

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PAINT BRUSH HILLS METROPOLITAN DISTRICT HELD APRIL 17, 2014

A regular 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 Thursday, the 17th day of April, 2014, 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.

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.

See attached sign-in sheet for additional attendees

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential or Existing Conflicts of Interest: The Board discussed the requirements pursuant to Colorado law to disclose any potential or existing conflicts of interest to the Board of Directors and to the Secretary of State. Attorney Tanaka reported that disclosures for those directors with potential or existing conflicts of interest were filed with the Secretary of State's Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board and are attached hereto. Mr. Gomes noted that a quorum of the Board was present and inquired into whether members of the Board had any additional disclosures of potential conflicts of interest with regard to any matters scheduled for discussion at this meeting. No additional disclosures were noted.

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ADMINISTRATIVE MATTERS

Agenda: Mr. Gomes reviewed with the Board a proposed Agenda for the District's regular meeting.

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

Public Comments: Rebecca Bonilla noted that pages of the District's Service Plan posted on the website are missing and that the March, 2014 agenda is missing from the website. She also asked why the 20-year financial projection referenced in the Service Plan Amendment was not included with the amendment.

Don Felke stated that the customer bills note that the bill is due in 10 days and the fee resolution says it is due after 15 days. He also commented on a letter he received from Director Burrer.

Duane Catlin apologized to the Board for his comments made at the prior meeting. Mr. Catlin asked why the District supports Falcon Freedom Days. Mr. Gomes responded that it helps with the District's relationship with Meridian Ranch Metropolitan District and noted that he believes it is a great community event.

CONSENT AGENDA

Consent Agenda: The Board considered the following actions:

- Acknowledge Manager's Report.
- Acknowledge Staff Report.
- Acknowledge Operations Report.
- Approve Minutes of the March 20, 2014 regular meeting.

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

ADMINISTRATIVE MATTERS CONTINUED

District Website: Mr. Gomes announced that the new District website, hosted by the Colorado Statewide Internet Portal Authority, was now live.

FINANCIAL MATTERS

Claims: The Board considered approval of the payment of claims for the period ending April 17, 2014, as follows:

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General Fund	\$ 47,161.36
Debt Service Fund	\$ -0-
Enterprise Fund	\$ 31,585.87
Total Claims:	<u>\$ 78,747.23</u>

Following review and discussion, upon motion duly made by Director Pollard, seconded by Director Roberts and, upon vote, unanimously carried, the Board approved the payment of claims for the period ending April 17, 2014, as presented.

Financial Statements: Mr. Gomes reviewed with the Board the unaudited financial statements for the period ending March 31, 2014.

Following review and discussion, upon motion duly made by Director Bruszenski, seconded by Director Burrer and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending March 31, 2014, as presented.

2014 Budget Priorities Progress: Mr. Gomes reviewed the 2014 Budget Priorities with the Board and reported on the progress of each item.

1. Well #6 disinfection has been completed, but electrical component issues have arisen.
2. Pump house #2 easement is on the agenda for discussion.
3. The Denver & Dawson augmentation plan is pending further study.
4. The Wells Fargo Visa cards will be cancelled and replaced with Farmers State Bank Visa cards – this matter is on the agenda for discussion.
5. Upgrade Computer – a new computer is in service.
6. Upgrade Meter Reading Equipment – a proposal has been requested from National Meter & Automation, Inc.
7. Obtain Additional Acreage for Office/Shop/Centralized Water Treatment Facility – the site plan development is in progress to determine amount of space needed.

2013 Audit: Mr. Gomes reported that the 2013 Audit field work is scheduled to begin on May 12, 2014 at the District's Administrative Office.

Application for Visa Credit Cards with Farmers State Bank and Cancellation of Wells Fargo Credit Cards: Mr. Gomes discussed with the Board an application for Visa credit cards with Farmers State Bank and the cancellation of the District's Wells Fargo credit cards.

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Following discussion, upon motion duly made by Director Burrer, seconded by Director Pollard and, upon vote, unanimously carried, the Board approved the application for Visa credit cards with Farmers State Bank and the cancellation of the District's Wells Fargo credit cards.

Resolution No. 2014-04-01 Authorizing the Issuance of Credit Cards to Certain Employees: The Board entered into discussion regarding Resolution No. 2014-04-01 Authorizing the Issuance of Credit Cards to Certain Employees.

