

**SADDLER RIDGE METROPOLITAN DISTRICT
2024 ANNUAL REPORT
TO
THE TOWN OF SEVERANCE
FISCAL YEAR ENDING DECEMBER 31, 2024**

Pursuant to §32-1-207(3)(c), C.R.S. and the Amended and Restated Service Plan for Saddler Ridge Metropolitan District (the “**District**”), the District is required to provide an annual report to the Town of Severance, Colorado by March 1st of each year which reflects activity and financial events of the District.

For the year ending December 31, 2024, the District makes the following report:

§32-1-207(3), C.R.S. Statutory Requirements

1. Boundary changes made.

There were no changes made to the District’s boundaries as of December 31, 2024, nor were any changes proposed.

2. Intergovernmental Agreements entered into or terminated with other governmental entities.

The District entered into that Second Amendment to Intergovernmental Agreement By and Between The Town of Severance and the District, effective as of January 1, 2024.

The District entered into that First Amendment to Nonexclusive Right-of-Way License and Maintenance Agreement Between the Town of Severance and the District, effective as of January 1, 2024.

Copies of these documents are attached hereto as **Exhibit A**

3. Access information to obtain a copy of rules and regulations adopted by the board.

Information on the District’s rules and regulations may be obtained by contacting the District’s Manager, David Frazier, at 303-877-6284. Information on the District may also be obtained from the District’s website: <https://www.saddlerridgemd.org/>

4. A summary of litigation involving public improvements owned by the District.

To our actual knowledge, based on review of the court records in Weld County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the Districts’ public improvements as of December 31, 2024.

5. The status of the construction of public improvements by the District.

The District obtained a conditional will-serve letter from North Weld County Water District on September 3, 2024 relating to Tracts 7, 8, 9 and 10 and is in the process of submitting a revised Utility Report and other required documents to North Weld County Water District.

6. **A list of facilities or improvements constructed by the District that were conveyed or dedicated to the county or municipality.**

The District did not convey any facilities or improvements to a county or municipality in 2024. The District did transfer the obligation of performing snow plowing services on segments of WCR17.

7. **The final assessed valuation of the District as of December 31st of the reporting year.**

Assessed Valuation of all taxable property within the District for the report year as certified by the Weld County Assessor: \$4,917,670

8. **A copy of the current year's budget.**

A copy of the 2025 Budget is attached hereto as **Exhibit B**.

9. **A copy of the audited financial statements, if required by the "Colorado Local Government Audit Law", part 6 of article 1 of title 29, or the application for exemption from audit, as applicable.**

The Annual Audit Report for the fiscal year ending December 31, 2024 ("**2024 Audit**") has not been finalized to date. It will be provided as a Supplement to this Report once completed.

10. **Notice of any uncured defaults existing for more than ninety (90) days under any debt instrument of the District.**

To our actual knowledge, there is no uncured default existing for more than ninety days under any debt instrument.

11. **Any inability of the District to pay its obligations as they come due under any obligation which continues beyond a ninety (90) day period.**

Beginning in 2023, due to the limited taxing ability of the District, the District was not able to make the full amount of the payments due on both the Series 2017A and 2017B Bonds. However, per the bond indentures, the District is not in default and any unpaid amounts are being accrued for payment in future years.

Service Plan Requirements

1. **Boundary changes made or proposed.**

There were no changes made to the District's boundaries as of December 31, 2024, nor were any changes proposed.

2. **Intergovernmental Agreements with other governmental entities entered into or proposed.**

The District entered into that Second Amendment to Intergovernmental Agreement By and Between The Town of Severance and the District, effective as of January 1, 2024.

The District entered into that First Amendment to Nonexclusive Right-of-Way License and Maintenance Agreement Between the Town of Severance and the District, effective as of January 1, 2024.

Copies of these documents are attached hereto as **Exhibit A**.

