

MINUTES OF A REGULAR MEETING OF THE BOARDS OF DIRECTORS

OF

HAWTHORN METROPOLITAN DISTRICT

Held: Monday, September 8 2025, at 2:00 p.m., via teleconference.

Attendance

The regular 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:

Gary Silverman
Stephen Bonneau
Andrea Stewart

Director Bigley was absent. All absences are deemed excused unless otherwise noted in these minutes.

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

Call to Order

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

Director 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 WBA, P.C. 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

Ms. Harris 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.

Financial Matters

Review and Consider
Acceptance of Unaudited
Financials

Ms. Williams presented the unaudited financials to the Board. 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. Following discussion, upon a motion duly made and seconded, the Board unanimously ratified the claims.

Consent Agenda

Ms. Harris reviewed the items on the consent agenda with the Board and advised the Board that any item may be moved from the consent agenda to the regular agenda upon the request of any director. The Board considered each item on the consent agenda individually. No items were requested to be removed from the consent agenda. Upon a motion duly made and seconded, the following items on the consent agenda were unanimously approved, ratified and adopted:

- a. Approval of Board Meeting Minutes from June 2, 2025 Meeting
- b. Ratify Independent Contract Agreement with Diversified Underground for Locate Services
- c. Ratify 2024 Annual Report

Legal Matters

Discuss ADU legislation that effectively prohibits counties and municipalities from prohibiting accessory dwelling units, and its impact on the District

Ms. Harris presented the Resolution of the Architectural Review Committee Approving the Second Amendment to the Second Amended and Restated Residential Improvement Guidelines and Site Restrictions to the Board. Following discussion, upon a motion duly made and seconded, the Board approved the Resolution of the Architectural Review Committee Approving the Second Amendment to the Second Amended and Restated Residential Improvement Guidelines and Site Restrictions, subject to updating the resolution to add a reference to the legislation regarding ADUs that was the impetus for the revisions to the design guidelines, and adding language about the maximum height if an ADU is being added as a second or third story on a home, subject to review and approval by Mr. Bonneau.

Consider Approval of First Amendment to Resolution Regarding Policies, Procedures, and Penalties for the Enforcement of the Governing Documents

Ms. Harris presented the First Amendment to Resolution Regarding Policies, Procedures, and Penalties for the Enforcement of the Governing Documents to the Board. Following discussion, upon a motion duly made and seconded, the Board approved the First Amendment to Resolution Regarding Policies, Procedures, and Penalties for the Enforcement of the Governing Documents.

The Board also discussed the status of the paint inspection. Mr. Becker reported that he and Ms. Bigley did a walkthrough of the community and have compiled a list of homes that may need some painting done. The Board authorized Ms. Bigley and either Mr. Silverman or Mr. Bonneau to review the list and determine which ones on the list need to move forward to the covenant enforcement process.

Discuss Website Accessibility

Consider Approval of the 2025 Digital Accessibility Plan

Ms. Harris presented the 2025 Digital Accessibility Plan to the Board and discussed various recent legislative and regulatory changes related to the website, notably that it is no longer a requirement that all documents on the website be in an accessible format, but that the District would still have to provide the same upon request. Following discussion, upon a motion duly made and seconded, the Board approved the 2025 Digital Accessibility Plan.

Discuss the 5.25% revenue growth limit and a possible November election to opt out of the same

Ms. Harris discussed the 5.25% revenue growth limit and a possible November 2026 election with the Board. The Board directed CLA to provide an analysis at the next meeting regarding the projected impact of the 5.25% growth limit going forward to enable the Board to make a decision about conducting an election in November 2026 to opt out.

Discuss the Annual Meeting and Notice of the Same

Ms. Harris discussed the new statutory requirements related to mailing or e-mailing the notice of the Annual Meeting. The Board directed legal counsel to obtain the owner list from the assessor's office and mail the notice to the owners on the list, and to have MSI send the notice via e-mail blast to those on the owner list MSI has.

