

AGREEMENT FOR CONSULTING SERVICES

THIS AGREEMENT ("Agreement"), is made this 14th day of April, between the BOARD OF DIRECTORS OF THE SOMERSETT OWNERS ASSOCIATION, a BOARD so organized under its Bylaws enacted pursuant to and in accordance with the Uniform Common-Interest Ownership Act of the Nevada Revised Statutes adopted on or about November, 2002, (hereinafter referred to "BOARD") of the SOMERSETT OWNERS ASSOCIATION, a nonprofit corporation organized through its Second Amended and Restated Declaration of Covenants, Conditions and Restrictions adopted on or about February 5, 2005 (hereinafter referred to "SOA") and Nancy Kerry, as an independent consulting, hereinafter referred to as "CONSULTANT."

RECITALS

WHEREAS, the BOARD requires consulting services in connection with assessing management options and services hereinafter referred to "PROJECT"; and

WHEREAS, CONSULTANT has held herself out as able and willing to provide the required services.

AGREEMENT

ARTICLE I SCOPE OF SERVICES

Section 1.1 Scope of Services: CONSULTANT agrees to provide services and materials in accordance with and/or as described in Exhibit A hereto, hereinafter referred to as the "PROJECT" or the "SCOPE OF WORK." Exhibit A, a letter from the CONSULTANT to the Board of Directors dated April 5, 2021 describing the scope of work to be provided to the BOARD, which was thereafter approved at the executive meeting of the BOARD on or about its meeting of April 13, 2021, is hereby incorporated by reference and made a part of this Agreement. CONSULTANT shall take direction only from the BOARD and all work products deemed final and submitted shall be provided to the BOARD for use at its sole discretion.

Section 1.2 Performance of Services: The BOARD agrees to retain CONSULTANT to complete the Project. CONSULTANT shall complete the work to the satisfaction of the BOARD. CONSULTANT shall also provide management advice, meeting facilitation, reports, memos, or other services beyond those specifically identified in Exhibit A, as it relates to the assessment of management options for the SOA or the facilitation of implementation of management options, as deemed necessary by the BOARD or its members to assist the BOARD in its decision or implementation thereof.

Section 1.3 Independent CONSULTANT: CONSULTANT shall at all times control the means and manner by which CONSULTANT performs the work, subject to BOARD'S right to monitor, evaluate and improve such work. CONSULTANT shall at all times be and act as an independent CONSULTANT and not as an employee of SOA or the BOARD or any agents thereof.

ARTICLE II
ADMINISTRATION OF THIS AGREEMENT

Section 2.1 Project Performance and Standard of Care: In consideration of the compensation provided for in this Agreement, CONSULTANT agrees to perform or supply the Project, in a manner consistent with the degree of care and skill ordinarily exercised by consultants providing similar services and acting under similar circumstances.

Section 2.2 Oversight: All of the work associated with the Project shall be performed under the direction of the BOARD. CONSULTANT shall take no direction from any other person or persons except members of the BOARD.

Section 2.3 Insurance:

CONSULTANT shall be deemed covered by the SOA's general liability insurance for the performance or services under the SCOPE OF WORK as described in Exhibit A, with the exception of any work performed or provided to the BOARD during the use of CONSULTANT's private vehicle for which the CONSULTANT at all shall times retain her own vehicle insurance at her sole expense and shall forever waive any claims against SOA and/or BOARD for any claims of damage occurred while operating her vehicle for work performed under this Agreement or arising as a result of this Agreement or arising from direction of any member of the BOARD to complete such work in the use of her private vehicle. CONSULTANT'S insurance shall be in addition to any other insurance requirements imposed by this Agreement or by law.

Section 2.4 SubCONSULTANT: CONSULTANT shall not utilize, hire, or retain the services of any SubCONSULTANT or confer with any such person in such a manner so as to bind the BOARD or SOA in any manner by the use of any subCONSULTANTS or professionals who may be involved in the Project, without the expressed permission and consent of the BOARD.

Section 2.5 Termination of Agreement:

This Agreement may be terminated by either party upon written notice. In the event of termination, SOA will pay CONSULTANT for all services performed to date of termination, together with all sub-consultant expenses and reimbursable expenses incurred to date. If payment is otherwise due upon completion, SOA will pay CONSULTANT for the pro rata value of the completed portion of the Project that will be incorporated into the Project. SOA will require the release of all lien rights as a condition of such payment.

Section 2.6 Notice and Communications: Any notice to the parties required under this Agreement shall be in writing, which may include electronic communication (email).

