

NEPENTHE ASSOCIATION

BOARD OF DIRECTORS MEETING

March 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	Position	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 March 1, 2017 in order to consider matters relating to the formation of contracts, personnel matters and member discipline.
- b. **Board Announcements**
 - i. 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.
 - ii. Homeowner educational forum will be held March 4th- Living in Nepenthe- What You Need to Know
 - iii. Parking Town Hall will be held March 11th.

III. COMMITTEE REPORTS

- a. **Ad Hoc Committee on University Ave. Lots**
- b. **Architectural Review Committee Pages 9-10**

- c. Finance Committee
- d. Grounds Committee Pages 11-12
- e. Insurance, Legal and Safety Committee..... Pages 13-15
- f. Nominating CommitteePage 16
- g. Outreach Committee

IV. MANAGEMENT REPORTS

- a. Operations Report..... Pages 17-19
- b. Master Calendar ReportPage 20

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 E as presented.

Begin Consent Calendar

- a. **Approval of Minutes February 1, 2017 Open Session..... Pages 21-28**
 Proposed Resolution: The Open Session minutes dated December 7, 2016 are approved as presented.
- b. **Financial Statement: January 2017Separate Package**
 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 Special Committee on Lighting**

These homeowners have applied to serve on this committee and have also agreed to abide by the Nepenthe Conflict of Interest Policy. They have all received their Scope of Work as agreed upon at the February 1, 2017 open session of the Board of Directors. Proposed Resolution: The Board hereby appoints Cheryll Cochrane, Bill Olmsted, Joel Weeden and Renee Mendez as Chair as members in good standing to the Special Committee on Lighting.

d. Appoint Committee Member

Homeowner Charles Schaffer has submitted his application to serve on the Outreach Committee. He has also agreed to abide by the Nepenthe Conflict of Interest Policy. Proposed Resolution: The Board hereby appoints Charles Schaffer, a member in good standing to the Insurance, Legal and Safety Committee.

e. Lien ResolutionPage 29

Per the enclosed Resolution dated February 15, 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
1963-01	\$923.00
1959-02	\$1,061.00

f. Architectural Applications Pages 30-32

The Architectural Review Committee met on February 11, 2017 to review the enclosed applications.

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

<i>Address</i>	<i>Application for</i>	<i>Recommendation</i>
1395 Commons Dr.	Window Replacements	Approval
1390 Commons Dr.	Trellis/Patio cover	Approval
2236 Swarthmore Dr.	HVAC System	Emergency Approval

<i>End Consent Calendar</i>

VIII. UNFINISHED BUSINESS

a. Amend Resolution allowing Homeowners to move fences between 1575, 1581 and 1587 University Avenue

The original resolution was approved at the last open session on February 1, 2017. This proposed change adds a sentence delineating the benefit to the association and is shown in italics and underlined only to highlight its position within the whole for the purposes of Board review.

Action required: Board Resolution

Proposed resolution: That the below resolution be amended as shown.

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 association finds that the fences in the current positions create an attractive nuisance and have been known to shelter a vagrant in the past;

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.

b. Committee Charters Pages 33-48

Action Item. In accordance with their adopted 2017 goals, the Directors have met with the committees and prepared revisions to the charters for the following committees. Architectural Review, Finance and Grounds Committee Charter revisions will be considered at the April 5 Open Session. The Standards and Practices for Committees is also enclosed- no need for revision to this document has been identified.

i. Insurance, Legal & Safety:

1. Charter Page 33

Proposed Resolution: The Directors hereby approve and adopt the revised Charter for the Insurance, Legal & Safety Committee.

2. Standards & Practices for Insurance.....Pages 34-40

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

ii. Outreach Committee Page 41

Proposed Resolution: The Directors hereby approve and adopt the revised Charter for the Outreach Committee.

iii. Elections Committee Page 42

Proposed Resolution: The Directors hereby approve and adopt the revised Charter for the Elections Committee.

iv. Nominating Committee Page 43

Proposed Resolution: The Directors hereby approve and adopt the revised Charter for the Nominating Committee.

v. Standards & Practices for Committees.....Pages 44-48

No change.

c. Bylaw Revisions.....**Page 49-52**

In conjunction with the changes to the committee charters, the need for some revisions to the Bylaws has been noted. There are other areas of the Bylaws that contain typographical errors. These items will be collected over the course of the next year on the open session agenda for future revision. Noted this month:

Page Number(s)	Section	Description
Page 22	Article VII, Section 7.1	Change name of Insurance, Legal & Risk Committee to Insurance, Legal & Safety. Add Outreach Committee. Add “charters and/or” in front of “Standards & Practices”
Page 22	Article VII, Section 7.2	Add at the end of paragraph 1: “The Board may change the membership of any committee between Annual Organizational Meetings.”
Page 23	Article VII, Sections 7.5-7.9	Insert new Section 7.6. Insurance, Legal and Safety Committee. It shall be the duty of the Insurance, Legal and Safety Committee to recommend to the Board policies, practices and procedures related to insurance for both the Association and its members, legal matters affecting the Association and the safety and security of the Association and its members. The Board shall endeavor to appoint as Members at least one insurance professional, at least one licensed attorney and at least one member with a law enforcement or public safety background.
Page 23	Article VII, Sections 7.5-7.9	Insert new Section 7.7. Outreach Committee. It shall be the duty of the Outreach Committee to recommend to the Board events designed to encourage residents to interact with other residents in interesting and enjoyable ways; educational forums for residents; and programs to welcome new residents. In selecting members of the Outreach Committee, the Board shall endeavor to appoint members who are skilled in putting on events, have a good knowledge of Nepenthe Association and its

		goals and can communicate with residents effectively.
Page 23	Article VII, Sections 7.5-7.9	Re-number current Sections 7.6 and 7.7 to 7.8 and 7.9 respectively.

Action Required: None at this time. As items are noted, they will be added to this table for future action.

IX. NEW BUSINESS

a. Parking Policy Update..... Pages 53-55

i. Update to Directors on results of second survey and discuss next steps towards improving the community’s parking policies:

- 1.** Review the responses received on the survey. Because the survey ends after the publication of this agenda, advance materials are not available. The results of the survey will be provided to the Board under separate cover at the March 1 meeting and displayed on the projection screen during the meeting.
- 2.** Discuss meeting with Councilmember Guerra and other City representatives regarding enforcement of parking on City streets. This meeting will address:
 - a. Inconsistent verbiage on J-Permit signage
 - b. 72-hour street parking limit
 - c. Red curbs adjacent to corners
 - d. Parking of non-registered vehicles on City streets
 - e. Fire lane enforcement

Action required: Board discussion and possible resolution

Proposed resolution: The Board directs management to arrange meeting for Directors Huffman and Haradon with Councilmember Guerra and other pertinent City representatives.

- 3.** Consider whether to draft a CC&R amendment or a new set of parking rules. A Board Agenda Report has been prepared by General Manager Bettsi Ledesma and is enclosed in the packet.

Action required: Board discussion and possible resolution

Proposed resolution: See Board Agenda Report

b. Proposals for Tree Work Pages 56-71

Arborist Paul Dubois of The Grove Total Tree Care walked the property on January 31, 2017 accompanied by Grounds Committee member Elsa Morrison, Grounds Chair Pam Livingston, Board Liaison Linda Cook and General Manager Bettsi Ledesma. The purpose of the walk was to inspect trees identified by residents, Grounds Committee members and management as potentially failing and/or hazardous and to complete an overview inspection of the trees in Zone 5. His report was provided to the Grounds Committee who reviewed it at their February 9, 2017 meeting and asked Mr. Dubois to prepare the enclosed proposals for Board action.

The specific work identified is as follows:

Species	Location	Qty	Service Description	Price
Dogwood	#489 Next to 2268 Swarthmore	1	Corrective Pruning to establish structure	\$75.00
Cedar	#1968 Next to 1005 Vanderbilt	1	Pruning for crown reduction on co-dominant trunks and weight reduction of heavy portions of	\$1,800.00
Redwood	#1490 1071 Vanderbilt	1	Tree Removal – leaving stump 2-3” above grade	\$1,800.00
Birch	# 1496 Next to 1215 Vanderbilt	1	Tree Removal – leaving stump 2-3” above grade	\$450.00
Ash	#1936 next to 210 Elmhurst	1	Pruning for weight reduction	\$960.00
Maple	#1942 next to 210 Elmhurst	1	Pruning to reduce co-dominant stems to promote structure	\$680.00
Redwood	#1456 next to Elmhurst Pool Area	1	Deep Root Watering Treatments including grove of 10 trees along pool area - 3 applications June/ July/August @\$390 EA	\$1,170.00
Mayen	#1449/# 1439 210/217 Elmhurst	2	Pruning to clean out deadwood	\$430.00
Pine	#1823 next to 400 Elmhurst	1	Pruning for weight reduction	\$1,280.00
Tulip Tree	1581 University	1	Pruning for weight reduction	\$2,325.00
CONTRACT PRICE				\$10,970.00

ReportPages 56-68

ProposalPages 69-71

Action Required: Board resolution

Proposed Resolution: The Board approves the removals and specific tree pruning as proposed by Grove Total Tree Care for the amount of \$10,970, payable from Reserves which has a remaining 2017 allocation for tree work of \$120,010.

