

**HACIENDA CARMEL COMMUNITY ASSOCIATION
MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS
Thursday, October 27, 2022
Casa Fiesta**

PRESENT:

Ms. Fran Baca, Vice-President & Director
Ms. Jackie Graham, Treasurer & Director
Mr. David Delwiche, Corporate Secretary & Director
Ms. Mary Pat Adams, Director
Ms. Sara Harnish, Director
Ms. Joan Murray, Director
Mr. Bill Quinn, Director
Mr. Rex Young, Director
Mr. Robert Hedberg, General Manager
Ms. Jeanne Mileti, Recording Secretary

ABSENT:

Mr. Art Sutton, President & Director

Twenty-two members attended the open meeting in Casa Fiesta.

1. **CALL TO ORDER:** The open meeting was called to order at 10:06 a.m. by Fran Baca, Vice-President.
2. **REVISION OF AGENDA:** Ms. Adams added to New Business a proposed new Ground Rule for use of power plugs. Mr. Young requested the minutes of the September 22nd regular Board meeting be considered outside of the Consent Agenda.
3. **MEMBER COMMENTS ON AGENDA ITEMS:** None
4. **CONSENT AGENDA:**
 - a. **Sales Activity & Rental Report:**
3 units currently listed for sale. 8 unit sales since May 1, 2022. Current number of rentals is 42.
 - b. **Financial Report:**
 - i. Review of Financial Statement for September 2022
 - ii. Approval of Reserve Fund Expenditures for September 2022; total \$11,051.20.
 - iii. Verification of bank reconciliation & check register review for September 2022.

Mr. Young made a motion to approve the Consent Agenda. Ms. Graham seconded the motion which carried unanimously.

5. **APPROVAL OF MINUTES:** The minutes of the September 22, 2022 Regular Board Meeting were considered by the Board. Mr. Young made a correction to Occupancy Applications, Page 2. The correct spelling of the applicant’s name is McDonnal, not McDonald. Ms. Murray made a motion to approve the September 22nd minutes with the correction. Mr. Delwiche seconded the motion which carried unanimously.

6. **PRESIDENT’S REPORT:** The Board met in Executive Session at 8:30 a.m. Ms. Baca reported that the Board discussed the flood and bridge insurance contracts, which will be discussed under the Finance Committee report; the landscape master plan contract; and the design contract for refurbishment of the Lobby, which will also both be covered under the Finance Committee report. The Board additionally discussed a few personnel matters, dealing primarily with wages; and a few resident matters, dealing with compliance with the CC&Rs.

Member comments at the last Board meeting included a question from Bill Bennett about the California State law that applies to plant removal for fire mitigation purposes. That question was answered by Mr. Quinn – it is statute 4291. Linda Smith had concerns about the recycling area by the Guest House. Ms. Baca noted she walks every morning and had been stopping by that area, and there has not been a problem recently. And Dale Agron had concerns about health and safety and would like a committee to be formed. Ms. Baca explained that the Board will not be appointing a committee at this time, but we do have a Health and Safety Policy in the Employee Handbook as pertain to employees. If there are any specific health and safety concerns by residents, please put them in writing and the Board will deal with them as they come up.

Correspondence consisted of a letter from Michael Zarefsky concerning the E&E budget, and a letter from Joanne Sarrica regarding the proceeds from sale of the dance floor. These will be dealt with under the Finance Committee report. There was a letter from Maureen Sellars who had concerns about a couple of machines in the fitness room. Ms. Baca met with the General Manager and they determined one of the machines is worn out and outdated and will be removed. The other machine is unnecessary, as the exercises can be more safely done on the multi-station machine. So, both machines will be removed. There was a letter from Valerie Fern and Wendy Bates requesting assurance the standpipe and signs will no longer be visible from their unit and patio once the pipes are moved. This will be dealt with when the pipe is moved. Lastly, there was a letter from Pat Parrish expressing her gratitude to the Board and General Manager for their compassion in moving the standpipe and sign out of her viewshed.

