



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

Tuesday, May 14, 2019 - 9:30 a.m.

Laguna Woods Village Community Center Board Room 24351 El Toro Road

NOTICE OF MEETING AND AGENDA

- 1. Call to Order / Establish Quorum - Juanita Skillman, President**
- 2. Pledge of Allegiance – Director Morrison**
- 3. Acknowledge Media**
- 4. Approval of Agenda**
- 5. Approval of the Meeting Minutes**
 - a. April 9, 2019 – Regular Open Session
- 6. Report of Chair**
- 7. Open Forum (Three Minutes per Speaker) - *At this time Members may address the Board of Directors regarding items not on the agenda and within the jurisdiction of this Board of Directors. There is a maximum time limit of three minutes per speaker and a speaker may only address the Board once during this period. The Board reserves the right to limit the total amount of time allotted for the Open Forum.***
- 8. Responses to Open Forum Speakers**
 - a. Follow-up Report from April 9, 2019, Open Forum - Director Margolis
- 9. Update from VMS – Director Beldner**
- 10. CEO Report**
- 11. Consent Calendar – *All matters listed under the Consent Calendar are recommended for action by committees and will be enacted by the Board by one motion. In the event that an item is removed from the Consent Calendar by members of the Board, such item(s) shall be the subject of further discussion and action by the Board.***
 - a. Architectural Controls and Standards Recommendation:
 - (1) Recommend Denial of Appeal – (125-D Majorca, 8A) to Retain Doors on an Unapproved Alteration

- b. Landscape Committee Recommendations:
 - (1) Recommendation to Approve the Request for Tree Removal – (85-B) one Carrotwood Tree
 - (2) Recommendation to Approve the Request for Tree Removal – (539-A) one Canary Island Pine Tree
- c. Finance Committee Recommendations:
 - (1) Approval of Resolution to Record Lien against Member ID #947-406-07
 - (2) Approval of Resolution to Record Lien against Member ID #947-377-92
 - (3) Approval of Resolution to Record Lien against Member ID #947-374-27
- d. 2019 Election Schedule and Resolution to Approve the Inspector of Election
- e. Consistent with its statutory obligations under Civil Code §5501, a subcommittee of the Board consisting of the Treasurer and at least one other Board member reviewed the United Laguna Woods Mutual financials for the month of March 2019, and such review is hereby ratified.

12. Unfinished Business

- a. Entertain a Motion to Adopt the Revised Payment Plan Agreement Form and a Resolution for a Payment Plan Fee Policy for Assessments (**FEBRUARY initial notification-MARCH Re-introduced--28-day notification for Member review to comply with Civil Code §4360 has been satisfied**)
- b. Entertain a Motion to Adopt a Resolution to Revise the Fees for Golf Cart Charging Violations (**APRIL initial notification-28-day notification for Member review to comply with Civil Code §4360 has been satisfied**)
- c. Entertain a Motion to Adopt the Amended Financial Qualification Policy (**APRIL initial notification-28-day notification for Member review to comply with Civil Code §4360 has been satisfied**)

13. New Business

- a. Entertain a Motion to Introduce a Resolution for Changes to the Mutual's Smoking Policy (**MAY initial notification-must postpone 28-days for Member review to comply with Civil Code §4360**)
- b. Entertain a Motion to Introduce a Resolution for Updates to the Policy for Distribution of Materials by Residents and Resident Organizations (**MAY initial notification-must postpone 28-days for Member review to comply with Civil Code §4360**)
- c. Entertain a Motion to Introduce a Resolution to Revise Standard 18: Gutters and Downspouts (**MAY initial notification-must postpone 28-days for Member review to comply with Civil Code §4360**)

14. Committee Reports

- a. Report of the Finance Committee / Financial Report – Director Morrison. The Committee met on March 26, 2019; next meeting May 28, 2019, 2:00 p.m. in the Sycamore Room.
- b. Report of the Architectural Control and Standards Committee – Director Achrekar. The Committee met on April 18, 2019; next meeting June 20, 2019, 9:30 a.m. in the Elm Room.
- c. Report of the Communications Committee – Director Blackwell. Next meeting TBA
- d. Report of Member Hearings Committee - Director Achrekar. The Committee met on April 25, 2019; next meeting May 23, 2019, 9:00 a.m. in the Sycamore Room.
- e. Report of the Governing Documents Review Committee – Director Blackwell. The Committee met on April 22, 2019; next meeting May 28, 2019, 1:30 p.m. in the Sycamore Room.
- f. Landscape Committee Report – Director Blackwell. The Committee met on April 11, 2019; next meeting June 13, 2019, 9:00 a.m. in the Board Room
- g. Report of the Maintenance & Construction Committee – Director Randazzo. The Committee met on April 24, 2019; next meeting June 26, 2019, 9:00 a.m. in the Board Room.
 - Village Energy Task Force - Director Randazzo. The Task Force met on May 1, 2019; next meeting July 3, 2019, 1:30 p.m. in the Board Room
- h. Report of the Resident Advisory Committee – Director Achrekar. The Committee met on April 11, 2019; next meeting May 16, 2019, 4:00 p.m. in the Sycamore Room.

15. GRF Committee Highlights

- a. Report of the Finance Committee - Director Morrison. The Committee met on April 24, 2019; next meeting June 19, 2019, 1:30 p.m. in the Board Room
- b. Report of the Community Activities Committee - Director Margolis. The Committee met on March 14, 2019; next meeting May 9, 2019, 1:30 p.m. in the Board Room.
- c. Report of the Landscape Committee – Director Blackwell. The Committee met on March 20, 2019; next meeting May 15, 2019, 1:30 p.m. in the Board Room.

- d. Report of the Maintenance & Construction Committee - Director Randazzo. The Committee met on April 10, 2019; next meeting June 12, 2019, 9:30 a.m. in the Board Room.
 - e. Report of the Media and Communication Committee - Director Blackwell. The Committee met on April 15, 2019; next meeting May 20, 2019, 1:30 p.m. in the Board Room.
 - f. Report of the Mobility and Vehicles Committee - Director Addington. The Committee met on April 3, 2019; next meeting June 5, 2019, 1:30 p.m. in the Board Room.
 - g. Report of the Security and Community Access Committee - Director Liberatore. The Committee met on April 22, 2019; next meeting June 24, 2019, at 1:30 p.m. in the Board Room.
 - Laguna Woods Village Traffic Hearings – Director Tornø. The Hearings were held on April 17, 2019; next hearings May 15, 2019, 9:00 a.m. in the Board Room and 1:00 p.m. in the Sycamore Room.
 - h. Report of the Disaster Preparedness Task Force – Director Achrekar. The Task Force met on March 26, 2019; next meeting May 28, 2019, 9:30 a.m. in the Board Room.
- 16. 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.*
- a. Approve the Committee Advisor Qualifications, Procedure and Policy
 - b. Resolution to Allow Guarantors
- 17. Directors' Comments**
- 18. Recess** - *At this time the Meeting will recess for lunch and reconvene to Executive Session to discuss the following matters per California Civil Code §4935.*

EXECUTIVE SESSION NOTICE AND AGENDA

Approval of Agenda

Approval of the Following Meeting Minutes;

(a) April 9, 2019 – Regular Executive Session

Discuss and Consider Member Matters

Discuss Personnel Matters

Discuss and Consider Contractual Matters

Discuss and Consider Litigation Matters

19. Adjourn



**MINUTES OF THE OPEN MEETING OF THE
BOARD OF DIRECTORS OF UNITED LAGUNA WOODS MUTUAL
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION**

Tuesday, April 9, 2019

The Regular Meeting of the Board of Directors of United Laguna Woods Mutual, a California Non-Profit Mutual Benefit Corporation, was held on Tuesday, April 9, 2019, at 9:30 a.m. at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Juanita Skillman, Carl Randazzo, Cash Achrekar, Maggie Blackwell, Gary Morrison, Elsie Addington, Manuel Armendariz, Reza Bastani, Anthony Liberatore, Sue Margolis and Andre Tornig

Directors Absent: None

Staff Present: Jeff Parker, CEO; Siobhan Foster, COO; Christine Spahr, Eileen Paulin, Ellyce Rothrock, and Cheryl Silva

Others Present: VMS: Dick Rader and Mary Stone
Robert Hartley, Esq. of Beaumont Tashjian

1. Call Meeting to Order/Establish Quorum

President Skillman called the meeting to order at 9:30 a.m. and acknowledged that a quorum was present.

2. Pledge of Allegiance

Director Blackwell led the Pledge of Allegiance.

3. Acknowledge Media

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

4. Approval of Agenda

President Skillman pulled agenda item 12c. Proposed Resolution to Revise GRF Bylaw 2.1.4 from the agenda to be removed in closed session.

Director Randazzo made a motion, seconded by Director Blackwell, to approve the agenda as amended. The motion passed by a vote of 10-0-1 (Director Tornig abstained).

5. Approval of Minutes

5a. March 12, 2019 – Regular Open Session

Director Achrekar made a motion to approve the minutes of March 12, 2019, Regular Open Session. The motion was seconded by Director Armendariz.

The United Regular Open Session minutes of March 12, 2019 were approved without objection.

6. Report of the Chair

President Skillman asked the audience to silence their phones and fill out a speaker card if they would like to speak. She sent well wishes to Ron Beldner (VMS Board). She commented that the herbicide report will be presented at the next Landscape Committee meeting. She introduced Elizabeth Roper who gave a summary from the Select Audit Task Force.

a. Report from the Select Audit Task Force—Elizabeth Roper

Elizabeth Roper gave a brief summary of the results from the Select Audit Task Force. KPMG conducted the 2018 audit and found no uncorrected issues or findings with the audit.

7. Open Forum

Members made comments regarding the following:

- Benefits of the Laguna Woods Foundation;
- Landscaping issues in United;
- Ceiling light replacement and the permit process.

8. Responses to Open Forum Speakers

Several Directors responded to Member comments:

- Director Addington responded regarding landscape issues;
- Director Randazzo commented he will check into the City Permit process;
- Director Torng asked about alternatives to the current Handyman program

a. Follow-up from the March 12, 2019, Board Meeting Open Forum—Margolis

- Handyman Service delays will be discussed at the next Maintenance and Construction Committee;
- High Interest on Loans, we only have one approved lender;
- United is looking into allowing other Guarantors.

9. Update from VMS - Director Rader

Director Rader gave an update from the VMS Board and provided highlights of the Department update given to the VMS Board in March from Carrie Weldon, Director of Human Resources.

10. CEO Report

Jeff Parker CEO reported on the following subjects:

- New resident portal update;
- RFID gate security renovation project continues. Construction has completed at Gates 2 and 8. On Monday, April 8, 2019, construction begins at gates 3 and 7. During construction, gate 3 and 7 will be closed to vehicle traffic; however,

pedestrian access will be allowed at gate 3 and pedestrian and golf cart access will be allowed at gate 7.

- RFID decals are available through Resident Services;
- Public hearing on the I-5/El Toro Interchange on Thursday, April 18, 2019, 4:30 pm at the Holiday Inn in Lake Forest;
- National Prescription Medication Take Back Day is April 27, 2019. Bring your unused prescription medications to Laguna Woods City Hall between 10 a.m. to 2 p.m.;
- Pool 1 will reopen and Pool 2 will close for annual maintenance on Monday, April 8, 2019.
- Update on Upcoming Recreation Events: Annual Village Games start on Monday, April 8, 2019, Easter at the Equestrian Center will be held on Saturday, April 20, from 9 to 11 a.m. and the 7th Annual Art Affair will be held on Saturday, April 27 11 a.m. to 5 p.m. at Clubhouse 2^h.

Jeff Parker answered questions from the Board.

11. Consent Calendar

11a. Architectural Controls and Standards Recommendations:

- (1) Recommendation to Approve (836-O, Cadiz, 6A) Install Stair Lift on Common Area Staircase

RESOLUTION 01-19-34 **Variance Request**

WHEREAS, Mr. Gary W Caracciolo of 836-O Ronda Sevilla, a Cadiz style unit, requests Board approval of a variance to install a stair lift at the staircase leading to the entry of his unit;

WHEREAS, the staircase is designated as Common Area, however, Civil Code §4600 (b)(3)(F) provides for a Homeowners Association to grant Common Area for the Exclusive Use of a Member to accommodate a disability.

WHEREAS, a Neighborhood Awareness Notice was sent to Owners of affected units on March 14, 2019, notifying them that an application to make an alteration to a neighboring Unit had been made and that comments or objections could be made in writing to the Architectural Controls and Standards Committee or in person at the Architectural Controls and Standards Committee Meeting on March 21, 2019.

NOW THEREFORE BE IT RESOLVED, on April 9, 2019, the Board of Directors hereby approves the request to install the stair lift on the entry staircase with the condition that the proposed alterations are constructed in accordance with the Conditions of Approval as included in the official Board Decision Notice;

RESOLVED FURTHER, all costs for maintenance, repair, renovation, replacement or removal of the improvement, present and future, are the

responsibility of the Shareholder at 836-O and all future Shareholders at 836-O.

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. Finance Committee Recommendations:

- (1) Approval of Resolution to Record Lien against Member ID# 947-414-18

RESOLUTION 01-19-35
RESOLUTION TO RECORD LIEN

WHEREAS, Member ID 947-414-18; is currently delinquent to United Laguna Woods 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 9, 2019, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-414-18 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.

- (1) Approval of Resolution to Record Lien against Member ID# 947-387-01

RESOLUTION 01-19-36
RESOLUTION TO RECORD LIEN

WHEREAS, Member ID 947-387-01; is currently delinquent to United Laguna Woods 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 9, 2019, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-387-01 and;

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

resolution.

11c. Consistent with its statutory obligations under Civil Code §5501, a subcommittee of the Board consisting of the Treasurer and at least one other Board member reviewed the United Laguna Woods Mutual financials for the month of March, 2019, and such review is hereby ratified. A copy of the confirmation form was passed out to Directors.

Director Randazzo made a motion to approve the Consent Calendar. The motion was seconded by Director Blackwell.

Discussion ensued among the Directors.

President Skillman called for the vote of the consent calendar and the motion passed by vote of 8-3-0 (Directors Armendariz, Margolis and Torng opposed).

12. Unfinished Business

12a. Entertain a Motion to Adopt a Resolution to Allow Guarantors.

Director Blackwell read the following resolution:

RESOLUTION 01-19-XX

Authorization to Accept Personal Unconditional Continuing Guaranty & Security Agreement and to Revise Financial Qualifications Policy (rev. 5-23-18)

WHEREAS, United Laguna Woods Mutual (hereinafter "United" or "Corporation"), is a non-profit mutual benefit corporation, existing under and by virtue of the laws of the State of California, organized for the purpose of providing its Members with housing on a cooperative non-profit basis pursuant to the provisions set forth in its Articles of Incorporation and Bylaws and Board Resolutions (collectively referred to as the "Governing Documents");

WHEREAS, the Corporation's Amended and Restated Bylaws ("Bylaws") provides the purpose of the Corporation is to, among other things, "manage, maintain, preserve, and administer the business of a common interest development, specifically, a stock cooperative";

WHEREAS, the Bylaws provide that the Board of Directors of the Corporation is responsible for managing the business and affairs and exercising all corporate powers of the Corporation;

WHEREAS, United is a stock cooperative wherein each shareholder-member is granted the right to occupy a specific unit pursuant to an Occupancy Agreement together with ownership of one share in the cooperative, provided each shareholder-member meets the financial qualifications set forth in the Financial Qualifications Policy (rev. 5-23-18);

WHEREAS, the Board of Directors desires the ability to enter into

Occupancy Agreement(s) with certain Members whereby same require guarantor(s) to meet the Corporation's financial qualifications in order to qualify for membership and consistent policies regarding same;

NOW, THEREFORE, be it resolved on April 9, 2019, that the following resolution is adopted by the Board of Directors:

1. Personal Unconditional Continuing Guaranty & Security Agreement. The Corporation, by and through the Board of Directors, is authorized to enter into Personal Unconditional Continuing Guaranty & Security Agreement, in the manner and form attached hereto as Exhibit A and incorporated herein by reference thereto, and such Personal Unconditional Continuing Guaranty & Security Agreement will bind the Corporation and Guarantor.

Specifically, the Corporation may accept from guarantor(s) a guarantee to pay a Member's debt and/or obligation should the Member default or otherwise fail to pay a debt and/or obligation owed to the Corporation pursuant to an executed Personal Unconditional Continuing Guaranty & Security Agreement, and to cause security documents, which the Corporation may require, which shall evidence the asset(s) pledge by such guarantor(s).

2. Further Acts. The Board of Directors may do and perform such other acts and things as may be reasonably necessary and proper in order to carry into effect the provisions of this Resolution, including, but not limited to, revising the current operative Financial Qualifications Policy (rev. 5-23-18) to allow prospective Members to meet the Corporation's financial qualifications, and to revise such other documentation, as may be necessary and appropriate.

- Guarantor and assets must be located in California
- Satisfactory verification of annual income of at least \$90,000 and marketable or income producing assets of at least \$250,000 plus the unit purchase price.
- This in addition to the prospective Member's minimum annual income of at least \$24,000 and marketable and/or income producing assets of at least \$75,000.

BE IT FURTHER RESOLVED, that the officers, directors and agents of this Corporation are authorized to carry out the purpose of this Resolution.

MARCH Initial Notification

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

Director Blackwell made a motion to adopt the resolution to allow guarantors. The motion was seconded by Director Margolis.

Discussion ensued among the Directors.

Director Blackwell made a motion to amend the resolution to add "Guarantors and assets must be located in California" with a 28-day review. The motion was seconded by Director Armendariz and the amendment passed by a vote of 7-4-0 (Directors Bastani, Torng, Achrekar, Margolis opposed).

Discussion ensued among the Directors and Members.

President Skillman called for the vote on the motion as amended with a 28-day review. The vote failed by a vote of 4-7-0 (Director Addington, Bastani, Torng, Achrekar, Randazzo, Morrison, and Margolis opposed).

12b. Entertain a Motion to Re-Introduce the Revised Payment Plan Agreement Form and a Resolution for a Payment Plan Fee Policy for Assessments.

Director Blackwell read the following resolution:

RESOLUTION 01-19-XX
ASSESSMENT PAYMENT PLAN AGREEMENT

WHEREAS, any Member who is in arrears on regular assessments is entitled to make a written request for a payment plan to the Board;

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

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

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

WHEREAS, the Finance Committee recommends recovering costs associated with setting up a payment plan.

NOW THEREFORE BE IT RESOLVED, on April 9, 2019, the Board of Directors of this Corporation hereby introduces revisions to the Delinquent Assessment - Payment Plan Agreement form, as attached to this Corporate record, and introducing a one-time setup fee of \$50; 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.

FEBRUARY Initial Notification—MARCH sent back to Committee for review

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 Blackwell made a motion to re-introduce the revised payment plan agreement form and the resolution for a payment plan fee policy for assessments for 28-day review. The motion was seconded by Director Randazzo.

Discussion ensued among the Directors.

Director Margolis made an amendment to the motion, seconded by Director Randazzo, to include the amortization sample with payment plan.

Discussion ensued among the Directors about the amortization sample.
Betty Parker answered questions about the amortization sample.
Director Margolis withdrew her motion.

President Skillman called for the vote and the motion passed by a vote of 8-3-0 (Director Bastani, Torng and Armendariz opposed).

12c. Proposed Resolution to Revise GRF Bylaw 2.1.4

This item was removed for discussion during Closed Session

13. New Business

13a. Entertain a Motion to Introduce a Resolution to Revise the Fees for Golf Cart Charging Violations.

Director Blackwell read the following resolution:

RESOLUTION 01-19-XX
GOLF CART POLICY AND PROCEDURES

WHEREAS, The United Laguna Woods Mutual (United) Board adopted Resolution 01-17-136 Golf Cart Policy and Procedures to include fines for unpermitted golf carts using mutual electricity;

WHEREAS, cords, plugs and charging devices running through the property create a trip hazard and cause the property to otherwise be in an unsafe condition; and

WHEREAS, the safety risks associated with this conduct expose the Corporation to a risk of liability and expose any persons present on the property to risk of personal injury; and

NOW THEREFORE BE IT RESOLVED, all golf cart battery chargers must be elevated a minimum of six inches from the floor; and

NOW THEREFORE BE IT RESOLVED, in the interest of safety, residents found in United with unattended extension cords and/or golf cart chargers that are not a minimum of six inches above the floor will be subject to fines; and

NOW THEREFORE BE IT RESOLVED, on April 9, 2019, the Board of Directors of this Corporation hereby introduces the revisions to the Golf Cart Policy and Procedures to reference the Schedule of Traffic and Monetary Penalties, as attached to the official minutes of this meeting;

FEES AND FINES

Refer to the ULWM Fee Sheet and the Schedule of Traffic and Monetary Penalties.

