

**LAKE WILDWOOD ASSOCIATION
BOARD OF DIRECTORS MEETING MINUTES
JUNE 23, 2009**

A. CALL TO ORDER

President Mike Doscher called the meeting to order at 7:00 p.m. and then led the Pledge of Allegiance.

B. ROLL CALL

President Mike Doscher; Vice President Jack Valentine; Secretary Bud Springer; Treasurer Pete Maffei; Directors Linda Pryor, Don Streseman, and Terry Thies; General Manager/Chief Operating Officer Edward Simpkins; Administrative Assistant Chris Olivas; Amy Powers, Recording Secretary in the absence of Charlotte Orren.

Director Mary Ann Brandt was absent.

C. AGENDA APPROVAL

(The agenda for the Board's Monthly Board Meeting on June 23, 2009 was distributed to the Members prior to the Board Meeting in accordance with the Davis-Stirling Act.)

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

MOTION: That the agenda be approved.

President Doscher said that Item H.1, approval to purchase equipment for the North Gate, would be moved to the top of the agenda so that members of the audience who were in attendance solely for the purpose of commenting on this item would be able to leave after doing so.

The motion was unanimously carried.

D. APPROVAL OF MINUTES

The Board will be asked to approve the minutes from the Board of Directors Monthly Board Meeting held on May 19, 2009 and the Executive Session held on June 11, 2009 to address personnel and legal issues.

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

MOTION: That the minutes from the Board of Directors Monthly Board Meeting held on May 19, 2009, and the Executive Session held on June 11, 2009 to address personnel and legal issues, be approved.

The motion was unanimously carried.

E. CORRESPONDENCE

President Doscher reported that General Manager Simpkins and the Board Members have been invited to meet with Congressman Tom McClintock regarding issues involving Penn Valley.

F. REPORTS

1. Treasurer's Report – Attachment A. Treasurer Pete Maffei discussed that the operating results for the fiscal year are completed and are good compared to budget and may result in a carryover for fiscal year 2010/11. President Doscher discussed that although there continues to be a negative variance to the budget for the Clubhouse, there was a profit shown for the month of May and that results were better than budget for the past six months. He also thanked Treasurer Maffei for his services as Treasurer and requested that

anyone interested in taking over the position to please step forward as Treasurer Maffei would like to retire.

2. Secretary's Report – Director Springer reported that Community Improvement Funds utilization is at \$115,504, with \$107,000 being used for the Community Center. He passed on the Secretary's Report.
3. President's Report – None.
4. General Manager Simpkins read his report – Attachment B.
5. Committee Reports – Attachment C.
6. Ad Hoc Committee Reports – Attachment C.
7. Board Liaison Reports – See Committee Reports.

Judith Scott, Emergency Affairs Representative, reported that on September 16, 2009, the Penn Valley Wastewater Treatment Plant will be staging an emergency exercise involving chlorine gas and that Lake Wildwood is invited to participate. Judith also reported that she is offering an AED/CPR/First Aid class on July 17.

G. CONSENT CALENDAR

1. The Board will be asked to approve appointments to fill various committee vacancies. (0906-01, Doscher)

The following appointments were recommended:

Steve Micheli – Golf Committee

Kay Lundgren – Recreation Committee

2. The Board will be asked to approve FDIC insured banks that are presently being used by the Association. (0906-02, Whiteaker/Simpkins)
3. The Board will be asked to grant final approval to change Golf Rule R-7.10.10 and R-7.10.50 to coincide with the changes in the use of the golf course and the fees. The final notice will be published in *The Wildwood Independent*. (0904-14, Golf Committee/Knight/Streseman/Simpkins)
4. The Board will be asked to approve an annual fee for individuals who wish to store their personal kayak in the kayak storage unit located at Hideaway Park. (0906-03, Recreation Committee/Biswell/Simpkins).
5. The Board will be asked to grant final approval to change Personnel Rule R-3.10.40, Provision 7 (illness absence); R-3.10.45 (wireless devices); R-3.20.15, Provision 1.B (physician-prescribed medications); and R-3.10.55, Provision 6 (time-off for leaves of absence). This final notice will be published in *The Wildwood Independent*. (0904-19, Olivas/Simpkins)

Director Streseman made the motion, with a second by Director Valentine.

