



BRADLEY HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2 and 3

Regular Board Meeting
Tuesday, April 9, 2024, at 9:00 AM
119 N. Wahsatch Ave.
Colorado Springs, Colorado 80903

and
Via tele/videoconference

<https://video.cloudoffice.avaya.com/join/109995525>

United States: [+1 \(213\) 463-4500](tel:+12134634500)

Access Code: 109-995-525

Board of Director	Title	Term
Randle W Case II	President	May 2027
Bryan T Long	Vice-President	May 2027
Ray O’Sullivan	Treasurer/ Secretary	May 2025
Robert Case	Assistant Secretary	May 2025
Jim Byers	Assistant Secretary	May 2027 (appointment to May 2025)

AGENDA

1. Call to order
2. Declaration of Quorum/Director Qualifications/ Disclosure Matters
3. Approval of Agenda
4. Approval of March 12, 2024, Meeting Minutes and March 14, 2024, Special Meeting Minutes (under separate cover)
5. District Manager Report
 - a. Covenants status
6. President of the Board Report
7. Development Status Review
 - a. Engineering Update
 - i. Schedule
 - ii. Cash Flow – Eric and Kevin
 - iii. Assurances – Kevin and Jeff (enclosed letter to City)
 - iv. Drainage Channel financing concepts
 - b. Plan Updates
 - i. Roadway/ Utility/ Storm Water
 - ii. Channel design
 - iii. 24” and 16” water line update
 - c. Construction Schedule/Construction Contracts Approval/Ratify/Pre-approval
 - d. Update on Construction Budget
 - e. Redemption Hill Church - reimbursement
 - f. Challenger Homes
 - g. Bradley Ridge
8. Financial Matters
 - a. Approve Unaudited Financial Reports March 31, 2024 (enclosure)
 - b. Review and Approve Payables through April 9, 2024 (enclosure)

9. Legal Matters
 - a. Review and consider the adoption of a Resolution of the Board of Directors of Bradley Heights Metropolitan District No. 2, Authorizing the Execution and Delivery for The Consummation of Right-of-way for Bradley Landing to Marksheffel Rd
10. Other Business
 - a. Next Regular Meeting scheduled: May 14, 2024, at 9:00 a.m.
11. Adjourn

NOTICE OF REGULAR MEETINGS

NOTICE IS HEREBY GIVEN That the Board of Directors of **BRADLEY HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2 and 3**, County of El Paso, State of Colorado, will hold a regular meeting at 9:00 AM on Tuesday, the 9th day of April, 2024, at 119 North Wahsatch Ave., Colorado Springs, CO 80903, and via tele/videoconferencing at the following: <https://video.cloudoffice.avaya.com/join/109995525> United States: [+1 \(213\) 463-4500](tel:+12134634500) Access Code: 109-995-525 for the purpose of conducting such business as may come before the Board including the business on the attached agenda. The meeting is open to the public.

BY ORDER OF THE BOARD OF DIRECTORS:
BRADLEY HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2 AND 3



**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 quick 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,

By: Recording Secretary

**MINUTES OF THE REGULAR BOARD MEETING
OF THE BOARD OF DIRECTORS OF THE
BRADLEY HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2, AND 3
HELD MARCH 14, 2024
AT 3:00 PM**

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 Thursday, March 14, 2024, at 3:00 p.m., at 2435 Research Parkway, STE 300, Colorado Springs, CO, and via tele/videoconference: <https://video.cloudoffice.avaya.com/join/109995525>.

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
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 3:00 p.m. by Director Byers.
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. Discuss and Brainstorm Cash Flow Funding: Mr. Smith presented a detailed review of the cash flow analysis. Mr. Smith discussed sources of funds including sales tax reimbursement, financial assurance reimbursement releases from the City, pond reimbursement fees, and the CSU 24” water line reimbursement. Mr. Walker discussed potential ideas on how to fund the channel construction project including the release of the financial assurances at the City and an alternative option to ask the developers to help fund the project for future credits. Mr. Walker explained the District is unable to get a development loan and take on debt to fund the project. He noted that he will research more about the potential IGA and release of financial assurances with the City in the next 30 days. Mr. Walker will also provide an analysis of the option of developers helping fund the project at the next meeting.
4. Other Business
 - a. Next Regular Meeting scheduled April 9, 2024, at 9:00 a.m.
5. Adjourn: Director Byers moved to adjourn the meeting at 4:15 p.m.; seconded by Director O’Sullivan. Motion passed unanimously.

Respectfully Submitted,

By: Recording Secretary





Bradley Heights Metropolitan Districts
614 N. Tejon St.
Colorado Springs, CO 80903

March 21, 2024

Mr. Michael Tassi
Assistant Planning Director
City of Colorado Springs
PO Box 1574
Colorado Springs, CO 80904

Re: Request for Relief from Assurances required for Public Improvements.

Mr. Tassi,

Per our conversation, please accept this and the supporting documentation as a request by the Bradley Heights Metropolitan District No. 2 to allow relief from the common acceptable assurances that are outlined in the City Code and supported by City Policy.

Background

WSDM, LLC is the manager of the Bradley Heights Metropolitan District No. 2. In 2021, the District issued \$35,000,000 in general obligation bonds for construction of infrastructure including roads, utilities and stormwater facilities, some of which will ultimately be owned by the City of Colorado Springs or Colorado Springs Utilities.

During the platting process, the City Code has been adhered to that requires assurances be posted for these various improvements pursuant to §7.7.11 of the City Code (see attached). Because the District has been the developer for these improvements, utilizing the bond proceeds, the District has posted the assurances as cash deposits required for the improvements to date, totaling over \$4,800,000. See the attached outline of current assurances based on City records. The cash deposit is the only form assurance available to the District in its role as developer. The options for assurances are found as a handout in support of the City Code section above (see attached).

Most Districts normally do not disburse funds from bond issues in this manner. Most District's bond proceeds reimburse developers who build the improvements and requests reimbursement from the proceeds. In our over twenty plus years of management of Districts, we have had only one instance of this being the case in the City of Colorado Springs. The situation is unique in that there are a number of property owners and developers in this District and in order to best coordinate the timing the improvements, the District Board had the District assume the role as developer.

Issue

The District has proceeded to contract for and construct the improvements as approved by the City and CSU. The District has paid its invoices from the funds from the bonds issued in 2021.

The District is now completing the improvements and is in a situation where the funds needed to complete the improvements are being held by the City instead of being available to pay the contractors who are completing the work. This is a cash flow burden on the District and since the District has no opportunity to offer to the City any of the other outlined assurances, we are faced with a “catch 22” – we cannot complete the projects without those funds and cannot get the projects accepted by the City in order to reduce the assurance until the improvements are complete.

