

KENTWOOD HOME GUARDIANS
MINUTES OF BOARD MEETING
WESTCHESTER YMCA, FIRESIDE ROOM
SEPTEMBER 18, 2013

PRESENT: Loren Davis, President; Maria Warner, 1st VP; Bruce Nahid, 2nd VP; Clay Turner, Treasurer; Mary Putnam, Secretary; Suzann Rogers, Operations Mgr.

ABSENT: none

CALL TO ORDER

Loren Davis called the meeting to order at 7:10 pm. Mr. Davis inserted into the agenda an emergency item which had not already been publicized. He cited the legal basis (Civil Code 1363.05(l) (4)) and described it as an issue of immediate importance of which the Board had not been aware when the agenda had been published. The emergency agenda item was a Board review of the Assessment Collection Policy.

PRESIDENT'S REPORT

Mr. Davis congratulated the three new Board members: Mary Putnam, Clay Turner and Maria Warner. He thanked Michael Lovern and Michael Watkins for their participation in the election and hoped that they would continue to be interested in participating in KHG.

The official ballot count was a total of 850 ballots cast, as follows: Mary Putnam- 643; Maria Warner- 627; Clay Turner- 570; Michael Watkins- 255; Michael Lovern- 231; and Chris Ruiz-1.

Mr. Davis defined the objectives of the new Board as identical to the platform that a majority of the current Board had run upon:

- More open and communicative governance by the Board
- Encouraging member input through participation in Board committees and providing for member comments on important rules and policies prior to Board votes
- To work within our governing documents and the Civil Code to address both individual concerns and also community matters such as safety issues and nuisance incidents
- Keeping membership informed and educated about issues affecting our entire Association.

Mr. Davis stated that KHG represents almost 3,400 property owners. As a community of owners we can accomplish so much more than as individuals. He asked that the membership keep the Board aware of their concerns and encouraged membership to become actively involved in KHG.

OPEN MEETING POLICY DISCUSSION

Mr. Davis stated that an Open Meeting member comment period will occur at the end of each meeting. This allows for membership comments/questions on any issue. Under the Open Meeting Act

(part of the Civil Code) the Board is allowed only to make brief responsive comments or clarifying questions and may only address issues that have been discussed as part of the meeting agenda.

Mr. Davis made a motion as follows: During the Public Forum period of the September 2013 Board Meeting members who have submitted speaker cards will be allowed two minutes each to present their questions/comments to the Board and that the total time available for member comments will be 20 minutes, which may be extended by up to 10 minutes at the Board's option.

The motion was seconded and unanimously approved.

Mr. Davis stated that at the October Board Meeting the Ways and Means Committee would propose a process by which membership could participate in important procedural and policy discussions prior to the Board vote.

SECRETARY'S REPORT

Mary Putnam presented the minutes of the last regular Board meeting on July 17, 2013 and the minutes of an Executive Board Meeting on August 21, 2013. Bruce Nahid made a motion that the 7/17 minutes be approved and he and Loren Davis (the only remaining Board members from the prior Board) approved them. Maria Warner asked that the initial Election Committee report due date be changed to December, 2013. Ms. Warner then moved that the minutes of the 8/13 Executive Board Meeting be approved. The motion was seconded and unanimously approved.

Ms. Putnam made a motion that a draft version of the Board minutes, clearly labeled "DRAFT", be put on the KHG website as soon as available for disclosure to and review by membership, though final adoption of said minutes would be voted on by the Board at the next monthly Board meeting. The motion was seconded and unanimously approved.

TREASURER'S REPORT

Clay Turner introduced himself and described his background; he is a CPA with 20 years of experience in financial management who has lived in Kentwood for 12 years. Mr. Turner presented the financial reports of the past few months in the customary format, however he intends to improve this format to make future reporting clearer and more consistent with accounting industry standards. At the October meeting, Mr. Turner plans to review fiscal year 2013 actuals and to present the fiscal year 2014 budget.

Mr. Turner believes that transparency is very important to the effective functioning of KHG: more footnotes and commentary will help to explain the significance of the numbers to the Board and to membership.

OPERATIONS MANAGER'S REPORT

Suzann Rogers reported that there have been a large number of complaints in the past few weeks about partying LMU students and LMU parking. There have also been trash and parking complaints related to Cowan Ave. School and Animo School (a charter school on the Cowan campus). Ms.

Rogers has a meeting scheduled for Friday 9/20 with the principals of Cowan and Animo to address these issues on behalf of membership.

Ms. Rogers and Mr. Davis discussed the advantages of purchasing a high speed scanner for the office. One of Ms. Rogers' responsibilities is to fax a large package of KHG documents to escrow companies, frequently at short notice. KHG collects \$75 for this service, but without a high speed scanner it is very time-consuming and costly. Mr. Davis highly recommends a high-speed model (Scan Snap) which would streamline this process.

Bruce Nahid made the following motion: KHG will purchase a high-speed scanner and an electric stapler for the KHG Office. The total cost is not to exceed \$500. The motion was seconded and unanimously approved.

