

MINUTES OF A JOINT REGULAR MEETING OF THE
BOARDS OF DIRECTORS

OF

SADDLE ROCK SOUTH METROPOLITAN DISTRICT NOS. 1,
2, 3 and 4

Held: Thursday, the 11th day of January, 2018, at 2:30 P.M., at
6800 South Liverpool Street, Suite A, Aurora, Colorado.

Attendance

The meeting referenced above was called and held in accordance with the applicable statutes of the State of Colorado. The following directors, having confirmed their qualification to serve, were in attendance:

District No. 1

Michael Sheldon
Kathleen Sheldon
Carol Bransfield
Rod Alpert

District No. 2

Donald Langley
Howard Johnson

District No. 3

Michael Sheldon
Kathleen Sheldon
Carol Bransfield
Rod Alpert

District No. 4

Michael Sheldon
Kathleen Sheldon
Carol Bransfield
Marie Hensler
Rod Alpert

Also present were: Jennifer Gruber Tanaka, Esq., WHITE BEAR ANKELE TANAKA & WALDRON, District general counsel; Irene Borisov, Summit Management and Consulting, LLC, District Manager; Kimberly Johanns, Simmons & Wheeler, PC, District Accountant; Larry Summers, Construction Manager; and Andy Carroll, Security Officer.

Director Qualification

The directors in attendance confirmed their qualification to serve.

Call to Order

Mr. Sheldon noted that a quorum for each of the Boards of District Nos. 1, 2, 3 and 4 were present and that the directors had confirmed their qualification to serve, and, therefore, called the meeting to order.

Combined Meetings

The Districts are meeting in a combined Board meeting. Unless otherwise noted below, the matters set forth below shall be deemed to be the actions of the Saddle Rock South Metropolitan

District Nos. 1, 2, 3 and 4, collectively.

Disclosure Matters

Ms. Tanaka advised the Boards that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Ms. Tanaka reported that disclosures for those directors with potential or existing conflicts of interest 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. Tanaka noted that a quorum was present and 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 Boards determined that the participation of the members present was necessary to obtain a quorum or to otherwise enable the Boards to act.

Excusal of Absences

The Boards noted the absences of Mr. Rigberg and Ms. Alpert, and, upon motion, duly seconded, the Boards unanimously excused their absences.

Agenda

Ms. Tanaka presented the Boards with the agenda for the meeting. Upon motion, duly seconded, the Boards unanimously approved the agenda as amended.

Public Comments

Consent Agenda Matters

Consent Agenda

The Boards were presented with the consent agenda items. Upon motion of Mr. Alpert, seconded by Ms. Sheldon, the Boards unanimously took the following actions:

- a. Approved Board Meeting Minutes from November 9, 2017
- b. Ratified Operations Payables (November 10, 2017 – January 11, 2018) (\$64,297.83)
- c. Approved Claims as of January 11, 2018 (\$17,806.81)
- d. Adopted Resolution No. 2018-01-01: Designating 24-Hour Posting Locations
- e. Accepted District Ownership and Maintenance Maps
- f. Approved the Additional Claims as of January 11, 2018 (1,666.66)

Financial Matters

Approval of Reimbursement Request from Arapahoe Greens LLC for Public Improvements at Memory

Ms. Tanaka presented the Board of District No. 1 with the reimbursement request from Arapahoe Greens LLC in the amount of \$267,988.61 for the public improvements serving the Memory Care Center and for the Shawnee Road Extension. Ms. Tanaka

Care Center and for Shawnee Road Extension per Infrastructure Reimbursement Agreement for Same (\$267,988.61)

noted that, pursuant to the Infrastructure Reimbursement Agreement, Mr. Summers, as the Districts' engineer, certified the costs submitted and provided a letter recommending reimbursement. Mr. Summers noted that he and Mr. Simmons reviewed the numbers and both agreed that the costs were appropriate and qualified for reimbursement. Upon motion of Mr. Alpert, seconded by Ms. Bransfield, the Boards unanimously approved the reimbursement of costs.

Legal Matters

Outstanding Operations Fees and Adoption of Resolution No. 2018-01-02: Amending the Guidelines for Processing and Collection of Delinquent Fees and Charges

Ms. Tanaka reported that there is currently an outstanding balance of \$30,693.50 in delinquent fees. Due to the passage of the mill levy questions for operations revenue and the elimination of the fees, Ms. Tanaka recommended the Board consider amending its collection policy to allow for the collection of the outstanding amounts which are at least six months in arrears so that the accounts receivable can be brought current. Upon motion of Mr. Langely, seconded by Ms. Hensler, the Boards unanimously adopted the resolution.

District Manager Report

Pool Report and Furniture Replacements

Ms. Borisov reported she is waiting on proposals to come back on the furniture and expects to have those for the March meeting.

