

# NEPENTHE ASSOCIATION

## BOARD OF DIRECTORS MEETING

February 1, 2017, 5:30 PM

Nepenthe Clubhouse | 1131 Commons Drive | Sacramento, CA 95825

### WELCOME

Thank you for attending. This is a business meeting, open to members of the Nepenthe Association and guests of the Board. The primary purpose of the meeting is to ensure that the Association is meeting its responsibility to maintain the property and to serve homeowners.

Two three-ring binders with supporting documentation for agenda items are available in the room for homeowner use. Please share them. The packets are always available in the office at least four days prior to Board meetings.

Please silence all electronic devices. These proceedings may be recorded to assist with the preparation of minutes. The Board appreciates your cooperation.

### OPEN SESSION AGENDA

#### I. CALL TO ORDER

Present	Arrival	Board Member	Positon	Departure
		Steve Huffman	President	
		Joan Haradon	Vice President	
		Linda Cook	Secretary	
		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 February 1, 2017 in order to consider matters relating to the formation of contracts, personnel matters and member discipline.
- b. **Board Announcements**
  - i. Report on Parking Town Hall
  - ii. As the Board moves through the agenda, members may comment or ask questions about any agenda item during the two homeowner forums. Please address all comments or questions to the chair. The Board will be unable to accept comments or questions from the floor during its deliberations.

#### III. COMMITTEE REPORTS

- a. **Ad Hoc Committee on University Ave. Lots..... Page 8**
- b. **Ad Hoc Committee on Parking Policies**
- c. **Architectural Review Committee ..... Pages 9-11**
- d. **Finance Committee .....Page 12**

- e. **Grounds Committee** ..... Pages 13-14
- f. **Insurance, Legal and Safety Committee**.....Page 15
- g. **Nominating Committee** .....Page 16
- h. **Outreach Committee** ..... Pages 17-19

**IV. MANAGEMENT REPORTS**

- a. **Operations Report**..... Pages 20-22
- b. **Master Calendar Report** .....Page 23

**V. HOMEOWNER CORRESPONDENCE**.....none

**VI. HOMEOWNER FORUM**

In accordance with California Civil Code Section 4920(a), the Association must post or distribute the agenda for Regular Session Meetings no fewer than four (4) days prior to a Regular Session Meeting. During Homeowner Forum, items not included on the agenda that are raised by homeowners may be briefly responded to by the Board and/or Management; however, no action may occur with respect to that item unless it is deemed an emergency by the Board of Directors and developed after the agenda was posted and/or distributed. The Board of Directors may refer informational matters and direct administrative tasks to Management and/or contractors. Each homeowner will be given three (3) to five (5) minutes to speak in accordance with the Open Meeting Act, California Civil Code 4925(b), or a total of twenty (20) minutes will be granted for all to address the Board of Directors regarding items of interest or concern.

- VII. CONSENT CALENDAR** In an effort to expedite the Board meetings, Management has placed several business items on a Consent Calendar. Please review the items prior to the meeting so that you may have your questions answered in advance. Action required: Board Resolution.  
**Proposed Resolution: The Board approves Consent Calendar items A to F as presented.**

<i>Begin Consent Calendar</i>
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- a. **Approval of Minutes January 4, 2017 Open Session** ..... Pages 24-27  
Proposed Resolution: The Open Session minutes dated December 7, 2016 are approved as presented.
  
- b. **Financial Statement: December 2016**.....**Separate Packet**  
Proposed Resolution: The Board accepts the December 2016 interim financial reports and bank reconciliations as presented, subject to annual review. The report reflects a positive year end variance of \$1,782 and reserve funding of \$2,004,971 compared to the reserve funding budget of \$1,965,192. The reserves are funded through December 2016. The Association has \$303,623 in operating funds, which represents 1.1 months of budgeted expenses and reserve contributions. The Association has \$5,555,488 in reserve funds.

**c. Appoint Committee Member**

Homeowner Mike Cochrane has submitted his application to serve on the Insurance, Legal and Safety Committee. He has also agreed to abide by the Nepenthe Conflict of Interest Policy.

Proposed Resolution: The Board hereby appoints Mike Cochrane, a member in good standing to the Insurance, Legal and Safety Committee.

**d. Appoint Inspectors of Election**

Proposed Resolution: The Board, in compliance with the Third Amended and restated Bylaws, which states that the election of directors shall be supervised by the Inspector(s) of Election consisting of one or three (3) Owners appointed by the Board, hereby appoints Yvonne del Biaggio, Joleen Hecht and Kay Chmielewski to serve as Inspectors of Election for the 2017 directors election.

**e. Lien Resolution .....Page 28**

Per the enclosed Resolution dated January 17, 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
2247-01	\$939.57
1959-02	\$1,425.85

**f. Architectural Applications ..... Pages 29-32**

The Architectural Review Committee met on December 12, 2016 to review the enclosed applications.

Proposed Resolution: The Board confirms the recommendations of the committee.

Address	Application for	Recommendation
1521 University Ave.	Window Replacements	Approval
2327 Swarthmore Dr.	HVAC Replacement	Approval
810 Dunbarton	Window Replacements	Approval
23 Adelphi Circle	Window Replacements	Approval

*End Consent Calendar*

**VIII. UNFINISHED BUSINESS**

**a. Consider request from Homeowners to move fences between 1575, 1581 and 1587 University Avenue..... Pages 33-35**

The owners of 1581 and 1587 University Ave. approached management some time ago concerning the unused portion of common area just outside the fences on the north sides of their units, i.e. “front” elevation.

**Action required: Board Resolution**

**Proposed resolution:**

Whereas the Nepenthe Board of Directors is granted authority under the Third Amended and Restricted CC&Rs, Article VI, Section 6.6(a)(ii)(H) to manage and administer the Common Area;

Whereas the Board of Directors has agreed to review all requests to move fences on a case-by-case basis;

Whereas the owners of 1581 and 1587 University Ave. have requested permission to move the wood fences on the front elevation of their homes at their expense;

Whereas the area to be enclosed by the relocated fences is devoid of any association-purchased landscaping;

Whereas the homeowners at 1575, 1581 and 1587 University Ave. have entered into agreements to protect the locations of HVAC equipment behind the fences;

Whereas the Grounds Committee reviewed the requests at their September 8, 2016 meeting and voted to recommend approval; now therefore, be it

***Resolved, that the owners of 1581 and 1587 University Ave. have the approval of the Nepenthe Board of Directors to move the wood fences closer to the front elevations of 1575, 1581 and 1587 University Ave. at their own expense using the Association’s contractor, James E. Williams & Son, Inc. with the proviso that they inform the Nepenthe office of the scheduled date for the work a week in advance.***

**IX. NEW BUSINESS**

**a. Finalize the scope of work for the Ad Hoc Committee on Lighting.** One of the board’s goals for this year is as follows:

*Form an ad-hoc committee, whose task is to estimate the cost of replacing lighting in the common area, considering the condition of current lighting, safety and future electricity use possibly offset by solar power. Produce a map showing the location of fixtures, their specifications and a multi-year budget for use in the reserve study. Have the final report to the board for its September 6 meeting so that the projected costs can be integrated into the next reserve study.* The Board will discuss the following charge to the committee.

**i.** The committee will be composed of one representative from each of three standing committees:

1. the Architectural Review Committee,
2. the Grounds Committee and the
3. Insurance, Legal and Safety Committee.

**ii.** Scope:

1. Exterior light fixtures for voluntary installation by members at their residences. Final report due to the office March 30.

2. Stand-alone lighting to replace the current “lollipop” fixtures. Final report due to the office August 30.
  3. Lighting on poles between Zone 7 and the levee with signs and video cameras. Final report due to the office August 6 or later.
- iii. Important considerations:
1. Compatibility of fixture design with our architecture and landscape
  2. Safety of residents and guests
  3. Energy costs
  4. If the committee believes it needs expert help to do its work, it may ask the board to authorize expenditures from the operating budget.
- iv. Deliverables for Final Reports
1. Regarding lighting on members’ residences:
    - a. A photo and specifications for the fixtures
    - b. Power source for fixtures
    - c. Cost to the homeowner
    - d. Recommended approved locations on members’ residences
  2. Regarding stand-alone lighting:
    - a. A map showing new locations
    - b. The specifications for recommended new fixtures with a photo
    - c. Power sources to be utilized (solar?)
    - d. Power consumption new fixtures, compared to what the current fixtures consume
    - e. Estimated savings in electricity
    - f. Estimated investment to replace all the current fixtures
  3. Regarding pole lighting in Zone 7:
    - a. A drawing showing the design of the pole, sign, light and camera
    - b. Power sources for lights and cameras
    - c. Specifications for each component of the assembly
    - d. A procedure for monitoring the cameras in the office
    - e. Locations on a map

**Action required: Board resolution**

**Proposed Resolution:** The Board adopts this scope of work as its charge for the Ad Hoc Committee on Lighting.

- b. **Finalize the scope work for the Ad Hoc Committee on Underground Utilities.** One of the board’s goals for this year is as follows: One of the board’s goals for this year is as follows:

*Investigate the condition of the underground sewers we own and the long-term cost to replace them. Have a complete report by the November 1 meeting. Integrate the costs into the next Reserve Study.*

- i. The committee will be composed of interested members including those with an engineering background. If the committee believes it needs expert help to do its work, it may ask the board to authorize expenditures from the operating budget. An excellent source of information is First Call Plumbing because they have been our contractor for sewer flushing and repair for several years.
- ii. Scope:

1. Storm sewers
2. Sanitary sewers
- iii. The final report must include the following information:
  1. Which sewers are owned by Nepenthe
  2. Which sewers are owned by governmental entities
  3. The condition of the sewers we own
  4. How much money should be reserved in future years for the flushing, repair, maintenance and replacement of the sewers we own?
  5. Make a recommendation as to the production of a map of all known sewer locations. Delineate the costs and benefits of such a map in the report.

**Action required: Board resolution**

**Proposed Resolution: The Board adopts this scope of work as its charge for the Ad Hoc Committee on Underground Utilities.**

**c. Committee Charters and Training..... Pages 36-65**

The Directors are preparing to review the committee charters and provide training to the committee chairs in accordance with their adopted 2017 goals. The items listed below are all documentation regarding committees. The items in italics can be referenced at the [www.NepentheHOA.com](http://www.NepentheHOA.com) website. The items NOT italicized are in the Board packet.

- i. All Committees:
  1. Standards & Practices for Committees, 1/2014 .....Pages 36-40
  2. *Bylaws, Article VII*
- ii. Architectural Review:
  1. Charter, 8/2009 ..... Page 41
  2. *Architectural Guidelines, last updated 2016*
  3. *CC&Rs, Article IV*
  4. *Bylaws, Article VII, Section 7.3*
- iii. Finance:
  1. Charter, 8/2009 ..... Page 42
  2. Standards & Practices for Finance Committee, 3/2015 .....Pages 43-53
  3. *Investment Policy, 3/15*
  4. *Bylaws, Article VII, Section 7.4*
- iv. Grounds:
  1. Charter, 8/2009 ..... Page 54
  2. *Grounds Vision Document incorporating numerous standards and practices for the grounds, Adopted 2/2015 (Available at [http://nepenthehoa.com/wp-content/uploads/2015/10/Grounds\\_Vision\\_Document.pdf](http://nepenthehoa.com/wp-content/uploads/2015/10/Grounds_Vision_Document.pdf))*
  3. *Bylaws, Article VII, Section 7.5*
- v. Insurance, Legal & Safety:
  1. Charter for ILS Committee, 11/2015 ..... Page 55
  2. Standards & Practices for Insurance, 2/2014 ..... Page 56-62
- vi. Outreach:

- 1. Charter, 8/2009 ..... Page 63
- vii. Elections:
  - 1. Charter, 8/2009 ..... Page 64
- viii. Nominating:
  - 1. Charter, 8/2009 ..... Page 65
  - 2. *Bylaws, Article IV, Section 4.6(a)*

**d. Revise Clubhouse Rental Procedure ..... Pages 66-67**

Management has prepared the enclosed Board Agenda Report to request that the Board do away with the current requirement for an onsite attendant at private Clubhouse rentals held after business hours. This requirement increases the cost of the facility rental by \$20 per hour and is not industry standard for community association facility rentals.

Action required: Board discussion and possible resolution.

**Proposed Resolution:** See Board Agenda Report

**X. HOMEOWNER FORUM**

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**XI. NEXT MEETING:** Wednesday, March 1, 2017 at 5:30 pm in the Nepenthe clubhouse

**XII. ADJOURN**

## Minutes

### Ad Hoc Committee on University Ave Lot

January 18, 2017

Present: Will Vizzard, Joan Haradon, Jim King and John Donovan

Absent: Joan Trotta and Nancy Arndorfer

The committee reviewed the estimate from DesCor Builders for 14 garages on the existing parcel at \$375, 000.00 to \$425,000.00 and alternative uses for the portion of the property east of the tennis courts.

The committee concludes that the garage option is impractical for the following reasons:

- It is highly unlikely that an affirmative vote could be obtained for financing the project with a loan from reserves
- The amortization period would be at least 10 years under the most ideal circumstances. This time line assumes rents of \$250.00/month per unit.

