



**NOTICE OF HGMD BOARD OF DIRECTORS REGULAR MEETING
October 20, 2022, at 1:00 PM**

Pursuant to Section 24-6-402(2)(c), C.R.S., the Board of Directors of the Heather Gardens Metropolitan District hereby gives notice that it will hold a regular meeting at the Heather Clubhouse in the board room via Zoom videoconference at **1:00 PM on October 20, 2022**. The business meeting will be held for the purpose of conducting such business as may come before the Board. This meeting is open to the public. Gardens

Join Zoom Meeting

<https://us06web.zoom.us/j/89366517923?pwd=b1l0N2dtQ3Bjd0ttL2JtZ2g2eTlNdz09>

Meeting ID: 893 6651 7923

Password: 264627

or

Dial-In Number: +1 346 248 7799 US

AGENDA

1. Determine quorum present
2. Call meeting to order
3. President Remarks
4. Approval of/additions to/deletions from the agenda
5. Approval of Minutes
 - a. Consider Approval of Minutes of September 22, 2022, Special Meeting
6. Consider Appointment to Vacancy on Board
7. Reports of Directors, committees, and professional consultants
 - a. CEO (Rea) – October 18, 2022, Report
 - b. Clubhouse/Restaurant Committee (Mines) – October 10, 2022
 - c. Foundation Committee (Laubach) – No Meeting
 - d. Golf Committee – No Meeting
 - e. Property Policy Committee (Funk) – No Meeting
 - f. Joint Long Range Planning Committee (Funk) – October 19, 2022
 - g. Treasurer’s Report (Archambault) – October 2022
 - h. Joint Budget and Finance Committee (Archambault) – October 17, 2022
8. Unfinished Business
 - a. Consideration of Bat House Proposal
9. New Business
 - a. Consider Approval of Capital Expenditure for Removal and Replacement of Clubhouse Outdoor Pool Boiler
 - b. Consider Approval of Reallocation of 2022 Budget Year Funds by Line-Item Redistribution to Fund Priority Projects
10. Open Forum – Public comment (time limit-3 minutes per person)
11. Adjournment

Note: HGMD regular Board meetings, when held, are on the third Thursday of each month at 1:00 PM. Residents wishing to speak on agenda items will be given the opportunity at the time the item is discussed (time limit-3 minutes per person).

The next meeting will be on November 17, 2022 at 1:00 PM.

**HEATHER GARDENS METROPOLITAN DISTRICT
SPECIAL MEETING
Thursday, September 22, 2022**

The special meeting of the Board of Directors of the Heather Gardens Metropolitan District was held via Zoom/Telephone in the Heather Gardens Clubhouse in the board room at 2888 S. Heather Gardens Way, Arapahoe County, Colorado, on Thursday, September 22, 2022, at 1:00 P.M.

CALL TO ORDER: President Funk called the meeting to order at approximately 1:00 P.M. on Thursday, September 22, 2022. A quorum was present.

BOARD MEMBERS PRESENT: President David Funk, Vice President Eloise Laubach, Secretary/Treasurer William Archambault, and Director Maria Mines.

BOARD MEMBERS ABSENT: None.

STAFF PRESENT: Chief Executive Officer (CEO) Jon Rea and Chief Financial Officer (CFO) Jerry Counts.

GUESTS PRESENT: Jennifer L. Ivey, Icenogle Seaver Pogue, P.C., four members of the Heather Gardens Association Board, Lynn Donaldson with Heather 'n Yon, and approximately 13 members of the public were present.

APPROVAL OF MINUTES: Motion made by Vice President Laubach and seconded by Secretary/Treasurer Archambault and passed unanimously to approve the minutes of the July 21, 2022, Regular Meeting as written.

REPORTS OF DIRECTORS, COMMITTEES, AND PROFESSIONAL CONSULTANTS:

President's Report: President Funk reminded everyone that next week are the budget workshops for the 2023 budget. He encouraged everyone to attend via Zoom or contact Board Assistant Evelyn Ybarra to reserve a spot in the board room.

