

BRADLEY HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2 and 3

Regular Board Meeting

Tuesday, January 14, 2025, 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 December 10, 2024 Meeting Minutes (enclosed)
5. Financial Matters
 - a. Approve Unaudited Financial Reports through December 31, 2024 (enclosed)
 - b. Ratify and Approve Payables through January 14, 2025 (enclosed)
 - c. Review the status of past due O&M expenses
6. District Manager Report
 - a. Discuss Drainage Channel Financing
 - b. Update on Covenants and Architectural Submissions
 - c. Update in New Development
7. President of the Board Report
8. Detailed Discussion of Development Status Review
 - a. Engineering Update
 - i. Schedule
 - ii. Cash Flow
 - b. Plan Updates
 - i. Roadway/ Utility/ Storm Water
 - ii. Channel design
 - iii. 24" and 16" water line update
 - iv. Sanitary Sewer outfall update
 - c. Construction Schedule/Construction Contracts Approval/Ratify/Pre-approval
 - d. Update on Construction Budget
 - e. Review and consider acceptance for Channel Improvement Proposals

- f. Redemption Hill Church
 - g. Challenger Homes
 - h. Bradley Ridge
9. General/ Administrative Matters
- a. District No. 1 Dissolution Timing
 - b. Special Counsel for Delinquent Fee Collections and Foreclosure Matters; Special Counsel for Covenant and Design Guideline Enforcement Matters
10. Other Business
- a. Next Regular Meeting scheduled: February 10, 2025, 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 14th day of January, 2025, 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 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 SPECIAL BOARD MEETING OF THE BOARD OF DIRECTORS OF THE
BRADLEY HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2, AND 3
HELD December 10, 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, December 10, 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
Brenda Juarez, WSDM District Managers
Sean Allen, White Bear Ankele Tanaka & Waldron, PC Legal Counsel
Ryan Case, Case International
Jeff Odor, Matrix Design Group
David Neville
Nathan Steele, ROI
John Radcliff, ROI
Mike DeGrant, DeGrant Development Strategies, LLC
Chris Grundy, Grundy Construction Management and Consulting

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 9:03 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. He stated that each Director has been qualified as an eligible elector of the Districts pursuant to Colorado law. The Directors confirmed their qualifications. Ms. Harris informed 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. President Case II inquired into whether members of the Boards had any additional disclosures of potential or

existing conflicts of interest regarding 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, seconded by Director Robert Case. Motion passed unanimously.
4. Approval of November 12, 2024, Regular Meeting Minutes and November 12, 2024 Town Hall Minutes: After review, Director Rob Case moved to approve the minutes as amended; seconded by Director O’Sullivan. Motion passed with four in favor and Director Long abstaining.
5. Financial Matters
 - a. Approve Unaudited Financial Reports through November 30, 2024: Ms. Harris reviewed the unaudited financials and noted that District 1 expects to receive a Developer Advance payment from ROI within two weeks and it will be used to get the already approved Operation and Maintenance payables caught up. Ms. Harris advised that District No. 2 will receive the City assurance reimbursement by next week. After discussion, Director Long motioned to approve the unaudited financials, seconded by Director Byers. Motion passed unanimously.
 - b. Ratify and Approve Payables through December 10, 2024: Ms. Harris presented the payables highlighting the pending developer advance Ms. Harris made one edition to District 2 Bond Requisition of \$158,458.84. After discussion, Director Byers motioned to approve the payables as amended, seconded by Director Long. Motion passed unanimously.
 - c. Review status of past due O&M expenses: Ms. Harris reviewed the status of past due O&M expenses which are waiting for ROI Developer Advances.
 - d. Public Hearing on 2024 Budget Amendment and 2025 Budget Adoption. Director Long moved to open public hearing at 9:17 a.m., seconded by Director Byers. Motion passed unanimously. Ms. Harris noted there were no changes with Districts 1 and 3 proposed 2025 Budget and that District 2 had an adjustment to their mill levy per required Governing Documents. There was no public comment. Director Long moved to close the public hearing at 9:20 am, seconded by Director Rob Case. Motion passed unanimously.
 - i. Consider adoption of District No. 2 Resolution Amending the 2024 Budget: Ms. Harris presented District No. 2’s resolution amending the 2024 budget. After review, Director Byers moved to approve District No. 2 Resolution amending the 2024 budget, seconded by Director Long. Motion passed unanimously.
 - ii. Consider adoption of District No. 1, No. 2, and No. 3 Resolutions Adopting the 2025 Budgets and Certifying Mill Levies: Ms. Harris highlighted changes in capital construction and bank fees. After review, Director O’Sullivan moved to adopt the 2025 Budget Resolution and Certifying Mill Levies for Districts 1, 2, and 3, seconded by Director Robert Case. Motion passed unanimously.
6. District Manager Report
 - a. Assurance Reimbursement Update: Ms. Harris is waiting for the City to confirm when the check is ready for pickup.
 - b. Discuss Drainage Channel Financing/Existing Capital Detention Pond Fee Tributary Serviced Area No. 1 and Capital Detention Pond Fee Tributary Serviced Area No. 5: Ms. Harris discussed that Director O’Sullivan’s land will have a credit that will be applied to his invoice.

