

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

PRESENT:

Mr. Art Sutton, President & Director
Ms. Fran Baca, Vice-President & Director
Ms. Jackie Graham, Treasurer & Director
Ms. Niki Tugwell, Corporate Secretary & Director
Ms. Mary Pat Adams, Director
Mr. Bill Bennett, Director
Ms. Rochelle Blank-Zimmer, Director
Mr. Paul Carriere, Director
Mr. Brendan Kelly, Director
Mr. Robert Hedberg, General Manager
Ms. Jeanne Mileti, Recording Secretary

Thirty-four 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. **REVISION OF AGENDA:** None
3. **MEMBER COMMENTS ON AGENDA ITEMS:** None
4. **CONSENT AGENDA:**
 - a. **Approval of Minutes:**
Regular Board Meeting of July 25, 2024
 - b. **Occupancy Approvals:**

Diane Whiteman	Authorized Occupant, Purchasing #164
Michael & Susan Newton	Authorized Occupants, Purchasing #212
 - c. **Sales Activity & Rental Report**
15 units currently listed, with 3 units pending sale. 4 units sold since May 1, 2024. The current number of rentals is 43.
 - d. **Financial Report:**
 - i. Review of financial statement for July 2024.
 - ii. Approval of Reserve Fund expenditures for July 2024
 - iii. Verification of bank reconciliation & check register review for July 2024.

CONSENT AGENDA, continued

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

5. **EMPLOYEE SERVICE AWARDS**: The General Manager requested that staff members join the meeting briefly in celebration of the longevity of the Hacienda Carmel staff. In accordance with the policy adopted by the Board several years ago, there are two employees that are to receive milestone awards today. Mr. Hedberg also noted the number of years the attending staff has been with Hacienda Carmel: Jeanne Mileti, 35 years; Francisco Ortega, 34 years, Jean Paul Mazaud, 33 years; Luz Frausto 32 years; Daniel Sanchez, 23 years; Jose Sanchez, 23 years; Jason Barnes, 22 years; Daniel Rios, 19 years; Gilberto Sanchez, 19 years; Catherine Robinette, 18 years; and Kim Barone 17 years.

Juli Jarvis, Accounts Receivable/Front Desk & Housekeeping Supervisor, has been here 20 years and is receiving a \$250 gift card for this milestone. David Mora, Grounds Supervisor, has been here 40 years and is receiving a \$1,000 gift card for this milestone.

Mr. Hedberg added that he is truly blessed to have inherited such a great team – the best crew he has ever worked with.

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

- a. Report of discussion in Executive Session and any items requiring Board action:
- The Board was informed that Edgardo Morales, who was hired as a part-time temporary Grounds employee, will be leaving after next week.
 - Resumes for the General Manager’s position are coming in slowly. Out of 13, there are none that say “This is our next GM.” Robert Hedberg is taking steps to ensure tasks won’t be overlooked after he leaves.
 - There were a couple of member Ground Rule violations. Mr. Sutton reminded all residents that dogs must be on a leash at all times when outside the member’s unit or patio.
 - The Board discussed the west end – Monterey Peninsula Water Management District has instructed us that there should be no more construction at the west end, and that we need to restore some of the riparian habitat there. We are currently taking steps to mark off the areas that must remain in a natural state.
 - The Board was informed that the security cameras on the bridge and entrance to the west end are now functional again.
 - The Emergency Evacuation Plan was received and the Board will discuss it in the coming months.
- b. Correspondence from or to Residents or others.
- There was a request to cut spending – Mr. Sutton noted the Board will continue to look at ways to cut spending.
 - A member thanked the Board for “pausing” on the west end projects.

PRESIDENT’S REPORT, continued

- There was a question about the hire of a new General Manager – noted previously.
- c. Correspondence from or to Residents or others: None.

7. GENERAL MANAGER’S REPORT:

- **Reserve Study Projects:** Mr. Hedberg reported that the air handlers on the roof of Casa Fiesta have been replaced. The cost, \$19,796, is what was quoted. The component replacement in the Reserve Study was allocated at \$44,000.

