

BRADLEY HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2 and 3

Regular Board Meeting

Tuesday, September 9, 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
Jim Byers	Treasurer	May 2027
Ray O'Sullivan	Secretary	May 2029
Robert Case	Assistant Secretary	May 2029

AGENDA

1. Call to order
2. Declaration of Quorum/Director Qualifications/ Disclosure Matters
3. Approval of Agenda
4. Approval of August 12, 2025, Meeting Minutes (enclosed)
5. Financial Matters
 - a. Approve Unaudited Financial Reports through August 31, 2025 (enclosed)
 - b. Ratify and Approve Payables through September 9, 2025 (enclosed)
6. District Manager Report
7. President of the Board Report
8. Detailed Discussion of Development Status Review
 - a. District Construction Updates – Chris Grundy
 - b. District Reimbursements and Recoveries
 - c. Discuss Drainage Channel Design
 - i. GEC & CD's
 - ii. Bonds and Agreements
 - iii. Construction Schedule
 - d. Cashflow review discussion
9. Development Updates
 - a. Redemption Hill Church
 - b. Challenger Homes
 - c. Bradley Ridge
 - i. Discuss Credit on Pond dedication
 - d. Premier Homes
 - e. Commercial Site

f. Lincoln Partners Multi-Family

10. Legal Matters
 - a. Review and consider acceptance of Amendment 1 to PILOT Agreement
 - b. Review and consider acceptance of Various Developer Drainage Fee Agreements
 - c. Discuss Additional Property Annexation Into CCRs
11. General/ Administrative Matters
 - a. Discuss the status of the Service Plan Amendment for Provision of Alleyway O/M Services; Challenger Agreement to Pay Amendment and Reserve Study Costs/Retainer Deposit; First Quarter 2026 Challenger Home Closing Time Sensitivity
12. Other Business
 - a. Next Regular Meeting scheduled: October 14, 2025, at 9:00 a.m.
13. Adjourn

NOTICE OF SPECIAL 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 September, 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



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**MINUTES OF THE REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF THE
BRADLEY HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2, AND 3
HELD AUGUST 12, 2025
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, August 12th, 2025, 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 W Case II	President
Bryan T Long	Vice President
Ray O'Sullivan	Treasurer/ Secretary

Directors Attending Virtually:

Robert Case	Assistant Secretary
Jim Byers	Assistant Secretary

Also in attendance were:

Rebecca Harris	WSDM Managers
Danielle Daigle-Chavez	WSDM Managers
Sean Allen	WBA Local Government Law
Jeff Odor	Galloway
Chris Grundy	Grundy Construction Management and Consulting
David Neville	
Mike DeGrant	DeGrant Development Strategies, LLC
John Radcliff	Galloway
Nathan Steele	ROI
Paul Broussard	Premier Homes

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 9:01 am 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 O'Sullivan moved to approve the Agenda as presented; seconded by Director Byers. The motion passed unanimously.

4. Approval of July 8th, 2025 Board Meeting Minutes:

After review, Director O'Sullivan moved to approve the Board Meeting Minutes as amended, seconded by Director Rob Case. The motion passed unanimously.

5. Financial Matters:

- a. Approve Unaudited Financial Reports through July 31, 2025: Ms. Harris presented the unaudited financials. After discussion, Director O'Sullivan moved to approve the Unaudited Financial Reports through July 31, 2025, as presented; Director Byers seconded. The motion passed unanimously.
- b. Ratify and Approve Payables through August 12th, 2025: Ms. Harris presented the Payables for the period. After discussion, Director O'Sullivan motioned to approve the payables as presented; seconded by Director Rob Case. Motion passed unanimously.
- c. Public Hearing on 2024 Budget Amendment for Bradley Heights Metropolitan District No. 2 and No. 3. Director O'Sullivan motioned to open the public hearing at 9:21 am, seconded by Director Byers. Motion passed unanimously. No members of the public were present. Director O'Sullivan motioned to close the public hearing at 9:22 am, seconded by Director Long. Motion passed unanimously.
 - i. Review and consider adoption of Resolution to Amend the 2024 Budget of Bradley Heights Metropolitan District No. 2
 - ii. Review and consider adoption of Resolution to Amend the 2024 Budget of Bradley Heights Metropolitan District No. 3.