Request

The District is proposing an Intergovernmental Agreement (the “IGA”) in exchange for the assurances required.

The IGA would obligate the District, a governmental organization formed under state statute and able to enter into IGA’s, to completion of the improvements and the completion of any warranty items through the warranty period. The District is required to have a performance bond from the contractor of the improvements for the project completion and also 2-year warranty period as assurance that the funds will be available for the completion of the warranty items.

The District is able and willing to provide certified audited monthly reports to the City on the status of the cash holdings of the District, its contractual obligations to complete the improvements, updated schedules and status reports on the construction and other administrative reporting as needed by the City.

The District is also expecting certain refunds from CSU and other developers in the area that will be available to perform warranty items in the next two years for the public improvements,

We believe that this concept will give the City the assurances that the District will complete the projects in a timely manner and to be able to complete warranty items should they be necessary at the end of the warranty period.

Thank you for your consideration of this request. We are available to meet and answer questions and present other information as needed in support of this request.

C: Board of Directors, Bradley Heights Metropolitan Districts
K. Sean Allen, District Counsel, White Bear Ankele Tanaka and Waldron, PC,
Travis Easton, Deputy Chief of Staff, Infrastructure and Development

Attachments

PART 11 ASSURANCES AND GUARANTIES FOR PUBLIC IMPROVEMENTS

SECTION:

7.7.1101: Statement Required

7.7.1102: Specific Requirements Prior To Building Permit Issuance

7.7.1103: Obligations Of Landowners

7.7.1104: Return Of Fees And Release Of Assurance

7.7.1105: Renewal And Update Of Acceptable Assurance

7.7.1101: STATEMENT REQUIRED:

The approved final plat shall contain the following statement:

No building permits shall be issued for building sites within this plat until all required fees have been paid and all required public and private improvements have been installed as specified by the City of Colorado Springs or alternatively until acceptable assurances including but not limited to letters of credit, cash subdivision bonds or combinations thereof guaranteeing the completion of all required public improvements including but not limited to drainage, street and erosion control have been placed on file with the City of Colorado Springs.

(Ord. 96-44; Ord. 01-42)

7.7.1102: SPECIFIC REQUIREMENTS PRIOR TO BUILDING PERMIT ISSUANCE:

A. Streets And Drainage Improvements:

1. Whenever the tract of land to be platted embraces or abuts a major street (street with right-of-way width greater than 60 feet) or major drainage improvement (drainage facilities identified in the City's DBPS and master drainage plans), or a major street or major drainage improvement is necessary to serve the land to be platted, such major street or major drainage improvement, or both, shall be completed prior to the issuance of building permit or acceptable assurance guaranteeing the completion of the major streets or drainage improvements shall be filed with the City.

2. All other drainage improvements (public or private) necessary to convey and control the quality of stormwater runoff from or through the land to be platted to protect the building sites for which the building permit is requested, or to protect downstream property owners, shall be installed, completed and accepted (public drainage improvements only) by the City at the time of issuance of the building permit. The City Engineer may authorize the issuance of building permits before public or private drainage improvements are installed, completed and accepted (public drainage improvements only) by the City provided that the permit applicant agrees simultaneously to construct the drainage improvements with the buildings for which the permits are issued and acceptable assurances are on file. No buildings constructed shall be occupied, unless otherwise approved by the City Engineer, until the City has accepted the public drainage improvements and all private drainage improvements are completed, based on documentation satisfactory to the City Engineer.

B. Utilities: No building permits shall be issued for building sites within any plat until all required utility systems have been installed in accord with all specifications of Utilities or, alternatively, until acceptable agreements guaranteeing the completion of all required utility systems and other requirements, as specified by Utilities, have been placed on file with Utilities.

The payment of all utility development charges, recovery agreement charges and all other Utilities charges associated with the building permit process shall be payable in full at the time the building permit is issued or as directed by Council. Such charges shall not be waived for governmental, quasi-governmental or any other user wishing to connect to a City service.

C. Streets: Minor streets serving as access to a requested building permit site shall be installed, completed and approved, or acceptable assurance guaranteeing the completion of said improved access shall be placed on file with the City prior to the issuance of a building permit. (Ord. 96-44; Ord. 98-185; Ord. 01-42; Ord. 02-130; Ord. 07-85; Ord. 08-44; Ord. 18-38; Ord. 18-43)

7.7.1103: OBLIGATIONS OF LANDOWNERS:

The obligation for public improvements and utilities as set forth in this Code shall be the obligation of the landowner. The obligation for public improvements shall run with the land and shall be the obligation of future landowners, successors in interest, assignees or any such other persons who take title to the property or any lot or part thereof. (Ord. 96-44; Ord. 01-42)

7.7.1104: RETURN OF FEES AND RELEASE OF ASSURANCE:

A. In the event of impossibility of proceeding with a development for which a final plat has been approved, under an order of any court or other public authority having jurisdiction, including the City, or as a result of an act of government, such as, but not limited to, a declaration of national emergency making materials unavailable through no act or fault of the subdivider or natural catastrophe such as flood or earthquake or similar act or occurrence over which the subdivider has no control, the subdivider may apply to the City Engineer for return of fees paid for drainage or school and park, or both, and release of acceptable assurance on file with the City; provided, however, that no fee or payment theretofore paid shall be refunded or acceptable assurance released unless the recorded plat for which the fees were paid or acceptable assurance was filed is vacated.

B. Upon receipt of such application, the City Engineer shall investigate the circumstances set forth in the letter of application to verify the same. If the City Engineer finds no sales of land in a subdivision with reference to the final recorded plat, the City Engineer may relieve the subdivider from the requirement of filing acceptable assurance and may release the assurance previously filed with the City and refund the fees paid upon vacation of the plat. If the City Engineer finds that lands have been sold or developed, the City Engineer shall require the installation of all required improvements from the nearest improved street or from the nearest utility main or line of adequate capacity to such point as shall be necessary to serve the land so sold or developed, the City Engineer may release the assurance as to unsold and undeveloped land beyond that point, provided, however, that the existing drainage facilities

are adequate to protect existing development.

