

UNITED LAGUNA WOODS MUTUAL

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

August 8, 2017

The Regular Meeting of the Board of Directors of United Laguna Woods Mutual, a California Non-Profit Mutual Benefit Corporation, was held on Tuesday, August 8, 2017, at 9:30 AM at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Juanita Skillman, Janey Dorrell, Don Tibbets, Maggie Blackwell, Pat English, Jack Bassler, Maxine McIntosh, Steve Leonard, Gary Morrison, Cash Achrekar and Andre Tornng

Directors Absent: None

Staff Present: Open Session: Brad Hudson, Lori Moss, Cheryl Silva, Leslie Cameron and Chuck Holland

Executive Session: Brad Hudson, Lori Moss and Cheryl Silva

Others Present: Jeffrey Beaumont Esq. of Beaumont Gitlin Tashjian

1. Call meeting to order / Establish Quorum

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

2. Pledge of Allegiance – Director Cash Achrekar

Director Achrekar led the Pledge of Allegiance.

3. Acknowledge Media

A representative of the Laguna Woods Globe was present for the meeting, and the Village Television Camera Crew, by way of remote cameras, was acknowledged as present.

4. Approval of Agenda

Director McIntosh moved to approve the agenda as presented. The motion was seconded by Director Tornng and passed unanimously.

5. Approval of Minutes

5a. July 11, 2017 - Regular Open Session

Director McIntosh moved to approve the minutes as presented. The motion was seconded by Director Tibbets and passed unanimously.

6. Report of the Chair

President Skillman announced that the Bylaws passed 3 to 1; 40 percent of the residents voted. Special thanks to the six people who helped count the ballots.

The state is doing an interim census. Census volunteers are going around the neighborhood, it is not a scam and they are allowed in the Village. However, you do not have to answer the door. Census participation is not mandatory, but participation will provide valuable information.

The business plan and the budget meeting will be held on Thursday, August 10, 2017, at 9:30 am.

7. Update from VMS – Mary Stone

Director Stone, VMS Board, stated that VMS the Recognition of Excellent Awards were handed out on July 25, 2017. The Landscapers are doing an excellent job and received commendations from residents. Ernesto Munoz was at the VMS meeting and reported that the Broadband antenna project should be done around August 8, 2017. The Lawn Bowling and El Toro Water District projects will be done by December, 2018. Focus groups have been formed to give their input on the Performing Arts Center renovation project. We will be starting an employee referral program. The Village TV system is being updated along with technology systems, Wi-Fi access, and faster internet access thanks to Chuck Holland and his team. We will be conducting a handyman service survey in August. The next VMS Board meeting will be held on August 16, 2017.

8. CEO Report

CEO Hudson reported that the Grandparent's Fun Day on Sunday and the Everly Brothers concert were sold out. Excuse the inconvenience with all the paving and reconstruction going on in the neighborhoods. Landscaping is almost done with the tree trimming project. Staff will be repaving Clubhouse 2, Village Greens, Equestrian Center and RV Lots soon. Clubhouse 4 will be tented for termites, next week. Security was added during the termite tenting projects to keep manors safe from people who should not be there. Next year our budgets will include more maintenance upgrades, aggressively fixing dry rot problem, reconstruction of the gates, deferred maintenance, and technology upgrades.

Mr. Hudson thanked residents that responded to the survey about the type of fitness programs residents would like to see in the CH5 fitness room. The top fitness programs were: stretching, yoga, Zumba, spin, and bar exercises.

Mr. Hudson commented that a handyman service would be a great service for residents.

The maintenance department already services residents in United, but residents always need help with smaller project at their manor.

Mr. Hudson reported that Chuck Holland will be conducting a Town Hall meeting on the new technology in the Village. Resident Services is working on a call center that will provide more information for residents and will allow them to know what is happening in the field. The Recreation Department has more concerts and movies coming up.

Director McIntosh commented that Mr. Hudson is always talking about what staff is doing for our residents. She thinks that staff is doing a wonderful job advertising events.

Director Torng thanked Mr. Hudson for providing customer service, transparency, accountability and upgrades to the current technology infrastructure.

Director Achrekar asked Mr. Hudson about Dwelling Live.

9. Open Forum

Bill Jerry (689-A) brought pictures to show of the landscaping area around his property. He asked the Board who gave permission to change the landscaping.

