



**HEATHER GARDENS METROPOLITAN DISTRICT  
REGULAR MEETING  
Thursday, July 20, 2023**

The regular meeting of the Board of Directors of the Heather Gardens Metropolitan District was held in the board room and via Zoom/Telephone in the Heather Gardens Clubhouse at 2888 S. Heather Gardens Way, Arapahoe County, Colorado, on Thursday, July 20, 2023 at 1:00 P.M.

**PLEDGE OF ALLEGIANCE:** The Board recited the Pledge of Allegiance.

**CALL TO ORDER:** President Daniel Taylor called the meeting to order at approximately 1:00 P.M. on Thursday, July 20, 2023. A quorum was present.

**BOARD MEMBERS PRESENT:** President Daniel Taylor, Vice President Eloise Laubach, Secretary Robin O'Meara, Treasurer Rita Effler, and Director Craig Baldwin.

**BOARD MEMBERS ABSENT:** None.

**STAFF PRESENT:** CEO Jon Rea and Don O'Gorman via Zoom.

**GUESTS PRESENT:** Jennifer L. Ivey, Icenogle Seaver Pogue, P.C., four members of the Heather Gardens Association ("HGA") Board, Lynn Donaldson with Heather 'n Yon, and approximately 21 members of the public were present.

**APPROVAL OF MINUTES:** President Taylor moved the approval of the meeting minutes to the following month as several corrections are needed. Seconded by Director Baldwin and passed unanimously.

**PRESIDENT REMARKS:** President Taylor commented that he apologized for the board packet, which was 128 pages. President Taylor said he does not expect the residents to read/print the entire packet and will work on a procedure for what information needs to be available in the packet. President Taylor will prepare the agenda and packet by the second Thursday/Friday of the month, as the regular meetings are on the third Thursday of the month. President Taylor requested that the Board members submit their reports, motions, and supporting documents by the second Tuesday of the month.

**APPROVAL OF/ADDITIONAL/DELETION TO AGENDA:** Any discussion/motions items that require staff to participate will be moved to the District Manager's report to help minimize the time staff spends at the meeting.

**TREASURERS REPORT:** Treasurer Effler reported she has a Treasurer's report that will be in the August Heather 'n Yon issue. The Audit/Finance Committee meetings are held the Monday before the third Thursday because the committee needs the financials before the meeting. The revenues were down in each entity this month, requiring a decrease in spending, and all entities were under budget with a savings of \$4,000 overall. She noted

that she learned at the joint Budget and Finance Committee meeting that the Board would need to act on sweep bank accounts. Therefore, she will work on having it on the agenda for next month and have CFO Counts provide information or do a presentation for the Board.

**HGA Chief Executive Officer (CEO) Report:** The Board received a copy of the HGA CEO's Statement of Work (SOW) and second Quarterly Report. HGA CEO Rea reported that management is working on the budget process to prepare the managers for the community. All the managers are working on the operations expenses budget, and HGA CFO Counts is working on the payroll and benefits. HGA CEO Rea has had the opportunity to sit down with most managers and ultimately will prepare the draft summary to give to HGA CFO Counts to incorporate into the manager 2024 draft budget and deliver it to the Joint Budget and Finance Committee, both Boards and the community, by September 8, 2023. HGA CEO Rea said they hired a new Security Manager, Dave Marris, who started July 17, 2023. Mr. Marris brings a wealth of knowledge and experience. He asked the Board to please stop by and welcome Mr. Marris to the community.

- a) **RV Lot:** HGA CEO Jon Rea stated that the temporary gate is currently up. Maintenance completed it three weeks ago, and a truck is parked in front of it. The gate is locked and is opened by appointment through Security to allow the owners access to their recreational vehicles. Security will handle appointments on a priority basis. The permanent gate was approved and ordered by Jon Howell and should be delivered within 6-8 weeks. Board members will be updated on the status. The information on the temporary gate, security camera expense, and the light replacement for the permanent gate has been submitted to the insurance company. HGA CEO Rea reported that they are working on an address sign for the RV gate entrance and the Garden Plot fence. The Board will be able to review the signs before they are ordered and posted. HGA CEO Rea thanked Forrest McClure for his support and communication with the RV owners and for keeping them apprised of everything happening.
  
