

**POLICIES AND PROCEDURES GOVERNING THE
SADDLE ROCK SOUTH AUTHORITY
RECREATION AMENITIES**

*Adopted and Enforced By
Saddle Rock South Authority*

Adopted July 25, 2019

Preamble

The Board of Directors of Saddle Rock South Authority have jointly adopted the following Policies and Procedures Governing the Saddle Rock South Authority Recreation Amenities (the “Policies”) pursuant to § 32-1-1001(1)(m), C.R.S., dated July 25, 2019, to provide for the orderly and efficient conduct of construction, management, operation and control of the public facilities and services of the Authority. Saddle Rock South Metropolitan District Nos. 2-4 (collectively the “Districts”) and Saddle Rock South Metropolitan District No. 1 (“District No. 1”), pursuant to the provisions of the Consolidated Service Plan, has constructed certain recreation amenities including a clubhouse, pool, tennis courts and landscaped common areas (collectively the “Recreation Amenities”).

On May 9 2019, the Board of Directors of District No. 1 initiated dissolution proceedings through adoption Resolution No. 2019-05-02. In conjunction with District No. 1 intent to dissolve, the Districts determined that it is in their best interests to form an authority pursuant to §§ 29-1-201 and 29-1-203, C.R.S., and on July 11, 2019 entered into the Saddle Rock South Establishment Agreement to which the authority was formed (the “**Authority**”). The Authority will be charged with the operations, maintenance and administrative responsibilities within the community, previously provided by District No. 1. To carry out its prescribed role in the Establishment Agreement, the Authority will adopt these policies and procedures and shall be charged with its enforcement, on behalf of the Districts.

All references herein to the “Authority” shall refer to Saddle Rock South Authority. All references herein to the “Board” shall refer to the Board of Directors of Saddle Rock South Authority. All references herein to “Authority Manager” shall refer to an independent contractor engaged by the Authority to perform such services, with and to the extent authorized by the Authority, by contract or other valid allocation of authority.

Article I

ACCESS TO AND USE OF THE RECREATION AMENITIES

1.1 Persons within Authority Boundaries. All residents and property owners of property within the legal boundaries of the Authority, comprised of the Districts’ boundaries, as amended from time to time (“Authority Residents and Property Owners”), shall be entitled to use the Recreation Amenities as permitted in these Policies. All persons claiming status as an Authority

Resident or Property Owner shall present proof of such residency or property ownership to the Authority Manager upon submission of the Property Owner Form in order to receive an access card for use of the Recreation Amenities. Acceptable proof of residency or property ownership shall include, but not be limited to, a valid Colorado driver's license or identification issued by the Colorado Department of Motor Vehicles or a deed or lease for any such property. The Authority Manager shall accept or reject any such proof of residency or property ownership in its discretion. Use of the Recreation Amenities by Authority Residents and Property Owners is subject to timely payment of all Authority fees, charges and taxes. In the event that such fees, charges and taxes are not timely paid, such resident or property owner shall not be issued an access card or otherwise be entitled to use of the Recreational Amenities, and any privileges for use of the Recreation Amenities pursuant to a previously issued access card shall be suspended or revoked in the Authority's discretion.

1.2 Persons without the Authority Boundaries. All persons not residing or owning property within the boundaries of the Authority ("Non-Authority Property Owners and Residents"), may be entitled to use the Recreation Amenities as permitted herein. Charges for use of the Recreation Amenities by Non-Authority Property Owners and Residents shall be Two Thousand Five Hundred Dollars (\$2,500.00) per year per household, as may be subsequently amended from time to time by the Board. The Board has determined this fee reasonably estimates the annual mill levy payments and other annual fees such Non-Authority Property Owners and Residents would be responsible for if they were Authority Residents and Property Owners. All persons desiring access to the Recreation Amenities under this Section shall pay in full all applicable annual charges and fees prior to being allowed access to the Recreation Amenities for the year in question. The Authority retains the right to limit access to the Recreation Amenities for Non-Authority Property Owners and Residents based upon the safe and reasonable capacity of the Recreation Amenities, as determined by the Authority in its discretion. Use of the Recreation Amenities by Non-Authority Property Owners and Residents shall be allowed on a first-come, first-serve basis in the event of any such limitations.