After review, Director O'Sullivan motioned to adopt the Resolutions to Amend the 2024 Budgets of Bradley Heights No. 2 and No. 3 as presented. Seconded by Director Long. Motion passed unanimously.

6. District Manager's Report: Ms. Harris provided a brief update regarding the work the management company is doing to get an ARC committee comprised of District residents.

7. President of the Board Report: No Update.

8. Detailed Discussion of Development Status Review:

- a. Discuss Drainage Channel Design and Financing: Mr. Grundy provided the update. Final acceptance for roads and stormwater with the city is underway. Final inspections will be on September 3rd. The District is currently waiting on the claim on the metered manhole, and Mr. Grundy is in negotiations regarding the matter. The District will receive around \$300,000.00 check from the CSU recovery on the 16" water line. After discussion, Director O'Sullivan motioned to approve a draft contract for Entech to execute quality control testing. Seconded by Director Long. Motion passed unanimously.
- b. Engineering Update
 - i. Schedule: Mr. Grundy provided an update that Naranjo has applied for tax-exempt status to begin purchasing materials, as they have a start date of October 6th. After discussion, Director O'Sullivan motioned to issue an NTP for Phase 1 in the amount of \$1,900,000.00 pursuant to the June contract. Seconded by Director Long. Motion passed unanimously.
- c. Plan Updates
 - i. Roadway/Utility/Storm Water: The Board discussed needing conveyances between land owners and the District for which the Case's have a gift acceptance policy. After review, Director Rob Case motioned to accept the gift conveyance after receiving environmental approval, land survey, and title. Seconded by Director Long. Motion passed with Director O'Sullivan recused.
 - ii. Sanitary Sewer outfall update: No update provided.
- d. Construction Schedule/Construction Contracts Approval/Ratify/Pre-Approval: Mr. Odor provided an update. After discussion, the Board directed Mr. Allen to confer with the Boy Scouts' legal counsel regarding revisions to their agreement.
- e. Update on Construction Budget and Cash Flow: Mr. Odor provided a summary update on the cash flow and projected filing completions.
- f. Update on Reimbursement costs: Mr. Odor provided an update regarding changes in proposed language to SWENT to assist with getting drainage fees in time. The district will need to work on timing and the fees schedule to get the bonds released as the channel is accepted.

9. Development Updates

- a. Redemption Hill Church: Discussion was had regarding the collection efforts with Redemption Hill Church.
- b. Challenger Homes: No update provided.
- c. Bradley Ridge: Filing 5 is building the storm system with reimbursement to RJMJ to offset by the pond assessment. Director O'Sullivan will work with Mrs. Harris regarding reimbursement.
- d. Premiere Homes: Mr. Broussard provided the update. The project won't become active for another year, at which time they will need to include into District No. 2.
- e. The commercial site is moving forward with one daycare being built.
- f. The Lincoln multi-family is moving forward with one phase and has proposed an amendment to the PILOT agreement. The board directed Ms. Harris and Mr. Allen to

finish those reviews and work on finalizing the amendment. Director O’Sullivan exited the meeting at 10:46 am.

10. Legal Matters:

- a. Discuss Additional Property Annexation into CCRs: Ms. Harris provided the update regarding the CCR process for Century Communities.
- b. Lincoln Communities: An amended and restated PILOT agreement has been submitted for what is now a single-phase development with a new LLC name and costs totaling 2.7 million dollars. President Case gave direction for this line item to be added to September’s agenda.

11. General/Administrative Matters

- a. Discuss the status of the Service Plan Amendment for Provision of Alleyway O/M Services; Challenger Agreement to Pay Amendment and Reserve Study Costs/Retainer Deposit: Mr. Allen and Ms. Harris are working together on this draft agreement to be presented to Challenger to sign.

12. Other Business: Next Regular Meeting Scheduled: September 9, 2025, at 9 am.

13. Adjourn: President Case II adjourned the meeting at 10:51 am.

Submitted by: Recording Secretary

THESE MINUTES ARE APPROVED AS THE OFFICIAL AUGUST 12, 2025, REGULAR JOINT MEETING MINUTES OF THE BRADLEY HEIGHTS METROPOLITAN DISTRICT NOS 1 -3.

