

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE SKY RANCH COMMUNITY AUTHORITY BOARD (“CAB”) HELD MAY 8, 2020

The regular meeting of the Board of Directors (referred to hereafter as the “Board”) of the Sky Ranch Community Authority Board (referred to hereafter as the “CAB”) was convened on Friday, the 8th day of May, 2020, at 8:30 a.m. 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 District Board meeting was held by conference call without any individuals (neither District representatives nor the general public) attending in person. The meeting was open to the public.

Directors In Attendance Were:

Mark Harding
Joe Knopinski
Dirk Lashnits
Scott Lehman

Also In Attendance Were:

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

**DISCLOSURE OF
POTENTIAL
CONFLICTS OF
INTEREST**

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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ADMINISTRATIVE MATTERS

Agenda:

Ms. Johnson distributed for the Board's review and approval a proposed Agenda for the CAB's Regular Meeting.

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

Board Vacancy:

The Board discussed the vacancy on the Board of Directors, and Ms. Johnson, who is also the Manager for Sky Ranch Metropolitan District No. 1 ("District No. 1") and Sky Ranch Metropolitan District No. 5 ("District No. 5), advised the Board that Notices of Vacancy were published for District No. 1 and District No. 5, respectively. Ms. Johnson also advised the Board that District no. 1 and District No. 5 would schedule respective special meetings in June 2020, during which District No. 1 and District No. 5 would likely appoint a new Director to their Boards of Directors, respectively, and to the CAB Board of Directors.

CONSENT AGENDA

The Board considered the following actions:

- Approve Minutes of the April 10, 2020 Regular Meeting.

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

FINANCIAL MATTERS

Financial Statements, Developer Advance Schedule, Property Tax Schedules, Accounts Receivable Schedule, and Schedule of Cash Position:

Ms. Sutton presented to the Board the March 31, 2020 unaudited financial statements, developer advance schedule, property tax schedules, accounts receivable schedule, and the schedule of cash position.

Following review and discussion, upon motion duly made by Director Knopinski, seconded by Director Harding and, upon vote, unanimously carried, the Board accepted the March 31, 2020 unaudited financial statements, developer advance schedule, property tax schedules, accounts receivable schedule, and the schedule of cash position updated through April 28, 2020.

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Claims:

The Board considered approval of the payment of claims for the period beginning April 4, 2020 through May 1, 2020, in the amount of \$36,460.88.

Following discussion, upon motion duly made by Director Knopinski, seconded by Director Harding and, upon vote, unanimously carried, the Board approved the payment of claims as presented.

Consider establishing a banking relationship with Central Bank and Trust and terminate banking relationship with Wells Fargo: The Board discussed establishing a banking relationship with Central Bank and Trust and terminating the current banking relationship with Wells Fargo.

Following discussion, upon motion duly made by Director Harding, seconded by Director Lashnits and, upon vote, unanimously carried, the Board determined to terminate the banking relationship with Wells Fargo and authorized the President and Secretary to execute the required documents to establish an account with Central Bank and Trust.

COMMUNITY MANAGEMENT

Community Manager's Update: The Board reviewed the Community Manager's report provided by Ms. Herman.

Status of Design Review Committee ("DRC") Forms: This information was included in the Community Manager's report.

Draft Rules and Regulations related to Reserving Park Facilities: The Board reviewed and discussed the draft Rules and Regulations provided by Attorney Meintzer. Ms. Johnson will provided the document to the District's insurance provider and ask them to review and provide comments as well.

In addition, the Board directed Pure Cycle staff to assist with drafting high level rules for a signage program once the comments from the insurance provider are received.

CONSTRUCTION MATTERS

Project Managers Report:

Director Lashnits presented the Project Manager's Report and gave an update on the Projects. A copy of the Project Manager's Report, dated May 8, 2020, is attached hereto and incorporated herein by this reference.

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Task Order No. 6 to the Master Service Agreement (“MSA”) with CVL Consultants in the Amount of \$35,435 for Fiber Potholes in Filing 3:

Following discussion, upon motion duly made by Director Harding, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved Task Order No. 6 to the MSA with CVL Consultants in the amount of \$35,435.

MSA and Task Order No. 1 with KT Engineering in the Amount of \$800 for Filing No. 3 Geotechnical Boring:

Following discussion, upon motion duly made by director Lashnits, seconded by Director Harding and, upon vote, unanimously carried, the Board approved the MSA and Task Order No. 1 in the amount of \$800, with KT Engineering.

