

## RECORD OF PROCEEDINGS

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MINUTES OF A MEETING OF  
THE BOARD OF DIRECTORS OF  
THE CANYONS METROPOLITAN DISTRICT NO. 7 (THE "DISTRICT")  
HELD  
NOVEMBER 10, 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 November 10, 2021, at 9:00 a.m. This meeting was held via Zoom, and was open to the public.

### ATTENDANCE

Directors In Attendance Were:

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

Also, In Attendance Were:

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

### ADMINISTRATIVE MATTERS

**Call to Order/Declaration of Quorum:** Denise Denslow called the meeting to order at 9:01 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.

**Approval of Agenda:** The Board reviewed the Agenda for the meeting. Following discussion, upon motion duly made by Director Kershnik, seconded

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by Director Hager and, upon vote, unanimously carried, the Board approved the Agenda, as amended, to defer Item II.C. to the next meeting.

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

### CONSENT AGENDA

#### **Minutes of October 13, 2021 Special Meeting:**

#### **Adoption of the 2022 Annual Administrative Resolution:**

Following discussion, upon a motion duly made by Director Kappes, seconded by Director Hager and, upon vote, unanimously carried, the Board approved the above Consent Agenda items.

### FINANCIAL MATTERS

**Payables and Schedule of Cash Position:** Ms. Clymer reviewed the Payables with the Board. Following review and discussion, upon a motion duly made by Director McDonagh, seconded by Director Kershisnik and, upon vote, unanimously carried, the Board approved the Payables in the amount of \$1,760,028.95.

**September 30, 2021 Unaudited Financial Statements:** Ms. Clymer reviewed the September 30, 2021 Unaudited Financial Statements with the Board. Discussion ensued. The Board requested additional information on revenue. Following discussion, upon a motion duly made by director Kershisnik, seconded by Director McDonagh and, upon vote, unanimously carried, the Board accepted the September 30, 2021 Unaudited Financial Statements, subject to the additional information requested and final review by the Board.

**Public Hearing on Amendment to 2021 Budget:** Upon a motion duly made by Director Kershisnik, seconded by Director Miller, the Board opened the public hearing at 9:50 a.m. to consider an amendment to the 2021 Budget.

It was noted that publication of Notice stating that the Board would consider amendment of the 2021 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed at 9:51 a.m.

Ms. Clymer reported that a 2021 budget amendment was not needed.

**Public Hearing on 2022 Budget:** Upon a motion duly made by Director Kershisnik, seconded by Director Miller, the Board opened the public hearing at 9:52 a.m. to consider the proposed 2022 Budget and to discuss related issues.

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It was noted that Notice stating that the Board would consider adoption of the 2022 budget and the date, time and place of the public hearing was published pursuant to statute. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed at 9:53 a.m.

Ms. Clymer reviewed the 2022 Budget with the Board. Following discussion, upon a motion duly made by Director Kershnik, seconded by Director Hager and, upon vote, unanimously carried, the Board approved the 2022 Budget, subject to changes requested to the water budget, and adopted the Resolution Adopting the 2022 Budget.

**Master Service Agreement, Special Districts Preparation Scope of Work, and Payroll Services Scope of Work with CliftonLarsonAllen LLP for District Accounting Services:** Following discussion, upon a motion duly made by Director Kershnik, seconded by Director McDonagh and, upon vote, unanimously carried, the Board approved the of Master Service Agreement, Special Districts Preparation Scope of Work, and Payroll Services Scope of Work with CliftonLarsonAllen LLP for District Accounting Services subject to Director Kappes and legal final review.

**Auditor Engagement Letter for 2021 Audit Services:** Following discussion, upon a motion duly made by Director Kershnik, seconded by Director McDonagh and, upon vote, unanimously carried, the Board approved the Auditor Engagement Letter for 2021 Audit Service with Dazzio & Associates.

**Other:** None.

### LEGAL MATTERS

#### **Resolution Calling May 3, 2022 Election:**

##### **Designation of Method for Providing Notice of Call for Nominations:**

Following discussion, upon a motion duly made by Director Miller, seconded by Director Hager and, upon vote, unanimously carried, the Board adopted the Resolution Calling the May 3, 2022 Election and designated the website as the posting place for the Call for Nominations.

**Other:** None.

### MANAGER / OPERATIONS MATTERS

**Managers' Report:** None.

**Other:** None.

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### CONSTRUCTION MATTERS

**Summary and Status of Construction Matters, Review Construction Manager Board Communication:** Mr. McDermed reported Ramble Park is now being utilized and he is working on the firepit plumbing so that it is operational.