Approved by: Secretary of the Board



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Bradley Heights Metropolitan District No. 1

09/04/25

Balance Sheet

Accrual Basis

As of August 31, 2025

	Aug 31, 25
ASSETS	
Current Assets	
Checking/Savings	
ECB - Checking	
Restricted Cash For Legal Bills	37,243.97
ECB - Checking - Other	41,401.05
Total ECB - Checking	78,645.02
Total Checking/Savings	78,645.02
Accounts Receivable	
Accounts Receivable	61,144.99
Total Accounts Receivable	61,144.99
Other Current Assets	
Due From District 3	785.19
Total Other Current Assets	785.19
Total Current Assets	140,575.20
TOTAL ASSETS	140,575.20
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	5,521.62
Total Accounts Payable	5,521.62
Total Current Liabilities	5,521.62
Long Term Liabilities	
Developer Advance - Randle Case	41,000.00
Marksheffel-Woodmen Investments	75,850.00
Total Long Term Liabilities	116,850.00
Total Liabilities	122,371.62
Equity	
Retained Earnings	-102,529.20
Net Income	120,732.78
Total Equity	18,203.58
TOTAL LIABILITIES & EQUITY	140,575.20

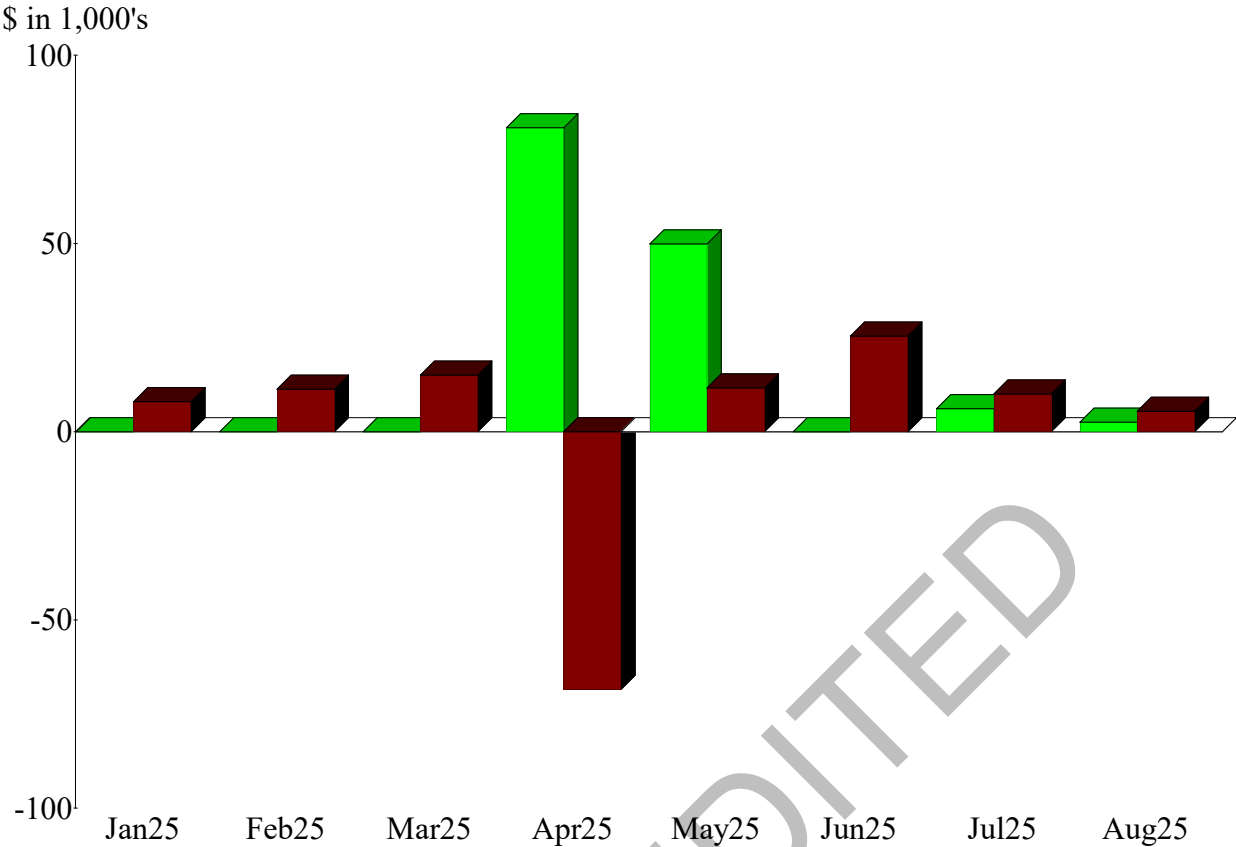
Bradley Heights Metropolitan District No. 1

