HACIENDA CARMEL COMMUNITY ASSOCIATION
MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS
Thursday, June 25, 2026
Casa Fiesta

PRESENT:
Ms. Sara Harnish, President & Director
Mr. Art Sutton, Vice-President & Director
Ms. Holly Carlin, Treasurer & Director
Ms. Niki Tugwell, Corporate Secretary & Director
Ms. Linda Mullally, Director
Ms. Christine Hulka, General Manager
Ms. Catherine Robinette, Business Supervisor
Ms. Jeanne Mileti, Recording Secretary

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

1. **CALL TO ORDER**: The open meeting was called to order at 10:37 a.m. by Sara Harnish, President.

2. **REVISION OF AGENDA**: Art Sutton added a report from the Ad Hoc Water Rights Committee to 'Committee Reports'.

3. **MEMBER COMMENTS ON AGENDA ITEMS**: No comments.

4. **CONSENT AGENDA**:

   a. **Approval of Minutes**
      i. Regular Board Meeting of May 28, 2026
      ii. Organizational Meeting of June 4, 2026
      iii. Special Open Board Meeting of June 17, 2026

   b. **Approval of Occupancy Applications –** none

   c. **Financial Report**
      i. Verification of bank reconciliation & check register review for Mar. & Apr. 2026

   Holly Carlin made a motion to approve the Consent Calendar. Linda Mullally seconded the motion which carried unanimously.

5. **PRESIDENT'S REPORT**: Sara Harnish, President, reported:

   a. Report on discussion in Executive Session and any items requiring Board action:

      - The Board discussed several legal matters.
      - The Board approved a Facilities Lease with the Massage Therapist for $50/mo.

PRESIDENT'S REPORT, continued

b. Correspondence:
There was a letter of complaint regarding a nuisance that was referred to the General Manager for process.

There was a letter regarding cameras at the Front Desk. Sara Harnish explained that the cameras were installed when the Front Desk was closed at 7 pm, but the building was left open until 9 pm. They provided security for the 1st class mail left unattended. If we decide to install a security gate at the counter, there will be no need for the cameras. Meanwhile, the audio will be disconnected if possible, and a video policy will be crafted.

There was a letter regarding a Satellite Post Office designation. Hacienda Carmel is contracted as a "**Centralized Delivery Point**." The mechanics of mail delivery remain the same. The Association's ***Ground Rule*** states that there should be no personal mail distributed to the boxes. It is the Ground Rule that is being enforced. (Letters to the Board of Directors should be given to management so that they make it into the Board packet.) Ms. Harnish reminded members that it is against Association policy to contact our vendors.

There was follow-up correspondence from a member who would like to do volunteer landscape maintenance in the common area. The Board discussed the offer but have a lot of concerns – grounds staff takes direction from management only, and it would be a question for legal counsel.

There was a letter from the attorney regarding water rights, which will be discussed by Bill Quinn in his committee report.

6. TREASURER'S REPORT: Holly Carlin, Treasurer

• **Reserve Fund Expenditures**:

$ 5,252.31	Paid to AR Plumbing for repair of Backflow
$ 2,263.58	Paid to Valley Saw for Grounds Equipment Replacement
$ 909.99	Paid to Ewing Irrigation for misc. Irrigation Replacement
$ 1,425.33	Paid to Keith Day Co, Drought Resistant for Landscape Replacement
$ 6,333.60	Paid to Prolighting for Grounds Lights Replacement
$29,115.38	Paid to DA Construction for Pool Deck Restoration
$ 1,335.00	Paid to Sattya Nand for Walk-in Fridge/Freezer Repair
$ 3,260.33	Paid to Built-In-Distributors for 2 Washer Replacements
$16,487.88	Paid to River Pump Services for Pump Replacement
$66,383.40	Total Reserve Fund Expenditures for June 2026.

Holly Carlin reported on the financial statements for the period ended May 31, 2026. She noted that several of the budgeted items, such as the excess from last year in Income, and the solar obligation in Expense, are budgeted items that do not tie in with an income or expense account. Likewise, a transfer to Reserves was just made in June, as we were waiting for the Package Policy to be paid. In taking this into account, the actual revenue over budget is approximately $6,500, and the expenses are $130,000 under budget.

TREASURER'S REPORT, continued

PG&E has held back our bills for two months, while they calculated credits that were due us well back into last year. It appeared at one point that we would start the month of June with a considerable credit. However, we received a bill yesterday for $108,000, to cover the three months, less the climate credit and any adjustments they made. This averages out to $36,000 per month, which is just slightly on the low side for the three months covered. The current bill will be paid as a June expense. Additionally, Ms. Carlin noted that she has been keeping an eye on the amount we budgeted for a General Manager, and the amount is currently $22,500 under budget.

Niki Tugwell made a motion to accept the May 2026 Financial Statements, pending audit or review. Linda Mullally seconded the motion which carried unanimously.

7. **BUSINESS SUPERVISOR'S REPORT**:

- **Hacienda Projects**: Catherine Robinette reported following our planned water outages, one of which lasted considerably longer than anticipated, there was an additional 4-hour outage for which we had no warning. It was due to the work they are doing at Rancho Cañada.

  Westcoat, the manufacturer of the pool deck material, will be out on Tuesday to resolve any problems with the new pool deck, at no cost to Hacienda Carmel.

8. **COMMITTEE REPORTS**:

- **Finance**: Fran Baca, Chair, reported:
  "The Finance Committee held its first meeting of the new Board Term on Thursday, June 18, 2026. Four (4) Members attended the open session. Our new General Manager, Christine Hulka, was also in attendance.

