

Lake Forest Glen Homeowners Association
Regular Meeting of the Board of Directors
January 25, 2014 8:30 a.m.
Held at Lake Forest Glen Association Office
3101 Lake Forest Road
Tahoe City, California 96145

MINUTES

CALL TO ORDER BY - President, Mark Pierpoint at 8:34 a.m. A quorum was established with six Directors. Directors present were Jim Cochrane, Brian Kane, Doug O’Neal, Mark Pierpoint and Mike Robinson; Marshall Jackson was present by phone for the first 30 min. of the meeting. Staff members present were Alan Miescke, General Manager, and Cathy Wencke, Administrative Assistant.

- 1. APPROVAL OF REGULAR MEETING MINUTES** – Jim Cochrane made a motion to approve the minutes of October 12, 2013. Mike Robinson seconded the motion. There were no abstentions, and the motion was passed unanimously.
- 2. HOMEOWNER HEARINGS/CORRESPONDENCE** – A homeowner came in to address the Board regarding an infraction received, and elected to stay for a portion of the meeting. The issue was discussed and voted on during the executive session.

3. MANAGER’S REPORT

A. Action Items 10-12-13

- 1. Alan will further investigate the electronic key options (and get information from Tahoe Park HOA guy) during the winter months.** Alan had some discussion with Brian Kane. Board to discuss objectives hoped for with new system. Some problems:
 - a. Results when a key is lost
 - b. Passing out key to others who are not eligible to use facilities
 - c. Opening gate when in the pool area to allow those outside into the pool area
 - d. Keys stolen by someone who is also in pool area
 - e. Gate left slightly open, such as with a rock
 - f. Duplication of key illegally
 - g. Number of keys allowed to be purchased

With it being time to rekey for the recreational facilities, Alan and the Board have been considering other options. The key system we currently use cannot be duplicated, and some feel that it’s the human factor that needs to be addressed in order to alleviate problems occurring at the recreational facilities. Electronic keys would solve problem of “lost” keys (since they could be deactivated), but not the human factor. Mark mentioned that the main benefit of an electronic key system is that there is a unique identifier for each key. There are certain options available that could meet various need issues, such as programming for a sound to go off if door is left ajar/open for certain amount of time (preventing people from placing a

rock to keep door from closing). It may not be a great deal more cost to move to a new system at this point, and we would be setting up for future needs.

The main factor that determines when it's time to rekey is the number of lost keys. For Alan to proceed in gathering information on options, he needs to know if there are any other items/issues to add to the list (above). No one had anything to add. The next step is finding out what cost is involved in going electronic. Alan will work on finding out what costs are and what problems the options would address. ****Alan will follow up on options/costs.**

2. **Cathy will update the Architectural Standards document, moving the “Rear Door” options up in the document to keep all the door items together, also adding “no grids” to the specs.** It was suggested that the file name be included in the footer, along with the revision date. **** Cathy will add this.**
3. **Alan, Mike, and Mark will look at the employee health insurance changes/options once the information is received from the insurance company.** Alan reported that LFGHOA should save \$400 per month by switching from Anthem Blue Cross to Blue Shield of CA with each employee switching to coverage under the Affordable Care Act through the health insurance exchange. The employees will receive a pay increase to cover the cost. We still need to find out if the plan is pre-tax or post-tax dollars, to find out if the employee compensation should be adjusted up to cover gross taxes.
4. **The Board will continue to review Unit #173's request regarding additional windows – will probably need more information on specs. Alan will request more information from the homeowner, so that a “mock-up” can be done to assist the Board in considering the aesthetics of the proposed configuration, as well as how this will affect neighbors.** Alan put 1 x 4's up on the wall to show the proposed project. Mark took a photo of the “project” to show board members that haven't seen it. The Board felt that it clearly shows the windows would be looking on to other neighboring units. The board decided it to be an invasion of privacy to the neighboring units. Mark Pierpoint motioned to not approve project for reasons of adversely affecting the privacy of neighboring units – Jim Cochrane 2nd the motion. The Board decided to continue to consider these types of requests on a case by case basis. All were in favor – none against, with no abstentions. ****Alan and Cathy will prepare a letter to the owner of Unit 173 informing him of the Board's decision.**
5. **Alan will talk to tenant in Unit 55 to let him know his infraction was reduced to a warning, and will give him a copy of the Rules and Regulations/Parking Enforcement documents for reference.** Done.
6. **Nikki will look into finding information on projects taking place in and around Lake Forest (roads, water lines, sewer, etc.), and see if there is a schedule available. No information submitted.** Alan hadn't spoken to Nikki about this yet.

