



## RECORD OF PROCEEDINGS

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### MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE SKY RANCH COMMUNITY AUTHORITY BOARD (“CAB”) HELD NOVEMBER 11, 2022

A regular meeting of the Board of Directors (referred to hereafter as the “Board”) of the CAB convened on November 11, 2022 at 8:30 a.m. at Pure Cycle Corporation, 34501 E. Quincy Ave., Bldg. 65, Suite A, Watkins, CO 80137. This CAB Board meeting was also held virtually via Microsoft Teams and by conference call. The meeting was open to the public.

**Directors in Attendance Were:**

Mark Harding, President  
Joe Knopinski, Vice President  
Kevin McNeill, Treasurer  
Scott Lehman, Secretary  
Dirk Lashnits, Assistant Secretary

**Also in Attendance Were:**

Lisa Johnson, Celeste Terrell, Shauna D’Amato, and Cathee Sutton (for a portion of the meeting); CliftonLarsonAllen LLP (“CLA”)  
Suzanne Meintzer, Esq.; McGeady Becher P.C.  
Stan Fowler (for a portion of the meeting); Independent District Engineering Services, LLC (“IDES”)  
Cyrena Finnegan and Deb Saya; Pure Cycle Corporation

**Members of the Public:**

Katherine Funk

**ADMINISTRATIVE  
MATTERS**

Ms. Johnson called the meeting to order.

**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. Ms. Johnson noted that all Directors’ Disclosure Statements were filed. Attorney Meintzer requested members of the Board to disclose any potential conflicts of interest regarding any matters scheduled for discussion at this meeting and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. No additional conflicts were disclosed at the meeting.

**Quorum, Location of Meeting, Posting of Meeting Notice and Agenda:** Ms. Johnson confirmed the presence of a quorum. The Board reviewed a proposed agenda for the



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CAB's regular meeting.

Following discussion, upon a motion duly made by Director Knopinski, seconded by Director McNeill and, upon vote, unanimously carried, the Board approved the agenda, as amended.

The Board discussed the requirements of Section 32-1-903(1), C.R.S., concerning the location of the CAB's Board meeting.

Upon a motion duly made by Director Knopinski, seconded by Director McNeill and, upon vote, unanimously carried, the Board determined that certain Board members and consultants of the CAB would attend this meeting in person at the above-referenced location. However, certain other Board members and consultants of the CAB would attend this meeting via video conference or teleconference. The Board further noted that the notice of the time, date, location, and video conference/teleconference information for the meeting was duly posted and that no objections to the means of hosting the meeting were received from taxpaying electors.

**Resolution No. 2022-11-01 Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices:** Following review and discussion, upon a motion duly made by Director Lashnits, seconded by Director Harding and, upon vote, unanimously carried, the Board set their 2023 meetings for the second Friday of every month at 8:30 p.m., to be held virtually and physically, and adopted Resolution No. 2022-11-01, Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices.

**Requirements of Section 32-1-809, C.R.S. (District Transparency Notice):** The Board directed the staff at CliftonLarsonAllen LLP to prepare and post the Transparency Notice on the Special District Association website and the CAB website.

**District Insurance and Special District Association Membership:** The Board directed the staff of CliftonLarsonAllen LLP to renew for 2023. Ms. Johnson will transmit the current property schedule to Director Lashnits for his review and approval.

**Resolution No. 2022-11-02 Providing for Directors' Exclusion from Workers' Compensation Coverage:** Following review and discussion, upon a motion duly made by Director Knopinski, seconded by Director Lehman and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-02 Providing for Directors' Exclusion from Workers' Compensation Coverage and authorized its submittal.



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CONSENT AGENDA The Board considered the following item under the Consent Agenda:

- Approve Minutes of the October 14, 2022 Regular Meeting.

Upon a motion duly made by Director McNeill, seconded by Director Harding and, upon vote, unanimously carried, the Board approved the Consent Agenda.

PUBLIC COMMENT There were no public comments.

