

## BRADLEY HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2 and 3

Continued Board Meeting  
Tuesday, July 19, 2022, at 3:00 PM  
119 N. Wahsatch Ave.  
Colorado Springs, Colorado 80903  
and

Via tele/videoconference  
<https://meet.goto.com/547622885>  
United States: [+1 \(646\) 749-3122](tel:+16467493122)  
**Access Code: 547-622-885**

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

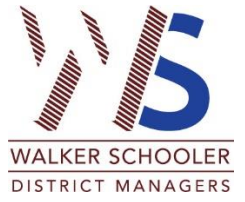
1. Call to order
2. Declaration of Quorum/Director Qualifications/ Disclosure Matters
3. Approval of Agenda
4. Approval of June 14, 2022, Meeting Minutes (see attached)
5. District Manager Report
6. President of the Board Report
7. Development Status Review
  - a. Engineering Update
    - Schedule
  - 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 Budget and Assurance
  - e. Redemption Hill Church
  - f. Challenger Homes
  - g. Bradley Ridge
8. Financial Matters
  - a. Approve Unaudited Financial Reports for June 30, 2022 (see attached)
  - b. Payables for July 19, 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: August 9, 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 3:00 PM on Tuesday, the 19<sup>th</sup> day of July 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> 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 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 5<sup>th</sup>.
  - 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

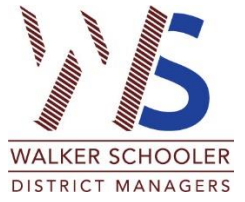
- a. Next Regular Meeting Scheduled: July 12, 2022, at 9:00 AM. The Board discussed rescheduling for a continued meeting for July 19, 2022 at 3:00 PM.

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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By: Recording Secretary



**Balance Sheet**

As of June 30, 2022

	<u>Jun 30, 22</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	
ECB - Checking	21,041.82
Total Checking/Savings	21,041.82
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	79,651.82
<b>TOTAL ASSETS</b>	<b><u>79,651.82</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts Payable	
Accounts Payable	7,479.31
Total Accounts Payable	7,479.31
Total Current Liabilities	7,479.31
<b>Long Term Liabilities</b>	
Developer Advance - Randle Case	41,000.00
Marksheffel-Woodmen Investments	75,850.00
Total Long Term Liabilities	116,850.00
Total Liabilities	124,329.31
<b>Equity</b>	
Retained Earnings	-118,544.63
Net Income	73,867.14
Total Equity	-44,677.49
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>79,651.82</u></b>

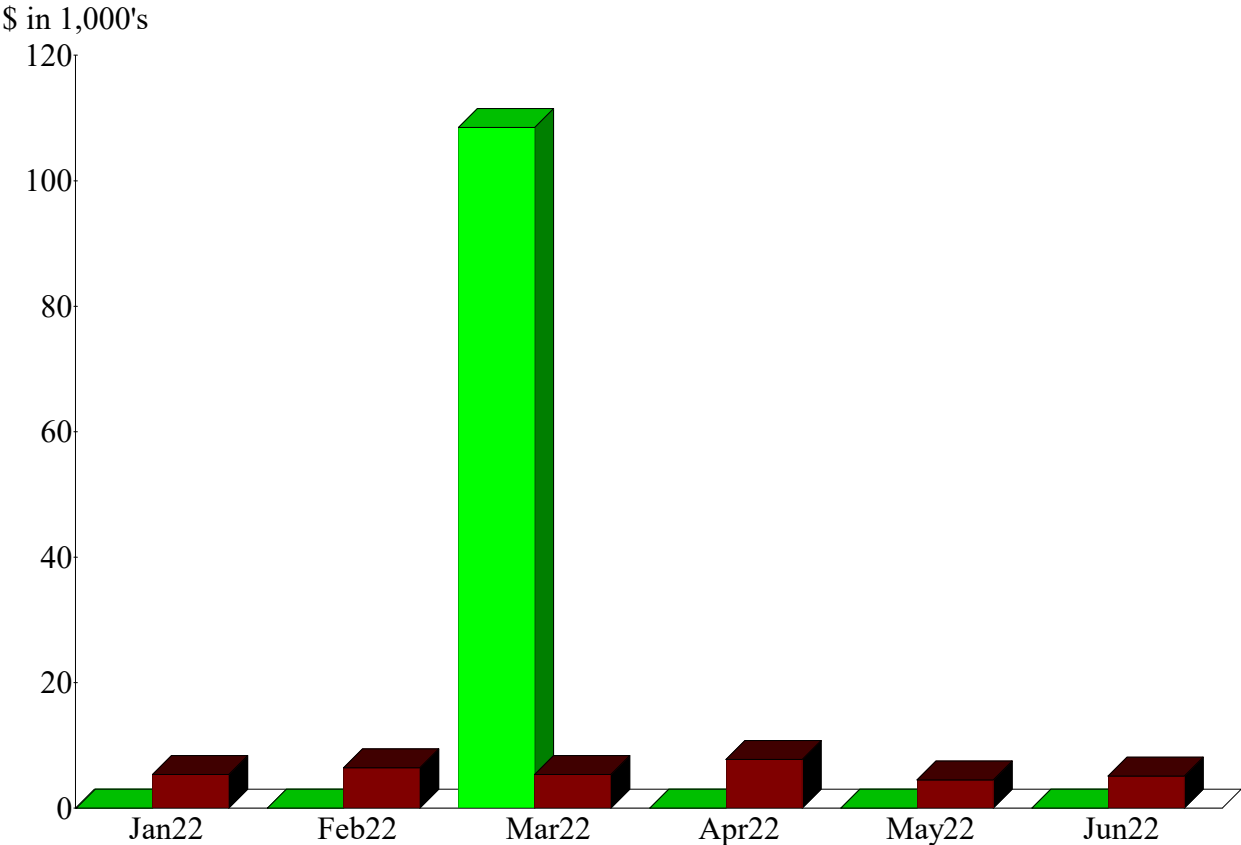
# Bradley Heights Metropolitan District No. 1

