

**MINUTES OF A REGULAR MEETING OF  
THE BOARD OF DIRECTORS OF THE  
PAINT BRUSH HILLS METROPOLITAN DISTRICT  
HELD  
MAY 18, 2017**

A Regular Meeting of the Board of Directors of the Paint Brush Hills Metropolitan District (referred to hereafter as the "Board") was held on Thursday, the 18<sup>th</sup> day of May, 2017, at 7:00 p.m. at the Paint Brush Hills Metropolitan District Office, 9830 Liberty Grove Drive, Falcon, Colorado 80831. The meeting was open to the public.

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**ATTENDANCE**

**Directors in Attendance Were:**

Kim Griffin  
Calvin Pollard  
Doug Burrer (for a portion of the meeting)  
Chris Olney

A quorum of the Board was present for the Meeting. Upon motion duly made by Director Griffin, seconded by Director Pollard and, upon vote, unanimously carried, the Board excused the absence of Director John Bruszenski.

**Also in Attendance Were:**

Casey K. Lekahal, Esq., White Bear Ankele Tanaka & Waldron (via speakerphone)  
Ricardo Goncalves, P.E., RG & Associates, Inc. (for a portion of the meeting)  
Leon Gomes, District Manager

The names of the members of the public who were in attendance appear on the attached Board Meeting Attendance form.

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**DISCLOSURE OF  
POTENTIAL  
CONFLICTS OF  
INTEREST**

**Disclosure of Potential 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 conflicts were filed for applicable Directors at least 72 hours prior to the meeting. Mr. Gomes also noted that a quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting. No further conflicts were noted.

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**ADMINISTRATIVE  
MATTERS**

**Agenda:** Mr. Gomes reviewed the proposed agenda for the District's Regular Meeting. Mr. Gomes requested that the following matters be added to the Agenda:

- 1.4.1.1 Ratify Fifth Addendum to Independent Contractor Agreement between Layne Christensen and the District for Well #11 VFD Replacement.
- 4.1.1 Discuss and consider Change Requests
  - 4.1.1.1 Change Order #12 – Provide additional conduits for data - \$3,284
- Remove Resolution 2017-05-01 from the Consent Agenda as it is not available at the time of the meeting

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

**Public Comment:**

Rebecca Bonilla: Ms. Bonilla stated that she had problems hearing what is being said during the Meeting. She then questioned Director Burrer’s qualifications to be on the Board because he had sold his home in the District and no longer owned property in the District. Mr. Gomes responded that Director Burrer remains a District resident and that real property ownership in the District is not an absolute requirement. Attorney Lekahal recited the eligible elector qualifications from the Colorado Revised Statutes. Ms. Bonilla went on to state that the storm water drainage from Scenic View at Paint Brush Hills is causing damage to her property.

**Consent Agenda:** The Board considered the following actions:

- Acknowledge Manager’s Report.
- Acknowledge Staff Report.
- Acknowledge Operations Report.
- Approve Minutes of the April 20 2017 Regular Meeting.
- Accept Engineer’s Report.
- Ratify request for deviation from District specifications for water line profiling from Eagle Development Corporation concerning Filings 13B, 13C & 13D.
- Approve the changing of the designation of the public places for the posting of Notice of Meeting as follows:
  - 9985 Towner Avenue, Falcon, Colorado
  - 11505 Allendale Drive, Falcon, Colorado
  - 9541 Rockingham Drive, Falcon, Colorado
- Review and ratify the payment of claims for the period ending April 28, 2017 as follows (enclosure):

Source Fund	Amount
General Fund	\$ 675.00
Capital Project Fund	\$9,310.73
Enterprise Fund	\$ 0
<b>Total</b>	<b>\$9,985.73</b>

- Review and approve the payment of claims for the period ending May 18, 2017 as follows (to be distributed):

Source Fund	Amount
General Fund	\$9,648.12
Capital Project Fund	\$172,824.22
Conservation Trust Fund	\$1,248.75
Enterprise Fund	\$20,976.12
Subdistrict A	\$237.29
<b>Total</b>	<b>\$204,934.50</b>

- Ratify Fifth Addendum to Independent Contractor Agreement between Layne Christensen and the District for Well #11 VFD Replacement

Upon motion duly made by Director Griffin, seconded by Director Olney and, upon vote, unanimously carried, the Board approved the Consent Agenda.

**Falcon Freedom Days:** Mr. Gomes presented a request for the District to provide a financial sponsorship for the 2017 Falcon Freedom Days at the Gold Sponsor level. The Gold Sponsor contributes \$500.00.

Following discussion, upon motion duly made by Director Pollard, seconded by Director Burrer and, upon vote, unanimously carried, the Board approved the Gold Sponsorship for Falcon Freedom Days.

**Rehabilitation of Wells 3 & 4:** Mr. Gomes reported that Eagle Development Company had agreed to reimburse the District for the cost of rehabilitating Wells 3 & 4. Jeff Mark has requested that Eagle Development be allowed to contract directly with Layne Christensen to complete the rehabilitation project. Attorney Lekahal and Mr. Gomes recommended that the District undertake the project directly and require that Eagle Development place on deposit with the District in an amount sufficient to complete the project.

Following discussion, by consensus, the Board directed Attorney Lekahal and Mr. Gomes to proceed with the District contracting the project and requiring Eagle Development Company to place a deposit with the District in an amount equal to the estimated cost of rehabilitating Wells 3 & 4.

**Acceptance of Tract A, Paint Brush Hills Filing 13A:** Mr. Gomes presented a request from 699 Properties LLC to accept Tract A, Paint Brush Hills Filing 13A. He noted that the District had not previously accepted the tract due to persistent storm water drainage issues. These issues have been resolved. Director Griffin requested that a video inspection of the storm water culver be conducted prior to acceptance.

