

**STERLING RANCH INFRASTRUCTURE AGREEMENT  
CONCERNING THE CONSTRUCTION OF ROADWAY IMPROVEMENTS  
FOR  
THE TITAN ROAD AND WATERTON ROAD CONCURRENCY SEGMENTS**

The **Infrastructure Agreement** (this "**Agreement**") is made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 2025 by and between STERLING RANCH COMMUNITY AUTHORITY BOARD, a political subdivision and public corporation of the State of Colorado formed pursuant to C.R.S. Section 29-1-203.5 ("**CAB**"); Sterling Ranch, LLC, a Delaware limited liability company ("**Owner**"); and the BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF DOUGLAS, STATE OF COLORADO ("**County**"). The CAB, Owner and County are collectively referred to in the Agreement as the "**Parties.**"

**RECITALS**

A. The Owner has entitled in the development of a master-planned, mixed-use community commonly known as Sterling Ranch, as more particularly described in the Sterling Ranch Planned Development recorded December 10, 2013, with the Douglas County Clerk and Recorder at Reception No. 2013095325 (the "**PD**"), as the same has been amended from time to time and as the same may be further amended from time to time. Capitalized terms that are not defined have the same meaning as defined in the PD.

B. Owner owns most of the undeveloped land within the PD, whether directly or through its subsidiaries.

C. CAB exists to provide for the design, installation, financing, operations, repair, replacement, and maintenance of public improvements to serve the PD on behalf of Sterling Ranch Colorado Metropolitan District Nos. 1-7.

D. Owner and CAB are parties to certain funding agreements to finance the operation and capital shortfalls of the CAB.

E. The CAB has developed and is currently developing infrastructure that will serve the PD, including road improvements, and any Off-Site Improvements required by Douglas County to be constructed by Owner under the PD, if any, would have been constructed by CAB on behalf of Owner pursuant to and as required under certain agreements between Owner and CAB.

F. The Parties are committed to the planned and orderly growth and development within the PD, to the expansion of public infrastructure to serve that growth and development when needed, and to the allocation to the proponents of the PD of their fair share of the costs of that infrastructure.

G. Under Section G-12. Interpretation. *When used in this Development Plan. The term "shall" indicate a mandatory provision and each of the terms "should" and "may" indicates a*

*permissive provision that is not mandatory.* The PD is clear Section S-2.5(C)(i)(ii) that for Outside the Property but within the Concurrency Area the County “may” require the owner to provide transportation improvements.

H. Under Section S-2.5(C) of the PD, the County was granted the discretion to condition the approval of Traffic-generating Applications within the PD on the provision of certain off-site improvements that are necessary to bring the Titan Road Concurrency segment and Waterton Road Concurrency segment into compliance with the County’s Road Concurrency Standard (the “**Off-Site Improvements**”).

I. After the approval of the PD, the County repealed the County’s Road Concurrency Standard, and it is no longer part of the County’s Zoning Resolution. The Definitions section of the PD defines the Zoning Resolution that applies to the PD as the then-current Zoning Resolution as it may be amended, which would include the repeal of the County’s Road Concurrency Standard. This creates confusion as to the appropriate trigger for the Off-Site Improvements under the PD, particularly in light of the fact that no other development project in Douglas County has been or is subject to the County’s Road Concurrency Standard since its repeal.

J. Under Section S-2.5(C)(iv) of the PD, the Off-Site Improvements are deemed provided if: (i) the Off-Site Improvements are guaranteed by an enforceable agreement that ensures that such Off-Site Improvements will be available at the time the impacts from the development proposed by the Traffic-generating Application occurs; or (ii) such other provision as may be acceptable to the County is made for ensuring such Off-Site Improvements will be available at the time the impacts from such residential development occurs.

K. Currently some of the Off-Site Improvements are listed in the Douglas County Five Year Budget Priorities for 2025 thru 2029, see attached Exhibit B, but no funding has been appropriated to begin work on them.

L. Under Section S-2.5(D) of the PD, Sterling Ranch, LLC, as Lead Owner, is required to pay the County its pro rata share of the costs to construct (the “**Highway Improvement Fee**”) certain improvements to a certain segment of U.S. Highway 85 from State Highway C-470 to State Highway 67, including interchanges thereof (the “**85 Segment**”), and a certain segment of State Highway 121 from State Highway C-470 to Douglas County/Jefferson County boundary, including interchanges thereof (the “**121 Segment**,” together collectively with the 85 Segment, the “**Highway Improvements**”), as more particularly described in and subject to the PD.