7. **GENERAL MANAGER’S REPORT:**
 - **Lobby Refurbishment:** The General Manager reported that, as mentioned in the President’s Report, the Board discussed the design contract for the Lobby and will be further reviewing the components.

 - **Casa Amigos Model Room:** The furniture for the model room has been received and installed. The room that had two twin beds now has two full beds in it. Staff is finishing up a few touches and we will be holding an Open House tomorrow, October 28th, from 2 pm to 3 pm in Room 301.

GENERAL MANAGER’S REPORT, continued

- **Status of Asphalt Work:** All asphalt work and the seal coating has been completed for this year with replacement of the parking stalls adjacent to Carport 1, the section of walkway there, the concrete valley drain, and sealcoating around Carport 7.
- **Standpipe Hose Station Conversions:** Mr. Hedberg reported that the two pipes that were inoperable have been re-connected and are fully functional now. The only one remaining to be determined is in the southwest corner. He proposes it be located approximately 75 feet to the east and to maintain a hose connection on the flush-out valve as well (near units 204 & 205) that would not be visible from the units. He noted he is seeking approval from the Board. Ms. Adams noted there are many considerations about the standpipes themselves and where they are located and asked that the matter of location be referred back to the Fire-risk Assessment & Mitigation Committee (FRAM). Mr. Quinn made a motion to refer the matter back to FRAM. Ms. Adams seconded the motion which carried with six directors voting in favor, two opposed.
- **Status of Shuttle Van Replacement:** The General Manager reported he has received an e-mail from Ford. We are in the queue for production of our desired vehicle and hope to take delivery in late winter.
- **Utility Carts:** Two carts have been shipped from Atlanta to Riverside California. They are expected to arrive next week.
- **Other Matters:** The fence enclosure at the West End is now completed. It includes a new chain across the entranceway on the southwest side. Hopefully this will alleviate unauthorized dumping by contractors, people doing cleanouts, etc. There is still access for utility carts so staff can enter. Anyone needing access to an RV can call the Front Desk and/or Security, any time of day or night, to arrange for the chain to be opened.

The General Manager announced he has received notice that they are planning to do some control burning in the Santa Lucia Preserve, weather permitting, within the next two to three weeks. We may be impacted by some smoke during those burns.

Mr. Hedberg has spoken with a local podiatrist who will be coming over to view the doctor’s office. We are attempting to find someone willing to see patients on-site, as we had before the pandemic. He should have an update on this next month.

The General Manager recently went back into our monitoring history for the two solar systems functioning at Hacienda Carmel. The initial phase (Phase I) has panels on top of carport 1 and came online in January of 2017. Since that time, to the present, that system has produced 555,000 kilowatt hours of electricity. Phase II, which has panels on carports 2, 3, 4, and Casa Central, came online in March of 2020. From that time to the present it has produced 915,000 kilowatt hours of electricity. That is a combined total of 1,470,000 kilowatt hours. The EPA has a website that allows you to do conversions – the total we have produced to date in solar energy is equivalent to the burning of 576 tons of coal. Based upon current rates, it has produced between \$250,000 and \$275,000 of electricity

GENERAL MANAGER’S REPORT, continued

Finally, the General Manager reported that the Grounds crew has replenished the sandbag stock that is kept onsite, replacing damaged bags with new. We have a couple thousand stored under a cover at this time.

8. COMMITTEE REPORTS: The following committees had reports:

- **Finance:** Jackie Graham, Treasurer and Committee Member, reported that the Finance Committee met on October 20th. They discussed an offer of early payoff of Solar Phase I, which was set up as a lease with a buyout at the end. Sandview Development has offered to shave \$6,600 off of the payoff, currently due in February, if we pay them \$130,000 in November. The savings to the Association would be the \$5,100 we save on the last three lease payments, plus the \$6,600 we save on the contracted amount, less the amount it will cost us to repair a non-working inverter. The money to make the payoff is available. The Finance Committee recommended approval. Ms. Murray made a motion to approve early payoff of the Solar Phase I lease for a total of \$130,000. Mr. Quinn seconded the motion which carried unanimously.

