



MEMBERS PRESENT: Tom Fitzgerald, President; Joe Strout, Vice President; Craig Hanson, Vice President; Terril (Terry) Retter, Secretary

OTHERS PRESENT: Tracy Carter, General Manager, Bernadette Rodas, Asst. Community Manager, Chrissy Parker (FirstService)

MEMBERS ABSENT: Simon Baker, Treasurer

1. Call to Order, Introductions, and Determination of Quorum

Tom called the meeting to order at 5:33 p.m. Quorum was established

Terry noted that he is resigning as board secretary.

2. Homeowner Comments: In accordance with NRS116.31085 this portion of the meeting is devoted to unit owners' comments and discussion of those items listed on the agenda only. Please limit comments to a maximum of 3 minutes per unit.

- Geoffrey Brooks (1865 Dove Mountain) – Homeowner addressed the Ventana Ridge Easement item. He wants to negotiate with the developer to add the development into Somerset to add revenue for the SOA. We also need to have a vote on this matter before anything is decided.
- Marilee Watts (2085 Heavenly View) – Homeowner addressed Legal updates regarding the Shaw case. Homeowner feels that it sets a precedent by asking for forgiveness rather than permission. If the board keeps allowing variances and being bullied by lawsuits it will give the governing documents no power to enforce rules. She thinks that the SOA creating policies allowing certain items, such as the new bare bulb lighting policy, contradicts the documents we have in place and the reasons people have bought into Somerset.

3. December 12, 2019 Meeting Minutes

MOTION: Craig made the motion to approve the December 12, 2019 board meeting minutes. Joe seconded. Motion carried unanimously.

4. Committee Reports:

a) Budget & Finance

Nothing to report at this time.

b) Communication

Robin Bolson reported on behalf of the committee and provided the following updates and recommendations:

- Rob Jordan was elected as Chair and Joe Capotrio was elected as Vice Chair.
- Lots of discussion about implementing a SMS (Texting) system to send important information to homeowners. FirstService Residential can provide this service to SOA at no charge. The Committee agreed to try the service based on testing results.
- Website updates from D4 continue to be frustratingly slow and unreliable. We are trying to get what we are paying for from D4 and then look into finding a new vendor that is already familiar with HOA wants and needs.
- Annual Homeowner Survey: Generally regarded as an important need and two-way communication tool between SOA and Homeowners. Committee would like the Board's support to crank out the survey promptly.

c) West Park Community Garden

Management provided the following report on behalf of the committee:

- Committee held first meeting on January 7, 2020. The Committee visited West Park and viewed the sample raised beds where they expressed concerns about the height of the handicapped beds.
- Upcoming objectives and tasks are to begin an interest list for the garden plots, work on a lottery to assign handicapped and regular plots, determine how the garden plots will be irrigated, work on fencing to keep out rabbits, rules for the community garden, determine if county residents can use the garden, and if a structure is needed to make sure plots are available to non-Somerset residents.



d) General Manager – Executive Meeting Update

Tracy Carter stated for the record that the board discussed the following items in Executive Session: conducted hearings, reviewed AGC meeting minutes, discussed legal matters, reviewed delinquencies, collection matters, bad debt write-offs, discussed personnel matters and waiver requests (fines/ late fee/ pre-collection fees). Received our first report on the condition of the walls we are monitoring. Thus far, there is nothing significant to report. The second quarterly inspection is being conducted this month and we should have the results in February. The full manager's report is available at www.somerset.net. Tracy met with the consultant that performed fire fuel reduction in 2019 to plan for fire fuel reduction in 2020. The AGC is currently reviewing the current guidelines and actively looking for new members. Tracy is working on a year-end summary of all the projects undertaken in 2019.

5. Financials:

a) Treasurer's Report

The current account balances are as follows:

- Operating: \$ 854,638.82
 - General Common: \$ 119,561.48
 - TCTC: \$ 756,363.56
 - Gates: \$ 4,833.66
- Reserves: \$ 6,589,485.81
 - General Common: \$ 2,227,821.95
 - TCTC: \$ 1,170,246.78
 - Gates: \$ 3,191,417.08
- Total Assets: \$ 17,955,629.10
- Total Liabilities: \$ 6,282,537.20
- Total Liabilities/Equity: \$ 17,955,629.10

A full financial report is available at www.somesett.net.

- Revenue for the month end November 30, 2019 was \$13,700 favorable to budget, driven largely by more fees than budgeted. Expenses were \$11,100 favorable to budget owing to lower-than-budgeted spent for legal and admin costs. Partially affected by higher water and rockery wall monitoring costs.
- Excess of operating revenue over expenses was \$24,800 favorable to budget. When adjusted for loan repayment and depreciation the excess was \$7,500 favorable to budget.
- Year-to-date adjusted excess of revenue over expenses was \$212,400 unfavorable to budget driven substantially by the cost of the rockery wall lawsuit and other legal expenses, rockery wall monitoring and loan repayment.
- Reserve expenditures during November totaled \$31,200 for outdoor equipment for Canyon 9 and some fence, sign and rock wall.

b) November 2019 Financials

No motion due to finance committee not meeting this month.