- c. Update for Covenants and Architectural Submissions: Ms. Harris provided an update on the covenant violation. Ms. Harris noted that no new architectural submissions have been received. Covenant enforcement will drive the neighborhood this week, and one property has an ongoing fine for trash cans.
7. President of the Board Report: President Case II reported that projects in progress are already on the Agenda, and that the Frito Lay and Pepsi building are operating now.
8. Detailed Discussion of Development Status Review
- a. Engineering Update
 - i. Schedule: Mr. Odor advised the Filing 3 Plat will be scheduled for next week.
 - ii. Cash Flow: Mr. Odor presented the cash flow and budget. Mr. Odor advised there are enough funds to initiate the channel flow project, and the overall estimate for the channel construction is about \$7 million.
 - b. Plan Updates:
 - i. Roadway/ Utility/ Storm Water: Mr. Grundy provided an update and advised Wildcat is in the process of getting the resurfacing on Bradley Road and hopes to have it completed by next week. Mr. Grundy stated CSU is hopeful of getting the pressure regulated and then they can move forward with Frazee.
 - ii. Channel design:
 - iii. 24” and 16” water line update: Mr. Grundy provided the update.
 - iv. Sanitary Sewer outfall update:
 - c. Construction Schedule/Construction Contracts Approval/Ratify/Pre-approval: Update was provided by Mr. Grundy who advised the project is curbing and sidewalks have been completed except the 10ft wide sidewalk on south Bradley Rd. Mr. Grundy noted that the orifice for ponds should be completed by next week.
 - d. Update regarding Construction Budget: Mr. Odor provided an update on their current cash position in comparison with the Budget. Mr. Odor advised of a change order 36. Director O’Sullivan motioned to approve change of order 36, seconded by Director Byers. Motion passed unanimously. Mr. Grundy reported change orders 8-12, which had an overall increase of \$70,341.30. Director Long moved to approve the change orders 8-12, seconded by Director O’Sullivan. Motion passed unanimously. Mr. Grundy advised the sales Tax rebate will be sent to Ms. Harris for review by next week.
 - e. Review and consider acceptance for Channel Improvement Proposals. Mr. Allen advised that the Board could not statutorily award a bid and enter into a public works construction contract unless the District has appropriated funds sufficient for the contract price. The Board discussed contracting for the work in phases/sections with the contract price for each phase having the necessary funding appropriation. The Board authorized the contractors to discuss the funding components of the project with bidders to ensure the contract(s) satisfy and comply with the statutorily required funding appropriation. After discussing the proposals, the Board decided to table the decision for channel improvement until the following meeting on January 14, 2025.
 - f. Redemption Hill Church: Mr. Odor advised that the church reimbursement fee is expected at the end of January 2025.
 - g. Challenger Homes: No update was provided.
 - h. Bradley Ridge: No update was provided.
9. General/ Administrative Matters
- a. District No. 1 Dissolution Timing: Ms. Harris advised that the Board needs to discuss and start to track District 1 future dissolution..

- b. Special Counsel for Delinquent Fee Collections and Foreclosure Matters; Special Counsel for Covenant and Design Guideline Enforcement Matters: Ms. Harris advised that the Board needs engage special council to adopt a collection process. The Board instructed general counsel and management to seek RFPs for special counsel services.

10. Other Business

- a. Next Regular Meeting scheduled: January 14, 2025, at 9:00 a.m.

11. Adjourn: President Case II moved to adjourn the meeting at 11:17 a.m.

Respectfully submitted,

By: Recording Secretary