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

- Third Amendment to Amended and Restated Residential Rules and Regulations and Residential Improvement Guidelines and Site Restrictions, 2024-11-12
- First Amendment to the Resolution Approving Process Fees for Architectural Applications, 2024-11-12
- Fourth Amendment to the Amended and Restated Resolution Concerning the Imposition of Fees, 2024-11-12
- Resolution Regarding Policies, Procedures and Penalties for the Enforcement of Government Documents (Residential), 2024-11-12
- Resolution Regarding Policies, Procedures and Penalties for the Enforcement of Governing Documents (Commercial), 2024-11-12
- Amended and Restated Resolution Establishing Guidelines for the Processing and Collection of Delinquent Fees and Charges, 2024-11-12

Copies of the above document can be found on the District's website: <https://www.saddlerridgemd.org/>

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

There were no changes or proposed changes made to the District's operations as of December 31, 2024.

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

The 2025 Budget is attached hereto as **Exhibit B**.

Assessed Valuation of all taxable property within the District for the report year as certified by the Weld County Assessor: \$4,917,670

6. A summary of any litigation which involves the District.

To our knowledge, based on a review of the court records in Weld County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the District as of December 31, 2024.

7. Proposed plans for the year immediately following the year summarized in the annual report.

The following items may be considered in 2025, depending on budgetary allowances:

- District is in the process of replacing the mixed liquor pump at the wastewater treatment plant and intends to inspect and rebuild the current pump to provide redundancy for future repairs or replacement.
- The District intends to service and inspect all blowers at the wastewater treatment plant.
- The District intends to install signs at all trailheads.
- The District intends to trim trees and remove overgrowth of vegetation at the north pond.

8. Status of District's public improvement construction schedule.

The District obtained a conditional will-serve letter from North Weld County Water District on September 3, 2024 relating to Tracts 7, 8, 9 and 10 and is in the process of

submitting a revised Utility Report and other required documents to North Weld County Water District.

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

The District did not convey any facilities or improvements to a county or municipality in 2024. The District did transfer the obligation of performing snow plowing services on segments of WCR17.

EXHIBIT A
Intergovernmental Agreements

**SECOND AMENDMENT
TO
INTERGOVERNMENTAL AGREEMENT
BY AND BETWEEN
THE TOWN OF SEVERANCE AND SADDLER RIDGE METROPOLITAN DISTRICT**

This second amendment (the “**Second Amendment**”), effective as of January 1, 2024, amends the Intergovernmental Agreement dated April 6, 2005 (the “**2005 IGA**”) as amended by that amendment dated September 7, 2017 and effective September 20, 2017 (the “**2017 IGA**” and, collectively, the “**Agreement**”), by and between the Town of Severance, Colorado, a municipal corporation of the State of Colorado (the “**Town**”) and Saddler Ridge Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”). The Town and District may be referred to individually as a “**Party**” or collectively as the “**Parties**”.

RECITALS

WHEREAS, the Board of Trustees of the Town (the “**Trustees**”) approved the service plan submitted to the Town on July 2, 2003 (the “**Service Plan**”) and organization of the District on August 6, 2003 by Resolution Number 2003-06R; and

WHEREAS, pursuant to the Service Plan, the District entered into the 2005 IGA setting forth the Parties’ agreements and understandings regarding the design, construction, conveyance, acceptance, ownership and maintenance of certain Public Improvements (as defined in the 2005 IGA) and specifically including certain Internal and Perimeter Street Improvements (as defined in the 2005 IGA); and

WHEREAS, the Trustees approved an amended and restated service plan (the “**Amended Service Plan**”) and the intergovernmental agreement concerning the provision of sanitary sewer service on July 28, 2008 by Resolution Number 2008-10R; and

WHEREAS, the Parties entered into the 2017 IGA in order to amend the description of ownership of, and maintenance and repair obligations for Perimeter Street Improvements; and

WHEREAS, the Town controls Weld County Road 17 (“**WCR17**”) and Weld County Road 19 (“**WCR19**”), as further described in **Exhibit A**, attached hereto and made a part hereof, and the associated Perimeter Street Improvements; and

