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### Contact Information

### Sterling Ranch Metro Districts:

www.sterlingranchmetro.org Josh Miller, District Manager 719-284-7226 Josh.miller@CLAconnect.com info@sterlingranchmetro.org

#### HOA:

Portal.diversifiedprop.com (homeowner portal with information, HOA dues payments, etc.) Amanda Mulnix, MCMC Community Manager 719-314-4514 amandam@diversifiedprop.com

#### AmCoBi:

Water and sewer utilities. Water and sewer hookup/signup, billing questions, service issues 877-410-0167

#### **FAWWA:**

Russ Dykstra C/O Spencer Fane 102 S Tejon St., Suite 750 Colorado Springs. CO 80903 rdykstra@spencerfane.com 719-633-1050

#### Developer:

Classic Companies Loren Moreland Vice President / Project Manager Imoreland@classichomes.com 719-785-3270



#### To Our Valued Sterling Ranch Residents,

This update is prepared for the residents of Sterling Ranch by Classic SRJ, LLC ("Classic") and includes information on Sterling Ranch East, Sterling Ranch West, the various Metropolitan Districts and anticipated expenditure of funds by the Districts, The Falcon Area Water and Wastewater Authority ("FAWWA"), as well as a general overall development update.

This resident communication, by necessity, is long as it provides a lot of information on numerous topics. Thank you in advance for taking time to read and understand the material covered in this update. Our intention is to provide quarterly updates going forward and future updates will not cover ground already discussed in this initial update.

When Loren Moreland and I met with many of the existing homeowners at a couple of community meetings in the Spring of 2022, we told people that we had a significant undertaking in front of us to properly position Sterling Ranch into the future. We told people that this would not happen overnight, but that it would happen. We asked for your patience in 2022 and requested the community give us until 2023 to truly allow us to begin to put Sterling Ranch into a position to become the community to which we all aspire.

As you will learn from reading this update, a lot has been accomplished, from obtaining various County approvals, to closing Metro District financing, to standing up and financing FAWWA, to doing a community survey about development of the Community Park on the east side of Sand Creek, to identifying areas for improvement and completion, etc. A tremendous amount has been accomplished by all of the people involved, especially Loren, although we understand that it has not come as fast or as far as people would like. Our commitment to all of you is that we will keep moving forward as we wrap up 2022 and spring into 2023. We are, and sincerely hope you are, excited for the future of Sterling Ranch.

Sincerely,

(Von Alm

Doug Stimple

CEO Classic Companies

# History

Land, LLC ("SR Land") acquired all the land known as Sterling Ranch as outlined in the existing Sterling Ranch Master Plan in approximately 2007. Attached as Exhibits 1 and 2 to this Update is the active 2018 Sterling Ranch Master Plan, along with the proposed Amendment to the Sterling Ranch Master Plan currently proposed by Classic. SR Land began developing the area west of Sand Creek in Sterling Ranch in approximately 2016 ("Sterling Ranch West"). To date, approximately 300 lots have been developed within Sterling Ranch West by SR Land for the sale of those finished lots to builders. The builders to date consist of Classic Homes, Vantage Homes and Challenger Homes.

On the Overall Context Plan, attached as Exhibit 3 to this update, the lots that are currently developed (and mostly built upon) are located in Parcels 1 (Branding Iron 1), 2 (Homestead Filing No. 1), 3 (Homestead Filing No. 2), 4 (Branding Iron Filing No. 2), and Parcel 6 (Sterling Ranch Filing No. 2). SR Land is in the process of obtaining approvals to develop the balance of the Sterling Ranch West property, with the exception of Parcel 16 (the previous elementary school site), which will be developed by Classic. More details can be found in the overall development update section of this newsletter.

On December 20, 2021, Classic acquired from SR Land all of the property (approximately 1,000 acres) east of Sand Creek contained within the Sterling Ranch Master Plan ("Sterling Ranch East"). Classic, or an affiliated entity, previously had acquired and commenced developing the Retreat at TimberRidge to the immediate north of Sterling Ranch. Timber Ridge is approximately 220 acres and has or will have approximately 38 2.5 acre lots on well and septic, along with 167 "urban lots" which will be served by the same water and sewer Authority serving Sterling Ranch. Additionally, Classic owns a 40 acre parcel contiguous to the eastern edge of Sterling Ranch known as Raygor, along with 613 acres contained within The Ranch (f/k/a Elkhorn). The Ranch has a County approved Sketch Plan allowing approximately 2,000 units to be developed thereon. Classic also has the approximately 140 acre Jaynes parcel directly west of Sterling

Ranch adjacent to the proposed Briargate Parkway under contract, with an anticipated closing date in May, 2023. Classic has filed a proposed Sketch Plan with the County on the Jaynes parcel seeking approximately 420-450 residential units thereon, along with approximately 5 acres of commercial.

