

RECORD OF PROCEEDINGS

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE SKY RANCH COMMUNITY AUTHORITY BOARD (“CAB”) HELD JULY 17, 2020

The special 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 17th day of July, 2020, 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 District Board meeting was also held by conference call. The meeting was open to the public.

Directors In Attendance Were:

Mark Harding
Joe Knopinski (via telephone)
Kevin McNeill
Dirk Lashnits
Scott Lehman

Also In Attendance Were:

Lisa Johnson; CliftonLarsonAllen LLP (via telephone)
Suzanne Meintzer, Esq.; McGeady Becher P.C. (via telephone)
Barrett Marrocco; Independent District Engineering Services, LLC (“IDES”) (via telephone)
Rick Dinkel; Pure Cycle Corp. (via telephone)

**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.

RECORD OF PROCEEDINGS

ADMINISTRATIVE MATTERS

Agenda:

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

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

CONSENT AGENDA

The Board considered the following actions:

Approve Minutes of the June 12, 2020 Special Meeting:

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

FINANCIAL MATTERS

Developer advance schedule, property tax schedules, AR schedule, and schedule of cash position for the period ending March 31, 2020 updated as of July 6, 2020:

The Board reviewed the financial information.

Following review and discussion, upon motion duly made by Director Lashnits, seconded by Director Harding and, upon vote, unanimously carried, the Board approved the Developer advance schedule, property tax schedules, AR schedule, and schedule of cash position for the period ending March 31, 2020 updated as of July 6, 2020.

Payables from June 7, 2020 through July 17, 2020 in the amount of \$399,334.26:

Following discussion, upon motion duly made by Director Knopinski, seconded by Director McNeill and, upon vote, unanimously carried, the Board approved the payables from June 7, 2020 through July 17, 2020 in the amount of \$399,334.26.

The Board discussed options for tracking revenue generated by the CAB's imposition of O&M Fees versus revenue generated by the respective Districts' imposition of O&M Mill Levies.

COMMUNITY MANAGEMENT

Community Manager's Update:

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

CONSTRUCTION MATTERS

Project Manager's Report:

Director Lashnits presented the Project Manager's Report.

RECORD OF PROCEEDINGS

1. Task Order No. 3 to the Master Service Agreement (“MSA”) with MPI Designs in the Amount of \$6,800.00 for Phase 2 and 3 Observations

Following discussion, upon motion duly made by Director Harding, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved Task Order No. 3 to the MSA with MPI Designs in the amount of \$6,800.00 for Phase 2 and 3 Observations.

Drainage and Utilities:

1. Change Order No. 22 to the Drainage and Utilities Contract with Premier Earthworks & Infrastructure, Inc. (“PEI”) in the amount of \$1,358.24 for adding stabilization rock under a pedestrian bridge and rotating an orifice plate:

Following discussion, upon motion duly made by Director Harding, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved Change Order No. 22 to the Drainage and Utilities Contract with PEI in the amount of \$1,358.24 for adding stabilization rock under a pedestrian bridge and rotating an orifice plate.

2. Change Order No. 23 to the Drainage and Utilities Contract with PEI in the amount of \$15,803.68 for adding a sanitary manhole and fixing trace wire on a water crossing

Following discussion, upon motion duly made by Director Harding, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved Change Order No. 23 to the Drainage and Utilities Contract with PEI in the amount of \$15,803.68 for adding a sanitary manhole and fixing trace wire on a water crossing.

3. Pay Application No. 25 to the Drainage and Utilities Contract with PEI in the amount of \$15,295.99

Following discussion, upon motion duly made by Director Harding, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved Pay Application No. 25 to the Drainage and Utilities Contract with PEI in the amount of \$15,295.99.

4. Pay Application No. 26 to the Drainage and Utilities Contract with PEI in the amount of \$120,320.54 (Partial Retainage Release)

Following discussion, upon motion duly made by Director Harding, seconded by

RECORD OF PROCEEDINGS

Director Knopinski and, upon vote, unanimously carried, the Board approved Pay Application No. 26 to the Drainage and Utilities Contract with PEI in the amount of \$120,320.54 (Partial Retainage Release).

Roadway Improvements:

1. Pay Application No. 20 to the Roadway Improvements Contract with PEI in the amount of \$18,564.17

Following discussion, upon motion duly made by Director Harding, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved Pay Application No. 20 to the Roadway Improvements Contract with PEI in the amount of \$18,564.17.