NOW THEREFORE BE IT RESOLVED, that the Corporation's staff is authorized to take action to enforce this Resolution by citing occupants and/or guests and unplug any golf carts found in violation.

RESOLVED FURTHER, that Resolution 01-17-136 approved on October 17, 2017; is hereby superseded and canceled; and

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

APRIL 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 Blackwell made a motion to introduce the resolution to revise the fees for golf cart charging violations for 28-day review. The motion was seconded by Director Randazzo.

Discussion ensued among the Directors.

President Skillman called for the vote and the motion passed by 9-1-1 (Director Tornig opposed; Director Addington abstained).

13b. Entertain a Motion to Introduce the Amended Financial Qualification Policy

Director Blackwell read the following resolution:

RESOLUTION 01-19-XX
COMMUNITY PROPERTY CONSIDERATION

WHEREAS, United Laguna Woods Mutual (hereinafter "United" or "Corporation"), is a non-profit mutual benefit corporation, existing under and by virtue of the laws of the State of California, organized for the purpose of providing its Members with housing on a cooperative non-profit basis pursuant to the provisions set forth in its Articles of Incorporation and Bylaws and Board Resolutions (collectively referred to as the "Governing Documents");

WHEREAS, the Corporation's Amended and Restated Bylaws ("Bylaws") provides the purpose of the Corporation is to, among other things, "manage, maintain, preserve, and administer the business of a common interest development, specifically, a stock cooperative";

WHEREAS, the Bylaws provide that the Board of Directors of the Corporation is responsible for managing the business and affairs and exercising all corporate powers of the Corporation;

WHEREAS, United is a stock cooperative wherein each shareholder-member is granted the right to occupy a specific unit pursuant to an Occupancy Agreement together with ownership of one share in the cooperative, provided each shareholder-member meets the financial qualifications set forth in the Financial Qualifications Policy (rev. 5-23-18);

WHEREAS, the Board of Directors desires consistent policies regarding community property consideration, reporting rental property depreciation, and capital gains consideration;

NOW, THEREFORE, be it resolved that on April 9, 2019, the following resolution is introduced by the Board of Directors:

1. Regarding community property, as set forth in the Financial Qualifications Policy (rev. 5-23-18) marital community property is excluded from assets to be considered in order to meet financial qualifications when only one partner is purchasing. Likewise, community property is not considered if a prospective member is purchasing a unit as his/her sole property. Consideration of community property assets or community property contributions to purchase a unit albeit as sole property may transmute the intended sole property into community property.

BE IT FURTHER RESOLVED, that the officers, directors and agents of this Corporation are authorized to carry out the purpose of this Resolution.

APRIL 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 Blackwell made a motion to introduce the amended community property consideration resolution and financial qualification policy for 28-day review. The motion was seconded by Director Achrekar.

Discussion ensued among the Directors.

Director Blackwell made an amendment to include the following: "to meet financial qualifications when only one partner is purchasing," to item 1 of the community property consideration resolution. Director Armendariz seconded the amendment and the motion passes 9-1-1 (Director Addington opposed, Director Torng abstained).

President Skillman called for the vote on the motion to amend the community property consideration resolution and financial qualification policy for 28-day review and the motion passed by unanimous consent.

14. Committee Reports

14a. Report of the Finance Committee / Financial Report – Director Morrison showed a presentation on the Treasurer's Report and reviewed the resale and lease reports. The Committee met on March 26, 2019; next meeting will be May 28, 2019, 2:00 p.m. in the Sycamore Room

14b. Report of the Architectural Control and Standards Committee – Director Achrekar gave a report from the last Committee meeting. The Committee met on March 21, 2019; next meeting will be April 18, 2019, 9:30 a.m. in the Elm Room.

14c. Report of the Communications Committee – Director Blackwell she encouraged the Directors to read The Breeze that came out this morning. The next meeting TBA.

14d. Report of Member Hearings Committee - Director Achrekar gave a report from the last Committee meeting. The Committee met on March 28, 2019; next meeting will be April 25, 2019, 9:00 a.m. in the Sycamore Room.

14e. Report of the Governing Documents Review Committee - Director Blackwell gave a report from the last Committee meeting. The Committee is reviewing the Election Rules, Canvassing Policy, Guarantors Policy and the Financial Qualifications Policy. The Committee met on March 25, 2019; next meeting will be April 22, 2019, 1:30 p.m. in the Sycamore Room.

14f. Report of the Landscape Committee - Director Blackwell gave a report from the last Committee meeting. The herbicide report will be discussed at the next meeting. The Committee met on February 14, 2019; next meeting will be April 11, 2019, 9:00 a.m. in the Board Room.

14g. Report of the Maintenance & Construction Committee - Director Randazzo gave a report from the last Committee meeting. The Committee will be discussing ongoing

projects along with water detection devices, and a solar update by Director Margolis. The Committee met on February 27, 2019; next meeting will be April 24, 2019, 9:00 a.m. in the Board Room.

- Village Energy Task Force Charter – Director Randazzo gave a report from the last Task Force meeting. The Task Force is addressing the need for additional EV Charging Stations. The Task Force met on March 6, 2019; next meeting will be May 1, 2019 at 1:30 p.m. in the Board Room.

14h. Report of the Resident Advisory Committee – Director Achrekar encouraged residents to attend this Committee meeting. The Committee met on March 14, 2019; next meeting will be April 11, 2019, 4:00 p.m. in the Sycamore Room.

15. GRF Committee Highlights

15a. Report of the Finance Committee—Director Morrison gave highlights from the last Committee meeting. The Committee met on February 20, 2019; next meeting will be April 24, 2019, 1:30 p.m. in the Board Room.

15b. Report of the Community Activities Committee—Director Margolis gave highlights from the last Committee meeting. The Committee met on March 14, 2019; next meeting will be May 9, 2019, 1:30 p.m. in the Board Room.

15c. Report of the Landscape Committee—Director Blackwell gave highlights from the last Committee meeting. The Committee met on March 20, 2019; next meeting will be May 15, 2019, 1:30 p.m. in the Board Room.

15d. Report of the Maintenance & Construction Committee—Director Randazzo gave highlights from the last Committee meeting. The Committee met on February 13, 2019; next meeting will be April 10, 2019, 9:30 a.m. in the Board Room.

15e. Report of the Media and Communication Committee—Director Blackwell gave highlights from the last Committee meeting. Thrive Task Force is working on the Centurion Project. The Committee met on March 18, 2019; next meeting will be April 15, 2019, 1:30 p.m. in the Board Room.

15f. Report of the Mobility and Vehicles Committee—Director Addington gave highlights from the last Committee meeting. She highlighted the events at the Transportation Workshop. The Committee met on April 3, 2019; next meeting will be June 5, 2019, 1:30 p.m. in the Board Room.

15g. Report of the Security and Community Access Committee—Director Liberatore. The Committee met on February 25, 2019; next meeting will be April 22, 2019, 1:30 p.m. in the Board Room.

- Laguna Woods Village Traffic Hearings – Director Torng summarized the results of the last traffic hearings. The Hearings were held on March 20, 2019; next

hearings April 17, 2019, 9:00 a.m. in the Board Room and 1:00 p.m. in the Sycamore Room.

15h. Disaster Preparedness Task Force—Director Achrekar gave highlights from the last Committee meeting. The Task Force met on March 26, 2019; next meeting will be May 28, 2019, 9:30 a.m. in the Board Room.

16. Future Agenda Items

- 16a.** Approve 2019 Election Schedule and Inspector of Election
- 16b.** Approve a Resolution for a Canvassing Policy
- 16c.** Approve the Committee Advisor Qualifications, Procedures and Policy
- 16d.** Approve VMS Roles and Responsibilities
- 16e.** Approve the Revised Payment Plan Agreement Form and a Resolution for a Payment Plan Fee Policy for Assessments
- 16f.** Approve a Resolution to Revise the Fees for Golf Cart Charging Violations
- 16g.** Amended Financial Qualification Policy on Capital Gains and Rental Property Depreciation

17. Director's Comments

- Director Addington encouraged everyone to attend the OCTA public hearing on the I-5/EI Toro Interchange.
- Director Tornig commented about questions from the Residents.
- Director Achrekar commented about the failure of the resolution to Allow Guarantors.
- Director Armendariz commented about the Financial Review requirements. He encouraged residents to attend the OCTA public hearings and the Landscape Committee meeting.
- Director Randazzo encouraged residents to come to the Committee meeting if they are having problems.
- Director Blackwell commented that the RFID gives residents the convenience of entering the Community quickly; it costs \$25.00. She also encouraged residents to attend the Committee meetings.
- Director Morrison commented about his concerns with the Caregiver Policy. He commented that legal counsel has informed the Board that we are in compliance with the new Financial Review law.
- Director Liberatore attended the CIA Luncheon and found the information to be useful.
- Director Margolis commented about resident comments about the additional fee for the RFID.
- President Skillman commented about the non-smoking policy in United Mutual.

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 recessed at 12:20 p.m. into the Executive Session.

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

During the March 12, 2019, Regular Executive Session, the Board:

Approval of Agenda

Approval of the Following Meeting Minutes;

(a) February 12, 2018 – Regular Closed Meeting

(b) February 21, 2019 – Special Closed Meeting (Contractual Matters)

(c) February 25, 2019 – Special Closed Meeting (Legal/Legislation Matters)

Discussed Member Disciplinary Cases


Discussed and Considered Contractual Matters

Discussed Personnel Matters

Discussed and Considered Legal and Litigation Matters

19. Adjourn

The meeting was adjourned at 3:15 p.m.


Maggie Blackwell, Secretary of the Board
United Laguna Woods Mutual

- **126-D (Majorca, 8A) Appeal to Retain Two Doors on an Unauthorized Alteration**

RESOLUTION 01-19-XX
Variance Request

WHEREAS, Mr. Roger Flynn of 126-D Avenida Majorca, a Majorca style unit, requests Board approval of an appeal to retain two doors on an unauthorized alteration which opens onto Common Area;

WHEREAS, a Neighborhood Awareness Notice was sent to Owners of affected units on March 14, 2019, notifying them that an application to make an alteration to a neighboring Unit had been made and that comments or objections could be made in writing to the Architectural Controls and Standards Committee or in person at the Architectural Controls and Standards Committee Meeting on April 9, 2019.

NOW THEREFORE BE IT RESOLVED, on May 14 2019, the Board of Directors hereby denies the appeal to retain two doors on an unauthorized alteration which opens onto Common Area;

RESOLVED FURTHER, all costs for maintenance, repair, renovation, replacement or removal of the improvement, present and future, are the responsibility of the Shareholder at 126-D and all future Shareholders at 126-D.

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

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RESOLUTION 01-19-XX

Approval of Removal of One Carrotwood Tree at 85-B

WHEREAS, February 12, 2013, that the Board of Directors adopted Resolution 01-13-17 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.
- 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 11, 2019, the Landscape Committee reviewed a request to remove one Carrotwood Tree. The request was received from the Member at 85-B, who cited the reasons are the tree swarms with bees in the warm weather and he has an allergy to bee stings; and

WHEREAS, on April 11, 2019, the Landscape Committee recommended to approve the removal of one Carrotwood tree located at 85-B Calle Aragon due to visible signs of decay and damage in the trunk, as well as in the surface roots, and its potential for long term maintenance costs, and to plant a replacement tree at a suitable location;

NOW THEREFORE BE IT RESOLVED, May 14, 2019, the Board of Directors approves the request for the removal of one Carrotwood tree and to plant a replacement tree at a suitable location, and;

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

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RESOLUTION 01-19-XX

Approval of Removal of One Canary Island Pine Tree at 539-A

WHEREAS, February 12, 2013, that the Board of Directors adopted Resolution 01-13-17 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.
- 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 11, 2019, the Landscape Committee reviewed a request to remove one Canary Island Pine Tree. The request was received from the Member at 539-A, who cited the reasons as litter/debris, overgrown, and the proximity to the unit; and

WHEREAS, on April 11, 2019, the Landscape Committee recommended to approve the removal of one Canary Island Pine tree located at 539-A Via Estrada based on the United Mutual Tree Management Policy, which addresses the selective removal of pine trees that were planted in stands and since there are a total of five Canary Island Pine trees in this area, this tree is a candidate for removal;

NOW THEREFORE BE IT RESOLVED, May 14, 2019, the Board of Directors approves the request for the removal of one Canary Island Pine tree, and;

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

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RESOLUTION 01-19-XX

Recording of a Lien

WHEREAS, Member ID 947-406-07; is currently delinquent to United Laguna Woods 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, May 14, 2019, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-406-07 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 01-19-XX

Recording of a Lien

WHEREAS, Member ID 947-377-92; is currently delinquent to United Laguna Woods 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, May 14, 2019, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-377-92 and;

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

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RESOLUTION 01-19-XX

Recording of a Lien

WHEREAS, Member ID 947-374-27; is currently delinquent to United Laguna Woods 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, May 14, 2019, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-374-27 and;

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

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STAFF REPORT

DATE: May 14, 2019
FOR: Board of Directors
SUBJECT: 2019 Election Schedule and Inspector of Election Services

RECOMMENDATION

Approve the 2019 Election Schedule and appoint UniLect Corporation as the Inspector of Election for the 2019 United Mutual Annual Election.

BACKGROUND

The 2019 Election Schedule contains the dates that staff and the Inspector of Election must adhere to for execution of the 2019 United Mutual Annual Election pursuant to Civil Code §5115, Corporations Code §7611 and United Restated Bylaws, Article V §10.

Civil Code §5110 requires an association to select an independent third party or parties as an inspector of elections. The Inspector of Elections is used to perform several tasks during an election including, but not limited to print, collate, mail, receive, register, store and safeguard secret ballots (“ballots”) and required inner (“ballot envelope”) and outer envelope (“mailing envelope”) and provide election day services such as ballot counting, tabulation, validation and certification of election results.

Martin & Chapman Company has served as Inspector of Election for ten years, but is no longer available to provide service as the owners of the firm retired and closed the business.

DISCUSSION

Following an extensive search to identify a specialized contractor that has proven expertise with homeowner association elections and Davis-Sterling Act compliance, staff identified and is in the process of contracting with UniLect Corporation to serve as Inspector of Election. UniLect Corporation is familiar with the services Martin and Chapman provided to our community and is in the process of purchasing the document templates that Martin and Chapman utilized. Further, as part of the election management services, UniLect Corporation will provide a 24/7 customer service hotline throughout the election period for members.

The attached 2019 Election Schedule has been reviewed by legal counsel in accordance to the Corporation Bylaws. The 2019 Election Schedule details the dates based on the calculation schedule when action needs to be taken by staff and the Inspector of Elections.

FINANCIAL ANALYSIS

The 2018 cost for Inspector of Election Services was approximately \$16,000 excluding postage. The proposal submitted by UniLect Corporation for 2019 services is approximately \$16,000 excluding postage. The cost will be included in the annual operating budget.

Prepared By: Cheryl Silva, Corporate Sectreatry

Reviewed By: Siobhan Foster, COO
Betty Parker CFO

ATTACHMENT(S)

ATT1-2019 Election Schedule

ATT2-Resolution—Approve Inspector of Election Services

**ATTACHMENT 1
 UNITED BOARD
 2019 ELECTION SCHEDULED**

Appoint Inspectors of Election	4/9/2019
Approve Election Dates	4/9/2019
Record Date for Mailing of Meeting Notice	7/3/2019
Nominations Open	7/9/2019
Mail Annual Meeting Notice (postcard)	7/19/2019
Hearing Dates	7/25/2019
Copy of Mailing List	7/29/2019 & 8/9/2019
Nominations Close 5:00 pm	8/9/2019
Candidate Statement Due	8/9/2019
Candidate Video Agreement Due	8/9/2019
Record Date for Voting	8/13/2019
Ballot Information to Printer	8/14/2019
Meet the Candidates	8/16/2019
Candidate Video Filming	8/16/2019
Replay Meet the Candidates	8/19/19, 8/23/19 & 8/28/19
Mail Ballot Package	8/28/2019
Notice Tabulation Meeting	9/19/2019
Ballots Due Back	9/25/2019
Tabulation Meeting Counting of Ballots by Inspectors of Election	9/27/2019
Notice of Annual/Organizational Meeting	10/3/2019
Annual/Organizational Board Meeting Date	10/8/2019 9:30 A.M. BOARD ROOM

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ATTACHMENT 2

RESOLUTION 01-19-XX
Approve Inspector of Election Services

WHEREAS, Civil Code §5110 requires an association to select an independent third party or parties 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, May 14, 2019, that the Board of Directors of United Laguna Woods Mutual hereby approves single-sourcing a contract to UniLect to perform Inspectors of Election services for the 2019 Annual Meeting of the Corporate Members; and

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

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**FINANCIAL REVIEW CONFIRMATION CHECKLIST FOR
THE BOARD OF DIRECTORS OF
THE UNITED LAGUNA WOODS MUTUAL
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION**

Pursuant to California *Civil Code* Section 5500, unless the governing documents impose more stringent requirements, the Board of Directors of United Laguna Woods Mutual ("United") is required to review various financial documents and statements on at least a monthly basis. Furthermore, this review requirement may be satisfied by a subcommittee of the Board, which consists of United's treasurer and at least one (1) other Board member. (*Civil Code* § 5501.)

This Financial Review Confirmation Checklist ("Checklist") is designed for use in keeping track of the financial review obligations required by the *Civil Code*. It also serves to document the completion/satisfaction of these financial review obligations by the Board of Directors and/or the designated subcommittee of the Board.

Accordingly, the undersigned Board members, or designated subcommittee members, hereby affirm that they reviewed the following documents for the period ending March 31, 2019:

- ☒ 1. A current reconciliation of United's operating and reserve accounts; and
- ☒ 2. The current year's actual operating revenues and expenses, compared to the current year's budget; and
- ☒ 3. The latest account statements prepared by the financial institutions where United has its operating and reserve accounts; and
- ☒ 4. The income and expense statement for United's operating and reserve accounts; and
- ☒ 5. The check register, monthly general ledger, and delinquent assessment receivable reports.

I certify that the above financial documents were reviewed to the best of my ability, in my fiduciary capacity as a member of the United Board of Directors or subcommittee of the Board of Directors. Nothing contained herein is intended nor shall be construed as any guarantee, nor waiver of any of United's legal rights or remedies, all of which are expressly reserved.

UNITED LAGUNA WOODS MUTUAL

Signature: R Gary Morrison
Print Name: R Gary Morrison
Title: Director
Date: May 8, 2016

UNITED LAGUNA WOODS MUTUAL

Signature: E Addington
Print Name: Elsie Addington
Title: Director United
Date: 8 May 2016



STAFF REPORT

DATE: May 14, 2019
FOR: Board of Directors
SUBJECT: Delinquent Assessment – Payment Plan Agreement

RECOMMENDATION

Staff recommends the Board approve revisions to the Delinquent Assessment - Payment Plan Agreement form and initiating a one-time setup fee of \$50 to recover administrative costs.

BACKGROUND

As indicated in the United Mutual Collection and Lien Enforcement Policy (Attachment 1), any Member who is in arrears on regular assessments is entitled to make a written request for a payment plan for those assessments to the Board. The Board considers payment plan requests on a case-by-case basis, and is under no obligation to grant requests.

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

The Finance Committee requested legal review of the existing form (Attachment 2) to provide stronger collection language if terms of the agreement are breached and to recover costs associated with accepting payments over time.

On November 26, 2018, the United Governing Documents Review Committee recommended approval of the amendments to the Payment Plan Agreement Form and Policy, which were subsequently reviewed and recommended by the Finance Committee on November 27, 2018.

