

MINUTES OF A JOINT SPECIAL MEETING OF THE BOARDS OF DIRECTORS

OF

SADDLE ROCK SOUTH AUTHORITY,
SADDLE ROCK SOUTH METROPOLITAN DISTRICT NO. 3, &
SADDLE ROCK SOUTH METROPOLITAN DISTRICT NO. 4

Held: Thursday, the 9th day of July, 2020, at 2:30 P.M.

Due to Executive Orders issued by Governor Polis and Public Health Orders implementing the Executive Orders issued by the Colorado Department of Health and Environment, and the threat posed by the COVID-19 coronavirus, the meeting was held via teleconferencing.

ATTENDANCE

The meeting was held in accordance with the laws of the State of Colorado. The following directors were in attendance:

Authority Designees:

James Quarles
Jason Inzer
Marie B. Hensler

Authority Alternate Designees:

Jan Taylor
Robert Childs

District No. 3:

James Quarles
Jan Taylor
Jordan Rigberg

District No. 4:

Rodney Alpert
Carol Bransfield
Marie Hensler
Robert Childs
Robin Childs

Also present were: Jennifer Gruber Tanaka, Esq. and Allison C. Fogg, Esq. (for a portion of the meeting), WHITE BEAR ANKELE TANAKA & WALDRON, Authority and District general counsel; Ashley B. Frisbie, WHITE BEAR ANKELE TANAKA & WALDRON, Authority and District Manager; John Simmons, Simmons & Wheeler, PC, Authority and District Accountant; Andy Carroll, Security Officer; Jaylene Cantrell, Front Range Recreation, Inc. (for a portion of the meeting); and Paula Turachak, resident (for a portion of the meeting).

ADMINISTRATIVE MATTERS

Call to Order

The meeting was called to order.

Declaration of Quorum and Confirmation of Director

Ms. Frisbie noted that a quorum for the Saddle Rock South Authority (“Authority”) and for each of the Saddle Rock South

Qualifications Metropolitan District Nos. 3 and 4 (individually, “District No. 3” and “District No. 4”, and, collectively, the “Districts”) was present and that the directors had confirmed their qualification to serve.

It was noted that there was not a quorum present for the Saddle Rock South Metropolitan District No. 2.

Reaffirmation of Disclosures of Potential or Existing Conflicts of Interest Ms. Frisbie advised the Boards that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Ms. Frisbie reported that disclosures for those directors that provided White Bear Ankele Tanaka & Waldron with notice of potential or existing conflicts of interest, if any, were filed with the Secretary of State’s Office and the Boards at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Boards. Ms. Frisbie inquired into whether members of the Boards had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting. No additional disclosures were noted. The participation of the members present was necessary to obtain a quorum or to otherwise enable the Boards to act.

Combined Meetings The Authority and the Districts are meeting in a combined meeting. Unless otherwise noted below, and as applicable, the matters set forth below shall be deemed to be the actions of the Authority and the Districts, collectively.

Approval of Agenda Ms. Frisbie presented the Boards with the agenda for the meeting. Upon motion of Ms. Hensler, seconded by Mr. Quarles, the Boards unanimously approved the agenda as presented.

PUBLIC COMMENT None.

CONSENT AGENDA MATTERS The Boards were presented with the consent agenda items. Upon motion of Ms. Hensler, seconded by Mr. Quarles, the Boards unanimously took the following actions:

- a. District Nos. 3 and 4 Matters
 - i. Approved the Board Meeting Minutes from May 14, 2020 Special Meeting and June 2, 2020 Special Meeting
- b. Authority Matters
 - i. Approved the Board Meeting Minutes from May 14, 2020 Special Meeting and June 2, 2020 Special Meeting
 - ii. Approved Groundskeeping Committee Meeting Minutes from March 9, 2020, May 8, 2020, and June 1, 2020 Groundskeeping Committee Meetings
 - iii. Ratified the Payment of Claims as of July 9, 2020

- (\$223,786.91)
- iv. Ratified Resolution No. 2020-06-01; Declaring Opening of Certain Public Amenities
 - v. Ratified Addenda to the Independent Contractor Agreement with Keesen Landscape Management, Inc. (“Keesen”) for the following:
 - (a.) Addendum No. 16 for Ongoing Cleaning of Outlet Structure Screen at Pond I-7 (\$58.00 each occurrence)
 - (b.) Addendum No. 17 for Year 2 of Tree Pruning and Removal (\$32,235.00)
 - vi. Ratified First Addendum to Independent Contractor Agreement with Water Services Company, d/b/a Backflow Tech, Inc. for Backflow Testing and Repair Services (\$2,230.05)
 - vii. Ratified First Addendum to Independent Contractor Agreement with Sunny Day Concrete, LLC for Concrete Sidewalk Trip Hazard Correction (NTE \$1,000)
 - viii. Ratified Second Addendum to Independent Contractor Agreement with Front Range Recreation, Inc. for Pool Management Services to Remove Tennis Court Inspection and Cleaning Services

ENGINEER’S MATTERS

Engineer’s Report

Mr. Simons was not in attendance at the meeting. His Engineer’s Report was included in the meeting packet that was distributed to the Boards.

