



BRADLEY HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2 and 3

Regular Board Meeting
Tuesday, February 14, 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 January 10, 2023 Meeting Minutes (enclosure)
5. District Manager Report
 - a. Discuss possible Service Plan Amendment
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" and 16" water line update
 - 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 January 31, 2023(enclosure)
 - b. Payables through February 14, 2023 (enclosure)
9. Legal Matters
 - a. May 2023 Director Election Status Report

10. Other Business
 - a. Next Regular Meeting scheduled: March 14, 2023, at 9:00 a.m.
11. Executive session pursuant to §24-6-402(4)(a) and §24-6-402(4)(e) CRS for purposes of receiving legal advice and directing negotiations pursuant to the Marksheffel ROW needed for roadways
12. 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 14th day of February, 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 REGULAR BOARD MEETING
OF THE BOARD OF DIRECTORS OF THE
BRADLEY HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2, AND 3
HELD JANUARY 10, 2023
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, January 10, 2023, 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
Rebecca Harris, WSDM District Managers
Jeff Odor, Matrix Design Group
Eric Smith, Matrix Design Group
Chris Grundy, Project Manager
David Neville, Kiemele Family Partnerships
John Radcliffe

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 9:03 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. Ms. Harris 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 added agenda item 9.a. Engagement of Legal Counsel for ROW Condemnation. Director O'Sullivan moved to approve the agenda as amended; seconded by Director Byers. Motion passed unanimously.

4. Approval of December 13, 2022, Meeting Minutes: After review, Director Robert Case moved to approve the December 13, 2022, Meeting Minutes as presented; seconded by Director O'Sullivan. Motion passed unanimously.
5. District Manager Report
 - a. Discuss possible Service Plan Amendment: Ms. Harris noted there are no updates.
 - b. ROW Condemnation – City Consent, Engagement of Special Condemnation Counsel: Ms. Harris presented the engagement letter for special condemnation counsel, Tim Brewer for the ROW Condemnation. Director O'Sullivan moved to approve Tim Brewer as special condemnation counsel for District No. 2; seconded by Director Long. Motion passed unanimously.
6. President of the Board Report: President Case II reported he participated in the Owner Architect Contractor meeting held yesterday. He noted further construction reports will be heard later in the meeting.
7. Development Status Review
 - a. Engineering Update
 - i. Schedule: The Board discussed the schedule and that everything should be completed within the three-year period of the bond requirement. Mr. Grundy provided an update on the construction schedule.
 - b. Plan Updates
 - i. Roadway/ Utility/ Storm Water: Mr. Odor reported on plan updates and noted plan revisions for the gas line at Bradley Landing are in process. Utility easements are being resolved, and pond submittals are being reviewed by the city. Mr. Odor reported on the plat and noted the phase 1 plat was submitted, and phase 2 plat is on hold pending the Marksheffel issue.
 - ii. Channel Design: There was no discussion.
 - iii. 24" Water Line, IGA Individual Plan: Mr. Smith provided an update on the 24" water line. The purpose is to complete the loop so that the Bradley Heights development is served with CSU water. The Airport is open to constructing the HS-20 roadway over the water line and entering into an agreement with CSU. Mr. Smith provided an analysis of the estimated costs for the project and estimated cost recovery. Mr. Smith noted they will re-bid the project and present bids for Board consideration at the next meeting. After discussion, Director O'Sullivan moved to retain Matrix Design Group and Chris Grundy to manage and design as necessary for the 24"/16" loop; seconded by Director Robert Case. Motion passed unanimously.
 - c. Construction Schedule/Construction Contracts Approval/Ratify/Pre-Approval: Mr. Grundy presented Change Order No. 7 for \$8,362.67 and No. 8 for \$25,458.49. Director O'Sullivan moved to approve Change Order Nos. 7 and 8 as presented; seconded by Director Long. Motion passed unanimously. Mr. Grundy presented Pay App No. 7 from Wildcat Construction for \$1,421,593.26. Director O'Sullivan moved to approve Pay App No. 7 from Wildcat Construction for \$1,421,593.26; seconded by Director Long. Motion passed unanimously.
 - d. Update on Construction Budget and Assurance: Ms. Harris reported they are continuing work on the certificates of deposits.
 - e. Redemption Hill Church: There was no update.
 - f. Challenger Homes: There was no additional discussion.
 - g. Bradley Ridge: Director O'Sullivan noted they are moving forward and are currently on track. Mr. Radcliffe confirmed the concept plan amendment with the school district has been submitted.
8. Financial Matters