X. HOMEOWNER FORUM

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

XII. ADJOURN

NEPENTHE ARCHITECTURAL COMMITTEE MINUTES

Saturday, February 11, 2017 at 9:30 am in Clubhouse

Members present: Jenny Smith, chair; Cheryll Cochrane, Alan Watters, Diane Vanderpot, Bill Henle, Joel Weeden.

Members absent: Jan Summers.

Present: Joan Haradon, Board Liaison; Hallie Henle and contractor Mike Kellogg, Margaret Durkin.

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. **1390 Commons Drive** – Bill and Halle Henle – Install a trellis (or patio cover), in this 5000G model: construct a large trellis 24' long by 11'10" deep by 8' high of Douglas fir painted to match the residence. It will have three upright members sunk into 12"x12"x12" concrete footings. It will be supported on one side by a 2" x 6" ledger beam member attached with anchor bolts, to allow removal for maintenance. The contractor explained that the ledger beam will be rendered watertight through flashing and caulking. (Committee member Bill Henle abstained from voting on his own application.) **Approval Recommended.**
2. **1395 Commons Drive** – Margaret Durkin – Windows replacement in this 5500 model. Replace via retrofit installation all windows and patio doors (except the foyer window) by contractor Luxem Design & Construction using Amerimax's vinyl-framed Craftsman Portrait Series sliding windows with exterior color to be manufacturer's "Bronze," and replace the patio doors using Amerimax's vinyl-framed New Horizons Series patio doors, with exterior color to be manufacturer's "Bronze." **Approval Recommended.**

B.2.A. Homeowner Requests Already Approved:

1. 2236 Swarthmore – Martin Rogers – HVAC replacement in this 5000G model: install new Lennox split system heat pump with Lennox Air Handler CBX25 and Lennox "Heat Pump" compressor 14HPX. The existing refrigerant line set within the walls will be reused. The contractor is Sierra Pacific. Emergency **Approval Granted on January 31, 2017.**

B.3. Homeowner Requests Not Approved: none.

C. Approval of Minutes: done via email.

D. Reviewed Non-Compliance Notices from Homeowners: none.

F. Old Business:

Discussion ensued regarding the exterior lamp this committee selected last month and how its choice will be re-considered by the Ad Hoc Lighting Committee for exterior lighting for garages and walkway lamps.

Deadlines were set for the ARC's 2017 Goals.

G. New Business:

Regarding the trellis application, because of the contractor's explanation of the benefits of a fully flashed and caulked ledger beam, as opposed to Nepenthe's standard that requires a space, it was decided to add this installation as an alternative.

Joan stated she would check on the status of the Solar Panels Responsibilities document that may need adoption.

H. Next meeting. Tuesday, March 14, 2017, 5:30 pm in the Clubhouse.

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

NEPENTHE GROUNDS COMMITTEE MEETING

February 9, 2017 - 3:00 PM - Dunbarton Cabana

Minutes

Present

Pam Livingston, Committee Chair
Bettsi Ledesma, General Manager
Marty Henderson, Irrigation
George Procida, GP Landscape
Secretary – Joan Barrett
Zone 1 - Grace Long, Diana Luttrell
Zone 2 - Diana Vizzard
Zone 3 - Lyn Livingston
Zone 4 - Don Landsittel
Zone 6 - Kathy Waugh, Diana Mortimore
Zone 7 - Renee Mendez

Not Present

Linda Cook, Board Liaison
Zone 2 - Elsa Morrison
Zone 3 - Liza Tafoya
Zone 5 - Pam Sechrist

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

Irrigation Report

Marty reported that we have received the first of two checks from the City of Sacramento for irrigation rebates. Pam Livingston thanked him for the excellent work in procuring these funds. Marty said that the second half of Zone 4 was ready and the crew would be moving on to Zone 7 followed by Zone 6. He said that it is reasonable to expect that the City will be continuing the program.

George Procida, Grounds Report

George reported that the wet weather has had an impact on the schedules of the grounds crews and put them several weeks behind. He said that the work from 300 to 1000 addresses of Dunbarton has been completed, cutting ivy and installing irrigation pipe. There has been no mowing in the last few weeks due to the rain but when it stops, he anticipates a heavy emergence of weeds. Jay has been doing some selective pruning. Most of the leaves have been cleaned up but the roof cleaning has delivered another batch of leaves that will require removal. He said that Pete is working in Zones 2 and 3 and while they are weeks behind schedule, he stated that they are catching up with the addition of an extra crew to help.

The scheduled walk for Zone 5 is scheduled for tomorrow, February 10th, depending on the weather.

Bettsi Ledesma

Bettsi reported that the Grounds Crew Appreciation Lunch is on track for March 9th, the date of the next Grounds Committee meeting. Steve Huffman, the president of the Nepenthe Association is on board with the idea. The lunch will take place midday and the meeting will follow. Diana Mortimore agreed to chair the lunch and will handle all the details.

Living in Nepenthe - March 4th from 9:30 AM to Noon. Pam Livingston asked for volunteers to assist her in presenting the Grounds Committee mission and Don and Kathy agreed to be present at the Grounds Committee table.

Bettsi said that the weather had also been an issue for the roof and gutter cleaning service and that they are only half finished with the cleanup after the storms. When there is a period of drier conditions contractor, Randy Ross, will apply a mixture to inhibit the growth of destructive mosses.

In Linda Cook's absence, Bettsi noted that the Board Liaisons for each committee are responsible for reviewing the committee's charter for updated information by the April meeting to be included in the governing documents.

Renee Mendez

Renee had agreed to chair the Ad Hoc Lighting Committee. The committee will analyze the existing lighting with the input from the Zone Stewards and make proposals for improving safety and security. Pam will provide the Stewards with enlarged maps of their zone to mark the location of all the existing "lollipop lights" and locations where the Stewards think an additional light would be needed. Renee will compile the data for the Lighting committee. Kathy asked if the plan is to replace all the lighting and Bettsi answered that the results would be implemented in 2018.

Paul Dubois- Arborist Report

Paul said that he walked Zone 5 and saw good results on the newly planted trees and identified younger trees that need corrective pruning.

We discussed February 1, 2017 Nepenthe Tree Walk Report

REQUESTS FOR BOARD ACTION

Don Landsittel made a motion "The Grounds Committee recommends to the Nepenthe Board of Directors the following remedies recommended in the February 1, 2017 Nepenthe Tree Walk Report by Paul Dubois, Arborist, with The Grove Total Tree Care. Grace Long seconded the motion. The vote was unanimous

Diana Vizzard asked about the tree between 1330 and 1336 Vanderbilt and the response was that the tree is on the priority list.

Bettsi noted that Nepenthe lost 6 trees in the winter storms.

ANY OTHER INFORMATION FOR THE BOARD - None

The meeting was adjourned at 3:54PM

Next HOA Board Meeting, Wednesday, March 1st - 5:30PM at the Clubhouse

Next Grounds Committee Meeting, March 9th at the Dunbarton Cabana after the Grounds Crew Appreciation Lunch

ILS COMMITTEE MEETING

February 14, 2017

Dunbarton Cabana

MINUTES

IN ATTENDANCE:

Nancy Arndorfer, Chair
Steve Huffman, Board Liaison

Mike Cochrane
Bill Olmsted

The meeting was called to order by N. Arndorfer at 5:10 PM

There were no additions or corrections to the minutes of the previous meeting 1/10/17

New member, Mike Cochrane, Attorney, was introduced and welcomed. He is with the firm Greve, Clifford, Wengel & Paras of Sacramento and resides at 1322 Commons, phone 669-3910, which is a direct line at work as well as his cell.

Huffman and Olmsted gave a report on the Feb. 6th meeting with SMUD Lighting Specialist, Connie Samla and Sgt. Bill Wann, Sac P.D. who pledged the support of their agencies as the HOA embarks on the task of updating our lighting. The two put on seminars in the community on Crime Prevention Through Environmental Design (CPDED) much of which pertains to planning lighting using environmental design factors.