WHEREAS, the Parties entered into a license and maintenance agreement on September 20, 2017 (the “**License Agreement**”) whereby the Town provided the District with a nonexclusive easement and license to enter upon the Town’s rights-of-ways for the purpose of maintaining the roadway and drainage improvements (the “**Improvements**”) in relation **WCR17** and **WCR19**; and

WHEREAS, pursuant to the terms of the License Agreement, in addition to maintaining the Improvements the District is also obligated, at its sole cost, to perform snow plowing services on WCR17 and WCR19; and

WHEREAS, the Parties wish to amend the Agreement to transfer the obligation of performing snow plowing services on that segment of WCR17 (the “**WCR 17 Services**”) as identified in **Exhibit A**, attached hereto and made a part hereof, from the District to the Town; and

WHEREAS, contemporaneously with this Second Amendment, the Parties intend to amend the License Agreement to terminate the District’s obligation thereunder to perform the WCR17 Services; and

WHEREAS, the District will continue to be responsible for maintaining the Improvements in relation to WCR17 and WCR19 and for providing snow plowing services on WCR19 (the “**Continued Obligations**”); and

WHEREAS, the Town may be agreeable, in the future, to discussing a possible change to the Continued Obligations of the District whereby the Town would accept the obligation for these Continued Obligations; and

WHEREAS, in addition to accepting the obligation of providing the WCR17 Services, the Town also wishes to accept the obligations of (i) snow plowing the bus routes within the District’s boundaries (the “**Snow Plowing Bus Services**”); (ii) installing and maintaining the road signs within the District’s boundaries and on the perimeter roads with the District’s boundaries, as identified in **Exhibit B**, attached hereto and made a part hereof (collectively, the “**Road Signs**”); (iii) paying the District’s bills for the purchase of electrical service associated with certain street lighting facilities and appurtenant equipment for the roadways/streets within the District’s boundaries and along WCR17, as well as up to two community signs, as identified in **Exhibit C**, attached hereto and made a part hereof (collectively, the “**Electrical Invoices**”).

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby amend the Agreement as follows:

AMENDMENTS

The Agreement is hereby amended by shifting the following obligations from the District to the Town. Specifically:

1. Transfer of Obligations Relating to Snow Plowing of WCR17: The Town shall be responsible for the WCR17 Services and shall perform such WCR17 Services consistent with Colorado law and to the same extent and upon the same terms and conditions as such services are provided to other public rights-of-way throughout the Town that are part of Town’s municipal street system. Notwithstanding, the District shall cease and discontinue imposing and collecting any operations and maintenance fees, assessments, or charges

upon and from any District customers that are intended to cover or defray the costs and expenses incurred by the District for furnishing the WCR 17 Services.

2. Snow Plowing the Bus Routes. The Town shall be responsible for Snow Plowing Bus Services, and shall perform such Snow Plowing Bus Services consistent with Colorado law and to the same extent and upon the same terms and conditions as such services are provided to other public rights-of-way throughout the Town that are part of the Town's municipal street system. Notwithstanding, the District shall cease and discontinue imposing and collecting any operations and maintenance fees, assessments, or charges upon and from any District customers that are intended to cover or defray the costs and expenses incurred by the District for furnishing the Snow Plowing Bus Services.
3. Road/Street Signage. The Town shall be responsible for the installation and maintenance of the Road Signs consistent with Colorado law and to the same extent and upon the same terms and conditions as such traffic control services are provided to other public rights-of-way throughout the Town that are part of Town's municipal street system. Notwithstanding, the District shall cease and discontinue imposing and collecting any operations and maintenance fees, assessments, or charges upon and from any District customers that are intended to cover or defray the costs and expenses incurred by the District for furnishing the Road Signs.
4. Electrical Invoices. The Town shall be responsible for the payment of the Electrical Invoices; provided, however, that the District shall cease and discontinue imposing and collecting any street light service fees, assessments, or charges upon and from any District customers. The District shall either (a) contact its utility provider and request a bill transfer to the Town; or (b) submit to the Town an Electrical Invoice, which may not be submitted more frequently than monthly, and the Town shall make payment within 30 days of invoice submittal.

