

**MINUTES OF THE REGULAR BOARD MEETING
OF THE BOARD OF DIRECTORS OF THE
BRADLEY HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2, AND 3
HELD JUNE 14, 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, June 14, 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
Jim Byers, Director

Also in attendance were:

K. Sean Allen, Esq., White Bear Ankele Tanaka & Waldron
Kevin Walker, WSDM
Rebecca Hardekopf, WSDM
Braden Hammond, BiggsKofford
Eric Smith, Matrix Design Group, District Engineer
Chris Grundy, Project Manager
David Neville, Kiemele Family Partnerships
Jeff Odor, Matrix Design Group
Jason Thompson
Rob Fuller, ROI
John Radcliffe, Galloway Engineering
Billy Whitehead
Tony Gordon, Redemption Hill Church
Candace Mason
Virgil Sanchez, M&S Civil Consultants, Inc.
Paul Broussard, Premier Homes
Nate Mast, Redemption Hill Church

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 Director Long at 9:00 a.m.
2. Declaration of Quorum/Director Qualifications/ Disclosure Matters: Director Long 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. Approve Jim Byers to Fill the Vacant Board Position: Director O’Sullivan moved to approve Jim Byers to fill the vacant Board position; seconded by Director Robert Case. Motion passed unanimously.
4. Approval of Agenda: Mr. Walker requested the Board discuss item 9.a. next on the Agenda. Director Long moved to approve the Agenda as amended; seconded by Director Robert Case. Motion passed unanimously.
5. Approval of May 10, 2022 Meeting Minutes: After review, Director O’Sullivan moved to approve the May 10, 2022 Meeting Minutes; seconded by Director Robert Case. Motion passed unanimously.
6. District Manager Report: Mr. Walker reported they are working on matters related to the construction including the approval process that will be discussed shortly. He is also working on preparing the cash flow models for reinvesting funds.
7. President of the Board Report: There was no discussion for the President of the Board Report.
8. Development Status Review
 - a. Engineering Update: Mr. Odor provided an engineering update. He noted they are processing through the Construction Document reviews and approvals. The right of way plat is also in process but no timeline yet.
 - Schedule: Mr. Grundy presented the schedule status for the project.
 - b. Plan Updates
 - Roadway/ Utility/ Storm Water: Mr. Odor reported on the roadway, utility, and storm water updates. CSU has agreed to allow the sanitary plans to be approved separate from the water plans and are being reviewed for approvals as of last week. Storm plans and FDR are in review for approvals as well.
 - Channel Design: Mr. Odor discussed the channel design and noted they need to identify what the assurances are in order to release building permits and CO’s for Challenger and or Redemption Hill Church. The Geotech bores in the channel have been done and they hope to begin the channel design in the next 6 weeks.
 - 24” Water Line, IGA Individual Plan: Mr. Odor reported the IGA was sent to CSU’s attorneys for review and Mr. Walker has just received the copy to review. Mr. Walker reported the City is allowing the District to connect to the Colorado center’s water line but only if the District puts up a letter of credit for the cost of switching to the 24” line and the District must agree to pay a share of the 24” water line which is roughly \$800,000. Mr. Walker has requested they justify that amount but has not heard back yet. Mr. Allen confirmed the cost sharing is an eligible District expense.
 - c. Construction Schedule: Mr. Grundy reported on the construction schedule. He noted Phase 1 stormwater materials were delivered last week and installing stormwater will start pending the drawings approval. Water, sanitary and sewer are scheduled to start on July 5th.
 - d. Redemption Hill Church: Mr. Gordon reported the plat is ready to record and they have resubmitted the second round for building permit. He expects the approved construction drawings should be ready in the next couple weeks.
 - e. Challenger Homes: Mr. Byers reported they have received the sign off from CDOT on the development plan and their participation in the future signal. He noted they hope the DP is approved by the end of the week and the final plat is approved by the end of the month. Once

approved, they will be ready to record. Mr. Byers discussed construction and noted earthwork should be done next week and manholes will be delivered soon.

- f. Bradley Ridge: Director O'Sullivan provided an update and reported they are making good progress on plans for filings 2 and 3 with another 450 lots. He noted the School District is happy with both of their new sites.

9. Financial Matters

- a. Review and Consider Approval for the 2021 Audit for District 2 and District 3: Mr. Hammond presented the 2021 Audits for District 2 and District 3. He noted they expect to issue an unqualified opinion which is a clean opinion and highest level of assurance they can provide on financial statements for both Districts 2 and 3. After review, Director O'Sullivan moved to approve the 2021 Audits for District 2 and District 3; 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 Long 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 project fund requisition. Director O'Sullivan moved to approve the Payables for May 10, 2022; seconded by Director Byers. Motion passed unanimously. Mr. Walker will provide the project fund requisition for Board review later today.
- d. Hearing to Consider Approval of Resolution for District Collection of Drainage Fee: Mr. Walker discussed the new requirements from the City and the 24" water line. The Board discussed moving through the process as quickly as possible to avoid delays. Mr. Walker requested the Board table this item.
- e. Approval/Ratify/Pre-approval Contracts: There was no discussion.

10. Other Business

- a. Next Regular Meeting Scheduled: July 12, 2022, at 9:00 AM. The Board discussed rescheduling for a continued meeting for July 19, 2022 at 3:00 PM.

11. Adjourn: Director Long moved to continue the meeting to July 19, 2022 at 3:00 PM; seconded by Director O'Sullivan. Motion passed unanimously.

Respectfully Submitted,

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Kevin Walker

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By: Recording Secretary