

## RECORD OF PROCEEDINGS

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### MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE SKY RANCH COMMUNITY AUTHORITY BOARD (“CAB”) HELD JANUARY 8, 2021

A special meeting of the Board of Directors (referred to hereafter as the “Board”) of the CAB was convened on Friday, the 8<sup>th</sup> day of January, 2021, at 8:30 a.m. at Pure Cycle Corporation, 34501 E. Quincy Ave., Bldg. 34, Watkins, CO 80137. Due to the concerns regarding the spread of the Coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, 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  
Joe Knopinski  
Kevin McNeill  
Scott Lehman  
Dirk Lashnits

**Also In Attendance Were:**

Lisa Johnson and Cathee Sutton; CliftonLarsonAllen LLP (“CLA”)  
Suzanne Meintzer, Esq.; McGeady Becher P.C.  
Barrett Marrocco; Independent District Engineering Services, LLC  
 (“IDES”)  
Rick Dinkel and Madison Gardner; Pure Cycle Corporation

**ADMINISTRATIVE  
MATTERS**

**Disclosure of Potential Conflicts of Interest:**

Attorney Meintzer noted that a quorum was present and 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. Attorney Meintzer requested members of the Board to disclose any potential conflicts of interest with regard to 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. Attorney Meintzer noted that all Directors’ Disclosure Statements have been filed. No additional conflicts were disclosed at the meeting.

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**Quorum, Agenda, Location of Meeting and Posting of Meeting Notice:**

Attorney Meintzer noted that all Directors were present and a quorum was declared. The Board reviewed a proposed Agenda for the CAB's special meeting. Following discussion, upon a motion made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried the Board approved the Agenda as presented.

The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the CAB's Board meeting.

Following discussion, upon motion duly made by Director Lashnits, seconded by Director Knopinski and, upon vote, unanimously carried, the Board determined that due to the ongoing concerns regarding the spread of COVID-19 and the benefits to the control of the spread of the virus by limiting in-person contact, 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.

**Designation of 24-Hour Posting Location:** Following discussion, upon motion duly made by Director Lashnits, seconded by Director Knopinski, and upon vote unanimously carried, the Board determined that notices of meetings of the CAB Board required pursuant to Section 24-6-402(2)(c), C.R.S., shall be posted on the CAB website, or if the website is unavailable, within the boundaries of the CAB at least 24 hours prior to each meeting at the following location: northwest corner of the CAB boundaries.

**PUBLIC  
COMMENT**

There was no public comment.  
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**CONSENT  
AGENDA**

The Board considered the following actions:

1. Approval of Minutes from the December 17, 2020 Special Meeting;
2. Ratify approval of Task Order No. 2 to the Master Services Agreement with PCS Group, Inc. for Phase 2 Planning and Landscape and Design in the amount of \$257,500; and

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3. Ratify approval of Notice of Award of Construction Contract to Bemas Construction, Inc. for Phase 2 Earthwork and authorization of execution of Notice to Proceed.

Following discussion, upon motion duly made by Director McNeill, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved and/or ratified approval of the Consent Agenda items listed above.

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### FINANCIAL MATTERS

#### **Schedule of Cash Position, Accounts Receivable Summaries, Property Tax Schedules, and Developer Advance Schedule through September 30, 2020 updated as of January 1, 2021:**

Ms. Sutton presented the Schedule of Cash Position, Accounts Receivable Summaries, Property Tax Schedules, and Developer Advance Schedule through September 30, 2020 updated as of January 1, 2021.

Following review and discussion, upon motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board accepted the Schedule of Cash Position, Accounts Receivable Summaries, Property Tax Schedules, and Developer Advance Schedule through September 30, 2020 updated as of January 1, 2021. The Board directed staff to credit \$400,000 from the General Fund to repay previously certified and accepted interest on Developer Advances.

#### **Payables through January 2021 in the amount of \$480,275.57:**

Following review and discussion, upon motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved the payables through January 2021 in the amount of \$480,275.57.