Profit & Loss Budget vs. Actual

January through August 2025

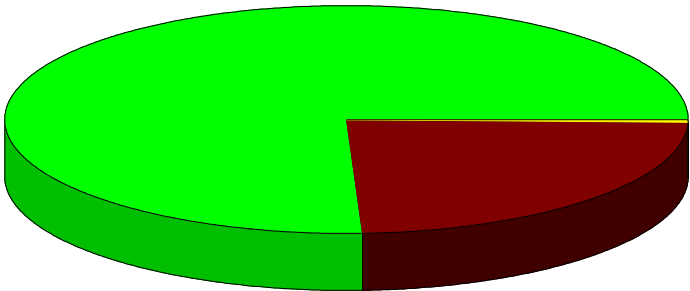
	TOTAL				
	Aug 25	Jan - Aug 25	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense					
Income					
Developer Advance	0.00	105,821.32	85,000.00	20,821.32	124.5%
Transfer From District 2-O&M	2,542.93	33,382.60	51,293.00	-17,910.40	65.08%
Transfer From District 3-O&M	22.18	314.96	779.00	-464.04	40.43%
Total Income	2,565.11	139,518.88	137,072.00	2,446.88	101.79%
Expense					
Audit	0.00	16,775.00	16,144.00	631.00	103.91%
Bank Service Charge	0.00	0.00	100.00	-100.00	0.0%
Copies & Postage	21.62	315.37	1,000.00	-684.63	31.54%
District Management	5,500.00	38,989.54	66,000.00	-27,010.46	59.08%
Dues & Subscriptions (SDA) - D1	0.00	390.23	500.00	-109.77	78.05%
Dues & Subscriptions (SDA) - D2	0.00	1,237.50	1,500.00	-262.50	82.5%
Dues & Subscriptions (SDA) - D3	0.00	225.02	500.00	-274.98	45.0%
Elections	0.00	3,550.62	10,000.00	-6,449.38	35.51%
Insurance - D1	0.00	0.00	2,500.00	-2,500.00	0.0%
Insurance - D2	0.00	2,176.00	5,000.00	-2,824.00	43.52%
Insurance - D3	0.00	1,731.00	3,000.00	-1,269.00	57.7%
Legal	0.00	-46,604.18	30,000.00	-76,604.18	-155.35%
Miscellaneous	0.00	0.00	10,000.00	-10,000.00	0.0%
Total Expense	5,521.62	18,786.10	146,244.00	-127,457.90	12.85%
Net Ordinary Income	-2,956.51	120,732.78	-9,172.00	129,904.78	-1,316.32%
Net Income	-2,956.51	120,732.78	-9,172.00	129,904.78	-1,316.32%

