

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE SKY RANCH COMMUNITY AUTHORITY BOARD ("CAB") HELD FEBRUARY 8, 2019

The regular meeting of the Board of Directors of the Sky Ranch Community Authority Board (referred to hereafter as the "Board") was convened on Friday, the 8th day of February, 2019, at 8:30 a.m., at the offices of McGeady Becher P.C., 450 East 17th Avenue, Suite 400, Denver, Colorado 80203. The meeting was open to the public.

Directors In Attendance Were:

Mark Harding
Paul "Joe" Knopinski
Scott Lehman
Dirk Lashnits

Also In Attendance Were:

Lisa A. Johnson and Judy Leyshon; Special District Management Services, Inc.

Suzanne Meintzer, Esq.; McGeady Becher P.C.

Rick Dinkel and Tony Lindeman; Pure Cycle Corporation

Barrett Marrocco; Independent District Engineering Services, LLC ("IDES")

**DISCLOSURE OF
POTENTIAL
CONFLICTS OF
INTEREST**

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 a quorum was present and 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.

**ADMINISTRATIVE
MATTERS**

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

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

Approval of Meeting Location: The Board entered into a discussion regarding the requirements of §32-1-903(1), C.R.S., concerning the location of the CAB's Board meeting. Following discussion, upon motion duly made by Director Lehman, seconded by Director Knopinski and, upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within the CAB's boundaries or within the county in which the CAB is located, or within 20 miles from the CAB's boundaries to conduct this meeting, the meeting would be held at the above-stated location. The Board further noted that notice of this location was duly posted and that they have not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within the CAB's boundaries.

Board Vacancy: The Board discussed the vacancy on the Board of Directors. No action was taken.

CONSENT AGENDA The Board considered the following actions:

- Approve Minutes of the January 18, 2019 Special Meeting.
- Ratify approval of payables from January 1, 2019 through January 31, 2019 in the amount of \$1,374,830.50.

Following review, upon motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved and/or ratified approval of, as appropriate, the above actions.

FINANCIAL MATTERS

Claims: The Board considered approval of the payment of claims for the period beginning February 1, 2019 through February 28, 2019, in the amount of \$1,093,478.79.

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

Unaudited Financial Statements: The Board deferred discussion.

2018 Audit: The Board reviewed the proposal from Haynie & Company to perform the 2018 Audit.

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Following discussion, upon motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved the engagement of Haynie & Company to perform the 2018 Audit, for an amount not to exceed \$5,400.

LEGAL MATTERS

Resolution No. 2019-02-01; Resolution regarding the CAB's Imposition of an Operation and Maintenance Fee: The Board discussed Resolution No. 2019-02-01; Resolution regarding the CAB's Imposition of an Operation and Maintenance Fee.

Following discussion, upon motion duly made by Director Harding, seconded by Director Lehman and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-02-01; Resolution regarding the CAB's Imposition of an Operation and Maintenance Fee, as revised. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

Resolution No. 2019-02-02; Resolution Adopting the Design and Landscaping Guidelines for Sky Ranch: The Board discussed Resolution No. 2019-02-02; Resolution Adopting the Design and Landscaping Guidelines for Sky Ranch.

Following discussion, upon motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-02-02; Resolution Adopting the Design and Landscaping Guidelines for Sky Ranch, as revised. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

Resolution No. 2019-02-03; Resolution Adopting Policies and Procedures Governing Enforcement of the Covenants, Conditions, and Restrictions for Sky Ranch: The Board discussed Resolution No. 2019-02-03; Resolution Adopting Policies and Procedures Governing Enforcement of the Covenants, Conditions, and Restrictions for Sky Ranch.

Following discussion, upon motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-02-03; Resolution Adopting Policies and Procedures Governing Enforcement of the Covenants, Conditions, and Restrictions for Sky Ranch, subject to revisions discussed. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

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Special District Disclosure Document- Disclosure to Purchasers: Discussion ensued regarding the Special District Disclosure Document - Disclosure to Purchasers ("Disclosure to Purchasers").

Following discussion, upon motion duly made by Director Lashnits, seconded by Director Knopinski and, upon vote unanimously carried, the Board approved the Disclosure to Purchasers, as revised.

Tracts A-Q and S-BB of Sky Ranch Subdivision Filing No. 1 from Sky Ranch Metropolitan District No. 5: The Board deferred discussion.

Easements: The Board decided there was no need for easements at this time.

