

MINUTES OF A JOINT SPECIAL MEETING OF THE BOARDS OF DIRECTORS

OF

SADDLE ROCK SOUTH AUTHORITY,
SADDLE ROCK SOUTH METROPOLITAN DISTRICT NO. 2
SADDLE ROCK SOUTH METROPOLITAN DISTRICT NO. 3, &
SADDLE ROCK SOUTH METROPOLITAN DISTRICT NO. 4

Held: Thursday, the 10th day of September, 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:

Howard Johnson
Jan Taylor
Robert Childs

District No. 2:

Howard Johnson
Jason Inzer

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 Trisha K. Harris, 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; Bradley A. Simons, PE, MMI Water Engineers, LLC, Authority Engineer; 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
Qualifications

Ms. Frisbie noted that a quorum for the Saddle Rock South Authority (“Authority”) and for each of the Saddle Rock South Metropolitan District Nos. 2, 3, and 4 (individually, “District No. 2”, “District No. 3”, and “District No. 4”, and, collectively, the “Districts”) was present and that the directors had confirmed their qualification to serve.

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. Inzer, 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. Inzer, the Boards unanimously took the following actions:

- a. District Nos. 2-4 Matters
 - i. Approved Board Meeting Minutes from May 14, 2020 Special Meeting and June 2, 2020 Special Meeting (District No. 2)
 - ii. Approved Board Meeting Minutes from July 9, 2020 Special Meeting (District Nos. 3 and 4)
 - iii. Accepted Unaudited Financial Statements as of June 30, 2020

- iv. Ratified Resolution No. 2020-06-01; Declaring Opening of Certain Public Amenities
 - v. Ratified First Amendment to Resolution Declaring Opening of Certain Public Amenities to Amend Outdoor Pool Operational Policies and Procedures
- b. Authority Matters
- i. Approved Board Meeting Minutes from July 9, 2020 Special Meeting
 - ii. Ratified Payment of Claims as of September 10, 2020 (\$299,901.56)
 - iii. Accepted Unaudited Financial Statements as of June 30, 2020
 - iv. Ratified First Amendment to Resolution Declaring Opening of Certain Public Amenities to Amend Outdoor Pool Operational Policies and Procedures
 - v. Ratified Increase of Scope and Cost of Addendum No. 17 to the Independent Contractor Agreement with Keesen Landscape Management, Inc. (“Keesen”) for Tree Removal (additional \$3,325.00)

ENGINEER’S MATTERS

Engineer’s Report

Mr. Simons presented his Engineer’s Report to the Boards.

Detention Ponds

Closeout of Detention Pond I-7 Dredging Project

Mr. Simons provided an update on the closeout of the Detention Pond I-7 Dredging Project, noting that BrightView Landscape Services, Inc. has obtained the necessary permit to repair the concrete that was damaged. They will be completing the concrete repair and sod replacement early next week, which will complete the project.

Pond I-7 Underdrain Discharge Relocation

Mr. Simons reported that the City of Aurora (the “City”) has taken the position that the Saddle Rock East Master Association (the “SRE Master HOA”) is the owner of the Pond I-7 Underdrain. He noted that an authorization form and plan for the underdrain discharge relocation have been submitted to the City, and that the conceptual plan for the relocation was provided to the SRE Master HOA as part of the request for approval for the Authority to connect to the underdrain system.

GIS Based Mapping Concepts

Mr. Simons provided the Boards with a summary of GIS based mapping concepts and discussed the benefits of moving to a GIS mapping platform given the various layers of the Authority’s assets and responsibilities. He noted that he has been in contact with two contractors regarding a GIS based application. Following discussion, the Boards directed Mr. Simons and Ms. Frisbie to coordinate to have the contractors provide presentations on their services at the next meeting.

Sidewalk at S. Liverpool Street and E. Saddle Rock Lane

Mr. Simons reported that he has been in contact with the City to discuss inquiries received from residents regarding pedestrian access on the east side of S. Liverpool Street, south of E. Saddle Rock Lane. Residents have indicated that they have to step onto S. Liverpool Street, rather than continuing on the sidewalk that crosses through the tunnel under E. Saddle Rock Lane. Mr. Simons has proposed that the City install a cinder-path through the landscaped area along S. Liverpool Street, which may help eliminate the pedestrian traffic in the street. The City indicated that they are reviewing the request and will be in contact with Mr. Simons.