Income and Expense by Month
January through August 2025



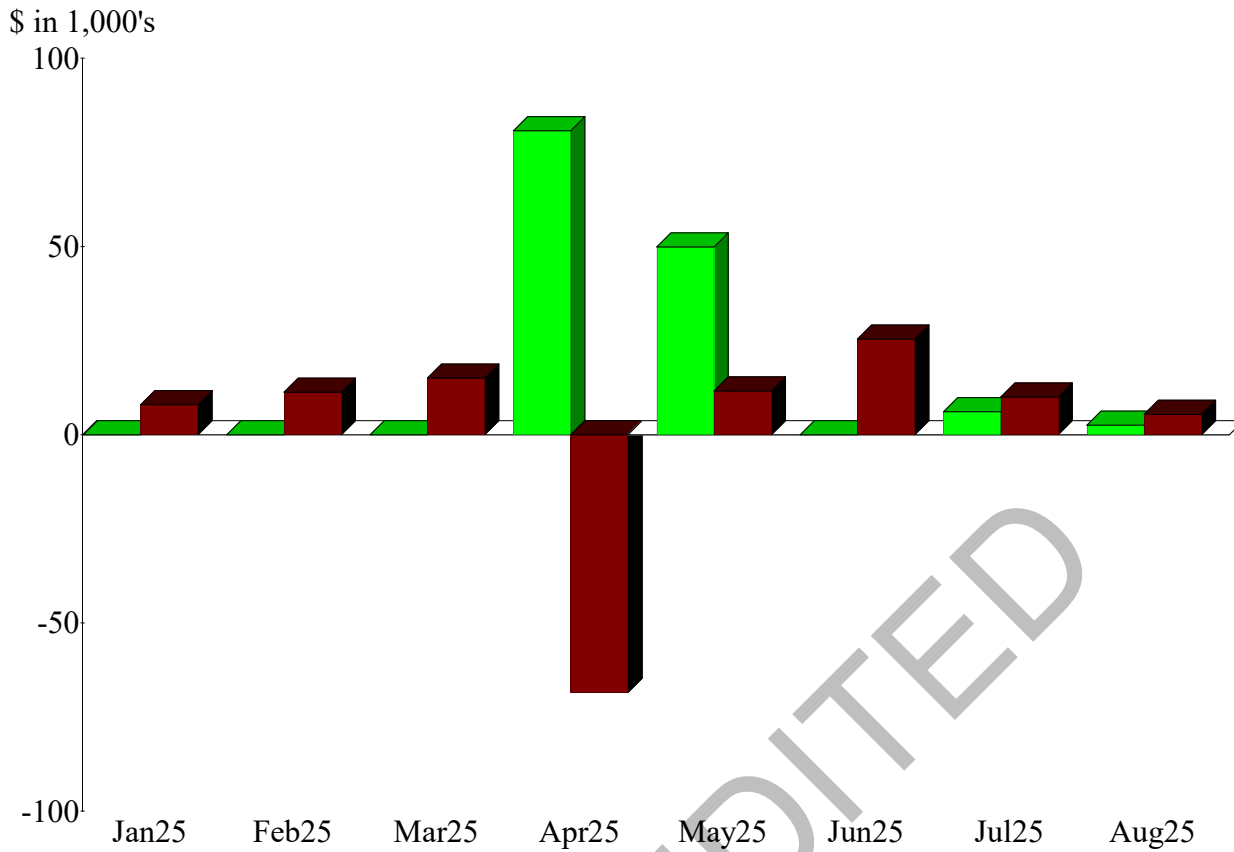
Income Summary
January through August 2025

Developer Advance	75.85%
Transfer From District 2-O&M	23.93
Transfer From District 3-O&M	0.23
Total	\$139,518.88



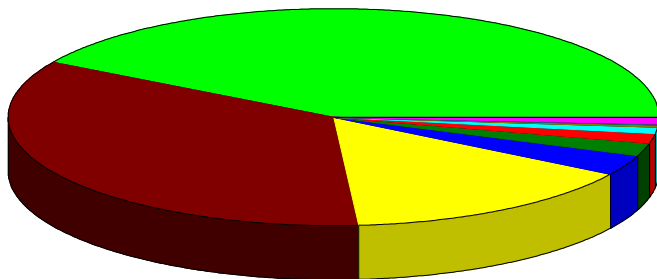
Income and Expense by Month January through August 2025

Income
Expense



Expense Summary January through August 2025

Legal	\$-46,604.18
District Management	59.63%
Audit	25.65
Elections	5.43
Insurance - D2	3.33
Insurance - D3	2.65
Dues & Subscriptions (SDA) - D2	1.89
Dues & Subscriptions (SDA) - D1	0.60
Copies & Postage	0.48
Dues & Subscriptions (SDA) - D3	0.34
Sub-Total	\$18,786.10



Balance Sheet

As of August 31, 2025

	Aug 31, 25
ASSETS	
Current Assets	
Checking/Savings	
ECB Checking	373.04
Total Checking/Savings	373.04
Total Current Assets	373.04
TOTAL ASSETS	373.04
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Due to District 2	1.81
Due To District 1	794.79
Total Other Current Liabilities	796.60
Total Current Liabilities	796.60
Total Liabilities	796.60
Equity	
Retained Earnings	-423.56
Total Equity	-423.56
TOTAL LIABILITIES & EQUITY	373.04

UNAUDITED

Bradley Heights Metropolitan District No. 3
Profit & Loss Budget vs. Actual
 January through August 2025
 Debt Service Fund

