

## PRAIRIESTAR METROPOLITAN DISTRICT NO. 2

141 Union Boulevard, Suite 150  
Lakewood, Colorado 80228-1898  
Tel: 303-987-0835 • 800-741-3254  
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www.prairiestarcolorado.com

### NOTICE OF A SPECIAL MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Scott Sarbaugh	President	2022/May 2022
Neil Almy	Treasurer	2022/May 2022
Jennifer Davis	Assistant Secretary	2023/May 2023
Richard McCabe	Assistant Secretary	2022/May 2022
Kathy Sidney	Assistant Secretary	2023/May 2023
Matt Cohrs, Manager	Secretary	

**DATE:**        **November 18, 2021**

**TIME:**        **5:00 P.M.**

**LOCATION:**   **ZOOM**

### **THIS MEETING WILL BE HELD BY VIDEO/TELEPHONIC MEANS:**

Join Zoom Meeting  
<https://us02web.zoom.us/j/83507240398?pwd=UHIGRkE2cWI0R1BCbDZqVmxXQ1JaZz09>  
Meeting ID: 835 0724 0398  
Passcode: 003522  
Dial In: 1-669-900-6833

#### I. ADMINISTRATIVE MATTERS

- A. Confirm quorum and Present Disclosures and Potential Conflicts of Interest.  

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- B. Approve Agenda and confirm location of the meeting and posting of meeting notice.  

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- C. Review and consider approval of the June 16, 2021 and September 15, 2021 Special Meeting Minutes and August 17, 2021 Work Session Minutes (enclosures).  

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- D. Discuss business to be conducted in 2022 and location (**virtual and/or physical**) of meetings. Schedule regular meeting dates and consider adoption of Resolution No. 2021-11-01; Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices (enclosure).  

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- E. Discuss §32-1-809, C.R.S. – Transparency Notice reporting requirements and mode of eligible elector notification (posted on the District’s website and SDA website in 2021).
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II. PUBLIC COMMENT

- A. Public Comment.
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- B. Community Liaison Committee Report.
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- C. Social Events Committee

- 1. Discuss vacancy on Social Events Committee and consider appointment of resident to fill vacancy.
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- 2. Social Events Committee Report.
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- D. The Gardens at PrairieStar Committee Report.
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III. COMMUNITY GOVERNANCE / OPERATIONS & MAINTENANCE MATTERS

- A. Status of Covenant Control and Design Review (Peggy Ripko to report).
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IV. FINANCIAL MATTERS

- A. Acknowledge PrairieStar Metropolitan District No. 1’s approval and acceptance of the Engineer’s Report and Certification #06 performed by Ranger Engineering, LLC of District eligible costs in the amount of \$2,883,028.45 and reaffirm acknowledgement of PrairieStar Metropolitan District No. 1’s approval and acceptance of Certifications 1-5 and 7 of a total amount of District eligible costs (including Certification #06) of \$19,430,423.35 (enclosure).
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- B. Review and accept unaudited financial statements through the period ending September 30, 2020 (to be distributed).
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- C. Consider appointment of Dazzio & Associates, P.C. to perform the 2021 Audit for an amount not to exceed \$4, 700 (enclosures).

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- D. Conduct Public Hearing to consider Amendment to 2021 Budget and (if necessary) consider adoption of Resolution to Amend the 2021 Budget and Appropriate Expenditures.

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- E. Conduct Public Hearing to consider Amendment to 2021 Budget and (if necessary) consider adoption of Resolution to Amend the 2021 Budget and Appropriate Expenditures.

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- F. Conduct Public Hearing on the proposed 2022 Budget and consider adoption of Resolution No. 2021-11-\_\_\_ to Adopt the 2022 Budget and Appropriate Sums of Money and Resolution No. 2021-11-\_\_\_ to Set Mill Levies (for General Fund \_\_\_\_\_, Debt Service Fund \_\_\_\_\_ for a total mill levy of \_\_\_\_\_) (enclosures – preliminary assessed valuation and resolutions – 2022 draft Budget to be distributed).

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- G. Review and consider adoption of Resolution No. 2021-11-\_\_ Authorizing Adjustment of District Mill Levy in Accordance with the Service Plan (enclosure).

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- H. Consider authorizing the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

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V. LEGAL MATTERS

- A. Presentation of PrairieStar, Inc.’s Stipulation/Waiver and Release and Provision of Direction related to Bond Closing (enclosure).

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- B. Discuss and consider Rescission of Resolution No. 2016-04-04; Joint Resolution of the PrairieStar Metropolitan District No. 1 and the PrairieStar Metropolitan District No. 2 Regarding the Imposition of Transfer Fees and Design Review Fees (enclosure).

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- C. Discuss and consider adoption of Resolution No. 2021-11-\_\_; Regarding the Imposition of Transfer Fees and Design Review Fees (to be distributed).
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- D. Discuss status of dissolution of PrairieStar Metropolitan District No. 1.
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- E. Discuss May 3, 2022 Regular Directors' election regarding new legislative requirements and related expenses for same. Consider adoption of Resolution No. 2021-11-\_\_\_\_; Resolution Calling a Regular Election for Directors on May 3, 2022, appointing the Designated Election Official (“DEO”), and authorizing the DEO to perform all tasks required for the conduct of mail ballot election (enclosure). Self-Nomination forms are due by February 25, 2022. Discuss the need for ballot issues and/or questions.
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VI. OTHER BUSINESS

A. \_\_\_\_\_

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VII. ADJOURNMENT **NO FURTHER MEETINGS ARE SCHEDULED FOR 2021.**

Informational Enclosure:

- Memo regarding New Rate Structure from Special District Management Services, Inc.

# RECORD OF PROCEEDINGS

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## MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE PRAIRIESTAR METROPOLITAN DISTRICT NO. 2 HELD JUNE 16, 2021

A Special Meeting of the Board of Directors (referred to hereafter as "Board") of the PrairieStar Metropolitan District No. 2 (referred to hereafter as "District") was convened on Wednesday, the 16<sup>th</sup> day of June, at 5:00 P.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, the District Board meeting was held by video/telephone conference with all participants attending via video/teleconference. The meeting was open to the public.

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### ATTENDANCE

#### Directors In Attendance Were:

Scott Sarbaugh  
Neil Almy  
Richard McCabe

#### Also In Attendance Were:

Matt Cohrs and Peggy Ripko; Special District Management Services, Inc.  
Kate Olson, Esq. and Tim O'Connor, Esq.; McGeady Becher P.C.  
Diane Wheeler; Simmons & Wheeler, P.C.  
Steve Dazzio; Dazzio & Associates, P.C.  
Amy Vignocchi; Community Liaison  
Patty Baker; The Gardens at PrairieStar Committee  
Anton Camarota; resident

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### DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

**Disclosure of Potential Conflicts of Interest:** The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Mr. Cohrs noted that a quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members in accordance with the statute. Attorney Olson noted that all Directors' Disclosure Statements had been filed.

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## RECORD OF PROCEEDINGS

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### ADMINISTRATIVE MATTERS

**Agenda:** Mr. Cohrs distributed for the Board's review and approval a proposed Agenda for the District's special meeting.

Following discussion, upon motion duly made by Director Sarbaugh, seconded by Director Almy and, upon vote, unanimously carried, the Board approved the Agenda and excused the absences of Directors Davis and Sidney.

**Location/Manner of Meeting:** 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 video/telephonic means and encouraged public participation via video or telephone. The Board further noted that notice of the time, date and location/manner of the meeting was duly posted and that the District had not received any objections to the video/telephonic manner of the meeting, or any requests that the video/telephonic manner of the meeting be changed by taxpaying electors within the District boundaries.

**Designation of 24-hour Posting Location:** Following discussion, upon motion duly made by Director Sarbaugh, seconded by Director McCabe 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 at least 24-hours prior to each meeting on the District's website and at the following location within the boundaries of the District, if posting on the website cannot occur: At the entry of the District at the intersection of Wagon Bend Road and Berthoud Parkway.

**Minutes:** The Board reviewed Minutes of the March 17, 2021 Special Meeting.

Following discussion, upon motion duly made by Director Sarbaugh, seconded by Director Almy and, upon vote, unanimously carried, the Board approved the Minutes of the March 17, 2021 Special Meeting as revised.

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### PUBLIC COMMENT

**Note to reader:** Pursuant to the Joint Resolution between District No. 1 and No. 2 regarding adoption of Policies and Procedures Governing the Enforcement of the Protective Covenants of PrairieStar - District No. 1 is the Operating District and District No. 2 is the Taxing District. It is the intent that District No. 2 provide covenant enforcement services and that District No. 1 provide all improvements and perform all services on behalf of the Districts.

