

**HACIENDA CARMEL COMMUNITY ASSOCIATION
MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS
Thursday, December 22, 2022
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. Sara Harnish, Director
Ms. Joan Murray, Director
Mr. Bill Quinn, Director
Mr. Robert Hedberg, General Manager
Ms. Jeanne Mileti, Recording Secretary

Seventeen members attended the open meeting in Casa Fiesta.

1. **CALL TO ORDER:** The open meeting was called to order at 10:10 a.m. by Art Sutton, President.
2. **EMPLOYEE OF THE YEAR:** The General Manager reported that at the employee Holiday Luncheon on December 17th, Kim Barone was awarded the “Robert P. Balles Employee of the Year” award. Kim attended the Board meeting briefly, to a round of applause, and Mr. Hedberg explained that Kim has been with Hacienda Carmel for just over 15 years, and the award is well deserved. The award included a plaque and a monetary gift.
3. **REVISION OF AGENDA:** None
4. **MEMBER COMMENTS ON AGENDA ITEMS:** None
5. **CONSENT AGENDA:**
 - a. **Occupancy Applications:**

Vance & Jay Killen	Authorized Occupants Leasing Unit #278
Ellen Weston	Authorized Occupant Purchasing Unit #53
Diane Farrow	Authorized Occupant Leasing Unit #100
 - b. **Sales Activity & Rental Report**

5 units currently listed. 9 unit sales since May 1, 2022. Current number of rentals is 43.
 - c. **Financial Report:**
 - i. Review of Financial Statements for November 2022
 - ii. Approval of Reserve Fund Expenditures for Nov. 2022 total \$105,854.67.
 - iii. Verification of bank reconciliation & check register review for Nov. 2022.

CONSENT AGENDA, continued

Ms. Adams made a motion to approve the Consent Agenda. Mr. Delwiche seconded the motion which carried unanimously.

6. **PRESIDENT'S REPORT:** The Board met in Executive Session at 8:30 a.m. Mr. Sutton reported that the Board talked about the General Manager's annual review, employee responses to accidents, resident issues, the legal description in the Articles of Incorporation, the lease for the Hair Salon, the Worker's Compensation renewal, standpipe installation (all completed and operational), the parcel map being done by Bestor Engineering, the landscape plan being done by Rana, berm resurfacing, the new estimates on the lobby, and the alarm system (which has been tabled).

Comments at the last Board meeting included concern about Solar financing by Mary Lou Donegan. (Paying off Phase I in the month of November saved the Association well over \$10,000.) Joanne Sarrica commented on monitoring the pool temperature (which is being done). Heather McClaren objected to the name of the Fun Art Group. Eva Doelman spoke about the loss of services provided by staff. (The Board plans to hold an open forum on this issue.) Jackie Graham explained that the Fun Art Group is part of E&E.

Correspondence received since the last Board meeting consisted of a letter from Linda and David Mullally, praising the upgrades to the Guest House rooms and suggesting, after inspecting a sampling of local hotel prices, that Hacienda Carmel could increase the price of its rooms.

The President addressed the vacancy on the Board created by the loss of Director Rex Young. He asked if anyone would like to nominate a member to fill that vacancy. Fran Baca nominated Elizabeth Husby to fill out the remainder of Director Young's term. Ms. Adams seconded the nomination. The Board voted unanimously to name Elizabeth Husby a new Director.

7. **GENERAL MANAGER'S REPORT:**

- **Lobby Refurbishment:** The bulk of the furniture and accessories for the Lobby have been ordered. One of the manufacturers went out of business and an alternative needed to be found. The Board will be reviewing the updated contract within the next week.
- **Casa Amigos:** Last month the Board approved refurbishment of five more Guest House rooms. The General Manager reported he was able to get flooring for all of those rooms at the same price, \$3.00 per square foot. The furniture has been ordered. The entire refurbishment of all five rooms should come in well below the \$35,000 allocated.
- **Status of Vehicles on Order:** There has been no change in status of the new passenger van – it is still on order. The utility carts ordered for the '21 – '22 fiscal year allocation have been received. The other two, allocated for the current fiscal year, are on order and have not yet been received. Hopefully, they will arrive by February.
- **Podiatrist Search:** The doctors that came and inspected the facility last month have not yet contacted the General Manager with a proposal.

