

**HACIENDA CARMEL COMMUNITY ASSOCIATION
MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS
Tuesday, December 21, 2021
Casa Fiesta**

PRESENT:

Mr. Art Sutton, President & Director
Ms. Fran Baca, Vice President & Director
Ms. Jackie Graham, Treasurer & Director
Mr. David Delwiche, Corporate Secretary & Director
Ms. Mary Pat Adams, Director
Ms. Donna Bessant, Director
Ms. Elizabeth Husby, Director
Mr. Bill Quinn, Director
Mr. Sam Womer, Director
Mr. Robert Hedberg, General Manager
Ms. Jeanne Mileti, Recording Secretary

Fifteen members attended the open meeting in Casa Fiesta.

1. **CALL TO ORDER:** The open meeting was called to order at 10:07 a.m. by Art Sutton, President.
2. **MEMBER COMMENTS ON AGENDA ITEMS:** Fran Baca, unit 271, requested the upcoming Parking Workshop be added to the agenda.
3. **APPROVAL OF MINUTES:** The Board considered the minutes of the November 23, 2021, meeting. Ms. Adams had an addition to Page 7, under Replacement of Casa Fiesta Flooring: “Ms. Adams also asked that polished concrete be considered as a floor choice.” Ms. Bessant made a motion to approve the minutes of the November 23, 2021, regular Board meeting minutes, with the addition. Ms. Baca seconded the motion which carried unanimously.
4. **PRESIDENT’S REPORT** The Board met in Executive Session at 8:30 a.m. Mr. Sutton reported that the Board discussed personnel issues and upcoming Reserve expenditures. The Governing Documents are recorded and in effect now, as of December 7th. They are posted on the website and copies are available by request. The worker’s compensation renewal was discussed and will be presented under the Finance Committee report today. Other items discussed by the Board were charging stations for electric cars, and recirculating pumps for hot water.

Mr. Sutton thanked Jerry Park for his generous donation of artwork to the Association. The sale of the paintings netted the Association \$640.

Mr. Sutton addressed last month’s comments from members. Joanne Boehmer asked to have the swimming pool water temperature raised. He is unsure if it is now acceptable. Connie Winners addressed the flooring in Casa Fiesta and Mark Molle, likewise, had a suggestion for the Casa Fiesta flooring. That will be discussed later in the meeting today. Dale Agron had concern over generator use during power outages, however,

PRESIDENT’S REPORT, continued

there is no restriction on time in the policy that was adopted. Jane Bowles thanked the Board for their work and likes hearing the committee reports at the Board meetings.

Correspondence consisted of a letter from Linda Mullally in opposition to the inclusion of renters at the Board meetings. (This is in regard to the policy that is before the Board today.) Jane Bowles sent a letter regarding the use of Casa Fiesta by the pickleball players and wanted to make sure that all aspects of use be considered in picking the flooring, not just the pickleball use. There was also a letter from Joanne Boehmer in rebuttal to a letter received last month regarding a barking dog issue. Mr. Sutton noted that the issue has been resolved.

Mr. Sutton reported that the parking workshop is being postponed until January. Also, we have recently had a \$180 fine from Waste Management for contamination of recycling. This was for one pickup. He asked that people remain vigilant about what they are putting into the recycle bins. And finally, the process has been started to file a lien on APN 015 347 001.

5. OCCUPANCY APPLICATIONS: The General Manager presented the following applicants for occupancy:

Lynn Knoop	Authorized Occupant, Purchasing #243
Shirley Morgan	Authorized Occupant, Purchasing #102
Michael Ostovich	Authorized Additional Occupant, #189
Neil Nickerson	Authorized Additional Occupant, #230

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

6. GENERAL MANAGER’S REPORT:

- **Sales & Rentals:** Mr. Hedberg announced that there are currently four units actively for sale and three of those are in contract, pending sale. The total number of sales year-to-date, since the beginning of the fiscal year, May 1, 2021, is eighteen sales.

The units rented at this time total forty, out of a potential seventy-five rental spaces.

- **Miscellaneous Projects:** The General Manager reported that the secondary door for the last of the six rooms in Casa Carmel has been installed, with the concrete walkway being done today. Completion of the project will allow Casa Carmel to have a sixth room that can be occupied by a non-ambulatory resident. Once completed we will get the final sign-off on the permits and Casa Carmel will have to get authorization from the State of California.