C. No building permit shall be issued for the construction of any improvement on the land for which acceptable assurance would otherwise be required while such release is in effect. (Ord. 96-44; Ord. 01-42)

7.7.1105: RENEWAL AND UPDATE OF ACCEPTABLE ASSURANCE:

A. Responsibility Of Subdivider: If assurances filed with the City expire, no building permits for building site shall be issued. It shall be the responsibility of the subdivider to keep current all assurances filed with the City. The City shall have the right at any time to increase or decrease the amount of assurance in accord with the current estimates of public improvements or utilities, it being the intent of this provision that the subdivider shall pay the entire cost of all improvements, and the subdivider shall in no way limit his liability therefor by filing assurances based upon estimates.

B. Release Of Assurances: Except as herein provided, assurances for public improvements shall be released upon inspection and acceptance by the City in accord with the Subdivision Policy Manual. If upon inspection of the public improvements deficiencies are found, then only that portion of the public improvements that are found to be acceptable shall be released from assurance. An acceptable amount of assurance as determined by the City shall be maintained to cover the cost of repair or correction. Upon completion of the repair or correction to the satisfaction of the City, the balance of the assurance shall be released. In order to obtain a release of reduction of assurance filed with the City, the request must be made in writing to the City Engineer for an inspection of the improvements covered by the assurance.

C. Subdivision Financial Assurance:

1. Assurances Provided: Financial assurances for construction shall be provided by subdividers and other developers responsible for constructing public street and drainage infrastructure for the City of Colorado Springs. A financial assurance in and on a form approved by the City Attorney and issued by a surety approved by the City Attorney, must be posted for public improvements according to the following table:

Total Financial Assurance Obligation	Financial Assurance Required
\$200,000.00 or less	90 percent
\$200,000.01 - \$400,000.00	80 percent
\$400,000.01 - \$600,000.00	70 percent
\$600,000.01 - \$800,000.00	60 percent
\$800,000.01 or greater	50 percent

"Total financial assurance obligation" means the sum total dollar amount of each individual construction assurance due to the City from the subdivider or developer. The financial assurance percentage referred to in the above table means that percentage of the total financial assurance obligation which is due to the City from the subdivider or developer to satisfy the subdivider's or developer's assurance obligation .

In the event the City draws upon a subdivider's or developer's financial assurance percentage so that the dollar sum of financial assurance available to the City drops below the financial assurance percentage required, the subdivider or developer shall promptly and within fourteen (14) calendar days increase dollar sum of the financial assurance to not less than the minimum level shown in the table above.

2. Warranty Retainage And Cap: A warranty retainage of ten percent (10.0%) of the financial assurance obligation shall be required throughout the warranty period. Any subdivider or developer whose "total retainage", defined as the sum of all subdivisions in warranty, exceeds the City Engineer's warranty and retainage cap may, if the subdivider or developer so desires, provide the City Engineer with a single financial assurance in the amount of the warranty and retainage cap to cover all of the subdivision warranty obligations. In the event that the single financial assurance should fall to less than City Engineering's warranty and retainage cap, and the subdivider's or developer's total retainage still exceeds the warranty and retainage cap, then the subdivider or developer shall promptly and within fourteen (14) calendar days increase the total of the single assurance to a minimum of the warranty and retainage cap. The amount of the warranty and retainage cap is one hundred fifty thousand dollars (\$150,000.00) and it shall be adjusted by the City Engineer from time to time to keep pace with construction costs. However, certain major facilities and off site facilities as determined by the City Engineer, including, but not limited to, arterial streets, bridges, and regional detention ponds, shall require posting by the subdivider or developer of a one hundred percent (100.00%) financial assurance and a separate ten percent (10.0%) warranty retainage unless a reduced amount is approved by the City Engineer.

3. Obligation: Nothing in this section shall be deemed to relieve any subdivider or developer of the obligation to complete construction and maintenance obligations for public streets and drainage infrastructure. Forfeiture of assurances under this section shall be penal and punitive, and the City shall retain all rights to utilize forfeited funds in a manner which it deems appropriate.

4. Certification Of Compliance: All public street and drainage construction shall be certified in compliance with the approved construction plans and specifications by a professional engineer (PE) licensed in the State of Colorado, prior to any acceptance of that infrastructure by the City and prior to commencement of any warranty period. All public street and drainage construction in new subdivisions shall also comply with compaction testing requirements as set forth in the City Engineer's Standard Specifications, as may be amended from time to time. (Ord. 96-44; Ord. 01-42; Ord. 01-153; Ord. 09-80)

1. By way of example, in subdivision A, approved on January 10, 2002, a subdivider or developer has a street financial assurance obligation of \$100,000.00 and a separate drainage financial assurance obligation of \$300,000.00. The subdivider's or developer's financial assurance percentage required to be posted would be 90 percent for the street and 80 percent for the drainage.

Bradley Heights Metro Dist. Assurances

Subdivision	Assurance #	Amount	Improvement
Bradley Heights Filing No. 1	2005	\$163,294.30	EC-Ph 1
Bradley Heights Filing No. 1	2007	\$405,825.94	EC-Ph 2
Bradley Heights Filing No. 1	2030	\$228,085.00	Pond 1
Bradley Heights Filing No. 1	2033	\$254,305.00	Pond 5
Bradley Heights Filing No. 1	2034	\$351,650.00	WQ TDF AH
Bradley Heights Filing No. 1	2029	\$19,995.15	Offsite Water Main
Bradley Heights Roads Filing No. 1	2032	\$441,718.62	Streets
Bradley Heights Roads Filing No. 2	2048	\$1,283,161.20	Streets
Redemption Hill Church	2012	\$1,064,008.00	Channel Imp.
Traffic Signal assurance		\$550,000.00	
		\$4,762,043.21	



PLANNING & COMMUNITY DEVELOPMENT DEPARTMENT
Engineering Development Review Division

INSTRUCTIONS FOR FINANCIAL ASSURANCES
January 11, 2022

Pursuant to Chapter 7 “*PLANNING, DEVELOPMENT AND BUILDING*” of the Code of the City of Colorado Springs, Article 7, Part 11, the following required improvements must be completed and accepted by Engineering or Planning, or approved financial assurances guaranteeing completion must be placed on file prior to the issuance of building permits:

- Public street improvements
- Public drainage improvements
- Public erosion control measures
- Public Water Quality Ponds/Permanent BMP
- Private landscaping, Private streets or any other improvements required by Planning

(Erosion control measures are required for Grading and Erosion Control Plan approval and do not affect building permits)

Financial Assurance Forms- the following forms of financial assurances are acceptable:

- Company/personal check
- Cashier’s or certified check
- Lending Institution Irrevocable Letter of Credit
- Certificate of Deposit with Assignment of Deposits Agreement
- Subdivision Bond

Checks made payable to “City of Colorado Springs” are deposited into the City’s escrow account. All other forms are kept by the Planning/Engineering office until their release. All term financial assurances must have a **minimum expiration date of 90** days from issue date. Include the name, address and telephone number of the Owner, Subdivider, Developer or Contractor submitting financial assurances. The submitter is responsible to keep current all financial assurances filed with the City and provide renewal documentation to City Engineering a minimum of five business days prior to the expiration date for improvements not completed.

