



BRADLEY HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2 and 3

Regular Board Meeting
Tuesday, January 10, 2023, 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 December 13, 2022, Meeting Minutes (enclosure)
5. District Manager Report
 - a. Discuss possible Service Plan Amendment
 - b. ROW Condemnation – City Consent, Engagement of Special Condemnation Counsel
6. President of the Board Report
7. Development Status Review
 - a. Engineering Update
 - i. Schedule
 - b. Plan Updates
 - i. Roadway/ Utility/ Storm Water
 - ii. Channel design
 - iii. 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 December 31, 2022(enclosure)
 - b. Payables through January 4, 2023 (enclosure)
9. Legal Matters

10. Other Business
 - a. Next Regular Meeting scheduled: February 14, 2023, at 9:00 a.m.
11. 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 regular meeting at 9:00 AM on Tuesday, the 10th day of January, 2023, at 119 North Wahsatch Ave., Colorado Springs, CO 80903, and via tele/videoconferencing at the following: <https://video.cloudoffice.avaya.com/join/451389423> United States: [+1 \(213\) 463-4500](tel:+12134634500) Access Code: 451-389-423 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 SPECIAL BOARD MEETING
OF THE BOARD OF DIRECTORS OF THE
BRADLEY HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2, AND 3
HELD DECEMBER 13, 2022
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, December 13, 2022, at 9:00 a.m., at 119 N. Wahsatch Avenue, Colorado Springs, CO, and via tele/videoconference: <https://video.cloudoffice.avaya.com/join/451389423>.

Attendance

In attendance were Directors:

Randle Case II, President
Bryan Long, Vice President
Robert Case, Assistant Secretary
Ray O'Sullivan, Treasurer/Secretary
Jim Byers, Assistant Secretary (Excused)

Also in attendance were:

K. Sean Allen, Esq., White Bear Ankele Tanaka & Waldron
Kevin Walker, WSDM District Managers
Rebecca Harris, WSDM District Managers
Jak Pattamasaevi, WSDM District Managers
Jeff Odor, Matrix Design Group
Chris Grundy, Project Manager
Nate Mast, Redemption Hill Church
David Neville, Kiemele Family Partnerships
Brady Shyrock, Galloway Engineering
Eric Smith, Matrix Design Group, District Engineer

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 AM.
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: Ms. Harris requested the Board postpone item 5. District Manager Report until Mr. Walker joins the meeting. Director Robert Case moved to approve the Agenda as amended; seconded by Director O'Sullivan. Motion passed unanimously.
4. Approval of November 15, 2022 Meeting Minutes: After review, Director O'Sullivan moved to approve the November 15, 2022 Meeting Minutes as presented; seconded by Director Robert Case. Motion passed unanimously.
5. District Manager Report
 - a. Discuss possible Service Plan Amendment: Mr. Walker discussed a possible Service Plan Amendment to increase the mill levy to 50 mills to pay off bonds faster and increase the mills for Operations and Maintenance. The Board discussed increasing the O&M mill levy from 10 to 20 mills.
 - b. ROW Condemnation – City Consent, Engagement of Special Condemnation Counsel: Mr. Walker reported the ROW condemnation needs to move forward but the title company does not know who owns the property. Mr. Walker will continue to work on this issue.
6. President of the Board Report: President Case II noted District updates will be discussed later in the Agenda.
7. Development Status Review
 - a. Engineering Update: Mr. Odor provided the engineering update. The Board discussed the pond and utility easements that are still in process.
 - i. Schedule: Mr. Grundy presented the schedule and upcoming key dates for the project. The anticipated substantial completion date is December 2023.
 - b. Plan Updates:
 - i. Roadway/ Utility/ Storm Water: The Board discussed utilities, storm water, and roadway updates and the coordination of dry utilities.
 - ii. Channel Design: Mr. Odor reported the details are being worked out for the channel design. The permit application process is anticipated to start by end of next month with construction anticipated for January 2024.
 - iii. 24" Water Line, IGA Individual Plan: The Board discussed a meeting is being planned with Norwood, Classic Homes and the District representatives to discuss the 24" water line.
 - c. Construction Schedule/Construction Contracts Approval/Ratify/Pre-Approval: Mr. Grundy presented Change Order No. 6 for traffic signal pole base size revisions for \$7,915 and Pay Application No. 6 in the amount of \$867,232.42. Director O'Sullivan moved to approve Change Order No. 6 and Pay Application No. 6; seconded by Director Byers. Motion passed unanimously.
 - d. Update on Construction Budget and Assurance: Mr. Walker reported that he is working on modifying the assurances with the City to certificates of deposits (CDs).
 - e. Redemption Hill Church: Mr. Mast reported the redesign of the sewer was approved and construction of the sewer line across Bradley Rd. should be done soon. Director Byers reported the paving is done and they are waiting for Bliss Rd. to be paved.
 - f. Challenger Homes: Director Byers had no additional updates for filings 1 and 2 and noted the remaining filings are currently paused due to market conditions.
 - g. Bradley Ridge: Director O'Sullivan reported the School District had reached out regarding the concept plan amendment for the school sites so they can begin the site planning process.
8. Financial Matters
 - a. Approve Unaudited Financial Reports for November 30, 2022: Mr. Walker presented the Unaudited Financial Reports for November 30, 2022. After review, Director O'Sullivan moved

to approve the Unaudited Financial Reports for November 30, 2022; seconded by Director Long. Motion passed unanimously.