  "During the course of the meeting, the following items were discussed and delegated to Christine for follow-up.

  1. "Contact Monterey Bay Air Resources District (MBARD) and look into the LEEP Program (landscape equipment exchange program). Determine to what extent HCCA is eligible for monetary credits up to $15,000.
  2. "Research and report on the Finance Committee's minute requirements for the open and closed portions of the meeting.
  3. "Coordinate the Reserve Study on site visit by our Reserve Analyst scheduled for 1pm on July 8, 2026.
  4. "Review and update the Procedure for Obtaining Contracted Services.

  "In addition, the Finance Committee has the following recommendations:

  1. "Renew Employee Benefits effective September 1, 2026, with no change in providers as follows:
     - Medical, Anthem Blue Cross PPO 1950, annual premium increase of 12.71% in the amount of $27,454 from $215,920 to $243,374.
     - Dental, Principal PPO Plan, annual premium increase of 6.80% in the amount of $1,258.20 from $18,516.24 to $19,744.44.
     - Vision, Principal, no change. Annual premium remains at $2,267.40.

COMMITTEE REPORTS, **Finance,** continued

- Life Insurance, Principal, annual premium increase of 4.5% in the amount of $127.57 from $2,831.97 to $2,959.53. (Schedule is off by $.01 s/b $127.56)." Holly Carlin made a motion to renew the medical with Anthem, and ancillary policies with Principal, as reported, with a September 1st start date. Niki Tugwell seconded the motion which carried unanimously. Ms. Carlin noted the budgeted amount was 13%.

2. "Execute the Facilities Use Agreement with the Massage Therapist. (To be discussed by the Board in Executive Session and reported to the Membership by the Board President)" Fran Baca announced that the Board voted on the agreement in Executive Session.

3. "Fill the Finance Committee vacancy created by the resignation of Patti Doran. According to the Committees Policy, the Board has the power, but not the obligation, to fill the vacancy." Sara Harnish announced that the Board recommends the appointment of Jackie Graham, former Treasurer and member of the Finance Committee. Linda Mullally made a motion to approve the appointment of Jackie Graham to the Finance Committee. Niki Tugwell seconded the motion which carried unanimously.

- **Architectural Review**: Karen Jefferies, Chair, reported:

  "The first meeting of the 2026-27 Architectural Review Committee was held on June 10. The committee unanimously approved the following member requests:

  - "Unit #117: Replace patio gate, and even off fencing surrounding the patio.
  - "Unit #151: Install a sun tunnel on the west side roof. Committee added language stating replacement roof shingles must match existing shingles."

- **Events & Entertainment**: Mary Young reported:
  The committee met on June 2nd. They reviewed previous activities to see what worked and what improvements can be made.

  Upcoming events included a concert by pianist Gustavo Romero at 2 pm in Casa Fiesta on June 28th. Apple Pie and Ice Cream on the Pool Deck on 4th of July – 2 to 4 pm. Please sign up for this event so we know how many to plan for. At the 4th of July event the Cannery Row Barber Shop Quartet will perform – so don't miss it!

- **Ad Hoc Water Rights Committee**: Bill Quinn, Chair reported: We received a response from the attorney at Noland, Hamerly, Etienne & Hoss, the firm that used to represent Hacienda Carmel. He sent the name of a consulting firm and several attorneys that may be able to help us pursue the still viable application for appropriative rights, filed in 1992. There are some issues we would need to pursue:
  1) Determine compliance with the California Environmental Quality Act (CEQA) (There are categorical exemptions), and also with the State Public Trust Doctrine.
  2) Deal with the five protests for our application filed in 1996 (we would need to hire a law firm to pursue), and file the permitting process. (This could be minimal or it may require litigation.)

COMMITTEE REPORTS, **Ad Hoc Water Rights,** continued

Bill Quinn explained that the transactional costs of pursuing this right may well be too high. He suggested that the Board should meet with the committee to determine what the ceiling for Hacienda Carmel would be from a cost standpoint.

9. UNFINISHED BUSINESS:

- **Approve Amended Committee Policy/Charters**: Sara Harnish explained that she would like to table this item, allowing continuing work on them so that they are consistent with each other. Linda Mullally made a motion to table the Committee Policy/Charters for further review. Niki Tugwell seconded the motion which carried unanimously.

10. NEW BUSINESS:

- **Appointment of New Check Signers** : Holly Carlin made a motion to approve the Board members and General Manager as signers, and to authorize Jeanne to make the necessary changes. Mr. Sutton seconded the motion which carried unanimously.

- **Summit Engineering Invoice**: Art Sutton made a motion to approve the additional invoice from Summit Engineering for $8,469.54, incurred when they had complications while replacing the pressure valve. Niki Tugwell seconded the motion which carried unanimously.

- **Electric Smoker for Kitchen**: The Board considered two electric smokers for kitchen use and Sara Harnish noted she had interviewed the Chef about his preference. Niki Tugwell made a motion to approve purchase of a Smokintex Pro 1500, 120V electric smoker for $2,499.00. Linda Mullally seconded the motion which carried unanimously.

11. MEMBER COMMENT PERIOD: Eight members commented on various subjects.

12. ADJOURNMENT: The meeting adjourned at 11:39 pm. The next regular Board meeting will be held on Thursday, July 23, 2026, at 10:30 am in Casa Fiesta. The Board will meet in Executive Session at 8:30 am in the Egon Durr Board Room, prior to the open meeting.