

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE SKY RANCH COMMUNITY AUTHORITY BOARD (“CAB”) HELD MARCH 8, 2019

The regular meeting of the Board of Directors of the Sky Ranch Community Authority Board (referred to hereafter as the “Board”) was convened on Friday, the 8th day of March, 2019, at 8:30 a.m., at the offices of McGeady Becher P.C., 450 East 17th Avenue, Suite 400, Denver, Colorado 80203. The meeting was open to the public.

Directors In Attendance Were:

Mark Harding
Paul “Joe” Knopinski
Dirk Lashnits
Scott Lehman

Also In Attendance Were:

Lisa A. Johnson and Peggy Ripko; Special District Management Services, Inc.

Suzanne Meintzer, Esq.; McGeady Becher P.C.

Rick Dinkel; Pure Cycle Corporation

Elesha Carbaugh-Gonzalez; Independent District Engineering Services, LLC (“IDES”)

**DISCLOSURE OF
POTENTIAL
CONFLICTS OF
INTEREST**

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Ms. Johnson noted that a quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. Attorney Meintzer noted that all Directors’ Disclosure Statements have been filed. No additional conflicts were disclosed at the meeting.

**ADMINISTRATIVE
MATTERS**

Agenda: Ms. Johnson distributed for the Board’s review and approval a proposed Agenda for the CAB’s Regular Meeting.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Harding, seconded by Director Lashnits and, upon vote, unanimously carried, the Agenda was approved, as amended.

Approval of Meeting Location: The Board entered into a discussion regarding the requirements of §32-1-903(1), C.R.S., concerning the location of the CAB's Board meeting. Following discussion, upon motion duly made by Director Harding, seconded by Director Lashnits and, upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within the CAB's boundaries or within the county in which the CAB is located, or within 20 miles from the CAB's boundaries to conduct this meeting, the meeting would be held at the above-stated location. The Board further noted that notice of this location was duly posted and that they have not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within the CAB's boundaries.

Board Vacancy: The Board discussed the vacancy on the Board of Directors. No action was taken.

CONSENT AGENDA The Board considered the following actions:

- Approve Minutes of the February 8, 2019 Regular Meeting.
- Ratify engagement of Haynie & Company to prepare the 2018 audit.

Following review, upon motion duly made by Director Knopinski, seconded by Director Harding and, upon vote, unanimously carried, the Board approved and/or ratified approval of, as appropriate, the above actions.

FINANCIAL MATTERS

Claims: The Board considered approval of the payment of claims for the period beginning February 21, 2019 through March 8, 2019, in the amount of \$579,598.39.

General Fund:	\$	12,796.50
Debt Service Fund:	\$	-0-
Capital Projects Fund:	\$	566,801.89
Total:	\$	579,598.39

Following discussion, upon motion duly made by Director Knopinski, seconded by Director Harding and, upon vote, unanimously carried, the Board approved the payment of claims, as amended.

RECORD OF PROCEEDINGS

Unaudited Financial Statements: Mr. Dinkel presented to the Board the unaudited financial statements through the period ending January 31, 2019.

Following review and discussion, upon motion duly made by Director Harding, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved the unaudited financial statements through the period ending January 31, 2019, as discussed and revised.

Proposal for PIF Receiving Agent Services from CliftonLarsonAllen LLP: The Board reviewed and discussed a proposal from CliftonLarsonAllen LLP for PIF Receiving Agent Services.

Following discussion, upon motion duly made by Director Knopinski, seconded by Director Lehman and, upon vote, unanimously carried, the Board approved the engagement of CliftonLarsonAllen LLP for PIF Receiving Agent Services.

LEGAL MATTERS

Tracts A-Q and S-BB of Sky Ranch Subdivision Filing No. 1 from Sky Ranch Metropolitan District No. 5: The Board deferred discussion.

Master Services Agreement with CMS Environmental Solutions, LLC: The Board reviewed and considered approval of the Master Services Agreement with CMS Environmental Solutions, LLC.

Following discussion, upon motion duly made by Director Knopinski, seconded by Director Lehman and, upon vote, unanimously carried, the Board approved the Master Services Agreement with CMS Environmental Solutions, LLC.

Resolution No. 2019-03-01; Resolution regarding the CAB's Imposition of Operations and Maintenance Fees: The Board discussed Resolution No. 2019-03-01; Resolution regarding the CAB's Imposition of Operations and Maintenance Fees.

Following discussion, upon motion duly made by Director Knopinski, seconded by Director Harding and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-03-01; Resolution regarding the CAB's Imposition of Operations and Maintenance Fees, as revised. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

Resolution No. 2019-03-02; Resolution Adopting the Design and Landscape Guidelines for Sky Ranch: The Board discussed Resolution No. 2019-03-02; Resolution Adopting the Design and Landscape Guidelines for Sky Ranch. Following discussion, upon motion duly made by Director Knopinski, seconded by

RECORD OF PROCEEDINGS

Director Harding and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-03-02; Resolution Adopting the Design and Landscape Guidelines for Sky Ranch, as revised. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

Resolution No. 2019-03-03; Resolution Adopting Policies and Procedures Governing Enforcement of the Covenants, Conditions, and Restrictions for Sky Ranch: The Board discussed Resolution No. 2019-03-03; Resolution Adopting Policies and Procedures Governing Enforcement of the Covenants, Conditions, and Restrictions for Sky Ranch.

Following discussion, upon motion duly made by Director Knopinski, seconded by Director Harding and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-03-03; Resolution Adopting Policies and Procedures Governing Enforcement of the Covenants, Conditions, and Restrictions for Sky Ranch, subject to revisions discussed. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

Special District Disclosure Document - Disclosure to Purchasers: Discussion ensued regarding the Special District Disclosure Document - Disclosure to Purchasers ("Disclosure to Purchasers").

Following discussion, upon motion duly made by Director Knopinski, seconded by Director Harding and, upon vote unanimously carried, the Board acknowledged the Disclosure to Purchasers, as revised, and directed the District Manager to distribute and maintain as appropriate.

CONSTRUCTION MATTERS

Project Managers Report: Mr. Lashnits presented to the Board the Project Manager's Report. A copy of the Project Manager's Report is attached hereto and incorporated herein by this reference.

Task Order No. 1 from CMS Environmental Solutions, LLC under the Master Services Agreement: The Board reviewed Task Order No. 1 under the Master Services Agreement with CMS Environmental Solutions, LLC.

Following review and discussion, upon motion duly made by Director Knopinski, seconded by Director Harding and, upon vote, unanimously carried, the Board approved Task Order No. 1 under the Master Services Agreement with CMS Environmental Solutions, LLC, in the amount of \$20,000.00 for SWMP Inspections and Compliance.

Task Order No. 3 from CTL Thompson, Inc. under the Master Services

RECORD OF PROCEEDINGS

Agreement: The Board reviewed Task Order No. 3 under the Master Services Agreement with CTL Thompson, Inc.

Following review and discussion, upon motion duly made by Director Lashnits, seconded by Director Lehman and, upon vote, unanimously carried, the Board approved Task Order No. 3 under the Master Services Agreement with CTL Thompson, Inc., in the amount of \$148,586.00, for Phase 2 and 3.

Task Order Nos. 10 and 11 from KT Engineering Services, LLC under the Master Services Agreement: The Board reviewed Task Order Nos. 10 and 11 under the Master Services Agreement with KT Engineering Services, LLC.

Following review and discussion, upon motion duly made by Director Harding, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved Task Order Nos. 10 and 11 under the Master Services Agreement with KT Engineering, Inc., in the amount of \$57,620.00 (Phase 2) and \$81,750.00 (Phase 3).

Task Order No. 3 from Independent District Engineering Services, LLC under the Master Services Agreement: The Board reviewed Task Order No. 3 under the Master Services Agreement with Independent District Engineering Services, LLC.

Following review and discussion, upon motion duly made by Director Lashnits, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved Task Order No. 3 under the Master Services Agreement with Independent District Engineering Services, LLC, in the amount of \$50,000.00, for continuation of Oversight Services.

Drainage and Utilities:

Change Order No. 8 to the Utilities Contract with Premier Earthworks & Infrastructure, Inc.: Director Lashnits presented to the Board Change Order No. 8 to the Utilities Contract with Premier Earthworks & Infrastructure, Inc.

Following discussion, upon motion duly made by Director Lashnits, seconded by Director Lehman and, upon vote, unanimously carried, the Board approved Change Order No. 8 to the Utilities Contract with Premier Earthworks & Infrastructure, Inc., in the amount of \$133,595.97, for 2019 unit cost increases.

Change Order No. 9 to the Utilities Contract with Premier Earthworks & Infrastructure, Inc.: Director Lashnits presented to the Board Change Order No. 9 to the Utilities Contract with Premier Earthworks & Infrastructure, Inc.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Lashnits, seconded by Director Harding and, upon vote, unanimously carried, the Board approved Change Order No. 9 to the Utilities Contract with Premier Earthworks & Infrastructure, Inc., in the amount of \$11,907.28, for Forebay 2 in Pond E and for cost to clean out storm lines due to delayed installation of BMPs.

Pay Application No. 8 to the Utilities Contract with Premier Earthworks & Infrastructure, Inc.: Director Lashnits presented to the Board Pay Application No. 8 to the Utilities Contract with Premier Earthworks & Infrastructure, Inc.

Following discussion, upon motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved Pay Application No. 8 to the Utilities Contract with Premier Earthworks & Infrastructure, Inc., in the amount of \$326,773.57.

Roadway Improvements:

Change Order No. 3 to the Roadways Contract with Premier Earthworks & Infrastructure, Inc.: Director Lashnits presented to the Board Change Order No. 3 to the Roadways Contract with Premier Earthworks & Infrastructure, Inc.

Following discussion, upon motion duly made by Director Lashnits, seconded by Director Harding and, upon vote, unanimously carried, the Board approved Change Order No. 3 to the Roadways Contract with Premier Earthworks & Infrastructure, Inc., in the amount of \$18,634.61, for adjustments to grade bust at 8th Place, temporary access road at Monaghan, and balancing streets for January.

Change Order No. 4 to the Roadways Contract with Premier Earthworks & Infrastructure, Inc.: Director Lashnits presented to the Board Change Order No. 4 to the Roadways Contract with Premier Earthworks & Infrastructure, Inc.

Following discussion, upon motion duly made by Director Lashnits, seconded by Director Lehman and, upon vote, unanimously carried, the Board approved Change Order No. 4 to the Roadways Contract with Premier Earthworks & Infrastructure, Inc., in the amount of \$23,769.77, for Traffic Sign Permit for all Phase 1 street signs and covers cost of Winter Protection for concrete as required by Arapahoe County.

Pay Application No. 4 to the Roadways Contract with Premier Earthworks & Infrastructure, Inc.: Director Lashnits reviewed with the Board Pay Application No. 4 to the Roadways Contract with Premier Earthworks & Infrastructure, Inc.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Harding, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved Pay Application No. 4 to the Roadways Contract with Premier Earthworks & Infrastructure, Inc., in the amount of \$186,430.13

Engineers Report: Ms. Carbaugh-Gonzalez presented to the Board the Engineer's Report. A copy of the Engineer's Report dated March 8, 2019, is attached hereto and incorporated herein by this reference.

Consulting Agreements: The Board determined that no consulting agreements were necessary at this time.

CAPITAL MATTERS

Design Review Committee Appointment: The Board discussed the appointment of a Design Review Committee.

Following discussion, upon motion duly made by Director Harding, seconded by Director Lehman and, upon vote, unanimously carried, the Board appointed Ms. Ripko, Director Lashnits, and Mr. Matt Norcross, of PCS Group, Inc., to the Design Review Committee.

OTHER MATTERS

There were no other matters to discuss.

ADJOURNMENT

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

Respectfully submitted,

By: 
Secretary for the Meeting

RECORD OF PROCEEDINGS

THESE MINUTES ARE APPROVED AS THE OFFICIAL MARCH 8, 2019
REGULAR MEETING MINUTES OF THE SKY RANCH CAB BY THE BOARD
OF DIRECTORS SIGNING BELOW:

[REDACTED]

Mark Harding

[REDACTED]

Paul "Joe" Knopinski

[REDACTED]

Dirk Lashnits

[REDACTED]

Scott Lehman

RESOLUTION NO. 2019-03-01

RESOLUTION OF THE BOARD OF DIRECTORS OF SKY RANCH COMMUNITY
AUTHORITY BOARD REGARDING THE IMPOSITION OF OPERATIONS AND
MAINTENANCE FEES

A. The Sky Ranch Community Authority Board (the “CAB”) is a political subdivision and public corporation of the State of Colorado, formed pursuant to Sections 29-1-203 and -203.5, C.R.S., and that certain Amended & Restated Sky Ranch Community Authority Board Establishment Agreement (“CABEA”), dated September 18, 2018, and effective November 13, 2017, by and between Sky Ranch Metropolitan District No. 1 and Sky Ranch Metropolitan District No. 5, each a quasi-municipal corporation and political subdivision of the State of Colorado located in Arapahoe County, Colorado (each a “Sky Ranch District” and collectively the “Sky Ranch Districts”), as may be amended from time to time.

B. The CABEA enables the CAB to impose and, from time to time, increase or decrease fees, rates, tolls, penalties or charges for services, programs and facilities furnished by the CAB on behalf of the Sky Ranch Districts, in accordance with the approved Service Plans for the Sky Ranch Districts and Section 32-1-1001(1)(j) and (k), C.R.S.

C. Section 32-1-1001(1)(j), C.R.S., provides that until paid, all such fees, rates, tolls, penalties or charges shall constitute a perpetual lien on and against the property served, which lien may be foreclosed in the same manner as provided by the laws of the State of Colorado for the foreclosure of mechanics’ liens.

D. The CABEA provides that the CAB is authorized to provide for various public improvements and the operations and maintenance of such public improvements, as well as design review and covenant enforcement services (the “Improvements and Services”) for the benefit of the Sky Ranch Districts and the residents and property owners within the Sky Ranch Districts.

E. The property currently within the boundaries of Sky Ranch Metropolitan District No. 1, and subject to the fees imposed by this Resolution, is described on Exhibit A attached hereto and incorporated herein (the “Property”).

F. The Property will benefit from the CAB’s operation and maintenance of the Improvements and Services.

G. The CAB has determined that, to meet the costs associated with the Improvements and Services and the cost of operating and maintaining the Improvements and Services, it is necessary to impose Operations and Maintenance Fees on the Property, as set forth in the attached Exhibit B – Schedule of Fees, as may be amended from time to time, and Fees for Late Payment and Lien Enforcement, as set forth in the attached Exhibit C, as may be amended from time to time (collectively, “CAB O&M Fees”).

H. The CAB has determined that to offset the administrative expenses incurred when property within the CAB’s service area is sold, it is necessary to impose an Administrative Fee on each residential lot on the Property.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SKY RANCH COMMUNITY AUTHORITY BOARD OF ARAPAHOE COUNTY, COLORADO:

1. The Board of Directors of the CAB hereby finds, determines and declares that it is in the best interests of the CAB, the Sky Ranch District and their inhabitants and taxpayers, to exercise its power by imposing CAB O&M Fees and Administrative Fees (collectively, the "Fees") as set forth in the attached Exhibit B – Schedule of Fees, as may be amended from time to time.

2. The CAB hereby imposes the CAB O&M Fees as follows:

(a) For platted lots, there shall be no CAB O&M Fees imposed upon homebuilders.

(b) Upon transfer of a finished lot to a homebuilder, the CAB O&M Fees shall be imposed as follows:

(i) Commencing April 1, 2019 and continuing through December 31, 2019, homebuilders shall be charged 50% of the monthly amount of CAB O&M Fees set forth in the attached Exhibit B, billed quarterly.

