



**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
BRADLEY HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2 AND 3
HELD MAY 11, 2021
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, April 13, 2021 at 9:00 a.m., at 119 N. Wahsatch Avenue, Colorado Springs, CO, and at the tele/videoconference platform of GoToMeeting link: <https://global.gotomeeting.com/join/547622885>.

Attendance

In attendance were Directors:

Randle Case II, President
Bryan Long, Vice President
Lindsay Case, Treasurer/Secretary
Robert Case, Assistant Secretary

Also in attendance were:

K. Sean Allen, Esq., White Bear Ankele Tanaka & Waldron (by phone)
Kevin Walker, WSDM, District Manager
Eric Smith, Interim District Engineer (by phone)
Kyle Thomas, D.A. Davidson (by phone)
David Neville, Kiemele Family Partnerships (by phone)
Ross Jagers, Redemption Hill Church (by phone)
Jim Byers, Challenger Homes (by phone)
Ray O'Sullivan, Bradley Ridge (by phone)
Jane Fredman, Redemption Hill Church counsel (by phone)
Tony Gordon, Gordon Construction, Redemption Hill Church contractor (by phone)

Combined Meeting:

The Boards 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 by President Case II at 9:01 a.m.
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. Mr. Walker 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 Long moved to approve the Agenda as presented; seconded by Director Robert Case. Motion passed unanimously.
4. Approval of the April 13, 2021 Meeting Minutes: President Case II noted a correction to Mr. Neville's title, and it should reflect that he is a representative of Kiemele Family Partnerships. Director Long moved to approve the April 13, 2021 Meeting Minutes; seconded by Director Robert Case. Motion passed unanimously.
5. District Manager Report: Mr. Walker presented the District Manager Report. He noted he has been spending most of his time on the requirements for a successful bond issue.
6. President of the Board Report: President Case II presented the President of the Board Report. He noted they had a successful meeting with City Council so they will be moving forward with the full authorization that will be discussed later in the meeting.
7. Development Status Review
 - a. Redemption Hill Church; Discuss PILOT: Mr. Allen requested more information on what the arrangement is going to be with Redemption Hill Church so he can move forward on whether the PILOT is the right approach. President Case II discussed the Church and District could share the expense for the road development with the PILOT agreement. Ms. Fredman noted the contract from 2009 with the seller includes an exemption for the Church parcel. Mr. Gordon noted the Church will follow Challenger's lead on the development plan and comment review. Mr. Byers commented on timing and noted that both projects should be beginning construction at the same time.
 - b. Challenger Homes (50 Acre-180 Lot): Mr. Byers reported they are waiting to hear back on their development plan submission from the City. He noted they will meet with the School District on their potential site today.
 - c. Bradley Ridge (773 Lots): Mr. O'Sullivan reported they expect to submit their first application in July for their multi-family parcels. He noted the latter properties are longer term options.
 - d. Traffic Engineering study: Mr. Smith explained Challenger and the Church have completed their own independent traffic studies, so they could do an overall study for the remainder of the development incorporating the work that has already been done, or they could move forward with a master traffic study for the entire development. He noted they are currently on hold because of the City and have laid out two arterials and the remaining are collectors.
 - e. Property ownership maps: There was no additional discussion.
 - f. Cost study: Mr. Smith discussed two additions, channel improvements based on the drainage basin planning study and costs for the 24" water main that is going to be constructed across Bradley Road but that needs more investigation. Mr. Smith will reach out to CSU to discuss electric and gas for the development. President Case II reported that the entire Airport Business Park is committed to users which is great news for the area.
8. Bond Matters

- a. Bond issuance – Status Report - DA Davidson
 - a. Approved by City Council: Mr. Thomas reported the \$35 Million was approved by City Council.
 - b. Updated bond process schedule: Mr. Thomas noted that bonds in the next 30 to 40 days is reasonable. He noted the market is currently very strong and there should be no problem pricing \$35 Million worth of bonds.
 - c. Status of needed questionnaires, other documents from developers, district, etc.: Mr. Thomas discussed the outstanding items including the zoning map which needs to be checked against the market study. He noted the Disclosure Questionnaires are also outstanding.
 - d. Market Study status: Mr. Thomas reported the draft is ready to be released. Once the market study is received, Mr. Thomas will update the financing plan.
- b. Update on Bond Capital Infrastructure: There was no additional discussion.
- c. Municipal Advisor Recommendation: Mr. Walker recommends North Slope for the Municipal Advisor after reviewing the proposals. Director Lindsay Case moved to retain North Slope as Municipal Advisor; seconded by Director Long. Motion passed unanimously.
- d. Development Fee Resolutions: Mr. Allen requested confirmation from the Board for the final amounts for each fee to be included in the Development Fee Resolutions. Mr. Walker confirmed the fees: \$2,999 single-family building permit fee, \$2,499 mid-density building permit fee, \$1,999 for high-density building permit fee, \$0.85 per sqft for non-residential uses in District No. 2, and \$0.95 per sqft for District No. 3. Mr. Thomas confirmed platting fees were not included in the financing plans. Director Robert Case moved to approve the development fees as presented. Mr. O’Sullivan confirmed the numbers are to his satisfaction. Mr. Byers said he would prefer to wait to comment until he has a chance to review them but guesses they will be fine. After further discussion, Director Long seconded the motion. Motion passed unanimously.

9. Financial Matters

- a. Update on turnover: Mr. Walker reported they are working on the financial reporting and will have financial statements for the next meeting.
- b. Discuss 2021 Budget Amendment for Bond Issuance: Mr. Allen explained when the 2021 Budget was adopted last Fall, it did not contemplate the full size of the bond issuance. The Board will need to amend the 2021 Budget to accommodate the upcoming bond issuance. President Case II moved to amend the 2021 Budget to accommodate the upcoming bond issuance; seconded by Director Robert Case. Motion passed unanimously.

11. Other Business

- a. Director Vacancy/Publication of Vacancy Notice: Mr. Walker reported that he and Mr. Allen are working on drafting the contracts for Mr. O’Sullivan to be qualified for appointment.
- b. Next Regular Meeting Date: The Board agreed to meet on June 8, 2021 at 9:00 a.m.

12. Adjourn: The Board adjourned the meeting at 10:07 a.m.

Respectfully Submitted,

By: Kristina Kulick for the Recording Secretary