

Board Meeting - Thursday, July 15, 2010

Board: Mike Atkins, Ajay Sreenivas, Shalia McPherson

Property Manager: Al Orendorff

Attorney: Mike Biddison

Community: Karen & Jay Browne, Lee & Mary Ann Erb, Herb McPherson, Garrett Quackenbush

ACC: Steve DeWitt

Meeting started at 6:42PM.

Minutes: May 2010 – Minutes for May not approved; deferred until the next meeting.

REPORTS

Property Manager' sReport

July 13, 2010

Operating Account bank balance: = **\$70,047.90** as of June 30, 2010. - **\$40,219.75** as of July 13, 2010.

Accounts receivable: = **\$ 47,620.00** as of June 30, 2010. - **\$29,025.00** as of July 13, 2010.

Defense Account as June 30, 2010 = **\$20,082.83**

Reserve Account as of June 30, 2010 = **\$27,222.37**

The property on Strawberry has been sold to an investor; Fox Colorado LLC. We have been paid what we were legally allowed to collect (\$1,272.50) however we did write off \$1,025.00. The existing liens on the property have been released. Copies of the release were provided to our attorney, as well as the new owner.

We are getting requests regarding the Daylilly property. We have been advised that PNC Bank now owns the property. Mark Biddison is following up with the new owners to establish the transfer cost based on the outstanding dues/services owed. We will probably need to write off some amount here as well.

We have also been informed of another foreclosure on Cattail by an attorney. I have responded to the attorney of record for their outstanding balance inquiry and requested contact information for the bank so that we can send them dues invoices. To date we have not received any response. I have provided Mark Biddison with the information I have. The Cattail property is current until the end of Q2, 2010, so there is no lien filed against this property. On Tuesday July 13th I was contacted by Cary St. Onge who indicated that

he is willing to pay the Q3 dues as Kerry is planning to bid on the property which is going to be auctioned on the 14th.

Landscape:

The LED test light at Cranberry appears to be acceptable. I have found LED replacement fluorescent size/type tubes on the web and the next step is to purchase some for final test. If we are successful, the HOA will be able to save on our electric bill as the LED lights draw less than 10% of the existing fluorescent.

Carry-over from April: The ACC has selected several light options for the post entrance lights at Pawnee. They have contacted the folks at the adjoining HOA (Fox Haven). Unfortunately these lights were too expensive for the Fox Haven people. The cost to replace the existing sodium hi-pressure lamp(s) is \$900. The north light is operational and just needs a new globe. (\$250.00) My recommendation is to replace the light with what we already had. In discussing the various lighting options with the lighting company, they suggested the sodium vapor lamps will give a better light output and last longer than converting these post lamps to a fluorescent style bulb. Apparently the fluorescent bulbs are more expensive as well.

We have been gathering information regarding the lights at HWY 52. Excel Electric has provided a quote for LED ground lights that is very attractive. We also have a quote for halo lighting of the lettering at the entrance. It has been confirmed that Xcel Energy has a rebate program where we may be able to get approximately \$800 as a rebate, depending on the existing lights and the new lights power saving. Xcel's rebate is \$400 per kWh. It is estimated that the SHOA will save approximately \$50 per month if we change to LED lighting. Further, since we have power limitations at the entrance, converting to LED lights will allow us to significantly increase our decorative lighting at Christmas.

Once the Board decides which solution to pursue, the property manager will secure further bids. The photo cell for the ground lights has been replaced and these lights are now operational.

The project to upgrade and replace all signage in the development is now complete. We still need to complete the re-alignment and painting of all bollards (55 total).

18 trees around the water tank were removed by the Left Hand Water District (LHWD). The berm was adjusted and the hill is slightly lower, further exposing the water tank. LHWD is installed 36 Austrian Pine trees around the perimeter of the hill in an attempt to provide a screen. These trees were added to the SHOA irrigation infrastructure. The work completed by our landscape contractor, Firethorn Services and paid for by LHWD. The HOA fertilized the existing pine trees on the hill at a cost of \$350.00.