- a. Approve Unaudited Financial Reports for December 31, 2022: Ms. Harris presented the Unaudited Financial Reports for December 31, 2022.
 - b. Payables through January 4, 2023: Ms. Harris presented the Payables through January 4, 2023. Director Byers moved to approve the Payables through January 4, 2023, and accept the Unaudited Financial Reports as presented; seconded by Director Long. Motion passed unanimously.
9. Legal Matters
 - a. Engagement of Legal Counsel for ROW Condemnation: There was no additional discussion.
10. Other Business
 - a. Next Regular Meeting scheduled: February 14, 2023, at 9:00 AM.
11. Adjourn: The Board adjourned the meeting at 10:26 AM.

Respectfully Submitted,

By: Recording Secretary



Balance Sheet

As of January 31, 2023

	Jan 31, 23
ASSETS	
Current Assets	
Checking/Savings	
ECB - Checking	5,709.76
Total Checking/Savings	5,709.76
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	57,819.76
TOTAL ASSETS	57,819.76
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	42,476.79
Total Accounts Payable	42,476.79
Total Current Liabilities	42,476.79
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	159,326.79
Equity	
Retained Earnings	-92,576.11
Net Income	-8,930.92
Total Equity	-101,507.03
TOTAL LIABILITIES & EQUITY	57,819.76

