



RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE SKY RANCH COMMUNITY AUTHORITY BOARD (“CAB”) HELD FEBRUARY 9, 2024

A regular meeting of the Board of Directors (referred to hereafter as the “Board”) of the CAB convened on February 9, 2024, 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:

Mark Harding, President
Joe Knopinski, Vice President
Marc Spezialy, Treasurer
Scott Lehman, Secretary
Dirk Lashnits, Assistant Secretary

Also in Attendance Were:

Alex Clem, Celeste Terrell, and Thuy Dam (for a portion of the meeting), and Kaitlin Frey (for a portion of the meeting); CliftonLarsonAllen LLP (“CLA”) Suzanne Meintzer, Esq., and Tim O’ Connor, Esq.; McGeady Becher P.C. Stan Fowler; Independent District Engineering Services, LLC (“IDES”) Deb Saya and Cyrena Finnegan; Pure Cycle Corporation

Members of the Public in Attendance:

Adam Haskin; Resident and Sky Ranch Metropolitan District No. 1 Board Member

**ADMINISTRATIVE
MATTERS**

The meeting was called to order.

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. Attorney Meintzer 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: The Board confirmed the presence of a quorum.



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The Board reviewed a proposed agenda for the CAB's regular meeting.

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

CONSENT AGENDA The Board considered the following item under the Consent Agenda:

- Approve Minutes of the January 12, 2024 Regular Meeting.

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

PUBLIC COMMENT There were no public comments.

CITIZENS
ADVISORY
COMMITTEE
("CAC") MATTERS

CAC Presentation on Recommendations: None.

FINANCIAL
MATTERS

Schedule of Cash Position, Updated as of February 5, 2024, Accounts Receivable Summaries, Tax Schedules, and Developer Advance Schedule: Ms. Dam presented the Schedule of Cash Position, Accounts Receivable Summaries, Tax Schedules, and Developer Advance Schedule to the Board. Following review and discussion, upon a motion duly made by Director Spezialy, seconded by Director Knopinski and, upon vote unanimously carried, the Board accepted the Schedule of Cash Position, updated as of February 5, 2024, the Accounts Receivable Summaries, Tax Schedules, and Developer Advance Schedule.

Upon a motion duly made by Director Spezialy, seconded by Director Lashnits and, upon vote unanimously carried, the Board approved a reimbursement to Pure Cycle Corporation under the Facilities Funding and Acquisition Agreements in the amount of



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\$150,000.00.

Payables through January 31, 2024: Ms. Finnegan reviewed the payables through January 31, 2024 with the Board. Following review, upon a motion duly made by Director Knopinski, seconded by Director Harding and, upon vote unanimously carried, the Board approved the payables in the amount of \$440,134.62.

CONSTRUCTION MATTERS

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

Task Order No. 12 to the Master Services Agreement with CTL Thompson, Inc. for Filing 6 Grading: Following review, upon a motion duly made by Director Harding, seconded by Director Spezialy and, upon vote unanimously carried, the Board approved Task Order No. 12 to the Master Services Agreement with CTL Thompson, Inc. for Filing 6 grading in an amount not to exceed \$40,305.00.

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

Bid Analysis and Award of Filing 6 Grading, Erosion and Sediment Control Contract: Mr. Fowler reviewed the bid analysis with the Board and recommended awarding the contract to Pure Cycle Corporation as the lowest responsible bidder. The Board acknowledged the bid analysis and awarded the Filing 6 Grading, Erosion and Sediment Control Contract to Pure Cycle Corporation.

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.



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PHASE II (FILING NO. 4) CONSTRUCTION MATTERS:

Grading/Earthwork: None.

Drainage and Utilities: None.

Erosion Control: None.

Roadway Improvements:

Paving/Asphalt:

Pay Application No. 18 to the Paving Contract with Martin Marietta Materials, Inc.: Upon a motion duly made by Director Harding, seconded by Director Spezialy and, upon vote unanimously carried, the Board approved Pay Application No. 18 to the Paving Contract with Martin Marietta Materials, Inc. in the amount of \$25,159.32.

Concrete/Striping/Signage: None.

Landscape:

Pay Application No. 12 to the Landscape Contract with Consolidated Divisions, Inc.: Upon a motion duly made by Director Harding, seconded by Director Spezialy and, upon vote unanimously carried, the Board approved Pay Application No. 12 to the Landscape Contract with Consolidated Divisions, Inc. in the amount of \$74,604.75.

Fencing:

Change Order No. 5 to the Fencing Contract with Pure Cycle Corporation for Additional Costs to Install Dog Waste Stations: Upon a motion duly made by Director Harding, seconded by Director Spezialy and, upon vote unanimously carried, the Board approved Change Order No. 5 to the Fencing Contract with Pure Cycle Corporation for additional costs to install seven dog waste stations around the site at the request of the community in an amount not to exceed \$4,000.01.



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PHASE II (FILING NO. 5) CONSTRUCTION MATTERS:

Grading/Earthwork: None.

Drainage and Utilities:

Pay Application No. 8 to the Construction Contract with American West Construction, LLC: Upon a motion duly made by Director Harding, seconded by Director Spezialy and, upon vote unanimously carried, the Board approved Pay Application No. 8 to the Construction Contract with American West Construction, LLC in the amount of \$264,860.00.

Erosion Control: None.

