

**MINUTES OF THE SPECIAL BOARD MEETING OF
THE BOARD OF DIRECTORS OF THE
BRADLEY HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2, AND 3
HELD JULY 30, 2024
AT 9:00 AM**

Pursuant to posted notice, the special meetings of the Board of Directors of the Bradley Heights Metropolitan District Nos. 1, 2 and 3 were held on Tuesday, July 30, 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 (Excused Absence)
Robert Case, Assistant Secretary
Ray O’Sullivan, Treasurer/Secretary
Jim Byers, Assistant Secretary

Also in attendance were:

Rebecca Harris, WSDM District Managers
Beth Diana, 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, BiggsKofford
Ben Taylor

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 with Director Long excused. He 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 Byers. Motion passed unanimously.

4. Approval of June 4, 2024 Continued Meeting Minutes: After review, Director O’Sullivan moved to approve the June 4, 2024; seconded by Director Byers. Motion passed unanimously.
5. Financial Matters
 - a. Public Hearing on Bradley Heights Metropolitan District No. 2 – 2023 Budget Amendment: President Case II opened the public hearing on the Bradley Heights Metropolitan District No. 2 2023 Budget Amendment. Ms. Harris presented the 2023 Budget Amendment. After no public comment, the public hearing was closed.
 - i. Review and consider adoption of Resolution to Amend Bradley Heights Metropolitan District No. 2 2023 Budget Amendment: After review, Director O’Sullivan moved to adopt the Resolution to amend the Bradley Heights Metropolitan District No. 2 2023 Budget Amendment; seconded by Director Byers. Motion passed unanimously.
 - b. Review and consider acceptance of 2023 Audit Presentation: Mr. Jorgensen with BiggsKofford provided a detailed review of the 2023 Audit. The Auditors are providing an unmodified, unqualified opinion which reflects a clean audit, and no issues were found. The Board requested that BiggsKofford add language that references the internal controls that do currently exist. After review, Director O’Sullivan moved to accept the 2023 Audit as presented; seconded by Director Robert Case. Motion passed unanimously with Director Long excused.
 - c. Approve Unaudited Financial Reports through June 30, 2024: Ms. Harris presented the Unaudited Financial Reports through June 30, 2024. After review, Director O’Sullivan moved to approve the Unaudited Financial Reports as presented; seconded by Director Byers. Motion passed unanimously.
 - d. Ratify and Approve Payables through July 30, 2024: Ms. Harris presented the Payables through July 30, 2024. After review, Director O’Sullivan moved to ratify and approve the Payables as presented; seconded by Director Robert Case. Motion passed unanimously.
 - a. Discuss Operations and Maintenance funding and establishment for new Agreements: Ms. Harris reported the District needs funding to pay the legal counsel and district management invoices that are past due.
6. District Manager Report
 - b. Assurance Update: Ms. Harris reported the request for an extension was sent to the City. The calculations and information regarding the \$2 million cost split will be sent to the Board for review.
 - c. Drainage Channel Financing Concepts: Ms. Harris reported she will reach out to parties along the drainage channel including the Boy Scouts to discuss financing concepts.
7. President of the Board Report: President Case II noted new development in the District.
8. Detailed Discussion of Development Status Review
 - a. Engineering Update
 - i. Schedule: Mr. Grundy presented the monthly report and provided an update on the schedule.
 - 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 the Filing 3 annexation plat and development plans.
 - ii. Channel Design: The Board discussed that the RFP is still in progress.
 - iii. 24” and 16” Water Line Update: Mr. Grundy provided an update on the 24” and 16” water line. A meeting will be held to coordinate with CSU Utilities.
 - iv. Sanitary Sewer outfall update: The Board discussed the sanitary sewer outfall update.

- c. Construction Schedule/Construction Contracts Approval/Ratify/Pre-approval: After review, Director Byers moved to approve Pay Application No. 14 for Frazee and No. 24 for Wildcat; seconded by Director Robert Case. Motion passed unanimously.
 - d. Update on Construction Budget: There were no updates.
 - e. Redemption Hill Church: There were no updates.
 - f. Challenger Homes: Director Byers provided an update and noted progress is being made on Filing 5.
 - g. Bradley Ridge: Director O’Sullivan and Mr. Steele provided an update on Bradley Ridge development. Director O’Sullivan discussed Ballot Initiative 51 that could impact metro districts.
9. Legal Matters
- a. Review and consider approval of Lena Gail Funding and Reimbursement Agreement: After review, Director O’Sullivan moved to approve the Lena Gail Funding and Reimbursement Agreement; seconded by Director Robert Case. Motion passed unanimously.
 - b. Review and consider approval of Bradley Heights Metropolitan District No. 2 Declaration And Agreement For Payment In Lieu Of Taxes: Mr. Taylor discussed the 20-acre proposed development that will eventually be a tax-exempt property. Both DA Davidson and WSDM worked on the calculations. President Case II disclosed that he and Director Robert Case are children of Lena Gail Case and they do not have direct financial connection to the transaction. After review, Director O’Sullivan moved to approve the Bradley Heights Metropolitan District No. 2 Declaration And Agreement for Payment In Lieu Of Taxes; seconded by Director Byers. Motion passed unanimously.
 - c. Review and consider approval of Resolution Regarding Policies, Procedures and Penalties for the Enforcement of the Governing Documents: After review, Director O’Sullivan moved to approve the Resolution Regarding Policies, Procedures and Penalties for the Enforcement of the Governing Documents and adopt the Design Guidelines; seconded by Director Byers. Motion passed unanimously.
10. Other Business
- a. Next Regular Meeting schedule: The Board continued the next meeting for August 20, 2024 at 3:30 p.m.
11. Adjourn: Director Robert Case moved to continue the meeting to August 20, 2024 at 3:30 p.m.; seconded by Director Byers. Motion passed unanimously.

Respectfully Submitted,

Rebecca Harris

By: Recording Secretary