

HACIENDA CARMEL COMMUNITY ASSOCIATION
MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS
Thursday, September 26, 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
Mr. Bill Bennett, Director
Ms. Rochelle Blank-Zimmer, Director
Mr. Paul Carriere, Director
Mr. Brendan Kelly, Director
Ms. Jeanne Mileti, Recording Secretary

Thirty-six members attended the open meeting in Casa Fiesta.

1. **CALL TO ORDER:** The open meeting was called to order at 10:15 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 August 22, 2024
Special Board Meeting of September 5, 2024

b. Occupancy Approvals:

Donna Bruhn	Authorized Occupant, Purchasing #101
William Quinn	Transfer of Occupancy to Purchase Unit #151
Susan McBreen	Authorized Occupant, Purchasing #51
John Groibmeier & Cynthia Spencer	Authorized Occupants, Purchasing #145
Robert & Kathryn Scardina	Authorized Occupants, Leasing #193
William Given	Authorized Occupant, Leasing #255

c. Sales Activity & Rental Report

9 units currently listed, with 5 units pending sale. 6 units sold since May 1, 2024.
The current number of rentals is 41.

d. Financial Report:

- i. Review of financial statement for August 2024.
- ii. Approval of Reserve Fund expenditures for August 2024
- iii. Verification of bank reconciliation & check register review for August 2024.

CONSENT AGENDA, continued

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

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

- a. Report on discussion in Executive Session and any items requiring Board action:
 - The Board was informed that there are no staffing changes.
 - The Board will meet in a special executive session meeting on Tuesday, October 1st to discuss the search for a General Manager.
 - The Board approved the health reimbursement arrangement for those full-time employees who are of Medicare age. The savings for the Association are significant.
 - The Board discussed several resident issues, including dogs off-leash. Mr. Sutton reminds all residents that your dog must be on a leash and under your control when it is in the common area.
 - The Board was informed that the Visiting Nurses Association used pictures taken at Hacienda Carmel for one of their promotional brochures.
 - The Board discussed changes to the Ground Rule regarding carports. The item was tabled until all can agree on the language.
 - Additionally discussed was an ongoing drainage resolution.
- b. Correspondence from or to Residents or others – Mr. Sutton announced that letters received by the Board will be responded to individually by Board members.

6. **GENERAL MANAGER’S REPORT:**

- **Utility Cart Replacements:** Jeanne Mileti, Assistant General Manager, reported that the carts are in Salinas now, and the dealer will be contacted again to narrow down the delivery date. [As of the publication of these minutes, the carts have been delivered.]
- **Pool Project:** The construction is to start October 16th, and it will run for about 8 weeks. The area around the pool will be cordoned off while the work is being done. It will be up to the Chef to operate the outdoor dining area, or close it temporarily, as conditions allow. Mr. Sutton noted that there has been some interest in why the pool deck and fencing are not to be part of the work done in October. For planning and financial reasons, the Board felt it better to do the project in two parts. The remainder of the project will most likely be taken up in the new fiscal year.

7. **COMMITTEE REPORTS:**

- **Finance:** Jackie Graham, Treasurer and Committee Member, reported that the Finance Committee met on September 18th.

COMMITTEE REPORTS, Finance, continued

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

\$19,796.00	HR Sheet Metal & DV Electric for Air Handlers Replacement.
\$ 1,486.00	Acme Awning for Exterior Building Surfaces Repair/Replacement.
\$ 2,471.63	Home Depot & MJ Murphy for Fence Repair/Replacement.
\$ 3,400.00	HR Sheet Metal for in-unit Heater Replacement.
\$ 1,230.96	Lakeside Nursery for Landscape Replacement.
<u>\$ 426.15</u>	Sherwin Williams for Paint.

\$28,810.74 Total Reserve Fund expenditures for August 2024

The Board considered the recommendation by the Finance Committee to approve the 8-month budget for the fiscal year ending December 31, 2024. Ms. Baca made a motion to approve the 8-month budget as presented. Mr. Kelly seconded the motion which carried unanimously. The short-year budget will be posted on the Association Bulletin Board.

The Board considered the Reserve Fund Study, which was re-calculated for the short fiscal year of May 1, 2024 through December 31, 2024. Ms. Tugwell made a motion to approve the May-December 2024 Reserve study. Mr. Bennett seconded the motion which carried unanimously.

