

**Minutes of Meeting of the Executive Board of
Somerset Estates Homeowners Association (SEHOA)
September 21, 2021
Somerset Swim & Tennis Club (SSTC), Niwot CO**

1. **Call to Order and Quorum** - The meeting was called to order at 6:35 PM. Quorum met for Executive Board meeting with Scott Abrahamson (SA), Paula Hemenway (PH), Pea Lawson (PL), Steve Lehan (SL), and Herb McPherson (HM) present.

Property Manager present – Al Orendorff (AO)

ACC member present – Larry Becker (LB)

Homeowners present – David Kachensky

2. **Approval of Prior Meeting Minutes** – MOTION to approve minutes from the Meeting of the Executive Board on August 17, 2021, made by HM, seconded by PL, no further discussion, approved unanimously.

3. **Capital Projects** –

- **Water System Infrastructure** – The transfer line will be operational next spring. The remaining tasks are to connect to Pond 2 and install the pump in Pond 1. The electric and mechanical work is completed, but we still need for Xcel Energy to install the new dedicated meter at Pond 1. The expenses for the transfer line to date are \$94,700 and may rise to \$100,000 or more once all the work is completed. The primary explanation for the overage is that the work by GTL wasn't included in the \$80,000 NTE approved by the Board. The Board acknowledges this higher expected cost.

The cost to install the transfer line pump is projected to be about \$12,000 against an expected budget of \$7,100. The overage is due to the need to install a new electrical panel at a cost of \$5,344.

We have three updated bids from HydroLogik for meters out of the Boulder White Rock (BWR) and Boulder Left Hand (BLH) ditches into Pond 1. These bids range from \$25,662 to \$29,335 and will be shared with SHOA. One consideration is what BWR will accept. We anticipate attending a BWR board meeting with a representative from HydroLogik for approval. The general consensus was to start with the first, least expensive single flume option to demonstrate that it works before adding equipment to the BLH ditch as this can be done later (although the added cost is not great). SA will meet with Mike Grothus of SHOA shortly to come to an agreement with them about what to present to the ditch company. Depending on the approval timing, the project can be completed this fall or next spring.

- **Hardscape** – Swale repair along the new path from Longview to Primrose is completed and sod installed. Planters mix along the edge of the paved path has been added and winter seed will be added later to fill in these areas.
 - **Capital Budget Status** – The current projected capital spending for 2021 is \$261,000 against a budget of \$213,000; however, some projects may not be completed this year. We will have a better idea of where we stand against both the capital and operating budgets as the work winds down in October.
4. **Property Manager's Report** – AO reported that the ditch water will stop on September 27. He is pushing as much water as possible to Ponds 7 and 8 prior to then. The waterfall and recirculation pump in Pond 8 will shut off with the ditch water. RSL has completed mowing of native grass areas. GTL has repaired all the dry irrigated grass areas, which will be watered for over a week prior to shut-off. The light at Highway 52 will be temporarily reinstalled on September 22. The new signs for the ponds

and paths are installed. Duty Free Pets will install a trial station at the Longview entry to the new paved path. Discussion and agreement to remove the red and white dog waste signs along Longview Dr.

5. **Treasurer's Report** – Report attached. As of August 31, five lots had delinquencies. Discussion about whether we need to transfer funds from the Capital One reserves account to cover capital expense invoices, but decided to hold off as close to October 1 due date for third-quarter assessments and the second half of the special assessment, which will replenish the First Bank operating account.
6. **Architectural Control Committee** – Barbara Stager's term on the ACC expires as of this month. She has graciously agreed to serve another term. Notice in What's Up sent on September 18 that this was on the agenda for this meeting, including solicitation of candidates. None responded. MOTION to extend the term of Barbara Stager on the ACC to September 2023 made by SL, seconded, by PH. HM asked LB whether having an even number of ACC members was an issue; LB responded it had not created any problems. No further discussion, approved unanimously.

Enforcement Action Hearing – 8277 Cattail Drive. Owner failed to appear at the hearing and did not provide a written response to the notice from the Board dated April 14, 2021 with second notice dated August 18, 2021 regarding landscape maintenance issue that violates SEHOA's Architectural and Landscaping Standards, Section V (Maintenance and Upkeep). Failure to appear or respond constitutes a no contest plea to the complaint and no hearing was required according to the SEHOA Fines and Enforcement Policy. SA to mail written warning letter of first violation to the owner on behalf of the Board. If not remedied within 30 days, the first fine of \$100 will be imposed as a second violation without an additional notice and hearing. The fines schedule will be included in the letter.

LB requested that the Board send notices of hearing for pest trees violation at 8274 Cattail Dr and weeds/overgrown vegetation violation at 6385 Snowberry Ln. Board agreed for SA to send these notices with hearings at the October 19 Board meeting. Discussion that 6385 Snowberry Ln is on the market. It is up to the owner to disclose any outstanding Association issues to a prospective buyer.

