

**MINUTES OF THE REGULAR BOARD MEETING
OF THE BOARD OF DIRECTORS OF THE
BRADLEY HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2, AND 3
HELD MARCH 12, 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, March 12, 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:

Rebecca Harris, WSDM District Managers
Kevin Walker, WSDM District Managers
Rylee DeLong, WSDM District Managers
Chris Grundy, Project Manager
Eric Smith, Matrix Design Group
Jeff Odor, Matrix Design Group
John Radcliffe
Rob Fuller, ROI
Nathan Steele, ROI
David Neville, Kiemele Family Partnerships
Ryan Case, Interested Party

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: Ms. Harris 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. Ms. Harris 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: Mr. Walker added 9.a. Board authorizing signatures and acceptance of the deed regarding the right-of-way at Bradley Ridge. Director Long moved to approve the Agenda as amended; seconded by Director Robert Case. Motion passed unanimously.
4. Approval of February 13, 2024 Meeting Minutes: After review, Director Robert Case moved to approve the February 13, 2024 Meeting Minutes; seconded by Director Long. Motion passed unanimously.
5. District Manager Report
 - a. Right-of-way Acquisition Update: Mr. Walker discussed the right-of-way acquisition and reported that authorization has been received from Land Title to move forward and they will be providing a title commitment, and a quit-claim deed will be prepared. This issue will be discussed later in the Agenda.
 - b. Covenants and Individual Community Management Discussion: Ms. Harris reported that she is working on drafting Design Guidelines and the next step will be for the Board to appoint a committee for covenant enforcement.
6. President of the Board Report: President Case II noted updates will be provided and discussed during the meeting.
7. Development Status Review
 - a. Engineering Update: Mr. Grundy presented the monthly engineering and construction report. President Case II noted damage from equipment driving on the slopes and seeded and requested equipment stay on roads and off the embankments. He also noted the agricultural fencing installed by the District has been taken down on the north side.
 - i. Schedule: Mr. Grundy provided an update on the schedule.
 - ii. Cash Flow: Mr. Smith presented a detailed review of the cash flow analysis. Mr. Smith discussed sources of funds including financial assurance reimbursements, CSU water line reimbursements, and district platting fees.
 - iii. Assurances: Mr. Walker discussed a potential IGA with the City and the release of financial assurances. Mr. Walker recommended scheduling a special meeting to discuss the IGA with the City and how to fund the construction of the drainage channel. The Board scheduled a special meeting for March 14, 2024 at 3:00 p.m.
 - iv. Drainage Channel Financing Concepts: The Board will discuss this item at the special meeting.
 - b. Plan Updates
 - i. Roadway/ Utility/ Storm Water: Mr. Odor provided an update on roadway, utility, and storm plans and noted everything has been approved except for the pending right-of-way acquisition.
 - ii. Channel Design: Mr. Odor provided an update on the channel design.
 - iii. 24" and 16" Water Line Update: Mr. Smith provided an update on the water main extension project.
 - c. Construction Schedule/Construction Contracts Approval/Ratify/Pre-approval: Mr. Grundy presented Change Order No. 30 for the sanitary/sewer access road, and Change Order No. 31 for Pond 5 revisions. After review, Director O'Sullivan moved to approve Change Order No. 30 for \$67,850.00 and Change Order No. 31 for \$13,501.64 subject to review of financials; seconded by Director Robert Case. Motion passed unanimously.
 - d. Update on Construction Budget: Mr. Smith provided an update on the construction budget.
 - e. Redemption Hill Church- Reimbursement: Mr. Walker discussed the Redemption Hill Church reimbursement and noted that Mr. Grundy and he are working on this item.
 - f. Challenger Homes: Director Byers provided an update on Challenger Homes and noted they are working through water and sewer in filings 1 and 2 and should be complete mid-April and paving done in June. Earthwork has started in filing 5 which should take a few months, and he

noted they have excess dirt available. Filings 3 and 4 have resubmitted for development plan review.

- g. Bradley Ridge: Mr. Steele provided an update on Bradley Ridge and noted they are working on getting the stormwater plan for the staging site completed and getting the bonds done.

8. Financial Matters

- a. Review and Approve Unaudited Financial Reports through February 29, 2024: Ms. Harris presented the unaudited financial reports through February 29, 2024. After review, Director Long moved to approve the unaudited financial reports through February 29, 2024; seconded by Director Robert Case. Motion passed unanimously.
- b. Review and approve Audit Exemption Resolution for BHMD No. 1: Ms. Harris presented the Audit Exemption Resolution for BHMD No. 1. Director Long moved to approve the Audit Exemption Resolution for BHMD No. 1; seconded by Director Byers. Motion passed unanimously.
- c. Review and Approve Payables through March 11, 2024: Ms. Harris presented the payables through March 11, 2024. After review, Director Byers moved to approve the Payables through March 11, 2024 for Districts 1 and 2; seconded by Director Robert Case. Motion passed unanimously.

9. Legal Matters

- a. Board authorizing signatures and acceptance of the deed regarding the right-of-way at Bradley Ridge: Director Long moved to approve the acceptance of the deeds from the successors to LP Associates on the right-of-way and drainage parcels near Marksheffel Road for the extension of Bradley Ridge and the authorization to pay the appraisal amount to those entities up to \$150,000; seconded by Director O'Sullivan. Motion passed unanimously.

10. Other Business

- a. Next Regular Meeting scheduled April 9, 2024 at 9:00 a.m.

11. Adjourn: The Board unanimously adjourned the meeting at 10:10 a.m.

Respectfully Submitted,

Rebecca Harris

By: Recording Secretary