

RESPONSES TO SEPTEMBER 2024 OPEN MEETING COMMENTS and CORRESPONDENCE

Please note these responses will always be attached to packets for Open Board meetings following the meeting where the comment was made and will also be published with the monthly newsletter. As time, quantity of homeowner comments, and level of research necessary to prepare full and accurate responses permits, these responses may also be emailed mid-month after the meeting date mentioned in the heading.

HOMEOWNER COMMENTS

1. **John Baker**, Homeowner, past Board member: He thanks the Board for its action on the request for a tennis court reservation system and for cleaning the courts. The courts are increasing used and perhaps the clean Commons Dr courts will ease that while we await a system. He notes there is no water or bathroom available at the Commons Dr courts.

Topics: Tennis Court Reservations; Facility Availability

Board Response: The updated web design is being considered as the mechanism for court reservations. The target date is October. Adding water and bathroom facilities to the Commons courts would require a capital investment and need review.

2. **Jerry Dunn**, Homeowner, past member ILS Committee: He has asked for a community vote on continuance of flood insurance. He feels gets just get lies from the Board in response about the ability to put the question to a vote. The CC&Rs do not require the Association to carry flood insurance. Why can 3 directors decide there can be no vote? Flood insurance is a luxury item. There's a coverup in the August newsletter where the cash flow report was omitted; this shows the Board is hiding something. Why is the ballot company (for recall) in Las Vegas? Why not use a company in California? Christina (George) said that she could make Nepenthe beautiful, and she has done that – has no issue with her. Three people, including Markus and Cheryl, agree on everything. Plants can effect life of siding. Why so much money to cut plants? It's like cutting off our foot to cut our toenails.

Topics: Flood Insurance; Board Voting; Community Voting

Board Response: At the meeting, Director Brian Coates objected to the portrayal of only a portion of the directors voting to retain flood insurance. Coates is not in favor of eliminating flood insurance and would vote to retain it. Also at the meeting, General Manager Marks explained that the cash flow report was not in the newsletter due to space constraints and pointed out that full financials are included in all Board packets. She also explained that the selection of company to handle the recall vote was due to her suggestion – she has had experience with this company – and the Board accepted her recommendation.

The Board has issued several written responses to homeowners on this topic. In none of them has the Board indicated the CC&Rs require flood insurance. The Board position is that, as the CC&Rs require the Association be responsible for the siding, fencing and roofing, it would be fiscally negligent to not carry insurance to indemnify the Association for potential flood damage. If the Association does not carry insurance to mitigate possible damage, costs to repair siding, etc., would need to come from the Reserve fund. Privately held flood insurance would not indemnify Nepenthe nor is there a way to compel homeowners to carry such insurance. Consider the situation of adjoining neighbors where one has flood insurance and the other does not. How would Nepenthe repair the common walls, wiring, siding, etc. without Nepenthe having insurance reimbursement? The Board agrees that having the cash flow report included is useful to homeowners, and while it is available in the longer report included elsewhere, will commit to having it in all newsletters.

3. **Dale Shaw**, Homeowner: It is disturbing to hear all the accusations and can hardly stand to be here. She moved here because it seemed a refuge. We don't want to lose flood insurance. Everyone is responsible for the maintenance of this community. If someone does not carry it, we all suffer. This argument is disgusting. There is garbage going on with people accusing people of things. It's a waste of time and money.

Topic: Flood Insurance; Community Turmoil

Board Response: Thank you for your comments and support.

4. **Jim Shaw**, Homeowner, Chair Grounds Committee: Wishes to clarify information for Jerry Dunn on siding and landscaping. The recommendation for shrub removal is made by professionals. In order to protect the community asset and allow workers to do their work, some shrubs need to be removed while others can be pruned. Shrubs that are too close to the siding allow water to wick into the siding and shorten its life by about 50%. All decisions are made with a contractor. Each unit is treated individually as appropriate to the situation.

Topics: Siding Project; Shrub Removal

Board Response: Thank you for your clarifying comments and information.

5. **Ricardo Pineda**, Homeowner, member ILS Committee: At the August Grounds meeting where information on AB1572 was presented, it is apparent that the law exempts apartments and mobile home parks but not HOAs. Feels the law may be a violation of the Constitution. Perhaps we wait for the City to have the funds to replace what they take due to this law.

