

NEPENTHE ASSOCIATION

BOARD OF DIRECTORS MEETING

February 3, 2016 5:30 PM

Nepenthe Clubhouse | 1131 Commons Drive | Sacramento, CA 95825

OPEN SESSION MINUTES

I. CALL TO ORDER 5:31pm

| Present | Board Member | Positon |
|---------|-------------------------------|-----------------|
| | Ivan Gennis | President |
| X | Steve Huffman – Meeting Chair | Vice President |
| X | Marcia Britton-Gray | Secretary |
| X | Will Vizzard | Treasurer |
| X | Pamela Zanze | Member at Large |

II. ANNOUNCEMENTS

Executive Session Disclosure: In accordance with Civil Code Section 4935(a), the Board met in Executive Session on February 3, 2016 in order to consider matters relating to personnel, member discipline and the formation of third-party contracts. Items of discussion include:

1. Delinquency Reports
2. Fine Schedule
3. Phase III Inspection Contract with James E. Williams
4. Closed the Wells Fargo Private Street Account

a. General Announcements from the Board

III. COMMITTEE REPORTS

- a. Architectural Review Committee-** Minutes provided to Board in their packet. Verbal report provided at meeting.
- b. Election Committee-** Verbal report provided at meeting.
- c. Finance Committee-** Minutes provided to Board in their packet. Verbal report provided at meeting.
- d. Grounds Committee-** Minutes provided to Board in their packet. Verbal report provided at meeting.
- e. Insurance, Legal and Safety Committee-** Minutes provided to Board in their packet. Verbal report provided at meeting.
- f. Nominating Committee-** Verbal report provided at meeting.
- g. Outreach Committee-** Minutes provided to Board in their packet. Verbal report provided at meeting.
- h. 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. President Gennis has approved 2 change orders since last Board Meeting. All change orders are first inspected and recommended for approval by Facility Coordinator, Roger Work. The total amount of change orders to date is \$56,059.56.
- ii. James E. Williams & Son, Inc. has completed the Zone 1 wood replacement work on the porches.
- iii. 14 work orders were generated for Roger Work since the last meeting. 16 work orders were closed during the same period.
- iv. GP has been issued 14 work orders since the last report. 11 work orders have been completed and closed during that time period.
- v. There were 13 violations of the governing documents cited since the last Board meeting.
 - 11 Architectural Application- Need Notice of Completion
 - 1 Nuisance- Excessive Noise
 - 1 Vehicle Repairs Not Permitted

b. 2015 Reserve Expenditures Report

c. 2016 Reserve Allocations Report

d. Master Calendar Report

e. Homeowner Correspondence- Management and Board Members received an email from Homeowner Frank Loge regarding the overwhelming turkey population. Management was instructed by the Board of Directors to construct a survey and investigate the costs associated with turkey relocation.

V. **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.

VI. CONSENT CALENDAR

Motion: Director Marcia Britton- Gray

Second: Director Pam Zanze

Vote: All in Favor

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

Begin Consent Calendar

a. Approval of Minutes: January 6, 2016 Open Session

Resolution: The Open Session minutes dated January 6, 2016 were approved as presented.

b. Financial Statement: December 2015

Resolution: The Board accepted the December 2015 interim financial reports and bank reconciliations as presented, subject to annual review. The report reflects a negative year-end variance of \$42,168 and year-end reserve funding of \$1,902,656 compared to the reserve funding budget of \$1,892,736. The reserves are funded through December 2015. The Association has \$267,231 in operating funds, which represents 1.1 months of

budgeted expenses and reserve contributions. The Association has \$4,935,306 in reserve funds.

c. Appoint Inspectors of Election

Resolution: In conformance with Article II, Section 2.4(h) of the Nepenthe Bylaws, the Board hereby appointed Yvonne Del Biaggio, Kay Chmielewski, and Joleen Hecht to serve as the Inspectors of Election. The Inspectors will provide written designation of location to receive ballots as well as the poll closing time and date.

d. Set "Record Date" for Annual Election

Resolution: For the purpose of determining which Owners are entitled to receive notice of any meeting, vote, act by written ballot without a meeting or exercise any rights in respect to any lawful action, the Board of Directors fixed April 6, 2016 as the "Record Date" for the 2016 Election in conformance with Article III, Section 3.8 (a) of the corporation's Bylaws.

e. Appoint Director Vizzard to serve as Chair of the Nominating Committee

Resolution: In conformance with Article IV, Section 4.6(a) of the Nepenthe Bylaws, the Board appointed Director Will Vizzard as Chair of the Nominating Committee for the 2016 Election.

f. Lien Resolution:

Per the enclosed Resolution dated December 16, 2015, Management is requesting authorization to place a lien on the following account 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 | \$880.00 |

g. Architectural Applications

The Architectural Review Committee met on January 8, 2016 to review the enclosed applications. The committee recommends approval of these applications.

