



Creating Community, Enhancing Health, Inspiring Play

July 21, 2010

Mesa View Estates Homeowners' Association
12265 W Bayaud Ave., Ste. 110
Lakewood, CO 80228

Dear Board of Directors:

Thank you for your four page letter dated April 23, 2010, and thank you for your patience on a response to your letter. As we stated in our letter dated April 30, 2010, the Foothills Board was transitioning, and the new board members needed some time to be brought up to date on the issues. To help with this situation, you invited the two new board members to a meeting at Estates Park, and Directors Bradley and Johnson did attend a meeting with some representatives from your board on June 22, 2010.

In your April 23rd letter, you substantively stated:

In the interest of furthering our discussion and as previously stated to you, we would be willing to entertain remaining part of the District on the following conditions:

- 1. The District will contractually turn over ownership-like control of Estates Park to the Mesa View Estates HOA, as was previously deemed acceptable;*
- 2. The District will dedicate 80% of all tax revenues it collects from our subdivision to be spent at the Mesa View Estates HOA's discretion on maintenance and improvements in our subdivision, now and in the future; and*
- 3. The District will repeal the wards voting system.*

After the Board had a lengthy discussion on these requests, it was determined that the District is willing to continue these discussions for a limited period of time in the hope that some mutually beneficial resolution can be reached. This letter will attempt to explore whether there are any issues available for such a resolution.

Prior to responding to the three enumerated points of your April 23, 2010 letter, it is important to respond to your HOA's persistent threats of gathering exclusion petitions or its willingness to "entertain remaining part of the District." These comments do not assist with discussions regarding Estates Park. Specifically regarding exclusion, this is not a point of negotiation. Every owner of property within the District has the legal right to seek exclusion. The HOA does not represent the owners within Mesa View regarding this right or the legal process associated with the right. Neither the District nor the HOA has any standing to negotiate regarding the rights of homeowners on this issue. Further, the District is neither threatened by nor fearful of the exclusion process.

Board of Directors

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Treasurer

Ronald Hopp
Executive Director

The District's response to the three enumerated points of your April 23 letter (with the points taken in reverse order) is as follows:

Repealing Wards System

Regarding repealing the wards voting system, the Board has no interest in repealing this system and/or reconsidering their position.

District Financial Contribution

Regarding the HOA's request that the District dedicate 80% of all tax revenues to the Mesa View area, the Board has previously indicated that they would convey the amount of revenue commensurate with the costs associated with park maintenance plus an additional 10%. This remains the Board's position.

"Control" of Estates Park

Regarding contractually turning over ownership-like control of Estates Park to the Mesa View Estates HOA, the Board has previously indicated receptivity to this concept and we have outlined some options in previous letters of how to accomplish this goal. To assist you, I have included below the information previously provided.

There are multiple options which Mesa View could consider to meet their end goal of control of Estates Park. The following lists potential solutions to meet your goals.

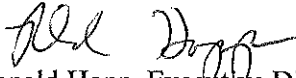
- **Lease of the entire park.**
- **Lease of a portion of the park.**
- **Sale of a portion of the park.**
- **Sale of the entire park.**
- **Another contractual arrangement.**

Based upon some of the discussions that were had during the meeting with the two new directors, as well as the extensive discussion between all board members, we have also come to some conclusions on several issues.

1. It was made perfectly clear to Directors Bradley and Johnson, and later with the full Board, that the HOA's issues with the District have nothing to do with the Park itself. When the question was asked of the representatives of your board that if we made the Park perfect, then would the issues be resolved, the answer was clearly no, that it was not about the Park, but rather the distance to the recreational facilities. We do not believe that there was any ambiguity in your position. If, however, you would like to discuss the condition of Estates Park, the District will always remain open to those discussions.
2. If the HOA's objective is absolute control of the Park, without the necessary involvement of the District regarding its Park, you may have a desire to buy the Park. If this is the case, it has always been one of the options as outlined above. I believe that there may be some receptivity to this concept from our board, as long as there is a realization that any purchase price would be based upon an appraisal at fair market value. Please provide some feedback as to your desire to pursue this or not.
3. Lastly, in any case, it has become obvious that there would need to be further discussions and negotiations if any contractual measures were to be implemented. The District is uncomfortable with negotiating with any entity or individual who is an adverse party to a lawsuit against us.

Therefore, since the HOA Board is a party, as well as several individuals, we will not have any discussions with any of these individuals as long as they continue to be a party to a lawsuit. If you wish to develop another committee of individuals from your neighborhood, we would be happy to continue to have mutually beneficial discussions.

Thank you,

A handwritten signature in black ink, appearing to read "Ronald Hopp". The signature is fluid and cursive, with the first name being more prominent.

Ronald Hopp, Executive Director
Foothills Park & Recreation District

C: Foothills Board of Directors
Paul Rufien, Legal Counsel