Bradley Heights Metropolitan District No. 1

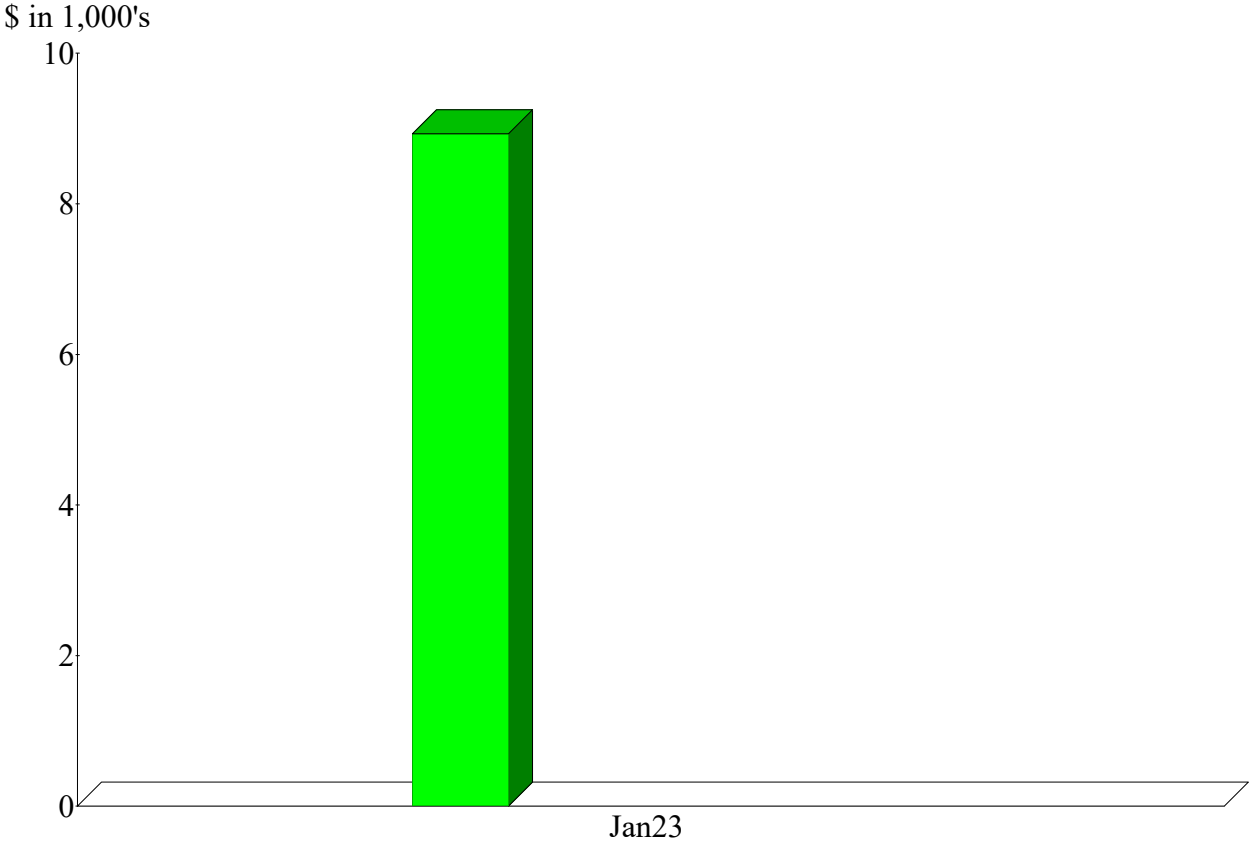
Profit & Loss Budget vs. Actual

January 2023

	Jan 23	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Developer Advance	0.00	70,000.00	-70,000.00	0.0%
Transfer From District 2-O&M	0.00	1,651.29	-1,651.29	0.0%
Transfer From District 3-O&M	0.00	1,050.78	-1,050.78	0.0%
Total Income	0.00	72,702.07	-72,702.07	0.0%
Expense				
Miscellaneous	15.34			
Audit	0.00	8,500.00	-8,500.00	0.0%
Bank Service Charge	0.00	100.00	-100.00	0.0%
Contingency	0.00	5,000.00	-5,000.00	0.0%
Copies & Postage	2.10	1,000.00	-997.90	0.2%
District Management	3,000.00	36,000.00	-33,000.00	8.3%
Dues & Subscriptions (SDA) - D1	0.00	1,500.00	-1,500.00	0.0%
Dues & Subscriptions (SDA) - D2	0.00	500.00	-500.00	0.0%
Dues & Subscriptions (SDA) - D3	0.00	500.00	-500.00	0.0%
Elections	854.85			
Insurance - D1	-50.00	1,600.00	-1,650.00	-3.1%
Insurance - D2	0.00	3,000.00	-3,000.00	0.0%
Insurance - D3	2,521.00	1,600.00	921.00	157.6%
Legal	2,587.63	8,000.00	-5,412.37	32.3%
Total Expense	8,930.92	67,300.00	-58,369.08	13.3%
Net Ordinary Income	-8,930.92	5,402.07	-14,332.99	-165.3%
Net Income	-8,930.92	5,402.07	-14,332.99	-165.3%

