

# NEPENTHE ASSOCIATION

## BOARD OF DIRECTORS MEETING

February 1, 2017, 5:30 PM

Nepenthe Clubhouse | 1131 Commons Drive | Sacramento, CA 95825

### OPEN SESSION MINUTES

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

Present	Board Member	Positon
X	Steve Huffman	President
X	Joan Haradon	Vice President
X	Linda Cook	Secretary
X	Will Vizzard	Treasurer
X	Vacant	Member at Large

#### II. ANNOUNCEMENTS

- a. **Executive Session Disclosure:** In accordance with Civil Code Section 4935(a), the Board met in Executive Session on February 1, 2017 in order to consider matters relating to personnel, member discipline, legal matters and the formation of third-party contracts.

**Items of discussion included:**

- Delinquencies
- Foreclosure Resolution
- Contract Negotiations

b. **Board Announcements**

- Report on Parking Town Hall
- As the Board moves through the agenda, members may comment or ask questions about any agenda item during the two homeowner forums. Please address all comments or questions to the chair. The Board will be unable to accept comments or questions from the floor during its deliberations.

#### III. COMMITTEE REPORTS

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

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

#### **IV. MANAGEMENT REPORTS**

##### **a. Operations Report-**

1. Effective January 1, 2017, a new law requires homeowners, on an annual basis, to provide written notice to the association of the following:
  - Mailing address to which notices from the association are to be delivered;
  - Secondary address to which notices from the association are to be delivered;
  - Name and address of legal representative;
  - Whether the property is owner-occupied, is rented out, vacant or undeveloped land.
2. Phase III Siding and Painting project is running ahead of schedule. It is approximately one-third completed.
3. Roof and gutter cleanings are in process and going well with good coordination with the landscaper for the leaf clean up.
4. Randy Ross Services is also preparing a bid for roof moss treatment for review at the next Board meeting.
5. At the January 4, 2016 Board meeting the following trees work was authorized:
  - Tree # 1215 Ash (*Fraxinus pennsylvanica*) next to 306 Dunbarton Cir. Developing tree, need to have stakes removed and structural pruning for proper development (Figure 1)
  - Tree's #1217, 1219 Birch (*Betula pendula*) next to 306 Dunbarton Cir. Both trees have several structural defects along with beetle infestation (Figures 2& 3). Recommend removal and replacement.
  - Tree's #1216, 1218 Birch (*Betula pendula*) next to 306 Dunbarton Cir. Both trees have beetle infestation. Recommend Safari Drench to combat beetle.
  - Tree #1232 Birch (*Betula pendula*) next to 502 Dunbarton. Tree appears healthy. Tree does have large cavity in trunk with some decay (Figure 4). The tree does have beetle infestation. My recommendation is to retain and monitor tree health. Safari Drench to combat beetle.
  - Tree #1083 Linden (*Tilia cordata*) next 1112 Dunbarton. Tree appears to be healthy. Full canopy (Figure 5). My recommendation is to structurally prune tree, retain and monitor.
  - Tree #705 Cherry (*Prunus serrulata*) at 1009 Dunbarton. Tree has several structural defects with cavities on trunk (Figure 6). The tree is leaning on the fence at the address. Recommend removal.
6. During the two large storms we experienced, January 18<sup>th</sup> & 20<sup>th</sup>, the following trees had significant damage or fallen:
  - Cedar Tree at 1106 Vanderbilt Way
  - Redwood Tree at 1221 Vanderbilt Way
  - Birch Tree at 2255 Swarthmore Drive
  - Oak Tree at 1300 Commons Drive
  - Redwood Tree at 1629 University

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

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

*Begin Consent Calendar*

**a. Approval of Minutes January 4, 2017 Open Session**

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

**b. Financial Statement: December 2016**

Proposed Resolution: The Board accepts the December 2016 interim financial reports and bank reconciliations as presented, subject to annual review. The report reflects a positive year end variance of \$1,782 and reserve funding of \$2,004,971 compared to the reserve funding budget of \$1,965,192. The reserves are funded through December 2016. The Association has \$303,623 in operating funds, which represents 1.1 months of budgeted expenses and reserve contributions. The Association has \$5,555,488 in reserve funds.

**c. Appoint Committee Member**

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

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

**d. Appoint Inspectors of Election**

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

**e. Lien Resolution**

Per the enclosed Resolution dated January 17, 2017, Management is requesting authorization to place liens on the following accounts should the delinquent assessments not be paid within the time period established in the Intent-to-Lien letter.

Account Number	Past Due Amount
2247-01	<del>\$939.57</del> \$938.57
1959-02	\$1,425.85

**f. Architectural Applications**

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

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

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

*End Consent Calendar*

**VIII. UNFINISHED BUSINESS**

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

**Motion:** Director Will Vizzard

**Second:** Director Linda Cook

**Abstain:** Director Joan Haradon

**Vote:** Pass

**Resolution:**

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

Whereas the Board of Directors has agreed to review all requests to move fences on a case-by-case basis; it is not the intent of the Board of Directors that this action set a precedent for future requests.