CONSTRUCTION MATTERS

Project Managers Report: Mr. Lashnits presented to the Board the Project Manager's Report. A copy of the Project Manager's Report is attached hereto and incorporated herein by this reference.

Task Order No. 9 from KT Engineering Services, LLC under the Master Services Agreement: The Board reviewed Task Order No. 9 under the Master Services Agreement with KT Engineering, LLC.

Following review and discussion, upon motion duly made by Director Knopinski, seconded by Director Harding and, upon vote, unanimously carried, the Board approved Task Order No. 9 under the Master Services Agreement with KT Engineering, in the amount of \$9,575.

Drainage and Utilities:

Pay Application No. 7 to the Construction Contract with Premier Earthworks & Infrastructure, Inc.: Director Lashnits reviewed with the Board Pay Application No. 7 to the Construction Contract with Premier Earthworks & Infrastructure, Inc.

Following discussion, upon motion duly made by Director Lashnits, seconded by Director Harding and, upon vote, unanimously carried, the Board approved Pay Application No. 7 to the Construction Contract with Premier Earthworks & Infrastructure, Inc., in the amount of \$227,874.32.

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Roadway Improvements:

Change Order No. 2 to the Construction Contract with Premier Earthworks & Infrastructure, Inc.: Mr. Lashnits reviewed with the Board Change Order No. 2 to the Construction Contract with Premier Earthworks & Infrastructure, Inc.

Following discussion, upon motion duly made by Director Lashnits, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved Change Order No. 2 to the Construction Contract with Premier Earthworks & Infrastructure, Inc., in the amount of \$45,155.44.

Pay Application No. 3 to the Construction Contract with Premier Earthworks & Infrastructure, Inc.: Director Lashnits reviewed with the Board Pay Application No. 3 to the Construction Contract with Premier Earthworks & Infrastructure, Inc.

Following discussion, upon motion duly made by Director Lashnits, seconded by Director Harding and, upon vote, unanimously carried, the Board approved Pay Application No. 3 to the Construction Contract with Premier Earthworks & Infrastructure, Inc., in the amount of \$262,682.57.

Landscaping and Irrigation Contract for Filing 1: Mr. Marrocco presented a bid summary related to landscaping and irrigation work for Filing 1. Mr. Marrocco recommends award of a contract to Environmental Designs, Inc. ("EDI") in an amount not to exceed \$3,285,868.83 subject to minor adjustments in Contract Price and language acceptable to the District Authorized Representative and Legal Counsel.

Following review, upon motion duly made by Director Knopinski, seconded by Director Harding and, upon vote, unanimously carried, the Board approved award of a contract to EDI in an amount not to exceed \$3,285,868.83, subject to minor adjustments in Contract Price and language acceptable to the District Authorized Representative and Legal Counsel, and authorized Mr. Marrocco to issue Notice of Award and Notice to Proceed to Phase 1 in the amount of \$1,754,000.60 to EDI.

Engineers Report: Mr. Marrocco presented to the Board the Engineer's Report. A copy of the Engineer's Report dated February 8, 2019, is attached hereto and incorporated herein by this reference.

Consulting Agreements: The Board deferred discussion.

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**CAPITAL
MATTERS**

Certification No. 1 by Independent Engineering Services, LLC: The Board discussed Certification No. 1 prepared by Independent Engineering Services, LLC. No action was taken.


**OTHER
MATTERS**

PIF Collections: The Board discussed PIF Collection Services. Director Harding will solicit proposals and present at a future meeting.


ADJOURNMENT


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

Respectfully submitted,

By: 
Secretary for the Meeting

THESE MINUTES ARE APPROVED AS THE OFFICIAL FEBRUARY 8, 2019
REGULAR MEETING MINUTES OF THE CAB BY THE BOARD OF
DIRECTORS SIGNING BELOW:


Mark Harding


Paul "Joe" Knopinski


Scott Lehman


Dirk Lashnits

Sky Ranch CAB – Project Manager Board Report

Date: 2/8/19

DESIGN AND CONSTRUCTION

Status Report and Progress Updates for June

- Overexcavation – 100% Complete
- Dirt Shortage – Contract issues resolved, construction underway, approximately 3 weeks to complete
- Drainage and Utilities Phase 1 – working on drainage structures and water meter pits; Ph2&3 timing discussion
- Concrete and Asphalt Phase 1 – completed Phase 1A for model lots; proceeding weather dependent
- Xcel – gas feeder along frontage underway; waiting on permit from County to complete electric main feeder tie-in; lot distribution has started with push to energize model lots
- Landscaping – bid evaluation complete; Environmental Designs recommended for award
- Maintaining SEMSWA and Urban Drainage compliance
- Preliminary planning/engineering for Filing 2 (Changing to Filing 3) – GDP submitted and comments received; Meeting with stake holders on comment responses