		TOTAL				
		Aug 25	Jan - Aug 25	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense						
Income						
CY Property Taxes	60.40	908.10	908.00	0.10	100.01%	
Specific Ownership Tax	7.07	50.21	64.00	-13.79	78.45%	
Delinquent Interest	1.81	2.01				
Total Income	69.28	960.32	972.00	-11.68	98.8%	
Expense						
Transfer to D2 DS Taxes	68.34	946.66	958.00	-11.34	98.82%	
Treasurers Collection Fee	0.94	13.66	14.00	-0.34	97.57%	
Total Expense	69.28	960.32	972.00	-11.68	98.8%	
Net Ordinary Income	0.00	0.00	0.00	0.00	0.0%	
Net Income	0.00	0.00	0.00	0.00	0.0%	

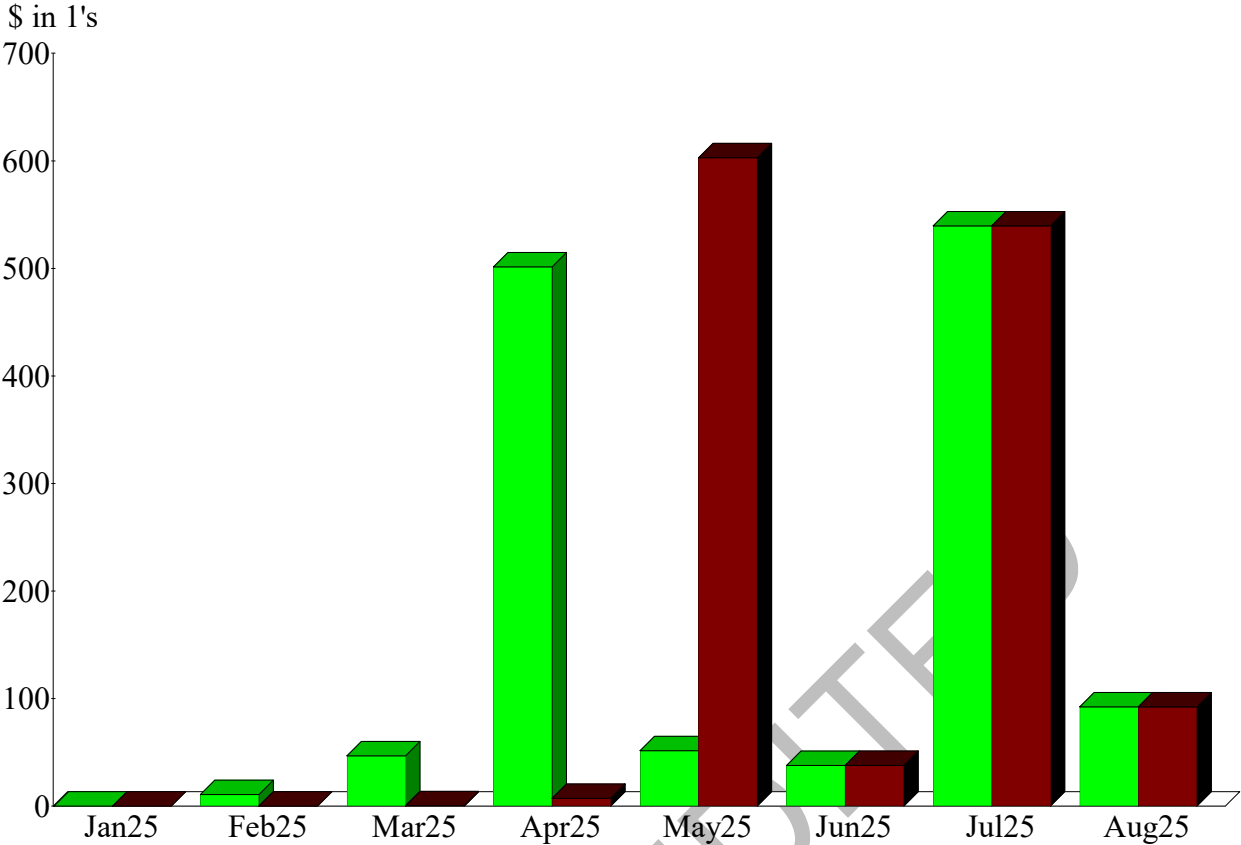
UNAUDITED

Bradley Heights Metropolitan District No. 3
Profit & Loss Budget vs. Actual
 January through August 2025
 Debt Service Fund

