



OPEN SESSION

**MINUTES OF THE REGULAR OPEN MEETING OF THE THIRD LAGUNA HILLS
MUTUAL BOARD OF
DIRECTORS A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION
Tuesday, April 20, 2021 - 9:30 a.m.
Laguna Woods Village Virtual Meeting
24351 El Toro Road
Laguna Woods, California**

Directors Present: Steve Parsons, Annie McCary, Lynn Jarrett, John Frankel, Robert Mutchnick, Donna Rane-Szostak, Debbie Dotson, Reza Karimi, Ralph Engdahl, Craig Wayne

Directors Absent: Cush Bhada

Staff Present: Jeff Parker-CEO, Siobhan Foster-COO, Eileen Paulin, Cheryl Silva and Grant Schultz

Others Present: Rosemarie diLorenzo (VMS), Wei-Ming Tao (VMS)

1. Call meeting to order / Establish Quorum – President Parsons

President Parsons called the meeting to order at 9:31 a.m. and established that a quorum was present.

2. Pledge of Allegiance – Director Jarrett

Director Jarrett led the pledge of allegiance.

3. Acknowledge Media

The media was acknowledged online and through Village Television.

4. Approval of Agenda

Director Dotson made a motion to approve the agenda. Director Rane-Szostak seconded the motion.

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

5. Approval of Minutes

5a. March 16, 2021 – Regular Board Meeting

Director McCary made a motion to approve the minutes of March 16, 2021--Regular Open Meeting. Director Karimi seconded the motion and the motion passed by unanimous consent.

6. Report of the Chair

President Parsons announced the new ballot initiative on insurance. Based on the comments the board received from the Third Mutual members, the board has decided to have a special election on June 29, 2021 to approve the restatement of the CC&Rs and amend the Third Mutual Bylaws to address the increasing insurance premiums for the community. We seek a few volunteers to help with this initiative.

Director Mutchnick read a statement about the new ballot initiative on amending the CC&Rs regarding the insurance provision.

7. VMS Recognition of Excellence Awards

Siobhan Foster-COO, introduced the video for the VMS recognition of excellence awards.

8. Open Forum (Three Minutes per Speaker) - *At this time Members only addressed the Board of Directors regarding items not on the agenda and within the jurisdiction of this Board of Directors. The board reserved the right to limit the total amount of time allotted for the Open Forum. Members requested to speak Zoom at <https://zoom.us/j/94899806730> via email to meeting@vmsinc.org or by calling 949-268-2020 before or during the meeting. Residents were required to provide their name and unit number.*

Members gave their comments:

- A member spoke against the ballot initiative and asked for transparency from the board.
- A member commented about the lack of communication with the residents about the ballot initiative.
- A member asked the Zoom meeting continue after the board room has reopened.
- A member spoke in favor of continuing the Zoom platform for board meetings and spoke against the ballot initiative. Requested more town hall meetings before moving forward with the ballot initiative.

Eileen Paulin read the written member comments:

- A member requested that the black iron gate be painted at her unit.
- A member requested that more information be sent to the residents before moving forward with the ballot initiative.

- A member requested that more discussion be done before you vote on the ballot initiative.
- A member spoke about legal fees.
- A member spoke about a clutter violation.

9. Responses to Open Forum Speakers

- President Parsons responded that members were given time to speak on the previous initiative. The board will be reconsidering the restatement of the CC&Rs and Bylaws at a special election on June 29, 2021. There have been several town hall meetings and information about the restatement of CC&Rs and Bylaws.
- Director Mutchnick commented that the wording of the ballot and ballot information will be shared with members next week.
- Director Dotson commented about continuing Zoom meetings. There is currently an executive order that authorizes the use of Zoom meetings and the state legislators are considering the use Zoom meetings in the future.
- Director Mutchnick commented about insurance issues and the reason Third Mutual is using a different insurance broker.
- President Parsons addressed the issue of fire prevention.
- President Parsons and Director Mutchnick responded on the short timeframe regarding the ballot initiative.
- President Parsons responded regarding the educations of the members regarding the ballot initiative.
- President Parsons and Director Mutchnick responded regarding the clutter issue.
- Director Mutchnick responded regarding legal fees.