(ii) Commencing January 1, 2020, homebuilders shall be charged the monthly amount of CAB O&M Fees set forth in the attached Exhibit B, billed quarterly.

(c) Upon the sale or transfer of a residential unit from a homebuilder to an owner or from an owner to another owner, the CAB O&M Fees shall be charged in the monthly amount set forth in the attached Exhibit B, billed quarterly;

(d) The CAB reserves the right to amend this Resolution in the future to increase or decrease the amount of the CAB O&M Fee.

3. Administrative Fees shall be payable upon any sale, transfer, refinance or re-sale of any residential lot as follows:

(a) The Administrative Fee shall be \$100 per initial sale or transfer of a residential unit from a homebuilder to an owner;

(b) The Administrative Fee shall be \$100 per sale, transfer or re-sale of a residential unit from one owner to another owner;

(c) The Administrative Fee shall be \$100 per refinance of a residential unit, even if the same owner;

(d) The Administrative Fee shall be due and payable at the time of any sale, transfer, refinance or re-sale of any residential unit constructed on a lot with a certificate of occupancy.

(e) The CAB reserves the right to amend this Resolution in the future to increase or decrease the amount of the Administrative Fee.

4. Failure to make payment of any Fees due hereunder shall constitute a default in the payment of such fees. Upon default, Owner shall be responsible for a late payment (“**Late Payment Fee**”) as set forth in the attached **Exhibit C** – Schedule of Fees for Late Payment and Lien Enforcement.

5. The Fees shall not be imposed on real property conveyed or dedicated to non-profit owners’ associations, governmental entities or utility providers.

6. NOTICE IS HEREBY GIVEN THAT FAILURE TO MAKE PAYMENT OF ALL PAST DUE AMOUNTS, INCLUDING INTEREST, MAY SUBJECT AN OWNER’S PROPERTY TO A LIEN PURSUANT TO Section 38-22-109(3), C.R.S., as more particularly described below and in the attached **Exhibit C** – Schedule of Fees for Late Payment and Lien Enforcement.

7. The Fees shall constitute a statutory and perpetual charge and lien upon the Property pursuant to Section 32-1-1001(1)(j), C.R.S., from the date the same becomes due and payable until paid. The lien shall be perpetual in nature as defined by the laws of the State of Colorado on the Property and shall run with the land and such lien may be foreclosed by the CAB in the same manner as provided by the laws of Colorado for the foreclosure of mechanics’ liens. This Resolution shall be recorded in the real property records of the Clerk and Recorder of Arapahoe County, Colorado.

8. The CAB shall be entitled to institute such remedies and collection proceedings as may be authorized under Colorado law, including, but not limited to, foreclosure of its perpetual lien. The defaulting Owner shall pay all costs, including attorneys’ fees, incurred by the CAB in connection with the foregoing. In foreclosing such lien, the CAB will enforce the lien only to the extent necessary to collect the delinquent balance of unpaid Fees, Late Payment Fees, interest and costs of collection (including, but not limited to, reasonable attorneys’ fees).

9. Judicial invalidation of any of the provisions of the Resolution or of any paragraph, sentence, clause, phrase or word herein, or the application thereof in any given circumstances shall not affect the validity of the remainder of the Resolution, unless such invalidation would act to destroy the intent or essence of this Resolution.

10. Nothing herein shall be interpreted or construed as limiting the Board’s authority, in its sole and absolute discretion, to supplement or amend this Resolution from time to time.

11. Any inquiries pertaining to the Fees may be directed to the Manager for the CAB at: Lisa Johnson, Special District Management Services, Inc., 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228, phone number: 303-987-0835.

12. This Resolution shall take effect on April 1, 2019.

SIGNATURE PAGE TO RESOLUTION OF THE BOARD OF DIRECTORS OF SKY RANCH COMMUNITY AUTHORITY BOARD REGARDING THE IMPOSITION OF OPERATIONS AND MAINTENANCE FEES

APPROVED AND ADOPTED this 8th day of March, 2019.

SKY RANCH COMMUNITY AUTHORITY BOARD

By: _____
President



Attest:

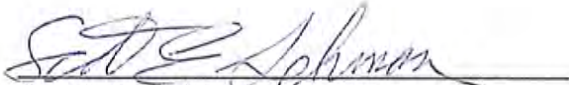

Secretary or Assistant Secretary

EXHIBIT A

**LEGAL DESCRIPTION OF THE PROPERTY SUBJECT TO OPERATIONS AND
MAINTENANCE FEES**

LOTS 1 THROUGH 43, INCLUSIVE, BLOCK 1;

LOTS 1 THROUGH 20, INCLUSIVE, BLOCK 2;

LOTS 1 THROUGH 20, INCLUSIVE, BLOCK 3;

LOTS 1 THROUGH 20, INCLUSIVE, BLOCK 4;

LOTS 1 THROUGH 24, INCLUSIVE, BLOCK 5;

LOTS 1 THROUGH 33, INCLUSIVE, BLOCK 6;

LOTS 1 THROUGH 35, INCLUSIVE, BLOCK 7;

LOTS 1 THROUGH 27, INCLUSIVE, BLOCK 8;

LOTS 1 THROUGH 14, INCLUSIVE, BLOCK 9;

LOTS 1 THROUGH 10, INCLUSIVE, BLOCK 10;

LOTS 1 THROUGH 14, INCLUSIVE, BLOCK 11;

LOTS 1 THROUGH 22, INCLUSIVE, BLOCK 12;

LOTS 1 THROUGH 11, INCLUSIVE, BLOCK 13;

LOTS 1 THROUGH 20, INCLUSIVE, BLOCK 14;

LOTS 1 THROUGH 27, INCLUSIVE, BLOCK 15;

LOTS 1 THROUGH 25, INCLUSIVE, BLOCK 16;

LOTS 1 THROUGH 17, INCLUSIVE, BLOCK 17;

LOTS 1 THROUGH 47, INCLUSIVE, BLOCK 18;

LOTS 1 THROUGH 49, INCLUSIVE, BLOCK 19;

SKY RANCH SUBDIVISION FILING NO. 1, RECORDED JULY 20, 2018 UNDER
RECEPTION NO. D8071296, COUNTY OF ARAPAHOE, STATE OF COLORADO.

EXHIBIT B

SCHEDULE OF FEES

Fee Description	Fee Cycle	Fee Amount
CAB O&M Fees	Monthly	\$50.00
Administrative Fees	At the time of any sale, transfer, refinance or re-sale of any residential unit	\$100 per sale, transfer, refinance or re-sale of any residential unit

EXHIBIT C

SCHEDULE OF FEES FOR LATE PAYMENT AND LIEN ENFORCEMENT

<u>Fee Type</u>	<u>Fee Amount</u>	<u>Fee Billing Schedule</u>
Late Payment Fee	\$15 per billing cycle	Upon failure to pay the CAB O&M Fees and/or Administrative Fees
Lien Process	Delinquent balance of unpaid CAB O&M Fees and/or Administrative Fees; Late Payment Fees; Interest; and Costs of collection (including, but not limited to, reasonable attorneys' fees).	Upon failure to pay the delinquent balance, and pursuant to Section 38-22-109(3), C.R.S., the CAB may serve a Notice of Intent to File a Lien Statement (a " Lien Notice ") upon the Owner by certified mail, return receipt requested. The Lien Notice shall give notice to the Owner that the CAB intends to perfect its lien against the property by recording a Lien Statement in the office of the Arapahoe County Clerk and Recorder if the delinquent balance is not paid in full within thirty (30) days after the Lien Notice is served.

RESOLUTION NO. 2019-03-02

RESOLUTION OF THE BOARD OF DIRECTORS OF SKY RANCH COMMUNITY AUTHORITY BOARD ADOPTING DESIGN AND LANDSCAPE GUIDELINES FOR SKY RANCH

A. The Sky Ranch Community Authority Board (the “**CAB**”) is a political subdivision and public corporation of the State of Colorado, formed pursuant to Sections 29-1-203 and -203.5, C.R.S., and that certain Amended & Restated Sky Ranch Community Authority Board Establishment Agreement (“**CABEA**”), dated September 18, 2018, and effective November 13, 2017, by and between Sky Ranch Metropolitan District No. 1 and Sky Ranch Metropolitan District No. 5 (each a “**Sky Ranch District**” and collectively the “**Sky Ranch Districts**”), as may be amended from time to time.

B. The owner of real property within Sky Ranch has caused to be recorded the Covenants, Conditions and Restrictions for Sky Ranch (the “**Declaration**”), recorded on August 10, 2018, at Reception No. D8079588 of real property records of the County of Arapahoe, State of Colorado, which Declaration declares that the Sky Ranch property, as described therein (the “**Property**”), is and shall be subject to the Declaration and shall be owned, held, conveyed, encumbered, leased, improved, used, occupied, enjoyed, sold, transferred, hypothecated, maintained, altered and otherwise enjoyed in accordance with and subject to the covenants and use restrictions contained therein.

C. The Declaration provides that CAB shall enforce each of the provisions provided therein on behalf of the Sky Ranch Districts and the Property.

D. Section 29-1-203.5, C.R.S., authorizes the CAB to “exercise any general power of a special district specified in part 10 of article 1 of title 32, C.R.S., so long as each of the parties to the contract may lawfully exercise the power.”

E. Section 32-1-1004(8), C.R.S., authorizes the CAB to furnish covenant enforcement and design review services within the Sky Ranch Districts if the declaration, rules and regulations, or similar document containing the covenants to be enforced for the area within the metropolitan district name the metropolitan district as the enforcement and/or design review entity.

F. The CABEA authorizes the CAB to enforce the Declaration and to promulgate design guidelines (“**Design and Landscape Guidelines**”) and covenant enforcement rules and regulations (“**Rules and Regulations**”), as may be amended from the time to time, with respect to covenant enforcement services, on behalf of the Sky Ranch Districts and the Property.

G. The Board of Directors for the CAB (the “**Board**”) adopted Resolution 2018-04-01, Resolution of the Board of Directors of Sky Ranch Community Authority Board Acknowledging and Adopting the Covenants, Conditions and Restrictions for Sky Ranch, which acknowledged the CAB’s authority to administer and enforce the Declaration, and the Design and Landscape Guidelines and Rules and Regulations for the Property.

H. The CAB desires to provide for the orderly and efficient enforcement of the Declaration by adopting the Design and Landscape Guidelines for Sky Ranch.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SKY RANCH COMMUNITY AUTHORITY BOARD OF ARAPAHOE COUNTY, COLORADO:

1. The CAB hereby determines that it is in the best interests of the CAB and its property owners and users for the CAB to promulgate and adopt the Design and Landscape Guidelines. The CAB further reserves the right to approve supplemental design standards and guidelines as contemplated by the Declaration, Design and Landscape Guidelines or Rules and Regulations as necessary to serve the Property and the property owners and users within the CAB's service area.

2. The Board hereby adopts the Design and Landscape Guidelines for Sky Ranch as described in Exhibit A, attached hereto and incorporated herein by this reference.

3. The Board declares that the Design and Landscape Guidelines for Sky Ranch are effective as of February 8, 2019.

4. The Board hereby authorizes and directs the officers of the CAB and CAB staff to take all actions necessary to implement and enforce the Design and Landscape Guidelines for Sky Ranch.

5. Judicial invalidation of any of the provisions of this Resolution or of any paragraph, sentence, clause, phrase or word herein, or the application thereof in any given circumstances shall not affect the validity of the remainder of this Resolution, unless such invalidation would act to destroy the intent or essence of this Resolution.

6. Nothing herein shall be interpreted or construed as limiting the Board's authority, in its sole and absolute discretion, to supplement or amend this Resolution from time to time.

7. Any inquiries pertaining to the Design and Landscape Guidelines for Sky Ranch may be directed to the Manager for the CAB at: Lisa Johnson, Special District Management Services, Inc., 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228, phone number: 303-987-0835.

8. This Resolution shall take effect immediately upon its adoption and approval.

[SIGNATURE PAGE FOLLOWS]

**SIGNATURE PAGE TO RESOLUTION OF THE BOARD OF DIRECTORS OF SKY
RANCH COMMUNITY AUTHORITY BOARD ADOPTING DESIGN AND
LANDSCAPE GUIDELINES FOR SKY RANCH**

APPROVED AND ADOPTED this 8th day of March, 2019.

**SKY RANCH COMMUNITY AUTHORITY
BOARD**

By: 

President

Attest:



Secretary or Assistant Secretary

EXHIBIT A

DESIGN AND LANDSCAPE GUIDELINES FOR SKY RANCH

**DESIGN AND LANDSCAPE
GUIDELINES
OF
SKY RANCH**

Adopted by the Board of Directors of the Sky Ranch Community Authority Board on March 8, 2019

TABLE OF CONTENTS

1.	INTRODUCTION	1
1.1.	Basis for Design and Landscape Guidelines.....	1
1.2.	Definitions	1
1.3.	Contents of Rules.....	1
1.4.	Architectural Review Committee or Representative	1
1.5.	ARC Contact Information.....	1
1.6.	Effect of Declaration.....	1
1.7.	Effect of Governmental and Other Regulations.....	1
1.8.	Interference with Utilities	2
1.9.	Goal of Guidelines	2
2.	PROCEDURES FOR ARC APPROVAL.....	2
2.1.	General.....	2
2.2.	Drawings or Plans	2
2.3.	Submission of Drawings and Plans.....	3
2.4.	Action by ARC	4
2.5.	Revisions and Additions to Approved Plans.....	4
2.6.	Completion of Work	4
2.7.	Requirements for Initial Installation of Backyard Landscaping	4
2.8.	Inspection of Work	4
2.9.	Notice of Non-Compliance	5
2.10.	Correction of Non-Compliance.....	5
2.11.	Amendment.....	5
2.12.	Questions	5
3.	SPECIFIC TYPES OF IMPROVEMENTS / SITE RESTRICTIONS.....	5

3.1.	General.....	5
3.1.1.	Variances	5
3.1.2.	No Unsightliness.....	6
3.1.3.	Waivers; No Precedent	6
3.1.4.	Liability.....	6
3.2.	Accessory Buildings	6
3.3.	Additions and Expansions.....	6
3.4.	Address Numbers.....	6
3.5.	Air Conditioning Equipment.....	7
3.6.	Animals.....	7
3.7.	Antennae/Satellite Dishes	7
3.7.1.	General Provisions.....	7
3.7.2.	Installation of Antennae/Satellite Dishes.....	8
3.8.	Awnings.....	8
3.9.	Backyard Sport Pads.....	8
3.10.	Balconies.....	8
3.11.	Barbecue/Gas Grills.....	8
3.12.	Basketball Backboards.....	8
3.13.	Birdbaths.....	9
3.14.	Birdhouses and Bird Feeders	9
3.15.	Carports.....	9
3.16.	Clothes Lines and Hangers	9
3.17.	Cloth or Canvas Overhangs	9
3.18.	Decks	9
3.19.	Dog Houses.....	10
3.20.	Dog Runs	10

3.21.	Doors.....	10
3.22.	Drainage.....	10
3.23.	Driveways.....	11
3.24.	Evaporative Coolers.....	11
3.25.	Exterior Lighting.....	11
3.26.	Fences.....	11
3.26.1.	General Statement.....	11
3.26.2.	[Reserved].....	11
3.26.3.	Fence Designs.....	11
3.26.4.	Stain Color/Maintenance.....	11
3.26.5.	[Reserved].....	12
3.26.6.	Prior Approved Fencing.....	12
3.26.7.	Pet Fencing.....	12
3.27.	Fire Pits.....	12
3.28.	Firewood Storage.....	12
3.29.	Flags/Flagpoles.....	12
3.30.	Gardens - Flower or Vegetable.....	13
3.31.	Gazebos.....	13
3.32.	Grading and Grade Changes.....	13
3.33.	Greenhouses.....	13
3.34.	Hanging of Clothes.....	13
3.35.	Hot Tubs and Jacuzzis.....	13
3.36.	Kennels.....	13
3.37.	Landscaping.....	14
3.38.	Leases.....	15
3.39.	Lights and Lighting.....	15