Elinor Jerry (689-A) commented that the landscaping that was changed caused her to fall and break her foot.

Nancy Lannon (669-N) commented that many residents are not computer literate and asked why the call center is not 24/7. She also asked about the new \$90 occupancy fee.

Mike Landry (693-B) thanked the resident that returned his neighbor's towels after he wrote an article in the Globe.

10. Responses to Open Forum Speakers

Several Directors responded to member comments on landscaping changes. Members need to use caution when walking on the turf.

Director Blackwell: Landscape division does not need permission from residents to make changes to the common area. The project took two weeks to complete. There was no contact by residents. The paved pathways are provided for the safety of residents.

Director English commented that the monthly charge for a third occupant in United is \$50; caregivers are exceptions.

CEO Hudson commented that staff is working to have a 24/7 call center in the future.

11. Consent Calendar

Director McIntosh requested to move Item #11a Variance Request of 2067-B to Item #13b (page 27).

Director Achrekar moved to approve the consent calendar as amended. The motion was seconded by Director English and passed unanimously.

11a. Architectural Control and Standards Committee Recommendations:

935-A: A motion was made and the Committee unanimously voted to recommend the Board approve the request for a Non-Standard Atrium Enclosure

RESOLUTION 01-17-83

Variance Request

RESOLVED, August 8, 2017, that the variance request of Ms. Beth A. Page of 935-A Avenida Castilla – Non-Standard Atrium Enclosure, is hereby approved; and

RESOLVED FURTHER, all costs and maintenance of the alteration, present and future, are the responsibility of the Mutual member(s) at 935-A.

RESOLVED FURTHER, a required Mutual Consent for a Manor Alteration Permit Application must be submitted to Manor Alterations Division office located in the Laguna Woods Community Center.

RESOLVED FURTHER, a required City of Laguna Woods permit must be obtained and the appropriate City of Laguna Woods permit number(s) must be submitted to the Manor Alterations Division office located in the Laguna Woods Community Center. The City permit must be finalized within the prescribed timeframe.

RESOLVED FURTHER, prior to the Issuance of a Mutual Consent for Manor Alterations Permit, a complete set of unit specific plans prepared by a licensed architect or structural engineer depicting the proposed alterations must be submitted to the Manor Alterations Department office located in the Laguna Woods Village Community Center. The plans must depict any required structural modifications ensuring the structural integrity of the building is maintained upon completion of the proposed alterations.

RESOLVED FURTHER, prior to the Issuance of a Mutual Conset for Manor

Alterations Permit, a required Mutual Roof Alteration Notification (Tie-In Form) must be submitted to the Laguna Woods Village Manor Alterations Department prior to the issuance of a Mutual Consent, if applicable. All roof tie-ins must be performed by a C-39 Licensed Contractor. The Member may hire a C-39 Licensed Contractor of their own choice to perform roof tie-ins for the installation of solar panels on all roof types except PVC Cool Roofs. For PVC Cool Roofs, regardless of the roof type, all tie-ins must be performed by the Mutual's roofing contractor at the Member's expense. All tie-ins may only be made to sound structural elements. Existing structural elements proposed to be tied to, which exhibit signs of dry rot or other structural defects must first be replaced or repaired during the alteration.

RESOLVED FURTHER, prior to the Issuance of a Mutual Consent for Manor Alteration Permit, a Neighbor Awareness Form(s) must be obtained from the affected neighbor(s) at 932-B. No construction may proceed prior to receiving this executed form and approval by the Manor Alterations Department and the City of Laguna Woods.

RESOLVED FURTHER, prior to the Issuance of a Mutual Consent for Manor Alteration Permit, the Mutual Member shall request a Broadband infrastructure inspection to assure that mutual property is appropriately addressed during construction.

RESOLVED FURTHER, all alterations must be installed in accordance to California State Building Code, and United Mutual Standard Section 31: Windows and Window Attachments.

RESOLVED FURTHER, during construction, both the Mutual Consent for Manor Alterations and the city building permit must be on display at all times in the front window.

RESOLVED FURTHER, under no circumstances is construction waste allowed to be dumped in the Village trash bins. Construction waste must be disposed offsite by the contractor. Violation of this condition may result in disciplinary action to the owner!