There are two open items in the Reserve Study list left. The replacement of two utility carts for the 2024-25 fiscal year have been ordered and should arrive soon. Those are the last of the utility carts that need to be replaced in this cycle, which will start again in about six years. The second open item is the pool.

- **Pool Project:** The construction is to start October 16th, and it will run for about 8 weeks.
- **Water Main Break:** There was a water main that broke under the street in front of Casa Central in early April. We applied for credit from Cal Am for the water that was lost. We received a credit of \$1,839.
- **Election:** The Board will be meeting to facilitate counting the ballots on Thursday, September 5th at 10 am in Casa Fiesta. If you have not already done so, please turn in your ballot to the box at the Front Desk.

Mr. Hedberg noted that this concludes his last Board meeting report. He expressed his thanks for the opportunity to work for this Association, and with its great staff. Mr. Sutton stated that it has truly been a pleasure to work with Robert over the past five years. He noted that we will not know the extent of what Robert truly does here, until he is gone.

8. COMMITTEE REPORTS:

- **Finance:** Jackie Graham, Treasurer and Committee Member, reported that the Finance Committee met on August 16th.

Ms. Graham reviewed the Reserve Fund expenses for the month of July 2024. Details follow:

\$ 1,056.39	M.J. Murphy for Fence Replacement.
\$ 1,191.24	Best Buy for Fiesta Flat Screen TV Replacement.
\$ 1,471.00	DV Electric for Infrastructure Repair.
\$ 162.16	Lakeside Nursery for Landscape Replacement.
\$ 9,647.50	Total Industries for Utility Cart Replacement down payment.
\$ 1,800.00	Bazart Landscaping for Landscape Replacement.
\$ 623.87	Built In Distributors for Dryer Replacement in laundry room.
<u>\$15,952.16</u>	Total Reserve Fund expenditures for July 2024

COMMITTEE REPORTS, Finance, continued

The Committee discussed and recommended adjustments for those employees who were currently participating in the Health Reimbursement Account, which provided reimbursement of Medicare premiums in lieu of participation in the company's group medical. The HRA is no longer an option as we have over 20 full-time employees. The employees will be offered the group insurance. [To be determined at the next Board meeting.]

The committee made a recommendation on a fixed hourly rate for Grounds or Maintenance on-the-clock jobs. These are jobs done on company time and billed to the member on their monthly statement. The committee considered the actual cost of employment, including salaries, benefits, worker's compensation, etc. They recommend a charge of \$50 per hour for both gardening or maintenance work. Ms. Tugwell made a motion to approve a rate of \$50 per hour, per employee. Mr. Kelly seconded the motion which carried unanimously.

The committee also compared the draft audit report to our books and approved the revised draft. The Board, in turn, approved the revised draft at the special meeting on Monday. The audited financial statements will, as per the California Civil Code, be distributed to all members in the last week of August.

- **Architectural Review:** Sara Harnish, Chair, reported: The committee met on Wednesday, August 14th. There were seven requests for change or addition to a unit: Unit 41 requested purchase and storage of a portable generator in accordance with the HCCA Generator Policy. Unit 57 requested approval to replace kitchen and bathroom windows, and patio sliding door, with new dual panes. Unit 225 requested to replace their front door. Unit 258 requested approval to replace the existing stone paver walkway from the patio gate at the owner's expense, and replacement of the patio fence boards, cost to be shared with the owner. Unit 197 requested placement of three to four large rocks in the existing landscaped common area adjacent to the unit. Unit 202 requested approval to place plants along the outside of the patio fence. Unit 126 requested approval to install a retractable screen door on the front entry. The committee approved all requests, with the exception of Unit 202, which was referred to the Landscape Sub-Committee.

Committee member Lynn Knoop has been researching new tables for the pool deck to replace the two firepits, which are no longer operational, and cushions for the wicker chairs around the firepits. She will get samples of sun and waterproof cushion material and bring it to the next ARC meeting in September.

At the request of the Landscape Sub-Committee, the committee recommends the following:

That the Board approve John Hale as the new Landscape Sub-Committee Chair. Mr. Kelly made a motion to approve John Hale as Chair. Ms. Adams seconded the motion which carried unanimously.