GENERAL MANAGER’S REPORT, continued

- **OTHER MATTERS:** Mr. Hedberg reported that Commercial Energy, the company that we contract with for electric, has a program wherein they make charitable donations in the name of their customers. They have notified us that the recipient of a \$50 donation on our behalf is “Project Open Hand,” a program that delivers 2,500 meals a day to homebound seniors.

Mr. Hedberg also thanked the residents and membership of Hacienda Carmel, on behalf of the entire staff, for their generous donations to the Employee Holiday Fund. The distributions were made at the Employee Holiday Luncheon on Friday, December 17th, and all staff members were very grateful. He wished all a very happy holiday.

8. COMMITTEE REPORTS: The following committees had reports:

- **Finance:** Jackie Graham, Treasurer and Committee Member, reported that the Finance Committee met on December 15th and reviewed the November Financial Statements, which are included today in the Consent Agenda. She noted that the Reserve expenditures for the month of November were unusually high, however, the payments were for projects that are in process – none of them were unusual expenses.

The Worker’s Compensation policy renews on January 1, 2023. The experience modification factor for the Association went down this year, from 214% last year to 161% this year. Offsetting that decrease was an increase in payroll, which put the renewing premium at \$102,923, \$6,373 less than last year. Republic Indemnity, who once again quoted on the policy, had a rate increase of 12% on the base rate for class code 9066 (Homeowner Association Employees), but with the decrease in the Experience Modification Factor, the overall net rate decrease in the 9066 class code is 21% less than last year. Republic Indemnity was able to provide an extra 5% discount due to the long-standing relationship with Hacienda and the demonstrated commitment on behalf of the Association to safety and engagement with the claims team. HUB went out to six additional carriers for a quote this year and all declined to quote. Ms. Adams made a motion to approve the renewal of the Worker’s Compensation policy with Republic Indemnity for an annual premium of \$102,923. Ms. Murray seconded the motion which carried unanimously.

Ms. Graham noted we have received one quote for refurbishment of the berm. The addition of a base mat for gopher mitigation was suggested. We will get two more bids and the committee will review them when they come in.

- **Events & Entertainment:** Michael Zarefsky reported: “We are diligently working on the Board’s request regarding G&G room usage. It is expected that we will issue a report to the Board well in advance of the February 23, 2023 Board meeting. As the holiday season approaches E&E has planned many events. Last weekend we had a youth piano recital and a very interesting presentation by the daughter of a famed Disney movie producer.

COMMITTEE REPORTS, Events & Entertainment, continued

Growing up Disney was a fun event. This Saturday, December 17th the E&E committee will sponsor a Christmas luncheon with live entertainment. We expect a good turnout at the Hacienda Carmel New York New Years party. The New Years party is our big event of the year. As noted in the financial report, we have a net disbursement of \$3,425.01 through 11/30/22. With the additional \$2,500.00 from the sale of the dance floor, the remaining unused funds is \$5,074.99. It is projected that the New Years event will result in at least a \$2,000.00 shortfall which is in line with past years”

- **Architectural Review:** Paul Carriere, Chair, reported: “We had one request – Unit 79 submitted a request to replace the patio concrete. The request was within our Architectural Rules and was approved.

“We have looked at some samples of outdoor dining room furniture, thanks to Robert. We will look at more at our next meeting.

“The Art Group has requested to enlarge their patio. We had some questions regarding purpose and funding. We have asked for a representative to attend our next meeting.

“We are writing new Architectural Rules on awnings. We expect those to be ready next month.

“Parking Rules are in [the Board packet] for [the Board’s] approval.” Mr. Carriere read the proposed revisions to Ground Rule Section 10, Vehicles and Parking. A copy of the revisions are attached to these minutes as Appendix I. Ms. Adams made a motion to refer the revision to the P&P Committee for further refinement of the language. There was no second to the motion. Ms. Adams made a second motion to approve the revision of Ground Rule Section 10, as presented by the Architectural Review Committee. The motion died for lack of a second. Ms. Baca made a motion to table the revision until next month. Ms. Graham seconded the motion which carried unanimously.