RESOLVED FURTHER, the Mutual Consent for a Manor Alteration Permit expires within six months of the date of the Mutual Board's approval.

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.

2067-C: Approve the request for a Non-Standard Entry Door Color moved to
13b (pages 27)

11b. Landscape Committee Recommendations:
None

11c. Finance Committee

Recommendations:

Approval of Resolution to Record Lien against Member ID: 947-421-04

RESOLUTION 01-17-86

Recording of a Lien

WHEREAS, Member ID 947-421-04; is currently delinquent to United Laguna Woods Mutual with regard to the monthly assessment; and

WHEREAS, a Notice of Delinquent Assessment (Lein) 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, August 8, 2017, that the Board of Directors hereby approves the recording of a Lein for Member ID 947-421-04 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.

Approval of Resolution to Record Lien against Member ID: 947-427-30

RESOLUTION 01-17-87

Recording of a Lien

WHEREAS, Member ID 947-427-30; is currently delinquent to United Laguna Woods Mutual with regard to the monthly assessment; and

WHEREAS, a Notice of Delinquent Assessment (Lein) 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, August 8, 2017, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-427-30 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.

Approval of Resolution to Record Lien against Member ID: 947-411-24

RESOLUTION 01-17-88

Recording of a Lien

WHEREAS, Member ID 947-411-24; 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, August 8, 2017, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-411-24 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.

Approval of Resolution to Record Lien against Member ID: 947-372-70

RESOLUTION 01-17-89

Recording of a Lien

WHEREAS, Member ID 947-372-70; is currently delinquent to United Laguna Woods Mutual with regard to the monthly assessment; and

WHEREAS, a Notice of Delinquent Assessment (Lein) 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, August 8, 2017, that the Board of Directors hereby approves the recording of a Lein for Member ID 947-372-70 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.

Approval of Resolution to Record Lien against Member ID: 947-454-74

RESOLUTION 01-17-90

Recording of a Lien

WHEREAS, Member ID 947-454-74; is currently delinquent to United Laguna Woods Mutual with regard to the monthly assessment; and

WHEREAS, a Notice of Delinquent Assessment (Lein) 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, August 8, 2017, that the Board of Directors hereby approves the recording of a Lein for Member ID 947-454-74 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.

11d. Entertain a Motion to Approve Standard Manor Alteration Conditions - Resolution (initial notification - must postpone to September to conform to the 30-day notification requirement). See pages 20-24.

Resolution 01-17-XX

Standard Manor Alteration Conditions

WHEREAS, staff has experienced several issues with manor alterations including illegal dumping in Village dumpsters, excessive noise and smoking by contractors, parking in resident spaces by contractors, damage to mutual property during construction, and working after permitted work hours; and

WHEREAS, the standard Manor Alteration Conditions impose requirements, in order to protect the Mutual and neighbors, on members who wish to conduct alterations; and

NOW THEREFORE BE IT RESOLVED, on September 12, 2017, as part of the Conditions of Approval a Conformance Deposit (Good Faith Deposit) is being required, which will be held until the project is finalized by both the Manor Alterations Division and City of Laguna Woods; and

RESOLVED FURTHER, that for all improvements, exceeding a total of \$5,000, a 10 percent deposit is required. Conformance Deposit will be held to assure no damages to Mutual property occurs during construction, including, but not limited to, internet/TV, landscaping, or exterior walls/roof, and that no violations of rules occur during construction; 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.

11e. Entertain a Motion to Approve Amendments to the Administrative Guidelines for Financial Qualifications – Policy to follow under separate cover.

11f. Entertain a Motion to Approve a Proposed Hot Tub Standard Policy - Resolution (initial notification - must postpone to September to conform to the 30-day requirement)

Resolution 01-17-XX

Hot Tub Standard

WHEREAS, in United Mutual, no standard exists for exterior hot tub; and

WHEREAS, the City of Laguna Woods has no standards for the installation and use of exterior hot tubs; and

WHEREAS, it is in the best interests of United Mutual and its members to adopt standards regulating the installation and use of exterior hot tubs; and

WHEREAS, the Board of Directors has consulted with staff, the Governing Document Review Committee and legal counsel to develop a standard for the installation and use of hot tubs;

