports

- 13a.** Report of the Finance Committee / Financial Report – Director Pearlstone presented the Treasurer's Report and commented on the Resale and Lease Activity Reports. The Committee met on November 5, 2019; next meeting December 3, 2019, at 1:30 p.m. in the Board Room
- 13b.** Report of the Architectural Controls and Standards Committee – Director Parsons reported on the last meeting. The Committee continues to update Third's Architectural Standards. The Committee met on October 28, 2019; next meeting December 3, 2019, at 9:30 a.m. in the Sycamore Room
- 13c.** Report of the Communications Committee – Director McCary reported that the Committee meets quarterly. The Committee met on October 9, 2019; next meeting January 8, 2020, at 1:30 p.m. in the Willow Room.
- 13d.** Report of the Maintenance and Construction Committee – Director Bhada reviewed the project log. The Committee met on November 4, 2019; next meeting January 6, 2020 at 1:30 p.m. in the Board Room.

- Report of the Parking and Golf Cart Task Force – Director Parsons. The Task Force is looking at additional parking in the wedding cake area. The Task Force met on July 9, 2019 and July 17, 2019 and they identified eight sights for additional parking. Next meeting will be in January 6, 2020 at 9:30 a.m. in the Sycamore Room.
- 13e.** Report of the Landscape Committee – Director Jarrett reported from the last meeting. The Committee did not meet in November 2019; next meeting December 5, 2019, at 9:30 a.m. in the Board Room
- 13f.** Report of the Water Subcommittee – Director Karimi. The Subcommittee met on October 9, 2019; next meeting January 8, 2020 at 10:00 a.m. in the Sycamore Room.
- 13g.** Report of the Resident Policy and Compliance Task Force – Director Jarrett gave an update from the last meeting. The Task Force is investigating unoccupied units and other compliance violations. The Task Force met on October 31, 2019; next meeting December 2, 2019 at 1:30 p.m. in the Board Room.
- 13h.** Report of the Village Energy Task Force – Director Parsons gave an update from the last meeting. The Task Force met on September 4, 2019. Introduced the new Research Work Groups
- 14. GRF Committee Highlights**
 - 14a.** Community Activities Committee – Director Bhada reported on highlights from the last Committee meeting. The Committee met on November 14, 2019; next meeting January 8, 2020 at 1:30 p.m. in the Board Room.
 - 14b.** Finance Committee – Director Pearlstone reported on highlights from the last Committee meeting. The Committee met on October 23, 2019; next meeting December 18, 2019 at 1:30 p.m. in the Board Room.
 - 14c.** Landscape Committee – Director Jarrett reported on highlights from the last Committee meeting. The Committee met on August 14, 2019; next meeting will be on December 4, 2019 at 9:30 a.m. in the Board Room .
 - 14d.** Maintenance & Construction Committee – Director Frankel reported on highlights from the last Committee meeting. The Committee met on October 9, 2019; next meeting December 11, 2019, at 9:30 a.m. in the Board Room.
 - PAC Renovation Ad Hoc Committee – Director Pearlstone. The Committee met on October 17, 2019.
 - 14e.** Media and Communications Committee – Director McCary reported on highlights from the last Committee meeting. Two Fox Sports Channels will go away

beginning January, 2020. The Committee met on November 18, 2019; next meeting December 16, 2019, at 1:30 p.m. in the Board Room.

14f. Mobility and Vehicles Committee – Director Frankel reported on highlights from the last Committee meeting. The Committee met on October 2, 2019; next meeting December 4, 2019, at 1:30 p.m. in the Board Room.

14g. Security and Community Access Committee – Director Parsons gave an update from the last Committee meeting. The Committee met on October 28, 2019; next meeting December 23, 2019, at 1:30 p.m. in the Board Room.

- Disaster Preparedness Task Force – Director Frankel reported on the last meeting. The Task Force met on September 24, 2019; next meeting January 28, 2020, at 9:30 a.m. in the Board Room.

14h. Report of the Laguna Woods Village Traffic Hearings – Director Frankel gave an update from the last meeting. The Traffic Hearings were held on October 16, 2019; next hearing will be November 20, 2019, at 9:00 a.m. in the Board Room and 1:00 p.m. in the Sycamore Room.