Except as expressly amended herein, all other provisions of the Agreement shall remain in full force and effect.

Nothing herein shall constitute a multiple fiscal year obligation pursuant to Colorado Constitution Article X, Section 20. Notwithstanding any other provision of this Second Amendment, the Town's obligations under this Second Amendment are subject to annual appropriation by the Town Council of Severance.

The parties hereto understand and agree that the Town is relying on, and does not waive or intend to waive by any provision of this Second Amendment or the Agreement, the monetary limitations or any other rights, immunities and protections provided by the Colorado Governmental Immunity Act, Sections 24-10-101 *et seq.*, C.R.S., as from time to time amended, or those otherwise available to the Town, its officers, or its employees.

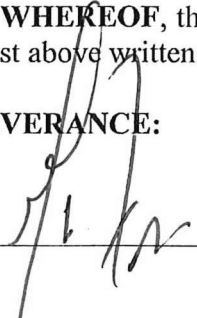
This Second Amendment may be executed simultaneously or in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

Fax copies and electronically scanned copies of the executed signature pages of this Second Amendment.

IN WITNESS WHEREOF, the Parties hereto have executed this Second Amendment as of the day and year first above written.

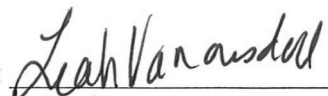
TOWN OF SEVERANCE:

By: _____
Mayor



ATTEST:

By: _____
Town Clerk



STATE OF COLORADO)

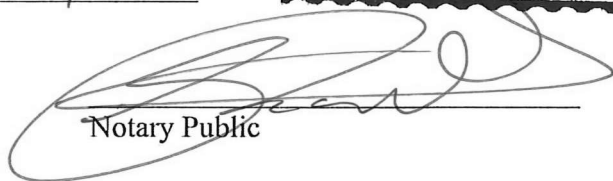
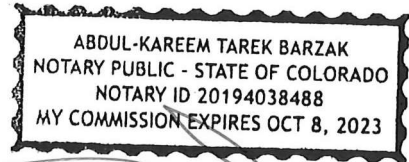
) ss.

COUNTY OF WELD)

The foregoing Second Amendment was acknowledged before me this 6th day of April, 2023 by Matthew Fries as Mayor or of the Town of Severance, Colorado.

Witness my hand and official seal.

My Commission Expires: OCTOBER 8, 2023



Notary Public

Town of Severance Signature Page to Second Amendment to the Intergovernmental Agreement with Saddle Ridge Metropolitan District dated April 6, 2023

SADDLER RIDGE METROPOLITAN DISTRICT:

By: _____
 Officer of the Board of Directors

ATTEST:

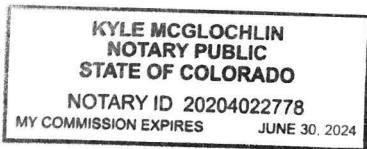
STATE OF COLORADO)
) ss.
)
 COUNTY OF WELD

The foregoing Second Amendment was acknowledged before me this 4th day of April, 2023 by Jacob Paul as President of the Board of Directors of the Saddler Ridge Metropolitan District.

Witness my hand and official seal.

My Commission Expires: June 30th, 2024

Kyle McGlochlin - _____
 Notary Public



District Signature Page to Second Amendment to Intergovernmental Agreement with the Town of Severance dated April 6, 2023

EXHIBIT A
(The Property – WCR17 and WCR19)

LEGAL DESCRIPTION

That portion of Weld County Road 17, being a part of Sections 9 and 10, Township 7 North, Range 67 West of 6th Principal Meridian, more particularly described as follows:

Considering the South line of Section 9, monumented with a 2 ½" aluminum cap in range box stamped LS 12374 at the SW corner, and a 3 ½" aluminum cap in a range box stamped LS 12374 at the SE corner, as bearing S89°46'42"E and with all bearings contained herein relative thereto:

