

BRADLEY HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2 and 3

Regular Board Meeting
Tuesday, October 11, 2022, at 9:00 AM
119 N. Wahsatch Ave.
Colorado Springs, Colorado 80903
and

Via tele/videoconference

<https://video.cloudoffice.avaya.com/join/451389423>

United States: [+1 \(213\) 463-4500](tel:+12134634500)

Access Code: 451-389-423

Board of Director	Title	Term
Randle W Case II	President	May 2023
Bryan T Long	Vice-President	May 2023
Ray O'Sullivan	Treasurer/ Secretary	May 2025
Robert Case	Assistant Secretary	May 2025
Jim Byers	Assistant Secretary	May 2023

AGENDA

1. Call to order
2. Declaration of Quorum/Director Qualifications/ Disclosure Matters
3. Approval of Agenda
4. Approval of September 13, 2022, Meeting Minutes (see attached)
5. District Manager Report
6. President of the Board Report
7. Development Status Review
 - a. Engineering Update
 - Schedule
 - b. Plan Updates
 - Roadway/ Utility/ Storm Water
 - Channel design
 - 24" water line, IGA Individual Plan
 - c. Construction Schedule/Construction Contracts Approval/Ratify/Pre-approval
 - d. Update on Construction Budget and Assurance
 - e. Redemption Hill Church
 - f. Challenger Homes
 - g. Bradley Ridge
8. Financial Matters
 - a. Approve Unaudited Financial Reports for September 30, 2022(see attached)
 - b. Payables through October 11, 2022 (see attached)
 - c. Consider approval of Resolution for District Imposition/Collection of Drainage Fee(see attached)
9. Other Business
 - a. Next Regular Meeting scheduled: November 8, 2022, at 9:00 a.m.
10. Adjourn

NOTICE OF REGULAR 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 continued meetings at 9:00 AM on Tuesday, the 11th day of October at 119 North Wahsatch Ave., Colorado Springs, CO 80903, and via tele/videoconferencing at the following: <https://meet.goto.com/547622885> United States: <tel:+16467493122>,[547622885](tel:+16467493122) Access Code: 547-622-885 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



**MINUTES OF THE REGULAR BOARD MEETING
OF THE BOARD OF DIRECTORS OF THE
BRADLEY HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2, AND 3
HELD SEPTEMBER 13, 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, September 13, 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
Eric Smith, Matrix Design Group, District Engineer
Jeff Odor, Matrix Design Group
Chris Grundy, Project Manager
David Neville, Kiemele Family Partnerships

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 Byers moved to approve the Agenda as presented; seconded by Director Long. Motion passed unanimously.

4. Approval of August 9, 2022 Meeting Minutes: After review, Director Robert Case moved to approve the August 9, 2022 Meeting Minutes; seconded by Director Byers. Motion passed unanimously.
5. District Manager Report: Mr. Walker reported he has been working through development issues including the 24" water line and assurances.
6. President of the Board Report: President Case II reported he visited the site this morning and noted the Colorado Springs Utilities' new electric integration system to the north.
7. Development Status Review
 - a. Engineering Update: Mr. Odor provided an engineering update. The Grading and Erosion Control amendment was received and approved for phase 2. Phase 3 plans have been submitted and they are in the process of producing phase 4 plans which will conclude the rest of the roadway plans.
 - Schedule: Mr. Grundy presented the schedule and upcoming key dates for the project.
 - b. Plan Updates
 - Roadway/ Utility/ Storm Water: Mr. Odor and Mr. Grundy reported on plan updates.
 - Channel Design: Mr. Odor reported on channel improvements. The water resource team met with the City last week and there was no objection to the designs, so they are proceeding with the variance process and moving forward.
 - 24" Water Line, IGA Individual Plan: The Board discussed the need for the 24" water line and the \$800,000 contribution.
 - c. Construction Schedule/Construction Contracts Approval/Ratify/Pre-Approval: Mr. Grundy provided an update on the construction schedule. The Board reviewed Change Order Nos. 1 and 2. Director Long moved to approve Change Order Nos. 1 and 2 as presented; seconded by Director Robert Case. Motion passed unanimously.
 - d. Update on Budget and Assurance: Mr. Walker presented an update on the construction budget.
 - e. Redemption Hill Church: Mr. Odor reported that Redemption Hill Church is working on getting their plat recorded and Mr. Walker was working on the assurances.
 - f. Challenger Homes: Director Byers reported they are currently delayed by the water line issue. They are investigating on whether they can work curb and gutter and then install the services after the fact. He noted the right-of-way plat approval for the District is currently held up.
 - g. Bradley Ridge: President Case II reported they are moving forward with houses for rent south of Bradley Ridge. The School District is looking to finalize their numbers for a bond in Fall 2023 or 2024. President Case II reported on development updates in the area.
8. Financial Matters
 - a. Approve Unaudited Financial Reports for August 31, 2022: Mr. Walker presented the Unaudited Financial Reports for August 31, 2022. Mr. Walker noted he will present a draft budget at the next Board meeting.
 - b. Payables through September 13, 2022: Mr. Walker presented the Payables for September 13, 2022. Director Long moved to approve the Payables and Unaudited Financial Reports as presented; seconded by Director Byers. Motion passed unanimously with Director O'Sullivan excused.
 - c. Consider Approval of Resolution for District Imposition/Collection of Drainage Fee: Mr. Walker requested the Board table this item.
9. Other Business
 - a. Next Regular Meeting Scheduled: October 11, 2022, at 9:00 a.m.
10. Adjourn: The Board adjourned the meeting at 10:04 a.m.