Income and Expense by Month
January 2023

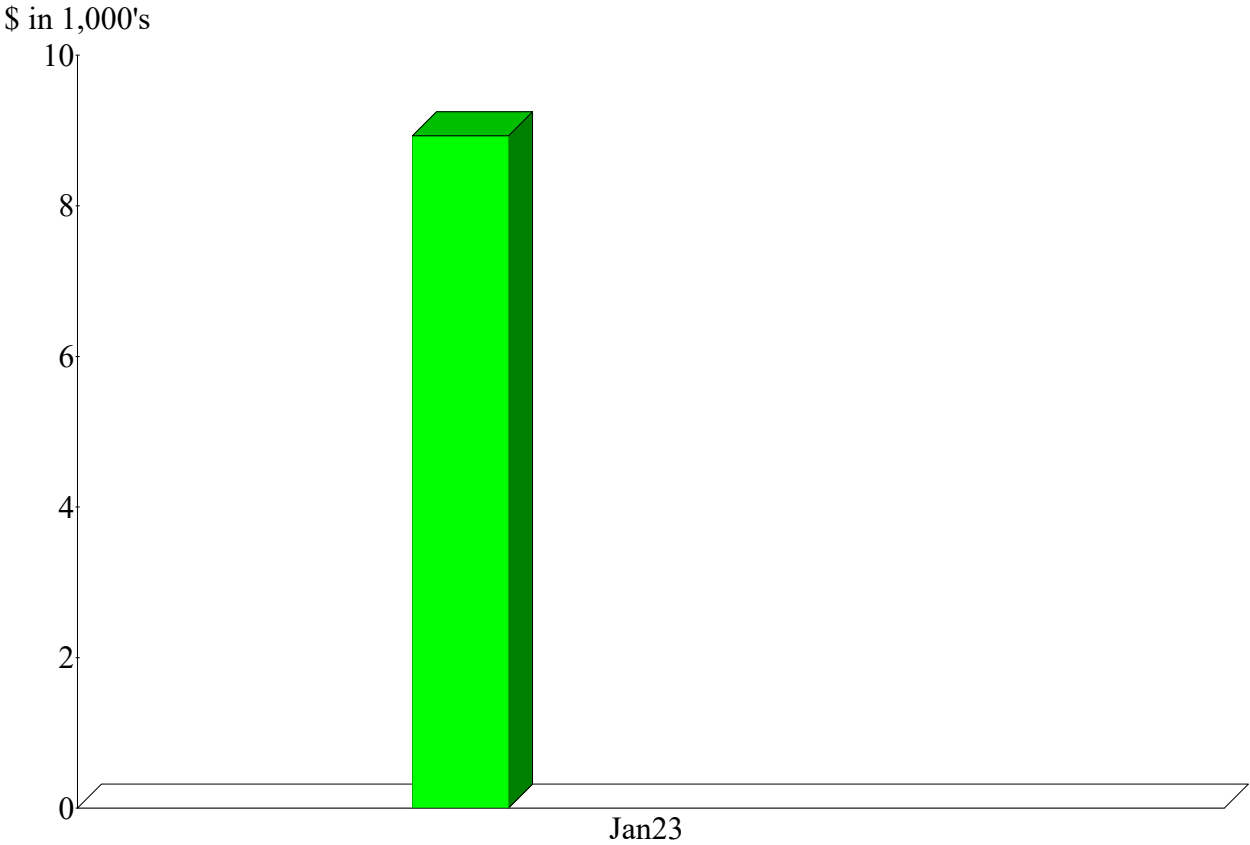
Expense



NO TRANSACTIONS MATCHING GRAPH

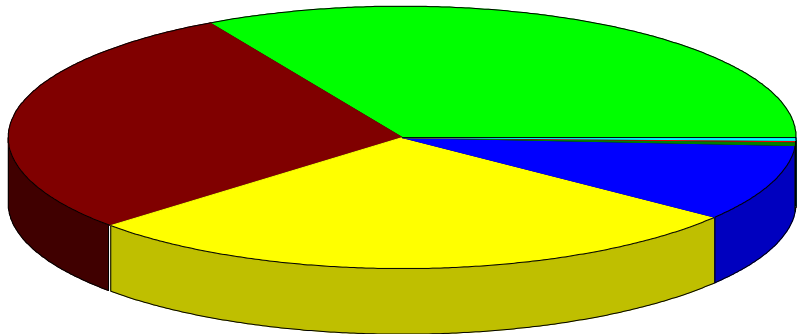
Income and Expense by Month
January 2023

Expense



Expense Summary
January 2023

District Management	33.40%
Legal	28.81
Insurance - D3	28.07
Elections	9.52
Insurance - D1	\$-50.00
Miscellaneous	0.17
Copies & Postage	0.02
Sub-Total	\$8,930.92



