

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE SKY RANCH COMMUNITY AUTHORITY BOARD ("CAB") HELD JULY 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 July, 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 Dirk Lashnits was excused.

Also In Attendance Were:

Lisa A. Johnson; Special District Management Services, Inc. ("SDMS")

MaryAnn M. McGeady, Esq. and Suzanne Meintzer, Esq.; McGeady Becher P.C.

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

Rick Dinkel; Pure Cycle Corporation

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.

RECORD OF PROCEEDINGS

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.

Resignation of Director: The Board deferred discussion.

Board Vacancy: The Board deferred discussion.

Appointment of Treasurer: The Board discussed the need to fill the position of Treasurer.

Following discussion, upon motion duly made by Director Knopinski, seconded by Director Lehman and, upon vote, unanimously carried, the Board appointed Director Lashnits as Treasurer.

CONSENT AGENDA The Board considered the following actions:

- Approve Minutes of the June 8, 2018 Regular Meeting.
- Ratify approval of the claims through June 7, 2018, in the amount of \$47,576.91.
- Ratify approval of Change Order Nos. 1-4 to the Construction Contract with Premier Earthworks & Infrastructure, Inc.

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.

RECORD OF PROCEEDINGS

FINANCIAL MATTERS

Claims: The Board considered approval of the payment of claims through the period ending June 30, 2018, in the amount of \$1,293,472.27.

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

The Board then considered approval of the payment of claims through the period ending July 12, 2018, in the amount of \$244,755.18.

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

Unaudited Financial Statements: The Board considered acceptance of unaudited financial statements through the period ending May 31, 2018.

Following review and discussion, upon motion duly made by Director Harding, seconded by Director Lehman and, upon vote, unanimously carried, the Board of unaudited financial statements through the period ending May 31, 2018, as revised.

LEGAL MATTERS

Outstanding Legal Matters: Discussion ensued regarding status of recordation of Covenants, Conditions and Restrictions for Sky Ranch (“CCR’s”) and Declaration of Covenants Imposing and Implementing the Sky Ranch Public Improvements Fee (“PIF Covenant”). Director Harding reported that the Developer anticipated closing with the homebuilder in advance of the next board meeting and that the CCR’s and PIF Covenant would be recorded around that same time. Attorney Meintzer recommended that the law firm that drafted the CCR’s should also draft the proposed Design Guidelines, to ensure consistency between the documents.

CONSTRUCTION MATTERS

Project Managers Report: The Board reviewed the Project Manager’s Report. A copy of the Project Manager’s Report is attached hereto and incorporated herein by this reference.

Pay Application No. 5: The Board considered approval of Pay Application No. 5 for Filing 1 Earthwork and Erosion Control from Premier Earthworks & Infrastructure, Inc. in the amount of \$156,803.88.

Following discussion, upon motion duly made by Director Lehman, seconded by Director Harding and, upon vote, unanimously carried, the Board approved Pay

RECORD OF PROCEEDINGS

Application No. 5 for Filing 1 Earthwork and Erosion Control from Premier Earthworks & Infrastructure, Inc. in the amount of \$156,803.88.

Change Order No. 5 under the Construction Contract for Filing 1 Earthwork and Erosion Control between the District and Premier Earthworks & Infrastructure, Inc.
The Board deferred discussion.

Change Order No. 8 under the Construction Contract for Filing 1 Earthwork and Erosion Control between the District and Premier Earthworks & Infrastructure, Inc.
The Board deferred discussion.

Agreements with Xcel Energy: The Board reviewed the Distribution Extension Agreement between the District and Xcel Energy for construction and installation of the necessary electric distribution line extension at the I-70 Frontage Road and Monaghan Road.

Following discussion, upon motion duly made by Director Lehman, seconded by Director Harding and, upon vote, unanimously carried, the Board ratified approval of the Distribution Extension Agreement between the District and Xcel Energy for construction and installation of the necessary electric distribution line extension at the I-70 Frontage Road and Monaghan Road, in the amount of \$450,929.96.

The Board reviewed the Distribution Extension Agreement between the District and Xcel Energy for construction and installation of the necessary electric distribution line extension at Powhatan Road & East Colfax Avenue.

Following discussion, upon motion duly made by Director Lehman, seconded by Director Harding and, upon vote, unanimously carried, the Board ratified approval of the Distribution Extension Agreement between the District and Xcel Energy for construction and installation of the necessary electric distribution line extension at Powhatan Road & East Colfax Avenue, in the amount of \$520,157.53.

Master Services Agreement (“MSA”) with PCS Group, Inc. and Task Order No. 1: The Board discussed a Master Services Agreement (“MSA”) with PCS Group, Inc. and Task Order No. 1, in the amount of \$183,500.

Following discussion, upon motion duly made by Director Knopinski, seconded by Director Lehman and, upon vote, unanimously carried, the Board approved the Master Services Agreement (“MSA”) with PCS Group, Inc. and Task Order No. 1, in the amount of \$183,500.