2. Pay Application No. 21 to the Roadway Improvements Contract with PEI in the amount of \$217,478.17 (Partial Retainage Release)

Following discussion, upon motion duly made by Director Harding, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved Pay Application No. 21 to the Roadway Improvements Contract with PEI in the amount of \$217,478.17.

Grading/Earthwork: There was nothing presented.

Landscape Improvements:

Phase I

1. Change Order No. 21 to the Landscape Improvements Contract with Environmental Designs Inc. ("EDI") in the amount of \$3,391.07 for structural engineering observations and reports for entry-monuments, MSE Wall #6 and the Cobra Climber

Following discussion, upon motion duly made by Director Harding, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved Change Order No. 21 to the Landscape Improvements Contract with EDI in the amount of \$3,391.07 for structural engineering observations and reports for entry-monuments, MSE Wall #6 and the Cobra Climber.

2. Change Order No. 22 to the Landscape Improvements Contract with EDI in the amount of \$7,407.00 for time and materials related to landscape and irrigation repairs

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Harding, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved Change Order No. 22 to the Landscape Improvements Contract with EDI in the amount of \$7,407.00 for time and materials related to landscape and irrigation repairs.

3. Change Order No. 23 to the Landscape Improvements Contract with EDI in the amount of \$4,100.00 for weed control and wind anemometer irrigation controllers

Following discussion, upon motion duly made by Director Harding, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved Change Order No. 23 to the Landscape Improvements Contract with EDI in the amount of \$4,100.00 for weed control and wind anemometer irrigation controllers.

4. Pay Application No. 16 to the Landscape Improvements Contract with EDI in the amount of \$23,596.76

Following discussion, upon motion duly made by Director Harding, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved Pay Application No. 16 to the Landscape Improvements Contract with EDI in the amount of \$23,596.76.

Phase II

1. Pay Application No. 2 to the Landscape Improvements Contract with EDI in the amount of \$28,670.27

Following discussion, upon a motion duly made by Director Harding, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved Pay Application No. 2 to the Landscape Improvements Contract with EDI in the amount of \$28,670.27.

Phase III

1. Change Order No. 2 to the Landscape Improvements Contract with EDI in the amount of \$-4,690.89 for price adjustments reflecting market changes over time

Following discussion, upon a motion duly made by Director Harding, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved Change Order No. 2 to the Landscape Improvements Contract with EDI in the amount of \$-4,690.89 for price adjustments reflecting market changes over time.

RECORD OF PROCEEDINGS

2. Change Order No. 3 to the Landscape Improvements Contract with EDI in the amount of \$3,401.63 for adding wind anemometers to irrigation controllers

Following discussion, upon a motion duly made by Director Harding, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved Change Order No. 3 to the Landscape Improvements Contract with EDI in the amount of \$3,401.63 for adding wind anemometers to irrigation controllers.

3. Pay Application No. 2 to the Landscape Improvements Contract with EDI in the amount of \$207,798.21

Following discussion, upon a motion duly made by Director Harding, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved Pay Application No. 2 to the Landscape Improvements Contract with EDI in the amount of \$207,798.21.

Engineers Report:

Mr. Marrocco presented the Engineer's Report.

LEGAL MATTERS

Proposal from Pure Cycle Corporation for 2020 Operations and Maintenance Services for Filing 1: The Board reviewed the scope of services and fees for operations and maintenance services from Pure Cycle Corporation in addition to a comparable bid received from Environmental Designs, Inc.

Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved the proposal from Pure Cycle Corporation for 2020 operations and maintenance services for Filing 1.

July 9, 2020 pre-submittal meeting with Arapahoe County staff regarding the Service Plan amendment process:

Director Harding reported that plans are moving forward to organize three new Districts which would increase overall debt authorization to accommodate increased costs of construction for public improvements, and therefore, to allow continued development. General Counsel is working on service plan amendments and drafting the new service plans for the new Districts. Director Harding outlined the process to receive approval from the County on the service plan amendments and new District service plans.

RECORD OF PROCEEDINGS

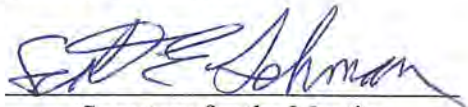
OTHER BUSINESS **Confirm Quorum for August 14, 2020 Board Meeting.**

The Board confirmed a quorum for the August 14, 2020 Board meeting at 8:30 a.m. at the regular meeting location.

ADJOURNMENT

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

Respectfully submitted,

By: 
Secretary for the Meeting