## Profit & Loss Budget vs. Actual

### January through June 2022

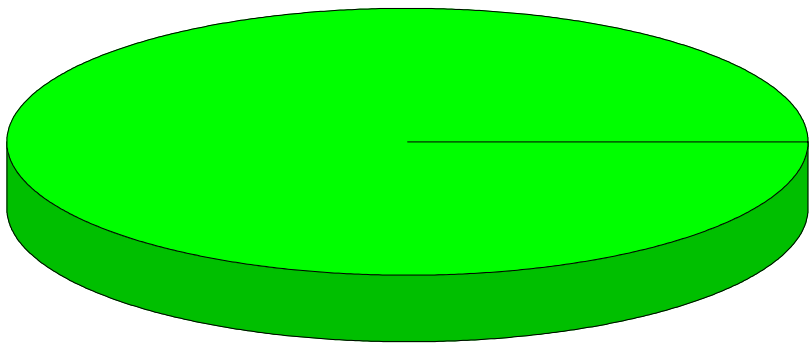
	TOTAL				
	Jun 22	Jan - Jun 22	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense					
Income					
Developer Advance	0.00	108,500.00	70,000.00	38,500.00	155.0%
Transfer From District 2-O&M	0.00	0.00	209.10	-209.10	0.0%
Transfer From District 3-O&M	0.00	0.00	319.03	-319.03	0.0%
<b>Total Income</b>	<b>0.00</b>	<b>108,500.00</b>	<b>70,528.13</b>	<b>37,971.87</b>	<b>153.84%</b>
Expense					
Audit	0.00	0.00	8,500.00	-8,500.00	0.0%
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	0.00	233.78	1,000.00	-766.22	23.38%
District Management	3,132.00	18,132.00	36,000.00	-17,868.00	50.37%
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	135.30	1,994.65			
Insurance - D1	0.00	0.00	1,600.00	-1,600.00	0.0%
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	1,854.87	12,584.21	10,000.00	2,584.21	125.84%
<b>Total Expense</b>	<b>5,122.17</b>	<b>34,632.86</b>	<b>68,300.00</b>	<b>-33,667.14</b>	<b>50.71%</b>
<b>Net Ordinary Income</b>	<b>-5,122.17</b>	<b>73,867.14</b>	<b>2,228.13</b>	<b>71,639.01</b>	<b>3,315.21%</b>
<b>Net Income</b>	<b>-5,122.17</b>	<b>73,867.14</b>	<b>2,228.13</b>	<b>71,639.01</b>	<b>3,315.21%</b>

Income and Expense by Month  
January through June 2022



Income Summary  
January through June 2022

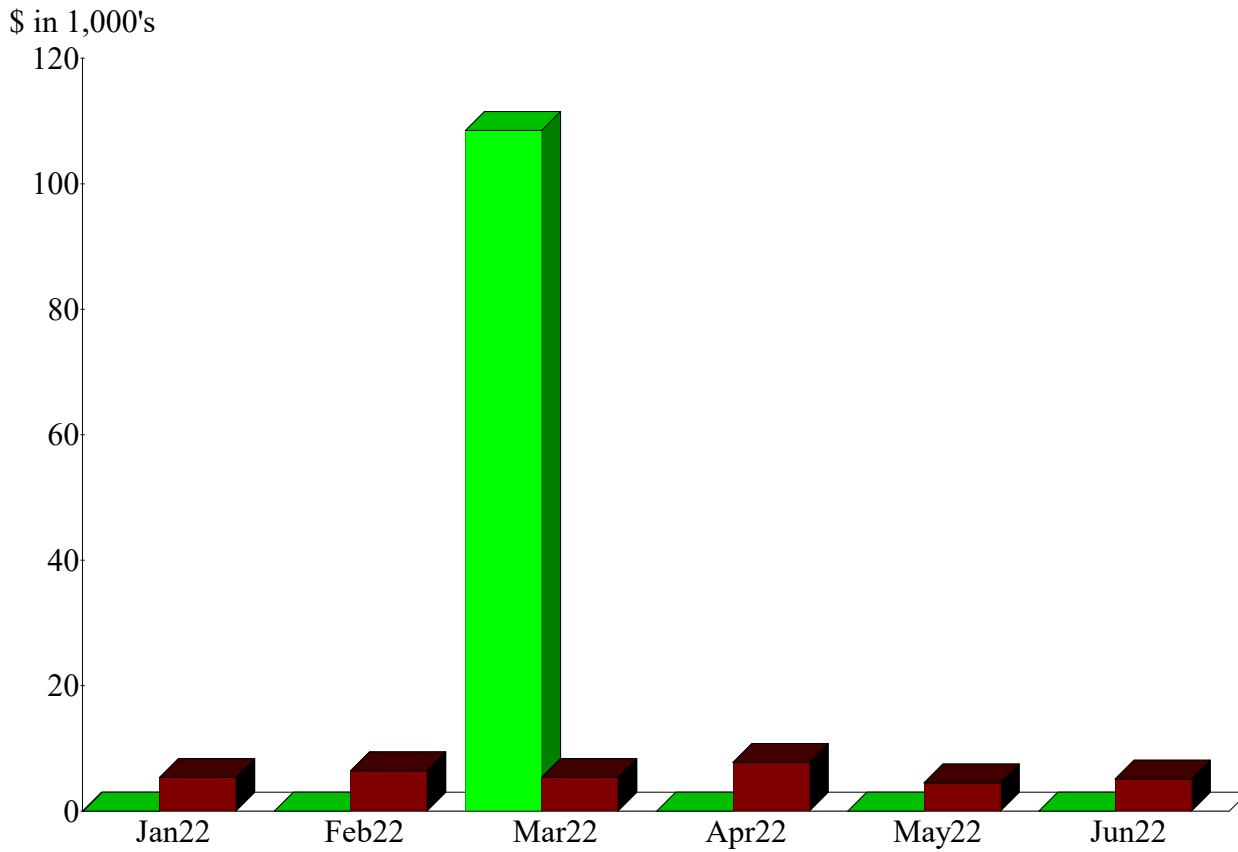
Developer Advance	100.00%
Total	\$108,500.00



