

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
STERLING RANCH METROPOLITAN DISTRICT NO. 2
(THE "DISTRICT")
HELD
OCTOBER 24, 2023

A regular meeting of the Board of Directors of the Sterling Ranch Metropolitan District No. 2 (referred to hereafter as the "**Board**") was convened on Tuesday, October 24, 2023, at 11:00 a.m. at 2138 Flying Horse Club Dr., Colorado Springs, CO 80921 and via teleconference. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Deborah Vincellette, President (left at 12:15 p.m.)
Willie Jackson, Secretary
Michael J. Bart, Assistant Secretary
Diane C. Black, Assistant Secretary

The absence of Director Collins was excused.

Also, In Attendance Were:

Korben Heim and Seef Le Roux; CliftonLarsonAllen, LLP ("CLA")
Sean Allen, Esq.; White Bear Ankele Tanaka & Waldron
Sarah Steph, Loren Moreland and Douglas Stimple; Classic Homes
Peggy Libbey; Morley Construction
Bill Berger and Michael Black; Members of the Public

ADMINISTRATIVE MATTERS

Call to Order and Agenda: Upon a motion duly made by Director Vincellette, the Board called the meeting to order at 11:07 a.m.

Following review, upon a motion duly made by Director Black, seconded by Director Vincellette and, upon vote, unanimously carried, the Board approved the agenda, as presented.

Disclosures of Potential Conflicts of Interest: The Directors present that have financial and employment interests in entities active in developing property within the boundaries of the District, noted for the record that such interests may be affected from time to time by actions of the District's Board of Directors. In accordance with state law, Attorney Allen reported the written disclosures describing such potential conflicts of interest were filed with the Secretary of State. The Directors present verbally reaffirmed such disclosures or confirmation of no conflict disclosures as applicable on the record of this meeting.

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Quorum, Location of Meeting and Meeting Notices: Upon a motion duly made by Director Vincellette, seconded by Director Black and, upon vote, unanimously carried, the Board confirmed a quorum and excused the absence of Director Collins. It was noted that the meeting was noticed on the District website and posted as required.

Public Comment: Bill Berger questioned roadwork, improvements around Woodmen Road, Black Forest Road and Vollmer Road. It was noted that this is a City project and the District is not involved. The Dines Boulevard and Vollmer Road improvements are District projects. Paving the south section of Vollmer is to start early November and the north section of Vollmer Road to Poco Road will be completed after the south section. Vollmer Road and Cowpoke Road improvements is a City project and the District is not involved.

Developer Update: Mr. Moreland provided a general development update, noting the Sterling Ranch Road crossing is being backfilled and compacted. The pipe for stormwater along the Marksheffel extension should be done by January. Discussion ensued regarding ways to avoid crossing issues at Sterling Ranch Road when the Briargate crossing is underway.

Director Bart commented on the Briargate paved section, the construction truck usage, regular traffic following the trucks and going around the barriers. He asked if this section was open for public usage.

Director Bart commented on new trees installed along Wheatland and Dines and asked how they are being watered, whether irrigation is working and inspected for repairs and what the winter watering process is. The Board discussed pothole and landscaping concerns.

Minutes from the September 26, 2023 Regular Meeting and September 29, 2023 Special Meeting/Site Tour/Work Session: Director Bart discussed the site tour, the view of Sterling Ranch as a Master Planned Community and the role of the three developers involved in the community. Discussion ensued regarding Classic's role of not being involved in the west side, but the importance of stewarding an established community while expanding into undeveloped sections of Sterling Ranch. The Board further discussed ways to show involvement of the developers and where in the community they are active, suggesting inviting a Challenger representative to attend regular meetings for their input/discussion.

Following discussion, upon a motion duly made by Director Bart, seconded by Director Black and, upon vote, unanimously carried, the Board approved the minutes from the September 26, 2023 Regular Meeting and the September 29, 2023 Special Meeting/Site Tour/Work Session.