10. CEO Report (Jeff Parker-CEO and Siobhan Foster-COO)

- Garden Villas Recreation Rooms and Clubhouse will reopen in accordance with the state and county guidelines. State of California is planning to reopen without restrictions on June 15, 2021.
- Now that the county has moved from the red zone to the orange zone, Resident Services and Manor Alterations has reopened for limited services by appointment only at the Community Center. Facilities will begin to reopen according to the guidelines set by the state and county.
- COVID-19 Update. According to the Orange County Health Care Agency (OCHCA) the numbers are declining and Orange County has fallen into a less restricted tier. According to the OCHCA, as of Thursday, April 15, there were 252,692 confirmed COVID-19 cases in Orange County—65 reported recently. The City of Laguna Woods reported 411 confirmed cases. The seven-day testing positivity rate in the OC is 1.6%.
- The purpose of the \$10,000 escrow closing deposit was to make sure all manor

- restoration and corrections have been made before escrow closed. The process is working and money is released within 35 days after escrow closes.
- Starting October 24, 2021, those living within the "949" area code will need to dial the full 10-digit phone number.
 - The budget process schedule starts in June and ends in September.
 - Annual spring mailing will be sent out this Friday, April 23, 2021. The package included a summary of the audit, opt out information for members, and a traffic report.
 - City of Laguna Woods will participate in the National Prescription Take Back Day on Saturday, April 24, 2021.
 - City of Laguna Hills public hearing on the fate of the defunct Laguna Hills May will be held on April 27, 2021 at 7 p.m. at the Laguna Hills Community Center, Heritage Room, at 25555 Alicia Parkway.
 - Bingo is now open at Clubhouse 2. Reservation can be made through ActiveNet.
 - The last COVID-19 vaccination clinic will be held on April 24, 2021.

Jeff Parker and Siobhan Foster answered questions from the board.

11. Consent Calendar - *All matters listed under the Consent Calendar were recommended for action by committees and were enacted by the board by one motion. Items removed from the Consent Calendar by members of the board, were moved for further discussion and action by the board.*

11a. Finance Committee Recommendations:

Consistent with its statutory obligations the Board members individually reviewed Third Laguna Hills Mutual **preliminary** financials for the month of February 2021 and by this vote ratify that such review be confirmed in this month's Board Member Open Session Meeting minutes per Civil Code 5501.

11b. Finance Committee Recommendation:

11b (1) Recommendation to Approve a Resolution for Recording a Lien against Member ID# 934-330-08

Resolution 03-21-20
Recording of Lien

WHEREAS, Member ID 934-330-08; 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, April 20, 2021, that the Board of Directors hereby approves the recording of a Lien for Member ID 934-330-08 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.

11b (2) Recommendation to Approve a Resolution for Recording a Lien against Member ID# 931-580-71

Resolution 03-21-21
Recording of Lien

WHEREAS, Member ID 931-580-71; 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, April 20, 2021, that the Board of Directors hereby approves the recording of a Lien for Member ID 931-580-71 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.

11c. Landscape Committee Recommendations:

11c (1) Recommendation to Approve Tree Removal Request: 3422-E (Leung) – One Indian Laurel Fig tree

Resolution 03-21-22
Approve the Request
For Removal of One Indian Laurel Fig Tree
3422-E Calle Azul

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 April 1, 2021, the Landscape Committee reviewed the request from the Member at 3422-E to remove one Indian Laurel Fig tree. The Member cited the reason as the potential for structural damage;

WHEREAS, the Committee determined that the tree meets the guidelines set forth in Resolution 03-11-149 and recommends approving the request for the removal on one Indian Laurel Fig tree located at 3422-E Calle Azul.