Discuss Certification of Covenant Enforcement Fines

Ms. Harris discussed the District not being able to foreclose on its lien related to covenant enforcement fines and charges, but that the District can certify the same to the County for collection as part of the taxes due. Ms. Harris advised that WBA is not providing the service to certify fines to the County for collection because it

involves a review of the file for any such fines being turned over to ensure that the fines were properly imposed, which is more within the purview of the District's covenant enforcement counsel. The District's covenant enforcement counsel has advised WBA that it will not be certifying fines to the County for collection. The Board discussed that the purpose of fines is to gain compliance and if an owner is not coming into compliance after fines are imposed, the District still has the option to pursue a covenant enforcement lawsuit. Given that the District has historically not had a significant issue with enforcement and not many fines are currently due, the Board determined to not take any action at this time regarding certification of fines for collection by the County as part of the taxes. The Board also discussed the one covenant enforcement matter that has been turned over to covenant enforcement counsel. WBA will follow up with Altitude Community Law in relation to the status of that matter.

Added- Resignation of Stephen Daniels from the Board and the ARC

The Board discussed the resignation of Mr. Daniels from the Board and Architectural Review Committee and that the Board can appoint individuals to fill those vacancies. The Board directed legal counsel to prepare a short notice for MSI to send via e-mail blast to the community about the vacancies on the Board and the Architectural Review Committee and to ask anyone interest in serving on either the Board or the Architectural Review Committee to submit a statement of interest.

Facilities/Management Matters

Management Update

Mr. Becker provided the update, noting that there are currently only six outstanding covenant violations and only one outstanding ARC request.

Consider Approval of Proposals for 2025-2026 Snow Removal

Mr. Becker reported that he has not received a proposal from Environmental Landworks for snow removal for the 2025/2026 winter. The Board approved engaging Environmental Landworks for snow removal for the 2025/2026 winter, and authorized Mr. Silverman to approve the proposal as long as the rates are not more than 5% of the rates charged for the 2024/2025 winter season.

Discuss Compost Bin and Bears in Neighborhood

Mr. Silverman discussed that a bear recently got into the compost bin during a community event. The Board had previously requested that the compost service vendor provide a report about how much compost is being collected. The Board directed Mark

to reach out to the vendor to get that report so that the Board can then review that and make a decision at the next meeting about whether to continue providing the compost bin.

Other Business

Mr. Silverman discussed concerns with the swing that has been installed on a tree on the west side of the community. It is on District property, but is not a District-installed swing. The branch from which it is hung appears to be dead, and there is concern over the condition of the rope. Ms. Harris advised that if the swing presents a dangerous condition, the swing should be removed. The Board discussed taking it down or putting up a sign advising people that the swing was not installed by the District and for people to use the swing at their own risk. Mr. Becker will send legal counsel photos of the swing for further review.

Mr. Silverman also brought up the idea of installing cameras at the entrances to the property, citing concerns with electric transformers in the neighborhood being vandalized, vehicle theft, etc. The cameras would not be monitored, and the Board and Ms. Harris discussed concerns about people having a false sense of security and/or the implication that the District would then somehow be taking on liability if crime occurs in the community. The community across the street has installed cameras within their neighborhood. The Board directed Mr. Bonneau to contact the neighboring community to get information from them about their system, the cost, etc., to present to the Board at the next meeting for further discussion.

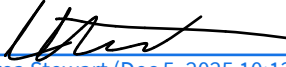
Update on Discussions with CDOT regarding Erosion to the North

Mr. Bonneau reported that he continues to be in contact with CDOT. He reported CDOT is to install 1,000 feet of erosion control blanketing in the area. There are some check dams in place, and CDOT also plans to hydro seed the right-of-way areas along the hillside in October, noting, however, that the area is not irrigated, so the seeding will have to rely on natural rainfall. Mr. Bonneau will continue to follow up with CDOT on their plans.

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 3:27 p.m.

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



Andrea Stewart (Dec 5, 2025 10:12:13 MST)

Secretary for the Meeting

The foregoing minutes were approved on the 1st day of December, 2025.