

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE SKY RANCH COMMUNITY AUTHORITY BOARD (“CAB”) HELD APRIL 13, 2018

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 13th day of April, 2018, at 8:30 A.M., at the offices of McGeady Becher P.C., 450 E. 17th Avenue, Suite 400, Denver, Colorado. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Mark Harding
Paul “Joe” Knopinski
Scott Lehman

Following discussion, upon motion duly made by Director Knopinski, seconded by Director Lehman and, upon vote, unanimously carried, the absence of Kevin McNeill was excused.

Also In Attendance Were:

Ashley Frisbie; Special District Management Services, Inc. (“SDMS”)

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

Greg Toler and Barrett Marrocco; Independent District Engineering Services, LLC (“IDES”)

Dirk Lashnits; Pure Cycle Corporation (for a portion of the meeting)

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. Frisbie 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, and no additional conflicts were disclosed at the meeting.

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ADMINISTRATIVE MATTERS

Agenda: Ms. Frisbie 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 Lehman 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 Knopinski, seconded by Director Lehman 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 boundaries, to conduct this meeting, it was determined to conduct the meeting at the above-stated date, time and 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.

CONSENT AGENDA

The Board considered the following actions:

- Approve Minutes of the March 9, 2018 Regular Meeting.
- Ratify approval of Pay Application No. 1 to Premier Earthworks and Infrastructure, Inc. ("PEI") for grading and erosion control work for Filing 1, in the amount of \$55,034.75.

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

FINANCIAL MATTERS

March 31, 2018 Claims: The Board considered ratifying approval of the payment of claims through the period ending March 31, 2018, in the amount of \$77,971.14.

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

April 13, 2018 Claims: The Board considered approval of the payment of claims through the period ending April 13, 2018, in the amount of \$310,137.51 which includes Pay Application No. 2 to the PEI contract in the amount of \$269,110.92.

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

Operating Account at Wells Fargo Bank: The Board discussed opening an operating account with Wells Fargo Bank.

Following discussion, upon motion duly made by Director Knopinski, seconded by Director Lehman and, upon vote, unanimously carried, the Board approved opening an operating account at Wells Fargo Bank.

LEGAL MATTERS

Resolution Acknowledging and Adopting the Covenants, Conditions and Restrictions for Sky Ranch: The Board reviewed Resolution No. 2018-04-01; Acknowledging and Adopting the Covenants, Conditions and Restrictions for Sky Ranch.

Following discussion, upon motion duly made by Director Knopinski, seconded by Director Lehman and, upon vote, unanimously carried, the Board adopted Resolution No. 2018-04-01; Acknowledging and Adopting the Covenants, Conditions and Restrictions for Sky Ranch. A copy of the Resolution is attached hereto and incorporated herein by this reference.

CONSTRUCTION MATTERS

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

Discussion ensued regarding authority to approve task orders. Attorney Meintzer advised the Board that the Project Manager does not have authority to approve task orders he may only recommend approval to the Board. It was noted that Director Harding does have authority to approve task orders, pursuant to Resolution of the Board, up to the specified amount, with Board ratification to follow.

Pay Application No. 2 from PEI: Pay Application No. 2, in the amount of \$269,110.92, from PEI was approved with the April claims above. Attorney Meintzer noted that the amount of reimbursement will be subject to cost verification.

Task Order Nos. 2-4 to Master Services Agreement with KT Engineering: Mr. Lashnits presented the task orders as follows:

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Task Order No. 2 – Phase 2 and 3 grading survey, in the amount of \$16,320
Task Order No. 3 – street subex staking, in the amount of \$16,240
Task Order No. 4 – design changes re-staking, in the amount of \$2,570

Following discussion, upon motion duly made by Director Knopinski, seconded by Director Lehman and, upon vote, unanimously carried, the Board approved Task Order Nos. 2-4 to the Master Services Agreement with KT Engineering as presented.

Construction of Improvements: Mr. Lashnits discussed the status of construction improvements with the Board.

Consulting Agreements: There were no service agreements needed at the time of the Board meeting.

Operations and Maintenance Fees: The Board continues to evaluate the need for an operations and maintenance fee.