Release of FA- Public Improvements: Upon completion of improvements, provide a written request for Probationary Inspection along with Engineer’s and Geotech’s Certifications to Engineering Inspections at the address below. Financial assurances are reduced upon the passing Probationary Inspection for a two-year warranty retainage equaling 10% of the original estimate of improvements.

Engineering Review Division
P.O. Box 1575, Mail Code 410
30 S. Nevada Avenue, Suite 401
Colorado Springs, CO 80901-1575
(719) 385-5979

Upon completion of the two-year warranty period, provide a written request for Final Inspection to be performed. Once a passing Final Inspection letter is received, the 10% retainage being held for the warranty period, will be released.

Note: Erosion control assurances are not subject to Probationary Inspection and are released in full at the time of Final Inspection.

Private Improvements: Upon completion of private improvements secured by a financial assurance, the applicant or its designee must request that the City release the financial assurance. The financial assurance will not be released until the City Planner assigned to the project approves the release of the financial assurance.

The financial assurance agreement must be completed in coordination with the City Planner with the financial assurance estimate and prior to submittal of the final and approved financial assurance documents.

Financial Assurance Information – contact Planning and Community Development - Engineering Review Division at the address below:

Andrea Acker
Analyst I
30 S. Nevada Ave., Suite 401
P.O. Box 1575, Mail Code 410
Colorado Springs, CO 80901-1575
(719) 385-5046
andrea.acker@coloradosprings.gov

IRREVOCABLE LETTER OF CREDIT GUIDELINES

Original Irrevocable Letters of Credit submitted to the City of Colorado Springs for the purposes of financial assurances for subdivision development improvements are acceptable only in the format on the attached form "Irrevocable Letter of Credit." This form is acceptable for lending institutions within Colorado Springs as well as outside the city. The following list outlines key items to assist the lending institution to complete the form:

- Original Letter of Credit must be on bank letterhead.
- Letter of Credit must include exact Subdivision name found on the recorded Plat or, for unplatted parcels, the Legal Description of the affected property.
- Expiration date must be a minimum of 90 days from the Letter of Credit date.
- Public Improvements (Street, Drainage and Erosion Control) may be combined on one bond and private improvements may be combined on one bond, however, public improvements and private improvements must all be kept separate from each other as they are administered differently.
- Any references to the "Uniform Customs and Practices for Documentary Credits" or "Article 5 of the State of Colorado Uniform Commercial Code" **are unacceptable. Letter of Credit will be rejected.**
- Letter of Credit shall have the full address, phone number and signature of an Officer of the lending institution.

Contact Andrea Acker, Analyst I (719-385-5046 or andrea.acker@coloradosprings.gov) for assistance.

Engineering Review Division
P.O. Box 1575, Mail Code 410
30 S. Nevada Avenue, Suite 401
Colorado Springs, CO 80901-1575
(719) 385-5979



Bradley Heights Metropolitan District No. 1

04/03/24

Balance Sheet

Accrual Basis

As of March 31, 2024

	<u>Mar 31, 24</u>
ASSETS	
Current Assets	
Checking/Savings	
ECB - Checking	675.70
Total Checking/Savings	<u>675.70</u>
Accounts Receivable	
Accounts Receivable	69,211.60
Total Accounts Receivable	<u>69,211.60</u>
Other Current Assets	
Due From District 3	785.19
Due From District 2	2,200.00
Total Other Current Assets	<u>2,985.19</u>
Total Current Assets	<u>72,872.49</u>
TOTAL ASSETS	<u>72,872.49</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	56,324.99
Total Accounts Payable	<u>56,324.99</u>
Total Current Liabilities	56,324.99
Long Term Liabilities	
Developer Advance - Randle Case	41,000.00
Marksheffel-Woodmen Investments	75,850.00
Total Long Term Liabilities	<u>116,850.00</u>
Total Liabilities	173,174.99
Equity	
Retained Earnings	-77,107.71
Net Income	-23,194.79
Total Equity	<u>-100,302.50</u>
TOTAL LIABILITIES & EQUITY	<u>72,872.49</u>