M. The Highway Improvement Fee continues to be paid in accordance with Section S-2.5(D)(ii) to the County for all residential units at time of final plat recordation within the PD. Currently the Highway Improvement Fee is \$3942 and is adjusted annually. To date, Owner has remitted to the County approximately \$12,939,750 as the Highway Improvement Fee for the approximately 3966 residential units that have been recorded within the PD.

N. All Highway Improvements currently contemplated as of the Effective Date have not been required to support the limited development within the PD. Nonetheless, as of the Effective Date of this Agreement, a majority of the Highway Improvements associated with the 85 Segment have been constructed, completed, and fully funded and paid for by the County. Section S-2.5(D)(ii)(a) provides, however, that all funds paid for the Highway Improvement Fee shall be maintained in segregated accounts for the 85 Segment and 121 Segment and “may be used only for the Highway Improvements. Nevertheless, certain of the Off-Site Improvements including, without limitation, the Off-Site Improvements set forth and described in the PD include or may include improvements to interchanges that are part of the US85 highway system, particularly the Titan Road Interchange.

O. The Parties are entering into this Agreement to clarify and confirm Owner’s and the County’s continuing obligations for and with respect to the Off-Site Improvements and Highway Improvement Fee and to implement the provisions of Section S-2.5(C)(iv) of the PD described above and, specifically to clarify that the County may use all Highway Improvement Fee funds held by and/or paid to the County for purposes of funding and paying for the County’s construction of any Highway Improvements or Off-Site Improvements including, without limitation, any listed improvements identified in the PD Section S-2.5 (C) Outside the Property but within the Concurrency Areas: (i) Titan Road Concurrency and (ii) Waterton Road Concurrency.

Pursuant to Colorado Constitution Article XIV, Section 18(2)(a) and C.R.S 29-1- 203, the CAB and the County may cooperate or contract with each other to provide any function, service or facility lawfully authorized to each.

The Parties have determined it to be in their own best interests and that of their taxpayers and service users to enter into this Agreement.

**AGREEMENT TERMS PER DEFINED TERMS ABOVE:**

1. The County agrees to construct, at its sole cost and expense using any funds available to the County including the Highway Improvement Fee, the Off-Site Improvements that the County deems necessary or required to offset any impacts of development within the PD and/or to comply with any former County concurrency requirements related to traffic and transportation infrastructure including, without limitation, the County’s Road Concurrency Standard that had been repealed and is no longer is part of the County’s Zoning Resolution
2. The County can use any Highway Improvement Fee funds to pay costs for the County’s design, construction and/or installation of any of the Off-Site Improvements. In order to reimburse the County for any costs that they may have paid in advance, the County can use any Highway Improvement Fee funds towards any other County roadway projects once the Highway Improvements have been effectively completed as determined by the County.

3. Future modifications to the PD, to include increased density, may require additional offsite improvements. Future non-density related modification of the PD will not trigger any offsite requirements if it involves no traffic related impacts. This agreement does not preclude a future request for such density related PD modification nor a requirement for an additional pro rata share financial contribution in constructing any necessary offsite improvements to accommodate the change.
4. Amendment. This Agreement may not be amended or modified except by an instrument in writing duly executed by the parties, or all of their successors and assigns, and recorded in the real property records of Douglas County, Colorado.
5. Assignment. No party shall have the right to assign its rights or obligations hereunder without the prior written consent of the parties hereto, which may not be unreasonably withheld, conditioned, or delayed.
6. Notices. Except as otherwise provided herein, all notices required to be given under this Agreement shall be in writing and shall be hand delivered or sent by first class mail postage paid, to the following addresses:

If to the CAB:

Sterling Ranch Community Authority Board  
Attn: General Manager  
9350 Roxborough Park Road  
Littleton, CO 80125

With a copy to:

Sterling Ranch Community Authority Board  
Attn: General Counsel  
9350 Roxborough Park Road  
Littleton, CO 80125  
legalnotices@sterlingranchcab.com

If to the County:

Douglas County Department of Public Works Engineering  
Attn: Public Works Director  
100 Third Street, Suite 250 Castle Rock, CO 80104

If to the Owner:

Sterling Ranch, LLC  
8155 Piney River Avenue, Suite 200  
Littleton, CO 80125  
Attn: Brock Smethills  
brocks@sterlingranchcolorado.com

With a copy to:  
Sterling Ranch, LLC  
8155 Piney River Avenue, Suite 200  
Littleton, CO 80125  
legalnotices@sterlingranchcolorado.com