3.40.	Maintenance.....	16
3.41.	No Annoying Lights, Sounds.....	16
3.42.	No Hazardous Activities; No Hazardous Materials or Chemicals.....	16
3.43.	Nuisances.....	16
3.44.	Ornaments/Art - Landscape/Yard	16
3.45.	Overhangs/Sunshades/Awnings- Cloth or Canvas	16
3.46.	Painting.....	17
3.47.	Patio Covers.....	17
3.48.	Patios - Enclosed.....	17
3.49.	Patios - Open.....	17
3.50.	Paving	17
3.51.	Pipes.....	17
3.52.	Play Structures and Sports Equipment.....	17
3.53.	Playhouses	18
3.54.	Poles.....	18
3.55.	Ponds and Water Features.....	18
3.56.	Pools	18
3.57.	Radio Antennae.....	18
3.58.	Radon Mitigation Systems.....	18
3.59.	Residential Use; Profession or Home Occupation.....	18
3.60.	Restrictions on Trash and Materials	19
3.61.	Roofing Materials	19
3.62.	Rooftop Equipment.....	19
3.63.	Satellite Dishes	19
3.64.	Saunas	19
3.65.	Screen Doors.....	20

3.66.	Seasonal Decorations	20
3.67.	Security Devices.	20
3.68.	Sheds.....	20
3.69.	Shutters - Exterior	20
3.70.	Siding	20
3.71.	Signs	20
3.72.	Solar Energy Devices.....	21
3.73.	Spas.....	21
3.74.	Statues or Fountains.....	21
3.75.	Storage Sheds.....	21
3.76.	Sunshades.....	21
3.77.	Swamp Coolers	21
3.78.	Swing Sets.....	21
3.79.	Television Antennae	21
3.80.	Trash Removal Services & Recycling	21
3.81.	Tree Houses	22
3.82.	Vanes	22
3.83.	Vehicular Parking, Storage and Repairs*	22
3.84.	Vents	22
3.85.	Walls	23
3.86.	Walls, Retaining.....	23
3.87.	Weather Vanes and Directionals.....	23
3.88.	Wind Electric Generators.....	23
3.89.	Windows Replacement	23
3.90.	Windows: Tinting, Security Bars, Well Covers, etc.....	23
3.91.	[Reserved].....	23

3.92. Xeriscape	23
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1. INTRODUCTION

1.1. Basis for Design and Landscape Guidelines

These Design and Landscape Guidelines (the "Guidelines") are intended to assist Owners living in the Sky Ranch community (the "Community"). Pursuant to the Covenants, Conditions and Restrictions for Sky Ranch ("Declaration"), recorded on August 10, 2018 at Reception No. D8079588 in the Arapahoe County, Colorado real property records, as may be amended from time to time, the Sky Ranch Community Authority Board ("CAB") is authorized to adopt Design and Landscape Guidelines for the Community.

1.2. Definitions

All capitalized words and phrases used in these Rules shall have the meaning provided in the Declaration unless otherwise defined herein.

1.3. Contents of Rules

In addition to the introductory material, these Guidelines contain (A) a summary of procedures for obtaining approval from the Architectural Review Committee ("ARC") (see Section 2); and (B) a listing of specific types of improvements that Owners might wish to make with specific information as to each of these types of improvements (see Section 3).

1.4. Architectural Review Committee or Representative

The ARC consists of persons, representatives or a committee appointed by the CAB's Board of Directors to review requests for approval of architectural, landscaping improvements or site changes.

1.5. ARC Contact Information

Currently, the contact information of the ARC, persons, committee or representative authorized to administer the architectural review process is:

COMPANY NAME	OFFICE	PHONE	E-MAIL
Sky Ranch Community Authority Board	141 Union Blvd., #150, Lakewood, CO 80228	303-987-0835	pripko@sdmsi.com

1.6. Effect of Declaration

The Declaration governs the Community. Each Owner should review and become familiar with the Declaration. Nothing in these Guidelines supersedes or alters the provisions or requirements of the Declaration and, if there is any conflict or inconsistency, the Declaration will control.

1.7. Effect of Governmental and Other Regulations

Use of property within the Community and any Improvements must comply with any applicable building codes and other governmental requirements and regulations. Owners are encouraged to contact Arapahoe County for further information and requirements for Improvements they wish to

make.

APPROVAL BY THE ARC DOES NOT CONSTITUTE ASSURANCE THAT IMPROVEMENTS COMPLY WITH APPLICABLE GOVERNMENTAL REQUIREMENTS OR REGULATIONS OR THAT A PERMIT OR APPROVALS ARE NOT ALSO REQUIRED FROM APPLICABLE GOVERNMENTAL BODIES.

1.8. Interference with Utilities

In making Improvements to property, Owners are responsible for locating all water, sewer, gas, electrical, cable television, or other utility lines or easements. Owners should not construct any Improvements over such easements without the consent of the utility involved, and Owners will be responsible for any damage to any utility lines. All underground utility lines and easements can be located by contacting:

**Utility Notification Center of Colorado
1-800-922-1987 or 811**

1.9. Goal of Guidelines

Compliance with these Guidelines and the provisions of the Declaration will help preserve the inherent architectural and aesthetic quality of the Community. It is the responsibility of the ARC to ensure that all proposed Improvements meet or exceed the requirements of these Guidelines and to promote the highest quality design for the neighborhood. It is important that Improvements to property be made in harmony with and not detrimental to the rest of the Community. A spirit of cooperation with the ARC and neighbors will go far in creating an optimum environment, which will benefit all Owners. By following these Guidelines and obtaining prior written approval for Improvements to property from the ARC, Owners will be protecting their financial investment and will help insure that Improvements to property are compatible with standards established for the Community. If a question ever arises as to the correct interpretation of any terms, phrases or language contained in these Guidelines, the ARC's interpretation shall be final and binding.

2. PROCEDURES FOR ARC APPROVAL

2.1. General

The procedures set forth in this Article 2 are intended to clarify the terms, provisions and requirements of Article 2 of the Declaration. In the event of any conflict between these Guidelines and the Declaration, the terms of Article 2 in the Declaration shall control. As indicated in Section 3 of these Guidelines, there are some cases in which advance written approval of the ARC is not required if the Guidelines with respect to that specific type of Improvement are followed. In a few cases, as indicated in Section 3, a specific type of Improvement is not permitted under any circumstances. In all other cases, including Improvements not included in Section 3, advance, or prior written approval by the ARC is required before an Improvement to property is commenced.

2.2. Drawings or Plans

Owners are required to submit to the ARC a completed Architectural Review Request Form ("ARR"), which forms are available from the person or entity listed in Section 1.5, and complete plans and specifications, in duplicate, (said plans and specifications to show exterior design, height, materials, color, location of the structure or addition to the structure, plotted horizontally and vertically, location and size of driveways, general plan of landscaping, fencing, walls, windbreaks

and grading plan, as well as such other materials and information as may be required) prior to commencement of work on any Improvement to property. In most cases, the materials to be submitted will not have to be professionally prepared by an architect, a landscape architect, or draftsman, and a simple drawing with dimensions and description will be sufficient. In the case of major improvements, such as room additions, structural changes or accessory building construction, detailed plans and specifications, prepared by a licensed architect, may be required. Whether done by the Owner, or professionally, the following guidelines should be followed in preparing drawings or plans:

- A. The drawing or plan should be done to scale and shall depict the property lines of your Lot and the outside boundary lines of the home as located on the Lot. If you have a copy of an improvement survey of your Lot obtained when you purchased it, this survey would be an excellent base from which to start.
- B. Existing Improvements, in addition to your home, should be shown on the drawing or plan and identified or labeled. Such existing Improvements include driveways, walks, decks, trees, shrubs, fences, etc. The proposed Improvements should be shown on the plan and labeled. Either on the plan or on an attachment, there should be a brief description of the proposed Improvement, including the materials to be used and the colors. For Example: Redwood deck, ten (10) feet by twelve (12) feet with two inch by four inch (2"x4") decking and natural stain.
- C. The plan or drawing and other materials should include the name of the Owner, the address of the home, the lot, block and filing number of the Lot, and the e-mail address and telephone number where the Owner can be reached.
- D. The proposed Improvements must take into consideration the easements, building location restrictions and sight distance limitations at intersections.
- E. Owners should be aware that many Improvements require a permit from Arapahoe County or other governmental entity.

The ARC reserves the right to require a copy of such permit as a condition of its approval.

- F. In some instances, elevation drawings of the proposed Improvement will be required. The elevation drawings should indicate materials.
- G. Photographs of existing conditions and of proposed materials and colors are encouraged to be included, and are helpful to convey the intended design, but should not be used solely to describe the proposed changes.

2.3. Submission of Drawings and Plans

Two copies of the drawing or plans (minimum acceptable size 8.5" x 11") must be submitted to the ARC along with a completed ARR. Color photographs, brochures, paint swatches, etc. will help expedite the approval process. Specific dimensions and locations are required.

Any costs incurred by the ARC for review of submittals shall be borne by the Owner and shall be payable prior to final approval. Any reasonable engineering consultant fees or other fees incurred by the ARC in reviewing any submission will be assessed to the Owner requesting approval of the submission.

2.4. Action by ARC

The ARC will meet as required to review plans submitted for approval. The ARC may require submission of additional information or material, and the request will be deemed denied until all required information and materials have been submitted. The ARC will act upon all requests in writing within forty-five (45) days after the complete submission of plans, specifications, and other materials and information as requested by the ARC. If the ARC fails to review and approve in writing (which may be with conditions and/or requirements) or disapprove, a request for architectural approval within forty-five (45) days after the complete submission of the plans, specifications, materials and other information with respect thereto, such request is deemed approved by the ARC.

2.5. Revisions and Additions to Approved Plans

Any revisions and/or additions to approved plans made by the Owner or as required by any governmental agency, must be re-submitted for approval by the ARC. The revised plans must follow the requirements as outlined above.

2.6. Completion of Work

After approval (which may be with conditions and/or requirements) of any proposed Improvement by the ARC, the proposed Improvement shall be completed and constructed as promptly and diligently as possible, and in complete conformity with all conditions and requirements of the approval. Failure to complete the proposed Improvement within one year from the date of the approval or such other date as may be set forth in the approval or as set forth in the Declaration (the "Completion Deadline"), shall constitute noncompliance; provided, however, that the ARC may grant extensions of time to individual Owners for completion of any proposed Improvements, either (a) at the time of initial approval of such Improvements, or (b) upon the request of any Owner, provided such request is delivered to the ARC in writing and the Owner is diligently prosecuting completion of the subject Improvements or other good cause exists at the time such request is made.

2.7. Requirements for Initial Installation of Backyard Landscaping

Backyard and/or sideyard landscaping not installed by the Builder shall be completed one hundred (180) days after acquisition of such Unit by the Owner, if said acquisition occurs between April 1 and July 31, or; by the following July 31 if such acquisition does not occur between such dates. Should an extension be foreseen due to time of year, written notice must be made to the ARC prior to the expiration of the applicable landscape completion period, at which time; the ARC will issue a new time requirement to the Owner, but in no case later than 12 months after conveyance.

Two copies of the drawing or plans (minimum acceptable size 8.5" x 11") must be submitted to the ARC along with a completed ARR prior to installation of backyard sideyard landscaping and fencing. The Owner should ensure submittal of these plans will allow for the review period of up-to forty five (45) days for approval in accordance with the deadline for installation. Though an ARR (Architectural Review Request) may have been submitted, if it has not been approved and the installation completed by the deadline, the property may be sited for non-compliance.

2.8. Inspection of Work

The ARC, or its duly authorized representative, shall have the right to inspect any Improvement at any time, including prior to or after completion, in order to determine whether or not the proposed Improvement is being completed or has been completed in compliance with the approval granted

pursuant to this Section.

2.9. Notice of Non-Compliance

If, as a result of inspections or otherwise, the ARC determines that any Improvement has been done without obtaining all required approvals (which may be with conditions and/or requirements), or was not done in substantial compliance with the approval that was granted, or has not been completed by the Completion Deadline, subject to any extensions of time granted pursuant to Section 2.6 hereof, then the ARC shall notify the CAB, and the CAB shall then notify the applicant in writing of the non-compliance (the "Notice of Non-Compliance"). The Notice of Non-Compliance shall specify the particulars of the non-compliance.

2.10. Correction of Non-Compliance

If the ARC determines that non-compliance exists, the Person responsible for such non-compliance shall remedy or remove the same within not more than forty-five (45) days from the date of receipt of the Notice of Non-Compliance. If such Person does not comply with the ruling within such period, the ARC shall notify the CAB, and the CAB may, at its option and if allowed by applicable law, record a notice of non-compliance against the Lot on which the non-compliance exists, may impose fines, penalties and interest, may remove the non-complying Improvement, or may otherwise remedy the non-compliance in accordance with the Declaration and applicable law. The Person responsible for such non-compliance shall reimburse the CAB, upon demand, for all costs and expenses, as well as anticipated costs and expenses, with respect thereto.

2.11. Amendment

These Guidelines may at any time, from time to time, be added to, deleted from, repealed, amended, and modified, reenacted, or otherwise changed by the ARC, with the approval of the Person authorized to appoint the ARC, as changing conditions and/or priorities dictate.

2.12. Questions

If you have any questions about the foregoing procedures, feel free to call the ARC at the phone number and address listed in the Section 1.5 of these Rules.

3. SPECIFIC TYPES OF IMPROVEMENTS / SITE RESTRICTIONS

3.1. General

The following is a listing, in alphabetical order, of a wide variety of specific types of Improvements which Owners typically consider installing, with pertinent information as to each. Unless otherwise specifically stated, drawings or plans for a proposed Improvement must be submitted to the ARC and written approval of the ARC obtained before the Improvements are made. In some cases, where it is specifically so noted, an Owner may proceed with the Improvements without advance approval if the Owner follows the stated guideline. In some cases, where specifically stated, some types of Improvements are prohibited. ARC review and approval is required on any external items not be listed below.

3.1.1. Variances

Approval of any proposed plans by the granting of a variance from compliance with any of the provisions of these Guidelines is at the sole discretion of the ARC when circumstances such as topography, natural obstructions, hardship, aesthetic or environmental considerations may require.

3.1.2. No Unsightliness

All unsightly equipment and objects, including snow removal equipment and garden or maintenance equipment, when not in actual use, must be kept within an enclosed structure.

3.1.3. Waivers; No Precedent

The approval or consent of the ARC to any application for approval shall not be deemed to constitute a waiver of any right to withhold or deny approval or consent as to any application or other matters whatsoever, as to which approval or consent may subsequently or additionally be required. Nor shall any such approval or consent be deemed to constitute a precedent in any other matter.

3.1.4. Liability

The ARC and the members thereof shall not be liable in damages to any person submitting requests for approval or to any approval, or failure to approve or disapprove in regard to any matter within its jurisdiction. The ARC shall not bear any responsibility for ensuring structural integrity or soundness of approved construction or modifications, or for ensuring compliance with building codes and other governmental requirements. The ARC will not make any investigation into title, ownership, easements, rights-of-way, or other rights appurtenant to property with respect to architectural requests and shall not be liable for any disputes relating to the same.

3.2. Accessory Buildings

Approval is required. Accessory buildings such as sheds, storage buildings, garden structures, greenhouses, detached garages, playhouses must be constructed of wood, masonry, glass, brick, stone, or other material as used in construction of the exterior of the home. The design must be the same or generally recognized as a complimentary architectural style and meet all design guidelines as may be applicable. Colors and roofing materials must be the same as that of the residence.

