

**NOTICE OF REGULAR MEETING
OF THE BOARD OF DIRECTORS OF
SADDLER RIDGE METROPOLITAN DISTRICT**

<https://www.saddlerridgemetrodistrict.com>

NOTICE IS HEREBY GIVEN that a regular meeting of the Board of Directors of the Saddler Ridge Metropolitan District, Town of Severance, Colorado will be held at 9 Timber Ridge Parkway, Severance, Colorado on Wednesday, March 16, 2022, at 11:00 A.M. The meeting is open to the public.

**Call in Information:
Call: (303) 565-1655
Participant Code: 4121**

BOARD OF DIRECTORS

Director	Office	Term
Gene Osborne	President	May 2022
Kenji Matsuda	Treasurer	May 2022
Dave Seidl	Secretary	May 2023
Jake Pault	Assistant Secretary	May 2023
Will Edgington	Assistant Secretary	May 2022

AGENDA

1. Call to Order/Declaration of Quorum
2. Director Conflict of Interest Disclosures
3. Approval of Agenda
4. Public Comment – Members of the public may express their views to the Board on matters that affect the District that are not otherwise on the agenda. Comments will be limited to three (3) minutes per person. Comments will be taken in the order reflected on the sign in sheet.
5. Consent Agenda - These items are considered to be routine and will be approved by one motion. There will be no separate discussion of these items unless requested, in which event, the item will be removed from the Consent Agenda and considered in the Regular Agenda.
 - a. Approval of Minutes from January 19, 2022, January 25, 2022, and February 22, 2022 meetings (**enclosures**)
 - b. Ratification of 2021 Annual Report (**report enclosed**; exhibits available upon request)
6. Management Matters
 - a. Teleos Management Report (**enclosure**)
 - b. Review and Consider Approval of Amendment to Residential Improvement Guidelines and Site Restrictions (**enclosure**)
 - c. Discuss Prairie Dogs on Vacant Lots
 - d. Discuss Construction Vehicles and Damage to Walking Trails
7. Financial Matters
 - a. Financials/Payables (**enclosure**)
 - b. Discuss Status of 2021 Audit

8. Legal Matters
 - a. Update on May 3, 2022 Election
 - b. Discuss Pump Station Agreement with North Weld County Water District
 - c. Discuss Long Term Maintenance of Weld County Road 19
 - d. Discuss Future Development of Saddler Phase 2b and Saddler Southern

9. Operations and Maintenance Matters
 - a. Update on Repair and Remodel of Pond
 - b. Update on Installation of Water Meter Vaults
 - c. Update on Wastewater Treatment Plant
 - d. Update on eOne Pumps
 - e. Update on Construction Matters
 - i. Multi-Family Infrastructure Project
 - ii. Construction of Tracts 7 and 8
 - f. Update on Lot Sales

10. Other Business

11. Adjourn

Remaining 2022 Regular Meeting Dates:

May 18, 2022

July 20, 2022

September 21, 2022

November 16, 2022 (2023 Budget Hearing)

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF SADDLER RIDGE METROPOLITAN DISTRICT

Held: Wednesday, January 19, 2022 at 11:00 a.m. at 9 Timber Ridge Parkway, Severance, CO and via teleconference

Attendance

The meeting referenced above was called and held in accordance with the applicable statutes of the State of Colorado. The following directors were in attendance:

Gene Osborne
Kenji Matsuda (*via teleconference*)
Dave Seidl
Jake Pault (*via teleconference*)

Director Will Edgington was absent. All directors' absences are deemed excused unless a contrary notation is recorded in these minutes.

Also present were: Ashley B. Frisbie, White Bear Ankele Tanaka & Waldron, Attorneys at Law, District Manager; JR Osborne, C3 Construction Management Co., Inc.; Will Jones, adjacent property owner (for a portion of the meeting); and Aric and Kayla Holloway, prospective homebuyers (for a portion of the meeting).

Also present (*via teleconference*) were: Eric Weaver and Krista Koenig, Marchetti & Weaver, LLC, District Accountant; Angela Elliott and Cathy Baldwin, Teleos, LLC, Covenant Enforcement Manager; Beth Kelsey, Liberty Savings Bank ("LSB"); Tiffany Farner-Hirsch, resident; and Kirsten Von Pechmann, realtor for Aric and Kayla Holloway.