On December 11, 2018 the Board requested further review of the proposed administrative fee and suggested clarifying language in the policy resolution.

On December 18, 2018, the United Governing Documents Review Committee recommended wording changes for clarification on the policy resolution. On January 29, 2019, the Finance Committee agreed with the wording changes and recommended a one-time setup fee of \$50 instead of the proposed \$25 monthly fee.

On February 12, 2019 the Board directed staff to send this item back to the Finance Committee to provide an example of how interest is calculated through the duration of the agreement.

On March 26, 2019, at the United Finance Committee meeting, a motion was made and carried unanimously to recommend the Board approve the proposed Delinquent Assessment - Payment Plan Agreement form and requested that Members receive a projected amortization schedule of charges for all approved payment plans.

DISCUSSION

The 2019 Collection and Lien Enforcement Policy (Attachment 1) was reviewed by legal counsel, approved by the Board via Resolution 01-18-88, and issued to all members as part of the Annual Policy Statement in November 2018. In section three of the policy, titled "Late Charges; Interest", the late charge on delinquent assessments is set at \$50 per month and the interest charge is set at 12 percent per annum. Staff confirmed that a simple interest calculation is applied to delinquent balances, not compound interest. Below is an excerpt from section three of the collection policy:

"...both state law and United's governing documents provide for interest on the delinquent assessment, late charge, and collection fees and costs. Accordingly, interest may be imposed thirty (30) days after the assessment is due, at an annual percentage rate not to exceed Twelve Percent (12%), consistent with Civil Code Section 5650. "

Recommendations from the Governing Documents Review and Finance Committees have been incorporated into the revised Payment Plan Agreement Form (Attachment 3), including a new one-time setup fee of \$50, and will be prospectively applied to requests made after Board adoption of the policy resolution (Attachment 4).

FINANCIAL ANALYSIS

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

Prepared By: Betty Parker, Chief Financial Officer

Reviewed By: Steve Hormuth, Controller

ATTACHMENT(S)

Attachment 1 – 2019 Collection and Lien Enforcement Policy

Attachment 2 – Existing Payment Plan Agreement

Attachment 3 – Proposed Payment Plan Agreement - Assessments

Attachment 4 – Resolution



YEAR 2019 COLLECTION AND LIEN ENFORCEMENT POLICY AND PROCEDURES FOR ASSESSMENT DELINQUENCIES

PURPOSE STATEMENT

The following is a statement (the “Policy Statement”) of the specific procedures, policies and practices employed by United Laguna Woods Mutual, a California nonprofit mutual benefit corporation (“United”) in enforcing lien rights or other legal remedies for default in payment of assessments against its members (“Shareholders”). This Policy Statement is provided pursuant to the requirements of California Civil Code Section 5310(a)(7) and incorporates by reference the disclosure provided by United pursuant to California Civil Code Section 5730.

The collection of delinquent assessments is of vital concern to all Shareholders of United. Such efforts ensure that all Shareholders pay their fair share of the costs of services and facilities provided and maintained by United. Shareholders’ failure to pay assessments when due creates a cash-flow problem for United and causes those Shareholders who make timely payment of their assessments to bear a disproportionate share of the community’s financial obligations.

Assessments are the separate debt of shareholders. United may employ single collection recourses or combinations thereof as allowed by law. In addition to any other rights provided for by law or described in the governing documents, including, but not limited to the Articles of Incorporation, Bylaws and each Shareholder’s Occupancy Agreement (“Governing Documents”), the Board has the right to collect delinquent assessments as stated herein.

WE SINCERELY TRUST THAT ALL SHAREHOLDERS, IN THE SPIRIT OF COOPERATION AND IN RECOGNITION OF THEIR LEGAL OBLIGATIONS, WILL MAKE TIMELY PAYMENTS AND AVOID THE IMPOSITION OF LATE CHARGES AND POSSIBLE RESULTANT LEGAL ACTION, AND REIMBURSEMENT FOR THE COSTS OF SUCH LEGAL ACTION. IT IS IN YOUR BEST INTEREST AND THE BEST INTEREST OF THE COMMUNITY AS A WHOLE TO MAKE YOUR MONTHLY PAYMENTS ON TIME.

REGARDLESS OF WHETHER A LIEN IS RECORDED AGAINST YOUR LEASEHOLD INTEREST DURING THE COLLECTION OF PAST-DUE ASSESSMENTS, ALL SHAREHOLDERS HAVE A PERSONAL AND ONGOING OBLIGATION TO PAY ASSESSMENTS AND CHARGES.

BASIC POLICIES AND PROCEDURES

Delinquency reports are made available monthly by United’s managing agent to the Board of United, identifying the delinquent Shareholder, the delinquent amount and the length of time the assessments have been in arrears. Additionally, to ensure the prompt payment of monthly assessments United employs the following collection and lien enforcement procedures. The

policies and practices outlined herein shall remain in effect until such time as they may be changed, modified, or amended by a duly adopted resolution of United's Board of Directors.

Pursuant to United's Governing Documents, as well as the California Civil Code, the following are United's collection and lien enforcement policies and procedures for assessment delinquencies:

1. Assessments; Assessments Due Date. "Carrying Charges" as defined by United's Occupancy Agreement, also referred to as "fees" in United's Bylaws, are referred to in this paragraph and throughout this Policy Statement as "assessments." Assessments are due and payable to United, in advance, in equal monthly installments, on the first (1st) day of each month. **It is each Shareholder's responsibility to pay assessments in full each month regardless of whether a billing statement is received.** Special assessments shall be due and payable on the due date specified by the Board of Directors in the notice imposing the special assessment. In no event shall a special assessment be due and payable earlier than thirty (30) days after the special assessment is duly imposed. If a special assessment is payable in installment payments and an installment payment of that special assessment is delinquent for more than 30 days, all remaining installments will be accelerated and the entire unpaid balance of the special assessment shall become immediately due and payable. The remaining balance shall be subject to late charges and interest as provided herein.

2. Reminder Notice; Administrative Collection Fee. If Assessments are not received by United on or before the close of business on the sixteenth (16th) day of the month (or if a special assessment is not received by United on or before the close of business on the fifteenth (15th) day after it is due), a Reminder Notice is sent to the Shareholder. PLEASE NOTE THAT TO BE CONSIDERED TIMELY, THE PAYMENT MUST BE RECEIVED BY UNITED WITHIN THIS FIFTEEN (15) DAY GRACE PERIOD. SIMPLY PLACING THE PAYMENT IN THE MAIL BEFORE THE GRACE PERIOD EXPIRES IS NOT SUFFICIENT. It is the policy of United not to waive any duly imposed late charges, interest, or collection fees and costs. Each delinquent account shall incur an administrative collection fee, in the amount of Two Hundred Dollars (\$200) (the "Administrative Collection Fee"), which is charged by United's managing agent to cover staff's costs to prepare the files for delivery to United's collection agent in order to carry out collection activities authorized hereunder, as well as direct costs incurred in recording and/or forwarding documents in connection with the collection process. This Administrative Collection Fee may be increased by majority vote of United's Board, and may be collected by United's collection agent on United's behalf, and remitted to United's managing agent, or may be directly collected by United's managing agent. IT IS THE SHAREHOLDER'S RESPONSIBILITY TO ALLOW AMPLE TIME TO DROP OFF OR MAIL ALL PAYMENTS SO THAT THEY ARE RECEIVED BEFORE THE DELINQUENCY DATE. All notices or invoices for assessments will be sent to Shareholders by first-class mail addressed to the Shareholder or the Shareholder's designee at his or her address as shown on the books and records of United unless otherwise required by law. However, it is the Shareholder's responsibility to be aware of the assessment payment due dates and to advise United of any changes in the Shareholder's mailing address.

3. Late Charges; Interest. Assessments not received by the sixteenth (16th) day of the month will incur a late fee in the amount of Fifty Dollars (\$50.00), which amount is

consistent with statutory authority. Further, both state law and United's governing documents provide for interest on the delinquent assessment, late charges and collection fees and costs. Accordingly, interest may be imposed thirty (30) days after the assessment is due, at an annual percentage rate not to exceed Twelve Percent (12%), consistent with Civil Code Section 5650. Such interest may be imposed and collected per the foregoing sentence regardless of whether the Shareholder's delinquent account is referred to United's collection agent for collections.

4. Thirty-Day Pre-Lien Letter Notice to Delinquent Shareholder. If full payment of the delinquent amount is not received by the close of business on the thirtieth (30th) day after the date of the Reminder Notice, United's managing agent will send a pre-lien letter (also referred to as a final demand for payment letter) to the Shareholder as required by Civil Code Section 5660 by certified and regular first class mail, to the Shareholder's mailing address of record in United's books and records advising of, among other things required by law, the delinquent status of the account, including an itemized statement of the charges owed by the shareholder, impending collection action and the Shareholder's rights including a statement that the shareholder will not be liable to pay charges, interest and costs of collection if it is determined the assessment was paid on time to United, and the right to request a meeting with the Board of Directors of United pursuant to Civil Code Section 5665, the right to dispute the assessment debt by submitting a written request for dispute resolution pursuant to Civil Code pursuant to Article 2 (commencing with Section 5900) of Chapter 10 ("IDR"), the right to request alternative dispute resolution pursuant to Article 3 (commencing with Section 5925) of Chapter 10 ("ADR") and the right to request debt validation. Notwithstanding the provisions of this paragraph, United may cause a pre-lien letter to be sent to a delinquent Shareholder at any time when there is an open escrow involving the Shareholder's leasehold interest, may cause a pre-lien letter to be sent to a delinquent Shareholder if any special assessment becomes delinquent, and/or may turn the delinquent account over to United's collection agent to send a pre-lien letter to a delinquent Shareholder.

5. Recordation of a Lien Against a Delinquent Shareholder's Leasehold Interest. If a Shareholder does not pay the amounts set forth in the pre-lien letter and does not request IDR or ADR within thirty (30) days of the date of the pre-lien letter, or, otherwise, requests to validate the debt in which case the collection process will be placed on hold in order to validate the debt, the delinquent account will be turned over to United's collection agent for collections. The Board shall decide, by majority vote in an open meeting, whether to authorize United's collection agent to record a lien for the amount of any delinquent assessments, late charges, interest, and collection fees and costs, including attorneys' fees against the Shareholder's leasehold interest. If United authorizes United's collection agent to record a lien against the Shareholder's leasehold interest, the Shareholder will incur additional fees and costs for preparing and recording the lien. The lien may be enforced in any manner permitted by law, including without limitation, judicial or non-judicial foreclosure (Civil Code Section 5700).

6. Enforcement of a Lien. United's collection agent may be authorized to enforce the lien thirty (30) days after recordation of the lien, in any manner permitted by law, which may include recording a Notice of Default. United may foreclose the lien by judicial or non-judicial foreclosure when either (a) the delinquent assessment amount

totals One Thousand Eight Hundred Dollars (\$1,800.00) or more, excluding accelerated assessments, late charges, interest, and collection fees and costs or (b) the assessments are delinquent for more than twelve (12) months. **YOU COULD LOSE YOUR LEASEHOLD INTEREST AT UNITED IF A FORECLOSURE ACTION IS COMPLETED.** A non-judicial foreclosure sale by United to collect upon a debt for delinquent assessments is subject to a statutory right of redemption. The redemption period within which your leasehold interest may be redeemed ends ninety (90) days after United's foreclosure sale, per California Civil Code Section 5715(b). The Shareholder will incur significant additional fees and costs if a Notice of Default is recorded and a foreclosure action is commenced against the Shareholder's leasehold interest. The decision to foreclose on a lien must be made by a majority of the Board of Directors in an Executive Session meeting and the Board of Directors must record their votes in the minutes of the next open meeting of the Board. The Board must maintain the confidentiality of the delinquent Shareholder(s) by identifying the matter in the minutes by only the parcel number of the property in which the Shareholder has a leasehold interest. Prior to initiating any foreclosure sale on a recorded lien, United shall offer delinquent Shareholders the option of participating in IDR, ADR, or both IDR and ADR as requested by the Shareholder.

United may commence and maintain a lawsuit directly on the debt without waiving its right to establish a lien and initiate foreclosure against the owner's separate interest for the delinquent assessment. In any action to collect delinquent assessments, late charges, or interest, the prevailing party will be entitled to costs and reasonable attorney's fees.

7. Inspection of Books and Records. A Shareholder is entitled to inspect United's accounting books and records to verify the amounts owed pursuant to Civil Code Section 5200, *et seq.*

8. Application of Payments. Any payments made shall be first applied to assessments owed and only after the assessments owed are paid in full, shall such payment be applied to late charges, interest, and collection fees and costs, including attorneys' fees.

9. Account Sent to United's Collection Agent In Error. In the event it is determined that the Shareholder has paid the assessments on time, the Shareholder will not be liable to pay the charges, interests, and fees and costs of collection associated with collection of those assessments. If it is determined that a lien was recorded in error, a release of lien shall be recorded within twenty-one (21) calendar days and the owner of the separate interest will be provided with a copy of the release of lien. If the lien was recorded in error, United shall promptly reverse all late charges, fees, interest, attorney's fees, and costs of collection.

10. Payment Under Protest. A Shareholder may but is not obligated to, pay under protest any disputed charge or sum levied by United, including but not limited to, an assessment, fine, penalty, late fee, collection cost, or monetary penalty imposed as a disciplinary measure, and by so doing, specifically reserve the right to contest the disputed charge or sum in court or otherwise.

11. Right to Dispute the Debt. A Shareholder has the right to dispute the assessment debt by submitting a written request for dispute resolution to the collection agent for

delivery to United pursuant to Civil Code Section 5900 *et seq.* A dispute, by itself, will not impede United's ability to record a lien.

12. Right to Request Internal Dispute Resolution ("IDR"). Pursuant to Civil Code Section 5670, prior to recording a lien, United offers to Shareholders, and if so requested by a Shareholder, participation in internal dispute resolution ("IDR") pursuant to United's "meet and confer" program.

13. Right to Request Alternative Dispute Resolution ("ADR"). A Shareholder has the right to request alternative dispute resolution with a neutral third party pursuant to Civil Code Section 5925 *et seq.* before United may initiate foreclosure against the Shareholder's leasehold interest, except that binding arbitration shall not be available if United intends to initiate a judicial foreclosure.

14. Right to Request Debt Validation. Under the Fair Debt Collection Practices Act ("FDCPA"), a Shareholder may request that United and/or its collection agent send the Shareholder proof that the debt sought to be recovered is valid, that the Shareholder lawfully owes the debt, and that United and/or its collection agent has the right to collect the debt.

15. Payment Plan Requests. Any Shareholder who is unable to pay assessments will be entitled to make a written request for a payment plan to United, or United's collection agent, as applicable, to be considered by the Board of Directors. A Shareholder may also request to meet with the Board in executive session to discuss a payment plan if the payment plan request is mailed within fifteen (15) days of the postmark date of the pre-lien letter. The Board will consider payment plan requests on a case-by-case basis and is under no obligation to grant payment plan requests. Payment plans shall not interfere with United's ability to record a lien on a Shareholder's separate interest to secure payment for the Shareholder's delinquent assessments. If the Board authorizes a payment plan, it may incorporate payment of ongoing assessments that accrue during the payment plan period. If a payment plan is approved by the Board, additional late charges from the Shareholder will not accrue while the Shareholder remains current under the terms of the payment plan. If the Shareholder breaches an approved payment plan, United may resume its collection action from the time the payment plan was approved.

16. Termination of Shareholder's Rights under Occupancy Agreement. Nothing herein limits or otherwise affects United's right to proceed in any lawful manner to collect any delinquent sums owed to United, or to pursue any other discipline set forth in United's governing documents, including but not limited to a termination of the Shareholder's rights under the Occupancy Agreement pursuant to Article 14 therein and pursuant to the procedures set forth in Article IV, Section 3 of the Bylaws and pursuing an unlawful detainer action or other proceeding which may apply to the eviction of tenants.

17. Release of Lien. Prior to the release of any lien, or dismissal of any legal action, all assessments, late charges, interest, and fees and costs of collection, including attorneys' fees, must be paid in full to United.

18. No Right of Offset. There is no right of offset. Shareholder may not withhold assessments owed to United on the alleged grounds that the Shareholder is entitled to recover money or damages from United for some other obligation.

19. Returned Checks. United may charge the Shareholder a Twenty-Five Dollar (\$25.00) fee for the first check tendered to United that is returned unpaid by the Shareholder's bank and Thirty-Five Dollars (\$35.00) for each subsequent check passed on insufficient funds. If the check cannot be negotiated, United may also seek to recover damages of at least One Hundred Dollars (\$100.00), or, if higher, three (3) times the amount of the check up to One Thousand, Five Hundred Dollars (\$1,500.00) pursuant to Civil Code Section 1719.

20. Additional Mailing Addresses. Shareholders have the right to provide a secondary address to United for mailing of an additional copy of notices and other correspondence related to collection of delinquent assessments. The Shareholder's request shall be in writing and shall be mailed to United in a way that shall indicate that United has received it. A Shareholder may identify or change a secondary address at any time, provided that, if a secondary address is identified or changed during the collection process, United shall only be required to send notices to the indicated secondary address from the point United receives the request.

21. Charges Subject to Change. All charges listed herein are subject to change upon thirty (30) days prior written notice. After a delinquent account has been turned over to United's collection agent, United's collection agent's charges may vary from United's and are subject to change without prior written notice. Shareholders in collections should rely on United collection agent's charges and statement of account.

22. Notice and Hearing Prior to Suspension of Shareholder Privileges. Until the Shareholder has paid all amounts due, including delinquent assessments, late charges, interest and fees and costs of collection, including attorneys' fees, the Board of Directors may suspend the Shareholder's right to vote, and suspend the Shareholder's right to use United's recreational facilities and/or the facilities or services provided by the Golden Rain Foundation of Laguna Woods after providing the Shareholder with a duly noticed hearing pursuant to Civil Code Section 5855. However, any suspension imposed shall not prevent the delinquent Shareholder from the use, benefit and pleasure of the Shareholder's leasehold interest (i.e., the manor).

When the Board is to meet in executive session to consider or impose a monetary charge as a means of reimbursing United for costs incurred by it in the repair of damage to common area and facilities caused by a member or the member's guest or tenant, the Board shall notify the member in writing, by either personal delivery or individual delivery pursuant to Section 4040, at least 10 days prior to the meeting. (Civil Code Section 5855(a).) The notice shall contain, at a minimum, the date, time, and place of the meeting, the nature of the alleged violation for which a member may be disciplined or the nature of the damage to the common area and facilities for which a monetary charge may be imposed, and a statement that the member has a right to attend and may address the board at the meeting.

23. Overnight Payments. The mailing address for overnight payment of assessments is: United Laguna Woods Mutual, Attn: Assessments, 24351 El Toro Road, Laguna Woods, CA 92637.

24. Annual Notice to Members. United shall distribute its collection policy to each member during the 60-day period immediately preceding the beginning of United's fiscal year.

25. No limitations. Nothing herein limits or otherwise affects United's right to proceed in any lawful manner to collect any delinquent sums owed to United.

**BOARD OF DIRECTORS
UNITED LAGUNA WOODS MUTUAL**

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**United Laguna Woods Mutual
Village Management Services, Inc., Agent
24351 El Toro Road
Laguna Woods, California 92637**

DELINQUENT ASSESSMENT – PAYMENT PLAN AGREEMENT

Current Form

**Manor No.:
Assessment Delinquency:**

Subject: ASSESSMENT DELINQUENCY

The undersigned hereby acknowledges the assessment delinquency shown above. He or she also acknowledges the rights of United Laguna Woods Mutual (the Mutual) to collect such assessments, together with accrued late charges, interest and collection costs, in accordance with the laws of the State of California and the governing documents of the Mutual.

