

**NEPENTHE ASSOCIATION
BOARD OF DIRECTORS MEETING
September 7, 2016, 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.

Members may comment or ask questions about any agenda item during the two homeowner forums (Items VI and X). 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.

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

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

OPEN SESSION AGENDA

I. CALL TO ORDER

Present	Arrival	Board Member	Positon	Departure
		Ivan Gennis	President	
		Steve Huffman	Vice President	
		Linda Cook	Secretary	
		Will Vizzard	Treasurer	
		Joan Haradon	Member at Large	

II. ANNOUNCEMENTS

- a. **Executive Session Disclosure:** In accordance with Civil Code Section 4935(a), the Board met in Executive Session on September 7, 2016 in order to consider matters relating to personnel matters and member discipline

III. COMMITTEE REPORTS

- a. **Ad Hoc Committee on University Ave. Lots..... Page 8**
- b. **Architectural Review Committee Pages 9-10**
- c. **Finance CommitteePage 11**
- d. **Grounds Committee Pages 12-14**
- e. **Insurance, Legal and Safety Committee**
- f. **Outreach Committee Pages 15-17**

IV. MANAGEMENT REPORTS

- a. **Operations Report**..... Pages 18-20
- b. **Master Calendar Report**Page 21

V. HOMEOWNER CORRESPONDENCE..... Pages 22-27

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 D as presented.

<i>Begin Consent Calendar</i>

a. Approval of Minutes August 3, 2016 Open Session Pages 28-33

Proposed Resolution: The Open Session minutes dated August 3, 2016 are approved as presented.

b. Financial Statement: July 2016.....**Separate Packet**

Proposed Resolution: The Board accepts the July 2016 interim financial reports and bank reconciliations as presented, subject to annual review. The report reflects a positive year to date variance of \$190,165.44 and reserve funding of \$1,168,017 compared to the reserve funding budget of \$1,146,362. The reserves are funded through July 2016. The Association has \$457,211 in operating funds, which represents 1.68 months of budgeted expenses and reserve contributions. The Association has \$5,387,850 in reserve funds.

c. Lien Resolution.....**Page 34**

Per the enclosed Resolution dated August 17, 2016, 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
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2484-02	\$951.00
2509-03	\$914.00

d. Architectural Applications Pages 35-39

The Architectural Review Committee met on August 8, 2016 to review the enclosed applications.

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

<i>Address</i>	<i>Application for</i>	<i>Decision</i>
716 Elmhurst Circle	Window Replacement	No action taken
710 Elmhurst Circle	Burglar Alarm	No action taken
2232 Swarthmore	Trellis/Pergola	No action taken
2261 Swarthmore	HVAC Replacement	Emergency approval granted
1109 Dunbarton	HVAC Replacement	Emergency approval granted

<i>End Consent Calendar</i>

VIII. UNFINISHED BUSINESS

a. Bench Locations Pages 40-61

Last month the Board voted to propose two locations for the installation of benches: East of 1455 University and Northwest of 1236 Vanderbilt. Both locations were posted with signs and homeowner correspondence has been received against the placement of a bench near 1455 University.

The Board will consider the following location from the Approved Standards and Practices for Location, Design, Financing and Approving Benches: West of 500 Dunbarton Circle.

Action required: Two Board resolutions.

Proposed Resolution 1: The Board approves the placement of a bench Northwest of 1236 Vanderbilt for the enjoyment of the community.

Proposed Resolution 2: The Board chooses the bench location West of 500 Dunbarton Circle from the Approved Standards and directs management to set signage in place to solicit member comments.

b. New Pool Rules Pages 62-63

To better align with anti-discrimination laws, the Board has recently opened all pools to all ages. The posted rules have been revised to reflect the changes.

There are two versions of pool rules in the Board packet. The first version is the current pool rules. The second copy is a recommended Draft Pool Rules.

Action required: Board Resolution

Proposed resolution: The Board approves the presented pool rules as stated and directs management to publish the rules and have new signs created for the three Nepenthe pools.

IX. NEW BUSINESS

a. 2017 Reserve Study Update Pages 64-99

A draft reserve study has been prepared by specialist Robert Browning with input from the Finance Committee, Board President, Treasurer and Management. The study calls for an increase in the monthly per owner contribution of \$11, from \$267 to \$278 in order to meet the future replacement needs of the community.

A copy of the reserve study is available for homeowner review in the library.

Action Required: Board review and possible resolution.

Proposed resolution: The Board approves the Browning Reserve Group draft reserve study for the fiscal year ending 2017 as presented. The reserve study recommends an annual reserve contribution of \$2,039,869 (\$278 per owner, per month) based on projected reserve funds balance of \$5,946,950 as of December 31, 2016. The Board directs management to adjust the unfunded reserve balance consistent with the actual reserve fund amount and with the reserve analyst’s projection of that balance as of December 31, 2016, if any.

b. 2017 Draft BudgetPages 100-104

Management has prepared a draft budget for Board review. Further adjustments may be necessary in anticipation of the minimum wage increases beginning in 2017. The Board should anticipate that contractors may need to increase their contracts for next year. At the present time, the budget calls for an increase to the monthly assessment of \$10, from \$457 to \$467. Below is a table of increases over the past 10 years:

Year	Assessment	Year	Assessment
2007	\$387	2012	\$408
2008	\$387 + \$5,000 S.A.	2013	\$424
2009	\$399	2014	\$430
2010	\$403	2015	\$440
2011	\$403	2016	\$457

Action required: Discussion only. No action at this time.

c. Insurance Renewal Page 105-110

The Insurance, Legal and Safety Committee has reviewed the Farmers renewal policy including the property limits, liability limits, professional and director & officers liability

limits. The Farmers renewal meet or exceeds the insurance requirements set by the committee and the association. It is the recommendation of the committee that the Board of Directors approve the renewal as presented.

Action required: Board resolution

Proposed resolution: The Board accepts the renewal offer from Farmers in the amount of \$93,561 to be paid monthly from operating funds.

d. Proposal to Convert Existing Cabana Sauna to Storage Closet.....Pages 111-113

As the Sauna has been out of commission for close to a year and the cost to repair the Sauna was not deemed and appropriate expense commensurate with the use of the Sauna, management has obtained a proposal from James E. Williams & Son, Inc. for the conversion of the Sauna into a storage closet for off-season storage of pool furniture. The conversion involves removing all elements of the sauna, widening the door opening and installing a new door.

Action required: Board resolution

Proposed resolution: The Board approves the proposal from James E. Williams for the conversion of the Sauna in the amount of \$1,567.48 to be paid from miscellaneous reserves which has a remaining 2016 allocation of \$7,175.

e. Proposals for Tree Work.....Pages 114-136

ITEM 1: Arborist Paul Dubois walked the property on August 2 accompanied by Grounds Chair Pam Livingston, Grounds Committee member Elsa Morrison 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. His Report was provided to the Grounds Committee who reviewed it on August and asked Mr. Dubois to prepare the enclosed proposals for Board action.

The specific work identified is as follows:

- Remove and stump grind Tulip Tree 1258 at 516 Dunbarton, \$2,400.00
- Prune Tulip Tree 1436 at 215 Elmhurst, \$980.00
- Prune Crabapple 1390 at 601 Elmhurst, \$420.00
- Prune Deodor Cedar 1785 at 606 Elmhurst, \$1,200
- Prune Deodor Cedar 1369 at 705 Elmhurst, \$1,200
- Prune Deodor Cedar 2049 at 1533 University, \$1,200
- Provide Deep Root Watering Injections to Redwoods 1808, 1809, 1810 and 1811 at 504-506 Elmhurst in August, September and October, \$780.00
- Provide Deep Root Watering Injections to Cedars 1785, 1369, 2059 located at 606 and 705 Elmhurst and 1533 University in August, September and October, \$780.00

ReportPages 114-127

ProposalPages 128-130

Action Required: Board resolution

Proposed Resolution: The Board approves the removals and crown reduction as proposed by Grove Total Tree Care for the amount of \$11,000, payable from Reserves which has a remaining 2016 allocation for tree work of \$94,454 +/-.

ITEM 2: The arborist was also asked to provide a proposal for annual maintenance pruning in Zone 1. The purpose behind this method is to provide The Grove Total Tree Care an opportunity to address annual pruning in the manner that they recommend. In years past, ValleyCrest recommended a species-specific method of pruning each year plus a minimum clearance pruning. Putting their recommendations into a published scope of work for bid by multiple tree companies resulted in bidders undercutting each other which may have been to the possible detriment of the forest as a whole.

Specifically, this work will provide 40% pruning in the form of crown thinning and reduction for excessive end weight on lateral limbs as needed throughout canopies with 1" and larger cuts to improve branch spacing or to improve branch structure. All dead, dying, diseased and decayed branches will be removed as will water sprouts and suckers. Trees will be cleared 3-5 feet away from buildings and 5-7 feet away from roofs. Trees will be cleared away from all signage and lights by 3-5 feet. Trees will be cleared to provide an 8 foot canopy over walkways and 14 foot canopy over parking and roads. Visible, hazardous branches will also be removed. Priority will be given to trees over buildings, structures, streets and sidewalks while trees over open green spaces will have lesser priority.

Management is requesting that should management, Grounds Committee and the Board of Directors find the work satisfactory, the Board President be granted authority to approve Zones 2-7 individually as the work progresses for a fee not to exceed \$20,000 for any one zone.

Additionally, at the end of the maintenance pruning, the arborist may make recommendations for additional pruning of specific large trees that may benefit from further reductions. These recommendations will be based on the size of the trees, the structure of the trees and possible deficiencies of prior maintenance cycles. An example of a recent 90% reduction can be seen on page 136 of the Board packet.

ProposalPages 131-136

Action Required: Board resolution

Proposed Resolution: The Board approves the proposal from The Grove Total Tree Care for annual maintenance pruning of all Zone 1 trees for a fee of \$12,000 to be paid from Reserves which has a 2016 allocation of \$69,526.

Proposed Resolution: The Board of Directors authorizes the Board President to approve annual maintenance pruning proposals for Zones 2-7 as the work progresses for a fee not to exceed \$20,000 for any one zone, payable from Reserves.

X. HOMEOWNER FORUM

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XI. NEXT MEETING: Wednesday, October 5, 2016 at 5:30 pm in the Nepenthe clubhouse

XII. ADJOURN

Minutes

University Ave Property Ad Hoc Committee

August 11, 2016

Members Present: Joan Trotta, William Vizzard, Jim King and John Donovan

Members Absent: Nancy Arndorfer

Residents President: Ivan Gennis

Joan Trotta stated objections of nearby residents to altering tennis courts and intention of taking joint legal action.

Committee engaged in a general discussion of options for use of some or all of the space as parking.

Multiple options were discussed, including:

- Convert existing fenced space to rental garages and staging area with plantings and solid fence to screen from exterior view.
- Convert portion of tennis courts nearest to University Ave and current staging area to garages, retain one tennis court.
- Build garages on both sides of current staging area, while retaining open space in rear for construction staging.

Issues to be considered but unresolved:

- Would construction of garages be allowed under existing R1-A zoning?
- Capacity and cost of rezone if not?
- Setback requirements for building?
- Cost of construction, fencing and plantings?
- Potential demand for garage rentals within Nepenthe?
- Level of support within community for such actions?

NEPENTHE ARCHITECTURAL COMMITTEE MINUTES
Monday, August 8, 2016 at 4:30 pm in Clubhouse

Members present: Kenneth Luttrell, Chair; Alan Watters, Jan Summers.

Absent: David Thomas. (Chair Luttrell announced that Mr. Thomas is taking an extended leave of absence.)

Present: Joan Haradon, Board Liaison; Ivan Gennis, Board President; Diane Vanderpot, Dan and Diane Durawa, John Baker.

A. Welcome and Opening Remarks.

B.1. Homeowner requests not voted on:

1. **710 Elmhurst Circle** – Sharla Freeman --- Burglar Alarm & Security Camera. No action taken by the ARC. Application was not complete and Applicant not present to discuss fields of vision and notification of affected neighbors.

2. **2232 Swarthmore Drive** – Dan and Diane Durawa – Trellis/Patio cover: a custom design trellis to be constructed in backyard. No action taken by the ARC. Application was not complete, and applicants took their application with them to obtain improved drawings and maybe obtain a different contractor. The ARC advised the applicants that they must bring their contractor to the ARC meeting at which their revised application will be considered. Details of connections to the buildings are critical.

3. **716 Elmhurst Circle** – Jerry Dunn – Windows replacement in this 5500 model of 5 windows and 3 patio door using Anlin Window Systems' Del Mar Series vinyl-framed dual-paned series sliding windows, having a "2 7/8" frame depth" (per web site), and Malibu Sliding Patio Doors, having "2 1/2"-wide rails" (frames) (per web site), in a replacement retrofit installation. Exterior color to be Anlin's bronze. No change in window configurations. At the meeting, no action taken by the ARC. Applicant not present and application not complete. Further documentation requested.

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

B.2.A. Homeowner Requests Already Approved:

4. 2261 Swarthmore HVAC replacement– Kathy Wiltse – Replace HVAC in this 4000G model. Install a 16 SEER 13 EER Lennox model CBX32MV-048

air handler and a Lennox model XP16-036 outdoor condenser. The new condenser will be sited in the same place as the original; the existing refrigerant line set will be re-used. Emergency **Approval Granted on July 7, 2016.**

5. **1109 Dunbarton Circle** – Rebecca Stene and Renee Allbright – Replace HVAC heat pump system in this 3300 model. Install a Ruud air handler and a 3.5 ton, 15.0 SEER Ruud “Achiever” RP15 Series model RP1542AJ1NA outdoor condenser. The new condenser will need to be relocated to a site somewhat forward, toward the alley. The system will need to use the new R410 refrigerant; any new refrigerant line set and wiring will be installed in the exterior walls under the siding. Capital Mechanical, Inc. is the contractor. In order to accommodate the larger condenser, a section of the side yard fencing will need to be moved out approximately one foot. Emergency **Approval Granted on July 25, 2016.**

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:

The committee began to review proposed designs for possible replacement fencing that were not yet fully documented. Three options from James Williams & Sons, the HOA’s Contractor, and four sketches from A.R.C. Member David Thomas were discussed by the committee along with Ivan Gennis, Board President, and Joan Haradon, Board Liaison. The committee agreed that we will attempt to convene another meeting with the building siding contractor prior to the HOA meeting. It was agreed via a motion that Ken Luttrell would develop elevation drawings for fencing alternatives demonstrating various orientations of 1x6 boards, (with and without the 2x2 wood joint covers), and T-111 siding.

G. New Business:

Adoption of the HOA “Standards and Practices for Committees” for the Architectural Review Committee was discussed briefly but no action was taken.

The multiple issues surrounding security cameras installation were discussed. We will explore if it would be possible to draw up basic guidelines for the Arch. Criteria.

H. Next meeting. Monday, September 12, 2016, 4:30 P.M. in the Clubhouse.

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

Nepenthe Homeowners Association

Finance Committee Minutes **DRAFT**

August 22, 2016

Present

Ken Butler, Chairman; John Baker, member;; Will Vizzard, Board Liaison; Ivan Gennis, Board President; Bettsi Ledesma, HOA Manager.

Reserve Funding

Bettsi Ledesma presented a draft of the Reserve Funding Plan prepared by the Browning Reserve Group. The plan provides a 30 year expense projection that is updated annually and presented for Board Approval. There was discussion about how the Browning Group calculates the year end/ beginning of the year balance. The projected ending balance for 2016/ beginning balance 2017 is \$5,946,950 and the projected 2017 ending balance is 6,257,463. Based upon the current balance in the Draft study is estimated that the monthly contribution to the reserve fund from the monthly dues will be \$288.12 for fiscal year 2017. There was also discussion about how Browning Reserve Group projects the annualized contribution to reserves. The committee agreed that they will request a meeting with Browning to be held in Bettsi' office on Thursday September 1, at 11:00 am. Browning will answer questions about the 2017 Reserve plan. One goal will be to understand the assumptions used in calculating end of year reserve balances.

Minutes

The minutes of June 27, 2016 were approved.

There was no meeting of the Committee in July.

Board Liaison Report

Will reported that the contract with First Services has been renegotiated. First Services requested a 5% increase in the contract, however, the final agreement is for a 2.5% increase for the 2017 fiscal year.

Financials

The July Financials were reviewed. There were no apparent inconsistencies.

Next Meeting

The next meeting of the Finance Committee will be held on Monday September 26. Bettsi will be present and share the draft of the 2017 Operating Budget.

Respectfully Submitted,

Ken Butler

NEPENTHE GROUNDS COMMITTEE MEETING
August 11, 2016 - Dunbarton Cabana
Minutes

Present were:

Pam Livingston, Committee Chair
Ivan Gennis, Board President (late arrival to pick up handouts)
Linda Cook, Board Liaison
Bettsi Ledesma, General Manager
Marty Henderson, Irrigation
George Procida, GP Landscape
Zone 1 - Diane Luttrell, Grace Long
Zone 2 - Diana Vizzard, Elsa Morrison
Zone 3 - Liza Tafoya
Zone 4 - Don Landsittel
Zone 5 - Pam Sechrist
Zone 6 - Diana Mortimore, Kathy Waugh,

Not present:

Zone 5 - Joan Barrett
Zone 7 – Renee Mendez

Guest:

Paul Dubois, Arborist, The Grove
Lynn Livingston

The meeting was called to order at 3:05 pm by Chair Pam Livingston

Handout – August 10, 2016, Report from, The Grove

Motion- Grace Long, Second Liza Tafoya – Approve minutes of July 21, 2016 – **Passed**

Marty Henderson – Irrigation

- Drip System replacement – Zone 3 progressing – Zone 4 to follow with completion of both zones projected for mid-September completion.
- The Sacramento City Inspector will be asked to inspect the completed work to confirm the installation is meeting the requirements.
- There is water coming from a back yard in Zone 3. Tomorrow's Zone 3 walk will confirm the address to pursue correction.

George Procida – Grounds

- Weeds are currently a big complaint. Weed spraying is currently in process.
- Heavy pruning continues in Zones 3 & 4. The completion of these zones will complete this phase of heavy pruning. The next shrub variety to be hard pruned is yet to be determined. This next phase of pruning will begin on American River Drive.
- New and replacement plantings are not being done at this time due to hot weather. Planting will be done in the Fall.
- A notice from the Sacramento City was received regarding excess water runoff.

Bettsi Ledesma – Nepenthe general

- Tree Pruning – currently following the 4 year pruning plan that is in place. This includes structural, clearance and general pruning as required.
- Liquidambar –
 - Ivan Gennis has been asking for the “Plan” for Grounds Committee recommendation for the liquidambar trees.
 - Paul Dubois, Arborist, The Grove provided the following information regarding liquidambar trees:
 - The trees can be sprayed during the first calendar quarter to stop the major portion of the “fruiting” of the liquidambar. The “fruit” is the spiked balls that fall from the trees. This will reduce the amount of fruit produced by the trees. Paul Dubois will provide a price for the spraying.
 - George Procida offered that additional effort can be provided to keep sidewalks clear(er) of the balls.
 - The general opinion of the Grounds Committee Members is that the liquidambar trees should not be decimated.

Motion – Don Landsittel, Second Grace Long –

Do not proceed with removal of the liquidambar trees. The liquidambar trees should be maintained within the “whole forest plan.” Have The Grove provide a proposal for the spraying of the liquidambar trees with the intention to proceed with the spraying of the liquidambar trees during the first calendar quarter of 2017 to halt/reduce the “fruiting.” **Passed**

- Elsa Morrison reported –
 - Report coming on new tree (less than 4 years old) inventory
 - Zone Reps. to walk each zone with Elsa in the future to monitor new plantings
 - Unmarked trees need to be identified
 - Zone Reps. need to look for younger trees where the tags have been applied with tire-wraps which are now cutting in to the growth of the tree. Replace with tags.
 - Everyone remember to look up for problems e.g. dead or broken limbs.
- Review August 10, 2016 Report.

Paul Dubois – The Grove

- Reviewed August 10, 2016 Report
 - New staked trees should have stakes removed in first year to allow tree to develop trunk taper and encourage root growth.
 - Discussion of other items in report.
- General tree health discussion – The Grove will be making monthly walks with Bettsi.
- Keep watering redwoods and all trees. Note to be added to Newsletter and/or email blast.
- Yellowish and light green on redwood indicates water stressed.

Motion -- Elsa Morrison, Second Pam Sechrist --

The Grounds Committee recommends that the Board authorize the following work as recommended in the Arborist’s August 10th report:

1. Tulip Tree #1258 at 516 Dunbarton: Remove
2. Pruning of Oak #2050 at 1503 University during Fall pruning
3. Fertilize Japanese Maple # 1784 at 606 Elmhurst in late Fall

4. Prune Tulip Tree 1436 at 215 Elmhurst in Fall and provide Merit injection.
5. Deodor Cedar 1785 at 606 Elmhurst: Retain tree, prune and monitor.
6. Crabapple 1390 at 601 Elmhurst: Prune out dead wood and continue to monitor
7. Coast Redwoods 1808, 1809, 1810 and 1811 located at 504-506 Elmhurst: Deep root watering injections, remove cobble, apply mulch.
8. Deodor Cedar 1369 at 705 Elmhurst: Retain tree, prune and monitor.
9. Deodor Cedar 2049 at 1533 University: Retain tree, prune and monitor.

Passed

The meeting was adjourned at 4:10PM

Next Grounds Committee Meeting, September 8th- 3:00PM- Dunbarton Cabana

Nepenthe Outreach-Social Committee Meeting
August 17, 2016 5:00PM
Nepenthe Clubhouse

In attendance:

Gerry Gelfand, Chair
Bill Olmsted
Ivan Gennis, Board Liaison
Valerie Weinberg
Joan Barrett

Betsi Ledesma, General Manager
Kathleen Montgomery
MJ Lindgren
Paige Tiffany

Guest in attendance:

Jan Summers

Committee Members not in attendance:

Ken Gromacki
Connie Henderson

Linda Cook

The meeting was called to order at 5:06PM by Gerry Gelfand, chair.

There were no changes to the revised August 2016 minutes, Bill made a motion to accept the minutes as revised, MJ seconded the motion. The motion carried.

Old Business

Jazz by the Pool

Linda Cook has been injured and Paige Tiffany is in charge of the **Jazz at the Pool** event for August 28th in her stead.

Kathleen asked if we can provide something other than water for those who do not drink wine. A discussion followed as to the type of soft drinks to supply and lemonade was chosen.

ACTION ITEMS

MJ will pick up the water when she gets an amount to purchase from the previous events

Paige will get a certificate of insurance from the food truck

Paige will arrange for rental chairs for the event

Paige will have a reusable banner made for the wall behind the band

Paige will display the signs on Monday, the 22nd.