3.3. Additions and Expansions

Approval is required. Additions or expansions must be constructed of wood, masonite, glass, brick, stone, or other material as used in construction of the exterior of the home. The design must be the same or generally recognized as a complimentary architectural style and meet all design guidelines as may be applicable. Colors and roofing materials must be the same as that of the residence. Patios may not be more than twenty five percent (25%) of the entire rear yard of the Lot unless otherwise approved by the ARC.

3.4. Address Numbers

Approval is required to replace, alter or relocate existing address numbers, unless the address numbers are replaced using the same style, color and type of number currently on the residence.

3.5. Air Conditioning Equipment

Approval is required for all air conditioning equipment including evaporative coolers (swamp coolers) and attic ventilators installed after the initial construction.

Approval is not required for replacement of existing air conditioning equipment with like equipment located in the same location as the equipment being replaced.

No heating, air conditioning, air movement (e.g. swamp coolers) or refrigeration equipment shall be placed or installed on rooftops, or extended from windows. Ground mounted or exterior wall air conditioning equipment installed in the side yard must be installed in a manner so as to minimize visibility from the street and minimize any noise to adjacent property Owners.

3.6. Animals

No animals, livestock (pigs, cattle, horses, goats, lamas, etc.), birds, poultry, reptiles or insects of any kind may be raised, bred, kept or boarded in or on the Units except as permitted by, and in compliance with, the ordinances of the County, as applicable, and these Guidelines. An Owner's right to keep household pets is coupled with the responsibility for collecting and properly disposing of any animal waste and to pay for all damage caused by such pets.

3.7. Antennae/Satellite Dishes

3.7.1. General Provisions

"Permitted Antennas" are defined as (a) an antenna which is less than one meter in diameter and is used to receive direct broadcast satellite service, including direct-to-home satellite services, or is used to receive or transmit fixed wireless signals via satellite; (b) an antenna which is less than one meter in diameter and is used to receive video programming services via multipoint distribution services, including multichannel multipoint distribution services, instruction television fixed services, and local multipoint distribution services or is used to receive or transmit fixed wireless signals other than via satellite; (c) an antenna which is designed to receive broadcast television broadcast signals; or (d) other antennas which are expressly permitted under applicable federal statutes or regulations. In the event a Permitted Antenna is no longer expressly permitted under applicable federal statutes or regulations, such antenna will no longer be a Permitted Antenna for purposes of this Section. Installation of Permitted Antennas shall not require the approval of the ARC.

A. All Permitted Antennas shall be installed with emphasis on being as unobtrusive as possible to the Community. To the extent that reception is not substantially degraded or costs unreasonably increased, placement shall be made in the following order of preference:

- (1) Inside the structure of the house, not visible from the street
- (2) Rear yard or side yard, behind and below the fence line
- (3) Rear yard or side yard, mounted on the house, in the least visible location below roofline
- (4) Side yard in front of wing fence, screened by and integrated into landscaping
- (5) Back rooftop
- (6) Front yard screened by and integrated into landscaping

- B. If more than one (1) location on the Lot allows for adequate reception without imposing unreasonable expense or delay, the order of preference described above shall be used, and the least visible site shall be selected.
- C. Permitted Antennas shall not encroach upon common areas or any other Owner's property.

3.7.2. Installation of Antennae/Satellite Dishes

- A. All installations must comply with all applicable building codes and other governmental regulations, and must be secured so they do not jeopardize the safety of residents or cause damage to adjacent properties. Any installation must strictly comply with FCC guidelines.
- B. Owners are responsible for all costs associated with the Permitted Antenna, including but not limited to costs to install, replace, repair, maintain, relocate, or remove the Permitted Antenna.
- C. All cabling must be run internally when feasible, must be securely attached, and must be as inconspicuous as possible. Permitted Antennas, masts and any visible wiring may be required to be painted to match the color of the structure to which they are attached. The Owner should check with the installer/vendor for the appropriate type of paint.
- D. All other antennas, not addressed above, are prohibited.

3.8. Awnings

Approval is required and Owners must comply with all requirements of Arapahoe County. Awnings should be an integral part of the house or patio design. The color shall be complimentary to the exterior of the residence.

See Section 3.39, Overhangs/Sunshades/Awnings - Cloth or Canvas.

3.9. Backyard Sport Pads.

Approval is required. Backyard, concrete pads for "sport" type courts must be approved by the ARC. The ARC will consider backyard sport courts based on pad size, Lot size and proximity to other Lots. Sport equipment installed or stored on or around the pad must be maintained at all times in a neat and clean manner.

3.10. Balconies

See Section 3.17, Decks.

3.11. Barbecue/Gas Grills

Approval is not required. All barbecue grills, smokers, etc. must be stored in the rear yard or within an enclosed structure, not visible from the front of the home.

3.12. Basketball Backboards

Approval is not required, subject to the following limitations. Portable basketball backboards shall be allowed if the following guidelines are met:

- A. Portable units cannot be placed in the public rights of way, streets, sidewalks or street lawns.
- B. Portable basketball backboards may be left out when not in use only if the backboard, hoop, and net are in good repair. Portable basketball backboards that are not in good repair, including the hoop and net, must be stored out of sight when not in use and may not be left out for more than 24 hours.

3.13. Birdbaths

Approval is not required, subject to the following limitations. Placement in front or side yard is not allowed. Birdbaths are only permitted in the rear yard.

See Section 3.66, Statues or Fountains.

3.14. Birdhouses and Bird Feeders

Approval is not required, subject to the following limitations. If installed in the rear yard and the size is limited to one foot by two feet, no approval is required. No more than three of each of a birdhouse or bird feeder shall be installed on any Lot. Birdhouses or bird feeders may be mounted on a pole, provided the pole shall not exceed five (5) feet in height.

3.15. Carports

See Section 3.2, Accessory Buildings

3.16. Clothes Lines and Hangers

Approval is not required, subject to the following limitations. Clotheslines may only be placed in the rear yard. Fixed clotheslines and hangers are not permitted. Temporary drying structures will be permitted so long as such structures are used solely in the rear yard of a lot and are immediately removed from sight after each use. Retractable clotheslines with permanent fixtures require approval.

3.17. Cloth or Canvas Overhangs

See Section 3.39, Overhangs/Sunshades/Awnings - Cloth or Canvas.

3.18. Decks

Approval is required. The deck must be harmonious (in configuration, detail, material and color) with the architecture of the house. Modifications or additions to Builder installed decks must incorporate the same materials, colors and detailing as the Builder's or approved existing deck. TREX or similar engineered composite wood type products are the preferred material for construction. Plastic, PVC or similar materials are prohibited.

The appropriate governmental permits may also required.

Changes in grade or drainage pattern must not adversely affect adjoining properties and shall comply with drainage change requirements of the Declaration.

Upper-level decks shall be attached directly to the house. Only ground level decks may be approved as freestanding decks. Decks shall not extend beyond the Lot boundaries into any common area. Depending on Lot location and orientation, decks should not project beyond the side walls of the house. The side walls of the house are defined as the major (structural) side walls and do not include bay windows, chimney enclosures, porches or other such projections. In certain situations, stairs and some portions of the deck may extend up to 4' beyond the side walls.

A solid trim board shall be provided on any open side of the deck to conceal the joists and cut ends of the decking. Underdeck screening should be compatible with the architecture of the house and deck. Any lattice must be properly framed and recessed.

Railings and other features such as privacy screens for attached housing must match the approved Builder design.

3.19. Dog Houses

Approval is required. Dog houses are restricted to ten (10) square feet and must be located in a fenced back yard or dog run. Dog houses must be installed at ground level, and must not be visible above the fence. Dog houses must also match the colors and materials of the exterior of the home. Limit of one dog house per Lot.

3.20. Dog Runs

Approval is required. Dog runs must be located in the rear or side yard, abutting the home and substantially screened from view by planting fast-growing or mature trees or shrubs. Dog runs will be limited to two hundred (200) square feet, unless a variance is granted by the ARC. Dog run fences should be left natural in color and sealed to prevent weathering. The ARC may adopt approved heights, stains and configurations for fencing. Covers (ex: tarps, sheets, blankets, etc.) on dog runs are not allowed.

3.21. Doors

Approval is not required for an already existing main entrance door to a home or an accessory building if the material matches or is similar to existing doors on the house and if the color is generally accepted as a complimentary color to that of existing doors on the house. Complementary colors would be the body, trim or accent colors of the house or white (for storm/screen doors).

- A. Storm Doors. Approval is not required for storm doors as long as the door is complimentary with the color scheme of the home. Owners wishing to utilize a different color must first obtain approval.
- B. Security Doors and Windows. All security or security-type doors and windows must be approved prior to installation.

3.22. Drainage

The Declaration requires that there be no interference with the established drainage pattern over any property. The established drainage pattern means the drainage pattern which exists at the time final grading of a Lot by the Developer or a Builder is completed. When installing your landscaping, it is very important to insure that water drains away from the foundation of the house and that the flow patterns prevent water from flowing under or against the house

foundation, walkways, sidewalks, and driveways into the street. The ARC may require a report from a drainage engineer as part of landscaping or improvement plan approval. Landscaping and all drainage from downspouts off the house should conform to the established drainage pattern. Sump pump drainage should be vented a reasonable distance from the property line, on the Owner's property, to allow for absorption. Adverse effects to adjacent properties, including CAB lands, sidewalks and streets, will not be tolerated.

3.23. Driveways

Approval is required for any changes or alterations to driveways. This includes construction of a pull-off area to the side of the driveway and/or concrete driveway extensions. Only clear sealant may be used on the driveway (no colors) and Owners will be required to maintain the driveways against oil spills, spalling/peeling/etc.

3.24. Evaporative Coolers

Approval is required. No rooftop or window mount installations are allowed. See Section 3.5, Air Conditioning Equipment.

3.25. Exterior Lighting

See Section 3.37, Lights and Lighting.

3.26. Fences

3.26.1. General Statement

Fences installed by the Sky Ranch Metropolitan District (District Fences) as indicated on Exhibit A are maintained (repaired, replaced if necessary and re-stained as necessary) by the District, except that an Owner of a lot that the District Fence adjoins is responsible for the repair of any damage caused by such Owner to the District Fence. Owners' shall maintain in good condition and repair and recondition all other fences located on their property at their own expense and as necessary and or required by the ARC.

3.26.2. [Reserved]

3.26.3. Fence Designs

All fences not installed by the Developer and/or Builder that are to be installed by an Owner require approval of the ARC and shall comply with County requirements, the fence specifications attached as Exhibit A or other design guidelines as may be adopted by the ARC. Double fencing of property lines shall not be permitted.

Fences on corner lots must be placed a minimum of 10' from back of walk along side of lot to allow for street trees.

3.26.4. Stain Color/Maintenance

All 3-rail wood Fences installed by Owners' are required to be stained in accordance with the following:

- Semi-Transparent Exterior Grain Stain in Natural Cedar – Manufactured by

Diamond Vogel or equal. – Assumes wood fence.

- All sides of wood fences must be stained.

All fences constructed by Owners' on lots shall be maintained in good condition and repair by the Owner. Fences installed by Owners' on their lot will be owned and maintained by the Owner. Fences installed by the Builder that are located on Owners lots will be owned and maintained by the Owner of the lot that the fence is located on. Adjoining lot owners shall resolve all fence maintenance issues amongst themselves and neither the Sky Ranch Metropolitan District, the CAB nor the ARC will be involved in any maintenance decisions or disputes among adjoining lot Owner that arise in connection therewith.

3.26.5. [Reserved]

3.26.6. Prior Approved Fencing

Replacement of any existing fencing must comply with the attached Exhibit A or the then current guidelines or ARC adopted standards related to fencing.

3.26.7. Pet Fencing

Pet fencing may include any invisible fence on or within the perimeter boundary of an Owner's lot. Wire mesh may be added to the interior lot side of the open 3-rail fence (See Exhibit A) for pet containment.

See Section 3.18, Dog Houses and Section 3.19, Dog Runs.

3.27. Fire Pits

Approval is required for all permanent or built-in structures. Approval is not required for portable units.

3.28. Firewood Storage

All firewood must be located in the side or rear yard, must be neatly stacked, shall not be visible from any street or the ground level of any other Lot, and must not be located so as to block established drainage patterns.

3.29. Flags/Flagpoles

Under no circumstance may the height of the flagpole exceed the height of the roofline of the residence. Flag size cannot exceed five (5) feet in length and three (3) feet in width.

American Flags: Owners shall be permitted to display an American flag in accordance with the Federal Flag Code and as follows:

- A. The flag shall be no larger than three (3) feet by five (5) feet.
- B. The flag may be displayed in a window or from a flagpole projecting horizontally from a location on the front of the dwelling.
- C. Flags and/or flagpoles shall be replaced as necessary in order to prevent wear and tear.

- D. Flags may not be illuminated without prior written approval of the ARC. Any request for lighting must detail the type and location of lighting. Lighting shall be placed so as not to disturb Owners of neighboring Lots.

An Owner or resident may display a service flag bearing a star denoting the Owner's or resident's or his family member's active or reserve U.S. military service during a time of war or armed conflict. The flag may be displayed on the inside of a window or door of the home on the Lot. The flag may not be larger than nine (9) inches by sixteen (16) inches.

3.30. Gardens - Flower or Vegetable

Approval is not required for flower or vegetable gardens that do not exceed two hundred fifty (250) total square feet. All gardens must be weeded, cared for and maintained. Vegetable gardens shall be located in the rear or side yard and should not be placed nor will be allowed within 5 feet of the foundation of the home.

3.31. Gazebos

Approval is required. A gazebo must be an integral part of the rear yard landscape plan and must be similar in material and design to the residence. The color must be generally accepted as a complementary color to the exterior of the residence.

3.32. Grading and Grade Changes

Owners are not permitted to alter the approved grading design of the lot so as to alter the drainage pattern of the lot. See Section 3.21, Drainage

3.33. Greenhouses

Approval is required. Generally, greenhouses are discouraged due to the extensive maintenance required. Approval will be based upon but not limited to general aesthetics, quality and permanence of materials used. Adequate screening will be required.

3.34. Hanging of Clothes

See Section 3.15, Clothes Lines and Hangers.

3.35. Hot Tubs and Jacuzzis

Approval is required. Hot tubs and Jacuzzis must be an integral part of the deck or patio area and of the rear yard landscaping, and be installed in such a way that it is not immediately visible to adjacent property Owners and that it does not create an unreasonable level of noise for adjacent property Owners. In some instances, additional plant material around the hot tub may be required for screening. Non-vegetative screening materials should match or complement the house or deck structure.

Prefabricated hot tub enclosures will be evaluated on a case-by-case basis, and may require additional plant material screening.

3.36. Kennels

Approval will not be granted. Breeding or maintaining animals for commercial purpose is prohibited.

Also see Section 3.19, Dog Runs.

3.37. Landscaping

Landscaping shall be completed within the time periods set forth in Section 2.7.

Approval is required. All Owners must comply with any applicable landscaping requirements of these Guidelines and if necessary the Arapahoe County Code. The plot plan of the residence and yard must be provided at a measurable scale. All organic materials (plants, shrubs, trees, etc.), building materials (stone, wood, edging, etc.), must be clearly labeled.

Front Yard:

- Front yard landscape shall consist of a combination of trees, sodded turf, and shrubs. Perennial and groundcover beds are not required but are encouraged. Annual plantings may also be a part of the overall design.
- A minimum of 1 Tree (deciduous 2.5" caliper or evergreen min 6' height) and 5 (5 gallon) shrubs are required to be installed in addition to the street trees (installed by builder). Additional trees, shrubs, perennials, and annuals are permitted and encouraged.
- Front yard evergreen trees to have maximum width of 15-20' at full growth.
- Front yard to have a minimum of 80% live coverage. Driveways are omitted from this calculation.
- Front yards shall have a drought tolerant species of sodded turf. No exclusively rock mulch yards or artificial turf yards will be permitted.
- Wood or rock mulch shall be used in front planting beds.
- Mulch with a commercial weed barrier fabric may be used in planting beds. Rock mulch of three-quarter (3/4") to one-half (1 1/2") is preferred. Larger cobble type rock mulch (2-4" diameter) may be permitted for drainage/swale areas or landscape enhancement areas with ARC approval.
- Planting on corner lots must meet safety requirements for Sight Distance Triangles.