Chief Executive Officer (CEO) Report: The Board received a copy of the CEO's Statement of Work (SOW). CEO Rea also encouraged and highly recommended that the community attend the budget workshops next week, as mentioned by President Funk. At the workshops, they will go through each line item of the 2023 Manager's proposed budget and the justification of each line item; ultimately, the Budget and Finance Committee will provide a recommendation to the Boards of the District and the HGA for approval in October and then the budget will be subject to the November community veto. There were no questions or comments.

Clubhouse/Restaurant Committee: The Board received a copy of the Clubhouse/Restaurant Report. Director Mines reported that the Committee had several questions

regarding the proposed 2023 budget that were answered by CEO Rea and that the Clubhouse classes will increase for next year. Both the Clubhouse and Restaurant are doing well, some days better than others. There were no questions or comments.

Foundation Committee: The Board received a copy of the Foundation Report. Vice President Laubach reported that the Committee met on September 14. There was an update on unfinished items, the bench was ordered and should arrive in October, the landscaping project has not started, and Restaurant Manager Cormac plans to purchase umbrellas when they go on sale. The motion for the purchase of Restaurant TVs will be discussed later in the meeting. There were no questions or comments.

Golf Committee: No meeting.

Property Policy Committee: No meeting.

Joint Long Range Planning Committee (JLRPC): President Funk reported that the Committee is back on track and welcomed new members. The Committee will hold two work sessions a month through the end of the year. There were no questions or comments.

Treasurer's Report: The Board received a copy of the Treasurer Report. Secretary/Treasurer Archambault reported that overall, the Enterprise Revenue for August is roughly \$10,000 less as of the year to date but is more than offset by the expenditures, which are considerably less, almost by \$70,000, than budgeted through August. There were no questions or comments.

Joint Budget and Finance Committee: The Board received a copy of the Joint Budget and Finance Report. Secretary/Treasurer Archambault reported that the Committee met on August 19. Several recommended motions from the Committee will be discussed later in the meeting. There were no questions or comments.

UNFINISHED BUSINESS: None.

NEW BUSINESS:

- a) **Consideration of Bat Houses Proposal:** Jeannie Anthony, Co-President of the Green Team, introduced herself and members Co-President Janet Arce and Mitch Albert. She provided an outline of the history for the proposal for the Bat Houses, and Mitch Albert provided a detailed presentation of the proposal to place the Bat Houses on the District property, which was distributed to the Board at the meeting. The Green Team answered several questions and comments.

President Funk announced that a notification would be sent to the community to

receive their feedback/comments on the Bat Houses. The proposal for the Bat Houses will be an action item for next month's meeting.

- b) Motion to Approve the Revisions of the Budget and Finance Internal Audit Program JPM B-3:** Motion made by Secretary/Treasurer Archambault and seconded by Director Mines and passed unanimously.

Text of Motion: Based on the Budget and Finance Committee recommendation, I move that the Heather Gardens Metropolitan District Board of Directors approve the revisions and update to Budget and Finance Internal Audit Program JPM B-3, last updated on November 16, 2021 (HGA) and December 23, 2021 (HGMD).

Explanatory Comments: JPM B-3 Budget & Finance Internal Audit Program, updated on November 16, 2021 (HGA) and December 23, 2021 (HGMD), is being updated because the policy requires changes; and is, therefore, to be reviewed every three years moving forward.

- c) Motion to Approve new Cantilever Gates for the Entrance to the HG Maintenance Building (\$21,267):** Motion made by Secretary/Treasurer Archambault and seconded by Vice President Laubach supported by Vice President Laubach and passed unanimously.

Text of Motion: Based on the recommendation of the Maintenance Committee and the Budget and Finance Committee, I move that the Heather Gardens Metropolitan District Board of Directors approve the contract with AJI Fence for a new cantilever gate(s) for the entrance to the HG Maintenance Parking Lot. The contract amount is \$18,695, with a change order of \$2,572, resulting in a total project cost of \$21,267.

Explanatory Comment: The City of Aurora specifically calls out the removal and replacement of the old existing gate in their drawings for the crosswalk/sidewalk project installed in 2019 and 2022. The new gates work in conjunction with the new pedestrian sidewalk. The purpose of the new gate is to prevent vehicles from entering and exiting the HG Maintenance Building Parking Lot after regular hours.

- d) Motion to Approve Purchasing a Toro Truck with Dakota 3300D Top Dresser (\$15,000):** Motion made by Secretary/Treasurer Archambault and seconded by Vice President Laubach and passed unanimously.

