



RECORD OF PROCEEDINGS

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

A regular meeting of the Board of Directors (referred to hereafter as the “Board”) of the CAB convened on Friday, the 11th day of March 2022, at 8:30 a.m. at Pure Cycle Corporation, 34501 E. Quincy Ave., Bldg. 34, 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 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:

Justin Chan, Barb Patton, Katherine Funk, Ryan Funk, Spencer Mahaffey, Jeff Nelson
and Daniel Vaughn.

**ADMINISTRATIVE
MATTERS**

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. Ms. Johnson 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 CAB’s regular meeting.



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Following discussion, upon a motion duly made by Director Harding, 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 Harding, 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.

CONSENT AGENDA

The Board considered the following items under the Consent Agenda:

- **Minutes from the February 11, 2022 Regular Meeting**

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

PUBLIC COMMENT

Katherine Funk asked about the threshold number of inches of snow that needs to fall before snow removal services are provided. Ms. Terrell responded that the trigger for snow removal is two inches.

CITIZENS ADVISORY COMMITTEE ("CAC") MATTERS

CAC Presentation to the CAB Board Regarding CAC Recommendations: The Board reviewed the CAC minutes, agenda and the Event Funding Request Form. Following review and discussion, the Board accepted the minutes, agenda, and funding request form.

Director Knopinski asked whether the information requested at the last meeting regarding a graph delineating how property tax revenue from the Sky Ranch Metropolitan Districts and O&M Fee revenue is used by the CAB had been prepared and posted on the website. Director Harding responded that the content was prepared, and that his team is working on revising the website and updating the links to have a separate page where this information will be posted.



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Recommendations from the CAC: None.

FINANCIAL MATTERS

Schedule of Cash Position through December 31, 2021, Updated as of March 2, 2022, and Accounts Receivable Summaries, Tax Schedules, and Developer Advance Schedule: Following a presentation by Ms. Sutton, upon a motion duly made by Director McNeill, seconded by Director Knopinski and, upon vote, unanimously carried, the Board accepted the schedule of cash position through December 31, 2021, updated as of March 2, 2022, and accounts receivable summaries, tax schedules and developer advance schedule.

Payables through March 4, 2022: Following review, upon a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved the payables through March 4, 2022, in the amount of \$674,489.74.

2021 Budget Amendment (Second Reading): Ms. Johnson opened the public hearing at 8:48 a.m. to consider an amendment to the 2021 Budget.

It was noted that publication of Notice stating that the Board would consider amendment of the 2021 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.

Ms. Sutton presented the need to amend the 2021 Budget in the Debt Service Fund to \$700,000

No public comments were received, and the public hearing was closed at 8:49 a.m.

Following review and discussion, upon motion duly made by Director Lashnits, seconded by Director Lehman and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-03-01 to Amend the 2021 Budget.

Interest Payment to Pure Cycle Corporation under the Facilities Funding and Acquisition Agreement and/or the Phase 2 Facilities Funding and Acquisition Agreement by and between the CAB and Pure Cycle Corporation: The Board discussed the ability to make an interest payment to Pure Cycle Corporation and deferred this item to the April meeting.



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CONSTRUCTION MATTERS

Project Manager's Report: Director Lashnits reviewed the Project Manager's Report with the Board.

Task Order No. 7 to the Master Services Agreement ("MSA") with KT Engineering, LLC for Survey Staking in the Amount of \$8,175.00: Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Lehman and, upon vote, unanimously carried, the Board approved Task Order No. 7 with KT Engineering, LLC for survey staking, in the amount of \$8,175.00.

Task Order No. 3 to the Master Service Agreement ("MSA") with MPi Designs, LLC for Filing 5 Irrigation Design in the Amount of \$8,360.00: Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Lehman and, upon vote, unanimously carried, the Board approved Task Order No. 3 with MPi Designs, LLC for Filing 5 irrigation design, in the amount of \$8,360.00.

