

## RECORD OF PROCEEDINGS

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MINUTES OF A SPECIAL MEETING OF  
THE BOARD OF DIRECTORS OF THE  
THE CANYONS METROPOLITAN DISTRICT NO. 7 (THE "DISTRICT")  
HELD  
MAY 12, 2021

A special meeting of the Board of Directors of the Canyons Metropolitan District No. 7 (referred to hereafter as the "Board") was convened on May 12, 2021, at 9:00 a.m. Due to concerns regarding the spread of the Coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, this District Board meeting was held via Zoom. The meeting was open to the public.

### ATTENDANCE

Directors In Attendance Were:

Jeff Kappes, President  
Skyler Hager, Vice-President/Secretary  
Michele Miller, Assistant Secretary  
Jessica McDonagh, Assistant Secretary

The absence of Director Kershishnik was excused.

Also, In Attendance Were:

Denise Denslow and Shelby Clymer; CliftonLarsonAllen LLP ("CLA"), District Manager and Accountant;  
Zachary P. White, Esq.; White Bear Ankele Tanaka & Waldron P.C. ("WBA"), District General Counsel; and  
Spencer Selva and Ryan McDermed; Shea Canyons, LLC, Construction Manager

### ADMINISTRATIVE MATTERS

**Call to Order/Declaration of Quorum:** Director Kappes called the meeting to order at 9:03 a.m.

**Director Conflict of Interest Disclosures:** Mr. White advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Mr. White reported that disclosures for those directors that provided White Bear Ankele Tanaka & Waldron with notice of potential or existing conflicts of interest were filed with the Secretary of State's Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Mr. White inquired into whether members of the Board had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting. No additional disclosures were noted. The participation of the members present was necessary to obtain a quorum or to otherwise enable the Board to act.

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**Approval of Agenda:** The Board reviewed the Agenda for the meeting. Following discussion, upon motion duly made by Director Miller, seconded by Director Kappes and, upon vote, unanimously carried, the Board approved the Agenda, as amended, to include resident request items regarding the use of a crane in the district open space and use of Ramble Park parking lot for a block party.

**Minutes of April 14, 2021 Special Meeting:** The Board reviewed the Minutes of the April 14, 2021 Special Meeting. Following review and discussion, upon motion duly made by Director Miller, seconded by Director McDonagh and, upon vote, unanimously carried, the Board approved the Minutes, as presented.

**Public Comment:** There was no public comment.

### FINANCIAL MATTERS

**Payables and Schedule of Cash Position:** Ms. Clymer reviewed the Payables and Schedule of Cash Position with the Board. Following review and discussion, upon a motion duly made by Director McDonagh, seconded by Director Hager and, upon vote, unanimously carried, the Board approved the Payables and Schedule of Cash Position noting the total for the claims is \$1,223,813.01.

**Unaudited March 31, 2021 Financials:** Ms. Clymer reviewed the financials with the Board, noting 75% of the property taxes were collected through April. Following discussion, upon a motion duly made by Director McDonagh, seconded by Director Miller and, upon vote, unanimously carried, the Board approved the unaudited March 31, 2021 Financials.

**Proposal from North Slope Capital Advisors for Developer Advance and Reimbursement Interest Rate Comfort:** This item was deferred.

**Other:** None.

### LEGAL MATTERS

**Other:** Mr. White reminded the Board that WBA will no longer be providing covenant/legal services and suggested several firms for the Board to consider. Discussion ensued. Following discussion, upon a motion duly made by Director Kappes, seconded by Director Hager and, upon vote, unanimously carried, the Board authorized Mr. White and Ms. Denslow to review proposals with Director Miller and authorized Director Miller to approve a proposal for covenant enforcement services.

### MANAGER / OPERATIONS MATTERS

**Managers' Report:** Ms. Denslow noted that the design review process is very active and there is one covenant violation that needs to be elevated past the initial warning letter.

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**Covenant Enforcement Services:** This was discussed under legal matters.

**Other:** None.

### CONSTRUCTION MATTERS

**Summary and Status of Construction Matters, Review Construction Manager Board Communication:** Mr. McDermed reviewed the memorandum provided in the packet. He stated the weather has slowed construction activity.

### **Independent Contractor Agreements:**

**Independent Contractor Agreement with Adarand Constructors, Inc. for Bridge Guard Rail Repair Services:** Mr. McDermed noted that this agreement provides for repair services to the guardrail attached to the coverage bridge, as well as on call services through the term of final acceptance. Following review and discussion, upon a motion duly made by Director Hager, seconded by Director Miller and, upon vote, unanimously carried, the Board approved the Independent Contractor Agreement with Adarand Constructors, Inc. for Bridge Guard Rail Repair Services.

### **Change Orders:**

**Change Order No. 3 to Canyons Filing 1 and 3 Construction Agreement with ESCO Construction Co. in the amount of \$3,722.12:** Following discussion, upon a motion duly made by Director Kappes, seconded by Director Miller and, upon vote, unanimously carried, the Board approved Change Order No. 3 to Canyons Filing 1 and 3 Construction Agreement with ESCO Construction Co. in the amount of \$3,722.12.