- b. Payables through December 12, 2022: Ms. Harris presented the Payables through December 12, 2022 including two new payables for insurance that were received yesterday. After review, Director O'Sullivan moved to approve the Payables through December 12, 2022 including the two additional payables; seconded by Director Long. Motion passed unanimously.

- 9. Legal Matters: The Board discussed the Kinder-Morgan encroachment agreement. Upon motion and second the Board approved the agreement subject to legal counsel review and comments. Motion passed unanimously.
- 10. Other Business
 - a. Next Regular Meeting scheduled: January 10, 2023, at 9:00 AM.
- 11. Adjourn: The Board adjourned the meeting at 10:15 AM.

Respectfully Submitted,

By: Recording Secretary



Bradley Heights Metropolitan District No. 1

01/05/23

Balance Sheet

Accrual Basis

As of December 31, 2022

	Dec 31, 22
ASSETS	
Current Assets	
Checking/Savings	
ECB - Checking	5,659.76
Total Checking/Savings	5,659.76
Accounts Receivable	
Accounts Receivable	50,000.00
Total Accounts Receivable	50,000.00
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	57,769.76
TOTAL ASSETS	57,769.76
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	30,974.87
Total Accounts Payable	30,974.87
Total Current Liabilities	30,974.87
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	147,824.87
Equity	
Retained Earnings	-118,544.63
Net Income	28,489.52
Total Equity	-90,055.11
TOTAL LIABILITIES & EQUITY	57,769.76

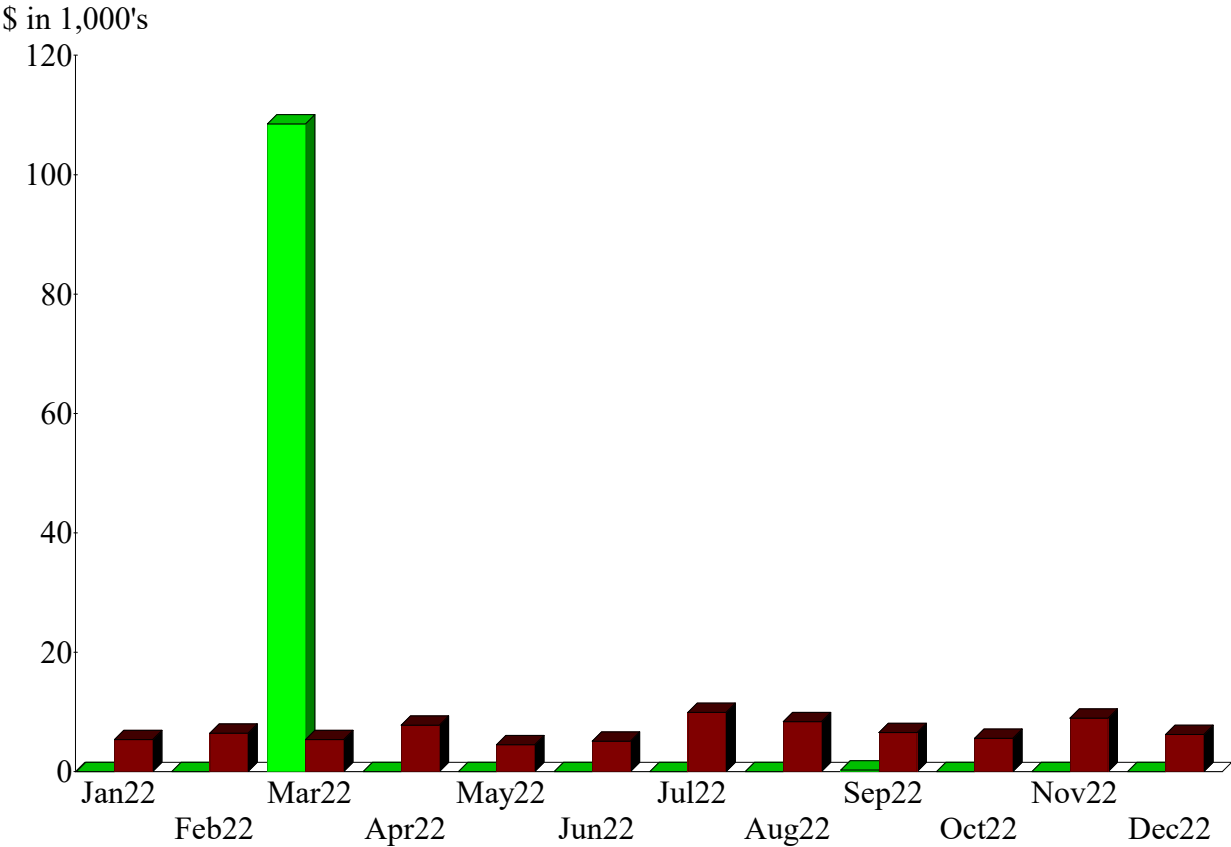
Bradley Heights Metropolitan District No. 1