SR Land, or affiliated entities, own property commonly known as the Schmidt Property and the Rhetoric Property. The Schmidt Property is approximately 100 acres lying directly west of Sterling Ranch and adjacent to the proposed westerly extension of Marksheffel Road. The Rhetoric Property lies contiguous to the southwest boundary of Sterling Ranch. The initial development of Schmidt is contemplated to contain 300 multifamily units and 300 single family homes. The Rhetoric Property is currently going through a zoning action with the County to be zoned for multifamily and industrial.

Attached as **Exhibit 4** to this Update is a map detailing the locations of all the properties discussed above ("Properties"). All of the Properties discussed above lie within the FAWWA service area or are contemplated to be included in the FAWWA service area. There are other properties shown on the attached map that are not included within the FAWWA service area and are not anticipated to be included in the future. The map further shows the ultimate build-out and location of the various water infrastructure and system that FAWWA intends to build for the benefit of the Properties in its service area, as discussed further below.

The assembled Properties represent approximately 6,000 residential lots, along with some multi-family development and some commercial development located adjacent to arterial and collector streets contained within the Properties. Classic anticipates the assembled Properties to be its primary base and focus of operations in El Paso County for the next 15-20 years.



Exhibit 1



Exhibit 2

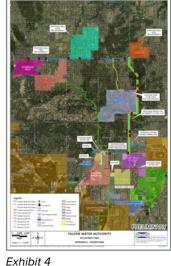


Exhibit 3

\*Larger exhibit images and

download links

included at end of document.





### $-\Delta //////$

AWWA is a Water and Wastewater Authority formed under Title 29 of Colorado Revised Statutes pursuant to an Intergovernmental Agreement. In December of 2021, the three existing Sterling Ranch Metropolitan Districts and the two existing Metropolitan Districts within the Retreat at TimberRidge entered into an Establishment Agreement and an Amended Intergovernmental Agreement, outlining membership in and operations of FAWWA.

FAWWA is authorized to, among other items, develop water and sewer resources, systems or facilities or drainage facilities; to acquire, construct, manage and operate water, sewer and drainage facilities; to fix, maintain, and revise fees, rates and charges for functions, services or facilities provided by FAWWA; and to issue bonds, notes or other obligations payable solely from the revenues derived from the systems and facilities of FAWWA.

For the long term, it was determined that operating the water and sewer (and possibly drainage) systems through a multi-member Authority is the best and most efficient manner, particularly in light of the fact that it is contemplated that a number of unrelated developers and districts will be served by the Authority.

FAWWA was formed with the immediate purpose of (1) acquiring the existing water and sewer assets from the owners, SR Water and SR Sewer, and (2) obtaining approval of and investing significant capital expenditures to ensure a robust, welldeveloped and well-maintained water and sewer

system for the long-term benefit of all the member districts and homeowners.

On August 23, 2022, FAWWA issued approximately \$84,000,000 in tax exempt bonds, generating approximately \$59,000,000 for the purposes outlined above. The bonds are secured solely by water and sewer tap purchases by builders from FAWWA in the future. There is no mill levy associated with the bond offering, so this has no impact on your property tax rates. FAWWA has acquired the water and sewer systems from SR Water and SR Sewer. Additionally, FAWWA is closing on and acquiring significant water rights and resources from the owners of what are historically known as the BAR X Ranch, Shamrock West Ranch and McCune/ Winsome Ranch. Acquisition of these water rights, coupled with the existing on-site water rights from Sterling Ranch and the Retreat at TimberRidge that were acquired by FAWWA, allows FAWWA to serve up

to 8,000 customers and ensures that water for the affected communities will not, in the long term, be reliant upon any single well or any one aguifer for water service.

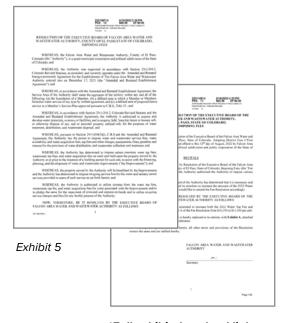
FAWWA has contracted with JDS Hydro to design an integrated water system that eventually will link all these water sources into a single system. With the bond proceeds, FAWWA will (1) drill 3-4 more wells as soon as regulatory approval can be obtained (anticipated late 2022 to early 2023), (2) build and construct a state-of-the-art expandable water treatment plant for treating all of the water utilized within the water system and (3) acquire, construct and install approximately 8-11 miles of 16" and 24" water mains connecting the existing tank to McCune/Winsome Ranch and possibly Bar X Ranch and Shamrock West Ranch. Please be aware that your water currently meets all Federal and State guidelines for water quality, but the water treatment plant should alleviate any water quality issues in the long run and remove most of the iron from the water so as to not be as corrosive to valves and pipes and alleviate any long-term discoloration of water fixtures that can sometimes be associated with larger concentrations of iron.

