

**Minutes of Meeting of the Executive Board of
Somerset Estates Homeowners Association (SEHOA)
July 14, 2020
By Video Conference, 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 Marc Arnold (MA), Paula Hemenway (PH), Mark Jensen (MJ), Herb McPherson (HM), and Michael Sims (MS) present. Due to the coronavirus pandemic, the meeting was held by video conference (Zoom). The website instructed homeowners to send a message to info@somersetstates-hoa.com to be provided with the link to join; this was posted more than a day before the meeting.

Property Manager present – Al Orendorff (AO)

Architectural Control Committee (ACC) Chairperson present – Larry Becker

Water Committee present – John Ryan, Anthony Chirikos

Homeowners present – Ron Budacz, Christa Dam, Megan Macintosh, Mike Stears, Bob Uhler

- 2. Approval of Prior Meeting Minutes** – Motion to approve minutes from the Special Meeting of Executive Board on June 30, 2020, made by PH, seconded by HM, no discussion, approved unanimously.
- 3. Treasurer’s Report** – HM presented the attached report. Some summer expenses are slow to bill, such as mowing, but will catch up by the end of the season. Just a reminder that income comes in quarterly batches, whereas expenses are spread more evenly.
- 4. Pond 8 Restoration Task Force Update / Funding Discussion** – HM reported that the task force is committed to getting information and costs to the Board to allow a decision and work completion to allow filling of Pond 8 before ditch water is shut off this season. Bob Uhler noted that the Lamp Rynearson engineer and task force are working on collapsing the original schedule. A key element is the time it takes the Board to agree to fund the project. If homeowner approval is needed, then there’s not time to complete the project this ditch water season. Bob expects to have construction cost bids around August 10-12 and a final recommendation from the engineer on August 18. His collapsed schedule assumes the Board can make a decision within one day. He also assumes that ditch water will be still available on October 2 and stay available until October 10 or so, but the ditch company won’t commit to a shut-off date. AO stated that we will be filling the other ponds during September, and that ditch water usually is cut off at the end of September up to the first week or two in October. MS asked about the consequence if construction doesn’t finish before water shuts off. Bob replied that it means we have an empty pond with a liner in it; even though the liners they are looking at are UV protected, it’s still not great to leave liner uncovered. Would need to secure by weighting down to avoid wind problems. Another more expensive option is to fill with treated water from a Left Hand Water District hydrant. Bob also noted that scrunching the schedule is not necessarily free. There may be an acceleration cost, it puts a lot of heat on the engineer, which is where the value-added is, and we might lose a couple of bidders with a compressed schedule. He’s expecting to get three to five bids. The disadvantage to waiting until next year is that sooner is generally cheaper than later even with acceleration, bids will probably only be good for this year, and we want to resolve as quickly as possible.

Lamp Rynearson doesn’t believe the old liner gives us any advantage and should be removed, and no one thinks the organic material (sludge) is a good thing to leave in place because of methane build up. Cost to remove sludge and old liner is \$8640 by Turf Paradise. Doing so now gives a little more room in the schedule.

Motion to approve spending up to \$9000 to remove the liner and organic material made by MJ, seconded by MS, no further discussion, approved unanimously.

Board discussed the level of funding it might approve this year from existing funds. Key information needed includes: 1) Where we might end the year in expenditures compared to the budget; 2) Costs of asset resolution with SHOA; 3) How this project fits into overall reserve plan. HM to investigate possibility of establishing a line of credit for this or other purposes. Ron Budacz noted that the task force is setting a blueprint for the other ponds so the engineering costs should be considered as a general engineering expense for all the ponds. MA stated that the Board will be as cooperative and responsive as possible, but we aren't prepared at this meeting to pre-approve an amount.

5. **ACC Update** – Larry Becker will let owner on Daylily Ct know that they need to move the sanitary facility off the street. The ACC is in the process of revamping the Architectural & Landscaping Standards and should have the draft revisions out to the Board in a couple of weeks. ACC has done a spring inspection and will send out compliance notices within the next week after Larry reviews. Homeowners to comply within 60 days.
6. **Property Manager's Report** – New section of fence on east side of Somerset Dr is finished and new metal emergency vehicle gate is installed. Someone removed chain and lock on gate so needs to be replaced. Decision made to open a 5' section next to gate to allow people to walk through to the emergency road in Legend Ridge without climbing over the gate. MJ reported that some have questioned the fence being a different color. It will be stained at the end of September once wood has a chance to dry. We will put an explanation in the What's Up newsletter. AO reported a mainline leak that is leading to dry grass along Somerset Dr. In process of digging up and repairing.
7. **Long Range Financial Planning Update** – MS reported that work on financial plan will continue once we have a better idea of costs to repair all of the ponds.
8. **Other Business** – None
8. **Member Open Forum** – None
9. **Next meeting** – Executive Board meeting on Tuesday, August 18, 2020 at 6:30 PM (Note this is one week later than usual meeting date.)
10. **Adjourn** - The meeting adjourned at 7:57 PM.