Respectfully Submitted,

By: Recording Secretary



Balance Sheet

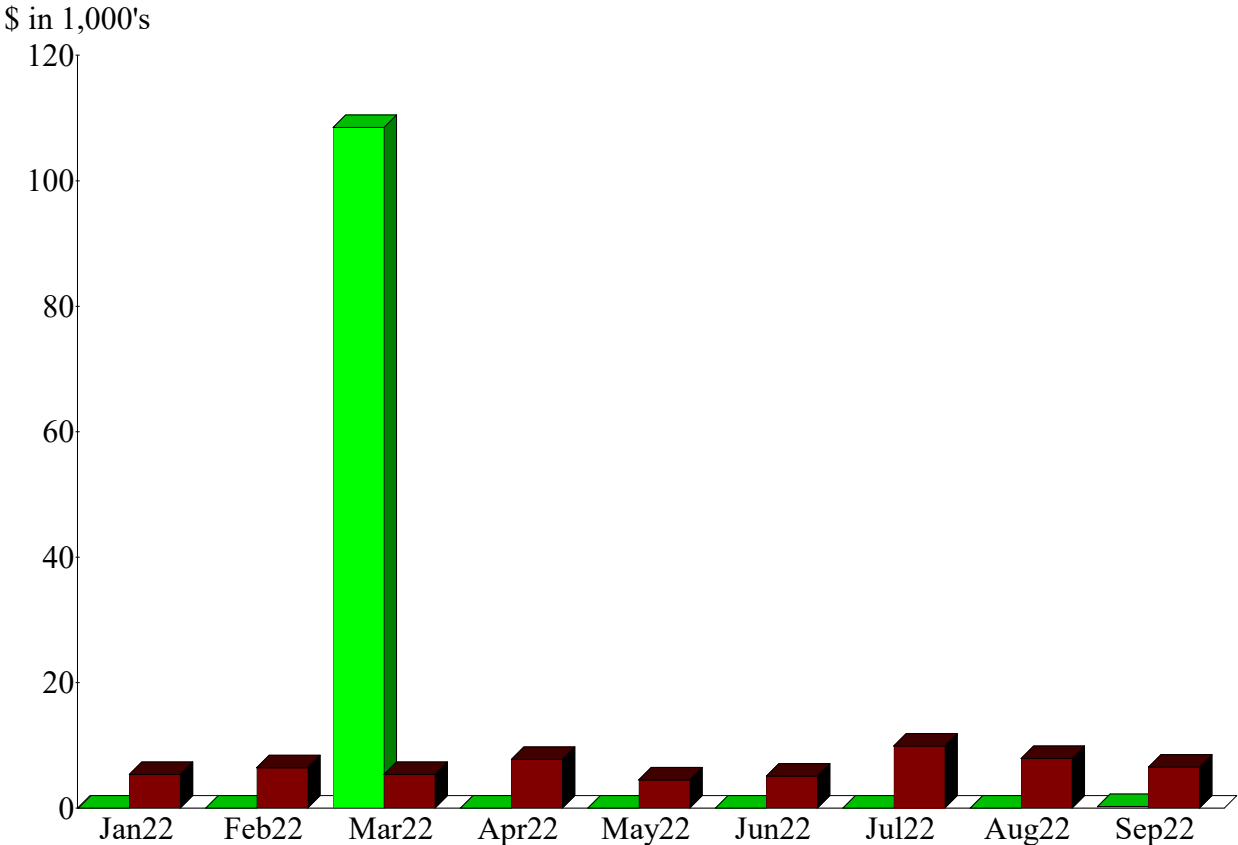
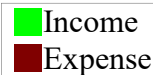
As of September 30, 2022

	Sep 30, 22
ASSETS	
Current Assets	
Checking/Savings	
ECB - Checking	4,166.76
Total Checking/Savings	4,166.76
Accounts Receivable	
Accounts Receivable	56,500.00
Total Accounts Receivable	56,500.00
Other Current Assets	
Due From District 3	910.00
Due From District 2	1,200.00
Total Other Current Assets	2,110.00
Total Current Assets	62,776.76
TOTAL ASSETS	62,776.76
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	14,717.21
Total Accounts Payable	14,717.21
Total Current Liabilities	14,717.21
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	131,567.21
Equity	
Retained Earnings	-118,544.63
Net Income	49,754.18
Total Equity	-68,790.45
TOTAL LIABILITIES & EQUITY	62,776.76

Bradley Heights Metropolitan District No. 1
Profit & Loss Budget vs. Actual
January through September 2022