By Account

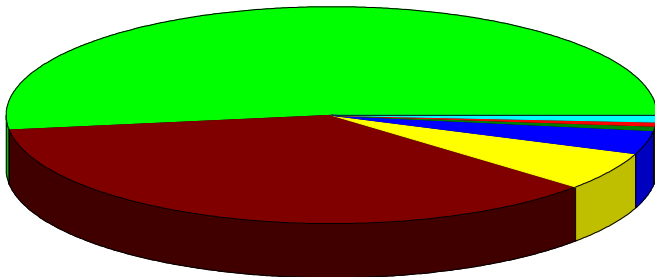
# Income and Expense by Month January through June 2022

Income  
Expense



## Expense Summary January through June 2022

District Management	52.35%
Legal	36.34
Elections	5.76
Dues & Subscriptions (SDA) - D1	3.57
Copies & Postage	0.68
Dues & Subscriptions (SDA) - D2	0.65
Dues & Subscriptions (SDA) - D3	0.65
Total	\$34,632.86



By Account

## Bradley Heights Metropolitan District No. 2

## Balance Sheet

As of June 30, 2022

	Jun 30, 22
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	
ECB Checking	509.78
UMB - Project Fund 156470.2	32,721,433.89
Total Checking/Savings	32,721,943.67
Accounts Receivable	
Accounts Receivable	506,831.00
Total Accounts Receivable	506,831.00
Other Current Assets	
Accounts Receivable Other	39.00
Property Tax Receivable	400.21
Total Other Current Assets	439.21
Total Current Assets	33,229,213.88
<b>Fixed Assets</b>	
Construction in Progress	149,480.92
Total Fixed Assets	149,480.92
<b>TOTAL ASSETS</b>	<b>33,378,694.80</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Other Current Liabilities	
Accrued Interest	577,959.00
Due to District 1	1,200.00
Deferred Property Tax Revenue	400.21
Total Other Current Liabilities	579,559.21
Total Current Liabilities	579,559.21
Long Term Liabilities	
Series 2021A Bonds	35,000,000.00
Total Long Term Liabilities	35,000,000.00
Total Liabilities	35,579,559.21
<b>Equity</b>	
Retained Earnings	-1,616,406.49
Net Income	-584,457.92
Total Equity	-2,200,864.41
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>33,378,694.80</b>

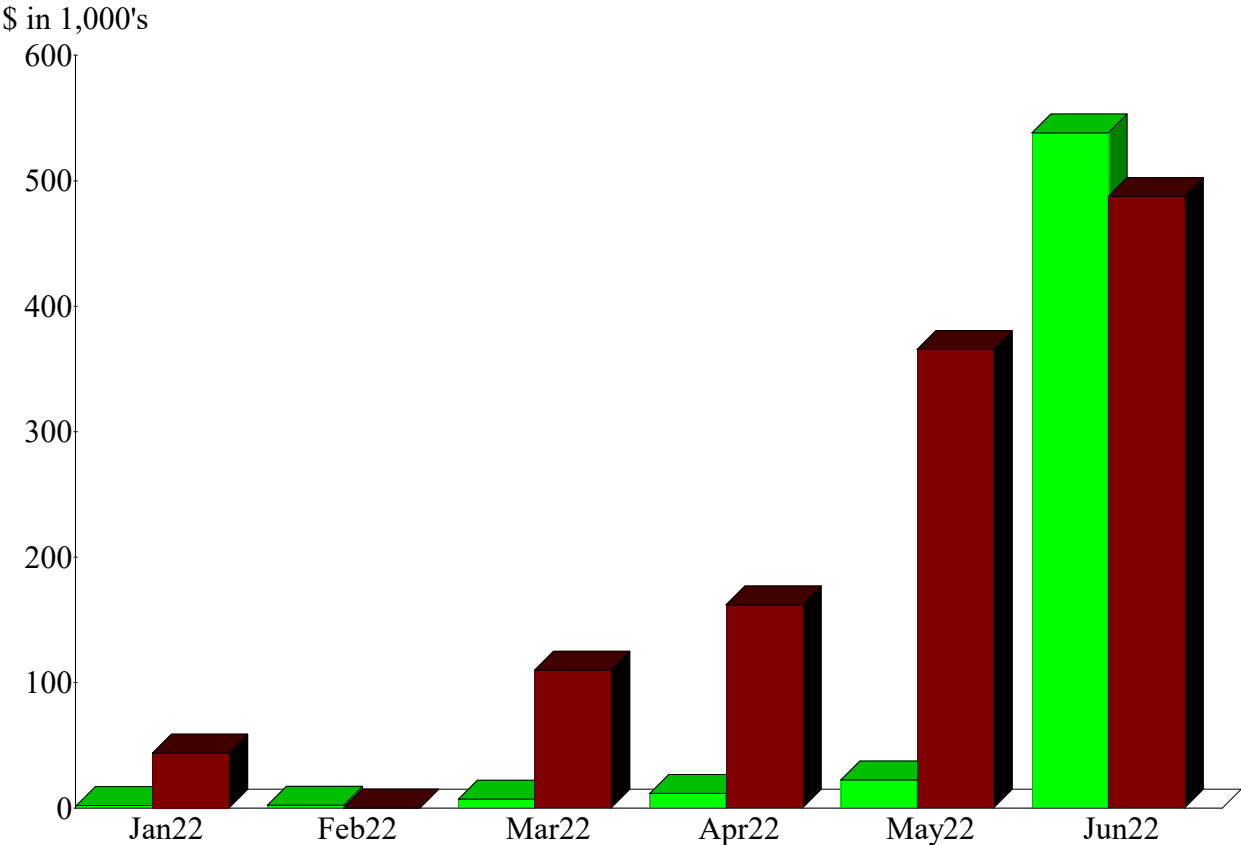
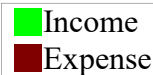
# Bradley Heights Metropolitan District No. 2