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### CONSTRUCTION MATTERS

#### **Project Manager's Report:**

Director Lashnits presented the Project Manager's Report to the Board.

#### **Task Order No. 7 to the Master Services Agreement ("MSA") with K2JL, Inc. d/b/a CVL, Inc. for Filing 4 plan amendments and waterline profile:**

Following discussion, upon motion duly made by Director Harding, seconded by Director McNeill and, upon vote, unanimously carried, the Board approved Task Order No. 7 to the MSA with K2JL, Inc. d/b/a CVL, Inc. for Filing 4 plan amendments and waterline profile in the amount of \$33,600.

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**Task Order No. 5 to the MSA with LSC Transportation Consultants Inc. for traffic engineering for administrative site plan (“ASP”):**

Following discussion, upon motion duly made by Director Harding, seconded by Director McNeill and, upon vote, unanimously carried, the Board approved Task Order No. 5 to the MSA with LSC Transportation Consultants Inc. for traffic engineering for ASP and interchange in the amount of \$3,500.

**MSA and Task Order No. 1 with MPi Designs, LLC for Phase II landscape irrigation design:**

Following discussion, upon motion duly made by Director Harding, seconded by Director McNeill and, upon vote, unanimously carried, the Board approved MSA and Task Order No.1 with MPi Designs, LLC for Phase II landscape irrigation design in the amount of \$14,535.

**Proposal from Studio Lightning LLC for ASP photometric plan:**

Following discussion, upon motion duly made by Director Harding, seconded by Director McNeill and, upon vote, unanimously carried, the Board approved a proposal from Studio Lightning LLC for ASP photometric plan in the amount of \$3,400.

**Drainage and Utilities:**

- 1. Change Order No. 28 to the Drainage and Utilities Construction Contract with Premier Earthworks & Infrastructure, Inc. (“PEI”) for clearing out meter pits due to Builder construction:*

Following discussion, upon motion duly made by Director Harding, seconded by Director McNeill and, upon vote, unanimously carried, the Board approved Change Order No. 28 to the Drainage and Utilities Construction Contract with PEI for clearing out meter pits due to Builder construction in the amount of \$1,315.60.

- 2. Pay Application No. 34 to the Drainage and Utilities Construction Contract with PEI:*

Following discussion, upon motion duly made by Director Harding, seconded by Director McNeill and, upon vote, unanimously carried, the Board approved Pay Application No. 34 to the Drainage and Utilities Construction Contract with PEI in the amount of \$1,315.60.

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### **Roadway Improvements:**

1. *Change Order No. 20 to the Roadway Improvements Construction Contract with PEI for completing contract closeout punch list items:*

Following discussion, upon motion duly made by Director Harding, seconded by Director McNeill and, upon vote, unanimously carried, the Board approved Change Order No. 20 to the Roadway Improvements Construction Contract with PEI for completing contract closeout punch list items in the amount of \$24,692.64.

2. *Pay Application No. 28 to the Roadways Improvement Construction Contract with PEI:*

Following discussion, upon motion duly made by Director Harding, seconded by Director McNeill and, upon vote, unanimously carried, the Board approved Pay Application No. 28 to the Roadways Improvement Construction Contract with PEI in the amount of \$24,692.64.

### **Grading/Earthwork:**

1. *Change Order No. 10 to the Grading/Earthwork Construction Contract with PEI for fixing drainage patterns to the inlet southeast of Pond:*

Following discussion, upon motion duly made by Director Harding, seconded by Director McNeill and, upon vote, unanimously carried, the Board approved Change Order No. 10 to the Grading/Earthwork Construction Contract with PEI for fixing drainage patterns to the inlet southeast of Pond E in the amount of \$2,003.76.

2. *Pay Application No. 15 to the Grading/Earthwork Construction Contract with PEI:*

Following discussion, upon motion duly made by Director Harding, seconded by Director McNeill and, upon vote, unanimously carried, the Board approved Pay Application No. 15 to the Grading/Earthwork Construction Contract with PEI in the amount of \$2,003.76.