Engineers Report: Mr. Toler and Mr. Marrocco presented the Engineer's Report. A copy of the Engineer's Report is attached hereto and incorporated herein by this reference.

OTHER MATTERS

None at this time.

ADJOURNMENT

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

Respectfully submitted,


By  _____
Secretary for the Meeting

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THESE MINUTES ARE APPROVED AS THE OFFICIAL APRIL 13, 2018
REGULAR MEETING MINUTES OF THE CAB BY THE BOARD OF
DIRECTORS SIGNING BELOW:



Mark Harding



Paul "Joe" Knopinski



Scott Lehman



Kevin McNeill

**RESOLUTION 2018-04-01
OF THE BOARD OF DIRECTORS OF
SKY RANCH COMMUNITY AUTHORITY BOARD
ACKNOWLEDGING AND ADOPTING THE COVENANTS, CONDITIONS AND
RESTRICTIONS FOR SKY RANCH**

WHEREAS, the Sky Ranch Community Authority Board (the “**CAB**”) is an authority and separate legal entity created pursuant to Section 29-1-203.5, C.R.S., and that certain Sky Ranch Community Authority Board Establishment Agreement (“**CABEA**”), made and entered into effective November 13, 2017, by and between Sky Ranch Metropolitan District No. 1 and Sky Ranch Metropolitan District No. 5 (each a “**CAB District**” and collectively the “**CAB Districts**”), as may be amended from time to time; and

WHEREAS, the owner and master developer of Sky Ranch has executed Covenants, Conditions and Restrictions for Sky Ranch (the “**Declaration**”) to be recorded in the real property records of the County of Arapahoe, State of Colorado, which Declaration declares that the Sky Ranch property, as described therein (the “**Property**”), is and shall be subject to the Declaration and shall be owned, held, conveyed, encumbered, leased, improved, used, occupied, enjoyed, sold, transferred, hypothecated, maintained, altered and otherwise enjoyed in accordance with and subject to the covenants and use restrictions contained therein; and

WHEREAS, the Declaration provides that CAB shall enforce each of the provisions provided therein on behalf of the CAB Districts; and

WHEREAS, Section 32-1-1004(8), C.R.S. authorizes Title 32 metropolitan districts to furnish covenant enforcement and design review services within the district if the declaration, rules and regulations, or similar document containing the covenants to be enforced for the area within the metropolitan district name the metropolitan district as the enforcement or design review entity; and

WHEREAS, the Declaration assigns to the CAB all duties, rights and obligations to enforce the Declaration and to promulgate design principles and rules and regulations for covenant enforcement on behalf of each of the CAB Districts with respect to real property within the boundaries and/or service area of each CAB District that is subject to the Declaration; and

WHEREAS, the CAB wishes to adopt the Declaration as an official policy of the CAB and to acknowledge the duties, obligations and rights assigned to the Districts and the CAB pursuant to such Declaration.

NOW, THEREFORE, BE IT RESOLVED BY THE SKY RANCH COMMUNITY AUTHORITY BOARD OF THE COUNTY OF ARAPAHOE, COLORADO:

1. The foregoing Recitals are incorporated into and made a substantive part of this Resolution.

2. The CAB hereby determines that it is in the best interests of the CAB and its property owners and users for the CAB to adopt the Declaration as an official policy of the CAB and to acknowledge the duties, obligations and rights assigned to the CAB pursuant to such Declaration.

3. The Board hereby authorizes and directs the officers of the CAB and CAB staff to take all actions necessary to execute the duties, rights and obligations of the CAB as provided in the Declaration.

4. Judicial invalidation of any of the provisions of this Resolution or of any paragraph, sentence, clause, phrase, or word hereof, or the application thereof in any given circumstance, shall not affect the validity of the remainder of this Resolution, which shall be given effect in accordance with the manifest intent hereof.

5. This Resolution shall be effective upon recording of the Declaration in the Office of the Clerk and Recorder for the County of Arapahoe, Colorado.

SIGNATURE PAGE FOLLOWS

**SIGNATURE PAGE TO RESOLUTION ACKNOWLEDGING AND ADOPTING THE
COVENANTS, CONDITIONS AND RESTRICTIONS FOR SKY RANCH**

APPROVED AND ADOPTED on April 13, 2018.