The board has already guaranteed residents in the area that the tennis courts will be preserved

This leaves the following options:

- Pave and stripe the lot for additional parking. The committee's opinion is that uncovered parking in this location would generate limited demand.
- Retain the existing staging area for construction and remain open to possible future offers from the adjacent property owner.
- Retain the north portion of the parcel as staging area, but offer residents the option of developing the rear portion as a community garden area. This would require the addition of a pedestrian gate and walkway at the rear of the property as well as an organized garden group to develop the area.

## NEPENTHE ARCHITECTURAL COMMITTEE MINUTES

Monday, December 9, 2017 at 4:30 pm in Clubhouse

**Members present:** Jenny Smith, chair; Cheryll Cochrane, Alan Watters, Jan Summers, Joel Weeden.

**Members absent:** Diane Vanderpot, Bill Henle.

**Present:** Joan Haradon, Board Liaison; Bettsi Ledesma, General Manager; Karen Lowrey, Greg Ruecker, Anne Connolly, Bill Olmsted of ILS Committee, Board President Steve Huffman

**A.** Welcome and Opening Remarks. Introductions.

**B.1. Homeowner requests not voted on:** none.

**B.2. Homeowner Requests Recommended to be Approved.** (With conditions if so noted.)

1. **1521 University Avenue** – Jan Summers – Windows replacement in this 4400 model: Install two patio doors and two sliding windows via a retrofit installation using Brothers California Series (vinyl) windows and sliding doors, with the windows' visible width being 1 ¾ or 1 7/8" ; and the patio doors having 2 1/2" visible width. The sliding patio doors are located in the kitchen and den, and the windows are in the dining room and second-floor second bedroom. The exterior color is "Bronze." Contractor is Brothers Home Improvement. (Committee member Jan Summers abstained from voting on her own application.) **Approval Recommended.**
2. **2327 Swarthmore** – Greg Ruecker – HVAC replacement in this 1720 model: install new Bryant split system heat pump with Bryant Air Handler MD#FE4ANF003L and "Heat Pump" compressor MD#286BNA036. The existing refrigerant line set within the walls will be reused; the line set between house and compressor will be new and will be run along the fence and covered with flex pipe. The existing low-voltage control wires are run on top of the siding and will be reused; however, if the HOA is shortly to replace siding panels in the area of this wiring, the wiring can be placed within the wall. The contractor is Mosburg Heat & Air. **Approval Recommended.**
3. **810 Dunbarton** – Anne M. Connolly – Windows replacement in this 4400 model: Replace via retrofit installation all windows and patio doors with

Simonton Daylight Max Vinyl [-framed] Window Series 7300 windows and sliding doors: five windows in frame style “Bullnose,” and two patio doors, in exterior color “Bronze.” Contractor is Calif. Energy Consultant Service (CECS). **Approval Recommended.**

4. **23 Adelphi Court** – Marcia Mortensson – Windows replacement in this 1100 model. She is asking the ARC and BOD to approve two different products proposed to be installed by Southgate Glass: Andersen 100 brand windows and patio door (**Section B**) and Milgard Style Line series windows and Milgard Tuscany patio door (**Section A**).

**A.** Windows replacement by Southgate Glass via retrofit installation: all 4 windows and one patio door using Milgard Style Line series windows and a Milgard Tuscany series patio door, with the exterior color to be painted Bronze.” **Approval Recommended.** [NOTE: This is in addition to ARC Approval Recommended on 12 December 2016 for Luxem Design retrofit installation of Amerimax brand windows.]

**B.2.A. Homeowner Requests Already Approved:** none.

**B.3. Homeowner Requests Not Approved:**

5. **23 Adelphi Court** – Marcia Mortensson – Windows replacement in this 1100 model. She is asking the ARC and BOD to approve two different products proposed to be installed by Southgate Glass: Andersen 100 brand windows and patio door (**Section B**) and Milgard Style Line series windows and Milgard Tuscany patio door (**Section A**).

**B.** Replace via existing frame removal and new window installation all 4 windows and a patio door: installing Andersen 100 Series (Fibrex material frames with Perma-Shield cladding) one sliding patio door and 4 slider windows. The ARC determined that the identical problem exists as with the December, 2016 application, that the contractor would improvise a new construction window installation in order to avoid siding removal when re-flashing window frames; this product cannot be sealed against water correctly given how Nepenthe homes are built. **Approval Not Recommended.**

**C. Approval of Minutes:** done via email.

**D. Reviewed Non-Compliance Notices from Homeowners.**

On the matter of the bluish cast to the glass in some windows front and back at 2269 Swarthmore, Jan Summers had volunteered to speak to the homeowner, Frank Gardner. She reported that he stated he had an approved “window glass only” Blomberg windows replacement in 2008 and does not see nor notice a bluish cast. It was reported that energy-filtering coatings on window glass can fail and discolor. A motion was made and passed: The committee makes note that no change was made to Mr. Gardner’s knowledge to these windows. The committee notes the undesirable bluish tint but takes no position. The HOA would not have any responsibility for

repairing this product failure. The committee recommends these findings be noted in the home's file.

**F. Old Business:** Non-compliant satellite dishes. Bettsi Ledesma will provide an update concerning compliance efforts at the next meeting.

**G. New Business:** A special training session meeting met for 90 minutes on Saturday, January 7, 2017 at 1 pm in the Clubhouse, aimed at making members familiar with the documents that guide the ARC, and how the Criteria guide the ARC in making decisions. Also noted were documents that the ARC needs to revise and update.

Pursuant to the movement and discussion (in front of BOD and in I.L.S. and A.R. committees) in the last several months about the need to add exterior lighting on garages to better illuminate alleyways, discussion was had on how best to increase lighting at night in Nepenthe to aid safety. Nepenthe I.L.S. Committee member Bill Olmsted presented the exterior "security" lamp his committee was recommending, one that was already installed to the right of the Commons Drive gate to the Clubhouse pool. Jan Summers discussed the carriage lamp style she was recommending. Joan Haradon discussed the twin flood lamps style (already in our criteria for a different placement), with two such lamps already installed over two Dunbarton garage doors. In all, five different lamp products were considered, and discussion ranged over type, color, direction, and aim-ability of light, and whether lamps should be motion-sensor or dusk-to-dawn types.

To aid comparison, Joan Haradon had produced a table displaying 14 parameters with which to rate the lamps being considered.

The committee will alter its criteria to permit installation on the alley façade of garages, either centered above the door or on the siding-clad wall on either side. The committee decided that the twin-flood-lamps style lamp as best meets the desired functions: it is a long-term solution, in that it has a replaceable lighting element (bulb) and lasts a long time; it can be small and relatively unobtrusive; it can cast light over a wide area; it would need to be of type (or set to) dusk-to-dawn illumination, and not a motion sensor-controlled illumination; and because the individual lamps can be aimed downwards, it still can illuminate the alleyway while avoiding being aimed intrusively into a neighbor's yard or into the eyes of a motorist, thus meeting the standard for "dark sky" lighting as adopted in the Grounds Vision Document in 2015.

The alterations to the Criteria for this placement of such a lamp are being drawn up separately with the goal of having it ready for Board approval at the March 1, 2017 Open Session.

**H. Next meeting.** Saturday, February 11, 2017, 9:30 A.M. in the Clubhouse, a one-time only special date and hour.

Respectfully submitted, Alan Watters, A.R.C. secretary

Nepenthe Homeowners Association

## Finance Committee

January 23, 2017

### **Present**

Ken Butler, Chairman; John Baker, Member; Susan Timmer, Member; Will Vizzard, Board Liaison

### **Approval of Minutes**

The minutes of the November 28, 2016 meeting were approved.

### **Board Liaison Report**

Will reported that the ad hoc committee exploring the development of the common lot on University Avenue in recommending that it not be developed for rental garages at this time. Alternatives for the property being discussed include 1) continue the present use as a location for the maintenance contractor storage, and 2) pave a walk way to the back area so it could be developed as a garden.

### **FINANCIALS**

The November and December financials were discussed. There is an end-of-year positive variance in the operating budget of \$31,511. This includes non-budgeted income of \$29,782 from Comcast for underground easement. It was agreed to recommend that the payment from Comcast remain in the operating budget to help offset future assessment increases.

### **Meeting Schedule**

The Finance Committee will change its meeting time to 4:00 pm on Mondays.

Respectively submitted,

Ken Butler

# NEPENTHE GROUNDS COMMITTEE MEETING

January 12, 2017 - 3:00 PM - Dunbarton Cabana

## Minutes

### Present

Pam Livingston, Committee Chair

Linda Cook, Board Liaison

Bettsi Ledesma, General Manager

Marty Henderson, Irrigation

George Procida, GP Landscape

Secretary – Joan Barrett

Zone 1 - Grace Long, Diana Luttrell

Zone 2 - Elsa Morrison, Diana Vizzard

Zone 3 - Lyn Livingston, Liza Tafoya

Zone 4 – Dona Landsittel

Zone 5 - Pam Sechrist

Zone 6 - Kathy Waugh,

Zone 7 - Renee Mendez

### Not present

Zone 6 – Diana Mortimore

The meeting was called to order at 3:00 PM by Chair Pam Livingston

Pam Livingston noted that she had sent the zone walk schedule and contact information sheets to the group by email.

### **IRRIGATION REPORT – George Procida**

George stated that Marty had received the \$25,000 grant from the City of Sacramento and that work would start next week on the conversion of sprinkler heads.

### **GROUNDS REPORT - George Procida – GP Landscaping**

George reported that the wet weather has had an impact on the schedules of the grounds crews and that the mowing of the ivy beds is on hold so that the cleanup from the multiple storms can be accomplished. He said that the weather may impact drought restrictions but nothing has been settled yet. There will be additional team allocated to finish the cleanup and to clean up the ivy.

Bettsi said that she would put a notice into the newsletter about the mowing of the ivy beds so that residents are aware of the beneficial reasons for the work.

George said the plan is to be more aggressive on the pre-emergent weed killer by using a liquid solution instead of the previous and less effective granular treatment. He said a spray technician would be around once a week or so to apply the product. There is not a strong odor with the spray, which will be applied to the bare soil in the planter beds. There have been no new plants installed in the last 3 weeks but the freeze danger is largely past after the 15<sup>th</sup> of January so work will resume soon.

## **GENERAL MANAGER'S REPORT - Bettsi Ledesma**

Bettsi reported that the website has been updated and asked if Grounds Committee pages should be included.

The Board has asked each committee to report on how it operates and an explanation of the committee's operating standards and strategies are implemented by the committee chairs and prospective committee chairs by the Nepenthe attorney.

Pam Livingston asked Renee Mendez to volunteer as the representative from the Grounds Committee to serve on the Lighting Ad Hoc committee with representatives from the Insurance and Architectural committees. The purpose of the committee is to study the external lighting situation and the options available.

Lyn Livingston asked if flood evacuation were necessary where would the instructions come from. Several members explained, in the unlikely event the government would give instructions.

Pam Livingston distributed a copy of Realizing the Vision from the Grounds Vision document. The committee read them aloud, in turn, to clarify our understanding and progress of the goals.

We need to update the Plant Palette and the Tree Lists.

## **REQUEST FOR BOARD ACTION – None**

The meeting was adjourned at 4:24PM

**Next HOA Board Meeting, Wednesday, February 1<sup>st</sup> - 5:30PM - Clubhouse**

**Next Grounds Committee Meeting, February 9<sup>th</sup> - 3:00PM - Dunbarton Cabana**

**William Olmsted**

**From:** William Olmsted [w olmsted@comcast.net]  
**To:** 'Nancy Arndorfer'; 'Bettsi Ledesma'  
**Cc:** 'Steve Huffman'  
**Subject:** RE: Minutes? ILSC January 10,2017

Good afternoon - these will be rather unorthodox minutes, but I was the only committee member present along with Board Liaison Steve Huffman. We sat at the Dumbarton Cabana from 5 until 6 PM and chatted informally about a few items without following the agenda since there were no other members to discuss items. We briefly touched on the matter that the committee no longer has an attorney due to the sale of the homes by the two attorneys that had been committee members. Steve said that he had a couple of names to possibly consider for new members, and that he would follow up on them.

Most of our discussion centered on the lighting issue facing the association per the board goals for the year. We talked about the presentation we had made the previous night to the ARC regarding lighting research we had done both for lights on individual residences and the overall lighting on the grounds, particularly the path lights. Steve said that they are going to appoint an ad hoc lighting committee to look into the entire matter using a broad approach to cover all of the issues

Bill Olmsted, Acting chair and secretary

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**From:** Nancy Arndorfer [mailto:nancyarndorfer@gmail.com]  
**Sent:** Tuesday, January 24, 2017 3:48 PM  
**To:** William Olmsted  
**Subject:** Fwd: Minutes?

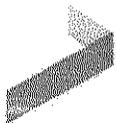
FYI Thanks Could you send them to me too?