The Bridge policy written by Golden Bear renews on November 6th. The premium increased a little over 4% from \$59,640 last year to \$62,153 this year. Deductibles remain the same and HUB agreed that the amount of coverage is good as-is. The Flood insurance, written by Voyager and four other layers, also renews on November 6th. The premium on this policy has a 26% increase. Our broker informs us that 10% of this is the actual rate increase, the other 16% is attributed to the increase in total insured value, to match the hazard policy [minus the business income coverage]. There is a \$10,000 per building deductible. The total renewal cost is \$436,842.89, up from \$345,406 last year. The Finance Committee recommended approval of both renewals. Ms. Adams made a motion to approve renewals of both the bridge and flood policies as reported. Mr. Young seconded the motion which carried unanimously.

Board member Mary Pat Adams presented three bids for landscape design concepts to the committee for review. The idea came from the Fire-risk and Mitigation Committee to implement the recommendations they have received from fire mitigation professionals, and to comply with the new California laws regarding fire-safe landscapes that will be effective beginning in 2024. The criteria that the committee adopted are that 1) the landscape fit in with Firewise, 2) that it be drought tolerant, 3) that native plants be incorporated due to their benefits, and 4) that the new landscape be low maintenance. The committee recommended that the Board approve the mid-range contract, written by Rana, for \$32,750. Ms. Harnish made a motion to approve the landscape concept from Rana for \$32,750, monies to be expended from the Reserve Fund. Ms. Adams seconded the motion which carried unanimously.

The Board received a letter from the Chair of E&E regarding allocating the \$2,500 we received for sale of the dance floor to the Events and Entertainment Committee. The Finance Committee made a recommendation to do so. Ms. Adams made a motion to

COMMITTEE REPORTS, Finance, continued

allocate the \$2,500 received for sale of the dance floor to E&E. Mr. Quinn seconded the motion which carried with one abstention.

- **Architectural Review**: Paul Carriere, Chair, reported: “Unit 197: Change request for the removal of two non-load bearing walls in kitchen and for changing window/sliding doors to dual pane windows was approved, pursuant to current architectural rules

“Unit 233: Request for flagstone walks and plantings in common area was denied due to planting moratorium and safety concerns.” (No action taken by Board.)

“Unit 212 and 213: Requested variance to remove apple tree outside of patio wall due to increased vermin activity. This request was denied due to the discovery that birdseed feeders were in the area, likely causing this infestation.” Ms. Adams made a motion to deny the request for removal of the apple tree. Ms. Murray seconded the motion which carried with one opposed.

“The committee has approved [an addition of] patio gate painting [standards] to the Architectural Rules.” Ms. Adams made a motion to approve the gate painting [standards] addition to the Architectural Rules, as drafted by the Architectural Review Committee. Ms. Harnish seconded the motion which carried with one abstention.

“We are submitting a change to the ground rules regarding the West End Storage and Dump Area. The words “storage enclosures” will be removed from the ground rules, to prohibit any storage buildings in the area.” Ms. Adams made a motion to approve the change to the Ground Rule regarding the West End Storage and Dump Area, as drafted by the Architectural Review Committee. Mr. Quinn seconded the motion which carried unanimously.

“We do not have an update on the purchase of pool furniture and outdoor dining furniture.

“We hope to have a new list of rules regarding covered parking structures, possible new slotted parking, and information about the construction of EV parking areas by the next board meeting.”
- **Events & Entertainment**: Joanne Sarrica, Chair, reported: “Despite the unusually cool and overcast weather, we had a great turnout for the E&E sponsored Oktoberfest. The event which took place on October 15, 2022 was attended by approximately ninety residents and guests. Chef Bill and staff provided great food and service. The bratwurst, German potato salad, mac & cheese and cookies were all superb. Our regular events such as movie night, bingo, etc are well attended and give our residents an outlet to mingle and have fun. As noted in the financial report, we have a net disbursement of \$2,684.91 through 09/30/2022. Therefore, the remaining unused budget totals \$3,315.09. The accounting for the Oktoberfest has not been finalized yet however, it is estimated that the net disbursement will be about \$400.00.”