Drainage and Utilities:

Pay Application No. 24 to the Drainage and Utilities Contract with Premier Earthworks and Infrastructure (“PEI”): Mr. Marrocco presented to the Board Pay Application No. 24 to the Drainage and Utilities Contract with PEI, in the amount of \$53,774.80.

Following discussion, upon motion duly made by Director Lashnits, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved Pay Application No. 24 to the Drainage and Utilities Contract with PEI, in the amount of \$53,774.80.

Roadway Improvements:

Pay Application No. 18 to the Roadway Improvements Contract with PEI: Mr. Marrocco reviewed with the Board Change Order No. 18 to the Roadway Improvements Contract with PEI in the amount of \$120,606.29.

Following discussion, upon motion duly made by Director Lashnits, seconded by Director Harding and, upon vote, unanimously carried, the Board approved Pay Application No. 18 to the Roadway Improvements Contract with PEI, in the amount of \$120,606.29.

Grading/Earthwork: None.

Landscape Improvements:

Phase I

Change Order No. 20 to the Landscape Improvements Contract with Environmental Designs Inc. (“EDI”): Mr. Marrocco reviewed with the Board Change Order No. 20 to the Landscape Improvements Contract with EDI for time and materials for repairs through April 2020 and structural engineering, excavation and compaction efforts for MSE wall No. 6, in the amount of \$24,819.51.

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Following discussion, upon motion duly made by Director Harding, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved Change Order No. 20 to the Landscapes Improvement Contract with EDI, in the amount of \$24,819.51.

Pay Application No. 14 to the Landscape Improvements Contract with EDI: Mr. Marrocco reviewed with the Board Pay Application No. 14 to the Landscape Improvements Contract with EDI, in the amount of \$46,564.36.

Following discussion, upon motion duly made by Director Harding, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved Pay Application No. 14 to the Landscape Improvements Contract with EDI, in the amount of \$46,564.36.

Phase II

Ratify approval of the Notice of Award, Notice to Proceed and Landscape Improvements Contract with EDI for Filing 1, Phase II, in the amount of \$155,431.26: Following discussion, upon a motion duly made by Director Harding, seconded by Director Lashnits and, upon vote, unanimously carried, the Board ratified approval of the Notice of Award, Notice to Proceed and Landscape Improvements Contract with EDI for Filing 1, Phase II, in the amount of \$155,431.26.

Ratify approval of Change Order No. 1 to the Landscape Improvements Contract with EDI for Filing 1, Phase II for pricing adjustments to cover market changes in the amount of \$25,751.18: Following discussion, upon a motion duly made by Director Harding, seconded by Director Lashnits and, upon vote, unanimously carried, the Board ratified approval of Change Order No. 1 to the Landscape Improvements Contract with EDI for pricing adjustments to cover market changes in the amount of \$25,751.18

Phase III

Ratify approval of the Notice of Award, Notice to Proceed and Landscape Improvements Contract with EDI for Filing 1, Phase III, in the amount of \$1,293,395.48: Following discussion, upon a motion duly made by Director Harding, seconded by Director Lashnits and, upon vote, unanimously carried, the Board ratified approval of the Notice of Award, Notice to Proceed and Landscape Improvements Contract with EDI for Filing 1, Phase III, in the amount of \$1,293,395.48.

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Review and consider approval of Change Order No. 1 to the Landscape Improvements Contract with EDI for pricing adjustments to cover market changes in the amount of \$-107,104.44: Following discussion, upon a motion duly made by Director Harding, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved Change Order No. 1 to the Landscape Improvements Contract with EDI for pricing adjustments to cover market changes in the amount of \$-107,104.44.

Engineers Report:

Mr. Marrocco presented to the Board the Engineer's Report. A copy of the Engineer's Report, dated May 8, 2020, is attached hereto and incorporated herein by this reference.

Consulting Agreements:

Review and consider termination of Construction Contract for Fencing Installation, dated May 10, 2019, with Pure Cycle Corporation.: Following discussion, upon a motion duly made by Director Harding, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved the termination of Construction Contract for Fencing Installation, dated May 10, 2019 with Pure Cycle Corporation.

