

TWO BRIDGES METROPOLITAN DISTRICT

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 • 800-741-3254
Fax: 303-987-2032

NOTICE OF A REGULAR MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
David Lemnah	President	2022/May 2022
Ryan Lantz	Treasurer	2022/May 2022
Tommy Pucciano	Assistant Secretary	2020/May 2020
Heidi Moore	Assistant Secretary	2022/May 2022
<i>VACANT</i>		2020/May 2020
Ashley Frisbie	Secretary	

DATE: June 6, 2018
TIME: 9:00 A.M.
PLACE: Lokal Homes
8310 S. Valley Highway, Suite 115
Englewood, Colorado

I. ADMINISTRATIVE MATTERS

A. Present Disclosures of Potential Conflicts of Interest.

B. Approve Agenda, confirm location of the meeting and posting of meeting notices.

C. Review and approve Minutes of the April 4, 2018 Regular Meeting (enclosure).

D. Discuss results of the May 8, 2018 Election.

E. Consider Appointment of Qualified Individual to the Board of Directors to fill vacant term. (Notice was published on April 26, 2018.) Administer Oath of Office.

II. PUBLIC COMMENTS

A.

III. FINANCIAL MATTERS

- A. Review and ratify the approval of the payment of claims as follows (enclosures):

	Period Ending April 24, 2018	Period Ending May 11, 2018
General Fund	\$ 45.45	\$ -0-
Debt Service Fund	\$ -0-	\$ -0-
Capital Projects Fund	\$ 21,084.00	\$ 6,500.00
Total	\$ 21,129.45	\$ 6,500.00

- B. Review and accept unaudited financial statements through the period ending April 30, 2018 (to be distributed).

- C. Update on status of 2017 Audit.

IV. LEGAL MATTERS

- A. Discuss Revocation of Declaration of Protective Covenants and Restrictions for the Residences at High Prairie Polo dated March 21, 2006 and recorded on February 8, 2007 in the Office of the Clerk and Recorder of Douglas County, Colorado at Reception No. 2007012496 (enclosure).

- B. Consider approval of Second Amendment to 2016 Operation Funding Agreement by and between the District and Lokal Two Bridges, LLC (to be distributed).

- C. Consider adoption of Resolution Adopting the Policies and Procedures Governing the Enforcement of the Protective Covenants and Easements of Two Bridges and Collection of Fines and Other Fees (enclosure).

- D. Discuss future inclusion areas (enclosure).

- E. Update on status of Limited Tax (Convertible to Limited Tax) General Obligation Bonds, Series 2018A.

1. Discuss and consider approval of engagement of Manhard Consulting, LLC to provide Cost Verification Services.

V. CONSTRUCTION MATTERS

A. Report on status of construction.

B. Discuss and consider approval of Contract Addendum to Service Agreement with Waste Management of Colorado, Inc. for Trash Service (to be distributed).

C. Discuss and consider approval of Change Order No. 1 to Service Agreement with Metco Landscape, Inc. for 2018 Landscape Maintenance Services (to be distributed).

VI. OTHER BUSINESS

A. Discuss and consider appointment of Architectural Review Committee.

B. Consider rescheduling July 4, 2018 meeting.

C.

VII. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR JULY 4, 2018.**

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE TWO BRIDGES METROPOLITAN DISTRICT HELD APRIL 4, 2018

A Regular Meeting of the Board of Directors (referred to hereafter as the "Board") of the Two Bridges Metropolitan District (referred to hereafter as the "District") was convened on Wednesday, the 4th day of April, 2018, at 9:00 A.M., at the offices of Lokal Homes, 8310 South Valley Highway, Suite 115, Englewood, Colorado.

ATTENDANCE

Directors In Attendance Were:

David Lemnah
Ryan Lantz (for a portion of the meeting)
Tommy Pucciano
Heidi Moore

Also In Attendance Were:

Ashley Frisbie and Peggy Ripko; Special District Management Services, Inc. ("SDMS")

George M. Rowley, Esq.; Spencer Fane LLP

Susan Opalinski; Fiscal Focus Partners, LLC

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: The Board noted it was in receipt of disclosures of potential conflicts of interest statements for each of the Directors and that the statements had been filed with the Secretary of State at least seventy-two hours in advance of the meeting. Ms. Frisbie requested that the Directors review the Agenda for the meeting and advise the Board of any new conflicts of interest which had not been previously disclosed. No further disclosures were made by Directors present at the meeting.

ADMINISTRATIVE MATTERS

Agenda: Ms. Frisbie distributed for the Board's review and approval a proposed Agenda for the District's Regular Meeting.

Following discussion, upon motion duly made by Director Lemnah, seconded by Director Pucciano and, upon vote, unanimously carried, the Agenda was approved, as presented.

RECORD OF PROCEEDINGS

Minutes: The Board reviewed the Minutes of the November 15, 2017 Special Meeting.

Following discussion, upon motion duly made by Director Lemnah, seconded by Director Moore and, upon vote, unanimously carried, the Board approved the Minutes of the November 15, 2017 Special Meeting.

Board Vacancy: The Board entered into discussion regarding the remaining Board vacancy.

Following discussion, the Board authorized staff to publish a Notice of Vacancy in the Douglas County News-Press.

May 8, 2018 Election: Ms. Frisbie informed the Board that the May 8, 2018 Directors' Election was cancelled, as allowed under Colorado law, by the Designated Election Official because there were no more candidates than positions available on the Board of Directors.

Ms. Frisbie noted that Directors Lemnah, Lantz, and Moore were elected to four-year terms, and Director Pucciano was elected to a two-year term.

PUBLIC COMMENTS

There were no public comments.

FINANCIAL MATTERS

Claims: The Board considered ratifying the approval of the payment of claims through the periods ending as follows:

	Period Ending Oct. 27, 2017	Period Ending Nov. 28, 2017	Period Ending Dec. 19, 2017
General Fund	\$ 10,402.59	\$ 9,028.00	\$ 13,062.66
Debt Service Fund	\$ -0-	\$ -0-	\$ -0-
Capital Projects Fund	\$ 177,473.96	\$ 420,459.05	\$ -0-
Total	\$ 187,876.55	\$ 429,487.05	\$ 13,062.66

	Period Ending Jan. 5, 2018	Period Ending Feb. 2, 2018	Period Ending March 5, 2018
General Fund	\$ -0-	\$ 6,035.63	\$ 11,676.22
Debt Service Fund	\$ -0-	\$ -0-	\$ -0-
Capital Projects Fund	\$ 819.93	\$ 4,885.85	\$ 30,207.14
Total	\$ 819.93	\$ 10,921.48	\$ 41,883.36

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Lemnah, seconded by Director Pucciano and, upon vote, unanimously carried, the Board ratified approval of the payment of claims, as presented.