An owner with delinquent fines and assessments contacted AO to object to the fines. AO suggested he contact the Board. No action taken at this time, but a Notice of Delinquency will be sent by Trio Property in the next couple of months if outstanding balances aren't paid.

7. **Communication Tools** – The use of the anonymous feedback link included in What's Up has declined substantially since 2018 (29 received in 2018; 19 in 2019; 14 in 2020; 5 YTD in 2021), and 40% include contact information. Discussion and agreement to suspend this link and request feedback via the info@somersetstates-hoa.com email address.

SA reported on effort to find a reasonable cost option for shared storage and collaboration space. AO and SA investigated whether the AppFolio platform used by Trio Property would work, but it doesn't have the right capabilities. LB is going to ask his son-in-law for suggestions and also for help with some issues with the SEHOA email addresses for ACC members. Discussion and agreement that we don't want to establish separate email channels.

8. **Roads** – SL has prepared an online survey for the Board to get input from the community on whether homeowners want to consider pursuing negotiation of the terms of a Public Improvement District (PID) with Boulder County to maintain our roads. He will coordinate with PH on the logistics of distributing the survey.

Residents received postcards from the Colorado Department of Transportation about providing input on a Highway 52 improvement project. PH contacted CO DOT and learned that no plans are changed for the section of Hwy 52 that intersects with Somerset Dr. This will be communicated to homeowners.

9. Social and Welcome Committee Update – Participation at the Family Ice Cream Social on August 27 at SSTC was mostly kids that were already at the pool. Suggestion that this be a summer kick-off party next year, rather than after school has started. The adult social on September 9 at Larry and Gayle Becker’s house was well attended. Marc Arnold was thanked for his service to the neighborhood as the SEHOA inaugural President.

10. Update on SHOA Water Settlement Agreement and Water Use Task Force – We have the share certificates for the BWR shares. SA and AO to obtain safety deposit box at First Bank to store the certificates. Transfer of Northern Conservancy (C-BT) units is still in progress. We’re waiting for John Ryan to propose a side agreement between SEHOA and SHOA to handle the 2/3 share of BLH ditch company. We will start the quiet title on the outlots after all shares are transferred and the side agreement is executed.

As the ditch water is about to be shut-off, the Water Use Task Force will need to wait until next spring to resume looking for possible leaks in the irrigation system.

11. Other Business – None

12. Member Open Forum – None

13. Next meeting – Executive Board meeting on Tuesday, October 19, 2021 at 6:30 PM. We expect this meeting will be by Zoom.

14. Adjourn - The meeting adjourned at 8:40 PM.



Paula Hemenway, Secretary
October 6, 2021

Somerset Estates Homeowners Association - Treasurer's Report

**Operating and Reserve Fund(s)
Balance Sheet and Summary Income Statement**

AUGUST 2021

BALANCE SHEET

As Of August 31, 2021

	Operating Fund	Reserve Fund	Total
ASSETS			
<u>Operating/Checking Account</u>			
FirstBank	\$ 90,010.28	\$ -	\$90,010.28
<u>Investment/Reserve Account</u>			
Capital One	\$ -	\$ 303,086.36	\$ 303,086.36
TOTAL ASSETS	\$ 90,010.28	\$ 303,086.36	\$ 393,096.64
LIABILITIES & FUND BALANCE			
Fund Balance	\$ 90,010.28	\$ 303,086.36	\$ 393,096.64
TOTAL LIABILITIES & FUND BALANCE	\$ 90,010.28	\$ 303,086.36	\$ 393,096.64

Statement of Revenues, Expenses, and Changes in Fund Balance

For August, 2021

	Operating Fund	Reserve Fund	Total
REVENUES			
HOA Dues	\$ 2,700.00	\$ -	\$ 2,700.00
HOA Violations & Fines	\$ -	\$ -	\$ -
Special Assessment	\$ -	\$ 500.00	\$ 500.00
Other Misc. Income, Transfer Fees & Interest	\$ -	\$ 128.65	\$ 128.65
TOTAL REVENUES	\$ 2,700.00	\$ 628.65	\$ 3,328.65
EXPENSES			
Administrative	\$ 1,190.20	\$ -	\$ 1,190.20
Landscape Repair & Maintenance & Enhancement	\$ 3,123.80	\$ -	\$ 3,123.80
Lights & Fence & Path & Pond Maintenance & Repair	\$ 195.00	\$ -	\$ 195.00
Water & Utilities	\$ 1,497.01	\$ -	\$ 1,497.01
Water Rights	\$ -	\$ -	\$ -
Water System Infrastructure	\$ -	\$ 63,836.50	\$ 63,836.50
Water Features (Ponds & Waterfall)	\$ -	\$ -	\$ -
Water System Profession Fees (Project Mgmt. & Ops Manual)	\$ -	\$ -	\$ -
Irrigation System	\$ -	\$ 1,740.46	\$ 1,740.46
Hardscape (Fence & Paths & Monuments)	\$ -	\$ -	\$ -
Softscape (Master Landscape Plan)	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ 6,006.01	\$ 65,576.96	\$ 71,582.97
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (3,306.01)	\$ (64,948.31)	\$ (68,254.32)
TRANSFER BETWEEN OPERATING FUND and RESERVE FUND	\$ -	\$ -	\$ -