Request for Replacement of Basketball Hoops

Ms. Borisov reported she has received four requests to replace the basketball hoops on the posts which were previously removed due to security issues which had occurred in the area. Ms. Borisov noted the cost would be minimal due to them being in storage and the posts already in place. Mr. Carroll reported that the moment the hoops were removed the security issues stopped. The Boards determined to have the hoops replaced and monitor the situation to see if the security issues continue.

Construction Manager Update

Shawnee Street Extension

Mr. Summers reported he is working with the City on the Shawnee Street Extension project and final punch list items. Mr. Summers discussed issues with the cracking on the street and discussions with the City regarding the same. Mr. Summers is waiting to hear back from the City on its proposed solution to the issue. Ms. Hensler inquired into whether there was a possibility that the City would agree to have a permanent solution for the repairs if the Districts were to contribute a portion of the funds now to avoid future deterioration which the City would be required to repair. Mr. Summers noted the issue is a political

problem but he will continue to work with the City to develop a solution.

Security Update

Update on Installation of Cameras on District Property

Ms. Tanaka reported that her office has been negotiating the contract with Verizon and has made significant progress. Ms. Tanaka noted there is one outstanding matter on which she would like the Boards' direction. Ms. Tanaka noted that the choice of law under the contract is New York which means that if a dispute arises it would be under New York law, not Colorado. The Boards directed Ms. Tanaka to request the change to Colorado law. Ms. Borisov provided an update on the cameras and installation as well. Ms. Tanaka and Ms. Borisov hope to have the final issues resolved for the March meeting.

Update on Addition of Lights in Guest Parking Area

Ms. Borisov reported that the electrician and work has been approved by the Boards previously but noted that the project is dependent upon the installation of the cameras and where the cameras will go. For the time being, the project is on hold pending the resolution of the installation of the cameras.

General Update

Mr. Carroll reported that Greenfield and Saddle Rock North are continuing to have issues with car break ins and burglaries. He noted that he does not provide security services to Saddle Rock North.

Mr. Carroll reported that the Districts' tow company will offer booting services but noted that he is opposed to this approach because it keeps the issue in the community, is unsightly and often leads to confrontational issues. Ms. Borisov recommended that if the Boards decide to go in this direction that it be used as a secondary measure as an option and not a mandated option.

Mr. Langley noted he would prefer to have the booting as an option to be used if and when necessary. The Boards directed Ms. Tanaka to confirm that booting would be a permissible option and, if so, revise the parking policy accordingly for consideration by the Boards.

Directors' Matters

Water Conservation Project Matters

Mr. Langley reviewed his report that was circulated to the Boards in the meeting packets. A copy of the report is attached hereto. Mr. Langley noted that manual systems work just fine if properly managed and can be less expensive than smart systems. There is technology where flows can be monitored as well as valves which will help with the management and those are 1/3 of the cost of the

smart systems. The costs of removal of turf do not have a good return on investment in the end. Mr. Sheldon noted that if there is a hot, dry period and areas go brown, there may be political issues; however, if the system is managed appropriately the areas should be fine. Ms. Borisov noted that Mr. Summers has done a good job monitoring the turf and watering with Keesen and very few complaints have been received over the years. Mr. Langley recommends using the more cost effective approach of the clocks and manual monitoring as opposed to the smart system. Ms. Borisov noted that Keesen will need to provide a proposal for the installation of the technology for monitoring the watering.

Approval of Proposal from Keesen for Improvements to Islands on East Geddes Place and East Fremont Place as Part of Water Conservation Project (\$13,562)

Mr. Langley reviewed the proposal with the Boards. Mr. Langley would like to move forward with a total of three islands this year to see how it works. The proposal only includes two islands so it will need to be updated to add a third island. Ms. Hensler expressed concern with some materials such as the knockout roses which are apt to have trash stick to them as opposed to others. Mr. Langley and Ms. Hensler will work together on the materials for the islands. Upon motion of Mr. Sheldon, seconded by Ms. Bransfield, the Boards unanimously approved the proposal, as amended to add a third island, in an amount not-to-exceed \$25,000.

Update on Meeting with City for Public Improvements in Community

Mr. Langley reported on his meeting with the City on public improvements in the community which are planned and anticipated for the community. Mr. Langley reviewed his report summarizing the meeting with the City. A copy of the report is attached. Ms. Hensler reported that she found a document which indicates the Developer is responsible for the costs of a traffic signal in the community. Mr. Langley noted that the City is unable to locate any documents obligating the District or HOA to fund the traffic signals.