There are other benefits associated with all these improvements, including opening up the possibility of participating in the Loop Water System being proposed by Cherokee Water and Sanitation and other water and sewer districts. This participation would allow the possibility of FAWWA acquiring or participating in some renewable water resources.

As part of the bond closing, FAWWA had to adopt a Fee Resolution stating all of its water and sewer tap fee charges and its rates and charges for water and sewer use and the like. The Fee Resolution is attached hereto as **Exhibit 5.** The only material change to the Fee Resolution was to increase the water and sewer tap fees from approximately \$8,240 to \$11,500 each, and to add a water acquisition fee of \$6,180 per unit served.

For the homeowner, there will be no noticeable change. You will still be billed monthly by AmCoBi, just as you always have been. AmCoBi will remit the various fees and charges to FAWWA and any other appropriate District or service provider. FAWWA will eventually have its own website and we are working to create that in 2023. Until then, any questions regarding FAWWA should be directed to FAWWA's attorney, Russ Dykstra.

Russ Dykstra C/O Spencer Fane 102 S Tejon St., Suite 750 Colorado Springs. CO 80903 email: rdykstra@spencerfane.com; phone 719-633-1050



\*Full exhibit download links included at end of document.

STERLING RANCH

## letro Districts 1-

■here are currently three Metro Districts operating within Sterling Ranch. A map showing District boundaries is attached as **Exhibit 6** to this update. These Metro Districts operate pursuant to adopted Service Plans that have been approved by the Board of County Commissioners. The Districts, in short, are formed for the purpose of paying for various eligible infrastructure within the developments and for ongoing maintenance of certain public improvements. The Districts pay for the infrastructure by certifying a mill levy against all property within the District.

Eligible infrastructure includes such items as water and sewer lines, curb and gutter, pavement, landscaping, open space tracts, detention ponds, parks, drainage facilities and bridge or box culvert crossings, among other items. Within Sterling Ranch, as with all developments, there are far more eligible public improvements than bondable capacity to pay for them out of District proceeds. The infrastructure that has to be installed that cannot be paid for with District revenue is generally covered by "Developer Advances" which could take the form of Developer equity or debt.

District 3 is the "coordinating District" for the Sterling Ranch Metro Districts. Essentially, Districts 1 and 2 impose a mill levy and remit proceeds to District 3 to operate any District owned or maintained assets, such as landscaping, trails and parks. The reason you have a coordinating District is that the assets owned and maintained by the various Districts often

overlap or require similar operations and maintenance and it is far more efficient and cost effective to have one coordinating District execute contracts, oversee operations and maintenance and the like.

District 1 essentially covers a portion of the Sterling East property as depicted on the map. There are currently no homeowners residing in District 1. District 2 essentially covers all of Sterling West. There are currently approximately 300 homeowners residing in District 2 and three residents sit on the fivemember District 2 Board of Directors. District 3 covers the various commercial properties within Sterling Ranch, whether located within Sterling East or Sterling West. Earlier this year the residential portion of Sterling Ranch East shown within District 3, as depicted on the map, was excluded from District 3. It is anticipated that the future residential property in Sterling Ranch East that is not already within District 1 will be included within future Sterling Ranch Metropolitan Districts, which will likely be Districts 4 and 5.

#### 2022 Bond Refinance

In May of 2022, the existing indebtedness of District 2 was refinanced by the then Board of Directors. In Classic's community update meetings with Sterling Ranch residents earlier this year, Classic specifically indicated the Board sought a refinancing. There were any number of reasons in support of a refinancing, including:

- The existing bonds were accruing interest at the rate of 8% per annum and because the absorption of Sterling Ranch since inception is less than what was contemplated in the prior bond offering, the prior bonds were set to go into default on June 1, 2022.
- A default of the prior bonds would have В negatively impacted the ability of District 2 to refinance and access the markets efficiently in the future and would likely have negatively impacted any future Sterling Ranch districts ability to issue bonds and pay for desired and necessary infrastructure.
- The Service Plans of all the Districts have an allowable mill levy of 50 mills (adjusted) to pay for debt service. The prior bonds initially were anticipated to be repaid by certifying 40 mills (adjusted) for debt service, but with absorption lower than anticipated the District was required to certify 50 mills (adjusted) under the terms of the bond documents.
- The May 2022 bond issuance of District 2 was done at a blended interest rate of 5.66%. That rate is almost 2.5% below the prior bonds and is significantly lower than what is available currently in the bond market and what likely will be available in December 2022 when the prior bonds were callable.

- The 2022 issuance was able to generate slightly more than \$15MM in new project proceeds to pay for infrastructure, in addition to paying off the prior bonds. See discussion below about priorities of expenditures.
- The 2022 issuance lowered the interest rate, kept the prior bonds from being in default, and reduced the current mill levy by 10 mills (back to 40 mills adjusted). This reduction in mill levy saves the average homeowner in Sterling Ranch District 2 approximately \$400 per year. If the absorption of homes in Sterling Ranch stays below what was anticipated in the 2022 bond issuance, it could trigger a requirement to go back to 50 mills (adjusted) but the hope and expectation is to remain at 40 mills (adjusted).