Ms. Sarrica added that the Fun Art Group painted the pumpkins that are displayed in Casa Fiesta.

COMMITTEE REPORTS, Events & Entertainment, continued

There will be a costume parade on October 31st with prizes given for the funniest, scariest, and most unique costumes. E&E will offer free wine, soda and snacks.

The committee is still working on getting pottery up and going. Coming up on November 27th, the Mullally's will present a Scandinavian Travel Show. Ms. Sarrica added that for the period of May through September, 2022, the E&E Committee has spent \$2,684.91 of the \$6,000 allocated to their budget.

- **Fire-risk Assessment & Mitigation:** Bill Quinn, Chair, reported: “Both management and members of the Fire-risk Assessment & Mitigation Committee who have volunteered for helping to complete the various short-term goals set out in its December 2021 Report to the Board of Directors have continued to be hard at work in accomplishing those goals. In particular, the underground repairs of two non-functional standpipes on our fire suppression system that encircles our residential property have now been completed. Standpipe #4 on the south side was relocated, and then reconnected with the main water line that feeds the standpipes, and is now fully functional, which resolves that issue. Standpipe #8 on the north side, adjacent to the north end of carport #4 has also been repaired and reconnected, and is also now fully functional. Additionally, the last or remaining connection, for standpipe #2 at the southwest corner of our property, can be accomplished by the Association's Ground's crew once the final location has been decided by the Board.

“Good progress has been made on the creation of a CAD (computer aided design) comprehensive Hacienda Carmel plat map with layered features, intended to replace the existing plat maps we have, owing to its being updated and far more accurate. On October 12th we received a draft of the new map from Bestor Engineers, which shows all the parcels owned by the Association. This new draft map contains various layers or features of our property displayed for purposes of our varying needs. Bestor Engineers of Monterey, which has done surveying and other land-use work for the Association over the years, was able to construct the map without the need for further surveys of our property. Given both the absence of the Board's President, who has been involved in this project from the beginning, and the fact that this new map involves Association needs beyond those of the Fire-risk Assessment and Mitigation Committee, a meeting with Bestor Engineers to discuss any changes to the draft map has been proposed for a time soon after the return of the Board's President from Europe in order to finalize the project.

“On September 26th two members of the Committee attended a ZOOM conference with principals of First American Title Company regarding the several easements granted or conveyed to the Association within the terms of its 1989 acquisition of the 2.36 acre parcel on the east end of our campus. This ZOOM meeting, in which the Association was represented by the Board's President and Chair of the Committee, came about as a consequence of information that came to light which establishes the existence of four express grants of rights-of-way or easements of record memorialized in our grant deed for the east-end parcel. The objective of the meeting was to ascertain the best and most cost-efficient method to confirm the location and validity of those specific easements, and whether they are currently useable and may have some market value. The consensus

COMMITTEE REPORTS, Fire-risk Assessment & Mitigation , continued

of those on the ZOOM meeting was that the Association should seek to hire a specialist in local land records research to ascertain all relevant facts about the origins of these easements, and their locations and impacts on those parcels identified in the grant deed – both in 1989 and in 2022 – or on the easements themselves.