## Profit & Loss Budget vs. Actual

### January through June 2022

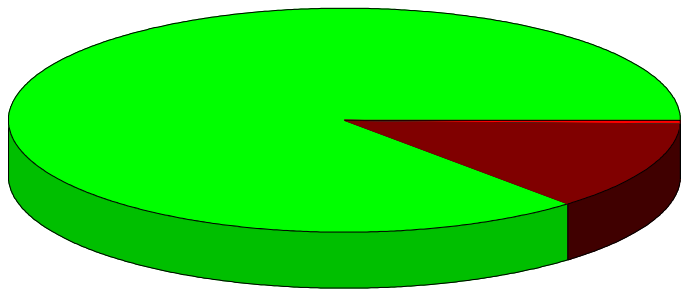
	TOTAL				
	Jun 22	Jan - Jun 22	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense					
Income					
CY Property Tax - O&M	0.00	98.15	198.20	-100.05	49.52%
Specific Ownership Tax - O&M	1.61	8.18	13.87	-5.69	58.98%
CY Property Tax - Debt	0.00	294.44	594.60	-300.16	49.52%
Specifice Ownership Tax - Debt	4.81	24.53	41.62	-17.09	58.94%
Impact Fees					
Capital Facility Fees-Platting	506,831.00	506,831.00			
Total Impact Fees	506,831.00	506,831.00			
Total Income	506,837.42	507,256.30	848.29	506,408.01	59,797.51%
Expense					
Bond Expense					
Bank Fees	1,386.76	1,947.72			
Total Bond Expense	1,386.76	1,947.72			
Capital Outlay					
Construction Coordination	2,826.55	2,826.55			
Capital Construction	0.00	9,468.75			
Engineering/Planning	475,106.65	1,106,056.92			
Project Management	7,995.00	48,226.13			
Capital Outlay - Other	0.00	275.63			
Total Capital Outlay	485,928.20	1,166,853.98			
Treasurer Collection Fee - O&M	0.00	1.49	2.97	-1.48	50.17%
Treasurer Collection Fee - Debt	0.00	4.41	8.92	-4.51	49.44%
Total Expense	487,314.96	1,168,807.60	11.89	1,168,795.71	9,830,173.26%
Net Ordinary Income	19,522.46	-661,551.30	836.40	-662,387.70	-79,095.09%
Other Income/Expense					
Other Income					
Interest Income - Debt	31,230.67	77,093.38			
Total Other Income	31,230.67	77,093.38			
Other Expense					
Other Expense					
Transfer to Dist 1 - Gen Fund	0.00	0.00	209.10	-209.10	0.0%
Total Other Expense	0.00	0.00	209.10	-209.10	0.0%
Total Other Expense	0.00	0.00	209.10	-209.10	0.0%
Net Other Income	31,230.67	77,093.38	-209.10	77,302.48	-36,869.14%
Net Income	50,753.13	-584,457.92	627.30	-585,085.22	-93,170.4%

Income and Expense by Month  
January through June 2022



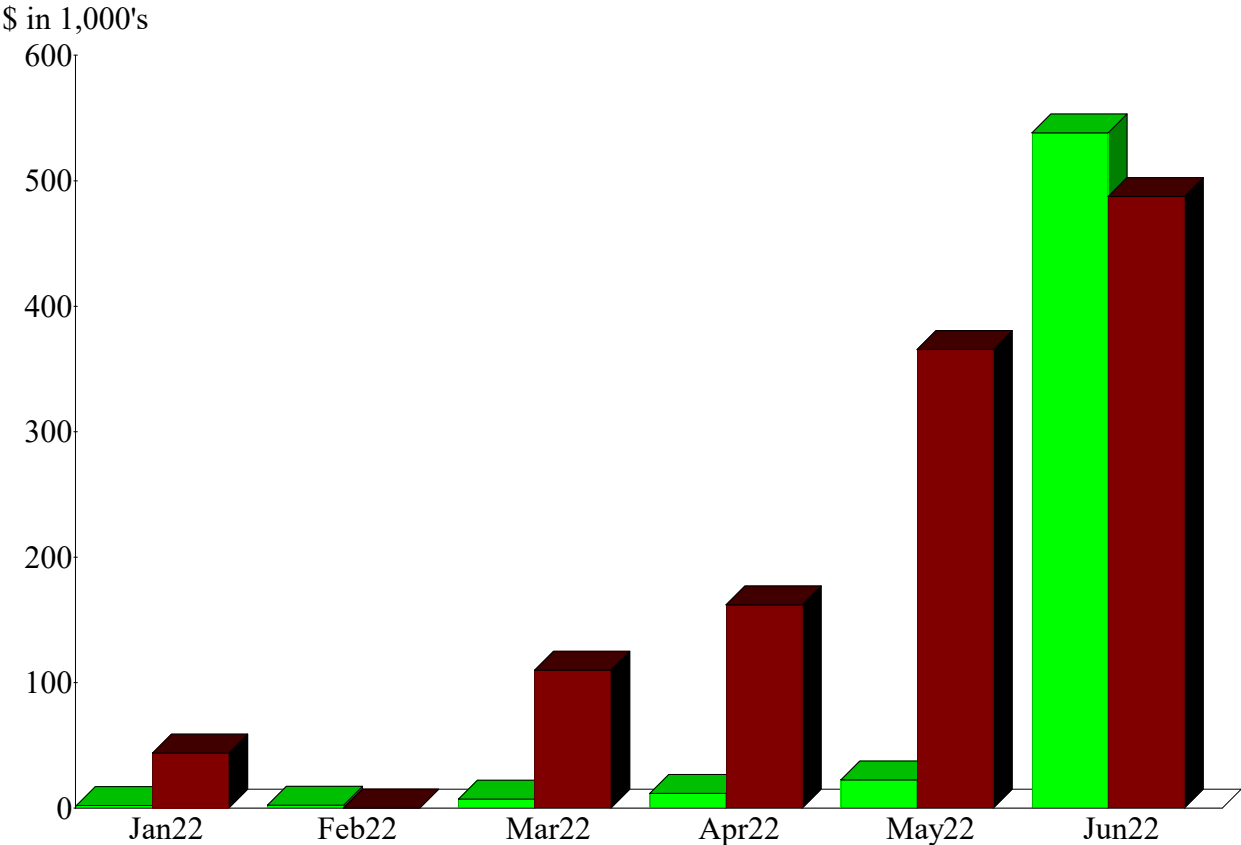
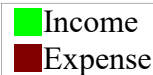
Income Summary  
January through June 2022

