

**HACIENDA CARMEL COMMUNITY ASSOCIATION
MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS
Thursday, February 22, 2024
Casa Fiesta**

PRESENT:

Mr. Art Sutton, President & Director
Ms. Fran Baca, Vice-President & Director
Ms. Jackie Graham, Treasurer & Director
Ms. Sara Hamish, Corporate Secretary & Director
Mr. Paul Carriere, Director
Ms. Elizabeth Husby, Director
Mr. Brendan Kelly, Director
Mr. Bill Quinn, Director
Ms. Niki Tugwell, Director
Mr. Robert Hedberg, General Manager
Ms. Jeanne Mileti, Recording Secretary

Twenty members attended the open meeting in Casa Fiesta.

1. **CALL TO ORDER:** The open meeting was called to order at 10:20 a.m. by Art Sutton, President.
2. **REVISION OF AGENDA:** Ms. Baca asked that the minutes be removed from the Consent Agenda.
3. **MEMBER COMMENTS ON AGENDA ITEMS:**
 - Mary Lou Donegan, unit 291, asked if the Board has approved the budget and can members make suggestions?

David Delwiche, unit 159, talked about the water drainage in the area of his unit.
 - Laura Cooley, unit 166, also spoke, on behalf of the Molles, about water drainage in the area of her unit.
 - Mary Molle, unit 169, read a letter addressed to the Board regarding possible drainage issues in regard to their unit.
 - Mart Molle, unit 169, additionally addressed possible issues of drainage in regard to their unit.

4. **CONSENT AGENDA:**

a. **Occupancy Approvals:**

Susan & Boyd Haight

Authorized Occupants, Purchasing #238

b. **Sales Activity & Rental Report**

Two units currently listed for sale. 15 units sold since May 1, 2023. The current number of rentals is 43.

c. **Financial Report:**

1. Review of Financial Statement for January 2024.
11. Approval of Reserve Fund expenditures for January 2024.
111. Verification of bank reconciliation & check register review for January 2024.

Mr. Kelly made a motion to approve the Consent Agenda. Mr. Quinn seconded the motion which carried unanimously.

5. **APPROVAL OF MINUTES:** The Board considered the minutes of the regular Board meeting of January 25, 2024. Ms. Baca made a motion to approve the minutes with a correction to page 5, second paragraph- the areas to be planted are by unit 133, 197, and the Art Studio. Mr. Carriere seconded the motion which carried unanimously.

6. **PRESIDENT'S REPORT:** President Art Sutton, reported:

- a. Report of discussion in Executive Session and any items requiring Board action:
 - Mr. Sutton announced that the matter regarding drainage by unit 169 has been removed from the purview of the Architectural Review Committee and is being handled directly by the Board of Directors. The Board took action today to instruct the General Manager to contact, within the next week, the appropriate specialists to assess the area.
 - The Board representative to the Lighting sub-committee has resigned and the Board approved Paul Carriere to serve as representative on the committee.
 - The Board got an update on the Reserve Study, which is very near completion.
 - The Pool table has been installed in G&G 5 and is ready for play. Mr. Sutton thanked Ken Rothstein for his generous donation of the pool table.
- b. Review of Member comments from January Board meeting: There were no member comments.
- c. Correspondence from or to Residents or others: There was no correspondence.

Ms. Baca reported that the forum to be held on March 4th will be on the status of the \$20,000 Fire Mitigation Grant, and the status of the master landscape plan implementation.

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

Status of Projects: Mr. Hedberg reported that those wishing to play pool should check out the key for G&G 5 at the Front Desk. Room 307 (the apartment) in the Guest House is on hold until an opening in the room reservations. It looks like we may be able to do the kitchen in early March. The second circuit breaker panel in Casa Central was scheduled to be replaced a

GENERAL MANAGER'S REPORT, Status of Projects, continued

few weeks ago, but it was cancelled due to a power outage. It has been rescheduled for next Monday, February 26, and the power (including the generator) will be off in the building for about 6 to 7 hours, beginning as early as 8 am. The pool project is progressing with bids being obtained on a more refined scope. The Hacienda legal description filing is being worked on but is currently on hold.