Profit & Loss Budget vs. Actual

January through December 2022

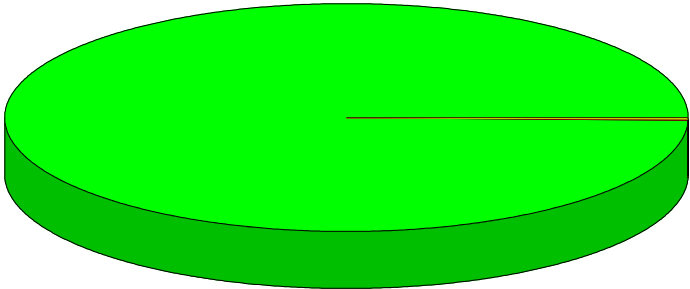
	TOTAL				
	Dec 22	Jan - Dec 22	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense					
Income					
Developer Advance	0.00	108,500.00	70,000.00	38,500.00	155.0%
Transfer From District 2-O&M	0.00	209.02	209.10	-0.08	99.96%
Transfer From District 3-O&M	0.00	81.11	319.03	-237.92	25.42%
Total Income	0.00	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	19.80	703.94	1,000.00	-296.06	70.39%
District Management	3,000.00	36,000.00	36,000.00	0.00	100.0%
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	0.00	2,186.00	1,600.00	586.00	136.63%
Insurance - D2	0.00	2,571.00	3,000.00	-429.00	85.7%
Insurance - D3	0.00	0.00	1,600.00	-1,600.00	0.0%
Legal	3,219.02	21,331.80	10,000.00	11,331.80	213.32%
Total Expense	6,238.82	80,300.61	68,300.00	12,000.61	117.57%
Net Ordinary Income	-6,238.82	28,489.52	2,228.13	26,261.39	1,278.63%
Net Income	-6,238.82	28,489.52	2,228.13	26,261.39	1,278.63%

Income and Expense by Month January through December 2022



Income Summary January through December 2022

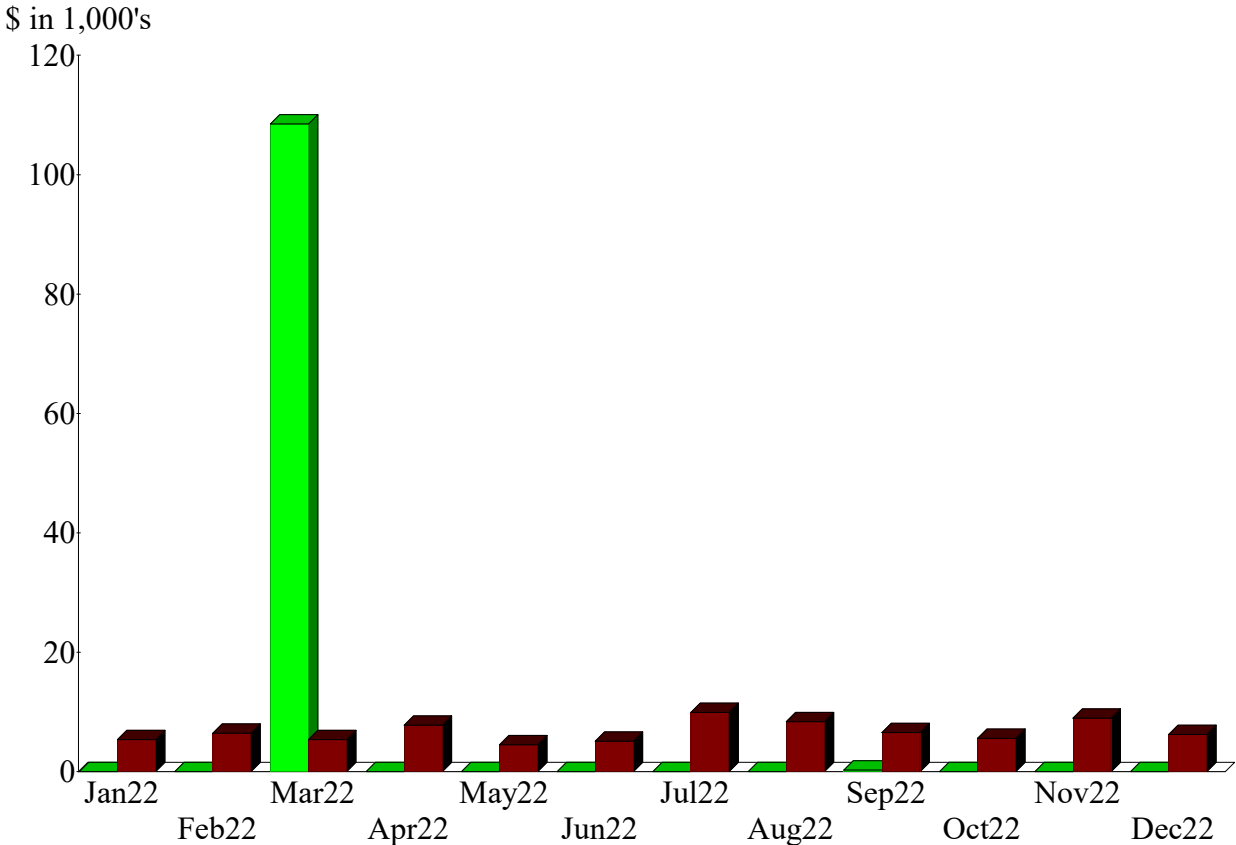
Developer Advance	99.73%
Transfer From District 2-O&M	0.19
Transfer From District 3-O&M	0.07
Total	\$108,790.13



