

RECORD OF PROCEEDINGS

MINUTES OF A MEETING OF
THE BOARD OF DIRECTORS OF
THE CANYONS METROPOLITAN DISTRICT NO. 7 (THE “DISTRICT”)
HELD
March 8, 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, March 8, 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
Jessica McDonagh, Assistant Secretary
Skyler Hager, Assistant Secretary (joined at 10:07 a.m.)

Director Kershisnik was absent and excused.

Also, In Attendance Were:

Denise Denslow, Celeste Terrell, Ashley Heidt and Carrie Beacom; CliftonLarsonAllen LLP (“CLA”), District Manager and Accountant Zachary P. White, Esq.; White Bear Ankele Tanaka & Waldron P.C., District General Counsel; and Eric Sandri and Ryan McDermed; Shea Canyons, LLC, Construction Manager Dylan Futrell and Will Medellin; BrightView Landscaping

ADMINISTRATIVE MATTERS

Call to Order/Declaration of Quorum: Denise Denslow called the meeting to order at 10:02 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 Kappes, 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 McDonagh, seconded by Director Miller and, upon a vote, the Board unanimously took the following actions:

- a. Approval of Minutes of February 8, 2023 Regular Meeting

FINANCIAL MATTERS

Payables: Ms. Beacom 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 \$711,709.05, as presented.

January 31, 2023 Financial Statements: Ms. Beacom reviewed the January 31, 2023 Financial Statements with the Board. Following review and discussion, upon a motion duly made by Director McDonagh, seconded by Director Miller and, upon vote, unanimously carried, the Board accepted the January 31, 2023 Financial Statements, as presented.

Schedule of Cash Position and Property Tax Reconciliation: Ms. Beacom 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 Miller and, upon vote, unanimously carried, the Board approved the Schedule of Cash Position and Property Tax Reconciliation, as presented.

Other: None.

LEGAL MATTERS

Election Update: Attorney White provided an update to the Board noting the election has been cancelled.

Other: Ms. Denslow asked about the need to engage a law firm for collections. Attorney White noted that there is not a current need but once the need does arise, they will seek proposals for engagement.

MANAGER / OPERATIONS MATTERS

Managers' Report: Ms. Denslow provided an update to the Board and noted that Ms. Heidt has composed a document with some general information in the community for residents to reference. She also reported that the Owners Association just had their Meet the Candidates night.

Covenant Enforcement Report: Ms. Denslow reviewed the report with the Board. Discussion followed regarding street parking and enforcement of certain

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street parking rules.

BrightView Monthly Maintenance Report: Mr. Medellin reviewed the report with the Board.

Other: Director Kappes asked if there was an update on the current covenant enforcement litigation. Ms. Denslow noted that despite her efforts, there has been no response from opposing counsel. Attorney White noted he will reach out to them on behalf of the District.

CONSTRUCTION MATTERS

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

Independent Contractor Agreements: None.

Change Orders:

Change Order No. 6 to Filing 2 – 1st Amendment Construction Agreement with ESCO Construction Co. in the amount of \$7,700: Mr. McDermed reviewed the change order 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 Change Order No. 6 to Filing 2 – 1st Amendment Construction Agreement with ESCO Construction Co. in the amount of \$7,700.

Change Order No. 7 to Filing 2 – 1st Amendment Construction Agreement with ESCO Construction Co. in the amount of \$6,165: Mr. McDermed reviewed the change order 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 Change Order No. 7 to Filing 2 – 1st Amendment Construction Agreement with ESCO Construction Co. in the amount of \$6,165.

Construction Agreements: None.

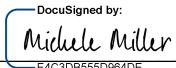
OTHER BUSINESS

Other: None.

ADJOURNMENT

There being no further business to come before the Board at this time, the meeting was adjourned at 10:21 a.m.

Respectfully submitted,

By  Secretary for the Meeting
DocuSigned by:
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