Discuss Funds Available for Traffic Signals in Community

Mr. Langley noted that the requirement to install a traffic signal along Gartrell and Hinsdale is a matter that Ms. Tanaka has been addressing with the developer and is not yet ripe for Board discussion or action. Ms. Tanaka noted that she requested additional information from the developer for the Boards' consideration and discussion and has not yet received the information requested.

Other Business


Next Meeting

The next joint regular meeting is scheduled for March 8, 2018 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.


Secretary for the Meeting

WATER CONSERVATION PROJECT REPORT

Saddle Rock South Metro Districts Water Conservation Plan – 2018

Ottawa Circle Park

The Conservation office at Aurora Water has provided a GSI map of the park that identifies the type of landscape and turf present, as well as the area of turf in square feet. They also have provided a eight year history of water consumption for the meters serving this area, and compare consumption against “required water use,” or RWU (see attached). Calculation of RWU is long time and ongoing methodology to derive ET levels and thus irrigation requirements based upon weather conditions.

Based upon this data, District Management has concluded that previously considered smart controllers are unwarranted. We have years of watering history to draw upon and are executing a water management plan (controller programming) that is effective. The conservation office will provide water consumption data and RWU throughout the coming year, such that we can benchmark against previous use and make adjustments based upon ongoing RWU targets.

Instead of smart controllers, the landscape contractor has suggested doing some technology modernization of the irrigation system to include the ability to do flow measurement and “on-line” condition assessment of system components. These alterations cost significantly less than the cost of smart controllers and installation will be integrated into the contractor’s work plan and authorizations.

Island Rejuvenation

Several islands at the center of multiple cul-de-sacs have been identified as opportunities to reduce turf with replacement xeriscaping and elimination of sprinkler irrigation. This approach serves two objectives. First, replacing turf will reduce water conservation and issues of water waste associated with irregular shaped turf zones, an important objective as some of our islands use as much water a single family home. Secondly, these islands have been identified as having problematic landscaping designs and tired landscape materials, which need both modernization and rebuilding.

Six islands were selected for study, with two islands identified by the District Manager as “most in need.” These islands are identified as “E Freemont Place” and “E Geddes Place.” Keesen Landscaping has since prepared preliminary designs for rehabilitating these islands. Renderings for this work have been attached to this report. The proposed cost, \$13,562, is well within the \$40,000 budget allocated for this work. The board will be asked on 2/11/18 to approve the work, and also approve a “not to exceed” amount for adding one more island yet this year. As with the park, water consumption for these islands will be reported to the board at each meeting and compared to previous consumption data.

Easter Avenue

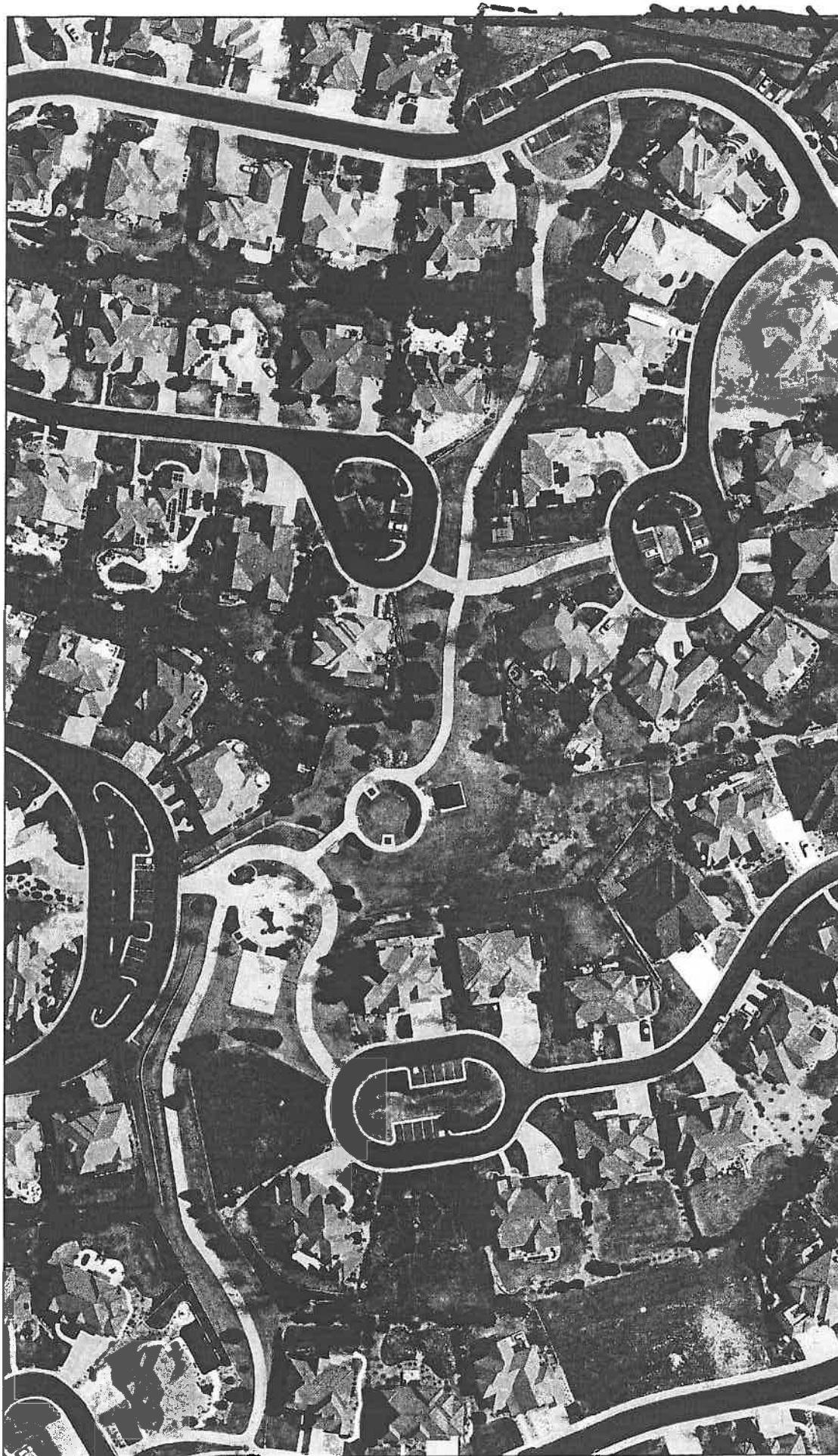
This project was initiated last year and included installing two water wise beds near Turnberry to both improve the appearance and demonstrate this type of landscaping. This year, the contractor will return to, and improve, the demonstration beds by adding plant material. In addition, for the natural prairie area boarding Easter Ave, the contractor will execute a noxious weed control