In summary, the refinance of the District 2 bonds was certainly in the best interests of all involved.

#### **Anticipated District Expenditures**

District 1 has approximately \$5.3MM remaining in the project fund for infrastructure projects from a District 1 bond issuance in 2020. District 2 has approximately \$15MM in its project fund for infrastructure projects from the 2022 bond issuance. Collectively the Districts have approximately \$20MM to spend on required and eligible infrastructure. The District monies will be prioritized on infrastructure associated with and required by the development obligations set forth in any approved projects and any that are anticipating approval shortly. See Development Update section hereafter for more information. We generally refer to that as the "Superstructure" as it is eligible infrastructure that largely benefits existing and future residents of Sterling Ranch.

The following Superstructure Projects are either underway or will be underway soon:

- **VOLLMER SOUTH** This includes the stretch of Vollmer from just south of the intersection of Vollmer and Marksheffel to the south edge of the industrial property on east Vollmer that the Sterling Ranch developers do not own. This work includes intersection and lane improvements on Vollmer at Marksheffel and significant storm sewer and drainage improvements on the east and west side of Vollmer. This work is already underway and it is estimated that the cost to complete is approximately \$1,650,000. It is anticipated to be completed in 2022.
- **MARKSHEFFEL 1** This is the leg from Vollmer intersection down to the intersection with Sterling Ranch Road. This work is underway and is projected to pave in 2022. The estimated cost to complete is approximately \$1,179,000.
- **STERLING RANCH ROAD** This is the paving of Sterling Ranch Road from the intersection with Marksheffel Road to the intersection with Dines Boulevard and to the western edge of Sand Creek. This work is underway and is projected to pave in 2022. The estimated cost to complete is approximately \$1,950,000.

- **MARKSHEFFEL 2** This is the leg from south of the Sterling Ranch Road intersection to the southern boundary of Sterling Ranch. This work is not yet underway as it is anticipated to be done concurrent with the platting of Parcel 10 and the Rhetoric site as shown on the Context Plan. The estimated cost to complete is \$950,000.
- **VOLLMER ROAD NORTH** This is some basic shoulder improvements along the Industrial Site not owned by the developers of Sterling Ranch and the lane widening and intersection improvements, along with associated drainage improvements, from the north end of the industrial site through the intersection with Poco Road. This work is partially underway and it is anticipated that Vollmer Road through the Briargate intersection will pave in Summer of 2023. The estimated cost to complete is approximately \$3,250,000.
- **BRIARGATE PARKWAY 1** This is the section from Vollmer to Wheatland Drive. This work is underway and is anticipated to pave in 2022. The estimated cost to complete is \$1,800,000.

- **BRIARGATE PARKWAY 2** This is the section from the intersection with Wheatland Drive to the western edge of Sand Creek. This work is not yet underway and is likely to be done concurrent with Homestead North Filing No. 2 and installation of the Briargate crossing of Sand Creek. The estimated cost to complete Briargate 2 is \$850,000.
- **BRIARGATE CROSSING OF SAND CREEK** — The plans for this crossing were approved by the County in August 2022. Given the lead time on the materials for this project, the crossing materials were ordered in May 2022. It is expected that this crossing will be installed this winter with significant abutment work required on both the east and west side of Sand Creek, along with some drainage work required in the Sand Creek Channel. The Briargate Crossing estimated cost to complete is \$1,500,000 and is expected to be done by Spring 2023.
- STERLING RANCH ROAD CROSSING **OF SAND CREEK** — The plans for this crossing are in to the County for final approval. The materials should be ordered Fall of 2022, with the crossing expected to begin this winter. Again, similar abutment and drainage work is required. The cost to complete the Sterling Ranch Road Crossing is \$1,350,000 and is expected to be done by Summer 2023.
- **BRIARGATE PARKWAY 3** This is the 10 pavement of Briargate Parkway across Sand Creek to the intersection with Sterling Ranch Road on the east. These plans are under County review and final approval is anticipated in September 2022. The goal and intent is to pave this section of road in Summer to early Fall of 2023. The estimated cost to complete this section of Briargate Parkway is \$2,400,000.

- **STERLING RANCH ROAD 2** This is the pavement of Sterling Ranch Road across Sand Creek to just north of the intersection with Briargate Parkway on the east. These plans are also under County review and final approval is anticipated in September 2022. The goal and intent is to pave this section of road in Summer to early Fall of 2023. The estimated cost to complete this section of Sterling Ranch Road is \$12,125,000, as completion of this road triggers significant utilities and drainage facilities on both sides of Sand Creek.
  - **PARKS** We have contracted for the construction of two parks. One is located south of Homestead Filing No. 2 and is more of an active park, with playground equipment and the like. The other is located south of Branding Iron Filing No. 2 and is more of a passive open space park. There is substantial grading to be done to finish associated detention, be able to put in the necessary walkways and the like. We ordered the playground equipment in August 2022 and hope to receive it in time to complete this year. The timing of completion of these 2 projects is very weather dependent once the grades are established but we are hoping to get at least one park completed in 2022, with completion of any remaining items in Spring of 2023. The estimated cost to complete the parks is approximately \$750,000.