NOW THEREFORE BE IT RESOLVED, April 20, 2021, the Board of Directors approves the request for removal of one Indian Laurel Fig tree located at 3422-E;

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

11c (2) Recommendation to Approve Tree Removal Request: 5509-C (Macke) – Once Rusty Leaf Fig tree

Resolution 03-21-23
Approve the Request
For Removal of One Rusty Leaf Fig Tree
5509-C Paseo Del Lago West

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 April 1, 2021, the Landscape Committee reviewed a request from the Member at 5509-C to remove one Rusty Leaf Fig tree. The Member cited the reasons as structural damage and sewer damage;

WHEREAS, the Committee determined that the tree meets the guidelines set forth in Resolution 03-11-149 and recommends approving the request for the removal of one Rusty Leaf Fig tree located at 5509-C Paseo Del Lago West.

NOW THEREFORE BE IT RESOLVED, April 20, 2021, the Board of Directors approves the request for the removal of one Rusty Leaf Fig tree located at 5509-C;

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

President Parsons asked for a motion to approve the consent calendar.

Director Jarrett made a motion, seconded by Director McCary, to approve the consent calendar as presented.

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

12. Unfinished Business -- none

13. New Business

13a. Entertain a Motion to Approve the 2021 Special Election Schedule and Resolution to Appoint the Inspector of Election Services

RESOLUTION 03-21-24 **Approve Inspector of Election Services**

WHEREAS, Civil Code §5110 requires an association to select an independent third party as an inspector of elections;

WHEREAS, for transparency purposes and due to the number of ballots received it is necessary to contract for an Inspector of Elections;

WHEREAS, an Inspector of Elections is used, among other tasks, to print and mail voter packages, inspect and tabulate ballots, and certify results; and,

NOW THEREFORE BE IT RESOLVED, on April 20, 2021, that the Board of Directors of Third Laguna Hills Mutual hereby approves single-sourcing a contract to UniLect to perform Inspectors of Election services for the Special Election on June 29, 2021, for a vote on the Restatement of the Third Laguna Hills Mutual Covenants, Conditions and Restrictions (CC&Rs) and the By-laws; and

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

President Parsons commented about the special election for the restatement of the CC&R and amendment of the Third Mutual Bylaws for the purpose of revising the insurance information.

Director Jarrett made a motion to approve the 2021 Special Election schedule and approve the resolution to appoint the inspector of election services. Director McCary seconded the motion.

Discussion ensued among the directors.

Director Mutchnick made an amendment to add a second town hall meeting to the schedule on May 21, 2021. Director Dotson seconded the motion.

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

Discussion ensued among the directors.

President Parsons called for the vote the motion as amended passed without objection.

14. Committee Reports

14a. Report of the Finance Committee / Financial Report – Director Mutchnick gave the Treasurer's Report. The committee met on April 6, 2021; next meeting May 4, 2021, at 1:30 p.m. as a virtual meeting.

- (1) Treasurer's Report
- (2) Third Finance Committee Report
- (3) Resale/Leasing Reports

14b. Report of the Architectural Controls and Standards Committee – President Parsons. The committee met on March 29, 2021; next meeting April 26, 2021 at 10:30 a.m. as a virtual meeting.

14c. Report of the Communications Committee – Director McCary. The committee met on January 13, 2021; next meeting will be held on July 14, 2021 at 1:30 p.m. as a virtual meeting.

14d. Report of the Maintenance and Construction Committee – Director Mutchnick. The committee met on March 1, 2021; next meeting May 3, 2021, at 1:30 p.m. as a virtual meeting.

(1) Report of the Parking and Golf Cart Task Force – Director Dotson. The task force met on March 12, 2021; next meeting May 14, 2021 at 10 a.m. as a virtual meeting.

(2) Garden Villa Rec. Room Subcommittee – Director Jarrett. The Garden Villas Rec. Room Subcommittee was held on February 23, 2021; next meeting will be held on June 30, 2021, at 1:30 p.m. as a virtual meeting.

14e. Report of the Landscape Committee – Director Jarrett. The committee met on April 1, 2021; next meeting May 6, 2021, at 9:30 a.m. as a virtual meeting. Director Jarrett showed a presentation regarding Landscape services:

- Landscape tickets (grounds maintenance, complaints, irrigation, tree-related, pest control, clippings, leaf)
- Rodents/Ants

14f. Report of the Water Committee – Director Rane-Szostak. The committee met on January 20, 2021; next meeting will be held on April 29, 2021 at 2:00 p.m. as a virtual meeting.