----- Forwarded message -----

**From:** **Bettsi Ledesma** <Bettsi.Ledesma@fsresidential.com>  
**Date:** Tue, Jan 24, 2017 at 3:03 PM  
**Subject:** Minutes?  
**To:** Pam Livingston <pjlrgl@gmail.com>, Nancy Arndorfer <nancyarndorfer@gmail.com>

You may have already emailed your committee minutes to me and, if so, I deeply apologize, but I am having difficulty locating them. Is it possible for you to re-send me you January minutes?

Thank you, Friends!



**FirstService**  
RESIDENTIAL

Bettsi Ledesma, CMCA

General Manager

Nepenthe Association

1131 Commons Drive, Sacramento, CA 95825

1/25/2017

## Nominating Committee Minutes: January 11, 2017

Present: Linda Cook, Board Liaison, Karen Lowrey, Diana Vizzard

Bettsi Ledesma

### New Business:

- **Reviewed old business** of first meeting (12/07/16) during which members updated the “forever list” of potential candidates for the Board, adding additional names. Reviewed standard questions to be asked of potential candidates and the guidance documents candidates will receive when they commit to run. Members will review/revise/update all documents to be used this year.
- **Newsletter articles re: election:** Reviewed Election Timeline to reconfirm the most relevant dates and information to be included in future articles.
- **Contact potential candidates:** Each member will call potential candidates to ask about their interest in running for the Board. The committee will confer by Friday, January 20, re: results of calls and plan for next steps (e.g. when to begin next round of calls, if needed)
- **Next meeting:** Tuesday, February 7, 10:00 a.m. at Linda Cook’s home

Respectfully submitted by Karen Lowrey

Nepenthe Outreach-Social Committee Meeting

January 18, 2017 5:00PM

Nepenthe Clubhouse

*In attendance:*

Gerry Gelfand, Chair

Bill Olmsted

Joan Barrett

Kathleen Montgomery

Guest: Charles Schaffer

*Committee Members not in attendance:*

Betsi Ledesma, General Manager

MJ Lindgren

The meeting was called to order at 5:15PM by Gerry Gelfand, chair.

There were no corrections or additions to the previous minutes of 11/11/16.

Old Business

Charles Schaffer indicated that he would like to join the committee and Gerry gave him the paperwork to submit to the Board.

Connie Henderson resigned as a committee member but would be available to assist on projects.

**Christmas Holiday Party**

Gerry said that the holiday party was successful and commended MJ for the food and Kathleen for the decorations.

Gerry also said that the two recipients of the donations of money and gear, New Move and Luther Burbank's urban garden, were very appreciative and that the request for donations should be continued next year with more advertising.

### **Santa Visit**

It was reported that the Santa visit to the clubhouse in December went very well, Bettsi's husband was an excellent Santa and the children at the well-attended event were happy and engaged in the activities.

### **Stakeholder Orientation**

The Stakeholder Orientation (Resident Forum) is now scheduled for March 4, 2017. Bettsi submitted a guideline for topics to be included in the presentation in September. Currently, plans are to have the attendees listen to a 10 minute orientation by each presenter and afterward, if desired, interested parties could revisit the presenters for more in-depth discussion.

Bill will contact folks for the Insurance and Safety topics including police.

Bettsi will make arrangements for representatives for Management Services and Architectural Integrity and Finance Committees

Gerry will arrange for speakers for Outreach and City Services

Kathleen will contact elected representatives to speak

Joan has contacted Pam Livingston regarding a representative from the Grounds Committee to speak at the event and was assured that someone will be there for the presentation.

### **Future Events**

Charles is interested in mining the residents for parties interested in giving a short talk at the Saturday coffees. He will create a proposal for the committee.

Joan suggested a calendar of events so that we can be proactive in the coming year.

Gerry is committed to expanding the scope of the committee with new members. She will discuss with Bettsi the request for interested parties in the newsletter and on Next Door.

The meeting was adjourned at 6:00PM

Joan Barrett

**Next HOA Board Meeting - Wednesday, February 1st- 5:30PM Clubhouse**

**Next Outreach-Social Committee Meeting- Wednesday, February 15th-5PM- Clubhouse**

# Nepenthe Association

Management Report – February 1, 2017

## 1 COMMUNICATION

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The Nepenthe News was last published on January 6, 2017. The next newsletter will be published on February 3, 2017. Topics to be covered are:

- Parking Survey and Town Hall Meeting Results
- Upcoming Events
- Election Timeline
- Winter landscape tasks

Website:

- Regular updates to contact pages have been completed.

## 2 ADMINISTRATION

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**Legislative Compliance Item:** On September 28, 2016, Governor Brown signed Senate Bill 918 into law, which created Civil Code §4041.

Starting January 1, 2017, this new law requires homeowners, on an annual basis, to provide written notice to the association of the following:

- Mailing address to which notices from the association are to be delivered;
- Secondary address to which notices from the association are to be delivered;
- Name and address of legal representative;
- Whether the property is owner-occupied, is rented out, vacant or undeveloped land.

Community associations must solicit these annual notices of each homeowner and must update the association’s records at least 30 days prior to making the association’s annual disclosure in accordance with Civil Code §5300.

Should a homeowner choose not to provide written notice of the above information to the association, Civil Code §4041 states the property address shall be deemed the proper mailing address to receive notices from the association. This new law places the responsibility on homeowners to provide their correct and current information. Placing this burden on homeowners will clarify where required association notices, including assessment collection notices, should be delivered and will negate the argument of homeowners that a notice was sent to the wrong address.

In response to this new legislation, FirstService will be sending out email (for those homeowners who have opted-in to receive electronic communication from the association) or hard copy communication to all homeowners requesting the information outlined above. In 2017, the solicitation will be sent with your Association’s audit package and in 2018 it will be mailed with your budget disclosure unless the Board requests a different method of solicitation.

### 3 FACILITIES

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The following are status updates on various facilities projects:

- Phase III Siding and Painting project is running ahead of schedule. It is approximately one-third completed.
- Roof and gutter cleanings are in process and going well with good coordination with the landscaper for the leaf clean up.
- Randy Ross Services is also preparing a bid for roof moss treatment for review at the next Board meeting.
- The pools were serviced on schedule. Service occurs three to five days each week and includes all pools and spas.
- The janitorial service performed all regular scheduled cleanings which include cleaning the clubhouse, the Dunbarton cabana restrooms and sauna and the Elmhurst cabana service restroom five days per week.

### 4 GROUNDS

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Since the last Board meeting on January 4, 2016 management has conducted landscape walks on the following dates:

- 01/06/17, Zone 7. Attended by Bettsi Ledesma, General Manager; George Procida, GP Landscape; Pam Livingston, Grounds Chair and Renee Mendez, Zone Steward.
- 01/13/17, Zone 1. Attended by Bettsi Ledesma, General Manager; Pam Livingston, Grounds Chair; George Procida, GP Landscape; Diane Luttrell and Grace Long, Zone Stewards.
- 01/26/17, Zone 2. Attended by Bettsi Ledesma, General Manager; Pam Livingston, Grounds Chair; George Procida, GP Landscape; Elsa Morrison, Diana Vizzard, Zone Stewards.

The walk notes showing photographs of all extra work are filed in a binder in my office- Board members and homeowners interested in reviewing the walk notes are always welcome to do so.

#### **Approved Tree Maintenance:**

At the January 4, 2016 Board meeting the following trees work was authorized:

- Tree # 1215 Ash (*Fraxinus pennsylvanica*) next to 306 Dunbarton Cir. Developing tree, need to have stakes removed and structural pruning for proper development (Figure 1)
- Tree's #1217, 1219 Birch (*Betula pendula*) next to 306 Dunbarton Cir. Both trees have several structural defects along with beetle infestation (Figures 2& 3). Recommend removal and replacement.
- Tree's #1216, 1218 Birch (*Betula pendula*) next to 306 Dunbarton Cir. Both trees have beetle infestation. Recommend Safari Drench to combat beetle.
- Tree #1232 Birch (*Betula pendula*) next to 502 Dunbarton. Tree appears healthy. Tree does have large cavity in trunk with some decay (Figure 4). The tree does have beetle infestation. My recommendation is to retain and monitor tree health. Safari Drench to combat beetle.
- Tree #1083 Linden (*Tilia cordata*) next 1112 Dunbarton. Tree appears to be healthy. Full canopy (Figure 5). My recommendation is to structurally prune tree, retain and monitor.

- Tree #705 Cherry (*Prunus serrulata*) at 1009 Dunbarton. Tree has several structural defects with cavities on trunk (Figure 6). The tree is leaning on the fence at the address. Recommend removal.

During the two large storms we experienced, January 18<sup>th</sup> & 20<sup>th</sup>, the following trees had significant damage or fallen:

- Cedar Tree at 1106 Vanderbilt Way
- Redwood Tree at 1221 Vanderbilt Way
- Birch Tree at 2255 Swarthmore Drive
- Oak Tree at 1300 Commons Drive
- Redwood Tree at 1629 University

The Grove Total Tree Care was very prompt in removing all fallen trees and large branches. Neperthe did not suffer any damage great enough to require an insurance claim.

Management, Grounds Steward Elsa Morrison and arborist Paul Dubois will continue the monthly practice of tree walks in the community. Owners with tree concerns are welcome to forward them to the office for inclusion on the walk list. The most recent walk was November 29<sup>th</sup> and the next is planned for January 31<sup>st</sup>.

## 5 FINANCIAL

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The December Financials were published on January 19, 2017. There is a current positive variance of \$36,324.27.

Year-end data is being gathered and prepared for CPA Paula Hegner so she can prepare the annual financial review and tax returns.

## 6 GOVERNANCE

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- **Courtesy Patrol:** Since the last Board meeting, there were a total of 13 violation notices placed on vehicles in the community by the security patrol. There were 0 vehicle towed during this time. Reports are reviewed by management daily, recapping the rounds and interactions of the officers on duty.
- **Violations:** Since the last Board meeting, management sent 7 compliance notices, 5 for satellite dishes improperly installed, 1 for landscape-trim trees in patio, and 1 for lawn ornament/signage not approved.

## 2017 Master Calendar

Due Date	Item	Completed Date
1/1	Fiscal Year Begins	1/1/2017
1/1	Office closed for New Year's	1/1/2017
1/2	Office closed for New Year's	1/2/2017
1/4	Board Meetings: Closed 4PM, Open 5:30 PM	1/4/2017
1/6	Nepenthe News published	1/6/2017
1/9	ARC Meeting 4:30pm	1/9/2017
1/10	Insurance, Legal and Risk Management Committee Meeting 5pm	1/10/2017
1/12	Grounds Committee meeting 3:00 PM	1/12/2017
1/18	Outreach Committee meeting 5 PM	1/18/2017
1/23	Finance Committee meeting 3:00 PM	1/23/2017
1/23	Committee Minutes due in management office	1/25/2017
1/25	Lock in agendas for Board meetings - 1) Appoint Inspectors of Election, Inspectors to designate address to receive ballots, date, time and location of election, poll closing time, 2) Board to designate "Record Date" of April 6, 2016, 3) Adopt goals for the year	1/27/2017
1/27	Manager posts agenda and distributes Board packets	1/27/2017
1/30	Manager to submit required records to CPA for Annual Review	
2/1	Insurance Agent to conduct annual risk assessment inspection	
2/1	Board Meetings: Closed 4 PM, Open 5:30 PM	
2/3	Nepenthe News published	
2/6	Advance Roof Design starts proposal for roof inspection and repair	
2/9	Grounds Committee meeting 3:00 PM	
2/13	ARC meeting 4:30pm	
2/14	Insurance, Legal and Risk Management Committee Meeting 5pm	
2/15	Outreach Committee meeting 5 PM	
2/20	Minimal Staffing in Office for President's Day	
2/21	Committee Minutes due in management office	
2/23	Lock in agendas for Board meetings	
2/24	Manager posts agenda and distributes Board packets	
2/27	Finance Committee meeting 3:00 PM	
2/27	Election Committee organizational meeting	
2/27	Pool contractor to inform management of any equipment needs for the pool season	

# NEPENTHE ASSOCIATION

## BOARD OF DIRECTORS MEETING

January 4, 2017, 5:30 PM

Nepenthe Clubhouse | 1131 Commons Drive | Sacramento, CA 95825

### OPEN SESSION MINUTES

#### I. CALL TO ORDER 5:30 pm

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 January 4, 2017 in order to consider matters relating to the formation of contracts, personnel matters and member discipline.
- b. **Board Announcements**
  - i. Training for committee members is forthcoming.
  - ii. As the Board moves through the agenda, members may comment or ask questions about any agenda item during the two homeowner forums. Please address all comments or questions to the chair. The Board will be unable to accept comments or questions from the floor during its deliberations.

#### III. COMMITTEE REPORTS

- a. **Ad Hoc Committee on University Ave. Lots** – Verbal report.
- b. **Architectural Review Committee** – Minutes and verbal report.
- c. **Finance Committee** – Verbal report.
- d. **Grounds Committee** – No meeting in December - verbal report.
- e. **Insurance, Legal and Safety Committee** – Minutes and verbal report.
- f. **Outreach Committee** – No meeting in December – verbal report provided.