Review and consider termination of Service Agreement for Erosion Control Services, dated May 14, 2019, with Pure Cycle Corporation.: Following discussion, upon a motion duly made by Director Harding, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved the termination of the Service Agreement for Erosion Control Services, dated May 14, 2019 with Pure Cycle Corporation.

Review and consider approval of Service Agreement for Filing 1 Public Improvements with Pure Cycle Corporation.: Following discussion, the Board determined to defer action until the scope of work and fee is provided.

LEGAL MATTERS

Ratify approval of 1601 Agreement with Arapahoe County:

Following discussion, upon a motion duly made by Director Harding, seconded by Director Knopinski and, upon vote, unanimously carried, the Board ratified approval of 1601 Agreement with Arapahoe County, noting the Agreement would be on the Agenda for approval at the next BOCC Meeting.

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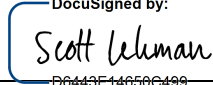
OTHER BUSINESS

Director Harding would like to schedule a call with Legal Counsel regarding a Public Improvement District to overlay the Authority Community District and Metropolitan Districts.

ADJOURNMENT

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

Respectfully submitted,

By:  _____
Secretary for the Meeting

Sky Ranch CAB – Project Manager Board Report

Date: 05/08/20

DESIGN AND CONSTRUCTION

Status Report and Progress Updates

- Earthwork – performing corrections in channel and Tracts for certification and close-out
- Dirt Shortage – Taylor Morrison ongoing shortage for backfill
- Drainage and Utilities – pedestrian bridge in channel complete; achieved Ph 1 initial acceptance with Rangeview; punch out of Ph 2 and 3
- Concrete and Asphalt Phase 1 – All paving complete; Probationary Acceptance in Ph 1 streets – punch list complete and working with County for acceptance; working on Phase 2 and 3 punch lists; signage and striping in Ph 2&3; still need to walk 6th Ave and Monaghan
- Xcel – all electric complete except KB TD#6 and street lights; all gas installed – performing testing and energizing
- Landscaping – monument complete; park arbor complete; working on remaining Ph 1 items; channel/pond seeding and touch up; NTP for Ph 2 and 3 issued and start scheduled for 5/11
- Maintaining SEMSWA and Urban Drainage compliance – performing channel and pond maintenance
- Preliminary planning/engineering for next Filing (Filing 3) – responding to 7th submittal comments; working on outstanding school issue; initiating SDP & CDs; preliminary budget; ongoing discussions with Interchange/1601 group

BUDGET

- Budget review – no issues

CONTRACTS, CHANGE ORDERS AND TASK ORDERS

Filing 1

Filing 3

- CVL – TO#6 – \$35,435 – Fiber potholes
- KT Engineering, MSA & TO#1 - \$800 – Geotech boring locations

PAYABLES (OUTSIDE OF CONTRACT)

Sky Ranch Filing 1 - CAB Contract Summary

Activity Description	Vendor	Total Contracts	Total Invoices	Total Retainage	Total Reimbursable	% Complete	Remaining to Spend	Management Fee
Fees, Permits and Administration	Arapahoe County	127,100	127,100	-	104,516	100%	-	-
Legal and Title	Butler Snow	425	425	-	-	100%	-	-
Erosion Control	CMS	33,715	6,318	-	5,195	19%	27,398	316
Geotech	CTL Thompson	455,000	411,384	-	338,286	90%	43,616	20,569
Engineering	CVL Consultants	69,026	69,026	-	56,761	100%	-	-
Landscaping	Environmental Designs	3,804,685	1,812,736	84,333	1,812,736	48%	1,991,949	90,637
Warranty and Turnover	Environmental Designs	115,379	-	-	-	0%	115,379	-
Engineering	ERO Resources Group	580	580	-	477	100%	-	-
Erosion Control	Erosion Controls of CO	70,965	70,965	-	58,355	100%	-	3,548
Legal and Title	Hoffman, Parker, etc	8,304	8,304	-	-	100%	-	-
District	IDES	175,000	167,743	-	137,937	96%	7,257	-
Survey	KT Engineering	573,117	522,090	-	429,321	91%	51,027	26,105
District	McGeady Becher	103,225	34,469	-	28,344	33%	68,756	-
Legal and Title	Otis Bedingfield & Peters	235	235	-	-	100%	-	-
Grading	PEI	1,681,520	1,578,210	53,262	820,669	94%	103,310	78,911
Sanitary Sewer	PEI	2,493,990	2,475,621	56,718	2,475,621	99%	18,369	119,846
Water	PEI	2,450,570	2,408,515	56,734	2,408,515	98%	42,055	113,656
Storm Sewer	PEI	5,131,778	5,033,411	119,191	5,033,411	98%	98,367	236,071
Dry Utilities	PEI	198,009	194,841	4,363	-	98%	3,168	9,605
Concrete	PEI	3,709,946	3,446,983	172,349	3,446,983	93%	262,964	-
Asphalt	PEI	5,095,172	5,019,735	250,987	5,019,735	99%	75,437	-
Warranty and Turnover	PEI	200,000	-	-	-	0%	200,000	-
Erosion Control	Pure Cycle Erosion Control	-	-	-	-	0%	-	-
Landscaping	Pure Cycle Landscaping	-	-	-	-	0%	-	-
District	SDMS	72,425	55,035	-	45,256	76%	17,391	-
Fees, Permits and Administration	SEMSWA	22,873	22,873	-	18,808	100%	-	-
District	Sentinel	-	-	-	-	0%	-	-
District	Sentinel	129	129	-	106	100%	-	-
Legal and Title	Spencer Fane	228	228	-	-	100%	-	-
Dry Utilities	Xcel Energy	2,392,277	2,368,589	-	597,189	99%	23,688	118,429
Total		28,985,674	25,835,544	797,937	22,838,222		3,150,129	817,692