6. Unfinished Business:

a) Legal Updates

Mediation has been scheduled for March 13, 2020 for the appeal of the rockery wall lawsuit.

b) Easement Access – Appraisal for Ventana Ridge Update

The SOA has not received a response from the developer after sending back the easement offer.

c) Proposed String/Bare Bulb Lighting Policy

At the December 12, 2019 Board meeting, the board requested that the proposed verbiage be created as a policy to be implemented before AGC guidelines amendments are finalized. Craig read aloud the proposed policy.

MOTION: Craig made a motion to approve the proposed bare bulb lighting policy. Terry seconded. Motion carried unanimously.



- d) Appointment of Executive Committee and Proposed Charter
At the December 12, 2019 Board meeting, management recommended creating an executive committee to act on behalf of the board to negotiate a rockery wall repair settlement between SOA and SGCC. Management recommends establishing executive committee consisting of the three board members who do not have a conflict of interest and two homeowners who also do not have a conflict of interest. Tom read aloud the proposed resolution.
MOTION: Terry made a motion to approve the Executive Committee resolution and charter as presented. Craig seconded. Motion carried unanimously.
- e) SGCC/SOA Water Facilities Committee Board Appointment
MOTION: Craig made a motion to appoint Craig Hanson and Tom Fitzgerald to the SGCC/SOA Committee. Tom seconded. Motion carried unanimously.
- f) Canyon Nine Landscape Maintenance Proposals
At the December 12, 2019 Board meeting, the board opened bids from Brightview and Reno Green. Board has reviewed proposals and interviewed Brightview on 1/20/20.
MOTION: Terry made a motion to approve the BrightView bid for the Canyon 9 Maintenance for \$275,000 per year. Craig seconded. Motion carried unanimously.

7. New Business:

- a. Vegetation Removal in Drainage Channels Proposals
Three bids were received for clearing the vegetation out of the drainage channels around Somerset; however, the third bid by Reliable Landscape was removed, as it was determined that they do not have a license.
Signature Landscaping: \$52,313,
APS: \$43,900.
Seth's recommendation is that we take Signature Landscaping's bid.
Craig's inquired if the any of these areas would affect homeowners lots and if all the proposed channels need to be completed. Seth noted that there are a couple of channels that may affect homeowner lots but also noted that these areas have not been addressed and would recommend having them cleaned out as they are overgrown which may cause blockage and drainage issues along homes and under the parkway. Tracy confirmed that this a budgeted reserve item.
MOTION: Craig made motion to go back to the contractor to adjust price to reflect only the couple of drainage channels that would directly affect homeowners. Motion died.
MOTION: Terry made a motion to approve the bid from Signature for \$52,313. Joe Seconded. Motion carried. 3:1 with Craig opposed.
- b. Gypsy Hill Trail Street Improvement Sealed Bids
Seth noted that improvements generally consist of removal and replacement of PCC curb, gutter, and asphalt pavement, along with low spots in the asphalt areas that are not draining properly. Three bids were received from.
Apex: \$49,540
Spanish Springs Construction: \$68,444
Grade-Ex: \$65,916.
MOTION: Joe made a motion to approve the bid for Apex for \$49,540. Craig seconded. Motion carried unanimously.
- c. Downstairs Hallway Painting Proposal
Management received a proposal from Color Trends to paint the downstairs hallway. Management did not receive additional bids as the board's previous approved to have Color Trend paint the TCTC exterior building, pool fence and upstairs hallway.
MOTION: Craig made a motion to approve the bid for Color Tends for \$14,900.00. Terry seconded. Motion carried unanimously.
- d. Change Board Officer Position
Management has been informed by legal counsel that the Executive Committee will need to consist of the Board President, Secretary and Treasurer. Terry Retter has agreed to recuse himself and step down as



Secretary and; therefore, would recommend appointing Craig Hanson as Secretary and Terry Retter as Vice President.

MOTION: Tom made a motion to appoint Terry Retter as Vice President and Craig Hanson as Secretary. Joe seconded. Motion carried unanimously.

e. Revised Board Liaison Committee Assignments

Committee Board Liaison recommended changes and 2020 committee chair assignment are as follows:

Architectural Guidelines: Tom Fitzgerald, Board Member; Terry Retter, Board Member; Mike McNamara, Committee Chair, Paid Professional; Mike McGongale, Paid Professional; Seth Padovan, Paid Professional

Communications Committee: Terry Retter, Board Member; Craig Hanson, Board Member; Robert Jordan, Committee Chair, Homeowner Volunteer; Joseph Capotrio, Homeowner Volunteer; John Tozzi, Homeowner Volunteer

Facilities Committee: Terry Retter, Board Member; Simon Baker, Board Member; Dave Alexander, Committee Chair, Homeowner Volunteer; John Kultgen, Homeowner Volunteer; Philip Scichilone, Homeowner Volunteer; Sharon Slattery, Homeowner Volunteer; Edward Williams, Homeowner Volunteer