Roadway Improvements:

Paving/Asphalt:

Change Order No. 2 to the Paving Contract with Martin Marietta Materials, Inc. in Reduced Costs Due to the Removal of the Alley Improvement Scope of Work: Upon a motion duly made by Director Harding, seconded by Director Spezialy and, upon vote unanimously carried, the Board approved Change Order No. 2 to the Paving Contract with Martin Marietta Materials, Inc. in reduced costs due to the removal of the alley improvement scope of work, reducing the amount by \$90,414.30.

Concrete/Striping/Signage:

Change Order No. 2 to the Construction Contract with Premier Earthworks & Infrastructure, Inc. for Additional Costs Associated with Winter Protection of Concrete: Upon a motion duly made by Director Harding, seconded by Director Spezialy and, upon vote unanimously carried, the Board approved Change Order No. 2 to the Construction Contract with Premier Earthworks & Infrastructure, Inc. for additional costs associated with winter protection of concrete installed between November 13, 2023 and December 3, 2023 in an amount not to exceed \$4,344.45.

Landscape: None.



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COMMUNITY MANAGEMENT / COVENANT CONTROL / OPERATIONS

Community Manager's Update: Ms. Terrell presented the Community Manager's report to the Board. No action was taken.

Proposal for Trash Removal Services: Ms. Terrell provided an update, noting that one proposal had been received from HBSCO LLC, d/b/a Home Builders Services, and that two additional proposals are anticipated.

2024 Landscaping Services: Attorney Meintzer confirmed the engagement of Consolidated Divisions Inc. through December 2024 for Landscaping Services.

Accounts Receivable Report: Ms. Terrell presented the Accounts Receivable Report to the Board.

Process for Third Delinquency Notices: Director Spezialy presented a draft violation notice to the Board.

Following discussion, the Board approved the following process for notification to homeowners: (1) CLA to mail the two notices that are typically mailed to delinquent homeowners' addresses, not just the property address; (2) If there is no timely response, CLA will send the third and final notice, and notice will also be posted on the front door at delinquent properties; and (3) If no response to third notice after 30 days, CLA will send the delinquent account(s) to Altitude Community Law P.C. for collection. The threshold to trigger third notice is \$300 or two quarters delinquent. The Board authorized Director Spezialy to update the draft notice as discussed and to send same to the Board for final review.

Upon a motion duly made by Director Harding, seconded by Director Knopinski and, upon vote unanimously carried, the Board approved the third notice process as discussed, and directed legal counsel to review and draft an amendment to the collection policy, if necessary.

LEGAL MATTERS

Executive Session: Pursuant to Sections 24-6-402(4)(a), (b) and (e), C.R.S., upon motion duly made by Director Harding, seconded by Director Spezialy, and upon an affirmative vote of at least two-thirds of the quorum present, the Board convened in executive session at 9:18 a.m. for the sole purpose of receiving legal advice related to negotiation of capital contracts as authorized by Section 24-6-402(4)(b) and (e), C.R.S. Furthermore, pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S., no record or electronic recording will be kept of those portions of the executive session that, in the opinion of the Board's attorney, constitute privileged attorney-client communication pursuant to Section 24-6-402(4)(b), C.R.S.



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Following discussion, upon a motion duly made by Director Harding, seconded by Director Spezialy and, upon vote unanimously carried, the Board reconvened into regular session at 9:37 a.m.

The Board requested the CAB's legal counsel to conduct additional research regarding capital funding requirements.

OTHER BUSINESS

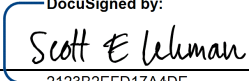
Quorum for March 8, 2024 Board Meeting: The Board confirmed a quorum for the March 8, 2024 Board meeting.

ADJOURNMENT

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

Respectfully submitted,

By: _____
 Secretary for the Meeting

DocuSigned by:

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Attorney Statement REGARDING PRIVILEGED ATTORNEY-CLIENT COMMUNICATION

Pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S., I attest that, in my capacity as the attorney representing the Sky Ranch Community Authority Board (the "CAB"), I attended the executive session meeting of the CAB convened on February 9, 2024, for the purpose of receiving legal advice on specific legal questions regarding legal strategy for negotiation of capital contracts, as authorized by Section 24-6-402(4)(b) and (e), C.R.S. I further attest it is my opinion that all of the executive session discussion constituted a privileged attorney-client communication as provided by Section 24-6-402(4)(b) and (e), C.R.S. and, based on that opinion, no further record, written or electronic, was kept or required to be kept pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S.

DocuSigned by:

A handwritten signature in blue ink, appearing to read "Suzanne Meintzer", written over a horizontal line.

Suzanne Meintzer, Attorney for the CAB

Date: 4/4/2024

Certificate Of Completion

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Subject: Complete with DocuSign: Sky Ranch CAB - MINUTES - 02-09-2024 Regular Mtg (CAB).pdf	
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Client Number: A206873	
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Document Pages: 8	Signatures: 2
Certificate Pages: 5	Initials: 0
AutoNav: Enabled	Envelope Originator:
Envelopeld Stamping: Enabled	Cindy Jenkins
Time Zone: (UTC-06:00) Central Time (US & Canada)	220 S 6th St Ste 300
	Minneapolis, MN 55402-1418
	Cindy.Jenkins@claconnect.com
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Scott E Lehman
 selehman@purecycwater.com
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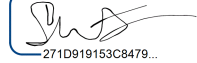
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Suzanne Meintzer
 smeintzer@specialdistrictlaw.com
 McGeady Becher PC
 Security Level: Email, Account Authentication (None)

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In Person Signer Events	Signature	Timestamp
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Witness Events**Signature****Timestamp****Notary Events****Signature****Timestamp****Envelope Summary Events****Status****Timestamps**

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