Following discussion, upon motion duly made by Director Pollard, seconded by Director Bruszenski and, upon vote, unanimously carried, the Board adopted Resolution No. 2014-04-01 Authorizing the Issuance of Credit Cards to Certain Employees.

LEGAL MATTERS

May 6, 2014 Directors' Election: Mr. Gomes noted for the Board that Director Pollard and Don Felke will be the Canvass Board for the May 6, 2014 Election.

Cranston Drive Property Easement for Pumphouse No. 2: Attorney Tanaka discussed with the Board the Cranston Drive easement for Pumphouse No. 2. She discussed the progress of correspondence with the property owner and method of valuation of the easement. The Board directed Attorney Tanaka to offer \$1,500 for the easement and to pay the cost to restore the fence to the easement line.

Infrastructure Construction and Conveyance Agreement with The Landhuis Company for Scenic View at Paint Brush Hills: Attorney Tanaka discussed with the Board the Infrastructure Construction and Conveyance Agreement with The Landhuis Company for Scenic View at Paint Brush Hills. She noted that the agreement was sent to Mr. Gomes and Mr. McGinn for review.

Rules and Regulations: The Board entered into discussion regarding the status of the Rules and Regulations. It was noted that the draft was prepared by Attorney Tanaka and that they have been reviewed by Mr. McGinn and Mr. Gomes who all participated in two work sessions. Attorney Tanaka noted that Mr. McGinn is working to incorporate the Woodmen Hills Metropolitan District specifications into the District's Rules and Regulations, as appropriate, and that it is anticipated that the Rules and Regulations will be ready for Board consideration at the May meeting.

Independent Contractor Agreements for Electrical Repairs between the District and Ross Electric, for Excavation and Pipeline Repairs between the District and Munson Ditching, for Excavation and Pipeline Repairs between

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the District and Chiddix Construction and for Lift Station Maintenance between the District and Canyon Systems: The Board entered into discussion regarding Independent Contractor Agreements for Electrical Repairs between the District and Ross Electric, for Excavation and Pipeline Repairs between the District and Munson Ditching, for Excavation and Pipeline Repairs between the District and Chiddix Construction, for Lift Station Maintenance between the District and Canyon Systems and for Lift Station Maintenance between the District and Canyon Systems.

Following discussion, upon motion duly made by Director Burrer, seconded by Director Pollard and, upon vote, unanimously carried, the Board approved the Independent Contractor Agreements for Electrical Repairs between the District and Ross Electric, for Excavation and Pipeline Repairs between the District and Munson Ditching, for Excavation and Pipeline Repairs between the District and Chiddix Construction and for Lift Station Maintenance between the District and Canyon Systems, subject to legal finalization.

Independent Contractor Agreement: The Board entered into discussion regarding an Independent Contractor Agreement for Wastewater Removal between the District and Williams Septic.

Following discussion, Director Bruszenski requested that Mr. Gomes request a proposal from SB PortaBowl for comparison purposes. The Board also requested that Mr. Gomes determine who Woodmen Hills uses and to obtain a proposal from them as well.

OPERATIONS AND MAINTENANCE

.5 Million Gallon Tank Repair: Mr. Gomes reported to the Board that repairs to the .5 million-gallon water storage tank are complete and the tank is back in service.

Well 6 Disinfection: Mr. Gomes reported that disinfection was completed. He noted that the harmonic filter was found to be defective and needs to be replaced.

Request from Former Owner of 10941 Redington Drive to Refund Transfer Fee: The Board entered into discussion regarding a request from the former owner of 10941 Redington Drive to refund the Transfer Fee.

Following discussion, upon motion duly made by Director Pollard, seconded by Director Roberts and, upon vote, unanimously carried, the Board denied the request to refund the Transfer Fee.

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**EXECUTIVE
SESSION**

Water Matters - Executive Session -- §24-6-402(4)(b) and (e), C.R.S.:
Pursuant to §24-6-402(4)(b) and (e), C.R.S., upon motion duly made by Director Pollard, seconded by Director Burrer and, upon an affirmative vote of at least two-thirds of the quorum present, the Board convened in executive session at 9:40 p.m. for the purpose of receiving legal advice as authorized by §24-6-402(4)(b) and (e), C.R.S.

Furthermore, pursuant to §24-6-402(2)(d.5) (II)(B), C.R.S., no record will be kept of those portions of the executive session that, in the opinion of the District's attorney, constitute privileged attorney-client communication pursuant to Section §24-6-402(4)(b), C.R.S.