WHEREAS, the standard specifically prohibits hot tubs in atriums with common walls and on balconies. Additionally the standard requires that hot tubs be portable, drain only in the sanitary sewer, not create a nuisance or otherwise create an unreasonable interference with another resident's use and enjoyment of their Manor, and obtain a Mutual Consent for Manor Alterations; and

WHEREAS, the requesting member is required to provide proof of personal liability insurance with limits of at least \$200,000 per occurrence with an insurer with an AM Best rating of A-VIII or higher and to name United Laguna Woods Mutual and VMS, Inc. as additionally named insured; and

WHEREAS, a hot tub must be covered and may require a lock when not in use, subject to the California Building Code; and

NOW THEREFORE BE IT RESOLVED, that on September 12, 2017, the Board of Directors of this Corporation hereby approves a Hot Tub Standard; 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.

12. Unfinished Business

12a. Entertain a Motion to Approve the Revisions to the Drone Policy - Resolution (initial 30-day notification has been satisfied)

Resolution 01-17-91

Drones Policy

WHEREAS, the Security & Community Access Committee recommended adoption of a Drone Policy, to fairly and reasonably address small unmanned aircraft systems, known as Drones, in Laguna Woods Village; and

WHEREAS, Drones are regulated by the Federal Aviation Administration (FAA); and

WHEREAS, the Golden Rain Foundation prohibits drones in the Village unless they are flown by staff or an individual commissioned by staff, and that staff, in order to meet the standards of any policy and Federal law, be required to complete a flight plan that is submitted for review by the Chief of Security; and

WHEREAS, a Drone is not allowed to operate unless a permit is granted by the Chief of Security or his designee, for approved Community events, or purposes;

NOW THEREFORE BE IT RESOLVED, July 11, 2017, that the Board of Directors of this Corporation hereby adopts the "Drone Policy," as attached to the official minutes of this meeting; and

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

JULY Initial Notification

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

Director Achrekar made a motion to approve the revisions to the Drone Policy Resolution. The motion seconded by Director Dorrell and passed unanimously.

12b. Entertain a Motion to Approve Revisions to the Qualifiers for Subleasing Manors regarding Short Term Rentals - Resolution (initial 30-day notification has been satisfied)

Resolution 01-17-92

Qualifiers for Subleasing Manors regarding Short Term Rentals

WHEREAS, the governing documents of United Laguna Woods Mutual ("United") require and contemplate owner-occupancy. United's Bylaws and Occupancy Agreement require Members, and no others, to reside in the Manors (also referred to as "dwelling units" or "units" in certain of United's governing documents), unless otherwise approved by the Board. (Bylaws, Article III; Occupancy Agreement, Article 5 & 7.) Specifically, Members are prohibited from subletting a Manor without prior written consent of United. (Occupancy Agreement, Article 7); and

WHEREAS, under United's governing documents (which include, without limitation, the Bylaws, Occupancy Agreement, operating rules and Board resolutions, United members may sublease their Manors, subject to certain sublease qualifiers; and

WHEREAS, Resolution 01-13-50 contains fifteen sublease Qualifiers which are intended to, among other things, help maintain and promoted the unique age restricted and stock cooperative nature of United's community (collectively, the "Qualifiers" and each, a "Qualifiers"); and

WHEREAS, it is the policy and procedure of the Board to approve sublease applications so long as Members meet the qualifiers attached to Resolution 01-13-50 (as Exhibit A); and

WHEREAS, among other Qualifiers, Resolution 01-13-50 provides: "Subleases may be no shorter in duration than 90 days and no longer than 12 months;" and

WHEREAS, the Board has experienced a recent increase in sublease applications. Many of the applications have been submitted by "investors," i.e., individuals who have expressed no intent to occupy their manor. Frequently, within days after the close of escrow, some new members submitted a request to sublet their manor, and have continuously sublet. In some circumstances, the new members have never resided in the community; and

WHEREAS, pursuant to its governing documents, the Board of Directors has the power and authority to adopt reasonable operating rules; and

WHEREAS, 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 corporation 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); and

NOW THEREFORE, BE IT RESOLVED, August 8, 2017, that the Board of Directors hereby amends qualifiers #2 for Subleasing Manors, violations of which are subject to the Schedule of Monetary Penalties;

"No manor may be advertised for sublease shorter in duration than 90 days in any print media (such as newspapers, magazines, local bulletins boards, etc.) and/or on any website (including without limitation Airbnb, VRBO social media, listing service and/or any other hosting platform)."