- **Policies & Procedures**: Mary Pat Adams, Chair, reported: “The Committee met on October 13, 2022 with members Fran Baca and Rex Young, chair Mary Pat Adams and advisor Robert Hedberg. Member Sara Harnish was absent.
 1. “Use of HCCA Employees for Residents’ Projects
 - a. The Committee discussed amending Ground Rule #14 regarding use of HCCA Employees for Residents’ projects and agreed to ask the Board to approve the draft changes to Ground Rule #14” (attached to these minutes as Appendix I) . The Board discussed the change, with some Board members opposed to the discontinuation of services provided by employees to residents. Ms. Adams made a motion to approve the proposed amendment to Ground Rule #14. Ms. Graham seconded the motion which carried with one opposed, one abstaining.
 - b. “In order to conform with CC&R 9.2.3, the Committee also discussed eliminating the last sentence in the bullet points on page 2 of the Welcome to Hacienda Carmel Community Association booklet so that it now reads, “Hacienda Carmel is an independent living community and is not licensed in any way to operate as a ‘care facility’ or ‘assisted living facility’ and therefore does not provide any type of medical, nursing, caregiving or assisted living services. In the event of an emergency situation, Hacienda staff will respond and contact the appropriate emergency services as needed. Some of our Residents do engage the services of independent providers at their own expense.” The Committee agreed to submit this change to the Board for approval.” During discussion it was pointed out that 9.2.3 was intended to prevent service of after-market fixtures and appliances by the Association. Ms. Adams made a motion to eliminate the last sentence in the bullet points on page 2 of the Welcome to Hacienda Carmel Community Association booklet. Ms. Graham seconded the motion which carried with two opposed.
 - c. “If these changes are approved the Employee Handbook will be in agreement with the Hacienda Carmel Community Association CC&Rs, Ground Rules and Welcome to Hacienda booklet.
 2. “The Committee discussed the process for creating job descriptions for staff and agreed to seek templates that may be available from Guardian, the HR resource firm we’ve worked with on the Employee Handbook.
 3. “Fran and Mary Pat reported on a meeting with Jeanne and Catherine regarding procedures included in the newly approved Employee Handbook and said five do not need additional definition or documentation:
 - a. Anti-harassment training, p. 10. This is being conducted as required.
 - b. Proof of Right to Work, p. 11. This is properly documented and filed.

COMMITTEE REPORTS, Policies & Procedures , continued

- c. Meals & Rest periods for “on call” employees, p. 16. This is being handled properly with full pay for these employees.
- d. Safety Programs, p. 35. Illness and injury prevention sessions are conducted with greater frequency than required by law. The Committee recommends the Board discuss accident reporting procedures and drug testing during an executive session.
- e. Infectious disease policy, p. 36. No new policy is needed, HCCA follows Federal, State and County law.

“Three of the items do require further work:

- f. Private Work by Association Employees, p. 13. This may require further explanation following changes to other HC governing documents.
 - g. Performance Evaluations, p. 21. This will be revisited after job descriptions are in place.
 - h. Acknowledgement of Receipt of Employee Handbook, p. 62. Committee discussed the need to translate into Spanish all or part of the Handbook and agreed to seek further clarification on what is needed and the costs.
4. “The Committee discussed a proposed Board procedure for the GM review and agreed to submit it for approval to the Board at the October meeting” (attached to these minutes as Appendix II). Ms. Adams made a motion to approve the proposed Board procedure for the GM review. Mr. Quinn seconded the motion which carried unanimously.
5. “The Committee discussed its recent work on a Document retention policy and continues to work on this.

“The Committee will meet next on Friday, November 11, from 9:15 to 10:45 a.m. in the Durr Room.

- **Garden Club**: Pat Ostrom reported: “Good morning. There is no action required by the board at this time. However, there are some dates that we would like to share with you. The Garden Club Thanksgiving Bake Sale will be Wednesday, November 23rd. Two wreath workshops are being planned for member participation on Saturday, November 19th and Saturday, November 26th. We hope to see you at the Bake Sale and at the December Craft Faire at which our wreaths will be sold. Thank you.
- **Book Shoppe**: Dale Agron reported: “October has been a successful month at the Book Shoppe. We are seeing many new faces, as more and more Hacienda residents are discovering this popular amenity that springs to life each Saturday from 11 to 2. Along with the increase in visitors, sales have also taken off. October is expected to end this coming Saturday as either the highest or second highest sales month this year. We would like to thank everyone for their support. If you have not gotten acquainted with Hacienda’s Book Shoppe, come visit us soon. Our dedicated Book Shoppe volunteers are ready to welcome you. A big thank you goes out to all who have donated books for us to sell. Proceeds from the Book Shoppe are used to acquire new books for the Hacienda Library, and your steady infusions of donated books are our lifeblood. For questions or donations call Pat Little Auguston, 831-293-3153.”