The Board reconvened at 10:04 p.m.

ADJOURNMENT

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

Respectfully submitted,


By _____
Secretary for the Meeting

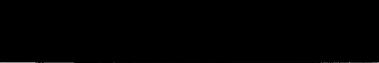
THESE MINUTES ARE APPROVED AS THE OFFICIAL APRIL 17, 2014
MINUTES OF THE PAINT BRUSH HILLS METROPOLITAN DISTRICT BY
THE BOARD OF DIRECTORS SIGNING BELOW:



Kim Griffin



Calvin Pollard



Doug Burrer



Floyd Roberts

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**Attorney Statement
REGARDING PRIVILEGED ATTORNEY-CLIENT
COMMUNICATION**

Pursuant to Section 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 meetings convened on April 17, 2014 for the purpose of receiving legal advice as authorized by Sections 24-6-402(4)(b) and (e), C.R.S. I further attest it is my opinion that a portion of the executive session discussions constituted a privileged attorney-client communication as provided by Section 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 Section 24-6-402(2)(d.5)(II)(B), C.R.S., for those portions of the executive sessions.

Signed


Jennifer Gruber Tanaka, Esq.

Date:

April 17, 2014

PAINT BRUSH HILLS METROPOLITAN DISTRICT

Administrative Offices

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 · 800-741-3254
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MANAGER'S REPORT

April 17, 2014 Regular Meeting

Agenda Matters Background & Recommendations

Note: The District's Legal Counsel, Jennifer Gruber Tanaka of White, Bear & Ankele, P.C., will attend this meeting. The District's Water Counsel, Paul Anderson, will attend this meeting by speakerphone during Executive Session.

I. ADMINISTRATIVE MATTERS

- E. Announcement of Launching of New District Website.

The new PBHMD.com website was recently launched as hosted by the Statewide Internet Portal Authority (SIPA). The website continues to be a work in progress. As an added communication tool, I created a trial version of Constant Contact email service to begin creating the Customer Newsletter by email.

II. FINANCIAL MATTERS

- A. Review and approve the payment of claims for the period ending April 17, 2014, as follows:

General Fund:	\$	44,748.44
Debt Service Fund:	\$	-0-
Enterprise Fund:	\$	<u>21,089.59</u>
Total:	\$	<u>65,838.03</u>

Recommended Board Action: Approve claims as presented.

- B. Review and accept unaudited financial statements for the periods ending March 31, 2014.

Recommended Board Action: Accept the unaudited financial statements for the period ending March 31, 2014.

- C. Review 2014 Budget Priorities progress.

Progress is continuing on the 2014 Budget Priorities as follows:

- Well #6 – Work is continuing on Well #6. Electrical component issues have

been found with this well and staff continues to work with Ross Electric, Layne-Christensen, and Mountain View Electric to resolve the issues.

- Office/Shop/Water Treatment Facilities – District Engineer John McGinn is continuing his work on the site plan. It is scheduled to be ready for Board review at the May 22, 2014 Special Meeting.
- Wells Fargo Credit Cards – The application for Farmers State Bank credit cards to replace the Wells Fargo credit cards is an agenda matter for Board action.
- Office Technology – A new desktop computer has been placed in service.

D. Discuss status of 2013 Audit.

The 2013 Audit is in progress with the field work scheduled for the week of May 12, 2014.

E. Discuss and consider application for VISA credit cards with Farmers State Bank.

Background: In following up on the Board's 2014 Budget Priorities to close the Wells Fargo credit card accounts, I am proposing that the District apply for Farmers State Bank VISA credit cards to replace the Wells Fargo credit cards..

Recommended Board Action: Direct the District Manager to apply for Farmers State Bank VISA credit cards for the following employees and respective credit limits.

Employee	Credit Limit
Steve Knepper	\$10,000
Calvin Lindt	\$5,000
Bill Rider, Jr.	\$5,000
Kelcey Riggs	\$2,000

1. Consider approval of Resolution No. 2014-04-01 Authorizing the issuance of Credit Cards to Certain Employees (enclosure).

Background: This resolution for Board adoption authorizes the issuance of the credit cards referenced above.

III. LEGAL MATTERS

A. Update on the May 6, 2014 Directors' Election.

Election Day is May 6, 2014. Ballots will be mailed this week to eligible electors of the District. Ballots may be returned by mail, or dropped off at the District Office or SDMS. Three members of the SDMS staff have been appointed as Election

Judges. Mr. Don Felke has been appointed to the Canvass Board that will meet on May 15, 2014 to certify the election results. A Director whose seat is not open in this election also needs to be appointed to the Canvass Board.