		TOTAL				
		Aug 25	Jan - Aug 25	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense						
Income						
CY Property Taxes	60.40	908.10	908.00	0.10	100.01%	
Specific Ownership Tax	7.07	50.21	64.00	-13.79	78.45%	
Delinquent Interest	1.81	2.01				
Total Income	69.28	960.32	972.00	-11.68	98.8%	
Expense						
Transfer to D2 DS Taxes	68.34	946.66	958.00	-11.34	98.82%	
Treasurers Collection Fee	0.94	13.66	14.00	-0.34	97.57%	
Total Expense	69.28	960.32	972.00	-11.68	98.8%	
Net Ordinary Income	0.00	0.00	0.00	0.00	0.0%	
Net Income	0.00	0.00	0.00	0.00	0.0%	

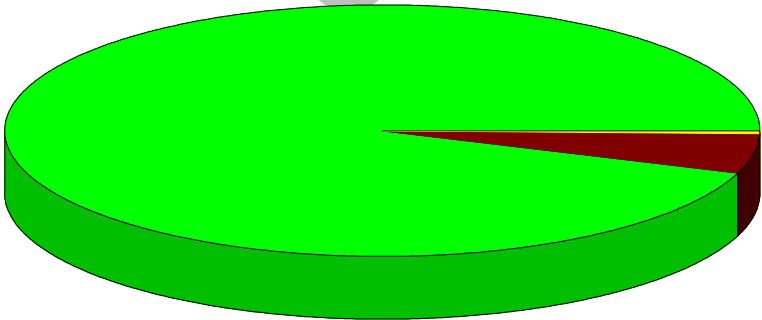
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Income and Expense by Month
January through August 2025

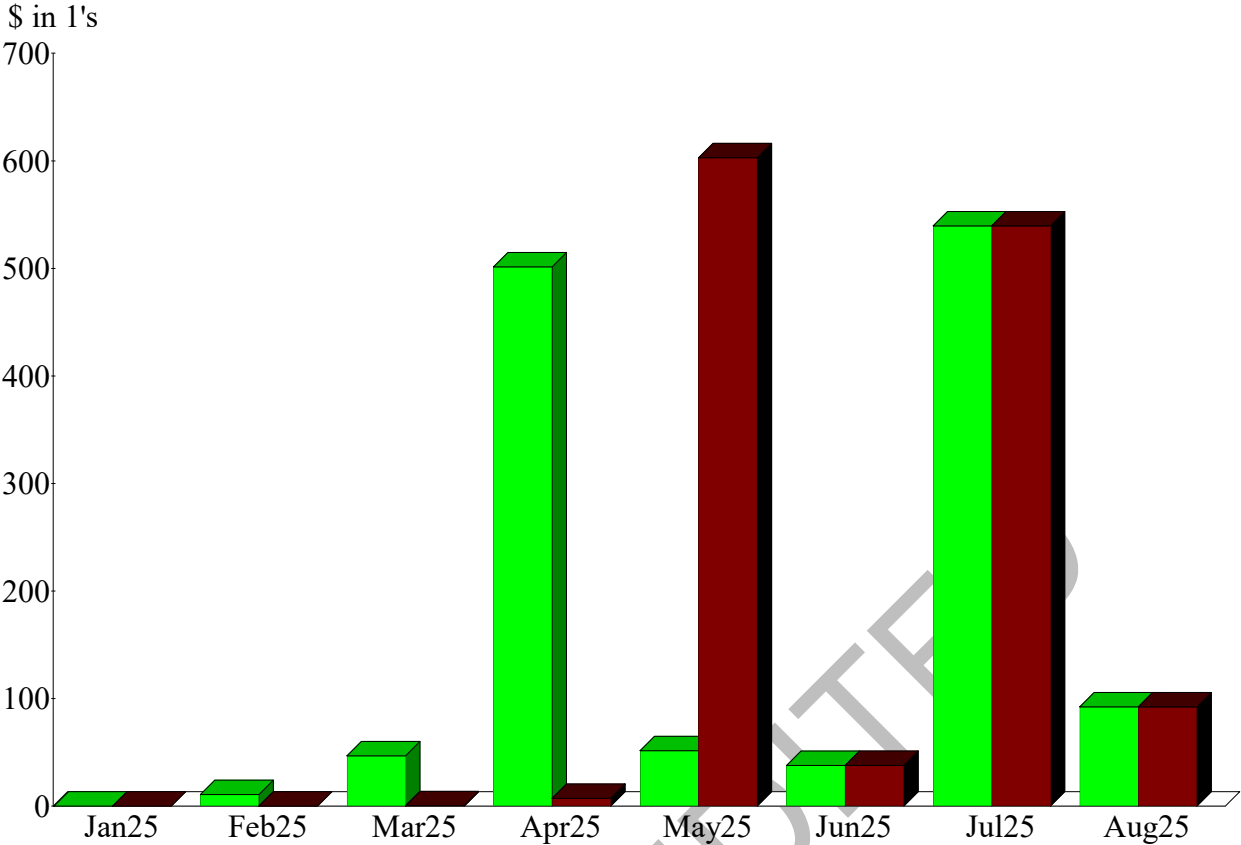
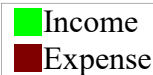


