

HACIENDA CARMEL COMMUNITY ASSOCIATION
MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS
Thursday, December 22, 2020
Via ZOOM

PRESENT:

Mr. Rex Young, President & Director
Ms. Linda Mullally, Vice President & Director
Mr. Art Sutton, Treasurer & Director
Mr. Tom Marshall, Corporate Secretary & Director
Ms. Fran Baca, Director
Mr. David Delwiche, Director
Ms. Judi Lehman, Director
Ms. Connie Winners, Director
Mr. Sam Womer, Director
Mr. Robert Hedberg, General Manager
Ms. Jeanne Mileti, Recording Secretary

15 members attended the open meeting via ZOOM.

1. **CALL TO ORDER:** The open meeting was called to order at 10:10 a.m. by Rex Young, President. There were no comments from members regarding agenda items.

2. **APPROVAL OF MINUTES:** The Board considered the minutes of the November 24, 2020 regular Board meeting. Ms. Winners made a motion to approve the minutes as submitted. Ms. Baca seconded the motion which carried unanimously.

3. **PRESIDENT'S REPORT** The Board met in Executive Session at 8:30 a.m. Mr. Young reported that the Board held discussions regarding issues that are protected under executive session.

There were five letters total, one of which was outgoing to the Monterey Peninsula Water Management District, appealing the penalty for water runoff. The four letters received from members were, as previously reported, posted on the Bulletin Board. Letters from Pat Ostrom and Alexandra James required no response. Letters from Debbie Champlin and Diane Gray were turned over to the General Manager for follow-up.

Mr. Young reported that the Board held a Town Hall meeting on December 2nd to go over the revisions to the Governing Documents. There was no additional member input. The Board then met on December 10th to finalize the draft. Mr. Young asked the Board if anyone had any objection to the draft being forwarded to legal counsel. There were no objections, therefore, it was requested of the General Manager to forward the governing documents final draft to legal counsel.

4. **OCCUPANCY APPLICATIONS:** The General Manager recommended approval of the following applicants who meet the requirements for occupancy:

Harry Ransom	Authorized Occupant – Purchasing #62
George & Marcia Lockwood	Authorized Occupants – Leasing #4

The General Manager has spoken with all applicants and verified their qualifications for occupancy. Ms. Mullally made a motion to approve the applicants for occupancy. Mr. Womer seconded the motion which carried unanimously.

5. **GENERAL MANAGER’S REPORT: Robert Hedberg, General Manager**

- **Sales/Rental Activity:** Mr. Hedberg reported that there are currently two units listed for sale (#102 & #141), but no contracts pending as yet. Fiscal year-to-date (since May 1, 2020) there have been 18 sales.

The rental list is status quo from last month (39 rentals). “Notice of Eligibility to Rent” letters are continuing to be sent out.

Miscellaneous Projects: The General Manager reported the following projects:

- He will send the final revisions of the Governing Documents to legal counsel.
- The striping of the areas that will not be sealed in the Spring was completed.
- Room 311 in the Guest House was having the shower remodeled. That project has been temporarily put on hold due to a staffing shortage.
- The walkway requested and paid for by units 21 & 22 has been completed, and a repair made by staff to another walkway.
- The tree behind unit 54 was removed per prior approval by the Board.
- A 2-inch water line next to unit 210 broke and was repaired yesterday.
- **Website Search:** The search to hire a new webmaster to create and service an updated website has been ongoing. Staff made a recommendation to the Finance Committee to approve the hire of a local company – it will be discussed under their report today. We started with three possible candidates and narrowed it down to the one company that we feel will be the right fit for our needs. They can design a site that is much more user-friendly both for residents and staff, with a much higher level of security. We currently pay \$1,800 per year to maintain the site. The new web company charges \$480 per year.
- **Request for Storage:** Mr. Hedberg reported that a resident brought him a request to use one of the vacant storage spots on the West end to install a shed. He noted that this request will go to the Buildings and Grounds Committee, however, in the meantime the resident is requesting to be able to store racks in that space, and cover them with a tarp to

GENERAL MANAGER’S REPORT, Request for Storage, continued

keep out the weather. This would be a temporary storage until his shed is approved, or not. Mr. Hedberg suggested the Board can either approve, approve provisionally, or not approve the temporary storage at all. The Board entered into a lengthy discussion of the proposal and ultimately took a show of hands to allow the temporary storage. Five directors were in favor.

