

## RECORD OF PROCEEDINGS

---

MINUTES OF A MEETING OF  
THE BOARD OF DIRECTORS OF  
THE CANYONS METROPOLITAN DISTRICT NO. 7 (THE "DISTRICT")  
HELD  
FEBRUARY 9, 2022

A special meeting of the Board of Directors of The Canyons Metropolitan District No. 7 (referred to hereafter as the "Board") was convened on February 9, 2022, 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 P. White, Esq.; White Bear Ankele Tanaka & Waldron P.C., District General Counsel; and  
Dave Birt 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. A quorum was confirmed.

**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.

## RECORD OF PROCEEDINGS

---

**Approval of Agenda:** The Board reviewed the Agenda for the meeting. Following discussion, upon motion duly made by Director Miller, seconded by Director Kershnik and, upon vote, unanimously carried, the Board approved the Agenda, as presented.

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

### CONSENT AGENDA

Ms. Denslow presented the Board with the Consent Agenda items. Upon motion duly made by Director Miller, Seconded by Director Kershnik and, upon a vote, the Board unanimously took the following actions:

- a. Approval of Minutes of January 12, 2022 Regular Meeting

### FINANCIAL MATTERS

**Payables:** Ms. Clymer reviewed the Payables with the Board. Following review and discussion, upon a motion duly made by Director Kershnik, seconded by Director Hager and, upon vote, unanimously carried, the Board approved the Payables in the amount of \$1,304,844.72.

**Schedule of Cash Position and Property Tax Reconciliation:** Director Kershnik inquired about a 2021 amended budget amounts. Following review and discussion, upon a motion duly made by Director Kershnik, seconded by Director McDonagh and, upon vote, unanimously carried, the Board accepted the Schedule of Cash position and Property Tax Reconciliation.

**December 31, 2021 Financial Statements:** Following review and discussion, upon a motion duly made by Director Kershnik, seconded by Director McDonagh and, upon vote, unanimously carried, the Board approved the December 31, 2021 Financial Statements.

**Other:** None.

### LEGAL MATTERS

**Resolution Designating the District's 24-Hour Posting Location:** Mr. White reviewed the Resolution with the Board. Mr. White discussed with the Board the requirement to establish a physical posting location for use in the event the District's website is not available for posting. The Board reviewed the previous physical posting location and determined to designate Ramble Park as the physical posting location if the District's website is not available. Following discussion, upon a motion duly made by Director Kappes, seconded by Director Kershnik and, upon vote, unanimously carried, the Board approved the Resolution Designating the District's 24-Hour Posting Location, as amended in the meeting.

**Election Update:** Mr. White updated the Board, noting that Directors Kappes and McDonagh are both up for election in 2022. He further reported that the Call for Nominations has been emailed, mailed, published, and uploaded to the

## RECORD OF PROCEEDINGS

---

District website. Self-nomination and acceptance forms are due at the end of the month.

**Other:** None.

### MANAGER / OPERATIONS MATTERS

**Managers' Report:** Ms. Denslow gave a covenant violation update, noting a resident installed artificial turf in the front yard without approval. Ms. Denslow stated that a complaint was filed by Altitude Law, and the resident's attorney has stated that they have sent an estimate for modification, but a proposed plan has not yet been received. Once the application and plan are provided those will be sent to the committee for review. Following completion of approved modifications, a stipulated settlement agreement will be drafted with a deadline and sent to the owner.

**Other:** None.

### CONSTRUCTION MATTERS

#### **Summary and Status of Construction Matters, Review Construction**

**Manager Board Communication:** Mr. McDermed reported things are slowing down with weather changes. The majority of ongoing work is the utilities, the Core (IREA) landscaping that can be done as well as fencing. He reported he is working on the Planning Area 7, Filing 2 Area. The far southwest area is currently having grading completed. Mr. McDermed is also working with PWSD on items.