Executive Session in accordance with CCIOA 38-33.3-309 (4)(f) to discuss written or oral communication from legal counsel regarding settlement negotiations with SHOA called to order at 8:00 PM. All Board members and Water Committee members (John Ryan and Anthony Chirikos) present. Executive Session adjourned at 8:35 PM.



Paula Hemenway, Secretary
July 23, 2020

Somerset Estates Homeowners Association

Treasurer's Report

JUNE 2020

	JUNE 2020	YTD-ACTUAL 2020	YTD-BUDGET 2020	YTD-VARIANCE 2020 Better/(Worse)	BUDGET 2020
INCOME and EXPENSE SUMMARY					
INCOME					
HOA DUES	\$ 2,043.67	\$ 121,225.00	\$ 120,150.00	\$ 1,075.00	\$ 240,300.00
Other Income	\$ 86.05	\$ 1,710.06	\$ 500.00	\$ 1,210.06	\$ 1,000.00
Interest		<i>Interest On Capital One Investment Acct. - See Below</i>			\$ 2,000.00
TOTAL INCOME	\$ 2,129.72	\$ 122,935.06	\$ 120,650.00	\$ 2,285.06	\$ 243,300.00
EXPENSES					
Administrative	\$ 4,898.00	\$ 30,552.51	\$ 53,275.00	\$ 22,722.49	\$ 99,675.00
Capital & Waterfall Repair	\$ -	\$ -	\$ 12,000.00	\$ 12,000.00	\$ 15,000.00
Landscape Maintenance & Enhancement	\$ -	\$ 17,415.95	\$ 36,750.00	\$ 19,334.05	\$ 69,300.00
Lights & Fence & Path & Pond Maintenance	\$ 11,258.50	\$ 32,422.52	\$ 38,325.00	\$ 5,902.48	\$ 43,825.00
Utilities	\$ -	\$ 1,871.49	\$ 3,500.00	\$ 1,628.51	\$ 12,000.00
Water	\$ -	\$ 1,168.93	\$ 500.00	\$ (668.93)	\$ 3,500.00
TOTAL EXPENSES	\$ 16,156.50	\$ 83,431.40	\$ 144,350.00	\$ 60,918.60	\$ 243,300.00
NET OPERATING INCOME	\$ (14,026.78)	\$ 39,503.66	\$ (23,700.00)	\$ 63,203.66	\$ -
BALANCE SHEET					
ASSETS					
Operating/Checking Account					
Bank of the West		\$ 70,004.12			
Capital One Investment Account					
Account (Principal) Balance		\$ 133,701.02			
TOTAL ASSETS		\$ 203,705.14			
LIABILITIES and CAPITAL					
Accounts Payable (pre-paid Assessments)		\$ 27,200.20			
Capital Stock and Retained Earning		\$ 176,504.94			
TOTAL LIABILITIES & CAPITAL		\$ 203,705.14			
* Interest~ Capital One Investment Acct. @ 1.75%	\$ 191.51	\$ 1,157.61	\$ 1,000.00	\$ 157.61	\$ 2,000.00
* Legal + Professional Fees Re: Resolution of Assets	\$ 3,801.00	\$ 10,511.21	\$ 34,000.00	\$ 23,488.79	\$ 65,000.00
* Legal & Accounting & Property Mgr.	\$ 1,075.00	\$ 6,712.50	\$ 9,650.00	\$ 2,937.50	\$ 19,250.00
* Mowing	\$ -	\$ 1,090.00	\$ 3,400.00	\$ 2,310.00	\$ 17,800.00
* Irrigation/Ponds/Pumps Maintenance & Repair	\$ -	\$ 9,100.00	\$ 12,600.00	\$ 3,500.00	\$ 25,500.00
* MOU Split w/SHOA	\$ 1,511.03	\$ 6,095.45			
Dues Outstanding - \$150.00 / 1 Homes	0 - 30 Days \$100.00 / 1 Homes	30 - 60 Days \$2,043.67 / 4 Homes	60 - 90 Days \$0.00 / 0 Homes	Over 90 Days \$50.00 / 1 Homes	