

**Minutes of Meeting of the Executive Board of
Somerset Estates Homeowners Association (SEHOA)
November 15, 2022
Mountain View Fire Station, Niwot CO**

- 1. Call to Order and Quorum** - The meeting was called to order at 6:38 PM. Quorum met for Executive Board meeting with Scott Abrahamson (SA), Anthony Chirikos (AC), and Paula Hemenway (PH) present. Pea Lawson and Steve Lehan were absent.

Property Manager present – Al Orendorff (AO)

ACC member present – Larry Becker (LB - via Zoom)

Homeowner present – Herb McPherson (via Zoom)

- 2. Approval of Prior Meeting Minutes** – MOTION to approve minutes from the Meeting of the Executive Board on October 18, 2022 made by AC, seconded by PH, no further discussion, approved unanimously.
- 3. Treasurer’s Report** – Report for October 2022 attached. AC to review with AO and PH the allocation of some expenses paid to Garrett Quackenbush (GTL) to determine if any should be considered capital expenses instead of operating expenses. All delinquencies over 30 days have been paid.

- 4. Property Manager’s Report**

AO discussed the maintenance contract for 2023 and 2024 with Rock Solid (RSL Outdoor). The cost is about 18% higher than what was set two years ago but will not increase until 2025. AO stated that for the 15 HOAs he manages, the lowest annual increase from various contractors is 8.7% with most in the 10-15% range. Given that we paid the same in 2022 as in 2021 and the new contract holds the cost through 2024, he does not think we can do any better with another contractor. He also said that due to current labor shortages it’s difficult to get another bid, and the learning curve for a new contractor will increase costs. Given that the RSL increase is in line with other contractors, and we need to make a decision soon, the board was satisfied with the additional information. MOTION to approve the RSL Outdoor contract for 2023-2024 made by PH, seconded by AC, no further discussion, approved unanimously.

The ditch system is shut down for the season. We plan to meet with Hydrologik to see what other functionality we can add to the system to better tweak the automation (such as adding a master pump control based on water levels in the pond). Hydrologik still needs to provide a report showing actual usage in gallons and acre-feet. GTL has completed the winterization of the irrigation system. GTL marked the sprinkler heads and irrigation lines inside the SSTC’s pool kiddie play area for future reference as SSTC plans to put artificial turf over the area. AO noted that Pond 3 is currently losing water, and GTL is planning to investigate leaks. GTL also cleaned more algae scum from around the edge of pond 8. The recirculation pump for the open space ponds is off for the season. Christmas lights will be installed before Thanksgiving.

Pond 1 Rebuild: SHOA is comparing bids from Dub’s Outdoor and an anticipated bid from a poly urea material company. The excavation work required will be reviewed now that the pond is mostly drained. SHOA is consulting with an engineer on material selection, pond shape along the perimeter, any soil work that may be needed, etc. They plan to solicit a bid from Nilex and any other contractors recommended by the engineer. They expect to make a final decision on project scope and contract by the end of the year. AO to ask GTL for a quote to supervise the project once underway.

- 5. Governing Documents Update**

- CCIOA-Required Policies
 - PH distributed a proposed revised Collection Policy as required by changes to CCIOA. If approved, late fees will be \$25/month and interest will be capped at 8% per annum. Proposed policy will be provided to homeowners for comment through What's Up prior to action at the December board meeting.
 - PH distributed a proposed revised Enforcement and Fines Policy as required by changes to CCIOA. Fines for violations that do not threaten public safety and health are limited to \$500. Fines for violations that threaten public safety and health are \$25 every other day that the violation is not corrected. This proposed policy will also be provided to homeowners through What's Up for comment prior to action at the December board meeting.
 - Rental Rules Possible Revisions – Discussion that rental rules should be updated to reflect the new Boulder County regulations on short-term rentals. As the regulations require licensing that includes several safety and health safeguards, the SEHOA rules should reflect that failure to obtain a license constitutes a violation that threatens public safety and health. PH to propose revisions at the December board meeting.
 - Lot Easement Policy – The proposed revision of Lot Easement Policy (clean and redline versions) discussed at the October 2022 board meeting was distributed to homeowners in What's Up #80 and posted on the website with a request for comments. No comments were received. Herb McPherson said that he has asked his counsel for advice on the changes to the paragraphs on rock and stone walls and ponds but has not yet received his comments. When asked if his concern was about the impact to his property because he has both a stone wall and pond on his lot or about potential actions against the HOA, he replied that his concern is mostly about how this affects his property. MOTION to approve the revised Lot Easement Policy made by AC, seconded by SA, no further discussion, approved unanimously. Approved revised Lot Easement Policy is attached.
6. **Quiet Title Update** – The decree giving title of the outlots in Somerset Estates to SEHOA has been issued by the court, so this matter is now concluded. The total cost for the action was just under \$7,000 this year.
 7. **ACC Update** – LB reported that the ACC is continuing to work on changes to the Architectural and Landscaping Standards to propose to the Board. He reviewed some of the proposed changes.
 8. **Other Business** – SA reported that there has been no update on the Niwot Loop Trail easement discussion with Boulder County.
 9. **Member Open Forum** – None.
 10. **Next meeting** – Executive Board meeting on Tuesday, December 20, 2022 at 6:30 PM at the Mountain View Fire Station.
 11. **Adjourn** - The meeting adjourned at 7:55 PM.

