

**Minutes of Meeting of the Executive Board of
Somerset Estates Homeowners Association (SEHOA)
September 20, 2022
Mountain View Fire Station, Niwot CO**

- 1. Call to Order and Quorum** - The meeting was called to order at 6:37 PM. Quorum met for Executive Board meeting with Scott Abrahamson (SA – attended via Zoom), Pea Lawson (PL – attended via Zoom), Steve Lehan (SL), and Paula Hemenway (PH) present. Anthony Chirikos (AC) was absent.

Property Manager present – Al Orendorff (AO)

ACC member present – Larry Becker (LB)

Homeowners present – Marc Arnold, Herb McPherson

- 2. Approval of Prior Meeting Minutes** – MOTION to approve minutes from the Meeting of the Executive Board on August 16, 2022 made by SL, seconded by PH, no further discussion, approved unanimously.
- 3. Treasurer’s Report** – Report for August 2022 attached. We moved \$50,000 from the Capital One reserves account to the First Bank operating account to meet cash flow needs.
- 4. Property Manager’s Report** –

Ditch Water: We are running the ditch at 10 inches per day. We ran the waterfall in August through September 20 to aerate the system. By not irrigating when we’ve had rain, we were able to top off all ponds so we will not have a year-end push to fill ponds. The Boulder and White Rock (BWR) ditch will be shut down on September 30, but we will run out of water on September 25. This may be extended to September 30 by not taking water during rainy days this week. We will take final year-end measurements of the usage by SEHOA and SHOA and see if any adjustments need to be made in cost allocation. BWR has orally stated that the yield on A/B/C shares includes the B/C portion, and that B/C only shares can’t be taken from the ditch at our location. We should consider selling the 6 Class B/C shares owned by SEHOA.

Weir Status: We will work with Hydrologik to see what other items we can add to their system to better tweak the automation. Garrett Quackenbush (GTL) transferred readings over to FileMaker and has created a program to let us track the total water usage in gallons against the cubic feet per second (CFS) ratings over the time period.

Transfer Line and Irrigation - Work by GTL includes:

- Completed connection on the east side of Longview.
- Repaired the leak behind 6529 Daylilly.
- Installed a second valve behind the Dancik residence to allow us to water the new paved path area grass and the holes has been filled in.
- Traced the wiring issue at the entry to the Estates and made the necessary repairs. The grass along the new paved path is now being watered. It’s too late to install new sod, but we will do a winter seeding in bare areas.
- Filled in all holes on Longview and repaired the sidewalk.
- Repaired a mainline leak on Somerset Drive; hole will be filled in soon.
- Replaced valve by water tank road and entrance to the SSTC parking lot (Northside); hole will be filled in soon.

Ponds: Pond 8 algae is reduced and the pump is not getting clogged. Some algae is floating near the sides of Pond 8 and will be removed. We will not shut the recirculation pond off until October to allow the pond to circulate and aerate the water as long as possible unless we lose water or it gets too cold. AO met with a company that suggested a different product to reline Pond 1 and is working to secure the specifications. This product is durable enough to drive trucks on without damaging the liner and it does not require rip-rap around the edges. Exaction company believes his equipment can lift the debris from Pond 3 and deposit it into trucks on Primrose, making it easier to eventually replace the Pond 3 and 2 liners. Still looking for a company that can do vegetation control in the ponds and streams.

Trees: 3D Tree completed pruning cherry trees around the SSTC parking lot and from the Hwy 52 entry down to Strawberry. They also removed two pine trees at Bellflower to reduce shading on the corner with Longview and removed and trimmed the trees around the waterfall to expose some large rocks. We need to review what additional vegetation should be removed along the waterfall streams.

Lights: All light repairs are now complete for the monuments; however, contractor is asking to paid about twice the bid. AO will discuss further and propose a course of action to Board.

5. **Governing Documents Update** – PH continued the review of our governing documents.