OUTREACH COMMITTEE

Mary Putnam reported that the Outreach Committee met 8/29 and discussed the format, content and due dates of the newsletter. Linda Kokelaar had volunteered to edit the first edition to be published 10/13. A final draft of the newsletter will be forwarded to the Board before it goes to the printer.

The Outreach Committee is very interested in collecting members' emails and phone numbers. More accurate and complete information about our membership will increase KHG's ability to communicate with membership which is one of our major functions.

The Outreach Committee also discussed the KHG website. Suzann Rogers was able to obtain the password and now has control over our current website with Godaddy.com. Tracy Conyers of Living90045.com has offered to help research and set up a new website which would offer greater capability and flexibility. Bruce Warner also offered to help with this project.

ARCHITECTURAL COMMITTEE

Maria Warner thanked Vince Bertolini and Suzann Rogers for all the work they have done during the past 18 months on the Architectural Committee (AC). She reported that the AC has met several times this month and is dealing with several current issues. The AC is developing a spread sheet to track membership issues and complaints as they develop and the AC will also use this as a means of reporting the status of outstanding issues to the Board.

Ms. Warner stated that she and Vince Bertolini are the current Co-Chairs of the AC and Suzann Rogers is the third member, however, the AC should have at least 2 or 3 more members. Ms. Warner asked for volunteers, stating that experience and/or credentials are not required and that Committee meetings would probably be just once per month. In particular, the AC needs volunteers who could be called to go out and take pictures or report to the AC regarding specific membership concerns.

Vince Bertolini reported on the planned Chick-Fil-A restaurant at the location of the old Grinder restaurant. The lot is a KHG lot which is designated commercial. The planned restaurant would have 60 interior seats, 32 exterior seats, 29 parking spaces and a drive through window. He discussed

traffic issues relating to Sepulveda and Manchester. Mr. Bertolini recently attended a Neighborhood Council meeting regarding this plan and gave a report.

Loren Davis said KHG received an estoppel certificate from Trade Corp which owns the property. The KHG attorney told Mr. Davis that the Board must make sure that KHG is in the recorded chain of title for this property before the Board addresses issues related to this development project.

FINANCE COMMITTEE

Clay Turner discussed an IRS issue: a clerical error a few years ago resulted in an IRS penalty. The total due is almost \$5000 (primarily penalty), but our independent KHG accountant, R. Frank Miller, believes the appeal of this penalty will reduce or eliminate that obligation. He has filed the appropriate paperwork with the IRS, but these matters may take some time to resolve.

WAYS AND MEANS COMMITTEE

Loren Davis stated that KHG cannot send out the current collection policy because it is outdated and no longer consistent with the Civil Code. The KHG attorney has stated that KHG must send out an updated collection policy with the assessment letter. Mr. Davis presented the recommended collection policy to the Board prepared by Adams-Kessler, the KHG legal counsel. This policy is taken directly from the Davis-Stirling Act, the Civil Code by which our homeowners' association is governed.

Mr. Davis made a motion that KHG adopt the collection document that was drafted by Adams-Kessler which will be sent out with the assessment letter.

The motion was seconded and unanimously approved.

Mr. Davis presented copies of recently obtained documents which related to the transfer of the Sepulveda strip lots to Westchester Streetscape during the tenure of the last Board. He explained that items 3 and 4 (of the Agreement Regarding Transfer of Strip Lots dated 4/12/13) indemnify KHG against claims by Streetscape. Furthermore, there is a provision in this document by which Streetscape offers KHG the right to establish a monument on this property. KHG has only 24 months from the date of execution of the agreement to exercise this right. Mr. Davis briefly discussed the significance of a monument as it affects our Association. Mr. Davis suggested that the Ways and Means and Architectural Committees have a joint meeting to discuss this issue and present a recommendation to the Board at the November Board Meeting.

W.H.O.L.E.

Linda Kokelaar is the coordinator of Westchester Homeowners Observing LMU Expansion (WHOLE). Since last January when LMU began charging everyone for parking, parking has become a critical problem in the area around LMU. LMU has agreed to reduce the parking fees for the support workers, to take the parking fees from the faculty paychecks and to include parking fees in the student spring tuition bills (with an opt-out provision). Ms. Kokelaar believes these proposals will not resolve the issue and requested that the Board write a letter in support of the neighborhood. She provided a list

of key personnel at LMU who should be contacted. Loren Davis requested that Ms.Kokelaar present, for Board consideration, the language that she would like to be included in the letter.

OTHER ISSUES

Garrett Smith discussed the impending impact on our neighborhood of the northside airport development. A major transportation center, hotels and offices are scheduled to be built within the next 10 years.

Several neighbors discussed severe problems with LMU student parties and related behavior. Linda Kokelaar was able to give some information about who to contact at LMU. Loren Davis asked Maria Warner to organize a sub-committee to support membership in such matters, acknowledging that member participation on such a sub-committee is necessary.

Frank Channel suggested that KHG should have a mission statement to clarify its purpose. Mary Putnam and Vince Bertolini offered to work with Mr. Channel on this project.

The meeting was adjourned at 9pm.

Submitted by Mary Putnam, KHG Secretary