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### Landscape Improvements:

#### Phase I

1. *Change Order No. 29 to the Landscape Improvements Contract with Environmental Designs, Inc. ("EDI") for retaining wall credits and Cobra Climber permit fees:*

Following discussion, upon motion duly made by Director Harding, seconded by Director McNeill and, upon vote, unanimously carried, the Board approved Change Order No. 29 to the Landscape Improvements Contract with EDI for retaining wall credits and Cobra Climber permit fees for a deduction in the amount of (\$42,307.94).

2. *Change Order No. 30 to the Landscape Improvements Contract with EDI for grading repair work at the north and south monuments and grading, seeding, and hydro-mulching near the pedestrian bridge and the concrete structure in the canal:*

Following discussion, upon motion duly made by Director Harding, seconded by Director McNeill and, upon vote, unanimously carried, the Board approved Change Order No. 30 to the Landscape Improvements Contract with EDI for grading repair work at the north and south monuments and grading, seeding, and hydro-mulching near the pedestrian bridge and the concrete structure in the canal in the amount of \$3,104.37.

3. *Pay Application No. 21 to the Landscape Improvements Contract with EDI:*

Following discussion, upon motion duly made by Director Harding, seconded by Director McNeill and, upon vote, unanimously carried, the Board approved Pay Application No. 21 to the Landscape Improvements Contract with EDI in the amount of \$37,917.58.

#### Phase III

1. *Change Order No. 9 to the Landscape Improvements Contract with EDI for secondary monument credits, pocket park north and pocket park south permit fees, and costs for groundcover additions near 10<sup>th</sup> Drive and the pedestrian bridge:*

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Following discussion, upon motion duly made by Director Harding, seconded by Director McNeill and, upon vote, unanimously carried, the Board approved Change Order No. 9 to the Landscape Improvements Contract with EDI for secondary monument credits, pocket park north and pocket park south permit fees, and costs for groundcover additions near 10<sup>th</sup> Drive and the pedestrian bridge for a deduction in the amount of (\$22,074.94).

2. *Pay Application No. 8 to the Landscape Improvements Contract with EDI:*

Following discussion, upon motion duly made by Director Harding, seconded by Director McNeill and, upon vote, unanimously carried, the Board approved Pay Application No. 8 to the Landscape Improvements Contract with EDI in the amount of \$56,428.88.

### **Engineers Report:**

### **LEGAL MATTERS**

Mr. Marrocco presented the Engineer's Report to the Board.

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### **Inclusions and Exclusions Needed in 2021 to Effectuate the Intent of the Amended and Restated Service Plans for Sky Ranch Metropolitan District Nos. 3, 4 and 5 and the Service Plans for the Proposed Sky Ranch Metropolitan District Nos. 6, 7 and 8, and the Next Phase of Development:**

Attorney Meintzer discussed potential inclusions and exclusions needed in 2021 to effectuate the intent of the Amended and Restated Service Plans for Sky Ranch Metropolitan District Nos. 3, 4 and 5 and the Service Plans for the proposed Sky Ranch Metropolitan District Nos. 6, 7 and 8, and the next phase of development to the Board. No action was taken.

### **Conveyance of Certain Real Property:**

1. **Vacation of the 12-foot Trail Easement on TRACT L, SKY RANCH SUBDIVISION FILING NO. 1, recorded July 20, 2018 in the Real Property Records of Arapahoe County, Colorado (the "County") under Reception No. D8071296:**

The Board acknowledged that the twelve-foot trail easement on Tract L, SKY RANCH SUBDIVISION FILING NO. 1, recorded July 20, 2018 in the real property records of the County under Reception No. D8071296 would be vacated.