The General Manager will post the proposed parking revision on the Bulletin Board and put copies in the information center as well.

- **Fire-risk Assessment & Mitigation:** Bill Quinn, Chair, reported: “On Wednesday, December 7, the President and Chairs of the ARC and FRAM Committees, together with Director Mary Pat Adams, the GM, and David Mora of the Association’s Grounds Crew, all met with the Master Landscape Plan design team from Rana Creek. The meeting was productive and was comprised first of a frank and informative discussion about the needs of the Association to have a Master Plan in place before the work of making our Community compliant with the wildland fire provisions of state law, including the necessary features to include in the Master Plan. Thereafter a walking tour of the Association’s grounds was conducted, identifying specific examples that will need addressing in the Master Plan.

“On Thursday, December 8, the Association’s President and two other members of the Committee attended a meeting with Bestor Engineers at their offices at Ryan Ranch to review and discuss the updated site map of our property and the range and scope of its uses. At this meeting we were able to witness the operation of a CAD (computer aided

COMMITTEE REPORTS, Fire-risk Assessment & Mitigation, continued

design) Hacienda Carmel plat map with layered features, and were shown the system's remarkable ability to instantly create a variety of differing maps based on selecting from among these different CAD layers, from vegetation to structures to elevations, and so on. We were also able to suggest the addition of a new layer, of which there are already over 40 for the HCCA's combined parcels, pertaining to the five easements the Committee has been able to identify in the past several months.

"The Committee is glad to report that the Recommendation of the Committee for the final placement of Standpipe #2, which the Board of Directors adopted at its November 22 meeting, has been effected by the Association's Grounds Crew, and is now completed. Both the sign and hose reel on a metal pole were relocated some yards downslope of its original position, and a new Standpipe hydrant was installed and painted at the location of the existing out-flow valve for the Standpipe system. This final action now completes the entire Standpipe system, which has nine fully functional standpipes, and constitutes a tremendous asset to the Associations' and Members' buildings and other property, in terms of the increased safety and protection it now affords us all against wildland fires.

"We were also able to report that a letter was drafted and sent as an email to Ms. Cheryl Einsele on November 17, with copies to the Committee and the GM. Ms. Einsele is our contracted grant writer for the purpose of finding grants to improve the Association's defenses against wildland fires, and is also a Member of the Association as well. We received an interim response from Ms. Einsele on December 9 stating her regret of sending a delayed response, and further explaining that she and her family had recently undergone challenging circumstances that required both travel and focused attention, but that upon her return to Sacramento from out of state, she would be able to provide a more detailed response to our November 17 letter. Ms. Einsele's email of December 9 was acknowledged by one from the Committee on December 12, and so the conversation continues toward a resolution of issues and conclusion.

"The Committee has also reached out to the Monterey County Office of Emergency Services in furtherance of seeking to develop a wildfire evacuation plan for the Community in the event of another large wildland fire in the Carmel Valley that triggers an evacuation order from CalFire. The Chair was able to make contact with the head of that office's Resilience program, part of whose function is to advise on emergency plans, including evacuation plans. A conference call was held between the Chair and a Ms. Luna Mohammad on December 15, in which Ms. Mohammad was given a clear picture of the need of a solid evacuation plan in light of its senior population, a certain amount of elder "shut-ins" who would need assistance to be evacuated, together with the residents of our contract assisted living facility, Casa Carmel. Ms. Mohammad agreed to the need the Association has in formulating a responsible plan under these circumstances, and stated that she would develop a list of reputable companies who draft such plans for their clients, and provide us with that list. She appears to believe that owing to our unique and compelling situation, it warrants that such a plan be competent and thorough, and not one that is drafted by someone following boilerplate guidance from the internet or "how-to" publications.