Commencing at the Southwest corner of said Section 9;
Thence along the Westerly line of the South half of said Section 9 N00°35'23"E 159.97 feet, to the POINT OF BEGINNING;
Thence departing said Westerly line of Section 9, N89°53'24"W 30.00 feet to a point on the Westerly right of way line of Weld County Road 17;
Thence along said Westerly right of way line N0°35'23"E 2485.30 feet;
Thence departing said Westerly right of way line S89°31'13"W 70.00 feet to a point on the Northerly line of the South ½ said Section 9 and the Easterly right of way line of Weld County Road 17;
Thence along said Easterly right of way line of Weld County Road 17, S0°35'23"W 2439.88 feet;
Thence departing said Easterly right of way line N44°35'12"W 14.09 feet;
Thence N89°46'20"W 30.00 feet, to a point on the Westerly line of the South half of said Section 9;
Thence along said Westerly line of the South half of Section 9, S0°35'23"W 55.04 feet to the POINT OF BEGINNING;

Containing 3.944 acres, more or less.

Ramiz Bisic, PLS 36563
COLORADO LAND SURVEYING
5343 W 116th Cir
Westminster, CO 80020
303-469-1730

LEGAL DESCRIPTION

That portion of Weld County Road 19, being a part of Sections 9 and 10, Township 7 North, Range 67 West of 6th Principal Meridian, more particularly described as follows:

Considering the South line of Section 9, monumented with a 2 ½" aluminum cap in range box stamped LS 12374 at the SW corner, and a 3 ½" aluminum cap in a range box stamped LS 13155 at the SE corner, as bearing N89°46'42"W and with all bearings contained herein relative thereto:

Commencing at the Southeast corner of said Section 9;

Thence along the Easterly line of the South half of said Section 9 N00°03'58"E 175.00 feet, to the POINT OF BEGINNING;

Thence departing said Easterly line of Section 9, N89°46'42"W 30.00 feet to a point on the Westerly right of way line of Weld County Road 19;

Thence along said Westerly right of way line N0°03'58"E 2446.42 feet, to a point on the Northerly line of the South half of said Section 9;

Thence departing said Westerly right of way line S89°31'13"E 30.00 feet to the East quarter corner section 9;

Thence N89°55'36"E 30.00' to a point on the Northerly line of the South half of Section 10, and the Easterly right of way line of Weld County Road 19;

Thence along said Easterly right of way line of Weld County Road 19, S0°03'58"W 2436.76 feet;

Thence departing said Easterly right of way line N89°57'24"W 30.00 feet, to a point on the Westerly line of the South half of said Section 10;

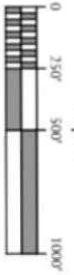
Thence along said Westerly line of the South half of Section 10, S0°03'58"W 9.58 feet to the POINT OF BEGINNING;

Containing 3.363 acres, more or less.

