

**NEPENTHE ASSOCIATION
BOARD OF DIRECTORS MEETING
May 17, 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
	Vacant	Member at Large

II. ANNOUNCEMENTS

- a. **Executive Session Disclosure:** In accordance with Civil Code Section 4935(a), the Board met twice in Executive Session on May 17, 2017 in order to consider matters relating to the formation of contracts, personnel matters and member discipline.

Items of discussion included:

- Member Discipline
- Delinquencies
- Personnel Matters
- Contract Negotiation

Actions taken:

- Proposal for roof repair approved in the amount of \$2,906.40.
- Proposal for summer concert performance by the Camellia String Quartet in the amount of \$500.00 was approved, to be reimbursed by ticket sales.
- Foreclosure resolution approved for the following properties:

Date	Account #	Past Due Assessment	Total Amount Due
4/14/17	1959-02	\$1,999.00	\$2,454.08
4/14/17	2312-01	\$1,876.00	\$2,074.44
4/14/17	2509-03	\$2,281.95	\$2,491.93

- Directors met in Executive Session after adjourning the May 17th Open Session/Annual Meeting to determine the positions of the directors for the coming year and agreed to serve as liaisons to the committees as listed below:

Director	Position	Committee(s)
Steve Huffman	President	ILS, Outreach
Joan Haradon	Vice President	ARC, Outreach
Linda Cook	Secretary	Grounds, Outreach
Christina George	Treasurer	Finance

- b. The directors thanked Will Vizzard for his six years of service on the Board and presented him with a card.

III. COMMITTEE REPORTS

- a. Ad Hoc Committee on Lighting- Verbal report provided at meeting. Minutes provided to Board in their packet.
- b. Ad Hoc Committee on Underground Utilities- Verbal report provided at meeting. Minutes provided to Board in their packet.
- c. Architectural Review Committee- Verbal report provided at meeting. Minutes provided to Board in their packet.
- d. Finance Committee- Verbal report provided at meeting.
- e. Grounds Committee- Verbal report provided at meeting. Minutes provided to Board in their packet.
- f. Insurance, Legal and Safety Committee- No report given.
- g. Outreach Committee- Verbal report provided at meeting. Minutes provided to Board in their packet.

IV. MANAGEMENT REPORTS

- a. Operations Report-
 - Update on open insurance claims:
 - Water intrusion due to broken pipe in slab. Claims adjuster is expected to inspect and make a determination as to whether it is a covered claim. **5/11: No claim against Association’s insurance. Covered by homeowner’s policy.**
 - Water intrusion due to siding failure. Failure appears to be related to the Association’s 2009/2010 siding contract. Claims adjuster is expected to inspect and make a determination as to whether it will be a covered claim. **5/11: Repairs are almost completed. Still awaiting final report from claims adjuster.**
 - Water intrusion due to siding failure. Failure appears to be related to a homeowner’s planter built up against common wall, causing moisture in the adjoining unit. All three parties have filed claims. **5/11: Siding has been replaced. Claim against flood insurance has been paid out to the owners who suffered the water loss. Liability claim against the Association’s policy is still awaiting adjuster’s report.**
 - Phase III Siding and Painting project is running ahead of schedule. It is approximately two-thirds completed.
 - Roof and gutter cleanings are complete.
 - On March 28, 2017 and April 25, 2017, Paul Dubois inspected several trees on the Nepenthe property during the monthly tree walks. The focus of the walks is to address resident/management concerns regarding mature trees on the property. The purpose of this report is to develop mitigation plans for the affected trees. Proposals for both of these walks will be on the June 7th Open Session Agenda.

V. HOMEOWNER CORRESPONDENCE- Reviewed by the Board of Directors.

VI. HOMEOWNER FORUM- No comments were received.

VII. CONSENT CALENDAR

Motion: Director Will Vizzard

Second: Director Linda Cook

Vote: All in favor

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

a. Approval of Minutes April 5, 2017 Open Session

Resolution: The Open Session minutes dated April 5, 2017 were approved as presented.

b. Financial Statement: March 2017

Resolution: The Board accepted the March 2017 interim financial reports and bank reconciliations as presented, subject to annual review. The reports reflects a positive year to date variance of \$90,129 and reserve funding of \$516,987 compared to the reserve funding budget of \$540,126. The reserves are funded through March 2017. The Association has \$393,804 in operating funds, which represents 1.4 months of budgeted expenses and reserve contributions. The Association has \$5,774,666 in reserve funds.

c. Appoint Committee Members

Nancy Arndorfer	Outreach
Ken Gromacki	Grounds
Jan Beale	Outreach

They have all agreed to abide by the Nepenthe Conflict of Interest Policy.