- CCIOA-Required Policies
 - The Conflict of Interest Policy must be reviewed and affirmed every three years. MOTION to affirm current policy without changes made by PH, seconded by SL, no further discussion, approved unanimously. Affirmed policy is attached.
 - HB22-1137 amends CCIOA to include disciplinary hearings regarding an owner and any referral of delinquency in the list of matters that may be discussed by the Board in a closed session. Attached is the proposed revised Conduct of Meeting Policy that complies with the new law with additions highlighted in yellow. This will be published in What’s Up for homeowner comment before a Board vote.
 - HB22-1137 also requires changes to the Collection Policy and Enforcement and Fines Policy, which have not yet been drafted.
- Discussion of Lot Easement Policy – Rock/Stone Walls and Ponds. Discussion that first draft of changes regarding maintenance of landscaping around ponds is too vague. Language will be revised for further discussion.
- Proposed change in Bylaws relating to Section 4.4 Terms and Term Limits. Board proposal to strike the sentence “Unless a full board can’t be otherwise constituted, Directors shall serve for a maximum of two full (two year) terms, but may be elected again after being off the board for one year” was published in two editions of What’s Up for homeowner comment. One comment was received against the proposal. Marc Arnold reviewed the original reasons for the inclusion of term limits in the Bylaws; in particular, that having to run against a long-term Director might inhibit new candidates. Discussion about the logistics of the carve-out “unless a full board can’t be otherwise constituted” including whether that means no one comes forward as a candidate by a deadline prior to the annual meeting or as late as the annual meeting; whether a Director that continues for an additional term because a full board could not be otherwise constituted is then again prohibited from running for re-election at the end of the “extra” two-year term or if the term limits starts over; whether such a Director should be required to leave the Board after one more year, etc. The matter was tabled.
- Parking Rules - HB22-1139 requires that Boulder County, and not SEHOA, regulate parking on the public streets in the community. The Architectural Control Committee (ACC) is considering

stating explicitly in the Architectural and Landscaping Standards that all vehicles parked within a lot must be in areas designed for that purpose.

6. **Quiet Title Update** – Attorney Scott Osgood expects the action to be complete in about six to eight weeks. We are in the process of required publications.
7. **ACC Update** – LB reported that both he and Bob Uhler are willing to continue on the ACC for another two-year term. He will contact other people that have expressed an interest in volunteering and supply them with the Board’s volunteer information form. He sees an advantage in having an odd number of ACC members, going from four to five. The ACC is working on changes to the Architectural and Landscaping Standards to propose to the Board.
8. **Social and Welcome Committee Update** – PL is talking to the committee about possible social events. AO suggested Fritz Brewery if no one wants to host in their home. PL has prepared a draft of the directory. Discussion that it be mailed to all homeowners.
9. **Other Business** –
 - SA reported that there has been no update on the Niwot Loop Trail easement discussion with Boulder County.
 - PH talked to GoDaddy about our email account options. We have switched from archiving to cloud backup as more flexible to retrieve emails. Board members have received fake emails appearing to be from SA. Advanced email security to reduce spam, spoofing, etc. costs \$60/account/year or \$480 for our eight active email accounts. PH has removed most email addresses from the website, which may help. Decision to wait to add advanced email security and see if problems continue.
10. **Member Open Forum** – Herb McPherson said that he is pleased with the tree and vegetation removal around the waterfall to expose large landscape rocks, etc. Marc Arnold noted that not all the lights are working on the monuments at the Hwy 52 entrance and attention needs to be paid to the lettering and stucco paint. He also asked AO to contact Boulder County about unsightly stop signs throughout the neighborhood.
11. **Next meeting** – Executive Board meeting on Tuesday, October 18, 2022 at 6:30 PM at the Mountain View Fire Station.
12. **Adjourn** - The meeting adjourned at 8:47 PM.



Paula Hemenway, Secretary
September 23, 2022

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

BALANCE SHEET			
As Of August 31, 2022			
	Operating Fund	Reserve Fund	Total
ASSETS			
Operating/Checking Account			
FirstBank	\$43,669	\$0	\$43,669
Investment/Reserve Account			
Capital One	\$0	\$400,514	\$400,514
TOTAL ASSETS	\$43,669	\$400,514	\$444,183
LIABILITIES & FUND BALANCE			
Fund Balance	\$43,669	\$400,514	\$444,183
TOTAL LIABILITIES & FUND BALANCE	\$43,669	\$400,514	\$444,183