1.3 Use of the Recreation Amenities. All Property Owners desiring to use the Recreation Amenities ("Users") shall be required to complete, on an annual basis, the Property Owner Form and Property Owner Waiver and Consent Form in substantially the form attached hereto as **Exhibit A-1**, as amended from time to time, for submission to the Authority Manager. All other persons over the age of 18 desiring to the Recreation Amenities (including, but not necessarily limited to, adult children, tenants/renters, regularly employed caregivers, grandparents, grandchildren, and other residing at an in-Authority property address) ("Additional Authorized Users") must be listed on the Property Owner Form of a Property Owner as an Additional Authorized User, and further shall be required to complete, on an annual basis, the Additional Authorized User Form and Additional Authorized User Waiver and Consent Form in substantially the form attached hereto as **Exhibit A-2**, as amended from time to time, for submission to the Authority Manager. The Property Owner Waiver and Consent Form or Authorized Additional User Waiver and Consent Form must be signed by all Users over the age of 18, individually, and by parents or legal guardians on behalf of all individuals under the age of 18. Requests for access

cards shall be submitted by all users on the Card Request Form in substantially the form attached hereto as **Exhibit A-3**. Upon adequate completion of all required forms, Users shall be issued an access card by the Authority Manager. Users may be requested, at any time, to demonstrate their eligibility to use the Recreation Amenities, and may be required to present their access card to an authorized representative of the Authority. Any User who refuses, upon request to present their access card may have their Recreation Amenities privileges revoked and subjected to further review by the Authority. The Authority Manager will charge a reasonable fee for access cards. Lost key cards must be reported immediately to the Authority Manager, and replacement access cards will also be subject to a replacement fee.

All access cards issued by the Authority Manager are the sole property of the Authority and may not legally be assigned, sold, loaned or otherwise transferred without the prior written authorization of the Authority Manager. Any transfer without the Authority Manager's approval shall be void and the Authority shall retain the right to suspend or revoke any User's privileges to the Recreation Amenities for such violation. If at any time, an Authority Resident or Property Owner moves outside of Authority boundaries or ceases to own property therein, s/he shall promptly notify the Authority Manager. Any such person may continue to use the Recreation Amenities as a Non-Authority Resident or Property Owner by complying with Section 1.2 of these policies.

1.4 Guests of Users. Each Authority Resident or Property Owner shall be allowed five (5) guests per day per household for use of the Recreation Amenities unless prior permission is granted by the Authority Manager, at least 48-hours in advance, for additional guests. All guests must be accompanied by the User at all times during their use of the Recreation Amenities. All guests under the age of 18 must be accompanied by a User over the age of 18. All Users shall be responsible for their guests' actions, and shall be jointly and severally liable with such guest for any damages caused by such guest to the Recreation Amenities.

1.5 Hours of Operation. The Recreation Amenities facilities shall have the following hours and dates of operation:

Pool shall be open from Memorial Day to Labor Day
Every day from 10:00 a.m. to 9:00 p.m., subject to change without notice

Tennis Courts shall be open year round, weather permitting
Monday through Sunday from dawn to dusk

Access to the clubhouse shall be allowed for Users year round pursuant to these Policies.

The hours of operation of the Recreation Amenities shall be subject to seasonal adjustments or changes deemed necessary and appropriate by the Authority in its discretion. Users may contact the Authority Manager to obtain up to date information relating to the hours of operation for any of the Recreation Amenities. Additionally, the Authority reserves the right to close any Recreation

Amenity due to weather conditions, preparation for major events, temporary staffing problems or other reasons. Any such required closing will not result in any adjustments to User fees.

