

## 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  
SEPTEMBER 14, 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, September 14, 2022, at 9:00 a.m. This meeting was held via Zoom and was open to the public.

### ATTENDANCE

Directors In Attendance Were:

Michele Miller, Vice-President/Secretary  
Teresa Kershisnik, Treasurer  
Jessica McDonagh, Assistant Secretary  
Skyler Hager, Assistant Secretary

Director Kappes was absent and excused.

Also, In Attendance Were:

Denise Denslow, Ashley Heidt 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 Managers  
Alexis Downer; Shea Canyons, LLC

### ADMINISTRATIVE MATTERS

**Call to Order/Declaration of Quorum:** Denise Denslow called the meeting to order at 9:01 a.m. A quorum was confirmed.

Upon a motion duly made by Director Miller, seconded by Director McDonagh and, upon vote, unanimously carried, the Board excused Director Kappes absence.

**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

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a quorum or to otherwise enable the Board to act.

**Approval of Agenda:** The Board reviewed the Agenda for the meeting. Following review, upon motion duly made by Director Kershisnik, seconded by Director McDonagh 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 August 10, 2022 Regular Meeting
- b. Acknowledge Letter of Support for ROW Vacation

### FINANCIAL MATTERS

**Payables:** Ms. Clymer reviewed the Payables with the Board. Following review, 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 \$2,427,953.36, as presented.

**July 31, 2022 Financial Statements:** Ms. Clymer reviewed the July 31, 2022 Financial Statements with the Board. Director McDonagh asked if they are on track to be on budget for Superblock Phase II. Mr. McDermed noted the reflected cost includes landscaping, but there have been some issues with Brightview's invoices. He noted they should be all caught up in 30 days. Director McDonagh asked if the work is completed. Mr. McDermed noted that it is nearing completion for the work budgeted in 2022.

Director Kershisnik asked about the property tax reconciliation. Ms. Clymer reviewed.

Following review and discussion, upon a motion duly made by Director McDonagh, seconded by Director Kershisnik and, upon vote, unanimously carried, the Board accepted the July 31, 2022 Financial Statements, 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 Kershisnik and, upon vote, unanimously carried, the Board approved the Schedule of Cash Position and Property Tax Reconciliation, as presented.

**Other:** Ms. Clymer noted that the draft budget will be ready for review at the October meeting. Director McDonagh asked when the audit will be filed. Ms.

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Clymer noted it will be filed next week.

### LEGAL MATTERS

**Discussion Regarding O&M Funding and Reimbursement Agreement:** Attorney White reviewed with the Board. No action was taken.

**Other:** None.

### MANAGER / OPERATIONS MATTERS

**Managers' Report:** Ms. Denslow provided an update.

**Conveyance of Property for Residential Use:** Ms. Denslow reviewed the resident request with the Board. Director Kershisnik noted that she does not approve, and that the open space in the photos provided does not look great and asked what is being done to repair it. Ms. Denslow noted that there were some irrigation issues but will circle back with BrightView to resolve it. Mr. McDermed noted that this property is within the Stableview HOA and not the Canyons Metropolitan District. Ms. Denslow noted she brought it to the Board just for concept before bringing it the Berkely Homes. Attorney White noted that in order to complete the resident's request, the open space would have to be sold at market value to the homeowner. The Board denied the resident's request.

**Other:** Director Kershisnik asked about the construction traffic issue in the neighborhood. Ms. Denslow noted that she has not heard anything since the last meeting. Director Miller noted that she has not heard from anyone regarding the issue in a week. She also stated that Director Kappes reached out to the City of Castle Pines for additional assistance.

### CONSTRUCTION MATTERS

**Summary and Status of Construction Matters, Review Construction Manager Board Communication:** Mr. McDermed provided an update to the Board.

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

**First Addendum to Independent Contractor Agreement with Terracina Design for Trails and Parks Engineering in the amount of \$33,000:** Mr. McDermed reviewed the agreement with the Board. Following review, upon a motion duly made by Director Miller, seconded by Director Kershisnik and, upon vote, unanimously carried, the Board approved the First Addendum to Independent Contractor Agreement with Terracina Design for Trails and Parks Engineering in the amount of \$33,000, as presented.

**Fourth Addendum to Independent Contractor Agreement with Terracina Design for Canyons Planning Area 9 Construction Documents in the amount of \$25,000:** Mr. McDermed reviewed the agreement with the Board. Following review, upon a motion duly made by Director Miller,

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seconded by Director Kershisnik and, upon vote, unanimously carried, the Board approved the Fourth Addendum to Independent Contractor Agreement with Terracina Design for Canyons Planning Area 9 Construction Documents in the about of \$25,000, as presented.

