

MINUTES OF A JOINT REGULAR 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 9th day of January, 2020, at 2:30 P.M., at 6800 South Liverpool Street, Suite A, Aurora, Colorado.

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
Donald Langley
Marie B. Hensler

Authority Alternate Designees:

Jason Inzer
Jan Taylor
Robert Childs

District No. 2:

Howard Johnson
Donald Langley
Jason Inzer

District No. 3:

James Quarles
Jan Taylor
Jordan Rigberg
Rodney Alpert

District No. 4:

Rodney Alpert
Marie Hensler
Robert Childs
Robin Childs

Also present were: Jennifer Gruber Tanaka, Esq., 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; Teresa Moxon, Virtu Designs, LLC (for a portion of the meeting); and residents.

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. 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. Frisbie 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.

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 Mr. Langley, seconded by Mr. Quarles, the Boards unanimously approved the agenda, as presented.

Excusal of Absence The Boards noted the absence of Ms. Bransfield. Upon motion of Mr. Langley, seconded by Mr. Quarles, the Boards unanimously excused her absence.

PUBLIC COMMENT

Ms. Turachak reported that some of the mailboxes in Shadow Creek had been broken into multiple times. Mr. Carroll noted that crime increases during the holiday season. Ms. Turachak noted that the mailbox break-ins were reported to the postal carrier.

Ms. Hayes and Ms. Miller requested that the Boards look at the maintenance responsibilities for the fences along the golf course. Ms. Tanaka noted that the Authority’s consultants will be looking into this matter and providing a recommendation to the Boards. Mr. Simons reported that he has looked at the fencing in question,

and would like to have a plan in place for the repair and maintenance of the fence if it is determined that it is the Authority's responsibility. Mr. Johnson agreed with Mr. Simons' recommendation.

CONSENT AGENDA MATTERS

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

- a. District Nos. 2-4 Matters
 - i. Approved the Board Meeting Minutes from November 14, 2019 Regular Meeting and Ratification of all Actions Taken Therein
 - ii. Adopted Resolution No. 2020-01-01: Designating 24-Hour Posting Location
 - iii. Adopted Resolution No. 2020-01-02: Joint Public Records Request Policy
- b. Authority Matters
 - i. Adopted the Board Meeting Minutes from November 14, 2019 Regular Meeting and Ratification of all Actions Taken Therein
 - ii. Ratified the Payment of Claims as of January 9, 2020 (\$133,444.68)
 - iii. Approved the Payment of Additional Claims as of January 9, 2020 (\$68,653.20)
 - iv. Adopted Resolution No. 2020-01-01: Designating 24-Hour Posting Location
 - v. Adopted Resolution No. 2020-01-02: Joint Public Records Request Policy
 - vi. Approved the Independent Contractor Agreement with Water Services Company, d/b/a Backflow Tech, Inc. for Backflow Testing and Repair Services

CLUBHOUSE COMMITTEE REPORT

Presentation by Virtu Designs, LLC on Clubhouse Renovations

Ms. Moxon presented the Boards with a proposal and design concepts for the clubhouse renovations. The Boards discussed adding a tinting film to the windows around the front and back doors to help with sun glare and to help preserve the furniture. Ms. Moxon reported that she will circulate a revised proposal to the Clubhouse Committee that includes the tinting film.

Upon motion of Mr. Quarles, seconded by Ms. Hensler, the Boards unanimously approved the proposal for clubhouse renovations, subject to addition of the window tint, and approved the Independent Contractor Agreement with Virtu Designs, LLC for the same.

The Boards also discussed replacement of the damaged clubhouse windows and directed Ms. Frisbie to obtain proposals for the same.

ENGINEER'S MATTERS

Engineer's Report

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

Capital Reserve Study

Capital Projects Fund and Funding Needs

It was noted that this matter was discussed at the November 14, 2019 meeting, and there were no additional matters to discuss at this time.

Detention Ponds

Detention Ponds and Long-Term Maintenance Plan for Same

Mr. Simons reported that he met with the City of Aurora (the "City") to discuss detention pond maintenance, noting that the 3 ponds requiring priority attention are Ponds I-7, J-4, and H-11(E). Mr. Simons noted that access to these ponds will be very difficult, but that the City is willing to work with the Authority to address this issue.