**SKY RANCH COMMUNITY AUTHORITY
BOARD**

By: _____

President



Attest:

P. Joseph
Secretary

Sky Ranch CAB – Project Manager Board Report

Date: 4/13/18

DESIGN AND CONSTRUCTION

Status Report and Progress Updates for March

- Completed Erosion Control BMPs (silt fence, sediment basins, diversion ditches, check dams, etc.)
- Grading and Overexcavation underway and on track to deliver first milestone mid-July
- Production rates at full capacity
- Completed overexcavation of approximately 20% lots
- Maintaining SEMSWA compliance
- Drainage and Utility bid pack prequalification notification sent out
- Finalizing Roadway and Drainage Plans
- Finalizing Water and Sewer Plans
- 1st Submittal of Phase 3 CDs
- Preliminary planning/engineering for Filing 2 – Coordination with Schools

BUDGET AND CONTRACTS

- See Contract Tracking Log attached
- PEI Change Orders
- KT Engineering CO for street subex and design changes
- Activate KT Engineering and CTL Thompson Phase 2 and 3 grading phases
- IDES Contract
- CVL and PCS contracts
- Budget review in process
- Drainage and Utility contract expected in May

TASK ORDERS

- KT Engineering – TO No 2 - \$16,320.00 (ph 2 and 3 grading survey)
- KT Engineering – TO No 3 - \$16,240.00 (street subex staking)
- KT Engineering – TO No 4 - \$2,570.00 (design changes restaking)

PAYABLES

- PEI - \$269,110.92
- KT Engineering - \$18,790.00
- MPi Designs - \$3,740.00

Contract Tracking Log

Vendor	Description	Contract Value	Total Billed	% Complete	Remaining to Spend	Retainage
PEI	grading	\$ 1,418,828.84	\$ 324,145.67	23%	\$ 1,094,683.17	5%
KT Engineering	survey	\$ 241,470.00	\$ 18,790.00	8%	\$ 222,680.00	0%
Erosion Controls of Colorado	storm water management	\$ 84,680.00	\$ -	0%	\$ 84,680.00	0%
MPI Designs	irrigation design	\$ 16,065.00	\$ 5,015.00	31%	\$ 11,050.00	0%
CTL Thompson	geotechnical engineer	\$ 190,042.00	\$ -	0%	\$ 190,042.00	0%
Subtotal		\$ 1,951,085.84	\$ 347,950.67	12%	\$ 1,603,135.17	
SEMSWA	permit and review fees	\$ 493,586.56	\$ 493,586.56	100%	\$ -	0%
CVL Consultants	civil engineering	\$ 667,833.08	\$ 741,113.41	111%	\$ (73,280.33)	0%
PCS Group	planning and landscape architecture	\$ 161,502.00	\$ 161,502.00	100%	\$ -	0%
School District	school fee	\$ 480,000.00	\$ -	0%	\$ 480,000.00	0%
Subtotal		\$ 1,802,921.64	\$ 1,396,201.97	78%	\$ 406,719.67	

SKY RANCH COMMUNITY AUTHORITY BOARD

Board Meeting Project Status

April 13, 2018

Bidding

- Sky Ranch CAB has published a Prequalification Ad in the Aurora Sentinel for all future on Bids March 29th and April 5th. 10 contractors have submitted qualifications covering various types of construction.
- Bid Package for Utilities and Drainage are ready to be released on April 17th. Bid Opening is scheduled for May 8th.

Construction Contract Documents

Earthwork Contract

The District has entered an agreement with Premier Earthworks & Infrastructure for the Filing 1 Earthwork and Erosion Control contract. Contract is for \$1,418,828.53 and is scheduled to be completed by October 11th, 2018.

Other Matters

Bid will be issued for Channel Construction and Utility Installation on Tuesday.

District Engineer Recommends:

- District Engineer work with District Accounting to develop a coding system for Pay App process

IDES, LLC
Barrett Marrocco

Specializing in District Engineering including, Program Management, Construction Management, and Facility Acquisitions for Special Districts