RECORD OF PROCEEDINGS

Engineers Report: Mr. Marrocco presented the Engineer's Report. A copy of the Engineer's Report dated July 13, 2018, is attached hereto and incorporated herein by this reference.

Status of the Following: The Board of Directors discussed the status of the following:

Construction of Improvements: Discussion was covered in other reports.

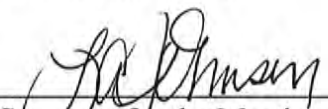
Consulting Agreements: There was nothing new to report at this time.

Operations and Maintenance Fees: There was nothing new to report at this time.

OTHER MATTERS None at this time.

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.

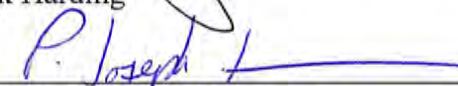
Respectfully submitted,

By  _____
Secretary for the Meeting

THESE MINUTES ARE APPROVED AS THE OFFICIAL JULY 13, 2018
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: 7/13/18

DESIGN AND CONSTRUCTION

Status Report and Progress Updates for June

- Overexcavation – Phase 1 complete; working on scope changes per builders
- Overlot grading – priority areas complete for utility start
- Dirt Shortage – site is low on dirt due to design changes and overex shrinkage; discussing with builders
- Drainage and Utilities – start date 7/9
- Maintaining SEMSWA compliance
- Water and Sewer Plans - approved
- Roadway and Drainage Plans – expect approval by meeting date
- Preliminary planning/engineering for Filing 2 – GDP (PDP Amendment 4) -- Schools, I70 Interchange, product type (alley, attached), fire station, regional drainage

BUDGET

- Budget review/update process and protocol

CONTRACTS AND TASK ORDERS

- Xcel Energy – \$61,339.17, \$520,157.53, \$450,929.56
- PCS – MSA and TO#1 - \$183,500

PAYABLES

- PEI - \$156,803.88
- Xcel Energy – \$520,157.53, \$450,929.56
- CVL - \$2,879.10, \$25,777.50

Filing 1 - Contract Tracking Log

Vendor	Activity Code	Description	Contract Value	Total Billed	% Complete	Remaining to Spend	Retainage
PEI	007	grading	\$ 1,418,828.84	\$ 932,506.64	66%	\$ 486,322.20	5%
KT Engineering	004	survey	\$ 244,210.00	\$ 40,030.00	16%	\$ 204,180.00	0%
Erosion Controls of Colorado	006	erosion control	\$ 84,680.00	\$ 3,800.00	4%	\$ 80,880.00	0%
MPI Designs	014	landscaping	\$ 16,065.00	\$ 10,965.00	68%	\$ 5,100.00	0%
CTL Thompson	005	geotech	\$ 205,672.00	\$ 35,067.00	17%	\$ 170,605.00	0%
IDES	002	planning and engineering	\$ 50,000.00	\$ 25,434.00	51%	\$ 24,566.00	0%
Arapahoe County	003	permits and fees	\$ 69.00	\$ 69.00	100%	\$ -	0%
Xcel Energy	013	dry utilities	\$ 971,087.49	\$ 971,087.49	100%	\$ -	0%

Filing 2 - Contract Tracking Log

Vendor	Description	Contract Value	Total Billed	% Complete	Remaining to Spend	Retainage
CVL Consultants	civil engineering	\$ 161,900.00	49,396.60	31%	\$ 112,503.40	0%
PCS Group	planning and landscape architecture	\$ 183,500.00	-	0%	\$ 183,500.00	0%
	Subtotal	\$ 345,400.00	49,396.60	15%	\$ 296,003.40	

SKY RANCH COMMUNITY AUTHORITY BOARD

Board Meeting Project Status

July 13, 2018

New Contracts

- Engineer Recommends execution of Premier Earthworks & Infrastructure contract for \$8,971,057.30.

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.

- Pay Application #5 is recommended for payment: \$156,803.88.

Change Orders

- **Recommend Ratification:**
 - Change Order's 1-4: Increase Contract time by 4 work days (weather related)
- **Recommend Approval:**
 - None
- **Potential Change Orders:**
 - Change Order 5: Additional Over lot Cut, \$34,155.36 increase (\$17,955.19 District, \$16,200.17 Non-District); T&M for Plan Changes on 3/23/18, \$29,598.47 increase, (\$15,559.67 District, \$14,098.80 Non-District); T&M plan for Blocks 13 & 7 Revisions, \$26,139.96 increase (\$309.96 District, \$25,830.00 Non-District) for a total of \$89,893.79.
 -
 - Change Order 8: Increase in costs for expedited schedule, \$27,086.49 increase (\$14,239.14 District, \$12,847.34 Non-District)

Other Matters

- District Engineer met with District Accounting to develop a coding system for Pay App process.
 - Awaiting Coding system used by Developer. Will evaluate to determine if second set of codes is needed for "Powers of the District" Categories.