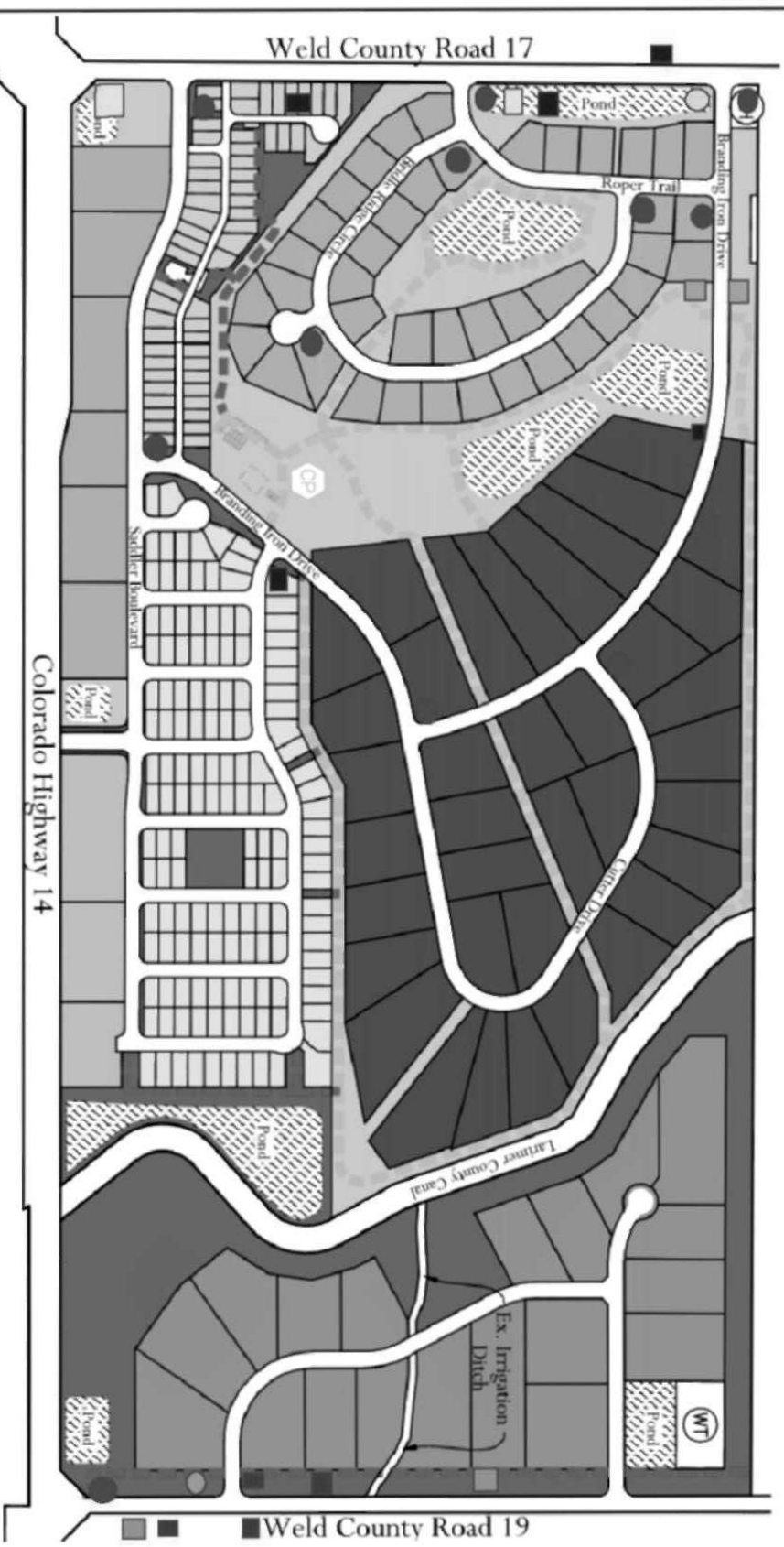
Ramiz Bisic, PLS 36563
COLORADO LAND SURVEYING
5343 W 116th Cir
Westminster, CO 80020
303-469-1730

EXHIBIT B

(Identification of Signs to be Maintained by Town)



Saddler Ridge Signage



- Stop and Street name
- Speed Limit
- No Outlet
- Dead End

- Crossing
- Hill Blocks View & Speed Limit
- Slow Blind Hill
- Stop Sign Warning

■ Weld County Road 19

EXHIBIT C
(Street Lights)



Saddler Ridge Lighting



- Street Lighting
- Community Sign

**FIRST AMENDMENT
TO
NONEXCLUSIVE RIGHT-OF-WAY
LICENSE AND MAINTENANCE AGREEMENT
BETWEEN
THE TOWN OF SEVERANCE AND SADDLER RIDGE METROPOLITAN DISTRICT
(WELD COUNTY ROAD 17)**

This First Amendment to the Nonexclusive Right of Way License and Maintenance Agreement (the “**Amendment**”), effective January 1, 2024 (“**Effective Date**”), by and between the Town of Severance, a Colorado municipal corporation (the “**Town**”) and Saddler Ridge Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”). The Town and District may be referred to herein individually as “**Party**” or collectively as the “**Parties**”.

