

**LAKE WILDWOOD ASSOCIATION
MINUTES OF THE BOARD OF DIRECTORS' MEETING
MAY 18, 2010**

A. CALL TO ORDER

President Linda Pryor called the meeting to order at 2:30 p.m. and then led the Pledge of Allegiance.

B. ATTENDANCE

President Linda Pryor; Vice President Terry Thies; Secretary Mary Ann Brandt; Directors Alex Alexander, Bud Springer, and Ward Thompson; Treasurer Chris Smallman, General Manager/COO Edward Simpkins; Administrative Assistant Chris Olivas; and acting Recording Secretary Diana Romell.

Absent: Director Tom Watson and Recording Secretary Charlotte Orren. Director Watson arrived at 2:45 p.m.

C. APPROVAL OF AGENDA

(The agenda for the Board's Monthly Meeting on May 18, 2010 was distributed to the Members prior to the Board Meeting in accordance with the Davis-Stirling Act.)

Director Bud Springer requested that the Board move Item G.1, write-offs involving bankruptcies, foreclosures, and other uncollectable debts, to Item J.1.

Director Springer made the motion, with a second by Director Brandt.

MOTION: That the Board approves the agenda, as amended.

The motion was unanimously carried.

D. APPROVAL OF MINUTES

Director Brandt requested the correction of the spelling of Tina Skrukud's name under I. DISCUSSION and the correction of the date of the Social Committee's Annual Home Tour from June 10, 2010 to June 12, 2010 under F. REPORTS, Social Committee.

Director Thies made the motion, with a second by Director Brandt.

MOTION: That the Board accepts the minutes of the Board of Directors' Meeting held on April 27, 2010 as corrected.

The motion was unanimously carried.

E. CORRESPONDENCE – None

F. REPORTS

1. Treasurer – Chris Smallman reviewed the financial statements. He notes that as of April, 2010, year to date, April actuals exceeded plan budgeted excess of revenues over expenses by \$30,000. By continued careful managing of costs, and most significantly payroll and payroll benefits, the Association overall has exceeded budgeted revenue over expenses by \$280,000 year-to-date. See Attachment A.
2. Secretary – None
3. President's Report – President Linda Pryor said she attended a meeting with Mike Dobbins of *The Wildwood Independent* and the Penn Valley Chamber of Commerce staff. They discussed the relationship between Penn Valley and Lake Wildwood Association and projects that they could work on together to promote the Penn Valley area.
4. Management Report – General Manager/COO Edward Simpkins stated that there were 200 résumés submitted for the position of Food and Beverage Director. That number was reduced to fifteen with phone interviews conducted; three candidates were chosen for further meetings. Interviews on-site of three candidates will be conducted within two weeks. Another installment of the grant for fuel reduction was received from the State of California; \$10,000 is remaining unpaid. There are some CI projects due by the end of May and some are dependent on weather. We are on track with the exception of the forward tees which are steady progress, but we are running out of time for 12, 13, and 14; we will request 2010/11 CI funds in June. The golf carts are refurbished and in use which is revenue to LWA. We purchased seven EZ-GO golf carts in May from CI funds and will purchase one next year. The new shade structures are in place at the North Gate tennis courts. Construction of the loop pathway at the Community Center has been placed on hold. The Community Center barbecue has arrived, the gas line pulled, and concrete pad poured. We are waiting on five community signs due by the end of May. The concrete pads for the Commodore and Hideaway Parks pavilions have been poured. The pool resurfacing was delayed due to weather; it will be open for the holiday. See Attachment B.
5. Committee Reports – Attachment C
6. Ad Hoc Committee Reports

Bob Pleski of the Ad Hoc Energy Committee provided an update of monitoring energy usage in the Clubhouse. The committee is also looking at energy usage on the golf course. PG&E provides a free residential air conditioning service and the committee is currently looking for a vendor to supply this service. They continue to study the prospect of savings using geothermal heat pumps for the swimming pool. The

committee has asked PG&E if this is a good time to install natural gas in Lake Wildwood.

Don Streseman of the Ad Hoc Communications Committee stated that the bi-monthly LWA *Bits & Pieces* will move to a weekly edition in June. (General Manager Simpkins said that the date has been moved to July.) Committee members are meeting with focus groups to discuss various means of communication within the community. He stated that if Committee Reports were moved to the end of a board meeting, there may be an increase in attendance. (Director Thompson said that certain guidelines in conducting board meetings have to be met.) The committee is looking at starting activity groups for young people. Mr. Streseman said that LWA residents would likely use our website more often if some information such as club and Association activities are moved ahead of log-in.