B. Update on Cranston Drive Property Easement for Pumphouse No. 2.

The property owner of this property was contacted by email. The last correspondence between the property owner and previous District Administrator occurred in early October 2010. The property owner asked for an offer from the District at that time. Ms. Tanaka will provide the Board with additional information and recommendations in this matter.

C. Consider Approval of Infrastructure Construction and Conveyance Agreement with The Landhuis Company for Scenic View at Paint Brush Hills (to be distributed under separate cover).

Ms. Tanaka will address this matter.

D. Update on Status of Rules and Regulations.

Ms. Tanaka will address this matter.

The following Legal Matters are for the approval of Independent Contractor Agreements with current vendors.

E. Discuss and consider Independent Contractor Agreement for electrical repairs with Ross Electric.

F. Discuss and consider Independent Contractor Agreement for excavation and pipeline repair with Munson Ditching.

G. Discuss and consider Independent Contractor Agreement for excavation and pipeline repair with Chiddix Construction.

H. Discuss and consider Independent Contractor Agreement for lift station maintenance with Canyon Systems.

I. Discuss and consider Independent Contractor Agreement for wastewater removal with Williams Septic.

IV. OPERATIONS AND MAINTENANCE

- A. Update status of .5 million gallon tank repair.

The interior coating repairs have been completed and staff has disinfected the tank. It should be refilled sometime next week.

- B. Update on Well 6 disinfection.

The disinfection of Well #6 was completed but the well has not been brought back into service due to the failure of the harmonic filter. Staff is working with Ross Electric and Layne-Christensen to determine the best course of action.

As always, please let me know if you have any questions.