Statement of Revenues, Expenses, and Changes in Reserve Balance						
	Month of August, 2022			YTD August, 2022		
	Operating Fund	Reserve Fund	Total	Operating Fund	Reserve Fund	Total
REVENUES						
HOA Dues	\$2,175	\$0	\$2,175	\$185,925	\$0	\$185,925
HOA Violations & Fines / Late Fees	\$52	\$0	\$52	\$6,608	\$0	\$6,608
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	\$424	\$424	\$0	\$1,923	\$1,923
TOTAL REVENUES	\$2,227	\$424	\$2,652	\$194,283	\$4,423	\$198,706
EXPENSES						
Administrative	\$1,297	\$0	\$1,297	\$27,675	\$0	\$27,675
Landscape Repair & Maintenance & Enhancement	\$7,837	\$0	\$7,837	\$45,667	\$0	\$45,667
Lights & Fence & Path & Pond Maintenance & Repair	\$2,153	\$0	\$2,153	\$13,404	\$0	\$13,404
Water & Utilities	\$2,831	\$0	\$2,831	\$5,601	\$0	\$5,601
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	\$11,953	\$11,953	\$0	\$43,162	\$43,162
Hardscape (Fence & Paths & Monuments)	\$0	\$0	\$0	\$0	\$49,136	\$49,136
Softscape (Master Landscape Plan)	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENSES	\$14,117	\$11,953	\$26,070	\$92,347	\$104,939	\$197,287
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(\$11,890)	(\$11,529)	(\$23,419)	\$101,936	(\$100,516)	\$1,419
TRANSFER BETWEEN OPERATING FUND and RESERVE FUND	\$50,000	(\$50,000)	\$0	\$15,000	(\$15,000)	\$0

Somerset Estates Homeowners Association - Treasurer's Report					
Total Funds					
Income Statement					
August 2022					
	Month Actual	Year-to-Date			Budget 2022
		Actual	Budget	Better/ (Worse)	
REVENUE and EXPENSE SUMMARY					
REVENUE					
HOA Dues	\$2,175	\$185,925	\$183,275	\$2,650	\$246,975
HOA Violations, Fines and Late Fees	\$52	\$6,608	\$0	\$6,608	\$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	\$424	\$1,923	\$1,550	\$373	\$2,070
TOTAL REVENUES	\$2,652	\$198,706	\$188,325	\$10,381	\$252,545
EXPENSES					
Administrative	\$1,297	\$27,675	\$29,405	\$1,730	\$40,420
Capital Expenses	\$11,953	\$104,939	\$193,500	\$88,561	\$198,500
Landscape Repair & Maintenance & Enhancement	\$7,837	\$45,667	\$48,355	\$2,688	\$73,440
Lights & Fence & Path & Pond Maintenance	\$2,153	\$13,404	\$19,888	\$6,483	\$21,540
Water & Utilities	\$2,831	\$5,601	\$12,100	\$6,499	\$22,500
TOTAL EXPENSES	\$26,070	\$197,287	\$303,248	\$105,961	\$356,400
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(\$23,419)	\$1,419	(\$114,923)	\$116,342	(\$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	\$5	\$50	\$1,425	\$0	\$1,480
# of Homes	2	2	3	0	3

**SOMERSET ESTATES HOMEOWNERS ASSOCIATION, INC.
CONFLICT OF INTEREST POLICY**

First Adopted 2/27/2019 – Reviewed and Affirmed 9/20/2022

The following policy has been adopted by Somerset Estates Homeowners Association, Inc. ("Association") pursuant to the Colorado Common Interest Ownership Act ("Act"), including C.R.S. 38-33.3-209.5, as amended, at a regular meeting of the Executive Board ("Board").

Purpose: To establish a uniform and systematic protocol for the handling of conflicts of interest among Board and Committee members.

NOW, THEREFORE, IT IS RESOLVED that the Association does hereby adopt the following policy to govern the handling of conflicts of interest among Board or Committee members:

1. Definition of Conflict. If any contract, decision, or other action taken by or on behalf of the Board or a Board Committee would financially benefit, to a greater extent than the general membership of the Association, any Board or Committee member or any person who is a parent, grandparent, spouse, child, or sibling of a Board or Committee member; a parent, spouse, or child of any of those persons; an estate or trust in which the Board or Committee member or a party related to the Board or Committee member has a beneficial interest; or an entity in which a party related to a Board or Committee member is a director, officer, or has a financial interest ("party related to the Board or Committee member") then, advance of entering into that contract, making the decision or taking the action, that interested Board or Committee member shall declare at an open meeting of the Board or Committee that a conflict of interest exists and shall describe in

detail all of the particular facts of the conflict of interest. Further, if any Board or Committee member or party related to the Board or Committee member has previously benefited financially from his/her relationship with a potential party in any contract, decision or other action, that must likewise be disclosed.

2. Notice of Conflict. The interested Board or Committee member may deliver to the Board or Committee a letter setting forth a detailed summary of the conflict of interest, which letter shall be read out loud by a disinterested Board or Committee member at an open meeting of the Board or Committee.