- b) **Security Camera at RV Lot Delivering Text Messages to Security:** HGA CEO Rea reported that there is a temporary security camera installed, which provides movement notifications sent to the Security cell phones, alerting them to secure the area.

President Taylor asked HGA CEO Rea if there was any opportunity for the HGA Board/Committee members to provide input into the budget preparation before the manager's budget was finalized, as they find it difficult to make any changes during the workshops. HGA CEO Rea said there were 2 ½ weeks after the manager's budget is published when he could schedule time for the Board/Committees review. Treasurer Effler asked if the Zoom audio in the auditorium had been fixed. HGA CEO Rea commented that the Clubhouse Manager had a three-party sound system company perform preventative maintenance and fix any issues. The sound system is working correctly, and any problems with Zoom might be related to internet issues. Treasurer Effler asked who is affected by the new setup for the credit card process. HGA CEO Rea commented that the Golf Shop will be getting new hardware to process credit card

payments, and that will save money. HGA CEO Rea confirmed that the credit card vendor for the Clubhouse is ActiveNet, and the Restaurant is SpotOn, which are different from the Golf Shop. Treasurer Effler asked if the Restaurant needed to be fully staffed, and if the cover charge for the live band all goes to the band. HGA CEO Rea provided the number of staff members required for the restaurant, and will follow up on the band cover charge. Director Baldwin asked where the freezer contract stood. Jon Howell commented that the original proposal did not include the removal of the old freezer or installation of the new freezer and is waiting for quotes for that portion. There were no further questions or comments for the HGA CEO.

The Board continued to discuss concerns regarding the freezer contract that was approved on June 30, 2023, at a Special Meeting. Ms. Ivey stated that without seeing the contract and supporting documents, the Board may be unable to countermand the action already taken to authorize that contract. Ms. Ybarra requested HGA Contract Manager Don O’Gorman join the meeting to provide an update on the freezer. HGA Contract Manager O’Gorman explained that the contract had not yet been generated because Shamrock Foods, the freezer supplier, did not include the delivery or the installation cost. HGA Contract Manager O’Gorman explained that Shamrock Foods’ contract did have language for “outdoor installation;” however, after a phone conversation, they clarified that that was not covered, so the language was deceiving. He has asked Shamrock Foods to add the cost to the proposal, and that is what he is currently waiting on. There were other questions and concerns from the Board members that HGA Contract Manager O’Gorman answered.

President Taylor added the freezer to the agenda as it brought several questions and concerns from the Board members to rescind the previous action.

**Motion to Rescind Freezer Action Taken on June 30, 2023, Special Meeting:** Motion made by Vice President Laubach to withdraw the current agreement and look into other vendors for a freezer that meets the Restaurant Manager’s needs, including installation and removal, seconded by Director Baldwin and passed unanimously.

Note: Board members O’Meara, Effler, and Baldwin agreed to assist in searching for other vendors.

**Appointment of 2023 Committee Chairs:** this item was tabled.

**Foundation Committee:** Vice President Laubach reported that the Committee did not meet in June and July. There were expenses for soil and sod for the Clubhouse Yale entrance totaling \$2,709.49, and for landscaping and trees totaling \$626.15. The tree was a gift from an individual in memoriam, and the Committee approved that expenditure. The Committee will meet in August to review the Procedure Memorandum and any requests from Management. There were no questions or comments.

**Garden Plot:** Nancy Linsenbigler, the Garden Club President, reported that they usually meet monthly, and an estimate of 10-20 people attend, but the July meeting was cancelled. They sometimes hold small educational presentations on insects and seeds that are important to gardeners. The club members share their concerns and tricks/trays.

Ms. Linsenbigler thanked the Board for working on getting a bulletin board and address sign for the Garden Plot. There were no questions or comments.