The Board considered whether to have a full audit performed for the short year of May through December 2024, or to have a review which is much less expensive. The California Civil Code requires a review for revenue in excess of \$75,000. An audit would cost \$11,895 (remote) or \$15,495 (on-site), and a review would cost \$6,795. All quotes include corporate tax preparation as well. Ms. Baca made a motion to approve a review of the financial statements (plus corporate tax returns) for the short fiscal year, May-December 2024, at a cost of \$6,795. Ms. Tugwell seconded the motion which carried unanimously.

The Board discussed preparation of Form 1128, the application to change an organization's tax year, which are auditors have agreed to do for us at a cost of \$295. Mr. Kelly made a motion to approve \$295 for preparation of Form 1128. Ms. Graham seconded the motion which carried unanimously.

The Investment Committee met, directly following the Finance Committee meeting, to discuss a CD in the Reserve Fund that matures on October 1, 2024. They are recommending that an 18-month CD be purchased to replace it. Ms. Blank made a motion to approve the purchase of an 18-month CD, in the amount of \$150,000, for a period of 18-months. Ms. Graham seconded the motion which carried unanimously.

Ms. Baca noted that next month the Board will look at the draft Budget, Reserve Fund Study, and Annual Disclosures for the new fiscal year starting January 1, 2025.

- **Architectural Review**: Sara Harnish, Chair, reported: The committee met on Wednesday, September 19th. The new alternate, Hannah Priestley, was asked if she would consider becoming a full committee member. She agreed.

COMMITTEE REPORTS, Architectural Review, continued

The committee previously approved a request, via email, from unit #256 to install lattice on their patio fence. Unit #151 requested approval to replace and relocate the circuit breaker box and install four new electrical outlets. The committee approved the request.

The committee discussed the replacement of tables and chairs on the pool deck but decided to table the discussion until after the pool refurbishment is completed. The committee approved removal of a large juniper tree in front of unit #246 that is undermining the sidewalk. They also approved replacement of a Western Redbud tree by unit #189, the new tree to be donated by the owner of that unit. The new tree will be planted in the same spot. They also discussed and recommended that the Board remove the planting moratorium and use the plant list from Rana.

The Lighting sub-committee provided a written report, but the ARC committee would like to have the Chair of that sub-committee present to discuss the report with her. The ARC committee also discussed the scope of the Landscape sub-committee, but tabled that as well, pending attendance of that Chair.

Mr. Rothstein will be investigating the irrigation system with David, to determine the cause of water runoff. There was also a member that expressed concern over the condition of the common area landscaping in her area.

Mr. Kelly made a motion to approve Hannah Priestley as a full member of the Architectural Review Committee. Mr. Carriere seconded the motion which carried unanimously. Mr. Sutton asked volunteers for the alternate position on that committee to let the Board know.

Mr. Bennett made a motion to remove the planting moratorium as recommended by the Architectural Review Committee. Mr. Kelly seconded the motion which carried unanimously.

- **Fire-risk Assessment & Mitigation:** Brendan Kelly, Chair, reported: “The FRAM committee convened on 11 September 2024 at 2:00 pm. Present were: Brendan Kelly, Chair; David Delwiche, Sara Harnish, Pat Ostrom, Art Sutton.

“The committee discussed fire remediation projects proposed for this year.

Wild grass mowing

We will confer with David Mora, as previously recommended by Mr. Hedberg, about the best timing for a fall mowing.

Subsequent to the committee meeting, David Mora confirmed that he would monitor the state of the wild grasses and let us know when he thinks another mowing is appropriate.

COMMITTEE REPORTS, Fire-risk Assessment & Mitigation, continued

Ranch Road mastication

Mr. Kelly relayed a 9 September 2024 telephone conversation with Captain Ascarie of CalFire:

- CalFire has Hacienda Carmel's completed 719 Form
- CalFire's masticator is out of commission – it is not known when it will return to service
- Hacienda Carmel is second in line for work when masticator is functioning
- The masticator cuts a 6 – 8' swath depending on the slope

The committee further discussed the need, timing, and expenses of the Ranch Road work and concluded that we cannot move ahead until the mastication is done. At that time, we can assess how much limbing might be needed.