B. Old Business

1. **Homeowner Facility Questionnaire. Board to continue discussion at meeting.** Mark said it is ready to go, he was just holding off until after holidays. Mark will resend to Board members who did not receive it.
2. **Key Projects List – Board to review and discuss.** Jim asked that we add the landscape plan to the list, since it is a 5-year plan - Board agreed. It was also suggested to add the recreation key replacement to the “Investigate and Plan” section.

Mark asked about repairing the pavers – this item needs more discussion, and will be added to the next meeting agenda. *****Cathy will add pavers to next meeting agenda for discussion, as well as adding “Rec Key Replacement” and “Landscape Phases 4 and 5” to the key projects list.***

3. **Quorum Requirements: We received 101 eligible ballots for the 2013 election (4 ineligible). Board to discuss plan for future voting procedures – See attached explanation from LFG attorney.** Alan found some information on the letter from the HOA’s legal counsel indicating that there is not a quorum requirement in order for an election to be valid. It indicates that without a quorum of homeowners you can’t conduct business, but you can still have a valid election simply by counting the votes. It was also noted that simplifying the proxies and voting instructions this past election helped increase the votes we received by 25% over previous elections.
4. **There are 10 remaining electrical subpanels to be replaced. All are scheduled and approved by each homeowner. One unit is not cooperating. Will discuss in Executive Session.** Alan gave an update that there are approximately 8 to go, with the exception of one HO (HOA received a letter from them). The schedule is on track to have all completed by next meeting except for the one refusing.
5. **The Final Phase of the Asphalt Project – Alan has given our engineer, Gary Davis, photos and some details concerning the ditch (with water flowing) in front of the office. They are planning on filling in both sides with the same pipe and rock work already completed. The plan is to go up roughly 16’ from the culvert inlet on the north side of the office, leaving the “stream” above this point as is. Gary will also look at the water (pressure) problem in the road just north of the office. We may need to put a cross drain to the west bank to intercept the ground water.**

Budget	\$310,000	(Reserves)
Contract	\$200,000	
<u>Misc & office</u>	<u>\$ 40,000</u>	
	\$ 70,000	positive balance

Alan explained that there is still a lot of work to take place during this final phase. We also need to address the drainage issue outside of the office. Brian asked about whether the issue regarding the utility boxes (which was a problem in past phases) is being addressed? Alan said he believes they all know where the boxes

are located, and that shouldn't be a problem during this phase. Alan is expecting to have some drawings to present after consulting with the engineer and contractor. He will share with the board when he receives the information.

6. **Landscape Phase II – Units 119-234 – Alan should have final bids at meeting.** 2 bids have been received – one for \$35,000 and one for \$15,000, with the main difference being in the labor costs. Alan has had the LFG maintenance crew removing the junipers themselves (with the lack of snow removal work), which will bring down the estimated costs. Perennial Nursery was awarded the contract, since the pricing for the plants was essentially the same and their labor estimate was more affordable.

The area being addressed in this phase is along the inner circle (units 120 – 234). The target would be to begin this spring, but they are considering starting sooner since there is not much snow. However, we cannot rule out that there is still much time for winter to take place.

Jim mentioned the questions that arose at the annual homeowners meeting regarding homeowners wanting to know what is planned for their individual units. It was discussed that homeowners would be notified of the general plans, and if they want more specific information they can contact the office. In those cases we can look at Jim's binder for some details for those interested. **** Jim will prepare a notice to inform homeowners of plans, giving them the opportunity to contact the office if necessary.**

7. **Alan to continue Accent Window replacement. Materials ordered or on site for Units 148, 157, 167, and 215.** Alan is continuing to work on this, as time allows for the replacements. He is hoping to get 3 more completed this year.

C. New Business

1. **2014 Meeting Dates – Board to discuss, see attached calendar.** Meeting dates were set as follows: February 15th, March 15th, April 12th, May 17th, June 14th, July 19th, no August meeting, September 20th, October 11th for regular and annual meeting, November 15th, and no December meeting.
2. **Review Committee Positions. The Board discussed current committees and whether any changes were needed or recommended?** It was noted that the Nominations Committee may need to have a new chairperson, and that there may be a need for a new board member that can attend meetings. All other committees can stay the same. **** It was decided that Cathy will update the list of committees to show the nomination committee chairperson as an "open" position.**
3. **Review Forms**
 - a. **Satellite Dish Policy -** Wording was added for clarification regarding the location of the dish (Item #1 under *Configuration and Location Guidelines*). Mark suggested clarification to wording on what cannot exceed the height of the fence. It was also mentioned that #5 may not

work with current elliptical dishes being used – we should updated to reflect only the longest measurement rather than the diameter. It was also noted that we do not typically have choice of color, as suggested in #7, but we should not amend that item right now, just make note that there seems not to be a choice in this matter. **** Cathy will update the form and include the document information in the footer.**

- b. **Snow Removal Policy** – No changes made to this form.
- c. **Common Area Standards** – There was discussion regarding the adverse affects of bird feeders – they attract bears, raccoons, and we should be discouraging them for the safety of the local wildlife. It was decided to amend the wording to eliminate bird feeders. There have been requests regarding potted plants on the front porch areas. It was agreed that they could be allowed with some limitations to keep standards with common area regulations. We will add that there can be two maximum, size limitation (max 5 gallon), and earth tones only.