The following reflects the standards that have been adopted by the Board of Directors.
The undersigned agrees to repay the delinquency debt according to the following plan:

- ☐ The delinquent balance will be paid off in its entirety within _____ months. To achieve this, extra monthly payments will be made in the amount of \$ _____. **These payments will be in addition to the regular monthly assessment.** Extra payments will commence on _____ and be made on or before the first of each successive month until the delinquency and accrued late charges are paid in full.
- ☐ Payment in full of the delinquent amount will be made in a lump sum on or before _____. **This payment will be in addition to the regular monthly assessment.**
- ☐ The undersigned states that the manor is presently for sale, and will present a copy of the executed listing agreement in conjunction with this agreement. If the listing agreement expires before the manor is sold, a new executed listing agreement must be presented. The total term of all listing agreements shall not exceed one year from the date of the subject delinquency. Payment in full of the delinquent amount will be made from the proceeds of sale of the manor, through escrow. Further, undersigned understands and agrees that accrued fees, charges and legal collection costs will be collected through escrow.
- ☐ Member's payment plan proposal that is in accordance with the standards for payment plans adopted by the Mutual:

This will be in addition to the regular monthly assessment.

The undersigned understands that late charges and fees will continue to accrue, in accordance with the Collection and Lien Enforcement Policy of the Mutual, until the delinquency is paid in full. Also, the undersigned understands that the Mutual reserves the right to pursue all available legal means to collect the sums due if the terms of this agreement are breached. Similarly, the undersigned understands that he or she has the right to meet with the Board of Directors of the Mutual to discuss a reasonable alternative payment plan option (see the fourth option above), according to the payment plan standards adopted by the Board of Directors of the Mutual.

Date: _____ Member's Signature _____
Mutual Officer's Signature _____

Return signed form to:
Manor Payment Representative
PO Box 2220
Laguna Woods, CA 92654-2220

Or:
Manor Payment Representative
24351 El Toro Road
Laguna Woods, CA 92637

Phone: (949) 597-4221 **Fax:** (949) 472-4154

Manor Number: _____

Member Name: _____ Driver License # _____

The undersigned hereby acknowledges the rights of United Laguna Woods Mutual (the Mutual) to collect assessments, together with accrued late charges, interest and collection fees and costs, in accordance with the laws of the State of California and the governing documents of the Mutual. The following reflects the standards that have been adopted by the Board of Directors. Refer to the Payment Plan Standards For Delinquent Assessment Payments document for more details.

The total amount owed as of [date] is \$ _____, this includes assessments, late charges, interest, and collection fees and costs (the "Delinquent Amount"). The undersigned agrees to repay the Delinquent Amount according to the following plan:

Check One:

- ☐ **INSTALLMENTS:** The Delinquent Amount will be paid off in its entirety within _____ months. To achieve this, extra monthly payments will be made in the amount of \$ _____. **These payments will be in addition to the regular monthly assessment, which may come due during the term of the payment plan and the administrative fee described below.** Extra payments will commence on _____ and be made on or before the first of each successive month until the delinquency and accrued late charges are paid in full. With this standard payment option, the undersigned is also required to submit a completed financial statement form (enclosed) as well as a copy of pages one and two of the two most recent federal tax returns, which may be redacted to protect private and confidential information.
- ☐ **LUMP SUM:** Payment in full of the Delinquent Amount will be made in a lump sum on or before _____. **This payment will be in addition to the regular monthly assessment, which may come due prior to receipt of the lump sum payment.**
- ☐ **ESCROW:** The undersigned states that the manor is presently for sale, and will present a copy of the executed listing agreement in conjunction with this agreement. If the listing agreement expires before the manor is sold, a new executed listing agreement must be presented. The total term of the payment plan under this option cannot exceed 90 days. Payment in full of the Delinquent Amount will be made from the proceeds of sale of the manor, through escrow. Further, the undersigned understands and agrees that accrued fees, charges and legal collection costs will be collected through escrow. This option allows a request for review by the Board of Directors for an extension, in the event escrow does not close.
- ☐ **OTHER:** The undersigned's payment plan proposal that is in accordance with the standards for payment plans adopted by the Mutual, attached hereto and incorporated herein by reference thereto as Exhibit A. **Payments contemplated in the undersigned's payment plan are in addition to the regular monthly assessment, which may come due during the term of the payment plan and the administrative fee described below.**

Initial All:

- ☐ The undersigned understands that interest will accrue at the rate of 12% per annum, in accordance with the Collection and Lien Enforcement Policy of the Mutual, until the delinquency is paid in full. In addition, the undersigned shall pay a one-time administrative setup fee of \$50.00 due upon approval of this agreement. The undersigned will be responsible for all attorneys' fees, costs, interest, late charges and assessments incurred before this agreement and the undersigned's assessment account will be deemed "paid in full."
- ☐ The undersigned understands that the Mutual will pursue all available legal means to collect the sums due on the manor including, but not limited to recording of a lien for an additional cost of a minimum of \$625, which will be added to the Delinquent Amount. If a payment is not received by the due date stated, the Mutual shall, without any further notice to the undersigned, have the power and authority to pursue any and all collection remedies against the undersigned and/or the undersigned's property, including but not limited to non-judicial foreclosure, judicial foreclosure, any remedies available, and a lawsuit for purposes of securing a money judgment. The undersigned knowingly and voluntarily waives any and all claims against the Mutual and its agents and attorneys, and the undersigned waives any and all defenses available related to or arising out of this matter, the amounts as set forth in this agreement, and any other obligation stated herein.
- ☐ The undersigned understands that he or she has the right to meet with the Board of Directors of the Mutual to discuss a reasonable alternative payment plan option (see "Other" above), according to the payment plan standards adopted by the Board of Directors of the Mutual.

Undersigned/Member Name: _____ Signature: _____ Date: _____

Mutual Officer Signature: _____ Date: _____

Return signed form by mail to:

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

Or deliver in person to:

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

Resolution 01-19-XX
Assessment Payment Plan Agreement

WHEREAS, any Member who is in arrears on a regular assessments is entitled to make a written request for a payment plan to the Board;

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

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

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

WHEREAS, the Finance Committee recommends recovering costs associated with setting up a payment plan.

NOW THEREFORE BE IT RESOLVED, on May 14, 2019, the Board of Directors of this Corporation hereby adopts revisions to the Delinquent Assessment - Payment Plan Agreement form, as attached to this Corporate record, and introducing a one-time setup fee of \$50; 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.

FEBRUARY Initial Notification-MARCH sent back to Committee for review
28-day notification for Member comment to comply with Civil Code §4360 has been satisfied.

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STAFF REPORT

DATE: May 14, 2019
FOR: Board of Directors
SUBJECT: Golf Cart Violation Fine

RECOMMENDATIONS

Staff recommends that the Board approve the proposed amendment to the Golf Cart Policies and Procedures to include a separate fine for golf carts cited using Mutual electricity without an Annual Electric Golf Cart decal.

BACKGROUND

On October 17, 2017, United Laguna Woods Mutual (United) approved revisions to the Golf Cart Policies and Procedures, adopted by Resolution 01-17-136. One provision in the policy allows golf cart plug in vehicles to charge batteries using common area electricity for a fee. When properly registered, golf carts are issued a rectangular yellow decal to indicate that they have paid the annual Electric Golf Cart fee, currently set at \$120 per cart, per year.

Included in the policies and procedures is the ability for United Mutual to impose a Notice of Violation and other enforcement actions when a golf cart is connected to common area electricity without proper permits. The current policy imposes a \$50 monetary penalty for golf carts that use Mutual electricity without a permit.

On March 26, 2019 at United Finance Committee meeting, at motion was made and carried unanimously to recommend the Board approve the a separate fine for golf carts using Mutual electricity without an Annual Electric Golf Cart decal.

DISCUSSION

Staff recommends amending the Schedule of Traffic and Monetary Penalties to increase the fine for unpermitted golf carts using common-area electricity, to \$100 for the first violation with increments of \$50 for subsequent occurrences, capping the fine at \$250. In addition, the Member must obtain the Annual Electric Golf Cart charging decal within 10 days of the violation. The proposed increase will promote a fine schedule that is fair and objective but is also a clear deterrent to help enforce community rules and regulations.

#	Type of Violation	1st	2nd	3rd	4th
	Unpermitted Golf Cart Using Mutual Electricity	\$100	\$150	\$200	\$250

FINANCIAL ANALYSIS

Monetary penalties are imposed in accordance with Civil Code §5850 for violations. Fines are designed primarily as a deterrent to help enforce community rules and regulations. The revenue collected is used to partially offset the administrative costs associated with a citation

such as patrolling, filing, data entry, correspondence with the driver/owner, and scheduling traffic hearings.

Prepared By: Jacob M Huanosto, Compliance Supervisor

Reviewed By: Tim Moy, Chief of Security
Siobhan Foster, Chief Operating Officer
Betty Parker, Chief Financial Officer

ATTACHMENT(S)

Attachment 1: Schedule of Traffic Monetary Penalties

Attachment 2: Resolution 01-19-xx Golf Cart Policy and Procedures

Security Division				
SCHEDULE OF TRAFFIC MONETARY PENALTIES				
Moving Violations	1st	2nd	3rd	4th (or more)
600 - Speeding (6 - 10 MPH)	\$25.00	\$50.00		
601 - Speeding (11 - 15 MPH)	\$50.00	\$100.00		
602 - Speeding (16 MPH and Over)	\$100.00	\$200.00		
610 - Failure to Stop	\$50.00	\$100.00	\$200.00	
620 - Right of Way	\$25.00	\$50.00		
630 - Turn Signal	\$25.00	\$50.00		
640 - Left of Center	\$25.00	\$50.00		
650 - Hit and Run	\$200.00	\$400.00		
660 - Valid Driver's License Not Produced	\$200.00	\$400.00		
680 - Reckless	\$150.00	\$300.00	\$300.00	\$300.00
690 - Headlight Violation	\$25.00	\$25.00	\$25.00	\$25.00
691 - Riding a Bicycle on Sidewalk	\$25.00	\$25.00	\$50.00	\$50.00
695 - Other Moving	\$25.00	\$50.00		
Parking Violations	1st	2nd	3rd	4th (or more)
010 - Abandoned Vehicle	\$25.00	\$25.00	\$50.00	\$50.00
700 - No Parking Zone	\$25.00	\$50.00	\$75.00	\$100.00
714 - Unpermitted Electric Plug-In (EV)	\$240.00	\$480.00	\$480.00	\$480.00
000 - Unpermitted Electric Plug-In (Golf Cart)	\$100.00	\$150.00	\$200.00	\$250.00
716 - Unattended Extension Cords & Battery Charger	\$50.00	\$100.00	\$150.00	\$150.00
720 - Limited Time Parking	\$25.00	\$25.00	\$50.00	\$75.00
721 - Recreational Vehicle Parked over 6 Hr. Limit	\$25.00	\$25.00	\$50.00	\$75.00
722 - Advertising on Vehicle Parked Overnight	\$25.00	\$25.00	\$50.00	\$75.00
723 - Vehicle Used for Storage	\$50.00	\$100.00	\$150.00	\$200.00
724 - Parked on sidewalk or Grass	\$25.00	\$25.00	\$50.00	\$75.00
725 - Expired Vehicle Registration	\$50.00	\$100.00	\$150.00	\$150.00
726 - Parked Obstructing Access	\$25.00	\$25.00	\$50.00	\$75.00
727 - No Valid GRF Vehicle Decal or Parking Permit Displayed	\$25.00	\$25.00	\$50.00	\$50.00
800 - Fire Hydrant	\$25.00	\$50.00	\$50.00	\$50.00
730 - Other Parking Violations	\$25.00	\$25.00	\$50.00	\$50.00
Handicap Parking Violations	1st	2nd	3rd	4th (or more)
810 - Handicapped Parking				
With Placard & Handicap I.D. verification	\$0.00	\$25.00	\$50.00	\$75.00
811 - Handicapped Parking				
No Placard or Handicap I.D. Displayed	\$150.00	\$200.00	\$250.00	\$275.00
Pedestrian Violations	1st	2nd	3rd	4th (or more)
750 -Pedestrian Violations	\$25.00	\$25.00	\$50.00	\$50.00
RV Parking Violations	1st	2nd	3rd	4th (or more)
820 - Hazardous Material	\$75.00	\$100.00	\$150.00	
830 - Wheel Block	\$25.00	\$50.00	\$75.00	\$100.00
840 - Jack Support (R & R Section "W" Violation)	\$25.00	\$50.00	\$75.00	\$100.00
850 - Maintenance or Repair	\$25.00	\$50.00	\$75.00	\$100.00
860 - Miscellaneous (Minor)	\$25.00	\$50.00	\$75.00	
870 - Miscellaneous (Major)	\$50.00	\$100.00	\$150.00	
RV Lot Parking Violations				
Miscellaneous (Minor)	Miscellaneous (Major)		Miscellaneous (Major)	
Flat Tires	Expired Registration		Unauthorized vehicle in space	
Failure to provide Registration paperwork	Utilizing RV vehicle as living quarters		Vehicle utilized for storage	
	Clutter		Generator running unattended	
	Storage outside of vehicle		Portable sheds or tents erected outside of vehicle	
	Wash-rack violation		Illegal Jack (R & R Section "X" Violation)	

Checks Payable to "GRF" w/ reference# in memo box
 Pay in person by leaving check in "Payment box"
 or mailing to:

Attention: Security Division
 24351 El Toro Road
 Laguna Woods, CA 92637

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RESOLUTION 01-19-XX
Golf Cart Policy and Procedures

WHEREAS, The United Laguna Woods Mutual (United) Board adopted Resolution 01-17-136 Golf Cart Policies and Procedures to include fines for unpermitted golf carts using mutual electricity;

~~**WHEREAS**, the Corporation assesses a \$50 fine for vehicles that use the common electricity without a permit; and~~

WHEREAS, cords, plugs and charging devices running through the property create a trip hazard and cause the property to otherwise be in an unsafe condition; and

WHEREAS, the safety risks associated with this conduct expose the Corporation to a risk of liability and expose any persons present on the property to risk of personal injury; and

~~**NOW THEREFORE BE IT RESOLVED**, October 17, 2017 in the interest of safety, unattended extension cords may not be used in United for any purpose; and~~

NOW THEREFORE BE IT RESOLVED, all golf cart battery chargers must be elevated a minimum of six inches from the floor; and

NOW THEREFORE BE IT RESOLVED, in the interest of safety, residents found in United with unattended extension cords and/or golf cart chargers that are not a minimum of six inches above the floor will be subject to fines; and

NOW THEREFORE BE IT RESOLVED, on May 14, 2019, the Board of Directors of this Corporation hereby approves the revisions to the Golf Cart Policy and Procedures to reference the Schedule of Traffic and Monetary Penalties, as attached to the official minutes of this meeting;

FEES AND FINES

Refer to the ULWM Fee Sheet and the Schedule of Traffic and Monetary Penalties.

~~**NOW THEREFORE BE IT RESOLVED**, fines for violations of unattended extension cords and battery chargers are as follows:~~

- ~~● First Offense: \$50~~
- ~~● Second Offense: \$100~~
- ~~● Each Subsequent Offense: \$150~~

NOW THEREFORE BE IT RESOLVED, that the Corporation's staff is authorized to take action to enforce this Resolution by citing occupants and/or guests and unplug any golf carts found in violation.

RESOLVED FURTHER, that Resolution 01-17-136 approved on October 17, 2017; is hereby superseded and canceled; and

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

~~**BE IT FURTHER RESOLVED**, that the officers, directors and agents of this Corporation are authorized to carry out this Resolution.~~

APRIL Initial Notification

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



STAFF REPORT

DATE: May 14, 2019
FOR: Board of Directors
SUBJECT: Proposed Amendment of Financial Qualification Policy

RECOMMENDATION

Approve Amendment of Financial Qualification Policy.

BACKGROUND

On March 25, 2019, the Governing Documents Review Committee reviewed and discussed clarification of language in United Mutual's Financial Qualification Policy and referred proposed changes to the Finance Committee. On March 26, 2019, the Finance Committee reviewed the proposed changes involving community property, capital gains earnings, and rental property depreciation. The committees unanimously agreed upon three proposed changes to the Financial Qualification Policy.

DISCUSSION

In United Mutual, an individual may own only one membership. The Governing Documents Review Committee recognizes situations wherein spouses, by purchasing memberships vested as sole and separate ownership, could possess more than one membership as community property assets. Consideration of community property assets or community property contributions to purchase the right to occupy a unit, albeit as sole property, may transmute the intended sole property into community property. To avoid this membership entanglement and limit a potential conflict with United Mutual Bylaws, the committees propose to exclude community property for asset qualification purposes unless it is the marital community property of the parties applying for membership.

United Mutual's treatment of capital gains earnings is a practice that has not been documented. Historically, capital gains earnings have not been calculated because they frequently reflect a one-time event. Therefore, the committees further propose to exclude capital gains earnings as a source of income when calculating an applicant's annual income.

Lastly, the Committees reviewed the issue of rental property depreciation. Depreciation should be consistently reported to the corporation as well as to state and federal taxing entities. Generally, individuals are not required to recognize rental property depreciation during a given rental period. Individuals are required to "recapture" depreciation allowed or allowable when the property is sold, which may be a taxable event, whether or not depreciation was claimed during the rental period. United Mutual recognizes residential/commercial income after depreciation, if any.

Approval of the three changes outlined above will result in clarification of income and asset requirements established by United Mutual, and codify practices that have not been documented within the Financial Qualification Policy.

FINANCIAL ANALYSIS

None.

Prepared By: Pamela Bashline, Community Services Manager
Christopher Swanson, Financial Analyst

Reviewed By: Siobhan Foster, Chief Operations Officer

ATTACHMENT(S)

ATT 1 – Resolution 01-19-XX

ATT 2 – Amended Financial Qualification Policy

RESOLUTION 01-19-XX
Community Property Consideration

WHEREAS, United Laguna Woods Mutual (hereinafter “United” or “Corporation”), is a non-profit mutual benefit corporation, existing under and by virtue of the laws of the State of California, organized for the purpose of providing its Members with housing on a cooperative non-profit basis pursuant to the provisions set forth in its Articles of Incorporation and Bylaws and Board Resolutions (collectively referred to as the “Governing Documents”);

WHEREAS, the Corporation’s Amended and Restated Bylaws (“Bylaws”) provides the purpose of the Corporation is to, among other things, “manage, maintain, preserve, and administer the business of a common interest development, specifically, a stock cooperative”;

WHEREAS, the Bylaws provide that the Board of Directors of the Corporation is responsible for managing the business and affairs and exercising all corporate powers of the Corporation;

WHEREAS, United is a stock cooperative wherein each shareholder-member is granted the right to occupy a specific unit pursuant to an Occupancy Agreement together with ownership of one share in the cooperative, provided each shareholder-member meets the financial qualifications set forth in the Financial Qualifications Policy (rev. 5-23-18);

WHEREAS, the Board of Directors desires consistent policies regarding community property consideration, reporting rental property depreciation, and capital gains consideration;

NOW, THEREFORE, be it resolved that on May 14, 2019, the following resolution is introduced by the Board of Directors:

1. Regarding community property, as set forth in the Financial Qualifications Policy (rev. 5-23-18) marital community property is excluded from assets to be considered in order to meet financial qualifications **when only one partner is purchasing**. Likewise, community property is not considered if a prospective member is purchasing a unit as his/her sole property. Consideration of community property assets or community property assets or community property contributions to purchase a unit albeit as sole property may transmute the intended sole property into community property.

BE IT FURTHER RESOLVED, that the officers, directors and agents of this Corporation are authorized to carry out the purpose of this Resolution.

APRIL Initial Notification

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

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FINANCIAL QUALIFICATIONS POLICY

Revised, 2019
Resolution 01-19-XX

Prospective shareholders of units in United Mutual (United) are required to meet minimum financial requirements for membership as set forth below. All income and assets claimed must be verified by presenting documentation acceptable to the United Mutual Board of Directors.

All applicants shall submit the most recent year's federal income tax return, signed and dated, including Schedules A and B, in addition to other verification documents. If income is derived from an owned business, the appropriate business tax schedules and a profit and loss statement are required.

Where there is more than one prospective shareholder, income and assets can be calculated collectively if each is eligible and intends to reside.

Membership applicants to United are required to submit a completed Financial Statement/Credit Information form together with satisfactory verification of identity, income and assets.

ASSET REQUIREMENT

The prospective shareholder shall submit satisfactory verification of assets equal to the purchase price of the unit plus \$125,000. Prospective transferees (i.e., outside escrow) are required to demonstrate a minimum asset base of \$125,000 only.