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

JULY Initial Notification

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

Director Dorrell made a motion to approve revisions to the Qualifiers for Subleasing Manors regarding Short Term Rentals Resolution. The motion was seconded by Director Morrison and passed unanimously.

Director McIntosh left the room at 11:09 a.m.

12c. Entertain a Motion to Approve Amendments to the Shareholder Financial Qualifications Requirements - Resolution (initial 30-day notification has been satisfied)

Resolution 01-17-93

**Amendments to the Shareholder Financial Qualifications Requirements
United Laguna Woods Mutual Financial Qualifications**

WHEREAS, it is in the best interest of the Corporation to protect and preserve the financial integrity of this Corporation:

WHEREAS, the current Financial Qualification Policy establishes a minimum annual income requirement of \$36,000 or a minimum annual income requirement of \$24,000 when a Guarantor is obtained.

WHEREAS, to accomplish this, removing the following provision is necessary: "The Board may consider waiving financial requirements if the applicant obtains secondary financing from a financial institution of at least 50 percent and no more than 70 percent of the purchase price. It is recommended that any applicant who does not meet the minimum financial requirement consider submitting the application with a financial guarantor; and

WHEREAS, No minimum income or asset requirements were ever established for prospective shareholders who requested such a waiver. More importantly, United Mutual has not granted this waiver since about 2007; and

WHEREAS, The Financial Qualification Policy would be improved by removing the secondary financing waiver provision. Prospective borrowers will continue to obtain loans, but the Shareholder must meet the minimum income and asset requirements, with or without a Guarantor; and

NOW THEREFORE BE IT RESOLVED, August 8, 2017, that the minimum financial requirements are revised, effective for any escrow opened on or after August 8, 2017; and

RESOLVED FURTHER, that Resolution 01-15-89, adopted July 14, 2015, is hereby amended as indicated above; and

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

JULY Initial Notification

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

Director Blackwell made a motion to approve amendments to the Shareholder Financial Qualifications Requirements Resolution. The motion was seconded by Director Morrison and passed by a vote 8-1-1 (Director English opposed; Director McIntosh absent)

Director McIntosh returned to the meeting at 11:12 a.m.

12d. Discuss and Consider the Methods to Replenish Contingency Fund

Director English requested to remove this item from the agenda, without objection the item was removed.

13. New Business

- 13a. Entertain a Motion to Approve Implementing Fees for Missed Maintenance Appointments - Resolution (initial notification - must postpone to September to conform to the 30-day notification requirement)**

RESOLUTION 01-17-XX

Implementing Fees for Missed Maintenance Appointments

WHEREAS, the Board adopted to establish a "Chargeable Maintenance Services Policy" by way of Resolution 01-04-28; and amended it on June 12, 2007 to remove single fixture stoppages as a chargeable service; and

WHEREAS, missed maintenance appointments use up valuable staff time and delay scheduled repairs. In order to discourage residents from missing scheduled appointments, a Missed Maintenance Appointment Fee will be implemented; and

NOW THEREFORE BE IT RESOLVED, September 12, 2017, the Board of Directors of this Corporation hereby establishes a charge of \$50.00 for a Missed Maintenance Appointment Fee charged to residents who are a no-show during their scheduled appointment time frame or do not cancel/reschedule 24 hours prior to their scheduled appointment; and

RESOLVED FURTHER, Resolution 01-04-28, adopted February 10, 2004 to establish the Board's "Chargeable Maintenance Services Policy", is hereby amended to add a Missed Maintenance Appointment Fee; and

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

Director Blackwell read the resolution and made a motion to approve Implementing Fees for Missed Maintenance Appointments Resolution. The motion was seconded by Director English and passed unanimously.

Director Torng asked about exceptions to the missed appointment maintenance fee of someone has an emergency illness.

Director Achrekar commented that member's modified appliances are not maintained by the mutual.

13b. 2067-C: Approve the request for a Non-Standard Entry Door Color.

RESOLUTION 01-17-85

Variance Request

RESOLVED, August 8, 2017, that the variance request of Ms. Phyllis Posner Gilbert of 2067-C Via Mariposa E, for a Non-Standard Entry Door Color, is hereby approved; and

RESOLVED FURTHER, that all costs and maintenance of the alteration, present and future, are the responsibility of the Mutual member(s) at 2067-C.