By Account

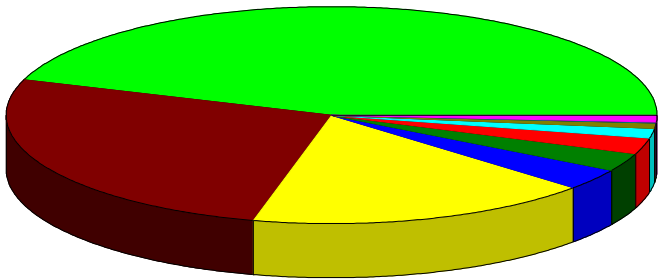
Income and Expense by Month January through December 2022

Income
Expense



Expense Summary January through December 2022

District Management	44.83%
Legal	26.56
Audit	17.22
Insurance - D2	3.20
Insurance - D1	2.72
Elections	2.48
Dues & Subscriptions (SDA) - D1	1.54
Copies & Postage	0.88
Dues & Subscriptions (SDA) - D2	0.28
Dues & Subscriptions (SDA) - D3	0.28
Total	\$80,300.61



By Account

Bradley Heights Metropolitan District No. 2

01/05/23

Balance Sheet

Accrual Basis

As of December 31, 2022

	Dec 31, 22
ASSETS	
Current Assets	
Checking/Savings	
ECB Checking	357.86
UMB Bond Account 156470.1	0.57
UMB - Project Fund 156470.2	25,817,483.14
Total Checking/Savings	25,817,841.57
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	26,324,711.57
Fixed Assets	
Construction in Progress	149,480.92
Total Fixed Assets	149,480.92
TOTAL ASSETS	26,474,192.49
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	4,250.00
Total Accounts Payable	4,250.00
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	583,409.00
Long Term Liabilities	
Series 2021A Bonds	35,000,000.00
Total Long Term Liabilities	35,000,000.00
Total Liabilities	35,583,409.00
Equity	
Retained Earnings	-1,616,406.49
Net Income	-7,492,810.02
Total Equity	-9,109,216.51
TOTAL LIABILITIES & EQUITY	26,474,192.49

