

**HACIENDA CARMEL COMMUNITY ASSOCIATION
MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS
Thursday, December 17, 2009**

PRESENT:

Mrs. Donna Rico, President & Director
Ms. Elizabeth Husby, Vice President & Director
Mr. Andrew Bonfield, Corporate Secretary & Director (Attended Executive Session only)
Dr. Thomas White, Association Treasurer & Director
Mrs. Diana Barrett, Director
Mr. Bill Bennett, Director
Mr. Doug Leach, Director
Ms. Joan Murray, Director
Mr. Dean Maxinoski, General Manager
Mrs. Jeanne Mileti, Recording Secretary

ABSENT:

Mrs. Jeannine Rokich, Director

11 members attended the open meeting in Casa Fiesta.

1. **BRIEFING SESSION:** The Board met in Executive Session to discuss matters regarding legal, contractual or personnel items. Items discussed are presented under "President's Report."
2. **CALL TO ORDER:** The meeting was called to order at 10:00 a.m. in the Casa Fiesta by Donna Rico, President.
3. **APPROVAL OF MINUTES:** The minutes of the regular meeting of November 19, 2009 were considered for approval. Dr. White made a motion to approve the minutes as submitted. Ms. Murray seconded the motion which carried unanimously.
4. **PRESIDENT'S REPORT:** The Board took action in Executive Session to drop foreclosure proceedings against a unit in arrears, and proceed with collection of personal debt. Mrs. Barrett made a motion that the association drop the foreclosure action against APN# 015 342 022 000, while keeping the lien against the unit in place. And additionally to have the assets of the unit owner investigated, with the intent of proceeding with a suit to collect past due fees on this unit should the owner's circumstances be sufficient to support such a suit. Dr. White seconded the motion which carried unanimously.

The President further reported that the Board approved a letter to current counsel indicating that the association will be utilizing a legal firm that specializes in condominium law. The motion to approve the letter was made by Mr. Bonfield. Mr. Leach seconded the motion which carried unanimously.

5. **OCCUPANCY APPLICATIONS:** Mr. Maxinoski presented the following applications for occupancy for Board approval:

Irene M. Bowling	Owner/occupant, unit #120
Patricia A. Zamudio	Owner/occupant, unit #180
Sandra Gail Gardiner	Lessee, unit #112
John Dunn	Authorized Occupant, unit 160

The General Manager explained that the authorized occupant in unit 160 presented a doctor's authorization for him to serve as care giver. Dr. White made a motion to approve the applications for occupancy. Mr. Bennett seconded the motion which carried unanimously.

6. **GENERAL MANAGER'S REPORT: Dean Maxinoski, General Manager**

- **Rentals and Unit Sales:** Mr. Maxinoski reported that there are now six or seven units on the market and twenty four units sold to-date. The rental queue is full.
- **Hacienda Projects:** The General Manager reported that the Board asked for an outside opinion on the work that was done to restore the Woods and Marotta banks on the opposite side of the river. He has now received a written report from Schaaf & Wheeler, hydrologists, which states that the work was done properly and Hacienda Carmel should not suffer any adverse affects to its riverbank. Also, when the bridge was assessed for longevity recently, there were several repairs suggested – some on the lower piers. The repair company, RCA, will require additional information before they perform this work and Hacienda Carmel will retain our bridge engineers to do the specifications on the needed repairs.

Ms. Murray indicated that there were two areas on the pavement where the 15 MPH signs were not replaced after the recent seal was applied. The General Manager indicated he will look into it and make sure they are replaced.

7. **FINANCIAL MATTERS:** Dr. White reported that the Reserve Fund expenditures for the month of November, 2009 were \$42,715, which was for the second half of the slurry seal. To date we have expended \$95,791. Mrs. Barrett made a motion to approve the November R&R expenditures. Mr. Leach seconded the motion which carried unanimously.

8. **COMMITTEE REPORTS:** The following committees had reports:

- **Activities:** Mrs. Rokich was absent but Mrs. Rico reminded those present about the upcoming Christmas Luncheon, which will feature a gift exchange and door prizes.
- **Buildings and Grounds:** Ms. Husby reported that the committee met on Tuesday, December 8th. The tree by units 50 & 51 was not removed, but was thinned out

COMMITTEE REPORTS, Buildings and Grounds, continued

instead. Management received some letters from members who were pleased with the outcome of that project. Staff corrected a drainage problem by unit 101. There were several requests from members to have work done on their condominiums. All were done by a contractor or appropriate tradesperson and all conformed with the Hacienda Carmel Guidelines. Unit 170 requested to replace doors and windows, which was approved unanimously. Unit 221 requested permission to add a sink on the outside of the shed. That, again, was approved unanimously. Unit 295 requested permission to install skylights in the kitchen, livingroom and bathroom. That too was approved unanimously. Unit 230 requested permission to start repairs on the unit and it was approved unanimously. The committee made a motion to approve the current design proposed for the new entrance sign, not to exceed the amount received from the insurance company for the damaged sign. That, again, was approved unanimously. The General Manager has a copy of the proposed design in case anyone is interested. The committee also reviewed a proposed pet policy, but no action was taken. The Buildings and Grounds minutes are posted in the Bulletin Board Room.

Ms. Murray reported that there is a very large tree limb overhanging the bridge. Mr. Bennett asked about the new sign design – has it been approved by committee and will they get bids. Ms. Husby explained that they have three bids on the sign and we are now waiting for money from the insurance company.