Call to Order/Declaration of Quorum

Director Osborne noted that a quorum of the Board was present and the meeting was called to order.

Director Disclosures

Ms. Frisbie advised the Board 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 were filed with the Secretary of State's Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Ms. Frisbie inquired into whether members of the Board 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 Board to act.

Approval of Agenda

The Board reviewed the proposed agenda for the meeting.

Following review, upon a motion duly made and seconded, the Board unanimously approved the agenda as presented.

Public Comment

Mr. and Mrs. Holloway introduced themselves to the Board, noting that they are prospective homebuyers and are under contract to purchase one of the carriage lots. They inquired as to if horses are allowed on the carriage lots, noting that their purchase is contingent on the allowance of horses. Director Osborne thanked them for attending the meeting and informed them that he would work with the Board to consider their request and determine if the District is allowed to allow horses, in accordance with zoning requirements with the Town of Severance (the "Town").

Mr. Jones introduced himself to the Board, noting that he is not a resident of the District, rather an adjacent property owner. Mr. Jones informed the Board that the Town has purchased approximately 160 acres of land for the potential development of a gun range. Mr. Jones noted that the development is still in the initial stages, and that, as a nearby property owner, he found it important to share the news to other property owners. Director Osborne thanked Mr. Jones for bringing this information to the attention of the Board. Ms. Frisbie included the District's contact information on the notification sign-up sheet that Mr. Jones circulated, so the District would receive further communications and updates.

Consent Agenda

The Board was presented with the consent agenda items. Upon a motion duly made and seconded, the Board unanimously took the following actions:

- a. Approved Minutes from November 17, 2021 meeting
- b. Adopted Resolution Designating 24-Hour Posting Location
- c. Ratified Appointment of LAI Design Group of Colorado, LLC as the Architectural Review Committee
- d. Approved Updated Compensation Schedule for Second Addendum to Independent Contractor Agreement with Foothills Landscape Maintenance, LLC for Landscape Maintenance Services
- e. Ratified Independent Contractor Agreement with Independent District Engineering Services, LLC for Cost Certification Services

Management Matters

Management Report

Ms. Elliott presented her Management Report to the Board.

Amendment to Residential Improvement Guidelines and Site Restrictions

Ms. Frisbie and Ms. Elliott presented the Board with the Amendment to Residential Improvement Guidelines and Site Restrictions. The Board discussed the provisions and determined that the amendment should include limits on the size and quantity of commercial vehicles and to allow for outdoor RV parking on larger carriage lots, as discussed below.

Following discussion, the Board determined to defer this matter so that changes discussed can be incorporated into the amendment.

Storage of Trash Totes

The Board discussed the storage of trash totes and determined that the language in the District's Covenants, Residential Rules and Regulations, and Residential Improvement Guidelines and Site Restrictions were agreeable, and no changes would be made. If residents would like to store their trash totes outside, they need to be screened from view.

Parking of Recreational Vehicles

Director Seidl reported that he received varying responses to his request for comments as related to the parking of RVs outside of an enclosed garage. Following discussion, the Board directed staff to revise the Amendment to Residential Improvement Guidelines and Site Restrictions to include language that allows RVs to be parked toward the rear side of homes on the carriage lots, with appropriate screening materials (trees, screening structure, etc.) and approval by the Architectural Review Committee. The Board also indicated that no changes would be made to the parking of RV vehicles on non-carriage lots.

Allowance of Animals/Livestock

Ms. Frisbie reported that the Town's Planning Department had indicated that horses would be allowable on the larger carriage lots; however, the District will need to submit a Livestock Management Plan to the Town for review and approval. Once the Livestock Management Plan has been approved, homeowners will need to go through the Town's permit process, and the Town will refer and defer to the District's Livestock Management Plan for detail on what is allowable. The Board discussed limiting the quantity to 1 horse per acre (for example, 2 horses on 2 acre lots and 3 horses on 3 acre lots).

Directors Seidl and Pault noted that they were agreeable with the District moving forward with the preparation of a Livestock Management Plan; however, they would like to ensure that the process is not too costly for the District.

Following discussion, the Board directed Director Osborne and staff to work with the Town on a Livestock Management Plan that would allow horses as the only livestock allowed on carriage lots, per the discussion.