Executive Session called to order at 8:00 PM as allowed by CCIOA 38-33.3-308 to discuss advice from Counsel regarding legacy documents. Adjourned at 8:10 PM.

Paula Hemenway

Paula Hemenway, Secretary
November 18, 2022

Somerset Estates Homeowners Association - Treasurer's Report
Operating and Reserve Fund(s)
Balance Sheet and Summary Income Statement
October 2022

BALANCE SHEET			
As Of October 31, 2022			
	Operating Fund	Reserve Fund	Total
ASSETS			
Operating/Checking Account			
FirstBank	\$44,875	\$0	\$44,875
Investment/Reserve Account			
Capital One	\$0	\$401,482	\$401,482
TOTAL ASSETS	\$44,875	\$401,482	\$446,357
LIABILITIES & FUND BALANCE			
Fund Balance	\$44,875	\$401,482	\$446,357
TOTAL LIABILITIES & FUND BALANCE	\$44,875	\$401,482	\$446,357

Statement of Revenues, Expenses, and Changes in Reserve Balance						
	Month of October, 2022			YTD October, 2022		
	Operating Fund	Reserve Fund	Total	Operating Fund	Reserve Fund	Total
REVENUES						
HOA Dues	\$59,125	\$0	\$59,125	\$245,075	\$0	\$245,075
HOA Violations & Fines / Late Fees	\$64	\$0	\$64	\$6,672	\$0	\$6,672
Special Assessment	\$0	\$0	\$0	\$0	\$2,500	\$2,500
Transfer Fees	\$0	\$0	\$0	\$750	\$0	\$750
Pond 7 Surcharges	\$0	\$0	\$0	\$1,000	\$0	\$1,000
Interest Income	\$0	\$524	\$524	\$0	\$2,891	\$2,891
TOTAL REVENUES	\$59,189	\$524	\$59,713	\$253,497	\$5,391	\$258,888
EXPENSES						
Administrative	\$3,127	\$0	\$3,127	\$32,428	\$0	\$32,428
Landscape Repair & Maintenance & Enhancement	\$15,378	\$0	\$15,378	\$78,306	\$0	\$78,306
Lights & Fence & Path & Pond Maintenance & Repair	\$4,659	\$0	\$4,659	\$19,731	\$0	\$19,731
Water & Utilities	\$0	\$0	\$0	\$10,410	\$0	\$10,410
Lighting Upgrades	\$0	\$0	\$0	\$0	\$0	\$0
Water System Infrastructure	\$0	\$0	\$0	\$0	\$0	\$0
Water Features (Ponds & Waterfall)	\$0	\$0	\$0	\$0	\$12,642	\$12,642
Water System Profession Fees (Project Mgmt. & Ops Manual)	\$0	\$0	\$0	\$0	\$0	\$0
Irrigation System	\$0	\$5,899	\$5,899	\$0	\$49,061	\$49,061
Hardscape (Fence & Paths & Monuments)	\$0	\$1,805	\$1,805	\$0	\$52,568	\$52,568
Softscape (Master Landscape Plan)	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENSES	\$23,163	\$7,704	\$30,868	\$140,874	\$114,271	\$255,145
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$36,026	(\$7,180)	\$28,845	\$112,622	(\$108,879)	\$3,743
TRANSFER BETWEEN OPERATING FUND and RESERVE FUND	\$0	\$0	\$0	\$15,000	(\$15,000)	\$0