There are more costs associated with the Superstructure projects than currently available funds. The above non-exhaustive list totals almost \$30,000,000 and does not include the costs associated with Sand Creek channel improvements. The Sterling Ranch developers will be required to figure out funding for these projects. This funding could come through additional Developer Advances, traditional financing or future bond issuances in future Sterling Ranch Metro Districts.

# Development Update

#### Sterling Ranch West

SR Land has recently paved Parcel 6 identified on the Overall Context Plan. Those lots are developed for Challenger Homes. SR Land is close to completing lots on Parcels 7 and 8 and anticipates paving those lots in 2022. American Legend Homes is purchasing the lots in Parcels 7 and 8 from SR Land. Parcel 5 is currently going through the County land development review process and development of those lots for Challenger Homes is expected in 2023. Parcel 10 is in the process of obtaining a final plat, which is anticipated in 2022, with development anticipated to begin in 2023. Lots within Parcel 10 are for Challenger Homes.

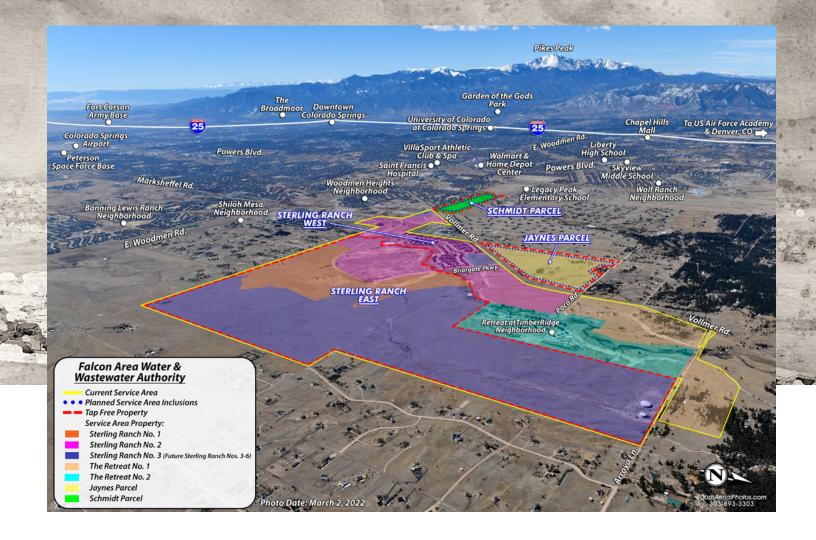
Parcel 16 was identified in the initial Sketch Plan as an elementary school site. District 20 determined that, due to a large gas line traversing the site, the site was not compatible with their design desires. Upon the request of District 20, the elementary school site has been relocated east of Sand Creek, as depicted on the proposed Sketch Plan Amendment attached hereto and currently under administrative review at the County. The previous elementary school site is now shown as Parcel 16 on the proposed Sketch Plan Amendment. Classic SRJ anticipates submitting a proposed Preliminary Plan for Parcel 16 on or about October 2022, with development anticipated to occur in the latter part of 2023 or early 2024. The lots within Parcel 16 are designed to accommodate homes being proposed by Vantage Homes and American Legend Homes.

Parcel 9, located to the north of Briargate Parkway, has commenced grading and anticipates starting water and sewer installation in early September 2022. SR Land would like to pave the lots in 2022, but it is unknown at this time if that schedule is achievable.

It is anticipated that SR Land will roll from Parcel 9 into Parcel 11 and then into Parcel 12. The lots in Parcels 9, 11 and 12 are under contract to Classic Homes and Vantage Homes. It is anticipated that Parcel 9 is developed not later than Spring 2023, Parcel 11 by Fall 2023 and Parcel 12 by Summer 2024.

#### Sterling Ranch East

As previously noted, Classic submitted a Sketch Plan Amendment to the County in July 2022. This Amendment predominately was required to adjust the elementary school site mentioned above. It also deleted the words "Active Adult" on some of the northern parcels within



Sterling Ranch East and proposed certain access points off Briargate Parkway and Sterling Ranch Road into the subdivision. Administrative approval of this Amendment is anticipated by November 2022.

A Preliminary Plan for Parcels 17, 18, 22, 23, 24, 26, 37 and 38 was submitted by Classic to the County in July 2022. Initial comments have been received from the County and a resubmittal is targeted for September 2022. A final plat for a portion of this Preliminary Plan containing approximately 250 single family lots is anticipated to be submitted to the County by October 2022. Classic hopes to begin development of these initial approximately 250 lots by May 2023, with completion anticipated by November 2023. These lots are being developed for Classic Homes, Vantage Homes and American Legend Homes.