Acceptable assets will be those that are considered to be liquid, marketable or income producing. Only aged accounts (180 days) will be considered. Acceptable assets include, among others:

- Equity in U.S. residential property
- Savings accounts in U.S. financial institutions
- Cash value life insurance
- Certificates of deposit, money market accounts in U.S. financial institutions
- IRA, SEP, 401(k) and Keogh accounts
- U.S., state or municipal government bonds valued at current market prices
- American traded investments, (NYSE, Amex, OTC, NASDAQ, etc.) valued at current market prices
- Mortgages and promissory notes, provided that interest is reported on the applicant's tax return
- Equity in U.S. income producing real estate

Excluded from consideration are the following, among others:

- Mobile homes
- Recreational vehicles, boats and trailers
- Vacant land
- Automobiles
- Artwork, jewelry, furs and collections such as coins, dolls, stamps and other similar items
- Term life insurance
- Annuity funds, which cannot be withdrawn in lump sum
- Anticipated bequests or inheritances
- Promissory notes whose income is not reported on the perspective transferee tax return
- Community property: **marital community property, except between the parties**

INCOME REQUIREMENTS

Prospective shareholders shall submit from a recognized credit reporting agency (Equifax, TransUnion or Experian) a full credit report and FICO score dated within 60 days prior to the application submittal.

Prospective shareholders and transferees must provide satisfactory verification of income of at least \$40,000 per year at the time of purchase.

1. Acceptable verifications include, among others:

- The most recent federal tax returns
- W-2 forms or paycheck stubs
- Bank, credit union or investment account statements
- Letters from bankers
- Notices of annuities and social security payments
- Pensions
- Trust income
- Disability income
- Residential/commercial property rental income, **after depreciation**

2. Unacceptable income verifications include, among others:

- Letters from employers, accountants, bookkeepers and attorneys
- Income not reported on federal income tax returns
- Funds held outside U.S. borders
- **Capital gains earnings**

OWNERSHIP OF MULTIPLE MEMBERSHIPS

United does not permit ownership of more than one cooperative membership, except under an interim dual membership agreement, which is issued for six months.

FINANCIAL QUALIFICATION WAIVERS

Shareholders who purchase a replacement unit do not have to requalify financially for membership if there is no change to the membership vesting and the dual interim agreement is in effect.

Current members of one mutual who wish to purchase in another mutual are required to meet the financial requirements of the mutual in which they are purchasing.

A former member may obtain a waiver of financial qualifications if the replacement membership is purchased within 90 days of the closing of the sale of the previously owned membership, and vesting in the new unit is exactly the same as the vesting in the unit previously owned.

DISCRETIONARY AUTHORITY

The United Board of Directors may, but is not obligated to, deny or approve applications for membership based on the conditions herein. The board of directors, exercising prudent business judgment, may also deny or approve, in its sole and absolute discretion, applications based on other material factors, such as, but not limited to, history of bankruptcy, excess liabilities or history of noncompliance as a member in United, GRF or other mutuals in Laguna Woods Village.

MEMBERSHIP

Membership in United is created and starts with the later occurring of the following:

- Written approval of membership by the United Mutual Board of Directors
 - Issuance of a membership stock certificate
 - The signing of an Occupancy Agreement
 - Upon close of escrow
- I. Upon membership approval, the Occupancy Agreement entitles the member to occupy the unit for three years, which is automatically renewed for three-year terms per Article 4 of the Occupancy Agreement, unless terminated by transfer or United's nonrenewal or termination by the board of directors.

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STAFF REPORT

DATE: May 14, 2019
FOR: Board of Directors
SUBJECT: Non-Smoking Policy

RECOMMENDATION

Adopt the attached resolution amending the current Non-Smoking Policy.

BACKGROUND

On February 14, 2017, United Laguna Woods Mutual (United) approved Resolution 01-17-26, Non-Smoking Policy.

DISCUSSION

The current Non-Smoking Policy, Section III.: Condition, has information that requires clarification regarding smoking in Common Area. United's legal Counsel provided direction and suggestions to clarify this section of the Non-Smoking Policy.

On April 22, 2019, the Governing Documents Review Committee discussed the amendments to the Non-Smoking Policy. By way of consensus, the committee is recommending to the Board to adopt the amendments proposed by legal counsel.

In summary, legal counsel recommends smoking be prohibited in the entirety of United Laguna Woods Village, other than in the following areas:

1. The interior of manors as long as smoke is not permitted to escape the manor;
2. The interior of enclosed balconies and enclosed patios as long as smoke is not permitted to escape the foregoing enclosures;
3. Enclosed vehicles as long as smoke is not permitted to escape the vehicle; and
4. Any other authorized smoking areas established by the Board

FINANCIAL ANALYSIS

There is no financial impact.

Prepared By: Blessilda Wright, Compliance Supervisor

Reviewed By: Tim Moy, Chief of Security
Siobhan Foster, Chief Operating Officer

ATTACHMENT(S)

Attachment 1: Legal Opinion of the Non-Smoking Policy
Attachment 2: Current Non-Smoking Policy
Attachment 3: Proposed Amended Non-Smoking Policy
Attachment 4: Proposed Resolution

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ATTORNEY MEMO

To: Board of Directors, United Laguna Woods Mutual; Governing Documents Committee

From: Jeffrey A. Beaumont, Esq.

Date: April 15, 2019

Subject: Reconciling Conflicts in the United Non-Smoking Policy

On February 14, 2017 the United Laguna Woods Mutual Board (“United”) passed its Non-Smoking Policy (this “Policy” is attached hereto as Exhibit “1”) which in part is modeled off of and incorporates the City of Laguna Woods smoking regulations contained in Chapter 7.16 of the Municipal Code. (Frequently Asked Questions regarding Chapter 7.16 attached hereto as Exhibit “2”.) A dispute has arisen regarding whether smoking is permitted if done at least 20 feet from any building. While the Policy appears to allow smoking only within the interior of manors and within enclosed patios and balconies, Section III(g) suggests smoking in common areas is permissible as long as the smoker is 20 feet from buildings. Given this conflict and the resulting dispute, it is recommended the Governing Documents Committee determine the original intent of the Policy, and revise the Policy according to the following.

The Policy prohibits smoking in enclosed areas of all public places, common areas accessible and useable by more than one residence, and balconies and patios in residential facilities unless enclosed so as to prevent the escape of smoke. “Common area” is defined in Section II(a) as area available for use by more than one person. By eliminating enclosed public areas and unenclosed common areas from places where

smoking is permitted, the Policy effectively leaves only the interior of manors plus enclosed patios and balconies in which to smoke. The requirement that smoke not escape from enclosed patios and balconies suggests the windows and doors of manors must be kept closed while smoking, though the Policy does not expressly state this.

The conflict arises with the incorporation of language from Laguna Woods Municipal Code Chapter 7.16 which prohibits smoking 20 feet from any entrance. Section III(g) of the Policy prohibits smoking in any common area not within 20 feet from any building so long as smoke does not enter any enclosed area in which smoking is prohibited. While this section is an express prohibition, the “so long as smoke does not enter any enclosed area” language effectively establishes smoking areas 20 feet from buildings. However, this “smoking area” conflicts with the express language of Section III(c) because any area within 20 feet of a building is common area useable by more than one residence, on which smoking is expressly prohibited. Even if the drafters of the Policy meant to set up common area smoking areas 20 feet from buildings, it raises the difficulty of determining when smoke is entering enclosed areas where smoking is prohibited. Further, beginning with Section III (f) the section appears to shift from prohibited to permissible smoking areas. Section III (i) permits the smoking of marijuana inside the residence, and III (h) appears to authorize smoking in private residences, so long as adequate ventilation is used. Section III (f) states “in an enclosed vehicle” and appears to be a permissible smoking area, but all of Section III is a prohibition, and so this subdivision is confusing.

To clarify the above it is recommended that permissible smoking areas under the Policy be stated in the affirmative. That is, smoking might be prohibited in the entirety of United Laguna Woods Village, other than in the following areas:

- The interior of manors as long as smoke is not permitted to escape the manor;
- The interior of enclosed balconies and enclosed patios as long as smoke is not permitted to escape the foregoing enclosures;

- Enclosed vehicles as long as smoke is not permitted to escape the vehicle;
- Any other authorized smoking areas established by the Committee.

This alleviates the conflict between Sections III(c) and III(g), eliminates the ambiguity of listing permissible smoking areas within a section setting out prohibitions, including whether or not smoking within enclosed vehicles is permitted. Section II(g) defines smoking to include, “. . . inhaling, exhaling, burning, or carrying any lighted cigar, cigarette, e-cigarette, pipe, cannabis, or other combustible substance in any manner or in any form.” This definition encompasses smoking marijuana, so that the reference to marijuana in Section III(i) is unnecessary, and under the proposed policy, is already permitted within the first two bullet points above. (Recreational use of marijuana is legal only within residences and so would not be included within vehicles or designated smoking areas as a matter of law.)

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ATTACHMENT 2
United's Current Non-Smoking Policy

United Non-Smoking Policy Adopted February 14, 2017 Resolution 01-17-26

The purpose of this document is to define the policies of United Laguna Woods Mutual (ULWM) regarding smoking in private units and common area.

I. Purpose

The purpose of this document is to define the policies of United Laguna Woods Mutual (ULWM) regarding smoking in private units and common area.

II. Definitions

For the purposes of this policy:

- a. Common area means the area which is available for use by more than one person.
- b. Community Rules are defined as the Bylaws, Occupancy Restrictions, Articles of Incorporation, or any rules and regulations of ULWM.
- c. Enclosed is defined as an area closed in by a roof and contiguous walls or windows, connected floor to ceiling with appropriate opening for ingress and egress.
- d. Member is defined as any person entitled to membership in ULWM.
- e. Multi-unit residential facility means a building or portion thereof that contains more than one dwelling unit.
- f. Private residence is defined as that portion of any Cooperative which is not in common with other owners.
- g. Smoking is defined as inhaling, exhaling, burning, or carrying any lighted cigar, cigarette, e-cigarette, pipe, cannabis, or other combustible substance in any manner or in any form.

III. Conditions

Smoking is prohibited in the following areas:

- a. Enclosed areas of all public places, including lobbies, elevators, hallways and other areas used by members of the public.

- b. Elevators, hallways, recreation rooms, laundry rooms, stairs, and other common areas in multi-unit residential facilities.
- c. Unenclosed hallways, entryways, breezeways, stairways and other common areas accessible and useable by more than one residence.
- d. Balconies and patios in residential facilities. For the purpose of this policy, balconies and patios shall include unenclosed and screened patios and balconies as well as enclosed patios and balconies unless windows and doors are closed to prevent the escape of smoke.
- e. Carports and parking areas.
- f. In an enclosed vehicle.
- g. Any common area within 20 feet from any building so long as smoke does not enter any enclosed area in which smoking is prohibited.
- h. Private residence with open windows and/or doors.
- i. Smoking marijuana is only permitted inside a residence.

IV. Enforcement

ULWM is authorized to take disciplinary action against a Member found to be in violation of the Non-Smoking Policy. When a violation occurs the Board is obligated to evaluate and impose if appropriate, member-discipline as set forth in the governing documents. The Board of Directors has the authority to impose monetary fines, suspend Member privileges, and/or bring forth legal action.

The Member is entirely responsible for ensuring that the rules, regulations, and policies are following by anyone they allow into the community. This includes any Co- occupant, lessee, or guest, care provider, vendor, invitee, or contractor.

Per Resolution 01-08-21, adopted February 12, 2008, the following guidelines define the responsibility for remediation costs associated with second-hand smoke infiltration:

- a. Remediation costs considered reasonable would be paid for by the Member responsible for the second-hand smoke.
- b. Remediation costs due to defects or damages to property which is ULWM responsibility would be paid for by ULWM.

- c. Remediation costs beyond those which would be construed as reasonable would be borne by complainant.

A complaint may be registered with the Compliance Department by calling 949-268- CALL or by calling the Security Department at 949-580-1400

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ATTACHMENT 3

Redline of Governing Documents Review Committee's Proposed Changes to the Smoking Policy

United Non-Smoking Policy Adopted February 14, 2017 Resolution 01-17-26

The purpose of this document is to define the policies of United Laguna Woods Mutual (ULWM) regarding smoking or vaping in private units and common area.

I. Purpose

The purpose of this document is to define the policies of United Laguna Woods Mutual (ULWM) regarding smoking in private units and common area.

II. Definitions

For the purposes of this policy:

- a. Common area means the area which is available for use by more than one person.
- b. Community Rules are defined as the Bylaws, Occupancy Restrictions, Articles of Incorporation, or any rules and regulations of ULWM.
- c. Enclosed is defined as an area closed in by a roof and contiguous walls or windows, connected floor to ceiling with appropriate opening for ingress and egress.
- d. Member is defined as any person entitled to membership in ULWM.
- e. Multi-unit residential facility means a building or portion thereof that contains more than one dwelling unit.
- f. Private residence is defined as that portion of any Cooperative which is not in common with other owners.
- g. Smoking or vaping is defined as inhaling, exhaling, burning, or carrying any lighted cigar, cigarette, e-cigarette, pipe, cannabis, or other combustible substance in any manner or in any form.

III. Conditions

Smoking and vaping is prohibited in the entirety of United Laguna Woods Village, including Common Areas, but may be allowed in the following areas as long as a nuisance is not created:

- The interior of units as long as smoke is not permitted to escape the unit;

- The interior of enclosed balconies and enclosed patios as long as smoke is not permitted to escape the foregoing enclosures;
- Enclosed vehicles as long as smoke is not permitted to escape the vehicle;
- Any other authorized smoking areas established by the Board.

Smoking is prohibited in the following areas:

- a. ~~Enclosed areas of all public places, including lobbies, elevators, hallways and other areas used by members of the public.~~
- b. ~~Elevators, hallways, recreation rooms, laundry rooms, stairs, and other common areas in multi-unit residential facilities.~~
- c. ~~Unenclosed hallways, entryways, breezeways, stairways and other common areas accessible and useable by more than one residence.~~
- d. ~~Balconies and patios in residential facilities. For the purpose of this policy, balconies and patios shall include unenclosed and screened patios and balconies as well as enclosed patios and balconies unless windows and doors are closed to prevent the escape of smoke.~~
- e. ~~Carports and parking areas.~~
- f. ~~In an enclosed vehicle.~~
- g. ~~Any common area within 20 feet from any building so long as smoke does not enter any enclosed area in which smoking is prohibited.~~
- h. ~~Private residence with open windows and/or doors.~~
- i. ~~Smoking marijuana is only permitted inside a residence.~~

~~IV. Enforcement~~

ULWM is authorized to take disciplinary action against a Member found to be in violation of the Non-Smoking Policy. When a violation occurs the Board is obligated to evaluate and impose if appropriate, member-discipline as set forth in the governing documents. The Board of Directors has the authority to impose monetary fines, suspend Member privileges, and/or bring forth legal action.

The Member is entirely responsible for ensuring that the rules, regulations, and policies are following by anyone they allow into the community. This includes any Co- occupant, lessee, or guest, care provider, vendor, invitee, or contractor.

Per Resolution 01-08-21, adopted February 12, 2008, the following guidelines define the responsibility for remediation costs associated with second-hand smoke infiltration:

- a. Remediation costs considered reasonable would be paid for by the Member responsible for the second-hand smoke.
- b. Remediation costs due to defects or damages to property which is ULWM responsibility would be paid for by ULWM.
- c. Remediation costs beyond those which would be construed as reasonable would be borne by complainant.

A complaint may be registered with the Compliance Department by calling 949-268- CALL or by calling the Security Department at 949-580-1400

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ATTACHMENT 4



RESOLUTION 01-19-xx **Non-Smoking Policy**

WHEREAS, the Governing Documents Review Committee has recommended adopting a Non-Smoking Policy, to fairly and reasonably address smoking in Laguna Woods Village; and

WHEREAS, United Laguna Woods Mutual has received numerous complaints from various residents concerning odors and annoyance in and around manors caused from residents second-hand smoke and smoke infiltration;

NOW THEREFORE BE IT RESOLVED, May 14, 2019, that the Board of Directors of this Corporation hereby introduces the revised "Non-Smoking Policy," as attached to the official minutes of this meeting.

RESOLVE FURTHER, that Resolution 01-17-54 adopted February 14, 2017 is hereby superseded and canceled; and

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

MAY 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.

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STAFF REPORT

DATE: May 14, 2019
FOR: Board of Directors
SUBJECT: Policy for Distribution of Materials by Residents and Resident Organizations

RECOMMENDATION

Approve the attached resolution to approve the Policy for Distribution of Materials by Residents and Resident Organizations.

BACKGROUND

Civil Code Section 4515 that went into effect January 1, 2018 allows residents of common interest developments to peacefully participate in politically expressive activities related to common interest developments within their community. This includes, but is not limited to, the ability to peacefully assemble, utilize the common areas for meetings and gatherings, and to canvass and petition within the community pertaining to association elections and legislation.

The existing United canvassing policy approved via Resolution 01-15-03 on January 13, 2015 needs to be updated to reflect current state law.

DISCUSSION

The applicability of the law as to United, which has no common area meeting spaces, is limited; specifically, only Civil Code Section 4515, Subsections (b)(4) - (5) and (d) apply as follows.

Civil Code Section 4515(b)(4)-(5) provides:

“The governing documents, including bylaws and operating rules, shall not prohibit a member or resident of a common interest development from doing any of the following:

(4) Canvassing and petitioning the members, the association board, and

(5) Distributing or circulating, without prior permission, information about common interest development living, association elections, legislation, election to public office, or the initiative, referendum, or recall processes, or other issues of concern to members and residents at reasonable hours and in a reasonable manner.”

Civil Code Section 4515(d) provides:

“A member or resident of a common interest development who is prevented by the association or its agents from engaging in any of the activities described in this section may bring a civil or small claims court action to enjoin the enforcement of a governing document, including a bylaw and operating rule that violates this section. The court may assess a civil penalty of not more than five hundred dollars (\$500) for each violation.”

Members must be allowed to circulate information of concern, including petitioning and canvassing members and/or the association’s board, in a reasonable manner. It is important to note, violations of the code by the association permit a member to recover up to five hundred dollars for each violation.

On March 25, 2019, the Governing Documents Review Committee reviewed the existing canvassing policy (Resolution 01-15-03) and determined it is not consistent with the new state law. The Committee made updates to the current policy to address the concerns and requested the updated policy be brought to the next meeting as written.

On April 22, 2019, the Committee reviewed the updated policy. After discussion, President Skillman made a motion to have staff make the Committee’s updates to the policy and send the proposed policy to the Board for consideration. Treasurer Morrison seconded the motion. The Committee was in unanimous support.

FINANCIAL ANALYSIS

None.

Prepared By: Siobhan Foster, COO

Reviewed By: Eve Morton, Administrative Coordinator

Committee Routing: Governing Documents Review Committee

ATTACHMENT(S)

ATT 1: Memorandum from Legal Counsel Re: Solicitation and Canvassing Policy

ATT 2: GRF Resolution (90-18-11) Re: Canvassing

ATT 3: Redline of Proposed Updates to Current Policy

ATT 4: Proposed Updates to Current Policy: Resolution 01-19-XX

CONFIDENTIAL – ATTORNEY CLIENT PRIVILEGED

MEMO

To: United Board of Directors, c/o Governing Document Review Committee
UNITED LAGUNA WOODS VILLAGE

From: Jeffrey A. Beaumont, Esq., BEAUMONT TASHJIAN

Date: March 14, 2019

Subject: Solicitation and Canvassing Policy (Civil Code §4515)

As you know, Civil Code Section 4515 went into effect January 1, 2018. In sum, it allows residents of common interest developments to peacefully participate in politically expressive activities related to common interest developments within their community. This includes, but is not limited to, the ability to peacefully assemble, utilize the common areas for meetings and gatherings, and to canvass and petition within the community pertaining to association elections and legislation.

The applicability of the law as to United, which has no common area meeting spaces, is limited; specifically, only Civil Code Section 4515, Subsections (b)(4) - (5) and (d) apply as follows.

Civil Code Section 4515(b)(4)-(5) provides:

“The governing documents, including bylaws and operating rules, shall not prohibit a member or resident of a common interest development from doing any of the following:

...