MOTION: That the Board accept the Consent Calendar.

The motion was unanimously carried.

H. OLD BUSINESS

1. The Board will be asked to approve the purchase and installation of equipment required to allow remote access control of the North Gate between the hours of 11:00 p.m. and 6:00 a.m. seven days a week. (0905-06, Findley/Springer/Simpkins)

Director Springer made the motion, with a second by President Doscher.

President Doscher discussed that there was a Question & Answer handout available to the audience and asked that those who wished to comment not ask questions that are already on the handout. He stated that many Members had asked him how the plan to automate the North Gate during graveyard shift had gotten to this point and that the decision to go forward with it had been made 5-6 months ago with approximated costs in mind. Security Chief Jeff Findley and Public Works Supervisor Dan Watson had put together the final plan and costs. President Doscher said that many people felt that the plan had been formed without the proper publicity to the Membership. There was a Town Hall Meeting on June 11, 2009, and a petition had been circulated asking for the plan to be stopped. He stated that in the future, the Board should publicize the information to the Membership prior to the decision being made. He said that the Membership must then be willing to trust the Board on what final costs will be, as these aren't usually known until much later. Director Springer clarified that today's vote is only to approve the funds to purchase the equipment to automate the gate; it is not a vote on implementing a manpower reduction.

Director Streseman explained that he is voting against the motion because he feels the Board should have a broader idea about what our Membership believes "security" is before making this decision about the North Gate. By not publicizing it well, the Board has caused antagonism in the Membership. Directors Thies, Valentine, Springer and Pryor all voiced their support for the plan and feel that the technology being implemented will not compromise the level of security. Security Chief Findley came to the podium to take questions about the plan for the gate. He stated that there would be nine motion-activated cameras used at the North Gate for a total of 30 throughout the community, and these are all monitored at the Main Gate. President Doscher opened the floor for questions and comments from the audience. Public Safety Committee Chair Diana Thompson said that incident statistics for the North Gate from 6/1/07 to 6/1/09 showed a total of 38 for the two-year period; 34 occurred between 6:00 am and 12:00 midnight; 4 occurred between 12:00 midnight and 6:00 am, one of which was a loose dog and one was an employee injury.

Dick Greene, Lot 3445, said that by his calculation, it would increase each Member's assessment only \$11.41 per year to pay for the salary of a gate guard during the graveyard shift, and that he feels this is more than reasonable considering the drop in home values that would take place if our community is considered less secure under the new plan. He said that there is a petition with 343 signatures from Members opposing the automation of the North Gate.

Janet Berryman, Lot 3372, stated that a live guard is always a psychological deterrent to a criminal, according to Chief Findley's statement at the Town Hall meeting. She believes the Membership should have been given a vote on the automation of the North Gate. She says that as a Realtor, she is always asked by potential homebuyers if LWW has security guards on duty 24/7. She also pointed out that with an automated gate, unauthorized guests can follow an authorized guest in before the gate closes.

Byron Maynard, Lot 2217, stated that he has lived in LWW for 36 years. In 1973 there was a third gate in Lake Wildwood, and because it was automated, it caused many problems and was eliminated. As a real estate broker, he knows for certain that degrading the level of security will degrade home values. He also believes that if, during a power outage, emergency vehicles could not come in, there could be a lawsuit. President Doscher asked Chief Findley to address this statement, and Chief Findley said that a generator will supply power to the North Gate in case of a power outage, and that emergency vehicles would simply break through the gate arm if necessary to respond to an emergency. He said that it is possible for one vehicle to follow another vehicle through the gate without being authorized, but that the Patrol Officer would then be dispatched to respond.