- **Occupancy Information:** So far, we have received all but 70 of the annual occupancy information forms that satisfy the California Civil Code, section 4041. Second notices have already been sent out. Those that do not comply will be sent a final notice that they will be called to a hearing to explain to the Board why they cannot provide the information.
- **Reserve Fund Study:** The Reserve Fund Study is now being drafted by Association Reserves. They have completed the every-third-year onsite evaluation to prepare the 2021-2022 study. We should have a draft to present to the Board of Directors in January.
- **Other Matters:** The General Manager reported that we received a notice yesterday from Waste Management that their prices are to increase 13.5% as of January 1st. The 2011 Dodge van, formerly used by the General Manager, has been sold for \$5,200 to a private party. The Lobby will be closing on Christmas Day and New Year’s Day at 4 p.m. The Dining Room will provide takeout from 11:00 am to 3:00 pm on Christmas Day and New Year’s Eve. The Dining Room will provide take-out and delivery on New Year’s Eve and be closed New Year’s Day.

The employees did not have a formal Christmas Luncheon this year, however, a box lunch was provided, and the employees met briefly outdoors to pick up their lunch, Christmas Fund checks, and celebrate the Employee of the Year. The 2020 Employee of the Year award, sponsored by member Bob Balles, was awarded to Francisco Ortega. Mr. Balles generously provided a \$1,000 award for the honoree and attended the gathering briefly to present the prize.

The General Manager announced that we have had one employee test positive for COVID-19 over a week ago. The employee, and two others, were quarantined as a precaution. We have, so far, tested five additional employees. [As provided by the Families First Coronavirus Response Act (FFCRA)], the employees are being paid sick leave for the time they are absent from work. The employees in question did not enter any private residences at Hacienda Carmel and, at this point, we have no reason to believe there has been an “outbreak” here, or that any resident of Hacienda Carmel has been exposed.

The General Manager further reported that in just the past week the Front Desk received and processed 580 packages. So far, in the month of December, we have had well over 1,500 packages arrive. We are grateful to have Maureen to help process all these packages and get them ultimately to their rightful owners.

GENERAL MANAGER’S REPORT, Other Matters, continued

The Employee Christmas Fund was a great success, exceeding last year. On behalf of all twenty- five staff members at Hacienda Carmel, a sincere thank you to all who participated in the fund. The employees are extremely appreciative and grateful to everyone who made it happen. A special thank you to Patty Doran, Chair of the fund this year, who did a great job coordinating the project.

6. TREASURER’S REPORT: Art Sutton, Treasurer

- **Reserve Fund Expenditures:** Mr. Sutton went over the Reserve Fund expenditures for November. The November Reserve Fund expenditures consisted of \$1,353.66 paid to Tri County Concrete and Supply for concrete surfaces replacement; \$849.93 paid to Home Depot for Fence repair and replacement; and \$867.22 paid to Kelly Moore for paint used in the common area. Total expenditures for November were \$3,070.81. Ms. Lehman made a motion to approve the Reserve Fund expenditures for the month of November 2020, in the amount of \$3,070.81. Ms. Winners seconded the motion which carried unanimously.
- **Document Review:** The Treasurer reported that, as required by the Civil Code, he and the Board President reviewed the general ledger; payable and receivable ledgers; bank reconciliations, and unopened bank statements for the month of November 2020. They found everything in good order. Ms. Winners made a motion to ratify the inspection. Ms. Mullally seconded the motion which carried unanimously.

7. COMMITTEE REPORTS: The following committees had reports:

- **Finance Committee:** Jackie Graham, Committee Chair, reported that the committee met on December 17th via ZOOM. They recommend approval of the financial statements for November 2020. Ms. Baca made a motion to approve the November 2020 statements subject to audit. Mr. Delwiche seconded the motion which carried unanimously.

The committee reviewed and recommended approval of the worker’s compensation policy. The policy with Republic Indemnity expires December 31st and the premium came in \$2,907 less than last year, for a total cost of \$74,028. Ms. Graham noted that the broker worked hard on our behalf, negotiating an adjustment factor of \$8,176, which helped lower the premium. Ms. Mullally made a motion to approve renewal of the worker’s compensation policy with Republic Indemnity, for a total premium of \$74,028. Ms. Winners seconded the motion which carried unanimously.

The committee discussed hiring of a new webmaster to develop and maintain an updated website for Hacienda Carmel which will be much more user friendly and more secure – as reported by the General Manager in his report. The committee recommends we retain Moore Design Graphics for a cost not to exceed \$5,000 initially, and \$40 per month to maintain. \$3,000 of the initial cost to be expended from the Appreciation Fund, and the remainder from the Operating Fund.