Impact Fees	86.73%
Interest Income - Debt	13.19
CY Property Tax - Debt	0.05
CY Property Tax - O&M	0.02
Specifice Ownership Tax - Debt	0.01
Specific Ownership Tax - O&M	0.01
Total	\$584,349.68



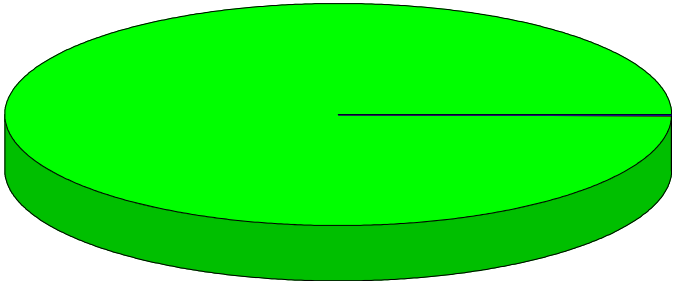
By Account

# Income and Expense by Month January through June 2022



## Expense Summary January through June 2022

Capital Outlay	99.83%
Bond Expense	0.17
Treasurer Collection Fee - Debt	0.01
Treasurer Collection Fee - O&M	0.01
Total	\$1,168,807.60



By Account

**Balance Sheet**

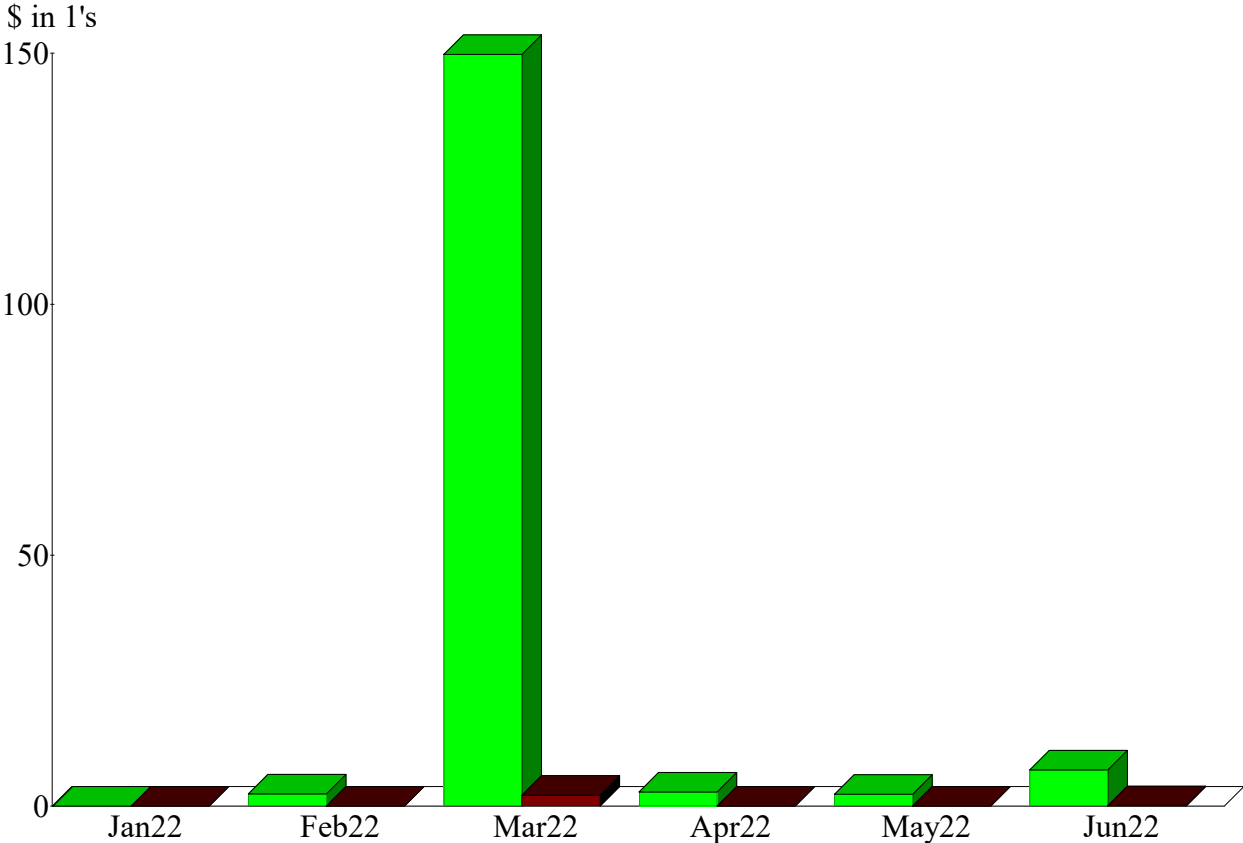
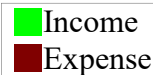
As of June 30, 2022