1.6 Commercial Use. The Recreation Amenities will not be permitted for commercial activities or other private business enterprise except as specifically provided for in these Policies. Events of a commercial nature may be held at the clubhouse provided the User first submits an Application for Facility Use and completes a Clubhouse Rental Agreement in accordance with these Policies. Exterior signage and advertising of any kind shall not be permitted. Events held at the Authority's clubhouse are intended for invited guests only and under no circumstances shall commercial activities be solicited to or made open to the public. Any User desiring to hold an event at the Recreation Amenities which is contrary to these Policies must submit a request in writing at least 30 days prior to the date of such event to the Authority for its consideration. The User must indicate how all safety requirements and other provisions of these Policies have been satisfied. The Board shall make a determination regarding such event at its next regularly scheduled meeting and shall inform the User in writing of its determination. All such requests are subject to the Authority's discretion.

Article II

MISCELLANEOUS

2.1 Lost Articles. The Authority is not responsible for any lost or stolen articles or for accidents on the premises. All personal articles should be locked or secured as appropriate to avoid loss to the owner. There will be a collection spot for all lost articles designated in the Recreation Amenities. All lost articles which are not claimed shall be donated to a non-profit collection agency on a monthly basis as determined at the Authority's sole discretion.

2.2 Limitation Of Liability Of Authority. Use of the Recreation Amenities is at the sole risk of any User. Except as provided by the Colorado Governmental Immunity Act, §§ 24-10-101 *et seq.*, C.R.S., the Authority shall not be responsible for any claims for damage by reason of any action or inaction of the Authority or its agents or representatives in connection with any of the Recreation Amenities.

2.3 Equipment. All equipment, supplies and other furnishings located in or around the Recreation Amenities are the property of the Authority and shall not be taken from the premises without prior written consent of the Authority Manager. Any violations shall result in criminal prosecution by the Authority.

2.4 Smoking, Drugs and Alcohol. Smoking, tobacco products and the use of illegal drugs shall not be permitted in or around the Recreation Amenities. Use of alcohol is permitted by adults over the age of 21 during certain special events with prior approval of the Authority Manager and in accordance with the requirements of these Policies. Alcohol is prohibited in the pool area at all times.

2.5 Weapons. No weapons of any kind shall be allowed on or around the Recreation Amendments, including, but not limited to, pocket knives or guns.

2.6 Food and Drink. Food and drink are permitted in the Recreation Amenities. Glass containers are absolutely prohibited in the pool and tennis court areas. Users must clean up after themselves.

2.7 Pets. Pets are not allowed in the clubhouse, pool area or tennis courts, but are allowed in the park and picnic areas. All pets must be accompanied and must be on a leash. All Users are responsible for cleaning up after their pet.

Article III

SWIMMING POOL

3.1 Pool Rules. Pool rules are posted in the swimming area and may be obtained directly from the Authority Manager. A list of pool rules and regulations is attached as **Exhibit A-4**.

3.2 Pool Attendant. The Authority shall contract with a pool consultant on an annual basis which shall be responsible for all aspects of operations and maintenance of the pool and pool area.

3.3 Lifeguards. Lifeguards are provided by the Authority as a courtesy and safety measure; however, Users acknowledge they utilize the pool facilities at their own risk. All Users must have a completed a Property Owner Waiver and Consent Form or Authorized Additional User Waiver and Consent Form on file with the Authority Manager.

3.4 Flotation Devices. No swimmers dependent upon any flotation device shall be permitted in the pool unless accompanied (in the water) and directly supervised by a responsible adult over the age of 18.

3.5 Wading Pool. No children over the age of 7 shall be allowed in the wading pool. Children under the age of 7 using the wading pool shall at all times be directly supervised by a parent, legal guardian or other adult over the age of 18, as authorized by the parent or legal guardian. All children not potty trained must wear swim diapers beneath their bathing suits. No plastic, disposable or cloth diapers are permitted.