On February 13th Huffman and Olmsted met at the clubhouse along with two members of the ARC and one from Grounds for the first meeting of the new Ad Hoc Committee on lighting, which is taking the charge from the Board as one of the goals for 2017 to change and update lighting throughout our community. This group will be chaired by Renee Mendez from the Grounds Committee. There is an extensive scope of work for the committee to complete by the September Board meeting. It will be studied in three phases; exterior lighting on individual homeowner's garages; updating the community street and alley lighting know now as the "lollypop" lights and finally looking at ways for better security through lighting in Zone 7 where the levee comes down and meets our property for the housing units along University Avenue.

Our committee's charter, which was completed in January 2016 was reviewed, and it was decided upon to delete the phrase, "it's legal counsel" since the committee does not act in the capacity of liaison between the HOA and our outside legal counsel, which is for the Board to do. Our committee legal responsibility is to informally advise the Board on legal questions that come up and to present legal issues to the Board for it's consideration and/or for presenting to outside counsel.

ILS Minutes for 2/14/17/meeting continued
Page Two

The bigger issue discussed was the three page document Nepenthe Association Standards and Practices for Insurance dated 12/20/13. On page 3 under Section 4.1 entitled Insurance Requirements of California Law, we were advised by M. Cochrane that the Civil Code sections beginning with 1365.7 had been repealed in 2014, and we now must operate under the new California Civil Code sections 5800 through 5810 in Chapter 9 entitled Insurance and Liability. A copy of this will be forwarded along with these minutes and are to be incorporated herein. This is all part of the Davis - Stirling Act which is the state law that governs HOAs.

There was no new business brought up, and the only unfinished business was a reminder that the annual HOA Forum for all residents is being held in the clubhouse on Saturday March 4th from 9:30 until 1:00 o'clock with brief comments made by the committees each of which will have a table set up with written material to hand out about their individual committee responsibilities and have members there to answer questions. Refreshments will be served at 9:30, and the program will start at 10:00. The ILS contribution for the day for "show and tell" will be our Farmers Insurance Broker Ryan DeShong who will, among other things, be available to talk about our individual insurance coverage provided by the HOA and especially the very topical subject of flood insurance.

The meeting was adjourned at 6 PM

Submitted by Wm Olmsted

Next HOA Board meeting - Wednesday, March 1st - 5:30 PM at the clubhouse

Next ILS Committee meeting - Tuesday March 14th - 5 PM at Dunbarton Cabana

CA Civil Code
DRW-Str 180
5Sec. 5855

Civil

§5735. Assignment or Pledge.

(a) An association may not voluntarily assign or pledge the association's right to collect payments or assessments, or to enforce or foreclose a lien to a third party, except when the assignment or pledge is made to a financial institution or lender chartered or licensed under federal or state law, when acting within the scope of that charter or license, as security for a loan obtained by the association.
(b) Nothing in subdivision (a) restricts the right or ability of an association to assign any unpaid obligations of a former member to a third party for purposes of collection. **Leg.H. 2012 ch. 180 (AB 805) §2, operative January 1, 2014.**

§5740. Application of Article.

(a) Except as otherwise provided, this article applies to a lien created on or after January 1, 2003.
(b) A lien created before January 1, 2003, is governed by the law in existence at the time the lien was created. **Leg.H. 2012 ch. 180 (AB 805) §2, operative January 1, 2014.**

**CHAPTER 9
INSURANCE AND LIABILITY**

§5800. Limitation of Director and Officer Liability.

(a) A volunteer officer or volunteer director of an association that manages a common interest development that is exclusively residential, shall not be personally liable in excess of the coverage of insurance specified in paragraph (4) to any person who suffers injury, including, but not limited to, bodily injury, emotional distress, wrongful death, or property damage or loss as a result of the tortious act or omission of the volunteer officer or volunteer director if all of the following criteria are met:

- (1) The act or omission was performed within the scope of the officer's or director's association duties.
- (2) The act or omission was performed in good faith.
- (3) The act or omission was not willful, wanton, or grossly negligent.
- (4) The association maintained and had in effect at the time the act or omission occurred and at the time a claim is made one or more policies of insurance that shall include coverage for (A) general liability of the association and (B) individual liability of officers and directors of the association for negligent acts or omissions in that capacity; provided that both types of coverage are in the following minimum amounts:
 - (A) At least five hundred thousand dollars (\$500,000) if the common interest development consists of 100 or fewer separate interests.
 - (B) At least one million dollars (\$1,000,000) if the common interest development consists of more than 100 separate interests.
- (b) The payment of actual expenses incurred by a director or officer in the execution of the duties of that position does not affect the director's or officer's status as a volunteer within the meaning of this section.
- (c) An officer or director who at the time of the act or omission was a declarant, or who received either direct or indirect compensation as an employee from the declarant, or from a financial institution that purchased a separate interest at a judicial or nonjudicial foreclosure of a mortgage or deed of trust on real property, is not a volunteer for the purposes of this section.

(3) Nothing in this section shall be construed to limit the liability of the association for its negligent act or omission or for any negligent act or omission of an officer or director of the association.
(e) This section shall only apply to a volunteer officer or director who is a tenant of a separate interest in the common interest development or is an owner of no more than two separate interests in the common interest development.

(f)(1) For purposes of paragraph (1) of subdivision (a), the scope of the officer's or director's association duties shall include, but shall not be limited to, both of the following decisions:

- (A) Whether to conduct an investigation of the common interest development for latent deficiencies prior to the expiration of the applicable statute of limitations.
 - (B) Whether to commence a civil action against the builder for defects in design or construction.
- (2) It is the intent of the Legislature that this section clarify the scope of association duties to which the protections against personal liability in this section apply. It is not the intent of the Legislature that these clarifications be construed to expand, or limit, the fiduciary duties owed

by the directors or officers. **Leg.H. 2012 ch. 180 (AB 805) §2, operative January 1, 2014.**

§5805. Limitation of Member Liability.

(a) It is the intent of the Legislature to offer civil liability protection to owners of the separate interests in a common interest development that have common area owned in tenancy-in-common if the association carries a certain level of prescribed insurance that covers a cause of action in tort.
(b) Any cause of action in tort against any owner of a separate interest arising solely by reason of an ownership interest as a tenant-in-common in the common area of a common interest development shall be brought only against the association and not against the individual owners of the separate interests, if both of the insurance requirements in paragraphs (1) and (2) are met:

- (1) The association maintained and has in effect for this cause of action, one or more policies of insurance that include coverage for general liability of the association.
- (2) The coverage described in paragraph (1) is in the following minimum amounts:
 - (A) At least two million dollars (\$2,000,000) if the common interest development consists of 100 or fewer separate interests.
 - (B) At least three million dollars (\$3,000,000) if the common interest development consists of more than 100 separate interests. **Leg.H. 2012 ch. 180 (AB 805) §2, operative January 1, 2014.**

§5810. Notice of Change in Coverage.

The association shall, as soon as reasonably practicable, provide individual notice pursuant to Section 4040 to all members if any of the policies described in the annual budget report pursuant to Section 5300 have lapsed, been canceled, and are not immediately renewed, restored, or replaced, or if there is a significant change, such as a reduction in coverage or limits or an increase in the deductible, as to any of those policies. If the association receives any notice of nonrenewal of a policy described in the annual budget report pursuant to Section 5300, the association shall immediately notify its members if replacement coverage will not be in effect by the date the existing coverage will lapse. **Leg.H. 2012 ch. 180 (AB 805) §2, operative January 1, 2014.**

**CHAPTER 10
DISPUTE RESOLUTION AND ENFORCEMENT**

ARTICLE 1

Discipline and Cost Reimbursement

§5850. Schedule of Monetary Penalties.

(a) If an association adopts or has adopted a policy imposing any monetary penalty, including any fee, on any association member for a violation of the governing documents, including any monetary penalty relating to the activities of a guest or tenant of the member, the board shall adopt and distribute to each member, in the annual policy statement prepared pursuant to Section 5310, a schedule of the monetary penalties that may be assessed for those violations, which shall be in accordance with authorization for member discipline contained in the governing documents.
(b) Any new or revised monetary penalty that is adopted after complying with subdivision (a) may be included in a supplement that is delivered to the members individually, pursuant to Section 4040.
(c) A monetary penalty for a violation of the governing documents shall not exceed the monetary penalty stated in the schedule of monetary penalties or supplement that is in effect at the time of the violation.
(d) An association shall provide a copy of the most recently distributed schedule of monetary penalties, along with any applicable supplements to that schedule, to any member upon request. **Leg.H. 2012 ch. 180 (AB 805) §2, operative January 1, 2014.**

§5855. Hearing.