#### IV. MANAGEMENT REPORTS

- a. **Operations Report – Full report enclosed in Board packet, highlights below:**
  - i. The 2017 Master Calendar has been distributed to the Directors in their binders.
  - ii. Flood Insurance has been renewed and certificates of insurance are being provided to all homeowners.
  - iii. Clubhouse and cabana rentals in December totaled \$905. This makes our total for the year \$6,875.
  - iv. Phase III Siding and Painting project is running ahead of schedule. It is approximately one-third completed.

- v. The sauna in the Dunbarton Cabana has now been converted into a proper storage closet.

**b. Master Calendar Report was provided in packet.**

**V. HOMEOWNER CORRESPONDENCE was reviewed by the Board of Directors.**

**VI. HOMEOWNER FORUM**

In accordance with California Civil Code Section 4920(a), the Association must post or distribute the agenda for Regular Session Meetings no fewer than four (4) days prior to a Regular Session Meeting. During Homeowner Forum, items not included on the agenda that are raised by homeowners may be briefly responded to by the Board and/or Management; however, no action may occur with respect to that item unless it is deemed an emergency by the Board of Directors and developed after the agenda was posted and/or distributed. The Board of Directors may refer informational matters and direct administrative tasks to Management and/or contractors. Each homeowner will be given three (3) to five (5) minutes to speak in accordance with the Open Meeting Act, California Civil Code 4925(b), or a total of twenty (20) minutes will be granted for all to address the Board of Directors regarding items of interest or concern.

**VII. CONSENT CALENDAR** In an effort to expedite the Board meetings, Management has placed several business items on a Consent Calendar. Please review the items prior to the meeting so that you may have your questions answered in advance. Action required: Board Resolution.

**Proposed Resolution: The Board approved Consent Calendar items A to C as presented.**

**Motion:** Director Will Vizzard

**Second:** Director Linda Cook

**Vote:** All in favor

<i>Begin Consent Calendar</i>
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**a. Approval of Minutes December 7, 2016 Open Session**

**Resolution:** The Open Session minutes dated December 7, 2016 were approved as presented.

**b. Financial Statement: November 2016**

**Resolution:** The Board accepted the November 2016 interim financial reports and bank reconciliations as presented, subject to annual review. The report reflects a positive year to date variance of \$32,090 and reserve funding of \$1,831,744 compared to the reserve funding budget of \$1,801,426. The reserves are funded through November 2016. The Association has \$269,104 in operating funds, which represents 1 month of budgeted expenses and reserve contributions. The Association has \$5,498,235 in reserve funds.

**c. Architectural Applications**

The Architectural Review Committee met on December 12, 2016 to review the enclosed applications.

**Resolution:** The Board confirmed the recommendations of the committee.

<i>Address</i>	<i>Application for</i>	<i>Recommendation</i>
2263 Swarthmore Drive	Window Replacement	Approval
23 Adelphi Circle	Window Replacement	Approval
606 Elmhurst Circle	HVAC replacement	Emergency Approval provided

<i>End Consent Calendar</i>
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**VIII. UNFINISHED BUSINESS**

**a. Board Goals**

The Board unanimously adopted the following goals for 2017:

- Develop well-defined use options for the University lot by **August 2017** to include investment amount, annual maintenance costs and rental rates.
- Investigate the condition of the underground sewers we own and the long-term cost to replace them. Have a complete report by the **November** Board meeting. Integrate the costs into the next Reserve Study.
- Form an ad-hoc committee, whose task is to estimate the cost of replacing lighting in the common area, considering the condition of current lighting, safety and future electricity use. Produce a map showing the location of fixtures, their specifications and a multi-year budget for use in the reserve study. Have the final report to the Board for its **September 6** meeting so that the projected costs can be integrated into the next reserve study.
- Present existing governing documents pertaining to committees (Bylaws, general standards and practices for committees, committee-specific standards and practices and the charters for each committee) to the Board as a discussion item of new business at its February 1 meeting. Each Board Liaison to then meet with each committee to revise documents as needed and recommend new documents to the Board at the **March 1** meeting. Two Directors shall be appointed to provide oversight for training committee chairs on community association governance and the general standards and practices for committees by the end of March 2017.

- b. Discussion Item: Shall the Board Create a Policy to Address Requests from Homeowners to Fence in Small Portions of the Common Area?** The Board discussed this matter and concluded that there is no need for a policy and that all such requests will be handled on a case-by-case basis.

**IX. NEW BUSINESS**

**a. Proposal for tree care:**

- Tree # 1215 Ash (*Fraxinus pennsylvanica*) next to 306 Dunbarton Cir. Developing tree, need to have stakes removed and structural pruning for proper development. \$150.00.

- Tree's #1217, 1219 Birch (*Betula pendula*) next to 306 Dunbarton Cir. Both trees have several structural defects along with beetle infestation Recommend removal and replacement. \$720.00.
- Tree's #1216, 1218 Birch (*Betula pendula*) next to 306 Dunbarton Cir. Both trees have beetle infestation. Recommend Safari Drench to combat beetle. \$260.00.
- Tree #1232 Birch (*Betula pendula*) next to 502 Dunbarton. Tree appears healthy, but does have large cavity in trunk with some decay. The tree does have beetle infestation. My recommendation is to retain and monitor tree health. Safari Drench to combat beetle. \$130.00
- Tree #1083 Linden (*Tilia cordata*) next 1112 Dunbarton. Tree appears to be healthy. Full canopy. My recommendation is to structurally prune tree, retain and monitor. \$360.00
- Tree #705 Cherry (*Prunus serrulata*) at 1009 Dunbarton. Tree has several structural defects with cavities on trunk (Figure 6). The tree is leaning on the fence at the address. Recommend removal. \$380.00

**Motion:** Director Will Vizzard

**Second:** Director Joan Haradon

**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 \$2,000, payable from Reserves which has a 2017 allocation for tree work of \$122,010.

**b. Application for installation of a metal canopy at 504 Dunbarton Circle**

This application is for an item which there is no criteria. Attached is the full application and the report from the ARC Committee with their opinions on the improvement?

**Motion:** Director Joan Haradon motioned to deny application.

**Second:** Director Linda Cook

**Vote:** All in favor

**Resolution:** The Board of Directors denied the application and requires the homeowner to remove the canopy and caulk and paint the installation holes.

**X. HOMEOWNER FORUM**

In accordance with California Civil Code Section 4920(a), the Association must post or distribute the agenda for Regular Session Meetings no fewer than four (4) days prior to a Regular Session Meeting. During Homeowner Forum, items not included on the agenda that are raised by homeowners may be briefly responded to by the Board and/or Management; however, no action may occur with respect to that item unless it is deemed an emergency by the Board of Directors and developed after the agenda was posted and/or distributed. The Board of Directors may refer informational matters and direct administrative tasks to Management and/or contractors. Each homeowner will be given three (3) to five (5) minutes to speak in accordance with the Open Meeting Act, California Civil Code 4925(b), or a total of twenty (20) minutes will be granted for all to address the Board of Directors regarding items of interest or concern.

**XI. NEXT MEETING:** Wednesday, February 1, 2017 at 5:30 pm in the Nepenthe clubhouse

**XII. ADJOURN @ 6:43pm**

## NEPENTHE

January 17, 2017

**WHEREAS**, Section 5673 of the California Civil Code requires that, the decision to record a lien for delinquent assessments shall be made only by the Board of Directors of the association and may not be delegated to an agent of the association; and

**WHEREAS**, Section 5660 of the California Civil Code requires that a warning letter be sent by certified mail to the owner of record at least 30 days prior to recording a lien; and

**WHEREAS**, the Association has sent this letter and the 30 days has or will soon expire; and

**WHEREAS**, as of the date of this report payment has not been received to pay the delinquent assessment amount on the property listed below

**NOW THEREFORE BE IT RESOLVED** that the Board of Directors approves by a majority vote of the board members present at a duly called open meeting for FirstService Residential to record a lien on the separate interests/accounts listed below on behalf of the association and to mail a copy of the recorded lien to all known owners and addresses once the 30 days has elapsed from the mailing of the warning letter and no payment has been received.

<i>Date</i>	<i>Account No.</i>	<i>Total Amt Due</i>	<i>Past Due Assessment Only</i>	<i>Approved</i>	<i>Denied</i>	<i>Comment</i>
1/12/17	1959-02	\$1,425.85	\$1,192.00			
1/12/17	2247-01	\$938.57	\$914.00			

### Deferred Items from prior meeting

<i>Date</i>	<i>Account No.</i>	<i>Total Amt Due</i>	<i>Past Due Assessment Only</i>	<i>Approved</i>	<i>Denied</i>	<i>Comment</i>

Any two (2) Board members must sign:

By: \_\_\_\_\_ Date: \_\_\_\_\_

By: \_\_\_\_\_ Date: \_\_\_\_\_



Nepenthe Association, 1131 Commons Drive, Sacramento, CA 95825  
916.929.8380 / [nepenthe@fsresidential.com](mailto:nepenthe@fsresidential.com)

# HOME IMPROVEMENT APPLICATION

Date: 12/20/16

Phone: 916-927-5570

Name: JAN Summers

Email: Summersj10@yahoo.com

Address: 1521 UNIVERSITY AVE

House Model: 4400

What improvement are you applying for? One improvement per application, please.

### These items can be approved in management office:

- Front door per criteria
- Screen door from approved styles
- Garage exterior man door per criteria
- Garage vehicle door per criteria
- Cable/Satellite Dish installations
- Mail Box from approved styles
- Mail Slot, if replacing or approved by Postmaster
- Chimney Cap

If you have an improvement not listed, describe it here:

### These items require ARC & Board approval:

- Air Conditioner / Heat Pump Replacement
- \_\_\_ Check if emergency approval is needed
- Window or Patio Slider Replacement *X 2 windows X 2 sliders*
- Window - new construction
- Window - Security Features/Bars
- Window - Sun Screens
- Skylights or Solar Tubes
- Solar Roof Panels (Thermal or Electric)
- Gas Line and Meter
- Shade Structure - Trellis, Awnings, Sails, Etc.
- Trellis - Floral Support / Garden Feature
- Patio Hardscape / Planter Boxes
- Patio Pool / Spa and Equipment
- Attic Fans
- Vents - Installations and/or Relocations
- Security Camera and/or Lighting
- Hand Rail
- Fence Relocation
- Outbuilding / Shed

### Attach the following items to your application:

- Floor Plan (available at clubhouse or [www.NepentheHOA.com](http://www.NepentheHOA.com)) of your model showing the location of the proposed improvement.
- Brochure and/or Specifications for proposed items.
- Your contractor's proposal (prices may be blacked out).



Please read and sign below:

I have read the Architectural Guidelines (available at clubhouse or [www.NepentheHOA.com](http://www.NepentheHOA.com)) and understand that the approval timeline can take up to 90 days.

*Jan Summers*

12/20/16

Signature

Date

### The Architectural Review Committee recommends:

\_\_\_ Approval  Approval with Conditions \_\_\_ Disapproval

Chair: *Jeannette* Date: 1/9/17

The Board of Directors will review for final approval at their next open session on \_\_\_\_\_

*Jan to email if the veribage "silver" to glass has any color or mirror like quality.*

Moved to approve 1/9/17



Nepenthe Association, 1131 Commons Drive, Sacramento, CA 95825  
916.929.8380 / nepenthe@scresidentsunited.com

### HOME IMPROVEMENT APPLICATION

Date: \_\_\_\_\_ Phone: (916) 690-3768  
Name: Greg Rwecker Email: grwecker@hotmail.com  
Address: 2327 Swarthmore House Model: 1720

What improvement are you applying for? One improvement per application, please.

These items can be approved in management office:

- Front door per criteria
- Screen door from approved styles
- Garage exterior man door per criteria
- Garage vehicle door per criteria
- Cable/Satellite Dish installations
- Mail Box from approved styles
- Mail Slot, if replacing or approved by Postmaster
- Chimney Cap

If you have an improvement not listed, describe it here:

These items require ARC & Board approval:

- Air Conditioner / Heat Pump Replacement  
\_\_\_ Check if emergency approval is needed
- Window or Patio Slider Replacement
- Window - new construction
- Window - Security Features/Bars
- Window - Sun Screens
- Skylights or Solar Tubes
- Solar Roof Panels (Thermal or Electric)
- Gas Line and Meter
- Shade Structure - Trellis, Awnings, Sails, Etc.
- Trellis - Floral Support / Garden Feature
- Patio Hardscape / Planter Boxes
- Patio Pool / Spa and Equipment
- Attic Fans
- Vents - Installations and/or Relocations
- Security Camera and/or Lighting
- Hand Rail
- Fence Relocation
- Outbuilding / Shed

Attach the following items to your application:

1. Floor Plan (available at clubhouse or [www.NepentheHOA.com](http://www.NepentheHOA.com)) of your model showing the location of the proposed improvement.
2. Brochure and/or Specifications for proposed items.
3. Your contractor's proposal (prices may be blacked out).

Please read and sign below:

I have read the Architectural Guidelines (available at clubhouse or [www.NepentheHOA.com](http://www.NepentheHOA.com)) and understand that the approval timeline can take up to 90 days.