Text of Motion: Based on the recommendation of the Maintenance Committee and the Budget and Finance Committee, I move that the Heather Gardens Metropolitan District Board of Directors approve the purchase of a used Toro Truck and Dakota

3300D Top Dresser from Potestio Brothers Equipment at the cost of \$15,000. This is unbudgeted.

Explanatory Comment: Sand topdressing greens is a vital practice in the golf industry and requires specialized machinery. The current top dresser is seriously damaged and no longer operational without substantial repairs. Also, it is important to note that the Turfco 85424 Bid is for a Top Dresser only and does not include the Toro Truck. Further, management recommended purchasing the used equipment from Potestio Brothers after having it inspected by the golf staff and HG mechanics. In order to cover the unbudgeted cost of the purchase by deferring the scheduled purchase of a new tractor. They have found that the current tractor is still in good condition.

- e) **Motion to Approve Foundation Funding for two TVs for the Rendezvous Restaurant (\$4,400)**: Motion made by Vice President Laubach and seconded by Director Mines and passed unanimously.

Text of Motion: Based on the recommendation of the Foundation Committee, I move that the Heather Gardens Metropolitan District Board of Directors approve the expenditure of \$4,400 for purchasing two TVs and the additional items listed below to set up the TVs.

Two TVs \$1,599 each	\$3198.00
One Soundbar	\$ 279.00
One portable cart	\$ 389.99
Two wall mounts	<u>\$ 453.98</u>
	\$4,320.97

- f) **Motion to Approve Golf Course Fee Schedule for 2023**: Motion made by Secretary/Treasurer Archambault 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 Golf Course Fee Schedule for 2023.

- g) **Motion to Approve Clubhouse Fee Schedule for 2023**: Motion made by Secretary/Treasurer Archambault 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 Clubhouse Fee Schedule for 2023.

OPEN FORUM:

A resident asked when the RV Lot trail cameras were installed and how they were paid for. President Funk commented that the funds were from the original RV Lot security funds. Some of the funds were used to purchase the cameras as an interim step before the actual cameras were purchased for the rest of the plans, and the cost was within CEO's spending authority.

President Funk again encouraged the community to attend the budget workshops next week.

ADJOURNMENT: Upon motion by Secretary/Treasurer Archambault, seconded by Vice President Laubach, and passed unanimously, the meeting adjourned at 2:09 P.M.

William Archambault, Secretary/Treasurer

CEO Department Report
Statement of Work (SOW)
October 18, 2022

End of Month Statement of Work Report - September 2022

HGMD

Clubhouse

Project Status & Objectives

<i>Project Name</i>	<i>Objective</i>	<i>% Comp</i>	<i>On-Time</i>	<i>Late</i>	<i>Goal for Completion</i>
Craft Fair	ensure we are prepared	95	x		10/14/2022
Hire 2 part time Employees	shifts fully covered	60	x		10/31/2022
Water Filling Station For 2nd floor	uniformed water fountains	35	x		10/31/2022
2023 Calendar	Start promoting 2023 events	35	x		10/31/2022
HG 50th Anniversary	Strong Support	10	x		11/30/2022

Golf

<i>Project Name</i>	<i>Objective</i>	<i>% Comp</i>	<i>On-Time</i>	<i>Late</i>	<i>Goal for Completion</i>
Conduct Safety Meeting	Maintenance	100	X		9/30/22
Host Ladies Club Championship	Customer Service	100	X		9/30/22
Prepare course for fall aeration	Maintenance	100	X		9/30/22
Host Ladies Scramble Shamble	Customer Service	100	X		9/30/22
Water fill golf cart fleet batteries	Maintenance	100	X		9/30/22
Purchase our new Dakota Top dresser	Maintenance	100	X		9/30/22
finalize fall employee golf outing	Team Building	90	X		10/10/22