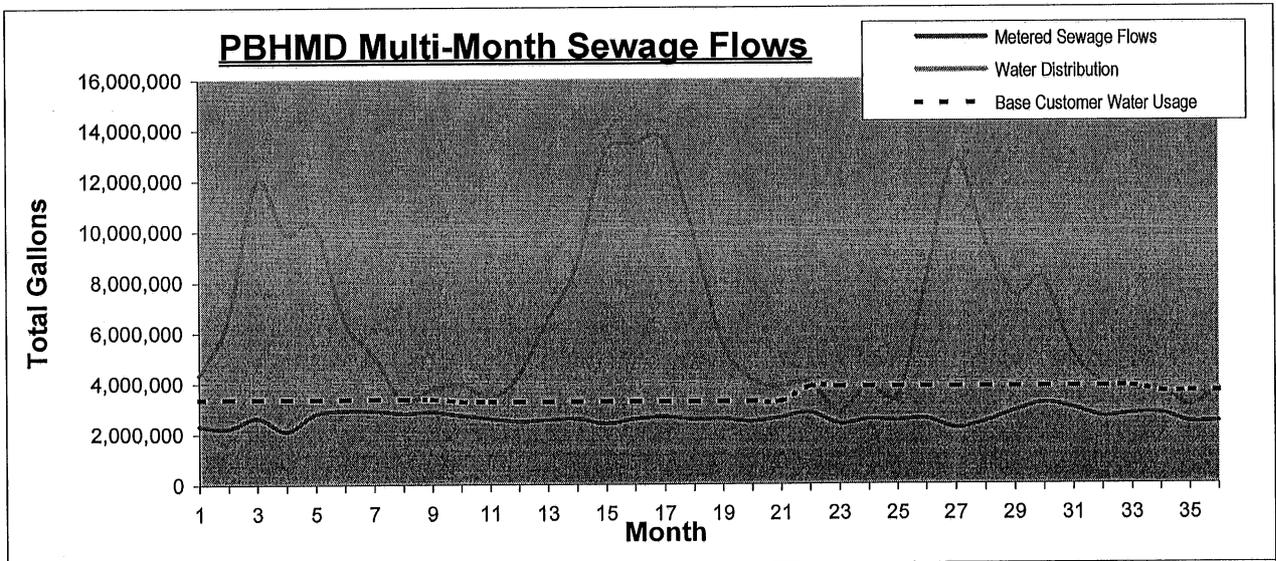
Respectfully submitted,



Leon Gomes
District Manager for the Paint Brush Hills Metropolitan District

PBHMD 3 Year Sewage Meter Flow Data Summary

<u>Month/Year</u>	<u>Total Flow (gal)</u>	<u># days/month</u>	<u>Average MGD/Day</u>	<u>Monthly Water Distribution</u>	<u>Base Water Usage</u>
APRIL '11	2,321,000	30	0.077	4,341,041	3,378,345
MAY '11	2,228,000	31	0.083	6,507,255	3,378,345
JUNE '11	2,635,157	30	0.088	11,930,894	3,378,345
JULY '11	2,113,044	31	0.068	9,892,038	3,378,345
AUG '11	2,805,000	31	0.090	10,200,310	3,378,345
SEPT '11	2,931,000	30	0.098	6,479,865	3,378,345
OCT '11	2,920,000	31	0.094	5,031,435	3,378,345
NOV '11	2,799,000	30	0.093	3,290,252	3,378,345
DEC '11	2,881,000	31	0.093	3,752,396	3,378,345
JAN '12	2,722,000	31	0.088	3,958,477	3,277,989
FEB '12	2,600,000	29	0.090	3,413,525	3,277,989
MAR '12	2,500,178	31	0.081	4,296,923	3,277,989
APRIL '12	2,552,000	30	0.085	6,503,553	3,277,989
MAY '12	2,588,000	31	0.083	8,628,004	3,277,989
JUNE '12	2,401,000	30	0.080	13,133,858	3,277,989
JULY '12	2,595,000	31	0.084	13,453,776	3,277,989
AUG '12	2,672,000	31	0.086	13,614,907	3,277,989
SEPT '12	2,562,000	30	0.085	9,867,368	3,277,989
OCT '12	2,588,000	31	0.083	5,570,803	3,277,989
NOV '12	2,492,000	30	0.083	4,112,477	3,277,989
DEC '12	2,650,000	30	0.088	3,879,285	3,277,989
JAN '13	2,824,000	31	0.091	3,985,980	3,855,330
FEB '13	2,370,000	28	0.085	2,852,674	3,855,330
MAR '13	2,557,000	31	0.082	3,913,010	3,855,330
APRIL '13	2,506,000	30	0.084	3,471,780	3,855,330
MAY '13	2,575,000	31	0.083	7,985,090	3,855,330
JUNE '13	2,216,000	30	0.074	12,811,130	3,855,330
JULY '13	2,457,000	31	0.079	9,623,130	3,855,330
AUG '13	2,881,000	31	0.093	7,462,390	3,855,330
SEPT '13	3,192,000	30	0.106	8,074,420	3,855,330
OCT '13	2,980,000	31	0.096	5,153,400	3,855,330
NOV '13	2,657,000	30	0.089	3,985,600	3,855,330
DEC '13	2,764,000	30	0.092	3,745,750	3,855,330
JAN '14	2,774,000	31	0.089	3,753,420	3,657,737
FEB '14	2,419,000	28	0.086	3,082,630	3,657,737
MAR '14	2,455,000	31	0.079	3,754,280	3,657,737
Avg./Month:	2,737,015 gal/month	30.4	0.090	(includes 2009/10 data)	
Avg/Day:	90,119 gal/day				



PBHMD Well Status Report - September 2013

<u>WELL</u>	<u>APPROX. FLOW</u>	<u>OPERATIONAL</u>	<u>COMMENTS</u>	<u>Well Levels</u>
Well #1 (A-1)	60 gpm	Yes	Well working fine	<u>Monthly</u> April '10 282 Aug '10 175 July '13 140 on 340 off
Well #2 (A-2)	70 gpm	Yes	Well working fine	July '13 150 on 275 off
Well #3 (A-3)	55 gpm	No	Not equipped -- needs to be upsized	
Well #4 (LFH-1)	30-40 gpm	No	Equipment not set for pumping with low water level -- could fail at any time Probably will suck too much air after a few days Well has not been used since September 2007 -- power turned off at PH #3	
Well #5 (LFH-2)	45 gpm	No	Well not approved for public water system use at this time Sucks air after several hours of pumping	
Well #6 (A-4)	75 gpm	Not Yet	Engineer requested resampling which revealed Iron and Sulfate reducing bacteria. Well has been shock treated. Harmonic filter burned up in process, cant flush until fixed	
Well #7 (LFH-3)	60 gpm	No	Well #7 no longer connected to power or VFD (which is being used for Well #6) Water has some 'fine air' which dissipates within 30 seconds	
Well #8 (A-5)	75 gpm	Yes	Well working fine	April '10 450 July '12 178 on 425 off July '13 185 on 420 off
Well #9 (LFH-4)	125 gpm	Yes	Well working fine	April '10 450 April '12 580 July '12 178 on 425 off July '13 185 on 420 off
Well #10 (A-6)	55 gpm	Yes	Well working fine	April '10 687 April '12 356 July '12 224 on 380 off July '13 230 on 325 off
Well #11 (LFH-5)	100 gpm	Yes	Well working fine	April '10 757 April '12 640 July '12 278 on 380 off July '13 335 on 600 off
Interconnect	90-200 gpm	Yes	Interconnect pumps are working fine	