A PUD Preliminary Plan for Parcels 13 and 19 was submitted by Classic to the County in July 2022.

Initial comments have been received from the County and a resubmittal is targeted for September 2022. A final plat for this Preliminary Plan is anticipated to be submitted to the County by December 2022. These parcels have been designed to accommodate Classic's 4-Square Product and Classic hopes to commence development by Fall of 2023, with development completion anticipated in Spring of 2024.

A PUD Preliminary Plan for Parcels 14, 15, 20 and 21 was submitted by Classic to the County in July 2022. Initial comments have been received from the County and a resubmittal is targeted for September 2022. A final plat for this Preliminary Plan is anticipated to be submitted to the County by Spring of 2023. These

parcels have been designed to accommodate four different products from Classic Homes: MidTown (single family detached), Townhomes (3 and 4 unit buildings), Duplexes and housing that contains an optional accessory dwelling unit. Classic hopes to commence development by Fall of 2023, with development completion anticipated in Spring of 2024.

#### **General Subdivision Appearance**

The appearance of the existing developed community does not meet our standards or vision for the future of this community. A lot of work has been ongoing by SR Land and Classic to take steps to improve this situation. We are all aware that it has not been as fast as anyone would like, but candidly, there has been much to be accomplished.

Without going into every detail, Classic and SR Land are adjusting various areas that need grading improvements; generally those areas east of the existing houses and along Sand Creek. We determined to change breeze gravel trails to concrete sidewalks. This will be an improvement, in our opinion, not only visually but also from a longterm maintenance standpoint. A lot of sidewalk is being poured as I write this update. Work on the park areas is ongoing. The existing landscaping and irrigation is being reviewed and some of it replaced. This work will continue into 2023.

The subdivision fence that is incomplete and the double fencing along Dines Boulevard adjacent to Branding Iron Filings 1 and 2 have been a continuous topic this summer. The manufacturer of the fence was no longer in business but we have successfully located the forms, placed an incremental order and expect to receive 23 missing columns by September 10, 2022. We already have the fencing material in stock so receipt of the columns allows us to complete the subdivision fencing along Wheatland and will also allow us to remediate the double fencing along Dines. The HOA will coordinate with the affected neighbors, Challenger Homes and our development teams.

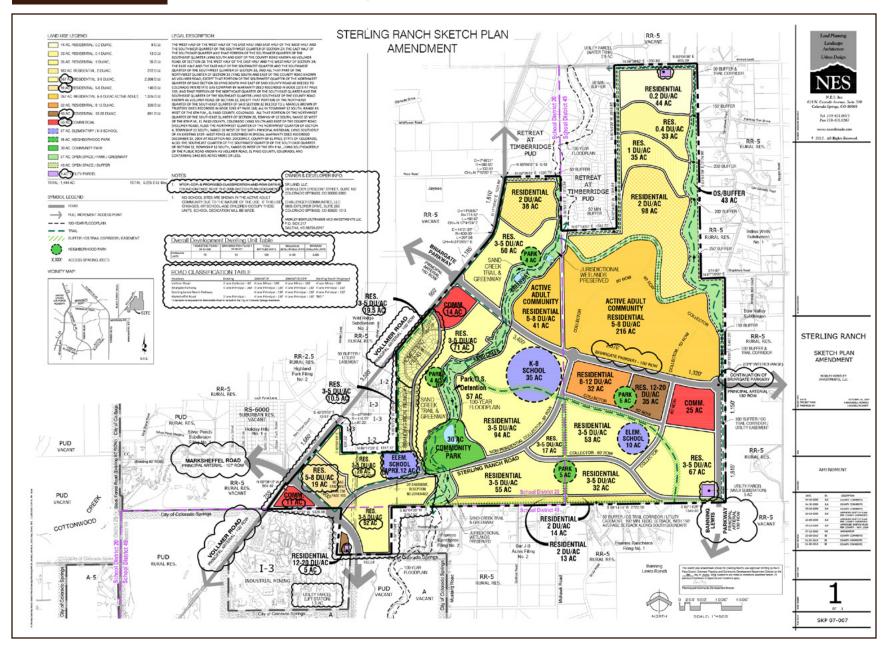
The plan is to start on the west side of Dines with removal of the cedar fencing and replacement with the subdivision fencing. We will then move to the east side and repeat the process.

We have talked with Challenger Homes about the appearance of various aspect of the development, including the "no mans land" between Dines right of way and the front of the lots. You should know that Challenger Homes has been very cooperative in addressing not only the fencing issue, but also with addressing this issue along Dines. Most of this latter work has been completed by Challenger Homes and the rest will be completed by Fall of 2022.