	Jun 30, 22
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	
ECB Checking	234.92
Total Checking/Savings	234.92
Other Current Assets	
Property Tax Receivable	150.20
Total Other Current Assets	150.20
Total Current Assets	385.12
<b>TOTAL ASSETS</b>	<b>385.12</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Other Current Liabilities	
Due To District 1	910.00
Deferred Property Tax Revenue	150.20
Total Other Current Liabilities	1,060.20
Total Current Liabilities	1,060.20
Total Liabilities	1,060.20
<b>Equity</b>	
Retained Earnings	-837.47
Net Income	162.39
Total Equity	-675.08
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>385.12</b>

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

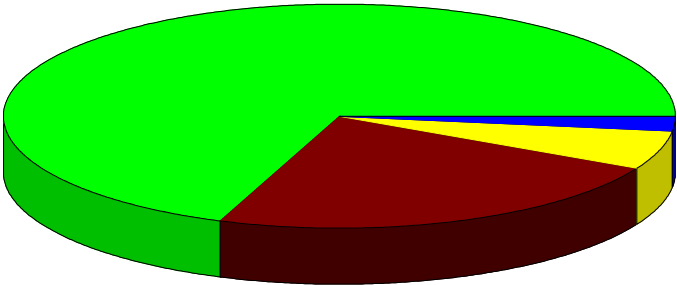
	TOTAL				
	<u>Jun 22</u>	<u>Jan - Jun 22</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense					
Income					
CY Property Tax - O&M	1.20	38.05	75.60	-37.55	50.33%
Specific Ownership Tax - O&M	0.61	3.13	5.29	-2.16	59.17%
CY Property Tax - Debt	3.60	114.15	226.80	-112.65	50.33%
Specifice Ownership Tax - Debt	1.83	9.34	15.88	-6.54	58.82%
Total Income	<u>7.24</u>	<u>164.67</u>	<u>323.57</u>	<u>-158.90</u>	<u>50.89%</u>
Expense					
Treasurer Collection Fee - O&M	0.02	0.57	1.13	-0.56	50.44%
Treasurer Collection Fee - Debt	0.05	1.71	3.40	-1.69	50.29%
Total Expense	<u>0.07</u>	<u>2.28</u>	<u>4.53</u>	<u>-2.25</u>	<u>50.33%</u>
Net Ordinary Income	<u>7.17</u>	<u>162.39</u>	<u>319.04</u>	<u>-156.65</u>	<u>50.9%</u>
Other Income/Expense					
Other Expense					
Other Expense					
Transfer to Dist 1 - Gen Fund	0.00	0.00	319.04	-319.04	0.0%
Total Other Expense	<u>0.00</u>	<u>0.00</u>	<u>319.04</u>	<u>-319.04</u>	<u>0.0%</u>
Total Other Expense	<u>0.00</u>	<u>0.00</u>	<u>319.04</u>	<u>-319.04</u>	<u>0.0%</u>
Net Other Income	<u>0.00</u>	<u>0.00</u>	<u>-319.04</u>	<u>319.04</u>	<u>0.0%</u>
Net Income	<u><u>7.17</u></u>	<u><u>162.39</u></u>	<u><u>0.00</u></u>	<u><u>162.39</u></u>	<u><u>100.0%</u></u>

Income and Expense by Month  
January through June 2022



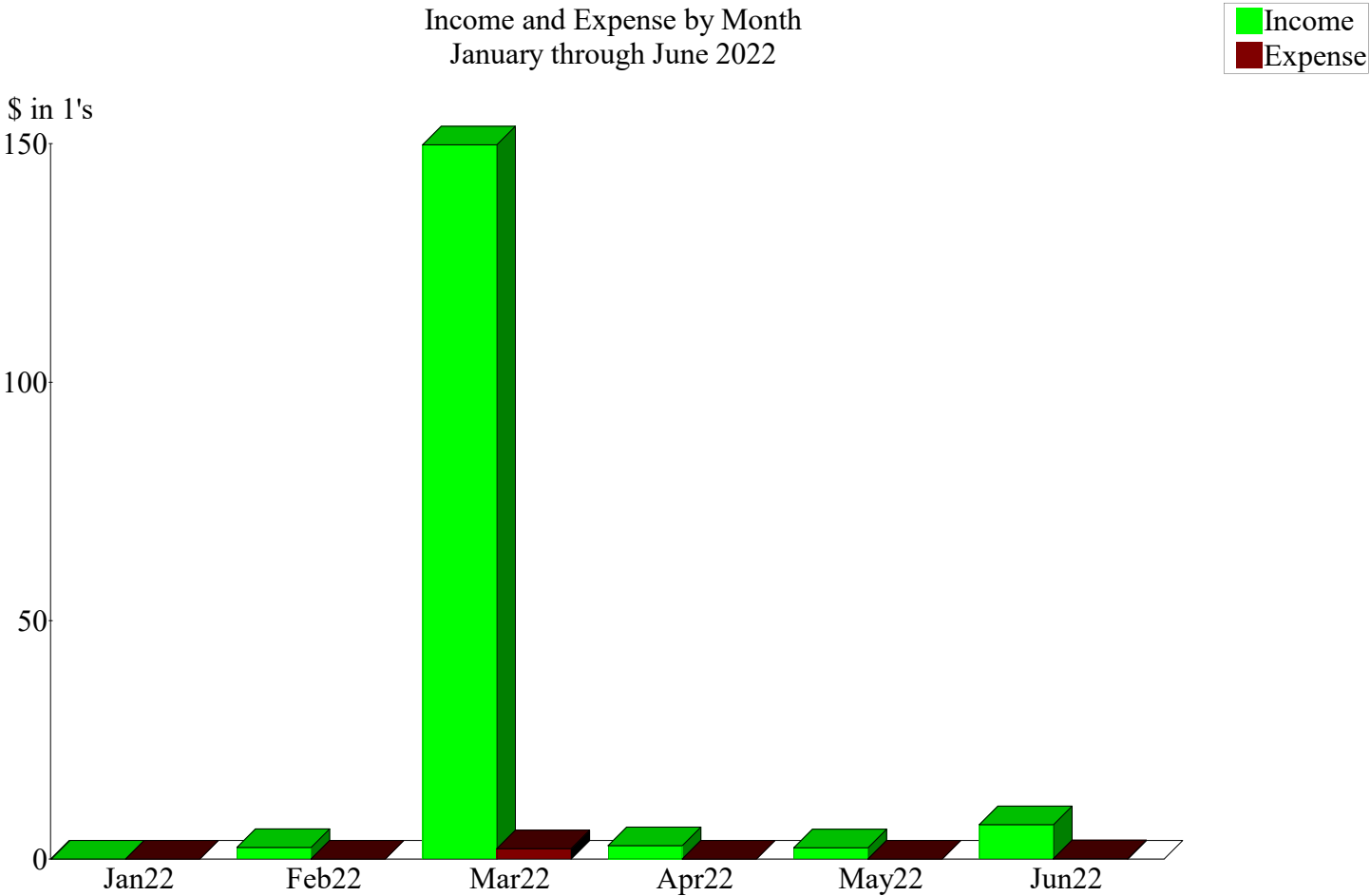
Income Summary  
January through June 2022