Somerset Estates Homeowners Association - Treasurer's Report

Total Funds

Income Statement

October 2022

	Month Actual	Year-to-Date			Budget 2022
		Actual	Budget	Better/ (Worse)	
REVENUE and EXPENSE SUMMARY					
REVENUE					
HOA Dues	\$59,125	\$245,075	\$237,175	\$7,900	\$246,975
HOA Violations, Fines and Late Fees	\$64	\$6,672	\$0	\$6,672	\$0
Transfer Fees	\$0	\$750	\$0	\$750	\$0
Pond 7 Surcharges	\$0	\$1,000	\$1,000	\$0	\$1,000
Special Assessment	\$0	\$2,500	\$2,500	\$0	\$2,500
Interest Income	\$524	\$2,891	\$1,830	\$1,061	\$2,070
TOTAL REVENUES	\$59,713	\$258,888	\$242,505	\$16,383	\$252,545
EXPENSES					
Administrative	\$3,127	\$32,428	\$34,915	\$2,487	\$40,420
Capital Expenses	\$7,704	\$114,271	\$193,500	\$79,229	\$198,500
Landscape Repair & Maintenance & Enhancement	\$15,378	\$78,306	\$62,560	(\$15,746)	\$73,440
Lights & Fence & Path & Pond Maintenance	\$4,659	\$19,731	\$22,273	\$2,542	\$21,540
Water & Utilities	\$0	\$10,410	\$16,100	\$5,690	\$22,500
TOTAL EXPENSES	\$30,868	\$255,145	\$329,348	\$74,202	\$356,400
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$28,845	\$3,743	(\$86,843)	\$90,586	(\$103,855)
Outstanding Dues and Fines					
	<u>0 - 30 Days</u>	<u>30 - 60 Days</u>	<u>60 - 90 Days</u>	<u>Over 90 Days</u>	<u>Total</u>
Dollars	\$4,750	\$0	\$0	\$0	\$4,750
# of Homes	9	0	0	0	9

SOMERSET ESTATES HOMEOWNERS ASSOCIATION, INC.
LOT EASEMENT POLICY

Adopted February 25, 2020 – Rev 1 Adopted November 15, 2022

The following policy has been adopted by Somerset Estates Homeowners Association, Inc. ("Association") pursuant to Section 3.4.4(1) of the Consolidated, Amended and Restated Declaration for Somerset Estates ("Declaration"), recorded on August 14, 2018, at a regular meeting of the Executive Board ("Board").

Purpose: To clarify responsibility for the maintenance of landscaping and other improvements on easements within Lots, such as Signage & Landscape Easements; Drainage, Utility, & Pedestrian Easements; Drainage, Utility & Landscape Easements; and Drainage & Utility Easements, as well as improvements identified as the responsibility of the Association in the Declaration. Attached are copies of the plats showing the easements and Block and Lot numbers referred to in the Policy. Per paragraph 4.3 of the Declaration, Owners are generally responsible for the maintenance, repair and replacement of Improvements located on their Lots, including within easements. In certain situations, identified below, the Executive Board has determined that an Improvement is the responsibility of the Association because the Improvement is located in a recorded easement for that purpose or otherwise described in the Declaration as Association responsibility. Per paragraph 4.1 of the Declaration, all Improvements located in Common Areas are also the responsibility of the Association.

NOW, THEREFORE, IT IS RESOLVED that the Association does hereby adopt the following revised Lot Easement Policy:

1. Street Monument Signage and Landscaping. The Association shall maintain the street signage monuments located in Signage & Landscaping Easements on these Lots: Block 1, Lots 1, 7, 8, 15, 16, 17, 18, and 23; Block 2, Lots 1, 3, 4, 8, 9, and 12; Block 3, Lots 1, 6, 7, and 12; Block 4, Lots 1, 11, 12, and 22; and Block 5, Lots 1, 8, 9, and 13. The Association has the right, but not the obligation, to modify and/or replace the monuments at its sole discretion. The Association shall maintain and irrigate the grass and unplanted rock beds in front of the monuments and the spruce trees on either side of the monuments that were installed by the developer. Notwithstanding the foregoing, Owners who previously installed their own landscaping and/or irrigation systems around certain monuments shall be responsible for maintaining and irrigating the grass and other landscaping in front of the monuments on such Lots, specifically: Block 4, Lots 11 and 12 and Block 5, Lots 1, 8, 9 and 13. The Association has the right, but not the obligation, to modify, remove, and/or replace the original landscape elements (including the trees). An Owner will be informed prior to major work being done within an easement on such Owner's Lot. Additional landscape elements in any part of the easements by any Owner require approval by the Architectural Control Committee (ACC) and must be maintained and irrigated by the Owner in a neat and harmonious manner that provides full access to and visibility of the monument as specified in the Architectural and Landscaping Standards and must not interfere with the easement.