(a) When the board is to meet to consider or impose discipline upon a member, or to impose a monetary charge as a means of reimbursing the association for costs incurred by the association in the repair of damage to common area and facilities caused by a member or the member's guest or tenant, the board shall notify the member in writing, by either personal delivery or individual delivery pursuant to Section 4040, at least 10 days prior to the meeting.
(b) The notification shall contain, at a minimum, the date, time, and place of the meeting, the nature of the alleged violation for which a

NOMINATING COMMITTEE MEETING

**FEBRUARY 7, 2017
10AM-11AM**

WELCOME

Members Present: Linda Cook, Karen Lowrey. Bettsi Ledesma also attended

Members Absent: Diana Vizzard

OLD BUSINESS:

- Reported on members' contacts to potential candidates pursuant to 1/11/2017 meeting
- Reviewed Election Timeline
- Linda summarized report to Executive Board

NEW BUSINESS:

- Reviewed next steps
- Confirmed additional potential candidates for members to contact and 'pending' potential candidates who are considering their answer. Members will confer on the status of all these contacts by 2/22/17.
- Report to Board on status on 3/01/17. Next steps may include contacting each committee chair person for additional names and/or longer article in newsletter and/or e-blast to recruit more interest.
- Discussed committee charter and policy statement to be reviewed in more detail in future meeting.
- Recommended that the committee charter, policy statement (describes annual nominating committee process), and samples or templates of other documents used annually by the committee be saved on the Nepenthe website for reference by future committee members and management. It was suggested that other Nepenthe committees may want to use this same saving process and that suggestion/instruction could be included in upcoming training for committee chair people.

Next Meeting: To be determined

Submitted by Karen Lowrey

Nepenthe Association

Management Report – March 1, 2017

1 COMMUNICATION

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

- Manager's Report
- President's Report
- Election Timeline
- Parking Survey

Website:

- Regular updates to contact pages have been completed.

2 ADMINISTRATION

3 FACILITIES

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.
- 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

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

- 02/10/17, Zone 5. Attended by Bettsi Ledesma, General Manager; George Procida, GP Landscape; Pam Livingston, Grounds Chair and Pam Sechrist, Zone Steward.
- 02/24/17, Zone 7. Attended by Pete Gerauld, GP Landscape; Rene Mendez, Zone Steward and Linda Cook Board Liaison.

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.

Tree Maintenance:

On February 1, 2017, Paul Dubois inspected several trees on the Nepenthe property during the monthly tree walk. The focus of the walk was to address resident/management concerns regarding mature trees on the property. The purpose of this report is to develop mitigation plans for the following trees and his recommendations are below.

- Tree # 489 Dogwood (*Cornus florida*) next to 2268 Swarthmore. Young Tree requires corrective pruning to establish structure (Figure 1).
- Tree #1968 deodar cedar (*Cedrus deodara*) next to 1005 Elmhurst. Tree seems healthy, has slight lean in trunk but does self correct. The Tree has multiple codominant tops (Figure 2). The tree has not been pruned to correct. Recommend crown reduction on several of the multiple tops and weight reduction on heavy portions of canopy.
- Tree #1490 Redwood (*Sequoia sempervirens*) 1071 Elmhurst. Tree has unusual lean. The Tree has fungal growth at base with a noticeable pocket of decay both unusual for Redwoods (Figure 3). The tree has noticeable wound in trunk at the point of the lean (Figure 4). My recommendation is to remove the tree due to multiple issues that could lead to failure of tree.
- Tree #1496 Birch (*Betula pendula*) next to 1215 Vanderbilt. The tree has lost a large limb during past storms of January (Figure 5). Tree has fungal growths on trunk and several large cavities on trunk and around base. Recommend removal and replacement.
- Tree #1938 Ash (*Fraxinus pennsylvanica*) next to 210 Elmhurst. Tree was in process of failure at time of inspection with roots lifting and partially exposed (Figure 6& 7). Due to over saturation of ground, along with heavy canopy, lead to failure. Tree was removed due to failure.
- Tree #1936 Ash (*Fraxinus pennsylvanica*) next to 210 Elmhurst. Tree has over weighted canopy, due to recent failure in stand of similar species. I recommend pruning tree for weight reduction and monitoring tree.
- Tree #1942 Maple (*Acer buergerianum*) Next to 210 Elmhurst. Tree has large inclusion in upper canopy (Figure 8). The canopy has several codominant stems. I recommend selective reduction of stems to promote structure.
- Tree #1456 Redwood (*Sequoia sempervirens*) next to Elmhurst Pool area. Tree has sustained severe root pruning for construction of walking ramp. The tree has some deadwood in canopy, but overall looks to be recovering and appears to be healthy. My recommendation is to monitor this tree. I also recommend Deep Root Water Treatment for Summertime water retention for this tree along with entire grove of 10 Redwoods along the Elmhurst pool area (Figure 9)
- Tree's #1449& 1439 Mayten (*Maytenus boaria*) at 210 and 217 Elmhurst (Figure 10). Trees appear healthy, some dieback in canopy. Recommend trees for pruning to clean out dead wood and monitor trees.
- Tree #1823 Pine (*Pinus canarinsis*) next to 400 Elmhurst. Tree has severe lean with some self correction. I recommend weight reduction pruning and to retain and monitor tree.

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 29th and the next is planned for January 31st.

5 FINANCIAL

The January Financials were published on February 19, 2017. There is a current positive variance of \$31,119.30.

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

6 GOVERNANCE

- **Courtesy Patrol:** Since the last Board meeting, there were a total of 18 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 8 compliance notices, 4 for Resident parking on street, 2 for landscape-trim trees in patio, 1 for window coverings not allowed and 1 for pet not on leash.

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	2/2/2017
2/1	Insurance Agent to conduct annual risk assessment inspection	
2/1	Board Meetings: Closed 4 PM, Open 5:30 PM	2/1/2017
2/3	Nepenthe News published	2/3/2017
2/6	Advance Roof Design starts proposal for roof inspection and repair	
2/9	Grounds Committee meeting 3:00 PM	2/9/2017
2/13	ARC meeting 4:30pm	2/13/2017
2/14	Insurance, Legal and Risk Management Committee Meeting 5pm	2/14/2017
2/15	Outreach Committee meeting 5 PM	2/15/2017
2/20	Minimal Staffing in Office for President's Day	2/20/2017
2/21	Committee Minutes due in management office	2/21/2017
2/23	Lock in agendas for Board meetings	2/24/2017
2/24	Manager posts agenda and distributes Board packets	2/24/2017
2/27	Finance Committee meeting 3:00 PM	2/27/2017
2/27	Election Committee organizational meeting	
2/27	Pool contractor to inform management of any equipment needs for the pool season	
3/1	Board Meetings: Closed 4:00 PM, Open 5:30 PM	

NEPENTHE ASSOCIATION

BOARD OF DIRECTORS MEETING

February 1, 2017, 5:30 PM

Nepenthe Clubhouse | 1131 Commons Drive | Sacramento, CA 95825

OPEN SESSION MINUTES

I. CALL TO ORDER 5:30pm

Present	Board Member	Positon
X	Steve Huffman	President
X	Joan Haradon	Vice President
X	Linda Cook	Secretary
X	Will Vizzard	Treasurer
X	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 personnel, member discipline, legal matters and the formation of third-party contracts.

Items of discussion included:

- Delinquencies
- Foreclosure Resolution
- Contract Negotiations

b. **Board Announcements**

- Report on Parking Town Hall
- 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

- Ad Hoc Committee on University Ave. Lots-** Verbal report provided at meeting. Minutes provided to Board in their packet.
- Ad Hoc Committee on Parking Policies-** No report given.
- Architectural Review Committee-** Verbal report provided at meeting. Minutes provided to Board in their packet.
- Finance Committee-** Verbal report provided at meeting.
- Grounds Committee-** Verbal report provided at meeting. Minutes provided to Board in their packet.
- Insurance, Legal and Safety Committee-** Verbal report provided at meeting. Minutes provided to Board in their packet.
- Nominating Committee-** Verbal report provided at meeting. Minutes provided to Board in their packet.

- h. Outreach Committee-** Verbal report provided at meeting. Minutes provided to Board in their packet.

IV. MANAGEMENT REPORTS

a. Operations Report-

1. Effective January 1, 2017, a 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.
2. Phase III Siding and Painting project is running ahead of schedule. It is approximately one-third completed.
3. Roof and gutter cleanings are in process and going well with good coordination with the landscaper for the leaf clean up.
4. Randy Ross Services is also preparing a bid for roof moss treatment for review at the next Board meeting.
5. 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.
6. During the two large storms we experienced, January 18th & 20th, 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. Nepenthe did not suffer any damage great enough to require an insurance claim.

- b. **Master Calendar Report-** Manager Bettsi Ledesma reviewed the calendar with the Board.
- V. **HOMEOWNER CORRESPONDENCE-** No correspondence received.
- VI. **HOMEOWNER FORUM-** Comments were received on a number of topics. Management made notes of the comments for possible future Board action.
- VII. **CONSENT CALENDAR -**Director Linda Cook motioned to approve consent calendar with the corrected past due amount for account number 2247-01 to \$938.57 from incorrect amount of \$939.57 in item E. Director Will Vizzard seconded this motion and it passed unanimously.
Resolution: The Board approved Consent Calendar items A to F with correction.

