

**MINUTES OF THE REGULAR BOARD MEETING
OF THE BOARD OF DIRECTORS OF THE
BRADLEY HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2, AND 3
HELD JANUARY 9, 2024
AT 9:00 AM**

Pursuant to posted notice, the regular meetings of the Board of Directors of the Bradley Heights Metropolitan District Nos. 1, 2 and 3 were held on Tuesday, January 9, 2024, at 9:00 a.m., at 119 N. Wahsatch Avenue, Colorado Springs, CO, and via tele/videoconference: <https://video.cloudoffice.avaya.com/join/451389423>.

Attendance

In attendance were Directors:

Randle Case II, President
Bryan Long, Vice President
Robert Case, Assistant Secretary
Ray O’Sullivan, Treasurer/Secretary
Jim Byers, Assistant Secretary

Also in attendance were:

K. Sean Allen, Esq., White Bear Ankele Tanaka & Waldron
Kevin Walker, WSDM District Managers
Rylee DeLong, WSDM District Managers
Eric Smith, Matrix Design Group
Jeff Odor, Matrix Design Group
Chris Grundy, Project Manager
Rob Fuller, ROI
Nathan Steele, ROI
David Neville, Kiemele Family Partnerships
Jeremy Raridon
Ryan Case
John Radcliffe

Combined Meeting: The Board of Directors of the Districts have determined to hold a joint meeting of the Districts and to prepare joint minutes of actions taken by the Districts in such meetings. Unless otherwise noted herein, all official action reflected in these minutes shall be deemed to be the action of all Districts. Where necessary, action taken by an individual District will be so reflected in these minutes.

1. Call to Order: The meeting was called to order at 9:00 a.m. by President Case II.
2. Declaration of Quorum/Director Qualifications/ Disclosure Matters: Mr. Walker indicated that a quorum of the Boards was present and stated that each Director has been qualified as an eligible elector of the Districts pursuant to Colorado law. The Directors confirmed their qualification. Mr. Allen advised the Boards that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Mr. Walker reported that disclosures for those directors with potential or existing conflicts of interest were filed with the Secretary of State’s Office and the Boards at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Mr. Allen inquired into whether members of the Boards had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting. No additional disclosures were noted. The Boards determined that the participation of the members present was necessary to obtain a quorum or to otherwise enable the Boards to act.

3. Approval of Agenda: Director Long moved to approve the Agenda as presented; seconded by Director Byers. Motion passed unanimously.
4. Approval of December 12, 2023 Meeting Minutes: After review, Director Byers moved to approve the December 12, 2023 Meeting Minutes; seconded by Director Long. Motion passed unanimously.
5. District Manager Report
 - a. Right-of-way Acquisition Update: Mr. Walker provided an update on the right-of-way acquisition. The two parties are now communicating and working towards an agreement to transfer the property. The total cost for the property is an estimated \$150,000.
 - b. Financial Assurance Update: Mr. Walker discussed the financial assurances and how to get the funds released so the District can pay for the rest of the improvements this year.
 - c. Covenants and Individual Community Management Discussion: Mr. Walker discussed the covenants and individual community management. Next step is to determine a budget for each subdivision and work with the developer, Century Communities to contribute for maintenance and covenant enforcement.
 - d. Operations Mill Levy Cap Increase: Mr. Walker reported that City Council approved the service plan amendment that allowed for the operations mill levy to be increased to 20 mills.
6. President of the Board Report: President Case II noted updates will be provided and discussed on the Agenda.
7. Development Status Review
 - a. Engineering Update: Mr. Grundy presented the monthly engineering and construction report.
 - i. Schedule: Mr. Grundy provided an update on the schedule.
 - b. Plan Updates
 - i. Roadway/ Utility/ Storm Water: Mr. Odor provided an update on roadway, utility, and storm plans.
 - ii. Channel Design: Mr. Odor provided an update on the channel design.
 - iii. 24" and 16" Water Line Update: Mr. Grundy provided an update on the water main extension project. Mr. Smith will contact Colorado Center regarding a credit and report back at the next meeting.
 - c. Construction Schedule/Construction Contracts Approval/Ratify/Pre-approval: Mr. Grundy presented Change Order 28 for traffic signals credit in the amount of \$854,940.00 and Change Order 29 for metered manhole in the amount of \$373,460.41. Mr. Odor discussed the metered manhole and noted it is an extensive and complicated manhole arrangement and there is additional work included. After review, Director Long moved to approve the Change Orders 28 and 29; seconded by Director Robert Case. The Board discussed if there will be additional change orders. Mr. Odor noted they are wrapping up construction, but they may need to rebid the construction of Campo Drive. The Board reviewed the Change Orders to date. The Board discussed that the District will receive platting fees for the ponds that were constructed. After discussion, the motion passed unanimously. Mr. Grundy presented Change Order 6 for additional removals on the existing 10" water line in Phase 1A in the amount of \$7,726.62. After review, Director Long moved to approve Change Order 6; seconded by Director Byers. Motion passed unanimously.
 - d. Update on Construction Budget and Assurance: Mr. Smith provided an update on the construction budget and financial assurances. Mr. Walker discussed the financial assurances and will schedule a meeting to further discuss the approach to get the funds released. The Board discussed the plat schedule.
 - e. Redemption Hill Church: There was no update.

- f. Challenger Homes: Director Byers provided an update on Challenger Homes and noted development will start in the final phases in February and earth work will begin in future filing 5 in February or March.
 - g. Bradley Ridge: Director O’Sullivan provided an update on Bradley Ridge. He noted they have spare dirt, if needed.
8. Financial Matters
- a. Approve Unaudited Financial Reports through December 31, 2023: Mr. Walker presented the unaudited financial reports through December 31, 2023. After review, Director Long moved to approve the unaudited financial reports through December 31, 2023; seconded by Director Robert Case. Motion passed unanimously.
 - b. Review and Approve Payables through January 8, 2024: Mr. Walker presented the payables through January 8, 2024. After review, Director Long moved to approve both District Nos. 1 and 2 Payment Requests for January 9, 2024 as presented; seconded by Director Byers. Motion passed unanimously.
9. Legal Matters
- a. Ratify District No. 2 acceptance of Century Communities covenants and restrictions at Bradley Heights authorizing District to provide, implement, and enforce covenants and design review services: After review, Director Robert Case moved to ratify the District No. 2 acceptance of Century Communities covenants and restrictions at Bradley Heights authorizing District to provide, implement, and enforce covenants and design review services; seconded by Director Long. Motion passed unanimously.
10. Other Business
- a. Next Regular Meeting scheduled for February 13, 2024 at 9:00 a.m.
11. Adjourn: The Board unanimously adjourned the meeting at 10:23 a.m.

Respectfully Submitted,

Rebecca Harris

By: Recording Secretary