

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF

HAWTHORN METROPOLITAN DISTRICT

Held: Monday, June 5, 2023, at 2:00 p.m. via teleconference

Attendance

The regular meeting of the Board of Directors of the Hawthorn Metropolitan District was called and held as shown above and in accordance with the applicable statutes of the State of Colorado. The following Directors, having confirmed their qualification to serve on the Board, were in attendance:

Krystal Bigley
Andrea Stewart
Brittany Lutz
Steve Daniels

Director Bonneau was absent. Absence is deemed excused unless otherwise noted in these minutes.

Also present were Trisha Harris, Esq. White Bear Ankele Tanaka & Waldron, District General Counsel; Alex Fink and Allison Williams, CliftonLarsonAllen, LLP, District Accountants; Mark Becker, MSI HOA, District Manager.

Call to Order

It was noted that a quorum of the Board was present and Director Bigley called the meeting to order at 2:02 p.m.

Conflict of Interest Disclosures

Ms. Harris advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Ms. Harris 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. Ms. Harris 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

Director Bigley presented the agenda to the Board for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the agenda.

Consider Appointment of Officers

The Board engaged in a general discussion regarding the Election of Officers. Following discussion, upon a motion duly made and seconded, the Board elected Director Bigley as President, Director Lutz as Treasurer, Director Daniels as Secretary and Directors Stewart and Bonneau as Assistant Secretaries.

Consent Agenda

Director Bigley reviewed the items on the consent agenda with the Board. Each item on the Consent Agenda was considered separately. Upon motions duly made and seconded, the following items on the consent agenda were unanimously approved, ratified and adopted:

- Minutes from March 6, 2023 Regular Meeting

Financial Matters

Review and Consider
Acceptance of Unaudited
Financials

Ms. Williams presented the unaudited financials to the Board. She noted that approximately half of the property tax has been collected to date, with the second half expected to be collected in July, which tracks with last year. Following discussion, upon a motion duly made and seconded, the Board unanimously accepted the financials.

Review and Consider
Approval of Claims

Ms. Williams presented the claims to the Board. Ms. Bigley noted that the \$172.91 payment to her was reimbursement for the website hosting expense which she paid with her credit card. Following discussion, upon a motion duly made and seconded, the Board unanimously ratified the claims.

Review and Consider
Acceptance of the 2022
Audit

Mr. Fink presented the 2022 Audit to the Board. He noted the 2022 loan, which was issued to refinance the District’s existing debt, and which resulted in a lower interest rate and savings to the District. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the 2022 Audit subject to legal and auditor review and comments. The Board approved authorizing Ms. Bigley to sign the management letter that accompanied the Audit.

**Facilities/Management
Matters**

Discuss Status of Prairie
Dog Project and Seeding
Project

Ms. Bigley reported that the hill north of Eldora has been seeded and looks good at this point.

Mr. Becker reported that the prairie dog project is ongoing, and that the contractor should be out this week for the next treatment, weather permitting.

Discuss RFP Process and Re-Ratify Berm Proposal

Ms. Bigley discussed the public bidding process that was done with a request for proposals being published. The only proposal received was from Environmental Landworks. Following discussion, upon a motion duly made and seconded, the Board approved engaging Environmental Landworks for the Berm Project at a total cost not to exceed \$150,000 and final completion, including landscaping installation, no later than the end of June, 2024, with a contract to reflect either a phased approach (with a portion being done in 2023 and the remainder in 2024, subject to current budgeting and appropriation for 2023) or with a contract with billing to be done per a schedule of completion with final payment due in 2024, the final terms of which are to be approved by Ms. Bigley and Ms. Lutz.

Discuss Permanent Stormwater Quality Structure Inspection Report and Inspection Regarding Same

Ms. Harris presented the report received from Jefferson County and reported that Ms. Bigley and Mr. Daniels met with Mr. Becker and Mr. Buttram from Environmental Landworks to review the report. Mr. Becker and Mr. Buttram then met with the County Inspector to determine the work to be done. Environmental Landworks presented a proposal, which was accepted and the work has been completed.

