

## RECORD OF PROCEEDINGS

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MINUTES OF A REGULAR MEETING OF  
THE BOARD OF DIRECTORS OF THE  
STERLING RANCH METROPOLITAN DISTRICT  
NO. 2 (THE "DISTRICT")  
HELD  
JUNE 25, 2024

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 June 25, 2024, at 11:00 a.m. at 2138 Flying Horse Club Dr., Colorado Springs, CO 80921 and via Microsoft Teams. The meeting was open to the public.

### ATTENDANCE

#### Directors In Attendance Were:

Deborah Vincelle, President  
Willie Jackson, Secretary  
Michael Bart, Assistant Secretary  
Diane Black, Assistant Secretary

The absence of Charles Collins was excused.

#### Also, In Attendance Were:

Josh Miller and Seef LeRoux; CliftonLarsonAllen LLP ("CLA")  
Sarah Steph, Doug Stimple and Loren Moreland; Classic Homes  
Sean Allen, Esq.; White Bear Ankele Tanaka & Waldron  
Jim Morley and Peggy Libbey; SR Land  
Michael Black and Stefan Escanes; members of the public

### ADMINISTRATIVE MATTERS

**Call to order and Agenda:** Director Vincelle called the meeting to order at 10:59 a.m. Following review, upon a motion duly made by Director Black, 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 noted for the record that they have financial interests in entities active in developing property within the boundaries of the District, or are employed by such entities, and that such interests may be affected from time to time by actions of the Districts' 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 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.

**Quorum, Location of Meeting and Posting of Meeting Notice:** The Board confirmed a quorum, the location of the meeting and the posting of the meeting

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notice. Upon a motion duly made by Director Vincellette, seconded by Director Black and, upon vote, unanimously carried, the Board excused the absence of Director Collins.

**Public comment:** Stefan Escanes had questions regarding the dirt pile and landscaping conditions along miracle mile. Mr. Moreland provided details, noting that the screening operations have been completed and the dirt is being hauled off by Pioneer. Mr. Moreland also detailed the irrigation issues and repairs that have occurred around the miracle mile. He noted the work that has been completed and that the conditions should now improve.

**Minutes from the April 18, 2024 Special Meeting/Work Session, April 23, 2024 Regular Meeting and May 23, 2024 Special Meeting /Work Session:** Following review, upon a motion duly made by Director Vincellette, seconded by Director Jackson and, upon vote, unanimously carried, the Board approved the minutes from April 18, 2024 Special Meeting/Work Session, April 23, 2024 Regular Board meeting and May 23, 2024 Special Meeting/Work Session.

**Developer Update:** Mr. Moreland provided an update as follows:

FAWWA has approved water restrictions, and a notice will be circulated and placed on all websites.

Director Bart asked about the fire hydrants and whether they are secured.

Mr. Moreland noted the water meters have been issued for construction activity and billed according. He further noted the water tanks have floats in them that would alert when tank levels saw a drastic fluctuation.

Director Bart asked for an update on the Marksheffel work. Mr. Moreland noted the crews have been on site the last two weeks and that work in the area was ongoing.

### FINANCIAL MATTERS

**Unaudited Financial Statements, Schedule of Cash Position, Property Tax Schedule and Property Tax Obligation Summary:** Mr. Le Roux reviewed the financial documents with the Board. Director Bart asked about the Bond reserve and surplus funds relative to the budget. Mr. Le Roux reported that they were ahead of the budget due to favorable interest earnings. Director Bart asked about the County's property tax collection and remittance to the District obligation. Mr. Le Roux reported that the County remits collected property taxes monthly to the District on or about the 10<sup>th</sup> of each month. Following discussion, upon a motion duly made by Director Bart, seconded by Director Vincellette and, upon vote, unanimously carried, the Board accepted the Unaudited Financial Statements, Schedule of Cash Position, Property Tax Schedule and Property Tax Obligation Summary.

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LEGAL MATTERS           None.

MANAGER  
MATTERS               None.

DIRECTOR  
MATTERS               **Landscape Discussion – Dead Tree Replacement:** A full list of replacement trees has been completed. However, timing with weather is the current delay and the trees will be replaced when it is responsible to do so.

ADJOURNMENT           There being no further business, upon a motion duly made and seconded by, Director Vincellette, the Board adjourned the meeting at 11:37 a.m.

Respectfully submitted,

DocuSigned by:  
  
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Secretary for the Meeting