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**2. TRACT A AND LOTS 1 THROUGH 3, INCLUSIVE, BLOCK 1, SKY RANCH SUBDIVISION FILING NO. 3, to be recorded in the Real Property Records of the County:**

The Board acknowledged that upon the recordation of the SKY RANCH SUBDIVISION FILING NO. 3 PLAT, Tract L of SKY RANCH SUBDIVISION FILING NO. 1 will be reconfigured into Tract A and Lots 1 through 3, INCLUSIVE, BLOCK 1, SKY RANCH SUBDIVISION FILING NO. 3, to be recorded in the real property records of the County.

**3. Conveyance of LOTS 1 THROUGH 3, INCLUSIVE, BLOCK 1, SKY RANCH SUBDIVISION FILING NO. 3, to be recorded in the Real Property Records of the County, from Sky Ranch Metropolitan District No 5 (“District No. 5”) to PCY Holdings, LLC, a Colorado Limited Liability Company (“PCY”):**

Attorney Meintzer explained the need for the conveyance of LOTS 1 THROUGH 3, INCLUSIVE, BLOCK 1, SKY RANCH SUBDIVISION FILING NO. 3 from District No. 5 to PCY.

**a. Real Property Conveyance Agreement (the “Conveyance Agreement”) by and between the CAB, District No. 5, and PCY:**

Following discussion, upon motion duly made by Director Harding, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved the Conveyance Agreement by and between the CAB, District No. 5, and PCY and authorized any necessary actions related thereto.

**b. Special Warranty Deed Conveying LOTS 1 THROUGH 3, INCLUSIVE, BLOCK 1, SKY RANCH SUBDIVISION FILING NO. 3, to be recorded in the Real Property Records of the County, from District No. 5 to PCY:**

The Board acknowledged the Special Warranty Deed conveying LOTS 1 THROUGH 3, INCLUSIVE, BLOCK 1, SKY RANCH SUBDIVISION FILING NO. 3, to be recorded in the real property records of the County, from District No. 5 to PCY and authorized any necessary actions related thereto.

**4. Conveyance of Certain Tracts from District No. 5 to the CAB:**

Attorney Meintzer explained the need for the conveyance of certain tracts from District No. 5 to the CAB.



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**a. Conveyance Agreement by and between the CAB, District No. 5, and PCY:**

Following discussion, the Board acknowledged its previous approval (earlier in the meeting) of the Conveyance Agreement by and between the CAB, District No. 5, and PCY.

**b. Special Warranty Deed Conveying Certain Tracts on SKY RANCH SUBDIVISION FILING NO. 1, recorded July 20, 2018 in the Real Property Records of the County under Reception No. D8071296; SKY RANCH SUBDIVISION FILING NO. 2, recorded June 24, 2019 in the Real Property Records of the County under Reception No. D9060421; and SKY RANCH SUBDIVISION FILING NO. 3, to be recorded in the Real Property Records of the County, from District No. 5 to the CAB:**

Following discussion, upon motion duly made by Director Harding, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved the Special Warranty Deed conveying certain tracts on SKY RANCH SUBDIVISION FILING NO. 1, recorded July 20, 2018 in the real property records of the County under Reception No. D8071296; SKY RANCH SUBDIVISION FILING NO. 2, recorded June 24, 2019 in the real property records of the County under Reception No. D9060421; and SKY RANCH SUBDIVISION FILING NO. 3, to be recorded in the real property records of the County, from District No. 5 to the CAB and authorized any necessary actions related thereto.

**Executive Session Pursuant to Sections 24-6-402(4)(a) and (b), C.R.S.:**

It was determined that an Executive Session was not necessary.

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**COMMUNITY  
MANAGEMENT**

**Community Manager’s Report:**

The Board reviewed the Community Manager’s Report.

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**OTHER  
BUSINESS**

**Confirm Quorum for February 12, 2021 Board Meeting:**

The Board confirmed a quorum for the February 12, 2021 Board Meeting.

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### ADJOURNMENT

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

Respectfully submitted,

  
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By: \_\_\_\_\_  
Secretary for the Meeting