7. Board Liaison Reports

Judith Scott, Liaison to County Emergency Services said the State Legislature says there is no accountability in the use of AED's. Lake Wildwood Association has established limitations and accountability measures for the use of AED's. There will be a Firesafe Council event at Pilot Peak Winery on June 4, 2010.

G. CONSENT CALENDAR

1. The Board will be asked to approve appointments to fill various committee vacancies. (1005-02, Pryor)

No applications were received.

2. This is a reminder regarding the Election Committee's plans for a "Meet the Candidates Night" on June 2nd at 7:00 p.m. in the Cedar Room so the Membership has an opportunity to meet those members who are running for the Board of Directors. (1004-04, Healy/Pryor)

Director Alexander made the motion, with a second by Director Thompson.

MOTION: That the Board approves the Consent Calendar, as amended.

The motion was unanimously carried.

H. OLD BUSINESS – None

I. DISCUSSION

The Board will discuss the possibility of a sanctioned Lake Wildwood Club hosting a golf tournament with the proceeds benefiting our local schools. (1005-09), Pryor/Simpkins)

General Manager Simpkins stated that emails were sent to various LWA sanctioned clubs asking them to consider hosting a golf tournament to benefit our local schools through the Roots & Wings Foundation with a response limit of May 31, 2010. Thus far, five clubs have declined to host the event.

Board Members stated that we would consider helping Roots & Wings in another way such as a chili cook-off and that Roots & Wings Foundation should be so informed.

J. NEW BUSINESS

1. The Board will be asked to approve write-offs involving bankruptcies, foreclosures, and other uncollectable debts. (1005-01, Simpkins/Whiteaker)

Director Springer questioned how long it took to get to \$5,000 or \$6,000 in debts and what we were doing while they were accumulating.

Finance Manager Bob Whiteaker explained that the debts grew so large over several years or if there was more than one property involved. We hold the debts because sometimes banks will pay back the assessments. When we know what the bank will pay, we write the rest of the debt off. That's what the law says to do. The debtors are turned over to Allied. After foreclosure, we can go to small claims court.

Finance/Audit Committee Chair Don Hatten commented that the Board should ask the General Manager and the Finance Manager if we're doing everything we can to comply with Davis/Stirling §3366, §3367 and §3368. That is what provides opportunity for us to collect debts.

Director Thompson proposed the motion be amended to increase the provision for uncollectable accounts by \$50,000.

Director Thompson made the motion as amended, with a second by Linda Pryor.

MOTION: That the Board authorizes staff to write-off ten member accounts totaling \$35,215.97 as non-collectable debts and to increase the provision for uncollectable accounts by \$50,000.

The motion was unanimously carried, as amended.

2. The Board will be asked to approve additional funds to complete the concrete extensions at Commodore and Hideaway parks. (1005-03, Dan Watson/Simpkins)

Director Watson made the motion, with a second by Director Springer.

MOTION: That the Board approves an additional \$564 from FY 2009/10 Community Improvement funds to complete the concrete slab extensions at the Commodore Park Pavilion and the Hideaway Park Pavilion.

The motion was unanimously carried.

3. The Public Safety Committee will ask the Board to approve the establishment of a Red Cross Shelter which will serve as an evacuation center for LWA residents and residents of the surrounding communities during emergencies. (1005-04, Public Safety Committee/Alexander)

Director Thies asked if this motion precluded the use of the Manzanita Room for a fitness center. He said the fairness of the shelter plan escapes him because of the new Fitness Club's plans to use the Manzanita Room for exercise.

Public Safety Committee Chair Diana Thompson stated the Manzanita Room could not be used for the shelter if the room was full of exercise equipment. The shelter plan calls for different rooms to be used for various groups of people. She said the Red Cross would not dictate use of LWA rooms.

General Manager Edward Simpkins said the Red Cross Shelter would not preclude the use of the Manzanita Room for a fitness room.

Director Thies asked about the cost or liability to LWA.

Diana Thompson stated there is none. The Red Cross has a Certificate of Liability Insurance Agreement noted on Page 3 of the agreement.