CY Property Tax - Debt	69.32%
CY Property Tax - O&M	23.11
Specifice Ownership Tax - Debt	5.67
Specific Ownership Tax - O&M	1.90
Total	\$164.67



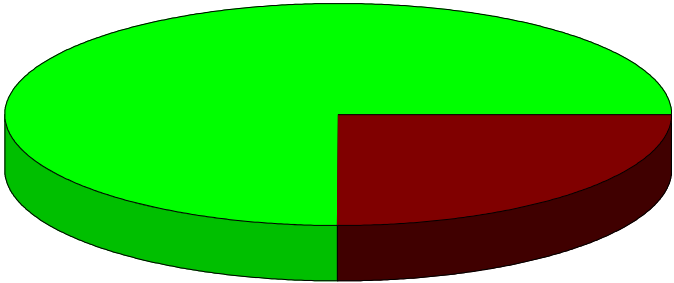
By Account

Income and Expense by Month  
January through June 2022



Expense Summary  
January through June 2022

Treasurer Collection Fee - Debt	75.00%
Treasurer Collection Fee - O&M	25.00
Total	\$2.28



By Account

**Bradley Heights Metropolitan District No. 1**  
**PAYMENT REQUEST**  
7/19/2022

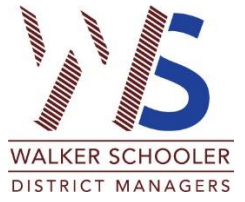
**GENERAL FUND ACCOUNT**

Company	Invoice	Date	Amount	Comments
Walker Schooler District Managers	7107	6/30/2022	\$ 3,132.00	
White Bear Anekele	18573	10/31/2021	\$ 3.74	
White Bear Anekele	20102	1/31/2022	\$ 2,353.40	
White Bear Anekele	22702	6/30/2022	\$ 1,990.17	
TOTAL			\$ 7,479.31	

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Bradley Heights Metropolitan District

\$7,479.31



After Recording, Return to:  
WHITE BEAR ANKELE TANAKA & WALDRON  
2154 East Commons Avenue, Suite 2000  
Centennial, Colorado 80122

**RESOLUTION OF  
THE  
BOARDS OF DIRECTORS  
OF THE  
BRADLEY HEIGHTS METROPOLITAN DISTRICT NO. 2  
CONCERNING THE IMPOSITION OF PLAT DRAINAGE FEE**

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WHEREAS, the Bradley Heights Metropolitan District No. 2 (the "**District**") was formed pursuant to §§ 32-1-101, *et seq.*, C.R.S., as amended (the "**Special District Act**"), by order of the District Court for El Paso County, Colorado, and after approval of the District's eligible electors at an election; and

WHEREAS, pursuant to § 32-1-100(1)(h), C.R.S., the Board of Directors of the District (the "**Board**") shall have the management, control and supervision of all the business and affairs of the District; and

WHEREAS, the Board has determined it to be in the best interests of the District, and the property owners, taxpayers, and residents of the District, to construct certain stormwater collection and conveyance facilities benefitting property and inhabitants within the District, specifically the Jimmy Camp Creek West Channel and other facilities attendant to it (collectively, the "**Facilities**"); and

WHEREAS, pursuant to § 32-1-100(1)(G)(I), C.R.S., the District is authorized to fix and impose fees, rates, tolls, penalties and charges for services or facilities furnished by the District which, until such fees, rates, tolls, penalties and charges are paid, shall constitute a perpetual lien on and against the property served; and

WHEREAS, the District may incur certain direct and indirect costs associated with the acquisition, construction, installation, repair, replacement, improvement, reconstruction operation and maintenance of the Facilities, as necessary, inclusive of the costs of utilities and capital replacement costs (collectively, the "**Facility Costs**") in order that the Facilities may be properly provided and maintained; and

WHEREAS, the establishment of a fair and equitable fee (the "**Stormwater Facility Fee**") to provide a source of funding to pay for the initial capital direct and indirect costs associated with the construction, installation and acquisition of the Facilities (the "**Stormwater Facility Costs**"), which Stormwater Facility Costs are generally attributable to each Residential Lot, is necessary to provide for the common good and for the prosperity and general welfare of the District and its inhabitants; and

WHEREAS, the District finds that the Stormwater Facility Fee (as defined below), as set forth in this Resolution, is reasonably related to the overall cost of providing the Facilities within

the District and paying the Stormwater Facility Costs, and that imposition thereof is necessary and appropriate.

