

## RECORD OF PROCEEDINGS

---

### MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE STC METROPOLITAN DISTRICT NO. 2 HELD JANUARY 6, 2021

A Special Meeting of the Board of Directors (referred to hereafter as the "Board") of the STC Metropolitan District No. 2 (referred to hereafter as the "District") was convened on Wednesday, the 6th day of January, 2021, at 9:00 A.M. Due to concerns regarding the spread of the Coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, this District Board meeting was held by Zoom. The meeting was open to the public via conference call and Zoom.

#### ATTENDANCE

#### Directors In Attendance Were:

James A. Brzostowicz  
Angie Hulsebus  
Terry Willis

#### Also In Attendance Were:

Peggy Ripko; Special District Management Services, Inc.  
Megan Becher, Esq. and Kate Olson, Esq.; McGeady Becher P.C.  
Bill Jencks, Sonia Chin and Jessica Sergi; Ranch Capital, LLC  
Bill Flynn; Simmons and Wheeler, P.C.

#### DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

**Disclosure of Potential Conflicts of Interest:** The Board noted it was in receipt of disclosures of potential conflicts of interest statements for each of the Directors and that the statements had been filed with the Secretary of State at least seventy-two hours in advance of the meeting. Ms. Ripko requested that the Directors review the Agenda for the meeting and advised the Board to disclose any new conflicts of interest which had not been previously disclosed. No further disclosures were made by Directors present at the meeting.

#### ADMINISTRATIVE MATTERS

**Agenda:** Ms. Ripko noted a quorum was present. The Board reviewed the proposed Agenda for the District's Special Meeting.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Willis and, upon vote, unanimously carried, the Board approved the Agenda, as amended.

## RECORD OF PROCEEDINGS

---

**Location of Meeting and Posting of Meeting Notices:** The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. The Board determined that, due to concerns regarding the spread of the coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, the meeting would be held by telephonic means, and encouraged public participation via telephone. The Board further noted that notice of the time, date and location/manner of the meeting was duly posted and that that no objections to the telephonic manner of the meeting, or any requests that the telephonic manner of the meeting be changed by taxpaying electors within the District boundaries have been received.

**Designation of 24-Hour Posting Location:** Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Willis and, upon vote, unanimously carried, the Board determined that notices of meetings of the District Board required pursuant to Section 24-6-402(2)(c), C.R.S., shall be posted within the boundaries of the District as least 24 hours prior to each meeting at the following location On the fence in the northwest corner of the 5' x 5' District parcel (said parcel located 86 feet north of the fence corner).

**Minutes:** The Board reviewed the Minutes of the December 2, 2020 and December 16, 2020 special meetings.

Following discussion, upon motion duly made by Director Brzostowicz seconded by Director Willis and, upon vote, unanimously carried, the Board approved the Minutes of the December 2, 2020 and December 16, 2020 Special Meetings.

**PUBLIC  
COMMENTS**

There were no public comments.

**FINANCIAL  
MATTERS**

**Claims:** The Board considered the ratification of approval of the payment of claims as follows:

Fund	Period Ending Dec. 16, 2020
General	\$ 49,568.27
Debt	\$ 7,000
Capital	\$ 1,097.50
<b>Total</b>	<b>\$ 57,665.77</b>

Following review and discussion, upon motion duly made by Director Brzostowicz, seconded by Director Willis and, upon vote, unanimously carried, the Board ratified approval of payment of claims, as presented.

## RECORD OF PROCEEDINGS

---

**Unaudited Financial Statements:** Mr. Flynn presented to the Board the unaudited financial statements and cash position for the period ending November 30, 2020.

Following review and discussion, upon motion duly made by Director Brzostowicz, seconded by Director Willis and, upon vote, unanimously carried, the Board accepted the unaudited financial statements and cash position for the period ending November 30, 2020.

---

### **LEGAL MATTERS**

**First Amendment to Amended and Restated Operation Funding Agreement between the District and RC Superior, LLC:** Following review and discussion by the Board, upon motion duly made by Director Brzostowicz, seconded by Director Willis and, upon vote, unanimously carried, the Board approved the First Amendment to Amended and Restated Operation Funding Agreement between the District and RC Superior, LLC.

**Facilities Acquisition and Reimbursement Agreement between the District and CPVII Superior, LLC:** Following review and discussion by the Board, upon motion duly made by Director Brzostowicz, seconded by Director Willis and, upon vote, unanimously carried, the Board approved the Facilities Acquisition and Reimbursement Agreement between the District and CPVII Superior, LLC (“Carmel”).

**District Waiver:** The Board discussed the District Waiver among STC Metropolitan District Nos. 1, 2 and 3 concerning the Carmel Property (as defined in the District Waiver). Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Willis and, upon vote, unanimously carried, the Board approved the District Wavier.

**Resignation of District Counsel and discuss process for receipt of Proposals and transition to new General Counsel:** Attorney Becher stated that due to restructuring in the firm, McGeady Becher P.C. is resigning as General Counsel for the District. Attorney Becher will secure proposals for the Board to review at the February meeting.

---

### **OPERATIONS AND MAINTENANCE**

**Operating Projections:** The Board discussed operating projections for the District. The Board evaluated the imposition of a fee to cover the projected operations deficit. The Board requested Ms. Ripko run additional projections for discussion at the February meeting.

---

## RECORD OF PROCEEDINGS

---

### COVENANT CONTROL

**Community Manager's Update:** The Board reviewed the Community Manager's Report.

**Proposal from Vargas Property Services, Inc. for services to take place adjacent to 432 Promenade, in the amount of \$4,260:** This item was deferred to the February agenda.

**Proposal from Vargas Property Services, Inc. for Contract Maintenance for 2021, in the amount of \$38,827.56:** Following review and discussion by the Board, upon motion duly made by Director Brzostowicz, seconded by Director Hulsebus and, upon vote, unanimously carried, the Board approved the proposal from Vargas Property Services, Inc. for Contract Maintenance for 2021, in the amount of \$38,827.56.

---

### CAPITAL PROJECTS

**Final Engineers Report and Certification #67 prepared by Ranger Engineering, LLC, dated December 23, 2020:** Following review and discussion by the Board, upon motion duly made by Director Brzostowicz, seconded by Director Hulsebus and, upon vote, unanimously carried, the Board approved and accepted improvement costs in the amount of \$540,132.58, under that certain Final Engineers Report and Certification #67 prepared by Ranger Engineering, LLC, dated December 23, 2020.

---

### DEVELOPER UPDATE

An update was given to the Board on the status of lot and home sales by Mr. Jencks. Carmel closed on their blocks around main street. Carmel is anticipated to start construction in the next six months, with a two-year buildout schedule.

---

### OTHER MATTERS

None.

---

### ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made, seconded and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By Peggy Ripko  
Secretary for the Meeting