Bradley Heights Metropolitan District No. 1

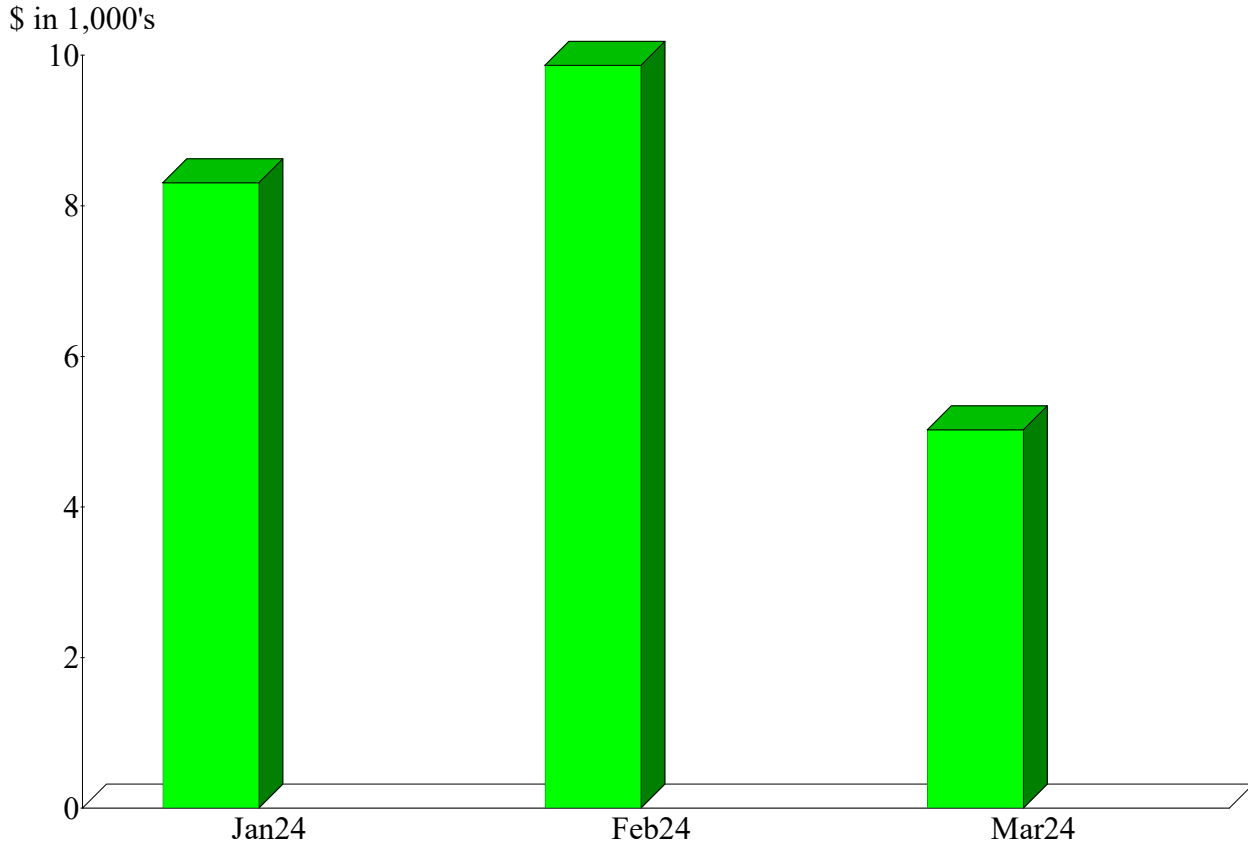
Profit & Loss Budget vs. Actual

January through March 2024

	TOTAL				
	Mar 24	Jan - Mar 24	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense					
Income					
Developer Advance	0.00	0.00	85,000.00	-85,000.00	0.0%
Transfer From District 2-O&M	0.00	0.00	2,413.00	-2,413.00	0.0%
Total Income	0.00	0.00	87,413.00	-87,413.00	0.0%
Expense					
Audit	0.00	0.00	15,375.00	-15,375.00	0.0%
Bank Service Charge	0.00	0.00	100.00	-100.00	0.0%
Contingency	0.00	0.00	10,000.00	-10,000.00	0.0%
Copies & Postage	24.00	24.00	500.00	-476.00	4.8%
District Management	5,000.00	15,000.00	60,000.00	-45,000.00	25.0%
Dues & Subscriptions (SDA) - D1	0.00	367.01	500.00	-132.99	73.4%
Dues & Subscriptions (SDA) - D2	0.00	1,237.50	1,500.00	-262.50	82.5%
Dues & Subscriptions (SDA) - D3	0.00	225.01	500.00	-274.99	45.0%
Insurance - D1	0.00	0.00	2,000.00	-2,000.00	0.0%
Insurance - D2	0.00	0.00	3,000.00	-3,000.00	0.0%
Insurance - D3	0.00	0.00	3,000.00	-3,000.00	0.0%
Legal	0.00	6,225.86	25,000.00	-18,774.14	24.9%
Miscellaneous	0.00	115.41	0.00	115.41	100.0%
Total Expense	5,024.00	23,194.79	121,475.00	-98,280.21	19.09%
Net Ordinary Income	-5,024.00	-23,194.79	-34,062.00	10,867.21	68.1%
Net Income	-5,024.00	-23,194.79	-34,062.00	10,867.21	68.1%

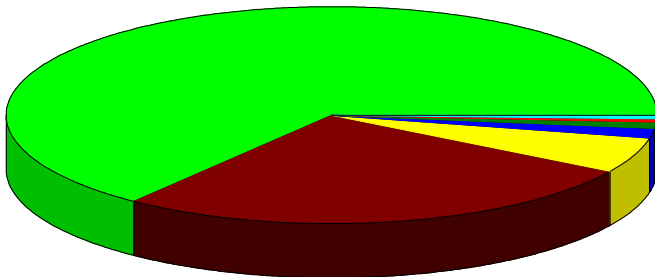
Income and Expense by Month
January through March 2024

Expense



Expense Summary
January through March 2024

District Management	64.67%
Legal	26.84
Dues & Subscriptions (SDA) - D2	5.34
Dues & Subscriptions (SDA) - D1	1.58
Dues & Subscriptions (SDA) - D3	0.97
Miscellaneous	0.50
Copies & Postage	0.10
Total	\$23,194.79



By Account

Bradley Heights Metropolitan District No. 2

Balance Sheet

04/03/24

As of March 31, 2024

Accrual Basis

	<u>Mar 31, 24</u>
ASSETS	
Current Assets	
Checking/Savings	
ECB Checking	5,158.23
UMB Bond Account 156470.1	38,332.34
UMB - Project Fund 156470.2	1,070,913.81
Total Checking/Savings	<u>1,114,404.38</u>
Other Current Assets	
Due from District No 3	9.00
Accounts Receivable Other	39.00
Property Tax Receivable	5,955.20
Total Other Current Assets	<u>6,003.20</u>
Total Current Assets	<u>1,120,407.58</u>
Fixed Assets	
Construction in Progress	8,622,891.24
Total Fixed Assets	<u>8,622,891.24</u>
TOTAL ASSETS	<u>9,743,298.82</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	1,999.00
Total Accounts Payable	<u>1,999.00</u>
Other Current Liabilities	
Accrued Interest	2,267,035.00
Due to District 1	2,200.00
Deferred Property Tax Revenue	5,955.20
Total Other Current Liabilities	<u>2,275,190.20</u>
Total Current Liabilities	<u>2,277,189.20</u>
Long Term Liabilities	
Series 2021A Bonds	35,000,000.00
Total Long Term Liabilities	<u>35,000,000.00</u>
Total Liabilities	<u>37,277,189.20</u>
Equity	
Retained Earnings	-25,906,776.50
Net Income	-1,627,113.88
Total Equity	<u>-27,533,890.38</u>
TOTAL LIABILITIES & EQUITY	<u>9,743,298.82</u>