Ratify Chanel Cleaning Proposal from Environmental Landworks

Ms. Harris presented the Chanel Cleaning Proposal from Environmental Landworks. Following discussion, upon a motion duly made and seconded, the Board unanimously ratified the Chanel Cleaning Proposal.

Ratify Rock Property Services Proposal for Fence Repair

Ms. Harris presented the Rock Property Services Proposal for Fence Repair. Following discussion, upon a motion duly made and seconded, the Board unanimously ratified the Proposal for Fence repair, noting that the proposal was from Rock Property Services. It was noted that the fence was damaged when a USPS truck ran into it. Mr. Becker will contact the USPS about reimbursement.

Discuss Purchase of Soccer Goals and/or Nets

Ms. Bigley reported that Mr. Becker had provided some information about replacing the existing soccer goals with permanent structures (cost between \$8,000 and \$12,000 per goal) or with temporary goals (cost between \$2,500 and \$5,000 per goal). The Board directed Mr. Becker to present specific proposals at the September meeting for discussion about including the expense in the 2024 budget.

Update on Tree Spraying Proposals

Mr. Becker reported that the only viable proposal received for Tree Spraying was from Environmental Landworks, which was engaged to do the work and was scheduled to be done this week.

Update on Dog Waste Stations

Ms. Bigley noted that the Dog Waste Stations are often out of bags, or the bins were full. Poop 911 comes out once a week, but Mr. Becker noted that more visits may be beneficial during the warmer months. Following discussion, upon a motion duly made and seconded, the Board unanimously approved increasing the frequency of visits by Poop 911 to two times a week for the warmer months.

Discuss Covenant Violations/Tracking on NABR

Ms. Bigley discussed that, as a Board member, she is not able to view covenant violation information on Engage, which is the new software platform used by MSI for the same, instead of NABR. Mr. Becker will discuss with MSI's IT department to ensure that the Board members have proper administrative rights to be able to view covenant enforcement tracking information.

Discuss Architectural Review Expectations

Ms. Bigley discussed issues related to incomplete ARC applications being forwarded to the ARC, such as forms not including neighbor acknowledgements or incomplete information. Ms. Bigley requested Mr. Becker's help to ensure that ARC applications are complete prior to sending them to the ARC for review. The Board discussed developing a checklist to accompany the ARC form so that owners can easily determine if there are any missing items with their submission. Mr. Becker and Mr. Daniels are to work on developing such a checklist.

Legal Matters

Discussion Regarding Short-Term Rental Restrictions

Ms. Harris presented a memo regarding Short-Term Rental Restrictions. The Board discussed that the County's restrictions are more restrictive, and that those could be relied upon for enforcement by the County without the District imposing additional restrictions or amending the Declaration. With there only being one instance that raised the issue, the Board determined no action is necessary.

Other Business

Discussion Regarding Erosion Issue Along Highway 93

Ms. Bigley discussed with the Board the Erosion Issue along Highway 93 and the demand letter sent to CDOT, which added a safety concern about vehicles departing the highway. No response has been received as of the date of the meeting, but the 20-day period has not yet expired.

Discussion regarding
Vehicles Departing
Highway 93 onto Adjacent
Property

The Board discussed the RV that came off Highway 93 onto District property adjacent to the highway, causing damage to the District's property. Mr. Becker will obtain a copy of the police report about the incident to determine if a claim can be filed with the insurance carrier for the driver of the RV.

Public Comment

None

Next Meeting

September 11, 2023 at 2:00 p.m.

Adjournment

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 at 4:25 p.m.

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

Stephen Daniels
Stephen Daniels (Sep 14, 2023 16:28 MDT)

Secretary for the Meeting

The foregoing minutes were approved by the Board of Directors on the 11th day of September 2023.