Detention Ponds

Dredging of Detention Pond I-7

It was noted that the Engineer’s Report provided an update on the remaining closeout items of the Detention Pond I-7 dredging project.

Pond I-7 Underdrain Discharge

Mr. Simons prepared a memorandum regarding the Pond I-7 Underdrain Discharge, which was included in the meeting packet that was distributed to the Boards. Ms. Tanaka and Ms. Frisbie discussed the memorandum with the Boards, noting that Mr. Simons has communicated a conceptual plan to relocate the underdrain into the pond outlet structure with the City of Aurora (the “City”). It was noted that the underdrain is not owned by the City or the Authority, that the City’s Wastewater and Stormwater Assets mapping indicates that the underdrain is a private improvement, and that the City will require the Authority to work with the owner of the underdrain regarding its daylight into the pond. The Boards discussed the possibility of the underdrain’s ownership belonging to the Saddle Rock South Master Association (“SRS Master HOA”), and it was noted that Mr. Simons has requested authorization from the Authority Board to approach the

owner of the underdrain to request approval for the Authority to connect to the underdrain system. It was noted that Mr. Quarles and Ms. Taylor have conflicts of interest as they are both members of the SRS Master HOA Board of Directors.

Following discussion, upon motion of Ms. Hensler, seconded by Mr. Inzer, the Authority Board authorized Mr. Simons to approach the SRS Master HOA to request approval for the Authority to connect to the underdrain system. Mr. Quarles abstained from voting on this matter due to his potential conflict of interest.

Clean Out and Grading of Pond H-11(E)

It was noted that the Engineer's Report indicates that Mr. Simons has been in communication with the City regarding the surface drainage issues at Pond H-11(E), and has been advised not to make any plans to address the forebay and other issues with the pond's maintenance due to open permitting matters from the recent construction of the adjacent residential development.

FINANCIAL MATTERS

Electronic Payment Processing Options

Mr. Simmons reported that he is still working with FirstBank on electronic payment processing options.

Acceptance of 2019 Audits (Authority and District No. 4)

Mr. Simmons reviewed the 2019 Audits with the Boards of the Authority and District No. 4. Mr. Simmons noted that the auditor is prepared to issue a clean, unqualified opinion, which is the best opinion that can be given.

Upon motion of Ms. Hensler, seconded by Mr. Quarles, the Authority Board unanimously accepted the 2019 audit and approved the execution of the client representation letter, subject to final legal review, and directed Mr. Simmons to file as required.

Upon motion of Mr. Childs, seconded by Ms. Childs, the Board of District No. 4 unanimously accepted the 2019 audit and approved the execution of the client representation letter, subject to final legal review, and directed Mr. Simmons to file as required.

DISTRICT MANAGER MATTERS

Management Report

Ms. Frisbie presented her Management Report to the Boards.

2020 Pool Season

Ms. Cantrell discussed the 2020 pool season with the Boards, noting that the season has gone smoothly with the new operational procedures in place. Ms. Cantrell noted that the

Colorado Department of Public Health & Environment has approved a variance to Public Health Order 20-28 Safer at Home for Arapahoe County, which allows for a greater capacity at the pools. The Boards discussed removing the cap on how many reservation slots each household can make per day or per week, and increasing the total number of individuals allowed at the south pool to 60 people, while keeping the 50 person maximum at the east pool. Ms. Frisbie reported that a resident requested extended hours to allow for adult lap swim. Ms. Cantrell suggested that a lap line saver be available upon request at the south pool.

Following discussion, upon motion of Mr. Quarles, seconded by Ms. Hensler, the Boards unanimously determined to modify the pool operational procedures as discussed, and to install a lap line saver at the south pool for adult lap swim. It was noted that the online reservation system will remain in place and that the pool areas are still only available for residents, with no guests allowed.

Clubhouse Closure

Ms. Cantrell discussed the guidelines for indoor public spaces, noting that the Tri-County Health Department had recently released new protocols and guidelines for indoor events. Ms. Frisbie reported that there will be associated costs incurred prior to opening the clubhouse to ensure that it is in compliance with the guidelines.

Following discussion, upon motion of Ms. Hensler, seconded by Mr. Inzer, the Boards unanimously determined to keep the clubhouse closed until the Boards have had a chance to review the updated guidelines for indoor public spaces and the costs associated with meeting such guidelines.