Ms. Frisbie reported that the Town has a similar permit process in place for the allowance of chickens, whereby the Town will request approval from the District. Following discussion, the Board determined to not allow chickens at this time.

Director Seidl inquired about the allowance of bees. Ms. Frisbie noted that the Town's Municipal Code does not specifically address bees, but that she will investigate and provide the Board with an update.

Subsequent to the meeting, the Town contacted Ms. Frisbie to report that the information previously provided by the Town about the process for implementing a Livestock Management Plan was inaccurate. The Town is now requiring that the carriage lots be rezoned to rural residential and the Livestock Management Plan will be approved as part of the rezoning approval process.

First Addendum to Independent Contractor Agreement with JD Enterprises, Inc. for Snow Removal Services

Ms. Elliott presented the First Addendum to the Independent Contractor Agreement with JD Enterprises, Inc. for snow removal services.

Following discussion, upon a motion duly made and seconded, the Board unanimously approved the addendum, subject to a change in the trigger amount to 3 inches.

Ms. Farner-Hirsch requested that the District have the snow near the mailbox on Roper Trail pushed further off to the side, as it is currently being pushed right in front of the school bus stop. Ms. Elliott noted that she will ask JD Enterprises, Inc. to move the snow pile to an alternate location.

Financial Matters

Financials/Payables

Mr. Weaver presented the payables, dated January 14, 2022, to the Board for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously ratified the payables.

Mr. Weaver presented the December 31, 2021 unaudited financial statements to the Board for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously accepted the unaudited financial statements.

Resolution Regarding Acceptance of District Eligible Costs pursuant to the Funding and Reimbursement Agreement with Liberty Savings Bank, F.S.B. and Acknowledgement of Engineer's Report

Mr. Weaver presented the Board with the Resolution Regarding Acceptance of District Eligible Costs pursuant to the Funding and Reimbursement Agreement with Liberty Savings Bank, F.S.B.

Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution, subject to finalization by legal counsel to remove the lien waiver requirement and receipt of the accountant's certification. The Board also acknowledged the Engineer's Report.

Third Amendment to Funding and Reimbursement Agreement (Wastewater Enterprise) between the District and Liberty Savings Bank, F.S.B.

Mr. Weaver presented the Board with the Third Amendment to Funding and Reimbursement Agreement (Wastewater Enterprise) between the District and Liberty Savings Bank, F.S.B.

Following discussion, upon a motion duly made and seconded, the Board unanimously approved the amendment.

Fourth Amendment to Funding and Reimbursement Agreement (Operations and Maintenance) between the District and Liberty Savings Bank, F.S.B.

Mr. Weaver presented the Board with the Fourth Amendment to Funding and Reimbursement Agreement (Operations and Maintenance) between the District and Liberty Savings Bank, F.S.B.

Following discussion, upon a motion duly made and seconded, the Board unanimously approved the amendment.

Approval to Convert Principal & Accrued Interest Balances Under the Funding And Reimbursement Agreement (Capital Costs) to Series B Bonds

Mr. Weaver discussed the principal and accrued interest balances under the Funding and Reimbursement Agreement (Capital Costs), and the need to convert those balances to the Series B Bonds.

Following discussion, upon a motion duly made and seconded, the Board unanimously approved and authorized staff to convert the principal and accrued interest balances under the Funding and Reimbursement Agreement (Capital Costs) to the Series B Bonds.

Legal Matters

Update on May 3, 2022 Election

Ms. Frisbie provided the Board with an update on the May 3, 2022 Election, noting that all 5 seats are up for election. Director Seidl requested that Ms. Frisbie include language in the posting of the Call for Nominations to the website to clarify that the election is for the District, and that the community does not have an HOA, to help clarify as there have been some inaccurate information circulating among residents.

Pump Station Agreement with North Weld County Water District

Director Seidl reported that the Town sent out an email blast to residents regarding a moratorium on construction until North Weld County Water District ("NWCWD") is able to provide water taps. Director Osborne reported that he and Mr. JR

Osborne will be attending a meeting with NWCWD this afternoon to discuss the Pump Station Agreement and NWCWD water availability issues, as it continues to infringe on the development of tracts within the District.