Unaudited Financial Statements: Ms. Opalinski reviewed with the Board the unaudited financial statements of the District setting forth the cash deposits, investments, budget analysis, and accounts payable vouchers for the period ending December 31, 2017.

Following review, upon motion duly made by Director Lemnah, seconded by Director Pucciano and, upon vote, unanimously carried, the unaudited financial statements for the period ending December 31, 2017 were accepted. Ms. Opalinski noted that the authorized signers will be updated to include Directors Pucciano and Moore.

LEGAL MATTERS

Engagement of Spencer Fane LLP as District General Counsel: The Board reviewed the Engagement Letter with Spencer Fane LLP for District General Counsel.

Following discussion, upon motion duly made by Director Lantz, seconded by Director Pucciano and, upon vote, unanimously carried, the Board ratified approval of the engagement of Spencer Fane LLP as District General Counsel.

Resolution No. 2018-04-01; Amended and Restated Resolution Concerning the Imposition of an Operations and Maintenance Fee: The Board discussed Resolution No. 2018-04-01; Amended and Restated Resolution Concerning the Imposition of an Operations and Maintenance Fee.

Following discussion, upon motion duly made by Director Lantz, seconded by Director Lemnah and, upon vote, unanimously carried, the Board adopted Resolution No. 2018-04-01; Amended and Restated Resolution Concerning the Imposition of an Operations and Maintenance Fee, subject to changes discussed. A copy of the Resolution is attached hereto and incorporated herein by this reference.

Status of Limited Tax (Convertible to Limited Tax) General Obligation Bonds, Series 2018A: The Board discussed the status of Limited Tax (Convertible to Limited Tax) General Obligation Bonds, Series 2018A. No action was taken by the Board.

RECORD OF PROCEEDINGS

CONSTRUCTION MATTERS

Status of Construction: Mr. Pucciano provided the Board with a status of the construction project. He reported that the District construction is complete, with some cleanup items to do. The irrigation system will be turned on in the spring, and there may be some required repairs.

Service Agreement with Metco Landscape, Inc. for 2018 Landscape Maintenance Services: The Board reviewed the Service Agreement with Metco Landscape, Inc. for 2018 Landscape Maintenance Services.

Following discussion, upon motion duly made by Director Lemnah, seconded by Director Pucciano and, upon vote, unanimously carried, the Board ratified approval of the Service Agreement with Metco Landscape, Inc. for 2018 Landscape Maintenance Services. Director Pucciano noted that a Change Order will need to be done to include full service for all common tracts, mowing of the road shoulders, and weed control.

OTHER BUSINESS

District Website: Ms. Ripko discussed the need for a District website with the Board.

Following discussion, upon motion duly made by Director Lemnah, seconded by Director Moore and, upon vote, unanimously carried, the Board authorized staff to create and maintain a District website through SDMS' webpage.

Welcome Packet: Ms. Ripko presented the Board with the final Welcome Packet.

Following discussion, the Board directed Ms. Ripko to add information regarding wells and septic systems to the Welcome Packet.

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 APRIL 4, 2018
MINUTES OF THE TWO BRIDGES METROPOLITAN DISTRICT BY THE
BOARD OF DIRECTORS SIGNING BELOW:

David Lemnah

Ryan Lantz

Thomas Pucciano

Heidi Moore

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1136						
04/24/2018	IREA	1647 3/18	Utilities	1-712	45.45	45.45
Total 1136:						45.45
1137						
04/24/2018	Lokal Two Bridges LLC	REIMBURSEMENT	Miscellaneous Income	3-575	17,654.00	17,654.00
Total 1137:						17,654.00
1138						
04/24/2018	Metco Landscape Inc.	509770	Landscaping	3-727	1,800.00	1,800.00
04/24/2018	Metco Landscape Inc.	SM149956	Landscaping	3-727	1,630.00	1,630.00
Total 1138:						3,430.00
Grand Totals:						21,129.45

Two Bridges Metropolitan District
April-18

	General	Debt	Capital	Totals
Disbursements	\$ 45.45	-	\$ 21,084.00	\$ 21,129.45
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Total Disbursements	\$ 45.45	\$ -	\$ 21,084.00	\$ 21,129.45

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1139						
05/11/2018	Metrostudy, Inc	38952	Professional Services	3-784	6,500.00	6,500.00
Total 1139:						6,500.00
Grand Totals:						6,500.00

Two Bridges Metropolitan District
May-18

	General	Debt	Capital	Totals
Disbursements	\$ -	\$ -	\$ 6,500.00	\$ 6,500.00
<hr/>				
Total Disbursements	\$ -	\$ -	\$ 6,500.00	\$ 6,500.00

After recording, return to:
Kristin N. Schelwat
16350 E. Arapahoe Road, Suite 108-102
Foxfield, CO 80016

REVOCATION OF DECLARATION OF COVENANTS

The undersigned, as the owner of one hundred percent of the ownership interests in The Residences of High Prairie Polo Homeowners Association, Inc. (the "HOA"), hereby elects pursuant to Section 20.11 of the Declaration of Protective Covenants and Restrictions for the Residences at High Prairie Polo dated March 21, 2006 and recorded on February 8, 2007 in the Office of the Clerk and Recorder of Douglas County, Colorado at Reception No. 2007012496 (the "Declaration") to revoke the Declaration and rescind and terminate the HOA.

All of the lenders with any security interest in the property covered by the Declaration have acknowledged and agreed to the revocation of the Declaration and rescission and termination of the HOA as evidenced by their signatures hereon.

From and after the date of recording hereof, the Declaration shall be null and void and of no force or effect.

DATED as of this ____ day of December, 2016.

OWNER:

Lokal Two Bridges, LLC, a Colorado limited liability company

By: _____
Ryan Lantz, Manager

STATE OF COLORADO)
)ss
COUNTY OF _____)

On this ____ day of _____, 2016, the foregoing instrument was executed by Ryan Lantz as Manager of Lokal Two Bridges, LLC, a Colorado limited liability company.

WITNESS my hand and official seal.