**Public Comment:** None.

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### **Community Liaison Committee Report:**

*Community Liaison Committee Report:* Ms. Vignocchi reported community summer plans are being communicated through email blasts, postings to NextDoor and Facebook, as well as postings at the mailboxes. She addressed questions about the dog park schedule and noted the pool will be opening this year. Ms. Vignocchi discussed parks and common spaces and talked about the operations manual. She also addressed resident concerns about mosquito abatement, timing of the pump station opening, and the open space near Wagon Bend. There was discussion regarding complaints about dogs and Ms. Ripko noted the best course of action is to call Animal Control. Ms. Vignocchi updated the Board regarding Sidewalk maintenance noting that it is a 2-year developer/ warranty issue. Also, Path mowing and Country road repairs- coordination.

**Social Events Committee:** The Board discussed the need to appoint a second Social Events Committee member at the September Board Meeting.

Director Sarbaugh discussed the vacancy remaining following the last meeting. The Board is looking for an additional member for the Committee with the number of events happening in the District. Ms. O'Brien is still helping until she moves. Director Sarbaugh intends to speak with potential candidates, and requests that the Board put the word out to get another person on the Committee.

*Social Events Committee Report:* An Email blast went out with summer events – July 4<sup>th</sup> party, August block party and ongoing monthly movie nights with food trucks.

**The Gardens at PrairieStar Committee Report:** Ms. Baker updated the Board regarding all 18 gardeners being in compliance with plot maintenance. There are 2 remaining to plant and they have seedlings for them. She noted that the gardens are planned well. She also noted that the committee has had three presentations with the CSU Master Gardener via Zoom.

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### **COMMUNITY GOVERNANCE / OPERATIONS & MAINTENANCE MATTERS**

**Covenant Control and Design Review:** Ms. Ripko gave an update to the Board.

*Enforcement of Protective Covenants of PrairieStar:* Ms. Ripko reported that a lien has been placed on one home as allowed under the Declaration of Protective Covenants of PrairieStar ("Covenants"). She discussed the concern regarding repeat offenders of the Covenants and noted a resolution will come before the Board at the September meeting.

**Resolution Adopting Rules and Design Guidelines:** The Board reviewed for consideration, Resolution No. 2021-6-01 Adopting PrairieStar Filing #1, #3, #4 & #5

## RECORD OF PROCEEDINGS

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Rules and Design Guidelines to address spring growth, a xeriscape provision, and front yard landscape design guidelines.

Following discussion, upon motion duly made by Director Almy, seconded by Director Sarbaugh and, upon vote, unanimously carried, the Board adopted Resolution 2021-6-01 Adopting PrairieStar Filing #1, #3, #4 & #5.

**Operations and Maintenance Manual:** The Board discussed and considered approval of the Operations Maintenance Manual.

Following discussion, upon motion duly made by Director Almy, seconded by Director Sarbaugh and, upon vote, unanimously carried, the Board approved the Operations and Maintenance Manual.

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### **DEVELOPER REPORT**

**Construction in the Community and Lots Under Contract:** Director Sarbaugh reported on the status of the construction in the Community and lots under contract.

#### **Director Sarbaugh reported on the following items:**

- The last 99 lots are being developed, all are under contract, and expected to close by the end of May 2022. Engineering roundabout for commercial area. Pump station pumps not installed. Waiting on electrical connection.
  - Composition and maintenance of dog parks: East Paw Park seeds were just drilled in today. Expected to be open in 45 days, and are trying not to use pesticides. South Paw Park is delayed, want to finish all amenities this year. Shade structure will be in East Park but might now be there when it opens.
  - Country Park Road repairs: working to ensure repairs will have the least amount of impact as possible for residents.
  - Infrastructure for Commercial property within PrairieStar Metropolitan District No. 3 is moving forward.
  - Trail Activity in July: Trails will link and have connectivity to East Paw Park.
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### **FINANCIAL MATTERS**

**Unaudited Financials:** Ms. Wheeler presented to the Board the unaudited financial statements through the period ending March 31, 2021.



## RECORD OF PROCEEDINGS

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Following review and discussion, upon motion duly made by Director Sarbaugh, seconded by Director Almy and, upon vote, unanimously carried, the Board accepted the unaudited financial statements through the period ending March 31, 2021.

**2020 Audit:** Mr. Dazzio reviewed the 2020 draft Audited Financial Statements with the Board.

Following review and discussion, upon motion duly made by Director Sarbaugh, seconded by Director Almy and, upon vote, unanimously carried, the Board approved the 2020 Audited Financial Statements and authorized execution of the Representations Letter, subject to Legal Counsel review and assets being finalized.

**Update on Bond Issuance:** Director Sarbaugh reported the bond kick-off is planned for next week and should be on track for a September 2021 issuance.

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**LEGAL MATTERS**

There were no legal matters to discuss at this time.

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**OTHER MATTERS**

There were no other matters presented.

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**ADJOURNMENT**

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

Respectfully submitted,

By \_\_\_\_\_  
Secretary for the Meeting

# RECORD OF PROCEEDINGS

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**MINUTES OF A WORK SESSION OF  
THE BOARD OF DIRECTORS OF THE  
PRAIRIESTAR METROPOLITAN DISTRICT NO. 2  
HELD  
AUGUST 17, 2021**

A Work Session of the Board of Directors (referred to hereafter as "Board") of the PrairieStar Metropolitan District No. 2 (referred to hereafter as "District") was convened on August 17, 2021 at 5:00 P.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, the District Work Session was held by video/telephone conference with all participants attending via video/teleconference. The Work Session was open to the public.

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## **ATTENDANCE**

### **Director In Attendance Were:**

Scott Sarbaugh

### **Also In Attendance Were:**

Matt Cohrs and Peggy Ripko; Special District Management Services, Inc.  
MaryAnn M. McGeady, Esq., Kate Olson, Esq. and Tim O'Connor, Esq.; McGeady Becher P.C.

Diane Wheeler; Simmons & Wheeler, P.C.

Keenan Rice; MuniCap, Inc.

Mike Sullivan and Jonathan Heroux; Piper Sandler & Co.

Anastasia Khokhryakova and Ethan Anderson; Ballard Spahr LLP  
Residents of the District

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**Welcome and Introductions:** The various consultants in attendance introduced themselves and provided a brief overview of their role and services they provided to the District.

**PowerPoint Presentation Regarding District's 2021 Bond Issuance:** Mr. Keenan Rice from MuniCap, Inc., Municipal and External Financial Advisors to the District, presented a PowerPoint explaining the history of the District and the proposed 2021 Bond Issuance by the District.

**Community Q&A:** Residents in attendance asked questions regarding Mr. Rice's presentation and consultants answered questions raised.

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## **ADJOURNMENT**

The foregoing record constitutes a true and correct copy of the Minutes of the above-referenced work session.

## RECORD OF PROCEEDINGS

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Respectfully submitted,

By \_\_\_\_\_  
Secretary for the Meeting

## RECORD OF PROCEEDINGS

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### MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE PRAIRIESTAR METROPOLITAN DISTRICT NO. 2 HELD SEPTEMBER 15, 2021

A Special Meeting of the Board of Directors (referred to hereafter as "Board") of the PrairieStar Metropolitan District No. 2 (referred to hereafter as "District") was convened on Wednesday, the 15<sup>th</sup> day of September, 2021, at 5:00 P.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, the District Board meeting was held by video/telephone conference. There was at least one person present at the posted physical location at 1180 Little Branch Lane, Berthoud, Colorado 80513. The meeting was open to the public.

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#### ATTENDANCE

#### Directors In Attendance Were:

Scott Sarbaugh  
Neil Almy  
Jennifer Davis  
Richard McCabe  
Kathy Disney

#### Also In Attendance Were:

Matt Cohrs and Peggy Ripko (for a portion of the meeting); Special District Management Services, Inc.

MaryAnn McGeady, Esq., Kate Olson, Esq. and Tim O'Connor, Esq.; McGeady Becher P.C.

Diane Wheeler; Simmons & Wheeler, P.C.

Keenan Rice; MuniCap, Inc.

Anastasia Khokhryakova, Esq., and Ethan Anderson, Esq., Ballard Spahr LLP

Ryan Arnold; PrairieStar, Inc.

Amy Vignocchi, Patty Baker, Anton Camarota, Cheryl, Andy Perry; residents

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#### DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Mr. Cohrs noted that a quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those

## RECORD OF PROCEEDINGS

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applicable disclosures made by the Board members in accordance with the statute. Attorney McGeady noted that all Directors' Disclosure Statements had been filed.

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### **ADMINISTRATIVE MATTERS**

**Agenda:** Mr. Cohrs distributed for the Board's review and approval a proposed Agenda for the District's special meeting.

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

**Location/Manner of Meeting:** 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 was held by video/telephonic means and encouraged public participation via video or telephone. There was at least one person present at the physical location as posted. The Board noted that notice of the time, date and location/format of the meeting was duly posted and that the District had not received any objections to the location/format of the meeting, or any requests that the location/format of the meeting be changed by taxpaying electors within the District boundaries.