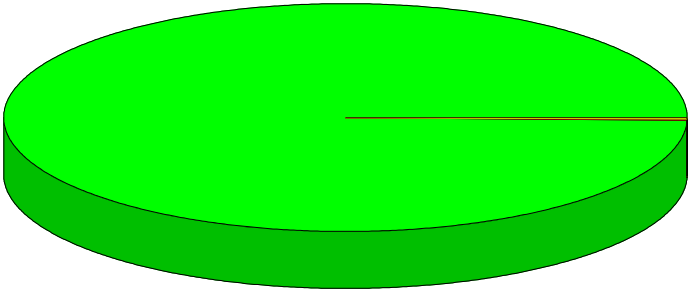
	TOTAL				
	Sep 22	Jan - Sep 22	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense					
Income					
Developer Advance	0.00	108,500.00	70,000.00	38,500.00	155.0%
Transfer From District 2-O&M	209.02	209.02	209.10	-0.08	99.96%
Transfer From District 3-O&M	81.11	81.11	319.03	-237.92	25.42%
Total Income	290.13	108,790.13	70,528.13	38,262.00	154.25%
Expense					
Audit	0.00	13,825.00	8,500.00	5,325.00	162.65%
Bank Service Charge	0.00	0.00	100.00	-100.00	0.0%
Contingency	0.00	0.00	5,000.00	-5,000.00	0.0%
Copies & Postage	69.96	477.74	1,000.00	-522.26	47.77%
District Management	3,000.00	27,000.00	36,000.00	-9,000.00	75.0%
Dues & Subscriptions (SDA) - D1	0.00	1,237.50	500.00	737.50	247.5%
Dues & Subscriptions (SDA) - D2	0.00	225.71	500.00	-274.29	45.14%
Dues & Subscriptions (SDA) - D3	0.00	225.01	500.00	-274.99	45.0%
Elections	0.00	1,994.65			
Insurance - D1	2,186.00	2,186.00	1,600.00	586.00	136.63%
Insurance - D2	0.00	0.00	3,000.00	-3,000.00	0.0%
Insurance - D3	0.00	0.00	1,600.00	-1,600.00	0.0%
Legal	1,301.75	11,864.34	10,000.00	1,864.34	118.64%
Total Expense	6,557.71	59,035.95	68,300.00	-9,264.05	86.44%
Net Ordinary Income	-6,267.58	49,754.18	2,228.13	47,526.05	2,233.0%
Net Income	-6,267.58	49,754.18	2,228.13	47,526.05	2,233.0%

Income and Expense by Month January through September 2022



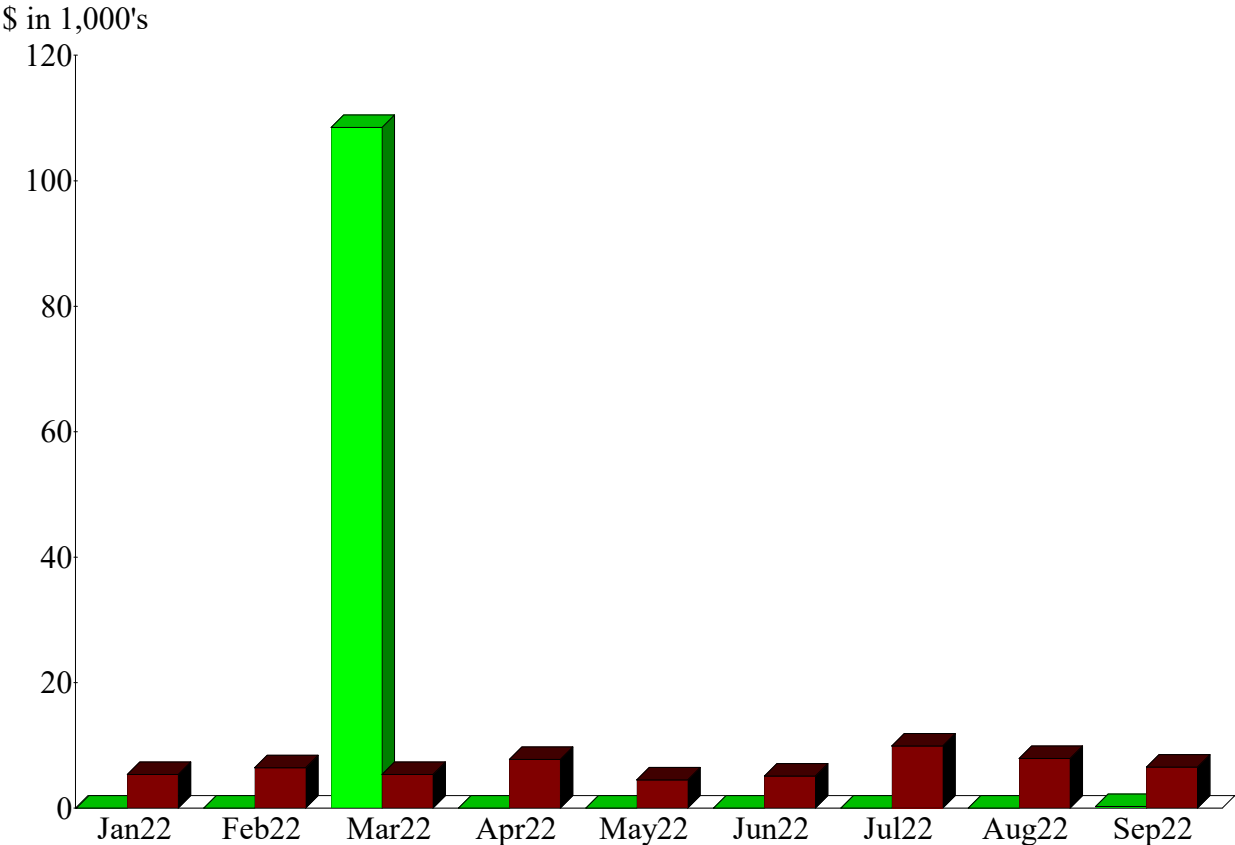
Income Summary January through September 2022