FINANCIAL MATTERS

Schedule of Cash Position dated June 40, 2023 and updated as of October 18, 2023: Mr. Le Roux reviewed the Schedule of Cash Position with the Board. Director Bart asked for greater detail of requisitions and capital project funds,

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how they are expended and budgeted. Mr. Stimple reported that Sterling Ranch Metropolitan District Nos. 4 and 5 were formed and will issue debt to pay for public improvements that benefit those districts as development continues. District No. 2 has finished issuing debt. Discussion ensued regarding representation for residents and having Classic provide capital budgeting cost-to-completion information at the budget hearing. No action taken.

Resolution Regarding Acceptance of District Eligible Costs for Ratification of Bond Series 2022 Project Fund Requisition No. 32 Regarding Public Improvement Soft Cost Reimbursement – Previously Approved in Claims Payable: Mr. Le Roux reviewed the Resolution for Bond Series 2022 Project Fund Requisition No. 32 with the Board. Following review and discussion, upon a motion duly made by Director Bart, seconded by Director Vincellette and, upon vote, unanimously carried, the Board adopted the Resolution Regarding Acceptance of District Eligible Costs for Ratification of Bond Series 2022 Project Fund Requisition No. 32 Regarding Public Improvement Soft Cost Reimbursement, as presented.

Bond Series 2022 Project Fund Requisition No. 33 (Lethbridge certified): Developer’s Public Improvement Construction Cost Reimbursement Application; Engineer & Accountant Cost Certification Report; Adoption of Resolution Regarding Acceptance of District Eligible Public Improvement Costs and Project Fund Requisition for Certified Costs: Mr. Le Roux reviewed the Resolution for Bond Series 2022 Project Fund Requisition No. 32 with the Board. Following review and discussion, upon a motion duly made by Director Bart, seconded by Director Vincellette and, upon vote, unanimously carried, the Board accepted Bond Series 2022 Project Fund Requisition No. 33 (Lethbridge certified), the Developer’s Public Improvement Construction Cost Reimbursement Application, the Engineer & Accountant Cost Certification Report and adopted the Resolution Regarding Acceptance of District Eligible Public Improvement Costs and Project Fund Requisition for Certified Costs.

Distribution of 2024 draft budget: The Board acknowledged receipt and discussed the draft 2024 budget.

Draft 2024 Budget Timing and Director Comments to Accountant: None.

Capital Improvement Cost Budget; Bond Project Fund and Developer Advances: Discussed previously. Classic is to provide this information at the budget hearing.

LEGAL MATTERS

None.

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MANAGER
MATTERS

Director Bart asked about adding a line item to the budget regarding Director compensation at the budget hearing.

OTHER BUSINESS

Landscape Maintenance Contract and District No. 1 and District No. 3 Shared Information Reports: Director Bart noted his concerns for the quality of service. Discussion ensued regarding installation and maintenance. Deferred to the next meeting.

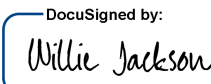
Board input to Upcoming Community Newsletter: Director Bart and Director Vinclette are preparing a contribution to the newsletter that will be ready soon.

Quorum for November 9, 2023 No Action Annual Meeting at 5:30 p.m. at Grace Community Church, 9475 Church View, Falcon, CO 80831: Quorum was confirmed.

ADJOURNMENT

There being no further business to come before the Board at this time, upon a motion duly made by Director Black, seconded by Director Bart, the Board adjourned the meeting at 12:32 p.m.

Respectfully submitted,

By  Secretary for the Board
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Certificate Of Completion

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Certificate Pages: 5	Initials: 0
AutoNav: Enabled	Envelope Originator:
Envelopeld Stamping: Enabled	Kathy Suazo
Time Zone: (UTC-06:00) Central Time (US & Canada)	220 S 6th St Ste 300
	Minneapolis, MN 55402-1418
	Kathy.Suazo@claconnect.com
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Deb Vincelle
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Signature

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Willie Jackson
 wjjackson75@gmail.com
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Sean Allen
 sallen@wbapc.com
 Security Level: Email, Account Authentication (None)

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Carbon Copy Events	Status	Timestamp
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Envelope Summary Events	Status	Timestamps
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Payment Events	Status	Timestamps
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