RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE SKY RANCH COMMUNITY AUTHORITY BOARD ("CAB") HELD OCTOBER 11, 2019

The regular meeting of the Board of Directors (referred to hereafter as the "Board") of the Sky Ranch Community Authority Board (referred to hereafter as the "CAB") was convened on Friday, the 11th day of October, 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
Joe Knopinski
Scott Lehman

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

Also In Attendance Were:
Lisa A. Johnson and Peggy Ripko; Special District Management Services, Inc.

MaryAnn McGeady, Esq. and Andrew Rippey, Esq.; McGeady Becher P.C.

Rick Dinkel; Pure Cycle Corporation

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

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: Attorney McGeady noted that a quorum was present and 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 McGeady 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 McGeady 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.

Following discussion, upon motion duly made by Director Harding, 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 Harding, 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 of 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 meeting 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 September 13, 2019 Regular Meeting (enclosure).
- Ratify approval of payables from August 10, 2019 through September 13, 2019 in the amount of $747,619.50.
- Ratify engagement of Altitude Law for Covenant Enforcement Legal Services (enclosure).

Following review, upon motion duly made by Director Knopinski, seconded by Director Harding and, upon vote, unanimously carried, the Board approved the above actions.

LEGAL MATTERS

There were no legal matters to discuss.

CONSTRUCTION MATTERS

Project Managers Report: The Board reviewed the Project Manager's Report. Director Harding gave an update on the Project. A copy of the Project Manager's Report, dated October 11, 2019, is attached hereto and incorporated herein by this reference.

Task Order No. 15 from KT Engineering under the Master Services Agreement: The Board reviewed Task Order No. 15 under the Master Services Agreement with KT Engineering.

Following review and discussion, upon motion duly made by Director Knopinski, seconded by Director Lehman and, upon vote, unanimously carried, the Board approved Task Order No. 15 under the Master Services Agreement with KT Engineering for grade checks, as-builts, landscaping and dry utilities, in the amount of $19,880.00.

Agreement with Xcel Energy for Phase 3 Gas Distribution and Phase 3 Street Lights: The Board reviewed and considered approval of an agreement with Xcel Energy.

Following discussion, upon motion duly made by Director Harding, seconded by Director Lehman and, upon vote, unanimously carried, the Board approved the Agreement with Xcel Energy for Phase 3 gas distribution and Phase 3 street lights, in the amount of $324,707.42.

Engineers Report: Mr. Marrocco presented to the Board the Engineer's Report. A copy of the Engineer's Report, dated October 11, 2019, is attached hereto and incorporated herein by this reference.

Consulting Agreements:

Service Agreement with Pure Cycle Corporation for Landscape Maintenance: Attorney Rippey discussed with the Board the need for a Service Agreement between the CAB and Pure Cycle Corporation for landscape maintenance. Following discussion, Legal staff will provide a recommendation on how to proceed at the next meeting.

Earthwork and Erosion Control:

No new matters were presented.

Drainage and Utilities:

Pay Application No. 16 to the Drainage and Utilities Contract with Premier Earthworks & Infrastructure, Inc.: Mr. Marrocco presented to the Board Pay Application No. 16 to the Drainage and Utilities Contract with Premier Earthworks & Infrastructure, Inc.

Following discussion, upon motion duly made by Director Knopinski, seconded by Director Harding and, upon vote, unanimously carried, the Board approved Pay Application No. 16 to the Drainage and Utilities Contract with Premier Earthworks & Infrastructure, Inc., in the amount of $105,708.01.

Roadway Improvements:

Change Order No. 11 to the Roadway Improvements Contract with Premier Earthworks & Infrastructure, Inc.: Mr. Marrocco reviewed with the Board Change Order No. 11 to the Roadway Improvements Contract with Premier Earthworks & Infrastructure, Inc.