Developer Advance	99.73%
Transfer From District 2-O&M	0.19
Transfer From District 3-O&M	0.07
Total	\$108,790.13



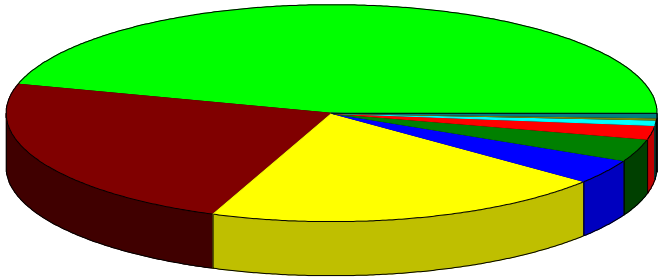
By Account

Income and Expense by Month January through September 2022



Expense Summary January through September 2022

District Management	45.73%
Audit	23.42
Legal	20.10
Insurance - D1	3.70
Elections	3.38
Dues & Subscriptions (SDA) - D1	2.10
Copies & Postage	0.81
Dues & Subscriptions (SDA) - D2	0.38
Dues & Subscriptions (SDA) - D3	0.38
Total	\$59,035.95



By Account

Bradley Heights Metropolitan District No. 2

10/09/22

Balance Sheet

Accrual Basis

As of September 30, 2022

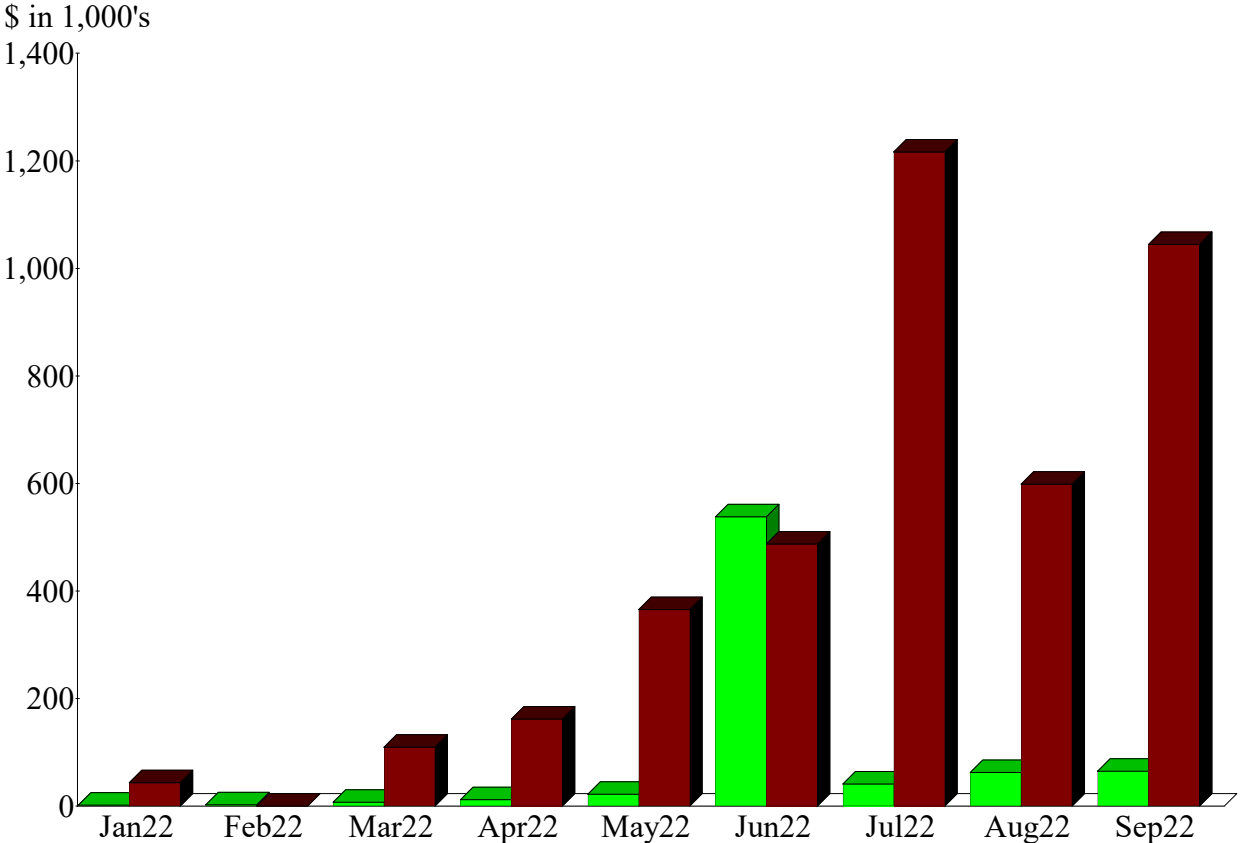
	Sep 30, 22
ASSETS	
Current Assets	
Checking/Savings	
ECB Checking	969.33
UMB - Project Fund 156470.2	30,034,439.33
Total Checking/Savings	30,035,408.66
Accounts Receivable	
Accounts Receivable	506,831.00
Total Accounts Receivable	506,831.00
Other Current Assets	
Accounts Receivable Other	39.00
Total Other Current Assets	39.00
Total Current Assets	30,542,278.66
Fixed Assets	
Construction in Progress	149,480.92
Total Fixed Assets	149,480.92
TOTAL ASSETS	30,691,759.58
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	4,000.00
Total Accounts Payable	4,000.00
Other Current Liabilities	
Accrued Interest	577,959.00
Due to District 1	1,200.00
Total Other Current Liabilities	579,159.00
Total Current Liabilities	583,159.00
Long Term Liabilities	
Series 2021A Bonds	35,000,000.00
Total Long Term Liabilities	35,000,000.00
Total Liabilities	35,583,159.00
Equity	
Retained Earnings	-1,616,406.49
Net Income	-3,274,992.93
Total Equity	-4,891,399.42
TOTAL LIABILITIES & EQUITY	30,691,759.58