By Account

Bradley Heights Metropolitan District No. 2

02/09/23

Balance Sheet

Accrual Basis

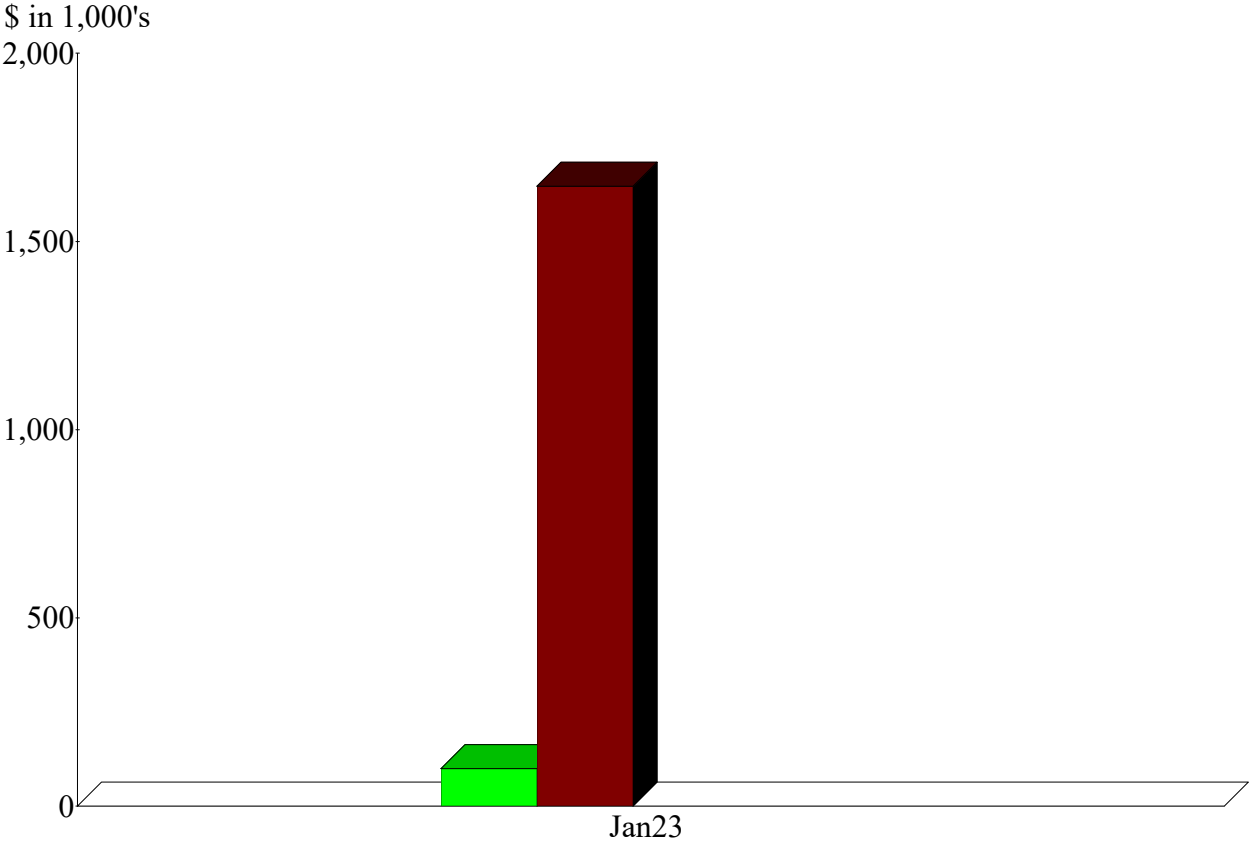
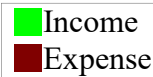
As of January 31, 2023

	Jan 31, 23
ASSETS	
Current Assets	
Checking/Savings	
ECB Checking	364.61
UMB Bond Account 156470.1	0.57
UMB - Project Fund 156470.2	24,269,786.44
Total Checking/Savings	24,270,151.62
Accounts Receivable	
Accounts Receivable	506,831.00
Total Accounts Receivable	506,831.00
Other Current Assets	
Accounts Receivable Other	39.00
Property Tax Receivable	6,260.80
Total Other Current Assets	6,299.80
Total Current Assets	24,783,282.42
Fixed Assets	
Construction in Progress	149,480.92
Total Fixed Assets	149,480.92
TOTAL ASSETS	24,932,763.34
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
Deferred Property Tax Revenue	6,260.80
Total Other Current Liabilities	585,419.80
Total Current Liabilities	589,669.80
Long Term Liabilities	
Series 2021A Bonds	35,000,000.00
Total Long Term Liabilities	35,000,000.00
Total Liabilities	35,589,669.80
Equity	
Retained Earnings	-9,109,209.76
Net Income	-1,547,696.70
Total Equity	-10,656,906.46
TOTAL LIABILITIES & EQUITY	24,932,763.34