program along the south side, and re-seed with approved prairie grass where appropriate. The intent is to reduce the degradation of this area, but retain a natural, low water look. In the longer term, the intent is to eliminate or deactivate the sprinkler irrigation systems in this area. Water consumption for this area will be reported to the board on a regular basis and compared to previous use to assess success.

DL 1/4/2018

Don Langley
Board Member
Saddle Rock South Metro District No. 2

AN



1 inch = 77 feet
Date: 12/1/2017
154



SADDLE ROCK SOUTH
Turf (full sun): 82588 sq.ft.
Turf (partial sun): 7386 sq.ft.
Shrubs/Perennials: 2160 sq.ft.
Trees: 8806 sq.ft.



3

Consumption History: Compares actual water use to recommended water use (RWU). Indoor and Outdoor water use is broken out based on billing.

Square Feet of Irrigable Area: 110972

Saddle Rock Metro District South

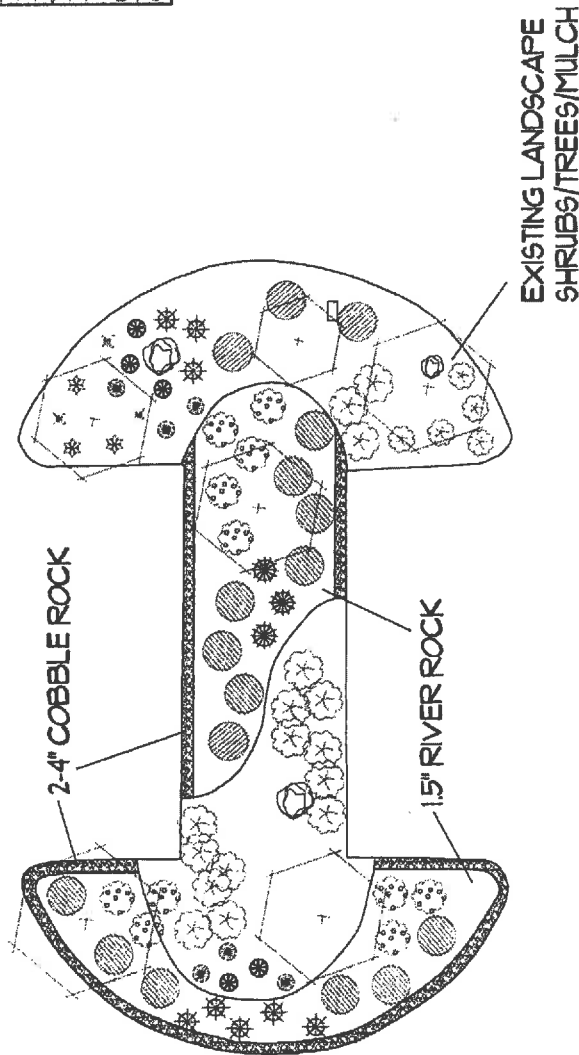
Months	2010		2011		2012		2013		2014		2015		2016		2017	
	Actual	RWU	Actual	RWU	Actual	RWU	Actual	RWU	Actual	RWU	Actual	RWU	Actual	RWU	Actual	RWU
January	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
February	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
March	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
April	0	83	3	123	97	139	0	45	4	105	5	150	0	124	1	136
May	138	242	220	92	362	304	225	217	231	254	32	88	2	245	58	174
June	378	379	323	339	478	450	515	511	454	427	446	338	548	432	509	509
July	475	416	337	451	814	847	424	492	565	411	505	511	572	711	390	704
August	388	402	505	489	559	498	630	360	458	371	530	521	535	508	342	572
September	663	273	358	206	320	138	121	151	281	234	472	377	412	351	244	193
October	180	110	88	73	17	73	0	163	80	154	200	142	60	219	0	78
November	0	0	0	0	0	N/A	0	0	0	0	0	0	0	0	0	0
December	0	0	0	0	0	N/A	0	0	0	0	0	0	0	0	0	0
Totals	WQA	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Indoor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Outdoor	2202	1905	2040	1753	2485	2230	1915	1955	2053	2191	2133	2087	2591	1545	2165
	Turf in/sf	33.5	28.9	31.0	26.6	37.8	33.9	29.1	29.7	31.2	33.3	32.4	31.4	39.4	23.5	33.0
	Tot in/sf	31.9	27.6	29.5	25.4	35.9	32.3	27.7	28.3	29.7	31.7	30.9	29.9	37.5	22.3	31.3
	Turf	116%	116%	116%	111%	111%	110%	110%								
	Total	116%	116%	111%	111%	111%	110%	110%								