Bradley Heights Metropolitan District No. 2
Profit & Loss Budget vs. Actual
January through September 2022

	TOTAL				
	Sep 22	Jan - Sep 22	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense					
Income					
Delinquent Interest - Debt	0.00	1.40			
Delinquent Interest	0.00	0.47			
CY Property Tax - O&M	0.00	198.30	198.20	0.10	100.05%
Specific Ownership Tax - O&M	0.00	13.72	13.87	-0.15	98.92%
CY Property Tax - Debt	0.00	594.89	594.60	0.29	100.05%
Specifice Ownership Tax - Debt	0.00	41.13	41.62	-0.49	98.82%
Impact Fees					
Capital Facility Fees-Platting	0.00	506,831.00			
Total Impact Fees	0.00	506,831.00			
Total Income	0.00	507,680.91	848.29	506,832.62	59,847.57%
Expense					
Bond Expense					
Bank Fees	3,896.83	9,879.67			
Paying Agent Fee	0.00	4,000.00			
Total Bond Expense	3,896.83	13,879.67			
Capital Outlay					
Legal Expense	0.00	10,264.42			
Construction Coordination	0.00	2,826.55			
Capital Construction	1,012,882.26	2,706,688.60			
Engineering/Planning	17,648.75	1,225,879.42			
Project Management	10,246.25	68,736.79			
Capital Outlay - Other	0.00	275.63			
Total Capital Outlay	1,040,777.26	4,014,671.41			
Insurance	-250.00	-250.00			
Treasurer Collection Fee - O&M	0.00	3.00	2.97	0.03	101.01%
Treasurer Collection Fee - Debt	0.00	8.94	8.92	0.02	100.22%
Total Expense	1,044,424.09	4,028,313.02	11.89	4,028,301.13	33,879,840.37%
Net Ordinary Income	-1,044,424.09	-3,520,632.11	836.40	-3,521,468.51	-420,926.84%
Other Income/Expense					
Other Income					
Interest Income - Debt	65,074.75	245,848.20			
Total Other Income	65,074.75	245,848.20			
Other Expense					
Other Expense					
Transfer to Dist 1 - Gen Fund	209.02	209.02	209.10	-0.08	99.96%
Total Other Expense	209.02	209.02	209.10	-0.08	99.96%
Total Other Expense	209.02	209.02	209.10	-0.08	99.96%
Net Other Income	64,865.73	245,639.18	-209.10	245,848.28	-117,474.5%
Net Income	-979,558.36	-3,274,992.93	627.30	-3,275,620.23	-522,077.62%

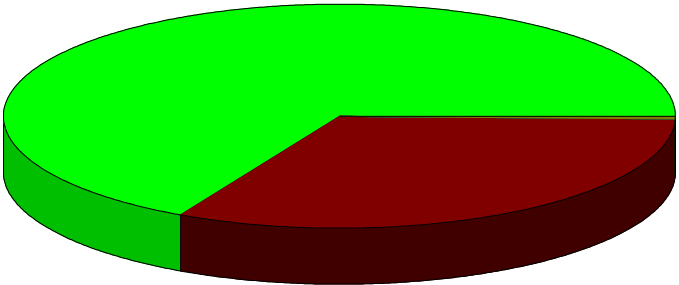
Income and Expense by Month January through September 2022