Notary Public, State of Colorado
My commission expires: _____

LENDER:

TWO BRIDGES, LLC,
a Colorado limited liability company

By: Cypress Family Office, LLC,
a Colorado limited liability company,
its Manager

By: _____
Name: Alan Mitchell
Its: CEO and President

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me on this ____ day of _____
2016, by Alan Mitchell as CEO and President of Cypress Family Office, LLC, the Manager of
Two Bridges, LLC.

WITNESS my hand and official seal.

Notary Public, State of Colorado
My commission expires: _____

LENDER:

FLAGSTAR BANK, FSB,
a federally chartered savings bank

By: _____
Name: _____
Its: _____

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me on this _____ day of _____
2016, by _____ as _____ of Flagstar Bank, FSB, a
federally chartered savings bank.

WITNESS my hand and official seal.

Notary Public, State of Colorado
My commission expires: _____

RESOLUTION NO. 2017-10-01

RESOLUTION OF THE BOARD OF DIRECTORS OF THE TWO BRIDGES METROPOLITAN DISTRICT ADOPTING THE POLICIES AND PROCEDURES GOVERNING THE ENFORCEMENT OF THE PROTECTIVE COVENANTS AND EASEMENTS OF TWO BRIDGES AND COLLECTION OF FINES AND OTHER FEES

WHEREAS, the Two Bridges Metropolitan District is a quasi-municipal corporation and political subdivision of the State of Colorado located in Douglas County, Colorado (the “**County**”); and

WHEREAS, the District operates pursuant to its Service Plan, approved by the County on September 15, 2009, under the District’s former name of High Prairie Polo Club Metropolitan District No. 2, as changed pursuant to an Order from Douglas County District Court recorded on August 25, 2016, as the same may be amended and/or modified from time to time (the “**Service Plan**”); and

WHEREAS, pursuant to Section 32-1-1001(1)(m), C.R.S., the District 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 special district;” and

WHEREAS, pursuant to Section 32-1-1001(1)(j)(I), C.R.S., the District 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 special district;” and

WHEREAS, Lokal Two Bridges, LLC (the “**Developer**”) has caused to be recorded the Declaration of Protective Covenants and Easements of Two Bridges, recorded on October 4, _____, 2017, at Reception No. 2017067682_____ of the Douglas County, Colorado, real property records, as the same may be amended and/or modified from time to time (the “**Covenants**”) applicable to the real property within the District (the “**Property**”); and

WHEREAS, pursuant to Section 32-1-1004(8), C.R.S., and pursuant to the District’s Service Plan, 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; and

WHEREAS, the Covenants provide that it is the intention of the Developer to empower the District to provide covenant enforcement services to the Property; and

WHEREAS, pursuant to the Covenants, the District may promulgate, adopt, enact, modify, amend, and repeal rules and regulations concerning and governing the Property and the enforcement of the Covenants; and

WHEREAS, pursuant to the Covenants, the District 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; and

WHEREAS, the District desires to provide for the orderly and efficient enforcement of the Covenants by adopting rules and regulations.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE TWO BRIDGES METROPOLITAN DISTRICT:

1. The Board of Directors of the District hereby adopt the Policies and Procedures Governing the Enforcement of the Protective Covenants and Easements of Two Bridges 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 _____, 2017.

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.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO RESOLUTION NO. 2017-10-01]

APPROVED AND ADOPTED this 4th day of October, 2017.

**TWO BRIDGES METROPOLITAN
DISTRICT**

By: _____
President

Attest:

Secretary or Assistant Secretary

EXHIBIT A

**POLICIES AND PROCEDURES GOVERNING THE ENFORCEMENT OF THE
PROTECTIVE COVENANTS AND EASEMENTS OF TWO BRIDGES AND
COLLECTION OF FINES AND OTHER FEES**

Preamble

The Board of Directors of the Two Bridges Metropolitan District (the “**District**”), has adopted the following Policies and Procedures Governing the Enforcement of the Protective Covenants and Easements of Two Bridges (“**Policies and Procedures**”) pursuant to Sections 32-1-1001(1)(j)(I), 32-1-1001(1)(m), and Section 32-1-1004(8), C.R.S. These Policies and Procedures provide for the orderly and efficient enforcement of the Declaration of Protective Covenants and Easements of Two Bridges, recorded on _____, 2017, at Reception No. _____ of the Douglas County, Colorado real property records, and as may be amended from time to time (the “**Covenants**”). and the collection of fines and other fees.

Pursuant to the Covenants, it is the intention of Lokal Two Bridges, LLC (the “**Developer**”) to empower the District to provide covenant enforcement services to the residents of the District.

The District, pursuant to the provisions of its Service Plan, which was approved by Douglas County, Colorado, on September 15, 2009, under the District’s former name of High Prairie Polo Club Metropolitan District No. 2, as changed pursuant to an Order from Douglas County District Court recorded on August 25, 2016, as it has been and may be amended from time to time, 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 District 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 “District” made herein shall refer to the Two Bridges Metropolitan District and its Board of Directors. The District has retained a management company (the “**District 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 Rules, Regulations, and Design Guidelines adopted pursuant thereto, as well as any reimbursable costs incurred by the District 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 District for any expense, loss, or damage occasioned by reason of such violation and shall also be liable to the District 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 District 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 District ~~Manager~~, can be corrected immediately and/or does not require submission to, and approval by, the District 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 District 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 District ~~Manager~~, cannot be corrected immediately and/or requires plans and specifications to be submitted to, and approval by, the District 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 District 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 Offense – Fee of up to \$100.00
- c. Third Offense – Up to \$250.00
- d. Continuing Violation – Up to \$500.00 each day violation continues (each day constitutes a separate violation).

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 District to cure a violation of the Covenants or amounts expended by the District 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.

COLLECTIONS 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 District. Except for the ~~for the~~ lien against the Property created by the imposition of property taxes by the District 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 District 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 District Manager's Procedures. The District Manager shall be responsible for collecting Fees and Charges imposed by the District against the Property. In the event payment of Fees and Charges is delinquent, the District 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 District Manager's records. In the event the above mailing is returned as undeliverable, the District 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 ~~Douglas Adams~~ County 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 District according to the records of the District 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 ~~Four One Hundred Twenty~~ Dollars (\$~~12400.00~~) and the District Manager has performed its duties outlined in these Policies and Procedures, the District Manager shall refer the Delinquent Account to the District's General Counsel (the "**General Counsel**"). However, if the amount owing on the Delinquent Account is less than ~~Four One Hundred Twenty~~ Dollars (\$~~12400.00~~), the District Manager shall continue to monitor the Delinquent Account until the amount owing on such account is ~~Four One Hundred Twenty~~ Dollars (\$~~12400.00~~) or greater, at which point the Delinquent Account shall be referred to General Counsel. At the time of such referral, the District Manager shall provide General Counsel with copies of all notices and letters sent and a copy of the most recent ledger for the Delinquent Account.