3.6 Children. No one 13 years of age and younger is allowed in the pool area unless accompanied by an adult over 18 years of age, or a minor aged 16-17 for whom a Minor Release Form is on file with the Authority on which parents have expressly authorized their

children to supervise other minors. Children ages 14-17 may swim unsupervised if expressly authorized on a Minor Release Form. All minors will need to have a valid access card. If approved minors will be bringing guests that are between the ages of 14-17 without adult supervision, those minor guests also must have a Minor Release Form on file with the Authority before access will be granted to the pool. The Minor Release Form shall be submitted to the Authority Manager in substantially the form attached hereto as **Exhibit A-5**, as may be amended from time to time, prior to any use of the pool by children, as provided for in this Section.

Children of non-swimming ability must be in direct contact with an adult in the water at all times. Lifeguards have the authority to swim test all minors that are in the pool without adult supervision and may remove children from the pool area if they feel they are not capable of swimming on their own in a safe manner. Adult chaperones must be in the pool and within reach of all children aged 9 and under who have not passed a lifeguard-administered swim test. Adult chaperones are required to be in the pool area to supervise children aged 10-13, but are not required to be in the water if the children can pass a lifeguard-administered swim test.

3.7 Pool Rentals. Users may rent the pool on a non-exclusive basis for use of the pool by additional guests in excess of the permissible maximum per household per day. Pool rentals shall be subject to an additional fee as prescribed by the Authority, and Users shall be required to pay an additional fee for the provision of additional lifeguards. Users desiring to rent the pool shall submit an Application for Facility Use, attached as **Exhibit A-6**, and the Pool Rental Agreement in substantially the form attached as **Exhibit A-7**, and subject to the terms and conditions provided therein.

Article IV

TENNIS COURTS

4.1 Tennis Court Rules. Tennis court rules shall be posted in the tennis areas in substantially the form attached hereto as **Exhibit A-8**, as may be amended from time to time. All Users shall be required to sign a copy of the tennis court rules at the time application or re-application is made for an access card.

4.2 Use of the Tennis Courts. Tennis courts are available to Users and their guests and are open on a first-come, first-served basis, until the Authority deems reservations are warranted. In the event other Users are waiting for use of the tennis courts, use is limited to one hour.

4.3 Equipment. Proper and appropriate attire should be worn by all Users and their guests when utilizing the tennis court facilities. Users shall not adjust nets or any equipment but shall notify the Authority Manager if any such adjustments are necessary.

4.4 Skate Boards, Skates or Bikes. The tennis courts shall only be used for playing

tennis or other authorized uses as determined by the Authority in its discretion. No skate boards, in line skates or other types of skates, bikes or other unauthorized uses shall be tolerated.

4.5 Children. Children under the age of 18 years old shall be permitted use of the tennis courts only if authorized on a Minor Release Form on file with the Authority.

Article V

CLUBHOUSE

5.1 Use of the Clubhouse. The clubhouse shall be available to all Users upon payment of the rental fee, security deposit and other fees set from time to time by the Board. The Authority may, in its discretion, decline rental of the clubhouse for any event it deems to jeopardize the safety, health or welfare of the public. Rental of the facility includes the kitchen, common room, restrooms and exterior deck.

5.2 Capacity of Clubhouse. City of Aurora fire codes mandate that legal capacity of the clubhouse be limited to one hundred twenty (120) persons. No rentals of the facility shall be allowed for greater than one hundred twenty (120) persons in attendance.

5.3 Security. Security personnel shall be required for all rentals during which forty (40) or more persons will be present and for all rentals where alcohol will be present regardless of the number of attendees. Security personnel must be selected from a list of security personnel pre-approved by the Authority unless an alternate provider is screened and approved in writing by the Authority Manager prior to the scheduled rental. Approval of security personnel by the Authority does not constitute a warranty or guarantee of such security personnel's performance by the Authority. Notwithstanding the foregoing, no additional security personnel is required where the Rental Party is a governmental entity and security officers and/or law enforcement are attendees at the event.