Income Summary
January through August 2025

CY Property Taxes	94.56%
Specific Ownership Tax	5.23
Delinquent Interest	0.21
Total	\$1,280.46

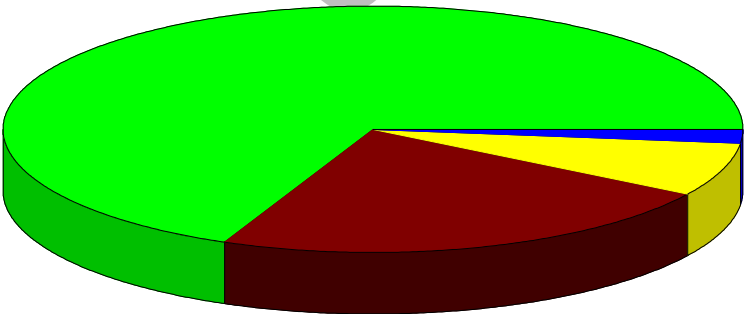


Income and Expense by Month
January through August 2025



Expense Summary
January through August 2025

Transfer to D2 DS Taxes	68.59%
Transfer to District 1	22.87
Other Expense	7.12
Treasurers Collection Fee	1.42
Total	\$1,280.46





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Bradley Heights Metropolitan District No. 1

Payment Request

9/9/2025

General Fund Account

Company	Invoice	Date	Amount	Comments
WSDM Managers	966	8/31/2025	\$ 5,521.62	
Total:			\$ 5,521.62	

Bank Balance 09/04/2025	\$ 41,401.05		Total Payables
Current Payables	\$ (5,521.62)	\$	5,521.62
Bank Balance after Payables:	\$ 35,879.43		
Outstanding Dev Advance	\$ 61,144.99		

Bradley Heights Metropolitan District

Bradley Heights Metropolitan District No. 2

Payment Request

9/9/2025

General Fund Account

Company	Invoice	Date	Amount	Comments
HBS Trash	FR5738260	8/31/2025	\$ 1,612.39	
Mountain View Electric	106055500	9/3/2025	\$ 40.45	Autopay
UMB Bank	90125	9/1/2025	\$ 167,396.32	Due to Project Fund
UMB Bank	81025	8/10/2025	\$ 7,697.13	June Pledged Revenue
UMB Bank	1020074	8/8/2025	\$ 4,000.00	Trust Fees
Total:			\$ 180,746.29	

Current Bank Balance: \$ 180,434.88
Payables for This Month: \$ (180,746.29)
Bank Balance after Payables: \$ (311.41)

Total Payables
\$ 180,746.29

Bradley Heights Metropolitan District

Bradley Heights Metropolitan District #2

Payment Request
9/9/2025

Bond Fund Account				
Company	Invoice	Date	Amount	Comments
Evergreen Surety	2412	8/27/2025	\$ 101,113.00	
Grundy Construction Management & Consulting	BHM-046	9/4/2025	\$ 2,320.80	
Matrix Design Group	47784	8/28/2025	\$ 4,646.25	
Matrix Design Group	47796	8/29/2025	\$ 19,093.55	
Naranjo Civil Constructors	80625	8/6/2025	\$ 447,646.10	
WSDM Managers	967	8/31/2025	\$ 993.57	
Total:			\$ 575,813.27	

Project Fund Balance	\$ 3,556,674.54		Total Payables
Payables for This Month:	\$ (575,813.27)	\$	(575,813.27)
Project Fund Balance after Payables:	\$ 2,980,861.27		

Bradley Heights Metropolitan District