

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS

OF

THE CANYONS METROPOLITAN DISTRICT NO. 5

Held: Friday, June 4, 2021 at 9:00 a.m. via teleconference.

Due to the risk posed by COVID-19, this meeting was held via teleconference.

Attendance

The special meeting referenced above was called and held in accordance with the applicable statutes of the State of Colorado. The following directors, having confirmed their qualification to serve, were in attendance.

Jonathan Alpert
Darren Everett

Director Scott Alpert was absent and excused.

Also present were Clint C. Waldron, Esq. and Megan J. Murphy, Esq., White Bear Ankele Tanaka & Waldron, District General Counsel; Shelby Clymer, CliftonLarsonAllen, District Accountant; Kaitlin Crandell, Alpert Companies; Sheila Mares and Laci Knowles, D.A. Davidson & Co.; Kim Reed, Ballard Spahr, LLP; Stephanie Chichester and Nick Taylor, North Slope Capital Advisors; Mark Nickless, Matt Deibel, and Amber Sands.

Call to Order

Director Jonathan Alpert called the meeting to order.

Declaration
Quorum/Director
Qualifications

of Mr. Waldron 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. Mr. Waldron 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. Director Everett noted the conflict of BMC which is under contract to purchase parcel in District No. 3. 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 proposed agenda. Following discussion, upon motion duly made and seconded, the Board unanimously approved the agenda as amended.

Public Comment None.

Bond Matters

Discuss Junior Lien Bond Ms. Knowles reviewed the junior lien bond sale with the Board
Sale and Risk Related to Sale noting that these are physical bonds which need to be converted to
DTC eligible bonds with an amendment to the indenture.

Ms. Reed informed the Board that the bonds are developer held drawn down bonds, and the physical form bonds include a traveling investor letter. Ms. Reed noted that the structure of the bonds is being changed because it is preferred by institutional investors to have DTC electronic bonds which are transferrable. Ms. Reed also noted that the new structure means they will be transferrable only in amounts of \$500,000 and the institutional investor will provide a letter stating that they understand the risk and the District has not provided disclosure documents. Ms. Reed noted for the Board that the District's participation is limited. Ms. Reed went on to note that the District is not participating in the sale of the securities.

Ms. Chichester noted that a Municipal Advisor would be engaged on behalf of the District with a fiduciary duty to the District to analyze the proposed amendments to the indenture to give the District comfort that these changes are in the best interest of the District.

The Board engaged in general discussion regarding the sale of the bonds and the new bond structure.

Consider Proposals for Mr. Waldron reviewed the proposals for Municipal Advisor
Municipal Advisor Services Services with the Board noting that Hilltop provided a proposal for
and Approval of Engagement \$30,000 and North Slope Capital Advisors has a fee of \$14,000.
Following discussion, upon motion duly made and seconded, the
Board unanimously approved the engagement of North Slope
Capital Advisors.

Consider Approval of Special Deferred.
Bond Disclosure with White
Bear Ankele Tanaka &
Waldron

Consider Approval of Ballard Ms. Reed reviewed the engagement letter with Ballard Spahr, LLP
Spahr, LLP as Bond Counsel as Bond Counsel. Following discussion, upon motion duly made

and seconded, the Board unanimously approved the engagement of Ballard Spahr, LLP.

Other Bond Matters None.

Legal Matters

Other Legal Matters None.

Financial Matters

Other Business The Board determined to schedule the next Board Meeting for June 11th at 9:30 a.m.

Adjourn There being no further business to come before the Board, and following discussion and upon motion duly made, seconded and unanimously carried, the Board determined to adjourn the meeting.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.

DocuSigned by:

Darren Everett

Secretary for the Meeting

The foregoing minutes were approved on this 9th day of August, 2021.