Revised Proposal from BrightView Landscape Services, Inc. ("BrightView") for Dredging of Detention Ponds

Mr. Simons reported that he met with BrightView to review the budgetary proposal that was presented to the Boards at the November 14, 2019 meeting for dredging of Detention Pond I-7. Based upon additional needs discovered at that meeting and city permitting requirements, BrightView has provided a revised proposal for the Boards to consider.

Upon motion of Mr. Langley, seconded by Ms. Hensler, the Boards unanimously approved an Independent Contractor Agreement with the revised proposal from BrightView for Dredging of Detention Pond I-7, in the amount of \$87,725.87.

The Boards also discussed the need to notify adjacent property owners once the start date for the project has been determined.

Concrete Repair at Ottawa Park

Mr. Simons informed the Boards of the concrete repair work that is needed at Ottawa Park. Following discussion, the Boards directed Mr. Simons to obtain proposals for the concrete repair work to present to the Boards at the next meeting.

FINANCIAL MATTERS

2020 Budget Amendment Hearing

Public Hearing on 2020 Budget Amendment and

Mr. Langley opened the public hearing on the 2020 Budget Amendment. Ms. Frisbie reported that notice of the hearing was

Adoption of Resolution No. 2020-01-03: 2020 Budget Amendment (Authority)

provided in accordance with Colorado law and no objections were received prior to the hearing. Mr. Simmons reviewed the 2020 budget amendment with the Board. There being no public comment, Mr. Langley closed the public hearing.

Upon motion of Mr. Langley, seconded by Ms. Hensler, the Board unanimously adopted Resolution No. 2020-01-03: 2020 Budget Amendment.

DISTRICT MANAGER MATTERS

Management Report

Ms. Frisbie presented her Management Report to the Boards.

Neighborhood Watch Signs

Ms. Frisbie and Mr. Carroll discussed the installation of neighborhood watch signs throughout the community. Mr. Carroll reported that the City indicated that signs were sent to the Authority’s prior management company; however, Ms. Frisbie was unable to locate the signs.

Upon motion of Mr. Langley, seconded by Ms. Hensler, the Boards unanimously authorized Mr. Carroll to obtain 6 neighborhood watch signs from the City (the first 2 signs are free, and the additional 4 signs will need to be purchased).

Proposals for Clubhouse Cleaning Services

Ms. Frisbie presented the Boards with proposals for clubhouse cleaning services from Marvelous Maids, LLC and Tatyana Golyansky.

Following discussion, the Boards requested clarification on the proposal from Marvelous Maids, LLC, and directed Ms. Frisbie to obtain a third proposal for the Boards to consider at the next meeting.

Addendum No. 1 to the Independent Contractor Agreement with Keesen Landscape Management, Inc. (“Keesen”) for Summer Flowers

Ms. Frisbie presented the Boards with Addendum No. 1 to the Independent Contractor Agreement with Keesen for the installation of summer flowers, in the amount of \$18,740.86.

Upon motion of Mr. Langley, seconded by Mr. Quarles, the Boards unanimously approved the addendum.

Resolution No. 2020-01-04: Concerning Authorization for Approval of Contracts and Payment of Claims and Committee Designations and Appointment of Committee Chairs

Ms. Frisbie presented the Boards with Resolution No. 2020-01-04: Concerning Authorization for Approval of Contracts and Payment of Claims and Committee Designations and Appointment of Committee Chairs. Following discussion, the Boards determined to remove reference to the Security Committee, and to appoint Mr. Langley as the Chair for the Groundskeeping Committee and Finance Committee, and Ms. Taylor as the Chair for the Clubhouse

Committee.

Upon motion of Mr. Langley, seconded by Ms. Hensler, the Boards unanimously adopted the resolution, subject to changes as discussed.

**SAFETY AND
SECURITY
COMMITTEE
MATTERS**

General Update

Mr. Carroll provided a general security update to the Boards. He reported that there was a graffiti incident on the retaining wall at the corner of E. Easter Avenue and S. Picadilly Street. Mr. Jones removed the graffiti and Mr. Carroll was able to locate the perpetrator.