Director Kappes inquired about maintenance responsibility in the right-of-way before acceptance by the City, in particular, rock sleeves around drains. Mr. McDermed confirmed that the District is responsible for maintenance during the warranty period and he is working on contracting for on-call maintenance issues.

#### **Independent Contractor Agreements:**

**Independent Contractor Agreement with Terracina Design, LLC for The Canyons Trails and Parks Engineering Services:** Mr. McDermed presented the agreement to the Board and discussed the service provided. Following discussion, upon a motion duly made by Director Hager, seconded by Director Kershishnik and, upon vote, unanimously carried, the Board approved the Independent Contractor Agreement with Terracina Design, LLC for The Canyons Trails and Parks Engineering Services in the amount of \$56,000.00.

#### **Change Orders:**

**Change Order No. 01 to Canyons Filing 2, 1<sup>st</sup> Amendment Construction Agreement between the District and Iron Woman Construction:** Mr.

## RECORD OF PROCEEDINGS

---

McDermed presented the proposed change order with the Board and discussed reasons for the changes. Following discussion, upon a motion duly made by Director Kappes, seconded by Director Hager and, upon vote, unanimously carried, the Board approved Change Order No. 01 to Canyons Filing 2, 1<sup>st</sup> Amendment Construction Agreement between the District and Iron Woman Construction in the amount of \$50,872.00.

**Change Order No. 02 to Canyons Filing 1, 6<sup>th</sup> Amendment Construction Agreement with Fiore and Sons, Inc.:** Mr. McDermed presented the proposed change order with the Board and discussed reasons for the changes. Following discussion, upon a motion duly made by Director Kappes, seconded by Director Hager and, upon vote, unanimously carried, the Board approved Change Order No. 02 to Canyons Filing 1, 6<sup>th</sup> Amendment Construction Agreement with Fiore and Sons, Inc. in the amount of \$24,239.82.

**Change Order No. 01 to Canyons 2021 Roadways Construction Agreement between the District and Brightview Landscape Development:** Mr. McDermed presented the proposed change order with the Board and discussed reasons for the changes. Following discussion, upon a motion duly made by Director Kappes, seconded by Director Hager and, upon vote, unanimously carried, the Board approved Change Order No. 01 to Canyons 2021 Roadways Construction Agreement between the District and Brightview Landscape Development in the amount of \$3,846.00.

**Change Order No. 03 to Canyons 2020 Roadways Construction Agreement between the District and Brightview Landscape Development:** Mr. McDermed presented the proposed change order with the Board and discussed reasons for the changes. Following discussion, upon a motion duly made by Director Kappes, seconded by Director Hager and, upon vote, unanimously carried, the Board approved Change Order No. 03 to Canyons 2020 Roadways Construction Agreement between the District and Brightview Landscape Development in the amount of \$3,094.00.

**Change Order No. 04 to Canyons Ramble Park Construction Agreement between the District and Brightview Landscape Development:** Mr. McDermed presented the proposed change order with the Board and discussed reasons for the changes. Following discussion, upon a motion duly made by Director Kappes, seconded by Director Hager and, upon vote, unanimously carried, the Board approved Change Order No. 04 to Canyons Ramble Park Construction Agreement between the District and Brightview Landscape Development in the amount of \$6,981.64.

### **Construction Agreements:**

## RECORD OF PROCEEDINGS

---

There were no construction agreements to consider. Mr. McDermed noted that contractor, labor, and supply issues are impacting the District's construction projects, and such issues are expected to continue. He reported he is discussing with legal counsel and contractors ways to secure crews and materials early. Timing for approval of plans by the City also slows down progress. Mr. McDermed will continue to discuss these issues with legal counsel.


### OTHER BUSINESS

**Other:** None

### ADJOURNMENT

There being no further business to come before the Board at this time, Ms. Denslow adjourned the meeting at 9:40 a.m.

Respectfully submitted,

By  Secretary for the Meeting  
E4C3DB555D964DF