Restaurant

<i>Project Name</i>	<i>Objective</i>	<i>% Comp</i>	<i>On-Time</i>	<i>Late</i>	<i>Goal for Completion</i>
Engage media group for social media exposure		100	X		9/1/22
Acquire banner for main road to promote brunch for \$13.50	Banner Posted at Entrance to Promote	100		X	8/30/22
Hire a part time cook	Conducting Interviews	80	X		10/31/22
Host more special dinners and Bronco Games		75		X	12/31/22
TVs for recreational sports games, to enhance viewing	Approved for Purchase	75	X		10/31/22
Train our cook to be the lead cook/kitchen manager	Review and Implement remainder of 90-Day Training/Responsibilities Page	50	X		11/1/22
Create new menus for banquets and cost out for pricing		50	X		10/31/22
Create holiday menus, two community dinners		50	X		10/31/22

HGA

CEO/General

Project Status & Objectives

<i>Project Name</i>	<i>Objective</i>	<i>% Comp</i>	<i>On-Time</i>	<i>Late</i>	<i>Goal for Completion</i>
Training & Development	CAI/Training & Dev	100	X		9/13/22
Comcast Community Presentation	Coordinate Event	100	X		10/1/22
Manager/Assoc Draft Budget/Binders	Communicate to B&F	100	X		9/9/22
Budget Workshops	Misc. Prep/Updates	100	X		9/25/22
Gas Contract Review / 3 Vendors	Misc. Updates/Considerations	90	X		ASAP
Comcast Meetings/Engagement	Site Walk/Planning/Comms	85	X		9/30/22
Starry Phase 3 Addendum	Assemble Addendum w/ Feedback - Waiting on Starry	75		X	3/31/22
L/J Misc. Contract Renewal	2 years remaining/Vet Vendors (PPD)	60	X		TBD
Uniform/Identification Project/Program	Review Current/Establish New (PPD)	50	X		TBD
Declaration Revisions	Misc. Updates/Considerations - Rec'd Feedback from Counsel - Sent to Board	50	X		11/30/22
Budget Presentations/PPT	Membership Meeting	20	X		10/31/22

CFO/Accounting

Project Status & Objectives

<i>Project Name</i>	<i>Objective</i>	<i>% Comp</i>	<i>On-Time</i>	<i>Late</i>	<i>Goal for Completion</i>
Implement requirements of HB22-1137	Monthly delinquency process	100	X		9/30/22
2023 Budget/Cap Reserve.		95	X		10/13/22
AR/Billing/Prop Mgt in Jenark	General cleanup	90	X		11/30/22
Review each direct report processes	Sit down and review with each team member	80	X		11/30/22
ASC 842 Changes in Lessee Accounting	Record right-to-use asset and lease liability	70	X		11/30/22
Implement requirements of HB22-1137	Monthly statement process	10		X	1/31/23
Review POS system for work orders	Collect payment at time of service	0	X		2/28/22

CHRO/Human Resources

<i>Project Name</i>	<i>Objective</i>	<i>% Comp</i>	<i>On-Time</i>	<i>Late</i>	<i>Goal for Completion</i>
Help with Budget items	ensure correct	100	X		9/9/22

End of Summer BBQ	Emp Morale	100	X		9/23/22
Create New Dept Job Descriptions	Consistency within the departments	100	X		9/1/22
Excel and other training for Departments	Improve & Enhance	99		X	9/1/22
PEO Admin Review	Renewal/Vet/Research Etc.	95	X		10/1/22
work on uniform change/color	more transparency easy to spot	90	X		10/1/22
Holiday Party	Emp Morale and recognize	60	X		12/16/22
Work on new forms for reviews	easier for managers/fair for all	50	X		12/1/22
Hire Business Office Manager	Market/Vet/Interview/Hire	25	X		ASAP
comprehensive Customer Service Training per Dept.	Improve CS and Help Employees	25	X		10/1/22
Employee recognition/reward program	Enhance Morale & Recognize (PPD)	25	X		parked
Employee Open Enrollment	Compliance	10	X		12/1/22