Following discussion, upon motion duly made by Director Pollard, seconded by Director Griffin and, upon vote, unanimously carried, the Board accepted the Tract A, Paint Brush Hills Filing 13A subject to the finalization of all requirements including, but not limited to, conducting a video inspection of the storm water culvert in the tract.

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## **FINANCIAL MATTERS**

**2017 Budget Priorities:** Mr. Gomes reviewed the updated 2017 Budget Priorities with the Board.

Following discussion, upon motion duly made by Director Olney, seconded by Director Pollard and, upon vote, unanimously carried, the Board accepted the updated 2017 Budget Priorities.

**Farmers State Bank Capital Reserve Account:** Mr. Gomes noted that when the Board-designated Capital Reserve Account with Farmers State Bank was opened it had authorized only Directors Griffin and Burrer, in their respective roles as President and Treasurer, to be signers on this account. Mr. Gomes recommended that the Board authorize all current Directors be authorized signatories on this account, and, by Board policy, require that the Board President and Board Treasurer be exclusively authorized to affect disbursements from this account. Alternatively, the Vice President, in the absence of the President, and the Assistant Treasurer, in the absence of the Treasurer, could authorize disbursements from this account.

Following discussion, upon motion duly made by Director Burrer, seconded by Director Olney and, upon vote, unanimously carried, the Board all Directors become authorized signatories on the Board-designated Farmers State Bank Capital Reserve Account, and that any two Directors may authorized disbursements from this account.

## **ENGINEER MATTERS**

**Update on Progress of District Office & Shop Project:** Mr. Goncalves with RG & Associates reported that significantly more progress has been made since the April 20, 2017 Regular Meeting, with the completion of the building in sight. The drywall was completed in all of the rooms and completion of the soffit framing. Other interior work included installation of the garage heaters, window and door frames, most of the interior plumbing and HVAC. The drop ceiling T-bars here hung and installation of wiring for lighting and power began. Ductwork and electrical wiring continued into the month.

For the building exterior and sitework the Dryvit/Stucco system began, which included the application of the first of 6 total layers of material. Minor dirt work was completed, and the pond outlet structure was set. The metal roofing began, and site dry utilities were stubbed up to their connection points. Concrete curbs were started in the west parking area.

The contractor has stated that they intend to be completed by the end of May, barring weather delays.

### **Additional Engineer Matters:**

#### **Gazebo**

RG & Associates completed the drawings, the code study information, a vicinity map and developed a site plan from a Google Earth image showing the placement of the new gazebo. RG then completed the code study form for the Pikes Peak Regional Building Department. RG directed its consultant engineer to develop a lighting plan. Working directly with Nina Ruiz from El Paso County Development Services Department, RG gathered information to submit the letter of intent, legal description, cover sheet/vicinity map, application, site development plan via electronic application. Remaining work includes completion of a Landscape Plan required by the El Paso County building department to complete the submittal process.

#### **Well #1**

RG has completed a draft of the cost estimates for Well No. 1. This includes a well control valve and a carbon filter. A draft schematic has been put together showing the existing conditions and proposed changes.

**Change Order 12:** Change Order 12 was presented to the Board for its consideration. Mr. Goncalves and Mr. Gomes recommended the approval of Change Order 12.

Following discussion, upon motion duly made by Director Griffin, seconded by Director Burrer and, upon vote, unanimously carried, the

Board approved Change Order 12 to provide additional conduits for data in the amount of \$3,284.00.

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**EMPLOYMENT  
MATTERS**

**Revised Office Assistant Position Description:** Mr. Gomes presented a revised position description for Office Assistant that includes a revision requested by Director Bruszenski for Board consideration.

Following discussion, upon motion duly made by Director Griffin, seconded by Director Pollard and, upon vote, unanimously carried, the Board approved the Office Assistant Position Description.

Mr. Gomes noted that, during a discussion with Director Griffin, it may be appropriate to work with an agency to a temporary-to-hire arrangement. Mr. Gomes asked for direction from the Board on this.

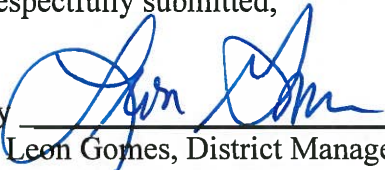
Following discussion, by consensus of the Board, Mr. Gomes was directed to contact an agency to seek a temporary-to-arrangement to fill the position of Office Assistant.

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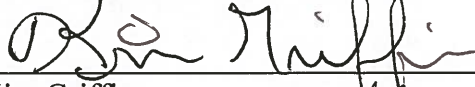
**ADJOURNMENT**


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

Respectfully submitted,

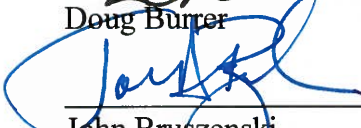
By   
\_\_\_\_\_  
Leon Gomes, District Manager  
Secretary for the Meeting

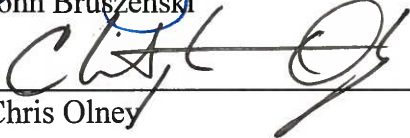
THESE MINUTES ARE APPROVED AS THE OFFICIAL MAY 18, 2017 REGULAR MEETING MINUTES OF THE PAINT BRUSH HILLS METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:

  
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Kim Griffin

  
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Calvin Pollard

  
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Doug Burrer

  
\_\_\_\_\_  
John Bruszenski

  
\_\_\_\_\_  
Chris Olney

***DIRECTORS SIGNATURE PAGE FOR THE MINUTES OF THE  
MAY 18, 2017 REGULAR MEETING.***