

## RECORD OF PROCEEDINGS

---

MINUTES OF A REGULAR MEETING OF  
THE BOARD OF DIRECTORS OF THE  
STERLING RANCH METROPOLITAN DISTRICT NO. 2  
(THE "DISTRICT")  
HELD  
JUNE 20, 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, June 20, 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  
Willie Jackson, Secretary  
Charles Collins, Treasurer  
Michael J. Bart, Assistant Secretary  
Diane C. Black, Assistant Secretary

#### Also, In Attendance Were:

Josh Miller, Korben Heim and Seef Le Roux; CliftonLarsonAllen, LLP ("CLA")  
Sean Allen, Esq.; White Bear Ankele Tanaka & Waldron  
Sarah Steph, Nate Lenz, and Douglas Stimple; Classic Homes  
Jim Morley and Peggy Libbey; Morley Construction  
Michael Black and 1 other individual; Members of the Public

### ADMINISTRATIVE MATTERS

**Call to Order and Agenda:** Director Vincellette called the meeting to order at 11:00 a.m.

Following review, upon a motion duly made by Director Vincellette, seconded by Director Bart 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, and the Directors present verbally reaffirmed such disclosures or confirmation of no conflict disclosures as applicable on the record of this meeting. The Board determined that the participation of the members present was necessary to obtain a quorum or to otherwise enable the Board to act.

## RECORD OF PROCEEDINGS

---

**Quorum, Location of Meeting and Meeting Notices:** A quorum was confirmed. It was noted that the meeting was noticed on the District website and posted as required.

**Public Comment:** None.

**Developer Update:** Director Vincellette asked about the status of the park benches in Community Park. Mr. Stimple noted that benches were purchased and expected to ship in two weeks.

Director Bart raised his concern with water usage and conservation, noting that the water rates are tied to usage thresholds. Mr. Stimple and Ms. Steph discussed the water service provider, FAWWA. The General Counsel for FAWWA will be made available to discuss the rates and water policy with the Board at a future meeting.

The Board discussed the Current Community Park and the larger Regional Park. Mr. Stimple provided a review and feedback on the County's involvement and approval process. He reported work is expected to begin by 2025.

Director Vincellette asked about the trash and recycling services. It was noted in discussion that service is provided through the HOA, not the District.

The Board discussed the mailboxes installed at the intersection of Cut Bank Drive and Niarada Way.

**Minutes from May 16, 2023 Regular Board Meeting:** Following review, upon a motion duly made by Director Bart, seconded by Director Vincellette and, upon vote, unanimously carried, the Board approved the Minutes from the May 16, 2023 regular Board meeting, as presented.

### FINANCIAL MATTERS

**Cash Position and Property Tax Schedules:** Mr. Le Roux reviewed the Cash Position and Property Tax Schedules with the Board. Following review, upon a motion duly made by Director Bart, seconded by Director Vincellette and, upon vote, unanimously carried, the Board accepted the Cash Position and Property Tax Schedules, as presented.

**Resolution for Ratification of Bond Series 2022 Project Fund Requisition No. 21 Regarding Public Improvement Soft Cost Reimbursement – Previously Approved in Claims Payable:** Mr. Le Roux reviewed the Resolution for Ratification of Bond Series 2022 Project Fund Requisition No. 21, with the Board. The Board discussed. Following review and discussion, upon a motion duly made by Director Black, seconded by Director Bart and, upon vote, unanimously carried, the Board adopted the Resolution for Ratification of Bond Series 2022 Project Fund Requisition No. 21, as presented.

## RECORD OF PROCEEDINGS

---

**Bond Series 2022 Project Fund Requisition No. 22 (Lethbridge Certified): Developer’s Public Improvement Construction Cost Reimbursement Application; Engineer & Accountant Cost Certification Report; Approval of Resolution Accepting District Eligible Public Improvement Costs and Project Fund Requisition for Certified Costs:** Mr. Le Roux reviewed Requisition No. 22 and Resolution for Ratification of Bond Series 2022 Project Fund Requisition No. 22 with the Board. The Board discussed. Following review and discussion, upon a motion duly made by Director Black, seconded by Director Bart and, upon vote, unanimously carried, the Board approved Requisition No. 22 and adopted the Resolution for Ratification of Bond Series 2022 Project Fund Requisition No. 22, as presented.

**Other:** The Board discussed the cost-certification process and considered options to resolve cash flow timing issues related to reimbursement payments made to developer entities installing the public infrastructure. Following review and discussion, upon a motion duly made by Director Vincellette, seconded by Director Bart and, upon vote, unanimously carried, the Board acknowledged the cash flow and reimbursement timing issue and approved the use of an affidavit from the developers indicating that all vendors/contractors/subcontractors were sent payment for the work/materials included in the cost certifications. The Board noted that the use of an affidavit will be permitted on an initial trial basis and that subsequent cost certifications will need to contain a reconciliation that the vendors/contractors/subcontractors identified in the affidavits have been paid in full.

LEGAL MATTERS                      None.

MANAGER MATTERS                      None.

OTHER BUSINESS                      None.

ADJOURNMENT                      There being no further business to come before the Board at this time, Director Vincellette adjourned the Board meeting at 12:31 p.m.

Respectfully submitted,

By DocuSigned by:  
*Willie Jackson*  
B0841451010A498...  
Secretary for the Board