Grounds has also been working on storm drains. We are looking at receiving more rain but, hopefully, it will continue in doses, rather than a four or five-day storm.

GENERAL MANAGER’S REPORT, continued

As mentioned previously by the Board President, the new CC&Rs were recorded with the County of Monterey, so the new Governing Documents are in effect going forward.

- **Employee Holiday Fund:** Mr. Hedberg extended a big thank you to all of the residents and owners who contributed to the Hacienda Carmel Employee Holiday Fund this year. The checks were distributed at the employee Christmas Luncheon and were very much appreciated by all staff members.
- **Employee of the Year:** The 2021 Robert P. Balles Employee of the Year Award was granted this year to Yolanda Juarez. Mr. Hedberg noted he feels it is very well deserved. A plaque will be presented to Yolanda in January.

7. FINANCIAL REPORT: Jackie Graham, Treasurer

- **Financial Statements:** Ms. Graham reported the Finance Committee met on December 16th and recommended approval of the November 2021 financial statements, subject to audit. Ms. Baca made a motion to approve the financial statements for the month of November 2021. Ms. Bessant seconded the motion which carried unanimously.
- **Reserve Fund Expenditures:** Ms. Graham reviewed the Reserve Fund expenditures for November: We paid Golz Construction \$62,360 for asphalt repair; \$530.95 to MJ Murphy for material for exterior building repair; \$123,840.00 to Premo Roofing for the remainder of the roofing project; and \$1,894.87 to both Ferguson and JD Plumbing for sewer line repairs. Total expenditures from Reserves for the month of November were \$188,625.82. Ms. Bessant made a motion to approve the November 2021 Reserve expenditures in the amount of \$180,625.82. Mr. Delwiche seconded the motion which carried unanimously.
- **Documents Review:** The Treasurer reported that both she and the Board President reviewed the bank reconciliations, payables, general ledger, and aged-trial balance for the month ended November 30, 2021, and October 31, 2021, and found all to be in good order. Ms. Adams made a motion to ratify the reviews for both October and November. Mr. Quinn seconded the motion which carried unanimously.
- **Worker’s Compensation Policy Renewal:** The committee met with Ashley McDonnell of HUB International to discuss the Worker’s Compensation policy renewal. HUB approached five different carriers this year on our behalf, however, the only quote was from the existing carrier, Republic Indemnity. Right now, the Association has three open worker’s compensation claims, and with so few employees on staff, the percentage is higher than normal. The total premium for the new policy year, which mirrors the calendar year 2022, is \$109,296, up from \$76,957 this year. Ms. Graham noted the Association budgeted \$102,638 this year so the amount under budgeted is negligible. She also noted that the existing claims are not a violation of any safety rules. Mr. Quinn made a motion to approve the Worker’s Compensation renewal with Republic Indemnity for \$109,296 for the calendar year 2022. Mr. Delwiche seconded the motion which carried unanimously.

FINANCIAL REPORT, continued

- **Guest House Proposal:** The Treasurer explained that Hacienda Carmel’s main source of revenue, besides the monthly fees, is the Guest House. The Finance Committee is recommending that staff refurbish and upgrade one Guest House room, for an amount not to exceed \$5,000, so see if we might be able to increase the room rates. Ms. Husby made a motion to approve the recommendation by Finance to refurbish and upgrade one of the Guest House rooms in anticipation of higher nightly rates. Mr. Womer seconded the motion which carried with seven in favor, one opposed.
- **Holiday Schedule:** The General Manager reported that the business office will be closed December 24th (Friday) and the Dining Room, which will serve the regular Christmas Buffet on Christmas day, will then be closed on Sunday, December 26th and on Saturday, January 1st, after serving the New Year’s Eve dinner Friday night.

8. COMMITTEE REPORTS: The following committees had reports:

- **Architectural Review:** Jeanne Wooldridge reported: “The committee met on Wednesday, December 8th. The only *Request for Change or Addition to a Unit* was submitted by the owners of unit 161. They asked for permission to remove a non-load-bearing wall and create a vaulted ceiling in the kitchen and living room area, replace the furnace with three Envi electric heaters, and replace the water heater with an instant-hot water system. The Committee discussed each item and unanimously approved the request.