RESOLVED FURTHER, a required Mutual Consent for a Manor Alteration Permit Application must be submitted to Manor Alterations Division office located in the Laguna Woods Community Center.

RESOLVED FURTHER, prior to the Issuance of a Mutual Consent for Manor Alteration Permit, a Neighbor Awareness Form(s) must be obtained from the affected neighbor(s) at 2068-B. No work may proceed prior to receiving this executed form and approval by the Manor Alterations Department.

RESOLVED FURTHER, under no circumstances is construction waste allowed to be dumped in the Village trash bins. Construction waste must be disposed offsite by the contractor. Violation of this condition may result in disciplinary action!

RESOLVED FURTHER, the Mutual Consent for a Manor Alteration Permit expires within 6 months of the date of the Mutual Board's approval.

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.

Scribner correction was made to the resolution to remove "City of Laguna Woods" in paragraph 4, as a City permit is not required.

Director Blackwell made a motion to approve Non-Standard Entry Door Color Resolution. Director English seconded the motion and it passed by a vote of 10-0.

14. Committee Reports –

14a. Report of the Financial Committee / Financial Report - Pat English

Director English gave the United Financial Report and gave an overview of delinquencies, resale report, and leasing activity.

Pat English made a motion to change the business plan and President Skillman commented that she was out of order and that the item should be discussed at the upcoming budget meeting. Director English withdrew her motion.

14b. Report of the Architectural Control and Standards Committee - Janey Dorrell

Director Dorrell reported from the ACSC. The ACSC will be changing the format of the meeting in regard to communication with the residents. The ACSC Committee will do a bus tour and vote after seeing the sites. The Committee is updating the alterations booklet. The next meeting is August 22, 2017

14c. Report of the Maintenance & Construction Committee - Don Tibbetts

Director Tibbetts reported from the M&C Committee. He thanked the Board for passing the resolution for missed maintenance appointments fee and gave an update on the slurry and pavement work going on in the community. There will be a special meeting on August 30, 2017 at 9:00 a.m. The next regular meeting is September 27, 2017.

14d. Report of Landscape Committee - Maggie Blackwell

Director Blackwell reported that the Landscape Committee had no meeting this month. She discussed the potential of a red stake program which limits herbicides near manor walls. Existing yellow stake program marks plants which are maintained by the resident. The next meeting is August 9, 2017 at 1:30 PM in the Sycamore Room.

14e. Report of the Laguna Woods Village Traffic Hearings - Don Tibbetts

Director Tibbetts reported from the Village Traffic Hearings. The biggest problem in the Village is not stopping at a stop sign, speeding, driving with expired registrations and driver's licenses. The offense will be reported to the DMV. We have seen violations in the RV parking facility of leaving items in the lot when the RV is out.

14f. Report of the Communications Committee - Maggie Blackwell

Director Blackwell reported from the Communications Committee. She urged candidate for United to apply by Friday. Meet the candidates for United will be televised on August 29, 2017 at 10:00 a.m.

14g. Report of the Governing Documents Review Committee - Juanita Skillman

President Skillman reported from the Governing Documents Committee. She thanked the Committee for help update the Bylaws. She discussed removing the ability to obtain a guarantor, for those with minimum income levels, requiring credit scores for subleases and increasing financial requirements will be beneficial for the community. The next meeting will be held on August 28, 2017 at 2:00 p.m.

14h. Report of the Preparedness for Disaster Task Force - Andre Torng

Director Torng reported from the Preparedness for Disaster Task Force. Training session for the Good Neighbor Captains had a good turn-out. The next training session will be held on October 3, 2017. We would like to increase the training sessions to once a month. August 29, 2017, at 9:30 a.m. is the next meeting.

14i. Report of the Disciplinary Cases - Juanita Skillman

President Skillman reported on the Disciplinary Cases. The total number of compliance cases is down. We have seen a decrease in abandoned vehicles and animal nuisance violations and an increase in maintenance alterations and smoking violations.

15. GRF Committee Highlights

15a. Report of the Community Activities Committee

Director Dorrell reported from the CAC. Next meeting will be September 7, 2017, at 2pm.

Director Torng commented that the Village Games are coming up and encouraged member to volunteer.