FINANCIAL MATTERS

Electronic Payment Processing Options

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

Status of Preliminary Assessed Valuations

Mr. Simmons reported that he has received preliminary valuation numbers from Arapahoe County and that the numbers are similar last year as it is not a reassessment year.

It was noted that the statutory deadline for Arapahoe County to provide actual preliminary valuations has been extended to October 13, 2020 this year and that final assessed valuations are due by no later than December 10, 2020.

It was also noted that the draft 2021 Budgets will be circulated to the Boards by October 15, 2020.

Set Date for 2021 Budget Hearings

Ms. Frisbie noted that the current date scheduled for the budget hearings is November 12, 2020, at 2:30 p.m. The Boards confirmed the date of the budget hearings.

Draft 2021 Budgets and Budget Committee Meeting

Ms. Tanaka reported that the Budget Committee is in the process of scheduling the Budget Committee meeting for the last week of September. Ms. Hensler reported that the Groundskeeping Committee met yesterday and provided an update on projects that will be scheduled for 2021.

DISTRICT MANAGER MATTERS

Management Report

Ms. Frisbie presented her Management Report to the Boards.

2020 Pool Season

Ms. Cantrell provided an update on the pools to the Boards, noting that the water was shut off in advance of the freeze earlier in the week, but the pools will be open in advance of the weekend.

Clubhouse Closure

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

Following discussion, upon motion of Ms. Hensler, seconded by Mr. Inzer, the Boards unanimously determined to extend the clubhouse closure through at least November 15, 2020, and will assess reopening at the next meeting.

The Boards also discussed purchasing a touchless hand sanitizing station now, so it is available when the clubhouse reopens.

Following discussion, upon motion of Ms. Hensler, seconded by Mr. Inzer, the Boards unanimously authorized Ms. Cantrell and Ms. Frisbie to coordinate on the purchase of a touchless hand sanitizing station for the clubhouse.

Independent Contractor Agreement with Keesen for Snow Removal Services for 2020-2021 Winter Season

Ms. Frisbie presented the Boards with the Independent Contractor Agreement with Keesen for Snow Removal Services for the 2020-2021 Winter Season, noting that there is a slight increase in rates from the prior season.

Following discussion, upon motion of Mr. Quarles, seconded by Ms. Hensler, the Boards unanimously approved the Independent Contractor Agreement with Keesen for Snow Removal Services for the 2020-2021 Winter Season.

Addendum No. 18 to the Independent Contractor Agreement with Keesen for 2020 Holiday Lighting

Ms. Frisbie presented the Boards with Addendum No. 18 to the Independent Contractor Agreement with Keesen for 2020 Holiday Lighting, noting that there is a decrease in cost from the prior season as the garland replacement no longer needs to be included.

Following discussion, upon motion of Mr. Inzer, seconded by Ms. Hensler, the Boards unanimously approved Addendum No. 18 to the Independent Contractor Agreement with Keesen for 2020 Holiday Lighting, in the amount of \$9,990.37.

Proposals from Front Range Recreation, Inc. for Pool Re-Plastering and Pool Lighting

Ms. Frisbie and Ms. Cantrell presented the Boards with proposals from Front Range Recreation, Inc. for Pool Re-Plastering and Pool Lighting. Ms. Cantrell noted that the pools have never been re-plastered and there is stain and wear of the original plaster. It was noted that the pool lighting proposal is for the installation of LED lighting at the east pool, to mirror the current lighting already installed at the south pool.

Following discussion, the Boards determined to defer this matter to the next meeting.

SAFETY AND SECURITY COMMITTEE MATTERS

General Update

Mr. Carroll provided a general security update to the Boards, noting that the City has a new fire inspector who required new padlocks be installed at both of the pools. He recommended that the locks at the east pool be rekeyed so they match the locks at the south pool.

Neighborhood Watch Update

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.

Installation of Additional Parking Signs and Review Proposals for Same

The Boards discussed the installation of guest parking signs next to Authority parking areas. Mr. Carroll noted that the Authority will need approximately 106 signs, and Ms. Frisbie noted that Mr. Jones has indicated that he can install the signs for approximately \$75 per sign.