Following discussion, upon motion duly made by Director Lehman, seconded by Director Harding and, upon vote, unanimously carried, the Board approved Change Order No. 11 to the Roadway Improvements Contract with Premier Earthworks & Infrastructure, Inc., in the amount of $9,197.23 for Phase 2 final pavement design.

Pay Application No. 11 to the Roadway Improvements Contract with Premier Earthworks & Infrastructure, Inc.: Mr. Marrocco reviewed with the Board Pay Application No. 11 to the Roadway Improvements Contract with Premier Earthworks & Infrastructure, Inc.

Following discussion, upon motion duly made by Director Knopinski, seconded by Director Lehman and, upon vote, unanimously carried, the Board approved Pay Application No. 11 to the Roadway Improvements Contract with Premier Earthworks & Infrastructure, Inc., in the amount of $701,480.69.

Landscape Improvements:

Change Order No. 10 to the Landscape Improvements Contract with Environmental Designs, Inc. ("EDI"): Mr. Marrocco reviewed with the Board Change Order No. 10 to the Landscape Improvements Contract with EDI.

Following discussion, upon motion duly made by Director Knopinski, seconded by Director Lehman and, upon vote, unanimously carried, the Board approved Change Order No. 10 to the Landscape Improvements Contract with EDI, to reduce the contract amount by -$22,510.57 for irrigation changes in front of model homes.

Change Order No. 11 to the Landscape Improvements Contract with EDI: Mr. Marrocco reviewed with the Board Change Order No. 11 to the Landscape Improvements Contract with EDI.

Following discussion, upon motion duly made by Director Knopinski, seconded by Director Lehman and, upon vote, unanimously carried, the Board approved Change Order No. 11 to the Landscape Improvements Contract with EDI, in the amount of $4,455.01 for additional median landscape and to replace rock with grass at 8th Place and White Crow.

Change Order No. 12 to the Landscape Improvements Contract with EDI: Mr. Marrocco reviewed with the Board Change Order No. 12 to the Landscape Improvements Contract with EDI.

Following discussion, upon motion duly made by Director Knopinski, seconded by Director Lehman and, upon vote, unanimously carried, the Board approved Change Order No. 12 to the Landscape Improvements Contract with EDI, in the amount of $2,881.40 for drill seeding in Tract G and Tract Q.

Change Order No. 13 to the Landscape Improvements Contract with EDI: Mr. Marrocco reviewed with the Board Change Order No. 13 to the Landscape Improvements Contract with EDI.

Following discussion, upon motion duly made by Director Knopinski, seconded by Director Lehman and, upon vote, unanimously carried, the Board approved Change Order No. 13 to the Landscape Improvements Contract with EDI, in the amount of $5,867.86 for MSE wall engineering.

Pay Application No. 6 to the Landscape Improvements Contract with EDI: Mr. Marrocco reviewed with the Board Pay Application No. 6 to the Landscape Improvements Contract with EDI.

Following discussion, upon motion duly made by Director Lehman, seconded by Director Harding and, upon vote, unanimously carried, the Board approved Pay Application No. 6 to the Landscape Improvements Contract with EDI, in the amount of $325,109.93.

COMMUNITY MANAGEMENT MATTERS

Community Outreach: Director Harding discussed that the first resident has moved in.

Ms. Ripko presented to the Board a calendar of events for a 2020 community outreach program for 2020 and the remainder of 2019.

FINANCIAL MATTERS

Claims: The Board considered approval of the payment of claims for the period beginning September 14, 2019 through October 11, 2019, as follows:

General Fund:	$	19,791.00
Debt Service Fund:	$	-0-
Capital Projects Fund:	$	885,555.17
Total:	**$**	**905,346.17**

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

Unaudited Financial Statements: Mr. Dinkel reviewed with the Board the unaudited financial statements through the period ending July 31, 2019.

Following review and discussion, upon motion duly made by Director Harding, seconded by Director Knopinski and, upon vote, unanimously carried, the Board accepted the unaudited financial statements through the period ending July 31, 2019.