<i>Begin Consent Calendar</i>

a. Approval of Minutes January 4, 2017 Open Session

Proposed Resolution: The Open Session minutes dated December 7, 2016 are approved as presented.

b. Financial Statement: December 2016

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

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 \$938.57
1959-02	\$1,425.85

f. Architectural Applications

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

<i>End Consent Calendar</i>

VIII. UNFINISHED BUSINESS

a. Consider request from Homeowners to move fences between 1575, 1581 and 1587 University Avenue

Motion: Director Will Vizzard
Second: Director Linda Cook
Abstain: Director Joan Haradon
Vote: Pass

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; it is not the intent of the Board of Directors that this action set a precedent for future requests.

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.

- 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.
 - 4. As many as two other Homeowners in good standing
- 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.
 - 5. Input from Zone 7 Residents on lighting needs.
- 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

Motion: Director Linda Cook

Second: Director Joan Haradon

Motion: All in favor

Resolution: The Board adopted 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:

Investigate the condition of the underground sewers we own and the long-term cost to maintain and/or 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.

Motion: Director Linda Cook

Second: Director Will Vizzard

Vote: All in favor

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

- c. Committee Charters and Training**

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 website. The items NOT italicized are in the Board packet.

- i. All Committees:
 - 1. Standards & Practices for Committees, 1/2014

2. *Bylaws, Article VII*
- ii. Architectural Review-Director Joan Haradon
 1. Charter, 8/2009
 2. *Architectural Guidelines, last updated 2016*
 3. *CC&Rs, Article IV*
 4. *Bylaws, Article VII, Section 7.3*
- iii. Finance- Director Will Vizzard
 1. Charter, 8/2009
 2. Standards & Practices for Finance Committee, 3/2015
 3. *Investment Policy, 3/15*
 4. *Bylaws, Article VII, Section 7.4*
- iv. Grounds- Director Linda Cook
 1. Charter, 8/2009
 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)*
 3. *Bylaws, Article VII, Section 7.5*
- v. Insurance, Legal & Safety- Director Steve Huffman
 1. Charter for ILS Committee, 11/2015
 2. Standards & Practices for Insurance, 2/2014
- vi. Outreach- Director Steve Huffman
 1. Charter, 8/2009
- vii. Elections- Director Steve Huffman
 1. Charter, 8/2009
- viii. Nominating- Director Linda Cook
 1. Charter, 8/2009
 2. *Bylaws, Article IV, Section 4.6(a)*

Resolution: Management was directed to send these charters to Board Liaisons. Liaisons to work with committees on possible changes and have amended charters included in next month's Board of Directors packet for review.

d. Revise Clubhouse Rental Procedure

Motion: Director Joan Haradon

Second: Director Linda Cook

Vote: All in favor

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.

- X. **HOMEOWNER FORUM-** Comments were received on a number of topics. Management made notes of the comments for possible future Board action.
- XI. **NEXT MEETING:** Wednesday, March 1, 2017 at 5:30 pm in the Nepenthe clubhouse
- XII. **ADJOURN @6:44pm**

NEPENTHE

February 15, 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>
2/15/17	1963-02	\$1,063.43	\$923.00			
1/12/17	1959-02	\$1,458.67	\$1,061.00			

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

HOME IMPROVEMENT APPLICATION

Date: 1/18/17
Name: Margaret Durkin
Address: 1395 Commons Drive

Phone: (916) 239-8442
Email: bammada@gmail.com
House Model: 5500

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) 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) and understand that the approval timeline can take up to 90 days.

Margaret Durkin 1/18/17
Signature Date

The Architectural Review Committee recommends:

Approval Approval with Conditions Disapproval

Chair: [Signature] Date: 2/11/17

The Board of Directors will review for final approval at their next open session on _____.

Emergency Request



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

HOME IMPROVEMENT APPLICATION

Date: January 30, 2017
Name: Martin Rogers
Address: 2236 Swathmore Drive

Phone: 916-929-0414
Email: mrogers@csus.edu
House Model: 50006

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) 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) and understand that the approval timeline can take up to 90 days.

Signature

01/30/2017
Date

The Architectural Review Committee recommends:

Approval Approval with Conditions Disapproval

Chair: Date: 2.11.17

The Board of Directors will review for final approval at their next open session on _____.



INSURANCE, LEGAL AND SAFETY COMMITTEE CHARTER

The Board of Directors hereby adopts this charter for the conduct of the Insurance, Legal & Safety Committee, effective _____, 2017.

PURPOSE OF COMMITTEE:

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.

MEMBERSHIP:

The membership should consist of as many residents, but no less than three, as is required to fulfill the purpose of the committee. Ideally, one member should have a background in insurance, one in law and one in public safety.

KEY RESPONSIBILITIES:

- Act as the Association's liaison with its insurance broker/insurer, the Sacramento Police Department, the Sacramento Fire Department and other local offices of emergency services.
- Coordinate the writing of the Association's emergency action plan.
- Add value to membership in Nepenthe by educating homeowners and renters on the subjects of insurance, crime prevention and emergency preparedness.
- Assist with association initiatives as needed.



STANDARDS AND PRACTICES FOR INSURANCE

Revised version adopted by the Board of Directors on _____, 2017.

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.

1. Selection of the Agent/Broker - Identification and qualifications
 - 1.1. Must have been in the property and casualty business for not less than 5 years
 - 1.2. Must have a current and valid California Property & Casualty license.
 - 1.3. Must have a clean Department of Insurance record with no violation(s) of the Insurance Code.
 - 1.4. Must have Errors and Omissions insurance with limits of not less than \$1,000,000.
 - 1.5. Must furnish a Certificate of Insurance.
 - 1.6. Must have a local office (as defined by the Board).
 - 1.7. Must annually issue evidence of insurance and insurance disclosure to Nepenthe members as required by Insurance Code §1365 no later than January 31st.
 - 1.8. Must agree to appear before the Nepenthe Association membership no less than two times per year:
 - 1.8.1. once to review and explain Nepenthe's insurance coverage and to recommend coverage that members should consider when purchasing their personal insurance, and
 - 1.8.2. once to report on the agent/broker's annual Risk Management Inspection.
 - 1.9. Must agree to complete a Risk Management Inspection and present it to the Board of Directors, Insurance Committee and Nepenthe's Property Manager no later than the regularly scheduled April board meeting.
2. Requests for Proposals (RFP) from industry insurers - Annually by June 1st, 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 15th for replies to Nepenthe Association.

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

4. Decisions to Contract for Insurance – No later than September 1st, the Board should select its insurer(s) and transmits its decision to the successful bidder(s).

5. Nepenthe Facility Inspections and Communications
 - 5.1. Agent /Broker inspections – Annually by April Board Meeting, using a comprehensive checklist, the Agent/Broker shall conduct a risk management inspection. The results shall be conveyed to the General Manager and Board no later than July 1st of each year. The General Manager shall take prompt steps to remedy any deficiencies found in the inspection.
 - 5.2. 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 General Manager shall provide notice of such meetings to members in the Newsletter and by email so far as practical.
 - 5.3. Management Inspections - Monthly with an immediate report to the Board and Insurance, Legal and Safety Committee identifying any potential risk factors reasonably observable. Manager will develop a Facility & Operating Equipment Inspection Form to be completed in June, July, August & September and bi-monthly thereafter.

6. Claim Response and Handling –
 - 6.1. 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.
 - 6.2. 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.

- 6.3. 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.
7. Insurance Requirements of California law. [Civil Code §§5800 to 5810 – Consult legal counsel annually to verify coverage meets the requirements of California law.
8. 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 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.
9. 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”].

Exhibit A –

**NEPENTHE ASSOCIATION
Conflict of Interest Policy**

It is in the best interest of Nepenthe 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

Date

Print Name

Title



OUTREACH COMMITTEE CHARTER

Draft by Huffman February 22, 2017

The Board of Directors hereby adopts this charter for the conduct of the Outreach Committee, effective _____, 2017.

PURPOSE OF COMMITTEE:

- Encourage residents to interact with other residents in interesting and enjoyable ways; and
- Coordinate an educational forum each year.
- Welcome new members of the community.

MEMBERSHIP:

The membership should consist of as many residents, but no less than three, as is required to promote and facilitate activities throughout the year.

KEY RESPONSIBILITIES:

- Encourage safety, emotional wellbeing and a sense of community by providing activities and opportunities for enjoyment and entertainment
- Plan and coordinate the resident educational forum each year
- Assist with association initiatives as needed. *

- Examples include Saturday coffees, happy hours, special holiday events and parking lot sales.