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### **PUBLIC COMMENT**

**Note to reader:** Pursuant to the Joint Resolution between District No. 1 and No. 2 regarding adoption of Policies and Procedures Governing the Enforcement of the Protective Covenants of PrairieStar - District No. 1 is the Operating District and District No. 2 is the Taxing District. It is the intent that District No. 2 provide covenant enforcement services and that District No. 1 provide all improvements and perform all services on behalf of the Districts.

**Public Comment:** Mr. Camarota requested that the District engage the Town of Berthoud to address snow removal from the public streets.

#### **Community Liaison Committee Report:**

*Community Liaison Committee Report:* Ms. Vignocchi provided the Community Liaison Committee Report to the Board.

**Social Events Committee:** Ms. Vignocchi discussed the need to appoint a second Social Events Committee member. The Board deferred this appointment to the November 18, 2021 Board Meeting.

## RECORD OF PROCEEDINGS

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Social Events Committee Report: Ms. Vignocchi provided a report to the Board.

**The Gardens at PrairieStar Committee Report:** Ms. Baker reported that the Garden is going very well, and nearly all participants are taking great care of their assigned plots. The Community is happy with the project and have delivered a harvest of over 225 pounds to the local food bank to date.

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### **COMMUNITY GOVERNANCE / OPERATIONS & MAINTENANCE MATTERS**

**Covenant Control and Design Review:** Ms. Ripko reported on the status of Covenant Control and Design Review to the Board.

Following discussion, upon motion duly made by Director Sarbaugh, seconded by Director Almy and, upon vote, unanimously carried, the Board approved the Protective Covenants Enforcement Policy of PrairieStar, subject to final review by District Counsel and Special Counsel.

**Trash and Recycling Services:** Ms. Ripko discussed the assignment and assumption of the current Service Agreement for Trash and Recycling Services between PrairieStar Metropolitan District No. 1 and United Waste Systems to the District.

Following discussion, upon motion duly made by Director Almy, seconded by Director Sarbaugh and, upon vote, unanimously carried, the Board approved the Assignment and Assumption of the Service Agreement for Trash and Recycling Services between PrairieStar Metropolitan District No. 1 (“District No. 1”) and United Waste Systems from District No. 1 to the District.

**Engagement of Altitude Community Law P.C.:** Ms. Ripko advised the Board that the District has a current engagement with Altitude Community Law P.C. for Covenant Enforcement Legal Services. No action taken.

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### **FINANCIAL MATTERS**

**Public Hearing on 2021 Budget Amendment:** The President opened the public hearing to consider the proposed 2021 Budget Amendment.

It was noted that a Notice stating that the Board would consider amending the 2021 Budget, along with the date, time and place of the public hearing was published in a newspaper having general circulation within the District, in accordance with statutory requirements. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

Ms. Wheeler reviewed the proposed 2021 Budget Amendment with the Board. Following discussion, the Board considered the adoption of the Resolution No. 2021-

## RECORD OF PROCEEDINGS

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09-01 Amending the 2021 Budget. Following discussion, upon motion duly made by Director Sarbaugh, seconded by Director Almy, and upon vote unanimously carried, the Board adopted Resolution No. 2021-109-01, as discussed, and authorized the filing of same with the Division of Local Government.

**Unaudited Financials:** Ms. Wheeler presented to the Board the unaudited financial statements through the period ending June 30, 2021.

Following review and discussion, upon motion duly made by Director Sarbaugh, seconded by Director Almy and, upon vote, unanimously carried, the Board accepted the unaudited financial statements through the period ending June 30, 2021.

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### **LEGAL MATTERS**

**Resolution authorizing the issuance of Limited Tax General Obligation Refunding and Improvement Bonds, Series 2021A and the Subordinate Limited Tax General Obligation Bonds, Series 2021B:** Attorney Khokhryakova and Mr. Rice reviewed with the Board the resolution authorizing the issuance of the District's Limited Tax General Obligation Refunding and Improvement Bonds, Series 2021A and the Subordinate Limited Tax General Obligation Bonds, Series 2021B in the aggregate principal amount of not to exceed \$22,335,000. They further discussed the Indentures of Trust, bond purchase agreement, placement agent agreement, and other related documents with the Board.

Following review and discussion, upon motion duly made by Director McCabe, seconded by Director Davis and, upon vote, unanimously carried, the Board adopted a resolution authorizing the issuance of the District's Limited Tax General Obligation Refunding and Improvement Bonds, Series 2021A and the Subordinate Limited Tax General Obligation Bonds, Series 2021B in the aggregate principal amount of not to exceed \$22,335,000, authorized the execution of Indentures of Trust, a bond purchase agreement, a placement agent agreement, and other related documents; ratified and confirmed the execution of certain documents; made determinations and findings as to other matters related to such transaction; authorized incidental actions; and repealed prior inconsistent actions. The Board further appointed Director Sarbaugh as the Authorized Delegate and District Representative, with Director McCabe as first alternate and Director Almy as second alternate, under the documents approved above.

**Termination of Memorandum of Understanding among PrairieStar Metropolitan District Nos. 1, 2, 3 and 4:** Attorney McGeady discussed the Termination of the Memorandum of Understanding among PrairieStar Metropolitan District Nos. 1, 2, 3 and 4.

## RECORD OF PROCEEDINGS

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Following discussion, upon motion duly made by Director Sarbaugh, seconded by Director McCabe and, upon vote, unanimously carried, the Board approved the Termination of the Memorandum of Understanding among PrairieStar Metropolitan District Nos. 1, 2, 3 and 4 and acknowledged PrairieStar Metropolitan District No. 4's President's support of the Termination.

**Termination of Facilities Funding, Construction and Operations Agreement by and among PrairieStar Metropolitan District Nos. 1, 2 and 3:** Attorney McGeady discussed the Termination of the Facilities Funding, Construction, and Operations Agreement by and among PrairieStar Metropolitan District Nos. 1, 2 and 3, noting this termination would be effective coincident with issuance of the District's 2021 Bonds.

Following discussion, upon motion duly made by Director Sarbaugh, seconded by Director McCabe and, upon vote, with Director Davis abstaining, the Board approved the Termination of the Facilities Funding, Construction, and Operations Agreement by and among PrairieStar Metropolitan District Nos. 1, 2 and 3, coincident with the issuance of the District's 2021 Bonds and distribution of reimbursement to PrairieStar, Inc.

**Fulfillment of obligations under that certain Inclusion Agreement by and among PrairieStar Metropolitan District Nos. 1 and 2 and PrairieStar, Inc.:** Attorney McGeady discussed the obligations under that certain Inclusion Agreement among PrairieStar Metropolitan District Nos. 1 and 2 and PrairieStar, Inc., as amended (the "Inclusion Agreement").

Following discussion, the Board acknowledged fulfillment of its obligations under the Inclusion Agreement, coincident with the issuance of the 2021 Bonds and distribution of reimbursement to PrairieStar, Inc.

**Multiple-Year Operation Funding Agreement:** Attorney McGeady reviewed the Multiple-Year Operation Funding Agreement between the District and PrairieStar, Inc. with the Board.

Following discussion, upon motion duly made by Director Almy, seconded by Director Sarbaugh and, upon vote, unanimously carried, the Board approved the Multiple-Year Operation Funding Agreement between the District and PrairieStar, Inc.

**Resolution Acknowledging Dissolution of PrairieStar Metropolitan District No. 1:** Following discussion, upon motion duly made by Director Sarbaugh, seconded by Director McCabe and, upon vote, unanimously carried, the Board adopted



**RECORD OF PROCEEDINGS**

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Resolution No. 2021-09-02; Resolution of the Boards of Directors of PrairieStar Metropolitan District Nos. 2 and 3 Acknowledging the Dissolution of PrairieStar Metropolitan District No. 1.

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**OTHER MATTERS**

There were no other matters presented.