Finance and Budget Committee: Simon Baker, Board Member; Joseph Strout, Board Member; David Alexander, Committee Chair, Homeowner Volunteer; Raymond Lee, Homeowner Volunteer; Matthew Rasmussen, Homeowner Volunteer

SGCC/SOA Water Facilities Ad Hoc Committee: Tom Fitzgerald, Board Member; Craig Hanson, Board Member

West Park Community Garden Committee: Simon Baker, Board Member; Craig Hanson, Board Member; Ken McNeil, Committee Chair, Homeowner Volunteer; Gary Fleeman, Homeowner Volunteer; Jay Deputy, Homeowner Volunteer; Lorrie Moore, Homeowner Volunteer; Rosie Metsker, Homeowner Volunteer; Kwang Soo, Homeowner Volunteer

MOTION: Craig made a motion to approve the Board Member Liaison & Committee Members as presented. Terry seconded. Motion carried unanimously.

f. Establish Ad-HOC Governing Documents Review Committee and Proposed Charter

Terry explained that this is a committee to review the governing documents including the bylaws, CC&Rs, and PUD to provide recommendations to the board for changes.

MOTION: Terry made a motion to approve the Committee Resolution as presented. Craig seconded. Motion carried unanimously.

MOTION: Craig made a motion to approve the Committee Charter with proposed changes. Joe seconded. Motion carried unanimously.

g. Appointment of Committee Members

AD-HOC Governing Document Review Committee: Laurie Agnew, Sue Bartolotti, Gina Bayless, Geoffrey Brooks, Gina Castillo, Jim Haar, Tyler Hoffbuhr, Katharine Jefferts Schori, Suzanne Jones, Rob Jordan, Jill Keele, Tom Kulczyckli, Frank Leto, Tami Levine, John Lipinski, Beverley McDowell, Nancy Morse, Samuel Novell, Faun Sacetti, Bill Schrimpf, Gina Stutchman, Chuck Walker, Marilee Watts, Buck Yaeger

MOTION: Terry made the motion to approve the committee members to the Ad-Hoc Governing Documents Review Committee as presented. Craig seconded. Motion carried unanimously.

MOTION: Terry made the motion to appoint Jim Haar as the Committee Chair to the Ad-Hoc Governing Documents Review Committee. Craig seconded. Motion carried unanimously.

h. Revised Committee Charters

Based on the Bylaws and corporate law, both board members appointed to committees must have voting rights. Therefore, management has revised the charters to correct the verbiage.

Budget and Finance currently has 7 members on the committee, Management recommends changing the charter to be 5 members due to lack of attendance and cancelled meetings.

MOTION: Craig made a motion to approve the proposed charters as presented. Joe seconded. Motion carried unanimously.

MOTION: Joe made a motion to approve the Budget and Fiance Committee Charter with proposed changes. Craig seconded. Motion carried unanimously.

i. Todd Shaw Settlement Agreement

A settlement was reached in the case. Please see the attached Legal Update from pages 6-9 for more details.



- j. Bank of America Settlement Agreement
Foreclosure issue has been closed and resolved. Please see the attached Legal Update from page 1-3 for more details.

- 8. Board Member Comments:
Terry commented on the Shaw case and explained the process that lead up to lawsuits. Failed inspections lead to violations and fines and when homeowners want to come to an agreement that's against governing documents it cost the association in legal fees. Terry asked how much homeowners want the board to spend on legal fees to enforce the governing documents, whether it be \$5k or \$500k.
Craig spoke on the communications committee wanting to push out the texting feature to residents and also mentions that surveys will be sent out to learn what homeowners want from the board and SOA.

- 9. Homeowner Comments: In accordance with NRS116.31085 this portion of the meeting is devoted to unit owners' comments and discussion. Please limit comments to a maximum of 3 minutes per unit. Except in emergencies, no action may be taken upon a matter raised under this item on the agenda until the matter itself has been specifically included on an agenda as an item upon which action may be taken.
 - Charnelle Wright – (8105 Willow Ranch Trl) – Homeowner spoke about the debt incurred by SGCC to SOA in 2019 for the repair of failed rockery walls. After the failure the HOA put in place a tolling agreement to help SGCC defer its legal responsibility of repayment for the repairs. The tolling agreement has ended at the end of 2019 and now that debt needs to be repaid.

 - Larry Gilliland (SGCC Board Member) – wanted to address Charnelle's concerns about the repayment. He states that there is a dispute about what caused the rock wall to fail and while that is being resolved both boards are in communication regarding this issue. Time is needed to allow both parties to come to an agreement.

- 10. Adjournment: Minutes are also available on the website at www.somerset.net as well as any updated versions of this agenda. In accordance with NRS116.31083 the above agenda shall serve as notice of the Board of Directors meeting for the Somerset Owners Association. Each meeting of the executive board shall be audio recorded, unless the executive board is meeting in executive session.
Motion: Craig made the motion to adjourn at 7:00p.m. Tom seconded. Motion carried unanimously.