Tom Naylor, Lot 3415, stated that unauthorized pedestrians coming in at the North Gate is a concern, especially since the fence behind his home on Thistle Loop has been cut and unauthorized pedestrians are already entering there. He believes that once the fencing is completed on Pleasant Valley Road, these pedestrians will enter at the North Gate if it is unmanned.

Bruce Schott, Lot 0431, asked why the Membership had not been informed before tonight about the decision to automate the North Gate, and stated that there must be a better way to save money.

LaVerne Leach, Lot 3443, stated that the Board is elected to represent the Members, and she felt that the Board was belittling the 343 Members who signed the petition against the North Gate plan.

Madeline D'Andrea, Lot 3412, stated that the \$32,500 savings anticipated by automating the North Gate as compared to the \$250,000 being directed to Food and Beverage operations indicates that the Food and Beverage shortfall should be worked on first, and the plans for the North Gate should be put on hold. She asked what happens when the Main Gate guard takes a break? Chief Findley answered that the Patrol Officer relieves the Main Gate guard during breaks. In answer to a question from the audience, Chief Findley also clarified that gate guards do not carry firearms. Director Springer stated that the \$32,500 cost savings anticipated at the North Gate is in addition to \$75,000 in budget cuts that were made in Food and Beverage Services.

Bruce Stanton, Planning Committee Chair, clarified that this evening's vote is only on whether to purchase equipment to automate the North Gate, and the decision on whether to unman the gate during the graveyard shift will be made separately.

MOTION: That the Board approves FY2009/10 Community Improvement Funds not to exceed \$18,300 for the equipment and installation of a remote monitoring and control system for the North Gate to control access between the hours of 11:00 pm and 6:00 a.m., seven days a week. The General Manager will also place this asset on the Replacement Reserve Schedule.

The motion carried 5-1, with a nay vote by Director Streseman.

2. The Finance Manger will update the Board regarding the Finance/Audit Committee's recommendations from the audit of the Association's Accounting Department's accounts receivable, collection activities, and fixed asset accounting. (0904-01, Whiteaker/Finance & Audit Committee/Riopel/Hatten/Valentine/Simpkins)

Director Pryor made the motion, with a second by President Doscher.

MOTION: That the Board accept the Finance and Audit Committee's recommendations from the audit of the Association's Accounting Department's accounts receivables, collection activities, and fixed asset accounting.

The motion was unanimously carried.

Don Hatten, Finance/Audit Committee Chair, recommended that General Manager Simpkins look at the recommendations regarding fixed assets, and General Manager Simpkins replied that he had. General Manager Simpkins pointed out that item #2 in Accounts Receivables of the report shows that one department is delinquent in depositing checks, and that those procedures were corrected today.

3. The Board will be asked to approve proposed changes to Security Rule R-10.20.10, R-10.20.20, R-10.20.30, and Procedure P-10.20.10 which will update our rules regarding authorized entry into Lake Wildwood. These proposed changes will be published in *The Wildwood Independent* and will come back before the Board at a future meeting for final approval. (0905-10, Public Safety Committee/Springer/Findley/Simpkins)

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

MOTION: That the Board approve proposed changes to Security Rule R-10.20.10, R-10.20.20, R-10.20.30, and Procedure P-10.20.10 which will update our rules regarding authorized entry into Lake Wildwood. These proposed changes will be published in *The Wildwood Independent* and will come back before the Board at a future meeting for final approval.

The motion was unanimously carried.

4. The Board will be asked to approve proposed changes to Security Rule R-10.30.25 regarding rules for the control of limited-time, on-street parking. These proposed changes will be

published in *The Wildwood Independent* and will come back before the Board at a future meeting for final approval. (0905-11, Public Safety Committee/Springer)

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

MOTION: The Board will be asked to approve proposed changes to Security Rule R-10.30.25 regarding rules for the control of limited-time, on-street parking. These proposed changes will be published in *The Wildwood Independent* and will come back before the Board at a future meeting for final approval.