5.4 Reservations. Users shall submit an Application for Facility Use, attached as Exhibit A-6, for rental of the clubhouse. Users must also complete a Clubhouse Reservation Agreement in substantially the form attached as **Exhibit A-9** and subject to the terms and conditions provided therein.

5.5 Tenants/Renter Use of Clubhouse. All tenants/renters living within the Authority who desire to rent the clubhouse shall also have the Clubhouse Reservation Agreement signed by the Property Owner of the property lying within the Authority boundaries.

Article VI

LANDSCAPED COMMON AREAS

6.1 Park and Picnic Areas. The open green areas are intended for general play, recreational use and picnics. Users shall report all broken or damaged equipment to the Authority Manager, as well as any other items, such as broken glass, which could be hazardous or harmful to persons utilizing these areas. No motorized bikes or vehicles are allowed in the park areas or on the bike or trail paths. Camping is not permitted on Authority-owned property at any time.

6.2 Tot Lot. The tot lot may be used only by children under 7 years of age. All children using the tot lot must be supervised by a parent, legal guardian or other authorized adult.

Article VII

ENFORCEMENT

7.1 Disorderly or Offensive Conduct. The Authority and its authorized representatives may request any User to cease conduct that is:

1. In violation of Authority policies;
2. Interferes with or is abusive toward any Authority representative in the normal operation of the facility;
3. Interferes with any User, User's guest or other person's use or enjoyment of the facilities or is abusive to any such person; or
4. Criminal, tortuous, intimidating or threatening, or any behavior that might result in bodily harm or property damage.

In the event that the offending party fails to cease such conduct after being requested and warned to do so, the Authority representative is authorized to use all reasonable means s/he deems necessary to stop such conduct, including, but not limited to, having the offending party removed from the Recreation Amenities and/or suspending the offending party's Recreation Amenities privileges. Any such suspension may be appealed to the Board at the next regular Authority meeting. Any person refusing removal from the Recreation Amenities or attempting to enter or remain on the premises of the Recreation Amenities after their privileges have been revoked may be subject to arrest and prosecution for criminal trespass under Colorado law.

7.2 Violation of Recreation Amenities Policies. If anyone is found abusing the equipment, furniture or disobeying the Policies, disciplinary measures will be administered by the Authority Manager as follows without the necessity of any action of the Board:

First offense: Verbal warning
Second offense: Restricted from the Recreation Amenities for two (2) weeks
Third offense: Restricted from the Recreation Amenities for one (1) month
Fourth offense: Restricted from the Recreation Amenities for one (1) year

The Board shall be notified of all disciplinary measures by the Authority Manager and shall, in its discretion have the ability to impose other disciplinary measures as it deems appropriate at any point in time, which may include revocation of Recreation Amenities privileges for a User and/or User's family members. Any violations and disciplinary measures taken will be recorded in writing and kept on file by the Authority Manager. Offending parties may also be subject to other penalties and sanctions under Colorado law, including, but not limited to, prosecution under § 18-9-117, C.R.S. All violations may be reported to local law authorities as deemed necessary by the Authority Manager or the Board.

Additional fines, suspensions and other punitive measures may be imposed for violations of the terms of facility rental agreements.

EXHIBIT A-1
Property Owner Form and
Property Owner Waiver and Consent Form

EXHIBIT A-2
Additional Authorized User Form and
Additional Authorized User Waiver and Consent Form

EXHIBIT A-3
Card Request Form

EXHIBIT A-4
Pool Rules

EXHIBIT A-5
Minor Release Form

EXHIBIT A-6
Application for Facility Use

EXHIBIT A-7
Pool Rental Agreement

EXHIBIT A-8
Tennis Court Rules

EXHIBIT A-9
Clubhouse Rental Agreement