- **Finance:** Mr. Upson reported that the committee met on December 10th. The first order of business was a review by Dr. White of the October, 2009 financial statements. He pointed out that the association is in good financial shape with current assets over liabilities of 3 to 1. The Reserve Fund as of that date was \$893,000, which is extremely healthy, and continues to grow by some \$21,000 per month. Excess revenue over expenses for the first six month of the fiscal year was \$159,000, as opposed to a budgeted amount of \$3,000. However, we should point out that the budget comparison is done by dividing the yearly total by twelve months and applying six of those months to our half year budget comparison, whereas, actual expenditures are seasonal (such as gas for heating which is considerably more expensive in the winter months). Dr. White made a motion to accept the financial statements for the month of October, 2009, subject to audit. Mrs. Barrett seconded the motion which carried unanimously.

The committee discussed redoing the association's governing documents, which are outdated and have not been completely redone since 1962. The time has come to redo the documents due to the way changes in recent laws, most notably the Davis Sterling Act, have impacted all condominium associations. Management received two proposals. The one that the Finance Committee recommends is Berding and Weil, the firm which specializes in condominium law and redid our election procedures a few years ago. The bid from them was for \$9,500 to \$11,000. It should be pointed out that before the revisions are finalized they will come before the membership for a full vote. The committee voted five to one to approve Berding and Weil. Dr. White made a motion to approve Berding and

COMMITTEE REPORTS, Finance, continued

Weil's proposal of \$9,500 to \$11,000 to redo the CC&Rs. Mr. Leach seconded the motion. Mr. Bennett asked if the attorney firm will work with the Board on the documents and then make a presentation to the general membership. Mr. Upson stated that his understanding is that we will provide them with our governing documents and they will, based upon their knowledge and experience, redraft those documents and provide them to the Board. Once the Board has made any changes, the new documents will be given to the membership for approval for a vote to adopt them. Mr. Bennett expressed concern that the attorney firm might charge us for unnecessary trips here. Mr. Upson explained that they will only come here if we request they come, and in that case we will pay them the additional charge. Mrs. Rico added that this project make take several months to accomplish. The motion to approve Berding and Weil carried unanimously.

The next issue the Finance Committee reviewed was the entrance sign. The old sign was destroyed in an auto accident and the Buildings and Grounds Committee has done a lot of work on the design of a replacement sign. The association has received three bids for a new sign and the one recommended by management is Mahoney Masonry, in the amount of \$7,000. The committee recommends that the Board approve the contract with Mahoney Masonry, not to exceed the amount of the insurance settlement, but not to go ahead with the contract until the insurance money is received. Mr. Leach made a motion to accept the Mahoney Masonry bid, not to exceed the amount received by insurance, for a replacement sign recommended by Buildings and Grounds. Mrs. Barrett seconded the motion. Mr. Bennett asked if the contract is for replacement of the old sign, as is, or is it for the new specifications? Mr. Upson explained that Mahoney Masonry bid on the new design. The General Manager added that the association is expecting a check from the insurance company at any time. Mr. Bennett made a motion that the motion to approve the contract be tabled until funds are received, and also that the membership be allowed to look at the new design for 30 days prior to Board approval. Ms. Husby seconded the amended motion. The amended motion to table the approval of the contract passed with six members voting in favor, Dr. White opposed.

Mr. Upson further reported that delinquencies are down to \$59,000, which means the association has recovered over \$21,000 of the past due amount through units being sold and some of the delinquencies being paid off. Units in arrears are placed with a professional collection agency that specializes in condominiums or, as in the case of the unit mentioned earlier, the Board is pursuing collection of personal debt. Mr. Upson indicated that he feels this shows good control of the association's delinquent accounts. He added that of the \$59,000 in arrears, \$50,000 was written off in the last fiscal year.

9. **COMMENT PERIOD FOR MEMBERS:** A tape of the Board meeting and the entire comments made by members can be reviewed by members, in the accounting office, for a period of up to 30 days after the Board meeting. Otherwise, in these minutes comments made by members are summarized.

- Anne Clark, unit 11, asked if the signs for Casa Tesoros and the Book Shoppe will be coordinated with the new sign. (The General Manager indicated they will). She added a plea to please check out library books for three weeks, fill out the card, and do not take books without checking them out.
- Larry Foy, unit 182, indicated he is sorry to see the Board delay the replacement of the entrance sign for another 30 days. It has been four months already and the broken sign is a terrible first impression of Hacienda Carmel.

Mr. Bennett answered that although he appreciates the comment about replacing the sign in a timely manner, the new sign design concept is not necessarily accepted by everyone and we have not received the money to replace the sign yet.

- Lauren Upson, unit 150, agrees with Mr. Foy. The design was conceived in the open Buildings and Grounds meeting, it was approved by the Finance Committee, and the motion that was made was to replace the sign after the money was received.
- Jean Warriner, unit 278, also supports the opinion of last two speakers. She feels there are things that must be determined by the Board of Directors and should not be left to the general membership to decide as it slows the process considerably.

Mrs. Rico asked if the Board wished to change the motion on the sign. Ms. Husby indicated that she feels the membership should have an opportunity to review the new sign. Ms. Murray indicated that this may placate those who feel only a few people make decisions.

10. **ADJOURNMENT:** With a motion by Dr. White the meeting was adjourned at 10:35 a.m. The next Board meeting will be held on Thursday, January 28, 2009 at 10 a.m. in the Casa Fiesta. Members are welcome and encouraged to attend. The Board will meet in the Egon Durr Room at 9 a.m. for Executive Session before the regular Board meeting.