The motion was unanimously carried.

I. DISCUSSION

1. The Board will be briefed on this year's spectacular activities and events that are planned for the 4th of July and the Security Dept.'s plans to insure that safety is in place so a good time is had by everyone. (0906-004, Findley/Simpkins)

General Manager Simpkins briefed the Board on the planned activities, his upcoming meeting with PyroSpectaculars, the company who will be providing the fireworks display. He stated that Penn Valley Fire Dept. has approved the plans and will be attending the meeting with the fireworks company. The Social Committee will meet after that and they are expecting record attendance this year at the festivities.

2. The Board will be updated on plans for the Association's Thirty-ninth Annual Meeting that will occur on July 25, 2009. (0903-05, Simpkins/Community Relations Committee)

General Manager Simpkins reported he has secured commitments from Comcast Cable and Ferrellgas for their participation in the Annual Meeting.

J. NEW BUSINESS

1. The Board will be asked to approve funding for services of an independent contractor to augment the Finance/Audit Committee for the audit of the Clubhouse operations. (0906-05, Streseman)

Director Streseman made the motion, with a second by Director Valentine.

President Doscher discussed that we are not outsourcing the audit, this will just be additional help for the Finance/Audit Committee.

MOTION: That the Board authorizes the General Manager to let a contract with an independent contractor to augment the Finance/Audit Committee for the audit of the Clubhouse operations. Further, the Board approves FY 2009/10 Board Contingency Funds not to exceed \$5,000 for this project.

The motion was unanimously carried.

2. The Board will be asked to approve the Community Relations Committee to sell ice cream during the Picnic Pops Concert. The proceeds will be used to help offset the cost of the cost of the Nevada County Band, who is providing the entertainment. (0906-06, Community Relations Committee/Streseman/Simpkins)

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

Director Streseman discussed that the proceeds will help to pay the band's \$500 fee, which used to be funded by the "Jazz in the Cedar" concerts.

MOTION: That the Board approve the Community Relations Committee to sell ice cream during the Picnic Pops Concert. The proceeds will be used to help offset the cost of the Nevada County Band who will be providing the entertainment.

The motion was unanimously carried.

3. The Board will be asked to approve, in concept, completing the fencing along Pleasant Valley Road. The Public Safety Committee will be presenting their proposal for the Board's consideration. (0906-07, Whiteaker/Finance & Audit/Simpkins)

President Doscher made the motion, with a second by Director Valentine.

President Doscher discussed that the Public Safety Committee's recommendation is to complete the fencing all the way to Wildwood Ridge, including the greenbelt. He tasked the Public Safety Committee to come to the next Board Meeting with a proposal to complete the fencing as soon as possible. Director Valentine asked Don Hatten of the Finance/Audit Committee to confirm that any funds allocated, but not used for the fencing, can be used elsewhere.

MOTION: That the Board approve, in concept, completing the fencing along Pleasant Valley Road. The Public Safety Committee will be presenting their proposal for the Board's consideration.

The motion was unanimously carried.

4. The Board will be asked to approve proposed changes to Finance Rule R-4.20.80, which will clarify and update the process followed regarding the depreciation, control and identification of the Association's Capital Assets. (0906-08, Whiteaker/Finance & Audit/Simpkins)

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

MOTION: That the Board approves the proposed changes to Finance Rule R-4.20.80, which correspond with the procedures that are followed regarding the rules pertaining to Capital Assets. These proposed changes would be published in the Association's newspaper that is distributed to all Members. Not less than 30 days after these proposed rule changes are published in *The Wildwood Independent*, the General Manager should place this item on the Board's agenda for final approval.

The motion was unanimously carried.