RECITALS:

WHEREAS, the Parties entered into that Nonexclusive Right-of-Way License and Maintenance Agreement dated September 20, 2017 (the “**License Agreement**”); and

WHEREAS, the Town has regulatory authority over Weld County Road 17 (“**WCR17**”) and Weld County Road 19 (“**WCR19**”) and associated rights-of-way, and which were Annexed into the Town in August 2017; and

WHEREAS, pursuant to the terms of the License Agreement, the Town annexed certain portions of WCR17 and WCR19 in exchange for the District maintaining the roadways and drainage improvements constructed on WCR17 and WCR19 (the “**Improvements**”); and

WHEREAS, the Town provided the District with a license pursuant to the terms and conditions of the License Agreement to enter upon the Town’s rights-of-way for the purposes of maintaining the Improvements; and

WHEREAS, conditions within the District have changed and the Town is willing to assume all responsibilities and obligations as it relates to snow plowing on WCR17.

AMENDMENT:

Now, therefore, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to amend the License Agreement as follows:

Section 1, Grant of Revocable License, is hereby repealed in its entirety and amended and restates in its entirety as follows:

1. ***Grant of Revocable License.*** *The Town hereby grants the District a license for the purposes of maintaining the Improvements on WCR17 and for the purposes of snow plowing and maintaining the Improvements on WCR19 for a new term of twenty (20)*

years from the date of this Amendment, subject to an automatic 5-year renewal term. Any and all rights granted to the District under this License Agreement, which shall be exercised at the District's sole cost and expense, shall be subject to the dominant and continuing right of the Town to use any and all parts of WCR17 and WCR19 for the Town's public purposes, and shall be further subject to all prior deeds, easements, dedications, conditions, franchises, covenants, restrictions, encumbrances and claims of title of record that may affect WCR17 and WCR19. Nothing in this License Agreement shall be deemed to grant, convey, create or vest in the District a real property interest in land, including any fee, leasehold interest or easement.

Section 2, Use of Right-of-Way, is hereby repealed in its entirety and amended and restates in its entirety as follows:

2. ***Use of Right-of-Way.*** *The District agrees that it shall utilize WCR17 for the purpose of maintaining the above-described Improvements and any other lawful purposes, and WCR19 for the purposes of snow plowing, maintaining the above-described Improvements, accessing the District's wastewater treatment plant and any other lawful purposes. Upon completion of any maintenance to or repair of the Improvements, the District shall remove all construction or other materials from WCR17 and WCR19 and restore such area to its pre-existing condition within ten (10) days of completion.*

Except as expressly amended herein, all other provisions of the Agreement shall remain in full force and effect.

This Amendment may be executed simultaneously or in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. Fax copies and electronically scanned copies of the executed signature pages of this Agreement shall be effective and binding upon the Parties as if such signatures were original signatures.

[Balance of Page Intentionally Left Blank; Signature Pages Follow]

In Witness Whereof, the Parties have executed this Amendment with an Effective Date of January 1, 2024.



TOWN OF SEVERANCE

A handwritten signature in black ink, appearing to be "Jacob Paul", written over a horizontal line.

Mayor

ATTEST

A handwritten signature in black ink, appearing to be "Leah Wamsdell", written over a horizontal line.

Town Clerk

SADDLER RIDGE METROPOLITAN DISTRICT

A handwritten signature in black ink, appearing to be "Jacob Paul", written over a horizontal line.

Jacob Paul (Apr 4, 2023 10:11 MDT)

Officer of the District

ATTEST:

A handwritten signature in black ink, appearing to be "Susan Paul", written over a horizontal line.

Susan Paul (Apr 4, 2023 10:10 MDT)

EXHIBIT B
2025 Budget

The District's Budget can be found on the Documents page of the District's website:
<https://www.saddlerridgemd.org/annual-district-documents>