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

Cost Certification Report No. 3 for Filing Nos. 1-3 in the Amount of \$452,336.20: Mr. Fowler presented Cost Certification Report No. 3 to the Board. Following review and discussion, upon a motion duly made by Director Lashnits, seconded by Director Harding and, upon vote, unanimously carried, the Board approved Cost Certification Report No. 3 for Filing Nos. 1-3, in the amount of \$452,336.20.

Cost Certification Report No. 2 for Filing No. 4 in the Amount of \$6,173,323.30: Mr. Fowler presented Cost Certification Report No. 2 to the Board. Following review and discussion, upon a motion duly made by Director Lashnits, seconded by Director Harding and, upon vote, unanimously carried, the Board approved Cost Certification Report No. 2 for Filing No. 4, in the amount of \$6,173,323.30.

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

Drainage and Utilities: None.

Roadway Improvements: None.

Grading/Earthwork: None.

Landscape Improvements:

Phase 1: None.



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Phase 2: None.

Phase 3:

Pay Application No. 17 to the Landscape Contract with Environmental Designs, Inc. ("EDI") in the Amount of \$2,009.59: Following discussion, upon a motion duly made by Director Lashnits, seconded by Director Lehman and, upon vote, unanimously carried, the Board approved Pay Application No. 17 to the Landscape Contract with EDI, in the amount of \$2,009.59.

PHASE 2 (FILING NO. 4) CONSTRUCTION MATTERS:

Grading/Earthwork: None.

Drainage and Utilities: None.

Erosion Control: None.

Roadway Improvements:

Paving/Asphalt:

Change Order No. 4 to the Paving Contract with Martin Marietta Materials, Inc. for Costs Related to Balancing Roadways in the Amount of \$38,584.00: Upon a motion duly made by Director Lashnits, seconded by Director Lehman and, upon vote, unanimously carried, the Board approved Change Order No. 4 to the Paving Contract with Martin Marietta Materials, Inc., in the amount of \$38,584.00.

Pay Application No. 4 to the Paving Contract with Martin Marietta Materials, Inc. in the Amount of \$36,654.80: Upon a motion duly made by Director Lashnits, seconded by Director Lehman and, upon vote, unanimously carried, the Board approved Pay Application No. 4 to the Paving Contract with Martin Marietta Materials, Inc., in the amount of \$36,654.80.

Concrete/Striping/Signage:

Pay Application No. 4 to the Concrete Contract with Premier Earthworks & Infrastructure, Inc. ("PEI"), in the Amount of \$124,965.60: Upon a motion duly made by Director Lashnits, seconded by Director Lehman and, upon vote,



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unanimously carried, the Board approved Pay Application No. 4 to the Concrete Contract with PEI, in the amount of \$124, 965.60.

LEGAL MATTERS

Interest Payment to Pure Cycle Corporation under the Facilities Funding and Acquisition Agreement and/or the Phase 2 Facilities Funding and Acquisition Agreement by and between the CAB and Pure Cycle Corporation: The Board discussed this item under Financial Matters, above.

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

COMMUNITY MANAGEMENT / COVENANT CONTROL / OPERATIONS

Community Manager's Report: The Board reviewed the Community Manager's Report.

OTHER BUSINESS

Quorum for April 8, 2022 Board Meeting: The Board confirmed a quorum for the April 8, 2022 Board meeting.

ADJOURNMENT

There being no further business to come before the Board at this time, following a motion duly made by Director McNeill, seconded by Director Lashnits and, upon vote, unanimously carried, the Board adjourned the meeting at 9:11 a.m.

Respectfully submitted,

By: _____
Secretary for the Meeting

DocuSigned by:
Lisa Johnson
816F8170E93A48A...

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Client Number: 011-045658-OS09-2022

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Suite 300

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Minneapolis, MN 55402

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Lisa Johnson

Lisa.Johnson@claconnect.com

District Manager

Security Level: Email, Account Authentication (None)

Signature

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 Lisa Johnson
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