Side Yard Open to Street

- A minimum of 80% live coverage required for areas located outside of the 5' building buffer.
- A combination of sodded turf and planting beds with shrubs, perennials, and annuals encouraged – particularly if visible from the street. 4-6 shrubs or ornamental grasses (or combination) is encouraged.

Side Yard Not Visible from Street

- Plant material not required – wood or rock mulch required to help prevent erosion and stabilize soils.

Back Yard

- Back yard landscaping required to have at least 1 tree (deciduous 2.5” caliper or evergreen 6’ height minimum) and a combination of sodded turf, planting beds and areas of wood or rock mulch.
- Back yards (exclusive of decks and patios) must be a minimum of 70% live coverage. Backyards will not be approved as hardscape or rock mulch only. Artificial turf allowed on a limited basis and with approval from the ARC.
- See sections 3.17 for deck regulations and section 3.43 for open patios. Patios must be integrated into the overall back yard landscape plan.

An automatic, underground irrigation system is required for all parts of the yard that require water.

The ARC may adopt approved landscape requirements and standards and suggested plant species lists, and all new landscape installations and improvements must meet said requirements. Owners are responsible for compliance with all applicable laws related to on lot landscaping of the Arapahoe County if required.

3.38. Leases

The term “lease,” as used herein, includes any agreement for the leasing or rental of a Unit, or any portion thereof, and shall specifically include short-term rentals and subleases. Any Owner has the right to lease its Unit, or any portion thereof, as long as all leases provide that the terms of the lease and lessee's occupancy of the leased premises are subject in all respects to the Governing Documents and laws; and that any failure by the lessee to comply with any of the aforesaid documents, in any respect, constitutes a default under the lease.

3.39. Lights and Lighting

Approval is not required for replacing existing lighting with the same lighting style and color as originally installed.

Approval is required to modify builder installed lighting fixtures or to add exterior lighting.

Approval is required to install motion detector spotlights, spotlights, floodlights or ballasted fixtures (sodium, mercury, multi-vapor, fluorescent, metal halide, etc.).

- A. Considerations will include, but may not be limited to, the visibility, style and location of the fixture.
- B. Exterior lighting for security and/or other uses must be directed at the ground and house, whereby the light cone stays within the property boundaries and the light source does not cause glare to other properties (bullet type light fixtures are recommended).

- C. Ground lighting along walks must be maintained in a working and slightly manner. Low-voltage or solar powered ground lighting fixtures which are typically affixed by stakes or similar posts are to be maintained in good aesthetic repair, be functional, not be a tripping or other physical hazard along pedestrian pathways, and remain generally vertical in their presentation.
- D. Holiday lighting and decorations do not require approval. It is required that they not be installed more than thirty (30) days prior to the holiday. They shall be removed within thirty (30) days following the holiday.

3.40. Maintenance

Each Lot (including adjacent tree lawn areas) shall always be maintained, repaired and replaced in a good, clean and slightly condition by the Owners of such Lot.

3.41. No Annoying Lights, Sounds

No light shall be emitted which is unreasonably bright or causes unreasonable glare and no sound shall be emitted which is unreasonably loud or annoying.

3.42. No Hazardous Activities; No Hazardous Materials or Chemicals

No activities shall be conducted on any Lot which are unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms shall be discharged upon any Lot, and no open fires shall be lighted or permitted on any Lot (except in a contained barbecue unit while attended and in use for cooking purposes or within an interior fireplace or outdoor fire pit powered by natural gas, propane or something similar). Further, no hazardous materials or chemicals shall at any time be located, kept or stored in, on or at any Lot, except such as may be contained in household products normally kept at homes for use of the residents thereof, and in such limited quantities so as not to constitute a hazard or danger to person or property.

3.43. Nuisances

No nuisance is permitted which is visible within or otherwise affects any portion of the Property, nor any use, activity or practice which interferes with the peaceful enjoyment or possession and proper use of any Unit, or any portion thereof, by its residents. As used herein, the term "nuisance" includes each violation of the Governing Documents.

3.44. Ornaments/Art - Landscape/Yard

Approval is not required for yard ornaments which are installed in the rear yard and which are of a height less than three (3) feet.

Up to three (3) small (less than 12 inches in height) front yard ornaments may be installed in the front yard without approval, as long as the ornament is installed at ground level and the color and design integrate into the landscape.

Approval is required for any other yard ornaments. See Section 3.66, Statues or Fountains.

3.45. Overhangs/Sunshades/Awnings- Cloth or Canvas

Approval is required. An overhang should be an integral part of the house or patio design. The color must be the same as, or generally recognized as, a complementary color to the exterior of the

residence. A swatch of material to be used must be provided with the review submittal.

See Section 3.41, Patio Covers.

3.46. Painting

Approval is not required to repaint a house if the color and/or color combinations are substantially the same as the original color scheme established on the home and/or accessory improvement and installed by the Builder. Any changes to the original color scheme installed by the Builder must be submitted for approval and must conform to the general color scheme of the Community.

3.47. Patio Covers

Approval is required. Patio covers must be constructed of material consistent with the home and be similar or generally recognized as complementary in color to the colors on the house. Freestanding patio covers may be permitted as well as extensions of the roof.

3.48. Patios - Enclosed

See Section 3.3, Additions and Expansions.

3.49. Patios - Open

Approval is required. Open patios must be an integral part of the landscape plan. In some instances, additional plant material around the patio may be required for screening or integration into the landscape design. The patio and materials must be similar or generally accepted as a complementary color and design to the residence.

See Section 3.17, Decks.

3.50. Paving

Approval is required, regardless of whether for walks, driveways, patio areas or other purposes, and regardless of whether concrete, asphalt, brick, flagstones, stepping stones, pre-cast patterned, or exposed aggregate concrete pavers are used as the paving material.

See Section 3.11, Driveways.

3.51. Pipes

Approval is required for all exterior pipes, conduits and equipment. Adequate screening may also be required.

3.52. Play Structures and Sports Equipment

Approval is required. Consideration will be given to adjacent properties (a minimum five (5) foot setback from the property line, is required for trampolines, swing sets, fort structures, etc.) so as not to create an undue disturbance. In some instances, additional plant material around the equipment may be required for screening. Wood structures must be constructed of pressure treated or other weather resistant materials. All play equipment must be maintained in a good and sightly manner. The use of multi-colored permanent cloth/canvas tarps will be considered on a case by case basis and consideration will be given to the colors requested so as to not be unsightly to adjacent residences. Height of any play structure or sports equipment may not exceed twelve (12)

feet.

3.53. Playhouses

Approval is not required if a structure is less than twenty-four (24) square feet and less than six (6) feet high, from highest point to the ground.

Approval is required for structures greater than twenty-four (24) square feet and/or greater than six (6) feet high, from the highest point to the ground.

See Section 3.2, Accessory Buildings.

3.54. Poles

See Section 3.28, Flags/Flagpoles.

3.55. Ponds and Water Features

Approval is required. Considerations by the ARC will include, but not be limited to, the following criteria:

- A.** Must be integrated into landscape scheme.
- B.** Setback shall be a minimum of five (5) feet from all property lines.
- C.** Must not affect existing drainage on the lot or off the property.
- D.** Must be maintained at all times.

3.56. Pools

Approval is required. Pools must be placed in the rear yard and be an integral part of the deck or patio area. They should be located in such a way that they are not immediately visible to adjacent property Owners (i.e. screened with plant material). Above ground pools and temporary pools are prohibited. One (1) wading pool, if less than eighteen (18) inches high and eight (8) feet in diameter, per Lot, is permitted on a temporary basis without prior approval, if placed in the rear yard.

See Section 3.34, Hot Tubs and Jacuzzis.

3.57. Radio Antennae

See Section 3.6, Antennae/Satellite Dishes.

3.58. Radon Mitigation Systems

Approval is not required. Any portion of the radon equipment located outside of the home shall be painted to match the colors on the home.

3.59. Residential Use; Profession or Home Occupation

Single-family homes may be used for residential use only, including uses which are customarily incident thereto, and may not be used at any time for business, commercial or professional purposes except that Owners may conduct business activities within their homes provided that they are in compliance with the ordinances of the County (as applicable) and all of the following conditions are satisfied, as determined by the Board:

- A. The business conducted is clearly secondary to the residential use of the dwelling unit and is conducted entirely within the dwelling unit;
- B. The existing or operation of the business is not detectable from the outside of the dwelling unit by sight, sound, smell or otherwise, or by the existence of signs;
- C. The business does not result in an undue volume of traffic or parking that affects the Community;
- D. The business conforms to all zoning provisions and is lawful in nature; and
- E. The business conforms to all District rules and regulations and policies and procedures.

3.60. Restrictions on Trash and Materials

No refuse, garbage, trash, lumber, grass, shrubs or tree clippings, plant waste, metal, bulk materials, scrap or debris of any kind shall be kept, stored, placed, deposited or allowed to accumulate outside, except that trash and recycling containers may be stored in a backyard and may be placed in a suitable location on a street solely for the purpose of trash or recycling pickup. All equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition.

3.61. Roofing Materials

Approval is required for all roofing materials other than those originally used by the Builder. All buildings constructed on a Lot should be roofed with the same or greater quality and type of roofing material as originally used by the Builder.

Approval is not required for repairs to an existing roof with the same building material and color that exist on the building.

3.62. Rooftop Equipment

Approval is required but generally will not be allowed. Equipment must be painted a color similar or generally accepted as complimentary to the roofing material of the house. All rooftop equipment shall be installed so as to minimize its visibility.

See Section 3.64, Solar Energy Devices.

3.63. Satellite Dishes

See Section 3.6, Antennae/Satellite Dishes.

3.64. Saunas

See Section 3.2, Accessory Buildings.

3.65. Screen Doors

See Section 3.20, Doors.

3.66. Seasonal Decorations

Approval is not required if installed on a lot within thirty (30) days of a holiday, provided that an Owner is keeping with the Community standards, and provided that the decorations are removed within thirty (30) days of the holiday.

See Section 3.37, Lights and Lighting.

3.67. Security Devices.

Approval is not required. Security devices, including cameras and alarms, must be selected, located and installed so as to be an integral part of the house and not distract from the home's architecture and appearance. Cameras and housing sirens, speaker boxes, conduits and related exterior elements should be unobtrusive and inconspicuous. Such devices should be located where not readily visible and should be a color that blends with or matches the surface to which it is attached.

3.68. Sheds

See Section 3.2, Accessory Buildings.

3.69. Shutters - Exterior

Approval is required and generally will not be approved if the shutters are not of the same design, material and/or color as originally installed by the Builder. New proposed shutters should be appropriate for the architectural style of the home and be of the appropriate proportion to the windows they frame. Shutters should be the same color as the "accent" color of the home (typically the same as the front door or other accent details).

3.70. Siding

Approval is required.

3.71. Signs

Approval is not required for one "For Sale," or "For Rent," of not more than five (5) square feet and one "Open House," or security sign of not more than two (2) square feet, and one (1) yard/garage sale signs which is no larger than 36" x 48". Such signs may be installed in the front yard or on the back yard fence of the Lot.

Political signs (defined as signs that carry a message intended to influence the outcome of an election, including supporting or opposing the election of a candidate, the recall of a public official, or the passage of a ballot issue) may be displayed within the boundaries of an Owner's or resident's Lot without approval, political signs shall not exceed 36" by 48" in size. Only one sign per candidate, recall or ballot issue may be placed on any Lot.

Approval is required for all other signs. No lighted sign will be permitted unless utilized by the Developer and/or a Builder.

3.72. Solar Energy Devices

Approval is required in order to review aesthetic conditions. Photovoltaic (PV) Solar panels must lay flat on the roof (provided that such requirement does not prevent the installation of a solar system), meet all applicable safety, building codes and electrical requirements, including solar panels for thermal systems (solar water heaters). The ARC is allowed to request changes as long as they don't significantly increase the cost or decrease the efficiency of the proposed device and panels.

3.73. Spas

See Section 3.34, Hot Tubs and Jacuzzis.

3.74. Statues or Fountains

Approval is not required if statues or fountains are installed in the rear yard and are not greater than four (4) feet in height from the highest point, including any pedestal.

Approval is required if the statue or fountain is proposed for the front yard. Statue or fountain location in the front yard should be located close to the main entrance of the house.

See Section 3.12, Birdbaths and Section 3.38, Ornaments/Art - Landscape/Yard

3.75. Storage Sheds

See Section 3.60, Sheds and Section 3.2, Accessory Buildings.

3.76. Sunshades

See Section 3.39, Overhangs/Awnings-Cloth or Canvas and Section 3.41, Patio Covers.

3.77. Swamp Coolers

See Section 3.5, Air Conditioning Equipment, Section 3.23, Evaporative Coolers, and Section 3.54, Rooftop Equipment.

3.78. Swing Sets

See Section 3.46, Play Structures and Sports Equipment.

3.79. Television Antennae

See Section 3.6, Antennae/Satellite Dishes.

3.80. Trash Removal Services & Recycling

The Community has centralized trash removal and recycling services. When not out for the purposes of pick-up, trash and recycling receptacles will be screened from street view; behind wing fencing, or enclosed in the garage or an accessory building. All receptacles and storage enclosures shall be planned as a part of the total fencing and landscape design, and may be subject to ARC approval.

3.81. Tree Houses

Approval will not be granted. Tree houses are not permitted.

3.82. Vanes

See Section 3.77, Weather Vanes and Directionals.

3.83. Vehicular Parking, Storage and Repairs*

- A. The garage area and driveway of each Lot should first be fully used for the parking of vehicles before any street parking is done. However, notwithstanding the foregoing, street parking is not restricted by this Section.
- B. Commercial vehicles, vehicles with commercial writing on their exteriors, vehicles primarily used or designed for commercial purposes, 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, may only be parked in enclosed garages, driveways or specific areas, if any, which may be designated by ARC. This restriction, however, does 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, and such restriction does not prohibit vehicles that may be otherwise parked as a temporary expedient for loading, delivery or emergency, or emergency service vehicles. Stored vehicles and vehicles which are inoperable or do not have current operating licenses are not permitted on the Property except within enclosed garages or with the prior approval (which may be with conditions and/or requirements) of the ARC.
- C. Any vehicle maintenance activity, including maintenance, repair, rebuilding, dismantling, repainting or servicing of any kind of vehicles, trailers or boats on the Property, shall be performed within completely enclosed structure(s) or screened to reduce the sight and sound of the activity from the street and from adjoining property. Any Owner or other Person undertaking any such activities will be solely responsible for, and assumes all risks of, such activities, including adoption and utilization of all necessary safety measures, precautions and ventilation. However, the foregoing restrictions do not prevent washing and polishing of any motor vehicle, boat, trailer, motor-driven cycle, or other vehicle on a Lot, together with those activities normally incident and necessary to such washing and polishing.
- D. In the event the ARC determines that a vehicle is parked or stored in violation of these Guidelines or the Declaration, then the ARC shall deliver a written notice describing said vehicle to the owner thereof (if such owner can be reasonably ascertained) or conspicuously place such notice upon the vehicle (if the owner thereof cannot be reasonably ascertained), and if the vehicle is not removed within a reasonable time thereafter, as determined by the ARC, then the ARC may have the vehicle removed at the sole expense of the owner thereof.

3.84. Vents

See Section 3.54, Rooftop Equipment.