Greg Rwecker 1/5/17  
Signature Date

The Architectural Review Committee recommends:

Approval    \_\_\_ Approval with Conditions    \_\_\_ Disapproval

Chair: Jennifer Smith Date: 1/9/17

The Board of Directors will review for final approval at their next open session on \_\_\_\_\_

1/5/17



HOME IMPROVEMENT APPLICATION

Nepenthe Association
C/O Merit Property Management, Inc.
1131 Commons Dr., Sacramento, CA 95825

Phone: 916-929-8380; Fax: 916-929-1773

House Model Number: 1100

NAME: MARCIA MORTENSSON
ADDRESS: 13 Adelphi Ct
PHONE: 916 2818101
SIGNATURE: [Signature]
DATE:
ALT. PHONE: 916 546 2011

SUBMITTAL CHECK LIST: (Please attach the following to this Home Improvement Application if applicable)

- Facing, Adjacent and Impacted Neighbor Statement when the change is visible from the exterior
Set of Drawings - Should include details of dimensions, height, distance from fencing, size, design, color and materials. Location of drains must be included on drawings. Please fold plans to 8 1/2" x 11".

PROJECTS BEING SUBMITTED: Please review Nepenthe Architectural Criteria.

DOORS

- Front Door (only approved doors)
Screen Door (only approved doors)
Rear Patio (if visible from common areas)
Garage (only approved garage doors) \*

POOL

- Patio Pool & Equipment

PATIO STRUCTURES

- Trellis (Floral/Overhead) (size, type, color) \*\*
Shed/Outbuilding

ROOF

- Chimney Caps
Gutter/Downspouts
Satellite Dishes \*
Skylight (\*\*attach inspection fee)
Solar Energy Roof Panels (\*\*attach inspection fee)
Solar Tubes (\*\*attach inspection fee)

UTILITIES

- Air Conditioner/Heat Pump (placement & size)
Gas Line and Meter (\*\*attach inspection fee)

WINDOWS

- Garden
Exterior - sun screen
Exterior window - security
Replacement - Frames and Glass (only approved windows, frame size, and color)
Interior Coverings

SMALL EXTERIOR INSTALLATION

- Burglar Alarm
Hand Rail (type and placement)
Mail box insert (type and placement)
Mail Slot (type and placement)
Wire & Pipe installations
Vent Relocations (placement) (\*\*attach inspection fee)
Signs (Nepenthe provides house numbers. Call the office. No exceptions)

- OTHER Please describe in detail Replacing.
1. Front LR 3. Office 5. master slider
2. Kitchen 4. master

\*automatic approval from office if following Nepenthe criteria
\*\*attach completion inspection fee - certain changes require post installation inspection by Nepenthe agent. Fee is \$40. Check must be attached.

DO NOT WRITE BELOW THIS LINE (For Committee Use Only)

The Architectural Review Committee has determined that the above submittal is:
Approved Approved With Conditions Disapproved as Submitted ARC Chair Date

- See notes on plans. Resubmit patio cover with additional dimensions and elevation.
See comments below and/or on reverse. Submit originally reviewed plans with revised drawings.
Resubmit with more details for

COMMENTS:

Final Inspection Required: Yes No

For Board consideration on February 1, 2017.

Prepared by Bettsi Ledesma

Request to move the fences between 1575, 1581 and 1587 forward closer to the corners of the three units. All owners have recorded covenants to ensure that the HVAC equipment remains in their current locations. Owners of 1581 and 1587 will pay James E. Williams & Son, Inc. directly for the work when the contractor is completing the Phase III siding and fencing repairs for the association.





**Backyard  
for 1587**

**1587**

**1581**



**Backyard  
for 1581**

**1581**

**1575**

# Standards and Practices for Committees

The purpose of this document is to codify standards and practices of The Nepenthe Association so that all parties have a clear understanding of their roles and to ensure continuity of operations through turnover in the Board, committees and staff.

## A. Role of committees

The role of committees is to advise the Board of Directors and to help the Board make sound decisions for the Association.

## B. Relations with the Board

1. The Board will provide clear direction to all committees and will respond promptly to the committees' recommendations and requests for information or guidance.
2. Committees will abide by the governing documents and will follow Board policy.

## C. Qualifications

1. Committee members occupy a position of public trust. They are expected to demonstrate the same qualities expected of Board members. Among these are honesty, civility, discipline, frugality, foresight and decisiveness.
2. Committee members must be homeowners in good standing with the Association, meaning they are current in the payment of assessments and/or fines and are in compliance with the rules of the Association.
3. If disputed payments, fines or non-compliance are being appealed to the Board, the member may continue serving on the committee until the Board renders a decision. If such cases are in litigation, arbitration or mediation, the Board will be the sole judge as to whether the member may continue serving on the committee.
4. Committee members are expected to be familiar with the following documents as they pertain to the committee's rights and responsibilities: the CC&Rs, the Bylaws, the Standards and Practices, and the Master Calendar. Copies of these documents are on file in the office. Copies will be provided to any committee member upon request.

## D. Application

1. No one will be appointed to a committee without first submitting a written application, the form of which will be determined by the Board. This applies to sitting committee members, including chairs, who wish to be reappointed. The deadline for submitting applications is May 1 of every year.
2. In the April newsletter the Board will notify all homeowners, including current committee members, of the opportunity to apply or re-apply for committee membership. The requisite application form may be included with ballot mailed for board elections.
3. Copies of all submitted applications will be shared with the appropriate chairs as soon as they are received in the office.
4. Homeowners interested in serving on a committee are encouraged to attend at least two meetings of the committee before submitting an application.

## E. Appointment

1. All committee appointments require an affirmative vote by a majority of the Board meeting in public session, duly recorded in the minutes.
2. Following the Board elections, and no later than 15 days after the Annual Homeowners Meeting, the Board will appoint all committees and name the chairs. It will also name a director as board liaison to each committee.
3. The Board may appoint a new member to a committee at any time during the year upon receiving the application referenced above and after conferring with the committee chair. The new member's term will expire at the same time as all other members' terms.

**F. Size of committees**

The size of each committee will be determined by the Board after conferring with the chair.

**G. Terms**

Committee members serve one-year terms, commencing within 15 days of the Annual Homeowners Meeting and ending at the next year's Annual Homeowners Meeting.

**H. Removal and discipline**

1. Committee members serve at the Board's pleasure and may be removed by the Board at any time for any reason.
2. The Board is not required to explain the appointment or removal of any committee member, including chairs.
3. Removal requires an affirmative vote by at least a majority of the Board meeting in either close or open session and recorded in the minutes.
4. If the chair or a majority of the committee want the board to remove or discipline a committee member, the matter will be taken up first with the committee's Board liaison and, if necessary, with the Board.

**I. Limits on powers**

1. Neither committees nor committee chairs have authority to elect or appoint co-chairs. That is a power reserved to the Board. A vice-chair may be appointed by the chair or elected by the committee.
2. Committees are appointed solely to advise the Board and to assist it in the performance of its duties. They have no authority over the manager, homeowners, vendors, other persons or other entities.

**J. Committee chairs**

1. Committee chairs are responsible for:
  - a. Preparing their committees for successful meetings and for the orderly conduct of the meetings.
  - b. Obtaining from the board and management such information and materials required for the performance of committees' duties.
  - c. Communicating with the Board through the Board liaisons and by speaking at Board meetings.

- d. Seeing that minutes and requests for Board action are submitted on time and in the formats requested by the Board.
2. The names of committee chairs and their contact information will be published monthly in the newsletter so that homeowners may readily reach them.

**K. Secretary and minutes**

1. Each committee's secretary will be appointed by the chair or elected by the committee. The chair may serve as the secretary.
2. Minutes will be recorded of every committee meeting and will be kept on file in the office, where they will be made accessible to every homeowner upon request.
3. Minutes will be submitted in a standard format approved by the Board. To assist the Board in the performance of its duties, entries will be made in the following order:
  - a. The date, time and location of the meeting
  - b. The names of committee members present and absent
  - c. The names of others attending the meeting, for purposes of follow-up if necessary
  - d. Recommended action for the Board
  - e. Information requested from the Board
  - f. Information from the committee to the Board
  - g. Such other information as the committee may deem necessary to record
  - h. The date, time and place of the next meeting.
4. Minutes will be signed by the committee secretary or the committee chair. The signature will appear over the typed or printed name of the signer.
5. Minutes will be submitted in a digital format.
6. Minutes will be submitted within one week of the meeting.

**L. Board liaisons**

1. The Board will name one of its members to serve as liaison to each committee. Given the responsibilities of the president, the board may decide not to appoint the president as a liaison.
2. Liaisons help committees understand the Board's policies and decisions and help the Board understand the committees' needs, concerns and recommendations.
3. Board liaisons are expected to attend committee meetings but are not required to do so.
4. The Board liaison will be included in all communications between the chair and the committee.
5. If a Board liaison is unable to attend a committee meeting, the chair will immediately inform the liaison of what transpired at the meeting.
6. Liaisons may not vote on any matter considered by committees.

7. At the outset of each committee meeting, the Board liaison will briefly update the committee on recent Board activity.

**M. Non-interference**

Liaisons and other Board members attending committee meetings will not interfere with committee deliberations and will speak only if recognized by the chair.

**N. Committee meetings**

1. Each committee will set the date and time of its own meetings, giving consideration to the convenience of committee members, of homeowners having business with the committee, and of the Board liaison.
2. Except in emergencies, notice of any committee meeting will be posted at least 96 hours in advance of the meeting. The meeting date, time, place and agenda will be included in the notice.
3. If an emergency requires a committee to meet with less than 96 hours' public notice, the notice will be posted immediately and the chair will notify the board liaison.
4. Homeowners attending committee meetings, even if only to observe, will be acknowledged by the chair as a matter of courtesy.
5. Every committee will schedule a homeowner comment period at the outset of every meeting.
6. With one exception, Board members and homeowners may attend any committee meeting without explaining, or being asked to explain, the reason for their attendance. Advance notice of attendance is not required but is advised as a matter of courtesy.
7. The exception is any Nominating Committee meeting to discuss the qualifications of potential Board candidates. Such meetings may be closed at the discretion of the committee.
8. The manager and staff usually do not have time to attend committee meetings. Any request that they attend a committee meeting must be approved in advance by the Board or by the Board President acting on behalf of the Board. The President's response to any such request will be communicated immediately to all Board members.

**O. Request for Board action**

1. When requesting Board action, a committee will note it in the minutes and is urged to submit a separate proposal for inclusion in the Board packet. The proposal ~~will~~ should consist of seven parts in the following order:
  - a. The name of the committee
  - b. The date the committee approved the request, as recorded in the minutes
  - c. A concise statement of the problem being addressed
  - d. A suggested motion or resolution
  - e. Additional information, if any
  - f. Other possible solutions that were considered, if any
  - g. Space for the manager to indicate his or her position on the proposal

2. Committee requests for Board action may be submitted at any time, but those submitted less than 10 days prior to the monthly Board meeting may be held over until the following month.
3. To facilitate dissemination and archiving, all proposals will be submitted electronically.
4. The Board is not obligated to place any action request on the meeting agenda. However, if a request is placed on the agenda, it will appear first as a New Business item, i.e., for discussion only. The Board may then decide to (a) set the proposal as an Unfinished Business item for a later meeting, (b) return It to the committee for revision and re-submittal, (c) refer it to the manager or to another committee for review and comment, or (d) pursue the matter no further.

In any case, the committee will be notified of the board's decision within a reasonable period of time.

**P. Disagreement with the Board**

When a committee disagrees with Board policies or decisions, it will notify the Board in writing, either in committee reports or in a separate communication. But the committee will not interfere with implementation of Board policies and directives.

**Q. Minority reports**

Any committee member who disagrees with a committee position may attach a written minority report to the committee minutes so long as the attachment is shared with all members of the committee.

**R. Attendance requirements**

Any committee member who misses two meetings consecutively or three meetings cumulatively during the term of appointment will forfeit membership on the committee. Chairs will notify the Board in writing when a committee member has forfeited membership.

**S. Communication with homeowners**

1. Any written committee communication with individual homeowners will be consistent with the governing documents and with board policy, and will be copied to the Board liaison, who may, at his discretion, share the communication with the Board.
2. Mass communication to homeowners must be approved in advance by the Board liaison, who will see that copies are delivered in advance to the other Board members.
3. The chair will see that copies of all written communication are kept on file in the office.

## **ARCHITECTURAL REVIEW COMMITTEE**

Approved with edits

### **PURPOSE OF THE COMMITTEE:**

The committee exists to ensure that the "Nepenthe look" continues while integrating changes based on new materials or methodologies.

The committee reviews and recommends to the Board of Directors the approval or denial for any owner requests for improvement to property or land in the NHOA and reviews and recommends any modifications to common areas (side amenities), facilities and buildings.

### **MEMBERSHIP:**

Membership is composed of at least 3 members and a liaison appointed from the Board of Directors.

