

**MINUTES OF THE CONTINUED BOARD MEETING
OF THE BOARD OF DIRECTORS OF THE
BRADLEY HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2, AND 3
HELD JUNE 04, 2024
AT 9:00 AM**

Pursuant to posted notice, the continued meetings of the Board of Directors of the Bradley Heights Metropolitan District Nos. 1, 2 and 3 were held on Tuesday, June 4, 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
Rebecca Harris, WSDM District Managers
Kevin Walker, WSDM District Managers
Chris Grundy, Project Manager
Eric Smith, Matrix Design Group
Jeff Odor, Matrix Design Group
Nathan Steele, ROI
Ryan Case, Interested Party
John Ratcliffe
Chris Jorgensen, ROI

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: President Case II 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: Director O’Sullivan moved to approve the Agenda as presented; seconded by Director Long. Motion passed unanimously.

4. Approval of April 9, 2024 Meeting Minutes and April 30, 2024 Continued Meeting Minutes: After review, Director O’Sullivan moved to approve the April 9, 2024 and April 30, 2024 Minutes; seconded by Director Long. Motion passed unanimously.
5. District Manager Report
 - a. Assurance Update: Ms. Harris reported that the Assurance was approved by the City for \$2.3 million and will be reimbursed in the next couple weeks.
 - b. Drainage Channel Financing Concepts: Mr. Walker noted he had no updates this month but requested to keep it on the Agenda.
6. President of the Board Report: President Case II noted there were no additional updates to discuss.
7. Detailed Discussion of Development Status Review
 - a. Engineering Update:
 - i. Schedule: Mr. Grundy provided an update on the schedule and noted the monthly report will be sent next week.
 - ii. Cash Flow: Mr. Smith gave an update on the cash flow.
 - b. Plan Updates
 - i. Roadway/ Utility/ Storm Water: Mr. Odor provided an update on plat recordings and approved road plans.
 - ii. Channel Design: The Board discussed that the RFP is still in progress.
 - iii. 24” and 16” Water Line Update: The Board discussed the water line and the discussions with the City to condemn the line.
 - iv. Sanitary Sewer outfall update: The Board discussed the sanitary sewer outfall update.
 - c. Construction Schedule/Construction Contracts Approval/Ratify/Pre-approval: There was no further discussion.
 - d. Update on Construction Budget: There were no updates.
 - e. Redemption Hill Church: There were no updates.
 - f. Challenger Homes: There were no updates.
 - g. Bradley Ridge: Director O’Sullivan and Mr. Steele provided an update on Bradley Ridge development. The Board discussed construction site theft and security measures.
8. Financial Matters
 - a. Approve Unaudited Financial Reports through April 30, 2024: Ms. Harris presented the Unaudited Financial Reports through April 30, 2024.
 - b. Review and Approve Payables through June 4, 2024: Ms. Harris presented the Payables through June 4, 2024. After review, Director O’Sullivan moved to approve both the Unaudited Financial Reports and Payables, as presented; seconded by Director Byers. Motion passed unanimously.
9. Legal Matters
 - a. Discuss PILOT Agreement with Lincoln Properties: Mr. Walker discussed the PILOT Agreement with Lincoln Properties and District No. 2. The revenue received would be \$2.3 million plus fees. After review, Director O’Sullivan moved to approve the PILOT Agreement with Lincoln Properties subject to parameters negotiated by legal counsel and district management; seconded by Director Byers. President Case II disclosed the property is owned by Lena Gail Case, the mother of two Board members (Randle Case II and Robert Case), but they do not have direct financial connection to it. Motion passed unanimously.
 - b. Review and consider approval of Bradley Heights Metropolitan District No. 2 Design Guidelines: Ms. Harris provided an update on the Design Guidelines and noted they will be ready for review and approval at the next meeting.
 - c. Review and consider approval of Resolution Regarding Policies, Procedures and Penalties for the Enforcement of the Governing Documents: The Board will review and consider approval at the next

meeting.

10. Other Business
 - a. Next Regular Meeting scheduled: July 30, 2024 at 9:00 a.m.
11. Adjourn: President Case II adjourned the meeting at 10:00 a.m.

Respectfully Submitted,

Rebecca Harris

By: Recording Secretary