"Finally, at the October 27 Board meeting, an update was given on five easements granted or conveyed to the Association within the terms of its 1985 and 1989 acquisitions of the West End and East End parcels on either side of our berm. While as stated above a CAD layer and map of these five easements will soon allow us to visually see exactly

COMMITTEE REPORTS, Fire-risk Assessment & Mitigation, continued

where they are located, the Association may also decide to hire a specialist in county land records research to ascertain the relevant facts about the origins of these easements, their current legal statuses, and their impacts on the privately owned neighboring parcels based on the recorded deeds of those parcels.”

- **Policies & Procedures**: Mary Pat Adams, Chair, reported: “The Committee met on Dec. 8, 2022 with members Fran Baca and Sara Harnish, chair Mary Pat Adams, guest and Board member Bill Quinn and advisors Robert Hedberg and Jeanne Mileti.

1. “Policy for Electric Vehicle Charging Stations

Director Bill Quinn discussed the second draft he created for this policy and the rationale for doing so. After discussion the Committee and Mr. Quinn agreed to consider a third draft for presentation to the Board at its December meeting.

Ms. Adams made a motion that the Board approve the third draft as presented; Ms. Harnish seconded the motion which carried unanimously. [The draft is attached to these minutes as Appendix II.]

2. “Status of translation into Spanish of Employee Handbook

GM Robert Hedberg said the translation is in process. Ms. Baca said she wishes to read the translation before it is copied for distribution.

3. “Job descriptions for staff

The Committee discussed the packet of templates and background information related to job descriptions from Guardian and the merits of various forms that can be used. The Committee agreed that one purpose of creating job descriptions for staff is to be able to have metrics for yearly performance reviews for each staff member, as well as to have written documentation of the work done on behalf of the HCCA.

The Committee agreed to interview the supervisor and two or more employees from each department. Ms. Adams will create a possible list of questions to be asked and circulate to the Committee for discussion.

4. “Changes to Ground Rule #14 (use of HCCA Employees for Residents’ Projects)

Further discussion was tabled until January.

5. “Board action procedure regarding Finance Committee

The Committee discussed a Board action procedure delegating review of the Reserve Study and review of charges for use of facilities to the Finance Committee and will present the proposed revisions to the Board in December.

Ms. Adams made a motion that the Board approve the proposed revisions to the Board action procedure regarding the Finance Committee; Ms. Baca seconded the motion which carried unanimously. [The revised policy is attached to these minutes as Appendix III.]

COMMITTEE REPORTS, Policies & Procedures, continued

6. **“Proposed revisions to Policy for Formation of Committees**

The Committee discussed proposed revisions to the Policy for Formation of Committees and will continue to work on this.

7. **“Document Storage and Retention**

The Committee tabled its work on a Document retention policy, the three bids for onsite and offsite paper shredding services, and use of the Board filing cabinet until January.

8. **“Board President Art Sutton opened discussion on a vacancy on the P&P Committee.**

Director Baca nominated newly appointed Director Elizabeth Husby, Ms. Adams seconded and the motion carried unanimously.

“The Committee will meet next on Thursday, January 12, at 9:30 a.m. in the Durr Room.”

- **Garden Club:** Pat Ostrom reported: “Action is not required from the board at this time. Two small pollinator beds, one in the garden box area and one in the orchard, are now in place in the West End for pollinators. Garden boxes are being restored/repaired as needed. Irrigation is being maintained weekly by council members and Hacienda staff. The persimmon trees continue to be the stars of the show! We wish you all Happy Holidays!”
- **Book Shoppe:** Pat Little-Auguston reported: “As we approach the year’s end, I am happy to have this moment to say a few words about our Hacienda Book Shoppe. It’s a small space, only 15 feet by 15 feet, yet it looms large in our minds. Maybe it’s because of its high ceiling or the big picture window that pulls the outdoors in when the Shoppe is open or the vast enthusiasm of the Book Shoppe volunteers. Whatever, our Shoppe is a special place that attracts way more attention than what would be expected from its size. I hope it is because good things are happening there.

“Recently, after I asked about replacing the bulbs in our overhead lights, we got new fixtures that now brighten all corners of the Shoppe. We squint less to see. Visitors notice and like it. Our popular window displays continue to catch the attention of passersby when the Shoppe is closed. *Amateur Circus Performance*, an early 20th Century book in the window caught someone’s eye. He came to the Shoppe to buy it the moment the Shoppe opened the next Saturday. Days later, he stopped me in Casa Central to talk animatedly about the finer points of plate spinning.