Sky Ranch Filing 2 - CAB Contracts Summary

Activity Description	Vendor	Total Contracts	Total Invoices	Total Retainage	Total Reimbursable	% Complete	Remaining to Spend
Fees, Permits and Administration	Arapahoe County	79,250	79,250	-	65,168	100%	-
Geotech	CTL Thompson	31,000	-	-	-	0%	31,000
Engineering	CVL Consultants	1,078,435	249,402	-	205,087	23%	829,033
Engineering	ERC	15,886	7,887	-	6,486	50%	7,999
Engineering	ERO	2,000	2,427	-	1,996	121%	(427)
Survey	KT Engineering	800	-	-	-	0%	800
Engineering	LSC	24,950	21,744	-	17,880	87%	3,206
Planning	PCS Group	183,500	155,544	-	127,906	85%	27,956
Fees, Permits and Administration	Tri-County Health	330	330	-	271	100%	-
-		-	-	-	-	0%	-
-		-	-	-	-	0%	-
-		-	-	-	-	0%	-
-		-	-	-	-	0%	-
-		-	-	-	-	0%	-
-		-	-	-	-	0%	-
-		-	-	-	-	0%	-
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-		-	-	-	-	0%	-
-		-	-	-	-	0%	-
-		-	-	-	-	0%	-
-		-	-	-	-	0%	-
-		-	-	-	-	0%	-
-		-	-	-	-	0%	-
-		-	-	-	-	0%	-
-		-	-	-	-	0%	-
Total		1,416,151	516,584	-	424,793	6	899,567

SKY RANCH COMMUNITY AUTHORITY BOARD

Board Meeting Project Status

May 8, 2020

Construction Contract Documents

Drainage and Utilities Contract – Premier Earthworks & Infrastructure

Change Orders

- **Recommend Approval:**
 - None

Pay Applications

- Pay Application #24 is recommended for payment: \$53,774.80 (\$56,605.05 District; \$0.00 Non-District; \$2,830.25 Retained).
 - \$10,168,993.83 Billed to Date. \$239,836.03 Retained. \$9,929,157.79 Paid to Date.

Roadways Contract – Premier Earthworks & Infrastructure

Change Orders

- **Recommend Approval:**
 - None

Pay Applications

- Pay Application #18 is recommended for payment: \$120,606.29 (\$126,953.99 District; \$0.00 Non-District; \$6,347.70 Retained).
 - \$8,610,563.82 Billed to Date. \$430,528.19 Retained. \$8,180,035.63 Paid to Date.

Landscape Contract Phase 1 – Environmental Designs, Inc.

Change Orders

- **Recommend Approval:**
 - Change Order 20: \$24,819.51 for T&M repairs through April 2020 and structural engineering, excavation, and compaction efforts for MSE Wall #6.

Pay Applications

- Pay Application #14 is recommended for payment: \$46,564.36 (\$49,015.12 District; \$0.00 Non-District; \$2,450.76 Retained)
 - \$1,814,834.70 Billed to Date. \$84,438.46 Retained. \$1,683,831.88 Paid to Date.

