

**NEPENTHE ASSOCIATION
BOARD OF DIRECTORS MEETING
June 7, 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	Christina George	Treasurer
	Vacant	Member at Large

II. ANNOUNCEMENTS

- a. **Executive Session Disclosure:** In accordance with Civil Code Section 4935(a), the Board met twice in Executive Session on June 7, 2017 in order to consider matters relating to the formation of contracts, personnel matters and member discipline.

Items of discussion included:

- Delinquencies
- 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.
- i. Final reports for Zone 7 and Exterior Attached Lighting were submitted to the Board for inclusion in the May meeting.
 - ii. Work has begun on the final task – free-standing common area lights.
- b. Ad Hoc Committee on Underground Utilities- No meeting since last Board meeting.
- c. Architectural Review Committee- No meeting since last Board meeting.
- d. Finance Committee- Verbal report provided at meeting. Minutes provided to Board in their packet.
- e. Grounds Committee- Verbal report provided at meeting. Minutes provided to Board in their packet.
- i. Irrigation Upgrade Report: In Marty’s absence, George said that Marty has met with the City regarding a final inspection of now completed transition to drip irrigation in some zones and that he requested an additional \$25,000.00 from the City for the 2017-2018 years.
 - ii. GP Report: Weeds were to be expected after the heavy rains and this being spring and all. He said that the crews are still behind schedule but weeds are a priority.
 - iii. Manager’s Report: Bettsi said that she will create a newsletter update regarding the watering schedule and will show how it coordinates with the mowing schedule.
 - iv. Arborist Report was reviewed.

v. REQUEST FOR BOARD ACTION – Arborist Report. The following motion was made by Lyn Livingston and seconded by Don Landsittel: The Grounds Committee recommends to the Nepenthe Board of Directors the following remedies recommended in the April 25, 2017 Nepenthe Tree Walk Report by Paul Dubois, Arborist, with the Grove Total Tree Care. Vote was unanimously in favor of the motion.

f. Insurance, Legal and Safety Committee- No meeting since last Board meeting.

g. Outreach Committee- No meeting since last Board meeting.

IV. MANAGEMENT REPORT-

a. Operations Report-

- Update on open insurance claims:
 - Water intrusion due to siding failure. Failure appears to be related to the Association’s 2009/2010 siding contract. Claims adjuster has indicated it will be a covered claim. Repairs are completed.
 - 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. Siding has been replaced. Claim against flood insurance has been paid out to the owners who suffered the water loss. Liability claim against the Association’s policy is closed.
- Phase III Siding and Painting project is running ahead of schedule. It is approximately two-thirds completed.
- On March 28, 2017 and April 25, 2017, Paul Dubois inspected several trees on the Nepenthe property during the monthly tree walks. The focus of the walks is to address resident/management concerns regarding mature trees on the property. The purpose of this report is to develop mitigation plans for the affected trees. Proposals for both of these walks were obtained.

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 Joan Haradon

Second: Director Linda Cook

Vote: All in favor

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

<i>Begin Consent Calendar</i>

a. **Approval of Minutes May 17, 2017 Open Session**

Resolution: The Open Session minutes dated April 5, 2017 were approved as presented.

b. **Annual Meeting Minutes**

Resolution: The Board approved the Minutes for distribution for owner approval at next year’s Annual Meeting.

c. **Financial Statement: April 2017**

Resolution: The Board accepted the April 2017 interim financial reports and bank reconciliations as presented, subject to annual review. The reports reflects a positive year to date variance of \$117,546 and reserve funding of \$693,377 compared to the reserve funding budget of \$680,168. The reserves are funded through April 2017. The

Association has \$421,193 in operating funds, which represents 1.51 months of budgeted expenses and reserve contributions. The Association has \$5,699,456 in reserve funds.

d. **Approve Recommendation for CD Purchase from Wells Fargo**

The Wells Fargo investment advisors recommend putting excess funds into CDs for future use. These are the normal and customary types of CDs that Nepenthe has always purchased.

e. **Appoint Committee Members**

The homeowners listed on the Committee Roster have all agreed to abide by the Nepenthe Conflict of Interest Policy.

Resolution: The Board hereby appointed these homeowners to serve on the committees as indicated on the roster.

End Consent Calendar

VIII. **UNFINISHED BUSINESS - none**

IX. **NEW BUSINESS**

a. **Criteria for Garage Exterior Lighting**

Motion: Director Linda Cook

Second: Director Joan Haradon

Vote: All in favor

Resolution: Board approved the Criteria for Garage Exterior Lighting and directs management to add the Criteria to the Architectural Guidelines, the website and include an article in the newsletter.

b. **Dunbarton Cabana Rental Agreement- require cleaning deposit**

Motion: Director Joan Haradon

Second: Director Linda Cook

Vote: All in favor

Resolution: The Board approved cleaning deposit of \$75.

c. **Proposals for Tree Work**

Motion: Director Joan Haradon

Second: Director Linda Cook

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 \$22,540, payable from Reserves which has a remaining 2017 allocation for tree work of \$102,050.

X. **HOMEOWNER FORUM-** No comments were received.

XI. **NEXT MEETING:** Wednesday, July 5, 2017 at 5:30 pm in the Nepenthe clubhouse

XII. **ADJOURN @ 5:57pm**