Bradley Heights Metropolitan District No. 2

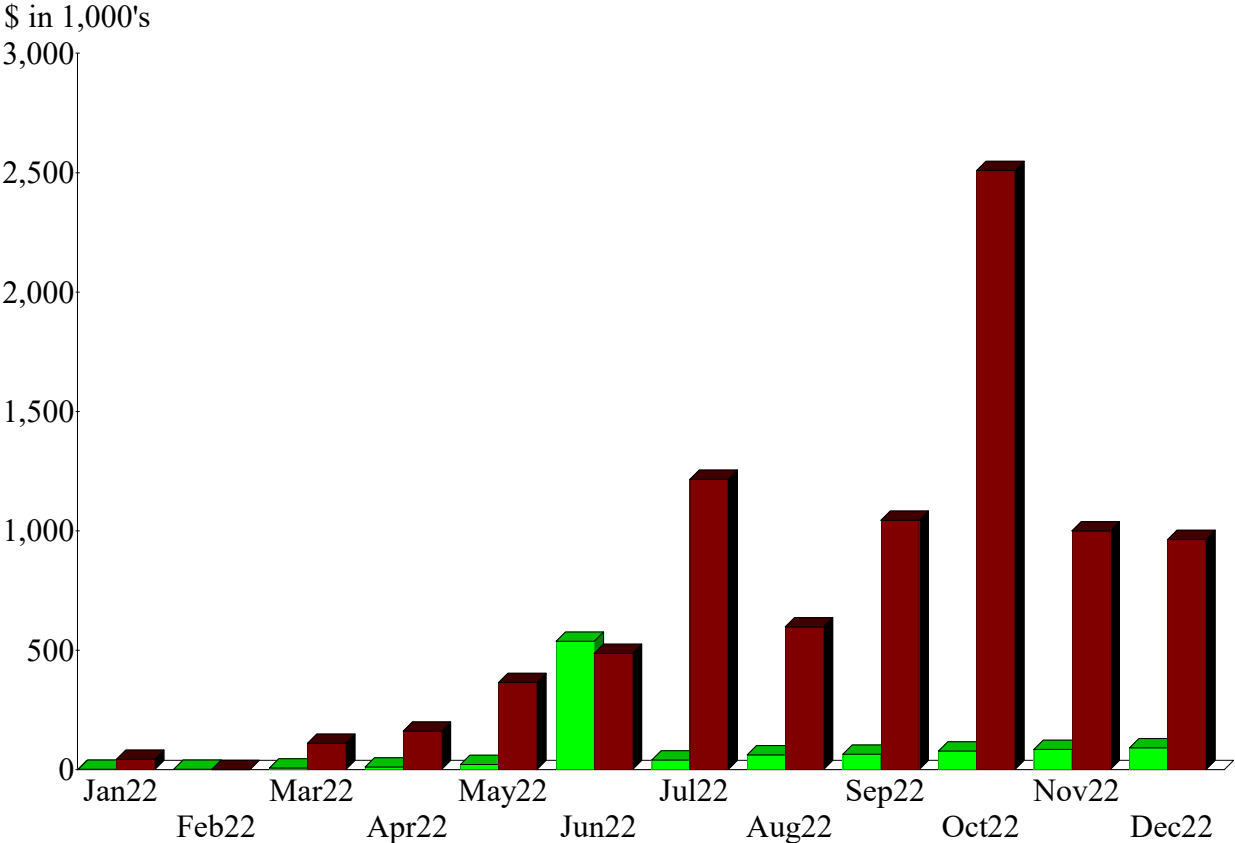
Profit & Loss Budget vs. Actual

January through December 2022

	TOTAL				
	Dec 22	Jan - Dec 22	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense					
Income					
Transfer From D3 DS Taxes	0.00	241.10			
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	1.58	18.95	13.87	5.08	136.63%
CY Property Tax - Debt	0.00	594.89	594.60	0.29	100.05%
Specifice Ownership Tax - Debt	4.74	56.81	41.62	15.19	136.5%
Impact Fees					
Capital Facility Fees-Platting	0.00	506,831.00			
Total Impact Fees	0.00	506,831.00			
Total Income	6.32	507,942.92	848.29	507,094.63	59,878.45%
Expense					
Bond Expense					
Bank Fees	4,490.57	22,971.47			
Debt Service Interest	873.84	873.84			
Paying Agent Fee	0.00	4,000.00			
Total Bond Expense	5,364.41	27,845.31			
Capital Outlay					
Legal Expense	0.00	10,264.42			
Construction Coordination	0.00	2,826.55			
Capital Construction	868,282.42	6,911,778.86			
Engineering/Planning	79,392.95	1,448,595.12			
Project Management	10,497.95	99,669.74			
Capital Outlay - Other	0.00	275.63			
Total Capital Outlay	958,173.32	8,473,410.32			
Insurance	0.00	-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	963,537.73	8,501,017.57	11.89	8,501,005.68	71,497,204.12%
Net Ordinary Income	-963,531.41	-7,993,074.65	836.40	-7,993,911.05	-955,652.16%
Other Income/Expense					
Other Income					
Interest Income - Debt	92,057.87	500,473.65			
Total Other Income	92,057.87	500,473.65			
Other Expense					
Other Expense					
Transfer to Dist 1 - Gen Fund	0.00	209.02	209.10	-0.08	99.96%
Total Other Expense	0.00	209.02	209.10	-0.08	99.96%
Total Other Expense	0.00	209.02	209.10	-0.08	99.96%
Net Other Income	92,057.87	500,264.63	-209.10	500,473.73	-239,246.6%
Net Income	-871,473.54	-7,492,810.02	627.30	-7,493,437.32	-1,194,454.01%

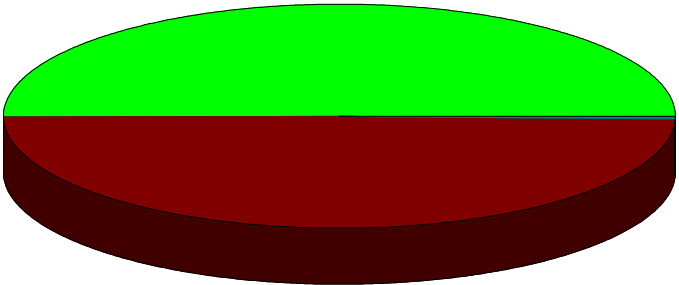
Income and Expense by Month January through December 2022