2. Fencing. The Association shall maintain the wood fencing on all common properties, including along the sidewalks on Outlot G and on the easement (Reception #1247289) on the south perimeter of Lots 22 and 23, Block 1, that are to be maintained as common property, (the "Common Property Fencing") and the fencing along Somerset Drive and Longview Drive (the "Somerset/Longview Fencing"), with the exception that Owners are responsible for keeping the fences on the border of his/her property clear of vegetation and repairing fences that are damaged by landscaping (vegetation, rocks, etc.), pets, children, guests or other agents under the Owner's control. The Association has the right, in its sole discretion, to maintain (which includes, but is not limited to, staining, treating, and repairing), modify, remove and/or replace the Common Property Fencing and the Somerset/Longview Fencing. Any repairs to the Somerset/Longview Fencing done by an Owner must meet the same standards as repairs by the Association; as an alternative, the Association has the right, but not the obligation, to clear vegetation and repair fences that have been damaged by Owners and charge the associated expenses to the Owner as a Specific Assessment. All other fences (whether fabricated from wood, metal or other materials) located on Lots (the "Lot Fencing"), such as fences between neighboring Owners' properties or on a single Lot (e.g., side and back fences, fences from the side border to the house, fences adjacent to the Boulder County open space, etc.) are the

responsibility of the Owner(s). Owners shall maintain the Lot Fencing in accordance with the Architectural and Landscaping Standards, and may modify, remove or and/or replace the Lot Fencing, so long as any such modifications, removals or replacements are approved by the ACC in accordance with the Architectural and Landscaping Standards.

3. Rock and Stone Walls. There are no easements in the plats or Declaration concerning rock or stone walls, and they are not common elements under the Declaration. Owners are therefore responsible for maintaining any rock and stone walls constructed within Lots, regardless of who may have built such rock or stone walls originally. Owners shall maintain rock and stone walls in accordance with the Architectural and Landscaping Standards, and may modify, remove or and/or replace the walls, so long as any such modifications, removals or replacements are approved by the ACC in accordance with the Architectural and Landscaping Standards.

4. Pedestrian Pathways. The Association shall maintain open space access paths or walkways within easements for that purpose. Owners adjacent to such paths or walkways are required to trim trees and vegetation so as to not impede walkway usage, and such that there is not overhead overlap or other encroachment into the easement areas.

5. Ponds. The developers of Somerset Estates installed several ponds for the primary purpose of providing irrigation water in the neighborhood. These ponds may also help to control drainage and can be visually attractive. Some of the ponds are located on common property, and some are located on private property. The Association's operation and use of such ponds is subject to water law and other applicable laws and regulations, and the Association reserves the right to modify and/or remove any ponds as necessary to comply with applicable law and regulations or otherwise in the exercise of its prudent judgment on behalf of the Association. Recreational use of any pond located within Somerset Estates (swimming, boating, paddle boarding, fishing, pet swimming, etc.) is prohibited and shall be considered a violation of the Declaration, law, and as a threat to public health and safety.

The Association owns the ponds on Outlot C (ponds 8, 9, 10, and 11) and Outlot D (ponds 2 and 3) (collectively, the "Common Property Ponds"), and has the sole authority to repair and maintain the Common Property Ponds, subject to and in keeping with applicable law and regulations. Owners, including those Owners whose Lots are adjacent to Outlots C and D, have no special rights to the Common Property Ponds.

The Association also has the sole authority to repair and maintain ponds 4, 5, 6, and 7 (the "Easement Ponds") located on private property within the Drainage, Utility, & Landscape Easements located on Block 4, Lots 8, 9, 10, and 11, and Block 5, Lots 1, 2, 3, and 4, subject to and in keeping with applicable law and regulations. The Association has an easement over and across a sufficient portion of each Lot on which the Easement Ponds are located in order to repair and maintain the Easement Ponds. The Association owns the elements of engineering associated with the Easement Ponds (liners, pumps, pipes, valves, electrical elements, etc.), and the water therein. The Owners of Lots on which the Easement Ponds are located are responsible for the landscaping and irrigation adjacent to the boundaries of the Easement Ponds, and must control all vegetation adjacent to these ponds such that no vegetation grows into the ponds from the boundaries or under the pond liners. To maintain the Easement Ponds, the Association has the right, but not the obligation, to clear vegetation and repair pond liners that have been damaged by Owner's vegetation and charge the associated expenses to the Owners of such Lots as Specific Assessments. The Association shall, at its expense, repair any damage to the landscaping and irrigation in the easement portion of such Lot resulting from the Association's repair and maintenance of the Easement Ponds.