That the Board approve the "Response Letter" that is given to members after a request for plantings or landscape changes. Ms. Tugwell made a motion to approve the response letter. Ms. Adams seconded the motion which carried unanimously.

COMMITTEE REPORTS, Architectural Review, continued

That the Board approve the “Landscape Values, Goal & Objectives” statement and graphic. Ms. Baca requested that the word “provided” in the first sentence be changed to “provides.” Ms. Adams made a motion to approve the statement and graphic with the wording change. Mr. Kelly seconded the motion which carried unanimously.

The Landscape Sub-Committee further requested the General Manager contact PG&E to have them come look at the trees that have electrical wires entangled in them. This has been done.

There was no report from the Lighting sub-committee.

- **Fire-risk Assessment & Mitigation:** Brendan Kelly, Chair, reported: The committee met on August 15th. “The chair welcomed Sara Harnish to the committee and thanked her for her willingness to serve.

“The meeting focused primarily on management of the current wildfire fuel reduction projects.

“The management of the current fuel reduction projects and match funding was discussed in light of the on-going transition to a new General Manager for the association. The committee agreed that the following processes would be in the Community’s best interests.

- “It is preferable to have the GM manage the fuel reduction projects.
- Until a new GM is on board and prepared to manage the project, Catherine Robinette will serve as the point of contact for Management, but the committee chair will be responsible for arranging fuel reduction work in consultation with the committee, David Mora, CalFire, contractors, and Catherine Robinette.
- The GM emphasized the importance of keeping Catherine fully informed both because she is integral to processing payments and, in the transition, she will be management’s eyes and ears and will be called on to brief the next GM. The GM further emphasized that it would be outside of Catherine’s scope to call on her to select and work directly with contractors.
- In addition to Catherine, the FRAM committee will keep Jeanne Mileti, Assistant General Manager, informed of work on fuel reduction.
- Cheryl Einsele’s offer to track the grant activities and prepare reports to CalFire is accepted.
- The FRAM committee emphasizes the importance of clear lines of responsibility and communication concerning the project with special attention to:
 - The committee chair as the single point of contact with CalFire and contractors until a new general manager can assume that role
 - Consistent communication with Hacienda management (Robinette and Mileti)
 - Consistent communication with the Hacienda board
 - Consistent communication with the Hacienda community

COMMITTEE REPORTS, Fire-risk Assessment & Mitigation, continued

“The FRAM committee reviewed the status of the proposed fuel reduction activities as follows:

“Mow tall grasses

A spring mowing of wild grasses on Hacienda and Quail property was completed by a Hacienda contractor in between grant years. A later summer / early fall mowing will be contracted as part of the matching grant. We will confer with David Mora on a best date for that mowing.

“Limb up trees along Ranch Road easement

The FRAM committee is concerned about the necessity, responsibility, and sequencing of this work. The easement exists to allow an alternate evacuation route from the property. Of significant concern is inconsistent communications with Captain Ascarie of CalFire about clearing the easement. On 20 June 2024, Ascarie walked the property with FRAM committee members Delwiche, Kelly, and Sutton, and he declined to match Hacienda funds for clearing and limbing up along the easement as it did not qualify as necessary fuel reduction for the community. He did, however, reiterate a previous offer to use a CalFire masticator to clear brush 12.5’ on either side of the center line at no cost to Hacienda. He indicated that doing so would ease access for emergency vehicles, although he assured the committee that such vehicles could and would access the property along the easement in its current state should the need arise. These discussions were documented in the FRAM committee’s report to the Board of Directors 27 June 2024.

On 21 June 2024, Delwiche, Kelly, and Sutton met to discuss Ascarie’s site visit of the previous day and agreed to focus this year’s fuel reduction proposal on grass mowing. At our request, Cheryl Einsele drafted the grant request accordingly. On 27 June, a former committee member reached out to Ascarie and reminded him that he had approved match for limbing up along the easement in the past, and Sutton and Kelly agreed, at the last moment, to add the activity back into the 2024-2025 grant request. The request was submitted on 28 June and subsequently accepted by CalFire.