BUDGET

- Budget review/update process and protocol

CONTRACTS, CHANGE ORDERS AND TASK ORDERS

Filing 1

- CMS to take over GESC inspections; contract pending
- PEI CO #2 (CO4) - \$586.96, snow plowing to install TM model home sidewalks
- PEI CO #2 (CO1) - \$44,568.48, concrete blankets/winter protection
- KT Engineering TO#9 - \$9,575.00, additional survey staking

Filing 2 (Changing to Filing 3)

- LSC – Signed MSA and TO1 Status

PAYABLES (OUTSIDE OF CONTRACT)

Sky Ranch
Filing 1

Contract Entity	Activity Code	Activity Description	Vendor	Total Contracts	Total Invoices	Total Retainage	Total Reimbursable	% Complete	Remaining to Spend	Management Fee
CAB	203	Fees, Permits and Administration	Arapahoe County	126,100	126,100	-	103,694	100%	-	-
CAB	302	Geotech	CTL Thompson	205,672	226,930	-	186,607	110%	(21,258)	-
CAB	205	Engineering	ERO Resources Group	580	580	-	477	100%	-	-
CAB	303	Erosion Control	Erosion Controls of CO	84,680	55,765	-	45,856	66%	28,915	-
CAB	201	Legal and Title	Hoffman, Parker, etc	8,304	8,304	-	-	100%	-	-
CAB	202	District	IDES	100,000	68,967	-	56,713	69%	31,033	-
CAB	301	Survey	KT Engineering	287,340	256,870	-	211,227	89%	30,470	-
CAB	311	Landscaping	MPI Designs	16,065	16,065	-	16,065	100%	-	-
CAB	201	Legal and Title	Otis Bedingfield & Peters	235	235	-	-	100%	-	-
CAB	304	Grading	PEI	1,538,880	1,463,674	76,947	799,617	95%	75,206	39,981
CAB	305	Sanitary Sewer	PEI	2,424,264	1,521,255	79,151	1,581,541	63%	903,009	79,077
CAB	306	Water	PEI	2,292,567	1,507,404	76,042	1,583,446	66%	785,163	79,172
CAB	307	Storm Sewer	PEI	4,864,819	3,045,786	153,313	3,155,978	63%	1,819,033	157,799
CAB	310	Dry Utilities	PEI	192,103	70,814	3,541	-	37%	121,289	-
CAB	308	Concrete	PEI	3,495,877	403,219	20,161	423,380	12%	3,092,658	21,169
CAB	309	Asphalt	PEI	4,963,342	966,714	48,336	1,015,049	19%	3,996,628	50,752
CAB	203	Fees, Permits and Administration	SEMSWA	13,385	13,385	-	11,007	100%	-	-
CAB	107	District	Sentinel	38	38	-	-	100%	-	-
CAB	202	District	Sentinel	19	19	-	16	100%	-	-
CAB	310	Dry Utilities	Xcel Energy	1,342,146	1,342,146	-	-	100%	-	-
			Total	21,956,417	11,094,272	457,490	9,190,673		10,862,146	-427,951