5. The Board will be asked to accelerate budgeted 2014/15 Replacement Reserve Funds not to exceed \$5,000 to replace the chlorine chemical controller for the large pool. (0906-09, Watson/Biswell/Doscher/Simpkins)

President Doscher made the motion, with a second by Director Streseman.

General Manager Simpkins stated that the fiscal year should be corrected to 2013/14. The motion was amended by President Doscher and seconded by Director Valentine.

MOTION: That the Board accelerate budgeted 2013/14 Replacement Reserve Funds not to exceed \$5,000 to replace the chlorine chemical controller for the large pool.

The motion was unanimously carried.

K. Public Comment

Ron Avanzino, Lot 1399, commented that poor management of the Clubhouse has been a constant. He feels that a manager with strong leadership abilities must be found, rather than looking to the Members to find answers to the problems. President Doscher discussed that the Board feels the problem is with the model, not the leadership, and invited Mr. Avanzino to join the Hospitality Services Committee. Director Springer clarified that the consultant to be hired for the Clubhouse audit will assist with operations and budget management, and that our General Manager has Food and Beverage management experience.

L. Adjournment

President Doscher made the motion, with a second by Director Pryor.

MOTION: That the Board adjourn the meeting.

The motion was unanimously carried. The meeting was adjourned at 9:25 p.m.

Respectfully submitted,

Amy Powers, Acting Recording Secretary

COMMITTEE REPORTS
JUNE 23, 2009

ATTACHMENT C

LAKE: Liaison Thies reported that on June 29-30, 2009, Clean Lakes, Inc. will be treating the lake with herbicides for the control of weeds. There are no restrictions on swimming or fishing during the application.

TV: Liaison Pryor reported that the TV Committee is in need of a member.

SOCIAL: Liaison Pryor reported that the Committee is working on 4th of July festivities.

RECREATION: Chairperson Judy McAuliffe reported that the kayak storage rack has been delivered and will be installed in Hideaway Park. President Doscher recommended to General Manager Simpkins that the Recreation Committee be prepared to purchase more kayak storage racks right away. Judy also encouraged everyone to attend the showing of the DVD "Stories of the Yuba" that the Recreation Committee is sponsoring on June 27, 2009 in the Cedar Room.

PUBLIC WORKS: Chairperson Franklin reported that their committee is in need of a member. He also stated that there is a permit pending on the Hideaway Park restroom project.

COMMUNITY RELATIONS: Liaison Springer reported that the committee is currently working on the 4th of July festivities.

PUBLIC SAFETY: Chairperson Diana Thompson reported that most Members had returned their access forms at this point. Discrepancies and questions will be handled by telephone. She also reported that the Public Safety Committee is considering the addition of oxygen tanks for emergency purposes, along with the AEDS that have been installed. The cost to rent each tank is \$128 per year, and the committee will be meeting with a sales rep to get more information. The committee is also engaged in writing an emergency plan that is tailored to Lake Wildwood. There will be a meeting on Sept. 17, 2009 and all clubs and committees will be asked to attend to give their input in identifying hazards in Lake Wildwood. The committee is also considering the purchase of razors, CPR mouth guards, scissors, and disposable gloves to be used in conjunction with the AEDs. Director Springer invited all of the clubs and committees to be aware of the location of all the AEDS.

HOSPITALITY SERVICES: Liaison Springer reported that the members of the committee are doing an analysis on the Clubhouse operations in conjunction with the Finance/Audit Committee. They are finalizing service standards recommendations to present to General Manager Simpkins. They are analyzing the May restaurant and bar food sales in order to make menu recommendations. They are also planning to make recommendations for future improvements to the physical operations and will soon have hard data to present to the Membership.

AD HOC TECHNOLOGY COMMITTEE: President Doscher reported that the committee is focused on the new website at this time.

AD HOC USER FEES, POLICY & METHODOLOGY COMMITTEE: Liaison Doscher reported that Tom Cross is still collecting information and is making good progress.