COMMITTEE REPORTS, Finance, continued

The Board discussed the website extensively and Ms. Mullally made a motion to retain Moore Design Graphics to update the website for an amount not to exceed \$5,000; with \$3,000 of Appreciation Fund money to be utilized and the remainder from the Operating Fund. Mr. Marshall seconded the motion which carried with six directors voting in favor.

- **Buildings and Grounds:** Donna Bessant, Committee Chair, reported that the committee met on December 9th. The committee had two requests:

Unit #4 – requested permission to install laundry hookups in the patio shed. The committee approved the request as it conformed with existing Architectural Rules.

Unit #154-155 – requested permission to restore the existing double unit back into two separate units, in accordance with applicable Architectural Rules. The committee recommended the request and forwarded it as a variance to the Board. Ms. Bessant reported that when the units were originally combined the electrical and plumbing remained the same. It will require reinstalling a kitchen in 154. Ms. Lehman made a motion to approve the request to separate 154 and 155 into two units, the project to meet all requirements of the Architectural Rules. Mr. Delwiche seconded the motion which carried with six directors voting in favor.

Ms. Bessant was asked about the committee working on a tree removal policy and she noted the committee will be working on that in the new year.

- **Garden Club:** Ms. Winners reported that the Garden Club members have lots of persimmons this time of year.
- **Events & Entertainment:** Linda Mullally, Liaison, reported that at the last committee meeting, they discussed the mosaic workshops. New Year's Eve events have been cancelled, for the obvious reason. Tai Chi Chih, [which is allowed by the county protocols to be held outside] had twenty-five people attend. It was suggested that the cell phone numbers of residents be included in the phone directory, to make it easier for the Welcoming Committee to contact people, and that Meditation be put on the monthly calendar. "Hamilton" was discussed and will be discussed again next year. "The Singing Cowboy" was a new event that is not going to happen this year (due to COVID protocols.)

Ms. Lehman reported that the new COVID protocols has prevented many of the activities from continuing at this time. Only those recreational activities that can be taken outside with distancing and masks are allowed to continue. The awards were given for the Christmas Trees. Sue Ringler won this year with her "Cats and Dogs of Hacienda Carmel" tree. She donated her ornaments to an animal rescue organization, which plans on using them next year on their tree. She hopes that people will start planning ahead for next year's trees. Next year she is also planning to decorate wreaths, which will also be some sort of contest and perhaps a fund-raiser to donate to a food bank or like charity.

COMMITTEE REPORTS, Events & Entertainment, continued

The big holiday Bingo game was moved up this year, just in time to beat the new COVID closures. Suzie Crary was the big winner of the \$500 blackout, which she is donating to the Food Bank for Monterey County. Thank you to our patron, Bob Balles, whose generosity has funded the bingo games all year, including the exciting December game in which the jackpots are enhanced. Bingo remains very popular with many of our residents and we are grateful to Mr. Balles for his support.

8. OLD BUSINESS:

- **Re-appointment of Committee:** Mr. Young reported that last month there was talk about an ad-hoc committee that was incorrectly appointed – this month we will correct that incorrecction. The committee is to be an executive committee, consisting of four Board members, who will review and discuss employee wages, benefits, the employee manual, and the job descriptions. Mr. Young asked for any interested Board members to raise their hands.

There were five directors interested, so the Board took a secret ballot vote, with each member messaging the General Manager to indicate their choice of four. The General Manager tallied the votes and the committee members appointed are Fran Baca, David Delwiche, Art Sutton, and Sam Womer.

9. NEW BUSINESS:

- **Election Rules:** Mr. Young reported that the Election Rules, which were provided to all members, were put out for comment last month. The Board or management received no communications regarding the rules, which are based on the Civil Code parameters. Ms. Mullally made a motion to adopt the Election Rules. Ms. Baca seconded the motion, which carried unanimously.

10. COMMENT PERIOD FOR MEMBERS:

- Donna Bessant, unit 214, asked for enhanced notice regarding ZOOM meetings.
- Jane Bowles, unit 260, thanked the Board and staff for the work they put into the Governing Documents.
- Mary Lou Donegan, unit 291, spoke on vendor COVID protocols
- Elizabeth Husby, unit 74, spoke about a county moratorium, the website, and the agenda.
- Judy Lehman, unit 186, spoke about her preference regarding package delivery.

- 11. ADJOURNMENT:** The meeting was adjourned at 11:50 a.m. The next regular meeting of the Board will be held on Tuesday, January 28, at 10:00 a.m. The Board will meet at 8:30 a.m., prior to the open meeting, venue yet to be determined pending COVID restrictions.