15. Future Agenda Items – *All matters listed under Future Agenda Items are Resolutions on 28-day public review or items for a future Board Meetings. No action will be taken by the Board on these agenda items at this meeting. The Board will take action on these items at a future Board Meeting.*

15a. Parking Report

15b. Census Process Report

15c. HOA Election Law Update

15d. Member in Good Standing Policy (September initial notification)

15e. Smoke Free Building Program

15f. Resolution for an Alternative Heat Source Policy

16. Director's Comments

- Director Karimi reminded residents to conserve water;
- Director Frankel asked the CEO about the Energy Committee;
- Director Pearlstone congratulated Bunny Carpenter on her election to GRF Board;
- Director McCary and Bhada commented that the City of Laguna Woods is sponsoring a document shredding day this Friday 11:30 a.m. to 2:30 p.m. at Nicholas Church.
- Director Jarrett commented that the Board is working together.
- Director Wayne commented about the new park.

17. Recess

The Board recessed at 11:32 a.m. and reconvened in Executive Session at 12:15 p.m.

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

During the October, 2019, Regular Executive Session, the Board:

Approved the Agenda

Approved the Following Meeting Minutes;

(a) September 6, 2019 – Special Closed Meeting

(b) September 17, 2019 -- Regular Executive Session

(c) September 24, 2019 – Special Closed Session

Discussed and Considered Member Matters

Discussed and Considered Legal and Litigation Matters

Discussed and Considered Contractual Issues

18. Adjourn

With no further business to come before the Board of Directors, the meeting was adjourned at 2:18 p.m.



Lynn Jarrett, Secretary of the Board
Third Laguna Hills Mutual

Attachment 3

STANDARD 22: PATIO AND BALCONY COVERS ALUMINUM AND VINYL

JANUARY 1989

REVISED JANUARY 2003, RESOLUTION 03-03-08

REVISED JANUARY 2008, RESOLUTION 03-08-08

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

REVISED AUGUST 2013, RESOLUTION 03-13-83

REVISED NOVEMBER 19, 2019, RESOLUTION 03-19-114

1.0 GENERAL REQUIREMENTS

See Standard Section 1: General Requirements

2.0 DEFINITIONS

- 2.1** Patio: A paved area that adjoins the manor at ground level, which does not serve as a walkway or landing.
- 2.2** Balcony: A platform that projects from the wall of a manor and is enclosed by a parapet or railing.

3.0 APPLICATIONS

- 3.1** Wood is strictly prohibited from being used for any part of construction.
- 3.2** All patio and balcony covers must be built as per standard plan drawings (when available). The maximum allowable overhang dimension will be 6 inches to accommodate the flat roof's incorporated gutter system. See Section 45.0 for exceptions.
- 3.3** Patio cover roofs shall not extend beyond the height of an existing patio wall.
- 3.4** Patio covers will span only the patio area as defined by the original patio slab, or wall. Balcony covers will span the entire width of the balcony.
- 3.5** Covers may be installed over atriums such that the minimum open area of the atrium is left open and unobstructed as per building code requirements, typically 3'-0". The cover may not extend above the height of the existing walls.
- 3.6** Posts shall be of aluminum or vinyl including alumawood-type and vinyl-clad materials. Plant-ons are optional, but if installed, must be of matching aluminum or vinyl material. Headers must also be of aluminum or vinyl fabrication, including alumawood and vinyl-clad materials.

- 3.7 All posts for patio covers must be anchored to the concrete slab and be located on or inside of block walls if any. Attachments to block walls must meet all building code requirements.
- 3.8 All posts on balcony covers must be anchored to the balcony deck in accordance with all building code requirements. All penetrations must be sealed to prevent moisture intrusion into balcony deck.
- 3.9 No corrugated non-structural panels will be allowed. Only those covers with State of California approved engineering specifications will be accepted.
- 3.10 Plastic skylight panel may be installed per approved specifications as outlined by the manufacturer's recommendations.
- 3.11 Color options for aluminum materials are factory-finished white or almond. Color options for vinyl materials are white, taupe or tan.
- 3.12 If access to existing downspouts is blocked, then new downspouts of similar design, material and quality must be installed and painted the appropriate color. Downspouts shall not empty into other patio areas or hinder maintenance in any way. Splashblocks must be installed at each downspout that drains directly into Common Area (See Standard 18: Gutters/Downspouts).

4.0 PATIOS OVER WHICH A BALCONY EXISTS

- 4.1 Patio covers may not extend beyond the original construction footprint of a manor that lies beneath a balcony, exclusive of the required 6" overhang for the incorporated gutter system.
- 4.2 Flat roofs may not replace existing eyebrow covers if the proposed roof extends beyond the original construction footprint.
- 4.3 Existing flat roofs may be replaced with a flat roof of equal or lesser dimensions.
- 4.4 The color of the patio cover roof surface must be factory-finished almond. Almond colored caulking shall be used and the width of the caulk lines shall be kept to a minimum.