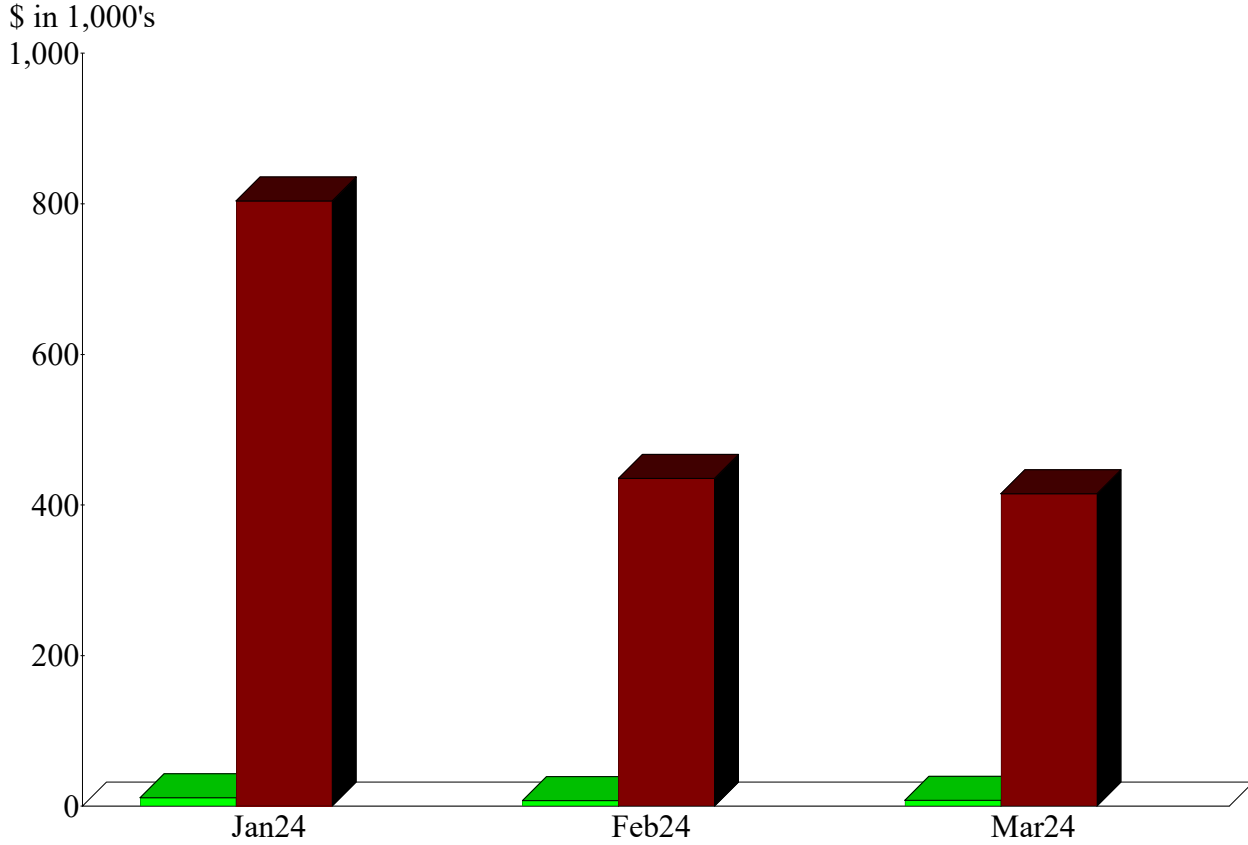
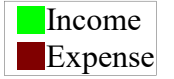
Bradley Heights Metropolitan District No. 2

Profit & Loss Budget vs. Actual

January through March 2024

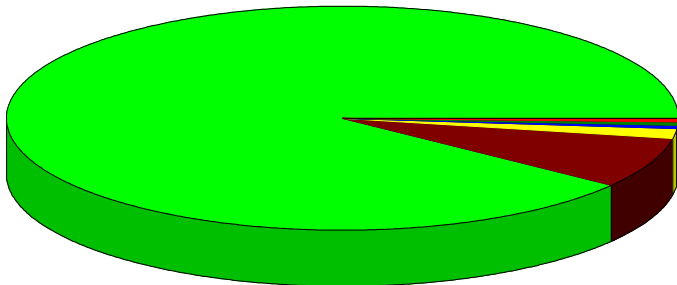
	TOTAL				
	Mar 24	Jan - Mar 24	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense					
Income					
Transfer From D3 DS Taxes	0.00	0.00	523.00	-523.00	0.0%
CY Property Tax - O&M	130.03	130.03	4,712.00	-4,581.97	2.76%
Specific Ownership Tax - O&M	25.36	52.25	330.00	-277.75	15.83%
CY Property Tax - Debt	390.10	390.10	8,397.00	-8,006.90	4.65%
Specifice Ownership Tax - Debt	76.08	156.75	588.00	-431.25	26.66%
Impact Fees					
Capital Facility Fees-Platting	1,999.00	1,999.00	119,960.00	-117,961.00	1.67%
Total Impact Fees	<u>1,999.00</u>	<u>1,999.00</u>	<u>119,960.00</u>	<u>-117,961.00</u>	<u>1.67%</u>
Total Income	<u>2,620.57</u>	<u>2,728.13</u>	<u>134,510.00</u>	<u>-131,781.87</u>	<u>2.03%</u>
Expense					
Bond Expense					
Bank Fees	361.03	1,684.81			
Debt Service Interest	0.00	0.00	119,960.00	-119,960.00	0.0%
Paying Agent Fee	0.00	0.00	4,000.00	-4,000.00	0.0%
Total Bond Expense	<u>361.03</u>	<u>1,684.81</u>	<u>123,960.00</u>	<u>-122,275.19</u>	<u>1.36%</u>
Capital Outlay					
Capital Construction	391,036.18	1,434,351.85	2,076,963.00	-642,611.15	69.06%
Engineering/Planning	6,031.00	164,928.63			
Project Management	15,549.55	50,915.85			
Total Capital Outlay	<u>412,616.73</u>	<u>1,650,196.33</u>	<u>2,076,963.00</u>	<u>-426,766.67</u>	<u>79.45%</u>
Pledged Facility Fees	1,999.00	1,999.00			
Treasurer Collection Fee - O&M	1.95	1.95	71.00	-69.05	2.75%
Treasurer Collection Fee - Debt	5.85	5.85	126.00	-120.15	4.64%
Total Expense	<u>414,984.56</u>	<u>1,653,887.94</u>	<u>2,201,120.00</u>	<u>-547,232.06</u>	<u>75.14%</u>
Net Ordinary Income	<u>-412,363.99</u>	<u>-1,651,159.81</u>	<u>-2,066,610.00</u>	<u>415,450.19</u>	<u>79.9%</u>
Other Income/Expense					
Other Income					
Interest Income - Debt	5,418.99	24,045.93	100,000.00	-75,954.07	24.05%
Total Other Income	<u>5,418.99</u>	<u>24,045.93</u>	<u>100,000.00</u>	<u>-75,954.07</u>	<u>24.05%</u>
Other Expense					
Other Expense					
Transfer to Dist 1 - Gen Fund	0.00	0.00	2,413.00	-2,413.00	0.0%
Total Other Expense	<u>0.00</u>	<u>0.00</u>	<u>2,413.00</u>	<u>-2,413.00</u>	<u>0.0%</u>
Total Other Expense	<u>0.00</u>	<u>0.00</u>	<u>2,413.00</u>	<u>-2,413.00</u>	<u>0.0%</u>
Net Other Income	<u>5,418.99</u>	<u>24,045.93</u>	<u>97,587.00</u>	<u>-73,541.07</u>	<u>24.64%</u>
Net Income	<u><u>-406,945.00</u></u>	<u><u>-1,627,113.88</u></u>	<u><u>-1,969,023.00</u></u>	<u><u>341,909.12</u></u>	<u><u>82.64%</u></u>