6. Drainage and Utility Easements. As per paragraph 9.5 of the Declaration, easements for the installation and maintenance of utilities, drainage facilities, public or private improvements and access thereto are reserved as shown on the Plats, including a Drainage & Utility Easement around the entire perimeter of each Lot, of at least 10 feet, and in some cases, more than 10 feet wide. No Improvements shall be placed or permitted to remain on any Lot nor shall any change in grading be permitted to exist which may change the direction of flow or obstruct or retard the flow of water through channels or swales within any such drainage easement. The Association has the authority to require the removal of Improvements, including vegetation, whether intentionally placed or naturally occurring, that could, in the opinion of the Board, change and impede the flow of water in these easements. Proof of such impediment is not required for the Association to require removal. The Association has the right, but not the obligation, to remove any such Improvements and charge the associated expenses to the Owner as a Specific Assessment.

7. Miscellaneous. Failure by the Association to enforce any provision of this Policy shall in no event be deemed to be a waiver of the right to do so thereafter.

8. Severability. If a provision of this Policy is or becomes illegal, invalid or unenforceable, that shall not affect the validity or enforceability of any other provisions of this Policy.

Somerset Estates Homeowners Association, Inc.

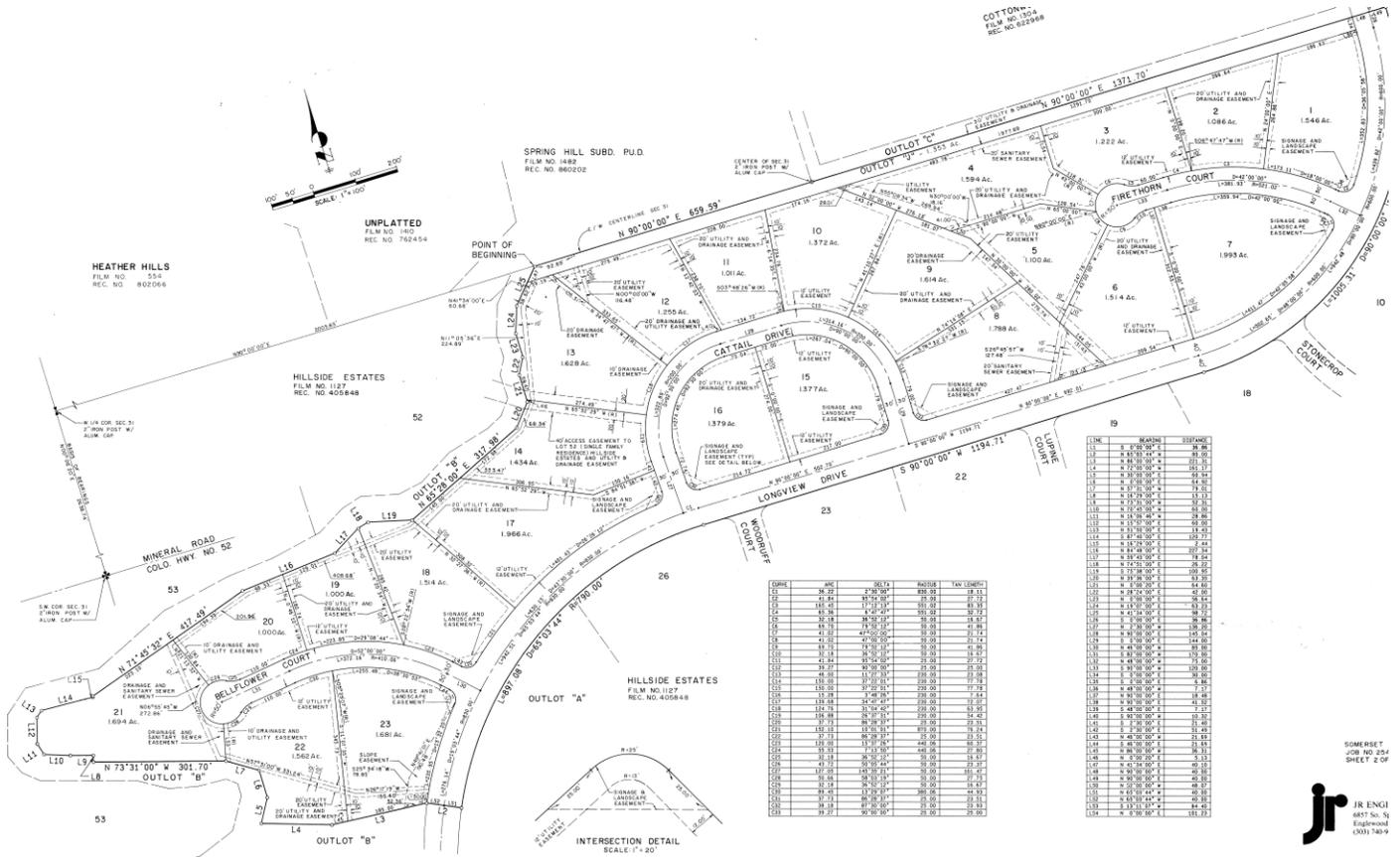
By: _____
Scott Abrahamson, President

This Lot Easement Policy was amended by the Executive Board on the 15th day of November, 2022, effective immediately and is attested to by the Secretary of the Somerset Estates Homeowners Association, Inc.

