

**MINUTES OF A REGUAR MEETING OF
THE BOARD OF DIRECTORS OF THE
PAINT BRUSH HILLS METROPOLITAN DISTRICT
HELD
OCTOBER 19, 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 19th day of October 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.

ATTENDANCE

Directors in Attendance Were:

Kim Griffin
Calvin Pollard
John Bruszenski
Chris Olney
George Cerbasi

Also in Attendance Were:

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

No members of the public were in attendance.

Mr. Gomes requested to open the meeting with the Pledge of Allegiance, and he lead the Pledge of Allegiance.

**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.

**ADMINISTRATIVE
MATTERS**

Agenda: Mr. Gomes reviewed the proposed agenda for the District's Regular Meeting. He requested that the following be added to the District Consent Agenda: 1.6 Proposal from Communicate Colorado to conduct The 5 Dysfunctions of a Team Training.

Upon motion duly made by Director Bruszenski, seconded by Director

Pollard and, upon vote, unanimously carried, the Board approved the Agenda 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 September 21, 2017 Regular Meeting.
- Accept Engineer’s Report.
- Ratify Second Addendum to Independent Contractor Agreement between Chiddix Bros., Inc. and the District.
- Review and approve the payment of claims for the period ending October 19, 2017 as follows:

Source Fund	Amount
General Fund	\$ 22,509.25
Capital Project Fund	\$ 58,104.73
Conservation Trust Fund	\$ 38,771.50
Enterprise Fund	\$ 9,356.07
Subdistrict A	\$
Total	\$ 128,741.55

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

Woodmen Hills MD Notice of Rate Increase: Mr. Gomes discussed correspondence from Woodmen Hills Metropolitan district concerning its Notice of Rate Increase for Waste Water Treatment and asked for the Board direction concerning the District’s response to the Notice.

Following discussion, no action was taken concerning the Notice.

Employee Training: Mr. Gomes presented a proposal from Communicate Colorado to conduct a Five Dysfunctions of a Team training for the District’s employees. Director Bruszenski asked Mr. Gomes if he had facilitated this specific training and he had done so with another District he previously managed. Mr. Gomes was asked if he would conduct this training for the District’s employee. Mr. Gomes replied that, although he can conduct the training, he stated that it is not ideal for him to do so.

Following discussion, the Board requested that Mr. Gomes to facilitate the Five Dysfunctions of a Team training rather than engaging Communicate Colorado to do same.

**FINANCIAL
MATTERS**

Budget Priorities: Mr. Gomes presented the updated 2017 Budget Priorities to the Board.

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

2018 District and Subdistrict A Budgets: Mr. Gomes reported that the District and Subdistrict A Preliminary Budgets were distributed to the Board on October 12, 2017, and that the copies of the budgets are available in the District's Administration & Maintenance Building and the District's website. Mr. Gomes noted that a Special meeting is scheduled on Saturday, October 21, 2017 at 10:00 AM, to review and discuss the budgets.

**ENGINEER
MATTERS**

Londonderry Drive Sidewalk: Mr. Goncalves reported on the progress of the sidewalk reconstruction along Londonderry Drive at the east portion of the District's storage tank site. The project will require the construction of a retaining wall between the sidewalk and the District's property. He noted that he had proposed to El Paso County (EPC) the construction of a timber wall. EPC will require that the District enter into a maintenance agreement with EPC if a timber wall is constructed. He noted that there will be no maintenance agreement required if a masonry retaining wall is constructed.

Following discussion, the Board determined that a masonry retaining wall be constructed, and the District would provide the labor for the construction of the retaining wall. Further, the Board directed Mr. Gomes to determine the number of labor hours that will be required for the construction of the masonry retaining wall.

**EXECUTIVE
SESSION**

Pursuant to Sections 24-6-402(4)(b), (e) and (f), C.R.S., upon motion duly made by Director Bruszenski, seconded by Director Pollard and, upon affirmative vote of at least two-thirds of the quorum present, the Board convened in Executive Session at 8:46 PM for the purpose of negotiations with third parties, personnel matters and receiving legal advice, as authorized by Sections 24-6-402(4)(b), (e) and (f), C.R.S.

Pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S., no record will be

kept of the remaining portion of this Executive Session that, in the opinion of the District's attorney, constitutes privileged attorney-client communication pursuant to Section 24-6-402(4)(b), C.R.S.

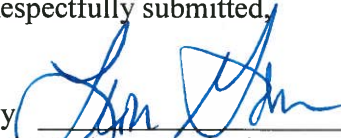
The Board reconvened in regular session at 9:04 P.M. upon motion duly made by Director Bruszenski seconded by Director Pollard and, upon vote, unanimously carried.

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 OCTOBER 19, 2017 REGULAR MEETING MINUTES OF THE PAINT BRUSH HILLS METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:



Kim Griffin



Calvin Pollard



John Bruszenski



Chris Olney



George Cerbasi

Attorney Statement

Regarding Privileged Attorney-Client Communication

Pursuant to §24-6-402(2)(d.5)(II)(B), C.R.S., I attest that, in my capacity as the attorney representing the Paint Brush Hills Metropolitan District, I attended the executive session on October 19, 2017 for the sole purposes of conferencing with the District's legal counsel for the purposes of receiving legal advice on specific legal questions, for discussing matters subject to negotiation and personnel matters, as authorized by §§24-6-402(b), (e), and (f), C.R.S. I further attest that it is my opinion that all or a portion of the executive session discussion constituted attorney-client privileged communication as provided by §24-6-402(4)(b), C.R.S., and, based on that opinion, no further record, written or electronic, was kept or required to be kept pursuant to §24-6-402(2)(d.5)(II)(B), C.R.S.



Casey K. Lekanah, Esq.
General Counsel
Paint Brush Hills Metropolitan District