Long Term Maintenance of Weld County Road 19 (“WCR 19”)

There was no update at this time.

Future Development of Saddler Phase 2b and Saddler Southern

There was no update at this time.

Operations and Maintenance Matters

Update on Repair and Remodel of Pond

Mr. JR Osborne provided an update on the repair and remodel of the pond, noting that it appears that bentonite pond sealer was only used on the banks of the pond, and now needs to be added to the pond floor. The cottonwood trees on the islands will need to be removed, so the roots can be pulled allowing the pond floor to be completely sealed. Mr. JR Osborne reported that the approximate cost to pull the trees/roots and seal the pond floor will be \$185,000. Mr. JR Osborne recommended that a pond aerator/fountain also be installed to promote water circulation. Director Seidl agreed with the recommendation. Following discussion, the Board directed Mr. JR Osborne to proceed with the pond repair project and to obtain a soils test after the bentonite has been installed to ensure the product has formed an impermeable seal.

The Board also discussed the level of water in the pond. It was noted that NWCWD may have overfilled it last year. Director Seidl noted that it is imperative that the pond not be overfilled, and Director Pault agreed, also noting that it is also important that the pond not be under-filled.

Ms. Farner-Hirsch inquired about the District’s responsibility to repair the pond, as related to Section 5.11 (Retention Ponds and Detention Ponds) of the Declaration of Covenants, Conditions and Restrictions for Saddler Ridge (the “Covenants”). Ms. Frisbie clarified that the intent of the terminology in the Covenants is related to flooding and other natural occurrences, and that the District is still responsible for fixing the leak and sealing the bottom of the pond.

Update on Installation of Water Meter Vaults

Mr. JR Osborne noted that there is no update at this time; however, he will request a status update from NWCWD at the meeting this afternoon.

Update on Wastewater Treatment Plant

Mr. JR Osborne reported that a few minor repairs have been made over the last few months, but the plant is generally functioning well.

Update on eOne Pumps

Director Osborne reported that there are plenty of eOne Pumps in inventory, and the builders continue to keep the pump supplier notified when they are being used to ensure inventory remains the same.

Update on Construction Matters

Director Osborne reported that all construction remains on hold until the NWCWD water availability issue is resolved.

Update on Lot Sales

There was no update at this time.

Other Business

Ms. Farner-Hirsch inquired about meeting packet materials being made available to the public prior to meetings. Following discussion, the Board directed Ms. Frisbie to post the meeting packet to the District's website in advance of meetings going forward.

Adjourn

There being no further business to come before the Board, and upon motion duly made, seconded, and unanimously carried, the meeting was adjourned.

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

Secretary

The foregoing minutes were approved on the 16th day of March, 2022.

MINUTES OF A SPECIAL MEETING OF THE BOARD OF
DIRECTORS OF SADDLER RIDGE METROPOLITAN
DISTRICT

Held: Tuesday, January 25, 2022 at 3:00 p.m.
via teleconference

Attendance

The meeting referenced above was called and held in accordance with the applicable statutes of the State of Colorado. The following directors were in attendance:

Gene Osborne
Dave Seidl
Jake Pault
Will Edgington

Director Kenji Matsuda was absent. All directors' absences are deemed excused unless a contrary notation is recorded in these minutes.

Also present were: Ashley B. Frisbie, White Bear Ankele Tanaka & Waldron, Attorneys at Law, District Manager; Eric Weaver, Marchetti & Weaver, LLC, District Accountant; and Jack Powell and Beth Kelsey, Liberty Savings Bank ("LSB").

Call to Order/Declaration of
Quorum

Director Osborne noted that a quorum of the Board was present and the meeting was called to order.

Director Disclosures

Ms. Frisbie advised the Board 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 were filed with the Secretary of State's Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Ms. Frisbie inquired into whether members of the Board 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 Board to act.

Approval of Agenda

The Board reviewed the proposed agenda for the meeting.

Following review, upon a motion duly made and seconded, the Board unanimously approved the agenda, as amended.

Public Comment

There was no Public Comment.