Gerry will take care of the lemonade and take tickets at the gate

Bill will contact Will about sharing the bartending tasks

Bill will pick up balloons for the event

Kathleen will bring her tables and purchase table covers and balloon weights

Joan will bring her table

MJ suggested that a binder be created for the events so that people can proceed without input from previous committee members. All agreed that this is a worthwhile endeavor.

Parking Lot Sale

Gerry announced that all of the scheduled spaces for the August 27th event are sold out. There are two additional spaces that can be adapted to accommodate any additional space rentals.

Action List:

Bill will drop flyers for the sale at the apartments that house CSUS students prior to the sale

Val will create the signage for the sale

Paige will lend the A-frames to publicize the sale along the major streets surrounding Campus Commons.

Bettsi will work with Gerry to block off the parking lot the night before and Gerry will get chalk to mark the spaces for the sellers.

Bettsi will place an ad on Craigslist for the sale

Speakers for Saturday coffees

Gerry said that the Neighborhood Watch presentation for October 15th was not going to happen but asked if there were any objections to having the program on an evening from 4P to 6P. The committee had no objections and suggested an October 20th date.

There was a discussion about the Cops and Coffee being held at one of the Saturday coffees at the clubhouse.

Sponsors at the coffees are tabled for the time being

Action List:

Gerry will see if the Neighborhood Watch coordinators are available for October 20th.

Gerry will also see if the Cops & Coffee program is available for September 24th at the Saturday coffee.

Bettsi will prepare a standard for sponsorship for review by the committee.

HOA Website

Gerry asked for feedback from the committee's perusal of other HOA's websites. Only MJ had followed through and she was unsure as to what the goal of the exercise. Gerry responded that the goal was to see how the website was user friendly in ways we could adopt.

Betsi said that she has contact information for several web designers and noted that there is about \$1,500.00 left in the budget to update the website. She said that she would ask for quotes to tweak the current website.

Newsletter Column

There were no suggestions for the topic and the subject was tabled for the present time.

Announcements

Ivan said there will be a forum on parking issues and the committee will be involved at a future date.

Gerry said that there will be a wine and cheese fundraiser for the dog park on October 8th.

The meeting was adjourned at 6:05PM

Joan Barrett

Next HOA Board Meeting - Wednesday, September 7th- 5:30PM Clubhouse

Next Outreach-Social Committee Meeting- Wednesday, September 17th-5PM- Clubhouse

Nepenthe Association

Management Report – September 7, 2016

1 COMMUNICATION

The Nepenthe News was last published on August 5, 2016. The next newsletter will be published on September 9, 2016. Topics to be covered are:

- Jazz By The Pool
- Phase III Siding and Painting Schedule
- Benches and locations

The website experienced a number of updates since the last Board meeting:

- Reserve Study and Budget articles
- New events and announcements added
- Phase III Siding And Painting Schedule added

2 FACILITIES

The following are status updates on various facilities projects:

- Tennis/Pickleball Court sealing has begun.
- Phase II Siding and Painting is completed.
- James E. Williams has prepared an estimate to remove the decommissioned sauna and turning the space into a regular storage closet. The main purpose will be to store the chaise lounges and chairs during the winter months.
- 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.

3 GROUNDS

Since the last Board meeting on August 3, 2016 management has conducted landscape walks on the following dates:

- 8/5/16, Zone 2, Attended by Bettsi Ledesma, General Manager; George Procida, GP Landscape; Elsa Morrison and Diana Vizzard, Zone Stewards. \$2,540.00 authorized in extra work.
- 8/12/16, Zone 3, Bettsi Ledesma, General Manager; George Procida, GP Landscape; Liza Tafoya and Stephen Harris, Zone Stewards; and Pam Livingston, Grounds Chair. \$4,255 authorized in extra work

- 8/19/16, Zone 4, Attended by Bettsi Ledesma, General Manager; George Procida, GP Landscape; Don Landsittel, Zone Steward; and Pam Livingston, Grounds Chair.
- 8/26/16, Zone 5, Attended by Bettsi Ledesma, General Manager; George Procida, GP Landscape; Pam Sechrist, Zone Steward.
- 9/2/16, Zone 6, Attended by Bettsi Ledesma, General Manager; George Procida, GP Landscape; Kathy Waugh, Zone Steward.

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

Approved Tree Removals:

At the August 3, 2016 Board meeting the following trees work was authorized:

- Tulip 101 on Howe Ave. berm near 27 Adelphi, \$3,100.00
- Locust 756 at 811 Dunbarton, \$840.00
- Plum 411 at 2265 Swarthmore, \$470.00
- Birch 899 at 1333 Commons, \$840.00
- Birches 1990 & 1991 at 1025 Vanderbilt, \$1,350
- Birch 1521 at 1113 Vanderbilt, \$840.00
- Locust 1566 at 1161 Vanderbilt, \$840.00
- Liquidambar 371, Crown reduction to subdue co-dominant stem. Weight reduction pruning, \$2,720

The Board will be reviewing Paul Dubois’s 8/2/2016 report and recommendations at the September 7th meeting. He is recommending the following tree work:

- Remove and stump grind Tulip Tree 1258 at 516 Dunbarton, \$2,400.00
- Prune Tulip Tree 1436 at 215 Elmhurst, \$980.00
- Prune Crabapple 1390 at 601 Elmhurst, \$420.00
- Prune Deodor Cedar 1785 at 606 Elmhurst, \$1,200
- Prune Deodor Cedar 1369 at 705 Elmhurst, \$1,200
- Prune Deodor Cedar 2049 at 1533 University, \$1,200
- Provide Deep Root Watering Injections to Redwoods 1808, 1809, 1810 and 1811 at 504-506 Elmhurst in August, September and October, \$780.00
- Provide Deep Root Watering Injections to Cedars 1785, 1369, 2059 located at 606 and 705 Elmhurst and 1533 University in August, September and October, \$780.00
- Annual maintenance pruning for Zone 1. Specifically, this work will provide 40% pruning in the form of crown thinning and reduction for excessive end weight on lateral limbs as needed throughout canopies with 1” and larger cuts to improve branch spacing or to improve branch structure. All dead, dying, diseased and decayed branches will be removed as will water sprouts and suckers. Trees will be cleared 3-5 feet away from buildings and 5-7 feet away from roofs. Trees will be cleared away from all signage and lights by 3-5 feet. Trees will be cleared to provide an 8 foot canopy over walkways and 14 foot

canopy over parking and roads. Visible, hazardous branches will also be removed. Priority will be given to trees over buildings, structures, streets and sidewalks while trees over open green spaces will have lesser priority. \$12,000

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 next walk is scheduled for September 27th.

4 FINANCIAL

The June Financials were published July 28, 2016. There is a current positive variance of \$190,165. This will continue to accumulate until it is time to purchase next year's flood policy at the end of the year.

5 GOVERNANCE

- **Courtesy Patrol:** Since the last Board meeting, there were a total of 24 violation notices placed on vehicles in the community by the security patrol. There were 2 vehicles 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 1 compliance notice regarding unsightly items visible from Common Area.

8/1	Manager begins preparation of next year's budget	8/1/2016
8/3	Board Meetings: Closed 3:30 PM, Open 5:30 PM	8/3/2016
8/5	Nepenthe News published	8/5/2016
8/5	ILS Committee to meet and review insurance needs	8/5/2016
8/11	Landscape architect to recommend areas for over seeding	ongoing
8/11	Grounds Committee meeting 3:00 PM	8/11/2016
8/13	ARC meeting 9:00 AM	8/13/2016
8/15	Publish RFP for Concrete Remove and Replace	not needed
8/17	Outreach committee meeting 6:00 PM	8/17/2016
8/29	Committee minutes due to management office	8/31/2016
8/29	Lock in agendas for Board meetings 1) Tree Work Bids 2) Overseeding Bid 3) Draft Reserve study & budget 4) Approve Insurance Quote	8/29/2016
8/30	Finance Committee meeting 3:00 PM	9/1/2016
9/2	Manager posts agenda and distributes Board packets	9/2/2016
9/5	Office closed for Labor Day	
9/7	Board Meetings: Closed 3:30 PM, Open 5:30 PM	
9/8	Grounds Committee meeting 3:00 PM	
9/9	Nepenthe News published	
9/10	ARC meeting 9:00 AM	
9/21	Outreach committee meeting 6:00 PM	
9/26	Committee minutes due to management office	
9/26	Lock in agendas for Board meetings - 1) Approve Budget 2) Renew Insurance 3) Roof and Gutter cleaning	

To the Board of Directors:

Please do not convert the Elmhurst circle tennis court to a parking area for overflow automobiles. My wife and I live in that area and it would be an eyesore, decrease the surrounding home values and seems inappropriate and unfair to solve a parking problem for residents who have three automobiles or are using their garage for storage to the detriment of the many residents who live near the tennis court. I assume the parking area would have to be fenced, gated and lighted-- who wants that in their neighborhood? Why did you not consider the tennis court on Commons Drive for overflow parking? That court is never used and there are many cars parked near it day and night. Incidentally, the Elmhurst courts have been used by 4 players for two consecutive days-8/23 & 8/24. Your consideration and understanding is appreciated.

Marilyn and Bob Baskerville, 326 Elmhurst Cir.

August 8, 2016

Ivan Gennis
President
Nepenthe HOA

Mr. Gennis,

The nearby tennis courts were an attractive amenity when we purchased our condo. We use the courts. The courts also provide a valuable nearby activity for our grandchildren and out-of-town visitors. You are wrong when you refer to the courts as "unused".

Amenities like the tennis courts are an important part of what attracted us to live in Nepenthe and pay a monthly HOA fee.

Frequency of use is not an issue. We make no use of the clubhouse pool or facilities, yet we supported the recent remodels because the amenities indirectly add value to our community, our quality of life, and our property. If frequency-of-use is to determine the value of an amenity, many of the Nepenthe amenities could become vulnerable to replacement by some revenue-driven alternative.

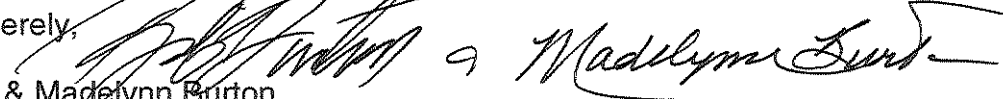
The unattractive proposal to convert the tennis courts to a parking and storage area does not reflect concern for the Nepenthe homeowners who would be most directly affected. There is strong opposition to the proposal among those of us who live nearby. In one respect, the tennis courts are more than an amenity. They provide a buffer between the nearest units and the unattractive storage area.

Please kill this inconsiderate proposal to invade our space with an ugly and uncertain attempt at developing a new revenue stream.

I don't know who came up with this parking lot/storage idea. It certainly wasn't developed in a spirit of community and it lacks any trace of concern for our neighborhood.

It is reasonable for us to consider the surrounding amenities as part of our residential asset. Please think about us as neighbors. Don't attempt to move this proposal forward.

Sincerely,



Bob & Madelynn Burton
320 Elmhurst Circle
Sacramento, CA 95825

Bettsi Ledesma

From: Susan Benedetti <benedettir@aol.com>
Sent: Thursday, August 11, 2016 11:22 AM
To: ivan.gennis@gmail.com; steve@huffmanstrategy.com; linda_cook@att.net; vizzardw@gmail.com; joanh3860@gmail.com
Cc: Bettsi Ledesma
Subject: Proposal to Convert Tennis Courts on University to Parking

Follow Up Flag: Follow up
Flag Status: Flagged

August 11, 2016

Dear Nepenthe Board Members:

I am writing to oppose the proposal to convert the tennis courts facing University Avenue into an overflow parking lot for Nepenthe.

When we purchased our property at 322 Elmhurst Avenue, it was with the understanding that we would have available to us the use of the nearby tennis courts as one of the amenities of living in Nepenthe. We assumed that this area would always be devoted to an amenity for residents, a factor that would safeguard and promote our property values.

To replace these courts with a parking lot for overflow traffic will jeopardize our property values and create problems in our immediate neighborhood. Such a parking lot could quickly become an eyesore. It will require full-time security to prevent vandalism and use by Sac State students, staff and faculty. It will require bright lighting to guarantee safety and security in the lot, lighting that will impact our homes. It will create pedestrian traffic back and forth at all hours of the day and night. It will replace a view of tennis courts with one of empty cars and boats.

One of the advantages of living in a condominium is being governed by neighbors who share our sense of place. I would ask each member of the Board to consider if they would want to live next door to a parking lot for overflow traffic. Surely the well-being of your neighbors and their quality of life takes precedence over providing a parking space for those who own more than two vehicles. I would ask the Board not to pursue policies which jeopardize the quality of life and property values of an entire neighborhood within Nepenthe.

Very sincerely,

Susan Benedetti

322 Elmhurst Circle

From: Carolyn Ralston
Sent: Tuesday, August 09, 2016 9:30 AM
To: CA - Nepenthe HOA
Subject: Bench Proposed Near 1497 University

Dear Bettsi Ledesma and the Nepenthe Board of Directors:

I just saw the sign outside my bedroom window about placing a bench near the walkway. This comes as a shock to me for several reasons. First, I bought this condo to spend my remaining years in because it was not located near any public gathering place. While I realize only a few people can sit on a bench, they may stay and talk and look into my bedroom as long as they like. Second, the date of the Board's vote is only a month off, and I am scheduled for heart surgery in two weeks. I am not prepared to come express my strong objection to the proposed bench.

Third, I have observed quite a parade of characters on the levee during my two years of living here, and I see such a bench as an invitation to stoned, inebriated, and homeless people to come down and lounge. In fact, I had a person sit near my house on the levee and play his guitar and ramble on incoherently. No doubt, he would have appreciated a bench to sit on. I have heard angry couples screaming at each other, children shouting, young people yelling. The only thing that makes this okay for me is that they move along, but with a place to rest clearly visible to them, what's to prevent them from coming down and spending time? No one is going to monitor the use of said bench. Homeless people live right over the levee close to the river. I do not consider it reasonable to put a bench this close to the levee.

I'm puzzled as to why I, as one of the two most impacted homeowners, was not consulted about this location. Why here? Are other benches planned along the levee? Why has Nepenthe gone for 40 years with no benches back here and now wants one? How long has such an idea been in the planning? Were any of the immediate neighbors canvassed prior to the proposal?

I respectfully request a reconsideration of this step, which will be detrimental to my well-being and property value. I paid a premium for this condo to get the location. I have an enormous bedroom window, which I cannot change the size of because of HOA requirements. I will be lying in bed looking at everyone and anyone who decides to sit and visit, talk on a cellphone, or whatever; and they will be looking back at me unless I close my drapes and darken the room, which has no other source of daylight.

Thank you for your consideration,

Carolyn Ralston

1497 University Avenue

Mon 8-22-16

To Represent the Board Members,
My name is Betty
Given and live at 1461
University Ave.

I want to write you
telling you I oppose the
bench being placed near
my front living room
window. I strongly oppose
people looking at the front
of my house for possibly
many hours.

Please respect my
opinion.

Thank you,
Ms. Betty Given

NEPENTHE ASSOCIATION

BOARD OF DIRECTORS MEETING

August 3, 2016, 5:30 PM

Nepenthe Clubhouse | 1131 Commons Drive | Sacramento, CA 95825

WELCOME

OPEN SESSION MINUTES

I. CALL TO ORDER

Present	Board Member	Positon
x	Ivan Gennis	President
Via phone	Steve Huffman	Vice President
	Linda Cook	Secretary
x	Will Vizzard	Treasurer
x	Joan Haradon	Member at Large

II. ANNOUNCEMENTS

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

Items of discussion include:

- Accounts Receivable Reports
- Contract Negotiations with Morgan Fussell for broadband easement agreement

III. COMMITTEE REPORTS

- a. **Ad Hoc Committee on University Ave. Lots-** Verbal report provided at meeting. Minutes provided to Board in their packet.
- b. **Architectural Review Committee-** Verbal report provided at meeting. Minutes provided to Board in their packet.
- c. **Finance Committee- No Meeting-** No meeting in July. Minutes provided to Board in their packet.
- d. **Grounds Committee-** Verbal report provided at meeting. Minutes from June meeting provided to Board in their packet.
- e. **Insurance, Legal and Safety Committee-** Verbal report provided at meeting.
- f. **Outreach Committee-** Verbal report provided at meeting. Minutes provided to Board in their packet.
- g. **Parking Policy Committee-** Verbal report provided at meeting. Minutes provided to Board in their packet.

IV. MANAGEMENT REPORTS

- a. **Operations Report-** Manager provided report in writing to the Board. Items of note include:

- i. Tennis/Pickleball Court sealing contract was signed by all parties. The schedule for the sealing work will be announced shortly.
- ii. Phase II Siding and Painting is approximately 98% completed.
- iii. James E. Williams is preparing an estimate to remove the decommissioned sauna and turning the space into a regular storage closet. The main purpose will be to store the chaise lounges and chairs during the winter months. The estimate will be available for Board review at the September 7, 2016 Board meeting
- iv. The Dunbarton gate system was repaired Monday, August 1, 2016.
- v. At the July 6, 2016 Board meeting the following trees were authorized for removal.
 - #2021, Bay Laurel located in the alley behind 1467 University
- vi. Arborist Paul Dubois has recently replaced Phil Johnson at The Grove Total Tree Care. The Board will be reviewing a number of his reports and recommendations at the August 3rd meeting. He has recommended the following tree work:
 - Tulip 101 on Howe Ave. berm near 27 Adelphi, \$3,100.00
 - Locust 756 at 811 Dunbarton, \$840.00
 - Plum 411 at 2265 Swarthmore, \$470.00
 - Birch 899 at 1333 Commons, \$840.00
 - Birches 1990 & 1991 at 1025 Vanderbilt, \$1,350
 - Birch 1521 at 1113 Vanderbilt, \$840.00
 - Locust 1566 at 1161 Vanderbilt, \$840.00
 - Liquidambar 371, Crown reduction to subdue co-dominant stem. Weight reduction pruning, \$2,720
 - Liquidambars 634 and 635 at 1106 Vanderbilt, \$4,800.00
 - Birch 606 at 1212 Vanderbilt, \$1,800
- vii. Since the last Board meeting, there were a total of 26 violation notices placed on vehicles in the community by the security patrol. There were 2 vehicles towed during this time. Reports are reviewed by management daily, recapping the rounds and interactions of the officers on duty.

b. Master Calendar Report- Manager Bettsi Ledesma reviewed the calendar with the Board.

- V. **HOMEOWNER CORRESPONDENCE-** Board reviewed correspondence received:
 - a. Homeowners expressed concern with a tree located outside her bedroom window.
- VI. **HOMEOWNER FORUM** – A number of Homeowners addressed the Board on various issues. Management made note of the concerns for possible Board action on a later agenda.
- VII. **CONSENT CALENDAR** -The Board approved Consent Calendar items A to E as presented excepting therefrom the item removed by unanimous consent: 1 architectural application as indicated below.

- 817 Dunbarton Circle, Skylights and Solar Tubes, will be approved contingent upon escrow closing.

<i>Begin Consent Calendar</i>

a. Approval of Minutes July 6, 2016 Open Session

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

b. Financial Statement: June 2016

Resolution: The Board accepted the June 2016 interim financial reports and bank reconciliations as presented, subject to annual review. The report reflects a positive year to date variance of \$170,674.53 and reserve funding of \$1,003,227 compared to the reserve funding budget of \$982,596. The reserves are funded through June 2016. The Association has \$438,027 in operating funds, which represents 1.61 months of budgeted expenses and reserve contributions. The Association has \$5,325,646 in reserve funds.

c. Lien Resolution

Per the enclosed Resolution dated July 14, 2016, 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
1963-02	\$914.00
2153-01	\$914.00

d. Appoint Committee Memberships

Resolution: The Board appointed Renee Mendez and Mark Gorton, members in good standing, to the Grounds Committee and Insurance, Legal & Safety Committees, respectively. Their applications have been received and reviewed by management and all have agreed to abide by the Conflict of Interest Policy.

e. Architectural Applications

The Architectural Review Committee met on July 11, 2016 to review the enclosed applications.

Resolution: The Board confirmed the decisions of the committee.

<i>Address</i>	<i>Application for</i>	<i>Decision</i>
219 Elmhurst Circle	Replace Skylight	Approved
711 Elmhurst Circle	Window Replacements	Approved
1426 Commons Drive	Window Replacements	Approved
905 Dunbarton Circle	Window Replacements	Approved
2308 Swarthmore Drive	Solar tubes	Approved

114 Dunbarton Circle	HVAC Replacement	Emergency Approval Granted
1418 Commons Drive	HVAC Replacement	Emergency Approval Granted

End Consent Calendar

VIII. UNFINISHED BUSINESS

a. Age Restrictions at Nepenthe Pools

Action: Tabled until September 7, 2016 Board Meeting.

IX. NEW BUSINESS

a. Report from Ad Hoc Committee on Parking Policy

Action: It was agreed that the Ad Hoc Committee on Parking Policies will work with management to engage a consultant to assist with the facilitation of homeowner forums to achieve consensus around parking policies.

b. Risk Assessment Report

Motion: Director Steve Huffman

Second: Director Joan Haradon

Vote: All in favor

Resolution: The Board accepted the Risk Assessment Report by Farmers Agent Ryan DeShong and directed management to implement the suggestions therein and report at the next open session on September 7, 2016.

c. Board Instruction to Ad Hoc Committee on University Ave. Lots

Action: Board agreed that the Ad Hoc Committee on University Ave. Lots will look at costs to utilize the yard for parking.

d. Board Instruction to Architectural Review Committee

Action: Board agreed that the Board Liaison will work with committee to develop criteria for rooftop improvements.

e. Proposals for Tree Work

ITEM 1: Arborist Paul Dubois walked the property on July 12 accompanied by Grounds Committee member Elsa Morrison 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. Additionally, the arborist was asked to provide instruction for the care of the community's young trees. His Report was provided to the Grounds Committee who reviewed it on July 21st and asked Mr. Dubois to prepare the enclosed proposals for Board action. The specific work identified is as follows:

- Tulip 101 on Howe Ave. berm near 27 Adelphi, \$3,100.00
- Locust 756 at 811 Dunbarton, \$840.00
- Plum 411 at 2265 Swarthmore, \$470.00
- Birch 899 at 1333 Commons, \$840.00
- Birches 1990 & 1991 at 1025 Vanderbilt, \$1,350
- Birch 1521 at 1113 Vanderbilt, \$840.00
- Locust 1566 at 1161 Vanderbilt, \$840.00
- Liquidambar 371, Crown reduction to subdue co-dominant stem. Weight reduction pruning, \$2,720

Motion: Director Joan Haradon

Second: Director Will Vizzard

Vote: All in favor

Resolution: The Board approved the removals and crown reduction as proposed by Grove Total Tree Care for the amount of \$11,000, payable from Reserves which has a remaining 2016 allocation for tree work of \$94,454 +/-.