Somerset Estates Homeowners Association - Treasurer's Report

**Operating Fund
Income Statement
August 2021**

	AUGUST 2021	YTD-ACTUAL 2021	YTD-BUDGET 2021	YTD-VARIANCE 2021 Better/(Worse)	BUDGET 2021
REVENUE and EXPENSE SUMMARY					
REVENUE					
HOA Dues	\$ 2,700.00	\$ 175,325.00	\$ 177,525.00	\$ (2,200.00)	\$ 240,300.00
HOA Violations & Fines	\$ -	\$ 2.25	\$ -	\$ 2.25	\$ -
Other Misc. Income & Transfer Fees	\$ -	\$ 2,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
TOTAL INCOME	\$ 2,700.00	\$ 177,327.25	\$ 178,525.00	\$ (1,197.75)	\$ 241,300.00
EXPENSES					
Administrative	\$ 1,190.20	\$ 19,577.10	\$ 33,425.00	\$ 13,847.90	\$ 42,100.00
Landscape Repair & Maintenance & Enhancement	\$ 3,123.80	\$ 43,530.79	\$ 59,969.00	\$ 16,438.21	\$ 87,900.00
Lights & Fence & Path & Pond Maintenance	\$ 195.00	\$ 3,611.72	\$ 11,715.00	\$ 8,103.28	\$ 14,900.00
Water & Utilities	\$ 1,497.01	\$ 6,073.97	\$ 9,800.00	\$ 3,726.03	\$ 18,200.00
TOTAL EXPENSES	\$ 6,006.01	\$ 72,793.58	\$ 114,909.00	\$ 42,115.42	\$ 163,100.00
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (3,306.01)	\$ 104,533.67	\$ 63,616.00	\$ 40,917.67	\$ 78,200.00
	0 - 30 Days	30 - 60 Days	60 - 90 Days	Over 90 Days	
Dues & Fines Outstanding - \$8,642.33 / 5 Homes	\$1,282.33 / 3 Homes	\$3,810.00 / 2 Homes	\$3,375.00 / 5 Homes	\$175.00 / 1 Homes	

**Reserve Fund
Income Statement
August 2021**

	AUGUST 2021	YTD-ACTUAL 2021	YTD-BUDGET 2021	YTD-VARIANCE 2021 Better/(Worse)	Proposed BUDGET 2021
REVENUE and EXPENSE SUMMARY					
REVENUE					
Special Assessment	\$ 500.00	\$ 277,000.00	\$ 222,500.00	\$ 54,500.00	\$ 445,000.00
Interest on Capital One - Reserve Account	\$ 128.60	\$ 593.69	\$ 533.33	\$ 60.36	\$ 800.00
TOTAL INCOME	\$ 628.60	\$ 277,593.69	\$ 223,033.33	\$ 54,560.36	\$ 445,800.00
EXPENSES					
Water Rights	\$ -	\$ 5,768.00	\$ 8,666.67	\$ 2,898.67	\$ 13,000.00
Water System Infrastructure	\$ 63,836.50	\$ 90,570.89	\$ 40,666.67	\$ (49,904.22)	\$ 61,000.00
Irrigation System	\$ 1,740.46	\$ 13,716.11	\$ 10,000.00	\$ (3,716.11)	\$ 15,000.00
Water Features (Ponds & Waterfall)	\$ -	\$ 3,552.50	\$ 8,000.00	\$ 4,447.50	\$ 12,000.00
Water System Professional Fees (Ops Manual)	\$ -	\$ -	\$ 16,666.67	\$ 16,666.67	\$ 25,000.00
Hardscape (Fence & Paths & Monuments)	\$ -	\$ -	\$ 51,333.33	\$ 51,333.33	\$ 77,000.00
Softscape (Master Landscape Plan, Trees, Vegetation)	\$ -	\$ 10,289.98	\$ 6,666.67	\$ (3,623.31)	\$ 10,000.00
TOTAL EXPENSES	\$ 65,576.96	\$ 123,897.48	\$ 142,000.00	\$ 18,102.52	\$ 213,000.00
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (64,948.36)	\$ 153,696.21	\$ 81,033.33	\$ 72,662.88	\$ 232,800.00
# Homes Paid-in-Full	28				
# Homes Paid-in 50%	61				
# Homes Delinquent	0	4/1/21 was the Due Date			