

# SOMERSET ESTATES HOMEOWNERS ASSOCIATION

## What's Up #2

April 14, 2018

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# SEHOA Now Incorporated

## Progress in Establishing HOA

As reported in the last issue, your board has been at work taking the necessary one-time steps to establish Somerset Estates Homeowners Association (SEHOA). Since the last issue (only a few days ago!), SEHOA is now officially incorporated as a Colorado Non-Profit corporation registered and in good standing with the Colorado Secretary of State. In addition, you will find the Articles of Incorporation and corporate Bylaws posted on the SEHOA website. Filing these documents were a necessary step in establishing SEHOA. The provisions of these documents are largely alterable by future boards if desired and are, in any event, subordinate to the association's Declarations.

One of the important issues facing SEHOA is adopting an Amended Declaration. This is an important step that will address a number of issues. We will listen to the community, provide factual information and ultimately bring a revised Declaration to a vote. Adoption of an Amended Declaration will require the affirmative vote of 67% of all Estates homeowners. Arriving at an informed decision will require homeowners' attention and involvement. Read about the board's ideas elsewhere in this newsletter about how we hope to address this topic.

Minutes of several recent meetings are now posted under a new "Minutes" tab on the website ([www.SomersetEstates-HOA.com](http://www.SomersetEstates-HOA.com)). Check this tab regularly for minutes of homeowner meetings, executive board meetings, and other meetings.

Enjoy the Springtime weather,

Your SEHOA Executive Board

## Why A New Declaration

... and Why Now?

For more than 20 years, Somerset has been handicapped by the requirement to obtain 75% of all homeowners to adjust dues. Although the need for revision has been clear, the community has not been able to muster the required super-majority. SEHOA will need to launch an effort once again to reach this worthy goal.

Passing an up-to-date declaration will permit us to move toward a functional HOA in a well-run community that has adequate reserves, no drama, and well maintained common areas.

Most people remember the 2016 Version and that Estates nearly got the required 60 affirmative votes. By addressing the feedback heard from homeowners then, combined with new feedback this time around, we expect the community will choose to adopt a newly revised "2018 Version".

Will adopting a new declaration move us toward merger or staying separate? Both! If both communities ultimately choose to merge back together, reconciling two CCIOA-compliant declarations will be comparatively easy. If they don't, SEHOA will be positioned to go forward separately. In either event, it makes sense to get a new declaration in place beforehand.

Your SEHOA Board

## SEHOA Declaration Revision

Much of the work being done by the SEHOA board is straight-forward and mandatory, either by Colorado corporate law, the Colorado Non-Profit Act or by the Colorado Common Interest Ownership Act (CCIOA). One of the key steps needed to set our community on the right footing going forward is resolution of the structural problems that have plagued our neighborhood for years, namely, our current out-of-date and dysfunctional Declaration.

As it currently stands, Somerset Estates inherited a Declaration established by the original developer in 1992, the so-called "1992 Version". To adopt a new declaration will require the affirmative vote of 67%, or 60 out of the 89 homeowners in our community. In 2016, 58 homeowners voted FOR a new Declaration, only two short of the needed 60 votes. We call that Declaration the "2016 Version".

The SEHOA Executive Board is in the process of modifying the 2016 Version to create a modern document that complies with CCIOA and incorporates changes which we believe will make it agreeable to even more homeowners. The board will present some of its ideas and invite Estates homeowners to voice their thoughts as part of a process that will lead to a "2018 Version" for consideration by the community. This will be an important precursor that will lay the groundwork for ultimately addressing the question of staying separate or merging with SHOA.

**The first of several opportunities to participate in this process will be at the upcoming April 24<sup>th</sup> board meeting. Please come to be a part of these important discussions.**

After everyone has had a chance to understand the issues and provide input on the topic, we will share the resulting Draft 2018 Version with SHOA for their input. We will then be in a position to distribute a comprehensive package to homeowners.

Ultimately, if two thirds of homeowners vote in the affirmative, we will have new, functional Declarations in place for Somerset Estates.

## Transition Services Agreement

What would it address?