By: _____
Paula Hemenway, Secretary

Plats Showing Blocks and Lots with Easements Referred to in Policy

Block 1



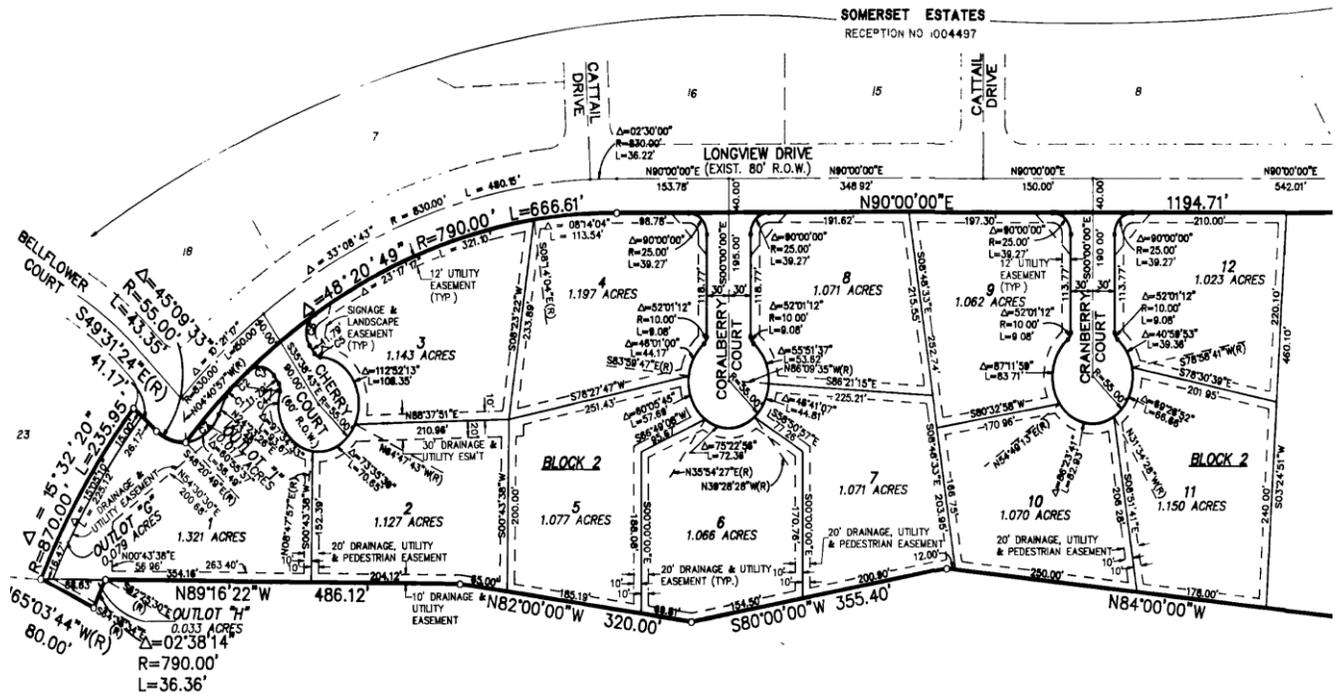
LINE	NO.	BEARING	DISTANCE	AREA	PERCENT
L1	1	S 89° 00' 00" W	100.00	100.00	100.00
L2	2	N 89° 00' 00" E	100.00	100.00	100.00
L3	3	S 89° 00' 00" W	100.00	100.00	100.00
L4	4	N 89° 00' 00" E	100.00	100.00	100.00
L5	5	S 89° 00' 00" W	100.00	100.00	100.00
L6	6	N 89° 00' 00" E	100.00	100.00	100.00
L7	7	S 89° 00' 00" W	100.00	100.00	100.00
L8	8	N 89° 00' 00" E	100.00	100.00	100.00
L9	9	S 89° 00' 00" W	100.00	100.00	100.00
L10	10	N 89° 00' 00" E	100.00	100.00	100.00
L11	11	S 89° 00' 00" W	100.00	100.00	100.00
L12	12	N 89° 00' 00" E	100.00	100.00	100.00
L13	13	S 89° 00' 00" W	100.00	100.00	100.00
L14	14	N 89° 00' 00" E	100.00	100.00	100.00
L15	15	S 89° 00' 00" W	100.00	100.00	100.00
L16	16	N 89° 00' 00" E	100.00	100.00	100.00
L17	17	S 89° 00' 00" W	100.00	100.00	100.00
L18	18	N 89° 00' 00" E	100.00	100.00	100.00
L19	19	S 89° 00' 00" W	100.00	100.00	100.00
L20	20	N 89° 00' 00" E	100.00	100.00	100.00
L21	21	S 89° 00' 00" W	100.00	100.00	100.00
L22	22	N 89° 00' 00" E	100.00	100.00	100.00
L23	23	S 89° 00' 00" W	100.00	100.00	100.00