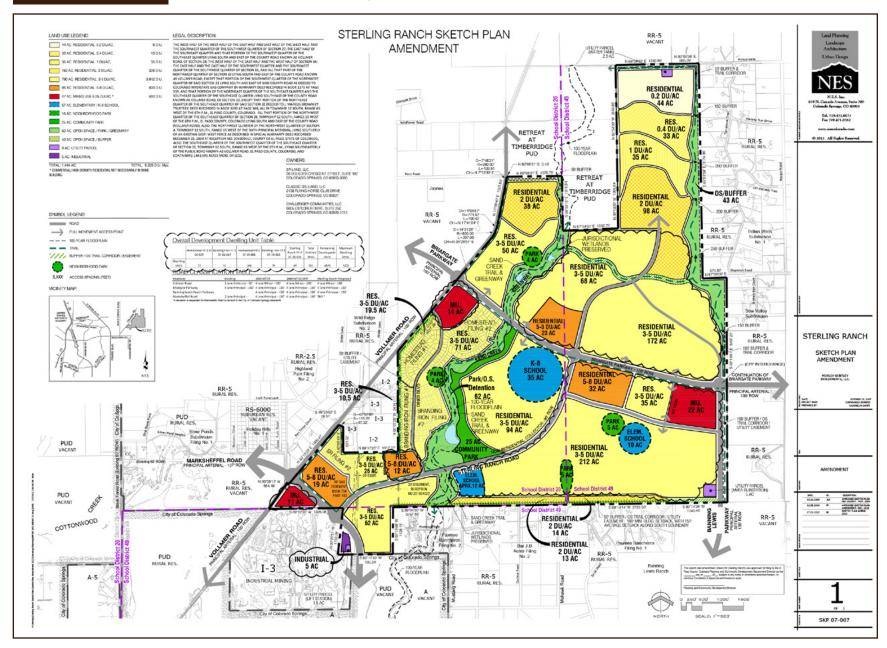
#### **Community Park**

We have begun to develop plans for the Community Park on the east side of Sand Creek. We extend our gratitude to those of you who completed our survey on this topic. We have more planning and design to do but we envision active fields, a natural amphitheater, pickleball and other community amenities. Our longterm desire (but not yet a commitment) is to build a community center with a pool and fitness center. We do not yet have our arms around timing, or even a prospective budget, but know that we are continuing to advance this forward and will continue this effort into 2023. As we further develop our vision we commit to holding a neighborhood meeting(s) to share with the community.

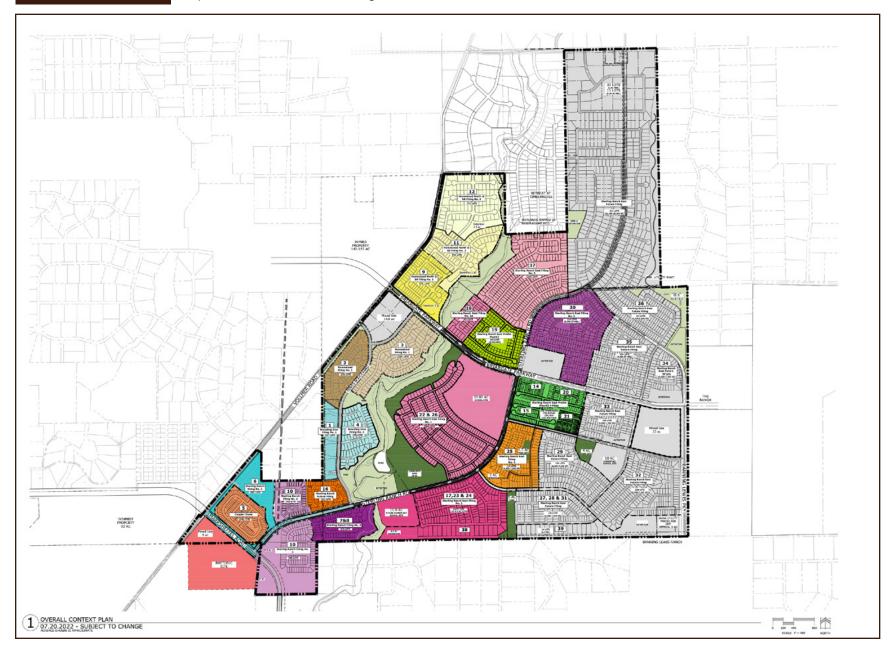
**EXHIBIT 1:** Active Sterling Ranch Master Plan (2018)