ARTICLE III
COMPENSATION FOR SERVICES

Section 3.1 Compensation: CONSULTANT shall be compensated for its services under this Agreement in the amount not to exceed Six Thousand Dollars (\$6,000.00) solely upon the completion of work to the satisfaction of the BOARD on a month-to-month basis and may be

terminated at any time under section 2.5. If the BOARD deems CONSULTANT'S work unsatisfactory, CONSULTANT may not receive compensation as defined in this Agreement although the CONSULTANT may be afforded the opportunity, at the sole discretion of the BOARD, to amend, repair, submit or otherwise correct her work to the satisfaction of the BOARD. BOARD, upon receipt of CONSULTANT'S work performed under this Agreement, will notify CONSULTANT of their dissatisfaction of submitted work and the need for amendments or corrections in order to cure such dissatisfaction, within seven days of receipt of work deemed final and submitted. BOARD shall retain the right, at its sole discretion, to compensate, negotiate, or otherwise offer CONSULTANT less than the amount of compensation if the work performed is not to the satisfaction of the BOARD.

Section 3.2 Payment: SOA shall pay CONSULTANT monies due under this Agreement within thirty (30) days after receipt of invoice.

ARTICLE IV
MISCELLANEOUS

Section 4.1 Nevada Law: This Agreement is to be governed by the laws of the State of Nevada.

Section 4.2 Amendments; Change Orders: This Agreement may only be amended, supplemented or modified only by way of a written document signed by both parties.

Section 4.3 Counterparts: This Agreement may be executed in two or more counterparts, using manual, electronic (email) or facsimile signature, each of which shall be deemed an original and all of which together shall constitute one and the same document.

Section 4.4 Shall Not Bind the SOA nor any Third Party: This Agreement is solely between the BOARD of the SOA, as authorized to enter such Agreements, and the CONSULTANT and no other person or organization shall be bound by or entitled to enforce any provision of this Agreement, including and specifically by reference, any other members of the SOA nor any member of its corporation, nor shall any other person or organization be entitled any provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have signed and executed this Agreement.

SOMERSETT OWNERS ASSOCIATION

CONSULTANT

By: Mark Capalongan
Mark Capalongan, Board President

By: Nancy Kerry
Nancy Kerry, Consultant

**EXHIBIT A
TO
AGREEMENT FOR CONSULTING SERVICES**

SCOPE OF WORK

CONSULTANT LETTER TO BOARD OF DIRECTORS OF SOA

Nancy Kerry
8605 18th Hole Trail
Reno, NV 89523

April 5, 2021

Mr. Mark Capalongan
President, Somerset Owners Association and
Board of Directors, Somerset Owners Association
7650 Town Square Way
Reno, NV 89523

Dear Mr. Capalongan and Board of Directors,

I understand the SOA Board of Directors is considering alternatives and options for association management. The Board-Manager structure is a critical function in managing an association on behalf of community members and I commend the Board for taking on this important analysis.

As you can see from my attached resume, I have over 20 years' experience in managing local governments including serving as a City and Town Manager for eight of the last 21 years. During my career, I have routinely analyzed policies and organizational structures to compare costs versus benefits, strengthen customer service, improve organizational (and staff) performance, reduce costs, conduct long-term financial forecasting and planning along with many other topics required of an executive leader. As the CEO for local communities, I have been the lead negotiator on behalf of the City or Town in labor negotiations, contract negotiations, employment issues, non-labor employee salary and benefit structures and I've managed both small and large teams to implement meaningful outcomes. Over the years, I have been recognized numerous times for effective strategic leadership.

Scope of Work

Overall, I will provide all of the information necessary to enable the Board of Directors to thoughtfully consider management options. The scope of work will include, but is not limited to, the following:

- Assistance and guidance with the necessary details and aspects to reach an informed and definitive decision on the future management direction,
- Review of SOA financials for cost/benefit and structural analysis,
- Professional negotiation assistance between SOA and First Service Residential, and
- Evaluate technological solutions, programs, and contracted services.

Should the SOA Board of Directors decide to transition to internal management team, services would include:

- Active leadership in setting up systems, teams, compliance, payroll, and insurance,
- Management and oversight of the entire migration process (accounting systems, vendor communications, banking and financial services),
- Community engagement to keep homeowners and residents informed,
- Development of a performance based strategic plan for transition and management, and
- Assistance with selecting a local experienced, supervising community association manager to provide limited-term audit and compliance consulting.

Flexibility

My entire professional career has been providing advice, guidance, and analysis to elected boards similar to what is described herein. Service in this capacity is most effective if flexible and nimble and not strictly limited by a scope of work. For that reason, in my experience, the Board should expect (and I hereby offer) my services to focus on delivering what the Board needs as their requirements will evolve through the process. Information gathered may lead the process in a new direction not yet contemplated, my services will include all aspects necessary to result in (1) a definitive determination by the Board on management direction and (2) if a new structure decided by the Board, services would include the necessary leadership to deliver a smooth transition.

Consulting Fee

My commitment is to provide full time assistance and service to the Board for \$6,000 per month, renewing monthly unless discontinued by the Board with, preferably, a 30-day notice.

Schedule

I have resigned my current position as Town Manager to relocate back home in Somerset to be with my husband and family. I would be available fulltime beginning May 1st, 2021.

Sincerely,


Nancy Kerry, MPA