

RECORD OF PROCEEDINGS

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

A regular meeting of the Board of Directors of The Canyons Metropolitan District No. 7 (referred to hereafter as the "Board") was convened on March 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 Kershisnik, 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 9:03 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.

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

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Election of Officers: Following discussion, upon a motion duly made by Director Kershisnik, seconded by Director McDonagh and, upon vote unanimously carried, the Board approved electing Director Miller as Vice President/Secretary and electing Director Hager Assistant Secretary.

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 Hager and, upon a vote, the Board unanimously took the following actions:

- a. Approval of Minutes of February 9, 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 Kappes, seconded by Director Kershisnik and, upon vote, unanimously carried, the Board approved the Payables in the amount of \$482,450.30 as presented.

Schedule of Cash Position and Property Tax Reconciliation: Following review and discussion, upon a motion duly made by Director Kershisnik, seconded by Director McDonagh and, upon vote, unanimously carried, the Board accepted the Schedule of Cash position and Property Tax Reconciliation. It was noted that Director McDonagh will take over for Director Hager in approving Bill.com items.

Other: Ms. Clymer polled the Board on whether they would like monthly financials for the meetings instead of quarterly with a minimal monthly cost increase. The Board agreed to change to monthly reporting.

LEGAL MATTERS

Election Update: Attorney White updated the Board, noting that the election will be cancelled due to there not being more interested candidates than there are open terms of office on the Board.

Resolution Adopting Recreation Amenities Use Policy: Attorney White reviewed the Resolution with the Board and described the purpose for the resolution to adopt use rules and restrictions in the District's recreation amenities. Director Kappes inquired about the proposed rules related to smoking not being allowed in the public parks. Ms. Denslow noted that no parking signs will be installed in the parking lots. Following review and discussion, upon a motion duly made by Director Miller, seconded by Director Hager and, upon vote, unanimously carried, the Board adopted the Resolution Adopting Recreation Amenities Use Policy as presented.

Resolution Adopting Personal Data Privacy Policy: Attorney White reviewed the Resolution with the Board and described the purpose for the policy is to

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comply with statute and safeguard personal data of property owners in the District. Following review, upon a motion duly made by Director Kershisnik, seconded by Director Miller and, upon vote, unanimously carried, the Board adopted the Resolution of a Personal Data Privacy Policy as presented.

Resolution Adopting Rules and Regulations for The Canyons Metropolitan District No. 7: Attorney White reviewed the Resolution with the Board and described the purpose for the resolution to consolidate all previously adopted policies into one consolidated set of Rules and Regulations. Following review, upon a motion duly made by Director Miller, seconded by Director McDonagh and, upon vote, unanimously carried, the Board adopted the Resolution adopting Rules and Regulations for The Canyons Metropolitan District No. 7 as presented.

Other: None.

MANAGER / OPERATIONS MATTERS

Managers' Report: Ms. Odewumi provided a report to the Board regarding the current landscaping installation violation. She noted approval and denial letters have been provided, as applicable, to the District's special legal counsel and she is awaiting updated information.

Other: Director Kappes inquired about other covenant issues the District is dealing with. Ms. Odewumi noted the only current issue is working with homeowners who had landscapers install plans without approval and navigating what has been installed versus what has been submitted.

CONSTRUCTION MATTERS

Summary and Status of Construction Matters, Review Construction Manager Board Communication: Mr. McDermed reported that the weather has limited what they are able to complete at this time but are taking steps to adopt a more regular routine check for site cleanup and maintenance. He noted that CLA can send any construction related issues to him and he will distribute to the team.

Independent Contractor Agreements:

Independent Contractor Agreement with A.G. Wassenaar for Geotechnical Observation and Testing Services for Canyonside Boulevard in the Amount of \$149,985: Mr. McDermed presented the Agreement to the Board and discussed the service provided. Following discussion, upon a motion duly made by Director Kappes, seconded by Director Hagar and, upon vote, unanimously carried, the Board approved the Independent Contractor Agreement with A.G. Wassenaar for Geotechnical Observation and Testing Services for Canyonside Boulevard in the amount of \$149,985.00 as presented.

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Independent Contractor Agreement with A.G. Wassenaar for Geotechnical Observation and Testing Services for Canyonside Bridge over Newlin Gulch in the Amount of \$30,005: Mr. McDermed presented the Agreement to the Board and discussed the service provided. Following discussion, upon a motion duly made by Director Kappes, seconded by Director Hagar and, upon vote, unanimously carried, the Board approved the Independent Contractor Agreement with A.G. Wassenaar for Geotechnical Observation and Testing Services for Canyonside Bridge over Newlin Gulch in the amount of \$30,005 as presented.

Change Orders:

Change Order No. 01 to Construction Agreement with HEI Civil for Canyonside Loop Road and Bridge in the Amount of \$4,545: 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 Miller, seconded by Director Kershisnik and, upon vote, unanimously carried, the Board approved Change Order No. 01 with HEI Civil for Canyonside Loop Road and Bridge in the amount of \$4,545 as presented.

Change Order No. 06 to Construction Agreement with Reynolds Construction for Canyons Filing 1, 6th Amendment in the Amount of \$863.23 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 Miller, seconded by Director Kershisnik and, upon vote, unanimously carried, the Board approved Change Order No. 06 to Construction Agreement with Reynolds Construction for Canyons Filing 1, 6th Amendment in the amount of \$863.26, as presented.

Change Order No. 02 to Construction Agreement with BrightView Landscape Development for Canyons 2021 Roadways in the Amount of \$49,913.50: Director Kershisnik inquired on the lack of maintenance contract. Mr. McDermed stated they are currently working on the finalization as they did not agree with the costs. Director Kappes asked if they are doing this for this specific area and whether it should be done in other areas. Following review and discussion, upon a motion duly made by Director Miller, seconded by Director Kershisnik and, upon vote, unanimously carried, the Board approved Change Order No. 02 to Construction Agreement with BrightView Landscape Development for Canyons 2021 Roadways in the amount of \$49,913.50, as presented.

Construction Agreements:

There were no construction agreements to consider.

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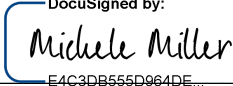
OTHER BUSINESS

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 
 DocuSigned by:
Michele Miller
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Secretary for the Meeting