Director Thompson said that Nevada County doesn't have a Red Cross office. This would be a Red Cross proxy presence in this county. This is good for LWA and we should send a press release to the newspaper.

Director Alexander made the motion, with a second by Director Springer.

MOTION: That the Board approves the establishment of an American Red Cross Shelter at the Lake Wildwood Community Center that would serve as an evacuation center for LWA residents and residents of the surrounding communities during emergencies. This shelter would be managed and staffed by the American Red Cross.

The motion was unanimously carried.

4. The Finance/Audit Committee will ask the Board to accept their recent audit of the Association's procurement policies and practices and staff's forthcoming action as a result of the Finance/Audit Committee's recommendations. (1005-05, Finance/Audit Committee/Hatten/Watson/Simpkins)

Finance/Audit Committee Chair Don Hatten said we have to make sure processes and procedures are followed. We should stick with the model we have or change the model

to comply with current practice. He thanked the Procurement, Policies, and Practices Group for their hard work in preparing their recommendations.

Director Alexander asked the Board to direct the General Manager to provide a written response regarding the committee's recommendations and the action taken by staff.

Director Watson made the motion, with a second by Director Springer.

MOTION: That the Board thanks the Finance/Audit Committee for its detailed audit and accepts the audit of the Association's procurement policies and practices.

The motion was unanimously carried.

5. The Board will be asked to approve a Project Approval Document (PAD) to install a concrete sidewalk from the new restroom and expand the existing asphalt parking lot in Hideaway Park. Further, the Board will be asked to approve FY 2010/11 Community Improvements funds not to exceed \$34,000 to complete this project. (1005-06, Public Works Committee/Watson)

Director Watson made the motion, with a second by Director Brandt.

MOTION: That the Board approves the Project Approval Document (PAD) to complete the concrete sidewalk and expand the existing asphalt parking lot in Hideaway Park. Further, the Board approves FY 2010/11 Community Improvement fund not to exceed \$34,000 to complete this project.

The motion was unanimously carried.

6. The Board will be asked to approve proposed changes to Recreation Policy 9.25 which will update the rules for mussel control, and proposed changes to Administrative Rule R-1.20.40, Provision 3 which will specify the fine for unauthorized boat in-use on the lake. These proposed changes would be published in *The Wildwood Independent* and will come back before the Board at a future Board Meeting for final approval. (1005-07, Lake Committee/Thies/Springer)

Director Thies made the motion, with a second by Director Watson.

MOTION: That the Board approves the proposed changes to Recreation Policy 9.25 which will update and clarify the Lake Policy for the Protection Against Quagga and Zebra Mussel Infestation. Further, the Board approves the proposed changes to Administration Rule R-1.20.40, Provision 3 which will add a \$500 fine regarding this item. These proposed changes will be published in the Association's newspaper that is distributed to all Members. No less than 30

days after the proposed rule change is published in *The Wildwood Independent*, the General Manager should place this item on the Board's agenda for approval.

Director Brandt stated there were three places in the Recreation Policy 9.25 using the words "Lake Wildwood." These words should be replaced with "Lake Wildwood community" to remain consistent throughout the document.

Director Thies withdrew his motion and Director Watson withdrew his second.

Director Pryor made the motion, with a second by Director Springer.

MOTION: That the Board approves the proposed changes to Recreation Policy 9.25 which will update and clarify the Lake Policy for the Protection Against Quagga and Zebra Mussel Infestation. Three grammatical corrections will be made replacing the words "Lake Wildwood" with "Lake Wildwood community." Further, the Board approves the proposed changes to Administration Rule R-1.20.40, Provision 3 which will add a \$500 fine regarding this item. These proposed changes will be published in the Association's newspaper that is distributed to all Members. No less than 30 days after the proposed rule change is published in *The Wildwood Independent*, the General Manager should place this item on the Board's agenda for approval.

The motion was unanimously carried, as amended.

7. The Board will be asked to ratify an emergency expenditure to replace the condensing heating unit in the Clubhouse and to accelerate FY 2010/11 Replacement Reserve funds not to exceed \$3,200 for this item. (1005-08, Simpkins)

Director Pryor made the motion, with a second by Director Brandt.

MOTION: That the Board ratifies the sole source contract with Affordable Heating and Air and accelerates FY 2010/11 Replacement Reserve funds not to exceed \$3,200 for the emergency replacement of the condensing heater in the Clubhouse.