Per the terms of the grant, FRAM committee members (Delwiche, Kelly, Ostrom, and Sutton) met on-site again on 8 August 2024 to pre-authorize the work on the easement and Quail property on Hacienda’s southern border. Previously, Ascarie had urged us to use prison crews supervised by CalFire for work in areas heavy in poison oak, but during his visit on 8 August, he called the head of that crew who stated that they would not ask that crew to work in poison oak. Ascarie said he would put us on the list for mastication work, but he could not promise when we might make it on to CalFire’s schedule. He also intimated that there might, in fact, be a charge for the mastication work after all. It might be challenging to schedule limbing work to follow the uncertain timing of mastication along the easement.

The FRAM committee recommends that prior to any works along the easement, we resolve its value to the community, the cost of a contractor to do limbing up post mastication, and a clear agreement with the property owner (Quail) regarding the work.

COMMITTEE REPORTS, Fire-risk Assessment & Mitigation, continued

“Clear undergrowth and limb up trees adjacent to units 27-51

Here again, the FRAM committee is concerned about inconsistent communications about this proposed work. Ascarie apparently approved this work for match in 2023-2024, but in his 20 June 2024 visit, he indicated that he would not approve the work for match. He emphasized that this vegetation on the outside of the berm does not constitute a fire hazard for the community. His communication with a former committee member notwithstanding, he reiterated on 7 August, that removal of the vegetation was not a hazard issue. Nonetheless, he was willing to offer the CalFire masticator but not a work crew to work in the brush. While not a fire hazard, he offered his opinion that it might look nice to masticate all of the brush and limb up the trees. He said he really liked such a “park-like” look. He asserted that we have the right to clear hazardous vegetation to 10’ from our property line, but if we wanted to use the masticator, it likely would require a swatch 30 to 40’ wide. Later, he said, he would like to see the “park-like” look extend the full depth of the brush and trees adjacent to Hacienda property (attached photograph). Ascarie pointed out that however much clearing we might do in this area, it would require annual maintenance either through spraying with weed killer or mowing.

“The FRAM committee recommends cutting back growth along the outside of the berm between units 27 and 51 for no more than 10’ outside of the berm but only after resolving:

- The need for this clearing
- Agreement with or, at least, notification of Quail
- The cost of a contractor to work in the poison oak
- An affordable and otherwise acceptable plan for annual maintenance of the area

“Clear undergrowth, west end

Mr. Hedberg provided a summary of a site visit that he and Art Sutton conducted with Thomas Christensen of the Monterey Peninsula Water Management District concerning the newly masticated area on the west end of the Hacienda property. They agreed to allow native vegetation to regrow in a portion of the cleared area. Mr. Hedberg described a line running between the RV and garden fences and through a vertical PVC pipe. It was not clear how the line was determined or memorialized.

“The FRAM committee also discussed and agreed to the importance of clear, proactive communication with the community about fuel reduction activities.”

Mr. Sutton noted that as discussed in the report, it is important for the Board to appoint Brendan Kelly the contact point for discussion with outside contractors and agencies, in the absence of a General Manager. Ms. Adams made a motion to appoint Brendan Kelly as the contact person. Ms. Tugwell seconded the motion which carried unanimously.

- **Events & Entertainment:** Flossie Stowell reported: In a couple of days we will have Hacienda Carmel’s Birthday Party. August 30th will be Robert’s Aloha Party on the pool deck. It will start at 2 pm, and will be free, including one drink ticket. Additional drinks can be purchased. The theme is ‘Hawaiian Luau’.

COMMITTEE REPORTS, Events & Entertainment, continued

Bingo has returned to the third Thursday of the month, and we had a great turnout this month. Movie Night has been a bit of a bumpy ride, with a TV that wasn't smoothly streaming, however, we are now set up with a Fire Stick, which has resolved the problem. Because this is a crowded month, with many events, we will not be holding an event for Labor Day.

On September 21st we will have another Pickleball Tournament. There is no cost to those coming to watch the event, which was well attended last time with pizza being served. October 5th will be Oktoberfest, with much of the planning on that event still coming together.

Other things being discussed include a Senior Resource Fair in 2025, Performer and Guitarist David Gordon, Karaoke, and trying to bring in a Jazz Trio.