**Change Order No. 1 to Canyons Filing 1, 2<sup>nd</sup> Amendment and Filing 2B West Construction Agreement with Fiore & Sons, Inc. in the amount of \$59,918.22:** Following discussion, upon a motion duly made by Director Kappes, seconded by Director Miller and, upon vote, unanimously carried, the Board approved Change Order No. 1 to Canyons Filing 1, 2<sup>nd</sup> Amendment and Filing 2B West Construction Agreement with Fiore & Sons, Inc. in the amount of \$59,918.22.

**Change Order No. 2 to Canyons Filing 1, 2<sup>nd</sup> Amendment and Filing 2B West Construction Agreement with Fiore & Sons, Inc. in the amount of \$79,486.68** Following discussion, upon a motion duly made by Director Kappes, seconded by Director Miller and, upon vote, unanimously carried, the Board approved Change Order No. 2 to Canyons Filing 1, 2<sup>nd</sup> Amendment and Filing 2B West Construction Agreement with Fiore & Sons, Inc. in the amount of \$79,486.68.

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### **Construction Agreements:**

#### **Bids and Construction Manager Recommendation for Canyons 2021 Trails Construction Project:**

**Construction Agreement with Fiore & Sons, Inc. for Canyons 2021 Trails Construction Project:** Mr. McDermed noted that this is for the first phase and is right at budget. Following discussion, upon a motion duly made by Director Miller, seconded by Director McDonagh and, upon vote, unanimously carried, the Board approved the Construction Agreement with Fiore & Sons, Inc. for Canyons 2021 Trails Construction Project.

#### **Bid and Construction Manager Recommendation for Filing 1 – 2<sup>nd</sup> Amendment Phase 5 (Concrete & Paving) Construction Project:**

**Construction Agreement with Advanced Concrete for Filing 1, 2<sup>nd</sup> Amendment Phase 5 (Concrete) Construction Project:** Following discussion, upon a motion duly made by Director Kappes, seconded by Director Miller and, upon vote, unanimously carried, the Board approved the Construction Agreement with Advanced Concrete for Filing 1, 2<sup>nd</sup> Amendment Phase 5 (Concrete) Construction Project.

**Construction Agreement with Schmidt Construction Company for Filing 1, 2<sup>nd</sup> Amendment Phase 5 (Paving) Construction Project:** Following discussion, upon a motion duly made by Director Kappes, seconded by Director Miller and, upon vote, unanimously carried, the Board approved the Construction Agreement with Schmidt Construction Company for Filing 1, 2<sup>nd</sup> Amendment Phase 5 (Paving) Construction Project.

#### **Proposal for Roadway 2021 Landscaping Construction Project from BrightView Landscape Development:**

**Construction Agreement with BrightView Landscape Development for Roadway 2021 Construction Project:** Mr. McDermed noted that this is within the budget and provides for a 3-year warranty. Following discussion, upon a motion duly made by Director Hager, seconded by Director Miller and, upon vote, unanimously carried, the Board approved the Construction Agreement with BrightView Landscape Development for Roadway 2021 Construction Project.

#### **Proposal for Ramble Park Phase II Construction Project from BrightView Landscape Development:**

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**Construction Agreement with BrightView Landscape Development for Ramble Park Phase II:** Following discussion, upon a motion duly made by Director McDonagh, seconded by Director Hager and, upon vote, unanimously carried, the Board approved the Construction Agreement with BrightView Landscape Development for Ramble Park Phase II.

**Mile High Flood District Newlin Gulch Improvements/Naranjo:** Director Hager briefed the Board on the structure of the contract with Mile High, which currently sits with the City of Castle Pines. Due to some processing challenges, Mr. White spoke with Mile High about the District paying direct rather than having payments go through the City. This would eliminate delays in payment to Mile High and reduce the amount of deposits the District needs to have on file. Following discussion, upon a motion duly made by Director Hager, seconded by Director Kappes and, upon vote, unanimously carried, the board directed legal counsel to pursue this process modification with Mile High.

### OTHER BUSINESS


The District received a request from a homeowner to utilize an open space tract to access a back yard with a small crane for the purposes of setting a swim spa. Discussion followed. It was determined that if appropriately restored, use of this space with a smaller crane is preferable to the much larger crane equipment that would need to be utilized from the street. Upon a motion duly made by Director Miller, seconded by Director Kappes and, upon vote, unanimously carried, the Board approved to permit the use of the open space subject to execution of a release and restore form to be prepared by legal counsel.

The District also received a request to utilize the parking lot at Ramble Park over Memorial Day weekend for the purposes of food trucks during a block party. Discussion followed. The Board determined that because the parking lot is still being used for construction staging, that the request is not appropriate at this time. The Board discussed adopting park and open space rules. Legal counsel will provide the Board with recommendations re park and open space rules.

### ADJOURNMENT

There being no further business to come before the Board at this time, the meeting was adjourned at 10:08 a.m.

Respectfully submitted,

DocuSigned by:  
  
By \_\_\_\_\_  
E4C3DB555D964DE...  
Secretary for the Meeting

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Status: Completed

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Client Number: 011-043719-OS03-2021

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Kathy Suazo

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220 South 6th Street

Enveloped Stamping: Enabled

Suite 300

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Minneapolis, MN 55402

Kathy.Suazo@claconnect.com

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Michele Miller

michele.miller@sheahomes.com

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