Monthly Distribution Totals (in gallons) for PBHMD for Yearly Comparison:

NOTES: Water pumped from the Meridian Ranch Interconnect was included from 2005 forward.

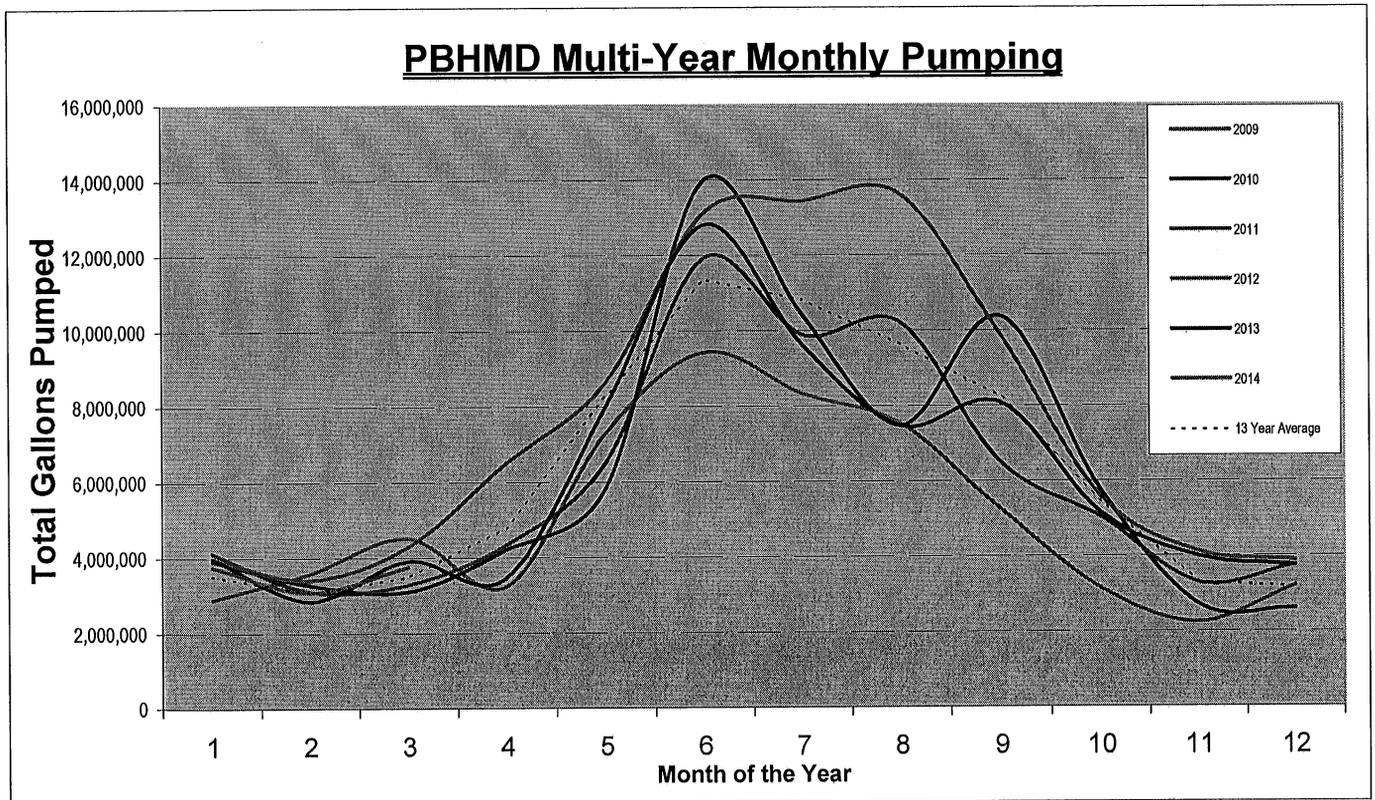
= record distribution for month

= highest and lowest historical months (includes record breaking high in July 2007)