Robert Hedberg has been such a help to the committee with all of the details that surround events. With Robert leaving, Juli Jarvis will attend the next meeting to help with the details.

- **Ad Hoc Fire Alarm:** Ken Rothstein, Chair, reported: The committee met on August 15th. We discussed changing the fire alarm system from a monitored system to a stand-alone system. After all of the pros and cons were discussed, the decision was to stay with the monitored system, as we feel it is safer and takes the burden off of the individual to react to a situation in these attached units. Instead, we will focus on bringing the costs down and maintaining the system that we have and monitoring it to make sure it is performing well.

The committee reviewed the latest testing reports and wants to make sure that they are capturing every unit. Monitoring this helps us ensure that if a unit is missed, it gets tested in a follow-up to the annual testing done by First Alarm. If someone is gone when the testing takes place, we need to make sure that there is a protocol to get into those units and test the equipment so that we know the system is working completely.

The committee recommends that we purchase spare parts, so when First Alarm comes out they are not making several trips, and they also recommend that we have our employees trained to replace the ceiling devices and the batteries. The recommended amount to cover both of these would be not to exceed \$2,500. Ms. Graham made a motion to approve an amount not to exceed \$2,500 for fire alarm parts and training. Mr. Bennett seconded the motion which carried unanimously.

Mr. Rothstein thanked Robert Hedberg for helping make this a successful committee. Ms. Baca added that we now have maintenance for the system allocated in the Reserve Fund, and with the guidance this committee established we will most likely be able to make do with the existing system for the next fifteen or twenty years.

9. **UNFINISHED BUSINESS:**

- **Revisions to CC&Rs Section 10.6:** Mr. Sutton explained that the Board received a draft of language to be considered to replace this portion of the CC&Rs that deals with Insurance to be Maintained by Owners. The CC&Rs currently specify amounts that must be carried for certain portions of an owner's HO6 policy. We have been advised to remove the amounts because of the level of liability to the Association. The Board will review the first draft and make any changes they see relevant. The final proposed language will need to be voted on by the membership and so will be added to a future ballot.
- **Revision to Ground Rule 10 – Parking:** The Board received proposed language to change Ground Rule 10, from Paul Carriere and Rochelle Blank, who were assigned to craft a proposal regarding carport parking. This item will be tabled until the Board has more time to review the proposal.
- **Recommendations Regarding use of Open Space in West End:** The Board did receive two suggestions for additional use of space in the west end (one was a labyrinth and one was expansion of the garden area), however, neither is possible now because of the edict given us by the Monterey Peninsula Water Management District, and their concern for the riparian habitat.
- **Appointment of Alternate Member ARC:** The Board had one person express interest in filling the position of an alternate on the Architectural Review Committee – Hannah Priestley. Ms. Baca made a motion to appoint Hannah Priestley as Alternate on the Architectural Review Committee. Mr. Carriere seconded the motion which carried unanimously.

10. **NEW BUSINESS:**

- **Discussion of Lifting Planting Moratorium:** Mr. Sutton noted that the Board has decided to refer this back to the Architectural Review Committee.
- **Request for Open Forum Oct. 7th:** Ms. Baca suggested we have an open forum on October 7th, from 1:00 pm to 3:00 pm. to discuss the change to CC&Rs 10.6; the change to Ground Rule 10 regarding carport parking; if we don't have a new general manager by then, an opportunity to talk about that; and information on the new fiscal year (if it passes). Niki Tugwell, Corporate Secretary, called for an open forum on October 7th from 1 to 3 pm in Casa Fiesta.

11. **COMMENT PERIOD FOR MEMBERS:**

- Candace McCartney, unit 177, requested a resolution of her disputed account.
- Jane Bowles, unit 260, spoke about her account.

COMMENT PERIOD FOR MEMBERS, continued

- Jeanne Wooldridge, unit 175, noted she was one of the first residents to have an orientation with Robert 13 years ago.
- Mary Lou Donegan, unit 291, requested additional hearing devices for the sound system.

- 12. ADJOURNMENT:** The meeting adjourned at 11:43 a.m. The next Regular Board Meeting will be held on Thursday, September 26, 2024 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.