The staff continues to go through all of the insurance certificates - there is quite a large stack - so, some people might still be receiving a notice of insufficient coverage.

Meeting with Quail: The General Manager will be contacting the GM of Quail to set up a meeting, which he and Mr. Quinn will attend, to discuss the responsibility for vegetation in the area adjacent to Hacienda Carmel.

Podiatrist: We will once again have a podiatrist that will see patients in the doctor's office at Hacienda Carmel. She is Dr. Elizabeth Kunda, and she will be here once a month on the third Thursday. The first appointments will be on March 21st. She will handle all billing and we are currently working with her to establish how appointments will be scheduled. We will accommodate her by providing a night's stay in the Guest House while she is here. Thank you to Michael Zarefsky for facilitating this.

Phone Directory: An updated Hacienda Carmel phone directory is now available on the website through the member portal. It will be updated monthly.

8. **COMMITTEE REPORTS:** The following committees either presented and/or submitted reports:

- **Finance:** Jackie Graham, Treasurer, reported: The Finance Committee met on February 15th and went over the financial statements for January 2024, including the Reserve Fund expenditures. The expenditures from Reserves for the month of January consisted of \$1,237.25 paid to E-Heat for Envi heaters used in the Guest House remodel; we received a check for \$2,492.96 from a member's insurance company, which was put against fence repairs; we spent \$668.00 with *AIR* Gutters for gutter replacements; \$1,529.43 with Valley Saw for a telescoping pole saw; \$3,157.56 with Opus Systems for a new computer server; \$59,885.84 for the new shuttle van from Salinas Valley Ford; and \$1,251 for washer replacements (\$1,001 was paid to BID and \$250 was paid to a member who sold us a like-new heavy duty machine). Total Reserve expenditures for the month of January were \$65,236.12.

The Board discussed the vacancy on the Finance Committee. Ms. Baca made a motion to appoint Dayna Irvine to the Finance Committee. Ms. Tugwell seconded the motion which carried unanimously.

The Investment Committee met immediately following the Finance Committee meeting to discuss a CD that matures today (February 21st) for \$250,000. The committee recommends that a CD or T-Bill be purchased for \$100,000 for a period of 18-months, and an additional CD or T-Bill be purchased for \$150,000 for a period of 24-months, thus filling out our laddered

COMMITTEE REPORTS, Finance, continued

maturity dates. Ms. Tugwell made a motion to approve purchase of the two CDs or T-Bills recommended by the Investment Committee. Mr. Kelly seconded the motion which carried unanimously.

- **Architectural Review:** Connie Winners, Chair, reported "the committee received and approved four requests for change approved in accordance with the Architectural Rules.

"There was one request for change to the common area from unit 133 constituting a variance the committee recommended for approval.

"Unit 133 - Addition of metal art screen as part of the landscape design that will be either free-standing or mounted to the right of the entry wall." Mr. Carriere made a motion to approve installation of the metal art screen at unit 133. Ms. Tugwell seconded the motion which carried with Sara Hamish recusing herself from the vote.

"ARC requests approval of a Notice to Homeowners During Remodeling - the notice will be attached to the Request for Change prior to remodel and will alert the homeowner that should any damage or service-related charges be incurred, the homeowner will be responsible." Ms. Baca made a motion to approve the Notice to Homeowners, with the addition of a line that requests acknowledgement of receipt of the notice from the owner, and that Hacienda Carmel retain a copy of the signed notice. Mr. Kelly seconded the motion which carried with seven Directors voting in favor.

"Pool Refurbishment - Mr. Rothstein met with Precision Pools and will formulate a specification sheet to acquire bids from other contractors for comparison.

"Landscape Subcommittee: The Landscape Subcommittee met on February 7th, 2024. **There are three requests recommended for approval by ARC....**

"1 - variance for the removal of trees and shrubs in the common area of 185 and 189 in preparation for the installation of planting". Mr. Quinn made a motion to grant the request for removal of the trees and shrubs at Units 185 & 189. Ms. Tugwell seconded the motion which passed with one Director abstaining and one opposed.

