



## 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 MAY 13, 2022

A regular meeting of the Board of Directors (referred to hereafter as the “Board”) of the CAB convened on Friday, the 13<sup>th</sup> day of May 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:**

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

Absent and excused was Director Mark Harding, President.

**Also in Attendance Were:**

Lisa Johnson 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:

Jennifer

**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. 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 CAB’s regular meeting.



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Following discussion, upon a motion duly made by Director McNeill, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved the agenda, and excused the absence of Director Harding.

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 McNeill, seconded by Director Lashnits 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. 2022-05-01 Regarding the Retention and Disposal of Public Records and Adopting a Public Records Retention Schedule:** Attorney Meintzer presented the Resolution to the Board. Following review and discussion, upon a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-05-01; Resolution Regarding the Retention and Disposal of Public Records and Adopting a Public Records Retention Schedule.

### CONSENT AGENDA

The Board considered the following items under the Consent Agenda:

- **Minutes from the April 8, 2022 Regular Meeting**

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

### PUBLIC COMMENT

There were no public comments.

### CITIZENS ADVISORY COMMITTEE ("CAC") MATTERS

**CAC Term Limits in CAC Bylaws:** Attorney Meintzer and Ms. Johnson reported that there is a slight discrepancy in the language in the Bylaws regarding CAC terms of appointment, and the CAB Board has the discretion to amend the Bylaws at any time or defer to the CAC for recommendations regarding the same. Ms. Johnson asked the CAC to provide recommendations. She also reported that she will be attending the CAC



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meeting in May to discuss this matter with the Committee in more detail and will report back to the Board with any recommendations.

**CAC Presentation to the CAB Board Regarding CAC Recommendations:** No recommendations were presented.

**Recommendations from the CAC:** None.

### FINANCIAL MATTERS

**Schedule of Cash Position through December 31, 2021, Updated as of May 3, 2022, and Accounts Receivable Summaries, Tax Schedules, and Developer Advance Schedule:** Following a presentation by Ms. Sutton, upon a motion duly made by Director Lashnits, seconded by Director Lehman and, upon vote, unanimously carried, the Board accepted the schedule of cash position through December 31, 2021, updated as of May 3, 2022, and accounts receivable summaries, tax schedules and developer advance schedule.

**Payables through May 9, 2022:** The Board reviewed the payables through May 9, 2022. Following review, upon a motion duly made by Director Knopinski, seconded by Director McNeill and, upon vote, unanimously carried, the Board approved the payables through May 9, 2022, in the amount of \$344,647.51.

**Interest Payment to Pure Cycle Corporation under the Facilities Funding and Acquisition Agreement and the Phase 2 Facilities Funding and Acquisition Agreement by and between the CAB and Pure Cycle Corporation:** The Board discussed the current cash position in all funds. Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, the Board approved an interest payment to Pure Cycle Corporation subject to confirmation of a cash flow analysis through year end in the General Fund and review of the use of the Regional Improvement Fund balance as it relates to the interest payment.

### **Update from Bond Committee:**

1. **Engagement of D.A. Davidson & Co. as Underwriter:** Director Knopinski presented an update to the Board. The Committee reviewed three proposals for underwriting services and discussed the information contained within, and determined to engage D.A. Davidson & Co. for underwriting services. Following discussion, upon a motion duly made by Director Knopinski, seconded by Director McNeill and, upon vote, unanimously carried, the Board approved the engagement of D.A. Davidson & Co. for underwriting services. Director Knopinski noted that the bond closing is anticipated for August.



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### CONSTRUCTION MATTERS

**Project Manager's Report:** Director Lashnits reviewed the Project Manager's Report with the Board and provided updates.

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

**Task Order No. 12 to the Master Services Agreement ("MSA") with Westwood Professional Services, Inc. for Neighborhood D Topography in the Amount of \$8,000:** Director Lashnits presented the Task Order to the Board. Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved Task Order No. 12 to the Master Services Agreement ("MSA") with Westwood Professional Services, Inc. for Neighborhood D Topography in the amount of \$8,000.

### **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.

*Phase 2:* None.

*Phase 3:* None.

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

**Grading/Earthwork:** None.

**Drainage and Utilities:**

**Change Order No. 7 to the Construction Contract with Nelson Pipeline Constructors, LLC Associated with Constructing Revised Headwalls / Wingwalls and New Collar in the Amount of \$49,610.00:** Following



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discussion, upon a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved Change Order No. 7 to the Construction Contract with Nelson Pipeline Constructors, LLC associated with constructing revised headwalls / wingwalls and new collar in the amount of \$49,610.00.