Communications/Business Office Manager

Project Status & Objectives

<i>Project Name</i>	<i>Objective</i>	<i>% Comp</i>	<i>On-Time</i>	<i>Late</i>	<i>Goal for Completion</i>
Hire Business Office Manager Position	Currently Posted and Sourcing Applications/Resumes for Backfill	25	X		ASAP
Brochure/Property Brochure	Update old brochure with new information. Draft complete, waiting on approval to print	100	X		TBD
Communications SOP/PM Development	Work with CECC External & Team for Internal Process	100	x		9/9/2022
Update current Information on Website	Make corrections and remove outdated information/add more communications as needed	100	x		9/30/2022
Social Media Accounts	Create a business account Instagram	90		X	8/25/2022
Google Business Profile Page	Claim our Google profile page to make updates and maintain reviews	60		X	9/30/2022
Seasonal Communications	Put together communications that are more season based/reminders	60		X	9/3/2022
Allstream Analog Telephone lines	Work with vendor to clean unused lines and ensure we have the right service.	50	X		12/1/2022
Find one platform for all Communications	Work on finding one platform for all communications & info resource	40		X	9/26/2022
Pllera Clean Up	Work on removing nonresidents, updating current residents so that they receive comms	20	X		12/31/2022
Cross-Train Receptionist	Work with Res Coordinator to train Recep	10	X		10/21/2022

Contracts

Project Status & Objectives

<i>Project Name</i>	<i>Objective</i>	<i>% Comp</i>	<i>On-Time</i>	<i>Late</i>	<i>Goal for Completion</i>
2022 FPE Replacement Project for CP 4, 5, and 6	Update existing FPE electrical panels to meet current NEC and City of Aurora Code (Waiting on 2/3 Residents)	99	X		10/28/22
Maintenance Shop - Concrete/ Asphalt. Add New Entry Gate	Repair drainage issues by adding drain pans and remove and replacing curb and gutters. Add New Entry Gate	90	X		12/31/22
RV Parking Lot	Resurfacing and re-designing the layout of the RV Parking lot to better serve the users	80		X	11/1/22
2022 Elevator Jack Replacement Project; B243, 244, and 250.	Replace Elevator Jacks at B243, 244, and 250 to meet city of Aurora Code	70	X		11/1/22
2022 Roof Replacement - B221 and 222.	Replace an HG 6-story building roof. To maintain the building being water tight	60	X		12/31/22
Parking Structure - Security Enhancement Project	To help relieve community safety concerns	35		X	12/31/22
PSAC - Parking Structure Maintenance Plan - Year 1 Scope, RFP and Vendor Selection and Performance	To have a professional engineer conduct and conditions test and generate a report describing the current state of the parking structures.	15	X		12/31/22

Custodial

Project Status & Objectives

<i>Project Name</i>	<i>Objective</i>	<i>% Comp</i>	<i>On-Time</i>	<i>Late</i>	<i>Goal for Completion</i>
Train staff on maintenance of equipment	Get the most out of equipment	85	X		10/15/2022
Carpet cleaning	catch up on this project	20	X		11/4/2022
Clean Trash Shoots	complete this yearly task	5			10/31/2022

Maintenance

Project Status & Objectives

<i>Project Name</i>	<i>Objective</i>	<i>% Comp</i>	<i>On-Time</i>	<i>Late</i>	<i>Goal for Completion</i>
hiring 3 maintenance personnel	hiring	100	X		9/15/22
boiler maintenance	220,221, 242,213, 209,212	100	X		9/5/22
September reviews	reviews	100	X		9/30/22
Protective Corner Install - Clubhouse	Install Corner Protection	100	X		ASAP
Chair Rail 219	Finish/Complete	85	X		10/31/22
training 2022 / service techs	training of different process	50	X		12/31/2022
220 Recirculation Project		25	X		12/31/22
October reviews	reviews	10	X		10/31/22

Facilities Maintenance Engineer

Project Status & Objectives

<i>Project Name</i>	<i>Objective</i>	<i>% Comp</i>	<i>On-Time</i>	<i>Late</i>	<i>Goal for Completion</i>
TOP 3 - 6 PROJECTS					
Buildings 244 fire alarm bell replacement	Bell/Strobes received still waiting for back plates (Parts took 5 mo.)	50	X		11/1/22
Continue to schedule railing repairs	2022 cap res work	50	X		12/1/22
Continue to schedule concrete repairs	2022 cap res work	50	X		12/1/22
STH 3206 & 3216 sewer main in basement replacement	Restore basements after pipe replacement	25	X		10/28/22
MID-LEVEL PROJECTS					
Building 204 Unit 309	two bathrooms restoration	60	X		10/28/22
Inspect CP pillars to obtain a list and count of pillars that need to be either removed or straightened.	For budgetary purposes.	40	X		12/29/22
Building 232 Unit 302	Kitchen Restoration (Contractor)	40	X		10/31/22
LONG TERM PROJECTS					
All Multi-story roof safety protocol	Found Option (Safety) (Scheduling)	65	X		12/29/22
Building 233 garage windows	Water leaks	10	X		12/1/22