Southeast woodlot (across property line from units 27 – 51)

The committee discussed the need, costs, scheduling, and subsequent maintenance of clearing brush in this area. **The FRAM committee recommends removing this item from our scheduled work** for the following reasons:

- Captain Ascarie does not consider this woodlot to be a fire hazard for Hacienda Carmel
- The vegetation provides an important visual shield from the solar farm, storage containers, and other equipment stored on Quail Property
- The vegetation stabilizes the berm in this section of our property
- Clearing the vegetation would require annual application of herbicides or mowing
- The woodlot is not on Hacienda Property

Masticated areas of west end

Mr. Sutton confirmed that the recently erected white poles running from the RV parking area to the barbeque area delineate a line agreed to by Mr. Sutton, Mr. Hedberg, Mr. Quinn, and Mr. Christensen (Monterey Peninsula Water Management District). On the west (river) side of the poles, they agreed that Hacienda Carmel will let native vegetation regrow. On the east side of the poles, we can landscape for protection from fire. No further development is allowed.

“The FRAM committee recommends that:

- 1. The board memorializes the agreed protected area line for future boards and committees**
- 2. The board asks the Architectural Review Committee to:**
 - a. consult with the community and recommend options for optimizing the growth of non-noxious native plants in the protected area of the west end**
 - b. consult with the community and recommend options for landscaping the masticated ground between the protected line and the berm”**

Mr. Sutton noted he does not believe a motion is necessary at this time. We have restrictions in that area but do have approval to reinstall the walkway to the garden. Following a discussion of weed control on the west end, Mr. Sutton tabled the matter for now.

COMMITTEE REPORTS, Fire-risk Assessment & Mitigation, continued

“On 13 September 2024, FRAM committee members Delwiche, Kelly, and Ostrom along with Catherine Robinette and a Comcast technician assessed Comcast cables entangled in a eucalyptus tree and a pine tree on the inside of the berm. The technician confirmed that the lines were communications line that pose no fire danger. He further expressed little concern for the lines at present. Eventually, trimming may be necessary to relieve strain on the lines.

- **Events & Entertainment:** Flossie Stowell reported: Octoberfest is coming up in about a week. It will be on Saturday, October 5th. We kept the price down to \$15, while having a more extensive offering of food made by Chef Bill.

Bingo is still on the third Thursday of the month. The next game will be on October 17th. Movie Night has been temporarily cancelled because we don't have anyone volunteering to take it on. If you are interested in seeing it continue, you may wish to volunteer. Also, the Pickleball Exhibition has been postponed. It was going to be in October but will now be in November or December – date to be announced.

In December we are looking forward to a holiday party with hors d'oeuvres. In March of 2025 we will be doing another Senior Resource Fair, headed up by Joanne Sarrica. Ms. Stowell added that they really need volunteers for the larger events, to help set up and tear down.

Mr. Sutton thanked the E&E committee for the great work they did on the farewell party for Robert Hedberg.

- **Ad Hoc Fire Alarm:** No report.

8. **UNFINISHED BUSINESS:**

- **Revisions to CC&Rs Section 10.6:** Mr. Sutton explained that the Board is still working to perfect the language in this section. They plan not to require specific limits be carried on resident's policies, but to require that insurance be carried.
- **Revision to Ground Rule 10 – Parking:** The Board is still working on the language on a change to this ground rule. It should be available next month for Board action.

9. **NEW BUSINESS:**

- **Board Member Vacancy:** Board member, Mary Pat Adams, has resigned from the Board. She is moving out of state. Mr. Sutton asked that if anyone is interested in serving on the Board and completing her term, please let him or the Corporate Secretary, Niki Tugwell, know.

NEW BUSINESS, continued

- **Dining Room Charges:** Mr. Sutton mentioned that the Board is considering eliminating Dining Room charges to units. He and the Vice President met with the chef on the matter. It would cut down on the office’s workload and relieve the dining room’s cash flow.

10. **COMMENT PERIOD FOR MEMBERS:**

- Mary Lou Donegan, unit 291, complimented the Board and staff for efficiently handling things in the absence of a manager.
- Judith Woodruff, unit 73, requested gutter cleaning for fire mitigation, and announced Easy Yoga, Friday at 11:00 in the West Room.
- Elizabeth Husby, unit 74, acknowledged Art Sutton for emceeding Robert’s Aloha party; Linda Smith & Bob Kampwerth for Movie Night; and Hacienda staff for stepping up in Robert’s absence.
- Dave Delwiche, unit 159, suggested a “Watch for Pedestrians” sign at Flag Pole Island.

11. **ADJOURNMENT:** The meeting adjourned at 11:12 a.m. The next Regular Board Meeting will be held on Thursday, October 24, 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.