Bradley Heights Metropolitan District No. 2
Profit & Loss Budget vs. Actual
January 2023

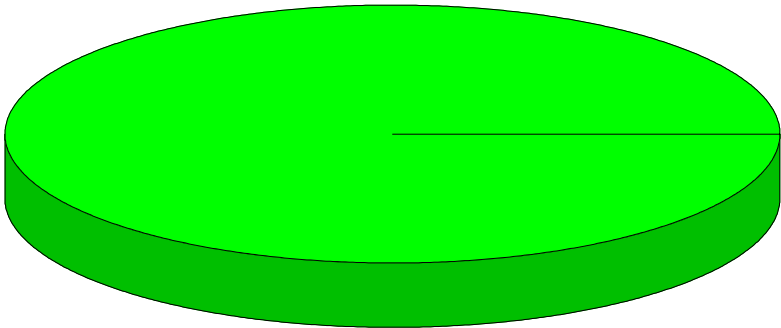
	<u>Jan 23</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
Transfer From D3 DS Taxes	0.00	788.09	-788.09	0.0%
CY Property Tax - O&M	0.00	1,565.20	-1,565.20	0.0%
Specific Ownership Tax - O&M	0.00	109.56	-109.56	0.0%
CY Property Tax - Debt	0.00	4,695.60	-4,695.60	0.0%
Specifice Ownership Tax - Debt	0.00	328.69	-328.69	0.0%
Total Income	<u>0.00</u>	<u>7,487.14</u>	<u>-7,487.14</u>	<u>0.0%</u>
Expense				
Bond Expense				
Bank Fees	4,362.27	20,000.00	-15,637.73	21.81%
Debt Service Interest	0.00	1,630.54	-1,630.54	0.0%
Paying Agent Fee	0.00	4,000.00	-4,000.00	0.0%
Total Bond Expense	<u>4,362.27</u>	<u>25,630.54</u>	<u>-21,268.27</u>	<u>17.02%</u>
Capital Outlay				
Capital Construction	1,615,398.96	21,000,000.00	-19,384,601.04	7.69%
Engineering/Planning	17,204.00	2,000,000.00	-1,982,796.00	0.86%
Project Management	10,188.75	250,000.00	-239,811.25	4.08%
Total Capital Outlay	<u>1,642,791.71</u>	<u>23,250,000.00</u>	<u>-21,607,208.29</u>	<u>7.07%</u>
Transfer to District 1	0.00	1,651.29	-1,651.29	0.0%
Treasurer Collection Fee - O&M	0.00	23.48	-23.48	0.0%
Treasurer Collection Fee - Debt	0.00	70.43	-70.43	0.0%
Total Expense	<u>1,647,153.98</u>	<u>23,277,375.74</u>	<u>-21,630,221.76</u>	<u>7.08%</u>
Net Ordinary Income	<u>-1,647,153.98</u>	<u>-23,269,888.60</u>	<u>21,622,734.62</u>	<u>7.08%</u>
Other Income/Expense				
Other Income				
Interest Income - Debt	99,457.28	100,000.00	-542.72	99.46%
Total Other Income	<u>99,457.28</u>	<u>100,000.00</u>	<u>-542.72</u>	<u>99.46%</u>
Net Other Income	<u>99,457.28</u>	<u>100,000.00</u>	<u>-542.72</u>	<u>99.46%</u>
Net Income	<u><u>-1,547,696.70</u></u>	<u><u>-23,169,888.60</u></u>	<u><u>21,622,191.90</u></u>	<u><u>6.68%</u></u>

