

**MINUTES OF A SPECIAL MEETING OF  
THE BOARD OF DIRECTORS OF THE  
PAINT BRUSH HILLS METROPOLITAN DISTRICT  
HELD  
JUNE 22, 2017**

A Special Meeting of the Board of Directors of the Paint Brush Hills Metropolitan District (referred to hereafter as the "Board") was held on Thursday, the 22<sup>nd</sup> day of June, 2017, at 7:00 p.m. at the Paint Brush Hills Metropolitan District Office, 9985 Towner Avenue, 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  
John Bruszenski  
Chris Olney

A quorum of the Board was present for the Meeting.

**Also in Attendance Were:**

Casey K. Lekahal, Esq., White Bear Ankele Tanaka & Waldron  
Ricardo Goncalves, P.E., RG & Associates, Inc.  
Leon Gomes, District Manager

There were no members of the public in attendance.

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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:

- To the Consent Agenda; Ratify Monitoring Service Agreement between Simplex-Grinnell and the District.

Mr. Gomes further requested that Agenda Matter “1.4.11 - Review and approve the payment of claims for the period ending June 22, 2017” be removed from the Consent Agenda.

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

**Public Comment:** There were no members of the public present.

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

- Acknowledge Manager’s Report.
- Acknowledge Staff Report.
- Acknowledge Operations Report.
- Approve Minutes of the May 18, 2017 Regular Meeting.
- Accept Engineer’s Report.
- Approve Resolution 2017-06-01 Amended and Restated 2017 Annual Administrative Resolution.
- Approve Resolution 2017-06-02 Amended and Restated Resolution Designating the District’s 24-Hour Posting Location.
- Approve Independent Contractor Agreement for Janitorial Services between Office Pride of Colorado Springs and the District.
- Approve First Addendum to Independent Contractor Agreement between Chiddix Bros., Inc. and the District for meter pit repair.
- Approve Commercial Services Agreement between Falcon Broadband, Inc. for fiber-optic, internet, and phone services.
- Ratify Monitoring Service Agreement between Simplex-Grinnell and the District.

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

**Rehabilitation of Well #9:** Mr. Gomes presented a proposal from Layne-Christensen to remove pump from and video Well #9 in the amount of \$13,365.

Following discussion, upon motion duly made by Director Bruszenski, seconded by Director Olney and, upon vote, unanimously carried, the Board approved the proposal from Layne-Christensen to remove pump from and video Well #9 in the amount of \$13,365.

**Rehabilitation of Wells 3 & 4:** Mr. Gomes presented a proposal from Layne-Christensen to rehabilitate Wells 3 & 4 as follows:

- Well 3 – Time and Materials not to exceed \$52,300

- Well 4 – Time and materials not to exceed \$76,725

The District will execute a letter of agreement with Eagle Development Company to fund the cost of this project in advance.

Following discussion, upon motion duly made by Director Griffin, seconded by Director Olney and, upon vote, unanimously carried, the Board approved the proposal from Layne-Christensen to rehabilitate Wells 3 & 4 at a cost not to exceed \$52,300 for Well #3, and \$76,725 for Well #4, subject to the receipt of prior financing from Eagle Development Company.

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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 Pollard, seconded by Director Burrer and, upon vote, unanimously carried, the Board accepted the updated 2017 Budget Priorities.

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**LEGAL MATTERS**

**District Vehicle Use Agreement:** Attorney Lekahal presented a draft form of the District Vehicle Use Agreement for review and comment from the Board.

Following discussion, upon motion duly made by Director Griffin, seconded by Director Bruszenski and, upon vote, unanimously carried, the Board approved the form District Vehicle Use Agreement for execution by the District's employees who take a District vehicle home while on-call, subject to the incorporation of the Board's comments and revisions as discussed.

**ENGINEER MATTERS**

**Engineer's Report:** Mr. Goncalves reviewed the Engineer's Report that was provided to the Board in advance of the Meeting. The Engineer's Report is incorporated by reference.

**Administration & Maintenance Building South Retention Wall:** Mr. Goncalves reported that the District expended approximately \$1,600 to construct a retaining wall at the south end of the Administration & Maintenance Building. The retaining wall was required to protect the building's foundation. Mr. Goncalves stated that this was required due to the incorrect placement of a curb at the south end of the building. He believed that this was done in error by the General Contractor. Mr. Goncalves requested direction from the Board concerning seeking financial remediation from the General Contractor for the District cost of constructing the retaining wall.

Following discussion, upon motion duly made by Director Burrer, seconded by Director Griffin and, upon vote, unanimously carried, the Board decided to not seek reimbursement from Copestone General Contractors for the District's cost of constructing the retaining wall.