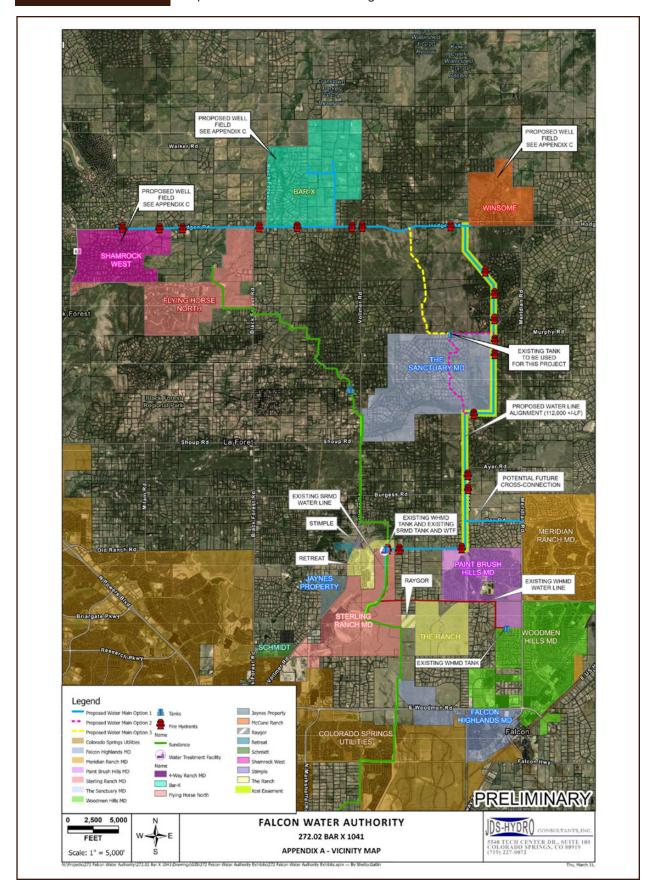


**EXHIBIT 1:** Proposed Amended Sterling Ranch Master Plan



**EXHIBIT 3:** Overall Context Plan





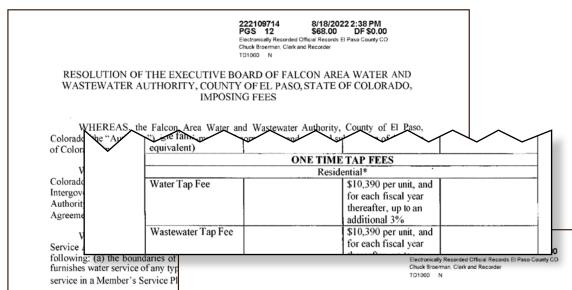
#### **EXHIBIT 5:** Original and Revised FAWWA Fee Resolutions

DOWNLOAD PDF

https://classichomes.com/sterlingranch-exhibit05A

DOWNLOAD PDF

https://classichomes.com/sterlingranch-exhibit05B



WHEREAS, in accordan Amended and Restated Establish develop water resources, systems or otherwise dispose of any rea treatment, distribution, and waste

WHEREAS, pursuant to Agreement, the Authority has t availability and water acquisition interest for the provision of wate

WHEREAS, the Author wastewater tap fees, and water a Authority at or prior to the issuar planning, and development of w

WHEREAS, the propert and the Authority has determined services provided to users of suc

WHEREAS, the Author wastewater tap fee, and water ac to pledge the same for the repay service charges and fees for any

NOW, THEREFORE, FALCON AREA WATER AND

DN 6861985 1

#### FIRST AMENDMENT TO RESOLUTION OF THE EXECUTIVE BOARD OF THE FALCON AREA WATER AND WASTEWATER AUTHORITY, COUNTY OF EL PASO, STATE OF COLORADO, IMPOSING FEES

This First Amendment to Resolution of the Executive Board of the Falcon Area Water and Wastewater Authority, County of El Paso, State of Colorado, Adopting District Fees ("First Amendment") is approved, adopted, and effective this 12th day of August, 2022 by Falcon Area Water and Wastewater Authority, a political subdivision and public corporation of the State of Colorado (the "Authority").

#### RECITALS

WHEREAS, on May 31, 2022, by Resolution of the Executive Board of the Falcon Area Water and Wastewater Authority, County of El Paso, State of Colorado, Imposing Fees, (the "Fee Resolution"), the Executive Board of the Authority authorized the Authority to impose various

WHEREAS, the Executive Board of the Authority has determined that it is necessary and in the best interests of the Authority and its members to increase the amounts of the 2022 Water Tap Fee and Wastewater Tap Fee, and would like to amend the Fee Resolution accordingly.

NOW, THEREFORE, BE IT RESOLVED BY THE EXECUTIVE BOARD OF THE FALCON AREA WATER AND WASTEWATER AUTHORITY AS FOLLOWS

The Fee Resolution is hereby amended to increase both the 2022 Water Tap Fee and Wastewater Tap Fee set forth in Exhibit A of the Fee Resolution from \$10,390 to \$11,500 per unit.

2. heret	Exhibit A to the Fee Resolution is hereby replaced in its entirety with Exhibit A, attached even the Exhibit A attached Residential*		
	Water Tap Fee	\$11,500 per unit, and	
		for each fiscal year	
		thereafter, up to an	
		additional 3%	
	Wastewater Tap Fee	\$11,500 per unit, and	
		for each fiscal year	
		thereafter, up to an	

Secretary