14g. Report of the Resident Policy and Compliance Committee – Director Jarrett. The committee met on February 3, 2021; next meeting TBA.

15. GRF Committee Highlights

15a. Community Activities Committee – Directors Karimi. The committee met on March 11, 2021; next meeting April 8, 2021, at 1:30 p.m. as a virtual meeting.

(1) Equestrian Center Ad Hoc Committee – Director McCary the committee met on March 4, 2021; next meeting TBA.

15b. GRF Finance Committee – Director Mutchnick. The committee met on February 17, 2021; next meeting April 21, 2021, at 1:30 p.m. as a virtual meeting.

15c. GRF Landscape Committee – Director Karimi. The committee met on March 10, 2021; next meeting May 12, 2021 at 1:30 p.m. as a virtual meeting.

15d. GRF Maintenance & Construction Committee – Director Frankel – The committee met April 14, 2021; next meeting June 9, 2021, at 9:30 a.m. as a virtual meeting.

(1) Clubhouse 1 Renovation Ad Hoc Committee – Director Engdahl. The committee met on March 23, 2021; next meeting TBA.

15e. Media and Communications Committee – Director McCary. The committee met on April 19, 2021, as a virtual meeting; next meeting May 17, 2021, at 11:30 a.m. as a virtual meeting.

15f. Mobility and Vehicles Committee – Director Karimi – The committee met on April 7, 2021; next meeting June 2, 2021, at 1:30 p.m. as a virtual meeting.

15g. Security and Community Access Committee – The committee met on February 22, 2021; next meeting April 26, 2021 at 1:30 p.m. as a virtual meeting.

(1) Disaster Preparedness Task Force – Director McCary. The task force met on March 30, 2021; next meeting May 25, 2021, 9:30 a.m. as a virtual meeting.

15h. Report of the Laguna Woods Village Traffic Hearings – Director Dotson. The traffic hearings were on March 17, 2021; next meeting is April 21, 2021 at 9 a.m. and 1 p.m. as a virtual meeting.

15i. Report of the GRF Strategic Planning Ad Hoc Committee – Director Mutchnick. The committee met on March 17, 2021; next meeting TBA.

15j. Budget Ad Hoc Committee – Director Karimi. The budget workshops were held March 22 – 31, 2021. The budget process will begin in June, 2021

16. Future Agenda Items-- *All matters listed under Future Agenda Items are items for a future board meeting. No action will be taken by the board on these agenda items at this meeting. The board will take action on these items at a future board meeting.*

- a. Parking Report
- b. Resident Suggestion Program
- c. Alterations Review
- d. Property and Casualty Insurance
- e. Presentation from El Toro Water District

17. Director's Comments

- Director McCary commented that it was a great meeting and thanked the members for their comments.
- Director Jarrett commented the Garden Villas Rec. Room will remain closed because not all residents have been vaccinated. We will wait until the State of California reopens without restrictions for safety reasons.
- Director Mutchnick commented the board will have the draft wording for the ballot initiative by the end of next week.
- Director Dotson commented there is no vaccine discrimination as we are following the State of California guidelines.

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

The meeting was recessed at 12:09 p.m.

Summary of Previous Closed Session Minutes per Civil Code §4935.

During the March 16, 2020, Regular Closed Session, the board:

Approval of Agenda

VMS Board Update

Discussed and Considered Legal/Litigation Matters

CEO Report (Personnel Matters)

Approval of the Following Meeting Minutes.

(a) February 16, 2021 – Regular Closed Session

Approve Notice of Sale against Member ID#932-310-40

Approve Notice of Sale against Member ID#932-670-28

Approve Notice of Sale against Member ID#932-200-13

Discussed Contractual Matters

Discussed Member Disciplinary Matters

19. Adjournment

The meeting was adjourned at 4:00 p.m.



Lynn Jarrett, Secretary of the Board
Third Mutual Laguna Hills