### **KEY RESPONSIBILITY AREAS:**

1. Meets a minimum of once per month to review applications for improvements of changes
2. May require formal presentation of request, including materials, drawings and information from owner and/or contractor
3. Reviews and presents recommendations to the Board of Directors for any changes to side amenities (walkways, decorations, etc.), facilities, and buildings
4. Recommends to the Board of Directors any changes to architectural criteria based on changes in materials or methodologies, considering "green" or energy efficient advancements
5. Establishes criteria for standard changes/improvements that can be approved by the Office: recommends these criteria to the Board of Directors to allow for efficiency of approval. All such approvals will be presented to the Board of Directors in the monthly report
6. Must be thoroughly familiar with the Bylaws of the HOA, CC&R's and Community Rules as it relates to this area

### **MEMBER QUALIFICATIONS:**

Prefer owners who are interested in architecture and familiar with architectural features or the construction/contracting process; however, other interested owners are welcome.

This committee is assisted by Nepenthe Office Staff.

*This committee's purpose is to assist the board in carrying out its legal and fiduciary responsibilities. This committee does not make decisions for the board nor dictate how the board should function.*

## **FINANCE COMMITTEE**

Approved with edits

### **PURPOSE OF THE COMMITTEE:**

The primary responsibility of the Finance committee is to advise the Board of Directors on Issues affecting the financial position of the Association. This committee's purpose is to assist the board in carrying out its legal and fiduciary responsibilities. The Committee's purpose is assisted by the Nepenthe office staff.

### **MEMBERSHIP**

Its membership is composed of at least 3 members. Additional members may be appointed by the Board throughout the year. The Treasurer is designated as liaison to the Finance Committee and attends committee meetings and acts as a communication link between the Board and the Committee.

The chair and members are appointed by the board at the annual organizational meeting of the board.

### **KEY RESPONSIBILITY AREAS:**

#### **1. BUDGET**

- a. Reviews the monthly financial statement prepared by the management company.
- b. Identifies any issues or concerns for Board consideration
- c. Reports and explains departures from budget to the board
- d. Reviews the annual operating budget draft prepared by the management company and makes appropriate recommendation for Board consideration
- e. Reviews budgets of special projects as directed by the board

#### **2. RESERVES**

- a. Reviews, consults, and advises the Board on components of the Reserve Study and long term capital spending plan
- b. Reviews the monthly reserves statement prepared by the management company
- c. Identifies any issues or concerns for Board consideration
- d. Reports and explains departures from reserves to the Board

#### **3. INVESTMENT**

The Finance Committee reviews and makes recommendations related to association investment policies for replacement reserves and operating reserves.

#### **4. AUDIT**

- a. Recommends an annual audit of financial operations and reports results of the audit to the Board.

# **Nepenthe Finance Committee Standards and Practices**

# Nepenthe Finance Committee Standards and Practices

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# Nepenthe Finance Committee Standards and Practices

## Purpose

The purpose of this document is to set minimum requirements, standards and practices for the Nepenthe Finance Committee. It will also help ensure continuity of operations through turnover.

## Part One: Structure and Requirements of Nepenthe Committees

### A. Committee Chairperson

Committee chairpersons are responsible for:

1. Ensuring that committee members receive the documents and training necessary to successfully carry out their respective responsibilities.
2. Preparing their committee for successful meetings and for orderly conduct of the meetings.
3. Obtaining from the board and management information and materials required for the performance of committee duties.
4. Communicating with the board through board liaisons and by speaking at board meetings.
5. Seeing that minutes and requests for board action are submitted on time and in the formats requested by the board.
6. Providing management with their contact information for monthly publication in the newsletter.
7. Answering homeowner questions, timely and accurately.

### B. Secretary and Minutes

1. Each committee secretary will be appointed by the chairperson or elected by the committee. The chairperson may serve as the secretary.
2. Minutes of each committee meeting will be recorded and kept on file in the office where they will be accessible to homeowners upon request.
3. Meeting minutes will be submitted within one week in the following standard format approved by the board:
  - a. The date, time and location of the meeting.
  - b. The names of present and absent committee members.
  - c. The names of others attending the meeting (for follow-up, if necessary).
  - d. Recommended action for the board.
  - e. Information requested from the board.
  - f. Information from the committee to the board.
  - g. Such other information as the committee may deem necessary to record.
  - h. The date, time and place of the next meeting.
4. The committee secretary or the committee chairperson will sign minutes. The signature will appear over the typed or printed name of the signer.

# Nepenthe Finance Committee Standards and Practices

5. Minutes will be submitted in a digital format.

## C. Application

1. Once per year, usually in the April newsletter, the board notifies all residents of the opportunity to apply or re-apply for committee membership. The requisite application form may also be included with the ballot mailed to homeowners for board elections.
2. A Committee Application Form must be submitted by each person, each year, who wishes to join or remain on a committee. This applies to sitting committee members including chairpersons who wish to be reappointed. The deadline for submitting applications is May 1 of every year.
3. Copies of all submitted applications will be shared with the appropriate chairpersons as soon as they are received in the office.
4. Residents interested in serving on a committee are encouraged to attend at least one meeting of the committee before submitting an application.

## D. Appointment

1. All committee appointments require an affirmative vote by a majority of the board, meeting in public session and duly recorded in the minutes. Committee appointments may be included on the consent calendar.
2. Following the board elections and no later than 15 days after the Annual Homeowners Meeting, the Board will appoint all Finance Committee members and name the chairperson(s). It will also name a director as board liaison.
3. The board may appoint a new member to a committee at any time during the year upon receiving a committee application and after conferring with the committee chairperson. The new member's term will expire at the same time as all other members' terms.

## E. Terms

Committee members serve one-year terms, commencing within 15 days of the Annual Homeowners Meeting and ending at the next year's Annual Homeowners Meeting.

## F. Attendance Requirements

Any committee member who misses two meetings consecutively or four meetings cumulatively during the term of appointment may forfeit membership on the committee. Chairpersons will notify the board in writing when a committee member has forfeited membership.

## G. Minority Reports

Any committee member who disagrees with a committee position may attach a written minority report to the committee minutes so long as the attachment is shared with all members of the committee.

# Nepenthe Finance Committee Standards and Practices

## H. Discipline and Removal

1. Committee members serve at the board's pleasure and may be removed by the board at any time for any reason.
2. The board is not required to explain the appointment or removal of any committee member, including chairpersons.
3. Removal requires an affirmative vote by at least a majority of the board, meeting in either closed or open session, and recorded in the minutes.
4. If the chairperson or a majority of the committee want the board to remove or discipline a committee member, the matter will be taken up first with the committee's board liaison and, if necessary, with the board.

## I. Communication with Homeowners

1. Any written committee communication with individual homeowners will be consistent with the governing documents and with board policy, and will be copied to the board liaison, who may at his or her discretion share the communication with the board.
2. Mass communication to homeowners must be approved in advance by the board liaison who will see that copies are delivered in advance to the other board members.
3. The chairperson will see that copies of all written communication are kept on file in the office.

## J. Committee Meeting Logistics

1. The committee shall meet at least once per quarter for review and discussion of assigned tasks.
2. Each committee will set the date and time of its own meetings, giving consideration to the convenience of committee members, of homeowners having business with the committee, and of the board liaison.
3. Except in emergencies, notice of any committee meeting will be posted at least 96 hours in advance of the meeting. The meeting date, time, place and agenda will be included in the notice.
4. If an emergency requires a committee to meet with less than 96-hours' notice, the notice will be posted immediately and the chairperson will notify the board liaison.
5. Visitors attending committee meetings, even if only to observe, will be acknowledged by the chairperson as a matter of courtesy.
6. Every committee will schedule a homeowner comment period at the outset of every meeting.
7. The manager and staff usually do not have time to attend committee meetings. The board president, acting on behalf of the board, must approve in advance any request that they attend a committee meeting. The president's response to any such request will be communicated immediately to all Board members.

# Nepenthe Finance Committee Standards and Practices

## K. Relations with the Board

1. The board will provide clear direction to all committees and will respond promptly to the committees' recommendations and requests for information or guidance.
2. Liaisons and other board members attending committee meetings will not interfere with committee deliberations and will speak only if recognized by the chairperson.

## L. Board Liaisons

1. The board will name one of its members to serve as liaison to each committee.
2. Liaisons help committees understand the board's policies and decisions and help the board understand the committees' needs, concerns and recommendations.
3. Board liaisons are expected to attend committee meetings but are not required to. If a board liaison is unable to attend a committee meeting, the committee chairperson will inform the liaison of what transpired immediately following the meeting.
4. Liaisons will not interfere with committee deliberations and will speak only if recognized by the chairperson. Liaisons may not vote on any matter considered by committees.
5. At the outset of each committee meeting, the board liaison will briefly update the committee on recent board activity.
6. The board liaison will be included in all communications between the chairperson and the committee.

## M. Request for Board Action

1. When requesting board action, a committee will note it in the minutes and is urged to submit it as a separate proposal for inclusion in the board packet. The proposal should consist of seven parts in the following order:
  - a. The name of the committee.
  - b. The date the committee approved the request, as recorded in the minutes.
  - c. A concise statement of the problem being addressed.
  - d. A suggested motion or resolution.
  - e. Additional information, if any.
  - f. Other possible solutions that were considered, if any.
  - g. Space for the manager to indicate his or her position on the proposal.
2. Committee requests for board action may be submitted at any time, but those submitted less than 10 days prior to the monthly board meeting may be held over until the following month.
3. To facilitate dissemination and archiving, all proposals will be submitted electronically.
4. The board is not obligated to place any action request on the meeting agenda. However, if a request is placed on the agenda it will appear first as a New Business item, i.e., for discussion only. The board may then decide to (a) set the proposal as an Unfinished Business item for a later meeting, (b) return it to the committee for revision and re-submittal, (c) refer it to the manager or to another committee for review and

# Nepenthe Finance Committee Standards and Practices

comment, or (d) pursue the matter no further. In any case, the committee will be notified of the board's decision within a reasonable period of time.

## **N. Disagreement with the Board**

When a committee disagrees with board policies or decisions, it will notify the board in writing, either in committee reports or in a separate communication. But the committee will not interfere with implementation of board policies and directives.

### **Part Two: Standards and Practices for the Nepenthe Finance Committee**

## **O. Role of the Finance Committee**

The Finance Committee assists and advises the Board of Directors in their financial decision-making duties by:

1. Recommending and monitoring financial policies and goals that support the mission, values, and strategic goals of the Nepenthe Association.
2. Reviewing the budget, reserve study and other financial reports and statements and presenting recommendations to the board for fiscal revisions.
3. Recommending corrective actions to ensure that the association remains in compliance with current law and monitoring management and association compliance with bookkeeping procedures.
4. Recommending investments and monitoring the financial health of all investments against the association's goals and annual budget objectives.
5. Reviewing vendors' contracts, invoices, and work orders to ensure that Nepenthe receives contracted services that are completed in a contractually compliant and timely manner and at a fair and reasonable cost.

## **P. Limits on Powers**

1. Only the board is authorized to elect or appoint co-chairpersons of committees. The committee may elect, or a committee chairperson may appoint, a vice-chairperson.
2. The Finance Committee is appointed solely to advise the board and to assist it in the performance of its duties. Committees have no authority over managers, homeowners, vendors, other persons or other entities.
3. All members of the Finance Committee will abide by the governing documents and will follow board policy.

## **Q. Qualifications**

1. The board appoints Finance Committee members. General appointment criteria includes, but is not limited to, willingness to serve, availability to serve, ability to get along with others, fairness, firmness and ability to function within a team.
2. Individuals with specific experience in the following fields may be given preference for appointment to the Committee:
  - a. Finance

## Nepenthe Finance Committee Standards and Practices

- b. Budgets
  - c. Accounting and/or financial report analysis
  - d. Investments
  - e. Writing and editing
3. Committee members occupy a position of public trust and as such are expected to maintain the same qualities of behavior as board members: honesty, civility, discipline, frugality, foresight and decisiveness.
  4. Committee members shall be Nepenthe homeowners that are in good standing with the association, meaning they are current in the payment of assessments and/or fines and are in compliance with the rules of the association. If disputed payments, fines or non-compliance are being appealed to the board, the member may continue serving on the committee until the board renders a decision. If such cases are in litigation, arbitration or mediation, the board will be the sole judge as to whether the member may continue serving on the committee.
  5. Each member of the committee must be unencumbered by any conflict of interest and also attest that they have never been convicted and, to the best of their knowledge, are not presently under investigation for any felony.
  6. Committee members are expected to familiarize themselves with the following documents as they pertain to the committee's rights and responsibilities: The CC&Rs, the Bylaws, Finance Committee Standards and Practices, the Investment Policy Statement (IPS) and the Master Calendar. Copies of these documents are on file in the office and will be provided to any committee member upon request.
  7. Committee members are expected to familiarize themselves with the association's investment goals and how these goals support the association's mission.

### R. Size of Finance Committee

The board will determine the size of the committee after conferring with the chairperson. A minimum of three (3) members is recommended to maintain a functioning committee with a simple majority constituting a quorum to do business.

### S. Finance Committee Meeting Topics and Tasks

Many committee topics and tasks are driven by the board calendar. Board members and residents may attend any Finance Committee meeting without explaining or being asked to explain the reason for their attendance. Advance notice of attendance is not required but is advised as a matter of courtesy.