Accounting Services: The Board reviewed the engagement letter from Clifton LarsonAllen LLP for accounting services.

Following discussion, upon motion duly made by Director Lehman, seconded by Director Harding and, upon vote, unanimously carried, the Board ratified the approval of the engagement of CliftonLarsonAllen LLP for accounting services.

Master Indenture: The Board discussed the terms of the Master Indenture and directed staff to put on the next meeting agenda for consideration.

FIRST READINGS:

2019 Budget Amendment Hearing: Attorney McGeady noted that publication of a First Reading to consider an amendment to the 2019 Budget was made in a newspaper having general circulation within the District. The Board discussed an amendment the 2019 Budget.

Following discussion, upon motion duly made by Director Harding, seconded by Director Knopinski and, upon vote, unanimously carried, the Board moved to advance the 2019 Budget amendment to the Second Reading at the October 25, 2019 meeting.

Resolution Authorizing the Issuance of Limited Tax Supported District No. 1 Senior Bonds, Series 2019A, and Limited Tax Supported District No. 1 Subordinate Bonds, 2019B: Attorney McGeady noted that publication of a First Reading to consider the Bond issuance was made in a newspaper having general circulation within the District. The Board discussed adoption of the Resolution

authorizing the issuance of Limited Tax Supported District No. 1 Senior Bonds (Tax-Exempt Fixed Rate), Series 2019A, and Limited Tax Supported District No. 1 Subordinate Bonds (Tax-Exempt Fixed Rate), Series 2019B, in a combined principal amount not to exceed $14,000,000 and approve the related Indentures of Trust, Preliminary and Final Limited Offering Memoranda, Continuing Disclosure Agreement; and authorize the execution of certain other documents relating to the Bonds.

Following discussion, upon motion duly made by Director Harding, seconded by Director Lehman and, upon vote, unanimously carried, the Board moved to advance the authorization of the Bond issuance and adoption of the Bond Resolution to a Second Reading at the October 25, 2019 meeting.

OTHER MATTERS

There were no other matters to discuss.

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

Sky Ranch CAB – Project Manager Board Report
Date: 10/11/19

DESIGN AND CONSTRUCTION

Status Report and Progress Updates

- Earthwork – performing corrections and certifications for close-out
- Dirt Shortage – Recalibrating with new home starts; KB import; PEI import
- Drainage and Utilities – pedestrian bridge in channel; meter pits after curb in Ph 2 and 3
- Concrete and Asphalt Phase 1 – Ph 1 streets complete; working on signage and striping; KB TD#3 streets complete; Richmond TD#2 approximately 30% complete; Start 6th Ave in October
- Xcel – working on remaining gas and electric in Ph 1; street lights in Ph 1; pre-con for Ph 3
- Landscaping – 8th Ave entry 80% complete and started watering; Central Park plaza hardscapes 80% complete, irrigation started and plan to sod by end of October; Monaghan fencing and columns complete; Working on 8th Ave fencing; drainage channel and pond 50% complete; Monduments 75% complete
- Maintaining SEMSWA and Urban Drainage compliance – Builder SWMP transfer once plans approved
- Preliminary planning/engineering for Filing 2 (Changing to Filing 4) – GDP comments received and working on responses; meetings required with CDOT, Urban Drainage, Open Space; Ongoing discussions with Interchange/1601 group

BUDGET

- Budget review – review and amendment in process

CONTRACTS, CHANGE ORDERS AND TASK ORDERS

Filing 1

- EDI – CO #10 (82560) – ($22,510.57) – credit for deletion of 8th Ave landscaping
- EDI – CO #11 - $4,455.01
    - COR 84142 – $4,563.10 – 8th ave median strip not in design
    - COR 84052 – ($108.09) – change cobble to turf at 8th and Waterloo
- EDI – CO #12 - $2,881.40
    - COR 84135 - $2,591.57 – Tract G (8th Ave) seeding
    - COR 84320 -- $289.83 – Tract Q (8th Ave) seeding
- EDI – CO #13 (82573) - $5,867.86 – retaining wall engineering
- KT Engineering – TO#15 - $19,880.00 – grade checks, as-builts, landscaping, dry utilities
- PEI Roadways – CO #11 (COR 25) - $9,197.23 – Phase 2 cost revisions per final pavement design
- Pure Cycle – Master Contract - $418,575.84 – fencing and landscaping
- Xcel Energy - $324,707.42