Income and Expense by Month
January through March 2024



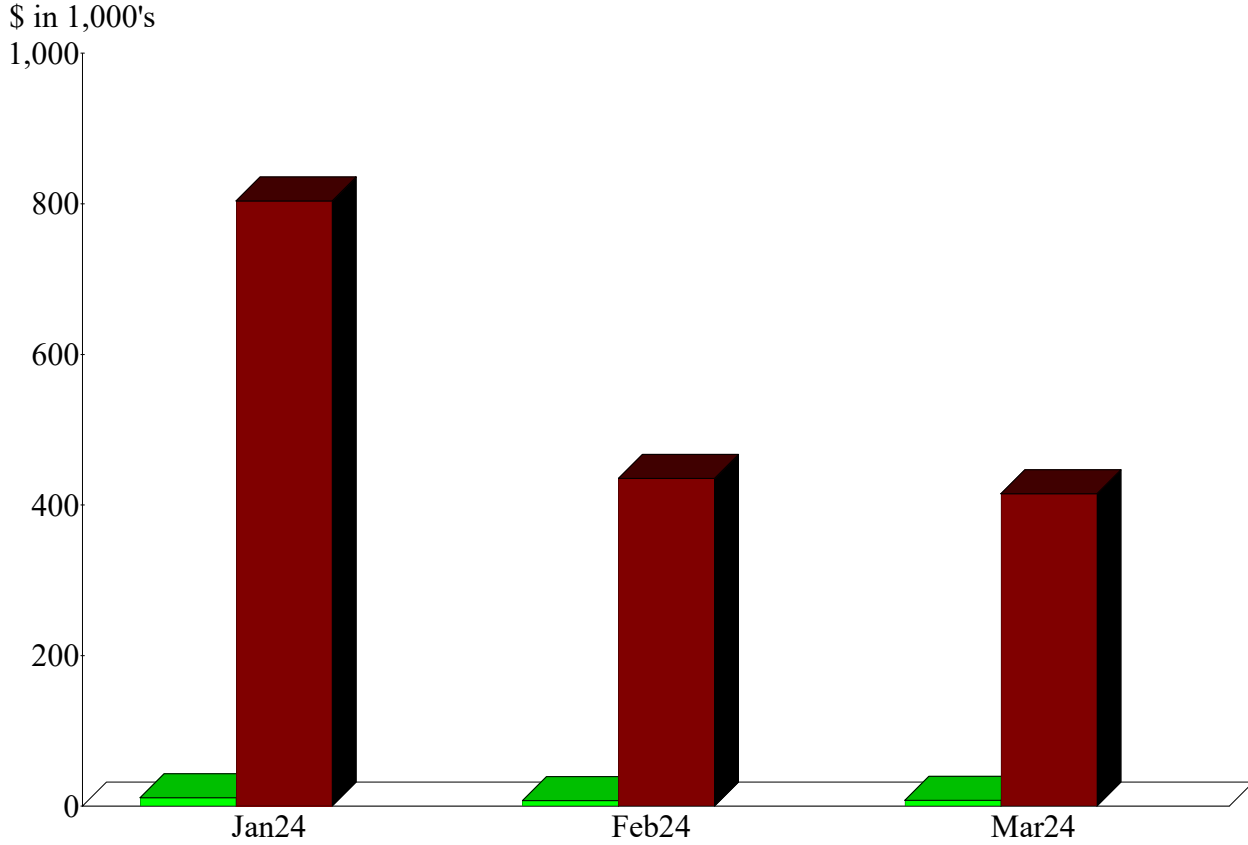
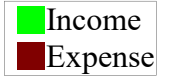
Income Summary
January through March 2024

Interest Income - Debt	89.81%
Impact Fees	7.47
CY Property Tax - Debt	1.46
Specifice Ownership Tax - Debt	0.59
CY Property Tax - O&M	0.49
Specific Ownership Tax - O&M	0.20
Total	\$26,774.06



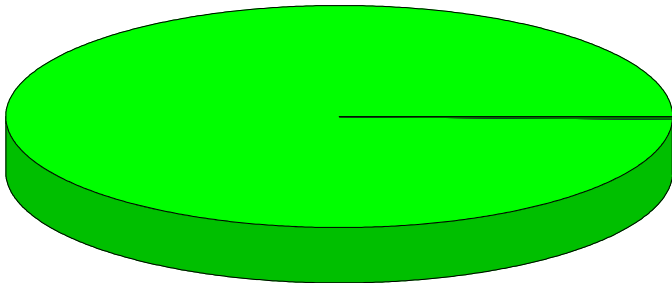
By Account

Income and Expense by Month
January through March 2024



Expense Summary
January through March 2024

Capital Outlay	99.78%
Pledged Facility Fees	0.12
Bond Expense	0.10
Treasurer Collection Fee - Debt	0.01
Treasurer Collection Fee - O&M	0.01
Total	\$1,653,887.94