#### 1. Monthly

- a. Introduction of any homeowners and public comment period. Each speaker will be given three to five minutes to speak.
- b. Update by the Board Liaison.
- c. Review, revise and approve the minutes from the prior meeting.
- d. Review the board calendar to ensure that the committee has addressed all relevant topics for the month.
- e. Review the monthly financial report as prepared by management.

## Nepenthe Finance Committee Standards and Practices

- f. Review the performance of investment funds and investment managers in accordance with the Investment Policy Statement (IPS).
- g. Recommend adjustments or correct defects under the portfolio in a uniform and nondiscriminatory manner.
- h. Review all fees incurred by or on behalf of the portfolio for reasonableness.
- i. Discuss topics for the newsletter and determine if an article would be beneficial to the community.

### 2. Annual Finance Committee Calendar

Annual tasks are driven by the requirements of the governing documents and the investments. Finance-related tasks are included on the board calendar to ensure required deadlines are not missed.

#### a. January

- i. Manager presents the preliminary year-end report. The CPA will submit the final report to the board in March.
- ii. Management presents the books for the previous fiscal year to the CPA for review or audit, as determined by the board.

#### b. February

- i. Finance Committee reviews the success of the investment manager(s) and/or investment funds for the Portfolio and recommends retaining or replacing the investment manager(s).
- ii. The insurance agent files a risk management survey. The Finance Committee should be made aware if there are additional risks identified that will significantly raise the insurance rate.

#### c. March

- i. Manager mails out hearing notices to delinquent homeowners.
- ii. Board president signs tax returns; manager mails them.
- iii. CPA submits review or audit of the annual books and tax returns. Copies are shared with board members and the Finance Committee.

#### d. April

- i. Manager mails a notice to all committee members that they must apply for reappointment. If they do not apply, they will not be reappointed. In committee meetings, chairpersons remind their members of this requirement.

#### e. May

- i. Deadline for committee applications.
- ii. Chairpersons and liaisons.
- iii. Manager notifies committee applicants of their appointments.

#### f. June

- i. Finance Committee reviews the backgrounds of committee members to ensure no conflicts of interest exist.
- ii. Finance Committee works with management to review vendors' contracts, invoices, and work orders to ensure that the association received contracted services that were completed in a contractually compliant and timely manner

## Nepenthe Finance Committee Standards and Practices

- and at a fair and reasonable cost.
- iii. Insurance Committee meets to review liability policies (expiring October 1) and discuss any changes in coverage or premiums. The Finance Committee should be made aware if premiums will rise significantly.
- g. July
  - i. Manager gives mid-year financial report, stating whether the association is likely to meet its financial goals for the year.
  - ii. Manager recommends and the board determines whether to put out to bid any vendor contracts for the following fiscal year.
  - iii. If the board decided to put any vendor contracts out for bid, the manager prepares and mails RFPs to qualified vendors.
  - iv. Board begins negotiations on management contract. Contract negotiations will be finalized during September.
- h. August
  - i. Manager provides all necessary data to the Reserve consultant for updating the Reserve Study.
  - ii. The Reserve consultant, the Board, Management and the Finance Committee work together to determine the amount of contributions necessary for adequate portfolio growth and how possible annual assessment increases will impact the monthly assessment rate.
  - iii. The Reserve consultant attends the board meeting, explains the updated Reserve Study and answers questions.
  - iv. Insurance Committee meets to review the flood policy (expiring December 14) and discuss any changes in coverage or premiums. The Finance Committee should be made aware if premiums will rise significantly.
  - v. The Board awards vendor contracts for the following fiscal year.
- i. September
  - i. Manager proposes the budget for the following fiscal year and provides a copy to the Finance Committee.
  - ii. Finance Committee presents findings of the committee to be considered for possible budget revisions.
  - iii. Treasurer, Finance Committee and Manager recommend whether to audit or review the books for the current fiscal year.
  - iv. Board approves management contract (executive session).
  - v. Board approves insurance policy renewals (except for flood).
  - vi. Board approves updated Reserve Study.
  - vii. Manager asks the board and committees for suggestions to improve the Master Calendar.
  - viii. Board asks manager, committees and homeowners to suggest goals for the coming year.
- j. October
  - i. Finance Committee reviews, revises and/or adopts an Investment Policy Statement.
  - ii. Board adopts a budget for the following fiscal year.

## **Nepenthe Finance Committee Standards and Practices**

- iii. Board decides whether to audit or review the books for the current fiscal year.
- iv. Insurance Committee or insurance agent report on flood insurance premiums renewing December 14<sup>th</sup>.
- k. November
  - i. Board sets goals for the following year.
  - ii. Board acts on flood insurance policies renewing December 14.
- l. December
  - i. Manager presents next year's Master Calendar to the board for review and comment.
  - ii. Management contract expires unless renewed by mutual agreement.
  - iii. Fiscal year ends December 31.

### **T. Relations with Management**

If management is requested to attend a committee meeting to answer questions, the committee shall provide the list of questions prior to the meeting so that ample research time is allowed for response. Also, from time to time members of the committee might need the assistance of office staff. Any requests for assistance from office staff will first be discussed in committee or, if urgent, with the Finance Committee chairperson.

## **GROUNDS COMMITTEE**

### **PURPOSE OF THE COMMITTEE:**

This committee is responsible to monitor and oversee the maintenance and appearance of the common area landscape and make recommendations for improvements when appropriate.

The goal is to develop and maintain a full and beautiful landscape, keeping in mind energy, water, and climate limitations.

### **MEMBERSHIP:**

Its membership is composed of at least 3 members and a liaison appointed from the Board of Directors.

The chair and members are appointed by the board at the annual organizational meeting of the board (held within 15 days of the annual board election).

### **KEY RESPONSIBILITY AREAS:**

1. Establish and maintain an annual landscape maintenance calendar
2. Review and monitor landscape maintenance contractor performance against contract.
3. Review the landscape maintenance specification and make recommendations for changes and adjustments on an annual basis.
4. Ensure proper maintenance of association irrigation systems.
5. Make recommendations to the board regarding planting projects and other enhancements to common areas.
6. Recommend annual budget for grounds and trees to the Finance Committee for inclusion in their recommended annual budget.
7. Must be thoroughly familiar with the Bylaws of the Resident Community, and CC&R'S as it relates to this area.

### **MEMBER QUALIFICATIONS**

Prefer owners who are knowledgeable in landscape and planting. However, other interested owners are welcome.

This committee is assisted by Nepenthe Office Staff

*This committee's purpose is to assist the board in carrying out its legal and fiduciary responsibilities. This committee does not make decisions for the board nor dictate how the board should function.*

### **INSURANCE, LEGAL AND SAFETY COMMITTEE CHARTER**

The committee's purpose is to mitigate risks of personal injury and property loss within Nepenthe Association. Members with expertise in insurance, law and public safety advise and support the Board of Directors and other committees. It acts as the Association's liaison with its insurance broker/insurer, its legal counsel, the Sacramento Police Department, the Sacramento Fire Department and other emergency officials. It coordinates writing the Association's emergency action plan. The committee adds value to membership in Nepenthe by educating homeowners and renters on the subjects of insurance, crime prevention and emergency preparedness.

Adopted 11/2015

# **Nepenthe Association** **Standards and Practices** **for Insurance**

Reasonableness and adherence to standards of practice by Nepenthe's Board of Directors is of significant importance to it and its members and periodically becomes an issue in disputes. The Board is ultimately responsible for selection of a capable property management team and a qualified insurer. These guidelines aim to assist the Board in overseeing risk management in order to minimize claims and maintain adequate insurance coverage for the protection of Nepenthe's members and its assets. In doing so, the Committee emphasizes the enclosed are guidelines and reasonable flexibility in achieving goals should be maintained. Complex as the task is, three significant risks are addressed: Nepenthe's property (common areas), Nepenthe's business liability and business crime, and Nepenthe's members' units.

In play are State statutory law, case law, and reasonableness of Board decisions and property manager actions. Legal advice should be acquired by the Board annually to review the Board's insurance decisions and ascertain compliance with California law.

## **Section 1.1. Selection of the Agent/Broker - Identification and qualifications**

- ...Must have been in the property and casualty business for not less than 5 years
- ...Must have a current and valid California Property & Casualty license.
- ...Must have a clean Department of Insurance record with no violation(s) of the Insurance Code.
- ...Must have Errors and Omissions insurance with limits of not less than \$1,000,000.
- ...Must furnish a Certificate of Insurance.
- ...Must have a local office (as defined by the Board).
- ...Must annually issue evidence of insurance and insurance disclosure to Nepenthe members as required by Insurance Code §1365 no later than January 31<sup>st</sup>.
- ...Must agree to appear before the Nepenthe Homeowners Association membership at least once a year to review and explain Nepenthe's insurance coverage and to recommend coverage that members should consider when purchasing their personal insurance,
- ...Must agree to complete a Risk Management Inspection and present a report to the Board of Directors, Insurance Committee and Nepenthe's Property Manager no later than the third Wednesday of February.
- ...Must agree to appear before the Nepenthe Board at its regularly scheduled meeting in February to discuss agent/broker's Risk Management Report.

## **Section 1.2. Requests for Proposals (RFP) from industry insurers**

Annually by June 1<sup>st</sup>, the Insurance, Legal and Risk Management Committee will develop and submit to the Board specifications for proposals based on five years history of claims, industry standards, trends, and replacement cost/value – Marshall/Swift, Residential Cost Handbook. Annually at its June regular meeting the Board should approve the RFP specifications for transmittal to qualified brokers with a deadline of August 15<sup>th</sup> for replies to Nepenthe Association.

### **Section 1.2.1. Coverage**

The Board, Manager and Committee should ascertain that no gaps in coverage will exist for insurance in any replies to Requests for Proposals at its August regular meeting, including, but not limited to:

- Unit members' coverage – Walls in (HO6) and Bare walls or outside the interior walls
- Nepenthe common area coverage of buildings and structures, fixtures, completed additions, outdoor furniture, appliances,
- Business Liability and Crime / Fidelity Coverage
- Director and Liability Insurance with limits required by law
- Auto Insurance
- Deductible levels for each type of coverage
- Workers Compensation
- Flood Insurance

### **Section 1.2.2. Decisions to Contract for Insurance**

No later than September 1<sup>st</sup> the Board should select its insurer(s) and transmits its decision to the successful bidder(s).

### **Section 2.1. Nepenthe Facility Inspections and Communications**

a. Agent /Broker inspections – As stated above in Sec. 1.1, the agent/broker will conduct an annual Risk Management Inspection of the property. Nepenthe's Property Manager shall take prompt steps to remedy any deficiencies found in the inspection.

b. Agent/Broker Communications – No less than twice annually, the Agent/Broker shall conduct two meetings open to membership to explain Nepenthe insurance coverage and homeowner/member responsibilities. The Property Manager shall provide notice of such meetings to members in the Newsletter and by email so far as practical.

c. Property Manager Inspections - Monthly with an immediate report to the Board and Insurance, Legal and Risk Management Committee identifying any potential risk factors reasonably observable. Property Manager will develop a Facility & Operating Equipment Inspection Form to be completed in June, July, August & September and bi-monthly thereafter.

**Section 3.1. Claim Response and Handling**

- a. Bodily Injury - Nepenthe's Property Manager will report any bodily injury, property or casualty damage claims to the Agent/Broker, Board's president and Insurance Committee within 24 business hours.
- b. Property Damage - Where claim(s) appear to be below the deductible, the Board's president and Property Manger should handle claims internally. The Committee should be consulted to determine whether claim(s) should be reported to the Agent/Broker.
- c. Where it is clear that the property damage will exceed the deductible or where bodily injury is claimed, claims shall be reported to the Insurer, the Board and the Insurance Committee within 24 business hours.

**Section 4.1. Insurance Requirements of California law.** [Civil Code §§1365.7, 1365(f)(1-4), 1365.9] – Consult legal counsel annually to verify coverage meets the requirements of California law.

**Section 4.2. Insurance Requirements for use of Common Area facilities by third parties and members.**

No use of common area facilities should be granted to other than member(s) or their guests as set forth in Nepenthe's Bylaws, Rules and Regulations. In renting common area facilities for special use or events, the Property Manager shall require a "One Day Event" policy with combined single limits and host liquor liability (if alcohol is served or provided) with limits of not less than \$1,000,000.00. For regularly scheduled events attended by members such as Tai Chi, Yoga, or water events, a vendor may either provide a "one Day Event" policy as specified above or a Commercial General Liability policy with limits of not less than \$1,000,000.00 naming Nepenthe Association as an additional insured.

**Section 5. Conflict of Interest Policy.**

[Corporations Code §7233] - Annual execution of Conflict Policy by all Board members, Property Manager employees and contractors engaged by the Property Manager or the Board [Exhibit "A" attached].