**Publication of Notice of Final Payment:** Attorney Lekahal requested that the Board approve the publication of the Notice of Final Payment to Copestone General Contractors upon the receipt of the final Pay Application to limit any delays in payment between regular meetings.

Following discussion, upon motion duly made by Director Olney, seconded by Director Burrer and, upon vote, unanimously carried, the Board approved the publication of the Notice of Final Payment to Copestone General Contractors upon the receipt of the final Pay Application subject to review and approval by the District's Engineer.

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**ADJOURNMENT**

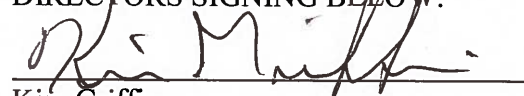
There being no further business to come before the Board at this time, upon motion duly made by Director Bruszenski seconded by Director Pollard and, upon vote, unanimously carried, the meeting was adjourned.

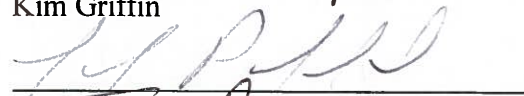
Respectfully submitted,

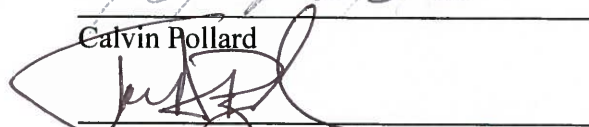
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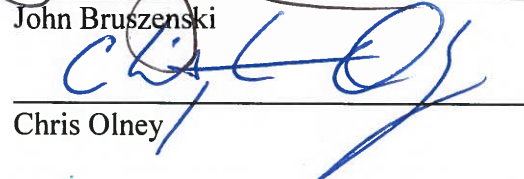
Leon Gomes, District Manager  
Secretary for the Meeting

THESE MINUTES ARE APPROVED AS THE OFFICIAL JUNE 22,  
2017 SPECIAL 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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John Bruszenski

  
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Chris Olney

***DIRECTORS' SIGNATURE PAGE FOR THE MINUTES OF THE  
JUNE 22, 2017 SPECIAL MEETING.***



## Engineer's Report for June 2017

### Administration/Maintenance Building

By the end of last month, this project was approximately 99% complete with only punch list items and touch-up of the building interior to be complete. The final inspections for electrical, fire, plumbing, and HVAC were completed and a Certificate of Occupancy was obtained.

In order to obtain the CO, there was one issue that needed to be addressed, and that was that adequate soil cover need to be placed at the southeast corner of the building to protect the foundation from frost. To get that, the curb was too low and too close to the building to allow just a sloped surface from back of curb to the foundation wall, therefore a short foundation wall was required. To speed the process to get the CO, the district bought the retaining wall materials and had them installed with its own forces (Calvin). The cost of the materials was approximately \$1,600. We have determined that the retaining wall was made necessary because the curb was constructed too close to the foundation, and very probably too low, contrary to what was given to the contractor for placement. In reality, the contractor, Copestone, should give the district a crediting change order for the \$1,600 and labor. In light of the fact that Copestone has "given" the district a lot of extras, without asking for additional change orders, the district might want to consider forgetting this one. This decision, however is one that the district board should make.

### Gazebo

We developed a landscape plan and code study information as required by PPRBD to cover drawing sheet, legal description and letter of intent for El Paso County. Submit all required documents to El Paso County on May 24, 2017. El Paso County Commercial Building fees were paid on June 1, 2017. We were granted an address as 11445 Londonderry Drive. We also received a valuation number from Paint Brush Hills and Electrical number as required for online submittal. We then submitted online under the gazebo category on May 25, 2017. PPRBD rejected our submittal and wants it resubmitted under Commercial Building (thru Finish). We found that we were unable to submit online and left multiple emails and voicemails with Rebekah Allan and Jay Eenhuis. Subsequently, we received email May 31, 2017 from Jay and were informed that commercial reviews must be submitted in person and can't be submitted online. The in-person plan review was done on June 1<sup>st</sup>, at which time the county accepted and approved the plan, but the building department said they couldn't a footing depth (it was on there, but only showing 30"), that the footing had to be 36" below finished grade, and that there needed to be a soils report to verify the skin shear and maximum bearing capacity of the soil. We have subsequently contacted the design engineer for the gazebo and asked him to modify the footing depth

and asked Kumar to do a soils report. We have not gotten information back yet, but will resubmit when we do.

**Well #1**

We have finalized a cost estimate to rehabilitate Well #1 with a control valve and filter. We also completed the schematic based on information from the filter manufacturer, and the available easement area. We have found that based on the required size of the filter, that an additional building will have to be added to the existing building and that there is not enough room on the site for this, therefore, additional easement area would have to be obtained from the nearby property owners. As this is not practical, we are exploring other options.