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**ADJOURNMENT**

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

Respectfully submitted,

By \_\_\_\_\_  
Secretary for the Meeting

**RESOLUTION NO. 2021-11-\_\_\_\_**

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE PRAIRIESTAR METROPOLITAN DISTRICT NO. 2  
ESTABLISHING REGULAR MEETING DATES, TIME, AND LOCATION, AND  
DESIGNATING LOCATION FOR POSTING OF 24-HOUR NOTICES**

- A. Pursuant to Section 32-1-903(1.5), C.R.S., special districts are required to designate a schedule for regular meetings, indicating the dates, time and location of said meetings.
- B. Pursuant to Section 32-1-903(5), C.R.S., “location” means the physical, telephonic, electronic, or virtual place, or a combination of such means where a meeting can be attended. “Meeting” has the same meaning as set forth in Section 24-6-402(1)(b), C.R.S., and means any kind of gathering, convened to discuss public business, in person, by telephone, electronically, or by other means of communication.
- C. Pursuant to Section 24-6-402(2)(c)(I), C.R.S., special districts are required to designate annually at the board of directors of the district’s first regular meeting of each calendar year, the public place at which notice of the date, time and location of regular and special meetings (“**Notice of Meeting**”) will be physically posted at least 24 hours prior to each meeting (“**Designated Public Place**”). A special district is deemed to have given full and timely notice of a regular or special meeting if it posts its Notice of Meeting at the Designated Public Place at least 24 hours prior to the meeting.
- D. Pursuant to Section 24-6-402(2)(c)(III), C.R.S., special districts are relieved of the requirement to post the Notice of Meeting at the Designated Public Place, and are deemed to have given full and timely notice of a public meeting if a special district posts the Notice of Meeting online on a public website of the special district (“**District Website**”) at least 24 hours prior to each regular and special meeting.
- E. Pursuant to Section 24-6-402(2)(c)(III), C.R.S., if a special district is unable to post a Notice of Meeting on the District Website at least 24 hours prior to the meeting due to exigent or emergency circumstances, then it must physically post the Notice of Meeting at the Designated Public Place at least 24 hours prior to the meeting.
- F. Pursuant to Section 32-1-903(1.5), C.R.S., all meetings of the board that are held solely at physical locations must be held at physical locations that are within the boundaries of the district or that are within the boundaries of any county in which the district is located, in whole or in part, or in any county so long as the physical location does not exceed twenty (20) miles from the district boundaries unless such provision is waived.
- G. The provisions of Section 32-1-903(1.5), C.R.S., may be waived if: (1) the proposed change of the physical location of a meeting of the board appears on the agenda of a meeting; and (2) a resolution is adopted by the board stating the reason for which meetings of the board are to be held in a physical location other than under Section 32-1-903(1.5), C.R.S., and further stating the date, time and physical location of such meeting.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the PrairieStar Metropolitan District No. 2 (the “**District**”), Larimer County, Colorado:

1. That the provisions of Section 32-1-903(1.5), C.R.S., be waived pursuant to the adoption of this Resolution.

2. That the Board of Directors (the “**District Board**”) has determined that conducting meetings at a physical location pursuant to Section 32-1-903(1.5), C.R.S., would be inconvenient and costly for the directors and consultants of the District in that they live and/or work outside of the twenty (20) mile radius requirement.

3. That regular meetings of the District Board for the year 2022 shall be held on \_\_\_\_\_ at \_\_\_\_\_, at \_\_\_\_\_  
[indicate physical location and/or virtual location (telephonically, electronically, or by other means)].

4. That special meetings of the District Board shall be held as often as the needs of the District require, upon notice to each director.

5. That, until circumstances change, and a future resolution of the District Board so designates, the physical location and/or method or procedure for attending meetings of the District Board virtually (including the conference number or link) shall appear on the agenda(s) of said meetings.

6. That the residents and taxpaying electors of the District shall be given an opportunity to object to the meeting(s) physical location(s), and any such objections shall be considered by the District Board in setting future meetings.

7. That the District has established the following District Website, <https://sdmsi.com>, and the Notice of Meeting of the District Board shall be posted on the District Website at least 24 hours prior to meetings pursuant to Section 24-6-402(2)(c)(III), C.R.S. and Section 32-1-903(2), C.R.S.

8. That, if the District is unable to post the Notice of Meeting on the District Website at least 24 hours prior to each meeting due to exigent or emergency circumstances, the Notice of Meeting shall be posted within the boundaries of the District at least 24 hours prior to each meeting, pursuant to Section 24-6-402(2)(c)(I) and (III), C.R.S., at the following Designated Public Place:

(a) At the entry of Wagonbend and Berthoud Parkway

9. Scott Sarbaugh, or his/her designee, is hereby appointed to post the above-referenced notices.

**[SIGNATURE PAGE TO RESOLUTION ESTABLISHING REGULAR MEETING  
DATES, TIME, AND LOCATION, AND DESIGNATING LOCATION FOR 24-HOUR  
NOTICES]**

RESOLUTION APPROVED AND ADOPTED on November 18, 2021.

**PRAIRIESTAR METROPOLITAN  
DISTRICT NO. 2**

By: \_\_\_\_\_  
President

Attest:

\_\_\_\_\_  
Secretary

**PrairieStar MD No. 1**

**Engineer's Reports and Cost Certifications by Ranger Engineering, LLC**

**Information in *Blue Italics* Provided by McGeady Becher P.C.**

Certification Number	Date of Report	Total Costs Paid	Total Eligible Costs	<i>Date of MD 1 Board Mtg and Eligible Costs Approved</i>	Total Eligible Costs to Date
R1	3/2/2016	\$2,401,133.00	\$1,942,984.32	<i>4/5/2016 \$1,942,984.32</i>	\$1,942,984.32
2	3/2/2016	\$1,776,158.98	\$1,503,096.72	<i>4/5/2016 \$1,503,096.72</i>	\$3,446,081.04
3	3/30/2017	\$5,528,392.49	\$4,213,809.23	<i>9/28/2017 \$4,213,809.23</i>	\$7,659,890.27
4	9/26/2018	\$5,321,975.06	\$3,843,951.91	<i>9/26/2018 \$3,843,951.91</i>	\$11,503,842.18
5	3/27/2019	\$6,271,065.61	\$3,176,927.61	<i>3/27/2019 \$3,176,927.61</i>	\$14,680,769.79
6	2/13/2020	\$3,438,089.83	\$2,883,028.45	<i>6/29/2020 \$2,883,028.45</i>	\$17,563,798.24
7	2/23/2020	\$2,249,889.45	\$1,866,625.11	<i>3/17/2021 \$1,866,625.11</i>	\$19,430,423.35

**Totals      \$26,986,704.42    \$19,430,423.35    *\$19,430,423.35***



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**Dazzio & Associates, PC**

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**Certified Public Accountants**

October 20, 2021

To the Board of Directors and Management  
PrairieStar Metropolitan District No. 2  
c/o Special District Management Services, Inc.  
141 Union Blvd, Suite 150  
Lakewood, Colorado 80228

We are pleased to confirm our understanding of the services we are to provide PrairieStar Metropolitan District No. 2 (the District) for the year ended December 31, 2021.

**Audit Scope and Objectives**

We will audit the financial statements of the governmental activities, each major fund and the disclosures, which collectively comprise the basic financial statements of the District as of and for the year ended December 31, 2021.

We have also been engaged to report on supplementary information that accompanies the District's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditor's report on the financial statements:

- 1) Schedule of Revenues, Expenditures and Changes in Fund Balance –Budget and Actual – Debt Service Fund

In connection with our audit of the basic financial statements, we will read the following other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report:

- 1) Schedule of Assessed Valuation, Mill Levy and Property Taxes Collected
- 2) Schedule of Debt Service Requirements to Maturity

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, confirmation of certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations

from your attorneys as part of the engagement, and they may bill you for responding to this inquiry.

### **Audit Procedures—Internal Control**

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

### **Other Services**

We will also prepare the financial statements of the District in conformity with accounting principles generally accepted in the United States of America based on information provided by you.

We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

### **Responsibilities of Management for the Financial Statements**

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and



transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with accounting principles generally accepted in the United States of America. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to [include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon]. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

You agree to assume all management responsibilities for the financial statement preparation services and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

## **Engagement Administration, Fees, and Other**

We understand that your employees will prepare all confirmations we request and will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of Dazzio & Associates, PC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a regulatory agency or its designee. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Dazzio & Associates, PC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to a regulatory agency or its designee. The regulatory agency or its designee may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

Stephen Dazzio is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fee for services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$4,700. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

## **Reporting**

We will issue a written report upon completion of our audit of PrairieStar Metropolitan District No. 2's financial statements which, if applicable, will also address other information in accordance with *AU-C 720, The Auditor's Responsibilities Relating to Other Information Included in Annual Reports*. Our report will be addressed to the Board of Directors of the District. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or withdraw from this engagement.

We appreciate the opportunity to be of service to the District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

Very truly yours,

*Duggio & Associates, P.C.*

RESPONSE:

This letter correctly sets forth the understanding of PrairieStar Metropolitan District No. 2.

Management signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Board signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## PRAIRIESTAR METROPOLITAN DISTRICT NO. 2

McGeady Becher, P.C.  
450 E 17<sup>th</sup> Avenue, Suite 400  
Denver, CO 80203-1214

Our auditors, Dazzio & Associates, PC, 8200 S. Quebec St., Suite A3259, Centennial, Colorado, 80112,, are conducting an audit of our financial statements at December 31, 2021 and for the year then ended. This letter will serve as our consent for you to furnish to our auditors all the information requested herein. Accordingly, please provide to them the information requested below involving matters with respect to which you have been engaged and to which you have devoted substantive attention on behalf of PrairieStar Metropolitan District No. 2 in the form of legal consultation or representation.