Topics: AB1572

Board Response: The Board will continue to monitor, with Carson Landscaping's help, the implementation process for this law. At this point, the advice of Carson is to hold off making our plans until the City of Sacramento has plans and regulations and the Board will heed that advice.

6. **Gerry Gelfand**, Homeowner, member Outreach Committee: In any situation one can look at the positive or the negative. People who attend coffee are positive and want to not have negativity. The Board and committees are volunteers and only want to make things better. Being negative does not accomplish anything. Try saying, "Thank you". Appreciate and understand what they are doing.

Topics: Negativity in Community

Board Response: Thank you for your comments and support.

7. **Ashley Tangeraas**, Homeowner and former Board member via chat: What is happening with funds to the Reserve account?

Topics: Reserve Funding

Board Response: During the meeting, General Manager Marks advised that the Reserve fund will achieve its full 'to date' funding by October.

HOMEOWNER CORRESPONDENCE

1. **Elsa Morrison**, Homeowner: Plants have been mangled and damaged during siding. Are they going to be replaced. Some were 4 to 5 feet tall. Will replacements be 5-10 gallon size?

Topics: Siding plant removal; Remediation planting

Board Response: In walking the area of the Morrison unit, the Board found no damaged or mangled plants. Certainly, plants can be damaged during siding work. If that occurs, homeowners can advise the office. When damage is reported, and CPR is at fault they have replaced the plants. To our knowledge, we have not received any complaints about damaged plants. The remediation of the areas where shrubs have been removed will occur after the completion of painting. The plants will be new and of varying sizes. It is to the advantage of Nepenthe to replace the aged, larger plants as they contribute to earlier-than-necessary siding damage, can inhibit worker access, and the newer plants will require less water and maintenance as they mature.

2. **Perry and Pat Peightal**, Homeowners: Nepenthe has deteriorated in the last 10 years. Adelphi parking is a nightmare with people not parking in their garages as required in CC&Rs. Why aren't the CC&Rs being enforced. Also, gardeners blow stuff under fences into patios. They need to be more careful.

Topics: Enforcement of CC&Rs on parking; Gardener blowing debris

Board Response: Thank you for advising the office that some residents are using the Adelphi Circle area for parking instead of their garages. As the office continues to conduct compliance walks, they will begin to note cars that are 'regulars' and issue violation notices to the homeowner. The office will also request Carson to direct landscapers using blowers to direct leaves and debris to the walkways and alleys.

3. **Jerry Dunn**, Homeowner and past member ILS Committee: Board responses have been a lie. Flood insurance is a luxury expense. Mortgage companies do not require flood insurance so why should Nepenthe homeowners be required to pay for it?

Topics: Flood insurance

Board Response: See also the response to this homeowner under the above Homeowner Forum section. The Nepenthe HOA CC&Rs require maintenance of all common areas to include unit siding, fencing and roofing. Please see Attachment A from California DWR regarding potential flood risk which states “flooding is always possible given the right conditions, and climate change will continue to increase the risk of flooding due to larger, warmer, and wetter storms”. It would be a breach of fiduciary responsibility to not indemnify the Association for potential loss through flood insurance. See Attachment B which defines the common area unit responsibilities of all Campus Common HOAs.

4. **Bill White**, Homeowner: What will happen to the water bill the Association currently gets from the city for pools, lawns, clubhouses, etc. when the City converts the water billing system?

Topics: Water billing

Board Response: The Operational Budget for Nepenthe will continue to pay for the common area water. That amount will be a proportion of the total billing in alignment with what the Association currently pays. Homeowner reimbursements (via payment with monthly dues) will cover the additional water billing that the Association will be responsible to pay. Look for information at upcoming Open meetings, in the newsletter and on Friday emails about the expected January 2025 conversion of unit water costs from your City of Sacramento bill to a separate line item on your Nepenthe statement.

5. **Ashley Tangeraas**, Homeowner and former Board member: The newsletter did not contain the proposal for landscape remediation for Zone 2 paint and siding. It should be advised with the voting record for consistency. She doubts that it would cost \$1,000 for plant material in zone 2 plant removals. Doubts that there will be the needs for the amount of work included in the shrub proposals. The proposals do not give enough detail to hold the landscapers accountable. We should have a project manager manage the landscape company.

