

**NEPENTHE ASSOCIATION
BOARD OF DIRECTORS MEETING
April 5, 2017, 5:30 PM**

Nepenthe Clubhouse | 1131 Commons Drive | Sacramento, CA 95825

OPEN SESSION MINUTES

I. CALL TO ORDER 5:30pm

Present	Board Member	Positon
x	Steve Huffman	President
x	Joan Haradon	Vice President
x	Linda Cook	Secretary
x	Will Vizzard	Treasurer
	Vacant	Member at Large

II. ANNOUNCEMENTS

- a. Executive Session Disclosure:** In accordance with Civil Code Section 4935(a), the Board met in Executive Session on April 5, 2017 in order to consider matters relating to the formation of contracts, personnel matters and member discipline.

Items of discussion included:

- Member Discipline
- Delinquencies
- Personnel Matters
- Contract Negotiation

- b. Board Announcements-None**

III. COMMITTEE REPORTS

- a. Ad Hoc Committee on Lighting-** Verbal report provided at meeting. Minutes provided to Board in their packet.
- b. Architectural Review Committee-** Verbal report provided at meeting. Minutes provided to Board in their packet.
- c. Finance Committee-** Verbal report provided at meeting. Minutes provided to Board in their packet.
- 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. Minutes provided to Board in their packet.
- f. Nominating Committee-** Verbal report provided at meeting
- g. Outreach Committee-** Verbal report provided at meeting. Minutes provided to Board in their packet.

IV. MANAGEMENT REPORTS

- a. Operations Report**
 - Three Insurance Claims in process:

- Water intrusion due to broken pipe in slab. Claims adjuster is expected to inspect and make a determination as to whether it is a covered claim.
- Water intrusion due to siding failure. Failure appears to be related to the Association's 2009/2010 siding contract. Claims adjuster is expected to inspect and make a determination as to whether it will be a covered claim.
- Water intrusion due to siding failure. Failure appears to be related to a homeowner's planter built up against common wall, causing moisture in the adjoining unit. All three parties have filed claims.
- Phase III Siding and Painting project is running ahead of schedule. It is approximately half completed.
- Roof and gutter cleanings are almost complete and going well with good coordination with the landscaper for the leaf clean up.
- Pool furniture is currently in the process of being distributed to the pool decks. Some replacement umbrellas may be needed. Management will bring proposals to next Board meeting.
- Community Rules: Currently under revision and update.

V. **HOMEOWNER CORRESPONDENCE**- Reviewed by the Board of Directors.

VI. **HOMEOWNER FORUM**- Comments were received on a number of topics. Management made notes of the comments for possible future Board action.

VII. **CONSENT CALENDAR**

Motion: Director Will Vizzard

Second: Director Joan Haradon

Vote: All in Favor

Resolution: The Board approved Consent Calendar items A to G as presented.

<i>Begin Consent Calendar</i>

a. Approval of Minutes March 1, 2017 Open Session

Resolution: The Open Session minutes dated March 1, 2017 are approved as presented.

b. Financial Statement: January and February 2017

Resolution: The Board accepted the January and February 2017 interim financial reports and bank reconciliations as presented, subject to annual review. The reports reflects a positive year to date variance of \$74,613 and reserve funding of \$343,906 compared to the reserve funding budget of \$340,084. The reserves are funded through February 2016. The Association has \$378,598 in operating funds, which represents 1.36 months of budgeted expenses and reserve contributions. The Association has \$5,726,272 in reserve funds.

c. Accept 2016 Annual Financial Review by CPA Paula Hegner

Management and the Finance Committee have both read the review and recommend Board acceptance.

Resolution: The Board accepted the 2016 Annual Financial Review and directs management to mail the review to all owners as required by California Civil Code Section 5305.

d. Appoint Special Committee on Underground Utilities

These homeowners have applied to serve on this committee and have also agreed to abide by the Nepenthe Conflict of Interest Policy. They have all received their Scope of Work as agreed upon at the February 1, 2017 open session of the Board of Directors.

Resolution: The Board hereby appointed the following members in good standing to the Special Committee on Underground Utilities: Don Ellwanger, Bob Geiss and Don Landsittel as Chair.

e. Appoint Committee Member

Homeowner Kay Chmielewski has submitted her application to serve on the Grounds Committee. She has also agreed to abide by the Nepenthe Conflict of Interest Policy.

Resolution: The Board hereby appointed Kay Chmielewski, a member in good standing to the Grounds Committee.

f. Lien Resolution

Per the enclosed Resolution dated March 20, 2017, 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 Amount
1957-01	\$938.00
2135-01	\$928.00
2312-01	\$938.00
2509-03	\$1,343.95
1963-02	\$932.00
1959-02	\$1,530.00

g. Architectural Applications

The Architectural Review Committee met on March 14, 2017 to review the enclosed applications.

Resolution: The Board confirmed the recommendations of the committee.

Address	Application for	Recommendation
114 Dunbarton Circle	Gas Installation	Approval
1010 Dunbarton Circle	HVAC replacement	Emergency Approval

End Consent Calendar

VIII. UNFINISHED BUSINESS

a. Committee Charters

Action Item. In accordance with their adopted 2017 goals, the Directors have met with the committees and prepared revisions to the governing documents for the following committees. The Standards and Practices for Committees is also enclosed- no need for revision to this document has been identified.

i. Finance:

1. Charter

Motion: Director Will Vizzard

Second: Director Linda Cook

Vote: All in favor

Resolution: The Directors hereby approved and adopt the revised Charter for the Finance Committee with change referencing section 7.1 of Bylaws.