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

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

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

Whereas the Grounds Committee reviewed the requests at their September 8, 2016 meeting and voted to recommend approval; now therefore, be it ***Resolved, that the owners of 1581 and 1587 University Ave. have the approval of the Nepenthe Board of Directors to move the wood fences closer to the front elevations of 1575, 1581 and 1587 University Ave. at their own expense using the Association’s contractor, James E. Williams & Son, Inc. with the proviso that they inform the Nepenthe office of the scheduled date for the work a week in advance.***

**IX. NEW BUSINESS**

**a. Finalize the scope of work for the Ad Hoc Committee on Lighting.**

- i. The committee will be composed of one representative from each of three standing committees:
  1. the Architectural Review Committee,
  2. the Grounds Committee and the
  3. Insurance, Legal and Safety Committee.
  4. As many as two other Homeowners in good standing
- ii. Scope:
  1. Exterior light fixtures for voluntary installation by members at their residences. Final report due to the office March 30.
  2. Stand-alone lighting to replace the current “lollipop” fixtures. Final report due to the office August 30.
  3. Lighting on poles between Zone 7 and the levee with signs and video cameras. Final report due to the office August 6 or later.
- iii. Important considerations:
  1. Compatibility of fixture design with our architecture and landscape
  2. Safety of residents and guests
  3. Energy costs
  4. If the committee believes it needs expert help to do its work, it may ask the board to authorize expenditures from the operating budget.
  5. Input from Zone 7 Residents on lighting needs.
- iv. Deliverables for Final Reports
  1. Regarding lighting on members’ residences:
    - a. A photo and specifications for the fixtures
    - b. Power source for fixtures
    - c. Cost to the homeowner
    - d. Recommended approved locations on members’ residences
  2. Regarding stand-alone lighting:
    - a. A map showing new locations
    - b. The specifications for recommended new fixtures with a photo
    - c. Power sources to be utilized (solar?)
    - d. Power consumption new fixtures, compared to what the current fixtures consume
    - e. Estimated savings in electricity
    - f. Estimated investment to replace all the current fixtures
  3. Regarding pole lighting in Zone 7:
    - a. A drawing showing the design of the pole, sign, light and camera

- b. Power sources for lights and cameras
- c. Specifications for each component of the assembly
- d. A procedure for monitoring the cameras in the office
- e. Locations on a map

**Motion:** Director Linda Cook

**Second:** Director Joan Haradon

**Motion:** All in favor

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

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

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

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

- ii. Scope:

- 1. Storm sewers
- 2. Sanitary sewers

- iii. The final report must include the following information:

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

**Motion:** Director Linda Cook

**Second:** Director Will Vizzard

**Vote:** All in favor

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

- c. Committee Charters and Training**

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

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

2. *Bylaws, Article VII*
- ii. Architectural Review-Director Joan Haradon
  1. Charter, 8/2009
  2. *Architectural Guidelines, last updated 2016*
  3. *CC&Rs, Article IV*
  4. *Bylaws, Article VII, Section 7.3*
- iii. Finance- Director Will Vizzard
  1. Charter, 8/2009
  2. Standards & Practices for Finance Committee, 3/2015
  3. *Investment Policy, 3/15*
  4. *Bylaws, Article VII, Section 7.4*
- iv. Grounds- Director Linda Cook
  1. Charter, 8/2009
  2. *Grounds Vision Document incorporating numerous standards and practices for the grounds, Adopted 2/2015 (Available at [http://nepenthehoa.com/wp-content/uploads/2015/10/Grounds\\_Vision\\_Document.pdf](http://nepenthehoa.com/wp-content/uploads/2015/10/Grounds_Vision_Document.pdf))*
  3. *Bylaws, Article VII, Section 7.5*
- v. Insurance, Legal & Safety- Director Steve Huffman
  1. Charter for ILS Committee, 11/2015
  2. Standards & Practices for Insurance, 2/2014
- vi. Outreach- Director Steve Huffman
  1. Charter, 8/2009
- vii. Elections- Director Steve Huffman
  1. Charter, 8/2009
- viii. Nominating- Director Linda Cook
  1. Charter, 8/2009
  2. *Bylaws, Article IV, Section 4.6(a)*

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

**d. Revise Clubhouse Rental Procedure**

**Motion:** Director Joan Haradon

**Second:** Director Linda Cook

**Vote:** All in favor

**Resolution:** Whereas the current Clubhouse Rental Agreement requires the renter to pay an additional \$20 per hour after business hours for the presence of an attendant; Whereas the requirement for private rental of the Clubhouse is residency in the development;

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

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

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

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

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

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