10. **UNFINISHED BUSINESS:** None

11. **NEW BUSINESS:**

- **Analysis of G&G Rooms:** Ms. Baca recently toured the G&G Rooms with Art Sutton, Joanne Sarrica and Robert Hedberg, with the intent to task the Events and Entertainment Committee to develop a draft policy and related procedures for the equitable allocation of space for activities.

They are to be tasked with: 1) Inspect, assess and evaluate all fourteen G&G rooms; 2) measure the area, length, and width of all room and determine current use; 3) determine contents of all rooms and owners of said contents.; 4) determine if we have anything in writing governing our current practices. If not, document our current practices, how they were developed, how they're administered, etc.; 5) evaluate/assess highest and best use for each room; 6) assess whether more storage spaces, i.e., rentals can be created; and 7) assess whether the committee has sufficient information to make recommendations or if additional member input is required or desired. Consider, with coordination with Board Secretary, hosting an Open Forum meeting pursuant to Section 4.5, Open Forums, of our By-laws.

The committee will produce a report in the form of a draft policy for the Board's review and approval, a plan for future use(s) of the G&G rooms. The draft policy would be due to the Board at the February 23, 2023 Board meeting with interim reports as deemed necessary by E&E. Ms. Baca made a motion that the Board delegate the task to the Events and Entertainment to develop a written policy and related procedures for the equitable allocation of space for activities. Ms. Adams seconded the motion which carried unanimously.

- **Amendment of CC&Rs Article 6.1.2 (i):** We are required by law to comply with a change that has recently been made to the California Civil Code related to the minimum lease period that a condominium project can require. Ms Baca explained that such a change to the CC&Rs, made to comply with changes in the law, does not require a vote of the membership.

The law now requires that common interest developments allow leases for as short a term as 30 days, whereas previously our CC&Rs stated there could be no lease of a unit for shorter than 6-months.

In approving this change the Board will direct the General Manager to contact our attorneys to draw up an amendment to the CC&Rs which will be approved by the Board at a later date. Ms. Adams made a motion to direct the General Manager to contact our attorneys and instruct them to prepare the required amendment. Ms. Graham seconded the motion which carried unanimously. Once the amendment is prepared, the Board will review it prior to its being recorded.

NEW BUSINESS, continued

- **Ground Rule for use of Power Plugs:** In regards to those residents utilizing the electrical plugs on the property to charge their electric cars, Mr. Quinn made a motion that until such time as an electric vehicle charging policy is adopted by the Board of Directors, the Association prohibit the use of any electric outlets or other means of distribution of electricity in any of the Association’s carports (1 through 7) for the purpose of charging electric automobiles or other vehicles. Any resident carport space lessee who has been found to violate this resolution shall be subject to a revocation of such carport space lease. Mr. Young seconded the motion. Ms. Baca explained that, since this item was added to the agenda today, the Board is precluded from taking action on it. It has been introduced as an information item only. The Board will put it on the December agenda and vote on it then.

12. **COMMENT PERIOD FOR MEMBERS:**

- Mary Murray, unit 103, requested more specific information be provided to the residents about the change made by the Board today in regard to what services she can request.

Ms. Baca asked that she list her concerns in writing so that they can be addressed.

- Wendy Bates, unit 205, expressed confusion over the vote on the standpipe and would like clarification. She also compared the aesthetics of moving a trailer and pile over the fence so they can’t be seen, as suggested by Director Quinn, to a large hose reel and red signage on the berm.
- Dale Agron, unit 297, has copies of the CVA suggestions for fire clearing and noted that clearing all vegetation for fire management invites invasive species and can provide a chute for the fire. She also expressed her concern that the G&G Room policy might displace the Book Shoppe, which is unique and much loved by residents.
- Pat Ostrom, unit 286, thanked this and previous Boards for getting the solar phases up and running. It is a great project to be involved in.

13. **ADJOURNMENT:** The meeting was adjourned at 11:59 a.m.. The next regular meeting of the Board will be held on Tuesday, November 22, 2022 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.