LINE	NO.	BEARING	DISTANCE	AREA	PERCENT
L1	1	S 89° 00' 00" W	100.00	100.00	100.00
L2	2	N 89° 00' 00" E	100.00	100.00	100.00
L3	3	S 89° 00' 00" W	100.00	100.00	100.00
L4	4	N 89° 00' 00" E	100.00	100.00	100.00
L5	5	S 89° 00' 00" W	100.00	100.00	100.00
L6	6	N 89° 00' 00" E	100.00	100.00	100.00
L7	7	S 89° 00' 00" W	100.00	100.00	100.00
L8	8	N 89° 00' 00" E	100.00	100.00	100.00
L9	9	S 89° 00' 00" W	100.00	100.00	100.00
L10	10	N 89° 00' 00" E	100.00	100.00	100.00
L11	11	S 89° 00' 00" W	100.00	100.00	100.00
L12	12	N 89° 00' 00" E	100.00	100.00	100.00
L13	13	S 89° 00' 00" W	100.00	100.00	100.00
L14	14	N 89° 00' 00" E	100.00	100.00	100.00
L15	15	S 89° 00' 00" W	100.00	100.00	100.00
L16	16	N 89° 00' 00" E	100.00	100.00	100.00
L17	17	S 89° 00' 00" W	100.00	100.00	100.00
L18	18	N 89° 00' 00" E	100.00	100.00	100.00
L19	19	S 89° 00' 00" W	100.00	100.00	100.00
L20	20	N 89° 00' 00" E	100.00	100.00	100.00
L21	21	S 89° 00' 00" W	100.00	100.00	100.00
L22	22	N 89° 00' 00" E	100.00	100.00	100.00
L23	23	S 89° 00' 00" W	100.00	100.00	100.00