In the not-too-distant future, Somerset Estates homeowners will either choose to stay separate or formally merge with Somerset Homeowners Association (SHOA). In the meantime, however, we need to maintain “continuity of services during transition periods”. With that in mind, the SEHOA has proposed a Transition Services Agreement (TSA) to SHOA to address the topics listed below. This agreement would set forth a clear arrangement whereby SHOA would perform certain duties for SEHOA in exchange for fees until such time as the two HOA’s merge or decide to stay separate. It would specify:

- Services to be rendered;
- Transition Fees to be paid;
- Allowable withholdings;
- Insurance coverages;
- Forwarding of assessments;
- Allocation of Surplus Funds;
- Stand-still on Use of Funds;
- Termination Provisions.

SEHOA has indicated a willingness to work through the details of such an agreement with SHOA and is hopeful of doing so in the near future. We believe doing so would be in the best interest of both communities.

Your SEHOA Board

## Upcoming Board Meeting

All SEHOA homeowners are invited to attend regular sessions of the SEHOA board on the 2<sup>nd</sup> and 4<sup>th</sup> Tuesday of each month, 6:30 to 8:30 at the Firehouse at the corner of Longview and Niwot. Remember: The emergency vehicles must be able to leave at any time, so be sure you do not block the Firehouse garage doors!

**The next board meeting is April 24<sup>th</sup>.** The agenda at this meeting will provide an opportunity to exchange ideas about the declaration process and a discussion regarding the status and content of the proposed Transition Service Agreement. Please attend to better understand this important issue. We encourage you to contribute your ideas and thoughts.

Always check the SEHOA website the day before for updated agenda topics and to see if the meeting has been cancelled or rescheduled.

## Information Online

SEHOA and SHOA are working to keep their respective communities informed during this busy time. Members of both communities are encouraged to check both HOA websites to see newsletters and other information. Bookmark and visit these websites often to stay informed:

SEHOA website: [www.SomersetEstates-HOA.com](http://www.SomersetEstates-HOA.com)

SHOA website: [www.SomersetHomeowners.com](http://www.SomersetHomeowners.com)

## 2018 SEHOA Census

The emailed and physical mailed version of this newsletter will be accompanied by a Census Form to validate our master list of homeowners. We need this information to be sure our records are accurate and up to date. Please take a moment to submit changes as necessary and share additional information where requested. The census forms have instructions on how to mail back the form or submit changes electronically.

## Contact SEHOA

### Association Name

Somerset Estates  
Homeowners Association  
P.O. Box 621  
Niwot CO 80544

### Website

SomersetEstates-HOA.com

### Inquiries via email

Info@SomersetEstates-HOA.com

### Board Members

Marc Arnold, President  
Marc@SomersetEstates-HOA.com

Anthony Chirikos, Vice President  
Anthony@SomersetEstates-HOA.com

Paula Hemenway, Treasurer  
Paula@SomersetEstates-HOA.com

Susan Reilly, Secretary  
Susan@SomersetEstates-HOA.com

Kip Sharp, At Large  
Kip@SomersetEstates-HOA.com

## Social Committee

There are plenty of nitty-gritty issues to keep the board focused on dry HOA issues, but there ought to be some fun along the way, too! Are you willing to help plan and execute social events? If so, please contact Richelle Burnett who's kindly offered to help organize this effort. You can reach Richelle at [richelleburnett@gmail.com](mailto:richelleburnett@gmail.com) or simply call her at 202-494-0961.

## Landscaping / Irrigation Study

A lot of work was done previously to understand the operating costs and reserve requirements for the Estates community versus Place/Heights. Looking forward, we want to assess the potential for water savings by revising landscaping and explore irrigation options. To do that, a group is being established to review prior work and conduct further study. If you have knowledge of landscaping, irrigation, Colorado water law, or are just interested, please contact Jim Hemenway at [j.hemenway@comcast.net](mailto:j.hemenway@comcast.net) to join the effort.