4.3 General Counsel Procedures. Upon referral of a Delinquent Account from the District Manager, General Counsel shall perform the following:

a. Upon Referral of the Delinquent Account from the District Manager. A “Demand Letter” shall be sent to the Property Address, notifying the Property owner that his/her Property has been referred to General 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 District according to the records of the District 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 District is paid in full.

ARTICLE 5.
COSTS OF COLLECTIONS

“Costs of Collections” are generated by the District Manager and General 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 District Manager or General Counsel:

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

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

c. Demand Letter Fee. One Hundred Fifty Dollars (\$150.00) per Demand Letter sent. This action is performed by General 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 General Counsel.

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

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

5.2 Attorney Hourly Fees and Costs. After a lien has been filed, all hourly fees and costs generated by General 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 District 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 and Late Fees. The District Manager and General Counsel shall each have authority and discretion to waive or reduce portions of the Delinquent Account attributable to Interest and late fees. Such action shall be permitted if either the District Manager or General 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 District on the Delinquent Account exceeds One Thousand Dollars (\$1,000.00), neither the District Manager nor General Counsel shall have any authority to waive or reduce any portion of the Interest or late fees. 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 District, and the District shall make the determination in its sole discretion.

6.2 Waiver of Delinquent Penalties and Costs of Collections. Neither the District Manager nor General 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 District, and the District 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 District, District Manager, or General Counsel, whether related to the Property in question or other properties within the District.

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 District Manager, or such representative as he or she may designate. Upon receipt of a complaint, the District 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 District Manager which impact the District financially will not be binding upon the District unless approved by the Board of Directors of the District at a special or regular meeting of the District.~~

b. Hearing. In the event the decision of the District Manager or ~~its~~ representative is unsatisfactory to the complainant, the complainant may submit to the District 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 District 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 District'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 District financially will not be binding upon the District unless approved by the Board of Directors at a special or regular meeting of the District.~~

c. Rules. At the hearing, the Hearing Officer shall preside and the hearing shall be recorded. The complainant and representatives of the District 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 District 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 ~~a written determination~~ 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 ~~determination~~~~order~~ of the Hearing Officer, the complainant may, within fifteen (15) business days from the date ~~the written determination was such findings and order were~~ mailed, file with the District 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 District 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 District 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 District'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. District Board of Directors Findings. The Board of Directors shall make ~~a~~ ~~determination~~ ~~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 District 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.~~ 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 General Counsel fees.~~

ARTICLE 8. PAYMENT PLANS

8.1 Payment Plans. ~~Neither~~ ~~the~~ District Manager ~~nor~~ General 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 District, such owner shall first submit a written request to the District Manager who ~~and the District~~ 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 District Manager or General 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 District 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 and collections 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. These policies and procedures are intended to be guidelines to be followed in order to provide an orderly process for covenant enforcement and collections. 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 District Manager, General 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.

Ashley Frisbie

From: Rowley, George <growley@spencerfane.com>
Sent: Friday, April 13, 2018 2:09 PM
To: tpucciano@lokalhomes.com
Cc: Ashley Frisbie
Subject: Two Bridges MD Future Inclusion Area
Attachments: Tract B.pdf; Tract C.pdf; Tract D.pdf; Tract E.pdf; Tract F.pdf; Tract G.pdf; Tract H.pdf; Tract J.pdf; Tract R.pdf; Two Bridges Inclusion Area.pdf

Tom,

I spoke with Ashley today about parcels that are owned by the District, but are not included into the District. Attached is information for each tract taken from the assessor's website. As I was looking at these I also came across a few tracts that are in the future inclusion area for the District, but are still owned by Lokal Two Bridges or by Douglas County. The future inclusion area map from the service plan is attached for your reference.

My questions are:

- (1) whether some or all of these parcels should be included into the District;
- (2) should any of the tracts owned by Lokal Two Bridges be transferred to the District; and
- (3) is there any reason the county owned parcels should be included into the District?

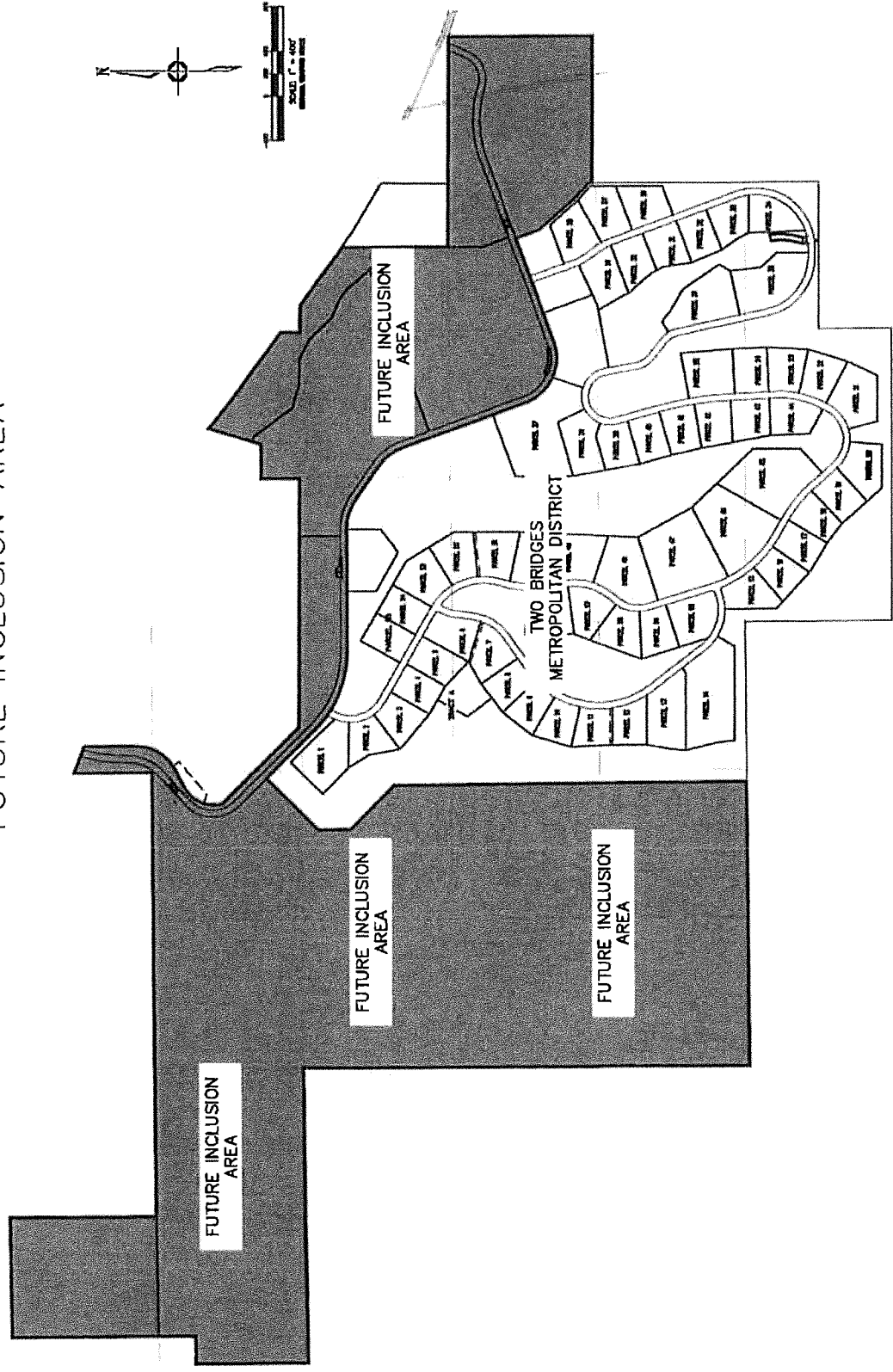
If you could take a look at these and let me know what you think it would be appreciated. If changes are needed I can prepare the appropriate documents to be considered at the next board meeting.