"2 - variance for the removal of ivy at base of olive tree located between the exterior patio gates at 196 & 197." Ms. Baca made a motion to deny the request to remove the ivy, as the Landscape Plan is to re-plant the bare areas first, before any plants are removed. Ms. Hamish seconded the motion which carried unanimously.

"3 - approval to have the general manager contact a Landscape Contractor (Cagwin & Dorward) for consultation on the drainage issues at unit 169, and to report findings at the 3/13/24 LSC meeting. **Removed from ARC by the Board on 2/22/24.**

"Discussion continued on Goals & Objectives of the subcommittee. An **addendum** to the Rana plan was created for additional approved plants. The process for site prep, ordering of plants, and installation at 133, Art Studio parking lot and 197 was discussed and how to work with the general manager and staff going forward. The subcommittee discussed its role in ARC responsibilities for fire-mitigation work inside the Berm.

COMMITTEE REPORTS, Architectural Review, continued

"Lighting Subcommittee: The subcommittee held their first meeting on February 7th. Discussions began with the premise that there is a desire to improve and update the lighting in the Hacienda Carmel common areas and buildings. Most of the improvements were being, or could be, addressed through ongoing maintenance. The remaining primary concern was the improvement of the pole mounted globe lights in use throughout Hacienda Carmel. The use of Monterey Lighting as a potential consultant was discussed [and it was] requested that management contact [them] to discuss option and alternatives. The committee discussed the need to communicate lighting policies and potential changes to the Hacienda residents. **ARC recommended the subcommittee also look at areas where more lighting of the grounds would be needed."**

- **Fire-risk Assessment & Mitigation:** Bill Quinn, Chair, reported: "The first items to report are several wildfire fuel-reduction and underbrush clearance projects that had [been] scheduled for some time. The first of these was a mastication of the trimmed branches and other vegetation such as underbrush that were situated upon the Association's green waste pile on the West End of the property. This work was done by Golz Construction, and occurred on January 29, 2024 at a cost of \$2500. This project was originally pre-approved by the Cypress Fire Protection District ("Cypress FPD") through the auspices of the Fire Risk Assessment & Mitigation ("FRAM") Committee as part of the Association's matching grant obligation under the grant received.

"The second project was also undertaken by Golz Construction, which was authorized by the Board of Directors at its January 25, 2024 Executive Session, and occurred on January 30, consisting in the mastication of underbrush in a large area of the West End, and also at the daily rate of \$2500. This work was done in part to reduce the presence of poison oak, which became a deterrent to the Association's Grounds Crew to conduct the limbing of trees in the area. This project was not undertaken by or through the FRAM Committee, nor pre-approved by the Cypress FPD, but the Board of Directors nonetheless agreed to expend Association funds to do this work in deference to concerns of the Grounds Crew and directed the General Manager to contract with Golz to complete the task.

"A third such underbrush clearance project was authorized by the Board of Directors in a special meeting on January 31, 2024 for another full day of mastication work by Golz Construction at the West End, which occurred on February 5, 2024, and similarly was not undertaken by or through the FRAM Committee, nor pre-approved by the Cypress FPD. However, by request of the Board of Directors at its January 31 meeting, the Chair was asked to make inquiry to the Cypress FPD to allow the Association to apply the 2500 expenditure for the work done by Golz on January 30, which the Chair did, the result of which was that the Association was granted a one-time "after the fact" allowance to apply its expenditure of \$2500 toward its grant matching obligation. In addition, during his same visit to Hacienda Carmel on February 2, Capt. Ascarie of the Cypress FPD further allowed the Association to cover its first expenditure by Golz in masticating the green waste pile using actual grant funds.

"Finally, the pre-approved wildfire fuel-reduction contractor project was one agreed to and completed under contract with Specialty Tree Service, which was an authorized expenditure of grant funds paid for by the Cypress FPD. Specialty Tree arrived on Thursday, February 1, and completed the ground level trimming work specified under the contract. Then, on February 2, Specialty Tree arrived with its high-reach cherry picker truck with a basket to

COMMITTEE REPORTS, Fire-risk Assessment & Mitigation, continued

facilitate trimming the high-level branches that were leaning toward neighboring tree canopies. That Friday, Specialty Tree limbed high branches on both the southwest and northwest corners of the berm. At approximately 3:00 pm, Capt. Ascarie of CalFire arrived and approved the work on both the green waste pile mastication done by Golz and the tree-limbing work done by Specialty Tree Service. And to repeat, at the Association's request he approved the second day of underbrush mastication by Golz, even though he did not pre-approve it, and further allowed the Association to use Cypress FPD grant funds to pay for the Golz mastication of the green waste pile, rather than allowing only a grant-matching offset as originally approved.