ITEM 2: The arborist was also asked to provide a report for Birch Tree 606 at 1212 Vanderbilt at the request of management. The tree has been requested for removal by the homeowner. Based on the report and the fact that the tree only impacts two homeowners who both desire its removal, management recommends removal.

Motion: Director Will Vizzard

Second: Director Joan Haradon

Vote: All in favor

Resolution: The Board approved the removal of Birch Tree 606 for the amount of \$1,800 payable from Reserves which has a remaining 2016 allocation for tree work of \$94,454 +/-.

ITEM 3: The arborist was also asked to examine two Liquidambar at 1106 Vanderbilt at the request of management. The trees have been requested for removal by the homeowner. The homeowner has experienced fallen limbs in her patio and has had to replace her air conditioner's condenser unit due to the unit burning out because it was lifted off-level by the invasive tree roots. Management has conferred with the zone steward for the area about these trees and the arborist's report is enclosed in the Board packet (please note that the arborist has inadvertently transposed the tree numbers- they are actually 634 and 635). Management recommends removal due to the extensive impact to the existing hardscape. To continue to root prune to allow for concrete replacement can be detrimental the trees and may cause instability which could lead to tree failure.

Motion: Director Will Vizzard

Second: Director Joan Haradon

Vote: All in Favor

Resolution: The Board approved the removal of Liquidambar 634 and 635 for the amount of \$4,800 payable from Reserves which has a remaining 2016 allocation for tree work of \$94,454 +/-.

f. Proposal to Purchase Two Wausau Benches

Motion: Director Will Vizzard

Second: Director Joan Haradon

Vote: All in favor

Resolution: The Board chose the bench locations on pages 123 and 132 from the approved Standards and directs management to set signage in place to solicit member comments.

Motion: Director Steve Huffman

Second: Director Joan Haradon

Vote: All in favor

Resolution: The Board approved the proposal from Wausau for two benches in the amount of \$2,703.59 payable from Reserves which has a 2016 allocation of \$8,000.

g. Proposal to Purchase Ping Pong Table

Motion: Director Will Vizzard

Second: Director Joan Haradon

Vote: All in favor

Resolution: The Board approved the purchase of the table proposed by management for a fee not to exceed \$493.90.

h. Proposals for Fence Replacements

Some fences have been noted by Roger Work, the Nepenthe Facilities Coordinator, as being in need of repair and/or replacement.

Motion: Director Will Vizzard

Second: Director Joan Haradon

Vote: All in favor

Resolution: The Board approved the work called out for in the enclosed fence repair/replace proposals from James E. Williams & Son, Inc. as follow:

- 0716-0020, 312 Elmhurst Circle, \$689.01
- 0616-0046, 700 Dunbarton Circle, \$2,773.86

For a total of \$3,462.87 payable from Reserves which has a remaining 2016 allocation of \$110,000.

Tabled until September 7, 2016 Board Meeting- 0716-0021, 801 Dunbarton Circle, \$4,841.28.

X. **HOMEOWNER FORUM-** A Homeowner addressed the Board on various issues. Management made note of the concern for possible Board action on a later agenda.

XI. **NEXT MEETING:** Wednesday, September 7, 2016 at 5:30 pm in the Nepenthe clubhouse

XII. **ADJOURN@ 8:20pm**

NEPENTHE

August 17, 2016

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>
8/15/16	2484-02	\$2,355.56	\$951.00			
8/15/16	2509-03	\$938.57	\$914.00			

Deferred Items from prior meeting

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

Any two (2) Board members must sign:

By: _____ Date: _____

By: _____ Date: _____

rec'd 7-20-16
[Signature]

Architectural Review Committee

HOME IMPROVEMENT APPLICATION

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

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

House Model Number:

NAME: Jerry Dunn SIGNATURE: *[Signature]*
 ADDRESS: 716 Elmhurst Ct DATE: _____
 PHONE: 916 704 9678 ALT. PHONE: _____

- SUBMITTAL CHECK LIST:** (Please attach the following to this Home Improvement Application if applicable)
- Facing, Adjacent and Impacted Neighbor Statement when the change is visible from the exterior
 - 1 Set of Drawings - Should include details of dimensions, height, distance from fencing, size, design, color and materials. Location of drains must be included on drawings. Please fold plans to 8 1/2" x 11".

PROJECTS BEING SUBMITTED: Please review Nepenthe Architectural Criteria.

DOORS

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

POOL

- Patio Pool & Equipment

PATIO STRUCTURES

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

ROOF

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

UTILITIES

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

WINDOWS

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

SMALL EXTERIOR INSTALLATION

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

OTHER Please describe in detail

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

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

The Architectural Review Committee has determined that the above submittal is:

Approved Approved With Conditions Disapproved as Submitted ARC Chair _____ Date _____

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

COMMENTS:

Final Inspection Required: Yes No

recd 1-20-2010
-bgl

HOME IMPROVEMENT APPLICATION

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

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

House Model Number:

NAME <u>Shirley Freeman</u>	SIGNATURE <u>Shirley Freeman</u>
ADDRESS <u>710 Edinburg Circle</u>	DATE
PHONE: <u>916-904-9701</u>	ALT. PHONE <u>916-1041-4698</u>

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

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

PROJECTS BEING SUBMITTED: Please review Nepenthe Architectural Criteria.

DOORS

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

POOL

- Patio Pool & Equipment

PATIO STRUCTURES

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

ROOF

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

UTILITIES

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

WINDOWS

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

SMALL EXTERIOR INSTALLATION

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

OTHER Please describe in detail

security cameras (night owl)

*automatic approval from office if following Nepenthe criteria

**attach completion inspection fee - certain changes require post installation inspection by Nepenthe agent. Fee is \$40. Check must be attached.

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

The Architectural Review Committee has determined that the above submittal is:

Approved
 Approved With Conditions
 Disapproved as Submitted
 ARC Chair _____ Date _____

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

COMMENTS:

Final Inspection Required: Yes No

Architectural Review Committee

HOME IMPROVEMENT APPLICATION

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

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

House Model Number: 2000

NAME DAN & DIANE DURAWA SIGNATURE [Signature]
ADDRESS 2232 SWARTHMORE DR. DATE 8/1/2016
PHONE: 716-834-3330 ALT. PHONE 716-491-3390

- SUBMITTAL CHECK LIST: (Please attach the following to this Home Improvement Application if applicable)
Facing, Adjacent and Impacted Neighbor Statement when the change is visible from the exterior
1 Set of Drawings - Should include details of dimensions, height, distance from fencing, size, design, color and materials. Location of drains must be included on drawings. Please fold plans to 8 1/2" x 11".

PROJECTS BEING SUBMITTED: Please review Nepenthe Architectural Criteria.

DOORS

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

UTILITIES

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

POOL

- Patio Pool & Equipment

WINDOWS

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

PATIO STRUCTURES

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

ROOF

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

SMALL EXTERIOR INSTALLATION

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

OTHER Please describe in detail

Pergola in back yard - Attached to back and side of garage of house

*automatic approval from office if following Nepenthe criteria

**attach completion inspection fee - certain changes require post installation inspection by Nepenthe agent. Fee is \$40. Check must be attached.

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

The Architectural Review Committee has determined that the above submittal is:

- Approved
Approved With Conditions
Disapproved as Submitted
ARC Chair _____ Date _____

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

COMMENTS:

Final Inspection Required: Yes No

HOME IMPROVEMENT APPLICATION

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

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

House Model Number:

NAME: <u>KATHLEEN WILTSO</u>	SIGNATURE: <u>[Signature]</u>
ADDRESS: <u>22161 SWANSTONE DR</u>	DATE: <u>7/27/16</u>
PHONE: <u>916-548-1623</u>	ALT. PHONE: _____

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

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

PROJECTS BEING SUBMITTED: Please review Nepenthe Architectural Criteria.

DOORS

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

POOL

- Patio Pool & Equipment

PATIO STRUCTURES

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

ROOF

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

UTILITIES

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

WINDOWS

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

SMALL EXTERIOR INSTALLATION

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

OTHER Please describe in detail

*automatic approval from office if following Nepenthe criteria

**attach completion inspection fee - certain changes require post installation inspection by Nepenthe agent. Fee is \$40. Check must be attached.

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

The Architectural Review Committee has determined that the above submittal is:

- Approved Approved With Conditions Disapproved as Submitted

[Signature]
ARC Chair Date 7-27-16

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

COMMENTS: The ARC has granted emergency approval of this application for replacement of the existing HVAC. No fluid or electric lines are to be installed on the exterior of a building wall.

Final Inspection Required: Yes No

Architectural Review Committee

HOME IMPROVEMENT APPLICATION

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

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

House Model Number:

NAME: [Signature] ADDRESS: 1109 Dunsmuir PHONE: 916-915-2050 SIGNATURE: [Signature] DATE: 7/20/16 ALT. PHONE:

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

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

PROJECTS BEING SUBMITTED: Please review Nepenthe Architectural Criteria.

DOORS

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

POOL

- Patio Pool & Equipment

PATIO STRUCTURES

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

ROOF

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

UTILITIES

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

WINDOWS

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

SMALL EXTERIOR INSTALLATION

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

OTHER Please describe in detail Will be placed as close to current condenser as possible - inside area to be fenced (see recent ARC minutes)

*automatic approval from office if following Nepenthe criteria

**attach completion inspection fee - certain changes require post installation inspection by Nepenthe agent. Fee is \$40. Check must be attached.

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

The Architectural Review Committee has determined that the above submittal is:

- Approved
Approved With Conditions
Disapproved as Submitted

ARC Chair

Date

See notes on plans.

See comments below and/or on reverse

Resubmit with more details for

Resubmit patio cover with additional dimensions and elevation.

Submit originally reviewed plans with revised drawings.

COMMENTS: The ARC is granting emergency approval for replacement of the failed HVAC system. New compressor and pad to be placed outside of the alcove where it will have appropriate clearances. Fence to be installed around it as a security measure. The fence configuration is to be submitted to the BOD for approval.

Final Inspection Required: Yes No

Nepenthe ARC Guidelines - Approved by BOD 8/31/09

Page 15

To confirm no lines were installed on the exterior of the building and the configuration and quality of the fence enclosure.



Nepenthe Association

Approved Standards and Practices for Locating, Design, Financing and Approving Benches Approved by the Board of Directors on May 6, 2015

Background

Traditionally, Nepenthe has never had benches on its extensive 55 acres of landscaping. This Standards and Practices changes that to allow for the addition of 19 (nineteen) benches throughout the community.

Benefits

We believe having benches on our grounds is very desirable. Their presence will encourage residents and guests who have difficulty walking to see the grounds by breaking up their strolls with places to rest. Benches will provide places where members and guests could socialize. Safety is improved when members and guests have places to observe actual or potentially undesirable activity

Locations

Benches will be located in especially scenic spots not especially near entrances to residences. They will be located in several places on the grounds to provide resting places fairly close to one another. Locations where outsiders can be observed are desirable.

Benches shall be purchased and installed over a five-year period in different areas of Nepenthe, rather than zone-by-zone.

Nineteen sites have been chosen for these standards and practices. These sites are shown at the end of this document.

Approved Bench

The approved bench is Wausau Tile Model MF2204, in the dark green color, for the following reasons:

- Aesthetically it complements our 1970's architecture.
- It is powder coated over steel, therefore very durable. A single design provides for a uniform appearance. A dark green color blends in well with the surrounding landscape.
- The middle armrest discourages anyone to lie prone on it.

Memorial Plaques

Any Nepenthe member who wishes to pay for a bench shall be permitted to place a memorial plaque on the concrete pad. The wording of the plaque must be approved by the Board of Directors. It will be metal and be no larger than 8 inches by 4 inches.

Benches paid for from reserves may not have memorial plaques.

Current Costs at time of adoption

Bench, Wausau Tile Model MF2204	\$1,006
Wausau Tile anchor kit	<u>21</u>



Nepenthe Association

	1,027
Sales tax @ 8.5%	87
Freight	258
Concrete pad if coordinated with other concrete work	380
Installation paid for by the Association	200
Total cost	\$1,952

Financing

Except for member gifts, benches will be paid for from reserves over a five-year period beginning in 2016. Annual reserve amounts are calculated as follow:

19 benches @ \$1,952 = \$37,088, in 2015 dollars.

Install a fifth of the benches each year over five years = \$7,418, in 2015 dollars. \$7,418 divided by 590 units and 12 months = \$1.05 per month

Nepenthe members will be able to pay for benches and place memorial plaques on the concrete pad. The plaque will be paid for by the member, and the wording of the memorial will be subject to Board approval. To the extent members pay for benches the reserve amounts will decrease.

Process

A member of Nepenthe Association may apply to contribute a bench at his/her cost by informing the Board of Directors of the location they select from the authorized locations shown on at the end of this document plus the wording of a plaque (if any).

When the Board approves the purchase of a bench, regardless of who pays for it, a sign will be erected at the proposed site showing a photo of the approved bench design and the following text:

Nepenthe Association intends to install a bench at this site. The design is shown in the photo above. The Board of Directors will consider approving the bench installation when it meets on [date]. You may give your opinion regarding this matter by contacting the Association at (916) 929-8384 or nepenthe.hoa@fsresidential.com, or by attending the Board meeting.

The Board meeting date shown on the sign shall be no less than 30 days from the date the sign is erected.

The Board will consider member comments and either approve or deny the bench installation at an open Board meeting. In the case of a bench paid for by a member, if the application is denied, the Board will so inform the applicant in writing, giving the reasons for the denial within 15 days following the meeting.

If approved, the bench will be ordered and installed by management. Construction of the slab may be scheduled with other concrete work.

POTENTIAL BENCH SITE



AUTHORIZED LOCATION



Southeast of 1053 Commons – Two benches in v-formation with apex of “v” at corner of walkway

AUTHORIZED LOCATION



East of 2264 Swarthmore

AUTHORIZED LOCATION



West of 2270 Swarthmore

AUTHORIZED LOCATION



North of 1242 Vanderbilt

AUTHORIZED LOCATION



Northwest of 1236 Vanderbilt

AUTHORIZED LOCATION



Northeast of 1235 Vanderbilt

AUTHORIZED LOCATION



Southwest of 1155 Vanderbilt

POTENTIAL BENCH SITE



North of 814 Elmhurst

AUTHORIZED LOCATION



West-southwest of 901 Elmhurst

AUTHORIZED LOCATION



West of 208 Elmhurst

AUTHORIZED LOCATION



East of 212 Dunbarton

AUTHORIZED LOCATION



West of 500 Dunbarton

AUTHORIZED LOCATION



Northwest of 1012 Dunbarton

AUTHORIZED LOCATION



East of 1455 University

POTENTIAL BENCH SITE



East of 1509 University

AUTHORIZED LOCATION



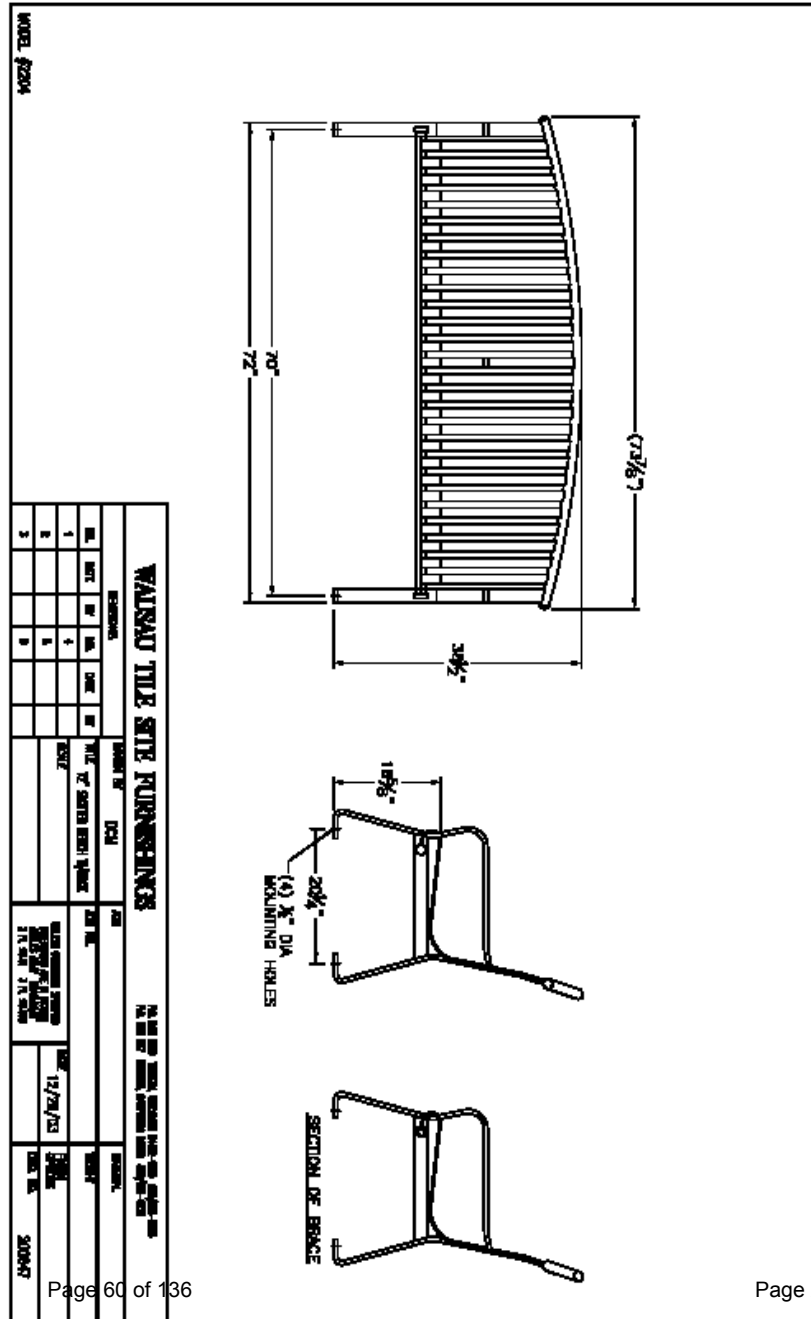
South of 1605 University
Two benches

APPROVED BENCH

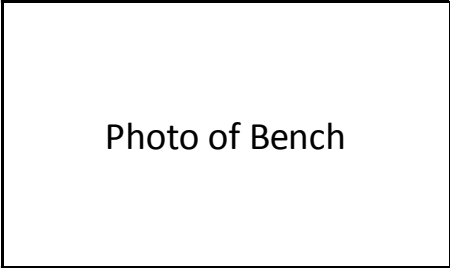


Wausau Tile model MF2204 Color: Green

DRAWING OF APPROVED BENCH, WAUSAU TILE MODEL MF2204



Sign

PROPOSED BENCH SITE		
		
<p>Nepenthe Association intends to install a bench at this site. The design is shown in the photo above. The Board of Directors will consider approving the bench installation when it meets on [date]. You may give your opinion regarding this matter by contacting the Association at 916-929-8384 or nepenthe.hoa@fsresidential.com, or by attending the board meeting.</p>		

Nepenthe Association

General Pool Rules Exhibit "A"

Pool hours for Nepenthe Residents and Guests

18 and older

7:00am-10:00 pm daily

Under 18 Years Old

Clubhouse Pool & Area 7:00am-9:00pm Daily

Elmhurst Pool & Area 7:00am-6:00pm Daily

(Children under the age of 14 years must be accompanied by an adult at all times)

No one under the age of 18 is permitted to use the Dunbarton Pool & Area

No one under the age of 6 is allowed in the Clubhouse spa at any time. Members and guests between the ages of 6 through 17 may use the spa, but must be accompanied by a responsible adult who remains in the immediate vicinity of the spa.

The following applies to all Nepenthe Pools, Spas and Areas enclosed by fencing:

- Pools, spas and pool areas restricted to Nepenthe Residents and their guests.
- Nepenthe residents must accompany their guests in and around the pool areas. Residents are limited to 4 guests per residence.
- Food is permitted in plastic containers only and waste is to be disposed of in the provided trash receptacles. Food is only permitted on the pool deck and not the in the pool.
- Beverages are allowed in plastic containers only.
- Masks, goggles, swim fins, safety rings and small plastic inner tubes for infants are allowed. All other items, including lap boards, snorkels, bikes, toys, balls, and pool games are prohibited.
- Pets are not allowed in the pools or pool area.
- Running, rough housing and obnoxious behavior are prohibited.
- Acceptable swimming attire only – cutoffs, non-swimming shorts, etc. are not permitted.

The Nepenthe Clubhouse Staff and/or the Nepenthe Patrol Service have the responsibility and the final authority to interpret and enforce pool, spa and pool area rules.

Staff and/or patrol are authorized to deny use of the facilities based on these criteria.

Nepenthe Association

General Pool Rules Exhibit "A"

Draft 8/15/2016

Pool and Spa Rules

- Pool hours are 7:00 am-10:00 pm daily.
- Please be considerate of your neighbors living near pool areas.
- No diving is allowed.
- Pools, spas and pool deck areas are restricted to Nepenthe residents and their guests.
 - o Children under 6 years of age are not permitted in the spas.
 - o Children require the supervision of a responsible adult over 18 years old at all times.
- Guests must be accompanied by their resident host. Guests are limited to 4 per residence.
- Running, roughhousing, loud conversation, yelling and screaming are prohibited.
- The large pool at Clubhouse is a designated lap pool.
- For guests who require swim pants or swim diapers, please check the pants/diapers every 30-60 minutes. Change the pants/diapers in the restrooms and wash hands afterwards.
- Food and beverages are permitted in plastic containers only and are to be consumed on the pool deck. Waste is to be disposed of in the provided trash receptacles. Food is not permitted in the pool.
- Masks, goggles, swim fins, safety rings, lap boards, snorkels, and small plastic inner tubes are allowed. Swim noodles, large inner tubes, toys, balls, and playing pool games may be permitted only if agreed to by other pool occupants.
- Pets are not allowed in the pools. Pets on a leash may be allowed on pool decks only if agreed to by other pool occupants.
- Swimming attire is required. Cutoffs, non-swimming shorts, or T-shirts are not permitted.
- Bicycles are not allowed in the pool area.

The Nepenthe Clubhouse Staff and/or the Nepenthe Patrol Service have the responsibility and the final authority to interpret and enforce pool, spa and pool deck area rules.

Staff and/or patrol are authorized to deny use of the facilities based on these criteria.

Reserve Study Transmittal Letter

Date: August 18, 2016
To: Bettsi Ledesma, First Service Residential (Sacramento)
From: Browning Reserve Group (BRG)

Re: Nepenthe Association (General Reserve); Update w/o Site Visit Review

Attached, please find the reserve study for Nepenthe Association (General Reserve). To assist in your understanding of the study, and to highlight key information you may need quickly, we have listed below some of the important information contained in the study. At BRG our goal is to bring clarity from complexity, so should you have any questions, please do not hesitate to contact us anytime.

