

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE SKY RANCH COMMUNITY AUTHORITY BOARD (“CAB”) HELD MAY 11, 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 11th day of May, 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
Kevin McNeill

Also In Attendance Were:

Lisa A. Johnson and David Solin; Special District Management Services, Inc. (“SDMS”)

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

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

Dirk Lashnits and Rick Dinkel; 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. 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, and no additional conflicts were disclosed at the meeting.

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ADMINISTRATIVE MATTERS

Agenda: Ms. Johnson 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.

Appointment of Community Authority Board ("CAB") Directors: The Board acknowledged the appointment of P. Joseph Knopinski, Kevin McNeill and Dirk Lashnits (all members of the Sky Ranch Metropolitan District No. 5 Board of Directors) as CAB Directors.

CONSENT AGENDA

The Board considered the following actions:

- Approve Minutes of the April 13, 2018 Regular Meeting.
- Ratify approval of the establishment of an operating account with Wells Fargo Bank.

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

FINANCIAL MATTERS

May 10, 2018 Claims: The Board considered approval of the payment of claims through the period ending May 10, 2018, in the amount of \$232,091.06.

Following discussion, upon motion duly made by Director Harding, seconded by Director McNeill and, upon vote, unanimously carried, the Board approved the payment of claims, as discussed and revised.

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Unaudited Financial Statements: There was nothing presented at this time.

LEGAL MATTERS

Legal Matters: There were no Legal Matters presented.

CONSTRUCTION MATTERS

Project Managers Report: Mr. Lashnits reviewed the Project Manager's Report, noting that overexcavation and overlot grading are on schedule and ahead of schedule, respectively. It was further noted that bid opening for drainage and utilities was extended to May 22, 2018. A copy of the Project Manager's Report is attached hereto and incorporated herein by this reference.

Task Order Nos. 1 to Master Services Agreement ("MSA") with IDES: Mr. Lashnits presented Task Order No. 1 to the MSA with IDES in the amount of \$50,000.

Following discussion, upon motion duly made by Director McNeill, seconded by Director Harding and, upon vote, unanimously carried, the Board approved Task Order No. 1 to the MSA with IDES in the amount of \$50,000.

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. Marrocco discussed status of the cost certification process, and inquired about improvements constructed by private parties that the CAB may acquire.

OTHER MATTERS

Facilities Acquisition Agreement: The Board discussed Mr. Marrocco's questions concerning improvements constructed by private parties that the CAB may acquire and directed District Counsel to prepare a Facilities Acquisition Agreement for the Board's consideration.

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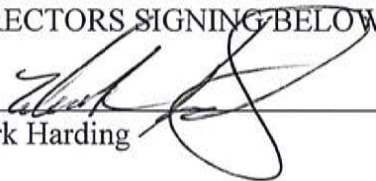
ADJOURNMENT

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.

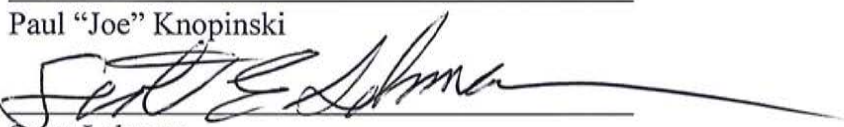
Respectfully submitted,

By  _____
Secretary for the Meeting

THESE MINUTES ARE APPROVED AS THE OFFICIAL MAY 11, 2018
REGULAR MEETING MINUTES OF THE CAB BY THE BOARD OF
DIRECTORS SIGNING BELOW:



Mark Harding

Paul "Joe" Knopinski


Scott Lehman

Kevin McNeill


Dirk Lashnits

Sky Ranch CAB – Project Manager Board Report

Date: 5/11/18

DESIGN AND CONSTRUCTION

Status Report and Progress Updates for April

- Overexcavation – 40% complete; on schedule
- Overlot grading – 25% complete; ahead of schedule
- Drainage and Utilities – bid opening 5/15
- Maintaining SEMSWA compliance
- Finalizing Roadway and Drainage Plans
- Finalizing Water and Sewer Plans
- Phase 2 GESC Plans Approved
- Phase 3 CDs under review
- Preliminary planning/engineering for Filing 2 – GDP (PDP Amendment 4) -- Schools, I70 Interchange, product type (alley, attached), fire station, regional drainage

BUDGET

- Update to CAB next month

CONTRACTS AND TASK ORDERS

- IDES – Task Order No 1 - \$25,000

PAYABLES

- IDES - \$6,398.99, \$4,864.63, \$6,349.90
- PEI - \$198,089.47
- MPI - \$5,100.00

Contract Tracking Log

Vendor	Description	Contract Value	Total Billed	% Complete	Remaining to Spend	Retainage
PEI	grading	\$ 1,418,828.84	\$ 522,235.14	37%	\$ 896,593.70	5%
KT Engineering	survey	\$ 241,470.00	\$ 18,790.00	8%	\$ 222,680.00	0%
Erosion Controls of Colorado	erosion control	\$ 84,680.00	\$ -	0%	\$ 84,680.00	0%
MPI Designs	landscaping	\$ 16,065.00	\$ 10,115.00	63%	\$ 5,950.00	0%
CTL Thompson	geotech	\$ 190,042.00	\$ -	0%	\$ 190,042.00	0%
IDES	planning and engineering	\$ 25,000.00	\$ 17,613.52	70%	\$ 7,386.48	0%
Subtotal		\$ 1,976,085.84	\$ 568,753.66	22%	\$ 1,407,332.18	
SEMSWA	permits and fees	\$ 498,071.56	\$ 498,071.56	100%	\$ -	0%
CVL Consultants	planning and engineering	\$ 667,833.08	\$ 790,312.30	118%	\$ (122,479.22)	0%
PCS Group	planning and engineering	\$ 161,502.00	\$ 161,502.00	100%	\$ -	0%
School District	permits and fees	\$ 480,000.00	\$ -	0%	\$ 480,000.00	0%
Subtotal		\$ 1,807,406.64	\$ 1,449,885.86	80%	\$ 357,520.78	