**Exhibit A**

**NEPENTHE HOMEOWNERS ASSOCIATION  
Conflict of Interest Policy**

It is in the best interest of Nepenthe Homeowners Association (“Nepenthe”) to have its Directors, Officers, and Management Company be aware of and properly address all possible conflicts of interest. This Conflict of Interest Policy (“Policy”) is designed to help Board members, officers, committee members, volunteers and management company employees who have regulatory duties or are in a position to make decisions affecting Nepenthe to identify situations that present possible conflicts of interest and to provide Nepenthe with a procedure whereby such potential conflicts may be reviewed by the Board or an independent third person(s) when necessary. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations. Nothing contained in this policy shall prevent Nepenthe from contracting with or engaging the services of a person or entity with a conflict of interest so long as full disclosure of such conflict is obtained prior to such contract or service.

1. Definitions.

- a. A "Conflict of Interest" is any circumstance described in Section 2 of this Policy.
- b. An "Interested Person" is any person serving as an officer, member of the Board of Directors, staff or volunteer of Nepenthe, a management company engaged by Nepenthe including its officers, directors or staff, or anyone else who is in a position of control over Nepenthe who has a financial interest in a Contract or Transaction as defined in paragraph 1.e.
- c. A "Family Member" is a spouse, parent, child or spouse of a child, brother, sister, or spouse of a brother or sister, of an Interested Person.
- d. A "Material Financial Interest" is a financial interest of any kind, which, in view of all the circumstances, is substantial enough that it would, or reasonably could, affect an Interested Person's or Family Member's judgment with respect to transactions to which the entity is a party.
- e. A "Contract or Transaction" is any agreement or relationship involving the sale, purchase or provision of property, real or personal, goods, services, the providing or receipt of a loan or grant, the establishment of any other type of financial relationship, the execution of a contract, or the exercise of control over any person of any organization to or from Nepenthe. The making of a gift to Nepenthe is not a Contract or Transaction.
- f. A “Gift, Gratuity or Entertainment” from or to individuals or entities occurs when the person receiving or providing the gift/gratuity or entertainment/favor

does so under circumstances where it might be inferred that such action was intended to influence or possibly would influence the Interested Person in the performance of his or her duties. This does not preclude the acceptance of items of nominal or insignificant value or entertainment of nominal or insignificant value which are not related to any particular transaction or activity of Nepenthe.

g. "Other Situations." Any situation that may create the appearance of a conflict, or present a duality of interests in connection with an Interested Person who has influence over the activities or finances of Nepenthe. All such circumstances should be disclosed to the Board and management's staff, as appropriate, and a decision made as to what course of action the organization or individuals should take so that the best interests of Nepenthe are not compromised by the personal interests of an Interested Person.

2. An Interested Person has or may have a Conflict of Interest if:

a. a Director, Officer, staff member, employee or volunteer representing Nepenthe or any management company engaged by Nepenthe including a board member, partner, or person with a financial interest (or family member of any of the foregoing) is a party to a contract, or involved in negotiating a contract or any transaction with Nepenthe for the purchase or sale of property, real or personal, goods, services or improvements to Nepenthe property.

b. a Director, Officer, staff member, employee or volunteer, (or a family member of any of the foregoing) or any management company including a board member, partner, or person with a financial interest (or family member of any of the foregoing) engaged by Nepenthe has a financial interest in a transaction between Nepenthe and an entity in which the director, officer, staff or volunteer, or a family member of the foregoing, is a director, officer, agent, partner, associate, employee, trustee, personal representative, receiver, guardian, custodian, shareholder, or other legal representative.

c. a Director, Officer, staff member, employee or volunteer, (or a family member of the foregoing) is engaged in some capacity or has a material financial interest in a business or enterprise that competes with Nepenthe.

3. Procedures for Disclosure of Conflicts or Potential Conflicts.

a. Prior to Board or Committee action on a Contract or Transaction involving a Conflict of Interest, an Interested Person having a Conflict of Interest and who is in attendance at the meeting shall disclose all facts material to the Conflict of Interest. Such disclosure shall be reflected in the minutes of the meeting. If Board members are aware that an Interested Person has a conflict of interest, relevant facts should be disclosed by the Board member or by the Interested Person him/herself either in writing or orally before the Board for purposes of disclosure.

b. A Director or committee member who plans not to attend a meeting at which he or she has reason to believe that the Board or committee will act on a matter in which the person has a Conflict of Interest shall disclose in writing to the

- President and Board members prior to the meeting all facts material to the Conflict of Interest. The President shall report the disclosure at the meeting and the disclosure shall be reflected in the minutes of the meeting.
- c. An Interested Person who has a Conflict of Interest shall not participate in or be permitted to hear the Board's or committee's discussion of the matter except to disclose material facts and to respond to questions. Such person shall not attempt to exert his or her personal influence with respect to the matter, either at or outside the meeting.
  - d. An Interested Person who has a Conflict of Interest with respect to a Contract or Transaction that will be voted on at a meeting shall not be counted in determining the presence of a quorum for purposes of the vote.
  - e. No Interested Person having a Conflict of Interest may vote on the Contract or Transaction and shall not be present in the meeting room when the vote is taken, unless the vote is by secret ballot. Such person's ineligibility to vote shall be reflected in the minutes of the meeting.
  - f. Interested Persons who are not members of the Board of Directors of Nepenthe or who have a Conflict of Interest with respect to a Contract or Transaction that is not the subject of Board or committee action, shall disclose to President or the President's designee any Conflict of Interest that such Interested Person has with respect to a Contract or Transaction. Such disclosure shall be made orally and followed in writing as soon as the Conflict of Interest is known to the Interested Person. The Interested Person shall refrain from any action that may affect Nepenthe's participation in such Contract or Transaction.
  - g. In the event it is not entirely clear that a Conflict of Interest exists, any individual with a potential Conflict of Interest shall disclose the circumstances to the President or his/her designee, who shall determine whether full board discussion is warranted or whether there exists a Conflict of Interest that is subject to this policy.
4. Confidentiality. Each director, officer, employee, volunteer and management company staff member and employee shall exercise care not to disclose confidential information acquired in connection with disclosures of Conflicts of Interest or potential conflicts, which might be adverse to the interests of Nepenthe. Furthermore, directors, officers, employees, volunteers and the management company shall not disclose or use any information relating to the business of Nepenthe to the detriment of Nepenthe or for their personal profit or advantage or the personal profit or advantage of their Family Member(s).
  5. Administration of Policy. Each Board member, staff, volunteer, and employees of the management company shall be provided with and asked to review a copy of this Policy and to acknowledge in writing that he or she has done so. .

- a. Annually each director, officer, employee, volunteer and employees of the management company shall complete a disclosure form identifying any relationships, positions or circumstances in which he or she is involved that he or she believes could contribute to a Conflict of Interest.
  - b. This policy shall be reviewed annually by the Board of Directors. Any changes to the policy shall be communicated to all staff and volunteers and the management company.
  - c. A copy of such written acknowledgment shall be maintained in the Nepenthe offices and delivered electronically to the President
6. Acknowledgement of Conflict of Interest Policy. The undersigned hereby acknowledges that he or she has read the Nepenthe Conflict of Interest Policy, has had an opportunity to ask any questions that he or she may have about the policy, and understands and agrees to comply with the policy.

Signature:

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Date: \_\_\_\_\_

Print

name:

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Position:

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## **OUTREACH COMMITTEE**

### **PURPOSE OF THE COMMITTEE**

The purpose of this Committee is:

1. To reach as many homeowners as possible with information about Nepenthe and how it works,
2. to encourage homeowners to join committees and become experienced in Nepenthe affairs so that Nepenthe develops a pool of willing people to staff committees and the Board,

Under the direction of the Board, The outreach Committee assists the board by having 3 or 4 forums a year to discuss items of importance to the community.

### **MEMBERSHIP**

Membership is composed of at least 3 members, one of whom is a board member.  
The Board of Directors appoints the Chairperson of the committee and committee members.

### **KEY RESPONSIBILITY AREAS**

See Purpose of the Committee

### **MEMBER QUALIFICATIONS**

Prefer owners who know many of Nepenthe's owners; however, other interested owners are welcome.

This committee is assisted by Nepenthe Office Staff.

*This committee does not make decisions for the board nor dictate how the board should function.*

## **ELECTION COMMITTEE**

### **PURPOSE OF THE COMMITTEE:**

This committee is responsible for coordinating the election process for the annual board member election.

### **MEMBERSHIP:**

Its membership is composed of member 3 members, none of whom may be a board member.

This committee should not include members of the Nominating committee to avoid any perception of a conflict of interest.

The Board of Directors must appoint the Election Committee by February 1 of any year to allow adequate time to prepare the process.

### **KEY RESPONSIBILITY AREAS:**

1. Assist with notice, ballot, proxy forms
2. Determine number of memberships outstanding, voting power, quorum,
3. Procedure for ballots and proxies
4. Opening ballot box and counting
5. Must be thoroughly familiar with the Bylaws of the Resident Community, and CC&R'S as it relates to this area.

### **MEMBER QUALIFICATIONS**

No specific qualifications are needed. It is helpful to be able to read and follow details required by the election process and California laws.

This committee is assisted by Nepenthe Office Staff

*This committee's purpose is to assist the board in carrying out its legal and fiduciary responsibilities. This committee does not make decisions for the board nor dictate how the board should function.*

## **NOMINATING COMMITTEE**

### **PURPOSE OF THE COMMITTEE:**

This committee is responsible for recruiting members to be elected to the Board of Directors. The Nominating Development Committee prepares the slate of new Board members for the annual election.

Responsibilities are delineated in the Bylaws, Section 7.04.

### **MEMBERSHIP:**

Its membership is composed of at least 3 members, one of whom is a board member.

The Board of Directors appoints the Chairperson of the committee and committee members by December 31 of each year. Members serve until the election is concluded and the duly elected board members have been seated.

### **KEY RESPONSIBILITY AREAS:**

1. Coordinate recruitment of new Board members for nomination.
2. Interview prospective resident volunteers. Prepare a slate of candidates for the Board and referrals to committees.
3. Prepares a written report to the Board for the special Nominating Meeting, at least 60 days before the election date.
4. Must be thoroughly familiar with the Bylaws of the Resident Community, and CC&R'S as it relates to this area.

### **MEMBER QUALIFICATIONS**

Prefer owners who know many of Nepenthe's owners. However, other interested owners are welcome.

This committee is assisted by Nepenthe Office Staff.

*This committee's purpose is to assist the board in carrying out its legal and fiduciary responsibilities. This committee does not make decisions for the board nor dictate how the board should function.*



# NEPENTHE ASSOCIATION

**Board Meeting Date:** February 1, 2017

**Issued by:** Betsi Ledesma, General Manager

**Subject:** Requirement for attendant after business hours for Clubhouse Rental Agreement

**Background:**

Currently, to rent the Clubhouse, owners and tenants of owners must agree to pay for the presence of an attendant for every hour that their event falls outside of business hours. The current rental rate is \$40 per hour. The additional cost for the attendant is \$20 per hour, making the total rental rate after the office closes \$60 per hour. On the weekends, the office is only open for four hours each day, so most Clubhouse renters are paying the \$60 per hour.

The attendant service is provided sometimes by our part-time administrative assistant, but when the assistant is unavailable, our security company provides an officer. There are no duties for the attendant other than to be onsite to safeguard the association’s interest. Given that the Clubhouse renter is a member or the tenant of a member, it would seem apparent that the association’s interest is also the Clubhouse renter’s interest.

This practice of requiring an attendant is not industry standard. Management has researched the facility rental policies for a number of local community associations, fraternal organizations and public venues and has found that the requirement for an onsite attendant is very rare and is usually only required for large groups. Our Clubhouse capacity is 108 people.

A summary is as follows:

Venue	Private or Public	Attendant?
Westlake Master Association, Sacramento	Private HOA	No
Stonelake Club, Elk Grove	Private HOA	No
Heritage Park Owners Association, Sacramento	Private HOA	No
Sacramento Horsemen’s Association, Sacramento	Public	No
Sacramento Public Library Community Rooms	Public	No
University Union, Sac State	College affiliates only	unclear

**Financial Impact:** This requirement is a pass-through expense, but it is becoming more difficult to find an affordable attendant. Lyons Security has been quite accommodating at \$20, but the previous contract patrol service required a four-hour minimum at \$25 per hour. Another staffing resource available to us is our contract janitorial service, but they cannot offer an attendant at less than \$40 per hour. When Lyons can no longer accommodate the \$20 per hour, the increased cost will be passed through the homeowner or the homeowner’s tenant.



# NEPENTHE ASSOCIATION

## **Proposed Resolution:**

Whereas the current Clubhouse Rental Agreement requires the renter to pay an additional \$20 per hour after business hours for the presence of an attendant;

Whereas the requirement for private rental of the Clubhouse is residency in the development;

Whereas the renter already provides a \$100 cleaning deposit to the association to be utilized in the event that the Clubhouse is not returned to an acceptable state of cleanliness;

Whereas the Board has the ability to assess fines against the renter for damages beyond the scope of the cleaning deposit, if necessary;

Whereas Management has researched the subject and found that such a requirement is not industry standard for rental halls, especially private rental halls;

Whereas the Nepenthe Board of Directors is granted authority under the Third Amended and Restricted CC&Rs, Article VI, Section 6.6(a)(ii)(H) to manage and administer the Common Area; therefore, be it hereby

**Resolved** that the Board of Directors ends the requirement for an attendant for private Clubhouse rentals after business hours.