1. Where do I find the recommended reserve contribution for next year's budget?

This is found in *Section III, "30 Year Reserve Funding Plan, Cash Flow Method."* **\$2,039,869** is the annual amount. Directly under the annual amount is the amount per ownership interest, per month, or other period, as applicable. **\$288.12 /Lot/month @ 590.** For any other funding related issues, if any, see *Section III, "30 Year Reserve Funding Plan, Cash Flow Method."*

2. Where do I find the status of the reserve fund, based on the Percent Funded calculation?

This is found for the 30-year term of the study in *Section IV, "30 Year Reserve Funding Plan, Including Fully Funded Balance and % Funded."* For the year for which the study was prepared, 2017, the Association is **38.1%** funded.

Based on the 30 year cash flow projection, the Association's reserves appear adequately funded as the reserve fund ending balances remain positive throughout the replacement of all major components during the next 30 years.

California statute imposes no reserve funding level requirements nor does it address funding level adequacy, and although one or more of the reserve fund percentages expressed in this report may be less than one hundred percent, those percentages do not necessarily indicate that the Association's reserves are inadequately funded.

3. Where do I find the assumptions for interest and inflation factors?

While this information is in various places in the study, it can always be found in *Section III, "30 Year Reserve Funding Plan, Cash Flow Method."* For this study the assumption is **2.50%** for the interest rate and **2.50%** for the inflation factor. Please be advised these rates estimate the values that will stand the test of time over the 30-year term of the study, not simply only next year.

4. What pages from the reserve study get mailed to the members (homeowners)?

Please see the last section of the reserve study, "Member Distribution Materials." These are the last six pages (or more) of the study which can be removed, and copied, for distribution to the membership with the budget packet. This packet includes all state mandated disclosures related to the reserves and the reserve study. **This section of the study is a stand-alone packet with its own cover and table of contents.**

5. What are the next steps?

This study meets the CA Civil Code Requirements for a review of the study each year and the preparation of the "California Assessment and Reserve Funding Disclosure Summary," which under law, must be presented to the association members each year. The next site visit study will be due three years from the date of the last site visit study. BRG proposes doing an Update Without Site Visit Study during the intervening two years at a nominal cost which includes the preparation of a reserve study and above required disclosures.

Please read the two helpful sections entitled "Glossary" and "Notes to the Auditor." The glossary explains common reserve study terms as well as BRG specific terminology. The Notes to the Auditor while intended to assist the auditor, has useful information for the casual reader on how year zero, (2016) the current fiscal year is dealt with in the study.

Thank you for the opportunity to work with the Nepenthe Association (General Reserve) on this study.



RESERVE STUDY

Update w/o Site Visit Review

Nepenthe Association (General Reserve)

2016 Update

Published - August 18, 2016

Prepared for the 2017 Fiscal Year

Browning Reserve Group

P. O. Box 60125 / Sacramento, California 95860
Phone (916) 393-0600 Fax (916) 393-0610 Toll Free (877) 708-0600
bob@browningrg.com / www.BrowningRG.com

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Nepenthe Association (General Reserve)

2016 Update

Table of Contents

<i>Section</i>	<i>Report</i>	<i>Page</i>
<i>Section I:</i>	Summary of Association Reserves	1
<i>Section II:</i>	30 Year Expense Forecast <i>Detailed</i>	5
<i>Section III:</i>	30 Year Reserve Funding Plan <i>Cash Flow Method {c}</i>	36
<i>Section III-a:</i>	30 Year Reserve Funding Plan <i>Cash Flow Method - Ending Balances Chart</i>	37
<i>Section IV:</i>	30 Year Reserve Funding Plan <i>Fully Funded Balance and % Funded</i>	38
<i>Section IV-a:</i>	30 Year Reserve Funding Plan <i>Cash Flow Method - Percent Funded Chart</i>	39
<i>Section V:</i>	Reserve Fund Balance Forecast <i>Component Method</i>	40
<i>Section VI:</i>	Component Listing <i>Included Components</i>	61
<i>Section VII:</i>	Tabular Component Listing <i>Included Components</i>	140
<i>Section VII-a:</i>	Expenditures by Year <i>- Next 5 Years</i>	153
<i>Section IX:</i>	Directory of Reserve Study Contractors	167
<i>Section X:</i>	Auditor Notes	169
<i>Section X-a:</i>	Supplementary Information for Auditor <i>Component Method</i>	171
<i>Section XI:</i>	Glossary <i>Reserve Study Terms</i>	183
<i>Addendum:</i>	Member Distribution Materials <i>See Page ii for Details</i>	



Nepenthe Association (General Reserve)

2016 Update

Member Distribution Materials

The following Reserve Study sections, located at the end of the report, should be provided to each member.

<i>Section</i>	<i>Report</i>
<i>California:</i>	Member Summary
	Assessment and Reserve Funding [Civil Code §5570]
	Disclosure Summary
<i>Section III:</i>	30 Year Reserve Funding Plan
	Cash Flow Method {c}

Nepenthe Association (General Reserve)

2016 Update

Published - August 18, 2016

Prepared for the 2017 Fiscal Year

Reserve Study Summary

A Reserve Study was conducted of Nepenthe Association (General Reserve) (the "**Association**"). An **Update Without Site-Visit Review** is an update with no on-site visual observation upon where the following tasks are performed:

- life and valuation estimates;
- fund status;
- and a funding plan.

Nepenthe Association (General Reserve) is a Planned Development with a total of 590 Lots.

Summary of Reserves

For the first year of the Reserve Study, the reserve contribution is based upon the existing budget unless otherwise noted in "*Section III, Reserve Funding Plan.*" In addition BRG relied on the Association to provide an accurate Beginning Reserve Balance.

The status of the Association's reserves, as reflected in the following Reserve Study, is as follows:

- 1. The Expenditure Forecast of the following Reserve Study identifies the major components which the Association is obligated to repair, replace, restore or maintain, as determined in accordance with the criteria specified above, and specifies for each such component:**
 - a. Its current estimated replacement cost;**
 - b. Its estimated useful life; and**
 - c. Its estimated remaining useful life.**
- 2. It is estimated that the total cash reserves necessary to repair, replace, restore or maintain such major components (in the aggregate) during and at the end of their first remaining useful life is \$16,414,715.**
 - **[For purposes of this calculation, "necessary" is defined as the Fully Funded Balance (FFB) (Component Current Cost X Effective Age / Useful Life, including a provision for interest and inflation in future years.)]**
- 3. The current amount of accumulated cash reserves actually set aside to repair, replace, restore, or maintain such major components as of the fiscal year ending December 31, 2017 is estimated to be \$6,257,463, constituting 38.1% of the total expenditures anticipated for all such major components through their first end of useful life replacement.**

4. Based upon the schedule of annual reserve contributions necessary to defray the cost of repairing, replacing, restoring or maintaining such major components in the years such expenditures are estimated to be required, it is estimated that annual reserve contributions in the initial amount of \$2,039,869 [*\$288.12 per Lot per month (average)*] for the fiscal year ending December 31, 2017 (the first full fiscal year following first distribution of this report) will be necessary in order to meet all such reserve expenditures when they are projected to come due.

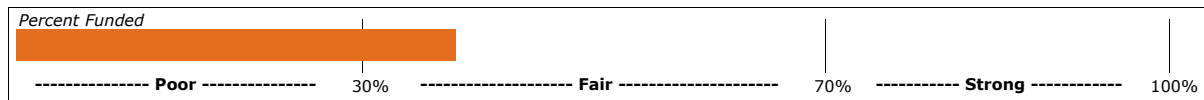
Funding Assessment

Based on the 30 year cash flow projection, the Association's reserves appear adequately funded as the reserve fund ending balances remain positive throughout the replacement of all major components during the next 30 years.

California statute imposes no reserve funding level requirements nor does it address funding level adequacy, and although one or more of the reserve fund percentages expressed in this report may be less than one hundred percent, those percentages do not necessarily indicate that the Association's reserves are inadequately funded.

Percent Funded Status

Based on paragraphs 1 - 3 above, the Association is 38.1% funded. The following scale can be used as a measure to determine the Association's financial picture whereas the lower the percentage, the higher the likelihood of the Association requiring a special assessment, or other large increases to the reserve contribution in the future.



Methodology

The above recommended reserve contribution for the next fiscal year (and future fiscal years as outlined in *Section III, Reserve Fund Balance Forecast*) was developed using the cash flow method. This is a method of developing a reserve funding plan where the contributions to the reserve fund are designed to offset the variable annual expenditures from the reserve fund. Different reserve funding plans are tested against the anticipated schedule of reserve expenses until the desired funding goal is achieved.

Funding Goals

The funding goal employed for Nepenthe Association (General Reserve) is

Threshold Funding: Establishing a Reserve funding goal of keeping the Reserve balance above a specified dollar or Percent Funded amount. Depending on the threshold, this may be more or less conservative than "Fully Funding."

Limitations

The intention of the Reserve Study is to forecast the Association's ability to repair or replace major components as they wear out in future years. The Reserve Study is not an engineering report, and no destructive testing was performed. The costs outlined in the study are for budgetary and planning purposes only, and actual bid costs would depend upon the defined scope of work at the time repairs are made. Also, any latent defects are excluded from this report.

Statutory Disclosures

Compliance

The Reserve Study was conducted pursuant to *Sections 5300 and 5550* of the California Civil Code.

Open Meeting

California *Civil Code Section 5560* says (in part):

The (Reserve Funding) plan shall be adopted by the board of directors at an open meeting before the membership of the association as described in *Article 2 (commencing with Section 4900) of Chapter 6*. If the board of directors determines that an assessment increase is necessary to fund the reserve funding plan, any increase shall be approved in a separate action of the board that is consistent with the procedure described in *Section 5605*.

Supplemental Disclosures

General:

BRG has no other involvement(s) with the Association which could result in actual or perceived conflicts of interest.

Personnel Credentials:

BRG is a licensed general building contractor in California, #768851, and the owner, Robert W Browning, holds the Reserve Specialist designation, #46 from the Community Associations Institute.

Completeness:

BRG has found no material issues which, if not disclosed, would cause a distortion of the Association's situation.

Reliance on Client Data:

Information provided by the official representative of the Association regarding financial, physical, quantity, or historical issues will be deemed reliable by BRG.

Scope:

This Reserve Study is a reflection of information provided to BRG and assembled for the Association's use, not for the purpose of performing an audit, quality/forensic analysis, health and safety inspection, or background checks of historical records.

Reserve Balance:

The actual beginning reserve fund balance in this Reserve Study is based upon information provided and was not audited.

Reserve Projects:

Information provided about reserve projects will be considered reliable. Any on-site inspection should not be considered a project audit, quality inspection, or health and safety review.

Component Quantities:

The Association warrants the previously developed component quantities are accurate and reliable.



Browning Reserve Group



Section II
 Nepenthe Association (General Reserve)
30 Year Expense Forecast - Detailed
 2016 Update
 Prepared for the 2017 Fiscal Year

Reserve Component	Current		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
	Replacement Cost	Life Useful / Remaining															
00010 - Unit Exteriors																	
03000 - Painting: Exterior																	
120 - Surface Restoration 171 Homes- Phase 1 of 3[se:2]	333,022	6 5						188,392	193,102					218,477	223,939		
122 - Surface Restoration 217 Homes- Phase 2 of 3[se:2]	411,486	6 6							238,599	244,564					276,702	283,619	
123 - Surface Restoration Phases 2 & 3[nr:1]	346,200	1 0	346,200														
126 - Surface Restoration 202 Homes- Phase 3 of 3[se:2]	383,042	6 1		196,309	201,217					227,659	233,350					264,014	270,615
190 - Miscellaneous Construction Management: Color Consultant Only	3,075	12 5						3,479									
198 - Supervision Construction Mgmt- Pre-Cycle Eval.	4,100	6 4					4,526						5,248				
200 - Supervision 171 CM- Future Painting, Siding- PH 1	64,852	6 4					71,584						83,016				
208 - Supervision 217 CM- Future Painting, Siding- PH 2	82,297	6 5						93,112						107,981			
210 - Supervision 202 CM- Future Painting, Siding- PH 3	76,608	6 6							88,842						103,030		
350 - Touch-Up On-going	25,625	1 1		26,266	26,922	27,595	28,285	28,992	29,717	30,460	31,222	32,002	32,802	33,622	34,463	35,324	36,207
920 - Power Washing 171 Unit Brickwork (sealing added)	21,033	12 4					23,216										
924 - Power Washing 217 Unit Brickwork (sealing added)	26,691	12 5						30,198									
926 - Power Washing 202 Unit Brickwork (sealing added)	20,067	12 6							23,272								
Total 03000 - Painting: Exterior	1,798,100		346,200	222,575	228,139	27,595	127,612	344,174	573,532	502,683	264,572	32,002	121,066	360,081	638,133	582,958	306,822
04000 - Structural Repairs																	
010 - Wood: Siding & Trim 2015/16 ONLY Contingency for Siding/Paint[nr:1/se:2]	341,453	25 1		174,995	179,370												
204 - Wood: Siding & Trim On-going Repairs- Long Term	112,750	1 1		115,569	118,458	121,419	124,455	127,566	130,755	134,024	137,375	140,809	144,330	147,938	151,636	155,427	159,313
210 - Wood: Siding & Trim 171 2008 Siding Project	1,314,562	20 10											1,682,751				
212 - Wood: Siding & Trim 217 2009 Siding Project	1,668,187	20 11												2,188,807			
214 - Wood: Siding & Trim 202 2010 Siding Project	1,552,875	20 12													2,088,444		
220 - Wood: Siding & Trim 171 Homes- Ongoing Siding Project w Paint 1	315,495	6 4					348,247						403,860				

Reserve Component	Current	Life	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
	Replacement Cost	Useful / Remaining															
230 - Wood: Siding & Trim 217 Homes- Ongoing Siding Project w Paint 2	310,469	6 0	310,469						360,049						417,546		
232 - Wood: Siding & Trim 202 Homes- Ongoing Siding Project w Paint 3	372,690	6 1		382,007						443,011						513,757	
290 - Miscellaneous Construction Management On-going	64,025	20 10											81,957				
291 - Miscellaneous Construction Management On-going	71,321	20 11												93,580			
292 - Miscellaneous Construction Management On-going	30,155	20 12													40,555		
Total 04000 - Structural Repairs	6,153,983		310,469	672,571	297,828	121,419	472,702	127,566	490,804	577,036	137,375	140,809	2,312,898	2,430,324	2,698,182	669,184	159,313
05000 - Roofing																	
200 - Low Slope: BUR 32 Squares- Small Flats- Done 2009	39,360	15 8										47,956					
206 - Low Slope: BUR 8 Squares- Small Flats- Done 2006	9,840	15 5						11,133									
212 - Low Slope: BUR 80 Squares- Large Flats- 2009	98,400	15 8										119,891					
216 - Low Slope: BUR 4 Squares- Small Flats- Done 2009	4,920	15 8										5,995					
220 - Low Slope: BUR 8 Squares- Small Flats- Done 2008	9,840	15 7								11,697							
400 - Pitched: Dimensional Composition 3,257 Squares- 2000 -- 2003 Roofing: 199 Homes[se:4]	5,007,637	30 12												1,683,679	1,725,771	1,768,915	
420 - Pitched: Dimensional Composition 2004 Roofing Project	2,073,689	30 16															
440 - Pitched: Dimensional Composition 1,853 Squares- 2005 Roofing Project[se:2]	2,848,987	30 17															
444 - Pitched: Dimensional Composition 2,098 Squares- 2006 Roofing Project[se:2]	3,225,675	30 19															
466 - Pitched: Dimensional Composition 2007 Roofing Project[se:2]	2,536,875	30 21															
690 - Gutters / Downspouts 2004	123,000	30 18															
692 - Gutters / Downspouts 2005	128,125	30 19															
694 - Gutters / Downspouts 2006	153,750	30 20															
696 - Gutters / Downspouts 2007	133,250	30 21															
701 - Gutters / Downspouts 1,484 Lin. Ft. 2008	24,338	30 22															
702 - Gutters / Downspouts 994 Lin. Ft. 2009	16,302	30 23															
703 - Gutters / Downspouts 10,741 Lin. Ft. 2010	176,152	30 24															
810 - Pitched: Dimensional Composition 2003 Roofing Project: Beams, Crts/Vlys, FP Chs	123,000	30 17															

Reserve Component	Current	Life	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
	Replacement Cost	Useful / Remaining															
820 - Beam Replacement 2004	56,375	30 18															
822 - Beam Replacement 2005 Roofing w/ 70% increase due to related siding	266,500	30 19															
824 - Beam Replacement 2006- Roofing w/ 70% inc. due to related siding	98,400	30 20															
826 - Beam Replacement 2007- Roofing-w/ 70% inc. due to related siding	235,750	30 21															
840 - Hog Valleys 2000 - 2003 Roofing Project Midcycle	143,500	30 2			150,765												
841 - Hog Valleys 2004 Roofing Project Midcycle	143,500	30 3				154,534											
842 - Hog Valleys 2005 Roofing Project Midcycle	143,500	30 4					158,397										
843 - Hog Valleys 2006 Roofing Project Midcycle	143,500	30 5						162,357									
844 - Hog Valleys 2007 Roofing Project Midcycle	143,500	30 6							166,416								
920 - Roofing: Inspections & Repairs 590 All Units & Bldgs as Needed	30,237	1 1		30,993	31,768	32,562	33,377	34,211	35,066	35,943	36,841	37,762	38,707	39,674	40,666	41,683	42,725
924 - Roofing: Inspections & Repairs 590 All Units & Bldgs as Needed W Report	30,237	3 1		30,993			33,377			35,943			38,707			41,683	
930 - Miscellaneous 590 Major Repairs to Extend Life[se:3]	181,425	30 5						68,422	70,132	71,886							
Total 05000 - Roofing	18,349,565			61,987	182,533	187,096	225,150	276,123	271,615	155,468	210,683	37,762	77,413	39,674	1,724,345	1,809,136	1,811,640
19000 - Fencing																	
300 - Wood 22,881 Lin. Ft. Patios (33%)[se:3]	390,883	7 4					143,821	147,416	151,102				170,958	175,232	179,612		
304 - Wood 1,900 Lin. Ft. Interior Patio Party Fence (20%)[se:3]	105,165	7 4					38,694	39,662	40,653				45,995	47,145	48,324		
350 - Wood: Repair On-going Repairs Per Year	33,114	1 1		33,942	34,791	35,661	36,552	37,466	38,403	39,363	40,347	41,355	42,389	43,449	44,535	45,649	46,790
Total 19000 - Fencing	529,163			33,942	34,791	35,661	219,067	224,544	230,157	39,363	40,347	41,355	42,389	260,402	266,912	273,585	46,790
21000 - Signage																	
400 - Unit Address Plaques 590 Units with 2 at each	50,799	25 18															
Total 21000 - Signage	50,799																
Total [Unit Exteriors] Expenditures Inflated @ 2.50%			656,669	991,075	743,291	371,772	1,044,531	972,407	1,566,109	1,274,549	652,976	251,929	2,553,767	3,090,480	5,327,572	3,334,863	2,324,564
00020 - Main Clubhouse Areas																	
02000 - Concrete																	
400 - Pool Deck Main Clubhouse- Ongoing Repairs	1,230	5 9										1,536					1,738
Total 02000 - Concrete	1,230											1,536					1,738
03000 - Painting: Exterior																	
130 - Surface Restoration Main Clubhouse	11,032	6 4					12,177						14,121				

Reserve Component	Current	Life															
	Replacement	Useful /	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
	Cost	Remaining															
400 - Wrought Iron 258 Lin. Ft. Pool Perimeter Fence	2,380	4 4					2,627				2,900				3,201		
Total 03000 - Painting: Exterior	13,412						14,804				2,900		14,121		3,201		
03500 - Painting: Interior																	
300 - Clubhouse 11,806 Sq. Ft. Clubhouse	11,570	10 8									14,097						
Total 03500 - Painting: Interior	11,570										14,097						
04000 - Structural Repairs																	
200 - Wood: Siding & Trim Ongoing Prior to Paint[nr:5]	5,125	1 1		5,253	5,384	5,519	5,657	5,798									
302 - Awnings Clubhouse Pool Awning	3,743	15 13															5,160
900 - Door: Hardware 16 Clubhouse- Exit Doors & Pool Pedestrian Gates	14,760	15 13															20,347
906 - Steel Doors 4 Exterior Storage Room Metal Doors	9,020	25 19															
Total 04000 - Structural Repairs	32,648			5,253	5,384	5,519	5,657	5,798									25,507
05000 - Roofing																	
208 - Low Slope: BUR 6 Squares- Clubhouse- Vinyl	15,032	15 7									17,868						
460 - Pitched: Dimensional Composition Clubhouse- 44 Squares	53,425	30 22															
Total 05000 - Roofing	68,457										17,868						
08000 - Rehab																	
094 - General Professional Fees	46,094	20 18															
100 - General Clubhouse- Lounge: Skylights & Windows	26,745	30 1		27,414													
102 - General Clubhouse- Living Rm & Kitchen Furnishings (50%)	24,459	10 8									29,801						
112 - General Clubhouse- Card Room Misc. (50%)	7,340	10 8									8,944						
113 - General Clubhouse Card Room- Counter & Cabinets	17,661	25 23															
114 - General 6 -Exterior Store-Front Door Sets	34,545	25 22															
136 - General Clubhouse- Interior Doors	16,400	25 23															
138 - General Clubhouse- Entry Area- Furnishings- 50%	1,435	10 8									1,749						
140 - General Clubhouse Security System / Entry Access	39,396	10 8									48,000						
142 - General Clubhouse Audio/Video Upgrades	24,284	10 8									29,588						
144 - Clubhouse Drinking Fountain	1,325	15 13															1,826