The Boards discussed the process for providing notice to parking violators. Ms. Frisbie and Mr. Carroll indicated that violator's vehicles are being tagged and a warning letter is being mailed if the owner's address can be confirmed. The Board also discussed installation of towing signs prior to the towing of any vehicles, and directed Mr. Carroll to follow up to ensure that proper towing signage is installed.

Following discussion, the Boards determined to defer the installation of additional parking signs at this time and directed Ms. Frisbie and Mr. Carroll to ensure violators receive a vehicle tag and written notice prior to towing.

DIRECTORS' MATTERS

Election of Officers (District No. 2)

Ms. Frisbie noted that due to the resignation of Director Donald Langley, the Board of District No. 2 will need to elect officer positions. Following discussion, upon motion of Mr. Johnson, seconded by Mr. Inzer, the Board of District No. 2 unanimously appointed the following officer positions:

President: Howard Johnson
Secretary/Treasurer: Jason Inzer

Water Conservation and
Landscape Projects
Landscape
Rehabilitation Projects

This matter was discussed above under the Draft 2021 Budget discussion.

LEGAL MATTERS

Collection Matters

Ms. Tanaka provided an update on collection matters, noting that there is currently \$10,553.07 outstanding from 7 collection and foreclosure files.

EXECUTIVE SESSION

Upon motion of Ms. Hensler, seconded by Mr. Quarles, and upon an affirmative vote of at least two-thirds of the quorum present, the Authority Board convened in executive session at 3:58 P.M. for the purpose of receiving legal advice and to determine positions relative to matters that are subject to negotiation related to fence repair and maintenance responsibilities pursuant to §§ 24-6-402(4)(b) and (e), C.R.S.

Pursuant to § 24-6-402(2)(d.5)(II)(B), C.R.S., no record will be kept of the portion of this executive session that, in the opinion of the District's attorney, constitutes privileged attorney-client communication pursuant to § 24-6-402(4)(b), C.R.S.

Also pursuant to § 24-6-402(4), C.R.S., the Board did not adopt any proposed policy, position, resolution, rule, regulation or take formal action during execution session.

The Authority Board reconvened in regular session at 5:09 P.M.

Upon motion of Ms. Hensler, seconded by Mr. Inzer, the Authority Board unanimously determined to decline the request from the Saddle Rock South Master Association (the "SRS Master HOA") to take over ownership, operation, and maintenance of fencing not already conveyed to the Authority. Mr. Quarles abstained from voting on this matter due to his potential conflict of interest.

The Authority Board also directed Mr. Simons to follow up with the SRS Master HOA on obligations related to the Pond I-7 Underdrain.

OTHER BUSINESS

Next Meeting

The next regular meeting of the Authority and the Districts is scheduled for November 12, 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 (Nov 20, 2020 14:13 MST)

Secretary for the Authority

Jason Elzer
Jason Elzer (Nov 23, 2020 15:22 MST)

Secretary for District No. 2

Jan Taylor
Jan Taylor (Nov 20, 2020 15:56 MST)

Secretary for District No. 3

Carol J Bransfield
Carol J Bransfield (Nov 21, 2020 06:50 MST)

Secretary for District No. 4

**Attorney Statement
Regarding Privileged Attorney-Client Communication**

Pursuant to § 24-6-402(2)(d.5)(II)(B), C.R.S., I attest that in my capacity as the attorney representing the Saddle Rock South Authority (the “Authority”), I attended the Executive Session on September 10, 2020, for the sole purposes of conferencing with the Authority’s Board of Directors for the purpose of giving legal advice on specific legal questions and discussing negotiations with third parties as authorized by §§ 24-6-402(4)(b) and (e), C.R.S. I further attest that it is my opinion that all or a portion of the executive session discussion constituted attorney-client privileged communication as provided by § 24-6-402(4)(b), C.R.S., and based on that opinion, no further record, written or electronic, was kept or required to be kept pursuant to § 24-6-402(2)(d.5)(II)(B), C.R.S.

Jennifer Gruber Tanaka
Jennifer Gruber Tanaka, Esq.
General Counsel to the Authority and the Districts