Income
Expense



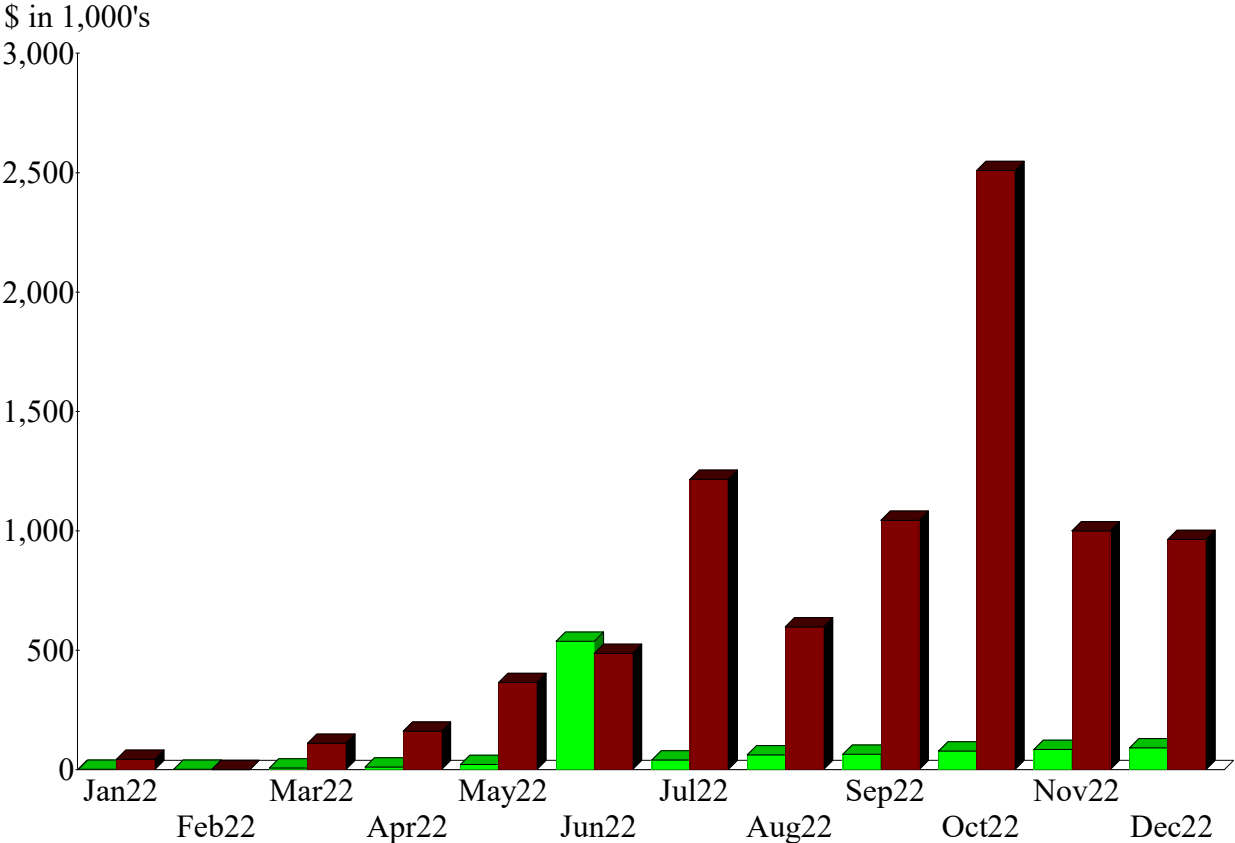
Income Summary January through December 2022

Impact Fees	50.26%
Interest Income - Debt	49.63
CY Property Tax - Debt	0.06
Transfer From D3 DS Taxes	0.02
CY Property Tax - O&M	0.02
Specifice Ownership Tax - Debt	0.01
Specific Ownership Tax - O&M	0.01
Delinquent Interest - Debt	0.01
Delinquent Interest	0.01
Total	\$1,008,416.57



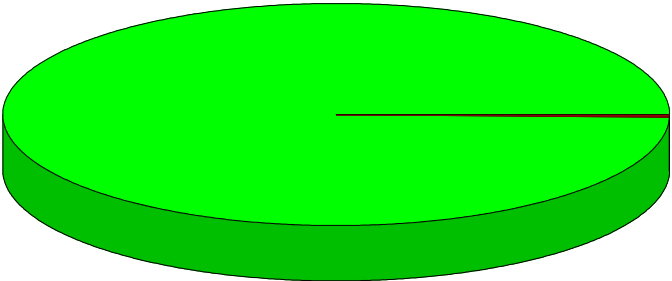
By Account

Income and Expense by Month January through December 2022



Expense Summary January through December 2022

Capital Outlay	99.67%
Bond Expense	0.33
Insurance	\$-250.00
Other Expense	0.01
Treasurer Collection Fee - Debt	0.01
Treasurer Collection Fee - O&M	0.01
Sub-Total	\$8,501,226.59



