



**MINUTES OF THE REGULAR BOARD MEETING
OF THE BOARD OF DIRECTORS OF THE
BRADLEY HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2 AND 3
HELD AUGUST 10, 2021
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 10, 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 (by phone)

Ray O'Sullivan, Assistant Secretary

Also in attendance were:

K. Sean Allen, Esq., White Bear Ankele Tanaka & Waldron (by phone)

Kevin Walker, WSDM, District Manager (by phone)

Rebecca Hardekopf, WSDM

Eric Smith, Interim District Engineer (by phone)

Kyle Thomas, D.A. Davidson (by phone)

David Neville, Kiemele Family Partnerships (by phone)

Tiffany Liechman, Bond Counsel (by phone)

Corey Petersen, Matrix (by phone)

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 by President Case II at 9:00 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 O’Sullivan moved to approve the Agenda as presented; seconded by Director Long. Motion passed unanimously.
4. Approval of the July 13, 2021 Meeting Minutes: After review, Director Robert Case moved to approve the July 13, 2021 Meeting Minutes as presented; seconded by Director Long. Motion passed unanimously.
5. Bond Issue Matters
 - a. Bond Issuance Status Report – DA Davidson: Mr. Thomas reported they will be posting the Offering document this morning and once the document is posted there will be a 10-day period where the bonds are marketed with the goal to price bonds on August 19th and close the week after.
 - b. Schedule and Terms update: Mr. Walker reported the City approved the terms changes on the Bond Resolution last Friday. Mr. Thomas noted pricing will be on August 19th and closing on August 26th with the final terms known once the bonds are priced.
 - c. Document Review
 - PLOM: Mr. Thomas presented the PLOM and explained the underwriter uses this document to market bonds to investors. It describes the basic terms of the financing and who the bonds can be sold to, summary of the Board of Directors and other professionals who have worked on the transaction, maps, risk factors, and a description of District matters.
 - Improvements and mapping: Mr. Thomas noted a map is included in the PLOM that shows the entire District and the improvements to be made. Mr. Thomas discussed the summarization of all the costs included in the PLOM. Mr. Allen noted the District acknowledges the priorities in the PLOM, but the priorities can be changed at the Board’s discretion.
 - Cost allocation District 2 and 3: Mr. Smith discussed the cost allocation between District 2 and 3 and a summary of bond proceeds and revenues. Mr. Smith reported that the distribution of costs and acreages/values is very close to being the same and that this justifies District 3 pledging revenues to the District 2 bonds.
 - d. Consider approval of:
 - Bond Resolution for Series 2021 District 2 Bond Issuance: Ms. Liechman presented the Bond Resolution for Series 2021 District 2 Bond Issuance. She noted it is an authorizing action and not a commitment. President Case II noted a spelling correction to Director Lindsay Case’s name and requested that Director O’Sullivan be added to the documents. Ms. Liechman discussed the parameters of the Resolution in detail for the Board. Director Lindsay Case moved to designate President Case II as the authorized District and Sales Representative; seconded by Director Long. Motion passed unanimously. After review, Director Lindsay Case moved to approve the Bond Resolution for Series 2021 District 2 Bond Issuance with the discussed changes; seconded by Director Long. Motion passed unanimously.

- District 3 Capital Pledge Agreement: Ms. Liechman presented the District 3 Capital Pledge Agreement and noted the parameters are almost identical to the District 2 Resolution. Ms. Liechman confirmed she will make the discussed spelling correction and add Director O’Sullivan to the documents. Director Lindsay Case moved to approve the District 3 Capital Pledge Agreement with the discussed changes; seconded by Director O’Sullivan.

- 6. District Manager Report: Mr. Walker reported that he has been working on bond issuance matters as well as regular District matters including agendas, minutes, and documents. Financials and payables will be reviewed later in the meeting. Mr. Walker has also been coordinating with Mr. Smith on preparations for when bond funds are received.

- 7. President of the Board Report: President Case II reported he met with developers that will be discussed later in Agenda item 8. President Case II has been working with the City Traffic office on road issues along the east and north side of the project which are still pending. There have also been discussions with CSU on their advancement of a 30” water line coming down from the north.

- 8. Development Status Review
 - a. Traffic Engineering study: Mr. Smith reported the traffic study is complete and pending review. All major roadways will be collectors and have been coordinated with the City.
 - b. New topographic survey: Mr. Smith distributed two proposals for the topographic survey for review. Mr. Smith recommends Edward James for the survey work. He suggested combining existing surveys for a more complete assessment. Director Lindsay Case moved to approve the Edward James proposal subject to intent to avoid duplication; seconded by Director Robert Case. Motion passed unanimously.
 - c. Stormwater update – MDDP: Mr. Smith noted the focus will be on the topographic survey before addressing the stormwater.
 - d. Master Utility Plan: Mr. Smith noted the focus will be on the topographic survey before addressing the Master Utility Plan. He noted it will not hold up work with the roads moving forward.
 - e. Redemption Hill Church – PILOT: Mr. Walker reported that he created a construction cost-sharing agreement that was shared with Ms. Friedman and Redemption Hill Church, and they are currently reviewing.
 - f. Challenger Homes: President Case II noted that Challenger Homes had a conflict with this meeting but were included in meetings last week.
 - g. Bradley Ridge: Director O’Sullivan reported they are engaged with NES and Galloway to move forward with preliminary and final plans. They are hoping to final plat the first 159 townhomes and 160 single-family homes by May 2022.

- 9. Financial Matters
 - a. Approve Unaudited Financial Reports for July 31, 2021 and Payables for July 31, 2021: Mr. Walker presented the Unaudited Financial Reports for July 31, 2021 and noted the Payables will be available for approval next month.

- 10. Other Business
 - a. Joint Resolution Designating Meeting Location (Physical and Virtual): Mr. Allen explained the Resolution acknowledges the new Colorado law that permits virtual meetings as well as physical meetings or a combination. Director Long moved to approve the Joint Resolution Designating Meeting Location; seconded by Director Robert Case. Motion passed unanimously.

b. Next Regular Meeting Date: September 14, 2021 at 9:00 a.m.

11. Adjourn: The Board adjourned the meeting at 10:01 a.m.

Respectfully Submitted,

Kristina Kulick

By: Kristina Kulick for the Recording Secretary