### Pending or Threatened Litigation, Claims, and Assessments (excluding unasserted claims and assessments)

Please prepare a description of all material pending or threatened litigation, claims, and assessments (excluding unasserted claims and assessments). Materiality for purposes of this letter includes items involving amounts exceeding \$3,000 individually or in the aggregate. The description of each matter should include:

- 1) the nature of the litigation;
- 2) the progress of the matter to date;
- 3) how management of the District is responding or intends to respond to the litigation; e.g., to contest the case vigorously or to seek an out-of-court settlement; and
- 4) an evaluation of the likelihood of an unfavorable outcome and an estimate, if one can be made, of the amount or range of potential loss.

Also, please identify any pending or threatened litigation, claims, and assessments with respect to which you have been engaged but as to which you have not devoted substantive attention.

### Unasserted Claims and Assessments

We have represented to our auditors that there are no unasserted possible claims or assessments that you have advised us are probable of assertion and must be disclosed in accordance with *FASB Accounting Standards Codification 450, Contingencies*.

We understand that, whenever, in the course of performing legal services for us with respect to a matter recognized to involve an unasserted possible claim or assessment that may call for financial statement disclosure, if you have formed a professional conclusion that we should disclose or consider disclosure concerning such possible claim or assessment, as a matter of professional responsibility to us, you will so advise us and will consult with us concerning the question of such disclosure and the applicable requirements of *FASB Accounting Standards Codification 450, Contingencies* (excerpts of which can be found in the ABA's *Auditor's Letter Handbook*). Please specifically confirm to our auditors that our understanding is correct.

Response

Your response should include matters that existed as of December 31, 2021, and during the period from that date to the effective date of your response. Please specify the date of your response if it is other than the date of reply.

Please specifically identify the nature of, and reasons for, any limitations on your response.

Very truly yours,

PrairieStar Metropolitan District No. 2

# CERTIFICATION OF VALUATION BY LARIMER COUNTY ASSESSOR

Name of Jurisdiction: **215 - PRAIRIESTAR METRO DISTRICT NO. 2**

IN LARIMER COUNTY ON 8/23/2021

New Entity: No

<b>USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY</b>
------------------------------------------------------------------------------------

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2021 IN LARIMER COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$12,665,440
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$14,817,530
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$14,817,530
5. NEW CONSTRUCTION: **	\$2,357,293
6. INCREASED PRODUCTION OF PRODUCING MINES: #	\$0
7. ANNEXATIONS/INCLUSIONS:	\$180
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: #	\$0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD ## OR LAND ( 29-1-301(1)(b) C.R.S.):	\$0
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1))(a) C.R.S.):	\$0.00
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) and (39-10-114(1)(a)(I)(B) C.R.S.):	\$924.06

\* This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec.20(8)(b), Colo.

\*\* New construction is defined as: Taxable real property structures and the personal property connected with the structure.

# Jurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.

## Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be treated as growth in the limit calculation.

<b>USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY</b>
-------------------------------------------------------

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b), C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2021 IN LARIMER COUNTY, COLORADO ON AUGUST 25, 2021

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	\$195,428,150
ADDITIONS TO TAXABLE REAL PROPERTY:	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: !	\$32,962,600
3. ANNEXATIONS/INCLUSIONS:	\$540
4. INCREASED MINING PRODUCTION: %	\$0
5. PREVIOUSLY EXEMPT PROPERTY:	\$0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	\$0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT:	\$0
<small>(If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)</small>	
DELETIONS FROM TAXABLE REAL PROPERTY:	
8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	\$0
9. DISCONNECTIONS/EXCLUSION:	\$0
10. PREVIOUSLY TAXABLE PROPERTY:	\$0

@ This includes the actual value of all taxable real property plus the actual value of religious, private schools, and charitable real property.

! Construction is defined as newly constructed taxable real property structures.

% Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS : 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY:----->	\$0
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**NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2021**

IN ACCORDANCE WITH 39-5-128(1.5) C.R.S. THE ASSESSOR PROVIDES: HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): **	
<small>** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119 f(3). C.R.S.</small>	

RESOLUTION NO. 2021 - 11 - \_\_\_\_  
A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE PRAIRIESTAR METROPOLITAN DISTRICT NO. 2  
TO ADOPT THE 2022 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the PrairieStar Metropolitan District No. 2 (“District”) has appointed the District Accountant to prepare and submit a proposed 2022 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2021, for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 18, 2021, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution ("TABOR") and other laws or obligations which are applicable to or binding upon the District; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

WHEREAS, the Board of Directors of the District has made provisions therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget; and

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any interfund transfers listed therein, so as not to impair the operations of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the PrairieStar Metropolitan District No. 2:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the PrairieStar Metropolitan District No. 2 for the 2022 fiscal year.
2. That the budget, as hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

3. That the sums set forth as the total expenditures of each fund in the budget attached hereto as **EXHIBIT A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

ADOPTED this 18<sup>th</sup> day of November, 2021.

---

Secretary

(SEAL)



EXHIBIT A  
(Budget)

I, Matt Cohrs, hereby certify that I am the duly appointed Secretary of the PrairieStar Metropolitan District No. 2, and that the foregoing is a true and correct copy of the budget for the budget year 2022, duly adopted at a meeting of the Board of Directors of the PrairieStar Metropolitan District No. 2 held on November 18, 2021.

By: \_\_\_\_\_  
Secretary

RESOLUTION NO. 2021 - 11 - \_\_\_\_  
A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE PRAIRIESTAR METROPOLITAN DISTRICT NO. 2  
TO SET MILL LEVIES

WHEREAS, the Board of Directors of the PrairieStar Metropolitan District No. 2 (“District”) has adopted the 2022 annual budget in accordance with the Local Government Budget Law on November 18, 2021; and

WHEREAS, the adopted budget is attached to the Resolution of the Board of Directors to Adopt the 2022 Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference; and

WHEREAS, the amount of money necessary to balance the budget for general fund expenses from property tax revenue is identified in the budget; and

WHEREAS, the amount of money necessary to balance the budget for debt service fund expenses from property tax revenue is identified in the budget; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the PrairieStar Metropolitan District No. 2:

1. That for the purposes of meeting all general fund expenses of the District during the 2022 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purposes of meeting all debt service fund expenses of the District during the 2022 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

3. That the District Accountant of the District is hereby authorized and directed to immediately certify to the County Commissioners of Larimer County, Colorado, the mill levies for the District as set forth in the District’s Certification of Tax Levies (attached hereto as **EXHIBIT A** and incorporated herein by reference), recalculated as needed upon receipt of the final certification of valuation from the County Assessor in order to comply with any applicable revenue and other budgetary limits.

ADOPTED this 18<sup>th</sup> day of November, 2021.

---

Secretary

(SEAL)

**EXHIBIT A**  
(Certification of Tax Levies)

**RESOLUTION NO. 2021-11-\_\_\_\_**

**RESOLUTION OF THE BOARD OF DIRECTORS OF PRAIRIESTAR  
METROPOLITAN DISTRICT NO. 2 AUTHORIZING ADJUSTMENT OF THE  
DISTRICT MILL LEVY IN ACCORDANCE WITH THE SERVICE PLAN**

A. PrairieStar Metropolitan District No. 2 (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado pursuant to Title 32, Colorado Revised Statutes.

B. The District operates pursuant to its Service Plan approved by the Town of Berthoud (“**Town**”), on July 27, 2010, (the “**Service Plan**”), which provides the District with the authority to impose mill levies on taxable property. Such mill levies will be the primary source of revenue for repayment of debt service, public improvements, and operations and maintenance costs of the District.

C. The Service Plan authorizes a maximum debt service mill levy of 50.000 mills (“**Maximum Debt Service Mill Levy**”) and a maximum operations and maintenance mill levy of 15.000 mills (“**Maximum O&M Mill Levy**”). The Maximum O&M Mill Levy may only be exceeded by prior consent of the Town.

D. Section IV.C. of the Service Plan authorizes adjustment of the Maximum Debt Service Mill Levy in the event that the method of calculating assessed valuation is changed after January 1, 2010 (the “**Baseline Year**”), by any change in law, change in method of calculation, or any constitutionally mandated tax credit, cut, or abatement. The Maximum Debt Service Mill Levy may be increased or decreased to reflect such changes. Such increases or decreases shall be determined by the Board of Directors (the “**Board**”) in good faith (such determination to be binding and final) so that, to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes.