ELECTIONS COMMITTEE CHARTER

The Board of Directors hereby adopts this charter for the conduct of the Elections Committee, effective _____, 2017.

1. For all ballot measures before the association, the Directors shall appoint one or three Inspector(s) of Election. The Inspector(s) of Election shall be independent third party/parties, and shall not be a member of the Board, or a person, business entity or subdivision of a business entity that is currently employed or under contract to the association. In the case of an election of directors, the Inspector(s) of Election also may not be a candidate or related to a candidate for election.
2. All ballot measures, including, without limitation, election, or removal of directors, elections regarding assessments, legally requiring a vote of the members, amendments to the governing documents, or grant of exclusive use of common area property, shall be held by secret ballot.
3. The Inspector(s) of Election shall do all of the following:
 - a. Determine the number of memberships entitled to vote and voting power of each;
 - b. Determine the authenticity, validity and effect of proxies, if any;
 - c. Receive ballots or designate a location for the receipt of ballots;
 - d. Hear and determine all challenges and questions in any way arising out of or in connection with the right to vote;
 - e. Count and tabulate all votes pursuant to the Election Rules and prevailing statutes;
 - f. Determine when the polls shall close, consistent with the governing documents;
 - g. Determine the tabulated results of the election;
 - h. Retain custody of the ballots or designate a location for the retention of the ballots following tabulation and until the time allowed by the California Corporations Code for challenging the election has expired;
 - i. Perform any acts as may be proper to conduct the election with fairness to all members in accordance with the Civil Code, the Corporations Code, and all applicable rules of the association regarding the conduct of the election that are not in conflict with the law.
 - j. In addition to the above, the Inspector(s) of Election may also appoint volunteers to assist with the counting and tabulation of ballots/votes, which volunteers must also be independent parties as specified herein.
4. Proxies may be requested by members who desire to give to another member the power to vote on behalf of that member.
5. Votes shall be counted and tabulated by the Inspector(s) of Election, together with volunteers as may be appointed by the Inspector(s) of Election for this purpose, in public at a properly noticed open meeting of the Board of Directors or members. Candidates and other members of the association may witness the counting and tabulation of the votes. No person, including a member of the association or an employee of the management company, shall open or otherwise review any ballot prior to the time and place at which the ballots are counted and tabulated. After the transfer of the ballots to the association in a secure place for no less than one year after the date of the election.

NOMINATING COMMITTEE CHARTER

The Board of Directors hereby adopts this charter for the conduct of the Nominating Committee, effective _____, 2017.

PURPOSE OF COMMITTEE:

This committee is responsible for recruiting members to be elected to the Board of Directors. The Nominating Committee prepares the slate of new prospective Board members for the annual election. Any Nepenthe homeowner in good standing may declare candidacy for the Board.

Responsibilities are delineated in the Bylaws, Section 4.6.(a)

MEMBERSHIP:

The committee's membership is composed of at least three members, one of whom is a Board member.

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

KEY RESPONSIBILITIES:

1. Coordinate recruitment of potential Board members for nomination.
2. Interview volunteers.
3. Prepare slate of candidates for Board service.
4. Prepare written report to the Board of Directors for the special Nominating Meeting at least 60 days before the election date.

MEMBER QUALIFICATIONS

Prefer owners who have participated in committees or Nepenthe activities. Must be willing to become familiar with the CC&Rs and Bylaws of Nepenthe, as they pertain to nominating activities.

This committee is assisted by Nepenthe office staff upon request.

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 does it dictate how the Board should function.

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.

Nepenthe Association

February 20, 2017

Memo to: Bettsi Ledesma, General Manager

From: Steve Huffman, Board President

Subject: Proposed Changes to Bylaws

In connection with the review of committee documents this month, I ask that you put the changes to the bylaws I am proposing in the advance materials for the March 1 board meeting.

A handwritten signature in blue ink, appearing to read "Steve", is located below the main text of the memo.

written instruments on behalf of the Association, except by express resolution of the Board granting such specific authority to a particular person.

Section 6.8. Officers' Authority to Execute Contracts

The Board may, by resolution, authorize any Officer(s) to enter into any contract in the name of, or on behalf of, the Association (pursuant to the Board's authority to enter into contracts as set forth in the CC&Rs). Unless expressly authorized by resolution of the Board, no Officer shall have any power or authority to bind the Association by any contract or agreement, or to pledge the credit of the Association, or to render the Association liable for any purpose and/or on any account.

ARTICLE VII: COMMITTEES

an Outreach Committee

Section 7.1. Charter Committees

The Board may, by resolution adopted by a majority of the directors then in office, appoint Charter Committees as follows: a Nominating Committee, an Election Committee, an Architectural Review Committee, a Finance Committee, a Grounds Committee, an Insurance, Legal and Risk Committee, and such other committees as from time to time the Board deems appropriate. Each committee shall consist of three (3) or more Owners. Each Committee shall develop Standards and Practices which, upon approval by the Board, shall define categorical responsibilities,

charters and/or

Safety

A member of the Board shall be appointed to the Nominating Committee and may be appointed to any other advisory committee with the exception of the Election Committee; provided that no advisory committee shall exercise the authority of the Board. Without limiting the generality of the foregoing, no committee shall:

- (a) Take any final action on any matter which, under the Nonprofit Corporation Law of California, also requires approval of the Owners.
- (b) Fill vacancies on the Board of Directors or on any committee which has been delegated any authority of the Board.
- (c) Amend or repeal Bylaws or adopt new Bylaws.
- (d) Amend or repeal any resolution of the Board of Directors.
- (e) Create new committees or appoint new members to committees.
- (f) Expend Association funds to support a nominee for director after there are more people nominated for director than can be elected.
- (g) Approve any transaction (i) to which the Association is a party and one or more directors have a material financial interest; or (ii) between the Association and one or more of its directors; or (iii) between the Association or any person in which one or more of its directors have a material financial interest.

Section 7.2. Appointment and Term of Office

The Nominating Committee and the Election Committee shall be appointed in the manner and shall serve for a term of one year or by further resolution of the Board. All other committees shall be appointed at the Annual Organizational Meeting of the Board at which time the Board shall designate the membership of each committee for the succeeding year and the chairpersons thereof. Each committee member shall serve for a term of one year.

The Board may change the membership of any committee between Annual Organizational Meetings.

Section 7.3. Architectural Review Committee

It shall be the duty of the Architectural Review Committee to consider and act upon the proposals and plans submitted to it pursuant to Article IV of the CC&Rs, to perform other duties delegated to it by the Board of Directors and to carry out all other duties imposed upon it by the CC&Rs. In selecting Members of the Architectural Review Committee, the Board shall endeavor to appoint Members whose occupation or education will provide the design, implementation, technical knowledge, and expertise relevant to matters within the Committee's jurisdiction.

Section 7.4. Finance Committee

It shall be the duty of the Finance Committee to recommend to the Board policies, practices and procedures related to the Nephenthe finances including but not limited to general and special assessments, expenditures of operating and reserve accounts, budgeting procedures, investment of financial assets and to perform other duties that may be delegated to it by the Board. In selecting Members of the Finance Committee, the Board shall endeavor to appoint Members whose occupation or education will provide the financial and technical knowledge and expertise relevant to matters within the Committee's jurisdiction.

Section 7.5. Grounds Committee

It shall be the duty of the Grounds Committee to recommend to the Board policies, practices and procedures related to the Nephenthe grounds, including but not limited to reviewing, maintaining, installing and removing of turf, ground covers, shrubs, trees, flowers, walkways and other landscaping-related items, and to perform other duties that may be delegated to it by the Board. In selecting members of the Grounds Committee, the Board shall endeavor to appoint members whose knowledge and interest in landscaping matters can assist the Board in preserving and enhancing the Nephenthe landscape.

[Insert] 7.8

Section 7.6. Meetings and Actions of Committees

(a) Regular meetings of the Architectural Review Committee and Finance Committee shall be scheduled and calendared monthly. Other Charter Committees shall meet at such time and place as each may deem appropriate.

(b) Special meetings of committees may be called by the committee with approval of the President or Vice-President of the Board.

(c) Four (4) days' notice of special meetings of committees, except in a bona fide emergency or a continuation of a prior regular meeting, shall be given to Owners, who shall have a reasonable right to attend meetings of the committee. Any change in the time and place of a scheduled meeting, regular or special, shall be communicated by email to the Owners. Minutes of each meeting of the committee shall be maintained and a copy promptly transmitted to the President of the Board and the property manager for filing and such distribution to the Owners as the President of the Board shall direct. The Board of Directors may adopt rules not inconsistent with the provisions of these Bylaws for the government of any committee.