Qualifies for Xeriscape Rebate

7

E. FREMONT PL.

LEGEND		
COMMON NAME	QTY	SIZE
CONEFLOWER, PURPLE	5	1 GAL.
COREOPSIS, JETHRO TULL	3	1 GAL.
PAWNEE BUTTES SAND CHERRY	17	5 GAL.
DWARF FOUNTAIN GRASS	8	1 GAL.
GAILLARDIA, BLANKET FLOWER	3	1 GAL.
GRASS, FEATHER REED	3	1 GAL.
DAISY, ALASKA	6	1 GAL.
ROSE, KNOCKOUT	11	5 GAL.



- *REMOVE ALL TURF FROM ISLAND.
- *INSTALL NEW PLANT MATERIAL, ROCK & COBBLE
- *IRRIGATION TO BE CAPPED AND DRIP EXTENDED FOR NEW PLANT MATERIAL PER PLANS.
- *LEAVE ALL EXISTING TREES/SHRUBS/GRASSES PER PLANS.
- *TOPDRESS EXISTING WASHINGTON CEDAR MULCH.

NORTH

5



Revision #:

Date: 12/27/2017

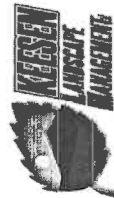
Scale:

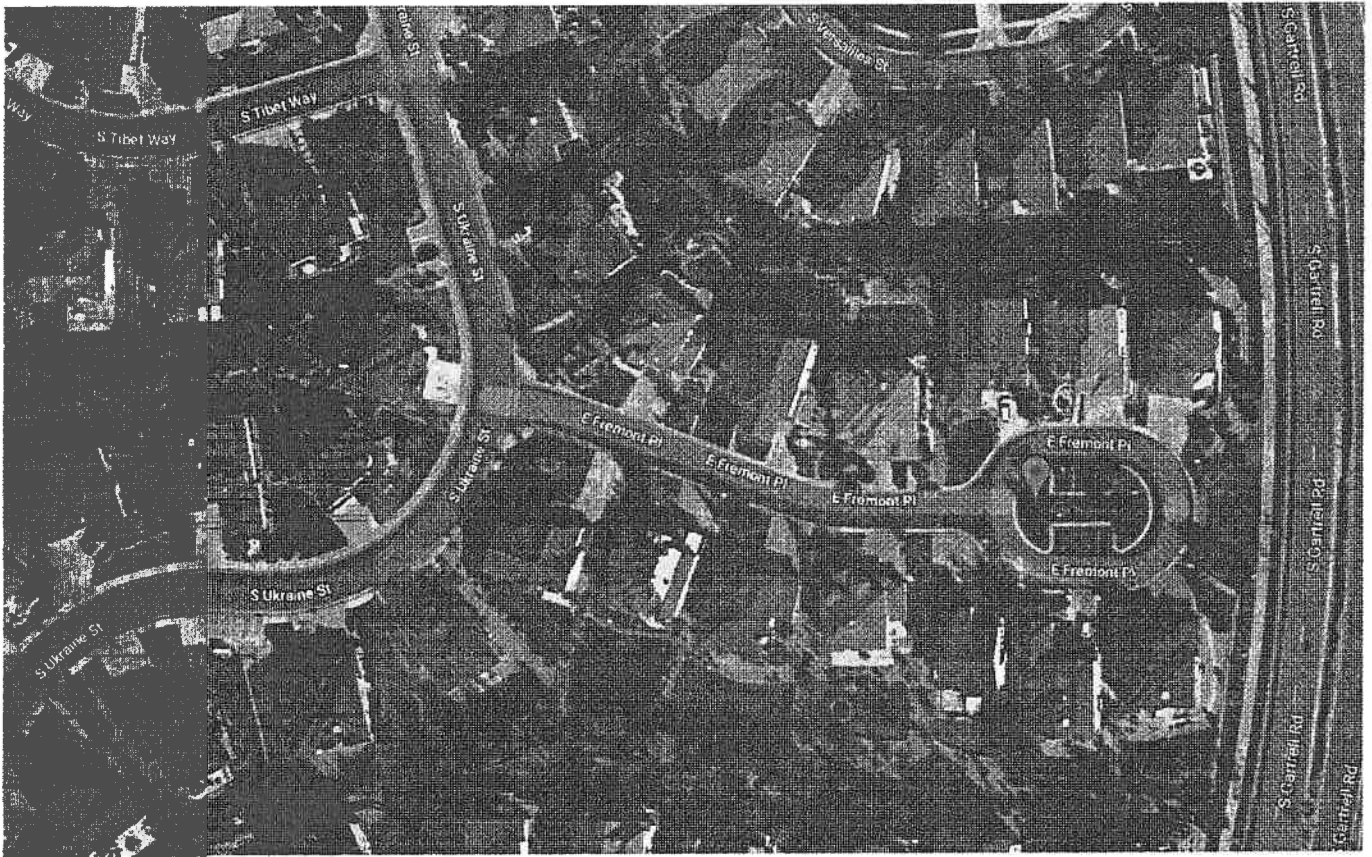
1" = 20'

Landscape Plan:

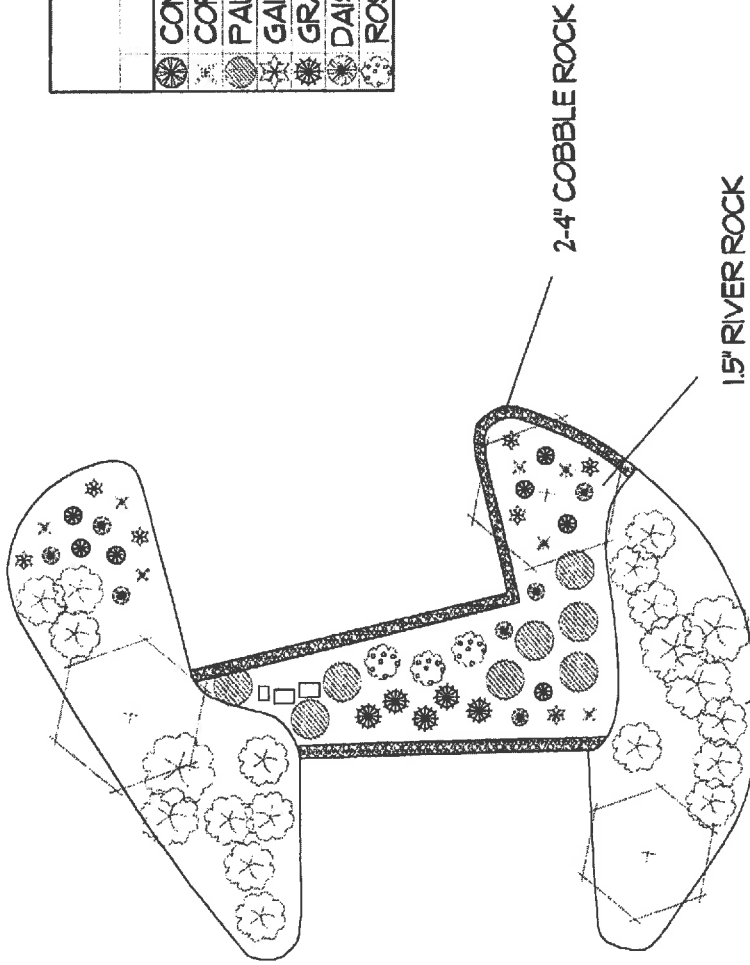
SADDLE ROCK METRO. DIST.