“Under *New Business*, there was a renewed discussion about the ongoing problem of non-recyclable items being placed in the blue bins. Hacienda has received three more notices of contamination from Waste Management and a penalty of \$181. Each notice includes a photo of the contents of the offending bin. The Committee held a lengthy discussion about how we can improve compliance with the recycling rules. The contamination not only hurts the environment – it hurts the pocketbooks of residents of Hacienda Carmel. [Ms. Wooldridge suggested if you put flattened cardboard beside the recycle bin, instead of in it, the cardboard will be taken down to the cardboard dumpster at the West End.]

“Mr. Hedberg will continue to remind residents in the Bulletin what items are and are not recyclable. Two Committee members volunteered to reach out to local communities to learn how they are achieving compliance with recycling guidelines.

“An addition to the *New Business* was a request by a Committee member that the junipers bordering the right side of the driveway entry to carport six be pruned to allow better visibility for drivers and pedestrians. After a discussion about whether the pruning is necessary, the appearance of pruned junipers, and personal responsibility of drivers and pedestrians, Mr. Hedberg said he will direct David Mora to prune the junipers.”

- **Fire-risk Assessment & Mitigation:** Mr. Quinn reported: “Following receipt of the November 23, 2021 “Brush & Wildfire Management Planning: Recommended Next Steps” report of Irene Damsky, Vice-President – Risk Services Manager for HUB International, this report was immediately circulated to the members of the Committee for their review. Ms. Damsky’s Report was supplemental to the Reports of Paul Cano,

COMMITTEE REPORTS, Fire-risk Assessment & Mitigation, continued

and added several additional mitigation suggestions for the protection from wildland fires at HCCA, some of which were adopted and included in the text of the Report to the Board of Directors. Following receipt of Ms. Damsky's report, a meeting of the Committee was held on December 13th in which the Committee adopted its fully edited and revised final *Report of the Fire-risk Assessment & Mitigation Committee to the Board of Directors* and voted to transmit the Report to the Board members. Submission of this final Report to the Board on the HCCA's most significant fire risk issues and mitigation strategies was approved to coincide with the December 13th meeting of the Committee, well prior to the Board's December 21st regular meeting, in order to provide the Board members enough time to read and assimilate the Report's contents.

“The final and approved Report of the *Fire-risk Assessment & Mitigation Committee to the Board of Directors* was in fact circulated to the members of the Board on December 13th. The Report contains precise and specific recommendations for consideration of the Board, which are narrowly tailored to the on-site characteristics of the HCCA's grounds, structures, and labor resources. Moreover, the Report lays out with precision the suggested next steps for the HCCA to implement, beginning with projects that are relatively simple and can be accomplished relatively quickly at minimal cost, and continuing on to those projects that are more substantive and will require more time and greater expenditure of our resources to accomplish. In addition, at its December 13th meeting, the Committee considered the wording for several specific proposed resolutions that might be introduced as motions to be voted upon during the December 21st Board meeting that are designed to authorize immediate implementation of certain of the recommendation set forth in the Report. The Chair would also like to express his appreciation for the hard work and diligence of the Committee in the production of its significant Report to the Board.”

Mr. Quinn made a motion to have the Board adopt the report of *the Fire-risk Assessment & Mitigation Committee to the Board of Directors*, dated December 21, 2021, and in so doing authorize implementation of the eight immediate action recommendations, listed under the heading “Actions Achievable Short Term,” pages 8 through 12 in the Fire-risk Assessment & Mitigation Committee's 12-21-2021 report to the Board of Directors (“the report”). Ms. Adams seconded the motion. Discussion ensued about adoption of the report, and whether this action automatically encompasses the recommendations for action included in the report. It was explained that some actions, such as the short-term recommendations, can be accomplished in-house, whereas other recommendations might require grant money to achieve.

Ms. Baca made a motion to adopt ‘the report’ in its entirety. Ms. Baca's motion was not seconded, and Mr. Quinn restated his motion. Ms. Adams seconded the restated motion which was then withdrawn by Mr. Quinn.

Mr. Quinn then made a motion that the Board of Directors hereby adopt the report of *the Fire-risk Assessment & Mitigation Committee to the Board of Directors*, dated December 21, 2021.” Ms. Adams seconded the motion which carried unanimously.