CITIZENS  
ADVISORY  
COMMITTEE  
("CAC") MATTERS

**CAC Presentation on Recommendations:** None.

FINANCIAL  
MATTERS

**Schedule of Cash Position as of June 30, 2022, Updated as of November 7, 2022, Accounts Receivable Summaries, Tax Schedules, and Developer Advance Schedule:** Following a presentation by Ms. Sutton, upon a motion duly made by Director Knopinski, seconded by Director McNeill and, upon vote, unanimously carried, the Board accepted the Schedule of Cash Position as of June 30, 2022, updated as of November 7, 2022, the accounts receivable summaries, tax schedules and developer advance schedule.

**Payables through November 4, 2022:** The Board reviewed the payables through November 4, 2022. Following review, upon a motion duly made by Director Lashnits, seconded by Director Harding and, upon vote, unanimously carried, the Board approved the payables through November 4, 2022, in the amount of \$505,202.06.

**Public Hearing on 2022 Budget Amendment (Second Reading):** Ms. Johnson opened the public hearing to consider an amendment to the 2022 Budget.

It was noted that publication of Notice stating that the Board would consider amendment of the 2022 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the CAB. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

Ms. Sutton presented the need to amend the 2022 Budget in the Debt Service Fund to \$400,000. Following review and discussion, upon motion duly made by Director



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Harding, seconded by Director Knopinski and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-03 to amend the 2022 Budget.

**Public Hearing on 2023 Budget (Second Reading):** Ms. Johnson opened the public hearing to consider adoption of the proposed 2023 Budget.

It was noted that Notice stating that the Board would consider adoption of the 2023 Budget and the date, time and place of the public hearing was published pursuant to statute. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

Ms. Sutton presented the proposed 2023 Budget to the Board. Following review and discussion, upon motion duly made by Director McNeill, seconded by Director Lashnits and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-04; to Adopt the 2023 Budget and Appropriate Sums of Money, as revised per discussion and subject to receipt of final assessed valuation from the County.

**Preparation of 2024 Budget:** The Board appointed the District Accountant to prepare the 2024 Budget.

**2022 Audit:** Following discussion, upon a motion duly made by Director McNeill, seconded by Director Lehman and, upon vote, unanimously carried, the Board approved the engagement of Haynie & Co. to prepare the 2022 Audit and authorized its submittal.

**CliftonLarsonAllen LLP Statements of Work for 2023 Accounting and Management Services:** Following discussion, upon a motion duly made by director Lashnits, seconded by Director McNeill and, upon vote, unanimously carried, the Board approved the statements of work with CliftonLarsonAllen LLP for 2023 accounting and management services.

### CONSTRUCTION MATTERS

**Project Manager's Report:** Director Lashnits presented the Project Manager's Report and updates.

**Engineers Report:** Mr. Fowler presented the Engineer's Report to the Board.

**Task Order No. 7 (Filing 1) to the Master Services Agreement (MSA) with Independent District Engineering Services, LLC ("IDES") for Continuation of Oversight Services in the Amount of \$40,000.00:** Following discussion, upon a motion duly made by Director McNeill, seconded by Director Lashnits and, upon vote,



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unanimously carried, the Board approved Task Order No. 7 to the MSA with IDES for continuation of oversight services in the amount of \$40,000.00.

**Task Order No. 3 (Filings 4 and 5) to the Master Services Agreement (MSA”) with Independent District Engineering Services, LLC (“IDES”) for Continuation of Oversight Services in the Amount of \$100,000.00:** Following discussion, upon a motion duly made by Director McNeill, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved Task Order No. 3 to the MSA with IDES for continuation of oversight services in the amount of \$100,000.00.

**Filing 5 Wet Utility Bid:** Mr. Fowler presented the bid summary to the Board. Following discussion, the Board determined to reject the bids at this time.

### **PHASE 1 (FILING NOS. 1, 2 AND 3) CONSTRUCTION MATTERS:**

**Drainage and Utilities:** None.

**Roadway Improvements:** None.

#### **Grading/Earthwork:**

**Change Order No. 10 to the Construction Contract with Bemas Construction, Inc. for Costs Covering Additional Scope to Complete Grading Activities Near Academy Site in the Amount of \$4,863.17:** Following discussion, upon a motion duly made by Director McNeill, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved Change Order No. 10 to the Construction Contract with Bemas Construction, Inc. for costs covering additional scope to complete grading activities near Academy site in the amount of \$4,863.17.

