

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
STERLING RANCH METROPOLITAN DISTRICT NO. 2
(THE "DISTRICT")
HELD
MAY 16, 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, May 16, 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:

Diane C. Black, Director
Willie Jackson, Director
Deborah Vincellette, Director
Charles Collins, Director
Michael J. Bart, Director

Also, In Attendance Were:

Josh Miller, Korben Heim and Mallorie Hanson; CliftonLarsonAllen, LLP ("CLA")
Sean Allen, Esq.; White Bear Ankele Tanaka & Waldron
Sarah Steph, Jack Stimple, Loren Moreland and Douglas Stimple; Classic Homes
Jim Morley, Peter Morley and Peggy Libbey; Morley Construction
Michael Black; Member of the Public

ADMINISTRATIVE MATTERS

Call to Order and Agenda: Upon a motion duly made by Director Vincellette, seconded by Director Jackson and, upon vote, unanimously carried, the Board called the meeting to order at 11:02 a.m.

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

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

RECORD OF PROCEEDINGS

members present was necessary to obtain a quorum or to otherwise enable the Board to act.

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.

Minutes from the April 18, 2023 Regular Board Meeting: Following review, upon a motion duly made by Director Collins, seconded by Director Jackson and, upon vote, unanimously carried, the Board approved the minutes from the April 18, 2023 regular Board meeting, as presented.

Results of May 2, 2023 Regular Director Election: Attorney Allen informed the Board that the May 2, 2023 Regular Election has been canceled because the District did not receive more self-nominations than seats available. Directors Bart and Black were elected by acclamation for four-year terms.

Filing of Oaths of Directors: Attorney Allen confirmed the Director Oaths for Bart and Black were filed with the County and the Division of Local Government per statute.

Appointment of Officers: Following discussion, upon motion duly made by Director Bart, seconded by Director Vincellette and, upon vote, unanimously carried, the following slate of officers were appointed for the District:

President: Deborah Vincellette
Secretary: Willie Jackson
Treasurer: Charles Collins
Assistant Secretary: Diane Black
Assistant Secretary: Michael Bart

FINANCIAL MATTERS

March 31, 2023 Unaudited Financial Statements: Ms. Hansen reviewed the March 31, 2023 Unaudited Financial Statements with the Board. Following review, upon a motion duly made by Director Collins, seconded by Director Bart and, upon vote, unanimously carried, the Board accepted the March 31, 2023 Unaudited Financial Statements, as presented.

Resolution for Ratification of Bond Series 2022 Project Fund Requisition No. 19 Regarding Public Improvement Soft Cost Reimbursement – Previously Approved in Claims Payable: Ms. Hansen reviewed the Resolution for Ratification of Bond Series 2022 Project Fund Requisition No. 19, with the Board. Following review and discussion, upon a motion duly made by Director Vincellette, seconded by Director Bart and, upon vote, unanimously

RECORD OF PROCEEDINGS

carried, the Board adopted the Resolution for Ratification of Bond Series 2022 Project Fund Requisition No. 19, as presented.

Bond Series 2022 Project Fund Requisition No. 20 (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: Ms. Hansen reviewed Requisition No. 20 and Resolution for Ratification of Bond Series 2022 Project Fund Requisition No. 20 with the Board. Following review and discussion, upon a motion duly made by Director Vincellette, seconded by Director Bart and, upon vote, unanimously carried, the Board approved Requisition No. 20 and adopted the Resolution for Ratification of Bond Series 2022 Project Fund Requisition No. 20, as presented.

New Signers on Bill.com for District Bills: Ms. Hansen reviewed the need to have new signers on Bill.com for District bills with the Board. Following review and discussion, upon a motion duly made by Director Bart, seconded by Director Black and, upon vote, unanimously carried, the Board determined to keep Director Collins as a signer and replaced previous Director Loren with Director Vincellette.

LEGAL MATTERS

Elite Properties of America, Inc., Advance and Reimbursement Agreement: The Board, Attorney Allen, and Mr. Stimple discussed. No action was taken.

Elite Properties of America, Inc., Infrastructure Acquisition, Advance and Reimbursement Agreement: The Board, Attorney Allen, and Mr. Stimple discussed. No action was taken.