- $97,711.69 – Phase 3 Gas Distribution
- $226,995.73 – Phase 3 Street Lights

Filing 2 (Changing to Filing 3)

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	127,100	127,100	-	104,516	100%	-	-
CAB	201	Legal and Title	Butler Snow	425	425	-	-	100%	-	-
CAB	303	Erosion Control	CMS	20,000	2,500	-	2,056	13%	17,500	125
CAB	302	Geotech	CTL Thompson	361,958	366,967	-	301,762	101%	(5,009)	18,348
CAB	205	Engineering	CVL Consultants	69,026	69,026	-	56,761	100%	-	-
CAB	311	Landscaping	Environmental Designs	3,414,382	1,022,903	43,576	1,022,903	30%	2,391,480	51,145
CAB	205	Engineering	ERO Resources Group	580	580	-	477	100%	-	-
CAB	303	Erosion Control	Erosion Controls of CO	84,680	70,965	-	58,355	84%	13,715	3,548
CAB	201	Legal and Title	Hoffman, Parker, etc	8,304	8,304	-	-	100%	-	-
CAB	202	District	IDES	150,000	131,507	-	108,140	88%	18,493	-
CAB	301	Survey	KT Engineering	493,060	461,510	-	379,506	94%	31,550	23,076
CAB	202	District	McGeady Becher	33,225	33,225	-	27,321	100%	-	-
CAB	311	Landscaping	MPI Designs	23,970	18,630	-	18,630	78%	5,340	932
CAB	201	Legal and Title	Otis Bedingfield & Peters	235	235	-	-	100%	-	-
CAB	304	Grading	PEI	1,538,880	1,538,937	51,298	800,247	100%	(57)	76,947
CAB	305	Sanitary Sewer	PEI	2,475,352	2,462,457	83,391	2,462,457	99%	12,895	123,123
CAB	306	Water	PEI	2,396,062	2,377,376	80,984	2,377,376	99%	18,686	118,869
CAB	307	Storm Sewer	PEI	4,965,666	4,831,817	162,684	4,831,817	97%	133,849	241,591
CAB	310	Dry Utilities	PEI	195,271	192,103	6,403	-	98%	3,168	9,605
CAB	308	Concrete	PEI	3,518,417	2,541,165	127,058	2,541,165	72%	977,252	127,058
CAB	309	Asphalt	PEI	4,987,232	3,012,393	150,620	3,012,393	60%	1,974,839	150,620
CAB	303	Erosion Control	Pure Cycle Erosion Control	64,800	-	-	-	0%	64,800	-
CAB	311	Landscaping	Pure Cycle Landscaping	418,576	-	-	-	0%	418,576	-
CAB	202	District	SDMS	25,583	25,583	-	21,037	100%	-	-
CAB	203	Fees, Permits and Administration	SEMSWA	18,750	18,750	-	15,418	100%	-	-
CAB	107	District	Sentinel	-	-	-	-	0%	-	-
CAB	202	District	Sentinel	78	78	-	64	100%	-	-
CAB	201	Legal and Title	Spencer Fane	228	228	-	-	100%	-	-
CAB	310	Dry Utilities	Xcel Energy	2,368,589	2,368,589	-	597,189	100%	-	118,429
			Total	27,760,429	21,683,353	706,014	18,739,589		6,077,077	1,063,416