**Third Amendment to Independent Contractor Agreement with Terracina Design for The Canyons Filing 3 – Construction Documents in the amount of \$20,000:** Mr. McDermed reviewed the Third Addendum to the Independent Contractor Agreement with the Board. Following review, upon a motion duly made by Director Kappes, seconded by Director Miller and, upon vote, unanimously carried, the Board approved the Third Amendment to Independent Contractor Agreement with Terracina Design for The Canyons Filing 3 – Construction Documents in the amount of \$20,000, as presented.

### **Change Orders:**

**Change Order No. 2 – Canyonside Loop Road and Bridge – Construction Agreement with ESCO Construction Co. in the amount of \$8,100.00:** Mr. McDermed reviewed the proposed Change Order with the Board. Following review, upon a motion duly made by Director Kershisnik, seconded by Director Miller and, upon vote, unanimously carried, the Board approved of Change Order No. 2 – Canyonside Loop Road and Bridge – Construction Agreement with ESCO Construction Co. in the amount of \$8,100.00, as presented.

**Change Order No. 3 to Canyons – Canyonside Loop Road and Bridge – Construction Agreement with ESCO Construction Co. in the amount of \$37,084.45:** Mr. McDermed reviewed the proposed Change Order with the Board. Following review, upon a motion duly made by Director Kershisnik, seconded by Director Miller and, upon vote, unanimously carried, the Board approved of Change Order No. 3 to Canyons – Canyonside Loop Road and Bridge – Construction Agreement with ESCO Construction Co. in the amount of \$37,084.45, as presented.

**Change Order No. 1 to Canyons – Filing 1 – 2nd Amendment – Construction Agreement with Advanced Concrete Construction in the amount of \$20,337.00:** Mr. McDermed reviewed the proposed Change Order with the Board. Following review, upon a motion duly made by Director Kershisnik, seconded by Director Miller and, upon vote, unanimously carried, the Board approved of Change Order No. 1 to Canyons – Filing 1 – 2nd Amendment – Construction Agreement with Advanced Concrete Construction in the amount of \$20,337.00, as presented.

**Change Order No. 7 to Canyons 2020 Roadways Construction**

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**Agreement with Brightview Landscape Development in the amount of \$3,772.00:** Mr. McDermed reviewed the proposed Change Order with the Board. Following review, upon a motion duly made by Director Kershisnik, seconded by Director Miller and, upon vote, unanimously carried, the Board approved of Change Order No. 7 to Canyons 2020 Roadways Construction Agreement with Brightview Landscape Development in the amount of \$3,772.00, as presented.

**Change Order No. 7 to Canyons Ramble Park Phase II Construction Agreement with Brightview Landscape Development in the amount of \$9,061.00:** Mr. McDermed reviewed the proposed Change Order with the Board. Following review, upon a motion duly made by Director Kershisnik, seconded by Director Miller and, upon vote, unanimously carried, the Board approved Change Order No. 7 to Canyons Ramble Park Phase II Construction Agreement with Brightview Landscape Development in the amount of \$9,061.00, as presented.

**Change Order No. 6 to Canyons 2021 Roadways Construction Agreement with Brightview Landscape Development in the amount of \$40,865.95:** Mr. McDermed reviewed the proposed Change Order with the Board. Following review, upon a motion duly made by Director Kershisnik, seconded by Director Miller and, upon vote, unanimously carried, the Board approved of Change Order No. 6 to Canyons 2021 Roadways Construction Agreement with Brightview Landscape Development in the amount of \$40,865.95, as presented.

**Change Order No. 7 to Canyons 2021 Roadways Construction Agreement with Brightview Landscape Development in the amount of \$10,845.40:** Mr. McDermed reviewed the proposed Change Order with the Board. Following review, upon a motion duly made by Director Kershisnik, seconded by Director Miller and, upon vote, unanimously carried, the Board approved of Change Order No. 7 to Canyons 2021 Roadways Construction Agreement with Brightview Landscape Development in the amount of \$10,845.40, as presented.

**Construction Agreements:** None.

### OTHER BUSINESS

**Other:** Director Miller asked about adding violation reports to future packets. Ms. Denslow noted they will be added moving forward.

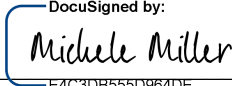
### ADJOURNMENT

There being no further business to come before the Board at this time, Ms. Denslow adjourned the meeting at 9:38 a.m.

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Respectfully submitted,

By    
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 Secretary for the Meeting