By Account

Bradley Heights Metropolitan District No. 3

04/03/24

Balance Sheet

Accrual Basis

As of March 31, 2024

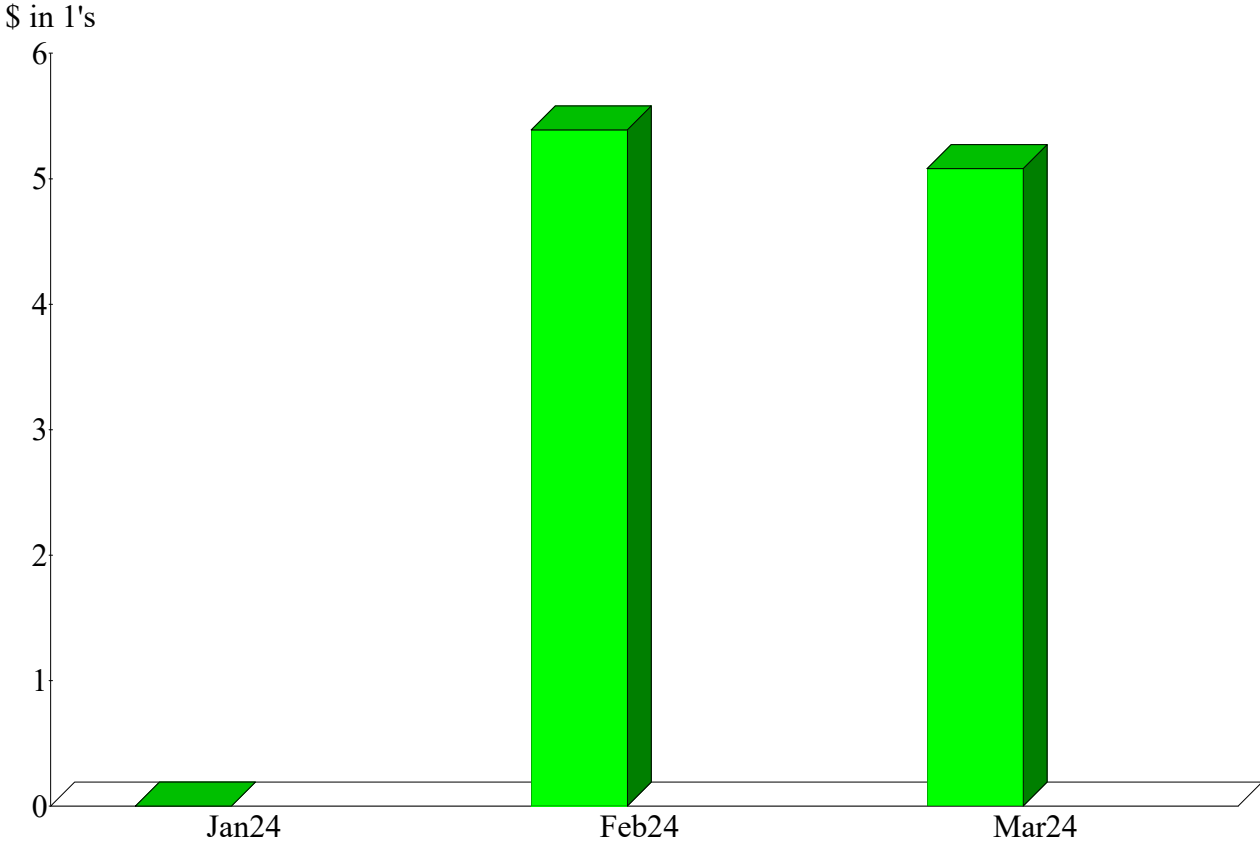
	<u>Mar 31, 24</u>
ASSETS	
Current Assets	
Checking/Savings	
ECB Checking	381.19
Total Checking/Savings	381.19
Total Current Assets	381.19
TOTAL ASSETS	381.19
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Due To District 1	794.19
Total Other Current Liabilities	794.19
Total Current Liabilities	794.19
Total Liabilities	794.19
Equity	
Retained Earnings	-423.47
Net Income	10.47
Total Equity	-413.00
TOTAL LIABILITIES & EQUITY	381.19

Bradley Heights Metropolitan District No. 3
Profit & Loss Budget vs. Actual
 January through March 2024

	TOTAL				
	Mar 24	Jan - Mar 24	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense					
Income					
CY Property Tax - O&M	0.00	0.00	249.00	-249.00	0.0%
Specific Ownership Tax - O&M	1.27	2.62	17.00	-14.38	15.41%
CY Property Tax - Debt	0.00	0.00	746.00	-746.00	0.0%
Specifice Ownership Tax - Debt	3.81	7.85	52.00	-44.15	15.1%
Total Income	5.08	10.47	1,064.00	-1,053.53	0.98%
Expense					
Transfer to D2 DS Taxes	0.00	0.00	787.00	-787.00	0.0%
Treasurer Collection Fee - O&M	0.00	0.00	4.00	-4.00	0.0%
Treasurer Collection Fee - Debt	0.00	0.00	11.00	-11.00	0.0%
Total Expense	0.00	0.00	802.00	-802.00	0.0%
Net Ordinary Income	5.08	10.47	262.00	-251.53	4.0%
Net Income	5.08	10.47	262.00	-251.53	4.0%

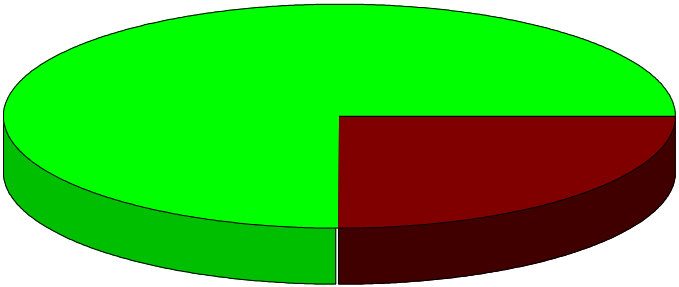
Income and Expense by Month
January through March 2024

Income



Income Summary
January through March 2024

Specific Ownership Tax - Debt	74.98%
Specific Ownership Tax - O&M	25.02
Total	\$10.47



By Account



Bradley Heights Metropolitan District No. 1
PAYMENT REQUEST

4/9/2024

GENERAL FUND ACCOUNT

Company	Invoice	Date	Amount	Comments
White Bear Anekele	33437	2/29/2024	\$ 2,928.95	
WSDM District Managers	7932	3/31/2024	\$ 5,024.00	
TOTAL			\$ 7,952.95	

\$7,952.95

Bradley Heights Metropolitan District

Bradley Heights Metropolitan District #2
PAYMENT REQUEST
4/9/2024

BOND FUND ACCOUNT

Company	Invoice	Date	Amount	Comments
Classic Consulting	30950	3/12/2024	\$ 7,250.00	
Frazee	33124	3/31/2024	\$ 128,931.83	
Galloway & Company, Inc	133298	3/12/2024	\$ 2,045.00	
Grundy Construction Management & Const	BHM-029	3/31/2024	\$ 15,549.55	
Transportation Resource Services, Inc.	5929	3/25/2024	\$ 787.50	
Wildcat Construction Inc.	75187-22	3/31/2024	\$ 230,647.18	
TOTAL			\$ 385,211.06	

Bradley Heights Metropolitan District #2

PAYMENT REQUEST

4/9/2024

GENERAL FUND ACCOUNT

Company	Invoice	Date	Amount	
UMB Bank	32624	3/26/2024	\$ 1,999.00	Century Communities 1 Facility Fees Collected-Pledged Revenue

Bradley Heights