Resolution: The Board hereby appointed these homeowners to serve on the committees as indicated on the agenda.

d. Lien Resolution

Per the enclosed Resolution dated April 14, 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
2415-01	\$938.00
2432-02	\$938.00
2135-01	\$1,451.17
1963-02	\$1,595.95

e. Architectural Applications

The Architectural Review Committee met on April 11, 2017 and May 9, 2017 to review the enclosed applications.

Resolution: The Board confirmed the recommendations of the committee.

<i>Address</i>	<i>Application for</i>	<i>Recommendation</i>
305 Dunbarton Circle	Window Replacement	Approval
1390 Commons Drive	Shade Structure- Awning	Approval
501 Elmhurst Circle	Skylights	Approval
1473 University Ave.	Solar Tubes	Approval
710 Elmhurst Circle	Handrail	Approval
29 Adelphi Court	Shade Structure- Awning	Approval
1137 Vanderbilt Way	HVAC Replacement	Approval
406 Elmhurst Circle	HVAC Replacement	Approval

106 Dunbarton Circle	Window Replacement	Approval
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514 Dunbarton	Window Replacement	Approval
106 Dunbarton	Patio Hardscape	Approval
504 Elmhurst	Security Cameras	Approval
812 Dunbarton	Relocate Downspout	Approval
1035 Commons	Shade Structure- Trellis	Approval
2314 Swarthmore	Patio Hardscape	Approval
300 Dunbarton	Window/Slider Replacements	Approval

<i>End Consent Calendar</i>

VIII. UNFINISHED BUSINESS

a. **2017 Board Goals Review**

The Directors agreed upon a number of goals for 2017. They will review their progress to date.

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

IX. NEW BUSINESS

a. **Appoint Christina George to the Board of Directors**

Motion: Director Joan Haradon

Second Director Linda Cook

Vote: All in favor

Resolution: Under the authority granted to them in the Third Restated and Amended Bylaws of Nepenthe Association, Article VI, Section 6.5, the Board hereby appointed Christina George to serve on the Board of Directors for one two-year term from May 2017 to May 2019.

b. **Appoint Steve Huffman to the Board of Directors**

Motion: Director Joan Haradon

Second Director Linda Cook

Vote: All in favor

Resolution: Under the authority granted to them in the Third Restated and Amended Bylaws of Nepenthe Association, Article VI, Section 6.5, the Board hereby appointed Steve Huffman to serve on the Board of Directors for one two-year term from May 2017 to May 2019.

- c. **Home Improvement Request Not Recommended for Approval**
Motion: Director Joan Haradon
Second: Director Will Vizzard
Vote: All in favor
Resolution: The Board affirmed the recommendation of the ARC and does not approve the application for a metal canopy structure at 710 Elmhurst.
- d. **Proposals for Concrete Work**
Motion: Director Will Vizzard
Second: Director Linda Cook
Vote: All in favor
Resolution: The Board approves the proposal from Red Leaf in the amount of \$32,978, payable from Reserves which has a 2017 allocation of \$64,246.
- e. **Community Rules**
Management presented the updated the Community Rules. The last update was in 2009. Many of the amenities and policies have changed since then. None of the regulations in the proposed Community Rules are new, but are simply reorganized and collected together in one document intended for ease of use by the homeowners. Where possible, the date that the rule was adopted is included in the text.
Action: No action required.
- f. **611 Dunbarton Solar installation- Advisement Item**
Owner contracted with Sunrun in Fall 2016 for solar panels without obtaining approval from the Architectural Review Committee. Application was received from owner after receiving a violation notice. Owner asked for expedited approval due to the pending sale of her home. On advice of counsel, Board President Steve Huffman conditionally approved this project on 4/28/2017. Inverter and conduit are to be made less conspicuous and solar array on top level must be moved to allow for better access for roof and gutter cleaning. This has been completed by Sunrun. No action required.
- g. **Standards and Practices for Existing Landscape Lights**
Motion: Director Will Vizzard moves to approve with substitution of the word “translucent” for “opaque”.
Second: Director Linda Cook
Vote: All in favor
Resolution: Board approved the Standards and Practices for Existing Landscape Lights with substitution and directs management and the Grounds Committee with its implementation and oversight respectively.

SPECIAL ORDER: Directors adjourned to the Annual Members Meeting and then reconvened this open session at the conclusion of the end of said Annual Members Meeting.

- h. **Extend voting period for the CC&R Amendment**
Motion: Director Joan Haradon
Second: Director Steve Huffman
Vote: All in favor
Resolution: Based on the votes received in favor of the proposed amendment (222 for) and as provided for in the Third Amended and Restated Bylaws of Nepenthe Association, Article II, Section (ii), the Board extended the voting period for 30 days in order to obtain a quorum.

X. **HOMEOWNER FORUM-** No comments were received.

XI. **NEXT MEETING:** Wednesday, June 7, 2017 at 5:30 pm in the Nepenthe clubhouse

XII. **ADJOURN @ 7:15pm**