Landscape Design by:





E. GEDDES PL.



NORTH



⑦



- *REMOVE ALL TURF FROM ISLAND.
- *INSTALL NEW PLANT MATERIAL, ROCK & COBBLE
- *IRRIGATION TO BE CAPPED AND DRIP EXTENDED FOR NEW PLANT MATERIAL PER PLANS.
- *LEAVE ALL EXISTING TREES/SHRUBS/GRASSES PER PLANS.
- *TOPDRESS EXISTING WASHINGTON CEDAR MULCH.

LEGEND		
COMMON NAME	QTY	SIZE
CONEFLOWER, PURPLE	7	1 GAL
COREOPSIS, JETHRO TULL	7	1 GAL
PAUWEE BUTTES SAND CHERRY	8	5 GAL
GAILLARDIA, BLANKET FLOWER	7	1 GAL
GRASS, FEATHER REED	5	1 GAL
DAISY, ALASKA	7	1 GAL
ROSE, KNOCKOUT	3	5 GAL

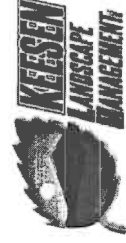
Revision #:

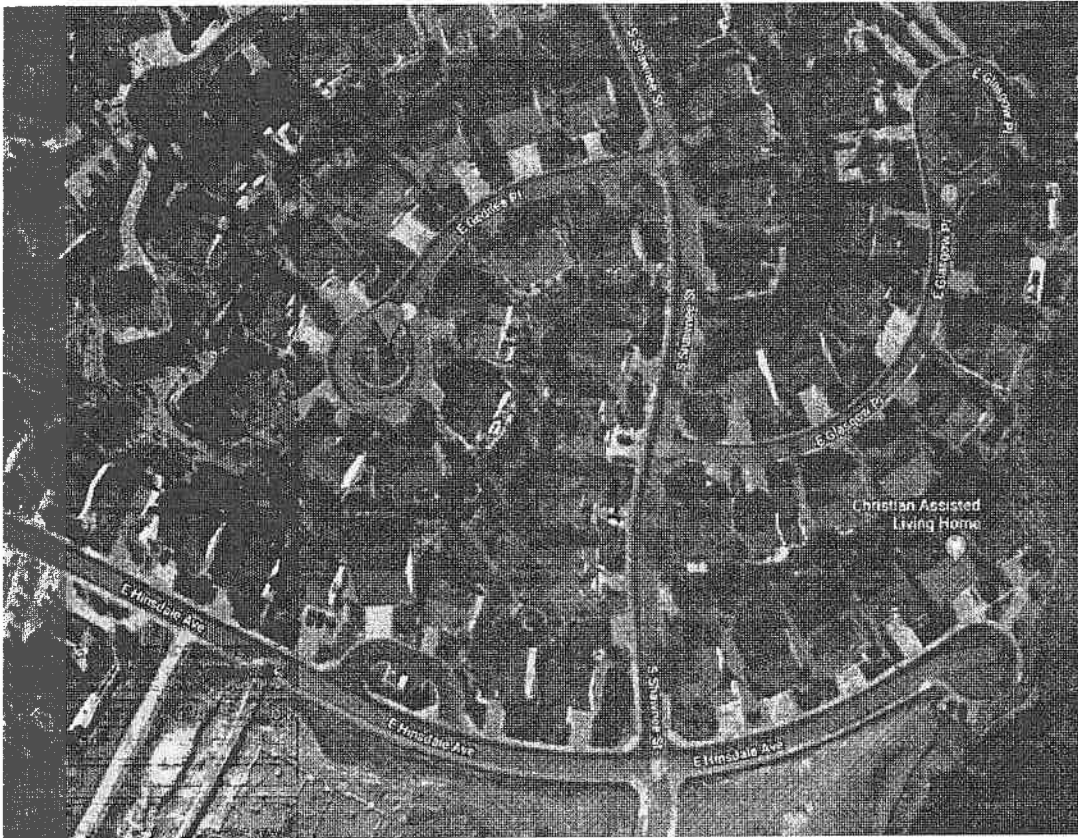
Date: 12/27/2017

Landscape Plan:

SADDLE ROCK METRO. DIST.

Landscape Design by:





8

PUBLIC IMPROVEMENT AND TRAFFIC MEETING SUMMARY

To: SRS Metro District Boards

Fr: Don Langley

Re: Traffic Committee Report

January 3, 2018

At the November board meeting, a traffic committee was formed to investigate the action by the City of Aurora regarding funds for traffic control devices. In addition, the board is interested in the current status of all key intersections regarding the installation of stoplights, crosswalks or stop signs. A committee was formed to investigate the matter, with Don Langley, Marie Hensler and Larry Summers as members. A meeting of the committee was set for 12/18/2017 at 10:30a.