The SHOA added another 16 trees to the water tank and the Fitzgerald family added another two trees. All these trees were planted by the SHOA and irrigation drip system added to water these trees. It appears as though the Cimarron Ash did not survive and

will need to be replaced in the fall. I have contacted Boulder County Parks and Recreation. They confirmed that the Cimarron trees did not survive in most of their applications. I believe they will provide us replacements at no cost.

We will have a total of 56 new trees installed on the water tank hill.

Several issues were encountered with the Indian Pond waterfall system. We had several instances of a slow running waterfall. There is a pool filter buried in the Greenwood Island that is not actually required to operate the waterfall. We by-passed the filter and resolved the flow issue. A new float level control was added. There is a leak in the pond on the north side. Quality Pools has been contacted to provide a quote to repair the leak.

The irrigation system is up and running however there are several heads/valves that need to be replaced or adjusted.

Waterfall controls were upgraded to add timers for the waterfall. The waterfalls now shut down at 10PM and restart at 6AM, providing significant saving to the HOA electrical bill. Estimated savings will be approximately \$250- \$300 per month.

We have another opportunity to pick up 1.5 shares The Boulder and White Rock Ditch Company. The bid response is due back to Dan Grant no later than July 28th. We need to determine if the SHOA would like to bid on these shares and at what price. Last time we bid \$4,000 per share and were not successful.

ACC: Received a request from Everett Pfeiff to add a fence and some landscaping to his property on Daylilly. Steve DeWitt picked up the documents for the ACC to process.

**Somerset Homeowners Association
Treasurer' s Report
May & JUNE 2010**

July 15, 2010 Meeting

May total income was \$2480 and expenses \$23,157 with net income -\$20,677.

June total income was \$26,782 and expenses \$12,978 with net income \$13,804.

Year-to-date, total income is 102.8% of budget but net income is 752.6% greater than budget due to expenses paid vs. actual being \$45,039 under budget. Approximately \$35,000 is due to Firethorn for Landscape Maintenance and Maintenance in May and June. Making this adjustment, net income would be approximately \$21,100 instead of \$56,101, which is about \$14,000 over budget.

There are individual items that deviate from budget that should be reviewed.

<u>Year-to-date</u>	<u>Actual</u>	<u>Budget Variance</u>		<u>% Budget</u>
Income	133,468	129,860	3,608	102.5
Expenses	77,367	122,406	-45,038	63.2
Net Income	56,101	7,454	48,647	752.6

As of end of June, accounts receivable are \$47,620, of which \$9,965 is due from PNC Bank. \$32,425 is currently due for quarterly dues.

Defense fund is \$20,023

Reserve account is \$27,222 essentially unchanged.

Bank balance is \$70,048

ACC Monthly+ Report July 15, 2010

Submittals

There have been ten new applications for Approval submitted and seven completed during April, May, and June, 2010. Below is the Outstanding Submittal report highlighting the submittal status.

Outstanding Submittals:

Still need final landscape drawings from the Dihaya' s. The landscaping has been basically approved by Flannery and plantings complete, but final drawings never submitted for the records. This has now been outstanding for 10 months. Action is to have Flannery follow up.

Thramman' s also submitted for landscaping and the project is under final review by Steven DeWitt.

Mohammad Karbassi has submitted general drawings, but the ACC is awaiting specific landscape drawings appropriate for approval.

Everett Phieff has just submitted landscaping and fence plans for ACC review.

ACC General Status

Outstanding Actions or Issues:

- There have been requests to better water and trim some of the common property Cottonwoods to save them from dying and to make them look healthy again. – Knudtson has the action.
- Working with Richard Quigley to see if we can appropriately soften the light from two street lamps, retaining the illumination to the street for night walking, but eliminating the glare of the lamps from neighboring houses. The street lamps are located at the entrance of Pawnee Lane at Longview. CFL light has been installed on the North side of the street that is representative of the solution. This solution still gives good light, saves the HOA energy and therefore \$\$s, and avoids replacing the old ballast on the South light that was destroyed by lightning. ACC has approved the approach and latest installation on the North side. South side will be upgraded to match. Last step is to buy new globes to cover the lights and to make the lamps look as entry way lights. Globes will be white and translucent as were the originals on these lamps. The globes look much like the originals and will cost, with shipping, approximately \$175 each. A professional striping could also be applied to the globes to cut down on light transmitted upward to the houses across the street. If we do this, Richard will pay for both globes. If we do not do the stripe, Richard would like to pay for just one of the globes and let our HOA pay for the one that was destroyed by lightning. I think this is a very fair approach. The ACC recommends we do not stripe. Therefore, requesting up to \$190 from Somerset HOA to procure the two globes, the rest of the funding coming from Richard. – Flannery to order globes once source of funds approved.
- There is a problem with an outdoor chimney emitting smoke that is being blown into other houses. ACC will look into a solution with the owner.
- Fence board recommendation outstanding to solve the longer term challenge of replacing worn out fence boards. Please do not replace other fence boards without the ACC' s help to procure the correct boards– ACC
- Guidelines being rewritten to update the documents, to make them easier to use, and to merge the three Somerset areas into one set of documents without losing the differences in areas. –Knudtson leading the charge.