*Estates Homeowners -*

*My service on the SHOA board and study of our water system impressed upon me the interrelationships between landscaping, water usage, infrastructure expense and ultimately the required financial reserves. Our newly elected board has asked me to study the issue with help from other Estates homeowner volunteers.*

*Without getting into details, my plan is to study various options for landscaping and then estimate the implications for the other parts of the system - i.e. water needs/rights, infrastructure, ongoing expenses and reserves. At the end of the process we'll report out our findings to the community and the board and hopefully have a consensus decision about how to proceed.*

*This is a very important task because in the near future we're going to be asked to make decisions about the future path of our neighborhood and we should make them on an informed and rational basis with all options on the table.*

- Jim Hemenway

## Committee Contacts

### Architectural Control

Steve DeWitt (Architect and builder)  
StevenDeWittArch@aol.com

Dave Knudtson  
d.knudtson@comcast.net

Steve Flannery  
spflannery@comcast.net

Social Committee  
Richelle Burnett  
richelleburnett@gmail.com  
202-494-0961

Landscaping / Irrigation Study  
Jim Hemenway  
j.hemenway@comcast.net

## Interim ACC Appointed

The SEHOA board continues to focus on short- and mid-term issues... But life goes on for homeowners planning improvements to their homes! At some point, the board will review Architectural Control Committee (ACC) rules, regulations and procedures. For now, we want homeowners to conduct their affairs in the manner with which they've been accustomed. As an interim solution, the board has appointed the same three people who've performing ACC duties for years.

Whether you are building a house, modifying the outside of your house, adding hardscape to your landscaping, or just adding landscaping to your home, please contact the ACC.

The ACC's goal is to help homeowners achieve their projects successfully within the bounds of the Architectural and Landscaping Standards.

Please contact any of the three ACC members to initiate a project.

Steve DeWitt (Architect and Builder) - [StevenDeWittArch@aol.com](mailto:StevenDeWittArch@aol.com)

Dave Knudtson - [d.knudtson@comcast.net](mailto:d.knudtson@comcast.net)

Steve Flannery - [spflannery@comcast.net](mailto:spflannery@comcast.net)

## Community Directory

The 2018 Census asks for permission to publish homeowner information. If sufficient homeowners have an interest, the board will investigate the feasibility of producing a Community Directory. The illustration below is an example of a directory published by several nearby communities. This certainly is not a top priority but might be something homeowners would welcome.





## SEHOA Roadmap Notes

Given our unusual situation, there is a tremendous amount of work to be done. The roadmap at the right is a partial list of steps to illustrate the scope of work to be done. We plan to work through the list of Compliance Steps and One-Time Actions in an expeditious but orderly fashion.

Items shown with ~~strikethrough~~ signify completed steps. Items in **bold** will require involvement by the whole community.

We hope this format will make it easy for you to follow the actions of the board "at a glance" and keep an eye on the proposed steps ahead. Of course, formal meeting minutes of board meetings will be published to document actions taken by the board.

## SEHOA Guiding Principles

We all have the good fortune to live in a premier neighborhood. The board will strive to take actions which:

- Protect and improve the value of our homes, and enhance our quality of life;
- Maintain continuity of services during transition periods;
- Consider issues in a rational, unbiased and transparent manner to assess of legal, financial and practical implications of proposed actions;
- Invite homeowners to attend board meetings and workshops to remain informed, participate and voice their ideas, suggestions and concerns; and,
- Collaborate with the SHOA board to arrive at amicable, timely, and mutually beneficial arrangements.

# SEHOA ROADMAP

## COMPLIANCE STEPS

~~Call a special meeting of Estates Homeowners~~  
~~Elect an Executive Board~~  
~~Elect Officers~~  
~~Select and engage SEHOA lawyer~~  
~~Incorporate SEHOA as a Colorado Nonprofit~~  
~~Establish corporate bylaws~~  
~~Acquire Employee Identification Number~~  
 Establish financial system and controls  
 Verify or acquire insurance coverages  
 Establish / comply with mandatory reporting  
 Verify membership roster  
 Register our HOA with State of Colorado  
 Review CCIOA compliance requirements  
 Additional steps as required to comply with State law  
 More...

## ONE-TIME ACTIONS

~~Open bank account~~  
 Work with SHOA to maintain services  
 Conduct meetings to gather feedback about Declarations  
 Propose up-to-date Declarations to Estates homeowners  
**Conduct homeowner vote to adopt Declarations**  
**Establish initial budget and dues assessment**  
**Carefully and fully consider merger with SHOA**  
**Meet with Somerset Swim & Tennis Club to discuss how SEHOA and SSTC can work together for the benefit of Estates homeowners**  
 More...

## NORMAL HOA BUSINESS

Architectural Control Committee  
 Newsletter  
 Landscaping / Beautification  
 Irrigation / Infrastructure  
 Social  
 Directory  
 More...