15b. Report of the Finance Committee

Director English reported from the Finance Committee. The final budget meetings are on August 9th. Please attend this meeting to help reduce funds and increase reserves. The next regular meeting will be August 23, 2017 at 1:30 p.m.

15c. Report of the Landscape

Director Blackwell reported from the Landscape Committee. The Committee is working on golf netting near Garden Center 1, repair of the Aliso Creek and the new Arbor Pro system. Next meeting will be held on Sept 21, 2017, at 9:00 a.m.

15d. Report of the Maintenance & Construction Committee

Director Tibbetts reported from the Maintenance & Construction Committee. The Committee is working on the Lawn Bowling project and air curtains for the lobby. The next meeting will be held on September 18, 2017, at 1:00 p.m.

15e. Report of the Media and Communication Committee

Director Blackwell reported from the Media and Communication Committee. The next meeting will be held on August 21, 2017, at 1:30 p.m.

15f. Report of the Mobility and Vehicles Committee

Director Torng reported from the Mobility and Vehicles Committee. The Committee is working on new reports, coupons for riders, weekly excursions, bus schedules, new smaller buses and a brochure for alternative transportation. Next meeting is October 2, 2017 at 1:30 p.m.

15g. Report of the Security and Community Access Committee

Director Achrekar reported from the Security and Community Access Committee. Tim Moy and his team are doing an excellent job to control people who should not be in the Community. The next meeting will be held on August 24, 2017 at 1:30 p.m.

16. Future Agenda Items

- 16a.** Entertain a Motion to Approve Implementing Fees for Missed Maintenance Appointments - Resolution (postponed to September to conform to the 30-day requirement)
- 16b.** Entertain a Motion to Approve Standard Manor Alteration Conditions - Resolution - Resolution (postponed to September to conform to the 30-day requirement)
- 16c.** Entertain a motion to Approve Amendments to the Administrative Guidelines for Financial Qualifications - Resolution (postponed to September to conform to the 30-day requirement)
- 16d.** Entertain a Motion to Approve a Resolution Regarding Use of Common Area for Certain Improvements – Resolution (postponed to September to conform to the 30-day requirement)
- 16e.** Entertain a Motion to Approve a Resolution to Remove Standard Specifications for Atrium Enclosures Between Common Walls - Resolution (postponed to September to conform to the 30-day requirement)
- 16f.** Entertain a Motion to approve hot tub policy -- Resolution (postponed to September to conform to the 30-day requirement)
- 16g.** Entertain a Motion to Increase Assessment Late Charge
- 16h.** Entertain a Motion to Suspend Cable/Internet in the Event of Disciplinary Action

17. Director's Comments

Director McIntosh reminded residents that the Clubhouses belong to everyone in the community. If you don't have air conditioning in your manor, come to one of the events at the Clubhouses or the Library.

Director Arhrekar commented that we have an excellent community and that he will be running for re-election.

Director Blackwell thanked the members for voting for the governing document Bylaws. She urged members to run for the United Board and submit the application by Friday, August 11, 2017.

Director Dorrell thanked the members for voting on the Bylaws.

Director English commented on the importance of building up the reserve funds and transfer money from the contingency fund.

Director Morrison commented that he was back from vacation.

Director Leonard commented that Chuck Holland is looking into obtaining new lasers to increase the internet access. We will soon have a new satellite dish which will improve your television viewing. He wished everyone a happy International Cat Day and Zucchini Day.

Director Torng encouraged members to be active and get involved; please sign up for the Good Neighbor Captain program to make sure everyone in your neighbor is safe.

President Skillman encouraged members to report to Security if you see something that looks suspicious; we depend on members to keep us informed.