YEAR:	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Average
MONTH:														
January	3,037,700	4,599,809	2,035,054	2,796,989	3,923,210	4,074,288	2,660,652	2,893,173	3,915,001	4,120,554	3,958,477	3,985,980	3,753,420	3,519,562
February	2,042,515	3,083,636	2,774,015	2,853,215	3,160,490	3,061,381	3,628,804	3,581,570	3,282,820	3,104,340	3,413,525	2,852,674	3,082,630	3,070,893
March	2,515,482	4,264,053	3,374,575	2,980,660	2,892,455	3,470,617	3,066,080	4,512,660	3,107,474	3,288,115	4,296,923	3,913,010	3,754,280	3,495,106
April	5,899,947	4,701,190	3,955,799	3,946,359	8,029,643	4,080,757	5,295,051	3,240,151	4,219,505	4,341,041	6,503,553	3,471,780		4,807,065
May	9,737,644	9,432,900	9,336,104	8,508,738	11,153,278	6,192,122	8,797,450	7,292,827	5,821,752	6,507,255	8,628,004	7,985,090		8,282,764
June	12,575,351	7,446,620	8,985,243	10,632,692	13,167,769	11,714,135	10,474,426	9,426,593	13,993,541	11,930,894	13,133,858	12,811,130		11,357,688
July	10,350,112	13,329,591	6,441,607	12,647,081	8,807,046	14,982,714	11,571,840	8,328,430	10,415,987	9,892,038	13,453,776	9,623,130		10,820,279
August	13,182,494	11,416,711	6,135,250	8,758,863	9,359,848	9,003,776	11,372,075	7,522,766	7,475,977	10,200,310	13,614,907	7,462,390		9,625,447
September	7,423,228	6,615,088	9,590,502	10,777,685	5,162,126	10,807,434	8,485,059	5,236,884	10,371,727	6,479,865	9,867,368	8,074,420		8,240,949
October	4,909,168	7,579,223	5,868,651	6,066,403	4,195,270	6,992,577	5,147,114	3,134,196	5,741,075	5,031,435	5,570,803	5,153,400		5,449,110
November	2,644,106	3,336,219	2,868,332	5,608,728	3,516,186	2,495,577	2,894,937	2,233,917	2,704,742	3,290,252	4,112,477	3,985,600		3,307,589
December	2,815,689	3,123,835	3,301,643	3,422,020	3,048,170	2,357,129	2,816,928	3,208,084	2,598,946	3,752,396	3,879,285	3,745,750		3,172,490
TOTALS:	77,133,436	78,928,875	64,666,775	78,999,433	76,415,491	79,232,507	76,210,416	60,611,251	73,648,547	71,938,495	90,432,956	73,064,354		75,106,878

December (prior year), January, February & March

BASE USE 3,690,797 2,826,870 2,983,127 3,349,544 3,413,614 2,928,166 3,451,083 3,378,345 3,277,989 3,855,330 3,657,737 3,584,020 3,346,600



PBHMD Staff Update:

1. New flow meter in interconnect was successfully installed.
2. Lindt and Rider continue to occasionally hand water the entryway and parks.
3. Lindt and Knepper inspected new service connections at 11454, 11418, 11417 Palmers Green.
4. Rider is investigating Cross Connection Control Program at Falcon Middle School.
5. Layne Western performed a shock treatment on Well 6. However, the harmonic filter burned up in the process. As a result no further flushing has occurred to check well.
6. Rider and Lindt overhauled the sand trap at Well 2.
7. Hydrant is now repaired on Londonderry Drive however; the valve in the street was paved over many years ago and can't be checked until valve is dug up and accessed.
8. Ameritech repaired bad spots on small storage tank. It is scheduled to be refilled on April 15th.
9. 6-8 inches of mulch was added to South Manchester Park and touched up at Drayton Green.
10. Knepper received new windows 7 computer to replace old Windows XP.

