

HEATHER GARDENS METROPOLITAN DISTRICT RESPONSES

VOICES OF HG RESIDENTS CLUB

MAY 4, 2024 3:00 PM

SANBERG AUDITORIUM

HGMD Purpose

- HGMD is a quasi-government of owners and other residents that hold title to the Golf Course, Community Center (Clubhouse and Restaurant), Maintenance Shops, RV Lot, and other common areas. “History” 1983 [www. heathergardens.org](http://www.heathergardens.org)

HGMD Director - Duties

- A Director has a general, **common-law fiduciary obligation** to the District.
§24-18-103, C.R.S. This obligation does not extend to each individual resident of the District, but rather to the District itself. As a fiduciary, the Director has the duty to exercise the utmost good faith, business sense, and astuteness on behalf of the District. A Director is prohibited from taking personal advantage of a situation to benefit himself or prejudice the District.

HGMD OATH OF OFFICE

“I [name], do swear that I will support the Constitution of the United States, the Constitution of the state of Colorado, and the laws of the state of Colorado, and will faithfully perform the duties of the office of HGMD Director upon which I am about to enter to the best of my ability.”

QUESTION #1

***How can we as a
concerned community
help each board to come
to a resolution
without further cost to the
owners?***

HGMD RESPONSE:

Stop the Recall

- Encourage the Recall Committee to withdraw the recall petitions against Directors Craig Baldwin, Rita Effler, Robin O'Meara & Daniel Taylor
- The Recall Committee of Al Lindeman, John Harvey, Bonnie Flemming, and their attorney, Martha Karnopp, have created the most division this community has ever experienced

HGMD RESPONSE:

Stop the Recall

- The Recall Committee can end the recall election at any time, saving the residents thousands of dollars
- Current Recall Expenses:
\$100,000 +

HGMD RESPONSE: Settle the Lawsuit

HGMD vs. HGA

Breach of Management Agreement

Encourage the HGA Board to settle the lawsuit for the breach of management agreement through reasonable negotiations

HGMD RESPONSE:

Settle the Lawsuit

- Currently, HGA is not negotiating at all because they are waiting for the recall election to be over and work with a new Board of Directors
- With HGA's failure to negotiate, accept any of HGMD proposals, or offer any proposals in return, the District had no choice but to vote to terminate the Management Agreement by December 2024

HGMD RESPONSE:

Separate HGMD from HGA

- To end the hostility between the two boards, this process needs to start now
- The District can run the Clubhouse, Golf Course, Restaurant, RV Lot, Garden Plot & other common areas
- Current HGA Management can continue managing the maintenance of the residential properties

HGMD RESPONSE:

Separate HGMD from HGA

- HGMD will hire its own District manager
- We are confident that this move will be cost effective for both parties, especially for the residents
- Many details need to be worked out to make this split, let's begin immediately

HGMD RESPONSE:

Educate the HGA Board & HGA Management

Educate HGA Board & HGA Management
Colorado Revised Statutes

- HGMD must comply with the Colorado Revised Statutes (CRS) for Special Districts
- HGA needs to be educated about these statutes that the District must obey and then HGA & HG Management might understand our tremendous responsibility

HGMD RESPONSE:

Educate the HGA Board & HGA Management

Educate HGA Board & HGA Management
Colorado Revised Statutes (C.R.S.)

- HGMD has a ***Fiduciary Responsibility*** which ***cannot*** be turned over to HG Management.
- HGMD must assure that all public funds are accounted for and spent reasonably.

HGMD RESPONSE:

Educate the HGA Board & HGA Management

Educate HGA Board & HGA Management Colorado Revised Statutes (C.R.S.)

- HGDM has the responsibility of *oversight* of the District properties.
- Because there are many issues regarding the quality, timeliness, and cost of the work, HGMD will not relinquish this responsibility to HG Management.

QUESTION #2

***How can we as a concerned
community
have this proceeding move
forward timely
without the continued
delays?***

HGMD RESPONSE:

Lawsuit: HGMD vs. HGA

- The Lawsuit between the HGA and HGMD for Breach of Contract is proceeding, however, HGA has refused efforts to move the case along.
- Example: HGMD wanted a trial in June; HGA wanted it in December.

HGMD RESPONSE:

Lawsuit: HGMD vs. HGA

- Based upon our experiences with HGA, we have come to the conclusion that they will not negotiate or entertain any settlement until after the recall election.

HGMD RESPONSE:

Recall Election

- On November 16, 2023, the night HGMD was in mediation with HGA and a professional mediator, the recall of Directors Baldwin, Effler, O'Meara and Taylor began.
- This recall was started by three residents when their attorney filed the petitions to recall the four Directors who had been in office all of 6 months.