2. Standards & Practices for the Finance Committee

Motion: Director Linda Cook

Second: Director Joan Haradon

Vote: All in favor

Resolution: The Directors hereby approve and adopt the revised Standards & Practices for Insurance

ii. Insurance, Legal & Safety Committee Charter

Motion: Director Joan Haradon

Second: Director Linda Cook

Move: All in favor

Resolution: The Directors hereby approved and adopt the revised Charter for the Insurance, Legal & Safety Committee with change referencing section 7.1 of Bylaws.

iii. Grounds Committee Charter

Motion: Director Joan Haradon

Second: Director Will Vizzard

Vote: All in favor

Resolution: The Directors hereby approved and adopt the revised Charter for the Grounds Committee with change referencing section 7.1 of Bylaws.

iv. Outreach Committee Charter

Motion: Director Linda Cook

Second: Director Joan Haradon

Vote: All in favor

Resolution: The Directors hereby approved and adopt the revised Charter for the Outreach Committee with changes as agreed upon.

v. Standards & Practices for the Nominating Committee

Motion: Director Will Vizzard

Second: Director Linda Cook

Vote: All in favor

Resolution: The Directors hereby approved and adopt the revised Standards & Practices for the Nominating Committee with change referencing section 7.1 of Bylaws.

b. Parking Policy Update

Motion: Director Joan Haradon

Second: Director Linda Cook

Vote: All in favor

Resolution: The Board approved the amendment to the Third Restated Covenants, Conditions and Restrictions and directs management to send out ballots for a vote of the ownership.

IX. NEW BUSINESS

a. Architectural Application not recommended for approval

No action taken. Therefore the application is not approved.

b. Abandon Use of “Nepenthe A to Z”

Motion: Director Joan Haradon

Second: Director Linda Cook

Vote: All in favor

c. Annual Risk Assessment Report by Nepenthe Insurance Agent

Review only. No action taken.

d. Revised Architectural Criteria for Solar Installations.

Motion: Director Joan Haradon

Second: Director Will Vizzard

Vote: All in favor

Resolution: The Board hereby approved the revised language for Architectural Criteria #24, Solar Installations and directs management to update the published Architectural Guidelines.

e. Proposals for Tree Work

Tree Species	Location	Qty	Service Description	Price
Zelkova	#1965 Next to 108 Elmhurst Cir.	1	Merit Injection	\$150.00
Tulip	#1953 Next to 200 Elmhurst Cir.	1	Tree Removal – Grind stump 6-8” below grade	\$680.00
Sweet Gum	#1963 106 Elmhurst Cir.	1	Tree Removal – leaving stump 2-3” above grade	\$1,280.00
Sweet Gum	# 1964 Next to 106 Elmhurst Cir.	1	Pruning for weight reduction	\$960.00
Deodar Cedar	#1956 next to 200 Elmhurst Cir.	1	Pruning for weight reduction	\$960.00
Redbud	#2291 next to 302 Elmhurst Cir.	1	Structural pruning	\$75.00
Deodar Cedar	#1956 next to 310 Elmhurst Cir.	1	Tree Removal – Grind stump 6-8” below grade	\$680.00
Birch	#1896 next to 310 Elmhurst Cir.	2	Separation pruning and clean out of deadwood	\$360.00
Tulip	#1892 next to 312 Elmhurst Cir.	1	Tree Removal – Grind stump 6-8” below grade	\$960.00
Japanese Snowball	#2295 next to 312 Elmhurst Cir.	1	Structural pruning to develop proper structure	\$75.00
Tulip	#1710 next to 808 Elmhurst Cir.	1	Pruning for weight reduction	\$960.00
Maple	#2299 next to 816 Elmhurst Cir.	1	Structural pruning to develop proper structure	\$75.00
Maple	#1698 next to 816 Elmhurst Cir.	1	Structural pruning to encourage proper development	\$75.00
CONTRACT PRICE				\$6,610.00

Motion: Director Linda Cook

Second: Director Will Vizzard

Vote: All in favor

Resolution: The Board approved the removals and specific tree pruning as proposed by Grove Total Tree Care for the amount of \$6,610, payable from Reserves which has a remaining 2017 allocation for tree work of \$110,010.

Additionally, as noted in his report, Mr. Dubois recommended the removal of Tulip Tree #1737 at 702 Elmhurst Circle. The Grounds Committee is requesting that the Board not approve this removal and instead direct the Arborist to monitor the tree.

Tree Species	Location	Qty	Service Description	Price
Tulip	#1737 Next to 702 Elmhurst Cir.	1	Tree Removal – leaving stump 2-3” above grade	
			Stump Grinding – grind stump 6-12” below grade, rake grinding residue level with grade	
CONTRACT PRICE				\$2,800.00

Action: No action taken.

- X. **HOMEOWNER FORUM-** No comments were received.
- XI. **NEXT MEETING:** Wednesday, May 17, 2017 at 5:30 pm in the Nepenthe clubhouse
- XII. **ADJOURN 6:40pm**