

RECORD OF PROCEEDINGS

MINUTES OF A MEETING OF
THE BOARD OF DIRECTORS OF
THE CANYONS METROPOLITAN DISTRICT NO. 7 (THE "DISTRICT")
HELD
May 11, 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 Wednesday, May 11, 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
Michele Miller, Vice-President/Secretary
Skyler Hager, Assistant Secretary
Jessica McDonagh, Assistant Secretary

Director Kershisnik was absent and excused.

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, Eric Sandri and Ryan McDermed; Shea Canyons, LLC, Construction Managers

ADMINISTRATIVE MATTERS

Call to Order/Declaration of Quorum: Denise Denslow called the meeting to order at 9:06 a.m. A quorum was confirmed. The Board noted that Director Kershisnik was absent and excused.

Director Conflict of Interest Disclosures: Attorney White advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Attorney 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. Attorney 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 review, upon motion duly made by Director Miller, seconded by Director Kappes and, upon vote, unanimously carried, the Board approved the Agenda, as presented.

Public Comment: None.

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 April 13, 2022 Regular Meeting

FINANCIAL MATTERS

Payables: Ms. Clymer reviewed the Payables with the Board. Following review, upon a motion duly made by Director McDonagh, seconded by Director Kappes and, upon vote, unanimously carried, the Board approved the Payables in the amount of \$2,001,316.54, as presented.

Schedule of Cash Position and Property Tax Reconciliation: Ms. Clymer reviewed the Schedule of Cash Position and Property Tax Reconciliation with the Board. Following review, upon a motion duly made by Director McDonagh, seconded by Director Kappes and, upon vote, unanimously carried, the Board approved the Schedule of Cash Position and Property Tax Reconciliation, as presented.

March 31, 2022 Financial Statements: Ms. Clymer reviewed the March 31, 2022 Financial Statements with the Board. Following review, upon a motion duly made by Director McDonagh, seconded by Director Kappes and, upon vote, unanimously carried, the Board accepted the March 31, 2022 Financial Statements, as presented.

Other: None.

LEGAL MATTERS

First Amendment to Resolution Concerning Imposition of an Operations Fee: Attorney White reviewed the First Amendment to Resolution Concerning the Imposition of an Operations Fee with the Board and described the need to clarify when the Operations Fee first becomes due after closing on a home. In order to avoid confusion and to align the District's collection practice with the homeowner's association collection practice, the First Amendment to the Resolution Concerning the Imposition of an Operations Fee clarifies that the Operations Fee becomes due the first month after closing on a home from a builder. Following review, upon a motion duly made by Director Miller, seconded by Director Kappes and, upon vote, unanimously carried, the Board adopted the First Amendment to Resolution Concerning Imposition of an Operations Fee, as presented.

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Other: None.

MANAGER / OPERATIONS MATTERS

Managers' Report: Ms. Denslow provided an update to the Board, noting that many landscaping applications have been received, and the Architectural Control Committee meets today to review a large packet of applications. Ms. Denslow noted that CLA has completed a training on Bluestar website platforms to be able to send out communication to the community if needed.

Other: None.

CONSTRUCTION MATTERS

Summary and Status of Construction Matters, Review Construction

Manager Board Communication: Mr. McDermed provided an update to the Board noting that they are actively on-site and working with BrightView on spring items. He noted that Ramble Park Phase Two is being completed and they are working on the new development areas this season and owners may have questions once that begins. Mr. McDermed noted that Shea has started the final process of acceptance with Castle Pines for road turn over and noted that at that time, snow removal would be taken over by them. He informed the Board that the first and second phase walks have been completed.

Independent Contractor Agreements: There were no Independent Contractor Agreements to consider.

Change Orders: Director Kappes noted that there have been quite a few Change Orders lately and asked Mr. McDermed if the Board should be concerned with that. Mr. McDermed stated that the District has a contingency built in for the anticipation of multiple Change Orders and all Change Orders are in line with their assumptions.

Change Order No. 1 to Construction Agreement with ECSO Construction Co. for Filing 2 1st Amendment in the amount of \$142,410.00: Mr. McDermed reviewed the proposed Change Order with the Board. Following review, 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 ECSO Construction Co. for Filing 2 1st Amendment in the amount of \$142,410.00, as presented.

Change Order No. 9 to Construction Agreement with ECSO Construction Co. for Superblock No. 2 Concrete in the amount of \$72,967.00: Mr. McDermed reviewed the proposed Change Order with the Board. Following review, upon a motion duly made by Director Miller, seconded by Director Hager and, upon vote, unanimously carried, the Board approved Change Order No. 9 to Construction Agreement with ECSO

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Construction Co. for Superblock No. 2 Concrete in the amount of \$72,967.00, as presented.

Change Order No. 6 to Construction Agreement with Iron Woman Construction for Filing 2 1st Amendment in the amount of \$186,605.30:

Mr. McDermed reviewed the proposed Change Order with the Board. Following review, upon a motion duly made by Director Miller, seconded by Director Hager and, upon vote, unanimously carried, the Board approved Change Order No. 6 to Construction Agreement with Iron Woman Construction for Filing 2 1st Amendment in the amount of \$186,605.30, as presented.

Change Order No. 5 to Construction Agreement with Brightview Landscape Development for Ramble Park II in the amount of \$65,100.00:

Mr. McDermed reviewed the proposed Change Order with the Board. Following review, 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 Brightview Landscape Development for Ramble Park II in the amount of \$65,100.00, as presented.

Change Order No. 2 to Construction Agreement with HEI for Canyonside Boulevard Bridge in the amount of \$19,094.85:

Mr. McDermed reviewed the proposed Change Order with the Board. Following review, 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 Construction Agreement with HEI for Canyonside Boulevard Bridge in the amount of \$19,094.85, as presented.

Change Order No. 3 to Construction Agreement with HEI for Canyonside Boulevard Bridge in the amount of \$6,829.67:

Mr. McDermed reviewed the proposed Change Order with the Board. Following review, 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 Construction Agreement with HEI for Canyonside Boulevard Bridge in the amount of \$6,829.67, as presented.

Construction Agreements: There were no construction agreements to consider.

OTHER BUSINESS

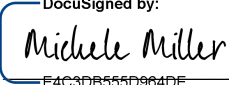
Other: None

ADJOURNMENT

There being no further business to come before the Board at this time, Ms. Denslow adjourned the meeting at 9:34 a.m.

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Respectfully submitted,

By  DocuSigned by:
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Secretary for the Meeting