Bicycles and motorcycles should not be grouped together – we need to split them up and treat motorcycles as vehicles. It was also discussed whether bikes should be allowed at front porches? After discussion related to effects, it was determined to continue current standard and to enforce current rules on bikes. **** Alan will amend wording and Cathy will update the form, including document/update information in the footer.**

- 4. **FYI: Tree Work to be done by Power Company on Lake Forest Rd, and Fire Department Site Inspection Report** – Alan reported that the tree work is finished. The power company is trimming branches or removing completely. There was no cost to HOA for this work.

The annual fire inspection report was also completed, and everything looks good.

- 5. **Alan has ordered new umbrellas for both pools (5 each). The surplus balance of this year’s budgeted costs needs to go in 2015.**

2014 Budget	\$16,717	(Reserves)
2014 est. costs	<u>\$ 4,300</u>	
	\$12,417	positive balance (to 2015)

Alan only had to buy umbrellas this year, Mike will move balance to next year’s budget. (Umbrellas are replaced on a rotational basis; this will make them all the same.)

- 6. **2013 Annual Meeting Action Items:**
 - a. **Board will discuss options for homeowners to install satellite dishes on units.** This topic was partially discussed in #3a above, as part of the Satellite Dish Policy update. More discussion is needed as it relates to the

annual meeting request, and this topic will be added to the next board meeting agenda for further discussion.

- b. **Board will consider storage option for bikes.** Alan indicated that the steel shipping/storage containers can be used. One is used by LFG for winter pool furniture storage, and winter storage of summer equipment such as lawn mowers and summer tires. Once the windows are finished, it will free up space in one of the containers that may be used for this purpose.
- c. **Someone will look into why construction equipment is constantly parked along fence lines of LFG property – noisy, eyesore.** Alan reported that the equipment was used by the contractor installing the water service systems for the Lake Forest neighborhoods. All equipment was gone by 10/15 as required. Since this is a County easement from Lake Forest Road, Alan doesn't believe that there is anything we can do about it – it's not our property.
- d. **Jim will look at vegetation at the Bristlecone entrance and consider options.** Jim believes the area needs more attention, as it is overgrown. Alan and crew thinned out the area. Alan and Jim will look at again and assess.
- e. **Board will consider sending out communication to all HO regarding landscaping update, giving the opportunity for input.** Jim Cochrane, Chairman of Landscaping Committee, is concerned that taking this action could have the adverse affect of inviting homeowners to make specific requests for their unit's front landscaping. This would not be feasible from a cost perspective, since bids have already been submitted and a contract awarded. The Board suggested notifying homeowners via a notice in a statement mailing, that if they are interested or have questions they can contact the office for more information. They can also come in and view the binder with Alan or Jim to see what is planned. It was also discussed to have some information available online that they can view, which will allow them to find out about other plants they can plant and maintain on their own, if they wish. **** Alan and Jim will work on a notice to include in the statement mailing to notify homeowners. **Cathy will work on adding plant information to the website that can be accessed by homeowners (see f below for more information).**
- f. **Board will consider adding approved landscaping options to the website for HO access.** Cathy is working on a list of LFGHOA-approved plants that will be added to the website. There is currently a form available in the office that lists these approved plants, and this list will be updated and posted - with links to images of the plant when clicked - via the website. Having images posted online was requested at the annual meeting, and using links is an easy way to provide the information (rather than uploading and posting information/images for each individual plant on our website). **** Cathy will obtain the updated plant information from Alan and Jim prior to posting to the website.**

- g. **Board to discuss amending installation requirements for satellite dishes (as requested at the HOA annual meeting).** This item is being added to the next board meeting agenda for further discussion.

Alan needs to begin discussion on cable lines from the end of building locations to within each unit. Alan talked about the problem with the deteriorated cable lines going into the units. This issue is becoming more of a frequent problem as more homeowners are upgrading their cable services, and are being informed that the lines need to be replaced and upgraded. We are going to need to address whose responsibility it is to replace these lines. Alan is trying to convince the cable company that it is their responsibility to make the line going to the unit good and acceptable, but they are saying that their responsibility ends at the boxes. The Board indicated that the cable company claimed it was not prepared to upgrade their equipment until they got the agreement from us, which they now have. We should approach them from this avenue, and hope they agree.