Mr. McDermed reported he is working on finishing the roads.

The trail connection between the east side down to the west bridge is now completed.

### **Independent Contractor Agreements:**

**Independent Contractor Agreement with Aztec Consultants, Inc. for Filing 1 Amendment 8 Final Plat Survey Services:** Mr. McDermed reviewed the Agreement with the Board. Following discussion, upon a motion duly made by Director Kappes, seconded by Director Kershishnik and, upon vote, unanimously carried, the Board approved the Independent Contractor Agreement with Aztec Consultants, Inc. for Filing 1 Amendment 8 Final Plat Survey Services in the amount of \$5,640.00.

**Independent Contractor Agreement with Aztec Consultants, Inc. for Filing 3 Final Plat Survey Services:** Mr. McDermed reviewed the Agreement with the Board. Following discussion, upon a motion duly made by Director Kappes, seconded by Director Kershishnik and, upon vote, unanimously carried, the Board approved the Independent Contractor Agreement with Aztec Consultants, Inc. for Filing 3 Final Plat Survey Services in the amount of \$12,450.00.

**Independent Contractor Agreement with Aztec Consultants, Inc. for Filing 3 Amendment No. 1 Final Plat Survey Services:** Mr. McDermed reviewed the Agreement with the Board. Following discussion, upon a motion duly made by Director Kappes, seconded by Director Kershishnik and, upon vote, unanimously carried, the Board approved the Independent Contractor Agreement with Aztec Consultants, Inc. for Filing 3 Amendment No. 1 Final Plat Survey Services in the amount of \$60,300.00.

**Proposal from BrightView for Additional Maintenance work:** Mr. McDermed reviewed the Proposal with the Board. Following discussion, upon a motion duly made by Director Kappes, seconded by Director Kershishnik and, upon vote, unanimously carried, the Board approved Proposal from BrightView for Additional Maintenance work in an amount not to exceed \$55.00 per hour.

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### Change Orders:

**Change Order No. 3 to the Construction Agreement with Brightview Landscape Development for Canyons Ramble Park:** Following discussion, upon a motion duly made by Director Miller, seconded by Director Hager and, upon vote, unanimously carried, the Board approved Change Order No. 3 to the Construction Agreement with Brightview Landscape Development for Canyons Ramble Park in the amount of \$35,654.15.

**Change Order No. 5 to Construction Agreement with Fiore and Sons, Inc. for Filing 1, 2<sup>nd</sup> Amendment and Filing 2B West Grading:** Following discussion, upon a motion duly made by Director Miller, seconded by Director Hager and, upon vote, unanimously carried, the Board approved Change Order No. 5 to Construction Agreement with Fiore and Sons, Inc. for Filing 1, 2<sup>nd</sup> Amendment and Filing 2B West Grading in the amount of \$60,819.31.

**Change Order No. 1 to Construction Agreement with Fiore and Sons, Inc. for Canyons 2020 Trails:** Following discussion, upon a motion duly made by Director Miller, seconded by Director Hager and, upon vote, unanimously carried, the Board approved Change Order No. 1 to Construction Agreement with Fiore and Sons, Inc. for Canyons 2020 Trails in the amount of \$67,319.88.

**Change Order No. 4 to Construction Agreement with Reynolds Construction, LLC for Filing 1, 6<sup>th</sup> Amendment:** Following discussion, upon a motion duly made by Director Miller, seconded by Director Hager and, upon vote, unanimously carried, the Board approved Change Order No. 4 to Construction Agreement with Reynolds Construction, LLC for Filing 1, 6<sup>th</sup> Amendment in the amount of \$11,900.88.

**Change Order No. 2 to the Landscape Agreement with BrightView Landscape Development for Additional Dog Waste Station in Ramble Park Phase 2:** Following discussion, upon a motion duly made by Director Miller, seconded by Director Hager and, upon vote, unanimously carried, the Board approved Change Order No. 2 to the Landscape Agreement with BrightView Landscape Development for Additional Dog Waste Station in Ramble Park Phase 2 in the amount to of \$8,141.70.

### Construction Agreements:

**Other:** None.

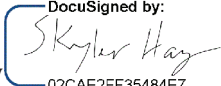
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OTHER BUSINESS          None

ADJOURNMENT          There being no further business to come before the Board at this time, the Board adjourned the meeting at 10:18 a.m.

Respectfully submitted,

By  \_\_\_\_\_  
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Secretary for the Meeting