

**MINUTES OF THE REGULAR BOARD MEETING
OF THE BOARD OF DIRECTORS OF THE
BRADLEY HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2, AND 3
HELD OCTOBER 11, 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, October 11, 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

Also in attendance were:

K. Sean Allen, Esq., White Bear Ankele Tanaka & Waldron
Kevin Walker, WSDM District Managers
Rebecca Hardekopf, WSDM District Managers
Jeff Odor, Matrix Design Group
Chris Grundy, Project Manager

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 9:02 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: Director O’Sullivan moved to approve the Agenda as presented; seconded by Director Byers. Motion passed unanimously.
4. Approval of September 13, 2022 Meeting Minutes: After review, Director O’Sullivan moved to approve the September 13, 2022 Meeting Minutes as presented; seconded by Director Long. Motion passed unanimously.

5. District Manager Report: Mr. Walker reported he has been working through development issues including the 24” water line and assurances which he will report further on later in the meeting. Mr. Walker noted the Board will review the 2023 draft budget today and the Budget Hearing will be held at the November Board meeting.
6. President of the Board Report: President Case II reported he has been attending the regular OAC meetings on-site. He has also attended meetings regarding the 24” water line which will be discussed later in the meeting. President Case II discussed next year’s election and noted there will be three seats up for either reelection or new candidates. President Case II discussed development in the area and a proposed sale of 100-acres west of the airport long-term parking.
7. Development Status Review
 - a. Engineering Update: Mr. Odor provided an engineering update.
 - 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. Phase 1 plan approvals are complete. Phase 2 utilities are in for approval, road plans are ready for approval pending assurances, and storm plans are approved. Phase 3 road plans are also ready for approval, storm plans are approved, and the FDR is in process. Phase 4 is being submitted this week.
 - Channel Design: Mr. Odor reported on channel improvements. The variance request is in process and comments were received last week.
 - 24” Water Line, IGA Individual Plan: The Board discussed the 24” water line and 16” pipe. Mr. Walker noted that Norwood and the airport have indicated they may move forward but have not committed yet. Mr. Walker recommends the District purchase the 16” pipe and store it while they work through a shared construction schedule and contribution with the City and others. The estimated cost is \$2.3 million and the cost including the airport pipe is \$2.8 million. The Board discussed the pipe and improvements will eventually have recoveries from other benefited entities. Mr. Allen noted the District needs bond counsel verification that the bonded project fund can be used to purchase the pipe since the benefited entities includes other beyond the District. After discussion, Director O’Sullivan moved to authorize the purchase of the 16” pipe on the condition that it is verified to be a legitimate expenditure of the bond project fund from bond counsel and bond documents, and contingent upon negotiations but not obligating the District. President Case II disclosed his family is involved in the adjacent 600-acre piece of land north of 16th. All Board members confirmed their disclosures of potential conflicts and confirmed they are moving forward in the best interest of the District. The motion was seconded by Director Long. Motion passed unanimously.
 - c. Construction Schedule/Construction Contracts Approval/Ratify/Pre-Approval: Mr. Grundy provided an update on the construction schedule.
 - d. Update on Budget and Assurance: There was no discussion.
 - e. Challenger Homes: Director Byers provided an update and reported they are working on the timing of roadway construction from Bliss as well as working on an easement.
 - f. Bradley Ridge: Director O’Sullivan reported they are submitting for filing 2 on October 18, 2022.
8. Financial Matters
 - a. Approve Unaudited Financial Reports for September 30, 2022: Mr. Walker presented the Unaudited Financial Reports for September 30, 2022.
 - b. Payables through October 11, 2022: Mr. Walker presented the Payables for October 11, 2022. After review, Director O’Sullivan moved to approve the Unaudited Financial Reports for September 30, 2022 and the Payables through October 11, 2022; seconded by Director Byers. Motion passed unanimously.

- c. Consider Approval of Resolution for District Imposition/Collection of Drainage Fee: The Board tabled this item.
9. Other Business
 - a. Next Regular Meeting Scheduled: November 8, 2022 at 9:00 AM. Director O'Sullivan moved to reschedule the meeting for November 15, 2022 at 9:00 AM; seconded by Director Byers. Motion passed unanimously.
10. Adjourn: The Board adjourned the meeting at 10:25 AM.

Respectfully Submitted,

DocuSigned by:

Rebecca Hardekopf

By: ~~Recording Secretary~~