3.85. Walls

See Section 3.25, Fences and Section 3.76, Walls, Retaining.

3.86. Walls, Retaining

Approval is required except that an Owner may replace a builder-installed wall with like material.

New or old creosote treated timber railroad ties are prohibited.

3.87. Weather Vanes and Directionals

Approval is required.

3.88. Wind Electric Generators

Approval is required. In addition to ARC approval, windmills and any other type of fixture, which fall under the criteria of a wind generator, or are used to generate power etc., must meet the requirement of the C.R.S. 40-2-124 and any applicable regulations of the Colorado Public Utilities Commission.

3.89. Windows Replacement

Approval is required. Considerations will include, but may not be limited to, size, color, existing and proposed window style and style of home.

3.90. Windows: Tinting, Security Bars, Well Covers, etc.

Approval is not required for window well covers that are manufactured with metal or plexiglass. All others will require ARC approval.

Approval is required for any visible window tinting. Highly reflective and/or dark tinting is considered too commercial for residential applications and is not permitted.

Approval is required for security bars and generally will not be approved.

3.91. [Reserved]

3.92. Xeriscape

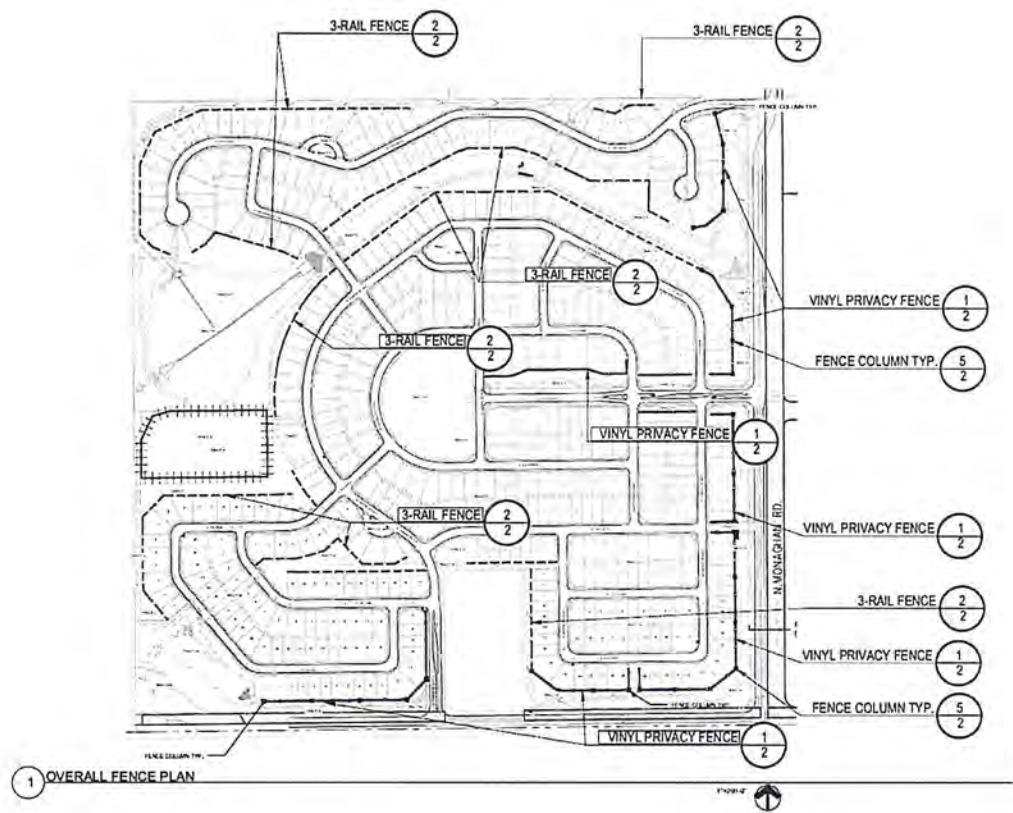
Approval is required. Using drought tolerant plantings and other water conservation methods of landscaping is encouraged; however, the design must be approved. Xeriscape uses much less water than typical suburban residential landscape, but it does not mean that large areas of river rock or mulch will be allowed in place of green, growing plant material.

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EXHIBIT A

(see attached Overall Fence Plan, and Fence Details)

EXHIBIT A - OVERALL FENCE PLAN

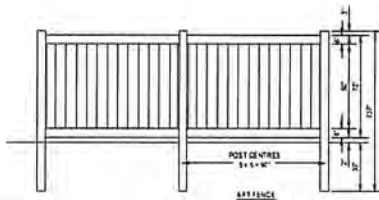


FENCE LEGEND	
	6' PRIVACY FENCE WITH COLUMNS / INSTALLED & MAINTAINED BY DISTRICT
	6' PRIVACY FENCE / INSTALLED & MAINTAINED BY DISTRICT / WWTP
	3-RAIL FENCE / INSTALLED & MAINTAINED BY BUILDER/HOMEOWNER

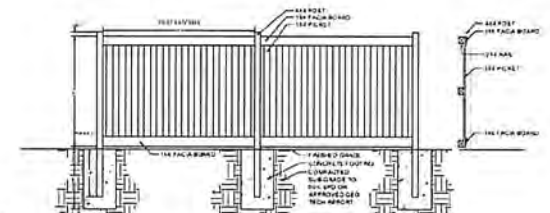
GENERAL FENCE NOTES

1. DISTRICT FENCES SHALL BE ALLOWED AND INSTALLED BY BUILDER/HOMEOWNER
2. ALLOWABLE ON LOT FENCING INCLUDES 6' PRIVACY FENCE UNLESS OTHERWISE NOTED ON THIS OVERALL FENCE PLAN
3. WHEN FENCING A 6' FENCE OR STRUCTURE SHALL BE INSTALLED ACROSS A DRIVEWAY & DRIVEWAY CASING
4. IN ANY SCENARIO THAT A FENCE OR STRUCTURE DOES CROSS A DRIVEWAY EASEMENT SAID FENCE OR STRUCTURE SHALL NOT RESTRICT FUTURE DRIVEWAY
5. PRIVACY FENCE ADJACENT TO INTERNAL ROADS REQUIRES 6' COLUMN EVERY 10' SEE SHEET 2 OF 2 FOR COLUMN DETAIL

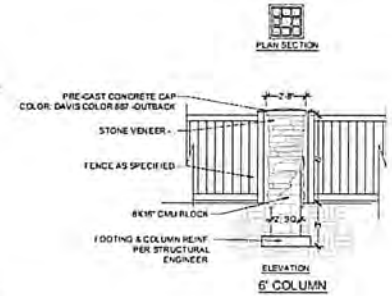
EXHIBIT A - FENCE DETAILS



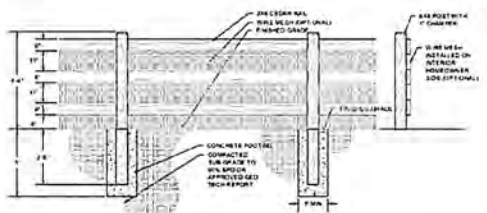
1 PRIVACY FENCE - VINYL
 NOTES:
 1. WHERE FENCE FACE IS EXTERIOR, HANDRAILS AND DRAIN COLUMN WILL BE NEEDED EVERY 20' TO DRAIN OUT.
 2. PRIVACY FENCE WITH USE OF TOPS IN VARIOUS SPACING IS SUBJECT TO METALS INSTALLMENT TO OPEN VINYL AND WINDING.
 3. INSTALLATION TO BE COMPLETED ACCORDING TO MANUFACTURER'S SPECIFICATIONS.
 4. INSTALLATION TO BE COMPLETED WITHIN 90 DAYS OF THE DATE OF THE CONTRACT.
 5. THE COLOR TO BE AS APPROVED BY ARCHITECTURAL REVIEW COMMITTEE.
 6. INSTALLATION TO BE COMPLETED BY QUALIFIED CONTRACTOR.
 7. AREA SET AS PROVIDED BY SURVEY.



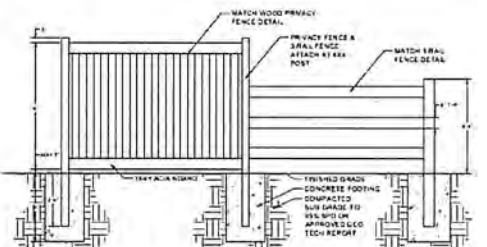
3 PRIVACY FENCE - WOOD
 NOTES:
 1. PRIVACY FENCE BE MAY BE USED BETWEEN ADJACENT LOTS LINES ADJACENT TO STREET TO STREET LINES ADJACENT TO OPEN SPACE AND DRILLING AND
 2. ALL WOOD TO BE SEASONED
 3. STAIN COLOR TO BE AS APPROVED BY ARCHITECTURAL REVIEW COMMITTEE
 4. INSTALLATION TO BE COMPLETED BY QUALIFIED CONTRACTOR
 5. USE COMMON NAIL FASTENERS



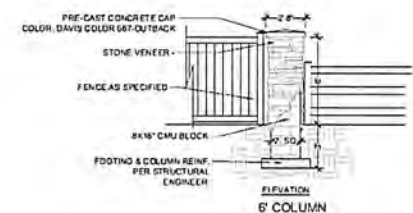
5 FENCE COLUMN
 NOTES:
 1. JOINTS SHALL NOT EXCEED 1/4\"/>



2 3-RAIL FENCE - MESH OPTIONAL
 NOTES:
 1. ALL FENCE MATERIAL TO BE DRAIN
 2. USE COMMON NAIL FASTENERS
 3. STAIN COLOR TO BE AS APPROVED BY ARCHITECTURAL REVIEW COMMITTEE



4 PRIVACY FENCE (WOOD) - TRANSITION TO 3-RAIL FENCE (WOOD)
 NOTES:
 1. PRIVACY FENCE AND 3-RAIL FENCE TO MATCH WITH TRANSITION
 2. ALL FENCE MATERIAL TO BE SEASONED
 3. USE COMMON NAIL FASTENERS



5 FENCE COLUMN
 NOTES:
 1. JOINTS SHALL NOT EXCEED 1/4\"/>



APPENDIX A: ARCHITECTURAL REVIEW REQUEST FORM

ARCHITECTURAL REVIEW REQUEST FORM

CAB FOR OFFICE USE ONLY

Date Received: - - - - -

Crucial Date: - - - - -

Date Sent to Entity: _ _

Date Rcvd from Entity: _ _ - - - - -

HOMEOWNER NAME(S):

ADDRESS:

PHONE(S):

My request involves the following type(s) of improvement(s):

- | | | |
|--|--|--|
| <input type="checkbox"/> Landscaping | <input type="checkbox"/> Deck/Patio Slab | <input type="checkbox"/> Roofing |
| <input type="checkbox"/> Drive/Walk Addition | <input type="checkbox"/> Patio Cover | <input type="checkbox"/> Room Addition |
| <input type="checkbox"/> Basketball
Backboard | <input type="checkbox"/> Fencing | <input type="checkbox"/> Other: |

Include two copies of your plot plans, and describe improvements showing in detail what you intend to accomplish (see Article 2). Be sure to show existing conditions as well as your proposed improvements and any applicable required screening (see the Landscape and Design Guidelines for requirement details for your specific proposed Improvement).

I understand that I must receive approval from the ARC in order to proceed with installation of Improvements if Improvements vary from the Landscape and design Guidelines or, are not specifically exempt. I **understand that I may not alter the drainage on my lot.** I understand that the ARC is not responsible for the safety of Improvements, whether structural or otherwise, or conformance with building codes or other governmental laws or regulations, and that I may be required to obtain a building permit to complete the proposed Improvements. The ARC and the members thereof, as well as the District, the Board of Directors, or any representative of the ARC, shall not be liable for any loss, damage or injury arising out of or in any way connected with the performance of the ARC for any action, failure to act, approval, disapproval, or failure to approve or disapprove submittals, if such action was in good faith or without malice. All work authorized by the ARC shall be completed within the time limits established specified below, but if not specified, not later than one year after the approval was granted. I further understand that following the completion of my approved Improvement the ARC reserves to right to inspect the Improvement at any time in order to determine whether the proposed Improvement has been completed and/or has been completed in compliance with this Architectural Review Request.

Date: _____ Homeowner's Signature: _____

ARC Action:

- Approved as submitted
- Approved subject to the following requirements:

- Disapproved for the following reasons:

All work to be completed no later than: _____

DRC/ARC Signature: _____

Date: _____

SUBMITTAL FEES

Submittal Fees shall be charged on the following schedule each submittal:

- Landscape Review - \$50
- Fence Review - \$25
- A Main Building Addition, Deck, Patio, Site Plan, Footprint (including Driveway) Review - \$100
- Paint Color - \$25
- All other items - \$25

RESOLUTION NO. 2019-03-03

RESOLUTION OF THE BOARD OF DIRECTORS OF SKY RANCH COMMUNITY
AUTHORITY BOARD ADOPTING THE POLICIES AND PROCEDURES
GOVERNING THE ENFORCEMENT OF THE COVENANTS, CONDITIONS AND
RESTRICTIONS FOR SKY RANCH

A. The Sky Ranch Community Authority Board (the “CAB”) is a political subdivision and public corporation of the State of Colorado, formed pursuant to Sections 29-1-203 and -203.5, C.R.S., and that certain Amended & Restated Sky Ranch Community Authority Board Establishment Agreement (“CABEA”), dated September 18, 2018, and effective November 13, 2017, by and between Sky Ranch Metropolitan District No. 1 and Sky Ranch Metropolitan District No. 5, each a quasi-municipal corporation and political subdivision of the State of Colorado located in Arapahoe County, Colorado (each a “Sky Ranch District” and collectively the “Sky Ranch Districts”), as may be amended and/or modified from time to time.

B. Pursuant to the CABEA and Section 29-1-203.5(2)(a), C.R.S., the CAB is authorized to exercise any general power of a special district specified in part 10 of article 1 of title 32, C.R.S.

C. Pursuant to the CABEA and Section 32-1-1001(1)(m), C.R.S., the CAB has the power “to adopt, amend and enforce bylaws and rules and regulations not in conflict with the constitution and laws of this state for carrying on the business, objects, and affairs of the board and of the [Sky Ranch Districts].”

D. Pursuant to the CABEA and Section 32-1-1001(1)(j)(I), C.R.S., the CAB has the power “to fix and from time to time to increase or decrease fees, rates, tolls, penalties or charges for services, programs, or facilities furnished by the [CAB and/or the Sky Ranch Districts].”

E. The owner of the real property in Sky Ranch has caused to be recorded the Covenants, Conditions and Restrictions for Sky Ranch (the “Declaration”), recorded on August 10, 2018, at Reception No. D8079588 of real property records of Arapahoe County, Colorado, which Declaration declares that the Sky Ranch property, as described therein (the “Property”), is and shall be subject to the Declaration and shall be owned, held, conveyed, encumbered, leased, improved, used, occupied, enjoyed, sold, transferred, hypothecated, maintained, altered and otherwise enjoyed in accordance with and subject to the covenants and use restrictions contained therein.

F. Pursuant to Section 32-1-1004(8), C.R.S., and pursuant to the Sky Ranch Districts’ respective Service Plans, a metropolitan district may provide covenant enforcement within the district if the declaration, rules and regulations, or any similar document containing the covenants to be enforced for the area within the metropolitan district name the metropolitan district as the enforcement and design review entity.

G. The Declaration provides that it is the intention of the declarant to empower the CAB to provide covenant enforcement services to the Property.

H. The Declaration provides that CAB shall enforce each of the provisions provided therein on behalf of the Sky Ranch Districts and the Property.

I. Pursuant to the Declaration and the CABEA, the CAB is authorized promulgate, adopt, enact, modify, amend and repeal covenant enforcement rules and regulations (“**Rules and Regulations**”), as may be amended from time to time, with respect to any violation(s) or alleged violation(s) of the Declaration.