Financial Matters

Resolution of the Board of Directors Declaring its Intent to Expend the Remaining Proceeds of its General Obligation Limited Tax Bonds, Series 2017B, Originally Issued in the Aggregate Principal Amount of \$4,650,000, and Authorizing the Execution of a Supplement to Federal Tax Exemption Certificate in Connection Therewith

Mr. Weaver presented the Board with the Resolution of the Board of Directors Declaring its Intent to Expend the Remaining Proceeds of its General Obligation Limited Tax Bonds, Series 2017B, Originally Issued in the Aggregate Principal Amount of \$4,650,000.

Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution and authorized execution of the Supplement to Federal Tax Exemption Certificate in Connection Therewith.

Other Business

Pump Station Agreement with North Weld County Water District

Director Osborne reported that he and Mr. JR Osborne attended a meeting with North Weld County Water District (“NWCWD”) to discuss the Pump Station Agreement and NWCWD water availability issues, as it continues to infringe on the development of tracts within the District.

Director Osborne provided an update on the NWCWD meeting, noting that NWCWD has agreed to let the District build the pump station. NWCWD agreed to provide a drawing of the pump station and begin working on the Pump Station Agreement within 2 weeks of the meeting, held on January 19, 2022.

Director Pault inquired about timing on completion of the pump station. Director Osborne noted that as the District will be building it, it can be pushed forward more quickly than if NWCWD were to build it. Director Osborne is optimistic that it may be completed this summer and will cost much less than NWCWD initially anticipated.

Director Osborne also reported that NWCWD has agreed to enter into an agreement for water service with the District, which will allow the developer to develop the remaining lots.

Director Edgington reported that Richfield Homes has already purchased all of the water certificates that were available. Ms. Kelsey noted that there are 14 remaining lots in Phase 2 that don’t have water certificates. Director Edgington noted that Richfield Homes anticipates selling through all current lots with water certificates by the end of March.

Allowance of Horses on Carriage Lots

Director Osborne provided an update on the allowance of horses on the carriage lots, reporting that subsequent to the January 19, 2022 meeting, the Town of Severance notified the District that the plat will need to be amended to rezone the carriage lots to rural

residential. It was noted that there are 3 owners currently living on carriage lots, and they will need to be contacted about the rezoning. No action was needed by the Board at this time.

Adjourn

There being no further business to come before the Board, and upon motion duly made, seconded, and unanimously carried, the meeting was adjourned.

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

Secretary

The foregoing minutes were approved on the 16th day of March, 2022.

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF SADDLER RIDGE METROPOLITAN DISTRICT

Held: Tuesday, February 22, 2022 at 11:00 a.m.
via teleconference

Attendance

The meeting referenced above was called and held in accordance with the applicable statutes of the State of Colorado. The following directors were in attendance:

Gene Osborne
Kenji Matsuda
Dave Seidl
Jake Pault

Director Will Edgington was absent. All directors' absences are deemed excused unless a contrary notation is recorded in these minutes.

Also present were: Ashley B. Frisbie, White Bear Ankele Tanaka & Waldron, Attorneys at Law, District Manager; Eric Weaver and Krista Koenig, Marchetti & Weaver, LLC, District Accountant; JR Osborne, C3 Construction Management Co., Inc.; and Beth Kelsey, Liberty Savings Bank ("LSB").

Call to Order/Declaration of Quorum

Ms. Frisbie noted that a quorum of the Board was present and the meeting was called to order.

Director Disclosures

Ms. Frisbie advised the Board 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 were filed with the Secretary of State's Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Ms. Frisbie inquired into whether members of the Board 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 Board to act.

Approval of Agenda

The Board reviewed the proposed agenda for the meeting.

Following review, upon a motion duly made and seconded, the Board unanimously approved the agenda, as amended.

Public Comment

There was no Public Comment.

Consent Agenda

The Board was presented with the consent agenda items. Director Osborne informed the Board that he has a potential conflict of interest involving a matter to be voted upon, and recused himself from voting on the matter. Upon a motion duly made and seconded, the Board unanimously took the following actions:

- a. Approved First Addendum to Independent Contractor Agreement with C3 Construction Management, Co. for Construction Management
- b. Ratified Second Amendment to Financing Agreement (General Obligation Limited Tax Bonds, Series 2017B) by and between the District and Liberty Savings Bank, F.S.B.