Reserve Component	Current		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
	Replacement Cost	Life Useful /															
150 - General Lobby Admin. Office- 50%	6,623	10 8									8,069						
156 - General Clubhouse- Manager's Office 50%	3,311	10 8									4,035						
160 - General Clubhouse- Gym 50%	6,964	10 8									8,485						
180 - General Clubhouse- 2 Restrooms	75,435	30 28															
190 - General Clubhouse- Storeroom	2,208	10 8									2,690						
192 - General Clubhouse- Utility Room (50%)	1,261	10 8									1,536						
194 - General Kitchen	41,485	25 23															
344 - General 2013 Contingency	38,632	20 18															
Total 08000 - Rehab	415,603			27,414							142,896					1,826	
12000 - Pool																	
100 - Re-plaster 116 Lin. Ft. Clubhouse Main Pool	10,884	12 2			11,435												15,378
102 - Re-plaster 176 Lin. Ft. Clubhouse Lap Pool	14,763	12 2			15,511												20,860
200 - Edge: Tile, Coping, Mastic 116 Lin. Ft. Clubhouse Main Pool	5,378	24 22															
202 - Edge: Tile, Coping, Mastic 176 Lin. Ft. Clubhouse Lap Pool	8,159	24 22															
600 - Deck: Re-Surface 10,526 Sq. Ft. Main Pool Area	215,783	30 28															
699 - Equipment: Replacement 2016 Only[nr:1]	3,250	1 0	3,250														
700 - Equipment: Replacement 3 Main & Lap Pool Filters Only	4,967	8 2			5,219								6,358				
701 - Equipment: Replacement 3 Main & Lap Pool Pumps Only	7,947	4 2			8,350				9,217				10,173				11,230
702 - Equipment: Replacement Main Pool Chlorinator	828	4 1		849				937				1,034				1,141	
703 - Equipment: Replacement Lap Pool Chemical Feeder	993	4 1		1,018				1,124				1,241				1,369	
790 - Miscellaneous On-going (Yearly) Pool Mechanical Repairs	3,753	1 1	3,847	3,943	4,042	4,143	4,246	4,352	4,461	4,573	4,687	4,804	4,924	5,047	5,174	5,303	
910 - Furniture: Chairs 16 Clubhouse	1,496	10 8											1,823				
915 - Furniture: Lounges 18 Clubhouse	11,921	10 8											14,525				
920 - Furniture: Tables 4 Clubhouse	1,315	10 8											1,603				
940 - Furniture: Misc 4 Clubhouse- Umbrellas Stands	487	10 8											594				
942 - Furniture: Misc 4 Clubhouse- Umbrellas	1,504	10 8											1,833				
950 - Furniture: Misc Re-Webbing, Powder Coat	9,548	10 3				10,282										13,162	

Reserve Component	Current Replacement		Life Useful /		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
	Cost		Remaining																
990 - Miscellaneous 2012 Misc. Safety, Caps, Water Quality, etc.	16,557	10	3					17,830											22,824
994 - Miscellaneous Signage- Main CH	1,104	12	10												1,413				
Total 12000 - Pool	320,640				3,250	5,714	44,457	32,154	4,143	6,307	13,569	4,461	24,950	6,961	22,749	4,924	5,047	43,670	52,771
13000 - Spa																			
100 - Re-Plaster Main Clubhouse	3,769	6	4					4,160							4,824				
120 - Tile Main CH Spa	1,766	24	22																
700 - Equipment Main Spa	3,091	10	5							3,497									
701 - Equipment Main Spa (2016 Only)[nr:1]	1,425	1	0	1,425															
710 - Pumps Vari Speed Pentair Pump	2,649	6	1		2,715							3,149							3,652
780 - Heater Main Clubhouse- Spa Heater	3,532	8	2			3,711									4,522				
Total 13000 - Spa	16,232				1,425	2,715	3,711		4,160	3,497		3,149			9,346				3,652
14000 - Recreation																			
201 - Exercise: Treadmill Matrix Commercial Series	3,536	5	3					3,808					4,309						4,875
205 - Exercise: Treadmill Matrix Commercial Series	3,536	5	3					3,808					4,309						4,875
212 - Exercise: Miscellaneous Equip. 2 Matrix Recumbent Bike	13,108	10	5							14,830									
213 - Exercise: Miscellaneous Equip. Recumbent Bike (2016 Only)[nr:1]	2,554	1	0	2,554															
218 - Miscellaneous Matrix Elliptical Machine	5,125	6	5							5,798					6,724				
222 - Exercise: Weight Machine Matrix Hoist & Press H2200	5,125	20	12															6,893	
224 - Miscellaneous Stair Climber	2,460	6	5							2,783					3,228				
226 - Miscellaneous Upright Cycle	1,537	6	5							1,740					2,017				
230 - Exercise: Miscellaneous Equip. Weight Bench	307	10	3					331											424
860 - Television Fitness Room- LG 42" TV	650	6	0	650							754							874	
864 - Television Library- LG 32" TV	359	6	4					396							459				
Total 14000 - Recreation	38,298				3,204			7,947	396	25,152	754		8,617		459	11,970	7,767	10,173	
17000 - Tennis Court																			
100 - Reseal 4 Main Clubhouse	17,244	7	0	17,244								20,498							24,365
306 - Miscellaneous 2 Tennis Court Awning & Bench	4,100	16	8										4,995						
500 - Resurface 4 Main Clubhouse	79,475	21	13																109,557
Total 17000 - Tennis Court	100,819				17,244							20,498	4,995						109,557

Reserve Component	Current		Life	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
	Replacement	Useful /																
19000 - Fencing																		
130 - Chain Link: 10' 770 Lin. Ft. Main Clubhouse Tennis Courts	27,198	25	4					30,021										
200 - Wrought Iron 258 Lin. Ft. Main Clubhouse	27,060	25	23															
340 - Wood: 6' 28 Lin. Ft. Trash & Roof Access Enclosure	861	18	16															
Total 19000 - Fencing	55,119							30,021										
20000 - Lighting																		
260 - Bollard Lights 6 Clubhouse Front	5,535	20	17															
Total 20000 - Lighting	5,535																	
22000 - Office Equipment																		
200 - Computers, Misc. Clubhouse Offices	6,623	3	1		6,788			7,310			7,873			8,478				9,130
Total 22000 - Office Equipment	6,623				6,788			7,310			7,873			8,478				9,130
23000 - Mechanical Equipment																		
200 - HVAC 4 Lennox Units- Clubhouse- A/C	37,530	15	5					42,461										
204 - HVAC Ducting	37,530	30	21															
210 - HVAC 4 Units Clubhouse- Heating	34,234	15	5					38,733										
600 - Water Heater Clubhouse- State Select Water Heater	1,545	10	8									1,883						
Total 23000 - Mechanical Equipment	110,839							81,194				1,883						
24000 - Furnishings																		
910 - Window Coverings Clubhouse	3,664	15	13															5,051
Total 24000 - Furnishings	3,664																	5,051
24500 - Audio / Visual																		
222 - Entertainment System Assisted Listening Hearing Loop	20,500	15	1		21,012													
Total 24500 - Audio / Visual	20,500				21,012													
25000 - Flooring																		
200 - Carpeting 298 Sq. Yds. Clubhouse	26,315	10	8									32,062						
400 - Tile 295 Sq. Ft. Kitchen	3,024	20	18															
600 - Vinyl 19 Sq. Yds. Clubhouse Restrooms	682	12	9										851					
600 - Vinyl 53 Sq. Yds. Lobby	1,412	20	18															
600 - Vinyl 6 Sq. Yds. Storage/ Janitorial Room	160	20	18															
604 - Vinyl 15 Sq. Yds. Storage/Security Room	400	20	1		410													

Reserve Component	Current		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
	Replacement Cost	Life Useful /															
Total 25000 - Flooring	31,992			410							32,062	851					
26000 - Outdoor Equipment																	
900 - Miscellaneous	550	10 0	550										704				
Outdoor Ping Pong Table																	
Total 26000 - Outdoor Equipment	550		550										704				
27000 - Appliances																	
200 - Refrigerator	1,640	10 8									1,998						
Clubhouse- GE Profile																	
204 - Refrigerator	1,640	15 13													2,261		
Clubhouse- Frigidaire Caterer's Refrigerator																	
220 - 4-Burner Stove & Oven	717	20 18															
Clubhouse- Whirlpool Stove & Oven																	
240 - Dishwasher	1,025	10 8									1,249						
Clubhouse- Whirlpool Dishwasher																	
740 - Microwave Oven	717	10 8									874						
Clubhouse																	
950 - Ice Machine	2,050	10 8									2,498						
Clubhouse- Scotman																	
998 - Miscellaneous	820	10 8									999						
Kitchen Aid Warming Oven																	
Total 27000 - Appliances	8,610										7,618				2,261		
Total [Main Clubhouse Areas] Expenditures Inflated @ 2.50%			25,673	69,307	53,552	45,620	66,491	121,948	14,323	53,849	240,019	9,349	55,857	16,894	16,015	210,827	78,874
00030 - Dunbarton Clubhouse Areas																	
02000 - Concrete																	
404 - Pool Deck	1,230	5 9										1,536					1,738
Clubhouse Pool- Ongoing Repairs																	
Total 02000 - Concrete	1,230											1,536					1,738
03000 - Painting: Exterior																	
136 - Surface Restoration	2,537	6 4				2,800							3,247				
Clubhouse & Pool Fence																	
Total 03000 - Painting: Exterior	2,537					2,800							3,247				
03500 - Painting: Interior																	
900 - Miscellaneous	3,462	4 2			3,638				4,015				4,432				4,892
Clubhouse- Dunbarton All Rooms																	
Total 03500 - Painting: Interior	3,462				3,638				4,015				4,432				4,892
04000 - Structural Repairs																	
900 - Door: Hardware	1,845	18 15															
2 Pool Gates & Clubhouse																	
Total 04000 - Structural Repairs	1,845																
05000 - Roofing																	
464 - Pitched: Dimensional Composition	23,165	30 22															
20 Squares- Clubhouse																	
Total 05000 - Roofing	23,165																
08000 - Rehab																	
200 - Restrooms	4,817	20 9										6,016					
Clubhouse- 2 Restrooms																	

Reserve Component	Current		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
	Replacement Cost	Life Useful /															
220 - General Clubhouse Interior	5,945	20 15															
221 - General Cabana- Lighting Project	3,782	20 15															
224 - General Clubhouse- Kitchen	8,830	20 15															
Total 08000 - Rehab	23,375											6,016					
12000 - Pool																	
104 - Resurface 148 Lin. Ft. Pool	13,653	12 5						15,447									
204 - Edge: Tile, Coping, Mastic 104 Lin. Ft. Pool	6,396	24 22															
601 - Deck: Re-Surface 3,384 Sq. Ft. Clubhouse Pool Area	67,638	30 28															
704 - Equipment: Replacement Filtration Only (50%)	2,460	5 5						2,783					3,149				
705 - Equipment: Replacement 2016 Only[nr:1]	3,050	1 0	3,050														
730 - Heater Clubhouse Attached Equipment Rm	6,611	15 1		6,777													
954 - Furniture: Misc Re-Webbing, Powder Coat	9,548	10 3				10,282										13,162	
995 - Miscellaneous Signage	1,322	12 10											1,693				
Total 12000 - Pool	110,678		3,050	6,777		10,282		18,230					4,842			13,162	
13000 - Spa																	
102 - Re-Plaster Spa	4,966	6 4					5,482						6,357				
121 - Tile Spa	1,322	24 22															
700 - Equipment Spa (50%)	2,306	5 1		2,364					2,675					3,026			
782 - Heater Clubhouse Attached Equipment Rm	3,116	8 2			3,274								3,989				
Total 13000 - Spa	11,711			2,364	3,274		5,482		2,675				10,346	3,026			
14000 - Recreation																	
148 - Sauna: Heaters Clubhouse	4,131	15 14															5,837
150 - Sauna: Wood Kit Clubhouse	11,019	25 14															15,569
Total 14000 - Recreation	15,149																21,406
19000 - Fencing																	
202 - Wrought Iron 146 Lin. Ft. Pool Perimeter	13,468	25 23															
Total 19000 - Fencing	13,468																
23000 - Mechanical Equipment																	
300 - HVAC Trane Central Furnace- Dunbarton	7,687	15 7								9,138							
604 - Water Heater Clubhouse Kitchen Closet	1,537	12 4				1,697											

Reserve Component	Current Replacement Cost	Life Useful /	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Total 23000 - Mechanical Equipment	9,225						1,697			9,138							
24000 - Furnishings																	
400 - Miscellaneous Clubhouse	4,920	10 6							5,706								
Total 24000 - Furnishings	4,920								5,706								
24600 - Safety / Access																	
520 - Card Readers 3 Gates & Clubhouse	4,612	10 8									5,620						
Total 24600 - Safety / Access	4,612										5,620						
25000 - Flooring																	
220 - Carpeting 60 Sq. Yds. Clubhouse	1,656	10 5						1,873									
Total 25000 - Flooring	1,656							1,873									
27000 - Appliances																	
202 - Refrigerator Clubhouse	999	10 8									1,218						
221 - 4-Burner Stove & Oven Clubhouse- GE Electric Profile Model	2,644	20 15															
241 - Dishwasher Clubhouse	1,325	10 5						1,499									
742 - Microwave Oven Clubhouse	828	15 10											1,060				
Total 27000 - Appliances	5,796							1,499			1,218		1,060				
Total [Dunbarton Clubhouse Areas] Expenditures Inflated @ 2.50%			3,050	9,140	6,911	10,282	9,979	21,602	12,396	9,138	6,838	7,552	23,927	3,026		13,162	28,036
00040 - Elmhurst Cabana Areas																	
02000 - Concrete																	
408 - Pool Deck Cabana- Ongoing Repairs	1,230	5 9										1,536					1,738
Total 02000 - Concrete	1,230											1,536					1,738
03000 - Painting: Exterior																	
138 - Surface Restoration Cabana & Pool Fence	2,429	6 4					2,681						3,110				
Total 03000 - Painting: Exterior	2,429						2,681						3,110				
03500 - Painting: Interior																	
920 - Miscellaneous All Rooms	3,311	10 8									4,034						
Total 03500 - Painting: Interior	3,311										4,034						
05000 - Roofing																	
462 - Pitched: Dimensional Composition 11 Squares- Elmhurst Cabana	12,741	30 22															
Total 05000 - Roofing	12,741																
08000 - Rehab																	
230 - General Restrooms	41,943	20 5						47,455									

Reserve Component	Current Replacement		Life Useful /		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
	Cost		Remaining																
234 - General	13,243	20	1			13,574													
Elmhurst- Gardeners Rstrm & Entry																			
Total 08000 - Rehab	55,186					13,574				47,455									
12000 - Pool																			
106 - Re-plaster	14,668	12	1			15,034													20,220
159 Lin. Ft. Elmhurst Pool																			
206 - Edge: Tile, Coping, Mastic	10,593	24	22																
159 Lin. Ft. Elmhurst Pool																			
602 - Deck: Re-Surface	59,450	30	28																
2,900 Sq. Ft. Elmhurst Pool Area																			
712 - Equipment: Replacement	1,625	8	0	1,625									1,980						
Elmhurst Pool Filter Only																			
714 - Equipment: Replacement	1,325	6	1		1,358							1,575						1,826	
Elmhurst Pool Pump Only (50%)																			
716 - Equipment: Replacement	548	4	2			576					636				702				775
Elmhurst Pool Chlorinator Only																			
958 - Furniture: Misc	9,548	10	3				10,282												13,162
Re-Webbing, Powder Coat																			
996 - Miscellaneous	1,102	12	7									1,310							
Signage- Elmhurst																			
Total 12000 - Pool	98,859			1,625	16,392	576	10,282			636	2,885	1,980		702				35,208	775
17000 - Tennis Court																			
106 - Reseal	9,934	7	1			10,183							12,104						
2 Elmhurst																			
310 - Miscellaneous	2,050	16	8										2,498						
Tennis Court Awning & Bench																			
504 - Resurface	46,361	21	8										56,486						
2 Elmhurst																			
Total 17000 - Tennis Court	58,345					10,183							71,088						
19000 - Fencing																			
134 - Chain Link: 10'	16,589	25	3				17,864												
476 Lin. Ft. Elmhurst Tennis Courts																			
204 - Wrought Iron	26,383	25	23																
260 Lin. Ft. Elmhurst Pool																			
Total 19000 - Fencing	42,972						17,864												
23000 - Mechanical Equipment																			
606 - Water Heater	1,537	10	8										1,873						
Elmhurst CH- 50 US Gallon																			
Total 23000 - Mechanical Equipment	1,537												1,873						
24600 - Safety / Access																			
524 - Card Readers	3,075	10	8										3,747						
2 Gates & Clubhouse																			
Total 24600 - Safety / Access	3,075												3,747						
Total [Elmhurst Cabana Areas] Expenditures Inflated @ 2.50%					1,625	40,149	576	28,146	2,681	47,455	636	2,885	82,721	1,536	3,812			35,208	2,513
00045 - Commons Tennis Ct Area																			
04000 - Structural Repairs																			
302 - Awnings	2,050	16	8										2,498						
Tennis Court Awning & Bench																			

Reserve Component	Current Replacement		Life Useful /		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
	Cost	Remaining																	
Total 04000 - Structural Repairs	2,050												2,498						
17000 - Tennis Court																			
104 - Reseal 2 Commons	9,684	7	0	9,684								11,511							13,683
502 - Resurface 2 Commons	46,361	21	7									55,108							
Total 17000 - Tennis Court	56,045			9,684								66,620							13,683
19000 - Fencing																			
132 - Chain Link: 10' 470 Lin. Ft. Commons Tennis Courts	16,379	25	7									19,470							
Total 19000 - Fencing	16,379											19,470							
Total [Commons Tennis Ct Area] Expenditures Inflated @ 2.50%				9,684								86,090	2,498						13,683
00050 - Grounds																			
01000 - Paving																			
100 - Asphalt: Sealing 70,541 Sq. Ft. Zone 1- 1 Coat	5,643	5	0	5,643					6,385					7,224					
110 - Asphalt: Sealing 60,092 Sq. Ft. Zone 2- 1 Coat[nr:1]	4,807	3	0	4,807															
114 - Asphalt: Sealing 60,092 Sq. Ft. Zone 2- 2 Coats	11,087	5	3				11,939						13,508						15,284
120 - Asphalt: Sealing 113,674 Sq. Ft. Zone 3, 4- 1 Coat[nr:1]	9,094	3	0	9,094															
124 - Asphalt: Sealing 113,674 Sq. Ft. Zone 3, 4- 2 Coats	20,973	5	3				22,585						25,553						28,911
140 - Asphalt: Sealing 109,237 Sq. Ft. Zone 5, 6- 1 Coat[nr:1]	8,739	3	0	8,739															
142 - Asphalt: Sealing 109,237 Sq. Ft. Zone 5, 6- 2 Coats	20,154	5	4				22,246							25,170					28,477
150 - Asphalt: Sealing 32,877 Sq. Ft. Zone 7- 1 Coat[nr:1]	2,630	3	0	2,630															
152 - Asphalt: Sealing 32,877 Sq. Ft. Zone 7- 2 Coats	6,066	5	4				6,696							7,575					8,571
190 - Asphalt: Ongoing Repairs All Zones with 3 yr, single sealcoat cycles[nr:1]	9,456	3	0	9,456															
200 - Asphalt: Ongoing Repairs 70,541 Sq. Ft. Zone 1 (5%)	14,461	5	3				15,573							17,619					19,935
210 - Asphalt: Ongoing Repairs 60,092 Sq. Ft. Zone 2 (5%)	12,319	5	3				13,266							15,009					16,982
220 - Asphalt: Ongoing Repairs 113,674 Sq. Ft. Zone 3, 4 (5%)	23,303	5	4				25,722							29,102					32,927
240 - Asphalt: Ongoing Repairs 109,237 Sq. Ft. Zone 5, 6 (5%)	22,394	5	4				24,718							27,967					31,642
250 - Asphalt: Ongoing Repairs 32,877 Sq. Ft. Zone 7 (5%)	6,740	5	4				7,439							8,417					9,523
300 - Asphalt: Mill & Inlay 70,541 Sq. Ft. Zone 1 / W/ CH Driveway & Pkng	253,066	15	6							293,479									
310 - Asphalt: Overlay 60,092 Sq. Ft. Zone 2	153,986	15	11													202,043			

Reserve Component	Current Replacement		Life Useful /	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
	Cost																	
320 - Asphalt: Overlay 113,674 Sq. Ft. Zone 3, 4	291,290	15	11												382,197			
340 - Asphalt: Overlay 109,237 Sq. Ft. Zone 5, 6	279,920	15	11												367,279			
350 - Asphalt: Overlay 32,877 Sq. Ft. Zone 7- Continued University	117,946	15	6						136,781									
Total 01000 - Paving	1,274,072			40,369			63,364	86,822	6,385	430,260		71,690	98,231	7,224	951,519		81,111	111,140
02000 - Concrete																		
200 - Sidewalks, Curbs & Gutters 59,816 Sq. Ft. Public Streets- On-going (0.8%)	9,319	1	1		9,552	9,791	10,036	10,287	10,544	10,808	11,078	11,355	11,639	11,930	12,228	12,533	12,847	13,168
201 - Sidewalks, Curbs & Gutters 2016 Only[nr:1]	28,718	1	0	28,718														
220 - Walkways Common Area Interior Walkways- On-going	42,264	1	1		43,321	44,404	45,514	46,651	47,818	49,013	50,239	51,494	52,782	54,101	55,454	56,840	58,261	59,718
221 - Walkways 2016 Only[nr:1]	52,820	1	0	52,820														
302 - Driveways 51,477 Sq. Ft. Garage and Alley Aprons (2%)	12,663	1	1		12,980	13,304	13,637	13,978	14,327	14,686	15,053	15,429	15,815	16,210	16,615	17,031	17,457	17,893
303 - Driveways 2016 Only[nr:1]	5,923	1	0	5,923														
Total 02000 - Concrete	151,708			87,461	65,853	67,499	69,187	70,916	72,689	74,506	76,369	78,278	80,235	82,241	84,297	86,405	88,565	90,779
04000 - Structural Repairs																		
550 - Bridge Maintenance Zone 1 Common Area	1,753	22	20															
Total 04000 - Structural Repairs	1,753																	
18000 - Landscaping																		
100 - Irrigation: Misc. Misc. Irrigation Repairs	19,792	1	0	19,792	20,287	20,794	21,314	21,847	22,393	22,953	23,526	24,115	24,717	25,335	25,969	26,618	27,283	27,966
106 - Irrigation: Misc. Automation	512,500	15	12															689,256
110 - Irrigation: Misc. Water Conservation	15,997	1	0	15,997	16,397	16,807	17,227	17,658	18,099	18,552	19,015	19,491	19,978	20,478	20,989	21,514	22,052	22,603
114 - Irrigation: Misc. Distribution Upgrade[se:4]	717,500	25	1	183,859	188,456	193,167	197,996											
120 - Shrubs Shrubs	49,589	1	1		50,829	52,100	53,402	54,738	56,106	57,509	58,946	60,420	61,930	63,479	65,066	66,692	68,360	70,069
121 - Shrubs Shrubs (2016 Only)[nr:1]	67,704	1	0	67,704														
130 - Irrigation: Misc. Shrubs Contingency	5,945	1	1		6,094	6,246	6,402	6,562	6,726	6,894	7,067	7,243	7,424	7,610	7,800	7,995	8,195	8,400
140 - Miscellaneous Ground Cover / Turf Conversion	1,983	1	4					2,189	2,244	2,300	2,358	2,417	2,477	2,539	2,602	2,667	2,734	2,802
144 - Miscellaneous Ground Cover / Turf Conversion 4 Y. Project[nr:4]	10,250	1	1		10,506	10,769	11,038	11,314										
150 - Irrigation: Misc. Turf & Re-seed	73,041	1	1		74,868	76,739	78,658	80,624	82,640	84,706	86,823	88,994	91,219	93,499	95,837	98,233	100,689	103,206
151 - Irrigation: Misc. 2016 Only[nr:1]	37,883	1	0	37,883														