By Account

Bradley Heights Metropolitan District No. 3

01/05/23

Balance Sheet

Accrual Basis

As of December 31, 2022

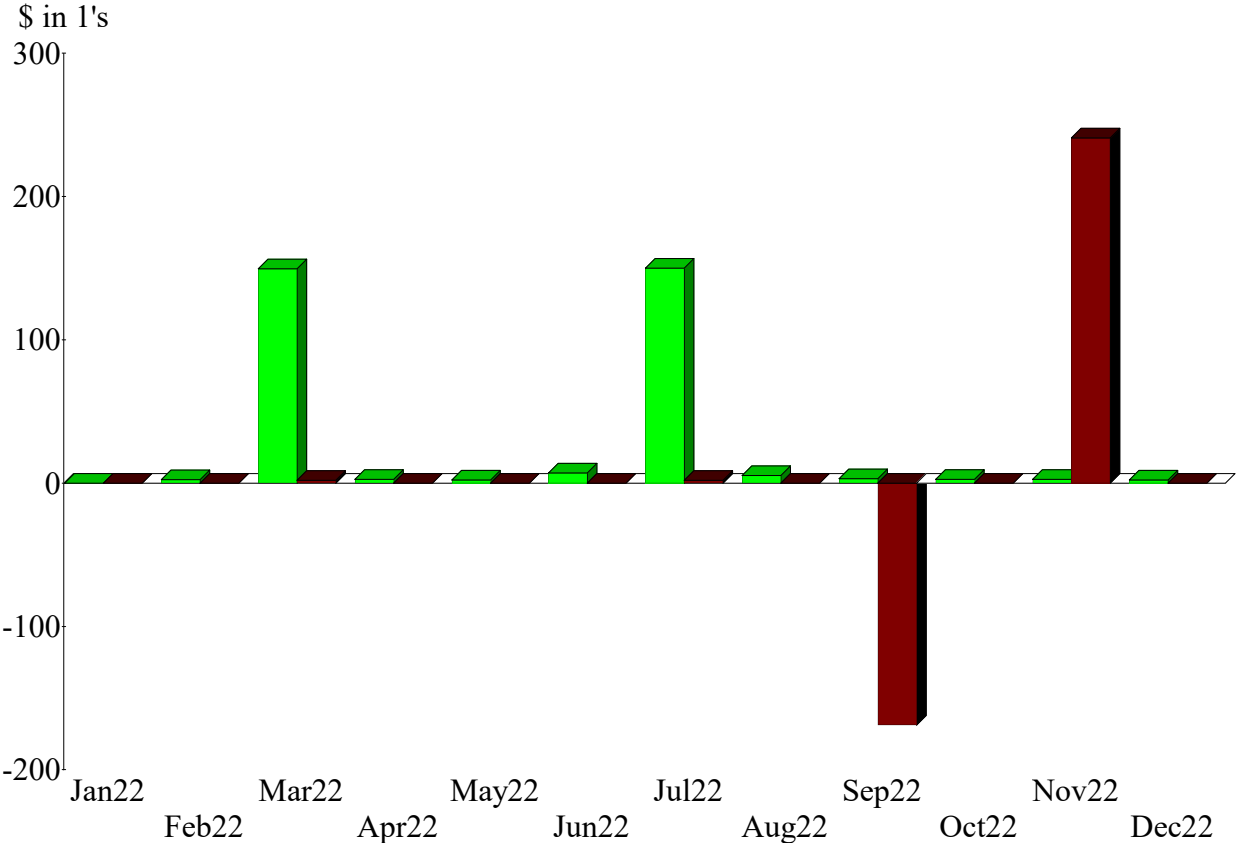
	Dec 31, 22
ASSETS	
Current Assets	
Checking/Savings	
ECB Checking	327.14
Total Checking/Savings	327.14
Other Current Assets	
Property Tax Receivable	2.80
Total Other Current Assets	2.80
Total Current Assets	329.94
TOTAL ASSETS	329.94
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current 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	254.61
Total Equity	-582.86
TOTAL LIABILITIES & EQUITY	329.94

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

	TOTAL				
	<u>Dec 22</u>	<u>Jan - Dec 22</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
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	0.60	7.23	5.29	1.94	136.67%
CY Property Tax - Debt	0.00	225.40	226.80	-1.40	99.38%
Specifice Ownership Tax - Debt	1.80	21.64	15.88	5.76	136.27%
Total Income	2.40	331.35	323.57	7.78	102.4%
Expense					
Transfer to D2 DS Taxes	0.00	241.10			
Insurance	0.00	-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	0.00	-4.37	4.53	-8.90	-96.47%
Net Ordinary Income	2.40	335.72	319.04	16.68	105.23%
Other Income/Expense					
Other Expense					
Other Expense					
Transfer to Dist 1 - Gen Fund	0.00	81.11	319.04	-237.93	25.42%
Total Other Expense	0.00	81.11	319.04	-237.93	25.42%
Total Other Expense	0.00	81.11	319.04	-237.93	25.42%
Net Other Income	0.00	-81.11	-319.04	237.93	25.42%
Net Income	2.40	254.61	0.00	254.61	100.0%

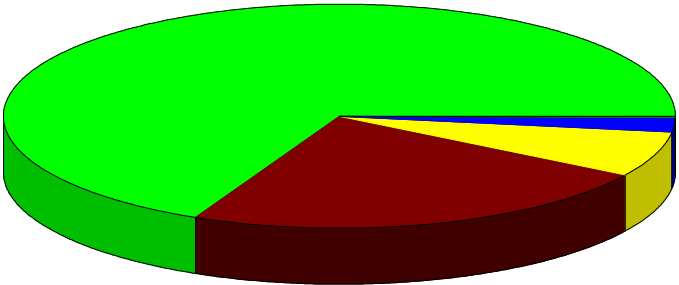
Income and Expense by Month January through December 2022