Operations and Maintenance Matters

Award of Contract for Pond Repair Project

Mr. JR Osborne presented the Board with a bid from Mendoza's Landscaping, LLC, in the amount of \$185,579, for the pond repair project. Mr. JR Osborne noted that the project was bid publicly, in accordance with Colorado law. Mr. JR Osborne reported that no other bids were received, and that the bid from Mendoza's Landscaping, LLC seems fair based off of the scope of work and material costs.

Director Seidl inquired about the installation of a pond aerator (bubbler) to keep water moving in the pond. Mr. JR Osborne noted that this item isn't included in this bid and will need to be addressed separately. Mr. JR Osborne noted that he will look into options and provide a recommendation at a later date.

Director Seidl inquired about removal of the volunteer trees around the pond and the possible addition of landscaping and irrigation. Mr. JR Osborne noted that these items aren't included in this bid and will need to be addressed separately. He also noted that irrigation may be an issue because a lot of the irrigation lines have been there for a long time without use and may require a lot of repair.

Director Pault inquired about the timeline for the project. Mr. JR Osborne reported that as long as the work can begin immediately, he anticipates that the project will be completed within 60 days. He also noted that the pond needs to be ready for spring irrigation and fill up, otherwise North Weld County Water District should be able to provide potable water for irrigation if there are unforeseen delays.

Director Pault inquired if the bid included removal of the islands, not just the trees. Mr. JR Osborne confirmed that the bid does include removal of the islands themselves, as it is easier to seal and maintain, and reduces the possibility of future root issues. All board members in attendance agreed.

Following discussion, upon a motion duly made and seconded, the Board unanimously approved the bid from Mendoza's Landscaping, LLC, in the amount of \$185,579, and awarded the contract.

Pump Station Agreement with
North Weld County Water District

Director Osborne provided the Board with an update on the status of the Pump Station Agreement with North Weld County Water District ("NWCWD"), noting that the District will be engineering and designing the pump station, rather than the Town of Severance (the "Town"). The project is in the preliminary phase, as the District will need to retain a water engineer, have the design prepared, and then coordinate with the Town on approval.

Director Osborne noted that he continues to work with NWCWD on the release of additional water taps.

Allowance of Horses on Carriage
Lots

Director Osborne provided an update on the allowance of horses on the carriage lots, reporting that, as discussed at the January 25, 2022 meeting, the Town is now requiring that Phase 2, including the carriage lots, be rezoned to rural residential in order to allow livestock. Ms. Kelsey reported that she attended a meeting with the Town to discuss the specifics, and the Town indicated that the project will require a surveyor, title work, management plan, public hearings, notices, signatures from residents, approvals from both the Planning Commission and Town Council, etc. The cost for this process is anticipated to be approximately \$30,000-\$35,000, much higher than initially anticipated.

Following discussion, the Board determined that the District would not move forward with rezoning of the lots to allow livestock.

Update on May 3, 2022 Election

Ms. Frisbie provided the Board with an update on the May 3, 2022 Election, noting that, as of today, 2 forms had been accepted for the 5 available seats.

Adjourn

There being no further business to come before the Board, and upon motion duly made, seconded, and unanimously carried, the meeting was adjourned.

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

Secretary

The foregoing minutes were approved on the 16th day of March, 2022.

**SADDLER RIDGE METROPOLITAN DISTRICT
ANNUAL REPORT
TO
THE TOWN OF SEVERANCE
FISCAL YEAR ENDING DECEMBER 31, 2021**

Pursuant to the Amended and Restated Service Plan for Saddler Ridge Metropolitan District (the "District"), the District is required to submit an annual report to the Town of Severance, Colorado (the "Town") by March 1st of each year which reflects activity and financial events of the District.

The District makes the following report for the year ending December 31, 2021:

A. Boundary Changes made or proposed

There were no changes made to the District's boundaries as of December 31, 2021, nor were any changes proposed.

B. Intergovernmental Agreements with other governmental entities entered into or proposed

The District did not enter into any new intergovernmental agreements during the fiscal year ending December 31, 2021.

C. Changes or proposed changes in the District's policies

The District approved an Amended and Restated Public Records Request Policy on April 21, 2021, attached hereto as **Exhibit A**.

D. Changes or proposed changes in the District's operations

There were no changes or proposed changes made to the District's operations as of December 31, 2021.