- 7. **Office Computer – To date the HOA has purchased a new screen, updated our Quickbooks accounting software, and a new backup system. Cathy is researching options for new database program (currently using File Maker Pro), and will begin data transfer and implementation once decision is made regarding what new system will be used.**

2014 Budget	\$2,120	(Reserves)
Expected costs	<u>\$ 900</u>	
	\$1,220	positive balance

Mark suggested using the Open Office program for a new database program, and we can copy File Maker Pro data directly into it.

Alan updated the board regarding the new backup system using an external hard drive, as well as the copier having been set up for scanning to the office computers. Mark suggested setting the backup to perform on a daily basis (rather than the current weekly setup), and that we purchase a second hard drive to swap each week and keep off site for added security.

**** Cathy will update settings to perform daily backups and order a second hard drive for storage off site.**

- 8. **The TCPUD will begin the Units’ water services replacement on Tues, 1/21/14 in the Phase III Asphalt area. The lack of snow this winter has allowed us to start this.** Alan has given notices to all units affected as per the PUD schedule, and there is one more day scheduled on the court next to the office to complete.

- 9. **Board to begin discussion and planning for the tennis court(s) budget.**

2015 Budget \$80,000

Alan suggested giving this to the infrastructure committee. Mark also indicated that the homeowner questionnaire will address this item. The

Board decided to wait until questionnaire results come in, and then give to the committee to research options.

10. **The workers compensation premium has increased by 25%. Alan contacted the underwriter and customer service people and he received two different explanations. He will continue efforts to reverse this increase (as usual), and report to the Board at the meeting.** Alan is still working on this issue, trying to get the cost down. We have no claims, and should receive a benefit for this.
11. **Health Insurance – Alan will give final numbers at the meeting, hopefully.** Discussed previously under Manager’s Report #3.
12. **Alan to Contact concrete contractor to begin entry concrete and brick front repairs and sealing.** Alan is waiting to here back from the contractor. Estimate for brick repair was a little high for what he would be doing.

Jim asked about a specific unit that he feels needs repair.

13. **Alan to have all fences and gates repaired with portable welding.** Alan would like to obtain a portable welder or hire a welder to do this.

4. COMMITTEE REPORTS –

- a. **New approved rear door installed – Board to observe and discuss if necessary.** There were no comments regarding this item.

5. **INFRACTION REPORT** – the report was discussed and Alan explained that the report needs some work with Cathy to get the warning notices to show up properly.

6. LEGAL - None

7. ACCOUNTING

- a. **October 2013 Financials –**
- b. **November 2013 Financials**
- c. **December 2013 Financials**

Mike Robinson reported that we are within \$3000 (under) of budget for the year. The main area where we have come in under is in snow removal. There is approximately \$120,000 in reserves (after paying \$65,000 back into Window Fund). We need to look at the current paving needs before making that transfer. The large upcoming paving issue is the sealing at \$40,000 to preserve the work just completed. This will be completed over 3 years.

The next really big project will likely be the storage lockers. Steve is working on design possibilities for this project, and we will need this information before costs can be estimated. An increase in size would affect land coverage, which could involve major costs and other issues with TRPA, which will have to be taken into consideration at that time. Alan mentioned the possibility of addressing the

lockers on a case-by-case basis as a maintenance approach if necessary (or if costs seem prohibitive).

Mike indicated that over the next few years we should be able to put money back into the Smith-Barney account, which would allow us to refrain from further dues increases, causing them to “flatten out”, as he put it, or remain steady for a time.

d. **Delinquency Report** – Currently we have only 2 units delinquent - one is in escrow, and the other owner called and is sending in a payment for 2 mos. dues next week.

e. **Delinquency Tracking Graph** – Discussed - nothing to report.

f. **Late Dues by Month Graph** – Discussed - nothing to report.

8. **WEBSITE** – Discussion about adding the LFG approved plant list to the website was conducted in referenced to 6e above.

9. BOARD MEMBER’S COMMENTS / REQUESTS / NON-AGENDA ITEMS

10. EXECUTIVE SESSION –

Board discussed homeowner’s request to dismiss infraction. Motion was made by Brian and seconded by Doug to uphold the infraction and fine. **** Alan and Cathy will notify the homeowner of the Board’s decision.**

Also discussed during this session exclusively by Board members was the issue of labor costs – employee costs and benefits. **Alan and Cathy were not present for this discussion.**

The meeting was adjourned at approximately 12:00pm.

The next meeting is scheduled for February 15, 2014.