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	199,449	-	164,009	116%	(27,549)	-
CAB	205	Engineering	ERC	15,886	7,887	-	6,486	50%	7,999	-
CAB	205	Engineering	ERO	2,000	2,427	-	1,996	121%	(427)	-
CAB	205	Engineering	LSC	14,950	14,288	-	11,750	96%	662	-
CAB	204	Planning	PCS Group	183,500	106,071	-	87,224	58%	77,429	-
CAB	203	Fees, Permits and Administration	Tri-County Health	330	330	-	271	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%	-	-
			Total	450,066	391,952	-	322,307	6	58,114	-

SKY RANCH COMMUNITY AUTHORITY BOARD
Board Meeting Project Status
October 11, 2019

Construction Contract Documents

Drainage and Utilities Contract – Premier Earthworks & Infrastructure

Change Orders

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

Pay Applications

- Pay Application #16 is recommended for payment: $105,708.01 ($110,444.79 District; $826.80 Non-District; $5,563.58 Retained)
  - $9,863,752.41 Billed to Date. $333,461.82 Retained. $9,530,290.59 Paid to Date.

Roadways Contract – Premier Earthworks & Infrastructure

Change Orders

- Recommend Ratification:
  - None
- Recommend Approval:
  - Change Order #11: $9,197.23 for Phase 2 Final Payment Design

Pay Applications

- Pay Application #11 is recommended for payment: $701,480.69 ($738,400.73 District; $0.00 Non-District; $36,920.04 Retained)
  - $5,570,450.46 Billed to Date. $278,522.52 Retained. $5,291,927.94 Paid to Date.

Landscape Contract – Environmental Designs, Inc.

Change Orders

- Recommend Ratification:
  - None
- Recommend Approval:
  - Change Order #10: -$22,510.57 for Irrigation Changes in front of Model Homes
  - Change Order #11: $4,455.01 for Additional Median Landscape and Replace Rock with Grass at 8th Place & White Crow
  - Change Order #12: $2,881.40 for Drill Seeding in Tract G and Tract Q
  - Change Order #13: $5,867.86 for MSE Wall Engineering

Pay Applications

- Pay Application #6 is recommended for payment: $325,109.93 ($342,220.97 District; $0.00 Non-District; $17,111.05 Retained)
  - $1,040,013.58 Billed to Date. $52,000.68 Retained. $988,012.90 Paid to Date.

Earthwork Contract – Premier Earthworks & Infrastructure

Change Orders

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

Pay Applications

- None

Other Matters

- IDES has reviewed $2,815,099.16 in expenditures for Cost Certification #2 and has certified $2,677,007.63 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	7	$1,538,936.87	$1,487,638.98	$51,297.89
PEI - Drainage & Utilities	16	$10,032,349.56	$9,424,582.58	$607,766.98
PEI - Roadways	10	$8,513,344.25	$4,590,447.25	$3,922,897.00
EDI - Landscape	9	$1,771,024.69	$662,902.98	$1,108,121.71
Total		$21,855,655.37	$16,165,571.79	$5,690,083.58

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		$1,061,292.26	55	$10,032,349.56	55
3	PEI - Roadways	$8,368,649.67		$144,694.58	26	$8,513,344.25	26
4	EDI - Landscape	$1,633,252.04		$137,772.65	119	$1,771,024.69	119
5							
6							
7							
	Total	**$20,391,844.54**		**$1,463,810.83**		**$21,855,655.37**	

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 & Utilties	$10,032,349.56	55	$34,687.27	1.5	$10,067,036.83	57
3	PEI - Roadways	$8,513,344.25	26	$42,070.86	2	$8,555,415.11	28
4	EDI - Landscape	$1,771,024.69	215	$57,462.39	31	$1,828,487.08	246
5							
6							
7							
	Total	**$21,855,655.37**		**$134,220.52**		**$21,989,875.89**	
					Potential Total of All Change Orders	$134,220.52	

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	EDI - Landscape	$85.00		$0.00	$85.00
5					
6					
7					
	Total			**$0.00**	**$0.00**