Income and Expense by Month
January 2023



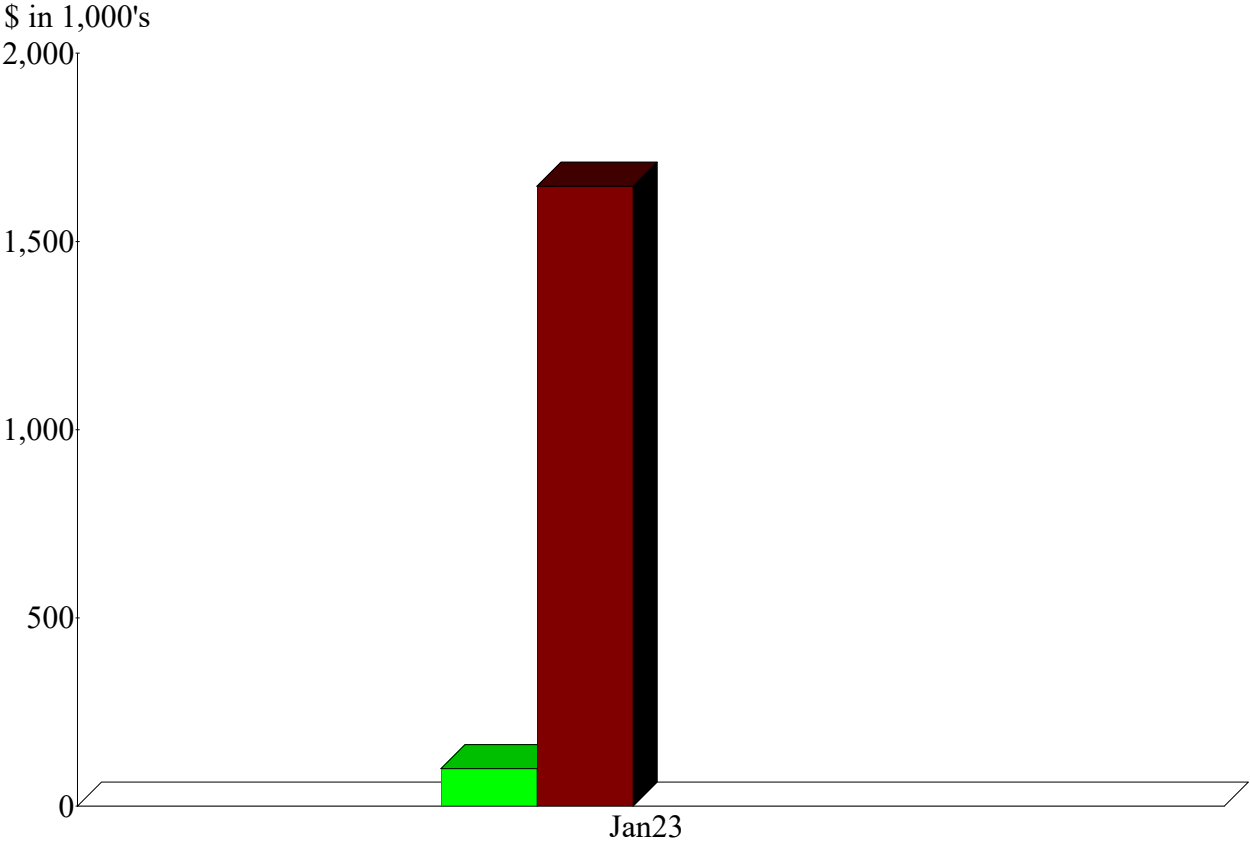
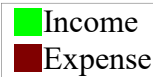
Income Summary
January 2023