"The Fire-risk Assessment & Mitigation (FRAM) Committee held its regular monthly meeting on February 14, 2024. Among the many agenda items discussed was an update by the General Manager on the draft Memorandum of Understanding ("MOU") between the Association and the Quail corporation concerning cooperation in wildfire fuel reduction allowances on one another's property, and it was agreed that he would email an invitation to meet to the General Manager of Quail, together with an attachment of the draft MOU.

"Also among those agenda items were several related issues regarding the continuing need to be mindful of the Cypress FPD's grant's annual cycle which concludes at the end of May 2024. This need requires the Association to identify with specificity not only the various projects to be done by outside contractors paid with the Association's allocation of remaining grant funds, but also the Association's "offset" or matching expenditure of either money or labor. The latter would entail creation of a list of those areas and trees to be cleared and limbed by the Grounds Crew, followed by the Board of Directors adopting a motion directing that work to be done by dates certain. This fuel-reduction labor by the Grounds Crew allows the Association to use the hourly rate of \$28.54, set by the Cypress FPD, toward our required \$20,000 payment match for the current grant. This discussion ranged far and wide, and consumed a large portion of the meeting, particularly given the Grounds Crew's recent announced hesitation to work in areas that may contain poison oak. This hesitation being a difficult issue fraught with parallel problems, it was decided that a meeting would be called by the General Manager to discuss, with the aid of a map, exactly where the Grounds Crew would feel safe in doing this work, and where they would not. Accordingly, the development of a master list of those exact areas and trees to be cleared and limbed would wait until this critical meeting was conducted. The General Manager agreed that the meeting and the Grounds Crew's views on the issues, together with an accounting of their labor already expended, would be completed by the next FRAM Committee meeting to allow further discussion of these issues then.

"The final item on the Committee's agenda was a discussion regarding further exploration into drafting a competent evacuation plan for the Association and its residents. A point was raised that such a plan might also include evacuation for flooding, in addition to wildland fires. Mention was also made of the statement in the Committee's Final Report to the Board of Directors of December 13, 2023 on pages 5 and 6 in which the Association was advised against trying to develop its own plan in house, rather than finding and hiring a professional organization to create such a plan, given the risks associated with being a 55+ residential property with some non-ambulatory residents and others in assisted living arrangements. The Committee agreed generally that this remains an important goal, and that

COMMITTEE REPORTS, Fire-risk Assessment & Mitigation, continued

the Association would benefit from the offer made by our insurance broker, HUB International, to assist us in this goal."

Mr. Quinn added that many residents have noticed a lot of mastication work was done in the West End. This was approved by the Board as a fire mitigation measure. The work is not completed yet and we will start by having Specialty Tree Service come in and limb up the trees. Captain Ascarie agreed in a meeting yesterday to approve it as part of the grant money. It should look a lot better when it is complete.

- **Policies & Procedures:** Sara Harnish, Chair, reported: "The Policy & Procedures Committee met on February 8, 2024 with members Fran Baca, Niki Tugwell, Elizabeth Husby and chair Sara Hamish, and advisors Robert Hedberg and Jeanne Mileti present.
 1. **"Job descriptions for staff**