E. The Service Plan provides that, for purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation.

F. At the time of the Baseline Year, the residential assessment ratio set by the Colorado General Assembly was 7.96%.

G. In 2017, the Colorado General Assembly (the “**General Assembly**”) passed House Bill 17-1349, which amended Section 39-1-104.2, C.R.S. by setting the ratio of valuation for assessment for real residential property at 7.20% (decreased from 7.96%) for property tax years commencing on and after January 1, 2017, until the next property tax year that the General Assembly determined to adjust the ratio of valuation for assessment for residential real property.

H. In 2019, the General Assembly passed Senate Bill 19-255, further amending Section 39-1-104.2, C.R.S. by setting the ratio of valuation for assessment for real residential property at 7.15% (decreased from 7.20%) for property tax years commencing on or after

January 1, 2019, until the next property tax year that the General Assembly determines to adjust the ratio of valuation for assessment for residential real property.

I. In 2020, the voters of the State of Colorado passed Amendment B, which repealed Article X, Section 3 of the Colorado Constitution (“**Amendment B**”) such that the ratio of valuation for assessment of real property for 2021 and thereafter, unless further amended by the General Assembly or voters of the State, is 7.15%.

J. In compliance with the Service Plan, in order to mitigate the effect of the reduction in the ratio of valuation for residential real property as set by the General Assembly for property tax year 2021, the Board determines it to be in the best interest of the District, its residents, users, property owners, and the public, to adjust the Maximum Debt Service Mill Levy, so that the actual tax revenues to be received by the District are neither diminished nor enhanced as a result of the change in the ratio of valuation for assessment since the Baseline Year.

The Board determined to [increase / not increase] its operations and maintenance mill levy for collection year 2022, [but the resulting increase will not exceed the Maximum O&M Mill Levy and therefore no consent is required by the Town].

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of PrairieStar Metropolitan District No. 2, Town of Berthoud, Larimer County, Colorado:

1. The Board hereby authorizes the adjustment of the Maximum Debt Service Mill Levy to reflect that Amendment B set the ratio of valuation for assessment for residential real property to 7.15%, which is a change from the 7.96% ratio of valuation for assessment of residential property as of the Baseline Year.

2. The Service Plan allows for a total debt service mill levy imposition of [redacted] mills (the “**Adjusted Debt Service Mill Levy**”) so that District revenues shall be neither diminished nor enhanced as a result of the ratio of valuation for assessment being set at 7.15% for collection year 2022.

3. The Adjusted Debt Service Mill Levy shall be reflected in the District’s Certification of Tax Levies to be submitted to the County Commissioners of Larimer County, Colorado on or before December 15, 2021, for collection in 2022.

[SIGNATURE PAGE FOLLOWS]

**[SIGNATURE PAGE TO RESOLUTION AUTHORIZING ADJUSTMENT OF THE  
DISTRICT MILL LEVY IN ACCORDANCE WITH THE SERVICE PLAN]**

RESOLUTION APPROVED AND ADOPTED ON NOVEMBER 18, 2021.

**PRAIRIESTAR METROPOLITAN  
DISTRICT NO. 2**

---

President

Attest:

---

Secretary

*To be presented to the Boards of MD 1 and MD 2 at the Nov 18<sup>th</sup> Board Meetings*

**ACKNOWLEDGEMENT OF STIPULATED AMOUNT OF PAYMENT DUE AND  
WAIVER AND RELEASE**

**THIS ACKNOWLEDGEMENT OF STIPULATED AMOUNT OF PAYMENT DUE AND WAIVER AND RELEASE (“Stipulation/Waiver and Release”)** is effective as of the date and year set forth in the signature block below of the authorized representative of **PRAIRIESTAR, INC.**, a Colorado Corporation (the “**Developer**”).

**RECITALS**

A. PrairieStar Metropolitan District No. 1 (“**District No. 1**”) previously entered into a certain Facilities Funding and Acquisition Agreement with PrairieStar, Inc., a Colorado corporation (the “**Developer**”), dated December 14, 2010 with an effective date of December 8, 2010, as amended by that certain First Amendment to the Facilities Funding and Acquisition Agreement dated August 3, 2016 (collectively the “**FFAA**”), pursuant to which the Developer agreed to fund certain Organization Expenses, Construction Related Expenses, and Verified Costs (as defined therein) of District No. 1, and District No. 1 agreed to reimburse the Developer for such expenses.

B. District No. 1 and PrairieStar Metropolitan District No. 2 (“**District No. 2**”) previously entered into a certain Facilities Funding, Construction and Operations Agreement dated December 9, 2014 and effective as of December 5, 2013, as amended by the Amended and Restated Facilities Funding, Construction and Operations Agreement dated and effective as of August 3, 2016. District No. 1 and District No. 2 subsequently entered into the Second Amended and Restated Facilities Funding, Construction and Operations Agreement with District No. 3, dated and effective as of March 28, 2018 (collectively, the “**FFCOA**”).

A. Pursuant to the FFCOA, District No. 2 was to issue Bonds the proceeds of which would be used to reimburse the Verified Costs, plus interest, due to the Developer under the FFAA.

B. As of the date of this Stipulation/Waiver and Release, District No. 2 has issued its Limited Tax General Obligation Refunding and Improvement Bonds, Series 2021A (the “**2021A Bonds**”) and Subordinate Limited Tax General Obligation Bonds, Series 2021B (the “**2021B Bonds**”).

C. The Developer had agreed to accept payment for the remaining costs due to the Developer for Verified Costs incurred under the FFAA through Cost Verification Number 7, plus interest, when consenting to the termination of the FFAA. The total amount due as of September 30, 2021, that has not been previously reimbursed, through Cost Verification Number 7 is \$16,447,415 for Verified Costs (“**Unreimbursed Verified Costs**”) plus \$4,857,370 in interest, for a total amount of \$21,304,785.

D. District No. 2 has available to exchange \$13,645,000 in 2021B Bonds and **\$4,440,750\*** in cash from the 2021A Bonds Project Fund (“**2021A Bonds Project Fund**”), for a



total of \$18,085,750\*, as payment in full to the Developer for amounts due from District No. 1 and District No. 2 under the FFAA for Unreimbursed Verified Costs and interest.

E. By placement of the signature of the authorized representative of the Developer below, the Developer hereby agrees to accept and stipulate that the \$13,645,000 in 2021B Bonds and the \$4,440,750\* in cash from the 2021A Bonds will constitute payment in full of the amount owing to the Developer and the Developer agrees to waive and release District No. 1 and District No. 2 of any further payments under the FFAA in reliance on the representation of District No. 2 that the following deliveries will be made on the following dates:

a. Deliveries on the date of this Stipulation/Waiver and Release:

- i. Delivery of the \$13,645,000 2021B Bonds is made to the Developer and
- ii. Interest payment on the Unreimbursed Verified Costs, in the amount of \$780,000.

b. Deliveries on January 5, 2022:

- i. Delivery of \$2,802,415 from the 2021A Bonds Project Fund is delivered by wire transfer (in accordance with instructions previously provided) to the Developer on the date of this Stipulation/Waiver and Release which, together with the \$13,645,000 will be payment in full for the Unreimbursed Verified Costs and
- ii. Interest payment on the Unreimbursed Verified Costs of \$858,335\*, plus the balance of remaining amounts in the 2021A Bonds Project Fund and interest earned thereon between the date of this Stipulation/Waiver and Release and the date of the release of this final payment to the Developer on January 5, 2022 will constitute the total amount of interest to be due the Developer under the FFAA.

IN WITNESS WHEREOF, Scott Sarbaugh, by placement of his signature below, represents that he is authorized to execute this Stipulated Amount of Payment Due and Waiver and Release on behalf of PrairieStar, Inc.

**PRAIRIESTAR, INC.**

Executed on \_\_\_\_\_, \_\_\_\_\_, 2021

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

\*Note the numbers in red will be revised the day of pricing.