“Others peek in when they see that Liz Banks and I are in the Shoppe shelving books on the days between Saturday openings. Usually, they say they are interested in a book they see in the window, or they might ask us if we have a particular book in the Shoppe, like one buyer who was looking for *Where the Crawdads Sing*. We had it for her. These moments produce sales even when the Shoppe is closed. Our drawings for books and our coupons for complimentary books (no expiration date) have also increased traffic to the Shoppe. Our volunteer, Susan Reddington, distributes these golden coupons to current and new Hacienda residents

COMMITTEE REPORTS, Book Shoppe, continued

“Not only do we have more visitors, we also now have 12 Book Shoppe volunteers, up from the 4 we had at the beginning of the year. To accommodate all our volunteers, we will be opening an additional day, on Sundays from 12 noon to 2 p.m. Our volunteer Ann Ostenso, who has donated many children’s books to the Shoppe, offered to open the Shoppe this past Sunday, December 18, for an extra day of holiday shopping. Her effort brought in \$39.10—not too shabby at \$0.10 paperbacks, \$1.00 hardbacks, and a little more for special books.

“As our Book Shoppe continues to evolve, we believe it captures more and more the original spirit of Hacienda’s G&G rooms, which have always been meant to be places for residents to “gather and gossip.” We love to have residents drop in to talk books and weather. Through these social interactions, the Shoppe helps build community.

“Our Book Shoppe continues to recycle used books through sales to provide funds for the Library to buy new books. I like to think that we are getting better and better at this. December alone brought in \$358.25. We process hundreds of books through the Shoppe each month. You make all this possible through your generous book donations and your loyal patronage. We cannot thank everyone enough for your support of what we do. The Book Shoppe volunteers wish all of you a joyous holiday season. See you when the Book Shoppe re-opens on January 7, 2023.

“On behalf of the Book Shoppe, Patricia Little-Auguston (831) 293-3153”

- **Art Group:** Eleanor Robinson gave the report: “The Artists of Hacienda Carmel group have decided on three goals for 2023 in addition to delivering our twelve month calendar of activities and shows. 1. Expand our membership and participation in our art activities. 2. Complete our Patio project. 3. Inventory our art supplies and equipment and decide how best to use them. We are proud of having a successful year and of the four Art Shows for our residents and guests. Our last opening of “The Gifts of Winter” attracted thirty- five residents on a cold wet afternoon. Residents and visitors were noted looking at the art work before and after the E&E events the next two days and may enjoy them in Casa Fiesta until March.”

9. UNFINISHED BUSINESS:

- **Review of Board Goals:** Tabled until January.

10. NEW BUSINESS:

- **Residents Open Forum – Ground Rule 14:** Ms. Baca explained that a number of people have weighed in on the changes proposed to Ground Rule 14. The Board has tabled implementation of the revision for the time being, based on the comments and concerns of members, and will hold two Open Forum sessions which will be hosted by the Policy and Procedures Committee. The forums will be held on Tuesday January 17th and Tuesday January 24th. Both will be from 2 pm to 4 pm. The reasons for having two sessions are to provide a follow-up opportunity to answer questions that may arise in the first session that need to be researched, and to allow members not able to attend the first

NEW BUSINESS, Ground Rule 14, continued

session to attend the second session. This is also an opportunity to further implement Board Goal #5, improve communication between the Board and the membership, by providing a forum wherein the Board listens to the concerns of the membership.

Although the Board does not need to be in attendance at the forums, it is the Board Secretary who is authorized to call an Open Forum under Article 4.5 of our bylaws. Ms. Baca requested that, at this time, the Board Secretary approve having the open forums. Mr. Delwiche agreed to the committee holding the open forums on January 17th and January 24th.

11. **COMMENT PERIOD FOR MEMBERS:** There were no member comments.

12. **ADJOURNMENT:** The meeting adjourned at 11:20 pm. The next regular meeting of the Board will be held on Thursday, January 26, 2023 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.