The motion was unanimously carried.

8. The Board will be asked to approve FY 2010/11 Operational funds not to exceed \$11,000 to clear the Association's greenbelts, road shoulders, and areas of the golf course of weed ladder fuels as well as clear individual member's lots that are not in compliance with our Weed Abatement Program. (1005-10, Environmental Management Office/Brandt/Simpkins)

Director Brandt made the motion, with a second by Director Thies.

MOTION: That the Board approves FY 2010/11 Operational funds not to exceed \$11,000 and authorized the General Manager to let a contract with Western Land Renovators for this year's annual weed abatement program.

The motion was unanimously carried.

9. The Board will be asked to approve the Association's insurance providers, the amount of insurance, the type of coverage for fiscal year 2010/11, and the dollars to pay for these policies. Insurance policies include property, general liability, automobile, crime, inland marine, umbrella, excess crime, and Directors & Officers. (1005-11, Simpkins/Olivas)

Director Pryor made the motion, with a second by Director Brandt.

MOTION: That the Board of Directors approves renewing the lowest priced comprehensive package policy with the same/or better coverage through a carrier to be determined once the bids are received, in an amount not to exceed \$176,040. Should the final quote for the comprehensive package policy exceed \$176,040, if time permits for the Board to meet and approve additional funds, such a meeting will be requested. However, if time does not permit a meeting, staff is authorized to select the lowest bidder and renew the policy so it does not expire.

Director Alexander proposed to change FY 2010/11 Operational funds not to exceed \$180,000 for the Association's comprehensive package insurance policy with the same or better coverage through a carrier to be determined once the bids are received. It was also proposed that the last sentence of the motion be stricken as it appears to be open-ended.

Director Pryor withdrew her motion and Director Brandt withdrew her second.

Director Pryor made the motion, with a second by Director Brandt.

MOTION: That the Board of Directors approves renewing the lowest priced comprehensive package policy with the same/or better coverage through a carrier to be determined once the bids are received, in an amount not to exceed \$180,000.

The motion was unanimously carried, as amended.

K. PUBLIC COMMENT

Members of the Association will be afforded the opportunity to address the Board on any item not appearing on the Agenda. Normally, no action will be taken on these items. Time may be limited by the Board of Directors.

Marty Domagala, Lot #1334, questioned if the lawsuit with Wildwood Ridge was settled and also if the Shepherd lawsuit was settled. He had seen nothing in the *Bits & Pieces* or *The Wildwood Independent* regarding settlement. He suggested the word should be published. General Manager Simpkins responded that with the Wildwood Ridge lawsuit there is a proposed settlement forthcoming. When the case is settled, the Association will inform the public.

He also stated that the Shepherd lawsuit results were published in *Bits & Pieces* at its conclusion.

Mike Doscher, Lot #2756, spoke about the serious problems LWA is having with fishermen launching their boats into Lake Wildwood at the dam overlook. He said that the danger of introducing the Quagga and Zebra mussels was very great and the Association should be addressing this problem more vehemently.

Director Springer said we should put up an eight foot high fence on the water side of LWA property and carry it as far around as necessary to prevent boat entry. We could contract temporary fences to prevent vehicles from entering the turn-out by having Public Works align them across the parking area.

Director Thompson asked if we need to prohibit fishermen without boats.

Mr. Doscher said fishermen without boats could fish, but LWA needs to let them know that no vessels are allowed. He said temporary fencing or braided line would work. He questioned who would monitor the area for the fisherman and his boat. Would the Sheriff's Office be called every time he shows up?

Keith Franklin, Lot #2607, stated LWA's property line is twenty feet towards the lake from the guard rail. Signs are approximately on the right-of-way line. LWA could put in a guard rail, but would have to go to the county for a permit. It could be considered a nuisance. He was concerned that we are creating hazards with riprap, guard rails, etc.

President Pryor stated there would be an Emergency Board of Directors' Meeting immediately following the present Board Meeting to have an in-depth discussion regarding outside boats in Lake Wildwood.

L. ADJOURNMENT

Director Pryor made the motion, with a second by Director Brandt.

MOTION: That the Board adjourns the meeting.

The motion was unanimously carried. The meeting adjourned at 5:45 p.m.

Respectfully submitted,
Diana Romell, Recording Secretary