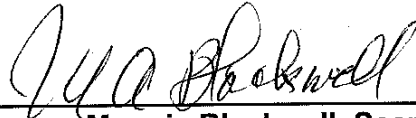
- 18. Recess** - *At this time the Meeting will recess for lunch and reconvene to Executive Session to discuss the following matters per California Civil Code §4935.*

The meeting recessed at 11:59 p.m. into the Executive Session

**Closed Executive Session Agenda - Approval of
Agenda Approval of the Following Meeting Minutes;**

*Approval of Agenda
Approval of the Following Meeting Minutes;
(a) July 11, 2017 - Regular Executive Session
Discuss and Consider Member Matters
Discuss Personnel Matters
Discuss and Consider Contractual Matters
Discuss and Consider Litigation Matters*

- 19. Adjourn**



**Maggie Blackwell, Secretary
United Laguna Woods Mutual**

Drone Policy Adopted

August 8, 2017

Resolution 90-17-91

I. Purpose

It is the policy of the Golden Rain Foundation (GRF) to prohibit drones in the Village unless they are flown by staff or an individual commissioned by staff, and that staff, in order to meet the standards of any policy and Federal law, be required to complete a flight plan that is submitted for review by the Security Chief. The individuals designated by the Security Division may operate Drones in the Laguna Woods Village Community in compliance with the following rules and regulations.

II. Definitions

For the purpose of this policy:

- a. A Remote Pilot in Command (PIC) is directly responsible for the operation of the Drone, and must ensure the Drone will pose no undue hazard to people, aircraft, or property in the event of loss or control of the Drone. PIC is VMS Staff and/or commissioned individual
- b. A Drone as used in this Policy is defined as a Small unmanned aircraft system as that term is defined in 14 C.F.R. §107.3.
- c. Federal Aviation Administration (FAA) of the United States is a national authority with powers to regulate all aspects of civil aviation.
- d. Visual Observer means a person who is designated by the PIC to assist the PIC in seeing and avoiding other air traffic or objects aloft or on the ground.

III. Conditions

- a. A Drone is not allowed to operate unless a permit is granted by the Chief of Security or his designee, for approved Community events, or purposes.
- b. VMS Staff or commissioned individual user to whom a permit for the operation of a Drone is granted is deemed the PIC, and only the PIC may manipulate the controls of the Drone.
- c. The PIC must submit a flight plan prior to each and every flight of the Drone which must occur wholly within the bounds of Laguna Woods Village.
- d. Each PIC may operate only one drone at a time within Laguna Woods Village.
- e. The PIC must provide proof the Drone is registered with the FAA.
- f. The PIC must be at least 18 years of age and must not operate in a careless or reckless manner so as to endanger the life or property of another.
- g. A Visual Observer is encouraged, but not required, as an additional measure of safety protecting life and property within Laguna Woods Village. However, the Drone must remain within visual line-of-sight of the PIC. Visual line-of-sight means that the PIC has an unobstructed view of the drone.
- h. The FAA registration number must be displayed on the aircraft decal.
- i. The PIC must provide flight software (version and manufacturer) that has the FAA "Return to Home" safety feature (in case of low battery or loss of signal).
- j. The time period during which a drone may be used within the Village is limited to the hours between sunrise and 30 minutes before sunset.
- k. Commissioned individual users operating a Drone for VMS must provide proof of

liability insurance with \$1 million policy limits. The approved user agrees to indemnify GRF, Village Management Services, Inc. (VMSI), United Laguna Woods Mutual (ULWM) and/or Third Laguna Hills Mutual (TLHM) in the event a claim is asserted against GRF, VMSI, ULWM, and/or TLHM relating to an act or omission involving Drone use, with GRF, ULWM, and/or TLHM named as an additional insured on their liability insurance policy.

- l. The PIC agrees to yield the right-of-way to other aircraft; the Drone must not exceed 35 MPH; may not carry hazardous materials; and must fly below 400 feet. The only exception is to allow takeoff and landing of the drone. Takeoff and landing of the drone must be carried out in open, common area.
- m. The Drone cannot be operated above anyone not directly participating in the operation, from under a covered structure, or from either a moving or stationary vehicle.
- n. The PIC must adhere to all state and federal laws regarding Drones.

IV. Procedure

- a. Staff and/or commissioned individual user must complete and submit "Application for Use of a Drone Permit" for review, one time only.
- b. Staff and/or commissioned individual user must complete and submit a flight plan every time the drone goes up into the air with an approved permit on file.
- c. Staff and/or commissioned individual user must provide a copy of their FAA registration and liability insurance listing GRF, VMSI and ULWM or TLHM as additional insurer.
- d. The application will be reviewed by the Chief of Security or his designee and the Staff and/or commissioned individual user will be notified of the results within seven business days. Special circumstances may be granted.
- e. If approved, the Drone Permit must be present with the PIC whenever the Drone is operated.