Neighborhood
Update

Watch

Mr. Carroll reported that the City should be sending out a neighborhood watch update soon, which he will forward to the Security Committee.

Engagement of Gotcha
Recovery Services, LLC to
Provide Towing Services

Mr. Carroll reported that Gotcha Recovery Services, LLC is able to provide towing services for the Authority and has a tow lot in close proximity to the community.

Upon motion of Mr. Quarles, seconded by Ms. Hensler, the Boards unanimously approved engaging Gotcha Recovery Services, LLC to provide towing services.

Status of Security Cameras

Mr. Carroll reported that he will work with Ms. Frisbie to go over the current camera system and to discuss the need for additional cameras at the East Pool.

Lighting Requirements at
Ottawa Park

Mr. Carroll recommended that the Boards consider installing solar lights along the walkways and around the pergola at Ottawa Park. He reported that he has installed test lights in another community, and they have not had any issues. He indicated that solar lights are affordable (at about \$189 per light), and that they require low maintenance. Following discussion, the Boards requested that Mr. Carroll circulate photos of one of the test lights and include the location so anyone who is interested can visit and view the light.

Vandalism at East Pool

Mr. Langley informed the Boards that the gate at the east pool was vandalized, and that Mr. Jones has repaired the gate.

Parking at East Pool

The Boards discussed parking at the east pool, near the Moon Shadow community. It was noted that there has been a large Ryder truck continuously parked there. Ms. Tanaka reported that Saddle Rock South Metropolitan District No. 1 had previously entered into a Lease Agreement with Moon Shadow Condominium Association to allow for overflow parking at the east pool, but she will confirm whether this is still in effect. The Boards discussed alternative options to curtailing the offseason parking.

DIRECTORS' MATTERS

Water Conservation and Landscape Projects

Aurora Water Violation Fines for Backflow Prevention Devices

Mr. Langley reported that all backflows have been repaired and the City has signed off on the repairs and all are operational. He also reported that Summit Management & Consulting, LLC had appealed the violation fines, and the City agreed to refund the Authority \$15,000 on future water bills.

Overview of Landscape Rehabilitation Projects, Schedule, and Plans

Mr. Langley provided the Boards with an update on landscape rehabilitation projects, schedule, and plans. Following discussion, the Boards requested that Ms. Frisbie circulate the landscape project work orders that are in process.

Initiation of Fence Repair and Maintenance Plans

The Boards discussed fencing responsibility throughout the community. Ms. Tanaka noted that if fencing is not the Authority's responsibility, it is most likely the responsibility of an association or the property owner. Ms. Tanaka and Mr. Simons reported that they will work on determining fencing obligations and will report back to the Boards.

Maintenance Plans for Layby Parking Areas

Ms. Tanaka reported that she is working with the City to confirm maintenance responsibility of the layby parking areas.

Long Term Resident Parking in Guest Parking Spaces

The Boards discussed long term resident parking in guest parking spaces. Ms. Tanaka noted that the Authority can only enforce parking in certain head-in parking spots that it is responsible for. Following discussion, the Boards directed Ms. Frisbie to include a friendly reminder to residents about the Authority's parking regulations in the next newsletter.

LEGAL MATTERS

May 5, 2020 Election

Ms. Tanaka provided the Boards with an update on the May 5, 2020 Directors' Election for District Nos. 2-4. No action was required.

Collection Matters

Ms. Tanaka reported that there are currently 9 collection and foreclosure files. No action was required.

OTHER BUSINESS

Next Meeting

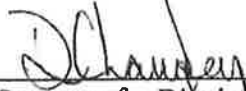
The next regular meeting of the Authority and the Districts is scheduled for March 12, 2020, at 2:30 P.M.


ADJOURNMENT

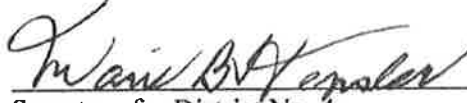
There being no further business to be conducted, the meeting was adjourned.

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


Secretary for the Authority


Secretary for District No. 2


Secretary for District No. 3


Secretary for District No. 4