COMMITTEE REPORTS, Fire-risk Assessment & Mitigation, continued

Mr. Quinn made a motion that the Board authorize the implementation of those eight specific and immediate action recommendations under the heading “Actions Achievable Short Term,” set forth on pages 8 through 12 of ‘the report’, and expressly recommended in enumerated paragraph (3) on page 19. Ms. Adams seconded the motion which, following discussion, carried unanimously.

Following further recommendations in ‘the report’ Mr. Delwiche made a motion that the Board grant authorization to the President to initiate interaction with the principals of Firewise USA, a project of the National Fire Protection Association, in order to effect the process of application for a “Firewise USA Site” certification for Hacienda Carmel Community Association. Ms. Adams seconded the motion which carried unanimously.

Ms. Adams made a motion that the Board grant authorization to the Committee to initiate a search for a skilled grant-writer to hire on a contractual basis in order that the HCCA may avail itself of monetary grants to carry out the recommended fire risk mitigation measures proposed by the *Report of the Fire-risk Assessment & Mitigation Committee to the Board of Directors*. Mr. Quinn seconded the motion which, following further discussion, carried unanimously.

Mr. Sutton thanked the committee for all of their hard work. The report will be posted on the Hacienda Carmel website and can be copied for interested residents by requesting one from the Business Office.

- **Policies & Procedures:** Elizabeth Husby, Chair, reported that the committee met on the 9th of December and had two proposals to present to the Board of Directors, however, after attending the Finance Committee meeting and receiving several notes regarding the Finance Committee policy, Ms. Husby has asked the Treasurer to attend the next Policies and Procedures committee meeting for further formulation of the policy. This leaves the policy written on non-owners attending the Board meetings. It was written as a proposed new Ground Rule and reads as follows: “In addition to the right of Members to attend any monthly or annual open meeting of the Board of Directors set forth in Civil Code §4925, such right shall also extend to renters and all other Residents, provided, however, that such renters and Residents have been fully approved for occupancy at Hacienda Carmel pursuant to the provisions of Section 5.7 of the Association’s Declaration of Covenants, Conditions, and Restrictions. Any person who qualifies under the foregoing definition and who requires the services of a professional caregiver to attend open meetings of the Board, may be accompanied by such caregiver to meetings.”

The Board discussed the proposed Ground Rule, and it was noted that it does not allow for participation from non-owners, i.e., speaking during the “Member’s Comment” period. Following much discussion, in which it was explained that the Association has always asked that renters present their concerns about Association matters through the unit owner, the Board determined to accept the proposed Ground Rule as written. Ms. Husby made a motion to adopt the Ground Rule on Board meeting attendees. Ms. Adams seconded the motion which carried unanimously.

COMMITTEE REPORTS, continued

- **Employee Benefits & Handbook:** Fran Baca reported that the committee has availed themselves of HR services provided through HUB International for formation of a re-written employee handbook. They have uploaded the current handbook to the company, and it will be about 6 to 7 more weeks before they have a written draft.
- **Library/Book Shoppe:** Donna Bessant reported: The “Bookies” had their Holiday Luncheon last Friday. They are down in number and will be putting out a request for volunteers in January. The Library is open every day, including Christmas and New Year’s Day – just write legibly on the check-out slips. The Book Shoppe will be closed on Christmas and New Year’s Day but will resume their regular schedule in January.
- **Garden Club:** Mary Pat Adams reported: Garden Club members have been busy baking and making jam and holiday wreaths. The club thanks all that helped with the recent activities and events, especially Connie Winners and Norm Nelson who co-chaired our fund-raising effort. Also, thanks to Jeanne Wooldridge for the E&E sponsored Craft Fair.

In the orchard persimmon trees are dropping their multi-colored leaves, which means the fruit is ready for gardeners to harvest. There is an earlier time – now 3:30 p.m. – for the gathering on Jan’s patio each Sunday afternoon for drinks and conversation. All Hacienda residents are most welcome.

- **Events & Entertainment:** Jeanne Wooldridge reported: “First and foremost the E&E Team wants to thank all the talented crafters who participated in the Home crafter’s Fair, and all of you who supported them. Jeanne Wooldridge and Joanne Sarrica did a great job at recruiting talent and pulling off this event. It was so successful that E&E has added over \$500 in the events and entertainment piggy bank from the Crafters’ 10% donation to the Committee. We will have an updated budget balance to report at the next Board meeting.