When recorded return to:  
MaryAnn McGeady  
McGeady Becher P.C.  
450 E. 17<sup>th</sup> Avenue, Suite 400  
Denver, CO 80203

**RESOLUTION NO. 2016-04-04**

**JOINT RESOLUTION OF THE PRAIRIESTAR METROPOLITAN DISTRICT NO. 1  
AND THE PRAIRIESTAR METROPOLITAN DISTRICT NO. 2**

**RESOLUTION REGARDING THE IMPOSITION OF TRANSFER FEES AND DESIGN  
REVIEW FEES**

WHEREAS, the PrairieStar Metropolitan District No. 1 (the "**Operating District**") and the PrairieStar Metropolitan District No. 2 (the "**Taxing District**") and together with the Operating District, the "**Districts**") are quasi-municipal corporations and political subdivisions of the State of Colorado located in the Town of Berthoud (the "**Town**"), Larimer County, Colorado; and

WHEREAS, the Districts operate pursuant to their respective Service Plans approved by the Town on July 27, 2010, as the same may be amended and/or modified from time to time (the "**Service Plans**"); and

WHEREAS, the Districts were formed to provide those services listed in the Service Plans, including but not limited to the design, acquisition, construction, installation, financing, and operation and maintenance of certain water, sanitation (including storm and sanitary sewer), streets, safety protection, park and recreation, television relay and translation, transportation, mosquito control and limited fire protection facilities and services to benefit the property within their boundaries and/or service areas, as such service area/boundaries may be modified from time to time (the "**Property**"); and

WHEREAS, PrairieStar is a residential community located within the Property; and

WHEREAS, PrairieStar, Inc. (the "**Master Developer**") has caused to be recorded the Declaration of Protective Covenants of PrairieStar, recorded on November 18, 2014, at Reception No. 20140066221 of the Larimer County, Colorado, real property records (the "**Covenants**"); and

WHEREAS, the Covenants provide that it is the intention of the Master Developer to empower the Taxing District to provide covenant enforcement and design review services to the residents of the Taxing District (the "**Services**"); and

WHEREAS, the Taxing District has entered into a Facilities Funding, Construction and Operations Agreement (the "**FFCO**") with the Operating District whereby the Operating District agreed to perform the Services on behalf of the Taxing District; and

WHEREAS, pursuant to the Covenants, the FFCO and pursuant to § 32-1-1004(8) C.R.S., the Districts may provide design review services and covenant enforcement to PrairieStar; and

WHEREAS, the Districts are authorized pursuant to their Service Plans and pursuant to Section 32-1-1001(1)(j)(I), C.R.S., to fix fees and penalties for services or facilities provided by the Districts; and

WHEREAS, the Districts have determined that in order to offset administrative costs associated with a transfer of ownership of any dwelling unit located within the Property, the Taxing District shall impose certain Transfer Fees (the “**Transfer Fees**”) on the Property, as described herein; and

WHEREAS, the Districts have determined that in order to offset the costs associated with the PrairieStar Design Review Committee (the “**PRDC**”) design review process, the Taxing District shall impose certain Design Review Fees (the “**Design Review Fees**,” and together with the Transfer Fee, the “**Fees**”) on the Property, as more particularly described herein; and

WHEREAS, the Districts desire to offset the costs associated with the transfer of ownership of dwelling units and the design review process by setting a schedule of Transfer and Design Review Fees; and

WHEREAS, the Districts have determined that for efficiency purposes and pursuant to the FFCO, it is appropriate for the Operating District to collect the Fees on behalf of the Taxing District; and

WHEREAS, this Resolution shall be recorded on the Property to put the current and future owners of the Property on notice of the imposition and collection of the Fees.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARDS OF DIRECTORS OF THE PRAIRIESTAR METROPOLITAN DISTRICT NO. 1 AND THE PRAIRIESTAR METROPOLITAN DISTRICT NO. 2:

1. The Boards of Directors do hereby determine that it is in the best interests of the Districts and its taxpayers and inhabitants that the Taxing District impose the Transfer Fees and Design Review Fees as described in **Exhibit A**, attached hereto and incorporated herein by this reference (“**Transfer and Design Review Fees**”).

2. The Transfer and Design Review Fees are applicable to the Property, as more fully described in **Exhibit B**.

3. The Boards of Directors declare that the Transfer and Design Review Fees are effective as of April 5, 2016.

4. Judicial invalidation of any of the provisions of this Resolution or of any paragraph, sentence, clause, phrase or word herein, or the application thereof in any given

circumstances, shall not affect the validity of the remainder of this Resolution, unless such invalidation would act to destroy the intent or essence of this Resolution.

**[SIGNATURE PAGE FOLLOWS]**

[SIGNATURE PAGE TO RESOLUTION NO. 2016-04-04]

APPROVED AND ADOPTED this 5<sup>th</sup> day of April, 2016.

**PRAIRIESTAR METROPOLITAN  
DISTRICT NO. 1**

By: \_\_\_\_\_

President

Attest:

\_\_\_\_\_  
Secretary or Assistant Secretary

**PRAIRIESTAR METROPOLITAN  
DISTRICT NO. 2**

By: \_\_\_\_\_

President

Attest:

\_\_\_\_\_  
Secretary or Assistant Secretary

**EXHIBIT A**  
**TRANSFER AND DESIGN REVIEW FEES**

### Preamble

The Board of Directors of the PrairieStar Metropolitan District No. 1 (the “**Operating District**”) and the Board of Directors of the PrairieStar Metropolitan District No. 2 (the “**Taxing District**”) and together with the Operating District, the “**Districts**”), determined that it is in the best interests of the Districts and its taxpayers and inhabitants that it impose the Transfer Fees and Design Review Fees (the “**Fees**”) on the property within the Districts’ boundaries and/or service areas, as such service area/boundaries may be modified from time to time (the “**Property**”), pursuant Section 32-1-1001(1)(j)(I), C.R.S.

The Districts have retained a management company (the “**District Manager**”) to assist it in managing its affairs, including the assessment and collection of fee payments as provided herein. Inquiries regarding the Fees may be directed to the District Manager.

### ARTICLE 1. TRANSFER FEES

1.1 Costs In order to offset administrative costs associated with the transfer of ownership of a dwelling unit within the Property, the Taxing District hereby imposes the following Transfer Fees. The Transfer Fees shall be due and payable to the Operating District at the time of any sale, transfer, or resale of any dwelling unit that has a certificate of occupancy:

a. Property Ownership Transfer Fee: A Transfer Fee of Fifty Dollars (\$50.00) per completed dwelling unit within the Property shall be due upon the sale or transfer of any completed dwelling unit within the Property.

b. Title Company Status Letter Fee: A Title Company Status Fee of Twenty-five Dollars (\$25.00) shall be due upon request for a title company status letter per completed dwelling unit within the Property.

### ARTICLE 2. DESIGN REVIEW FEES

2.1 Costs In order to offset costs associated with the PrairieStar Design Review Committee’s (the “**PRDC**”) design review process, the District hereby imposes the following Design Review Fees as generally described below and as more particularly described in the Declaration of Protective Covenants of PrairieStar, recorded on November 18, 2014, at Reception No. 20140066221 of the Larimer County, Colorado, real property records, as the same may be amended and/or modified from time to time (the “**Covenants**”). The Design Review Fees shall be due and payable to the Operating District at the time of submittal of a request for design review:

a. Landscape and/or Fence Review Fee: A Landscape and/or Fence Review Fee of Fifty Dollars (\$50.00) per plan shall be due upon submittal of the plan for PRDC review.

b. Main Building Addition, Addition of Accessory Building, Site Plan, Footprint (including Driveway) Review Fee: A Main Building Addition, Addition of Accessory Building, Site Plan, Footprint (including Driveway) Review Fee of One Hundred Dollars (\$100.00) per plan shall be due upon submittal of the plan for PRDC review.

c. Paint Color Review Fee: A Paint Color Review Fee of Fifty Dollars (\$50.00) per plan shall be due upon submittal of the plan for PRDC review.

d. Sustainable Appearance and Screening Fee: A Sustainable Appearance and Screening Fee of Fifty Dollars (\$50.00) per plan shall be due upon submittal of the plan for PRDC review.

e. Other Review Fee: All other items not contemplated or listed above, submitted to the PRDC for review shall incur a Fee of Fifty Dollars (\$50.00) per plan.

ARTICLE 3.  
FEES AND LIENS

3.1 Pursuant to Section 32-1-1001(1)(j)(I), C.R.S., all Fees, until paid, shall constitute a perpetual lien on and against the property. Except for the lien against the property created by the imposition of property taxes by the Districts and other taxing jurisdictions pursuant to Section 32-1-1202, C.R.S., all liens for unpaid Fees shall to the fullest extent permitted by law, have priority over all other liens of record affecting the property and shall run with the property and remain in effect until paid in full.



