

MINUTES OF THE JOINT REGULAR MEETING OF  
THE BOARDS OF DIRECTORS OF

HAWTHORN METROPOLITAN DISTRICT NOS. 1 & 2

Held: Monday the 7<sup>th</sup> day of January 2013, at 1:30 p.m. at:  
9468 W. 58<sup>th</sup> Avenue, Arvada, Colorado 80002

Attendance

The joint regular meeting of the Boards of Directors of the Hawthorn Metropolitan District Nos. 1 and 2, 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 Boards, were in attendance:

Chris Elliott  
C. Regan Hauptman  
Matt Cavanaugh  
Corey Elliott

Director Paul Ron Hauptman was absent. All director absences are deemed excused unless otherwise specified.

Also present: Kristin J. Bowers, Esq., White, Bear & Ankele, Professional Corporation, general counsel; Sarah Hunsche, CliftonLarsonAllen, LLP, District accountant; Doug Edwards, Remington Homes; and Scott Bristol, Stillwater Community Management.

Call to Order and  
Declaration of Quorum

Director Chris Elliott noted that a quorum of the Boards was present and that the directors had confirmed their continuing qualification to serve, and therefore called the organizational and budget meeting of the Boards of Directors of Hawthorn Metropolitan District Nos. 1 & 2 to order.

Combined Meeting

The Boards of Directors of the Districts have determined to hold joint meetings of the Districts and to prepare joint minutes of actions taken by the Districts in such meetings. Unless otherwise noted herein, all official action reflected in these minutes shall be deemed to be the action of both Districts. Where necessary, action taken by an individual District will be so reflected in these minutes.

Disclosure Matters

Ms. Bowers advised the Boards that pursuant to Colorado law,

certain disclosures by the directors may be required prior to taking official action at the meeting. The Directors reviewed the agenda for the meeting, following which each Board member confirmed the contents of any written disclosure previously made stating the fact and summary nature of any matters as required under Colorado law to permit official action to be taken at the meeting. Additionally, the Boards determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Boards to act.

Written disclosures of conflicts of interest were filed with the Secretary of State at least 72 hours prior to the meeting.

Agenda Ms. Bowers presented the proposed agenda to the Boards for consideration. Following discussion, upon motion duly made and seconded by, the Boards unanimously approved the agenda, as amended.

Public Comment None.

Approval of Minutes from the December 10, 2012 Organizational and Budget Meeting. Ms. Bowers presented the minutes from the December 10, 2012 Organizational and Budget Meeting to the Boards for consideration. Following discussion, upon motion duly made and seconded, the Boards unanimously approved the minutes.

Designation of 24-hour Posting Place pursuant to Section 24-6-402(2)(c), C.R.S. Ms. Bowers presented the proposed Resolution Designating the 72-hour Notice and 24-hour Notice Posting Places to the Boards for consideration. Following discussion, upon motion duly made and seconded, the Boards unanimously adopted the Resolution and designated Scott Bristol as the person responsible for posting such notices.

### **Legal Matters**

Service Agreement with Stillwater Community Management (engage as District Manager) (District No. 1) Ms. Bowers presented the proposed Service Agreement with Stillwater Community Management to the District No. 1 Board for consideration. Following discussion, upon motion duly made and seconded, the Board of District No. 1 unanimously approved the Service Agreement.

Maintenance Agreement with Jefferson County for Underdrain Maintenance (District No. 1) Ms. Bowers presented the Maintenance Agreement with Jefferson County for Underdrain Maintenance to the District No. 1 Board for consideration. Following discussion, upon motion duly made and seconded, the Board of District No. 1 unanimously approved the Maintenance Agreement.

Status of the Acquisition of Property from North Table Ms. Bowers informed the Board that a mediation was held on December 19, 2012 with the North Table Mountain Homeowner's

Mountain Homeowners' Association (District No. 1) (Executive Session pursuant to Section 24-6-402(3), C.R.S. if needed) Resolution Imposing a Working Capital Fee

Association (HOA). Following the mediation, the parties reached the following agreement:

- The District will make payment to the HOA of \$48,000 for two easements – a drainage easement and trail easement.
- The District will provide a contact person to be alerted regarding dust and debris concerns.
- The District will take measures, no later than June 1, 2013, to eradicate prairie dogs on the Hawthorn development, Tract A of the North Table Mountain community, as well as other common/public areas within the North Table Mountain Community identified by the prairie dog eradication contractor as necessary to achieve the intended results. The District will not enter individual lots or other private property for eradication purposes.
- Both the drainage easement and the trail easement will be in substantially the form used by the County and will be sent to the HOA's attorney in Word format who will provide any comments on both documents within one business day of receipt.
- Payment to the HOA will be made at the time of execution of the easements, which shall be no later than January 11, 2013.
- The HOA and the District agree to cooperate together with regard to clearing up title/ownership issues and the HOA shall provide documentation to the District's Title Company (at its cost) as may be required by the Title Company so that the District may obtain a policy of insurance for the easement parcels. It is not the District's intent for the HOA to initiate a quiet title action, however, the parties recognize that a friendly condemnation may be the best avenue to clear up title issues.

Following discussion, upon motion duly made and seconded, the Board of Directors of District No. 1 unanimously ratified the settlement agreement with the HOA and authorized legal counsel to finalize all agreements, easements, etc.

Easement Deed (Trail) between North Table Mountain Homeowners Association and District No. 1.

Ms. Bowers presented the proposed Easement Deed (Trail) to the Board of District No. 1 for consideration. Following discussion, upon motion duly made and seconded, the Board of Directors of District No. 1 unanimously approved the Easement Deed (Trail) from the HOA to District No. 1, subject to final review by legal counsel.

Easement Deed (Drainage Easement) between North

Ms. Bowers presented the proposed Easement Deed (Drainage Easement) to the Board of District No. 1 for consideration.

Table Mountain  
Homeowners Association  
and District No. 1.

Following discussion, upon motion duly made and seconded, the Board of Directors of District No. 1 unanimously approved the Easement Deed (Drainage Easement) from the HOA to District No. 1, subject to final review by legal counsel.

Covenants and Restrictions  
(District No. 1)

Ms. Bowers presented the consent to Covenants and Restrictions of District No. 2 to the Board of District No. 1 for consideration. Following discussion, upon motion duly made and seconded, the Board of District No. 1 ratified the consent to Covenants and Restrictions

**Financial Report/Claims  
Payable/  
Financial Matters**

Ms. Hunsche informed the Boards that she is still working on setting up the Districts' bank accounts. Ms. Hunsche further informed the Boards that she will prepare quarterly unaudited financial statements.

**Other Business**


Next Meeting

The next regular meeting is scheduled for February 4, 2013 at 1:30 p.m.

Adjournment

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

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

  
Secretary for the Meeting

The foregoing minutes were approved on the 4<sup>th</sup> day of November, 2013.