Resolution: The Board approved/denied the applications as recommended by the committee.

| <i>Address</i> | <i>Application for</i> |
|-----------------------|---------------------------------------|
| 302 Elmhurst Circle | Air Conditioner/Heat Pump Replacement |
| 1008 Dunbarton Circle | Window Replacement |
| 1008 Dunbarton Circle | Air Conditioner/Heat Pump Replacement |

| | |
|-----------------|---|
| 2247 Swarthmore | Window Replacement |
| 2247 Swarthmore | Emergency Air Conditioner/Heat Pump Replacement |

Architectural Committee recommends denial of the following applications:

| <i>Address</i> | <i>Application for</i> |
|----------------------|-------------------------------|
| 306 Dunbarton Circle | Installation of gas line pipe |

| |
|-----------------------------|
| <i>End Consent Calendar</i> |
|-----------------------------|

VII. UNFINISHED BUSINESS

a. Board Goals for 2016

Motion: Director Will Vizzard

Second: Director Marcia Britton-Gray

Vote: All in Favor

Resolution: The Board approved the Board Goals for 2016 as presented.

b. Tree Removal Proposals

- i. #1396, Pear, 605 Elmhurst, Poor structure
- ii. #1357, Crabapple, 707 Elmhurst, Aged out-potentially hazardous
- iii. #574, Birch, 1268 Vanderbilt, Aged out -potentially hazardous
- iv. #575, Birch, 1268 Vanderbilt, Aged out -potentially hazardous
- v. #585, Birch, 1268 Vanderbilt, Aged out-potentially hazardous
- vi. #653, Liquidambar, 1066 Vanderbilt, Poor Structure
- vii. #663, Pine, 1006 Vanderbilt, Poorly located
- viii. #486, Birch, 2274 Swarthmore, Aged out-potentially hazardous

Motion: Director Will Vizzard

Second: Director Marcia Britton-Gray

Vote: All in Favor

Resolution: The Board approved the bid from The Grove in the amount of \$2,905 payable from Reserve GL N23282 which has a 2016 allocation of \$57,400.

VIII. NEW BUSINESS

a. Revision of Fines Schedule

Motion: Director Will Vizzard

Second: Director Pam Zanze

Vote: All in Favor

Resolution: In accordance with California Civil Code Section 4360 (a), the Board directed management to publish the proposed revised Fines Schedule to the membership for a thirty day comment period before formally adopting the revision at the March 2nd Open Session.

b. Appoint Ad Hoc Committee for Evaluation of Options Regarding the University Avenue Lots

Motion: Director Zanze

Second: Director Britton-Gray

Vote: Directors Huffman, Britton-Gray, Zanze: Aye
Director Vizzard: Abstain

Resolution: Table until March 2, 2016 Board of Directors Meeting.

c. Addition to Nepenthe's Standards and Practices for Walkways

Motion: Director Zanze

Second: Director Britton-Gray

Vote: All in favor

Resolution: The Board hereby amends the Standards and Practices for Walkways to include the following text: Any homeowner that chooses to contract for a solid concrete walkway within the common area must choose an exposed aggregate finish installed in compliance with these Standards and Practices.

d. Merge Outreach Committee and Social Committee

Motion: Director Will Vizzard

Second: Director Marcia Britton-Gray

Vote: All in Favor

Resolution: The Board hereby dissolved the Social Committee as a stand-alone committee and incorporates it as a sub-committee of the Outreach Committee.

e. Revision to Standards and Practices for the Finance Committee

Motion: Director Will Vizzard

Second: Director Marcia Britton-Gray

Vote: All in Favor

Resolution: The Board approved the change to the Standards and Practices for the Finance Committee.

f. Board Discussion regarding the possible installation of a backup generator at the Clubhouse

No action taken. Discussion item only.

g. Proposal to repair front step at 810 Dunbarton Circle

Motion: Director Marcia Britton-Gray

Second: Director Will Vizzard

Vote: All in Favor

Resolution: The Board approved the proposal from James E. Williams & Son, Inc. in the amount of \$1,003.19 for the repair of the steps, replacing the brick with exposed aggregate to match walkway, and directs management to use this as the repair standard for brick porches going forward. Repairs to be funded from Reserve GL code N23275 which has a 2016 allocation of \$64,247.

h. Proposal to conduct Phase III Siding Inspections

Motion: Director Will Vizzard

Second: Director Marcia Britton- Gray

Vote: All in Favor

Resolution: The Board approved Proposal 0116-0025 in the amount of \$11,995.00 from James E. Williams, Inc. for the inspection and preparation of scope of work for Phase III of the three year Siding Repair and Painting Project to be paid from Reserve GL Code N23270 which has a 2016 allocation of \$543,417.

i. Proposal for Pool Filter Tanks

Motion: Director Will Vizzard

Second: Director Marcia Britton-Gray

Vote: All in Favor

Resolution: The Board approved the Proposal in the amount of \$6,300.00 from Sparkling Clear Pool Service for the purchase and installation of Pool Filter Tanks for the Clubhouse Lap Pool, Clubhouse Spa and Elmhurst Pool to be paid from Reserve GL Code N23271 which has a combined 2016 allocation of \$20,838.

IX. HOMEOWNER FORUM

There were no comments from the Homeowners.

X. NEXT MEETING: Wednesday, March 2, 2016 at 5:30 pm in the Nepenthe clubhouse

XI. ADJOURN 6:31pm