Income
Expense



Income Summary January through December 2022

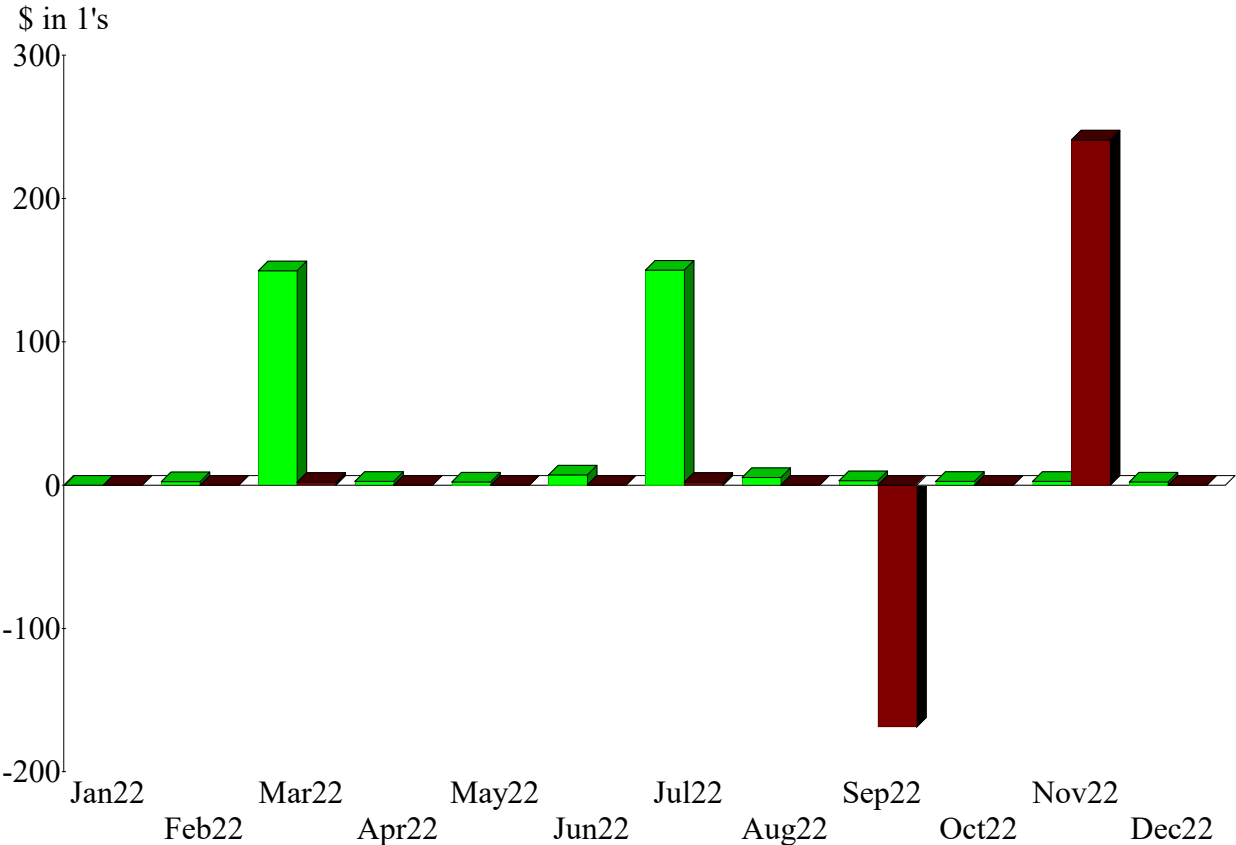
CY Property Tax - Debt	68.02%
CY Property Tax - O&M	23.24
Specifice Ownership Tax - Debt	6.53
Specific Ownership Tax - O&M	2.18
Delinquent Interest	0.02
Total	\$331.35



By Account

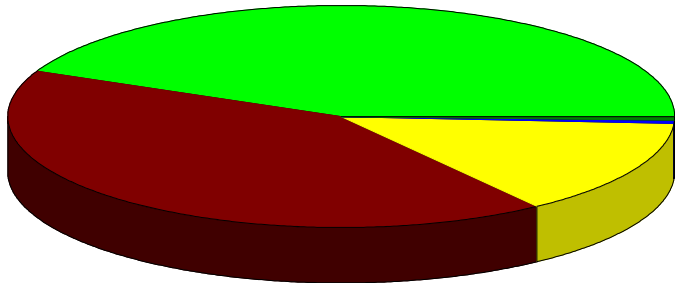
Income and Expense by Month January through December 2022

Income
Expense



Expense Summary January through December 2022

Insurance	\$-250.00
Transfer to D2 DS Taxes	73.79%
Other Expense	24.82
Treasurer Collection Fee - Debt	1.04
Treasurer Collection Fee - O&M	0.35
Sub-Total	\$76.74



By Account



Bradley Heights Metropolitan District
PAYMENT REQUEST
1/10/2023

BOND FUND ACCOUNT

Company	Invoice	Date	Amount	Comments
Entech Engineering, Inc	1150074	12/28/2022	\$ 16,015.25	
Galloway & Company, Inc	114986	12/12/2022	\$ 1,188.75	
Grundy Construction Management & Consulting	BHM-014	12/31/2022	\$ 10,188.75	
Wildcat Construction Inc.	78187-7	12/25/2022	\$ 1,421,593.26	
TOTAL			\$ 1,448,986.01	

Bradley Heights Metropolitan District

Bradley Heights Metropolitan District No. 1
PAYMENT REQUEST

1/10/2023

GENERAL FUND ACCOUNT

Company	Invoice	Date	Amount	Comments
Walker Schooler District Managers	7280	12/31/2022	\$ 3,019.80	
White Bear Anekele	25662	12/31/2022	\$ 3,219.02	
TOTAL			\$ 6,238.82	

\$6,238.82

Bradley Heights Metropolitan District