7.9

Section 7.7. Committee Reports

The chairpersons of the Architectural, Finance and Grounds Committee shall report the activities of their respective committees at the monthly regular meeting of the Board of Directors unless none of the committee's activities of the prior month require Board approval as determined by the Board.

[Insert]

Section 7.6. Insurance, Legal and Safety Committee

It shall be the duty of the Insurance, Legal and Safety Committee to recommend to the Board policies, practices and procedures related to insurance for both the Association and its members, legal matters affecting the Association and the safety and security of the Association and its members. The Board shall endeavor to appoint as Members at least one insurance professional, at least one licensed attorney and at least one member with a law enforcement or public safety background.

Section 7.7. Outreach Committee

It shall be the duty of the Outreach Committee to recommend to the Board events designed to encourage residents to interact with other residents in interesting and enjoyable ways; educational forums for residents; and programs to welcome new residents. In selecting members of the Outreach Committee, the Board shall endeavor to appoint members who are skilled in putting on events, have a good knowledge of Nepenthe Association and its goals, and can communicate with residents effectively.



NEPENTHE ASSOCIATION

Board Meeting Date: March 1, 2017

Issued by: Bettsi Ledesma, General Manager

Subject: Parking Policies: CC&R Amendment vs. Board adopted rules

Background: The discussion over the parking policies began in May 2016. At that time, there seemed to be much ambiguity concerning the enforcement of parking on the public streets. The CC&Rs had been amended in 2015 and the new language regarding parking lacks some clarity about whether overnight parking on the public streets was permitted. Many homeowners on Swarthmore and Adelphi were concerned about the volume of cars parked in their small cul-de-sacs. As manager for the community, one of my tasks is to enforce the rules. Regarding parking, the rules were not clear nor were there any procedures in place to accommodate families with more than two cars. Also lacking in the governing documents was a system for enforcement.

In order to provide clarity around the subject, I wrote a parking policy for the Board to consider. In conformance with the law, the new policy did not contradict the CC&Rs, but did put into place stronger language to, first, reiterate the implied language that residents are to park overnight in their garage and, second, provide procedures for management for enforcement of parking policies which were lacking in the CC&Rs and other governing documents.

The Board reviewed the proposed policy. Our general counsel, Brad Epstein, was asked to review it and make recommendations and an ad hoc committee was formed to review the policy and make a recommendation to the Board of Directors. When the committee met and reviewed the CC&Rs and the proposed policy, they determined that due to the varied experiences of the residents in regards to parking based on geography and household demographics, homeowner input should be sought before adopting new policies.

To that end, a facilitator was hired to help craft surveys and plan productive Town Hall meetings. The first survey ran from January 1st to the 18th and received 230 and the second survey ran February 10th through 27th and received 250+ responses. Two identical Town Halls were held on January 25th and February 4th. The second Town Hall will be held March 11th.

The question before the Board is whether to amend the CC&Rs which requires a 51% affirmative vote of all homeowners or to adopt revised parking rules at the Board level. There are some advantages and disadvantages to both courses of action.

A CC&R Amendment represents a clear mandate by the ownership in support of the proposed rules. The CC&Rs run with the property and are considered equitable servitudes, deemed reasonable and enforceable. There is considerable expense to the process. The amendment must be voted on by the members and in California, it is required that voting must be done by secret ballot, by mail. Generally, for a Nepenthe election, the cost is \$4,000+/-, but can be considerably higher depending on the number



NEPENTHE ASSOCIATION

of pages mailed to the owner. As stated, the required affirmative votes are 51% of eligible owners, approximately 296. A high level of outreach on the part of the leadership team is required to get enough ballots returned. We've accomplished this in 2015 and 2016, but there may be a fair amount of "voter fatigue" for another year of governing document changes. Should the membership vote to adopt the CC&R change, the association must then record and then mail the new CC&Rs to all members- another \$4,000+/- expense.

The other option available is for the Board to adopt Rules & Regulations that do not contradict the current CC&Rs, but provide better clarity including specific definitions, procedures and compliance processes. The Board is provided with the authority to adopt Rules & Regulations in the CC&Rs and under California Civil Code. Just as our elected legislators are provided the authority to enact new laws, the Board of Directors is authorized to enact Rules & Regulations that protect the property owners interests, the main one being property values. Reasonable Rules & Regulations also maintain community harmony by providing clear expectations for behavior.

The process to enact Rules & Regulations is to provide the text of the proposed Rule to the membership via General Notice for a thirty day comment period prior to the open session vote of the Board of Directors. Once approved, the association must post the new rule via General Notice within fifteen days of its adoption.

Given the feedback received so far, I do not detect any desire on the part of the owners for a substantial change to the existing CC&Rs. There appears to be strong support for the policies and practices that have long been the norm in the community- that residents should park in their garage overnight and not on the street. Further, there seems to be general agreement that there should be some accommodation made for the households that have more than two vehicles or have vehicles that do not fit in the garage. There is also a desire to see designated parking areas within the community for larger vehicles such as sport utility vehicles or pickup trucks that do not fit in the garage. None of these agreements are in conflict with the current CC&Rs, but they do lack specific governing language currently. That language can be incorporated into a Board approved set of Rules & Regulations that do not require the expense of a CC&R vote.

It is my recommendation that the Board consider adopting Rules & Regulations consistent with the CC&Rs that will address the concerns listed above.

Financial Impact: A CC&R vote will incur at least \$8,000 worth of expenses for the association while the adoption of Rules & Regulations will incur only minor costs.

Proposed Resolution:

Whereas the association has been investigating options for parking rules for nine months;
Whereas the association has obtained clear feedback through surveys and Town Hall meetings from the owners that is not in conflict with the CC&Rs;
Whereas the Board of Directors is empowered under Article VI, Section 6.6(a)(ii)(E) of the CC&Rs to adopt, amend and repeal Association Rules, consistent with these CC&Rs relating to the use of the



NEPENTHE ASSOCIATION

Common Area and the residential Lots, the conduct of Owners, and their families, tenants, guests and invitees within the Development

Whereas the expense of seeking a CC&R amendment is fairly considerable; therefore, be it hereby **Resolved** that the Board of Directors will address parking policy changes through the adoption of a set of Rules & Regulations at their May 17th open session and that the text of the proposed Rules & Regulations shall be distributed via General Notice no later than April 16, 2017 for member comments.



February 1, 2017

The Nepenthe Association
Bettsi Ledesma
1131 Commons Dr.
Sacramento, CA 95825
Phone: (916) 929-8380
Email: Bettsi.Ledesma@fsresidential.com

On February 1, 2017, I inspected several trees on the Nepenthe property during the monthly tree walk. The focus of the walk was to address resident/management concerns regarding mature trees on the property. The purpose of this report is to develop mitigation plans for the following trees and my recommendations are below.

- Tree # 489 Dogwood (*Cornus florida*) next to 2268 Swarthmore. Young Tree requires corrective pruning to establish structure (Figure 1).
- Tree #1968 deodar cedar (*Cedrus deodara*) next to 1005 Elmhurst. Tree seems healthy, has slight lean in trunk but does self correct. The Tree has multiple codominant tops (Figure 2). The tree has not been pruned to correct. Recommend crown reduction on several of the multiple tops and weight reduction on heavy portions of canopy.
- Tree #1490 Redwood (*Sequoia sempervirens*) 1071 Elmhurst. Tree has unusual lean. The Tree has fungal growth at base with a noticeable pocket of decay both unusual for Redwoods (Figure 3). The tree has noticeable wound in trunk at the point of the lean (Figure 4). My recommendation is to remove the tree due to multiple issues that could lead to failure of tree.
- Tree #1496 Birch (*Betula pendula*) next to 1215 Vanderbilt. The tree has lost a large limb during past storms of January (Figure 5). Tree has fungal growths on trunk and several large cavities on trunk and around base. Recommend removal and replacement.
- Tree #1938 Ash (*Fraxinus pennsylvanica*) next to 210 Elmhurst. Tree was in process of failure at time of inspection with roots lifting and partially exposed (Figure 6& 7). Due to over saturation of ground, along with heavy canopy, lead to failure. Tree was removed due to failure.
- Tree #1936 Ash (*Fraxinus pennsylvanica*) next to 210 Elmhurst. Tree has over weighted canopy, due to recent failure in stand of similar species. I recommend pruning tree for weight reduction and monitoring tree.
- Tree #1942 Maple (*Acer buergerianum*) Next to 210 Elmhurst. Tree has large inclusion in upper canopy (Figure 8). The canopy has several codominant stems. I recommend selective reduction of stems to promote structure.
- Tree #1456 Redwood (*Sequoia sempervirens*) next to Elmhurst Pool area. Tree has sustained severe root pruning for construction of walking ramp. The tree has some deadwood in canopy, but overall looks to be recovering and appears to be healthy. My recommendation is to monitor this tree. I also recommend Deep Root Water Treatment for Summertime water retention for this tree along with entire grove of 10 Redwoods along the Elmhurst pool area (Figure 9)

- Tree's #1449 & 1439 Mayten (*Maytenus boaria*) at 210 and 217 Elmhurst (Figure 10). Trees appear healthy, some dieback in canopy. Recommend trees for pruning to clean out dead wood and monitor trees.
- Tree #1823 Pine (*Pinus canarinsis*) next to 400 Elmhurst. Tree has severe lean with some self correction. I recommend weight reduction pruning and to retain and monitor tree.