Authority Website

Ms. Frisbie reported that the new website is live and that the link will be distributed to the community.

Resolution Concerning Online Notice of Regular and Special Meetings

Ms. Frisbie presented the Boards with Resolution No. 2020-07-01; Concerning Online Notice of Regular and Special Meetings.

Following discussion, upon motion of Ms. Taylor, seconded by Ms. Hensler, the Boards unanimously adopted the resolution.

Committee Designations and Appointment of Committee Chairs

The Boards discussed Committee Designations and Appointment of Committee Chairs.

Following discussion, upon motion of Mr. Quarles, seconded by Ms. Hensler, the Boards unanimously updated the committee designations, with Mr. Inzer designated as the Security and

Finance Committees, and Ms. Taylor appointed as Committee Chair for the Groundskeeping Committee.

Proposal from Diversified Underground, Inc. for Underground Utility Locate Services and Consider Approval of Independent Contractor Agreement for Same

Ms. Frisbie presented the Boards with the proposal from Diversified Underground, Inc. for Underground Utility Locate Services.

Following discussion, upon motion of Mr. Quarles, seconded by Ms. Hensler, the Boards unanimously approved the proposal and the Independent Contractor Agreement for the same.

SAFETY AND SECURITY COMMITTEE MATTERS

General Update

Mr. Carroll provided a general security update to the Boards, noting that regular security presence is no longer needed at the pools as there have been no issues.

Mr. Carroll presented a proposal for guest parking signs, noting that the Authority will need approximately 106 signs, which average \$40-60 per sign, not including poles, mounting materials, or labor.

Following discussion, the Boards determined to defer this matter and directed Mr. Carroll to obtain additional proposals for the next meeting.

Neighborhood Watch Update

Mr. Carroll provided an update on the City's Neighborhood Watch Program with the Boards.

Following discussion, the Boards directed Ms. Frisbie to distribute information about the Neighborhood Watch Program to the community.

Neighborhood Watch Signs

There was no update at this time.

Status of Security Camera Operations

There was no update at this time.

Installation of Solar Lights at Ottawa Park

There was no update at this time.

DIRECTORS' MATTERS

Appointment of Officers (District No. 2)

Ms. Frisbie noted that due to the absence of Mr. Johnson, there was not a quorum for District No. 2. No action was taken.

Board Vacancies The Boards discussed the vacancies on the Board of Directors of District Nos. 2 and 3 and directed Ms. Frisbie to place notice of the vacancy on the Authority’s website.

Water Conservation and Landscape Projects
Landscape Rehabilitation Projects Ms. Frisbie informed the Boards that the Groundskeeping Committee has been meeting regularly with Keesen, who is working through the approved landscape projects.

Dog Waste Bags Ms. Frisbie informed the Boards that Keesen confirmed that the current dog waste bags that are used in the community are biodegradable dog waste bags.

Following discussion, the Boards determined that no further discussion was needed.

Sidewalk at S. Liverpool Street and E. Saddle Rock Lane Ms. Frisbie provided an update regarding the sidewalk at S. Liverpool Street and E. Saddle Rock Lane, noting that Mr. Simons has been in discussions with the City about possibly installing a gravel path with pavers through the landscaped area along S. Liverpool Street.

LEGAL MATTERS

Collection Matters Ms. Tanaka provided an update on collection matters, noting that there is currently \$10,034.07 outstanding from 6 collection and foreclosure files. Ms. Tanaka also provided an update on the unpaid system development fees (the “fees”), noting that discussions are in process with the responsible parties to have these fees paid.

Resolution Concerning the First Amended and Restated Uniform Parking Regulations Ms. Fogg presented the Boards with Resolution No. 2020-07-02; Concerning the First Amended and Restated Uniform Parking Regulations.

Following discussion, upon motion of Mr. Quarles, seconded by Ms. Hensler, the Boards unanimously adopted the resolution, subject to changes as discussed, and directed Ms. Frisbie to mail the new parking regulations to each household.

Additional Parking Signs This matter was discussed above under the general update for Safety and Security Matters.

OTHER BUSINESS

Next Meeting The next regular meeting of the Authority and the Districts is scheduled for September 10, 2020, at 2:30 P.M.

ADJOURNMENT

There being no further business to be conducted, the meeting was adjourned.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.

Marie B Hensler
Marie B Hensler (Sep 24, 2020 11:09 MDT)

Secretary for the Authority


Jason E. Inzer (Sep 25, 2020 08:54 MDT)

Secretary for District No. 2



Secretary for District No. 3

Carol J Bransfield
Carol J Bransfield (Sep 25, 2020 15:19 MDT)

Secretary for District No. 4