HGMD RESPONSE:

Recall Election

- Following the hearings of protest to protest the petitions, Daniel Taylor, HGMD Board President and attorney for the recall election filed an appeal on the grounds that the Designated Election Official's (DEO) interpretation of the statute is wrong.

NOTE: President Taylor is working pro-bono (for free) for the 4 Directors

HGMD RESPONSE:

Recall Election

Running up the Bill

- The Designated Election Official (DEO) complicated the appeal process with submitting more briefs, motions, and a 20 page document when a written brief for the judge to consider would suffice.

HGMD RESPONSE:

Recall Election

Running up the Bill

- Martha Karnopp, Recall Committee attorney, also filed a motion to compel a Recall Election date be set by the HGMD Board
- Daniel Taylor must respond to all of the above by next Tuesday, 5/7

HGMD RESPONSE:

Recall Election: Current Status

- We are following due process so that the people who voted us into office can be heard
- All of this work creates more legal fees, all at the expense of the District.
- They are prosecuting the recall like they have an open checkbook. ***And they do!***

HGMD RESPONSE:

Recall Election: Educate Yourself

- Go to www.hgmetrodist.org
- Click on the tab “Recall Info”
- Read “Protest Recall Election Hearings” article
- Click on the box to the right to view all documents

QUESTION #3

How can we as a concerned community help each board to understand that the ongoing conflict affects our quality of life, sense of community and property values?

HGMD RESPONSE:

Quality of Life

- The HGMD Board acknowledges that the recall election has caused all of us to be “walking on egg shells” with our friends, in our buildings/ areas, in classes, in meetings, at social events etc.
- Keep speaking your mind in a respectful way because everyone has a right to express his/her opinion. Silence means you agree.
- Your opinion is just as valuable as any other person’s opinion - Be brave!

HGMD RESPONSE

Sense of Community

- HGMD is committed to the residents of this community - we take our oath of office very seriously
- HGMD brought back the many committees so that residents can participate in governing the District
- HGMD is determined to maintain the committees to preserve the sense of community that we all may benefit from

HGMD RESPONSE:

Property Values

- Financing a home is more difficult because of the higher interest rates, increased taxes, high HOA fees and the increased cost of insurance.
- More than 50% of Heather Gardens sales are cash, therefore qualifying for a mortgage is not part of the purchase of many HG properties.

HGMD RESPONSE:

Property Values

According to Michelle Addison a Broker Associate/Realtor with The Legacy Group with HomeSmart ColoradoLifeStyleHouses.com...

- ...the price per square foot has been steady
- ...prices are still good, in fact, right now is actually a pretty good time to sell (See chart)

HGMD RESPONSE:

Become Actively Engaged

- **Board Meetings:** Attend HGA and HGMD Board Meetings to speak and ask questions during Public Comment session
- **Committees:** Join an HGMD/HGA Committee to have a voice in your community

HGMD RESPONSE

Become Actively Engaged

- **Events/Classes/Clubs:**

There are so many wonderful opportunities in HG to have fun, meet new people, learn, and support your health. Check them out!

HGMD RESPONSE:

Become Actively Engaged

- **Contact Leadership:** Email or phone your HGA Board of Directors and/or HGMD Directors to ask them the same questions

- For contact information go to:

HGMD www.hgmetrodist.org

HGA www.heathergardens.org

CLOSING COMMENTS

DID YOU KNOW?

**We are the only Directors in
HGMD history who have not
quit out of
frustration, harassment,
bullying or exhaustion!**

CLOSING COMMENTS

THIS RECALL ELECTION IS AN ATTACK ON MY CHARACTER

- People say I am crazy for doing this.
- *I must be crazy!*
- That makes me unafraid of the Recall Election.

CLOSING COMMENTS

We are fighting to learn how your money is being spent so that we can increase efficiency, improve service, and save money!

CLOSING COMMENTS

*We are determined
to do our job
because
we are
HONEST!*

Scripture

- “When we suffer for good and not evil, we will never be ashamed”
- “Each of you should use whatever gift you have received to serve others, as faithful stewards of God’s grace in its various forms”

Scripture

- God blesses you when people mock you and persecute you and lie about you and say all sorts of evil things against you because you are my followers.”

Matthew 5: 11-12

Scripture

- “Endure until then with self control and prayer, thanking the Father for his preserving hand and pleading for his continued blessing.”

Mount Olive Lutheran Church

**THANK YOU
FOR
COMING!**

Administrative Office

- **HGMD needs a space to conduct business for the District:**
 - Maintain the HGMD Website
 - File and Store District Documents
 - Access to office equipment such as a computer and printer/copier
 - Coordinate meetings and documents for the HGMD committees
 - Be a point of contact for residents