9530 Elder Creek Road, Sacramento CA 95829
OFFICE: 916-231-8733 FAX: 916-856-5410

CONTRACTOR'S LICENSE: 470283

A DIVISION OF CARSON LANDSCAPE INDUSTRIES



Figure 1



Figure 2



Figure 3



Figure 4



Figure 5



Figure 6



Figure 7



Figure 8



Figure 9



Figure 10

*This report is based on a basic visual inspection of the trees listed above. It is recommended that a more detailed evaluation of the trees be on a case by case basis at the request of Nepenthe association.

Sincerely,

Paul Dubois
The Grove Total Tree Care
ISA Certified Arborist WE-9034AU
Qualified Tree Risk Assessor



Tree Work Proposal



9530 Elder Creek Road, Sacramento, CA 95829 P.916.231.8733

DATE: 2/13/2017

RE: Tree Work Proposal
Nepenthe Association
Sacramento

This Proposal is to provide labor and material as stated below. All tree work is in accordance with ANSI A300 standards and the scope of work referenced in Addendum #1.

Description of Work:

Tree Species	Location	Qty	Service Description	Price
Dogwood	#489 Next to 2268 Swathmore	1	Corrective Pruning to establish structure	\$75.00
Cedar	#1968 Next to 105 Vanderbilt	1	Pruning for crown reduction on co-dominant trunks and weight reduction of heavy portions of canopy	\$1,800.00
Redwood	#1490 1071 Vanderbilt	1	Tree Removal – leaving stump 2-3” above grade	\$1,800.00
Birch	# 1496 Next to 1215 Vanderbilt	1	Tree Removal – leaving stump 2-3” above grade	\$450.00
Ash	#1936 next to 210 Elmhurst	1	Pruning for weight reduction	\$960.00
Maple	#1942 next to 210 Elmhurst	1	Pruning to reduce co-dominant stems to promote structure	\$680.00
Redwood	#1456 next to Elmhurst Pool Area	1	Deep Root Watering Treatments including grove of 10 trees along pool area - 3 applications June/July/August @\$390 EA	\$1,170.00
Mayen	#1449/#1439 210/217 Elmhurst	2	Pruning to clean out deadwood	\$430.00
Pine	#1823 next to 400 Elmhurst	1	Pruning for weight reduction	\$1,280.00
Tulip Tree	1581 University	1	Pruning for weight reduction	\$2,325.00
CONTRACT PRICE				\$10,970.00

NOTES

1. Upon Approval Addendum #1 is incorporated and an enforceable part of this proposal.
2. This proposal may be withdrawn by us if not accepted within 30 days.

Client/Owner: _____



TERMS AND CONDITIONS:

Net due upon 30 days. A finance charge of 1.5% per month will be added to the unpaid balance after 30 days. In the event legal action is taken to collect on a past due account, the debtor agrees to pay all collection costs including interest, attorney's fees and court costs. Any alteration or deviation from the above involving extra cost of material or labor will only be executed upon written orders for same, and will become an extra charge over the sum mentioned in this contract. All agreements must be in writing. The Grove Total Tree Care is not to be held liable for damage to irrigation when grinding stumps. Our workers are fully covered by Worker's Compensation and our firm covered by liability insurance.

CONTRACTOR:

Vendor:

The Grove
A division of Carson Landscape Industries
9530 Elder Creek Road, Sacramento, CA 95829
Contractor's License #470283
Ph: (916) 231-8733 * Fax: (916) 856-5410
Email: pdubois@thegrovetotaltreecare.com

CLIENT/OWNER:

Client:

The Nepenthe Association
Bettsi Ledesma
1131 Commons Dr.
Sacramento, CA 95825
Phone: (916) 929-8380
Email: Bettsi.Ledesma@fsresidential.com

By: Paul Dubois
Name: Paul Dubois
Title: Account Manager/Arborist
Date: 2/13/2017

By: _____
Name: _____
Title: _____
Date: _____

Client/Owner: _____

Addendum 1

General Terms and Conditions



Scope of Work: All contracted services performed by The Grove are in accordance with the “Practical Specifications for Contract Tree Management,” through the American National Standards Institute and all pruning conforms to ANSI A300 guidelines. The Grove conducts all work in compliance with ISA ANSI Z133 Standards, OSHA and all state and local regulations. Contracted tree care work includes removal of all resultant debris and job site cleanup.

Payment & Invoicing: Work will be invoiced in full upon completion. Payment is due 10 days from date of invoice. A finance charge of 1.5% per month will be added to the unpaid balance after 30 days. In the event legal action is taken to collect on a past due account, the debtor agrees to pay all collection costs including interest, attorney’s fees, and court costs.

Change Orders & Additional Work: Any alteration or deviation to this proposal involving extra cost of material and/or labor will only be executed upon written and signed orders for same, and will become an extra charge over the sum mentioned in this contract. The order must describe the scope encompassed by the change order, the amount to be added or subtracted from the contract and the effect the order will have on the schedule of progress payments, if applicable. Failure to obtain a signed Change Order does not preclude the recovery by Contractor of compensation for work performed based upon quasi contract, quantum merit, restitution or other similar legal or equitable remedies.

Tree & Stump Removal/Grinding: Trees removed will be cut as close to the ground as possible based on conditions near to or next to the bottom of the tree trunk. Additional charges will be levied for unseen hazards such as, but not limited to, concrete or brick filled trunks, metal rods, etc. If requested, mechanical grinding of visible tree stump is completed 8-12 inches below surface grade at an additional charge to the Client/Owner.

Scheduling of Work: This proposal is null and void if the jobsite conditions materially change from the time of approval of this proposal to the time work starts, such that the job costs are adversely changed. Scheduling of work is dependent on weather conditions and workloads.

Permits, Fees & Assessments: Unless otherwise agreed to in writing by both parties, the owner assumes full responsibility to obtain and pay for all necessary permits, fees, property taxes, and assessments.

Disclaimer: This proposal for tree care services was estimated and priced based upon a site visit and visual inspection from ground level using ordinary means, at or about the time this proposal was prepared. Visual inspection is reflected solely in bid provided. The price quoted in this proposal for the work described, is the result of that ground level visual inspection and therefore our company will not be liable for any additional costs or damages for additional work not described herein, or liable for any incidents/accidents resulting from conditions, that were not ascertainable by said ground level visual inspection by ordinary means at the time said inspection was performed. The work performed by The Grove is intended to reduce the chances of tree failure and any corresponding property liabilities, in addition to enhancing aesthetic value but is not a guarantee. We cannot be held responsible for unknown or otherwise hidden defects of your trees, which may fail in the future. The corrective work proposed herein cannot guarantee exact results.

Liability: The Grove is not responsible for damage done to sprinklers or underground utilities such as, but not limited to, cable, water, gas and electrical. Client/Owner shall be responsible for contacting Underground Service Alert to locate underground utility lines prior to start of work. The Grove will repair damaged irrigation lines at the Client/Owner’s expense and approval. Any illegal trespass claims and/or damages resulting from work requested that is not on property owned by Client/Owner or not under Client/Owner management and control shall be the sole responsibility of the Client/Owner.

Waiver of Liability: Requests for crown thinning in excess of twenty-five percent (25%), or work not in accordance with ISA (International Society of Arboricultural) standards will require a signed waiver of liability.

Commercial General Liability Insurance: Contractor carries commercial general liability insurance written by Golden Eagle Insurance. You may call John O. Bronson Company at 916-480-4150 to verify our coverage.

Worker’s Compensation Insurance: Contractor carries worker’s compensation insurance for all employees.

Attorney’s Fees: In the event that litigation is commenced to interpret or enforce any of the rights or obligations under this Agreement, the prevailing party shall be entitled to recover his attorney’s fees and litigation expenses incurred as a result of the litigation. Said attorney’s fees and expenses shall be fixed by the court or arbitrator.

Cancellation: Notice of cancellation of work must be received in writing before the crew is dispatched to their location or Client/Owner will be liable for a minimum travel charge of \$150.00 and billed to Client/Owner.

Client/Owner: _____