

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE PAINT BRUSH HILLS METROPOLITAN DISTRICT HELD MARCH 30, 2015

A Special Meeting of the Board of Directors (referred to hereafter as “Board”) of the Paint Brush Hills Metropolitan District (referred to hereafter as “District”) was held on Monday, the 30th day of March, 2015, at 7:30 p.m. at the Paint Brush Hills Metropolitan District Office, 9830 Liberty Grove Drive, Falcon, Colorado 80831. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Kim Griffin
Calvin Pollard
Doug Burrer
Floyd Roberts
John Bruszenski

Also In Attendance Were:

Leon Gomes; Special District Management Services, Inc.

Jennifer Gruber Tanaka, Esq.; White Bear Ankele Tanaka & Waldron, P.C. (via speakerphone)

Scott Lutz, Farmers State Bank

Joy Gomes, Notary Public

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential or Existing Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Mr. Gomes noted that a quorum was present and requested members of the Board disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting. No conflicts were noted.

ADMINISTRATIVE MATTERS

Agenda: Mr. Gomes reviewed the proposed agenda for the District’s Special Meeting.

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Following discussion, upon motion duly made by Director Burrer, seconded by Director Pollard and, upon vote, unanimously carried, the Agenda was approved, as presented.

Public Comments: There was no public comment.

FINANCIAL MATTERS

Lease Purchase Agreement with Farmers State Bank: Attorney Tanaka advised the Board that she had reviewed all documents relating to the Lease Purchase Agreement prepared by K.C. Veio with the law firm of Kline Alvarado Veio, who was engaged by Farmers State Bank to work on the transaction for the Bank.

The Board then entered into discussion regarding the following actions:

- Approval of Termination of Ground Lease and Lease Purchase Agreement with Wells Fargo Bank (2005)
- Adoption of Resolution authorizing a Lease Purchase Agreement Financing with Farmers State Bank
- Approval of Lease Purchase Agreement
- Approval of Site Lease with Farmers State Bank
- Approval of any other documents necessary to effectuate the Lease Purchase Agreement

Following discussion, upon motion duly made by Director Bruszenski, seconded by Director Pollard and, upon vote, unanimously carried, the Board approved the actions above relating to the Lease Purchase Agreement with Farmers State Bank. A copy of the Resolution is attached hereto and incorporated herein by this reference.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Pollard, seconded by Director Burrer and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By _____
Secretary for the Meeting

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THESE MINUTES ARE APPROVED AS THE OFFICIAL MARCH 30, 2015
MINUTES OF THE PAINT BRUSH HILLS METROPOLITAN DISTRICT BY
THE BOARD OF DIRECTORS, SIGNING BELOW:



Kim Griffin



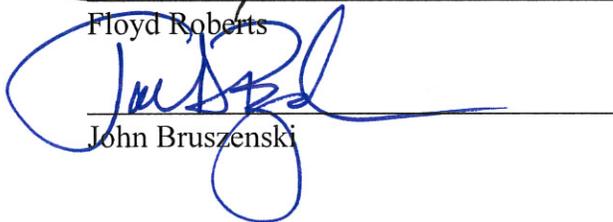
Calvin Pollard



Doug Burrer



Floyd Roberts



John Bruszenski