

**MINUTES OF THE REGULAR BOARD MEETING
OF THE BOARD OF DIRECTORS OF THE
BRADLEY HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2, AND 3
HELD MAY 10, 2022
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, May 10, 2022, at 9:00 a.m., at 119 N. Wahsatch Avenue, Colorado Springs, CO, and at the tele/videoconference platform of GoToMeeting link: <https://meet.goto.com/547622885>.

Attendance

In attendance were Directors:

Randle Case II, President
Bryan Long, Vice President
Robert Case, Assistant Secretary
Ray O’Sullivan, Assistant Secretary

Also in attendance were:

K. Sean Allen, Esq., White Bear Ankele Tanaka & Waldron
Kevin Walker, WSDM
Rebecca Hardekopf, WSDM
Eric Smith, Matrix Design Group, District Engineer
Chris Grundy, Project Manager
David Neville, Kiemele Family Partnerships
Jeff Odor, Matrix Design Group
Jim Byers, Challenger Homes
Jason Thompson
Rob Fuller, ROI
John Radcliffe
Billy Whitehead
Candace Mason

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 Randle 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 Robert Case. Motion passed unanimously.
4. Board Vacancies - Consider Appointment of Jim Byers: An application was received by Jim Byers to join the Board and fill the vacancy. Mr. Walker explained he just now sent the qualification contracts to Jim Byers. The Board can consider the appointment of Jim Byers at the next meeting in June.
5. Approval of April 12, 2022 Meeting Minutes: After review, Director O’Sullivan moved to approve the April 12, 2022 Meeting Minutes as presented; seconded by Director Long. Motion passed unanimously.
6. District Manager Report: Mr. Walker reported he has been working on a lot of the items that will be discussed on the Agenda including the contractual arrangements. He has been meeting with the engineering team and working on a financial investment package for the bond monies.
7. President of the Board Report: President Case II reported he was on-site yesterday, and the actual lot configurations are being developed. President Case II and Director Long met with the Colorado Springs Airport Director and they are moving along with their master plan.
8. Development Status Review
 - a. Engineering Update: Mr. Odor reported the MDP is approved pending the review fees being paid which he is working with Mr. Walker to get resolved. The initial utility and development plan was approved, and the phase 1 GEC plans are ready for approval pending the financial assurances. Phase 1 utility drawings are with CSU, and he anticipates they will be approved in the near future. Phase 1 storm plans have been submitted for approval last week and the roadway drawings have been resubmitted for an additional review. Phase 2 GEC plans are back with the City for review and is the second submittal. Phase 2 utility and storm plans were submitted last week as well. The phase 2 road plans are expected to be submitted this week which include the Marksheffel improvements and the traffic signal which may be removed from the plans pending the policy of the City.
 - Schedule: Mr. Grundy discussed the updated schedule and noted the full Notice to Proceed was issued on May 3rd for both phase 1 and 2. Wildcat Construction has been working on submittals and procurement for the materials needed for phase 1. Stripping is scheduled for May 23rd with the approved GECs and permits. The Board discussed the phase 1 grading plan and Mr. Grundy noted dirt work for phase 1 should be complete by late June. Director O’Sullivan discussed phase 2 grading and the possibility of changing elevations of the road. Mr. Odor confirmed there was still opportunity to make adjustments. Mr. Grundy noted they need to identify a contractor staging area for excess materials. Mr. Grundy reported that Entech Engineering will complete the construction and testing inspection for both phase 1 and 2. Entech provided an estimate to complete 12 additional borings that are needed in the creek beds for the channel design. Director O’Sullivan moved to approve Entech’s estimate for the 12 additional borings; seconded by Director Long. Motion passed unanimously.
 - b. Plan Updates
 - Roadway/ Utility/ Storm Water: There was no additional discussion.
 - c. Redemption Hill Church: Mr. Odor noted they had a brief meeting with Redemption Hill Church, and they are moving forward and making progress.
 - d. Challenger Homes: Mr. Byers reported they are waiting for the development plan to be approved for filings 1 and 2. Filings 2, 3, 5 and 6 are in review at the City.
 - e. Bradley Ridge: Director O’Sullivan and Mr. Radcliffe reported on the filing 1 submittal, and they are expecting comments back this week. He noted the City will allow the Banning Lewis Ranch master plan amendment, concept plan amendment, and the rezone concurrently all

administratively with no public hearings. They hope to make applications for filings 2 and 3 in the next 30 to 60 days.

- f. Widefield School Update: Director O’Sullivan reported that the Widefield School District has approved the locations for both the elementary and junior high schools with a few additional acres for each.
- g. Park and School fee Analysis: Mr. Walker is working on a spreadsheet to keep track of who is dedicating what on parks and schools to prepare for discussions moving forward.

9. Financial Matters

- a. Discuss and direct action on plan for investment of Bond Funds: Mr. Walker discussed a plan to invest the bond funds. He requested the Board consider approval of an engagement letter with Becker Financial to give a proposal for reinvesting the bond funds. He noted this could give the District an additional \$300,000 to spend in the next two years. Mr. Walker clarified the approval would just allow them to ask for proposals from the market and the Board could review an investment plan next month. Mr. Allen confirmed the District is not obligating any funds and it is only engaging their service which is finding the best interest-bearing place to put project funds to earn interest while it sits there. Mr. Allen could not confirm yet if the fees are an eligible cost for the project fund. Mr. Walker commented that his understanding is the bidding agent fee is being paid by the bank that the money is invested with and not the District. Director O’Sullivan moved to approve the engagement letter with Becker Financial; seconded by Director Robert Case. Motion passed unanimously.
- b. Approve Unaudited Financial Reports for April 30, 2022: Mr. Walker presented the Unaudited Financial Reports for April 30, 2022. Director O’Sullivan moved to approve the Unaudited Financial Reports for April 30, 2022 as presented; seconded by Director Robert Case. Motion passed unanimously.
- c. Payables for May 10, 2022: Mr. Walker presented the payables for May 10, 2022 as well as the payable list for the bond requisition. The Board requested a review of monthly district management and legal fees that are capital related and could be paid with bond funds. Director O’Sullivan moved to approve the Payables for May 10, 2022 as presented; seconded by Director Robert Case. Motion passed unanimously.
- d. Hearing on establishing a fee for collection of drainage platting fee by the District: Mr. Walker requested the Board table this item for next month.
- e. Approval/Ratify/Pre-approval Contracts: Director Long moved to ratify the approval of the Entech proposal change order for up to \$269,500; seconded by Director O’Sullivan. Motion passed unanimously.

10. Discuss City/District IGA Regarding Project Fund Surety In Lieu of LOC: Mr. Walker reported they will not be doing an IGA with the City because the City would be required to change their ordinance that allows that type of surety. The City’s attorneys were against it as well as the District’s auditor. The next step is a cash assurance for the approval of the grading and erosion plan. Another possibility is a letter of credit from the bank if the District decides to invest the bond funds.

11. Other Business

- a. Next Regular Meeting scheduled for June 14, 2022, at 9:00 AM. President Case II noted there may be a need for a special meeting before the next regular meeting.

12. Adjourn: The Board adjourned the meeting at 10:04 AM.

Respectfully Submitted,

DocuSigned by:

Kevin Walker

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By: Kevin Walker for the Recording Secretary