Sterling Ranch Metropolitan District No. 3's Coordination of Non-Construction, Soft Capital Costs for Sterling Ranch Metropolitan District Nos. 1, 2, and 3: Following review, upon a motion duly made by Director Black, seconded by Director Vincellette and, upon vote, unanimously carried, the Board acknowledged the Sterling Ranch Metropolitan District No. 3's undertaking of coordination of non-construction, soft capital costs on behalf of and for the benefit of Sterling Ranch Metro District Nos. 1, 2 and 3. Board discussed additional items coordinated by District No. 3 as the coordinating district pursuant to the coordination IGA between all three districts. Mr. Miller noted that through CLA as manager of the Districts, District Nos. 1 and 2 are afforded oversight of District No. 3's performance as the coordinating district.

MANAGER MATTERS

Mr. Miller provided an update to the Board.

RECORD OF PROCEEDINGS

OTHER BUSINESS

Director Bart asked a question regarding Sterling Ranch Metro District No. 2 oversight on Sterling Ranch Metro District No. 3. The Board and Classic Homes discussed the relationship of the Districts' and their cooperation as parts of the community.

Director Black posed a question regarding District/Board member insurance. Mr. Miller and Attorney Allen addressed her question.

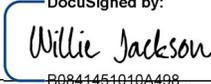
The Board, Mr. Stimple, and Mr. Moreland discussed developmental items, association items, and parks/areas for children in the community.

The Board discussed director compensation. It was determined this will be an item for the budget meeting.

ADJOURNMENT

There being no further business to come before the Board at this time, Director Vincellelte adjourned the Board meeting at 12:49 p.m.

Respectfully submitted,

By  Secretary for the Board
B0841461010A498...

Certificate Of Completion

Envelope Id: 1B80AAD5AE414D8C93C7BEB51E50432D	Status: Completed
Subject: Complete with DocuSign: Sterling Ranch MD 2 - Minutes 5-16-2023	
Client Name: Sterling Ranch MD 2	
Client Number: A109699-OS02-2023	
Source Envelope:	
Document Pages: 4	Signatures: 1
Certificate Pages: 4	Initials: 0
AutoNav: Enabled	Envelope Originator:
Enveloped Stamping: Enabled	Cindy Jenkins
Time Zone: (UTC-06:00) Central Time (US & Canada)	220 S 6th St Ste 300
	Minneapolis, MN 55402-1418
	Cindy.Jenkins@claconnect.com
	IP Address: 67.176.12.84

Record Tracking

Status: Original	Holder: Cindy Jenkins	Location: DocuSign
7/26/2023 10:01:12 AM	Cindy.Jenkins@claconnect.com	

Signer Events

Willie Jackson wjackson75@gmail.com Security Level: Email, Account Authentication (None)	<p>Signature</p>  <p>Signature Adoption: Pre-selected Style Using IP Address: 209.177.131.82 Signed using mobile</p>	<p>Timestamp</p> <p>Sent: 7/26/2023 10:04:45 AM Viewed: 7/26/2023 11:06:50 AM Signed: 7/26/2023 11:07:19 AM</p>
--	--	--

Electronic Record and Signature Disclosure:
Accepted: 7/26/2023 11:06:50 AM
ID: 25344774-1168-4472-aa5d-bd21a21df75f

In Person Signer Events

Editor Delivery Events

Agent Delivery Events

Intermediary Delivery Events

Certified Delivery Events

Carbon Copy Events

Witness Events

Notary Events

Envelope Summary Events

Envelope Sent	Hashed/Encrypted	7/26/2023 10:04:45 AM
Certified Delivered	Security Checked	7/26/2023 11:06:50 AM
Signing Complete	Security Checked	7/26/2023 11:07:19 AM
Completed	Security Checked	7/26/2023 11:07:19 AM

Payment Events

Electronic Record and Signature Disclosure

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, CliftonLarsonAllen LLP (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact CliftonLarsonAllen LLP:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: BusinessTechnology@CLAconnect.com

To advise CliftonLarsonAllen LLP of your new email address

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at BusinessTechnology@CLAconnect.com and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

To request paper copies from CliftonLarsonAllen LLP

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to BusinessTechnology@CLAconnect.com and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with CliftonLarsonAllen LLP

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;

ii. send us an email to BusinessTechnology@CLAconnect.com and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: <https://support.docusign.com/guides/signer-guide-signing-system-requirements>.

Acknowledging your access and consent to receive and sign documents electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to ‘I agree to use electronic records and signatures’ before clicking ‘CONTINUE’ within the DocuSign system.

By selecting the check-box next to ‘I agree to use electronic records and signatures’, you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify CliftonLarsonAllen LLP as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by CliftonLarsonAllen LLP during the course of your relationship with CliftonLarsonAllen LLP.