7. Benefit and Binding Effect. This instrument and all of the terms and provisions hereof shall inure to the benefit of and be binding upon the parties hereto, and their successors and permitted assigns and shall run with the land.
8. Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws effective during the term of this Agreement, then the legality, validity and enforceability of the remaining provisions of this Agreement shall not be affected thereby; and in lieu of each such illegal, invalid or unenforceable provision, there shall be added automatically as a part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and which shall be legal, valid and enforceable.
9. Counterparts. This Agreement may be executed and delivered in any number of counterparts, each of which, when so executed and delivered, shall be deemed to be an original and all of which shall constitute one and the same instrument.
10. Force Majeure Delays. "Force Majeure Delays" shall mean delays suffered by a party in connection with the performance of any Off-Site Improvements or Highway Improvements hereunder as the result of causes beyond the reasonable control of such party, such as, but not limited to, acts of God, strikes, work stoppages, unavailability of or delay in receiving labor or materials, defaults by contractors or subcontractors, weather conditions, fire or other casualty, unreasonable delays by governmental authorities in processing and approvals, and governmental moratoriums. Either party shall notify the other party of a Force Majeure Delay no later than 10 days after the commencement of such delay.
11. Third Party Beneficiaries. This Agreement shall not be intended to and shall not be deemed to confer rights or benefits to any persons or entities not named as parties hereto. Nothing herein shall be deemed a land use approval, nor construed, in any way as approval of any future land use application.
12. Term. This Agreement shall remain in full force and effect for a period of thirty (30) years beginning from the date of its execution.
13. Sovereign Immunity. Nothing contained in this Agreement shall constitute a waiver of sovereign immunity or be construed as a waiver of the rights and privileges available under the Colorado Governmental Immunity Act, §§ 24-10-101, *et seq.*, C.R.S., as amended from time to time.

14. Annual Appropriation. The financial obligations under this Agreement shall extend only to monies duly and lawfully budgeted and appropriated by the respective Parties. Nothing herein is intended, or shall be construed, as creating a multiple fiscal year obligation.
15. Public Officials. No elected official, director, officer, agent or employee of the County or the CAB, nor any director, officer, employee or personal representative of the County, the CAB or the Developer shall be charged personally or held contractually liable by or to any other party under this Agreement or because of any breach hereof or because of its execution, approval, or attempted execution of this Agreement.
16. Entire Agreement. This Agreement constitutes the entire understanding of the Parties with respect to the subject matters covered herein and any prior agreements, whether written or oral, with respect to any matters covered by this Agreement are superseded.

**[signature pages follow]**

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

**STERLING RANCH COMMUNITY AUTHORITY BOARD,**

a political subdivision and public corporation of the State of Colorado formed pursuant to C.R.S. Section 29-1-203.5

By: Harold R. Smethills, Jr.  
Harold R. Smethills, Jr., President

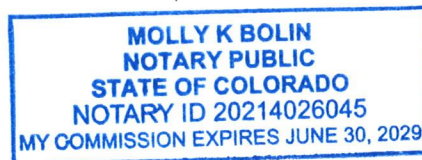
STATE OF COLORADO           )  
  ) ss.  
COUNTY OF DOUGLAS       )

The foregoing instrument was acknowledged before me this 25<sup>th</sup> day of July 2025, by Harold R. Smethills, Jr., as President of the Sterling Ranch Community Authority Board.


Witness my hand and official seal.

Molly K Bolin  
Notary Public

My commission expires June 30, 2029



**STERLING RANCH, LLC,**  
a Delaware limited liability company

By:  \_\_\_\_\_  
Brock Smethills, President

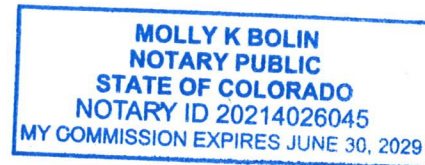
STATE OF COLORADO )  
 )  
 ) ss.  
COUNTY OF DOUGLAS )

The foregoing instrument was acknowledged before me this 24<sup>th</sup> day of July, 2025, by Brock Smethills, as President of Sterling Ranch, LLC a Delaware limited liability company.

Witness my hand and official seal.

Molly K. Bolin  
Notary Public

My commission expires June 30, 2029





**THE BOARD OF COUNTY COMMISSIONERS  
OF THE COUNTY OF DOUGLAS, COLORADO**

BY: \_\_\_\_\_

Abe Laydon, Chair

STATE OF COLORADO )  
 ) ss.  
COUNTY OF DOUGLAS )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2025, by Abe Laydon, as Chair of The Board of County Commissioners of the County of Douglas, Colorado.

Witness my hand and official seal.

Notary Public

My commission expires \_\_\_\_\_

APPROVED AS TO CONTENT:

DOUGLAS J. DEBORD  
County Manager

APPROVED AS TO FISCAL CONTENT:

APPROVED AS TO LEGAL FORM:

ANDREW COPLAND  
Director of Finance

CHRISTOPHER PRATT  
Managing County Attorney