MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
STERLING RANCH METROPOLITAN DISTRICT NO. 2 (THE "DISTRICT")
HELD
JUNE 23, 2026

A regular meeting of the Board of Directors of the Sterling Ranch Metropolitan District No. 2 (referred to hereafter as the "Board") was convened on Tuesday, June 23, 2026 at 11:00 a.m. at 2138 Flying Horse Club Drive, Colorado Springs, Colorado 80921 and virtually via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors in attendance were:
Michael Bart; President
Diane C. Black; Secretary
Michael J. Black; Assistant Secretary
Loren J. Moreland; Assistant Secretary

Willie J. Jackson; Treasurer, was absent and excused.

Also, in attendance were:
Korben Heim, Seef Le Roux and TJ Soldani; CliftonLarsonAllen LLP ("CLA")
Robert Alston, Esq. and Sean Allen, Esq.; WBA, P.C.
Sarah Steph, Sasha Brock, and Kim Sandoval; Classic Homes

ADMINISTRATIVE MATTERS

Call to Order and Agenda:

Director Bart called the meeting to order at 11:00 a.m.

The Board reviewed the agenda for the meeting. Following discussion, upon a motion duly made by Director Bart, seconded by Director D. Black and, upon vote unanimously carried, the Board approved the agenda, as presented.

Disclosures of Potential Conflicts of Interest:

The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State. The members of the Board were requested 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 prior to this meeting in accordance with statute. It was noted that disclosures of potential conflicts of interest were filed with the Secretary of State for all directors, if any, and no additional conflicts were disclosed at the meeting.

Quorum, Location of Meeting, Posting of Meeting Notice:

The presence of a quorum was confirmed.

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 to conduct the meeting at the physical location and virtually via Microsoft Teams. It was further noted that notice of the time, date, location and video link information was duly posted and that no objections to the location or any requests that the meeting place be changed by taxpaying electors within the District's boundaries have been received.

Upon a motion duly made by Director Bart, seconded by Director M. Black and, upon vote unanimously carried, the Board excused the absence of Director Jackson.

Public Comment:

There was no public comment.

Minutes from the May 26, 2026 Regular Meeting:

The Board reviewed the minutes of the May 26, 2026 Regular Meeting. Following review, upon a motion duly made by Director Moreland, seconded by Director Bart and, upon vote unanimously carried, the Board approved the Minutes of the May 26, 2026 Regular Meeting, as presented.

FINANCIAL MATTERS

Schedule of Cash Position, Property Tax Schedule and Property Tax Obligation Summary:

Mr. Le Roux presented the Schedule of Cash Position, Property Tax Schedule and Property Tax Obligation Summary to the Board. Discussion ensued between Director Bart and Mr. Le Roux regarding the District's bond fund, investments and accounts. It was noted that CLA will monitor the District's money market account opportunities to get the best rate.

Following discussion, upon a motion duly made by Director Bart, seconded by Director D. Black and, upon vote unanimously carried, the Board accepted the Schedule of Cash Position, Property Tax Schedule and Property Tax Obligation Summary, as presented.

2025 Audit Status:

Mr. Le Roux provided an update on the status of the 2025 Audit to the Board, and noted that the 2025 Audit is expected to be ready for next month's meeting.

LEGAL MATTERS

Mr. Heim informed the Board that there have been complaints regarding E-bikes and E-scooters, noting that the City of Colorado Springs, El Paso County and the Town of Monument are trying to confirm wattage limits.

Attorney Allen noted that the District does not have traffic enforcement policing powers and residents' complaints regarding E-bike/scooter use should call the local law enforcement's non-emergency line. Discussion ensued regarding activity in detention ponds and common areas. Attorney Allen noted these areas are private property.

CLA will coordinate with legal counsel to draft a communication regarding E-bike and E-scooter usage to be sent out to community via website contact list.

MANAGER MATTERS

Mr. Heim reviewed the resident contact list with the Board. Discussion ensued regarding including the sheet in new homeowner paperwork. The Board directed staff to include the sheet in the new homeowner paperwork to allow residents to receive District-related communications.

Discussion ensued regarding whether government agencies are able to share personal information throughout governmental districts and compliance with Colorado Open Records Act requests.

Director Bart asked if the District is able to request information from Falcon Area Water & Wastewater Authority regarding residents. It was noted that Mr. Heim will follow up with a written request for this information.

Board discussed a note for the website about requesting the Board packet for future meetings.

It was noted that tree replacements are planned with Sunflower Landscapes. Proposals are expected to be finalized and presented at next month's Board meeting.

DIRECTOR MATTERS

Development Update:

Director Moreland provided an update on the site tour to the Board, noting that he is in the process of getting security around the water treatment plant. He further noted that there is mapped sediment and water complaints due to something causing pressure and accelerating water scaling.

Director Moreland also noted that the Monument Police Department has been helpful in deterring wattages on e-bikes. The installation of camera towers is under consideration if a favorable price can be obtained.

It was noted that additional landscaping will be installed in Filing 4 and near Copper Chase early this fall.

Update on Resident Contact List:

It was noted that almost 200 residents have signed up for the Resident Contact List.

Board Site Tour Conducted on June 16, 2026:

The Board discussed the site tour and thanked the Falcon Area Water & Wastewater Authority team for their collaboration.

ADJOURNMENT

There being no further business to come before the Board at this time, upon a motion duly made by Director Bart, seconded by Director D. Black and, upon vote unanimously carried, the Board adjourned the meeting at 11:30 a.m.

Respectfully submitted,

By ______________________________
Secretary for the Meeting