**Recreational Vehicle Lot Committee:** The Board received a copy of the RV Lot report. Chair Forrest McClure reported new updates. The next meeting is on August 14 at 1:00 p.m. The RV Procedure Memorandum was submitted to the Board, and the 2024 budget recommendations were submitted to the Audit/Finance Committee. He noted that the Committee is full; the ninth member who joined was Patty Langlois. He reported that a work order was submitted to fix two of the four lights in the RV Lot. One of the lights has been repaired, but the other requires a lift, and still requires repair as of yesterday. He attended the RV Club meeting and spoke to the 12 members that were at the meeting. He reported that the old gate opener and concrete pad have been removed. There was a discussion from the Committee to get a rack & pinion lock for the gate; however, it was confirmed the rack & pinion would freeze up in the winter, so they are looking into getting a chain opener. Treasurer Effler asked if there was a protection cover for the chain. Chair McClure stated the Committee is looking into this. There were no further questions or comments.

**Joint Budget and Finance Committee/Capital Program Subcommittee:** The Board received a copy of the Joint Budget and Finance report. Director Baldwin reported it was a long meeting, but there was not much discussion that would affect the District. The Capital Program Subcommittee will have an article in Heather 'n Yon to talk about the capital program, how the budget is developed and how it works, and the plan expenditures sections. Discussion ensued regarding the Electric Charging Stations. Director Baldwin confirmed that Treasurer Effler will discuss the sweep account at the next Board meeting. He noted that HGA CFO Counts had discussed the sweep account with KeyBank at the Budget and Finance meeting, explaining that it is an insured cash sweep in which KeyBank, at the end of each day, pays interest on the funds. There were no questions or comments.

**Clubs and Activities Committee:** The Board received a copy of the Clubs and Activities report. Director Baldwin reported the Committee met and did not have a chance to work on the Procedure Memorandum. There were no questions or comments.

**Clubhouse Committee:** Treasurer Effler reported that the Committee's first meeting is scheduled for August 8<sup>th</sup>, and the committee is full. One of the main focuses for the Clubhouse is to work on getting more activities and events. The Committee was assigned to peruse past Heather' n Yon issues for ideas. The Committee would like to work with the Clubhouse Manager on how they can help. If anyone is interested in joining this Committee, they are asked to fill out an application. There were no questions or comments.

**Restaurant Committee:** Secretary O'Meara commented that the Committee will meet on Thursday, July 27, and the agenda is to meet one another, get together their wish list, and work on the Procedure Memorandum. The Committee is currently full. There were no questions or comments.

**Audit/Finance Committee:** Treasurer Effler reported that she was asked to review the HGMD invoices. The Committee was not able to go through the 70 invoices provided, but they will in the future. The invoices will show how the money is being spent and find ways to save/spend more. She had no update on revenue and stated that she did not know how money was earned from the various enterprises. The Committee is learning how to read the financial statements. She reported that revenue is down for each entity, as is the subsidy, meaning fewer people are participating.

**UNFINISHED BUSINESS:**

- a) **Discuss Asphalt Repairs at the Maintenance Facility:** Director Baldwin commented that the bidding process is malfunctioning. He recommends no action be taken and this item be sent back to the Joint Budget and Finance Committee.

**NEW BUSINESS:**

- a) **Approval of the Garden Plot Area Bulletin Board:** Motion made by Director Baldwin and seconded by Vice President Laubach and passed unanimously.

Text of Motion: I move that the Heather Gardens Metropolitan District Board of Directors approve the installation of a bulletin board; with plans and specifications attached inside the fenced area of the Garden Plot, in a location voted on and approved by the members of the Garden Club, with no cost to the District.

Explanatory Comment: This project was initiated several months ago and was part of the improvements, including realigning the garden plots and installing updated water delivery. Though there was an indication that the old bulletin board would be replaced with District funds, the action was never considered, even though the prior bulletin board was removed or stolen.

- b) **Approval of the Recreational Vehicle (RV) Procedure Memorandum:** Motion made by Director Baldwin and seconded by Secretary O'Meara and passed unanimously.

Text of Motion: Based upon the recommendation of the RV Committee, I move that the Heather Gardens Metropolitan District Board of Directors approve the Committee's Procedure Memorandum as presented.

- c) **Approval of the Purchase of Four Tennis/Pickleball Nets:** Motion made by Director Baldwin and seconded by Vice President Laubach and passed unanimously.

