

**NEPENTHE ASSOCIATION
BOARD OF DIRECTORS MEETING
May 2, 2018, 5:30 PM**

Nepenthe Clubhouse | 1131 Commons Drive | Sacramento, CA 95825

OPEN SESSION

MINUTES

I. CALL TO ORDER

Present	Arrival	Board Member	Positon	Departure
X	5:30pm	Steve Huffman	President	6:59pm
X	5:30pm	Frank Loge	Vice President	6:59pm
X	5:30pm	Linda Cook	Secretary	6:59pm
X	5:30pm	Christina George	Treasurer	6:59pm
		Craig Price	Member at Large	

II. SPECIAL ORDER ITEMS:

a. **INVITED GUEST: JOHN MCNERNEY RE: TURKEY POPULATION**

John McNerney is the Wildlife Resource Specialist for the City of Davis. He provided the Board with information and resources related to the turkey population in Nepenthe. This is a follow up to last month's Board meeting item.

No Action: Board discussion

III. ANNOUNCEMENTS

- a. **Executive Session Disclosure:** In accordance with Civil Code Section 4935(a), the Board met in Executive Session on May 2, 2018 in order to consider matters relating to personnel, contract negotiations, legal matters and member discipline.

IV. COMMITTEE REPORTS – The Board of Directors reviewed the minutes of the following committees:

- a. Architectural Review Committee
- b. Finance Committee
- c. Grounds Committee
- d. Insurance, Legal and Safety Committee
- e. Outreach Committee

V. MANAGEMENT REPORT -The directors reviewed the following reports from the management team

- a. Report
- b. April Nepenthe News
- c. Grounds Zone Walk Expenses
- d. Master Calendar

VI. HOMEOWNER CORRESPONDENCE

The Board of Directors review Homeowner correspondence.

VII. HOMEOWNER FORUM

A number of homeowners addressed the Board on various items including parking enforcement and turkey populations at Nepenthe.

VIII. CONSENT CALENDAR In an effort to expedite the Board meetings, Management has placed several business items on a Consent Calendar.

Resolution: The Board approves the consent calendar as presented.

Motion: Frank Loge

Second: Linda Cook

Vote: All in Favor

Begin Consent Calendar

a. Approval of Minutes April 4, 2018 Open Session Minutes and the April 19, 2018 Special Open Session Minutes

Proposed Resolution: The Open Session minutes dated April 4, 2018 and the Special Open Session minutes dated April 19, 2018 are approved as presented.

b. Financial Statement: March 2018

Proposed Resolution: The Board accepts the March 2018 interim financial reports and bank reconciliations as presented, subject to annual review. The reports reflects a negative year to date variance of \$14,311 and reserve funding of \$583,487 compared to the reserve funding budget of \$527,973. The reserves are funded through March 2018. The Association has \$321,031 in operating funds, which represents 1.01 months of budgeted expenses and reserve contributions. The Association has \$6,302,590 in reserve funds.

c. Appoint member to Outreach Committee

Homeowner Ed Goldman has submitted an application to serve on the Outreach Committee. He has also agreed to abide by the Nepenthe Conflict of Interest Policy. Proposed Resolution: The Board hereby appoints Ed Goldman, member in good standing to the Outreach Committee.

d. Architectural Applications

The Architectural Review Committee met on April 10, 2018 to review the applications listed below. The applications are in a binder on the directors' table.

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

	<i>Address</i>	<i>Application for</i>	<i>Recommendation</i>
1	1433 Commons Drive	Solar Panels	Approval

2	1233 Vanderbilt Way	Window Replacement	Approval
3	1509 University Ave	Solar Tubes	Approval
4	718 Elmhurst Circle	Solar Tubes	Approval
5	1018 Dunbarton Circle	Window Installation and Replacement	Approval
6	324 Elmhurst Circle	Patio Hardscape	Approval

<i>End Consent Calendar</i>

IX. UNFINISHED BUSINESS

- a. **711 Elmhurst Cedar Tree**At last month’s open session, the Board authorized Arborist Paul Dubois, of The Grove Total Tree Care to apply for a permit to conduct exploratory root excavation to ascertain whether roots may be damaging the foundation of the home. The report from the excavation is included in the Board packet. No damage was noted to the foundation by any of the tree roots. Therefore, there is no basis for which the City will grant a removal permit.

No Action: Report Only

- b. **Report from Board regarding contract for roof repairs**
CM2 was retained by the Board to inspect the roofs, prepare report and scope of work for necessary repairs, and oversee the bidding process and subsequent work. The bid was reviewed by the directors in Executive Session on May 2.

No action- report and discussion only

- c. **Review proposed locations for four benches within the community**
At the April Open Session, the Board reviewed and tentatively approved the locations for the installation of the next four benches in Nepenthe.

Management regrets to inform the Board that the signs were only placed on April 24, therefore it is recommended that the Board table its final decision until the June 13 Open Session to allow homeowners time to submit written comments.

Action: table final decision until June 13, 2018.

X. NEW BUSINESS

- a. **Consider Architectural Criteria Change for Solar Tube Installations**
The Architectural Review Committee has amended the enclosed Criteria #25 for the installation of lighted solar tubes.

Resolution: The Board adopts the amended Criteria #25 for the installation of lighted solar tubes prepared by the Architectural Review Committee and directs that it be incorporated into the existing Architectural Guidelines.

Motion: Linda Cook

Second: Christina George

Vote: All in Favor

b. **Consider Architectural Criteria Change for Solar Energy Installations**

Nepenthe's legal counsel, at the request of the Board and the Architectural Review Committee has amended the enclosed Criteria #24 for the installation of solar energy systems. The revision increases the homeowner's insurance requirements and also requires the recording of an Agreement Affecting Real Property with the County Recorder.

Resolution: The Board directs management to send the DRAFT Criteria #24 to the Insurance, Legal and Safety Committee and the Architectural Review Committee requesting specific review and recommendation and to the owners via the newsletter in conformance with Civil Code requirements to solicit homeowner comments for a period of thirty days prior to adopting the new criteria at the June 13, 2018 Open Session.

Motion: Frank Loge

Second: Christina George

Vote: All in Favor

c. **Reserve investment recommendation**

The reserve money market account has \$2,360,100 in liquid assets. Wells Fargo advisors have provided recommendations for Board approval. The Finance Committee has reviewed the information provided and recommends Board approval of the investment vehicles as presented on the enclosure.

Resolution: The Board approves the investment purchases as presented by Wells Fargo, excepting therefrom the recommendation for the MLCDs and directs management to set up a meeting between the Board, Finance Committee and the Wells Fargo advisors to discuss the investment options for the remaining \$250,000.

Motion: Linda Cook

Second: Christina George

Vote: All in Favor

XI. HOMEOWNER FORUM

A number of homeowners addressed the Board on various items including water metering options at Nepenthe.

XII. NEXT MEETING: Wednesday, June 13, 2018 at 5:30 pm in the Nepenthe Clubhouse

XIII. ADJOURN: 6:59pm