Reserve Component	Current Replacement		Life Useful /	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
	Cost		Remaining															
160 - Tree Maintenance 20 Removals	36,900	1	1		37,822	38,768	39,737	40,731	41,749	42,793	43,863	44,959	46,083	47,235	48,416	49,626	50,867	52,139
161 - Tree Maintenance Removals (2016 Only)[nr:1]	19,235	1	0	19,235														
164 - Tree Maintenance Remediation	36,772	1	1		37,691	38,633	39,599	40,589	41,604	42,644	43,710	44,803	45,923	47,071	48,248	49,454	50,690	51,958
165 - Tree Maintenance Remediation (2016 Only)[nr:1]	1,545	1	0	1,545														
170 - Tree Maintenance Replace	4,534	1	1		4,647	4,763	4,882	5,004	5,129	5,258	5,389	5,524	5,662	5,803	5,948	6,097	6,250	6,406
171 - Tree Maintenance Replace (2016 Only)[nr:1]	3,304	1	0	3,304														
174 - Tree Maintenance Contingency	12,607	1	1		12,923	13,246	13,577	13,916	14,264	14,621	14,986	15,361	15,745	16,139	16,542	16,956	17,380	17,814
175 - Tree Maintenance Contingency (2016 Only)[nr:1]	2,122	1	0	2,122														
180 - Tree Maintenance Trimming	69,526	1	1		71,264	73,045	74,872	76,743	78,662	80,629	82,644	84,710	86,828	88,999	91,224	93,504	95,842	98,238
181 - Tree Maintenance Trimming (2016 Only)[nr:1]	56,716	1	0	56,716														
Total 18000 - Landscaping	1,755,446			224,298	527,187	540,367	553,876	569,912	369,616	378,857	388,328	398,036	407,987	418,187	428,642	1,128,613	450,342	461,600
19000 - Fencing																		
140 - Miscellaneous Storage Lot Fence	13,243	25	20															
Total 19000 - Fencing	13,243																	
20000 - Lighting																		
100 - Exterior: Misc. Fixtures 400 Fixtures Approx. Total- Conversion to LED[se:3]	153,750	20	1		52,531	53,845	55,191											
110 - Exterior: Misc. Fixtures 400 Fixtures Approx. Ongoing Maintenance	10,250	1	1		10,506	10,769	11,038	11,314	11,597	11,887	12,184	12,489	12,801	13,121	13,449	13,785	14,130	14,483
111 - Exterior: Misc. Fixtures Fixtures (2016 Only)[nr:1]	3,010	1	0	3,010														
Total 20000 - Lighting	167,010			3,010	63,037	64,613	66,229	11,314	11,597	11,887	12,184	12,489	12,801	13,121	13,449	13,785	14,130	14,483
21000 - Signage																		
200 - Street Signs Alley Signage	11,039	15	8									13,450						
204 - Monument Alley Wood Entrance Signage	5,125	5	1		5,253					5,943				6,724				
712 - Lollipop 34 Speed Limit Signage Inserts	3,659	15	8									4,458						
Total 21000 - Signage	19,823				5,253					5,943		17,909		6,724				
26000 - Outdoor Equipment																		
320 - Benches 2 Per Year- New Installation (16 Total)[nr:8]	8,200	1	1		8,405	8,615	8,831	9,051	9,278	9,509	9,747	9,991						
Total 26000 - Outdoor Equipment	8,200				8,405	8,615	8,831	9,051	9,278	9,509	9,747	9,991						
30000 - Miscellaneous																		
991 - Utilities Underground (2016 Only)[nr:1]	30,400	1	0	30,400														

Reserve Component	Current Replacement		Life Useful /		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
	Cost		Remaining																
992 - Utilities Underground	28,577	1	1			29,291	30,024	30,774	31,544	32,332	33,141	33,969	34,818	35,689	36,581	37,495	38,433	39,394	40,379
993 - Utilities Storm Drains Connection Cleaning	20,182	10	1			20,687										26,481			
994 - Utilities 590 Water Meter Installation[nr:1/se:2]	60,475	50	2				31,768	32,562											
995 - Utilities Connection Cleaning (2016 Only)[nr:1]	4,800	1	0		4,800														
Total 30000 - Miscellaneous	144,434				35,200	49,978	61,792	63,337	31,544	32,332	33,141	33,969	34,818	35,689	36,581	63,976	38,433	39,394	40,379
Total [Grounds] Expenditures Inflated @ 2.50%					390,338	719,714	742,886	824,822	779,559	501,897	944,104	520,598	623,212	634,943	557,353	1,548,607	1,267,236	673,541	718,380
00055 - Private Streets																			
01000 - Paving																			
100 - Asphalt: Sealing 64,975 Sq. Ft. Elmhurst- 1 Coat[nr:2]	7,992	3	1			8,192			8,822										
104 - Asphalt: Sealing 64,975 Sq. Ft. Elmhurst- 2 Coats	11,988	5	7									14,250						16,122	
120 - Asphalt: Sealing 71,000 Sq. Ft. Dunbarton- 1 Coat[nr:2]	8,733	3	1			8,951			9,640										
124 - Asphalt: Sealing 71,000 Sq. Ft. Dunbarton- 2 Coats	13,099	5	7									15,571						17,617	
190 - Asphalt: Ongoing Repairs All Private Streets[nr:1]	22,550	3	1			23,114													
200 - Asphalt: Ongoing Repairs 64,975 Elmhurst Ongoing (5%)	13,986	5	7									16,625						18,809	
202 - Asphalt: Ongoing Repairs 71,000 Dunbarton Ongoing (5%)	15,283	5	7									18,166						20,554	
310 - Asphalt: Overlay 64,975 Sq. Ft. Elmhurst Circle- 2010 Last Done	149,849	15	10												191,819				
320 - Asphalt: Overlay 71,000 Sq. Ft. Dunbarton Circle	163,744	15	10												209,606				
Total 01000 - Paving	407,223					40,257			18,461			64,612			401,425			73,103	
30000 - Miscellaneous																			
990 - Utilities Neighborhood Clean-up	2,357	1	1			2,416	2,477	2,539	2,602	2,667	2,734	2,802	2,872	2,944	3,018	3,093	3,171	3,250	3,331
Total 30000 - Miscellaneous	2,357					2,416	2,477	2,539	2,602	2,667	2,734	2,802	2,872	2,944	3,018	3,093	3,171	3,250	3,331
Total [Private Streets] Expenditures Inflated @ 2.50%						42,673	2,477	2,539	21,063	2,667	2,734	67,415	2,872	2,944	404,443	3,093	76,273	3,250	3,331
00060 - Administrative																			
31000 - Reserve Study																			
100 - 3 Year Update with Site Visit On-going	6,000	3	2				6,304			6,788			7,310			7,873			8,478
500 - Annual Update Yearly consulting	600	1	0		600	615	630	646	662	679	696	713	731	749	768	787	807	827	848
Total 31000 - Reserve Study	6,600				600	615	6,934	646	662	7,467	696	713	8,041	749	768	8,660	807	827	9,326
32000 - Undesignated																			
100 - Miscellaneous Reserve Items	7,175	1	1			7,354	7,538	7,726	7,920	8,118	8,321	8,529	8,742	8,960	9,184	9,414	9,649	9,891	10,138
Total 32000 - Undesignated	7,175					7,354	7,538	7,726	7,920	8,118	8,321	8,529	8,742	8,960	9,184	9,414	9,649	9,891	10,138
Total [Administrative] Expenditures Inflated @ 2.50%					600	7,969	14,472	8,373	8,582	15,585	9,016	9,242	16,783	9,710	9,952	18,074	10,456	10,718	19,463

<i>Reserve Component</i>	<i>Current Replacement Cost</i>	<i>Life Useful / Remaining</i>	<i>2016</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>	<i>2023</i>	<i>2024</i>	<i>2025</i>	<i>2026</i>	<i>2027</i>	<i>2028</i>	<i>2029</i>	<i>2030</i>
Total Expenditures Inflated @ 2.50%			1,087,639	1,880,027	1,564,166	1,291,554	1,932,887	1,683,561	2,549,317	2,023,764	1,627,919	917,964	3,609,110	4,680,174	6,697,552	4,281,568	3,188,846
Total Current Replacement Cost	32,689,986																

Reserve Component	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
00010 - Unit Exteriors															
03000 - Painting: Exterior															
120 - Surface Restoration 171 Homes- Phase 1 of 3[se:2]			253,367	259,701					293,828	301,173					340,750
122 - Surface Restoration 217 Homes- Phase 2 of 3[se:2]				320,889	328,911					372,133	381,436				
123 - Surface Restoration Phases 2 & 3[nr:1]															
126 - Surface Restoration 202 Homes- Phase 3 of 3[se:2]					306,175	313,830					355,070	363,946			
190 - Miscellaneous Construction Management: Color Consultant Only			4,679												6,293
198 - Supervision Construction Mgmt- Pre-Cycle Eval.		6,086						7,058						8,186	
200 - Supervision 171 CM- Future Painting, Siding- PH 1		96,273						111,647						129,476	
208 - Supervision 217 CM- Future Painting, Siding- PH 2			125,225						145,223						168,414
210 - Supervision 202 CM- Future Painting, Siding- PH 3				119,483						138,564					
350 - Touch-Up On-going	37,113	38,040	38,991	39,966	40,965	41,990	43,039	44,115	45,218	46,349	47,507	48,695	49,912	51,160	52,439
920 - Power Washing 171 Unit Brickwork (sealing added)		31,224												41,992	
924 - Power Washing 217 Unit Brickwork (sealing added)			40,614												54,621
926 - Power Washing 202 Unit Brickwork (sealing added)				31,298											
Total 03000 - Painting: Exterior	37,113	171,623	462,876	771,337	676,052	355,819	43,039	162,821	484,268	858,219	784,013	412,641	49,912	230,814	622,516
04000 - Structural Repairs															
010 - Wood: Siding & Trim 2015/16 ONLY Contingency for Siding/Paint[nr:1/se:2]															
204 - Wood: Siding & Trim On-going Repairs- Long Term	163,296	167,378	171,562	175,852	180,248	184,754	189,373	194,107	198,960	203,934	209,032	214,258	219,614	225,105	230,732
210 - Wood: Siding & Trim 171 2008 Siding Project															
212 - Wood: Siding & Trim 217 2009 Siding Project															
214 - Wood: Siding & Trim 202 2010 Siding Project															
220 - Wood: Siding & Trim 171 Homes- Ongoing Siding Project w Paint 1		468,354						543,147						629,884	
230 - Wood: Siding & Trim 217 Homes- Ongoing Siding Project w Paint 2				484,226						561,553					
232 - Wood: Siding & Trim 202 Homes- Ongoing Siding Project w Paint 3					595,801						690,946				
290 - Miscellaneous Construction Management On-going															
291 - Miscellaneous Construction Management On-going															

Reserve Component	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
292 - Miscellaneous															
Construction Management On-going															
Total 04000 - Structural Repairs	163,296	635,732	171,562	660,077	776,049	184,754	189,373	737,254	198,960	765,487	899,979	214,258	219,614	854,989	230,732
05000 - Roofing															
200 - Low Slope: BUR 32 Squares- Small Flats- Done 2009									69,455						
206 - Low Slope: BUR 8 Squares- Small Flats- Done 2006						16,124									
212 - Low Slope: BUR 80 Squares- Large Flats- 2009										173,638					
216 - Low Slope: BUR 4 Squares- Small Flats- Done 2009										8,682					
220 - Low Slope: BUR 8 Squares- Small Flats- Done 2008								16,940							
400 - Pitched: Dimensional Composition 3,257 Squares- 2000 -- 2003 Roofing: 199 Homes[se:4]	1,813,138														
420 - Pitched: Dimensional Composition 2004 Roofing Project		3,078,403													
440 - Pitched: Dimensional Composition 1,853 Squares- 2005 Roofing Project[se:2]			2,167,536	2,221,724											
444 - Pitched: Dimensional Composition 2,098 Squares- 2006 Roofing Project[se:2]				2,578,363	2,642,822										
466 - Pitched: Dimensional Composition 2007 Roofing Project[se:2]						2,130,445	2,183,706								
690 - Gutters / Downspouts 2004				191,838											
692 - Gutters / Downspouts 2005					204,827										
694 - Gutters / Downspouts 2006						251,937									
696 - Gutters / Downspouts 2007							223,804								
701 - Gutters / Downspouts 1,484 Lin. Ft. 2008								41,899							
702 - Gutters / Downspouts 994 Lin. Ft. 2009										28,766					
703 - Gutters / Downspouts 10,741 Lin. Ft. 2010											318,611				
810 - Pitched: Dimensional Composition 2003 Roofing Project: Beams, Crts/Vlys, FP Chs			187,159												
820 - Beam Replacement 2004				87,926											
822 - Beam Replacement 2005 Roofing w/ 70% increase due to related siding					426,040										
824 - Beam Replacement 2006- Roofing w/ 70% inc. due to related siding						161,240									
826 - Beam Replacement 2007- Roofing-w/ 70% inc. due to related siding							395,961								

Reserve Component	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
840 - Hog Valleys 2000 - 2003 Roofing Project Midcycle															
841 - Hog Valleys 2004 Roofing Project Midcycle															
842 - Hog Valleys 2005 Roofing Project Midcycle															
843 - Hog Valleys 2006 Roofing Project Midcycle															
844 - Hog Valleys 2007 Roofing Project Midcycle															
920 - Roofing: Inspections & Repairs 590 All Units & Bldgs as Needed	43,793	44,888	46,010	47,160	48,339	49,548	50,786	52,056	53,357	54,691	56,059	57,460	58,897	60,369	61,878
924 - Roofing: Inspections & Repairs 590 All Units & Bldgs as Needed W Report		44,888			48,339			52,056			56,059			60,369	
930 - Miscellaneous 590 Major Repairs to Extend Life[se:3]															
Total 05000 - Roofing	1,856,931	3,168,178	2,400,705	2,548,648	3,305,909	3,121,671	2,800,997	2,346,657	333,898	373,303	112,117	57,460	58,897	120,738	61,878
19000 - Fencing															
300 - Wood 22,881 Lin. Ft. Patios (33%)[se:3]				203,215	208,295	213,503					241,559	247,598	253,788		
304 - Wood 1,900 Lin. Ft. Interior Patio Party Fence (20%)[se:3]				54,674	56,041	57,442					64,990	66,615	68,280		
350 - Wood: Repair On-going Repairs Per Year	47,960	49,158	50,387	51,647	52,938	54,262	55,618	57,009	58,434	59,895	61,392	62,927	64,500	66,113	67,766
Total 19000 - Fencing	47,960	49,158	50,387	309,536	317,274	325,206	55,618	57,009	58,434	59,895	367,941	377,139	386,568	66,113	67,766
21000 - Signage															
400 - Unit Address Plaques 590 Units with 2 at each				79,229											
Total 21000 - Signage				79,229											
Total [Unit Exteriors] Expenditures Inflated @ 2.50%	2,105,299	4,024,692	3,085,530	4,368,827	5,075,284	3,987,450	3,089,027	3,303,741	1,075,560	2,056,903	2,164,050	1,061,499	714,991	1,272,654	982,892
00020 - Main Clubhouse Areas															
02000 - Concrete															
400 - Pool Deck Main Clubhouse- Ongoing Repairs					1,966					2,225					2,517
Total 02000 - Concrete					1,966					2,225					2,517
03000 - Painting: Exterior															
130 - Surface Restoration Main Clubhouse		16,376						18,992						22,024	
400 - Wrought Iron 258 Lin. Ft. Pool Perimeter Fence		3,533				3,900				4,305				4,752	
Total 03000 - Painting: Exterior		19,910				3,900		18,992		4,305				26,776	
03500 - Painting: Interior															
300 - Clubhouse 11,806 Sq. Ft. Clubhouse				18,046										23,100	
Total 03500 - Painting: Interior				18,046										23,100	
04000 - Structural Repairs															

Reserve Component	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
200 - Wood: Siding & Trim Ongoing Prior to Paint[nr:5]															
302 - Awnings Clubhouse Pool Awning															7,474
900 - Door: Hardware 16 Clubhouse- Exit Doors & Pool Pedestrian Gates															29,468
906 - Steel Doors 4 Exterior Storage Room Metal Doors					14,420										
Total 04000 - Structural Repairs					14,420										36,942
05000 - Roofing															
208 - Low Slope: BUR 6 Squares- Clubhouse- Vinyl								25,879							
460 - Pitched: Dimensional Composition Clubhouse- 44 Squares								91,974							
Total 05000 - Roofing								117,853							
08000 - Rehab															
094 - General Professional Fees				71,891											
100 - General Clubhouse- Lounge: Skylights & Windows															
102 - General Clubhouse- Living Rm & Kitchen Furnishings (50%)				38,148											48,832
112 - General Clubhouse- Card Room Misc. (50%)				11,448											14,655
113 - General Clubhouse Card Room- Counter & Cabinets									31,165						
114 - General 6 -Exterior Store-Front Door Sets								59,471							
136 - General Clubhouse- Interior Doors										28,940					
138 - General Clubhouse- Entry Area- Furnishings- 50%				2,239											2,866
140 - General Clubhouse Security System / Entry Access				61,444											78,654
142 - General Clubhouse Audio/Video Upgrades				37,875											48,483
144 - Clubhouse Drinking Fountain															2,645
150 - General Lobby Admin. Office- 50%				10,329											13,223
156 - General Clubhouse- Manager's Office 50%				5,165											6,611
160 - General Clubhouse- Gym 50%				10,861											13,903
180 - General Clubhouse- 2 Restrooms															150,605
190 - General Clubhouse- Storeroom				3,443											4,408

Nepenthe Association (General Reserve)
30 Year Expense Forecast - Detailed

2016 Update

Prepared for the 2017 Fiscal Year

Reserve Component	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
192 - General Clubhouse- Utility Room (50%)				1,967										2,518	
194 - General Kitchen								73,205							
344 - General 2013 Contingency				60,253											
Total 08000 - Rehab				315,063				59,471	133,310					387,401	
12000 - Pool															
100 - Re-plaster 116 Lin. Ft. Clubhouse Main Pool												20,682			
102 - Re-plaster 176 Lin. Ft. Clubhouse Lap Pool												28,055			
200 - Edge: Tile, Coping, Mastic 116 Lin. Ft. Clubhouse Main Pool								9,258							
202 - Edge: Tile, Coping, Mastic 176 Lin. Ft. Clubhouse Lap Pool								14,047							
600 - Deck: Re-Surface 10,526 Sq. Ft. Main Pool Area														430,810	
699 - Equipment: Replacement 2016 Only[nr:1]												9,439			
700 - Equipment: Replacement 3 Main & Lap Pool Filters Only				7,747											
701 - Equipment: Replacement 3 Main & Lap Pool Pumps Only				12,395				13,682					15,102		
702 - Equipment: Replacement Main Pool Chlorinator			1,260				1,390				1,535				1,694
703 - Equipment: Replacement Lap Pool Chemical Feeder			1,512				1,669				1,842				2,033
790 - Miscellaneous On-going (Yearly) Pool Mechanical Repairs	5,435	5,571	5,711	5,853	6,000	6,150	6,303	6,461	6,623	6,788	6,958	7,132	7,310	7,493	7,680
910 - Furniture: Chairs 16 Clubhouse				2,333										2,987	
915 - Furniture: Lounges 18 Clubhouse				18,593										23,801	
920 - Furniture: Tables 4 Clubhouse				2,052										2,626	
940 - Furniture: Misc 4 Clubhouse- Umbrellas Stands				760										973	
942 - Furniture: Misc 4 Clubhouse- Umbrellas				2,346										3,004	
950 - Furniture: Misc Re-Webbing, Powder Coat									16,848						
990 - Miscellaneous 2012 Misc. Safety, Caps, Water Quality, etc.									29,217						
994 - Miscellaneous Signage- Main CH								1,900							
Total 12000 - Pool	5,435	5,571	8,482	52,080	6,000	6,150	9,362	45,349	52,688	6,788	10,334	80,410	7,310	471,693	11,407
13000 - Spa															
100 - Re-Plaster Main Clubhouse		5,594						6,488						7,524	
120 - Tile Main CH Spa								3,040							

Nepenthe Association (General Reserve)
30 Year Expense Forecast - Detailed

2016 Update

Prepared for the 2017 Fiscal Year

Reserve Component	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
700 - Equipment Main Spa	4,476										5,730				
701 - Equipment Main Spa (2016 Only)[nr:1]															
710 - Pumps Vari Speed Pentair Pump					4,235						4,911				
780 - Heater Main Clubhouse- Spa Heater				5,509								6,712			
Total 13000 - Spa	4,476	5,594		5,509	4,235			9,528			10,641	6,712		7,524	
14000 - Recreation															
201 - Exercise: Treadmill Matrix Commercial Series				5,515					6,240					7,060	
205 - Exercise: Treadmill Matrix Commercial Series				5,515					6,240					7,060	
212 - Exercise: Miscellaneous Equip. 2 Matrix Recumbent Bike	18,984										24,301				
213 - Exercise: Miscellaneous Equip. Recumbent Bike (2016 Only)[nr:1]															
218 - Miscellaneous Matrix Elliptical Machine			7,798						9,044						10,488
222 - Exercise: Weight Machine Matrix Hoist & Press H2200															
224 - Miscellaneous Stair Climber			3,743						4,341						5,034
226 - Miscellaneous Upright Cycle			2,339						2,713						3,146
230 - Exercise: Miscellaneous Equip. Weight Bench									543						
860 - Television Fitness Room- LG 42" TV				1,014						1,176					
864 - Television Library- LG 32" TV		533						618						716	
Total 14000 - Recreation	18,984	533	13,881	12,044				618	29,120	1,176	24,301			14,836	18,668
17000 - Tennis Court															
100 - Reseal 4 Main Clubhouse							28,963							34,428	
306 - Miscellaneous 2 Tennis Court Awning & Bench									7,416						
500 - Resurface 4 Main Clubhouse															
Total 17000 - Tennis Court							28,963		7,416					34,428	
19000 - Fencing															
130 - Chain Link: 10' 770 Lin. Ft. Main Clubhouse Tennis Courts															55,658
200 - Wrought Iron 258 Lin. Ft. Main Clubhouse									47,750						
340 - Wood: 6' 28 Lin. Ft. Trash & Roof Access Enclosure		1,278													
Total 19000 - Fencing		1,278							47,750						55,658
20000 - Lighting															