J. The Board of Directors for the CAB (the “**Board**”) adopted Resolution 2018-04-01, Resolution of the Board of Directors of Sky Ranch Community Authority Board Acknowledging and Adopting the Covenants, Conditions and Restrictions for Sky Ranch, which acknowledged the CAB’s authority to administer and enforce the Declaration.

K. The CAB desires to provide for the orderly and efficient enforcement of the Declaration by adopting Policies and Procedures Governing the Enforcement of the Declaration of Sky Ranch.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SKY RANCH COMMUNITY AUTHORITY BOARD OF ARAPAHOE COUNTY, COLORADO:

1. The Board of Directors of the CAB hereby adopt the Policies and Procedures Governing the Enforcement of the Declaration of Sky Ranch as described in Exhibit A, attached hereto and incorporated herein by this reference (“**Policies and Procedures**”).

2. The Board of Directors declares that the Policies and Procedures are effective as of February 8, 2019.

3. Judicial invalidation of any of the provisions of this Resolution or of any paragraph, sentence, clause, phrase or word herein, or the application thereof in any given circumstances, shall not affect the validity of the remainder of this Resolution, unless such invalidation would act to destroy the intent or essence of this Resolution.

4. Nothing herein shall be interpreted or construed as limiting the Board’s authority, in its sole and absolute discretion, to supplement or amend this Resolution from time to time.

5. Any inquiries pertaining to the Policies and Procedures may be directed to the Manager for the CAB at: Lisa Johnson, Special District Management Services, Inc., 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228, phone number: 303-987-0835.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO RESOLUTION OF THE BOARD OF DIRECTORS OF SKY RANCH COMMUNITY AUTHORITY BOARD ADOPTING THE POLICIES AND PROCEDURES GOVERNING THE ENFORCEMENT OF THE COVENANTS, CONDITIONS AND RESTRICTIONS FOR SKY RANCH]

APPROVED AND ADOPTED this 8th day of March, 2019.

SKY RANCH COMMUNITY AUTHORITY BOARD

By: _____

President



Attest:


Secretary or Assistant Secretary

EXHIBIT A

**POLICIES AND PROCEDURES GOVERNING THE ENFORCEMENT OF THE
DECLARATION OF SKY RANCH**

Preamble

The Board of Directors (the “**Board**”) of the Sky Ranch Community Authority Board (the “**CAB**”), has adopted the following Policies and Procedures Governing the Enforcement of the Covenants, Conditions and Restrictions for Sky Ranch (“**Policies and Procedures**”) pursuant to Sections 32-1-1001(1)(j)(I), 32-1-1001(i)(m), and Section 32-1-1004(8), C.R.S. These Policies and Procedures provide for the orderly and efficient enforcement of the Covenants, Conditions and Restrictions for Sky Ranch, recorded on August 10, 2018, at Reception No. D8079588 of real property records of Arapahoe County, Colorado, and as may be amended from time to time (the “**Covenants**”).

Pursuant to the Covenants, it is the intention of the declarant to empower the CAB to provide covenant enforcement services to the residents of the Sky Ranch Metropolitan Districts.

The CAB, pursuant to the provisions of the respective Service Plans for the Sky Ranch Metropolitan Districts, as they have been and may be amended from time to time, pursuant to that certain Amended & Restated Sky Ranch Community Authority Board Establishment Agreement, dated September 18, 2018, and effective November 13, 2017, by and between Sky Ranch Metropolitan District No. 1 and Sky Ranch Metropolitan District No. 5 , as may be amended and/or modified from time to time (“**CABEA**”), and pursuant to the Covenants, may enforce the Covenants through any proceeding in law or in equity against any Person(s) violating or attempting to violate any provision therein. Possible remedies include all of those available at law or in equity. In addition, the CAB has the right to send demand letters and notices, to levy and collect fines, to negotiate, to settle, and to take any other actions, with respect to any violation(s) or alleged violation(s) of the Covenants.

Unless otherwise specified, all references to the “**CAB**” made herein shall refer to the Sky Ranch Community Authority Board and its Board of Directors. The CAB has retained a management company (the “**CAB Manager**”) to assist it in managing its affairs, including the assessment and collection of penalties for violations of the Covenants under these Policies and Procedures.

ARTICLE 1. SCOPE OF POLICIES AND PROCEDURES

1.1 Scope. These Policies and Procedures shall apply to the enforcement of the Covenants, including the Design and Landscape Guidelines and/or other rules and regulations or guidelines adopted pursuant thereto, as well as any reimbursable costs incurred by the CAB for enforcing the Covenants and for correction of noncompliance with the Covenants, including but not limited to, abatement of unsightly conditions, towing and storage of improperly parked vehicles, removal of trash, and removal of non-complying landscaping or improvements.

ARTICLE 2.
VIOLATIONS OF THE COVENANTS

2.1 Violations. Any Person violating any provisions of the Covenants shall be liable to the CAB for any expense, loss, or damage occasioned by reason of such violation and shall also be liable to the CAB for the penalties set forth in Article 2.3 below.

2.2 Notice of Violation. A Notice of Violation shall be sent upon a determination, following investigation, by the CAB Manager that a violation is likely to exist. Such Notice of Violation shall set forth the specifics of the alleged violation and the time period within which the alleged violation must be corrected, pursuant to the following classification guidelines:

a. Class I Violation: a violation that, in the sole discretion of the CAB, can be corrected immediately and/or does not require submission to, and approval by, the CAB of any plans and specifications. Class I Violations include, but are not limited to, parking violations, trash violations and other violations of the Covenants concerning annoying lights, sounds or odors. Class I Violations can in most cases be corrected within seven (7) days of notification. If the violation is not corrected within seven (7) days of notification, the CAB may take any appropriate action necessary to remedy the violation, including but not limited to, abatement of unsightly conditions, towing and storage of improperly parked vehicles, and removal of trash, etc.

b. Class II Violation: a violation that, in the sole discretion of the CAB, cannot be corrected immediately and/or require plans and specifications to be submitted to, and approval by, the CAB prior to any corrective action. Class II Violations include, but are not limited to, violations of the Covenants related to landscaping and construction of, or modification to, improvements. Class II Violations can in most cases be corrected within thirty (30) days of notification. If the violation is not corrected within thirty (30) days of notification, the CAB may take any appropriate action necessary to remedy the violation, including but not limited to, removing the non-complying landscaping or improvement.

2.3 Penalties. Penalties for violations of the Covenants shall be assessed as follows. Any penalties that have not been paid by the applicable due date shall be considered delinquent (the "Delinquent Account").

- a. First Offense – Notice of Violation, no penalty
- b. Second Repeated Offense –\$25.00
- c. Third Repeated Offense – Up to \$50.00

ARTICLE 3.
INTEREST

3.1 Interest. Interest charges shall accrue and shall be charged on all amounts not paid by the applicable due date, including delinquent penalties and any amounts expended by the CAB to cure a violation of the Covenants or amounts expended by the CAB to repair

damages caused as a result of a violation of the Covenants. Interest charges shall accrue and shall be charged at the maximum statutory rate of eighteen percent (18%) per annum.

ARTICLE 4.
LIEN FILING POLICIES AND PROCEDURES

4.1 Perpetual Lien. Pursuant to Section 32-1-1001(1)(j)(I), C.R.S., all Fees and Charges, until paid, shall constitute a perpetual lien on and against the Property to be served by the CAB. Except for the for the lien against the Property created by the imposition of property taxes by the CAB and other taxing jurisdictions pursuant to Section 32-1-1202, C.R.S., all liens for unpaid Fees and Charges shall to the fullest extent permitted by law, have priority over all other liens of record affecting the Property and shall run with the Property and remain in effect until paid in full. All liens contemplated herein may be foreclosed as authorized by law at such time as the CAB in its sole discretion may determine. Notwithstanding the foregoing, the lien policies and procedures set forth herein shall be implemented in order to ensure an orderly and fair execution of the lien filing and collections process.

4.2 CAB Manager's Procedures. The CAB Manager shall be responsible for collecting Fees and Charges imposed by the CAB against the Property. In the event payment of Fees and Charges is delinquent, the CAB Manager shall perform the procedures listed below. Any Fees and Charges which have not been paid by the applicable due date are considered delinquent:

a. Fifteen (15) Business days Past Due. A delinquent payment "Reminder Letter" shall be sent to the address of the last known owner of the Property according to the CAB Manager's records. In the event the above mailing is returned as undeliverable, the CAB Manager shall send a second copy of the Reminder Letter to: (i) the Property; and (ii) the address of the last known owner of the Property as found in the real property records of the Arapahoe County, Colorado Assessor's office (collectively the "**Property Address**"). Said Reminder Letter shall request prompt payment of amounts due.

b. On the Fifteenth (15) Business day of the Month Following the Scheduled Due Date for Payment. A "Warning Letter" shall be sent to the Property Address requesting prompt payment and warning of further legal action should the Property owner fail to pay the total amount owing. Along with the Warning Letter, a summary of these Policies and Procedures, and a copy of the most recent account ledger reflecting the total amount due and owing to the CAB according to the records of the CAB Manager shall also be sent.

c. First (1) Business day of the Month Following the Postmark Date of the Warning Letter. Once the total amount owing on the Property, inclusive of Interest and Costs of Collections as defined below, has exceeded One Hundred Twenty Dollars (\$120.00) and the CAB Manager has performed its duties outlined in these Policies and Procedures, the CAB Manager shall prepare a list of Delinquent Accounts for the Board's consideration. The Board shall determine whether to authorize the CAB Manager's referral of any such Delinquent Account to the CAB's Covenant Enforcement Counsel (the "**Covenant Enforcement Counsel**"). If the amount owing on the Delinquent Account is less than One Hundred Twenty Dollars (\$120.00), the CAB Manager shall continue to monitor the Delinquent Account until the amount owing on such account is One Hundred Twenty Dollars (\$120.00) or greater and use

reasonable efforts to resolve the delinquency. If the Board determines not to authorize the CAB Manager to refer a Delinquent Account to Covenant Enforcement Counsel, the CAB Manager shall continue to monitor the Delinquent Account and use reasonable efforts to resolve the delinquency. At the time of such referral, the CAB Manager shall provide Covenant Enforcement Counsel with copies of all notices and letters sent and a copy of the most recent ledger for the Delinquent Account.

4.3 Covenant Enforcement Counsel Procedures. Upon referral of a Delinquent Account from the CAB Manager, Covenant Enforcement Counsel shall perform the following:

a. Upon Referral of the Delinquent Account from the CAB Manager. A "Demand Letter" shall be sent to the Property Address, notifying the Property owner that his/her Property has been referred to Covenant Enforcement Counsel for further collections enforcement, including the filing of a lien against the Property. Along with the Demand Letter, a copy of the most recent account ledger reflecting the total amount due and owing the CAB according to the records of the CAB Manager shall also be sent.

b. No Earlier Than Thirty (30) Business days from the Date of the Demand Letter. A Notice of Intent to File Lien Statement, along with a copy of the lien to be filed, shall be sent to the Property Address of the Delinquent Account notifying the Property owner that a lien will be filed within thirty (30) days of the Notice of Intent to File Lien Statement postmark date.

c. No Earlier Than Ten (10) Business days from the Postmark Date of the Notice of Intent to File Lien Statement. A lien for the total amount owing as of the date of the lien shall be recorded against the Property with the County Clerk and Recorder's Office; all Fees and Charges, Interest, and Costs of Collection (as defined below) will continue to accrue on the Delinquent Account and will run with the Property until the total amount due and owing the CAB is paid in full.

ARTICLE 5. COSTS OF COLLECTIONS

"Costs of Collections" are generated by the CAB Manager and Covenant Enforcement Counsel's collection efforts. They consist of the following fixed rates and hourly fees and costs:

5.1 Action Fees. The following fixed rate fees shall be charged to a Delinquent Account once the corresponding action has been taken by either the CAB Manager or Covenant Enforcement Counsel:

a. Reminder Letter Fee. No charge for the Reminder Letter. This action is performed by the CAB Manager.

b. Warning Letter Fee. Fifteen Dollars (\$15.00) per Warning Letter sent. This action is performed by the CAB Manager.

c. Demand Letter Fee. Fifty Dollars (\$50.00) per Demand Letter sent. This action is performed by Covenant Enforcement Counsel.

d. Notice of Intent to File Lien Fee. One Hundred Fifty Dollars (\$150.00) per Notice of Intent to File Lien Statement sent. This action is performed by Covenant Enforcement Counsel.

e. Lien Recording Fee. One Hundred Fifty Dollars (\$150.00) per each lien recorded on the Property. This action is performed by Covenant Enforcement Counsel.

f. Lien Release Fee. One Hundred Fifty Dollars (\$150.00) per each lien recorded on the Property. This action is performed by Covenant Enforcement Counsel.

5.2 Attorney Hourly Fees and Costs. After a lien has been filed, all hourly fees and costs generated by Covenant Enforcement Counsel to collect unpaid Fees and Charges shall also be assessed to the Delinquent Account.

5.3 Recovery of Costs of Collections. In accordance with Section 29-1-1102(8), C.R.S., nothing in these Policies and Procedures shall be construed to prohibit the CAB from recovering all the Costs of Collections whether or not outlined above.

ARTICLE 6.

WAIVER OF INTEREST AND COSTS OF COLLECTIONS

6.1 Waiver of Interest. The CAB Manager and Covenant Enforcement Counsel shall each have authority and discretion to waive or reduce portions of the Delinquent Account attributable to Interest. Such action shall be permitted if either the CAB Manager or Covenant Enforcement Counsel, in its discretion, determines that such waiver or reduction will facilitate the payment of the penalties due. Notwithstanding, if the cumulative amount due and owing the CAB on the Delinquent Account exceeds One Thousand Dollars (\$1,000.00), neither the CAB Manager nor Covenant Enforcement Counsel shall have any authority to waive or reduce any portion of the Interest. In such case, the person or entity owing in excess of One Thousand Dollars (\$1,000.00) shall first submit a request for a waiver or reduction, in writing, to the CAB, and the CAB shall make the determination in its sole discretion.

6.2 Waiver of Delinquent Penalties and Costs of Collections. Neither the v Manager nor Covenant Enforcement Counsel shall have the authority to waive any portion of delinquent penalties or Costs of Collections. Should the Property owner desire a waiver of such costs, she/he shall submit a written request to the CAB, and the CAB shall make the determination in its sole discretion.

6.3 No Waiver of Future Interest. Any waiver or reduction of Interest or other costs granted pursuant to Sections 6.1 and 6.2 hereof shall not be construed as a waiver or reduction of future Interest, or as the promise to waive or reduce future Interest. Nor shall any such waiver or reduction be deemed to bind, limit, or direct the future decision-making power of the CAB, CAB Manager, or Covenant Enforcement Counsel, whether related to the Property in question or other properties within the CAB's service area.

ARTICLE 7.
OPPORTUNITY TO BE HEARD

7.1 Opportunity to be Heard. Individuals who receive any notice or demand pursuant to these Policies and Procedures may request a hearing in accordance with the procedures set forth herein, or in the alternative, may elect to follow the Alternative Dispute Resolution procedures set forth in the Covenants.

7.2 Hearing Process. The hearing and appeal procedures established by this Article shall apply to all complaints concerning the interpretation, application, or enforcement of the Covenants, as each now exists or may hereafter be amended.

a. Complaint. Complaints concerning the interpretation, application, or enforcement of the Covenants must be presented in writing to the CAB Manager, or such representative as he or she may designate. Upon receipt of a complaint, the CAB Manager or designated representative, after a full and complete review of the allegations contained in the complaint, shall take such action and/or make such determination as may be warranted and shall notify the complainant of the action or determination by mail within fifteen (15) business days after receipt of the complaint. Decisions of the CAB Manager which impact the CAB financially will not be binding upon the CAB unless approved by the Board of Directors of the CAB at a special or regular meeting of the CAB.

b. Hearing. In the event the decision of the CAB Manager or his representative is unsatisfactory to the complainant, the complainant may submit to the CAB a written request for formal hearing before a hearing officer (“**Hearing Officer**”), which may be a member of the Board of Directors or such other Person as may be appointed by the Board of Directors. Such request for a formal hearing must be submitted within twenty (20) business days from the date written notice of the decision of the CAB Manager or designated representative was mailed.