The Committee has completed the drafting and review of all job descriptions, and they were reviewed by the Board at the January meeting. No changes were made at this meeting,
 2. "Proposed changes to Ground Rule #14 and discussion of CC&R 9 were discussed extensively. Fran provided a packet of material summarizing the history of GR 14. Robert noted that GR 14 was originally written to inform residents that interaction with employees, vendors, suppliers and contractors was not allowed and all requests for specific tasks or other concerns were to be made through the front desk to create a work order.
 3. "The committee recommends that GR 14 not be revised, and that GR 15 be renumbered to GR 16. The new GR 15 would include text that would define incidental services vs. private work and would include the requirement that residents obtain and complete the "Release and Indemnification Agreement" (v. dated 11.04.22) when hiring HCCA staff to perform private work.
 4. "The committee also recommends to the Board that GR 16 (formerly GR 15) be revised to include a Hold Harmless clause for both pickleball and use of the Termite Shop. The committee reviewed and approved proposed clauses for each activity and Robert will have the text reviewed by Ashley at HUB, circulate any changes and both will be presented to the Board for review and approval at the February Board meeting.
 5. "Finally, the committee recommends that GR 2(b) be revised to include the fact sheet regarding presence of service animals in Casa Amigos, Casa Fiesta, Casa Central, and the restaurant which the Board approved at the January 25, 2024 meeting.
 6. "The committee recommends to the Board that revision of the parking policy to address requests for second parking spots be tabled until after the policy has been in effect for a full year." Ms. Tugwell made a motion to approve the recommendation by the P&P Committee

COMMITTEE REPORTS, Policies & Procedures, continued

that the parking policy be tabled until after the policy has been in effect for a full year, which would be in June of 2024. Ms. Husby seconded the motion which carried unanimously.

7 "Robert confirmed that all current policies are posted on the HCCA website.

8 "Robert will obtain examples of performance evaluations for review at the next P & P meeting."

- **Events & Entertainment:** Margee Bennett reported: "Several big events are being planned by the E&E Committee. On February 25th we will be hosting Dinner & a Movie. The dinner will be Salad and Pizza, soft drinks and wine. The movie will be Bohemian Rhapsody, the story of Queen and their lead singer, Freddie Mercury. We are only charging \$10.00 per person.

"On March 9th we will have the first ever Pickleball exhibition at Hacienda Carmel. This is America's fastest growing sport and is very popular among our residents.

"As of 01/16/2024 our remaining unused budget funds totaled \$1,100.00 (rounded). This is about what our total was in the prior fiscal year."

The pool table is now available for play - check out the key at the Front Desk.

Ad-Hoc Fire Alarm: Ken Rothstein, Chair, reported: The committee met yesterday. Robert is in the process of gathering costs of replacement parts to stock for emergencies or routing service. We are also investigating in-house training opportunities. We continue to look for ways to keep the system operational in the best way we can. At this point, the system is operating well.

9. **UNFINISHED BUSINESS:**

- **Election Timeline:** On February 15th the Notice of Election & Nominating Committee was distributed to the Membership stating that the deadline for nominations is Friday, March 27th. On February 21st, a revised Notice of Election and Nominating Committee was distributed to the Membership correcting the deadline for nominations to Thursday, March 7th. There is a form for self-nomination available at the front desk, which can be turned in to the President or Corporate Secretary.

10. **NEW BUSINESS:**

- **Board Action Procedure - Review of Annual Disclosures:** Ms. Baca reported she has reviewed the Annual Disclosures to Members document and went over the changes that need to be made to the disclosure that will be produced in March. The Board will approve those changes at their next meeting.
- **Board Action Procedure - Appointment of Inspector of Elections:** The Board policy regarding appointment of Inspector of Elections was reviewed. Ms. Baca made a motion to appoint Beryl Smith Inspector of Elections for the 2024 annual election. Mr. Kelly seconded the motion which carried unanimously.

11. **COMMENT PERIOD FOR MEMBERS:**

- Mary Lou Donegan, unit 291, would like to revive the candidate's forum, install land lines in the lobby, hook up the generator to Casa Fiesta, and asked if there will be a formal announcement of maintenance fee increases.
- Judith Woodruff, unit 73, would like residents to use motion detector lights and for security to monitor any porch or patio lights left on at night.
- Flossie Stowell, unit 264, encouraged members to run for the Board.
- Linda Smith, unit 247, reacted to the mastication done on the west end and asked that the paths to the Garden Club be repaired.

12. **ADJOURNMENT:** The meeting adjourned at 11:43 p.m. The next regular Board meeting will be held on Thursday, March 2th, at 10 a.m. in Casa Fiesta. The Board will meet at 8:30 a.m. in the Durr Room prior to the open meeting.