Reserve Component	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
260 - Bollard Lights 6 Clubhouse Front			8,422												
Total 20000 - Lighting			8,422												
22000 - Office Equipment															
200 - Computers, Misc. Clubhouse Offices		9,832			10,588			11,402			12,278				13,223
Total 22000 - Office Equipment		9,832			10,588			11,402			12,278				13,223
23000 - Mechanical Equipment															
200 - HVAC 4 Lennox Units- Clubhouse- A/C						61,497									
204 - HVAC Ducting							63,034								
210 - HVAC 4 Units Clubhouse- Heating						56,097									
600 - Water Heater Clubhouse- State Select Water Heater				2,410											3,085
Total 23000 - Mechanical Equipment				2,410		117,593	63,034								3,085
24000 - Furnishings															
910 - Window Coverings Clubhouse															7,316
Total 24000 - Furnishings															7,316
24500 - Audio / Visual															
222 - Entertainment System Assisted Listening Hearing Loop		30,432													
Total 24500 - Audio / Visual		30,432													
25000 - Flooring															
200 - Carpeting 298 Sq. Yds. Clubhouse				41,042											52,538
400 - Tile 295 Sq. Ft. Kitchen				4,716											
600 - Vinyl 19 Sq. Yds. Clubhouse Restrooms							1,145								
600 - Vinyl 53 Sq. Yds. Lobby				2,203											
600 - Vinyl 6 Sq. Yds. Storage/ Janitorial Room				249											
604 - Vinyl 15 Sq. Yds. Storage/Security Room							671								
Total 25000 - Flooring				48,211			1,816								52,538
26000 - Outdoor Equipment															
900 - Miscellaneous Outdoor Ping Pong Table						901									
Total 26000 - Outdoor Equipment						901									
27000 - Appliances															
200 - Refrigerator Clubhouse- GE Profile				2,558											3,274

Reserve Component	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
204 - Refrigerator Clubhouse- Frigidaire Caterer's Refrigerator															3,274
220 - 4-Burner Stove & Oven Clubhouse- Whirlpool Stove & Oven				1,119											
240 - Dishwasher Clubhouse- Whirlpool Dishwasher				1,599											2,046
740 - Microwave Oven Clubhouse				1,119											1,432
950 - Ice Machine Clubhouse- Scotman				3,197											4,093
998 - Miscellaneous Kitchen Aid Warming Oven				1,279											1,637
Total 27000 - Appliances				10,871											15,757
Total [Main Clubhouse Areas] Expenditures Inflated @ 2.50%	28,896	73,150	30,785	464,234	37,209	128,544	103,175	263,212	262,868	21,909	57,556	87,122	7,310	1,094,619	88,251

00030 - Dunbarton Clubhouse Areas

02000 - Concrete

404 - Pool Deck Clubhouse Pool- Ongoing Repairs					1,966					2,225					2,517
Total 02000 - Concrete					1,966					2,225					2,517

03000 - Painting: Exterior

136 - Surface Restoration Clubhouse & Pool Fence		3,766						4,367							5,065
Total 03000 - Painting: Exterior		3,766						4,367							5,065

03500 - Painting: Interior

900 - Miscellaneous Clubhouse- Dunbarton All Rooms				5,400				5,961				6,580			
Total 03500 - Painting: Interior				5,400				5,961				6,580			

04000 - Structural Repairs

900 - Door: Hardware 2 Pool Gates & Clubhouse	2,672														
Total 04000 - Structural Repairs	2,672														

05000 - Roofing

464 - Pitched: Dimensional Composition 20 Squares- Clubhouse								39,880							
Total 05000 - Roofing								39,880							

08000 - Rehab

200 - Restrooms Clubhouse- 2 Restrooms															9,859
220 - General Clubhouse Interior	8,610														
221 - General Cabana- Lighting Project	5,478														
224 - General Clubhouse- Kitchen	12,789														
Total 08000 - Rehab	26,877														9,859

12000 - Pool

Nepenthe Association (General Reserve)
30 Year Expense Forecast - Detailed

2016 Update

Prepared for the 2017 Fiscal Year

Reserve Component	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
104 - Resurface 148 Lin. Ft. Pool			20,775												27,940
204 - Edge: Tile, Coping, Mastic 104 Lin. Ft. Pool								11,011							
601 - Deck: Re-Surface 3,384 Sq. Ft. Clubhouse Pool Area														135,038	
704 - Equipment: Replacement Filtration Only (50%)	3,563					4,031					4,561				
705 - Equipment: Replacement 2016 Only[nr:1]															
730 - Heater Clubhouse Attached Equipment Rm		9,814													
954 - Furniture: Misc Re-Webbing, Powder Coat									16,848						
995 - Miscellaneous Signage								2,276							
Total 12000 - Pool	3,563	9,814	20,775			4,031		13,288	16,848		4,561			135,038	27,940
13000 - Spa															
102 - Re-Plaster Spa		7,372						8,550						9,915	
121 - Tile Spa								2,276							
700 - Equipment Spa (50%)		3,424					3,874				4,383				
782 - Heater Clubhouse Attached Equipment Rm				4,860							5,921				
Total 13000 - Spa		10,796		4,860			3,874	10,826			10,304			9,915	
14000 - Recreation															
148 - Sauna: Heaters Clubhouse															8,453
150 - Sauna: Wood Kit Clubhouse															
Total 14000 - Recreation															8,453
19000 - Fencing															
202 - Wrought Iron 146 Lin. Ft. Pool Perimeter									23,767						
Total 19000 - Fencing									23,767						
23000 - Mechanical Equipment															
300 - HVAC Trane Central Furnace- Dunbarton								13,235							
604 - Water Heater Clubhouse Kitchen Closet		2,282												3,070	
Total 23000 - Mechanical Equipment		2,282						13,235						3,070	
24000 - Furnishings															
400 - Miscellaneous Clubhouse		7,304									9,349				
Total 24000 - Furnishings		7,304									9,349				
24600 - Safety / Access															

Nepenthe Association (General Reserve)
30 Year Expense Forecast - Detailed

2016 Update

Prepared for the 2017 Fiscal Year

Reserve Component	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
520 - Card Readers 3 Gates & Clubhouse				7,194										9,209	
Total 24600 - Safety / Access				7,194										9,209	
25000 - Flooring															
220 - Carpeting 60 Sq. Yds. Clubhouse	2,398										3,070				
Total 25000 - Flooring	2,398										3,070				
27000 - Appliances															
202 - Refrigerator Clubhouse				1,559										1,995	
221 - 4-Burner Stove & Oven Clubhouse- GE Electric Profile Model	3,830														
241 - Dishwasher Clubhouse	1,918										2,456				
742 - Microwave Oven Clubhouse											1,535				
Total 27000 - Appliances	5,748			1,559							3,990			1,995	
Total [Dunbarton Clubhouse Areas] Expenditures Inflated @ 2.50%	41,258	33,963	20,775	19,013	1,966	4,031	3,874	87,556	40,615	2,225	11,621	26,233		164,292	48,768
00040 - Elmhurst Cabana Areas															
02000 - Concrete															
408 - Pool Deck Cabana- Ongoing Repairs					1,966					2,225					2,517
Total 02000 - Concrete					1,966					2,225					2,517
03000 - Painting: Exterior															
138 - Surface Restoration Cabana & Pool Fence		3,606						4,182						4,850	
Total 03000 - Painting: Exterior		3,606						4,182						4,850	
03500 - Painting: Interior															
920 - Miscellaneous All Rooms				5,164										6,610	
Total 03500 - Painting: Interior				5,164										6,610	
05000 - Roofing															
462 - Pitched: Dimensional Composition 11 Squares- Elmhurst Cabana								21,934							
Total 05000 - Roofing								21,934							
08000 - Rehab															
230 - General Restrooms											77,760				
234 - General Elmhurst- Gardeners Rstrm & Entry							22,243								
Total 08000 - Rehab							22,243				77,760				
12000 - Pool															
106 - Re-plaster 159 Lin. Ft. Elmhurst Pool											27,193				
206 - Edge: Tile, Coping, Mastic 159 Lin. Ft. Elmhurst Pool								18,237							

Nepenthe Association (General Reserve)
30 Year Expense Forecast - Detailed
 2016 Update

Prepared for the 2017 Fiscal Year

Reserve Component	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
602 - Deck: Re-Surface 2,900 Sq. Ft. Elmhurst Pool Area															118,692
712 - Equipment: Replacement Elmhurst Pool Filter Only		2,412								2,939					
714 - Equipment: Replacement Elmhurst Pool Pump Only (50%)					2,118						2,456				
716 - Equipment: Replacement Elmhurst Pool Chlorinator Only				855				944				1,042			
958 - Furniture: Misc Re-Webbing, Powder Coat									16,848						
996 - Miscellaneous Signage- Elmhurst					1,762										
Total 12000 - Pool		2,412		855	3,879			19,181	16,848	2,939	29,649	1,042		118,692	
17000 - Tennis Court															
106 - Reseal 2 Elmhurst	14,388							17,103							20,330
310 - Miscellaneous Tennis Court Awning & Bench									3,708						
504 - Resurface 2 Elmhurst															94,873
Total 17000 - Tennis Court	14,388							17,103	3,708						115,203
19000 - Fencing															
134 - Chain Link: 10' 476 Lin. Ft. Elmhurst Tennis Courts														33,119	
204 - Wrought Iron 260 Lin. Ft. Elmhurst Pool									46,557						
Total 19000 - Fencing									46,557					33,119	
23000 - Mechanical Equipment															
606 - Water Heater Elmhurst CH- 50 US Gallon				2,398										3,070	
Total 23000 - Mechanical Equipment				2,398										3,070	
24600 - Safety / Access															
524 - Card Readers 2 Gates & Clubhouse				4,796										6,139	
Total 24600 - Safety / Access				4,796										6,139	
Total [Elmhurst Cabana Areas] Expenditures Inflated @ 2.50%	14,388	6,019		13,213	5,846		22,243	62,400	63,405	8,872	107,409	1,042		172,479	117,720
00045 - Commons Tennis Ct Area															
04000 - Structural Repairs															
302 - Awnings Tennis Court Awning & Bench										3,708					
Total 04000 - Structural Repairs										3,708					
17000 - Tennis Court															
104 - Reseal 2 Commons							16,265							19,334	
502 - Resurface 2 Commons														92,559	
Total 17000 - Tennis Court							16,265							111,893	

NEPENTHE ASSOCIATION
Proposed Operating Budget
January 1, 2017 - December 31, 2017

Description	Current Monthly Approved Budget	Current Annual Approved Budget	Proposed Budget Monthly	Proposed Budget Annual	Monthly Unit Cost
REVENUE					
HOMEOWNER ASSESSMENT REVENUE	269,629	3,235,548	275,529	3,306,348	467.00
STREET/GATE COST CENTER					
EASEMENT AGREEMENT	1,300	15,600	1,430	17,160	2.42
INTEREST ON PAST DUE ASSESSMENTS					
KEY REVENUE			75	900	0.13
CLUBHOUSE RENTAL	700	8,400	700	8,400	1.19
CC&R VIOLATIONS/FINES					
MISCELLANEOUS REVENUE					
OPERATING INTEREST REVENUE					
RESERVE INTEREST REVENUE					
PAST OWNERS REVENUE					
RESERVE INTEREST					
**TOTAL REVENUE	271,629	3,259,548	277,734	3,332,808	470.74
**RESERVE CONTRIBUTION					
GENERAL RESERVES	163,766	1,965,192	170,042	2,040,504	288.21
RESERVE INTEREST					
STREET&DRIVE RESERVE INTEREST					
PRIVATE STS.& DRIVES					
**TOTAL RESERVE CONTRIBUTION	163,766	1,965,192	170,042	2,040,504	288.21

Description	Current Monthly Approved Budget	Current Annual Approved Budget	Proposed Budget Monthly	Proposed Budget Annual	Monthly Unit Cost
**TOTAL AVAILABLE OPERATING REVENUE	107,863	1,294,356	107,692	1,292,304	182.53
OPERATING EXPENSES					
**UTILITIES					
ELECTRICITY	2,475	29,700	2,725	32,700	4.62
GAS	1,860	22,320	1,200	14,400	2.03
REFUSE COLLECTION	248	2,976	350	4,200	0.59
TELEPHONE EXPENSE	435	5,220	430	5,160	0.73
WATER	3,395	40,740	3,400	40,800	5.76
**TOTAL UTILITIES	8,413	100,956	8,105	97,260	13.74
**LAND MAINTENANCE					
CONTRACT LANDSCAPE SERVICE	26,823	321,876	26,823	321,876	45.46
TREE MAINTENANCE					
SPRINKLER REPAIR					
LANDSCAPE MISCELLANEOUS					
BACKFLOW DEVICE TEST	590	7,080	345	4,140	0.58
COMMON AREA IMPROVEMENT	667	8,004	25	300	0.04
**TOTAL LAND MAINTENANCE	28,080	336,960	27,193	326,316	46.09
**COMMON AREA					
CONTRACT POOL/SPA SERVICE	1,350	16,200	1,350	16,200	2.29
POOL EQUIPMENT REPAIR			25	300	0.04
POOL INSPECTION	150	1,800	115	1,380	0.19
TENNIS COURT MAINTENANCE					

Description	Current Monthly Approved Budget	Current Annual Approved Budget	Proposed Budget Monthly	Proposed Budget Annual	Monthly Unit Cost
EXPENSES TO BE REIMBURSED					
ROOF MAINTENANCE			25	300	0.04
MATERIAL SUPPLIES	495	5,940	279	3,348	0.47
PEST CONTROL	190	2,280	190	2,280	0.32
JANITORIAL SERVICE	1,525	18,300	1,525	18,300	2.58
JANITORIAL SUPPLIES	220	2,640	247	2,964	0.42
FIRE EXTINGUISHER	20	240	10	120	0.02
LIGHT REPAIRS	150	1,800	25	300	0.04
SPECIAL SECURITY	300	3,600	125	1,500	0.21
PATROL SERVICE	1,200	14,400	1,200	14,400	2.03
GUTTER & DOWNSPOUT CLEANING	4,900	58,800	4,993	59,916	8.46
REPAIR & MAINTENANCE	200	2,400	400	4,800	0.68
BACKFLOW DEVICE TEST					
KITCHEN SUPPLIES	200	2,400	172	2,064	0.29
JANITORIAL EXTRA LABOR	04	48	300	3,600	0.51
FITNESS CONTRACT	28	336	40	480	0.07
**TOTAL COMMON AREA	10,932	131,184	11,021	132,252	18.68
**MANAGEMENT/ON-SITE ADMIN EXP					
COMMUNITY WEBSITE	10	120	300	3,600	0.51
COMMUNITY EVENTS/PROGRAMS	100	1,200	75	900	0.13
VOLUNTEER RECOGNITION	100	1,200	75	900	0.13
EDUCATION/ADULT PROGRAM	50	600	75	900	0.13
CPA SERVICES	162	1,944	160	1,920	0.27
FEDERAL TAX EXPENSE	100	1,200	550	6,600	0.93
FRANCHISE TAX BOARD	100	1,200	200	2,400	0.34
TAXES & LICENSES	03	36	175	2,100	0.30

Description	Current Monthly Approved Budget	Current Annual Approved Budget	Proposed Budget Monthly	Proposed Budget Annual	Monthly Unit Cost
GENERAL COUNSEL SERVICE	300	3,600	600	7,200	1.02
CONTRACT MANAGEMENT	6,800	81,600	6,970	83,640	11.81
MANAGEMENT REIMBURSABLE	2,100	25,200	2,445	29,340	4.14
POSTAGE, ON-SITE	05	60	50	600	0.08
ADMINISTRATIVE MISC	05	60			
DUES & PUBLICATIONS	35	420	40	480	0.07
BANK FEES	35	420	35	420	0.06
ON-SITE STAFF	14,250	171,000	14,500	174,000	24.58
DELINQUENCY MONITORING	79	948	60	720	0.10
OPERATING CONTINGENCY	30	360	100	1,200	0.17
LEGAL-COLLECTIONS	01	12	01	12	
SPECIAL PROJECT MANAGEMENT	04	48			
ACCOUNTING REIMBURSABLES	130	1,560	100	1,200	0.17
AMS COLLECTION EXPENSE	100	1,200	100	1,200	0.17
PROPERTY TAX	175	2,100	75	900	0.13
ANNUAL ELECTION EXPENSE	10	120			
PAYROLL TAXES & BENEFITS	5,100	61,200	5,500	66,000	9.32
MILEAGE REIMBURSEMENT	05	60			
WEBSITE MONTHLY FEE	05	60	05	60	0.01
ON-SITE OFFICE SUPPLIES	150	1,800	150	1,800	0.25
INTERNET EXPENSE	100	1,200			
COPIER LEASE	353	4,236	400	4,800	0.68
CLAC CONTRIBUTION	49	588	50	600	0.08
CC&R REVISION					

Description	Current Monthly Approved Budget	Current Annual Approved Budget	Proposed Budget Monthly	Proposed Budget Annual	Monthly Unit Cost
**TOTAL MANAGEMENT/ON-SITE ADMIN EXP	30,446	365,352	32,791	393,492	55.58
**INSURANCE					
INSURANCE	7,982	95,784	7,801	93,612	13.22
FLOOD INSURANCE	22,010	264,120	20,781	249,372	35.22
**TOTAL INSURANCE	29,992	359,904	28,582	342,984	48.44
**TOTAL OPERATING EXPENSES	107,863	1,294,356	107,692	1,292,304	182.53
NET INCOME/(LOSS)					0.00



AN INSURANCE RENEWAL PROPOSAL

Prepared For:

NEPENTHE ASSOCIATION
C/O FirstService Residential
15241 Laguna Canyon Road, Irvine, CA 92618

Presented By:

Ryan DeShong
3400 Bradshaw Road, Suite C
Sacramento, CA. 95827
(Phone) 916-636-0115

License #: 0E44888

August 1st, 2016

DISCLAIMER - This is only a proposal for insurance, and is not an insurance policy, or part of or incorporated into an insurance policy. It only provides an estimate of premium, not the final premium amount. The coverages summarized in this quote proposal and any estimate of premium are based on information received through the prospective insured and may not include all available coverages. Coverage descriptions are abbreviated and do not indicate in force coverage. The need for any additional or optional coverages should be discussed with your insurance agent. The issuance of an insurance policy contract with the actual premium amount is contingent upon the application of underwriting criteria and is subject to rates approved or mandated by the appropriate state regulatory authority. Only the insurance policy would provide coverage and its terms and conditions supersede this proposal. In the event of any conflict between this proposal and the policy language, the policy language would prevail.



Habitational BOP Renewal Proposal

Farmers Insurance Exchange Premier Coverage Package

POLICY NUMBER	605044453 & 605044513
EFFECTIVE DATE	Oct 1, 2016
EXPIRATION DATE	Oct 1, 2017
COMPANY PLACEMENT	Farmers Insurance Exchange

INSURED LOCATIONS	<u>2300-2320 American River Drive, Sacramento, CA. 95825</u>
	<u>1-37 Adelphi Court, Sacramento, CA. 95825</u>
	<u>1-21 Colby Court, Sacramento, CA. 95825</u>
	<u>1033-1433 Commons Drive, Sacramento, CA. 95825</u>
	<u>100-1113 Dunbarton Circle, Sacramento, CA. 95825</u>
	<u>100-903 Elmhurst Circle, Sacramento, CA. 95825</u>
	<u>2232-2330 Swarthmore Drive, Sacramento, CA. 95825</u>
	<u>1425-1653 University Avenue, Sacramento, CA. 95825</u>
	<u>1005-1342 Vanderbilt Way, Sacramento, CA. 95825</u>
	<u>*Includes all Club House's & Pool House's</u>



PREMIER COVERAGE PACKAGE - PROPERTY		
COVERAGE NAME	DEDUCTIBLE	LIMIT
Accounts Receivable	Property Deductible	\$250,000.00 *
Association Fee & Extra Expense	None	\$100,000.00
Backup Sewer & Drain	Property Deductible	\$50,000.00
Building Amount (Agreed Amount Valuation)	Property Deductible	\$88,000,000.00
Building Contents	Property Deductible	\$100,000.00
* Building Ordinance	Property Deductible	Coverage 1 Included Coverage 2 \$ 2,000,000 Coverage 3 \$ 2,000,000
Claim Expense Coverage	None	Included
Debris Removal	Property Deductible	Included
Electronic Data Processing	Property Deductible	\$10,000.00 *
Employee Dishonesty	\$100.00	\$1,000,000.00 *
Exterior Building Glass	Property Deductible	Included in Property Limit
Extra Expense	None	18 months of Actual Loss Sustained
Fire Department Service Charge	None	\$1,000.00
Fire Extinguisher Recharge	None	\$2,500.00
Forgery and Alteration	Property Deductible	\$2,500.00
Water Damage	Property Deductible	Included
Limited Collapse	Property Deductible	Included
Limited Coverage for Fungi, Wet Rot, Dry Rot and Bacteria	Property Deductible	\$15,000.00
Lock Replacement Coverage	None	\$10,000.00
Mechanical Breakdown	Property Deductible	Included
Money & Security	\$100.00	\$25,000.00
Money Orders and Counterfeit Paper Currency	Property Deductible	\$1,000.00
Newly Acquired or Constructed Building	Property Deductible	\$250,000.00
Newly Acquired Personal Property	Property Deductible	\$100,000.00
Outdoor Property	Property Deductible	\$200,000.00 *
Outdoor Signs	Property Deductible	\$50,000.00 *
Personal Effects	Property Deductible	\$2,500.00
Pollutant Cleanup & Removal	Property Deductible	\$10,000.00
Premise Boundary Definition	N/A	100 feet
Preservation of Property	Property Deductible	60 days
Property Deductible	\$10,000.00	
Specified Property	Property Deductible	\$500,000.00 *
Valuable Paper	Property Deductible	\$250,000.00 *



PREMIER COVERAGE PACKAGE - LIABILITY	
COVERAGE NAME	LIMIT
Aggregate Limits - All Other Occurrences	\$2,000,000.00
Aggregate Limits - Products/Completed Operations	\$1,000,000.00
Contractual Liability	Included
Employees as an Insured	Included
Fire/Tenants Liability	\$75,000.00 *
Independent Contractor You Hire	Included
Liability for Newly Acquired Locations	Included
Liability Limit Per Occurrence	\$1,000,000.00
Limited World-Wide Liability	Included
Medical Payments	\$5,000.00
Non-Owned Watercraft	Included
Owners Protective Liability	Included
Parking Area Liability	Included
Personal and Advertising Injury Liability	Included
Premises and Operations	Included
Products and Completed Operations	Included
Spouse or Partners as Insured's	Included
Supplemental Payments	\$250/day limit

*Higher coverage limits available.