Please let me know if you have any questions.

George M. Rowley Attorney
Spencer Fane LLP

1700 Lincoln Street, Suite 2000 | Denver, CO 80203
O 303.839.3734
growley@spencerfane.com | spencerfane.com

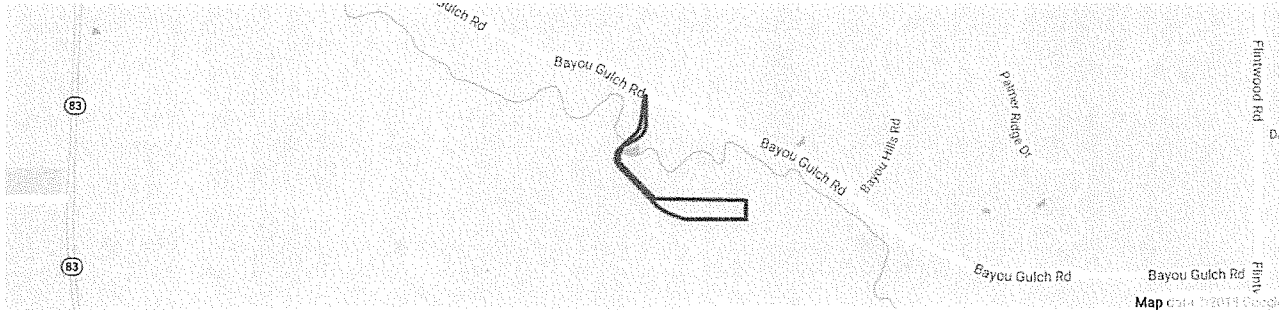
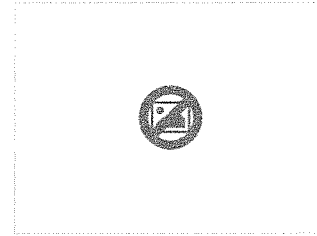
TWO BRIDGES METROPOLITAN DISTRICT
--FUTURE INCLUSION AREA--



Displaying data for the year 2017 ⓘ

No Address

Ownership Information
TWO BRIDGES METROPOLITAN DISTRICT
C/O SPECIAL DISTRICT MANAGMENT SERVICE
INC 141 UNION BLVD STE 150
LAKEWOOD, CO 80228



Account #:	R0474056
State Parcel #:	2347-302-02-002
Account Type:	Exempt
Tax District:	0142
Neighborhood-Ext:	500-00, 502-00

Owner Info

TWO BRIDGES METROPOLITAN DISTRICT
C/O SPECIAL DISTRICT MANAGMENT SERVICE INC 141 UNION BLVD STE 150
LAKEWOOD, CO 80228

Building Count:	0
Building Permit Authority:	Douglas County
Phone:	303-660-7497

Subdivision

Name:	HIGH PRAIRIE INTERNATIONAL POLO CLUB
Reception No:	2007012494

Location Description

TRACT B HIGH PRAIRIE INTERNATIONAL POLO CLUB RSP 16.95 AM/L

Public Land Survey System (PLSS) Location

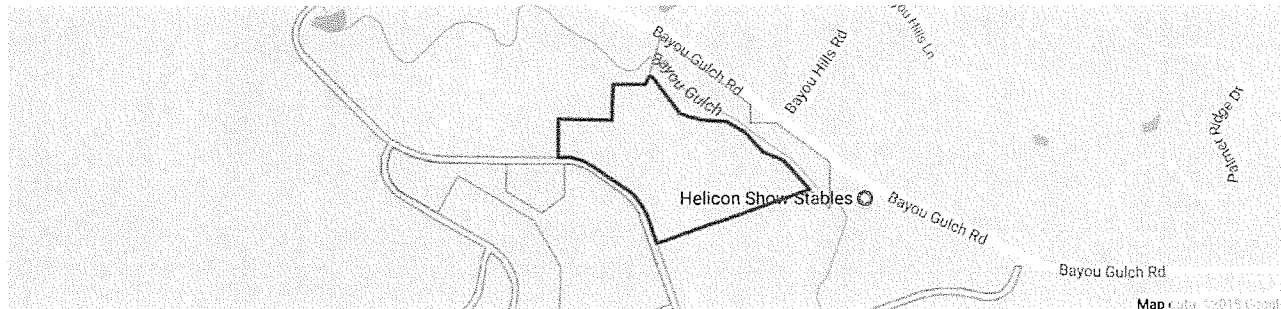
Quarter: NW; Section: 30; Township: 7; Range: 65

Displaying data for the year 2017 ⓘ

No Address

Ownership Information

LOKAL TWO BRIDGES LLC
6021 S SYRACUSE WAY STE 104
GREENWOOD VILLAGE, CO 80111



Account #:	R0474055
State Parcel #:	2347-302-02-001
Account Type:	Residential
Tax District:	0142
Neighborhood-Ext:	500-00, 502-00