(4) Canvassing and petitioning the members, the association board, and residents for the activities described in paragraphs (1) and (2) at reasonable hours and in a reasonable manner.

(5) Distributing or circulating, without prior permission, information about common interest development living, association elections, legislation, election to public office, or the initiative, referendum, or recall processes, or other issues of concern to members and residents at reasonable hours and in a reasonable manner.”

Civil Code Section 4515(d) provides:

“A member or resident of a common interest development who is prevented by the association or its agents from engaging in any of the activities described in this

section may bring a civil or small claims court action to enjoin the enforcement of a governing document, including a bylaw and operating rule that violates this section. The court may assess a civil penalty of not more than five hundred dollars (\$500) for each violation.”

Therefore, Members must be allowed to circulate information of concern, including petitioning and canvassing members and/or the association’s board, in a reasonable manner. It is important to note, violations of the code by the association permit a member to recover up to five hundred dollars for each violation.

An operating rule must be reasonable, in writing, within the authority of the board conferred by law or other governing documents and consistent with same. (Civil Code §4350.) Rules and regulations are generally considered reasonable if they are rationally related to the protection, preservation and proper operation of the property and the purposes of the association as set forth in its governing instruments, and are fair and nondiscriminatory. (Friars Village Homeowners Assn. v. Hansing (2013) 220 Cal. App. 4th 405, 405.) An “unreasonable” rule/regulation is one that is arbitrary and capricious, violates the law or a fundamental public policy or imposes an undue burden on property. (Nahrstedt v. Lakeside Village Condominium Assn. (1994) 8 Cal. 4th 361, 377.) An operating rule must be “tethered to reasonableness,” which is defined as a standard for the development as a whole, not for an individual member.

Therefore, boards may adopt “reasonable” rules regarding these matters, including, without limitation, the following:

- Limiting/specifying the hours and days of the week when a member may solicit/canvas;
- Prohibiting soliciting on specified holidays;
- Wearing identification;
- Prohibiting contact with any members/residents whose units have “no soliciting” or similar signs;
- Prohibiting solicitors from leaving print material at doors, etc. (i.e., leafletting/door hangers).

There is little case law on the “reasonableness” of solicitation bans in common interest developments, but California law is generally deferential to boards when the rule or restriction is properly adopted and not arbitrary or capricious.

~~Currently, United does not have a canvassing policy enacted.~~ (Please see attached resolution 01-15-03) I previously discussed this with the Board, and at the time the Board decided a canvassing policy was not needed. However, I understand GRF may have adopted its own canvassing policy. Since GRF will adopt their own canvassing policy, I previously recommended the Board reconsider adopting a canvassing policy analogous to the GRF policy, and to Third’s policy (assuming they have one). Passing a similar canvassing policy will allow residents to follow a uniform, fixed policy across all communities. Thus, residents will not have to distinguish between various sets of regulations when they are canvassing throughout the Village, giving standard and streamlined procedures for all members and the community at large.

If you and the Committee want to re-introduce this to the Board I recommend that you consider having me work with GRF and Third to finalize a draft policy applicable to the Village, as a whole. Otherwise, we can focus just on United.

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ATTACHMENT 2

GRF Resolution Regarding Canvassing

RESOLUTION 90-18-11 **Civil Code Section §4515**

WHEREAS, California Civil Code Section §4515 went into effect as of January 1, 2018; and

WHEREAS, Civil Code Section §4515 expresses the legislative intent that members and residents of common interest developments have the ability to exercise their rights under law to peacefully assemble and freely communicate with respect to common interest development living or for social, political or educational purposes; and

WHEREAS, Civil Code Section §4515 precludes the governing documents of common interest developments from prohibiting members or residents from those activities prescribed in Section §4515 (b)(1)-(5).

NOW THEREFORE, BE IT RESOLVED, March 6, 2018, that to the extent the

provision of any prior resolution violates Civil Code Section §4515, that Section §4515 supersedes the provision and the provision shall not be enforced; and

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

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ATTACHMENT 3
Redline of Proposed Updates to Policy

Resolution 01-15-03

Policy for Distribution of Materials by Residents and Resident Organizations

RESOLVED, June 11, 2019, the Board of Directors of this Corporation hereby ~~establishes-amends~~ the following policy for the distribution of publications, advertisement, announcements, campaign material, petitions, and related printed literature (hereinafter "Material") by residents or resident organizations on property owned and managed by the United Laguna Woods Mutual; and

RESOLVED FURTHER, any materials for social, political, educational, or non-commercial purposes, including petitions to gather signatures, to be distributed to United Mutual residents shall bear identification as to its source and any individual or entity distributing such material shall comply with all of the following conditions:

1. Distribution of Material

- a. Door-to-door distribution of Material shall be permitted, as long as the act of distributing such Material does not rise to the level of creating a nuisance for Laguna Woods Village residents.
- b. Material that is distributed door-to-door may ~~only~~ be **secured** under the doormat or near ~~on~~ the thresholds of front doors. ~~Material may not be~~ hung from doorknobs but may not be ~~not~~ placed in USPS delivery points, ~~not or~~ left on vehicles ~~in carports anywhere~~.
- ~~b-c.~~ Closed gates may not be opened.

2. Petitions

- a. Only Mutual Members, or their designated agents, are permitted to gather signatures on petitions.
- b. The petition must remain in the possession of the signature gatherer (there can be no unattended petitions).

3. Posting of Material - Postings that do not comply with these rules will be subject to removal.

- a. Posting locations are limited to those areas reserved for posting, such as Laundry Room bulletin boards and are available only for residents.
- b. Only one posting per subject matter, per organization, or per candidate, is allowed ~~on the posting site~~.
- c. The size of ~~the a~~ posting in the laundry rooms shall not exceed 5.5" by 8.5" **(one half page)** to allow space for other postings.
- d. Each posting by a resident, or resident organization, must identify the posting individual's name, and posting date.
- e. Any Material considered lewd or vulgar will be subject to removal.
- f. All non-election Postings-postings shall be removed after thirty (30) days after the posting date. For election postings, removal after the election date.
- g. All Material must comply with federal, state, and community ~~and federal~~ laws.
- h. Removing postings of others is prohibited.

4. Knocking on Doors

- a. Knocking on doors or ringing of doorbells to contact residents is only permitted weekdays from 10 a.m. to dusk, excluding national holidays.
- ~~h.b. "No Solicitation" or "Do Not Disturb" signs must be honored.~~

~~Postings that do not comply with these rules will be subject to removal.~~

NOW THEREFORE BE IT RESOLVED, that Resolution 01-15-03 approved on January 13, 2015; is hereby superseded and canceled; and

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

May 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.

ATTACHMENT 4
Clean Copy of Proposed Updates to Policy/Resolution

Resolution 01-19-XX

Policy for Distribution of Materials by Residents and Resident Organizations

RESOLVED, June 11, 2019, the Board of Directors of this Corporation hereby amends the following policy for the distribution of publications, advertisement, announcements, campaign material, petitions, and related printed literature (hereinafter “Material”) by residents or resident organizations on property owned and managed by the United Laguna Woods Mutual; and

RESOLVED FURTHER, any materials for social, political, educational, or non-commercial purposes, including petitions to gather signatures, to be distributed to United Mutual residents shall bear identification as to its source and any individual or entity distributing such material shall comply with all of the following conditions:

1. Distribution of Material

- a. Door-to-door distribution of Material shall be permitted, as long as the act of distributing such Material does not rise to the level of creating a nuisance for Laguna Woods Village residents.
- b. Material that is distributed door-to-door may be **secured** under the doormat or near the thresholds of front doors, or hung from doorknobs but may not be placed in USPS delivery points, or left on vehicles anywhere.
- c. Closed gates may not be opened.

2. Petitions

- a. Only Mutual Members, or their designated agents, are permitted to gather signatures on petitions.
- b. The petition must remain in the possession of the signature gatherer (there can be no unattended petitions).

3. Posting of Material - Postings that do not comply with these rules will be subject to removal.

- a. Posting locations are limited to those areas reserved for posting, such as Laundry Room bulletin boards and are available only for residents.
- b. Only one posting per subject matter, per organization, or per candidate, is allowed.
- c. The size of a posting in the laundry rooms shall not exceed 5.5” by 8.5” **(one half page)** to allow space for other postings.
- d. Each posting by a resident, or resident organization, must identify the posting individual’s name, and posting date.
- e. Any Material considered lewd or vulgar will be subject to removal.
- f. All non-election postings shall be removed after thirty (30) days after the posting date. For election postings, removal after the election date.
- g. All Material must comply with federal, state, and community laws.
- h. Removing postings of others is prohibited.

4. Knocking on Doors

- a. Knocking on doors or ringing of doorbells to contact residents is only permitted weekdays from 10 a.m. to dusk, excluding national holidays.

b. "No Solicitation" or "Do Not Disturb" signs must be honored.

NOW THEREFORE BE IT RESOLVED, that Resolution 01-15-03 approved on January 13, 2015; is hereby superseded and canceled; and

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

May 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.



STAFF REPORT

DATE: May 14, 2019
FOR: Board of Directors
SUBJECT: Revision of Alteration Standard 18: Gutters and Downspouts

RECOMMENDATION

Approve a resolution to adopt revisions to Alteration Standard 18: Gutters and Downspouts.

BACKGROUND

On April 18, 2019, the Architectural Controls and Standards Committee (ACSC) reviewed this Standard. The Committee voted to recommend the item for approval by the Board.

The ACSC requested staff to review and revise the current Alteration Standards for applicability, usefulness, and current technology.

There are currently 32 Alteration Standards available for Members to use to perform alterations to their unit. Many have not been reviewed or updated for years to reflect changes in technology, materials, and work methods.

Alteration Standard 18: Gutters and Downspouts was last revised in November 2018, via Resolution 01-18-113.

DISCUSSION

Due to the continued popularity of the various components involved in the remodel process, the ACSC has reviewed the existing standard pertaining to Alteration Standard 18: Gutters and Downspouts. The following sections are proposed to be revised as follows:

- 2.1 ~~All gutters and downspouts will be of the same style or color to match existing gutters on the building.~~
- 2.12 The ends of downspouts must drain into a proper drainage system such as a drywell, or onto pavement, or a splash block that routes the water at least three five feet downhill from the foundation of the building and onto properly graded soil. ~~Downspouts are prohibited from draining directly onto a roadway and/or into the storm drain system.~~
- 2.11 Drywells must be five feet away from buildings, if possible.

FINANCIAL ANALYSIS

None.

Prepared By: Brett Crane, Permits, Inspections and Restoration Manager

Reviewed By: Eve Morton, Alterations Coordinator

ATTACHMENT(S)

Attachment 1: Resolution 01-19-XX Revise Alteration Standard 18: Gutters and Downspouts

Attachment 2: Revised Alteration Standard 18: Gutters and Downspouts

Attachment 3: Redline of Proposed Updates to Alteration Standard 18: Gutters and Downspouts

Attachment 1

RESOLUTION 01-19-XX

Revise Alteration Standard 18: Gutters and Downspouts

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

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

NOW THEREFORE BE IT RESOLVED, May 14, 2019, that the Board of Directors of this Corporation hereby introduces the revisions to Alteration Standard 18: Gutters and Downspouts, attached as part of the official minutes of this meeting;

RESOLVED FURTHER, that Resolution 01-18-113, adopted November, 2018, 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.

MAY 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.

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ATTACHMENT 2



STANDARD 18: GUTTERS & DOWNSPOUTS

OCTOBER 2010, RESOLUTION 01-10-224

GENERAL REQUIREMENTS REVISED JUNE 2011, RESOLUTION 01-11-104

GENERAL REQUIREMENTS REVISED JANUARY 2016, RESOLUTION 01-16-08

GENERAL REQUIREMENTS REVISED JUNE 2018, RESOLUTION 01-18-57

REVISED NOVEMBER 2018, RESOLUTION 01-18-113

REVISED JUNE 2019, RESOLUTION 01-19-XX

1.0 GENERAL REQUIREMENTS

SEE STANDARD SECTION 1: GENERAL REQUIREMENTS

2.0 APPLICATIONS

- 2.1** Gutters must be a minimum 5" wide, measured at the top.
- 2.2** Alteration aluminum gutters and downspouts are not allowed to be connected to original steel gutters and downspouts. If the alteration gutter system must be connected to an original steel gutter system, the Member is responsible for replacing the original steel gutter system with new aluminum that matches the original style and color.
- 2.3** Gutters are to be made of aluminum with a minimum gauge of .027. Vinyl coated aluminum is permitted. Copper or steel gutters and downspouts are not permitted.
- 2.4** Gutters are required to slope one inch for every 20 feet toward the downspout.
- 2.5** Gutters in excess of 35 feet in length are to be sloped down both directions from the middle and have a downspout installed at each end.
- 2.6** Gutters attached to the Mutual owned fascia are required to be attached using ring shank spikes or wood screws. Smooth, striated and spiral spikes are prohibited.

- 2.7** Hidden hangers and spikes are required to be spaced at a minimum of 30 inch.
- 2.8** All penetrations must be properly sealed. Exposed wood must be properly primed and painted to match the existing paint of the building.
- 2.9** Applications to roofs where hangers penetrate or may harm the roofing in any way will not be allowed. Attachments to buildings with PVC roofs are required to be approved by the Alteration Division prior to installation. Member shall be responsible for all damages to roofs.
- 2.10** Downspouts are required to be 3" x 4" and are to be located in areas free from obstacles such as electric meters, hose bibs and sidewalks; and in the most inconspicuous location as possible.

The ends of downspouts must drain into a proper drainage system such as a drywell, or onto pavement, or a splash block that routes the water at least five feet downhill from the foundation of the building and onto properly graded soil.

- 2.11** Drywells must be five feet away from buildings, if possible.



STANDARD 18: GUTTERS & DOWNSPOUTS

OCTOBER 2010, RESOLUTION 01-10-224

GENERAL REQUIREMENTS REVISED JUNE 2011, RESOLUTION 01-11-104

GENERAL REQUIREMENTS REVISED JANUARY 2016, RESOLUTION 01-16-08

GENERAL REQUIREMENTS REVISED JUNE 2018, RESOLUTION 01-18-57

REVISED NOVEMBER 2018, RESOLUTION 01-18-113

REVISED JUNE 2019, RESOLUTION 01-19-XX

1.0 GENERAL REQUIREMENTS

SEE STANDARD SECTION 1: GENERAL REQUIREMENTS

2.0 APPLICATIONS

~~2.1~~ All gutters and downspouts will be of the same style and color to match existing gutters on the building.

~~2.22.1~~ Gutters must be a minimum 5" wide, measured at the top.

~~2.32.2~~ Alteration aluminum gutters and downspouts are not allowed to be connected to original steel gutters and downspouts. If the alteration gutter system must be connected to an original steel gutter system, the Member is responsible for replacing the original steel gutter system with new aluminum that matches the original style and color.

~~2.42.3~~ Gutters are to be made of aluminum with a minimum gauge of .027. Vinyl coated aluminum is permitted. Copper or steel gutters and downspouts are not permitted.

~~2.52.4~~ Gutters are required to slope one inch for every 20 feet toward the downspout.

~~2.62.5~~ Gutters in excess of 35 feet in length are to be sloped down both directions from the middle and have a downspout installed at each end.

2.72.6 Gutters attached to the Mutual owned fascia are required to be attached using ring shank spikes or wood screws. Smooth, striated and spiral spikes are prohibited.

2.82.7 Hidden hangers and spikes are required to be spaced at a minimum of 30 inch.

2.92.8 All penetrations must be properly sealed. Exposed wood must be properly primed and painted to match the existing paint of the building.

2.102.9 Applications to roofs where hangers penetrate or may harm the roofing in any way will not be allowed. Attachments to buildings with PVC roofs are required to be approved by the Alteration Division prior to installation. Member shall be responsible for all damages to roofs.

2.112.10 Downspouts are required to be 3" x 4" and are to be located in areas free from obstacles such as electric meters, hose bibs and sidewalks; and in the most inconspicuous location as possible.

2.12 The ends of downspouts must drain into a proper drainage system such as a drywell, or onto pavement, or a splash block that routes the water at least three-five feet downhill from the foundation of the building and onto properly graded soil. ~~Downspouts are prohibited from draining directly onto a roadway and/or into the storm drain system.~~

2.11 Drywells must be five feet away from buildings, if possible.

Financial Report

As of March 31, 2019



INCOME STATEMENT (in Thousands)

ACTUAL

Assessment Revenue	\$10,104
Non-assessment Revenue	\$507
Total Revenue	\$10,610
Total Expense	\$10,089
Net Revenue/(Expense)	\$521

1

Financial Report

As of March 31, 2019



INCOME STATEMENT

OPERATING FUND w/o Depreciation (in Thousands)

ACTUAL

Assessment Revenue	\$7,012
Non-assessment Revenue	\$398
Total Revenue	\$7,410
Total Expense	\$6,961
Operating Surplus	\$449

2

Financial Report

As of March 31, 2019



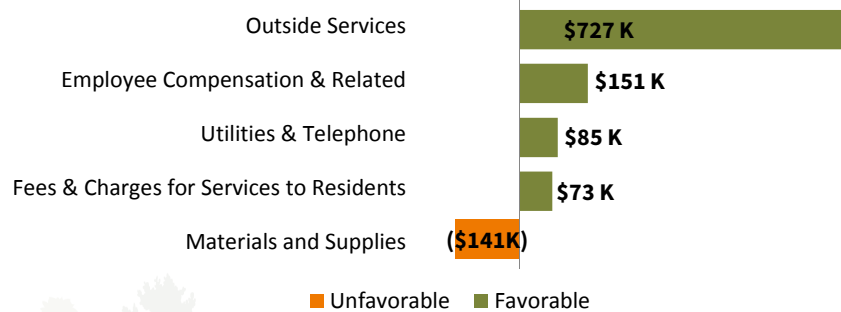
INCOME STATEMENT (in Thousands)

	ACTUAL	BUDGET	VARIANCE
Assessment Revenue	\$10,104	\$9,779	\$325
Non-assessment Revenue	\$507	\$429	\$78
Total Revenue	\$10,610	\$10,207	\$403
Total Expense	\$10,089	\$10,684	\$595
Net Revenue/(Expense)	\$521	(\$476)	\$997