“Speaking of upcoming events: We had about thirty voices joining in with the Christmas piano tunes in the lobby at last week’s caroling event.

“Chef Bill’s Chicken Piccata hit the spot at last Saturday’s annual Christmas luncheon with Dino Vera at the keyboard for extra ambiance. The Christmas elf was around to take photos of good girls and boys with Santa.

“Speaking of “ambiance,” E&E gives a big shout-out to Catherine Robinette for her creative touch with holiday decorations in Casa Central. You may have noticed the Robinette touch on the dining room tables at the luncheon. This is another example of all the spokes that keep the Hacienda wheel turning smoothly for all of us.

“Bingo had several happy winners last week with Hannah Priestley and Chris Harris splitting the big jackpot for \$500 each, just in time for holiday shopping, thanks to Mr. Balles’ continuing generosity.

“Finally, we wrap up a pretty good 2021 with the New Year’s Eve Dinner Dance. Watch for the flyer and sign-up sheet.

COMMITTEE REPORTS, Events & Entertainment, continued

“Just a heads-up that Sunday Movie Night is taking a holiday break. No movie on Sunday, December 26th.

“A sneak preview of what will jump-start New Year’s entertainment calendar:

- The annual \$10 dinner & movie returns with Greek dinner, followed by “Mama Mia” this January.
- The Cypress Aires male barbershop chorus on February 13th to celebrate Valentine’s Day.
- Rock video dance party coming soon.

“Drop a note in any of the E&E Team’s mailboxes with suggestions of types of events and entertainment you would like us to explore. In the meantime, we wish you all very happy and healthy holidays!”

9. UNFINISHED BUSINESS:

- **Leaf Blowers Update:** Mr. Hedberg reported that the first E-Go battery powered backpack blower should be delivered tomorrow.
- **Pool Deck Furniture:** The General Manager has done some research on lounges and chairs to replace the white-strap chairs. In addition to that he is exploring several options for dining tables and chairs. (He gave some preliminary information to the Board this morning and will follow up next month.)
- **Casa Fiesta Flooring:** The General Manager noted that one vendor is currently in the process of providing a cost estimate for vinyl plank flooring. (Ms. Adams has also provided links to vendors for polished concrete flooring.)
- **Casa Central Lobby Furniture:** As per the Board’s direction, Reate Design will put together a proposal for decorating the Lobby. As with any Interior Design contract, the proposal will include the design (what type of furniture) and cost.
- **Proposed Portable Generator Policy:** Mr. Sutton reported that the proposed amendment to the policy on portable generators was made, previously limiting the propane cylinders to two 20 lb., now you can have two 20 lb. or one 35 lb., within the patio area. Ms. Bessant made a motion to approve the policy as revised. Ms. Graham seconded the motion which carried unanimously.
- **Other Matters:** Mr. Quinn asked if Mr. Cano’s fire report will be made available to members. Mr. Sutton explained that the amount we were to share in obtaining the report was waived by HUB. There is now some question as to who has authority over the report. In order to answer Mr. Quinn’s question, we would need to discuss it with HUB International (the entity that paid the entire cost of the report). The General Manager was requested to contact them about this question, and to thank them for covering the full amount of the report.

10. **NEW BUSINESS:** Mr. Sutton reported that, as our new policy states, the Board will do an annual review of the 401k plan. Ms. Baca has suggested that the Board hold a special Executive Session in January to discuss the 401k in context with the whole compensation and benefits package for Hacienda's employees. The date of the Executive Session has not yet been set, but it will happen before the January Board meeting.

11. **COMMENT PERIOD FOR MEMBERS:**

- Elizabeth Husby, unit #74, spoke about battery backups (most notably made by a company called Jackery) that might serve as an alternative to a generator.
- Jane Bowles, unit 260, thanked Mr. Quinn for his report and wished all a happy holiday.

12. **ADJOURNMENT:** The meeting was adjourned at 11:46 a.m. The next regular meeting of the Board will be held on Thursday, January 27th, at 10:00 a.m. in Casa Fiesta. The Board will meet at 8:30 a.m. in the Durr Room, prior to the open meeting.