3. Recusal. After the interested Board or Committee member makes such a declaration, the interested Board or Committee member may not participate in a discussion of the matter or vote on the issue giving rise to the conflict of interest, unless the Board or Committee determines by majority vote of the disinterested members that the possible conflict of interest is insufficient for the Board or Committee member to be recused from the matter. If there is compliance with the terms of this policy, a majority of the disinterested Board or Committee members may in good faith authorize, approve, or ratify the conflicting interest transaction or decision. A Board or Committee member may also choose to abstain from discussion and/or voting on a matter with or without a stated reason, provided however, the minutes of the meeting shall reflect that abstention.

4. Quorum. The interested Board or Committee member may be counted as present when determining whether a quorum of the Board or Committee exists.

5. Contracts. Any contract entered into in violation of this policy is void and unenforceable, provided the conflict is discovered within one year of the effective date of the contract.

6. Periodic Review. This policy must be reviewed every three years.

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 Conflict of Interest Policy was adopted by the Executive Board on the 27th day of February, 2019, effective the 27th day of February, 2019, and reviewed per paragraph 6 and affirmed on the 20th day of September, 2022, and is attested to by the Secretary of the Somerset Estates Homeowners Association, Inc.

By: _____
Paula Hemenway, Secretary

SOMERSET ESTATES HOMEOWNERS ASSOCIATION, INC.
CONDUCT OF MEETINGS POLICY

First Adopted 2/27/2019 – Rev 1 Adopted xx, 2022

The following policy has been adopted by Somerset Estates Homeowners Association, Inc. ("Association") pursuant to the Colorado Common Interest Ownership Act ("Act"), including C.R.S. 38-33.3-209.5 and 38-33.3-308, as amended, at a regular meeting of the Executive Board ("Board").

Purpose: To establish a uniform and systematic protocol for conducting meetings of the Association, including Members' meetings and Board meetings; to ensure equitable participation by Members while permitting the Board to conduct the business of the Association; and to specify the circumstances under which the Board or a committee thereof may convene into executive session. The general intention of the Board is for Members' and Board meetings to be conducted such that Members are heard and encouraged to participate in a reasonable manner.

NOW, THEREFORE, IT IS RESOLVED that the Association does hereby adopt the following policy governing the conduct of meetings of the Members and meetings of the Board:

9. Members' Meetings. All meetings of the Association are open to every Member, or to any person designated by a Member in writing as the Member's representative, and Members or designated representatives so desiring shall be permitted to attend, listen, and speak at the appropriate time during the deliberations and proceedings. The Order of Business at meetings of the Members shall be as set forth in the Notice of Meeting.

10. Board Meetings. All regular and special meetings of the Board, or any committee thereof, shall be open to attendance by all Members or to any person designated by a Member in writing. At regular and special meetings of the Board, except as stated below, Members who are not Board members may not participate in any deliberation or discussion unless expressly so authorized by a vote of the majority of a quorum of the Board or as otherwise allowed by the chairperson.

11. Members' Right to Speak at Board Meetings. At Board meetings, at an appropriate time, to be determined by the Board, the Board shall permit Members or their designated representatives to speak before the Board takes formal action on an issue under discussion. However, the Board may place reasonable time restrictions on those persons speaking during any meeting. If more than one person desires to address an issue and there are opposing views, the Board shall provide for a reasonable number of persons to speak on each side of the issue(s).

12. Agenda: Open Forum. The President of the Board, and in his/her absence, the Vice President, shall be the chairperson of all meetings. The agenda for all meetings shall be in accordance with the order of business determined by the Board. The agenda for Members' meetings shall be determined and noticed in the manner set forth in CRS section 38-33.3-308, unless the Declaration provides for different notice requirements. The agenda shall include a Member Open Forum during which any Member or Member's designated representative who wishes to speak will have the opportunity to do so, subject to the remaining provisions of this policy. The agenda for Board meetings shall include a Member Open Forum, subject however, to the Board's right to dispense with or limit the Member Open Forum at the discretion of the Board, except that such limits on the Member Open Forum shall always be subject to the provisions of paragraphs 2 and 3 of this policy.

13. Limits on Right to Speak. The Board shall have the right to determine the length of time of the Open Forum and the discussion period prior to the Board taking formal action on an issue under discussion. The chairperson of the meeting may place reasonable limitations upon the time given to each Member seeking to comment, to allow sufficient time for as many Members as possible to comment within the time permitted. Unless otherwise determined by the chairperson, the time limit will be three minutes per Member. The chairperson shall, to the best of his/her ability, allocate time to each Member for comment so as to allow as many Members as possible to speak within the time permitted. Each Member will only be allowed to

speak more than once at the discretion of the Board. No Member may speak a second time until all Members wishing to speak have had an opportunity to speak once.

