

NEPENTHE ASSOCIATION

BOARD OF DIRECTORS MEETING

November 4, 2015, 5:30 PM

Nepenthe Clubhouse | 1131 Commons Drive | Sacramento, CA 95825

OPEN SESSION MINUTES

I. CALL TO ORDER 5:30 pm

Present	Arrival	Board Member	Positon	Departure
X	5:30 pm	Ivan Gennis	President	6:38 pm
X	5:30 pm	Steve Huffman	Vice President	6:38 pm
X	5:48 pm	Will Vizzard	Treasurer	6:38 pm
X	5:30 pm	Marcia Britton-Gray	Secretary	6:38 pm
X	5:30 pm	Pamela Zanze	Member at Large	6:38 pm

II. ANNOUNCEMENTS

- a. **Executive Session Disclosure:** In accordance with Civil Code Section 4935(a), the Board met in Executive Session on November 4, 2015 in order to consider matters relating to personnel, member discipline and the formation of third-party contracts.
- b. **General Announcements from the Board**

III. COMMITTEE REPORTS

- a. **Ad Hoc Committee on Website Development-** Verbal report provided at meeting.
- b. **Architectural Review Committee-** Minutes provided to Board in their packet.
- c. **Finance Committee-** Verbal report provided at meeting.
- d. **Grounds Committee-** Verbal report provided at meeting. Minutes provided to Board in their packet.
- e. **Insurance, Legal and Safety Committee-** Verbal report provided at meeting.
- f. **Outreach Committee-** Verbal report provided at meeting.
- g. **Social Committee-** Verbal report provided at meeting.

IV. MANAGEMENT REPORTS

- a. **Operations Report-** Manager provided report in writing to the Board. Items of note include:
 - i. Phase II Siding and Fencing Repair and Painting is in process.
 - ii. The Bids for concrete repair have been received and are in the Board packet for review and approval.
 - iii. 21 work orders were generated for Roger Work since the last meeting. 17 work orders were closed during the same period.
 - iv. GP has been issued 45 work orders since the last report. 30 work orders have been completed and closed during that time period, the remaining are still in process.

- v. Arborwell is on the property and has begun the process of pruning the trees called out in the 2016 Tree Care Proposal.

HOMEOWNER FORUM- A number of Homeowners addressed the Board on various issues. Management made note of the concerns for possible Board action on a later agenda.

V. CONSENT CALENDAR

Motion: Director Will Vizzard

Second: Director Marcia Britton-Gray

Vote: All in favor

Resolution: The Board approves Consent Calendar items A to E as presented.

Begin Consent Calendar

a. Approval of Minutes: October 7, 2015 Open Session

Resolution: The Open Session minutes dated October 7, 2015 were approved as presented.

b. Financial Statement: October 2015

Resolution: The Board accepted the October 2015 interim financial reports and bank reconciliations as presented, subject to annual review. The report reflects a positive year-to-date variance of \$28,990.20 and year-to-date reserve funding of \$1,427,912.56 compared to the reserve funding budget of \$1,419,552. The reserves are funded through October 2015. The Association has \$575,504.12 in operating funds, which represents 2.8 months of budgeted expenses and reserve contributions. The Association has \$4,692,769 in reserve funds.

c. Lien Resolution:

Per the enclosed Resolution dated October 16, 2015, Management is requesting authorization to place liens on the following accounts should the delinquent assessments not be paid within the time period established in the Intent-to-Lien letter.

Account Number	Past Due
2038-01	\$1320.00
2484-02	\$870.00
2187-01	\$1320.00

d. Applications for Committee Membership

Resolution: The Board appointed Jerry Dunn and William Olmsted, members in good standing, to serve on the Insurance, Legal and Risk Management (or Insurance, Legal and Safety) Committee. Their applications have been received and reviewed by management and they have agreed to abide by the Conflict of Interest Policy.

e. Architectural Applications

The Architectural Review Committee met on October 5, 2015 to review the enclosed application. The committee recommends approval of this application.

Resolution: The Board approved the application as recommended by the committee.

<i>Address</i>	<i>Application for</i>
1384 Commons	Rear patio door

End Consent Calendar

SPECIAL ORDER – New Business, item IX.d Vacancy on Board of Directors.

This item was moved from the bottom of the agenda to allow for pertinent action. The President obtained a legal opinion regarding the eligibility and timing for previous board members to serve again. Because the new Bylaws do allow for three consecutive terms, legal counsel advised that directors who had completed their terms in May 2015 would be eligible to serve again.

Motion: Director Huffman

Second: Director Britton-Gray

Vote: All in favor

Resolution: The Board appointed homeowner William Vizzard to serve out the remainder of Treasurer Herman’s term.

Director Vizzard immediately joined the Board and deliberated on items on this agenda.

VI. UNFINISHED BUSINESS

a. Formation of Insurance, Legal and Safety Committee

Motion: Director Steve Huffman

Second: Director Will Vizzard

Vote: All in favor

Resolution: The Board approved the re-structuring of the Insurance, Legal and Risk Management Committee and approves the name change to Insurance, Legal and Safety Committee. The Board also adopts the enclosed Charter for the committee.