Prior to the meeting, Don Langley met with Anna Bunce, Traffic Manager in the Public Works Department for the City of Aurora. Langley had previously met Bunce at a recent City Council Town Hall Meeting where she discussed many aspects of specific Ward VI traffic control issues, and traffic management in general. The purpose then of the meeting was to discuss specific intersections within Saddle Rock South and East, and determine the status of any city studies or potential projects. Attached is a map used in the meeting to identify the intersections of interest. Comments for the meeting are as follows.

Easter Ave and Gartrell

A city evaluation has concluded that this intersection meets warrants in all aspects and is slated for the installation of traffic signals. Because the city will pay the costs of the installation, the project has been "programmed" to occur in 2020. She stated that there are no private sources of funding identified for this work, as traffic signals were likely not contemplated in the original development plans.

In response to a question concerning adding cross walks in the interim, Bunce discussed the city's approach and policy. They have used very few standalone crosswalks with flasher or strobe lights, and would not be keen to start now. She was then adamant that they don't simply "stripe crosswalks" across major roads, as this approach can create a false sense of security and are potentially more dangerous. That is, "changing driver's behavior with paint doesn't work well."

Hinsdale Ave and Gartrell

Traffic signals for this intersection based upon the city's current analysis are not warranted. In this case, she is of the opinion that private funds are required and that obligations are present based upon a "public improvement phasing agreement" (or another agreement, DCL?).

Easter Ave and Shawnee

Bunce had received numerous complaints from residents for a four way stop at this intersection, both due to site distance concerns, and to try to slow traffic on Easter Ave. A traffic count survey was conducted, and the installation of a four way stop is not warranted. She did offer that the city is trying to stand up a new program called "neighborhood calming" where they may reconsider some "unwarranted" decisions in a broader scope. The program is still formative, but she did register SRSMD as an interested neighborhood on her site.

"The Gate" at Shawnee and Hinsdale

Bunce is aware of the gate that has been installed that prevents access to Dry Creek below the intersection of Shawnee and Hinsdale. She stated that the gate had been installed at the behest of citizens who live on Shawnee who have concerns about traffic cutting through to Dry Creek, particularly to access the school. She has no issue with the gates presence, and did not appear to have an appetite to discuss or take any steps to remove or alter the gates.

E470 and Gartrell Ramps and Bridge

Out of curiosity, Langley asked Bunce why there was not action to improve this area during the E-470 expansion. The bridge is narrow, has no pedestrian access and the intersections at the ramps have become congested. She noted that there are perhaps bigger issues with the bridge structure, and that working the structural issues will dictate when the city initiates a bridge project. She agreed that traffic management improvements would be of value, and should be included in any future project, particularly as the traffic count on Gartrell continues strong growth.

Committee Meeting: 12/18/2017

The committee then met on 12/18 with Don Langley and Marie Hensler present. A review of the meeting with Bunce was provided for Marie. Marie also serves on the Star Pass HOA, possess a full set of the development drawings for the HOA, and expressed concern as to the HOA's liability for costs of traffic signals at Easter and Gartrell. Based upon the Bunce discussion, there does not appear to be a liability, but both parties agreed that District Counsel be consulted to confirm our position.

The committee was surprised to hear that a project at Hinsdale and Gartrell is not warranted, as both were aware of the matter before the boards seeking funds for such a project. The implication is there may be agreements at play to which we are not aware, and the committee again recommends that District Counsel investigate this matter.

The committee was unhappy to hear about the four-way stop being unwarranted, but respect the city's position. We will wait and see if the "neighborhood quieting" gains traction and what that might bring.

The committee also accepted the city's programming of the Easter and Gartrell traffic signals for 2020. The city has committed all resources available for 2018, so pressing for a more aggressive timeline, or offering funds to stimulate the project, would be marginally productive.

A phone call with Don Langley and Larry Summers was held on 12/20 to share the results of the Bunce meeting and the committee meeting with Larry.



Don Langley
Board Member
Saddle Rock South Metro District No 2

**SADDLE ROCK SOUTH
& SADDLE ROCK EAST
SADDLE ROCK SOUTH
METROPOLITAN DISTRICT
OWNERSHIP MAP**

SHEET 1 OF 1

CITY OF AURORA

CHERRY CREEK
SCHOOL DISTRICT

OTHER HOA MAINTENANCE
& OWNERSHIP

PRIVATELY OWNED
PROPERTY

DISTRICT #01 LIMITS

DISTRICT #02 LIMITS

DISTRICT #03 LIMITS

DISTRICT #04 LIMITS

SADDLE ROCK SOUTH
METROPOLITAN DISTRICT
OWNERSHIP & MAINTENANCE

LANDSCAPE & PARK AREAS

DETENTION PONDS
(SEE NOTES WITHIN DISTRICT 4)

PARKING SPOTS

MAIL KIOSK