14. Sign-Up Sheets. A sign-up sheet will be made available to Members immediately prior to the meeting. Any Member wishing to comment at the ensuing meeting may add his/her name to the sign-up sheet. Subject to the remaining provisions of this policy, Members will be recognized for comment at the meeting in the same order as their names appear on the sign-up sheet. All Members wishing to comment who have not placed their names on the sign-up sheet will nonetheless be permitted to speak, time permitting.

15. Attorney/Client Privileged Communication. Upon the final resolution of any matter for which the Board received legal advice or that concerned pending or contemplated litigation, the Board may elect to preserve the attorney-client privilege in any appropriate manner, or it may elect to disclose such information, as it deems appropriate, about such matter in an open meeting.

16. Recording of Meetings. Meetings may be recorded by the Board at its discretion, as long as it is announced as such. Note taking is permitted; however, video or audio recording of all or any portion of any meeting by Members is prohibited, unless expressly authorized by the Board in advance.

17. Member Conduct. No Member is entitled to speak until recognized by the chairperson. There shall be no interruption of anyone who has been recognized by the chairperson except by the chairperson. Specific time limits set for speakers shall be observed, unless modified at the discretion of the chairperson. Personal attacks, whether physical or verbal, and offensive language will not be tolerated. All comments are to be directed to the chairperson and not to other individual participants. All comments are to be restricted to the agenda item being discussed. Courteous behavior is expected.

18. Curtailed of Member Conduct. Should the chairperson determine that any Member has spoken for the allocated amount of time or longer, or determine that the Member is in violation of the provisions of this policy, the chairperson shall have the authority to instruct that Member to yield the floor, and that Member will be obligated to comply with the chairperson's instruction.

19. Disruptive or Unruly Behavior. If a Member refuses to stop talking after his/her allotted time has ended, or otherwise disrupts the meeting, or is otherwise in violation of the provisions of this policy, the following procedure will be followed:

- (a) The chairperson will issue an oral warning that if the Member continues to speak, disrupt the meeting, or otherwise act in violation of the provisions of this policy, either the meeting will be adjourned or law enforcement/security will be called to remove the individual.
- (b) If the Member continues to speak, disrupt the meeting, or otherwise act in violation of the provisions of this policy, the chairperson will call a recess and speak directly to the Member, reiterating that either the meeting will be adjourned or law enforcement/security will be called to remove the individual.
- (c) If the Member still refuses to cooperate, the chairperson may choose whether to adjourn the meeting to another time or to call law enforcement/security.

20. Executive Session. Notwithstanding the foregoing, the Board or a committee thereof may hold an executive or closed door session and may restrict attendance to Board members and other persons specified by the Board or committee; provided that any such executive or closed door session may only be held in accordance with the provisions and requirements of the Act. The matters to be discussed at such an executive session are limited to:

- (a) Matters pertaining to employees of the Association or the managing agent's contract or involving the employment, promotion, discipline, or dismissal of an officer, agent, or employee of the Association;
- (b) Consultation with legal counsel concerning disputes that are the subject of pending or imminent court proceedings or matters that are privileged or confidential between attorney and client;
- (c) Investigative proceedings concerning possible or actual criminal misconduct;
- (d) Matters subject to specific constitutional, statutory, or judicially imposed requirements protecting

particular proceedings or matters from public disclosure;

- (e) Any matter the disclosure of which would constitute an unwarranted invasion of individual privacy, including a disciplinary hearing regarding an Owner and any referral of delinquency; except that an Owner who is the subject of a disciplinary hearing or a referral of delinquency may request and receive the results of any vote taken at the relevant meeting;
- (f) Review of or discussion relating to any written or oral communication from legal counsel.

Prior to the time the Board members convene in executive session, the chairperson shall announce the general matter of discussion as enumerated in paragraphs (a) to (f) above. No rule or regulation of the Board shall be adopted during an executive session. A rule or regulation may be validly adopted only during a regular or special meeting or after the Board goes back into regular session following an executive session.

The minutes of all meetings at which an executive session was held shall indicate that an executive session was held and the general subject matter of the executive session. Minutes of executive session may be kept but are not subject to disclosure pursuant to the Association's policy regarding inspection of records.

21. 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.

22. 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 Conduct of Meetings Policy was amended by the Executive Board on the xxth day of xx, 2022, effective immediately, and is attested to by the Secretary of the Somerset Estates Homeowners Association, Inc.

By: _____
Paula Hemenway, Secretary