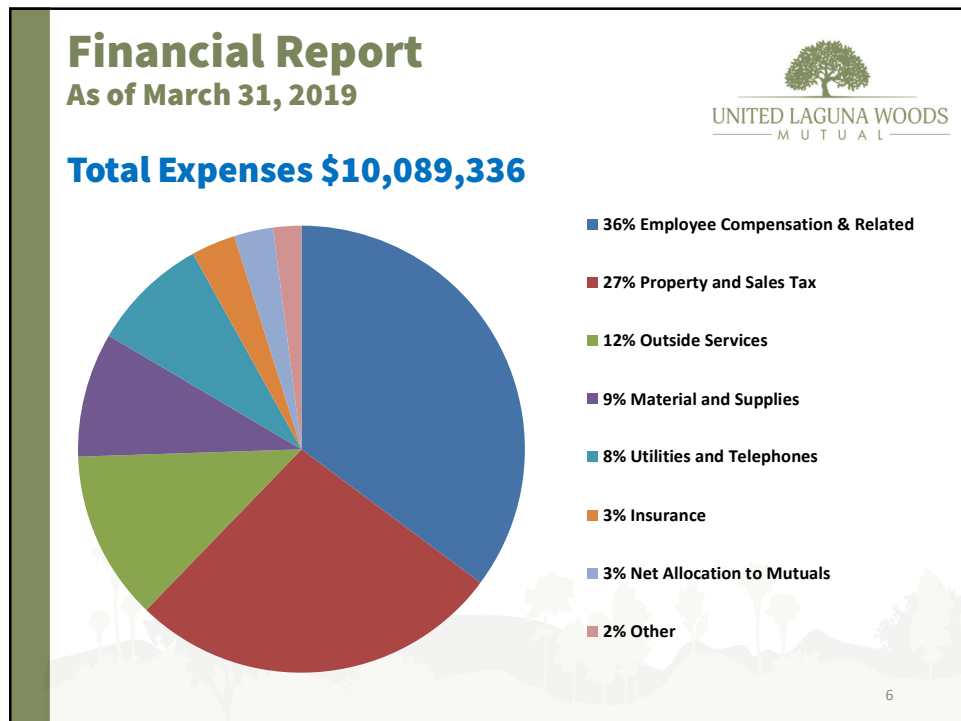
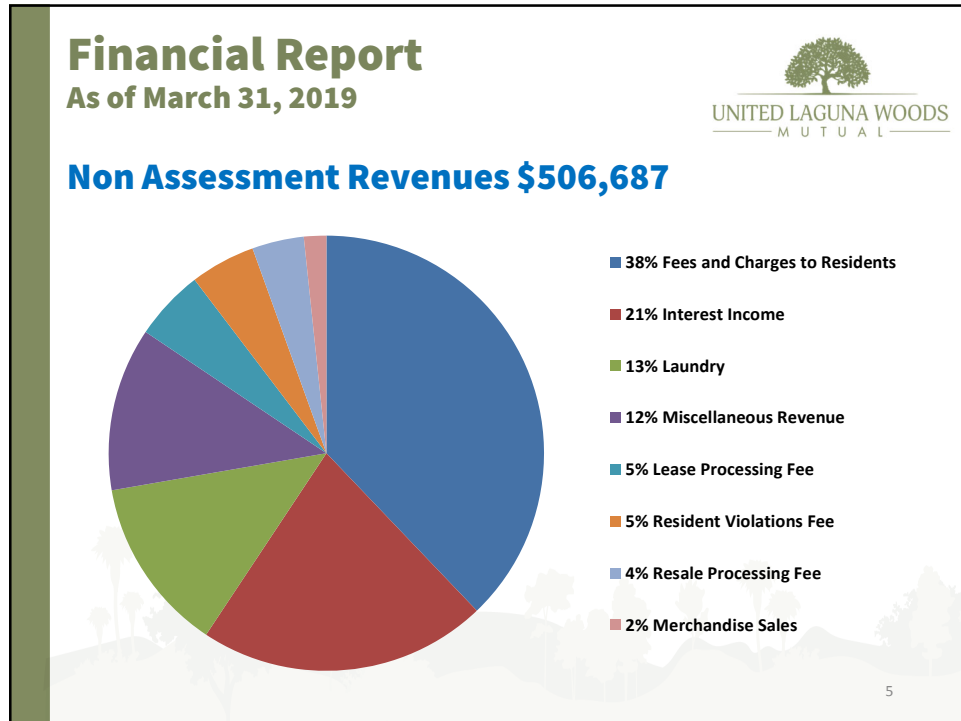
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Financial Report

As of March 31, 2019



4



Financial Report

As of March 31, 2019



NON OPERATING FUND BALANCES

ACTUAL

(in Thousands)

BEGINNING BALANCES: 1/1/19	\$21,713
Contributions & Interest	3,201
Expenditures	(3,076)
Current Balances: 3/31/19	\$21,838

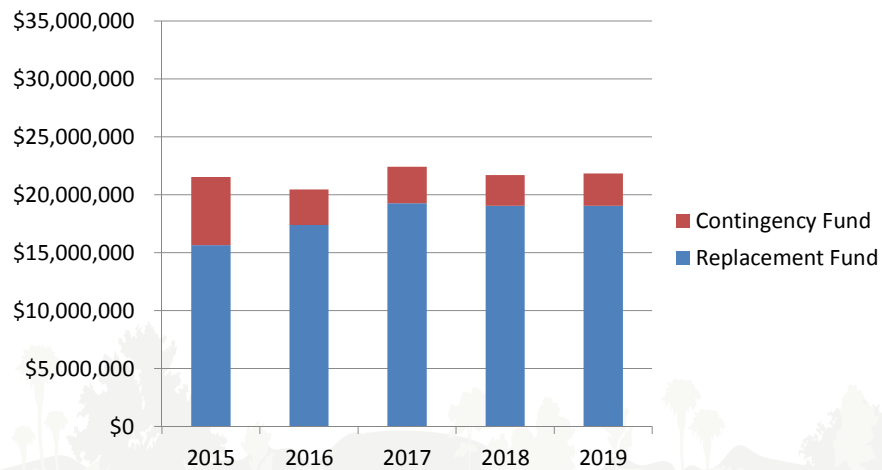
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Financial Report

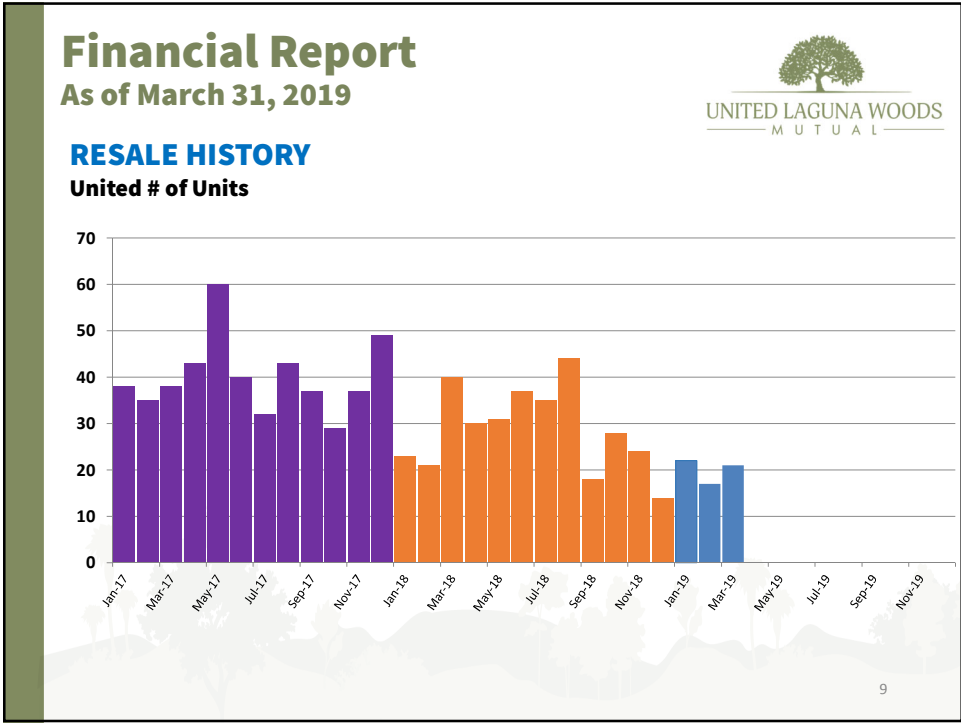
As of March 31, 2019



FUND BALANCES



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Monthly Resale Report

PREPARED BY

Community Services Department

MUTUAL

All Mutuals

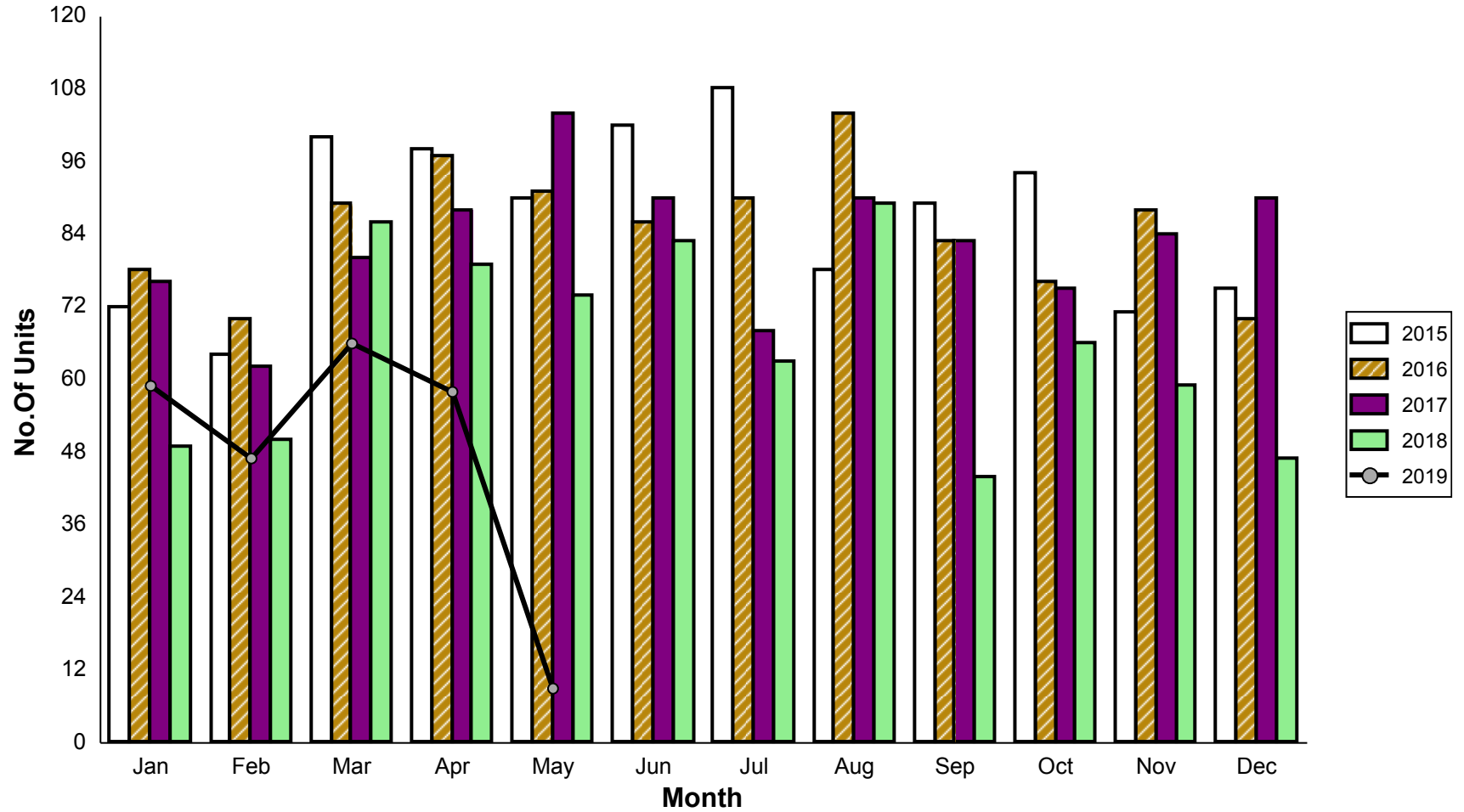
REPORT PERIOD

April, 2019

MONTH	NO. OF RESALES		TOTAL SALES VOLUME IN \$\$		AVG RESALE PRICE	
	THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR
January	59	49	\$17,913,250	\$14,821,540	\$314,268	\$308,782
February	47	50	\$14,680,050	\$18,660,142	\$319,132	\$373,203
March	66	86	\$23,445,712	\$28,065,799	\$355,238	\$359,818
April	57	79	\$19,499,551	\$27,694,226	\$342,097	\$364,398
May		*	74		*	\$350,551
June		*	83		*	\$378,413
July		*	63		*	\$329,392
August		*	89		*	\$340,620
September		*	44		*	\$409,171
October		*	66		*	\$366,168
November		*	59		*	\$320,935
December		*	47		*	\$383,609
TOTAL	229.00	264.00	\$75,538,563	\$89,241,707		
MON AVG	57.00	66.00	\$18,884,641	\$22,310,427	\$332,684	\$351,550

* Amount is excluded from percent calculation

Resales - 5 Year Comparison



Monthly Resale Report

PREPARED BY

MUTUAL

REPORT PERIOD

Community Services Department

United

April, 2019

MONTH	NO. OF REALES		TOTAL SALES VOLUME IN \$\$		AVG RESALE PRICE	
	THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR
January	22	23	\$5,282,150	\$6,014,390	\$240,098	\$261,495
February	17	21	\$4,256,150	\$6,059,250	\$250,362	\$288,536
March	21	40	\$6,355,000	\$11,156,600	\$302,619	\$278,915
April	32	30	\$9,064,051	\$8,824,600	\$283,252	\$294,153
May		* 31		* \$8,735,000		* \$281,774
June		* 37		* \$11,021,400		* \$297,876
July		* 35		* \$9,541,300		* \$272,609
August		* 44		* \$11,285,100		* \$256,480
September		* 18		* \$4,632,500		* \$257,361
October		* 28		* \$8,556,100		* \$305,575
November		* 24		* \$6,194,000		* \$258,083
December		* 14		* \$3,368,300		* \$240,593
TOTAL	92.00	114.00	\$24,957,351	\$32,054,840		
MON AVG	23.00	28.00	\$6,239,338	\$8,013,710	\$269,083	\$280,775
% CHANGE - YTD	-19.3%		-22.1%		-4.2%	

% Change calculated (ThisYear - LastYear)/LastYear

* Amount is excluded from percent calculation

Resales Report

United Laguna Woods Mutual

April, 2019

Close	Manor	Mutual	Price	Model/Style	Listing Realtor	Buyer Realtor	Escrow
04/09/2019	8-Q	1	\$212,000	Casa Blanca	HomeSmart Evergreen	Century 21 Award	Escrow Options Group
04/16/2019	15-R	1	\$208,000	Casa Blanca	Regency Real Estate	Laguna Premier Realty, Inc	Granite Escrow
04/11/2019	29-C	1	\$314,000	Majorca	Laguna Premier Realty, Inc	HomeSmart Evergreen	Granite Escrow
04/03/2019	73-E	1	\$170,000	Majorca	Century 21 Rainbow	Laguna Premier Realty, Inc	Corner Escrow Inc.
04/30/2019	190-C	1	\$390,000	Valencia	HomeSmart Evergreen	168 Realty Inc	Escrow Options Group
04/05/2019	211-P	1	\$146,000	Cadiz	Realty One Group	First Team Real Estate	Generations Escrow
04/23/2019	243-E	1	\$220,000	Barcelona	HomeSmart Evergreen	Regency Real Estate	Granite Escrow
04/23/2019	255-B	1	\$218,000	Majorca	Keller Williams Real Estate	Keller Williams Real Estate	Granite Escrow
04/26/2019	347-A	1	\$315,000	Seville	Realty One Group	Century 21 Rainbow	Granite Escrow
04/23/2019	357-B	1	\$305,000	Seville	First Team Real Estate	HomeSmart Evergreen	Granite Escrow
04/09/2019	378-C	1	\$168,000	Cadiz	Coldwell Banker	BHHS California Properties	Granite Escrow
04/24/2019	418-C	1	\$489,000	Madrid	Laguna Premier Realty, Inc	HomeSmart Evergreen	Pacific Closing Services
04/10/2019	420-A	1	\$286,000	Madrid	Laguna Premier Realty, Inc	Presidential Real Estate	Granite Escrow
04/29/2019	434-D	1	\$379,000	Cordoba	Coldwell Banker Residential	Laguna Premier Realty, Inc	Corner Escrow Inc.
04/29/2019	471-H	1	\$370,000	Granada	Laguna Premier Realty, Inc	New Star	Pacific Closing Services
04/24/2019	540-E	1	\$408,000	Granada	Laguna Premier Realty, Inc	Laguna Premier Realty, Inc	Pacific Closing Services
04/15/2019	574-A	1	\$440,000	Madrid	Denktas Realty	Regency Real Estate	Granite Escrow
04/03/2019	616-B	1	\$313,650	Seville	Prea Realty	Re/Max R.E. Specialists	Corner Escrow Inc.
04/30/2019	656-B	1	\$284,000	Castilla	Mark Carlson, Broker	First Team Real Estate	Corner Escrow Inc.
04/26/2019	662-P	1	\$360,000	Casa Linda	HomeSmart Evergreen	Keller Williams Real Estate	Escrow Options Group
04/03/2019	734-C	1	\$230,000	San Sebastian	Century 21 Rainbow	Properties With Style	Granite Escrow
04/23/2019	740-B	1	\$275,000	Madrid	Compass Inc	First Team Real Estate	Granite Escrow
04/05/2019	818-B	1	\$227,000	Casa Linda	HomeSmart Evergreen	Realty One Group	Escrow Options Group

Resales Report

United Laguna Woods Mutual

April, 2019

Close	Manor	Mutual	Price	Model/Style	Listing Realtor	Buyer Realtor	Escrow
04/25/2019	845-C	1	\$215,000	Casa Contenta	Laguna Premier Realty, Inc	Keller Williams Newport Estates	Pacific Closing Services
04/01/2019	849-O	1	\$290,000	Casa Linda	Focus Realty	Laguna Premier Realty, Inc	Granite Escrow
04/23/2019	854-N	1	\$184,900	Casa Linda	HomeSmart Evergreen	Re/Pro	Escrow Options Group
04/23/2019	872-N	1	\$220,000	Casa Linda	Prime Sales Residential	BHHS California Properties	Corner Escrow Inc.
04/30/2019	886-P	1	\$239,001	Casa Contenta	Laguna Premier Realty, Inc	Century 21 Rainbow	Pacific Closing Services
04/12/2019	921-D	1	\$240,000	Granada	First Team Real Estate	Realty Benefit	Corner Escrow Inc.
04/03/2019	946-A	1	\$190,000	Monterey	FSBO	FSBO	Corner Escrow Inc.
04/09/2019	2045-Q	1	\$340,000	Casa Linda	RE/Max Premier	RE/Max Premier	Granite Escrow
04/30/2019	2147-C	1	\$417,500	Valencia	Regency Real Estate	Remax College Park	Granite Escrow

Number of Resales: 32

Total Resale Price: \$9,064,051

Average Resale Price: \$283,252

Median Resale Price: \$279,500



MONTHLY LEASING REPORT

Report Period:
April-2019

MONTH	LEASES IN EFFECT				Total this year	Total last year	Total Expirations	New Monthly Transactions		
	3 Months	6 Months	12 Months	Renewed				Leases	Renewals	Extensions
January	35	44	312	163	554	500	29	30	25	0
February	29	43	296	191	559	520	19	30	31	0
March	16	34	270	224	544	506	54	25	29	1
April	13	30	254	255	552	478	45	43	36	0
May						491				
June						512				
July						524				
August						540				
September						524				
October						527				
November						546				
December						558				
Monthly Average	23.3	37.8	283.0	208.3	552.3	Apr 501.0	36.8	32.0	30.3	0.3
Percentage Leased	552 / 6323 = 9%									

New Leases = Units Sublet



OPEN MEETING

**REGULAR MEETING OF THE UNITED LAGUNA WOODS MUTUAL
ARCHITECTURAL CONTROL AND STANDARDS COMMITTEE**

Thursday, April 18, 2019 – 9:30 a.m.
Laguna Woods Village Community Center Elm Room
24351 El Toro Road, Laguna Woods, CA 92637

REPORT

COMMITTEE MEMBERS PRESENT: Acting Chair - Carl Randazzo, Juanita Skillman, Reza Bastani, Gary Morrison

DIRECTORS PRESENT: Elsie Addington

COMMITTEE MEMBERS ABSENT: Cash Achrekar and Advisor Mike Mehrair

ADVISORS PRESENT: Walt Ridley, Janey Dorrell

STAFF PRESENT: Brett Crane, Gavin Fogg, Eve Morton

1. Call to Order

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

2. Acknowledgement of Media

No media were present.

3. Approval of the Agenda

Director Morrison moved to approve the agenda. President Skillman seconded. The committee had no objection.

4. Approval of the Report for March 21, 2019

President Skillman moved to approve the agenda. Director Bastani seconded. The committee had no objection.

5. Committee Chair Remarks

Acting Chair Randazzo stated that he will be acting as Chair of this committee today.

6. Member Comments

None.

7. Department Head Update

None.

Consent:

All matters listed under the Consent Calendar are considered routine and will be enacted by the Committee by one motion. In the event that an item is removed from the Consent Calendar by members of the Committee, such item(s) shall be the subject of further discussion and action by the Committee.

None.

Items for Discussion and Consideration:

8. 126-D (Majorca, 8A) Appeal to Board's Decision to Deny Doors on Alteration that Requires Landing on Common Area

President Skillman moved to accept Staff's recommendation and deny the appeal to retain the doors on the room extension. The vote was 2 to 1 in favor of the motion. The motion passed.

9. Discuss and Review Architectural Standard 18: Gutters and Downspouts

Mr. Crane reported that updating this Standard is the first step in addressing the problem of water currently draining too close to the buildings in the Village. The Maintenance and Construction Committee will work on additional ways to address this problem.