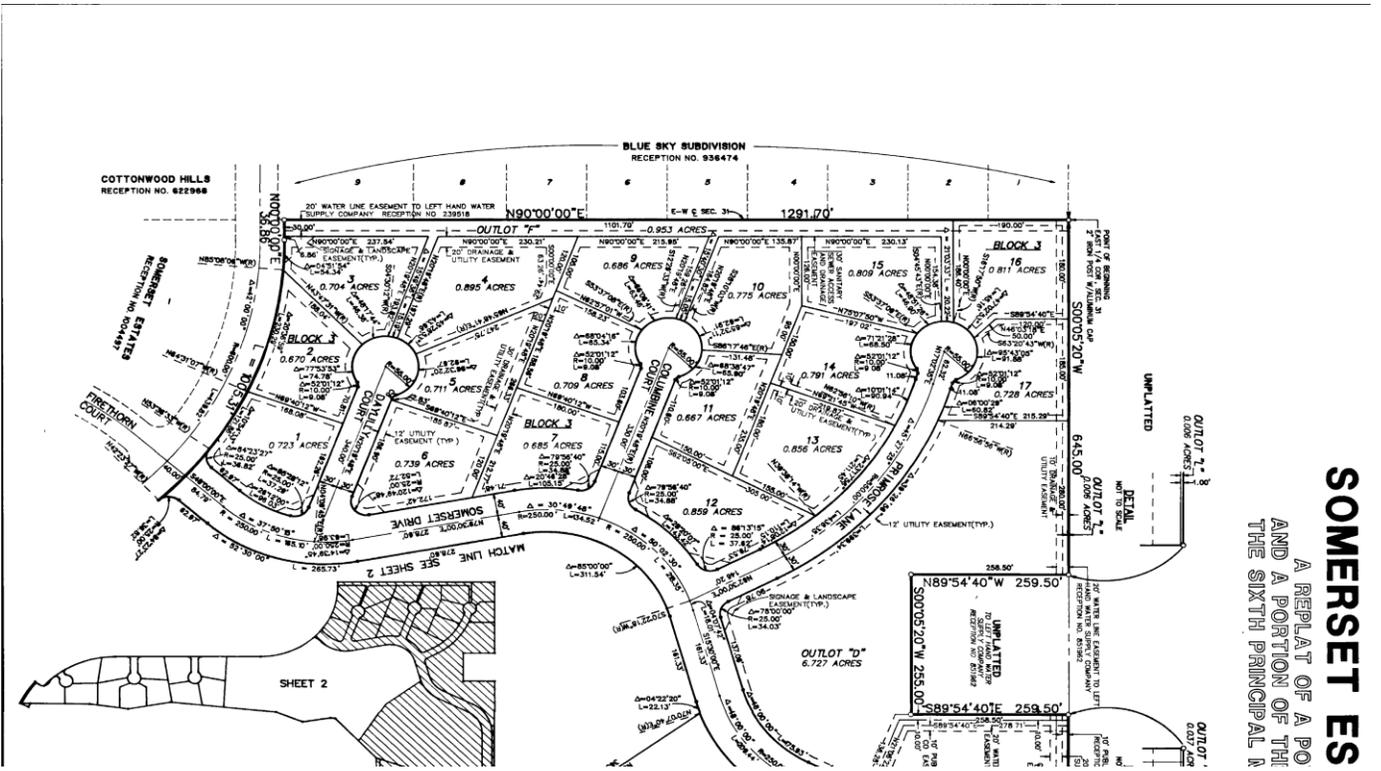
SOMERSET
JOB NO. 254
SHEET 2 OF



Block 2

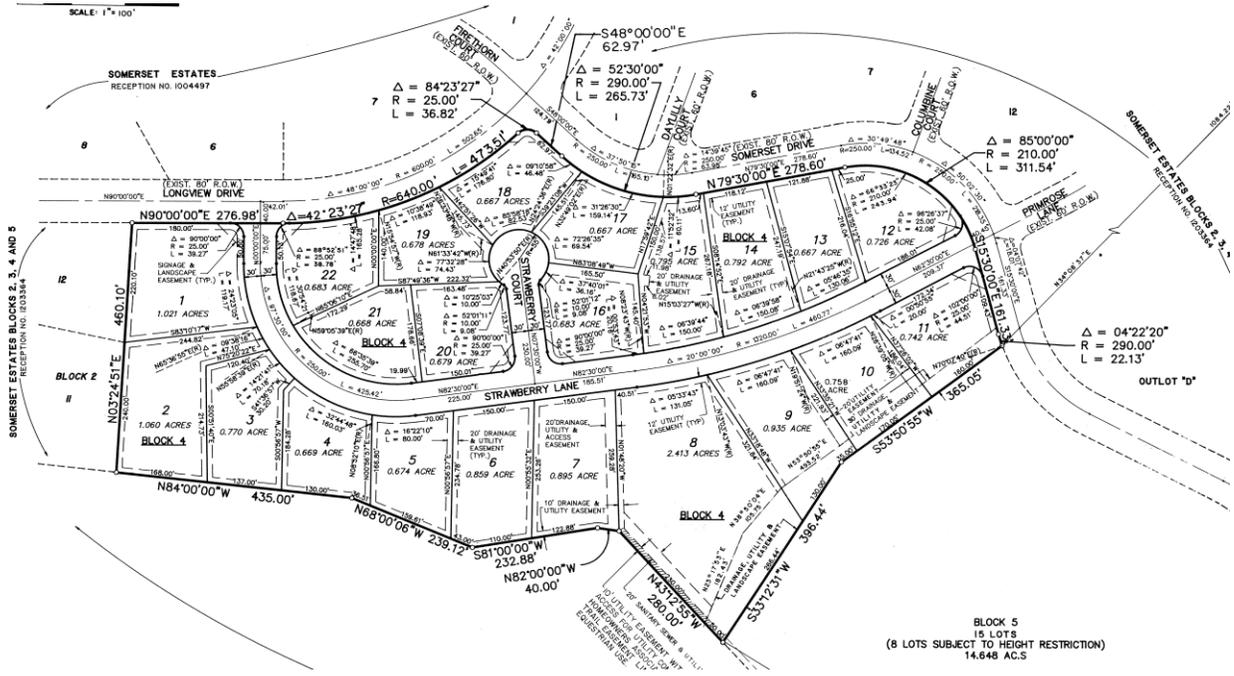


Block 3



SOMERSET ESTATES
A REPEAT OF A PO
AND A PORTION OF THE
SIXTH PRINCIPAL IN

Block 4



Block 5