**NOW, THEREFORE**, be it resolved by the District as follows:

1. **DEFINITIONS.** Except as otherwise expressly provided or where the context indicates otherwise, the following capitalized terms shall have the respective meanings set forth below:

**"District Boundaries"** means the legal boundaries of the District, as the same are established and amended from time to time pursuant to §§32-1-101, *et seq.*, C.R.S., as more particularly set forth in **Exhibit B**, attached hereto and incorporated herein by this reference.

**"Drainage Fee"** means the portion of the stormwater fees established from time to time by the City of Colorado Springs and/or its Drainage Board or Stormwater Utility.

**"Due Date"** means the date by which the Stormwater Facility Fee is due, which Due Date is reflected on the Schedule of Fees.

**"Fee Schedule"** or **"Schedule of Fees"** means the schedule of fees set forth in **Exhibit A**, attached hereto and incorporated herein by this reference, until and unless otherwise amended and/or repealed.

**"Final Drainage Report"** means the required reports approved for every subdivision in the City of Colorado Springs.

**"Lot"** means each parcel of land established by a recorded final subdivision plat and which is located within the District Boundaries.

**"Subdivision Plat"** means a plat that is submitted, reviewed, approved and recorded the City of Colorado Springs

2. **STORMWATER FACILITY FEE.**

a. A one-time Stormwater Facility Fee is hereby established and imposed upon each platted acre or part thereof within the District Boundaries.

b. The Stormwater Facility Fee shall be first due and owing upon recording of any Subdivision Plat. The amount of each Stormwater Facility Fee due hereunder shall be at the rate in effect at the time of payment as defined by the .

c. The Board has determined, and does hereby determine, that the Stormwater Facility Fee is reasonably related to the overall cost of providing the Facilities, and is imposed on those who are reasonably likely to benefit from or use the Facilities.

d. The revenues generated by the Stormwater Facility Fee will be accounted for separately from other revenues of the District. The Stormwater Facility Fee revenue will be used solely for the purpose of paying Stormwater Facility Costs, and may not be used by the District to pay for general administrative costs of the District.

e. The Board has determined, and does hereby determine, that the Stormwater Fee is calculated to defray the cost of funding construction of the Facilities and reasonably distributes the burden of defraying the Stormwater Facility Costs in a manner based on the benefits received by persons paying the fees and using the Facilities.

3. LATE FEES AND INTEREST. Pursuant to § 29-1-1102(3), C.R.S., any Stormwater Facility Fee not paid in full within fifteen (15) days after the scheduled due date will be assessed a late fee in the amount of Fifteen Dollars (\$15.00) or up to five percent (5%) per month, or fraction thereof, not to exceed a total of twenty-five percent (25%) of the amount due. Interest will also accrue on any outstanding Stormwater Facility Fee, exclusive of assessed late fees, penalties, interest and any other costs of collection, specially including, but not limited, to attorney fees, at the rate of 18% per annum, pursuant to § 29-1-1102(7), C.R.S. The District may institute such remedies and collection procedures as authorized under Colorado law, including, but not limited to, foreclosure of its perpetual lien. The defaulting property owner shall pay all fees and costs, specifically including, but not limited to, attorneys' fees and costs and costs associated with the collection of delinquent fees, incurred by the District and/or its consultants in connection with the foregoing.

4. PAYMENT. Payment for all fees, rates, tolls, penalties, charges, interest and attorney fees shall be made by check or equivalent form acceptable to the District, made payable to "Bradley Heights Metropolitan District No. 2" and sent to the address indicated on the Fee Schedule. The District may change the payment address from time to time and such change shall not require an amendment to this Resolution.

5. LIEN. The fees imposed hereunder, together with any and all late fees, interest, penalties and costs of collection, shall, until paid, constitute a statutory, perpetual lien on and against the property served, and any such lien may be foreclosed in the manner provided by the laws of the State of Colorado for the foreclosure of mechanic's liens, pursuant to § 32-1-1001(1)(G)(I), C.R.S. Said lien may be foreclosed at such time as the District, in its sole discretion, may determine. The lien shall be perpetual in nature (as defined by the laws of the State of Colorado) on the property and shall run with the land. This Resolution shall be recorded in the offices of the Clerk and Recorder of El Paso County, Colorado.

6. SEVERABILITY. If any portion of this Resolution is declared by any court of competent jurisdiction to be void or unenforceable, such decision shall not affect the validity of any remaining portion of this Resolution, which shall remain in full force and effect. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this

Resolution a provision similar in terms to such illegal, invalid or unenforceable provision so that the resulting reformed provision is legal, valid and enforceable.

7. THE PROPERTY. This Resolution shall apply to all property within the District's boundaries, including, but not limited to, the property set forth in **Exhibit B**, attached hereto and incorporated herein by this reference, and any additional property included into the District after the date of this Resolution.

8. EFFECTIVE DATE. This Resolution shall become effective March 9, 2021.

*[Remainder of Page Intentionally Left Blank. Signature Page to Follow.]*

ADOPTED this 9<sup>th</sup> day of March, 2021

BRADLEY HEIGHTS METROPOLITAN  
DISTRICT NO. 2

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Officer of the District

ATTEST:

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APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys At Law

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*Signature page to Resolution Concerning the Imposition of Stormwater Facility Fee*

**EXHIBIT A**

**BRADLEY HEIGHTS METROPOLITAN DISTRICT NO. 2**

**Schedule of Fees**

**Effective June 14, 2022**

**PAYMENTS:** Payment for each fee shall be made payable to the Bradley Heights Metropolitan District No. 2 and sent to the following address for receipt by the Due Date:

Bradley Heights Metropolitan District No. 2  
c/o Walker Schooler District Managers  
614 N. Tejon St.  
Colorado Springs, CO 80903

**EXHIBIT B**

**BRADLEY HEIGHTS METROPOLITAN DISTRICT NO. 2**

**District Boundaries**