Landscape Contract Phase 2 – Environmental Designs, Inc.

Change Orders

- **Recommend Approval:**
 - Change Order #1: \$25,751.18 for pricing adjustments since original proposal to cover market changes.

Pay Applications

- None

Landscape Contract Phase 3 – Environmental Designs, Inc.

Change Orders

- **Recommend Approval:**
 - Change Order #1: -\$107,104.44 for pricing adjustments since original proposal to cover market changes.

Pay Applications

- None

Earthwork Contract – Premier Earthworks & Infrastructure

Change Orders

- **Recommend Approval:**
 - None

Pay Applications

- None

Other Matters

- Updated Certification (To Be Distributed)
- Recommend Approval of Environmental Designs, Inc. Contracts for Phases 2 and 3 Landscape
- Release Payment for Sky Ranch Utilities Phase 1 on May 10th.

Sky Ranch Community Authority Board

Contractors Change Order Log Paid-To-Date Summary

Contractor	Change Orders	Total Contract Amount	Amount Billed	Remaining
PEI - Grading	9	\$1,578,210.06	\$1,524,948.50	\$53,261.56
PEI - Drainage & Utilities	21	\$10,175,283.28	\$9,875,383.00	\$299,900.28
PEI - Roadways	16	\$8,723,147.13	\$8,059,429.34	\$663,717.79
EDI - Landscape P1	19	\$2,042,827.13	\$1,683,831.88	\$358,995.25
EDI - Landscape P2	0	\$155,431.26	\$0.00	\$155,431.26
EDI - Landscape P3	0	\$1,293,395.48	\$0.00	\$1,293,395.48
Total		\$23,968,294.34	\$21,143,592.72	\$2,824,701.62

Sky Ranch Community Authority Board Summary of Contract Changes

Change Order Log

#	Contractor	Original Contract Amount	Executed CO's		New Contract	
			Amount	Days	Amount	Days
1	PEI - Grading	\$1,418,885.53	\$159,324.53	35	\$1,578,210.06	35
2	PEI - Drainage & Utilities	\$8,971,057.30	\$1,204,225.98	79.5	\$10,175,283.28	79.5
3	PEI - Roadways	\$8,368,649.67	\$354,497.46	42	\$8,723,147.13	42
4	EDI - Landscape Ph 1	\$1,633,252.04	\$409,575.09	138	\$2,042,827.13	138
5	EDI - Landscape Ph 2	\$155,431.26	\$0.00	0	\$155,431.26	0
6	EDI - Landscape Ph 3	\$1,293,395.48	\$0.00	0	\$1,293,395.48	0
7						
	Total	\$21,840,671.28	\$2,127,623.06		\$23,968,294.34	

Potential Change Order Log

#	Contractor	Current Contract	Days	Potential Change Orders		Potential Contract	
				Amount	Days	Amount	Days
1	PEI - Grading	\$1,578,210.06	35	\$0.00	0	\$1,578,210.06	35
2	PEI - Drainage & Utilities	\$10,175,283.28	80	\$0.00	0	\$10,175,283.28	80
3	PEI - Roadways	\$8,723,147.13	42	\$0.00	0	\$8,723,147.13	42
4	EDI - Landscape P1	\$2,042,827.13	234	\$252,542.26	121	\$2,295,369.39	355
5	EDI - Landscape P2	\$155,431.26	210	\$25,751.18	0	\$181,182.44	210
6	EDI - Landscape P3	\$1,293,395.48	210	-\$107,104.44	0	\$1,186,291.04	210
7							
	Total	\$23,968,294.34		\$171,189.00		\$24,139,483.34	
				Potential Total of All Change Orders		\$171,189.00	

Force Account Log

#	Contractor	Original Amount	Change	New Balance
1	PEI - Grading	\$0.00	\$0.00	\$0.00
2	PEI - Drainage & Utilities	\$0.00	\$0.00	\$0.00
3	PEI - Roadways	\$0.00	\$0.00	\$0.00
4	EDI - Landscape P1	\$85.00	\$0.00	\$85.00
5	EDI - Landscape P2	\$0.00	\$0.00	\$0.00
6	EDI - Landscape P3	\$0.00	\$0.00	\$0.00
7				
	Total		\$0.00	\$0.00