**EXHIBIT B**  
**LEGAL DESCRIPTION OF THE PROPERTY**

Filing No. 1

LEGAL DESCRIPTION

PART OF THE S1/2 OF SECTION 2, T4N, R89W OF THE 6TH P.M., TOWN OF BERTHOUD, COUNTY OF LARIMER, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 2, FROM WHICH THE W1/4 CORNER OF SAID SECTION 2 BEARS N00°37'55"W, 2663.62 FEET (BASIS OF BEARING). THENCE N00°37'55"W, 1775.63 FEET ALONG THE WEST LINE OF SAID S1/2 OF SECTION 2 TO THE NORTHERLY RIGHT-OF-WAY LINE OF PARCEL 232A CONVEYED TO DEPARTMENT OF TRANSPORTATION, STATE OF COLORADO, AS DESCRIBED IN RULE AND ORDER RECORDED MAY 28, 2003, AT RECEPTION NO. 20030065028 OF THE RECORDS OF LARIMER COUNTY, COLORADO AND THE POINT OF BEGINNING;

THENCE CONTINUING N00°37'55"W, 867.78 FEET ALONG SAID WEST LINE OF THE S1/2 OF SECTION 2 TO SAID W1/4 CORNER OF SECTION 2;

THENCE N89°19'30"E, 1480.64 FEET ALONG THE NORTH LINE OF SAID S1/2 OF SECTION 2;

THENCE S00°15'55"W, 209.40 FEET TO A NON-TANGENT POINT OF CURVE TO THE RIGHT;

THENCE 36.15 FEET ALONG THE ARC OF SAID CURVE, CONVEX TO THE SOUTHWEST, SAID ARC HAVING A RADIUS OF 58.00 FEET, A CENTRAL ANGLE OF 35°42'30", AND BEING SUSTAINED BY A CHORD WHICH BEARS S43°07'24"E, 35.37 FEET TO A NON-TANGENT POINT;

THENCE S89°44'06"E, 81.16 FEET;

THENCE S00°15'55"W, 840.01 FEET;

THENCE N69°44'08"W, 1485.04 FEET TO THE EASTERLY RIGHT-OF-WAY LINE OF SAID PARCEL 232A CONVEYED TO THE DEPARTMENT OF TRANSPORTATION, STATE OF COLORADO, AS DESCRIBED IN SAID RULE AND ORDER RECORDED MAY 28, 2003, AT RECEPTION NO. 20030065028;

THENCE NORTHERLY ALONG SAID EASTERLY RIGHT-OF-WAY LINE OF PARCEL 232A THE FOLLOWING THREE (3) COURSES:

1. N00°14'09"E, 6.17 FEET;
2. N13°56'20"W, 163.02 FEET;
3. S89°22'03"W, 57.01 FEET TO THE POINT OF BEGINNING;

AREA = 1,650,160 SQUARE FEET OR 37.862 ACRES, MORE OR LESS.

Filing No. 2

LEGAL DESCRIPTION

PART OF THE S1/2 OF SECTION 2, T4N, R88W OF THE 6TH P.M., TOWN OF BERTHOUD, COUNTY OF LARIMER, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 2, FROM WHICH THE W1/4 CORNER OF SAID SECTION 2 BEARS N00°37'55"W, 2863.62 FEET (BASIS OF BEARING), THENCE N89°36'41"E, 60.00 FEET ALONG THE SOUTH LINE OF SAID S1/2 OF SAID SECTION 2 TO THE EASTERLY LINE OF PARCEL 232 CONVEYED TO THE DEPARTMENT OF TRANSPORTATION, STATE OF COLORADO, AS DESCRIBED IN RULE AND ORDER RECORDED MAY 28, 2003, AS RECEPTION NO. 20030065028 OF THE RECORDS OF LARIMER COUNTY, COLORADO AND THE POINT OF BEGINNING:

THENCE NORTHERLY AND EASTERLY ALONG SAID EASTERLY AND ALONG THE SOUTHERLY LINE OF SAID PARCEL 232 CONVEYED TO THE DEPARTMENT OF TRANSPORTATION, STATE OF COLORADO, AS DESCRIBED AT SAID RECEPTION NO. 20030065028, THE FOLLOWING FIVE (5) COURSES:

1. N01°21'00"E, 343.17 FEET;
2. N45°48'28"E, 72.05 FEET;
3. S89°44'05"E, 2184.56 FEET;
4. S80°34'52"E, 518.60 FEET;
5. S89°44'05"E, 809.48 FEET TO THE WESTERLY RIGHT-OF-WAY LINE OF THE BURLINGTON NORTHERN & SANTA FE RAILROAD;

THENCE S03°06'38"E, 270.89 FEET ALONG SAID WESTERLY RIGHT-OF-WAY LINE OF THE BURLINGTON NORTHERN & SANTA FE RAILROAD TO SAID SOUTH LINE OF THE S1/2 OF SECTION 2;

THENCE S89°36'41"W, 3580.15 FEET ALONG SAID SOUTH LINE TO THE POINT OF BEGINNING;

AREA = 1,241,733 SQUARE FEET OR 28.506 ACRES, MORE OR LESS.

**RESOLUTION NO. 2021-11-\_\_\_\_**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
PRAIRIESTAR METROPOLITAN DISTRICT NO. 2  
CALLING A REGULAR ELECTION FOR DIRECTORS  
MAY 3, 2022**

A. The terms of the offices of Directors Scott Sarbaugh, Richard McCabe and Neil Almy shall expire upon the election of their successors at the regular election, to be held on May 3, 2022 (“**Election**”), and upon such successors taking office.

B. In accordance with the provisions of the Special District Act (“**Act**”) and the Uniform Election Code (“**Code**”), the Election must be conducted to elect three (3) Directors to serve until the second regular election, to occur May 6, 2025.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the PrairieStar Metropolitan District No. 2 (the “**District**”) of the County of Larimer, Colorado:

1. Date and Time of Election. The Election shall be held on May 3, 2022, between the hours of 7:00 A.M. and 7:00 P.M. pursuant to and in accordance with the Act, Code, and other applicable laws. At that time, three (3) Directors shall be elected to serve until the second regular election, to occur May 6, 2025.

2. Precinct. The District shall consist of one (1) election precinct for the convenience of the eligible electors of the District.

3. Conduct of Election. The Election shall be conducted as an independent mail ballot election in accordance with all relevant provisions of the Code. The Designated Election Official shall have on file, no later than fifty-five (55) days prior to the Election, a plan for conducting the independent mail ballot Election.

4. Designated Election Official. Matt Cohrs shall be the Designated Election Official and is hereby authorized and directed to proceed with any action necessary or appropriate to effectuate the provisions of this Resolution and of the Act, Code or other applicable laws. The Election shall be conducted in accordance with the Act, Code and other applicable laws. Among other matters, the Designated Election Official shall appoint election judges as necessary, arrange for the required notices of election (either by mail or publication) and printing of ballots, and direct that all other appropriate actions be accomplished.

5. Call for Nominations. The Designated Election Official shall provide Call for Nominations as required under Section 1-13.5-501, C.R.S., as applicable.

6. Absentee Ballot Applications. NOTICE IS FURTHER GIVEN, pursuant to Section 1-13.5-1002, C.R.S., that applications for and return of absentee ballots may be filed with the Designated Election Official of the District, c/o Matt Cohrs, Special District Management Services, Inc., 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228,

between the hours of 8:00 a.m. and 5:00 p.m., until the close of business on the Tuesday immediately preceding the Election (April 26, 2022).

7. Self-Nomination and Acceptance Forms. Self-Nomination and Acceptance Forms are available and can be obtained from Matt Cohrs, the Designated Election Official for the District, c/o Special District Management Services, Inc., 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228, (303) 987-0835 and on the District's website at [www.prairiestarcolorado.com](http://www.prairiestarcolorado.com).

8. Cancellation of Election. If the only matter before the electors is the election of Directors of the District and if, at 5:00 P.M. on March 1, 2022, the sixty-third day prior to the regular election, there are not more candidates than offices to be filled at the Election, including candidates timely filing affidavits of intent, the Designated Election Official shall cancel the Election and declare the candidates elected. Notice of such cancellation shall be published and posted in accordance with law.

9. Severability. If any part or provision of this Resolution is adjudged to be unenforceable or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this Resolution, it being the Board of Director's intention that the various provisions hereof are severable.

10. Repealer. All acts, orders and resolutions, or parts thereof, of the Board of Directors which are inconsistent or in conflict with this Resolution are hereby repealed to the extent only of such inconsistency or conflict.

11. Effective Date. The provisions of this Resolution shall take effect as of the date adopted and approved by the Board of Directors of the District.

**[SIGNATURE PAGE FOLLOWS]**

**[SIGNATURE PAGE TO RESOLUTION  
CALLING A REGULAR ELECTION FOR DIRECTORS  
MAY 3, 2022]**

RESOLUTION APPROVED AND ADOPTED on November 18, 2021.

**PRAIRIESTAR METROPOLITAN  
DISTRICT NO. 2**

By: \_\_\_\_\_  
President

Attest:

\_\_\_\_\_  
Secretary



141 Union Boulevard, Suite 150  
Lakewood, CO 80228-1898  
303-987-0835 • Fax: 303-987-2032

## MEMORANDUM

TO: Board of Directors

FROM: Christel Gemski  
Executive Vice-President

DATE: August 31, 2021

RE: Notice of 2022 Rate Increase

A handwritten signature in blue ink that reads "Christel Gemski".

In accordance with the Management Agreement (“Agreement”) between the District and Special District Management Services, Inc. (“SDMS”), at the time of the annual renewal of the Agreement, the hourly rate described in Article III for management and all services shall increase by the CPI (5.28%) per hour.

We hope you will understand that it is necessary to increase our rates due to increasing gas and operating costs along with new laws and rules implemented by our legislature.