VII. NEW BUSINESS

a. Change to Approved Window Criteria

Motion: Director Will Vizzard

Second: Director Steve Huffman

Vote: All in favor

Resolution: The Board adopted the new window criteria as presented which provides a number of options for vertical divisions of the window.

b. Concrete Proposals

	James E. Williams	JB Bostick	DRYCO
UNIT PRICING FOR CHANGE ORDERS			
Unit Pricing-Replace existing Pattern Joint	\$112.50	\$75.00	\$375.00
Unit Pricing Remove & Replace Broom finish concrete	\$8.65 sq. ft.	\$17.60 sq. ft.	\$15.00 sq. ft.
Unit Pricing Remove & Replace Aggregate finish concrete	\$9.01 sq. ft.	\$18.15 sq. ft.	\$28.00 sq. ft.
Unit Pricing Saw cut, Place new 4.5" pattern joint	\$137.50	\$137.50	\$375.00
PUBLISHED SCOPE TOTAL BID	\$78,312.90	\$170,500.00	\$284,048.00
POTENTIAL ADDITIONAL WORK			
Re-route walkway at 1653 & 1647 University	\$1,635.25	\$4,620.00	\$20,036.00
Replace first two courses of brick porch with aggregate @ 1521 University	\$385.25	\$1,155.00	\$1,812.00
Replace first two courses of brick porch with aggregate @ 708 Elmhurst	\$385.25	\$1,155.00	\$1,285.00
Replace walkway ramps with steps at 1304 & 1314 Commons	\$5,132.44	\$6,853.00	\$24,465.00
Re-route walkway at 30 Adelphi four feet north of current location	\$1,635.25	\$9,790.00	\$13,995.00
PUBLISHED SCOPE PLUS ADDITIONAL WORK TOTAL BID	\$87,486.34	\$194,073.00	\$345,641.00

Management prepared a comprehensive scope of work and sent it to qualified concrete contractors for the purpose of obtaining bids for repairs and replacements. The bids are enclosed in the Board packets. A summary of the bids can be seen below:

For each lift, one of the four options was selected as the best means for the repair. The scope and the Standards and Practices was distributed to four concrete contractors. The contractors were invited to a bidder's walk held October 15, 2015. All three of the bids received comply with the scope of services and the general requirements of the Request

for Proposal. A draft contract has been prepared by management and reviewed and approved by the Insurance, Legal and Risk Management Committee for the repairs.

For Alternate Method #2 (Grinding), Precision Concrete Cutting was invited to bid. Their patented cutting process is far superior to concrete grinding. Their method produces very little dust and the finished repair is aesthetically pleasing compared to repairs achieved by grinding. Because their process is patented, there were no comparable companies to obtain a bid for. They were provided with a request for proposal with the list of repairs that are separate from the repairs the other companies prepared bids for. Their proposed price is \$22,144.50.

Financial Impact:

Concrete is one of the components listed in the Reserve Study and has an annual spending allocation which is based on the quantity of concrete com previous years' repairs. For 2015, the allocation for concrete repairs of the Sidewalks, Curbs, Gutters, Walkways, and Driveways was \$63,783. Of that allocation, only \$14,214 has been used. Much of that was used for final payments for the 2014 Concrete Repair Contract and change orders. This leaves \$49,569 available for repairs this year.

For 2016, the total allocation is \$64,247. While this contract is being let in 2015, the bulk of the work and payment will occur in 2016. The combined allocation available for the repairs in the Scope of Work is \$113,816.

Bidders	Bids
James E. Williams & Son, Inc.	\$87,486.34
Precision Concrete Cutting	\$22,144.50
Total	\$109,630.84

Budget for concrete repairs:

\$63,783.00	2015 Reserve Allocation
<u>-\$14,214.00</u>	Spent
\$49,569.00	Remaining Balance
<u>+\$64,247.00</u>	2016 Reserve Allocation
\$113,816.00	Total Available Allocation
<u>-\$109,630.84</u>	Combined bids
\$4,185.16	Remaining Balance

Management is recommending approval of these two proposals. There are many lifts that must be addressed. While it is likely that additional small jobs may come up in 2016, another large scale project like this is unlikely until 2017.

Action Required: Board Resolution

- Motion:** Director Vizzard
- Second:** Director Huffman
- Vote:** All in favor

Resolution: The Board approved the bid From James E. Williams & Son, Inc. in the amount of \$87,486.34 to be paid from Reserves which has a combined available 2015 and 2016 allocation of \$113,816.00, subject to contract negotiation.

c. Concrete cutting proposal

Motion: Director Vizzard

Second: Director Britton-Gray

Vote: All in favor

Resolution: The Board approved the bid from Precision Concrete Cutting in the amount of \$22,144.50 to be paid from Reserves which has a combined available 2015 and 2016 allocation of \$113,816.00, subject to contract negotiation

d. Vacancy on Board of Directors- Business item IX.d, Special Order.

VIII. HOMEOWNER FORUM-The Board expressed appreciation to Director Melanie Herman for her dedication and time served as Treasurer.

IX. NEXT MEETING: Wednesday, December 2, 2015 at 5:30 pm in the Nepenthe clubhouse

X. ADJOURN@ 6:38pm