Owner Info

LOKAL TWO BRIDGES LLC
6021 S SYRACUSE WAY STE 104
GREENWOOD VILLAGE, CO 80111

Building Count:	0
Building Permit Authority:	Douglas County
Phone:	303-660-7497

Subdivision

Name:	HIGH PRAIRIE INTERNATIONAL POLO CLUB
Reception No:	2007012494

Location Description

TRACT C HIGH PRAIRIE INTERNATIONAL POLO CLUB RSP 41.55 AM/L

Public Land Survey System (PLSS) Location

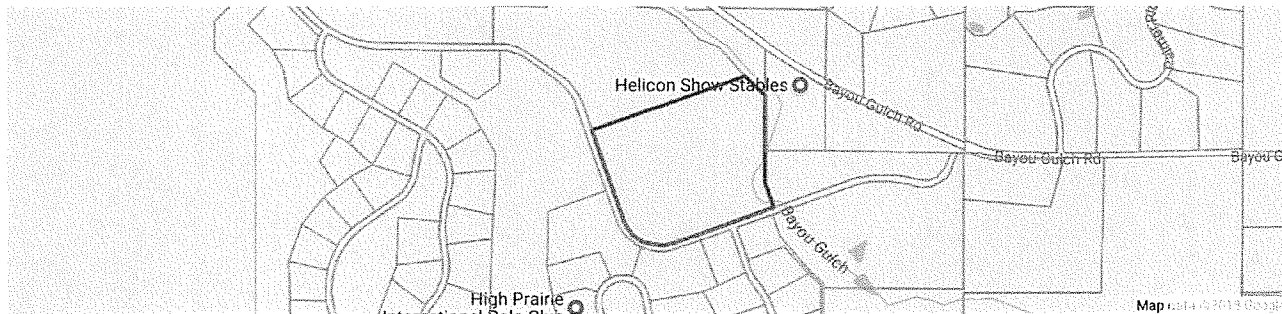
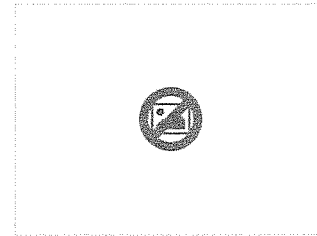
Quarter: NW; Section: 30; Township: 7; Range: 65

Displaying data for the year 2017 ⓘ

No Address

Ownership Information

LOKAL TWO BRIDGES LLC
6021 S SYRACUSE WAY STE 104
GREENWOOD VILLAGE, CO 80111



Account #:	R0474050
State Parcel #:	2347-301-01-001
Account Type:	Residential
Tax District:	0142
Neighborhood-Ext:	500-00, 502-00

Owner Info

LOKAL TWO BRIDGES LLC
6021 S SYRACUSE WAY STE 104
GREENWOOD VILLAGE, CO 80111

Building Count:	0
Building Permit Authority:	Douglas County
Phone:	303-660-7497

Subdivision

Name:	HIGH PRAIRIE INTERNATIONAL POLO CLUB
Reception No:	2007012494

Location Description

TRACT D HIGH PRAIRIE INTERNATIONAL POLO CLUB RSP 42.94 AM/L

Public Land Survey System (PLSS) Location

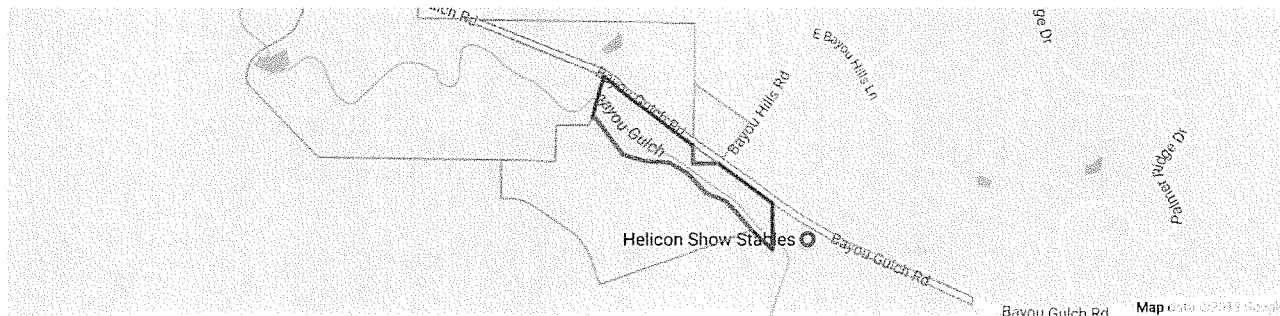
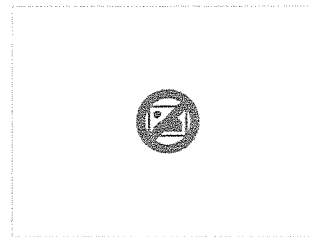
Quarter: NE; Section: 30; Township: 7; Range: 65

Displaying data for the year 2017

No Address

Ownership Information

TWO BRIDGES METROPOLITAN DISTRICT
C/O SPECIAL DISTRICT MANAGMENT SERVICE
INC 141 UNION BLVD STE 150
LAKEWOOD, CO 80228



Account #: R0474051
State Parcel #: 2347-301-01-002
Account Type: Exempt
Tax District: 0142
Neighborhood-Ext: 500-00, 502-00