Income
Expense



Income Summary January through September 2022

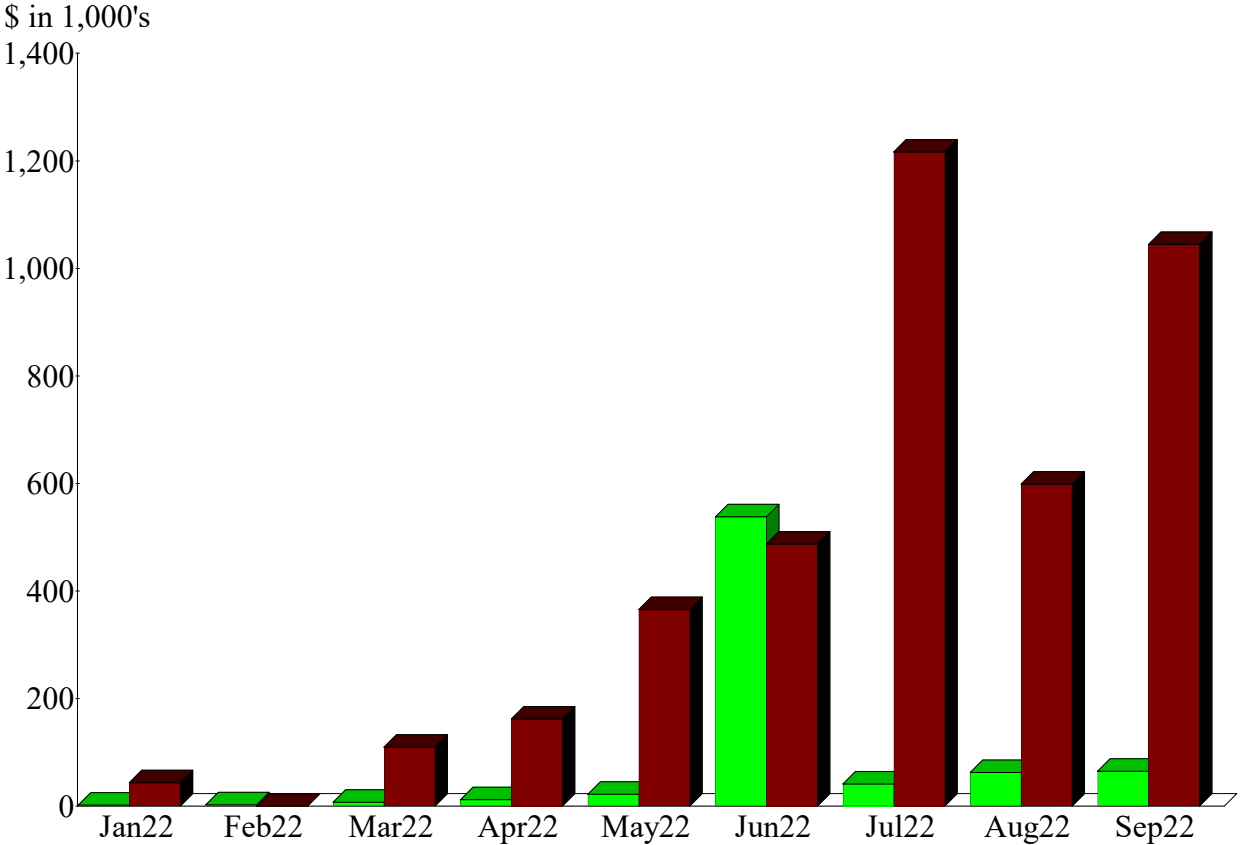
Impact Fees	67.26%
Interest Income - Debt	32.63
CY Property Tax - Debt	0.08
CY Property Tax - O&M	0.03
Specifice Ownership Tax - Debt	0.01
Specific Ownership Tax - O&M	0.01
Delinquent Interest - Debt	0.01
Delinquent Interest	0.01
Total	\$753,529.11



By Account

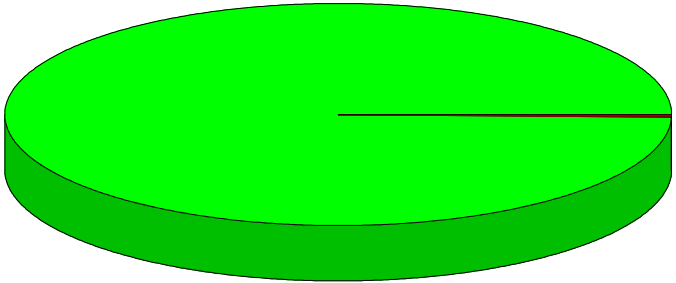
Income and Expense by Month
January through September 2022

Income
Expense



Expense Summary
January through September 2022

Capital Outlay	99.65%
Bond Expense	0.34
Insurance	\$-250.00
Other Expense	0.01
Treasurer Collection Fee - Debt	0.01
Treasurer Collection Fee - O&M	0.01
Sub-Total	\$4,028,522.04