Resolution No. 2014-04-01

RESOLUTION
OF THE BOARD OF DIRECTORS
OF THE
PAINT BRUSH HILLS METROPOLITAN DISTRICT

AUTHORIZING THE ISSUANCE OF CREDIT CARDS TO CERTAIN EMPLOYEES

WHEREAS, the Paint Brush Hills Metropolitan District (the "District") is a special district and is subject to the provisions of §§32-1-101, *et seq.*, C.R.S.; and

WHEREAS, pursuant to § 32-1-1001(1)(h), C.R.S., the Board of Directors of the District (the "Board") is empowered to have the management, control and supervision of all the business and affairs of the District; and

WHEREAS, pursuant to § 32-1-1001(1)(m), C.R.S., the Board is empowered to adopt, amend and enforce bylaws and rules and regulations not in conflict with the Colorado Constitution for the purpose of carrying on the business, objects and affairs of the Board and of the District; and

WHEREAS, the Board previously adopted a Resolution Authorizing the Issuance of Credit Cards to Certain Employees on December 12, 2013, which resolution is hereby replaced and superseded with this Resolution; and

WHEREAS, the Board desires authorize the issuance of a credit card to District employees for District-related expenses.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PAINT BRUSH HILLS METROPOLITAN DISTRICT AS FOLLOWS:

1. AUTHORIZATION OF CREDIT CARDS. The Board hereby authorizes the issuance of a credit card by Farmers State Bank of Calhan, to the following person(s)/employee(s) with the credit limit(s) as specified below:

Steve Knepper:	\$10,000
Calvin Lindt:	\$5,000
Bill Rider, Jr.	\$5,000
Kelcey Riggs	\$2,000

All charges made to such credit cards shall be District-related expenses. No Personal purchases shall be made with the credit cards. In the event personal charges are made, the relevant employee shall be responsible for those fees and costs. All credit cards issued hereunder shall be immediately returned and cancelled when and if the employee ceases to be an employee of the District for whatever reason.

Each person/employee issued a credit card shall be required to execute an acknowledgement and agreement substantially in the form attached hereto and incorporated herein as Exhibit A.

[Remainder of Page Intentionally Left Blank].

APPROVED and ADOPTED this 17th day of April 2014.

PAINT BRUSH HILLS METROPOLITAN DISTRICT, a quasi municipal corporation and political subdivision of the State of Colorado

By: 

Officer of the District

DOUGLAS A. BURRER
TREASURER, PBHMD

ATTEST:



[Handwritten signature]

APPROVED AS TO FORM:
White, Bear & Ankele
Professional Corporation



General Counsel to the District

EXHIBIT A

ACKNOWLEDGEMENT AND AGREEMENT

CREDIT CARD POLICY

The undersigned has been issued a credit card for use in Paint Brush Hills Metropolitan District (the "District") business to acquire inexpensive items or services that are approved, actual and necessary expenditures of the District. The undersigned acknowledges that such card is a privilege and that he/she agrees to comply with the following policy in order to avail himself/herself of that privilege.

1. You are prohibited from using the card for any personal expenses, even if you intend to reimburse the District for such expenses. This practice is a de facto loan and would be an unlawful act for the District.
2. You are prohibited from using the card for cash advances.
3. You are prohibited from accepting any cash back, mileage points, or other incentives to use the card.
4. Any purchase in excess of the credit card limit requires prior approval by the Board. If you are requesting the Board to authorize a purchase in excess of this amount, you shall submit to the Board at the time of your request three bona fide price comparisons for the same item or service.
5. Each monthly statement shall be accompanied by detailed, itemized receipts or invoices for every purchase. The statement and receipts shall be submitted to the District's Manager not later than the last Monday of each month.
6. On each purchase, you shall document the purpose for which the card was used.
7. The charge for any purchase without appropriate approval, documentation and a detailed, itemized receipt will not be paid by District. You shall be required to pay the amount of said purchase(s).
8. If the purchase was incurred for anyone other than yourself, in addition to the documentation required in paragraph 6 above, you shall document the names of the individuals for whom the expenditures were incurred.
9. In the event the reconciliation of the account or the verification that items purchased were actually received show any discrepancies, you shall cooperate fully and immediately in resolving the discrepancy.

10. You shall take all action necessary to insure that the purchases are tax exempt.

11. You are authorized to acquire goods and services which are actual and necessary expenses that have been budgeted by the Board or are otherwise approved expenses for the conduct of the District's business and you are authorized to do so only when those items are actually needed but it is not expedient or practical to have a check available when payment is demanded.

12. You shall use the card only under safe and secure circumstances, including, but not limited to, use only on internet sites with SSL encryption.

13. The Board reserves the right, in its sole discretion, to cancel the card at any time. You will receive notice of such cancellation.

Dated this the ____ day of _____, 2014.

Signature: _____

Print Name: _____