

RECORD OF PROCEEDINGS

MINUTES OF A MEETING OF
THE BOARD OF DIRECTORS OF
THE CANYONS METROPOLITAN DISTRICT NO. 7 (THE “DISTRICT”)
HELD
May 10, 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, May 10, 2023, at 10:00 a.m. This meeting was held via Zoom and was open to the public.

ATTENDANCE

Directors In Attendance Were:

Michele Miller, President
Dennett Hutchinson, Vice President/ Secretary
Jeff Kappes, Assistant Secretary
Derek Zahler, Assistant Secretary

Director McDonagh was absent and excused.

Also, In Attendance Were:

Denise Denslow, Celeste Terrell, 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 Eric Sandri, Dave Birt and Ryan McDermed; Shea Canyons, LLC, Construction Managers Terri Kershisnik; Shea Canyons, LLC 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.

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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.

Appointment of Officers: Following discussion, upon motion duly made by Director Kappes, seconded by Director Miller and, upon vote, unanimously carried, the following slate of officers were appointed for the District:

President: Michele Miller
Secretary: Dennett Hutchinson
Treasurer: Jessica McDonagh
Assistant Secretary: Jeff Kappes
Assistant Secretary: Derek Zahler

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

- a. Approval of Minutes of April 12, 2023 Regular Meeting
- b. Tract A Waiver and Release Form for 6551 Crossbridge Circle

FINANCIAL MATTERS

Payables: Ms. Clymer reviewed the Payables with the Board noting that there a few items from March that did not make this claims listing. Following review, upon a motion duly made by Director Kappes, seconded by Director Hutchinson and, upon vote, unanimously carried, the Board approved the Payables in the amount of \$417,422.28, as presented.

March 31, 2023 Financial Statements: Ms. Clymer reviewed the March 31, 2023 Financial Statements with the Board. Following review and discussion, upon a motion duly made by Director Miller, seconded by Director Kappes and, upon vote, unanimously carried, the Board accepted the March 31, 2023 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 Miller, seconded by Director Kappes and, upon vote, unanimously carried, the Board approved the Schedule of Cash Position and Property Tax Reconciliation, as presented.

Other: Attorney White updated the Board regarding recently approved legislation that will be sent to the Governor for signature regarding property tax

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assessment rates and valuations. If signed, the law will refer ballot issues to the voters of the State on the November 2023 ballot.

LEGAL MATTERS

Public Improvement Acceptance Agreement between District and Shea Canyons LLC: Attorney White discussed with the Board the transition from District construction to Shea Canyons construction, and the process for acceptance of dedication of public improvements constructed by Shea Canyons by the District. He reminded the Board about the provisions of the Master Reimbursement Agreement. The proposed agreement is intended to establish the process by which the District may inspect and accept for ownership public improvements constructed by Shea Canyons that are not dedicated to other public entities. He reviewed the 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 Public Improvement Acceptance Agreement between Distributors and Shea Canyons LLC.

O&M Mill Levy and Public Improvements Maintenance Agreement with the City of Castle Pines: Attorney White provided an update noting there will be more discussion on the topic in the coming months. He noted this is in the early stages of discussion with the City and that the next step would be to have a meeting with the City of Castle Pines to see what they want to maintain. Director Hutchinson asked if the City would maintain to the standard that the District would. Discussion followed; no action was taken.

MANAGER / OPERATIONS MATTERS

Managers' Report: Ms. Terrell provided an update to the Board noting they are working on landscape requests and street parking and that the community inspections has been increased to twice a month.

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

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

Other: None.

CONSTRUCTION MATTERS

Summary and Status of Construction Matters, Review Construction Manager Board Communication: Mr. McDermed provided an update to the Board on construction matters. Discussion followed regarding adding signage around the construction areas to help mitigate trash.

Independent Contractor Agreements: None.

Change Orders: None.

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Construction Agreements: None.

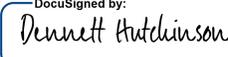
OTHER BUSINESS

Other: None.

ADJOURNMENT

There being no further business to come before the Board at this time, the meeting was adjourned at 11:10 a.m.

Respectfully submitted,

By 
Secretary for the Meeting