E. Any changes in the financial status of the District including revenue projections or operating costs

The 2022 budget and assessed valuation for the District are attached hereto as **Exhibit B** and **Exhibit C**, respectively.

F. A summary of any litigation which involves the District

To our actual knowledge, based on a review of the court records in Weld County, there is no litigation involving the District as of December 31, 2021.

G. Proposed plans for the fiscal year 2022

There are currently 8 lots under construction in Phase 1, and all lots in Phase 1 have been purchased or taken down by builders via contract. There are currently 3 completed homes in Phase 2, 8 lots under construction, 11 lots that have been purchased per contract with no construction started at this time, and 15 lots under contract. All lots in Phase 2 are under contract and anticipated to be purchased in 2022. Conditional approval was received by

the Town during 2019 for the installation of public infrastructure and the initiation of construction of 52 paired homes and 6 single family homes on Tracts 9 and 10, and it is anticipated that construction will begin once water availability issues have been resolved. It is also anticipated that governmental approvals will be obtained for the installation of public infrastructure and the initiation of construction of 143 single family homes on Tracts 7 and 8. Development of the light industrial parcel east of the Larimer Canal has been placed on hold at this time.

H. Status of District's public improvement construction schedule

The District has completed the public infrastructure in Phase 2 and construction has been initiated. Construction of Tracts 9 and 10 is anticipated to begin once water availability issues have been resolved. The governmental approval phase of construction on Tracts 7 and 8 is in process, with construction beginning afterward. The District will own, operate, and maintain all of the public infrastructure, with the exception of water services.

I. A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by other governmental entities

All constructed water service improvements that have been completed by the District have been deeded to North Weld County Water District.

SADDLER RIDGE METROPOLITAN DISTRICT

Covenant Enforcement/Architectural Control and Contractor Oversight Report

January 15, 2022 to March 8, 2022

February/March: Covenant Enforcement:

Inspections every three weeks; issued two (2) notice of alleged violation letters (all trash totes).

Homeowner/Board reports of violation should include photos to document the violation.

Additional duty of Contractor Oversight

Snow Removal - Awaiting updated scope of work from contractor.

Architectural Control:

Processed no applications.

Other:

Reviewed signage throughout the community.

**AMENDMENT TO THE
RESIDENTIAL IMPROVEMENT GUIDELINES
AND SITE RESTRICTIONS FOR
SADDLER RIDGE METROPOLITAN DISTRICT**

This Amendment to the Residential Improvement Guidelines for Saddler Ridge Metropolitan District (the “**Amendment**”) was duly adopted the day and year hereinafter set forth by the Board of Directors (the “**Board**”) of Saddler Ridge Metropolitan District (the “**District**”), and has also been approved by the Architectural Review Committee (the “**ARC**”) of the District.

WITNESSETH:

WHEREAS, the ARC adopted the Residential Improvement Guidelines for Saddler Ridge Metropolitan District, dated December 1, 2016 (the “**Guidelines**”); and

WHEREAS, the Board of Directors of the District desires to amend the Guidelines as set forth herein.

NOW, THEREFORE, the Guidelines as hereby amended as follows:

1. Deletion. Section 3.5 of the Guidelines is hereby deleted in its entirety.
2. Repeal and Restatement. Section 3.18.1 of the Guidelines is hereby repealed in its entirety and the following Section 3.18.1 is substituted in its place:

3.18.1 Recreational and Commercial Vehicles. Tractors, mobile homes, recreational vehicles, trailers (either with or without wheels), campers, camper trailers, boats and other watercraft, recreational vehicles, golf carts and boat trailers (collectively “Recreational Vehicles”), shall be parked only in enclosed garages or specific areas, if any, which may be designated by ARC. Notwithstanding the foregoing, Recreational Vehicles may be parked on Carriage Lots on the rear side of the home on the Carriage Lot, as long as the Recreational Vehicle is screened from view from the ground level of adjacent Lots or streets by landscaping or man-made screening, as approved by the ARC.