Owner Info

TWO BRIDGES METROPOLITAN DISTRICT
C/O SPECIAL DISTRICT MANAGMENT SERVICE INC 141 UNION BLVD STE 150
LAKEWOOD, CO 80228

Building Count: 0
Building Permit Authority: Douglas County
Phone: 303-660-7497

Subdivision

Name: HIGH PRAIRIE INTERNATIONAL POLO CLUB
Reception No: 2007012494

Location Description

TRACT E HIGH PRAIRIE INTERNATIONAL POLO CLUB RSP 15.29 AM/L

Public Land Survey System (PLSS) Location

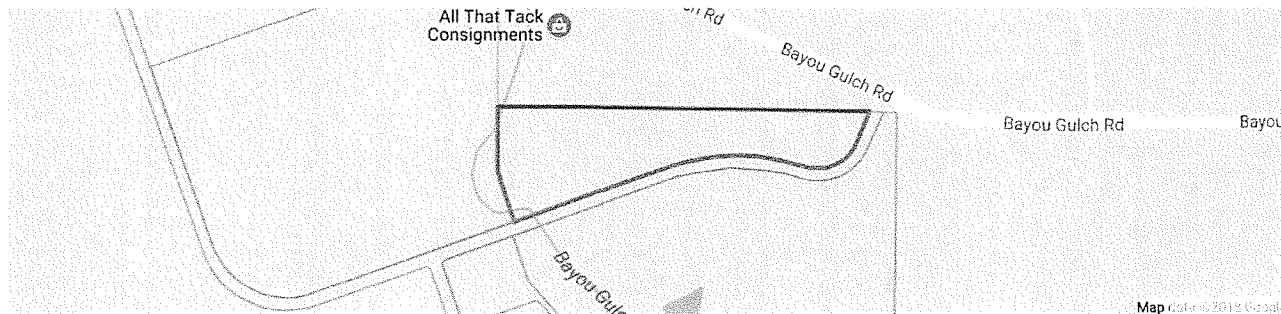
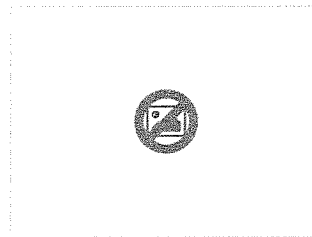
Quarter: NE; Section: 30; Township: 7; Range: 65

Displaying data for the year 2017 ⓘ

No Address

Ownership Information

TWO BRIDGES METROPOLITAN DISTRICT
C/O SPECIAL DISTRICT MANAGMENT SERVICE
INC 141 UNION BLVD STE 150
LAKEWOOD, CO 80228



Account #:	R0474085
State Parcel #:	2347-304-03-001
Account Type:	Exempt
Tax District:	0142
Neighborhood-Ext:	500-00, 502-00

Owner Info

TWO BRIDGES METROPOLITAN DISTRICT
C/O SPECIAL DISTRICT MANAGMENT SERVICE INC 141 UNION BLVD STE 150
LAKEWOOD, CO 80228

Building Count:	0
Building Permit Authority:	Douglas County
Phone:	303-660-7497

Subdivision

Name:	HIGH PRAIRIE INTERNATIONAL POLO CLUB
Reception No:	2007012494

Location Description

TRACT F HIGH PRAIRIE INTERNATIONAL POLO CLUB RSP 12.59 AM/L

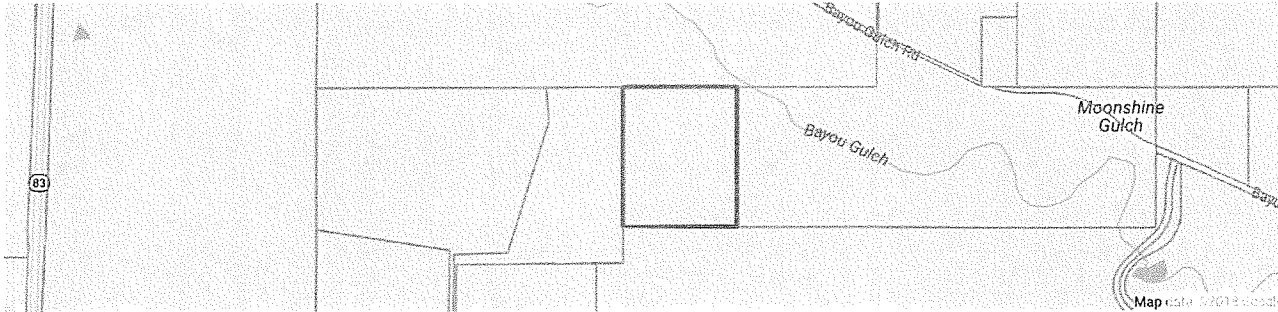
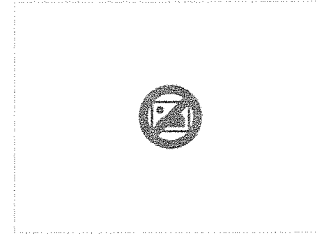
Public Land Survey System (PLSS) Location

Quarter: SE; Section: 30; Township: 7; Range: 65

Displaying data for the year 2017 ⓘ

No Address

Ownership Information
DOUGLAS COUNTY BOARD OF COUNTY
COMMISSIONERS
100 THIRD ST
CASTLE ROCK, CO 80104



Account #:	R0474102
State Parcel #:	2349-234-01-001
Account Type:	Exempt
Tax District:	0142
Neighborhood-Ext:	500-00, 502-00

Owner Info

DOUGLAS COUNTY BOARD OF COUNTY COMMISSIONERS
100 THIRD ST
CASTLE ROCK, CO 80104

Building Count:	0
Building Permit Authority:	Douglas County
Phone:	303-660-7497

Subdivision

Name:	HIGH PRAIRIE INTERNATIONAL POLO CLUB
Reception No:	2007012494

Location Description

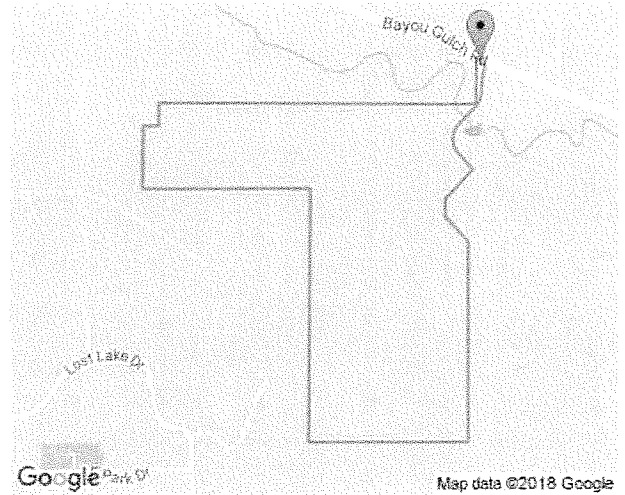
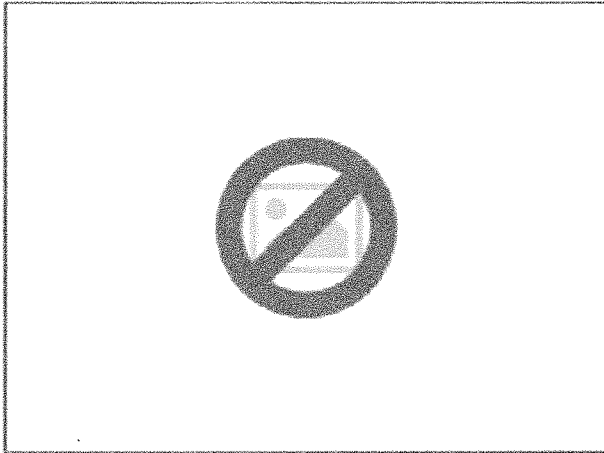
TRACT G HIGH PRAIRIE INTERNATIONAL POLO CLUB RSP 32.65 AM/L