Other Discussion:

The Property Manager confirmed that the work around the water tank has been completed by all parties. All trees have been planted, irrigation lines installed and the water tank fence has been installed and the water tank painted by LHWD.

Discussion held regarding accounts receivable. It was decided to have the property manager send a final notice to the owners on Cranberry who are severely delinquent requesting payment in 10 business days or the account will be turned over to our attorney for collection.

Discussion was held regarding the opportunity to purchase water shares. It was decided by the Board to bid \$7,500 for the 1.5 shares of Boulder & White Rock Ditch shares. Motion by Mike Atkins, 2nd by Shalia McPherson.

The SHOA has received request from some residents along the ditches (Owens & Erickson) to remove broken limbs and some dead trees. The Property Manager confirmed there is damage in the area and that the cost to address the issue would be significant as man-lifts will be required to reach some of the larger broken limbs.

The board decided to defer a decision on any tree trimming or removal of trees in the ditches until October or November. At that time, the Board will review the expenses YTD and decide how best to proceed.

Concern was expressed by Herb McPherson regarding the height of trees on the property behind his home. Previously the homeowner filed a document with the county to ensure the tree heights would be maintained at a specified height and that no further changes would be done to his property without ACC approval. The HOA has a copy of this document in the archives, and Garrett indicated that he may have a copy in his records as well. Concern was raised regarding new trees are planted near the water stream and the potential for roots to damage the liner.

We have decided to meet with Steph from Boulder Tree to review and provide a list of acceptable trees that can be planted near the stream.

The issue of reeds and grasses in the stream was also raised. The reeds can have the seed pods clipped to reduce the spread of the reeds and Garrett believes the reed root system can be pried up with a pitch fork, as long as the bottom of the stream is concrete. Garrett will confirm and advise.

Discussion was held regarding the potential to fine homeowners who ignore the requirement for ACC approval PRIOR to starting any exterior yard or home improvements. The HOA Attorney, Mark Biddison will investigate and update the Board at the next meeting.

The issue of the Swim and Tennis Club letters and correspondence was deferred until the next meeting.

Mark Biddison informed the SHOA of a new statute being released from the legislature regarding another registration starting in 2011. Starting in January 2011, all HOA's in Colorado will be required to register with the Division of Real Estate. The fee has yet to be determined; however the intent of the bill is to provide HOA members with an ombudsman type person to assist in resolving member's complaints and issues. The fee paid by the HOA's will fund this position. The fee and forms are not yet available; however failure to register and maintain a current registration will eliminate the potential for an HOA to levy a fine or place a lien on any member's property. More to follow as details become available.

The next Board meeting is scheduled for August 25, 2010. Mike Atkins offered to host the next Board meeting at his home. Details will be posted on the web.

Meeting Adjourned at 7:35 PM. – Motioned by Shalia McPherson, 2nd by Mike Atkins.

Action Items:

- 1) Property Manager to forward demand payment to delinquent account
- 2) Property Manager to arrange meeting with Steph from Boulder Tree.
- 3) Property Manager to send bid to Boulder and White Rock for \$7,500.00 for 1.5 shares
- 4) Garrett to confirm if the stream has a concrete bottom.
- 5) Mark Biddison to investigate potential to fine ACC offenders.
- 6) Mark Biddison & Mike Atkins to respond to S&T regarding the HOA' s position.