**Change Order No. 8 to the Construction Contract with Nelson Pipeline Constructors, LLC for Costs Associated with Extending Wet Utilities Within East 8<sup>th</sup> Place in the Amount of \$470,869.00:** Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved Change Order No. 8 to the Construction Contract with Nelson Pipeline Constructors, LLC for costs associated with extending wet utilities within East 8<sup>th</sup> Place in the amount of \$470,869.00.

**Change Order No. 9 to the Construction Contract with Nelson Pipeline Constructors, LLC for Costs Associated with Adjusting Fire Hydrants Heights and Fire Line Elevation Around the Site in the Amount of \$17,925.48:** Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved Change Order No. 9 to the Construction Contract with Nelson Pipeline Constructors, LLC for costs associated with adjusting fire hydrants heights and fire line elevation around the site in the amount of \$17,925.48.

**Change Order No. 10 to the Construction Contract with Nelson Pipeline Constructors, LLC for Costs Associated with Delayed Installation of Sanitary Services Along Bentley in the Amount of \$47,539.48:** Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved Change Order No. 10 to the Construction Contract with Nelson Pipeline Constructors, LLC for costs associated with delayed installation of sanitary services along Bentley in the amount of \$47,539.48.

**Pay Application No. 12 to the Construction Contract with Nelson Pipeline Constructors, LLC in the Amount of \$23,979.63:** Following discussion, upon a motion duly made by Director McNeill, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved Pay Application No. 12 to the Construction Contract with Nelson Pipeline Constructors, LLC in the amount of \$23,979.63.



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### **Erosion Control:**

**Pay Application No. 5 to the Erosion Control Contract with Pure Cycle Corp. in the Amount of \$28,466.75:** Following discussion, upon a motion duly made by Director McNeill, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved Pay Application No. 5 to the Erosion Control Contract with Pure Cycle Corp. in the amount of \$28,466.75.

### **Roadway Improvements:**

#### *Paving/Asphalt:*

**Change Order No. 5 to the Construction Contract with Martin Marietta Materials, Inc. for Cost Adjustments Resulting from Roadway Cross Section Design Updates in the Amount of \$20,292.40:** Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved Change Order No. 5 to the Construction Contract with Martin Marietta Materials, Inc. for cost adjustments resulting from roadway cross section design updates in the amount of \$20,292.40.

**Change Order No. 6 to the Construction Contract with Martin Marietta Materials, Inc. for Costs Associated with the Increase of Raw Materials in the Amount of \$202,249.56:** Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved Change Order No. 6 to the Construction Contract with Martin Marietta Materials, Inc. for costs associated with the increase of raw materials in the amount of \$202,249.56.

**Change Order No. 7 to the Construction Contract with Martin Marietta Materials, Inc. for Costs Associated with Snow Removal and Stabilizing Subgrade in Areas Under Contract in the Amount of \$21,547.00:** Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved Change Order No. 7 to the Construction Contract with Martin Marietta Materials, Inc. for costs associated with snow removal and stabilizing subgrade in areas under contract in the amount of \$21,547.00.

**Pay Application No. 5 to the Construction Contract with Martin Marietta Materials, Inc. in the Amount of \$603,784.14:** Following discussion, upon a



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motion duly made by Director McNeill, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved Pay Application No. 5 to the Construction Contract with Martin Marietta Materials, Inc. in the amount of \$603,784.14.

*Concrete/Striping/Signage:*

**Pay Application No. 6 to the Construction Contract with Premier Earthworks & Infrastructure, Inc. ("PEI") in the Amount of \$201,877.30:**

Following discussion, upon a motion duly made by Director McNeill, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved Pay Application No. 6 to the Construction Contract with Premier Earthworks & Infrastructure, Inc. ("PEI") in the amount of \$201,877.30.

**LEGAL MATTERS**

**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. No action was needed or taken.

**OTHER BUSINESS**

**Quorum for June 10, 2022 Board Meeting:** Following discussion, the Board determined to reschedule the June 10<sup>th</sup> Board meeting to June 13<sup>th</sup>.

**ADJOURNMENT**

There being no further business to come before the Board at this time, following a motion duly made by Director Lashnits, seconded by Director McNeill and, upon vote, unanimously carried, the Board adjourned the meeting at 9:22 a.m.

Respectfully submitted,

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