President Skillman made a motion to recommend the proposed updates to this Standard to the Board. Director Morrison seconded. There were no objections.

Reports:

10. Status of Mutual Consents

Mr. Fogg went over this report with the committee.

Items for Future Agendas

None.

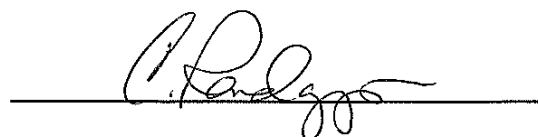
Concluding Business:

11. Committee Member Comments

Several comments were made.

12. Date of Next Meeting - June 20, 2019

13. Adjournment at 10:30 a.m.



Carl Randazzo, Acting Chair
Brett Crane, Staff Officer
Eve Morton, Alterations Coordinator 268-2565



OPEN MEETING

REGULAR MEETING OF THE UNITED LAGUNA WOODS MUTUAL GOVERNING DOCUMENTS REVIEW COMMITTEE

Monday, April 22, 2019 – 1:30 PM
Laguna Woods Village Community Center, Sycamore Room
24351 El Toro Road, Laguna Woods, CA 92637

MEMBERS PRESENT: Maggie Blackwell - Chair, Juanita Skillman, Andre Torng, Gary Morrison standing in for Anthony Liberatore, Advisor Bevan Strom

MEMBERS ABSENT: Anthony Liberatore, Advisor Mary Stone

OTHERS PRESENT: Carl Randazzo, Elsie Addington, Manny Armendariz, Dick Rader, Sherri Davis, Melanie Wood

STAFF PRESENT: Siobhan Foster, Blessilda Wright, Pamela Bashline, Eve Morton

REPORT

1. Call to Order

Chair Blackwell called the meeting to order at 1:30 p.m.

2. Acknowledgement of Press

No press was present.

3. Approval of the Agenda

President Skillman moved to approve the agenda. Director Torng requested that topic of guarantors be added to the agenda. The committee was in unanimous support to add this item and to approve the revised agenda.

4. Approval of Report from the March 25, 2019 Meeting

President Skillman made a motion to approve the Report. The Report was approved by consensus.

5. Chair's Remarks

Chair Blackwell stated that at the last two meetings, the guests along on the wall were speaking loudly. She asked that they please not do that and instead raise their hand to speak.

6. Member Comments (Items not on the agenda)

None.

Consent Calendar:

All matters listed under the Consent Calendar are considered routine and will be enacted by the Committee by one motion. In the event that an item is removed from the Consent Calendar by members of the Committee, such item(s) shall be the subject of further discussion and action by the Committee.

None.

Items for Discussion and Consideration:

7. Review and Discuss the Proposed Updates to the Policy for Distribution of Material by Residents and Resident Organizations in Regards to the New Canvassing Law

President Skillman made a motion to have Staff make the committee's proposed updates to this policy and send them on to the Board for approval. Director Morrison seconded. The committee was in unanimous support.

President Skillman stated that she will speak to Third and GRF about the possibility of incorporating a similar policy to this one.

8. Review and Discuss the Mutual's Current Smoking Policy

The committee reviewed a Memo on this subject written by United Mutual attorney, Jeff Beaumont. Discussion ensued.

The committee requested that Staff replace Section 3 of the current Smoking Policy with the following wording:

Smoking and vaping is prohibited in the entirety of United Laguna Woods Village, including Common Areas, but may be allowed in the following areas as long as a nuisance is not created:

- The interior of units as long as smoke is not permitted to escape the unit;*
- The interior of enclosed balconies and enclosed patios as long as smoke is not permitted to escape the foregoing enclosures;*
- Enclosed vehicles as long as smoke is not permitted to escape the vehicle;*
- Any other authorized smoking areas established by the Board.*

The committee also requested to update Section 2g to read, "Smoking **or vaping** is defined as inhaling, exhaling, burning, or carrying any lighted cigar,

cigarette, e-cigarette, pipe, cannabis, or other combustible substance in any manner or in any form.”

President Skillman made a motion that Staff provide the existing version of the Smoking Policy, along with the proposed updated version, to the Corporate Secretary and to ask her to set up a Special Meeting prior to the next Board Agenda Prep meeting to discuss this issue. The committee was in unanimous support.

9. Discuss Issue of Guarantors

Via phone, the committee asked United Attorney, Jeff Beaumont, some questions regarding guarantors.

Concluding Business:

10. Committee Member Comments

None.

11. Future Agenda Items

- Guarantors
- Committee Advisor Requirements

12. Date of next meeting is May 27, 2019

13. Adjournment at 3:55 p.m.


Maggie Blackwell, Chair

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OPEN MEETING

**REGULAR MEETING OF THE UNITED LAGUNA WOODS MUTUAL
LANDSCAPE COMMITTEE**

**Thursday, April 11, 2019 – 9:00 a.m.
Laguna Woods Village Community Center Board Room
24351 El Toro Road**

REPORT

COMMITTEE MEMBERS PRESENT: Chair - Maggie Blackwell, Manuel Armendariz, Anthony Liberatore

COMMITTEE MEMBERS ABSENT:

OTHERS PRESENT: Juanita Skillman, Andre Torng

ADVISORS PRESENT: Catherine Brians

STAFF PRESENT: Kurt Wiemann, Eve Morton

1. Call to Order

Chair Blackwell called the meeting to order at 9:00 a.m.

2. Acknowledgement of Media

A representative from the Globe was present.

3. Approval of the Agenda

Director Armendariz made a motion to accept the agenda. There was no opposition.

4. Approval of February 14, 2019 Report

Director Armendariz moved to approve the Report. There was no opposition.

5. Committee Chair Remarks

Chair Blackwell asked residents to be clear with their comments and welcomed them to the committee.

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

Cass Poole (97-G) She stated the mowing in her area is very bad. An area was recently reseeded but then was mowed over yesterday. A sprinkler leak went

unattended for some time. She feels Landscape Staff doesn't care and don't show up when they say they will.

Edward Foster (2140-D) There are weeds around his home which are 10 feet tall. He called Angel and he arrived the next day but he always has to call because nothing is done. This is a universal problem. Also, the shrubs have been taken out over the last few years but nothing is ever replaced so now there are large areas of just dirt and weeds. The flower beds from 2137 to 2143 haven't been mulched in five years. He just hears excuses. He wants to hear solutions.

Sandra Gabriel (2270-A) She agreed with everything Mr. Foster said. All the trees by her carport walkway were removed to work on a bridge and they have never been replaced. It is now just dirt with pipes sticking up. The landscaping has really gone downhill since they moved in four years ago.

Andre Torng (389-Q) He stated that the grass is very high in his neighborhood and there is a tree stump which needs to be removed.

Hal Rosenberg (2103-S) A bush he requested be put in for privacy never bloomed. Angel said it would take a year for it to bloom. He asked that those bushes be removed and now he has no privacy in his patio area.

7. Response to Member Comments

Chair Blackwell told Director Torng that a grinder will be needed to remove that stump.

Mr. Wiemann's responses:

- He reported that he is full time in this position as of April 1 and he is aware there are a lot of problems with the Landscape crews including lack of coordination within the department and a lack of communication with residents. Processes are being fixed. He has hired a coordinator to help with the communication and scheduling of work. He is changing the methodology and culture of the Landscaping Division. He has hired an expert in landscaping to help him with procedures and approaches to allow work to get done more quickly.
- He told Mr. Foster that a crew went out a few days ago to his area. Mr. Foster reported that mulching had not been done. Mr. Wiemann reported that now mulching will be part of the weeding and trimming process.
- He told Mr. Rosenberg that bushes can't be planted too closely together to grow properly and they do take time to grow in. They will go back and put the bushes back in that he had requested be taken out.
- He has created a ticket response crew who just respond to tickets. There were 22,000 landscaping tickets last year.

Chair Blackwell suggested reporting pooling water to Resident Services and a landscaper will adjust the sprinkler.

Director Armendariz said this is his second year on this committee and he has been critical of the landscaping but in the last six months there has been a dedicated effort to try to fix some of the issues. He believes Mr. Wiemann is being proactive and listening to what needs to be improved. He asked the residents to give Mr. Wiemann some time to make improvements.

Director Torng said perhaps outside help is needed to keep up with work. Mr. Wiemann reported that they are putting outside contractors into the 2020 budget but is not in this year's budget.

8. Department Head Update

None.

Consent:

None

Reports:

9. Project Log

Mr. Wiemann reviewed the project log.

10. Herbicide Testing Final Report

Mr. Wiemann conducted a presentation on the results of the herbicide testing.

Chair Blackwell moved to accept Staff's recommendation to discontinue the use of herbicides containing the chemical glyphosate and approve an unbudgeted expense of \$15,000 for alternative herbicide products. Director Armendariz seconded. The vote was unanimous.

This recommendation will go to the Finance Committee first and then on to the Board.

Items for Discussion and Consideration:

Tree Removal Requests

11.(85-B) Request for the Removal of a Carrotwood Tree

Director Armendariz moved to approve Staff's recommendation and remove the tree and plant a replacement tree at a suitable location. Director Liberatore seconded. The committee was in unanimous support.

12.(539-A) Request for the Removal of a Canary Island Pine Tree

Director Armendariz moved to approve Staff's recommendation and remove the tree. Director Liberatore seconded. The committee was in unanimous support.

Ms. Redner was present and showed photos of the tree and large pine cones that fall onto her yard. She said the tree wasn't trimmed last year as was stated in the

Staff Report. The green yellow pollen is all over. She doesn't know why so many of these huge trees were planted.

13. Discuss and Review the Tree Schedule

Mr. Wiemann reviewed the tree schedule with the committee and stated that trimming trees by species is more efficient and healthier for the trees. He will be implementing this schedule soon and it should cut down on the unscheduled tree trimming requests.

Items for Future Agendas:

14. Herbicide Usage Update (in six months)

Concluding Business:

15. Committee Member Comments

Director Armendariz stated he is feeling optimistic about our future landscape quality of services.

Director Liberatore asked Mr. Wiemann if all of the Village landscaping is supported by the Village nursery. Mr. Wiemann said yes.

16. Date of Next Meeting – June 13, 2019

17. Adjournment at 10:15 a.m.



Maggie Blackwell, Chair
Kurt Wiemann, Staff Officer
Eve Morton, Landscape Operations Coordinator – 268-2565



OPEN MEETING

**REPORT OF REGULAR MEETING OF THE UNITED LAGUNA WOODS
MUTUAL MAINTENANCE AND CONSTRUCTION COMMITTEE**

**Wednesday, April 24, 2019 - 9:00 a.m.
Laguna Woods Village Community Center Board Room
24351 El Toro Road**

MEMBERS PRESENT: Carl Randazzo – Chair, Sue Margolis, Reza Bastani, Gary Morrison, Cash Achrekar

MEMBERS ABSENT: None

ADVISORS PRESENT: Ken Deppe, Walter Ridley, Janey Dorrell

STAFF PRESENT: Ernesto Munoz – Staff Officer, Laurie Chavarria

1. Call to Order

Chair Randazzo called the meeting to order at 9:00 a.m.

2. Acknowledgement of Media

Chair Randazzo noted no members of the media were present.

3. Approval of the Agenda

Director Margolis pulled the Project Log from the Consent Calendar. The agenda was approved as amended.

4. Approval of Meeting Report for February 27, 2019

The Meeting Report for February 27, 2019 was approved as written.

5. Chairman's Remarks

Chair Randazzo commented on the discussion items and asked everyone to stay on topic. He provided a copy of VMS Staff and Board Director Interaction Guidelines that he'd like all committee members and advisors to follow. He reviewed the rules verbally.

Chair Randazzo's thought for the day is "To me, follow through is everything, if you accept responsibility for the task, then follow through and complete it without being asked."

6. Member Comments - (Items Not on Agenda)

- Maxine McIntosh (68C) commented on the difference between benches on Serpentine Walk and asked that the Kaplan bench that was removed behind Building 95 be replaced with the new green powder coated mesh style.

Staff Officer Ernesto Munoz and Chair Randazzo responded briefly to the comment.

7. Department Head Update

Staff Officer Ernesto Munoz had no update.

Consent:

All matters listed under the Consent Calendar are considered routine and will be enacted by the Committee by one motion. In the event that an item is removed from the Consent Calendar by members of the Committee, such item(s) shall be the subject of further discussion and action by the Committee.

The Project Log was pulled for discussion. A motion was made and unanimously carried to approve the remainder of the Consent Calendar.

8. Project Log

Item #2 Pushmatic Electric Panel Replacement – Chair Randazzo asked about a contract extension with the current vendor. Director Morrison questioned the expenditure listed in the budget section and asked if SCE was going to upgrade the transformers. Advisor Ridley asked about load calculations and Advisor Dorrell asked that staff bring the number of Pushmatic electric panels have been upgraded by members to the upcoming 2020 Business Planning meeting on May 31st.

Item #3 Walkway Lighting Program – Chair Randazzo asked about expenditures and if any lights have been installed this year.

Item #5 Gutter Replacement & Repair – Chair Randazzo commented on the budget expenditures.

Item #7 Prior to Paint Program – Director Margolis commented on a typo in first sentence. The update should read CDS 90, not CDS 9.

Item #14 Shepherd's Crook Installation – Director Margolis asked for the location of the work that will be performed in 2019.

Item #15 Common Wall Replacement – Chair Randazzo commented on a leaning wall that he sees this on his daily walk and if this is the budget that would be used to repair it.

Item #17 Water Lines – Copper Pipe Remediation – Director Achrekar asked how buildings are selected for epoxy lining.

Item #18 Gutter Cleaning – Chair Randazzo asked the reason for the expenditures.

Item #20 Energy Consultant Services – Chair Randazzo asked when the Committee will be able to review the consultant's report.

Staff Officer Ernesto Munoz responded to all questions and comments.

Director Morrison commented on the shortage of staff in the Maintenance and Construction Department. He requested that Staff Officer Ernesto Munoz add this issue at the upcoming 2020 Business Planning meeting.

9. Maintenance Programs Reports

10. Expenditures Report & Variance Explanations

Reports:

11. Water Detection Devices (Flood Buzz)

Staff Officer Ernesto Munoz summarized the report and answered questions from the Committee.

Discussion ensued regarding Flood Stop devices, water heater shut off valves, water heaters plumbed to the outside, the decibel level of leak detection devices and an educational article in the Village Breeze on how to shut off water during a leak.

Richard Radar (270-D) commented on water heater failures and plumbing drained to the outside of a manor.

Andre Torng (389-Q) commented on the potential cost benefits of purchasing water detection devices.

By consensus, staff was directed to research other water detection devices that offer a sharper/louder water detection sound and bring this information back to a future meeting.

12. Service Order Status Report

Staff Officer Ernesto Munoz summarized the report and answered questions from the Committee.

Discussion ensued regarding ways to link repeat calls on a service order created by Resident Services, checklists for plumbing work, tags denoting main valves and exercising water shut-off valves.

13. Solar Power Plant Task Force Update (oral discussion by Sue Margolis)

Director Margolis provided the written update below and discussed each item with the Committee.

"The solar task force has had two meetings.

In the first meeting we brainstormed what we felt we needed to do in order to complete the task. A list of 10 items was generated and each participant select the item they felt they could assist on. In the second meeting we reported on the progress so far. We will be having a third meeting in the next few weeks when the work is completed to compose a report for the board.

1. Should we renew the contract with JCI - **Have written to cancel contract due to time constraints it had to be done immediately.**
2. Determine if it was built to specifications - **Using current design criteria it is spec'ed correctly**
3. Review and see if we qualify for a tax rebate -**no rebate possible**
4. Understand the terminology used in JCI documents –**found better copies of documents**
5. Review Gov Doc for purchasing policy -**policy in place but was not followed**
6. How to maintain the system going forward -
Power plant manager – IN PLACE
Trees were trimmed - still a little work to be done – Thanks to Ken Photos
Panels are being cleaned this week
Schedule a meeting with Phoenix IN THE WORKS
Determine if increasing the slant of the panels would result in improvement for cleaning and collecting solar power. Study to be done at 2% now design was for 5%
7. Check if installation is complete of the monitor the system, Locus **in the works**
8. Determine if there is a shortfall in electrical generation -**waiting on SCE data at this time there does not seem to be a problem.**
9. Determine the savings produced so far -**incomplete data**
10. Provide a ROI for the system - **incomplete data very complex situation with the heaters etc."**

Vice Chair Randazzo commented that Director Margolis is working on his behalf and has the authority to communicate directly with staff.

14. Drainage Issue at Avenida Sevilla & El Toro Rd. (oral discussion by Ken Deppe)

Advisor Deppe displayed pictures showing the flow of water between Gate1 and Gate 3; ponding in parking areas of cul-de-sac 4 and discussed a proposed Drainage Coordination Program attached to this meeting report.

Discussion ensued regarding size of drain/inlet capacity, adding a secondary inlet on Avenida Sevilla or other areas in the village to prevent street flooding, slurry sealing, and how the current street and drainage system is working as designed.

By consensus, Staff Officer Ernesto Munoz was directed to contact the city to inquire about the diameter of their storm drains.

Items for Future Agendas:

- Main Valve Shut-off Replacement
- Copper Pipe Supply Line Leak Report (August & December 2019)
- Drainage Improvements to Prevent Foundation Issues
- ~~Stove Fire Prevention Devices (Fire Avert or Ionized Smoke Detector)~~
- ~~Appliance Repair Cost Review for Staff vs. Vendor~~

Staff was directed to remove stove fire prevention devices and the appliance repair cost review from Items for Future Agendas.

Concluding Business:

Committee Member Comments

- Director Bastani commented on the Staff and Board of Directors Interaction Guidelines, timeframe of service calls; the Pushmatic Electric Panels and Gate Renovation projects.
- Advisor Dorrell commented on Advisor Deppe's Drainage presentation.
- Vice Chair Randazzo commented on the Staff and Board Director Interaction Guidelines.

Date of Next Meeting – June 26, 2019

Adjournment

The meeting was adjourned at 11:43 p.m.

DRAFT

Carl Randazzo, Chair

Agenda Item #14 ATTACHMENT:

DRAINAGE COODINATION PROGRAM
4-24-19

Please find attached a plan showing areas of **Drainage Concerns** and a plan showing **Projects** that are budgeted for United in 2019 that could be reviewed with respect to coordinating drainage improvements. Labor and budgets constraints may play a role in implementing some of the needed improvements. However if we begin coordinating our drainage improvement this year we have time to work out the procedures so that we can roll into our 2020 Projects with procedures and coordination tested and ready to implement. The key to coordinating the various disciplines would be to have a drainage inspection for each Cul de Sac that is scheduled work that may affect drainage. I have only looked at portion of these area. I will update these observation for our next meeting.

A brief inspection of the east side of Aliso Creek where the Exterior Paint Program is currently under way revealed a more modern construction than the West side of the Creek. There are gutters, downspouts and area drain systems in place. These include CDS 90,91,94,82. Further inspection may determine that this area that this has good modern drainage but need some improvements.

Prior to Paint- This is the time that we should be installing facies that support roof gutters and downspouts. Efforts should be made to determine where downspouts can be places. Concentrated water can do more harm than good if improperly placed. Downspouts should installed with an area drain system planned out.

Once the building repairs and modifications are complete the **New Paint** will cover this work.

It does not appear that there is a program devoted to installing the **area drain system**. Trenching and placing 4 inch drain lines in an existing improved environment can be tricky. It is important to identify utility lines, irrigation line and other below ground improvement prior to excavation. Tree roots are also a consideration.

Paving, Seal Coat and Parkway Concrete Programs – The 2019 budget for these programs is \$366,570, \$55,000 and \$150,000 respectively. These CDS need to be inspected with respect to drainage prior to implementation. Currently I have only looked at a few of the scheduled areas. CDS #4 is a good example of sealing over a poorly draining area followed by a 50 foot long puddle. CDS 30-32 is a good area to consider spending some of the Parkway Concrete money. Also some contingency fund should be considered for gutters, down spouts and an area drain system,

I am licensed to fly my drone in Laguna Woods Village. I will use this tool to update this report.

Ken Deppe
M& C Advisor

