

RECORD OF PROCEEDINGS

MINUTES OF A MEETING OF
THE BOARD OF DIRECTORS OF
THE CANYONS METROPOLITAN DISTRICT NO. 7 (THE "DISTRICT")
HELD
JANUARY 11, 2023

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, January 11, 2023, at 10:00 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
Teresa Kershnik, Treasurer
Jessica McDonagh, Assistant Secretary

Director Hager 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; Shea Canyons, LLC, Construction Manager
Dylan Futrell; BrightView Landscaping

ADMINISTRATIVE MATTERS

Call to Order/Declaration of Quorum: Denise Denslow called the meeting to order at 10:01 a.m. A quorum was confirmed.

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.

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

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

- a. Approval of Minutes of December 14, 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 Kershisnik and, upon vote, unanimously carried, the Board approved the Payables in the amount of \$1,801,001.59, as presented.

November 30, 2022 Financial Statements: Ms. Clymer reviewed the November 30, 2022 Financial Statements 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 accepted the November 30, 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: None.

LEGAL MATTERS

Resolution Designating Meeting Notice Posting Location: Attorney White reviewed the resolution with the Board. Following review, upon a motion duly made by Director Kershisnik, seconded by Director Kappes and, upon vote, unanimously carried, the Board approved the Resolution Designating Meeting Notice Posting Location, and directed addition physical posting notices at the Exchange. It was noted that CLA or Shea Homes staff can physically post the notices at the Exchange.

Other: None.

MANAGER / OPERATIONS MATTERS

Managers' Report: Ms. Denslow provided an update on the covenant enforcement case noting there is currently no resolution, and she is working with the District's special counsel regarding on legal fee negotiation. Following discussion, upon a motion duly made by Director Miller, seconded by Director

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Kappes and, upon vote, unanimously carried, the Board gave direction to move forward if legally allowed to state the 20 days has passed and the full legal fee reimbursement is now requested.

There was also discussion regarding owners not getting their mail. The Board gave direction to management to direct all complaints to the Postmaster.

Covenant Enforcement Report: Ms. Odewumi reviewed the report with the Board.

Other: None.

CONSTRUCTION MATTERS

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

Independent Contractor Agreements: None.

Change Orders: None.

Construction Agreements: None.

OTHER BUSINESS

Other: None.

ADJOURNMENT

There being no further business to come before the Board at this time, upon a motion duly made by Director Kappes, seconded by Director Kershisnik and, upon vote unanimously carried, the Board adjourned the meeting at 10:25 a.m.

Respectfully submitted,

DocuSigned by:
By Michele Miller
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Secretary for the Meeting