

**MINUTES OF A SPECIAL MEETING OF  
THE BOARD OF DIRECTORS OF THE  
PAINT BRUSH HILLS METROPOLITAN DISTRICT  
HELD  
NOVEMBER 15, 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 Wednesday, the 15<sup>th</sup> day of November 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)  
Linda Eberhard, District Assistant  
Leon Gomes, District Manager

No members of the public were in attendance.

Director Bruszenski led 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 Special Meeting.

Upon motion duly made by Director Pollard, seconded by Director Bruszenski 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 October 19, 2017 Regular Meeting.
- Approve Minutes of the October 21, 2017 Special Meeting.
- Accept Engineer’s Report.
- Review and ratify the payment of claims for the period ending October 24, 2017 as follows:

Source Fund	Amount
General Fund	\$ -
Capital Project Fund	\$ -
Conservation Trust Fund	\$ -
Enterprise Fund	\$ 222,076.06
Subdistrict A	\$ -
<b>Total</b>	<b>\$ 222,076.06</b>

- Review and approve the payment of claims for the period ending November 15, 2017 as follows:

Source Fund	Amount
General Fund	\$ 11,533.23
Capital Project Fund	\$ 1,496.00
Conservation Trust Fund	\$
Enterprise Fund	\$ 16,622.84
Subdistrict A	\$
<b>Total</b>	<b>\$ 29,652.07</b>

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

**FINANCIAL MATTERS**

**2018 District Budget:** The 2018 Proposed Budget was distributed to the Board on October 12, 2018 and made available to the Public on the same date. A Notice of Public Hearing on the Proposed 2018 District Budget was published in the Colorado Springs Gazette on November 14, 2017. No objections to the 2018 District Budget were received prior to this meeting.

A Public Hearing was opened at 7:21 PM. There being no comments from the public, the Public Hearing was closed at 7:22 PM.

Following discussion, upon motion duly made by Director Olney, seconded by Director Pollard and, upon vote, unanimously carried, the Board adopted Resolution No. 2017-11-01 Adopting Budget, Imposing Mill Levy and Appropriating Funds for the District.

**2018 Subdistrict A Budget:** The proposed 2018 Subdistrict A Budget was distributed to the Board on October 12, 2017 and made available to the Public on the same date. A Notice of Public Hearing on the Proposed 2018 Budget was published in the Colorado Springs Gazette on November 14, 2017. No objections to the 2018 Subdistrict A Budget were received prior to this meeting.

A Public Hearing was opened at 7:31 PM. There being no comments from the public, the Public Hearing was closed at 7:32 PM.

Following discussion, upon motion duly made by Director Olney, seconded by Director Griffin and, upon vote, unanimously carried, the Board adopted Resolution No. 2017-11-02 Adopting Budget, Imposing Mill Levy and Appropriating Funds for Subdistrict A.

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

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

---

## **ENGINEER MATTERS**

**Londonderry Drive Sidewalk:** Mr. Gomes reported on the progress of the sidewalk replacement along Londonderry Drive at the east portion of the District's storage tank site. Construction started on Saturday, November 11, 2017, and will require the additional construction of a cast-in-place concrete retaining wall between the sidewalk and the District's property. Mr. Gomes noted that El Paso County would not accept a timber wall, as anything but temporary for a maximum of 5 years.

---

## **EMPLOYMENT MATTERS**

**One Time Employee Compensation:** Mr. Gomes presented with the Board a request for a one-time employee compensation for the District's employees in the amount of \$500 to each employee.

Following discussion, upon motion duly made by Director Pollard, seconded by Director Cerbasi and upon vote, unanimously carried, the Board accept the employee on-time end of the year compensation in the amount of \$500 to each employee.

---

## **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 7:51 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 8:48 P.M. upon motion duly made by Director Bruszenski seconded by Director Pollard and, upon vote, unanimously carried.

**WOODMEN HILLS  
METROPOLITAN  
DISTRICT INTER-  
GOVERNMENTAL  
AGREEMENT**

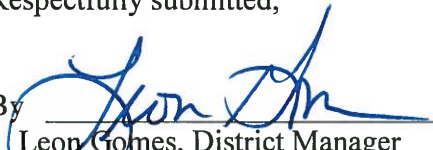
Mr. Gomes presented a proposed response letter Woodmen Hills Metropolitan District (WHMD) dated November 16, 2017 to the Board concerning the District's position on the method of calculating certain tap fees due to the WHMD. The letter specifically addresses the method of calculating the portion of the non-TPS Fund tap fee payable to WHMD under the Intergovernmental Agreement between WHMD and the District dated June 3, 2011.

Following discussion, upon motion duly made by Director Griffin, seconded by Director Bruszenski and, upon vote, unanimously carried, the Board approved the proposed response letter dated November 16, 2017 concerning the District's position on the method of calculating the tap fees due to the Woodmen Hills Metropolitan District.


**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.

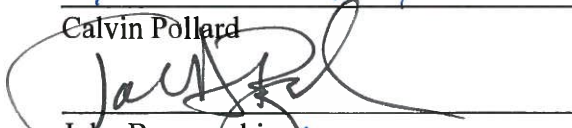
Respectfully submitted,

By   
Leon Gomes, District Manager  
Secretary for the Meeting

THESE MINUTES ARE APPROVED AS THE OFFICIAL  
NOVEMBER 15, 2017 SPECIAL 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 November 15, 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. LeJanal, Esq.  
General Counsel  
Paint Brush Hills Metropolitan District