Sky Ranch
Filing 2

Contract Entity	Activity Code	Activity Description	Vendor	Total Contracts	Total Invoices	Total Retainage	Total Reimbursable	% Complete	Remaining to Spend	Management Fee
CAB	203	Fees, Permits and Administration	Arapahoe County	61,500	61,500	-	50,572	100%	-	-
CAB	205	Engineering	CVL Consultants	171,900	112,385	-	92,415	65%	59,515	-
CAB	205	Engineering	ERC	15,886	7,048	-	5,796	44%	8,838	-
CAB	205	Engineering	ERO	2,000	612	-	503	31%	1,388	-
CAB	205	Engineering	LSC	10,950	4,290	-	3,528	39%	6,660	-
CAB	204	Planning	PCS Group	183,500	67,752	-	55,714	37%	115,748	-
CAB	203	Fees, Permits and Administration	Tri-County Health	220	220	-	181	100%	-	-
CAB		-	-	-	-	-	-	0%	-	-
CAB		-	-	-	-	-	-	0%	-	-
CAB		-	-	-	-	-	-	0%	-	-
CAB		-	-	-	-	-	-	0%	-	-
CAB		-	-	-	-	-	-	0%	-	-
CAB		-	-	-	-	-	-	0%	-	-
CAB		-	-	-	-	-	-	0%	-	-
CAB		-	-	-	-	-	-	0%	-	-
CAB		-	-	-	-	-	-	0%	-	-
CAB		-	-	-	-	-	-	0%	-	-
CAB		-	-	-	-	-	-	0%	-	-
CAB		-	-	-	-	-	-	0%	-	-
CAB		-	-	-	-	-	-	0%	-	-
CAB		-	-	-	-	-	-	0%	-	-
CAB		-	-	-	-	-	-	0%	-	-
CAB		-	-	-	-	-	-	0%	-	-
CAB		-	-	-	-	-	-	0%	-	-
CAB		-	-	-	-	-	-	0%	-	-
Total				445,956	253,808	-	208,709	4	192,148	-

SKY RANCH COMMUNITY AUTHORITY BOARD

Board Meeting Project Status

February 8, 2019

New Contract

- Landscape bids received January 11th, 2019. District Engineer recommends the board accept Environmental Designs bid of \$3,285,868.83 for Landscaping in Filing 1.

Construction Contract Documents

Earthwork Contract – Premier Earthworks & Infrastructure

Change Orders

- **Recommend Ratification:**
 - None
- **Recommend Approval:**
 - None

Pay Applications

- None

Drainage and Utilities Contract – Premier Earthworks & Infrastructure

Change Orders

- **Recommend Ratification:**
 - None
- **Recommend Approval:**
 - None

Pay Applications

- Pay Application #7 is recommended for payment: \$227,874.32 (\$200,588.90 District; \$39,278.80 Non-District; \$11,993.39 Retained)
 - \$6,480,797.56 Billed to Date; \$324,039.88 Retained; \$6,159,757.68 Paid to Date;

Roadways Contract – Premier Earthworks & Infrastructure

Change Orders

- **Recommend Ratification:**
 - None
- **Recommend Approval:**
 - \$45,155.44. Covers cost of Winter Protection and Snow Removal for Concrete work.

Pay Applications

- Pay Application #3 is recommended for payment: \$262,682.57 (\$276,507.97 District; \$0.00 Non-District; \$13,825.40 Retained)
 - \$1,646,440.62 Billed to Date; \$82,322.03 Retained; \$1,564,118.58 Paid to Date;

Other Matters

- PEI plans to seek retainage for Grading contract this month.
- IDES reviewed \$13,309,925.02 in expenditures related to Filing 1 and has certified \$9,181,801.37 as District Eligible.

Sky Ranch Community Authority Board
 Contractors Change Order Log Paid-To-Date Summary

Contractor	Change Orders	Total Contract Amount	Amount Billed	Remaining
PEI - Grading	6	\$1,538,936.87	\$1,461,990.03	\$76,946.84
PEI - Drainage & Utilities	5	\$9,773,752.60	\$5,928,883.37	\$3,844,869.23
PEI - Roadways	0	\$8,414,063.46	\$1,301,436.02	\$7,112,627.44
Total		\$19,726,752.93	\$8,692,309.42	\$11,034,443.51

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	\$120,051.34	31	\$1,538,936.87	31
2	PEI - Drainage & Utilities	\$8,971,057.30	\$802,695.30	47	\$9,773,752.60	47
3	PEI - Roadways	\$8,368,649.67	\$45,413.79	8	\$8,414,063.46	8
4						
5						
6						
7						
	Total	\$18,758,592.50	\$968,160.43		\$19,726,752.93	

Potential Change Order Log

#	Contractor	Current Contract	Days	Potential Change Orders		Potential Contract	
				Amount	Days	Amount	Days
1	PEI - Grading	\$1,538,936.87	31	\$0.00	0	\$1,538,936.87	31
2	PEI - Drainage & Utilities	\$9,773,752.60	47	\$160,783.35	3	\$9,934,535.95	50
3	PEI - Roadways	\$8,414,063.46	8	\$45,155.44	2	\$8,459,218.90	10
4							
5							
6							
7							
	Total	\$19,726,752.93		\$205,938.79		\$19,932,691.72	
Potential Total of All Change Orders						\$205,938.79	

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				
5				
6				
7				
	Total		\$0.00	\$0.00