**Pay Application No. 11 to the Construction Contract with Bemas Construction, Inc. in the Amount of \$4,863.17:** Following discussion, upon a motion duly made by Director McNeill, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved Pay Application No. 11 to the Construction Contract with Bemas Construction, Inc. in the amount of \$4,863.17.

#### **Landscape Improvements:**

**Phase I:** None.



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*Phase 2:* None.

*Phase 3:* None.

### **PHASE II (FILING NO. 4) CONSTRUCTION MATTERS:**

**Grading/Earthwork:** None.

**Drainage and Utilities:** None.

**Erosion Control:** None.

#### **Roadway Improvements:**

*Paving/Asphalt:*

**Pay Application No. 11 to the Construction Contract with Martin Marietta Materials, Inc. in the Amount of \$149,846.22:** Following discussion, upon a motion duly made by Director McNeill, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved Pay Application No. 11 to the Construction Contract with Martin Marietta Materials, Inc. in the amount of \$149,846.22.

*Concrete/Striping/Signage:*

**Change Order No. 4 to the Construction Contract with Premier Earthworks & Infrastructure, Inc. ("PEI") for Costs Associated with Concrete Improvements for Carrie Street in the Amount of \$144,677.74:** Following discussion, upon a motion duly made by Director McNeill, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved Change Order No. 4 to the Construction Contract with PEI for costs associated with concrete improvements for Carrie Street in the amount of \$144,677.74.

**Change Order No. 5 to the Construction Contract with Premier Earthworks & Infrastructure, Inc. ("PEI") for Costs Associated with Additional Signage and Striping Improvements for Filing 4 in the Amount of \$2,130.23:** Following discussion, upon a motion duly made by Director McNeill, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved Change Order No. 5 to the Construction Contract with PEI for costs associated with additional signage and striping improvements for Filing 4 in the amount of



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\$2,130.23.

**Pay Application No. 11 to the Construction Contract with Premier Earthworks & Infrastructure, Inc. ("PEI") in the Amount of \$104,029.44:**

Following discussion, upon a motion duly made by Director McNeill, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved Pay Application No. 11 to the Construction Contract with PEI in the amount of \$104,029.44.

**Landscape:**

**Change Order No. 1 to the Landscape Installation Contract with Consolidated Divisions, Inc. for Adding Purple Wrap to Irrigation Fittings Adjusting Price of Decoder Cable and Changing the Rain Sensor Type to a Hunter MWS in the Amount of \$10,657.50:**

Following discussion, upon a motion duly made by Director McNeill, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved Change Order No. 1 to the Landscape Installation Contract with Consolidated Divisions, Inc. for adding purple wrap to irrigation fittings adjusting price of decoder cable and changing the rain sensor type to a Hunter MWS in the amount of \$10,657.50.

**PHASE II (FILING NO. 5) CONSTRUCTION MATTERS:**

**Grading/earthwork:** None.

**Drainage and Utilities:** None.

**Erosion Control:** None.

**Roadway Improvements:**

*Paving/Asphalt:* None.

*Concrete/Striping/Signage:* None.

**Landscape:** None.

**LEGAL MATTERS**

**Executive Session:** The Board determined that an Executive Session was not necessary.



**RECORD OF PROCEEDINGS**

COMMUNITY  
MANAGEMENT /  
COVENANT  
CONTROL /  
OPERATIONS

**Community Manager’s Report:** Ms. Terrell reviewed the Community Manager’s Report and provided updates with the Board. No action was taken.

**2023 Fee Schedule for Operation and Maintenance Fees and Design and Covenant Control, Effective January 1, 2023:** Following discussion, upon a motion duly made by Director Lashnits, seconded by Director Knopinski and, upon vote, unanimously carried, the Board confirmed Operation and Maintenance fees for 2023 with no changes.

OTHER BUSINESS

**Quorum for December 9, 2022 Board Meeting:** The Board confirmed a quorum for the December 9, 2022 Board meeting. Director Harding reported that he will not be able to attend the December meeting.

ADJOURNMENT

There being no further business to come before the Board at this time, following a motion duly made by Director Knopinski, seconded by Director McNeill and, upon vote, unanimously carried, the Board adjourned the meeting at 10:00 a.m.

Respectfully submitted,

By: DocuSigned by:  
Scott Lehman  
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Secretary for the Meeting