By Account

10:57 AM

Bradley Heights Metropolitan District No. 3

10/09/22

Balance Sheet

Accrual Basis

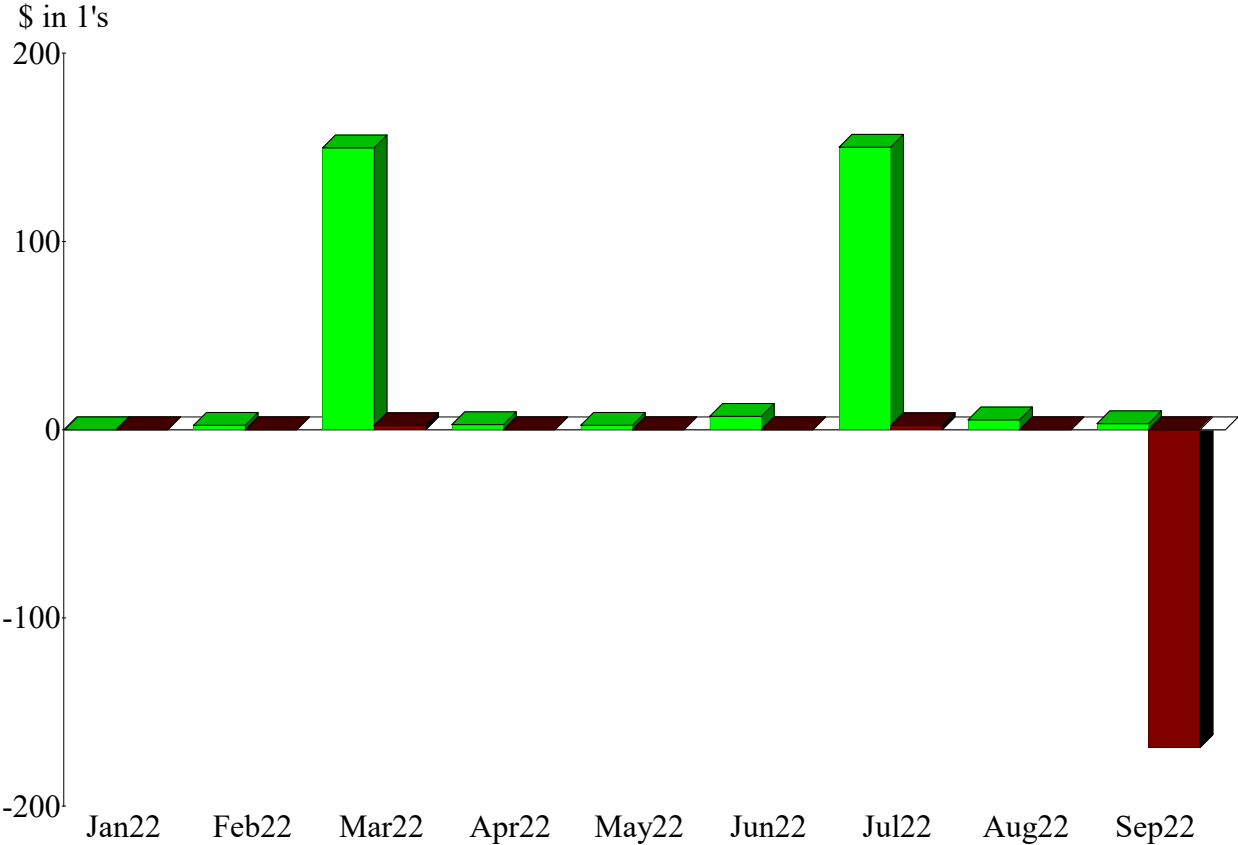
As of September 30, 2022

	Sep 30, 22
ASSETS	
Current Assets	
Checking/Savings	
ECB Checking	560.28
Total Checking/Savings	560.28
Other Current Assets	
Property Tax Receivable	2.80
Total Other Current Assets	2.80
Total Current Assets	563.08
TOTAL ASSETS	563.08
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Due To District 1	910.00
Deferred Property Tax Revenue	2.80
Total Other Current Liabilities	912.80
Total Current Liabilities	912.80
Total Liabilities	912.80
Equity	
Retained Earnings	-837.47
Net Income	487.75
Total Equity	-349.72
TOTAL LIABILITIES & EQUITY	563.08

Bradley Heights Metropolitan District No. 3
Profit & Loss Budget vs. Actual
January through September 2022

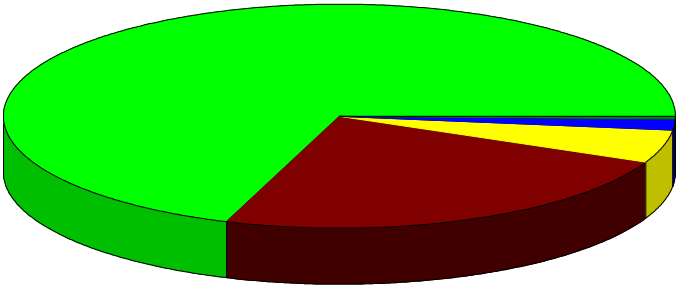
	TOTAL				
	Sep 22	Jan - Sep 22	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense					
Income					
Delinquent Interest	0.00	0.08			
CY Property Tax - O&M	0.00	77.00	75.60	1.40	101.85%
Specific Ownership Tax - O&M	0.81	5.24	5.29	-0.05	99.06%
CY Property Tax - Debt	0.00	225.40	226.80	-1.40	99.38%
Specifice Ownership Tax - Debt	2.42	15.67	15.88	-0.21	98.68%
Total Income	3.23	323.39	323.57	-0.18	99.94%
Expense					
Insurance	-250.00	-250.00			
Treasurer Collection Fee - O&M	0.00	1.13	1.13	0.00	100.0%
Treasurer Collection Fee - Debt	0.00	3.40	3.40	0.00	100.0%
Total Expense	-250.00	-245.47	4.53	-250.00	-5,418.76%
Net Ordinary Income	253.23	568.86	319.04	249.82	178.3%
Other Income/Expense					
Other Expense					
Other Expense					
Transfer to Dist 1 - Gen Fund	81.11	81.11	319.04	-237.93	25.42%
Total Other Expense	81.11	81.11	319.04	-237.93	25.42%
Total Other Expense	81.11	81.11	319.04	-237.93	25.42%
Net Other Income	-81.11	-81.11	-319.04	237.93	25.42%
Net Income	172.12	487.75	0.00	487.75	100.0%