Text of Motion: Based on the recommendation of the Clubs and Activities Committee, I move that the Heather Gardens Metropolitan District Board of Directors approve the purchase of four H3P100 Dominator Rolling Portable Nets

from Pickleball Central for a total price of \$1,556, with the recommendation that Conservation Trust Funds will be utilized. A five percent end-of-the-year discount will be realized.

Explanatory Comment: The District will add four nets to its inventory. The Pickleball Club plays on eight courts. This purchase will provide rolling nets for each court.

Note: President Taylor will inform CEO Rea to direct the Clubhouse Manager to order the nets.

- d) **Electric Vehicle (EV) Charging Stations:** The Board received a copy of the EV report. Director Baldwin explained that HGA Board member David Baxter chaired a committee that discussed putting charging stations throughout the community, but it was cost prohibitive to have Xcel install 440 volt power required for the quick charge. He noted that a previous District Board, looked into this and found a way to affordably install power at the Clubhouse; however, the District Board could not find money in the budget for the installation and did not take any action. He opined that if the Board decides to look into this, it may take several months to a year to come up with a solution, so no action is required.
- e) **Discuss Trash Removal Contract:** Director Baldwin understood that the HGA Board approved the contract for the trash removal and will charge the District. Treasurer Effler clarified that this is how this was done in the past, with the exception of the golf port-a-potties. Formerly, they were billed directly to golf but are now included in the contract. She reported that the District had always paid for the Clubhouse bins. She noted that with this contract, the District will only pay \$539 per month, saving the District money. Ms. Ivey commented that when reviewing this HGA contract, it did not require HGMD approval. No action is required from the District.
- f) **Discuss the 2024 Budget Development Schedule:** Director Baldwin commented that the Joint Budget and Finance Committee recommended that the District approve the schedule. President Taylor commented that he asked HGA CEO Rea to schedule time for the Board/Committee to review and provide input on the budget before the manager's draft budget goes out. Ms. Ivey commented that the Mill Levy Certification date this year may change to a later date depending on whether Proposition HH is passed in the November election. She reported that her firm is compiling a letter explaining this, which will be sent to the Board members. For HGA purposes, a later Mill Levy certification would likely mean that they would need alternate budgets for the debt service because the Mill Levy may differ depending on what happens to the assessment ratio. President Taylor said he will formally request the HGA CEO to have the Board/Committees meet to review the

budget before September 8th and will present a motion for the schedule in the August meeting. No action was taken at this time.

**PUBLIC COMMENTS:**

A resident asked that Clubhouse liability waiver forms be put on the Board agenda to take action to rescind/destroy them, as they are unused. This same resident stated that the Board should be concerned about the content of the HGA Board's statement in the Heather 'n Yon issue, which he said provides a potential threat to legal action against anyone who has made inflammatory statements or inappropriate comments during an open meeting.

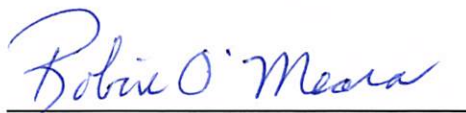
**ANNOUNCEMENTS:** Director Baldwin suggested that if the Board members are attending the SDA annual conference September 12-14, 2023, they should get their applications in soon. He reported that he had already registered and paid.

**EXECUTIVE SESSION:** Motion made by President Taylor to convene into Executive Session pursuant to Section 24-6-402(4)(b) and 24-6-402(4)(e), C.R.S for the purpose of receiving legal advice on specific legal questions and determining positions relative to matters that may be subject to negotiations; developing strategies for negotiations; and instructing negotiators regarding the Management Agreement with Heather Gardens Association. The motion was seconded by Secretary O'Meara and passed unanimously for the Board to convene into Executive Session at 2:53 p.m.

Motion made by Vice President Laubach and seconded by Secretary O'Meara and passed unanimously to close the executive session and reconvene the public meeting. The Board reconvened the public meeting at approximately 4:00 p.m.

**ADJOURNMENT:** Upon motion by Vice President Laubach, and seconded by Secretary O'Meara, and passed unanimously, the meeting adjourned at 4:05 P.M.

Approved by the Heather Gardens Board of Directors on 9-21-23.



Robin O'Meara, Secretary



Daniel Taylor, President