Public Land Survey System (PLSS) Location

Quarter: SE; Section: 23; Township: 7; Range: 66

(2017 Data)
Current value in process

R0474108



Account Information

Owner Name:	DOUGLAS COUNTY BOARD OF COUNTY COMMISSIONERS	Actual Value:	\$75,820
Owner Address:	100 THIRD ST CASTLE ROCK, CO 80104	Assessed Value:	\$21,990
Property Type:	N/A	Tax Rate:	8.0744%
		Taxes:	\$1,776

Building Information

Style:	N/A	Basement Finished SqFt:	N/A
Main Square Footage:	0 sqft	Basement Finished Percent:	0
Total Basement Area:	N/A	Garage Square Footage:	0 sqft
Total Finished Area:	0 sqft	Bedroom Count:	N/A
Year Built:	N/A	Bathroom Count:	N/A
Stories:	N/A		

Location Description:

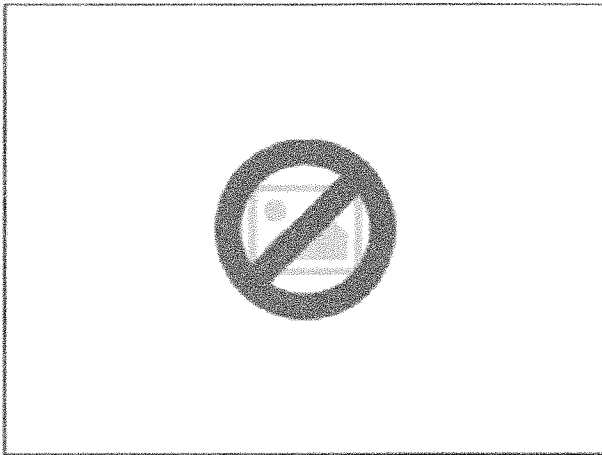
Description:	TRACT H HIGH PRAIRIE INTERNATIONAL POLO CLUB RSP 379.1 AM/L
Acreage:	758.2
State Parcel Number:	2349-251-01-006

Account #: R0474108

St. Parcel #: 2349-251-01-006

(2017 Data)
Current value in process

R0474109



Account Information

Owner Name:	TWO BRIDGES METROPOLITAN DISTRICT	Actual Value:	\$19,670
Owner Address:	C/O SPECIAL DISTRICT MANAGEMENT SERVICE INC 141 UNION BLVD STE 150 LAKEWOOD, CO 80228	Assessed Value:	\$5,700
Property Type:	N/A	Tax Rate:	14.5744%
		Taxes:	\$831

Building Information


Style:	N/A	Basement Finished SqFt:	N/A
Main Square Footage:	0 sqft	Basement Finished Percent:	0
Total Basement Area:	N/A	Garage Square Footage:	0 sqft
Total Finished Area:	0 sqft	Bedroom Count:	N/A
Year Built:	N/A	Bathroom Count:	N/A
Stories:	N/A		

Location Description:

Description:	TRACT J HIGH PRAIRIE INTERNATIONAL POLO CLUB RSP	98.35 AM/L
Acreage:	196.7	
State Parcel Number:	2349-251-01-007	

Account #: R0474109

St. Parcel #: 2349-251-01-007

Information provided by:  DOUGLAS COUNTY
ASSESSOR'S OFFICE COLORADO

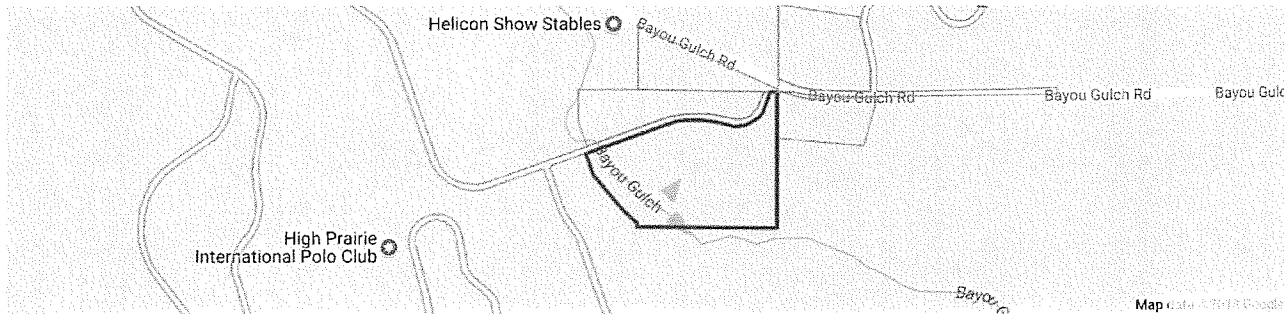
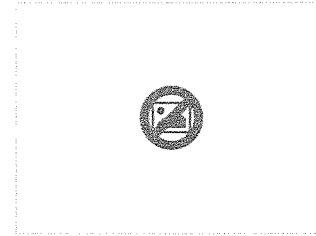
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No Address

Ownership Information

TWO BRIDGES METROPOLITAN DISTRICT
C/O SPECIAL DISTRICT MANAGMENT SERVICE
INC 141 UNION BLVD STE 150
LAKEWOOD, CO 80228



Account #:	R0474076
State Parcel #:	2347-304-01-004
Account Type:	Exempt
Tax District:	0142
Neighborhood-Ext:	580-00

Owner Info

TWO BRIDGES METROPOLITAN DISTRICT
C/O SPECIAL DISTRICT MANAGMENT SERVICE INC 141 UNION BLVD STE 150
LAKEWOOD, CO 80228

Building Count:	0
Building Permit Authority:	Douglas County
Phone:	303-660-7497

Subdivision

Name:	HIGH PRAIRIE INTERNATIONAL POLO CLUB
Reception No:	2007012494

Location Description

TRACT R HIGH PRAIRIE INTERNATIONAL POLO CLUB RSP 35.51 AM/L

Public Land Survey System (PLSS) Location

Quarter: SE; Section: 30; Township: 7; Range: 65