Interest Income - Debt	100.00%
Total	\$99,457.28



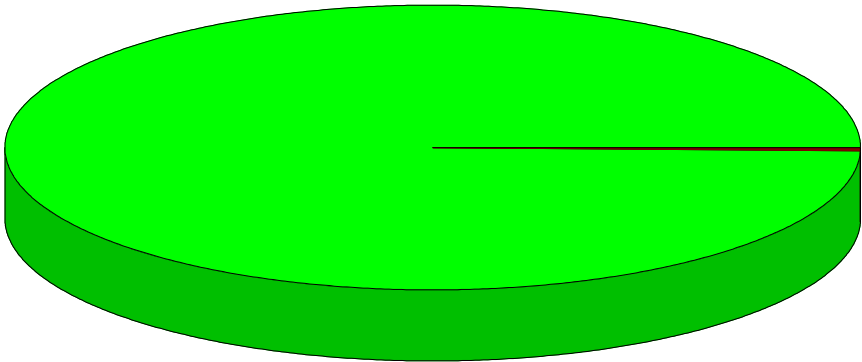
By Account

Income and Expense by Month
January 2023



Expense Summary
January 2023

Capital Outlay	99.74%
Bond Expense	0.26
Total	\$1,647,153.98



By Account

Balance Sheet

As of February 9, 2023

	Feb 9, 23
ASSETS	
Current Assets	
Checking/Savings	
ECB Checking	329.70
Total Checking/Savings	329.70
Other Current Assets	
Property Tax Receivable	998.80
Total Other Current Assets	998.80
Total Current Assets	1,328.50
TOTAL ASSETS	1,328.50
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Due To District 1	910.00
Deferred Property Tax Revenue	998.80
Total Other Current Liabilities	1,908.80
Total Current Liabilities	1,908.80
Total Liabilities	1,908.80
Equity	
Retained Earnings	-580.30
Total Equity	-580.30
TOTAL LIABILITIES & EQUITY	1,328.50

Bradley Heights Metropolitan District No. 3
Profit & Loss Budget vs. Actual
January 2023

	<u>Jan 23</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
CY Property Tax - O&M	0.00	249.00	-249.00	0.0%
Specific Ownership Tax - O&M	0.00	17.43	-17.43	0.0%
CY Property Tax - Debt	0.00	747.00	-747.00	0.0%
Specifice Ownership Tax - Debt	0.00	52.29	-52.29	0.0%
Total Income	<u>0.00</u>	<u>1,065.72</u>	<u>-1,065.72</u>	<u>0.0%</u>
Expense				
Transfer to D2 DS Taxes	0.00	788.08	-788.08	0.0%
Treasurer Collection Fee - O&M	0.00	3.74	-3.74	0.0%
Treasurer Collection Fee - Debt	0.00	11.21	-11.21	0.0%
Total Expense	<u>0.00</u>	<u>803.03</u>	<u>-803.03</u>	<u>0.0%</u>
Net Ordinary Income	<u>0.00</u>	<u>262.69</u>	<u>-262.69</u>	<u>0.0%</u>
Other Income/Expense				
Other Expense				
Other Expense				
Transfer to Dist 1 - Gen Fund	0.00	262.69	-262.69	0.0%
Total Other Expense	<u>0.00</u>	<u>262.69</u>	<u>-262.69</u>	<u>0.0%</u>
Total Other Expense	<u>0.00</u>	<u>262.69</u>	<u>-262.69</u>	<u>0.0%</u>
Net Other Income	<u>0.00</u>	<u>-262.69</u>	<u>262.69</u>	<u>0.0%</u>
Net Income	<u><u>0.00</u></u>	<u><u>0.00</u></u>	<u><u>0.00</u></u>	<u><u>0.0%</u></u>



Bradley Heights Metropolitan District No. 1

PAYMENT REQUEST

2/14/2023

GENERAL FUND ACCOUNT

Company	Invoice	Date	Amount	Comments
CO Special Dist Prop & Liability Pool	23PL-60908-2952	11/29/2022	\$ 2,076.00	D2
CO Special Dist Prop & Liability Pool	23WC-60910-0644	1/31/2023	\$ 445.00	D3 - Workers Comp
CO Special Dist Prop & Liability Pool	23WC-60908-0612	8/26/2022	\$ 445.00	D2 - Workers Comp
CO Special Dist Prop & Liability Pool	23PL-60910-2954	1/31/2023	\$ 2,076.00	D3 - Workers Comp
Walker Schooler District Managers	7317	1/31/2023	\$ 3,017.44	
White Bear Anekele	26155	1/31/2022	\$ 3,442.48	
TOTAL			\$ 11,501.92	

\$11,501.92

Bradley Heights Metropolitan District