

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS OF

HAWTHORN METROPOLITAN DISTRICT NO. 2

Held: Monday, November 16, 2020, at 2:00 p.m. via Teleconference

Due to the Executive Orders issued by Governor Polis and Public Health Orders implementing the Executive Orders issued by the Colorado Department of Health and Environment, and the threat posed by the COVID-19 coronavirus, this meeting will be held via teleconference.

Attendance

The special meeting of the Board of Directors of the Hawthorn Metropolitan District No. 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 Board, were in attendance:

Krystal Bigley
Carly Fenton
Matthew Cavanaugh
Andrea Stewart
Brittany Lutz

Director Matthew Cavanaugh was absent. All Director absences are deemed excused unless otherwise specified.

Also present were Megan J. Murphy, Esq., White Bear Ankele Tanaka & Waldron, District General Counsel; Alex Fink, CliftonLarsonAllen LLP, District Accountant; Peggy Ripko, Special District Management Services, Inc., District Manager; and Eric Killian, a homeowner.

Call to Order

It was noted that a quorum of the Board was present and the meeting was called to order.

Conflict of Interest Disclosures

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

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

Public Comment

None.

Consent Agenda

Following a summary by Ms. Murphy, the items on the consent agenda was approved by one motion duly made and seconded, and unanimously carried.

1. Minutes from September 14, 2020 Special Meeting
2. Notice to Electors Pursuant to § 32-1-809, C.R.S.

Following discussion, upon a motion duly made and seconded, the Board unanimously authorized legal counsel to bind 2021 insurance coverage for the District.

Facilities/Management Matters

District Manager Update

Ms. Ripko provided a District Manager update to the Board.

Update on Completed Project to Fix Drainage on Hill East of Soccer Field

Ms. Ripko presented a proposal from Environmental Landworks in the amount of \$2,910 to fix drainage and add crusher fins with stabilizer near the soccer field. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the proposal.

Environmental Landworks Company, Inc. Proposal to Replace Additional (17) Dead Trees and Subsequent Warranty Refund Received This Year

Ms. Ripko presented a proposal from Environmental Landworks in the amount of \$21,435 to remove and replace trees. Ms. Ripko noted tree planting will occur in Spring 2021. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the proposal.

Consider Approval of Animal and Pest Control Proposal

Ms. Ripko presented a proposal from Animal and Pest Control Specialist to remove prairie dogs on District property. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the proposal.

Consider Approval of Proposal Related To Re-Seeding Measures For Tract A-C
Covenant Enforcement Update

Ms. Ripko noted that the proposal has already been approved by the Board and she will confirm the proposal includes all tracts that have native grass that need to be re-seeded.

Ms. Ripko provided a covenant enforcement update to the Board.

Discussion of Architectural Review Committee

Deferred.

Discussion of Architectural Review Guidelines Changes

Mr. Eric Killian discussed his proposal to amend the Residential Improvement Guidelines to allow some structure types described in the Residential Improvement Guidelines to be made from cedar and stained or left in their natural wood state.

Following discussion, upon a motion duly made and seconded, the Board determined to not make any changes to the Residential Improvement Guidelines.

Discussion Regarding Right-of-Way Agreement (Non-Exclusive) between the District and North Table Mountain Water and Sanitation District

Ms. Murphy presented a Right-of-Way Agreement between the District and North Table Mountain Water and Sanitation District to provide one water pipeline and one sanitary sewer pipeline on District property to benefit an adjacent property owner.

Following discussion, the Board directed legal counsel to continue discussion with the adjacent property owner regarding conditions precedent to the District approving the proposed Right-of-Way Agreement.

Legal Matters

Consider Adoption of 2021 Annual Administrative Resolution

Ms. Murphy presented the 2021 Annual Administrative Resolution to the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution.

Financial Matters

Consider Approval of Payables/Financials

Mr. Fink presented the Board with the October 31, 2020 unaudited financial statements. Following discussion, upon a motion duly made and seconded, the Board unanimously accepted the unaudited financial statement.

Mr. Fink presented the Board with checks and electronic funds transfers in the amount of \$28,595.65. Following discussion, upon a

Conduct Public Hearing on 2020 Budget Amendment

motion duly made and seconded, the Board unanimously ratified the claims.

Director Bigley opened the public hearing for the 2020 budget amendment. Ms. Murphy noted that the notice for the public hearing was published in accordance with Colorado Law in the *Golden Transcript*. No written objections were received prior to the meeting. There being no public comment, the hearing was closed.

Mr. Fink determined a 2020 budget amendment was not required.

Conduct Public Hearing on 2021 Budget and Consider Adoption of Resolution to Adopt 2021 Budget and Set Mill Levies

Director Bigley opened the public hearing for the 2021 budget. Ms. Murphy noted that the notice for the public hearing was published in accordance with Colorado Law in the *Golden Transcript*. No written objections were received prior to the meeting. There being no public comment, the hearing was closed.

Mr. Fink reviewed the 2021 Budget Resolution with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution adopting the 2021 Budget as discussed, appropriating funds therefore and certifying 20.382 mills for the general fund and 55.663 mills for the debt service fund.

The Board noted that the mill levy and the annual operations fee are not increasing in 2021.

The Board directed legal counsel and the District's accountant to certify the mill levy by December 15, 2020 and file the 2021 Budget by January 30, 2021.

Consider Approval of Engagement of Auditor for 2020 Audit

Deferred.

Other Financial Matters

None.

Director Matters

Announcement Regarding Volleyball and Soccer Net Takedown

Director Bigley noted that the volleyball and soccer nets were removed in October and will be stored until March 15th when Environmental Landworks will reinstall the nets. Director Bigley will store the nets at no cost to the District.

Announcement Regarding
Wooden Tree Stakes

Director Bigley noted that Director Fenton and her family have removed wooden tree stakes through the community at no cost to the District.

Other Business

Discuss 2021 Meeting
Schedule

The Board determined to hold regular meetings on March 1, 2021; June 7, 2021; September 6, 2021; and December 6, 2021.

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.

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

Carly Fenton
Carly Fenton (Mar 4, 2021 10:01 MST)

Secretary for the Meeting

The foregoing minutes were approved by the Board of Directors on the 1st day of March, 2021.