Topics: Landscape costs; Reporting proposal approvals and Board votes

Board Response: It is the intent of the Board that proposals approved by the Board will continue to be announced at the Open meeting with details in the newsletter. We have begun including the vote summary for each proposal with the announcement at the Open meeting. Landscaping project progress and completion are monitored by zone stewards. The Board is satisfied with the detail provided by our vendors on the approved proposals.

ATTACHMENT A

STATE OF CALIFORNIA – CALIFORNIA NATURAL RESOURCES AGENCY

GAVIN NEWSOM, Governor

DEPARTMENT OF WATER RESOURCES

DIVISION OF FLOOD MANAGEMENT
P.O. BOX 219000
SACRAMENTO, CA 95821-9000



August 30, 2024

Dear Property Owner:

Our records indicate you are the owner of property on the attached list of parcels. You are receiving this letter to make you aware that these properties are protected by State-Federal levees and are exposed to potential flood risk from one or more sources.

The Central Valley is home to approximately 1,600 miles of State-Federal levees. When a levee fails, the consequences can be catastrophic. Although local, State, and Federal agencies are continuing to improve this levee system, there always will be flood risk.

State law (CA Water Code Section 9121) requires the Department of Water Resources (DWR) to provide an annual written notice of residual flood risks to owners of property that are protected by State-Federal levees.

To define the areas protected by State-Federal levees, DWR developed Levee Flood Protection Zone (LFPZ) maps (required by CA Water Code Section 9130) using the best available information. These maps also designate those properties where flood levels would be more than three feet deep if a State-Federal levee were to fail. Your property can be located on these maps by visiting our website at <https://water.ca.gov/myfloodrisk>.

While future precipitation is uncertain, flooding is always possible given the right conditions, and climate change will continue to increase the risk of flooding due to larger, warmer, and wetter storms.

Please review the attached 2024 Flood Risk Notice, it includes actions you can take to protect lives and properties and reduce flood damages. Please share these actions with your tenants and employees, if applicable.

For more information, please contact the Flood Risk Notification Team at (877) 769-7475 or myfloodrisk@water.ca.gov.

Sincerely,

A handwritten signature in cursive script that reads "Laura Hollender".

Laura Hollender, Deputy Director
Flood Management and Dam Safety

Attachments

ATTACHMENT B

HOA Facilities & Services	V1 *	V2 *	V3 *	V4 *	V5 *, +	V10 *	Nepenthe
Private Clubhouse Facilities	✓	✓	✓	✓	✓	✓	✓
Swimming Pools/Spa & Tennis	✓	✓	✓	✓	✓	✓	✓
Common Area Landscaping	✓	✓	✓	✓	✓	✓	✓
Roofing Repair & Replacement	✓	✓	✓	✓	✓	✗	✓
Exterior Painting	✓	✓	✓	✓	✓	✓	✓
Security Patrol	✓	✓	✓	✓	✓	✓	✓
Structural Fire/Hazard Insurance	✓	✓	✓	✓	✓	✓	✓
Flood Insurance	✗	✗	✗	✗	✗	✗	✓
Wood Siding & Trim	✗	✗	✗	✗	✗	✗	✓
Patio Fences & Gates, Gutters	✗	✗	✗	✗	✗	✗	✓
Percent increase in 2023-2024	10%	17%	20%	10%	15%		8%
2024 HOA Monthly Dues	\$550	\$554	\$441	\$486	\$630		\$620
Percent Increase in 2022-2023	0%	7%	15%	10%	18%	14%	5%
2023 HOA Monthly Dues	\$500	\$473	\$368	\$442	\$550	\$360	\$572
Percent increase in 2021-2022	0%	0%	5%	0%	0%	0%	2%
2022 HOA Monthly Dues	\$500	\$443	\$321	\$403	\$465	\$315	\$547
Percent increase in 2010-2021	5%	17%	17%	13%	3%	5%	3%
2021 HOA Monthly Dues	\$500	\$443	\$305	\$403	\$465	\$315	\$535
Percent increase in 2019-2020	16%	0%	1%	4%	0%	15%	4%
2020 HOA Monthly Dues	\$475	\$378	\$260	\$358	\$450	\$299	\$519
2019 HOA Monthly Dues	\$408	\$378	\$257	\$345	\$450	\$259	\$501

* **Special Assessment 2023 for Park Corp Common Areas**

+ **Special \$2000 Assessment in 2024**

Nepenthe has not had a special assessment since 2008 and is not in danger of one.