Income and Expense by Month January through September 2022



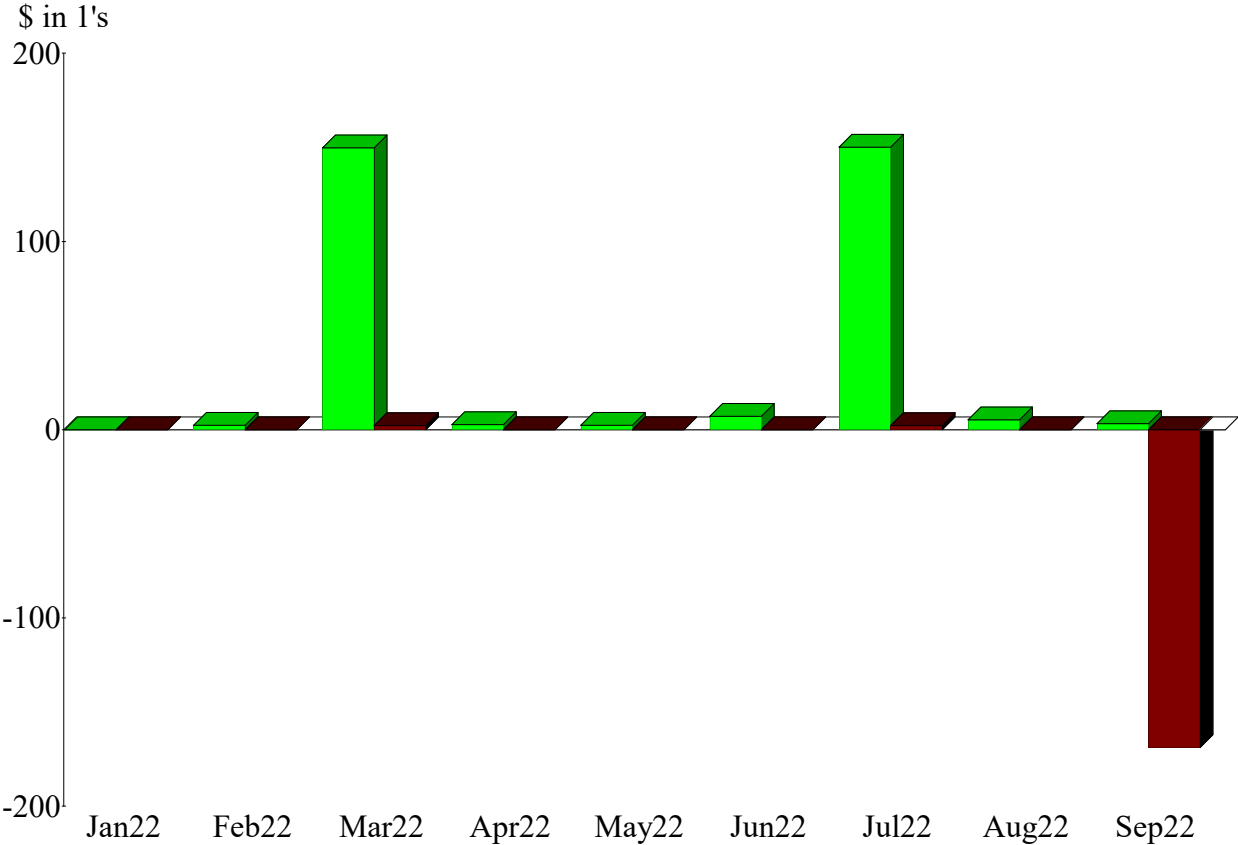
Income Summary January through September 2022

CY Property Tax - Debt	69.70%
CY Property Tax - O&M	23.81
Specifice Ownership Tax - Debt	4.85
Specific Ownership Tax - O&M	1.62
Delinquent Interest	0.02
Total	\$323.39



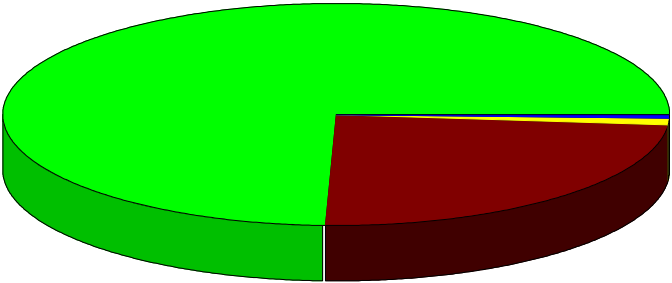
By Account

Income and Expense by Month January through September 2022



Expense Summary January through September 2022

Insurance	\$-250.00
Other Expense	94.71%
Treasurer Collection Fee - Debt	3.97
Treasurer Collection Fee - O&M	1.32
Sub-Total	\$-164.36



By Account



Bradley Heights Metropolitan District No. 1
PAYMENT REQUEST
10/12/2022

GENERAL FUND ACCOUNT

Company	Invoice	Date	Amount	Comments
CO Special Dist Prop & Liability Pool	23PL-60612-1673	9/6/2022	\$ 1,941.00	D1
TCW Risk Management	11147	9/11/2022	\$ 495.00	
Walker Schooler District Managers	7191	9/30/2022	\$ 3,069.96	
White Bear Anekele	24150	9/30/2022	\$ 1,301.76	
TOTAL			\$ 6,807.72	

\$6,807.72

Bradley Heights Metropolitan District

Bradley Heights Metropolitan District
PAYMENT REQUEST
10/12/2022

BOND FUND ACCOUNT

Company	Invoice	Date	Amount	Comments
Entech Engineering, Inc	1148741	8/31/2022	\$ 6,067.00	
Grundy Construction Management & Consulting	BHM-011	9/30/2022	\$ 10,217.50	
Matrix Design Group	37647	9/21/2022	\$ 7,446.25	
Matrix Design Group	37789	10/5/2022	\$ 1,280.00	
Wildcat Construction Inc.	78187-4	9/30/2022	\$ 865,852.83	
TOTAL			\$ 890,863.58	

Bradley Heights Metropolitan District

Bradley Heights Metropolitan District No. 2

PAYMENT REQUEST

10/12/2022

DEBT SERVICE FUND

UMB Bank	928515	8/17/2022	4,000.00	Trustee Fee
TOTAL			4,000.00	

\$4,000.00

Bradley Heights Metropolitan District