Upon receipt of the request, if it be timely and if any and all other prerequisites prescribed by these Policies and Procedures have been met, the Hearing Officer shall conduct a hearing at the CAB’s convenience but in any event not later than fifteen (15) business days after the submission of the request for formal hearing. The formal hearing shall be conducted in accordance with and subject to all pertinent provisions of these Policies and Procedures. Decisions of the Hearing Officer which impact the CAB financially will not be binding upon the CAB unless approved by the Board of Directors at a special or regular meeting of the CAB.

c. Rules. At the hearing, the Hearing Officer shall preside, and the hearing shall be recorded. The complainant and representatives of the CAB shall be permitted to appear in person, and the complainant may be represented by any Person (including legal counsel) of his or her choice.

The complainant or his or her representative and the CAB representatives shall have the right to present evidence and arguments; the right to confront and cross-examine any Person; and the right to oppose any testimony or statement that may be relied upon in support of or in opposition to the matter complained of. The Hearing Officer may receive and

consider any evidence which has probative value commonly accepted by reasonable and prudent Persons in the conduct of their affairs.

The Hearing Officer shall determine whether clear and convincing grounds exist to alter, amend, defer, or cancel the interpretation, application, and/or enforcement of the Policies and Procedures that are the subject of the complaint. The Hearing Officer's decision shall be based upon evidence presented at the hearing. The burden of showing that the required grounds exist to alter, amend, defer, or cancel the action shall be upon the complainant.

d. Findings. Subsequent to the formal hearing, the Hearing Officer shall make written findings and an order disposing of the matter and shall mail a copy thereto to the complainant not later than fifteen (15) business days after the date of the formal hearing.

e. Appeals. In the event the complainant disagrees with the findings and order of the Hearing Officer, the complainant may, within fifteen (15) business days from the date such findings and order were mailed, file with the CAB a written request for an appeal thereof to the Board of Directors. The request for an appeal shall set forth with specificity the facts or exhibits presented at the formal hearing upon which the complainant relied and shall contain a brief statement of the complainant's reasons for the appeal. The CAB shall compile a written record of the appeal consisting of (1) a transcript of the recorded proceedings at the formal hearing, (2) all exhibits, or other physical evidence offered and reviewed at the formal hearing, and (3) a copy of the written findings and order. The CAB shall consider the complainant's written request and the written record on appeal at its next regularly scheduled meeting held not earlier than ten (10) days after the filing of the complainant's request for appeal. The CAB's consideration of the appeal shall be limited exclusively to a review of the record on appeal and the complainant's written request for appeal. No further evidence shall be presented by any Person or party to the appeal, and there shall be no right to a hearing de novo before the Board of Directors.

f. CAB Board of Directors Findings. The Board of Directors shall make written findings and an order concerning the disposition of the appeal presented to it and shall cause notice of the decision to be mailed to the complainant within thirty (30) days after the Board of Directors' meeting at which the appeal was considered. The Board of Directors will not reverse the decision of the Hearing Officer unless it appears that such decision was contrary to the manifest weight of the evidence made available at the formal hearing.

g. Notices. A complainant shall be given notice of any hearing before the CAB Manager, the hearing officer, or before the Board of Directors, by certified mail at last seven (7) business days prior to the date of the hearing, unless the complainant requests or agrees to a hearing in less time. When a complainant is represented by an attorney, notice of any action, finding, determination, decision, or order affecting the complainant shall also be served upon the attorney.

h. Costs. All costs of the formal hearing and appeal processes shall be paid by the complainant, including, but not limited to, certified mailing, transcription of the recorded proceedings, and Covenant Enforcement Counsel fees.

ARTICLE 8.
PAYMENT PLANS

8.1 Payment Plans. Neither the CAB Manager nor Covenant Enforcement Counsel shall have the authority to enter into or establish payment plans for the repayment of a Delinquent Account. Should the Property owner desire to enter into a payment plan with the CAB, such owner shall first submit a written request to the CAB and the CAB shall make the determination in its sole discretion.

ARTICLE 9.
RATIFICATION OF PAST ACTIONS

9.1 Ratification of Past Actions. All waivers and payment plans heretofore undertaken by the CAB Manager or Covenant Enforcement Counsel that would otherwise have been authorized by these Policies and Procedures are hereby affirmed, ratified, and made effective as of the date said actions occurred.

ARTICLE 10.
ADDITIONAL ACTIONS

10.1 Additional Actions. The CAB directs and authorizes its officers, staff and consultants to take such additional actions and execute such additional documents as are necessary to give full effect to the intention of these Policies and Procedures.

ARTICLE 11.
COLORADO AND FEDERAL FAIR DEBT COLLECTIONS ACTS

11.1 Acts Not Applicable. Protective covenant enforcement as described herein is not a consumer transaction and, therefore, is not subject to the Colorado Fair Debt Collection Practices Act or the Federal Fair Debt Collections Practices Act.

ARTICLE 12.
SEVERABILITY

12.1 Severability. If any term or provision of these Policies and Procedures is found to be invalid or unenforceable by a court of competent jurisdiction or by operation of any applicable law, such invalid or unenforceable term or provision shall not affect the validity of these Policies and Procedures as a whole but shall be severed herefrom, leaving the remaining terms or provisions in full force and effect.

ARTICLE 13.
SAVINGS PROVISION

13.1 Savings Provision. The failure to comply with the procedures set forth herein shall not affect the status of the Fees and Charges as a perpetual lien subject to foreclosure in accordance with law. Failure by the CAB Manager, Covenant Enforcement Counsel, or other authorized representative to take any action in accordance with the requirements as specifically provided herein shall not invalidate subsequent efforts to collect the Fees and Charges.

Sky Ranch CAB – Project Manager Board Report

Date: 3/8/19

DESIGN AND CONSTRUCTION

Status Report and Progress Updates for June

- Overexcavation – 100% Complete; Grading touch-ups pending
- Dirt Shortage – all builders still short
- Drainage and Utilities Phase 1 – working on drainage structures and water meter pits; Phase 3 sanitary sewer underway
- Concrete and Asphalt Phase 1 – completed Phase 1A for model lots; proceeding weather dependent
- Xcel – gas feeder along frontage underway; received permits from County for Monaghan tie-in and start scheduled for week of 3/4; lot distribution approximately 50% complete with push to energize model lots
- Landscaping – contract with EDI; pre-con scheduled for 3/4
- Maintaining SEMSWA and Urban Drainage compliance – Builder SWMP integration and coordination
- Preliminary planning/engineering for Filing 2 (Changing to Filing 3) – 1st submittal comments received; working through traffic/interchange issues

BUDGET

- Budget review/update process and protocol

CONTRACTS, CHANGE ORDERS AND TASK ORDERS

Filing 1

- CMS Environmental Solutions, LLC MSA and TO#1 - \$20,000 SWMP Inspections and Compliance
- CTL Thompson TO#3 - \$148,586.00, Phases 2 and 3
- KT Engineering TOs for Phase 2 and 3 – final amount provided by meeting date
- PEI CO #8 (PEI COR #22) to Utilities Contract - \$133,595.97, 2019 unit cost increases
- PEI CO #9 to Utilities Contract – Total \$12,034.46
 - \$10,725.18 - Pond E Forebay 2 (COR #23)
 - \$1,309.28 - Phase 1a Storm Jetting/Cleaning (COR #24)
- PEI CO #3 to Roadways Contract – Total \$42,404.38
 - \$1,644.50 - rework grade on E 8th Ave (COR #5)
 - \$9,155.41 – CDOT temp Monaghan connection to frontage road (COR #6)
 - \$3,465.00 – Signage permit
 - \$7,834.70 – street balance for January
 - \$20,304.77 – winter protection for concrete

Filing 2 (Changing to Filing 3)

- N/A

PAYABLES (OUTSIDE OF CONTRACT)

Filing 1

- SEMSWA - \$4,485.00, Phase 2 GESC Permit Fee
- SEMSWA - \$4,565.00, Phase 3 GESC Permit Fee

Filing 2

- N/A

Sky Ranch
Filing 1

Contract Entity	Activity Code	Activity Description	Vendor	Total Contracts	Total Invoices	Total Retainage	Total Reimbursable	% Complete	Remaining to Spend	Management Fee
CAB	203	Fees, Permits and Administration	Arapahoe County	127,100	127,100	-	104,516	100%	-	-
CAB	303	Erosion Control	CMS	20,000	-	-	-	0%	20,000	-
CAB	302	Geotech	CTL Thompson	354,258	238,140	-	195,826	67%	116,118	-
CAB	205	Engineering	CVL Consultants	-	69,026	-	56,761	#DIV/0!	(69,026)	-
CAB	311	Landscaping	Environmental Designs	3,285,869	-	-	-	0%	3,285,869	-
CAB	205	Engineering	ERO Resources Group	580	580	-	477	100%	-	-
CAB	303	Erosion Control	Erosion Controls of CO	84,680	61,845	-	50,856	73%	22,835	-
CAB	201	Legal and Title	Hoffman, Parker, etc	8,304	8,304	-	-	100%	-	-
CAB	202	District	IDES	100,000	83,604	-	68,749	84%	16,396	-
CAB	301	Survey	KT Engineering	287,340	256,870	-	211,227	89%	30,470	-
CAB	311	Landscaping	MPI Designs	16,065	16,065	-	16,065	100%	-	-
CAB	201	Legal and Title	Otis Bedingfield & Peters	235	235	-	-	100%	-	-
CAB	304	Grading	PEI	1,538,880	1,463,674	76,947	799,617	95%	75,206	39,981
CAB	305	Sanitary Sewer	PEI	2,475,352	1,521,255	79,151	1,581,541	61%	954,097	79,077
CAB	306	Water	PEI	2,338,770	1,507,404	76,042	1,583,446	64%	831,366	79,172
CAB	307	Storm Sewer	PEI	4,913,159	3,236,869	162,867	3,356,615	66%	1,676,289	167,831
CAB	310	Dry Utilities	PEI	192,103	119,599	5,980	-	62%	72,504	-
CAB	308	Concrete	PEI	3,525,661	590,321	29,516	619,837	17%	2,935,340	30,992
CAB	309	Asphalt	PEI	4,975,962	1,056,120	52,806	1,108,926	21%	3,919,842	55,446
CAB	203	Fees, Permits and Administration	SEMSWA	18,110	18,110	-	14,892	100%	-	-
CAB	107	District	Sentinel	38	38	-	-	100%	-	-
CAB	202	District	Sentinel	19	19	-	16	100%	-	-
CAB	310	Dry Utilities	Xcel Energy	1,342,146	1,342,146	-	-	100%	-	-
Total				25,604,632	11,717,325	483,309	9,769,366		13,887,307	452,499

SKY RANCH COMMUNITY AUTHORITY BOARD

Board Meeting Project Status

March 8, 2019

New Contract

- District Engineer recommends District enter into agreement with Environmental Designs, Inc for Filing 1 Phase 1 Landscaping for \$1,633,252.04.
- District Engineer recommendation regarding GESC bid (to be distributed at Board Meeting).

Construction Contract Documents

Earthwork Contract – Premier Earthworks & Infrastructure

Change Orders

- **Recommend Ratification:**
 - None
- **Recommend Approval:**
 - None

Pay Applications

- None

Drainage and Utilities Contract – Premier Earthworks & Infrastructure

Change Orders

- **Recommend Ratification:**
 - None
- **Recommend Approval:**
 - Change Order #8: \$133,595.97. Covers the cost of material increases for items not originally given a Notice to Proceed.
 - Change Order #9: \$11,907.28. Adds back in original cost for Forebay 2 in Pond E (removed in previous Change Order). Covers cost to clean out storm lines due to delayed installation of BMPs.

Pay Applications

- Pay Application #7 is recommended for payment: \$326,773.57 (\$341,269.18 District; \$2,703.00 Non-District; \$17,198.61 Retained)
 - \$6,824,769.74 Billed to Date; \$341,238.49 Retained; \$6,483,531.25 Paid to Date;

Roadways Contract – Premier Earthworks & Infrastructure

Change Orders

- **Recommend Ratification:**
 - None
- **Recommend Approval:**
 - Change Order #3: \$18,634.61. Adjusts for grade bust at 8th Place, temporary access road at Monaghan, and balancing streets for January.
 - Change Order #4: \$23,769.77. Pays for Traffic Sign Permit for all Phase 1 street signs. Covers cost of Winter Protection for concrete as required by Arapahoe County.

Pay Applications

- Pay Application #4 is recommended for payment: \$186,430.13 (\$196,242.24 District; \$0.00 Non-District; \$9,812.11 Retained)

- \$1,842,682.86 Billed to Date; \$92,134.14 Retained; \$1,750,548.71 Paid to Date;

Consultant Contract Documents

District Services – Independent District Engineering Services, LLC

Change Orders

- **Recommend Ratification:**
 - None
- **Recommend Approval:**
 - Task Order 3: \$50,000. Continuation of Oversight Services.

Other Matters

- PEI is working on meeting all grade stakes in order to obtain retainage for Grading Contract (in progress).
- IDES reviewed \$13,309,925.02 in expenditures related to Filing 1 and has certified \$9,491,757.06 as District Eligible.

Sky Ranch Community Authority Board
 Contractors Change Order Log Paid-To-Date Summary

Contractor	Change Orders	Total Contract Amount	Amount Billed	Remaining
PEI - Grading	6	\$1,538,936.87	\$1,461,990.03	\$76,946.84
PEI - Drainage & Utilities	5	\$9,773,752.60	\$6,156,757.68	\$3,616,994.92
PEI - Roadways	0	\$8,459,218.90	\$1,564,118.58	\$6,895,100.32
Total		\$19,771,908.37	\$9,182,866.29	\$10,589,042.08

Sky Ranch Community Authority Board

Summary of Contract Changes

Change Order Log

#	Contractor	Original Contract Amount	Executed CO's		New Contract	
			Amount	Days	Amount	Days
1	PEI - Grading	\$1,418,885.53	\$120,051.34	31	\$1,538,936.87	31
2	PEI - Drainage & Utilities	\$8,971,057.30	\$802,695.30	47	\$9,773,752.60	47
3	PEI - Roadways	\$8,368,649.67	\$90,569.23	10	\$8,459,218.90	10
4						
5						
6						
7						
Total		\$18,758,592.50	\$1,013,315.87		\$19,771,908.37	

Potential Change Order Log

#	Contractor	Current Contract	Days	Potential Change Orders		Potential Contract	
				Amount	Days	Amount	Days
1	PEI - Grading	\$1,538,936.87	31	\$0.00	0	\$1,538,936.87	31
2	PEI - Drainage & Utilities	\$9,773,752.60	47	\$172,690.63	8	\$9,946,443.23	55
3	PEI - Roadways	\$8,459,218.90	10	\$42,404.38	11	\$8,501,623.28	21
4							
5							
6							
7							
Total		\$19,771,908.37		\$215,095.01		\$19,987,003.38	
Potential Total of All Change Orders						\$215,095.01	

Force Account Log

#	Contractor	Original Amount	Change	New Balance
1	PEI - Grading	\$0.00	\$0.00	\$0.00
2	PEI - Drainage & Utilities	\$0.00	\$0.00	\$0.00
3	PEI - Roadways	\$0.00	\$0.00	\$0.00
4				
5				
6				
7				
Total			\$0.00	\$0.00