No more than two (2) “Commercial Vehicles,” defined as vehicles used primarily for commercial purposes and/or vehicles with commercial writing or logos on their exteriors, and which are no larger than can fit on the driveway without extending onto the adjacent sidewalk or streets, are permitted to be parked on the driveway of a Lot, if such Commercial Vehicle is regularly driven and otherwise is in compliance with the Governing Documents. No vehicles may be parked on a driveway if the same extends onto the adjacent sidewalk or street. The restrictions contained in this paragraph shall also not restrict trucks or commercial vehicles which are necessary for construction or for the maintenance of any portion of the Property, or any Improvements located thereon, nor shall such restriction prohibit vehicles that may be otherwise parked as a temporary expedient for loading,

delivery or emergency.

Stored vehicles and vehicles which are inoperable or do not have current operating licenses shall not be permitted on the Property except within enclosed garages. For purposes of this Section, the ARC may determine whether a vehicle is considered "stored".

3. Repeal and Restatement. Section 3.31 of the Guidelines is hereby repealed in its entirety and the following Section 3.31 is substituted in its place:

3.31 Flags/Flagpoles. Approval is required for any freestanding flagpole. Approval is not required for flagpoles mounted to the front of the residence. However, under no circumstance may the height of any flagpole exceed the height of the roofline of the residence on the Lot. Flag size cannot exceed 5' by 3' feet.

4. Repeal and Restatement. Section 3.73 of the Guidelines is hereby repealed in its entirety and replaced with the following Section 3.73.

3.73 Signs. Except as provided herein, signs no more than 36" by 48" in size each may be displayed on a Lot without approval. Notwithstanding the above, Commercial Signs may be displayed on a Lot in accordance with the following. Commercial Signs are defined as signs that carry a message making or intended to make a profit, or advertising for the same purpose. The following Commercial Signs may be displayed:

- a) One for sale or for rent sign per Lot, no larger than 3' by 2', may be placed on a Lot during the marketing period of that Lot. Such sign must be removed upon sale or rent of the Lot.
- b) If work is actively being done on a Lot by a contractor engaged by the Owner of the Lot, one Commercial Sign than of the contractor doing such work, no larger than 3' by 2', may be displayed on the Lot during the time work is being performed or 60 days, whichever is less.

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ADOPTED this 16th day of March, 2022.

**SADDLER RIDGE METROPOLITAN
DISTRICT**

Officer of the District

ATTEST:

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

General Counsel to the District

Saddler Ridge Metropolitan District
Claims To Be Ratified January 20, 2022 March 10, 2022

<u>Date</u>	<u>Payee</u>	<u>Amount</u>	<u>Description</u>	<u>Operations</u>	<u>Debt Service</u>	<u>Capital</u>	<u>Enterprise</u>
2/21/2022	Bunting Disposal	97.75	Trash				97.75
	Colorado Dept of Public Health & E	976.00	Annual wastewater permit				976.00
	JD Enterprises	1,910.00	Snow removal	1,910.00			
	JD Enterprises	1,400.00	Snow removal	1,400.00			
	Kline Alvarado Veio, PC	5,057.50	Legal sevices, capital			5,057.50	
	LAI Design Group	1,225.00	Architecture review fees	1,225.00			
	Lewis Engineering	4,725.00	Water engineering			4,725.00	
	Lewis Engineering	2,080.00	Water engineering			2,080.00	
	Liberty Savings	2,451.50	Repayment of deposit received in error	2,451.50			
	Marchetti & Weaver	7,559.00	January accounting	3,782.75		127.50	3,648.75
	Pueblo Web Design	65.00	Monthly website contract	65.00			
	Ramey Environmental	2,183.00	Monthly contract				2,183.00
	Ramey Environmental	228.48	Wastewater testing				228.48
	Rokeh Consulting	3,080.00	Water engineering			3,080.00	
	Teleos, LLC	750.00	December District Management	750.00			
	Teleos, LLC	825.17	January district management	825.17			
	White Bear Ankele	8,100.12	January legal services - general	3,937.58		4,162.54	
	White Bear Ankele	7,954.45	January district management	7,954.45			
	Zions Bank	1,500.00	Annual trustee fee		1,500.00		
3/3/2022	IDES, LLC	6,370.06	Cost certification			6,370.06	
	Mendozas Landscaping	100,000.00	Pond repair deposit			100,000.00	
	Total	\$ 158,538.03		\$ 24,301.45	\$ 1,500.00	\$ 125,602.60	\$ 7,133.98