EMPLOYMENT PRACTICES LIABILITY INSURANCE	
*Liability Limit	\$1,000,000.00
Self-Insured Retention	\$10,000.00

PREMIER COVERAGE PACKAGE - DIRECTORS & OFFICERS E&O		
COVERAGE NAME	DEDUCTIBLE	LIMIT
Directors & Officers Broad Named Insured		Included
Directors & Officers Defense Costs in addition to policy limits		Included
Directors & Officers Duty to Defend		Included
Directors & Officers Non-Monetary Damages		Included
Directors and Officers - Discrimination		Included
Directors and Officers - Prop Manager		Included
* Directors Officers - Errors & Omissions	\$1,000.00	\$2,000,000.00



COMMERCIAL AUTO LIABILITY	
Combined Single Limit (Bodily Injury & Property Damage)	\$1,000,000.00
Employers Non-Owned Auto Liability	Included
Hired Auto Liability	Included

COMMERCIAL EXCESS LIABILITY (UMBRELLA)	
COVERAGE DESCRIPTION	LIMITS
EACH OCCURRENCE	\$10,000,000
ANNUAL AGGREGATE	\$10,000,000
SELF INSURED RETENTION	\$10,000

Coverage is provided in excess over the underlying policy's aggregate liability limits including the General Liability, Directors & Officers Liability and Commercial Auto Liability.

Renewal Summary

BUSINESS OWNER'S PACKAGE POLICY COVERAGE	\$ 86,012.00
COMMERCIAL EXCESS LIABILITY	\$ 7,549.00
MEMBERSHIP FEES	\$ 0.00
TOTAL	\$ 93,561.00
Ryan DeShong 3400 Bradshaw Road, Suite C Sacramento, CA. 95827 916-636-0115 LICENSE NUMBER # 0E44888	



Annual Premium Summary

COVERAGE NAME	2013-2014	2014-2015	2015-2016	2016-2017
Building Coverage	\$ 84,712.00	\$ 77,474.00	\$ 77,350.00	\$ 75,265.00
Contents	\$ 251.00	\$ 223.00	\$ 216.00	\$ 206.00
Outdoor Signs	\$ Included	Included	\$ Included	\$ Included
EPLI Preferred	\$ 1670.00	\$ 2090.00	\$ 1835.00	\$ 1963.00
Accounts Receivable	\$ 153.00	\$ 137.00	\$ 132.00	\$ 126.00
Valuable Papers	\$ 732.00	\$ 655.00	\$ 631.00	\$ 601.00
BUILDING ORDINANCE	\$ 3002.00	\$ 2514.00	\$ 2534.00	\$ 2394.00
EMPLOYEE DISHONESTY	\$ 660.00	\$ 591.00	\$ 569.00	\$ 542.00
Fire/Tenants Liability	Included	Included	Included	Included
Glass Deductible Buyback	\$ 88.00	\$ 79.00	\$ 75.00	\$ 71.00
Money & Securities	\$ 106.00	\$ 95.00	\$ 92.00	\$ 87.00
Backup of Sewer & Drain	\$ 48.00	\$ 43.00	\$ 41.00	\$ 39.00
Mechanical Breakdown	Included	Included	Included	Included
Specified Property	\$ 833.00	\$ 746.00	\$ 742.00	\$ 707.00
Pools Liability	\$ 367.00	\$ 328.00	\$ 313.00	\$ 298.00
Association Fee	Included	Included	Included	Included
Directors Liability	\$ 2265.00	\$ 2265.00	\$ 2265.00	\$ 2265.00
D&O - Discrimination	\$ 227.00	\$ 227.00	\$ 227.00	\$ 227.00
D&O - Property Managers	\$ Included	Included	\$ Included	\$ Included
Hired Auto	\$ 66.00	\$ 66.00	\$ 66.00	\$ 66.00
Non-Owned Auto	\$ 66.00	\$ 66.00	\$ 66.00	\$ 66.00
Outdoor Property	\$ 356.00	\$ 318.00	\$ 309.00	\$ 294.00
Premier Package	\$ 795.00	\$ 795.00	\$ 795.00	\$ 795.00
Umbrella	\$ 7354.00	\$ 7549.00	\$ 7549.00	\$ 7549.00
Membership Fees	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Annual Totals	\$ 103,751.00	\$ 96,261.00	\$ 95,786.00	\$ 93,561.00



JAMES E. WILLIAMS & SON, INC.



11460 Sunrise Gold Circle, Suite A
Rancho Cordova, CA 95742
Phone: 916-771-5931
Fax: 916-290-0541
Email: info@jwanson.com
Web: www.jwanson.com

Since 1987

Lic. #688112

Customer: Nepenthe
Sauna

Project: remove sauna convert to storage room

Proposal Number: 0716-0044

Date: August 29, 2016

James E. Williams and Son Inc. propose to furnish all materials and labor necessary to complete the following:

Scope of Work:

- Remove existing wood and benches from Sauna Room located in the Dunbarton Cabana.
- Patch and texture existing drywall as needed. (if new drywall needs to be installed it will be done via a change order)
- Install new 2' 6" wide door with locking hardware and new casing moldings.

Total cost this estimate: \$ 1,567.48

Please note: All measurements are approximate. Scope of work based off of a visual inspection. Any work above mentioned scope of work to be done per approved change order. Cost does not include permits, engineering, or processing if required.

JAMES E WILLIAMS AND SON INC.

Acceptance of proposal: Your signature below authorizes James E. Williams & Son, Inc. to perform the work defined in this proposal and you agree to the terms and conditions of this contract. All work shall be completed in a workmanlike manner according to standard construction practices.

Payments: Owner shall make and initial down payment of 10% of the total Contract Price to James E. Williams for mobilization and materials prior to starting the project. Final Payment: Contractor will submit final payment invoice after completion of the project and Owner agrees to pay in full Final Payment within 30 days of invoice date for payment. Progress payments: In the event the project is scheduled to take longer than 15 days to complete Contractor will submit progress payment for percentage of work completed, materials purchased, and any completed change orders if applicable. Owner agrees to pay in full all progress payments within 30 days of invoice date for payment. Payments not made when due under this contract shall be subject to a late fee of 1% of the overdue amount monthly unless Owner rejects invoice with just cause for non-compliance with this contract.

Extra Work: This contract applies only to the work defined in this proposal. Any additional work will be performed only after a change order is submitted by Contractor to Owner and the Owner has approved the Change Order. Payment for change orders will be submitted as part of the progress payments or final payments, whichever is applicable.

Incidental damage caused by construction: We will take reasonable care and precautions to minimize damage to landscaping however some damage to landscaping is possible in order to access the work area; unless otherwise noted in this proposal replacement of landscaping is not included in our proposal. When performing exterior repairs to buildings it is possible that some damage may occur to the interior drywall (cracks and/or "nail pops") due to vibration of the walls and the act of performing these types of repairs. This is not caused by Contractor negligence but is inherent to this type of work; unless otherwise noted in this proposal Interior repairs are not included in this proposal.

Limited Warranty: James E. Williams & Son, Inc. warrants its construction work against defects in workmanship for one (1) full year from the 100% completion of the project. This limited warranty does not cover defects caused by misuse, accidents, earthquakes, negligent maintenance, or normal wear and tear. In order for the above limited warranty to be effective, owner must give James E. Williams & Son, Inc. written notice of any defect covered hereunder on or before the expiration of thirty days from the date of discovery of the defect or the expiration of the one year (1) period, whichever occurs first, specifying the nature of the defect. Owner must allow reasonable access to the property to inspect and repair the defect. Should any issue for which James E Williams & Son, Inc. is asked to investigate a warranted defect be found not to be the fault of workmanship of a warranted defect the Owner is subject to pay James E Williams & son, Inc. for time and materials to investigate and/or remedy the problem.

Existing windows and doors: Unless replacing windows or doors the owner understands that contractor will not be responsible in any way for windows or doors if they leak including but not limited to resulting damage if leak occurs. Contractor to be responsible for proper tie in with window flange around perimeter of window.

Mold and Hazardous Waste. Unless a specific part of the work designated is, or unequivocally relates to, the abatement of toxic or hazardous Materials located on site, James E. Williams and Son, Inc., has undertaken no obligation to mitigate, remove, destroy or otherwise remedy any toxic or hazardous materials which, during the course of construction, may be found to be present at the site. Owner shall and does indemnify and hold James E. Williams and Son, Inc., harmless from and against any cost, expense, liability, charge, or other obligation that James E Williams and Son Inc., may incur as a result of its discovery and encounter, during the course of the work, any such toxic or hazardous waste on the site. If such a discovery does occur and the parties are unable to agree upon a change order to remedy the condition, or otherwise deal with the condition, (for example only,) by the employment of a mitigation company or other specialty contractor, James E Williams and Son Inc., shall be entitled to stop work until the parties are able to agree upon such a change order, method or other arrangement to deal with the condition. Abatement such as but not limited to mold, lead and asbestos are not included in this proposal.

Unless otherwise specified in this proposal; plans, permits, engineering, processing or code upgrades are not included in this proposal and are reimbursable costs if needed. Hidden Damages are not included in this proposal.

If a permit is required, James E. Williams and Son, Inc. will procure the permit at an additional cost billed as a change order to this proposal, unless otherwise stated in this proposal. We will facilitate all inspections for the work being completed in this proposal. If the building department requires an inspection of smoke and CO detectors we will attempt to gain access while the inspector is onsite inspecting the scope of work covered in this proposal. If we cannot gain access, we will not be responsible to arrange access for future inspections, if the permit lapses or any additional fees associated to the permit process for lack of verification.

You, the homeowner (buyer) or tenant have the right to require the contractor to furnish you with a performance bond which is not included in this proposal. You, the buyer, may cancel this transaction at any time prior to midnight of the third business day after the date of this transaction. Cancellation by the

buyer after the right to rescind has passed shall be deemed a material breach of this agreement and shall entitle the contractor to damages. Contractors are required by law to be licensed and regulated by the Contractor's State License Board which has jurisdiction to investigate complaints against contractors if a complaint is filed within three years of the date of the alleged violation. Any questions concerning a contractor may be referred to your local State Board.

This proposal is valid for 30 days from the date of the proposal unless otherwise noted. Due to unforeseen economic changes in material and labor costs we reserve the right to review costs defined in this proposal if Owners accepts the proposal beyond 30 days of the date of this proposal. I have read and agree to the Terms & Conditions of this proposal/contract. I authorize James E. Williams & Son, Inc. to perform the work as outlined in this proposal.

Customer:

**Authorized Homeowners
Association Representative:**

Signature

Date

Contractor:

James E. Williams and Son, Inc.
11460-A Sunrise Gold Circle
Rancho Cordova, CA 95742
Phone: 916-771-5931
Efax: 916-290-0541
Email: billy@jwandson.com

Billy Williams

Signature

August 29, 2016

Date



August 10, 2016

Betsi McComb
Nepenthe
Sacramento, CA 95825
Phone: (916) 929-8380

On August 10, 2016, I inspected several trees on the Nepenthe property during the monthly tree walk. The focus of the walk was to continue inspection of the new plantings and 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.

- New plantings shall have stakes removed within the first year. Proper staking of the tree will allow the tree to develop trunk taper and encourage root system development
- New plantings by year two should require structural pruning to establish central leaders and proper branching (Figure 1)
- Signs of water stress in mature redwoods include: excessive browning of interior needles. A light green/yellowing of the needles (Figure 2)
- Included Branch attachments = poor attachment can lead to limb failure (Figure 3)
- Co-dominate stems = competing stems, poor attachment can lead to failure (Figure 4)
- Signs of pest intrusion include weeping from main stem, holes along stem and branches (Figure 5)

The following recommendations will address mature numbered trees on the Nepenthe property.

- Tree # 1258 Tulip Tree (*Liriodendron tulipifera*) next to 516 Dunbarton. The tree is within 6' of the structure. The tree is mature and with a medium spread canopy. The tree has had some root damage due to sidewalk repair, and has signs of decay at base most likely caused by girdling roots and root damage judging by the appearance of the root flair (Figure 6). Potential removal/replace candidate recommended.
- Tree #2050 Valley Oak (*Quercus lobata*) next 1503 University (Figure 7). Tree is at average size for age. Canopy is of medium spread and evenly balanced. Recommend light pruning of dead wood and light weight reduction on selected limbs.
- Tree #1444 Japanese maple (*Acer palmatum*) 215 Elmhurst. Tree has some die back caused by radiant heat from building. Recommend crown clean of dead wood & monitor tree. Fertilization treatment in late fall recommended.
- Tree # 1436 Tulip Tree (*Liriodendron tulipifera*) next to 215 Elmhurst. Tree has been dropping leaves and sticky residue due to a n aphid infestation. Overall full crown and good vigor recommend pruning, and Merit injection for aphids in the fall.

- Tree #267 Deodor cedar (*Cedrus deodara*) 606 Elmhurst. Tree has excessive cones. Possibly a reaction to water stress. Recommend light pruning & thinning of cones. Possible Deep Root watering.
- Tree #1390 Crabapple (*Malus* spp.) 601 Elmhurst. Over Mature tree has several limb failures (Figure 8) the tree most likely has internal decay that is common for a tree of this variety. Possible candidate for removal/replace, or prune out dead wood broken limbs and retain & monitor.
- Tree#? Green Ash (*Fraxinus pennsylvanica*) Tree has excessive seed pods. Common for female Ash trees of this variety to set heavy clusters of seed pods Alley 1006 Dumbarton
- Tree's #1808, 1809, 1810, 1811 Coast Redwood (*Sequoia sempervirens*). Trees appear water stressed. Recommendations include the removal of cobblestone around base to increase aeration and cool down root collar (Figure 9). Installing mulch in rooting area to retain soil moisture. Increase watering in root system, deep root watering.
- Tree #1369, Deodor cedar (*Cedrus deodara*) Tree has had multiple limb failures (Figure 10). Direct cause of limb failures is unknown. Tree has a thin canopy unlike other Cedars in Nepenthe has not put out excessive cones. Other possible causes are long overextended limbs, or summer limb drop phenomenon, that is the sudden shedding of large limbs common in this species. On visual inspection tree appears to be healthy, slight water stress. Recommendations include, retain tree & monitor, deep root watering, pruning tree to reduce weight on long limbs or remove/replace 705 Elmhurst
- Tree #2059, Deodor cedar (*Cedrus deodara*) Tree has had multiple limb failures (Figure 11). Direct cause of limb failures is unknown. Tree has added weight of cones. Other possible causes are long overextended limbs, or summer limb drop phenomenon, that is the sudden shedding of large limbs common in this species. On visual inspection tree appears to be healthy, slight water stress. Recommendations include, retain tree & monitor, deep root watering, pruning tree to reduce weight on long limbs or remove/replace. 1533 University

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

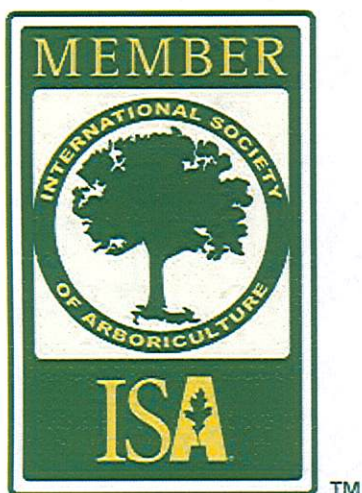


Figure 11

*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



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

August 22, 2016



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

**Re: Tree Work Contract
August Arborist Report**

This commercial bid 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.

Work Description

Tree Species	Qty.	Service Description	Location	Cost
1258 Tulip tree	1	Remove & Stump Grind	516 Dunbarton	\$2400.00
TOTAL CONTRACT PRICE				\$2400.00

Tree Species	Qty.	Service Description	Location	Cost
1436 Tulip tree	1	Prune Tree	215 Elmhurst	\$980.00
TOTAL CONTRACT PRICE				\$980.00

Tree Species	Qty.	Service Description	Location	Cost
1390 Crabapple	1	Prune Tree	601 Elmhurst	\$420.00
TOTAL CONTRACT PRICE				\$420.00

Tree Species	Qty.	Service Description	Location	Cost
267 Cedar	1	Prune	606 Elmhurst	\$1200.00
TOTAL CONTRACT PRICE				\$1200.00



Tree Species	Qty.	Service Description	Location	Cost
1369 Cedar	1	Prune	705 Elmhurst	\$1200.00
TOTAL CONTRACT PRICE				\$1200.00

Tree Species	Qty.	Service Description	Location	Cost
2049 Cedar	1	Prune	1533 University	\$1200.00
TOTAL CONTRACT PRICE				\$1200.00

Tree Species	Qty.	Service Description	Location	Cost
1808,1809,1810, 1811 Redwoods	4	Deep Root Watering August, September, October	504-506 Elmhurst	\$780.00
TOTAL CONTRACT PRICE				\$780.00

Tree Species	Qty.	Service Description	Location	Cost
267,1369,2049 Cedar	3	Deep Root Watering August, September, October	606,705 Elmhurst 1533 University	\$780.00
TOTAL CONTRACT PRICE				\$780.00

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

Terms: Payment in full is due upon completion of the work. 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. Tree pruning shall include removal of all trimmings and cleanup. Our workers are fully covered by Worker's Compensation and our firm covered by liability insurance

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: rperham@carson1975.com

Client:

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

By: Paul Dubois
Name: Paul Dubois
ISA Arborist/ Account Manager WE 9034-
Title: AU
Date: August 22, 2016

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



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: _____



September 2, 2016



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

**Re: Tree Work Contract
Nepenthe Zone 1**

This commercial bid 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.

Work Description

Tree Maintenance Pruning

Provide a 40% Alternate Annual Prune on all trees in Zone 1 from High to Low Priority:

Total: \$12,000.00 _____ Initial
(4 Man Crew, 5 Days Tree Work)

***40% Alternate Prune:** Crown thinning and reduction for excessive end weight on lateral limbs as needed throughout canopies with 1” and larger cuts to improve branch spacing or to improve branch structure. Remove dead, dying ,diseased, decayed branches, remove water sprouts and sucker growth, clear trees 3-5’ from buildings and 5-7’ from roofs, clear all signs for visibility, clear lights by 3-5”, raise canopies to 8’ over walkways and 14’ over parking and roads and remove visible hazardous branches.

***High Priority Trees:** Trees over Buildings, Structures, Streets and Side Walks

***Low Priority Trees:** Trees over open Green spaces



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

Terms: Payment in full is due upon completion of the work. 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. Tree pruning shall include removal of all trimmings and cleanup. Our workers are fully covered by Worker's Compensation and our firm covered by liability insurance

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: rperham@carson1975.com

Client:

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

By: Paul Dubois (C. Strohmusch)
Name: Paul Dubois
Title: ISA Arborist/ Account Manager WE
Date: September 2, 2016

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



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.

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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.



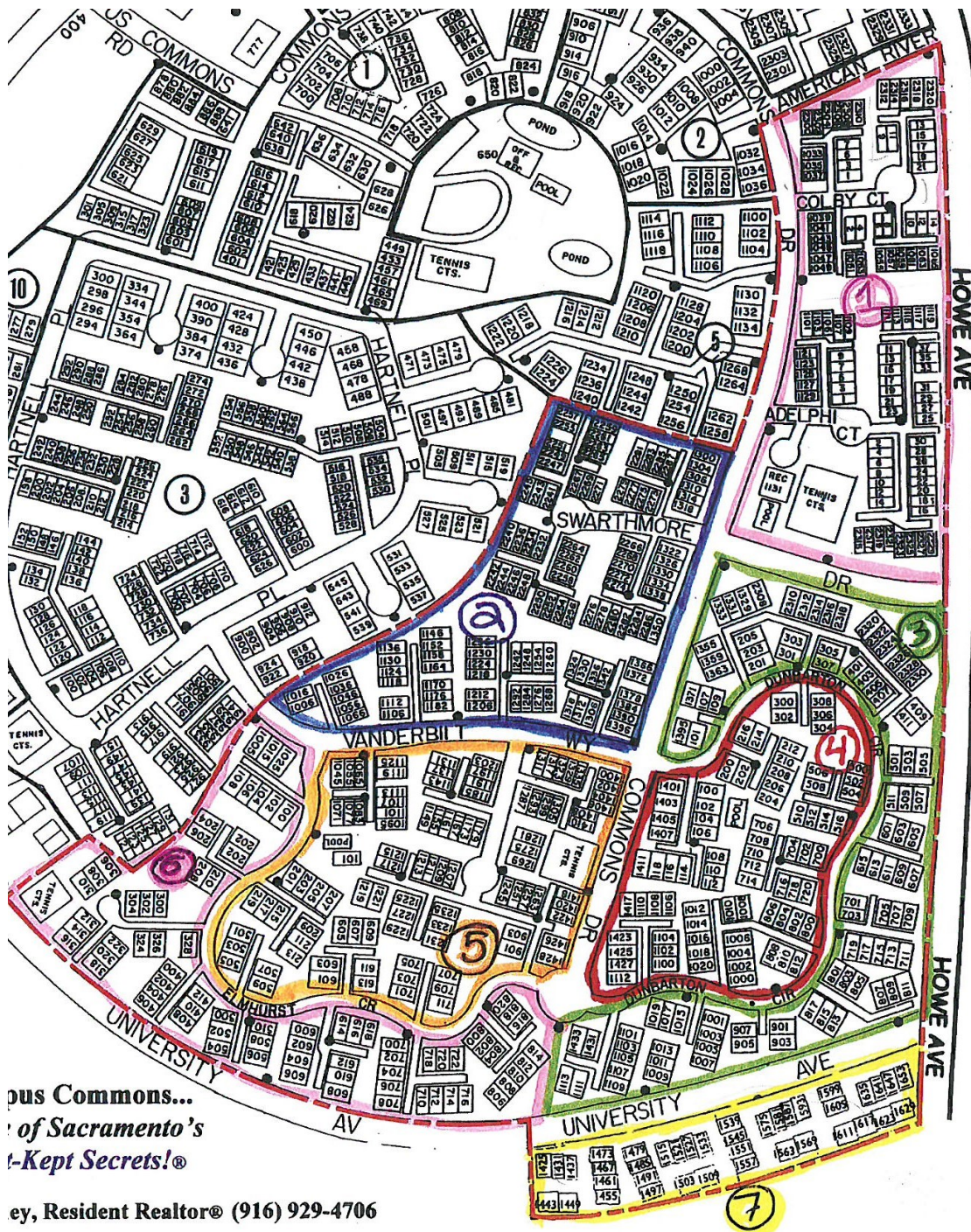
Worker's Compensation Insurance: Contractor carries worker's compensation insurance for all employees.

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: _____





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ey, Resident Realtor® (916) 929-4706

4 Men Crew 6 Days per Zone = \$13440 Per Zone = 42 Days of Tree work in Nepe-
the = \$94,080 Mix of 40% -90% Prune With focus on High Priority Areas

PHC Per Zone =

Deep Root Feed/ Water = 15 Trees Per Zone= \$780

Fruit Reduction Spray = \$670 Per Zone

Merit Application = \$560 Per Zone

Total Contract Price for 42 Days of Tree Maintenance & PHC = \$108,150



Before



After 90% Prune