Roads & Grounds**Project Status & Objectives**

<i>Project Name</i>	<i>Objective</i>	<i>% Comp</i>	<i>On-Time</i>	<i>Late</i>	<i>Goal for Completion</i>
Update Snow Removal PM's	Cost effective snow removal	85	X		10/1/22
Water Wise	Improve water usage	70	X		12/31/22
Replace Chipper	investigate (new/used)	50	X		12/31/22
Mowing PM's	Set expectations for mowing	20	X		12/31/22
Pruning PM's	Set expectations for pruning	15	X		12/31/22
244/cp3 bench pad project		0	X		10/21/22

Security**Project Status & Objectives**

<i>Project Name</i>	<i>Objective</i>	<i>% Comp</i>	<i>On-Time</i>	<i>Late</i>	<i>Goal for Completion</i>
Develop safety Check list	Safety	100	X		9/30/22
Take management 101 Class	Training and Development	100	X		9/30/22
Clubhouse/Admin Fire Drill	Assess Fire Drill/Opportunities	75	X		10/7/22
Clubhouse Access Control (Quotes)	Building Safety	66	X		12/31/22
Follow Up with Security Grant	Safety and Security	25	X		10/31/22
Parking Sign Audit	Parking	0	X		12/31/22

End of Quarter Report Quarter 3 - July through September 2022

End of Quarter Reports is recapped directly from the Department Manager, Summarizing the Quarterly Accomplishments, Go Forward Plans & Goals.

HGMD

Clubhouse

Accomplishments/Department Update

- The third quarter of 2022 was about the Clubhouse staff stepping up and successfully taking the initiative to tackle complex situations. The staff showed great strides in using our reservation platform and facilitating equipment usage.
- Julie Racich has done an outstanding job taking on coordinating volunteers. We have been able to effectively use our volunteer program to our advantage. We have been using our volunteers for special events. The volunteers have been excellent. They have added great energy and enthusiasm.
- We have been able to incorporate sponsors with our events, developing strong relationships outside of Heather Gardens to benefit the residents.
- We added a water filling station to promote hydration, especially during the summer months
- We brought back Retro Band in September. This event was well attended, with 130+ attendees. This band continues to be a resident favorite
- We had our annual Resource Fair in September with 30+ vendors. A special thank you to Cheryl Greenman; she organized and created the Resource Guide with all the vendor information
- August was the last month for Food Truck Monday. There were a lot of obstacles and challenges with this event, but we learned a lot about how we can improve the event going forward. We are looking forward to reintroducing this food truck event in the Summer 2023.
- We celebrated the Fall Equinox with pie and cider. This event was fun for our residents and a wonderful opportunity for them to mingle. The Photo Club provided a fall picture show, and The Rendezvous provided the pies. Special thank you to Cormac and Courtney.
- The maintenance department repaired all chipped corners and tile in the men's and women's locker room. The repairs were made with steel corner pieces. Special thank you to Manny and the maintenance department. They did an excellent job.

Next Quarter/Next 3-Months/Goals

- Prepare for Fall Craft Fair
- Complete 2023 Calendar of events

- Hire 1 part-time front desk employee
- Add water filling station to the 2nd-floor water fountain
- Prepare for holiday events

Budget/Projections/Expenses

- We will be using capital funds to replace the outdoor pool boiler and re-plaster the outdoor pool.

Golf

Accomplishments/Department Update

- At Heather Gardens Golf Course, the 3rd quarter is always the peak of our golf season, when our weather is the most consistent. 2022 did not surprise that. It was a perfect 3 months for golf. In July and August, we produced over \$70k of revenue each of those months, which has never been done before at HG. For the quarter alone, we did just over \$200k, compared to last year, at \$188k which is over \$12k, which is a 7% increase in total revenue in 2022.
- Golf Carts were also up in the 3rd quarter of 2022 compared to 2021. In 2021 we did a total revenue of \$37k, and in 2022 we did \$38k, which was an increase of about 2.5% over 2021, nothing huge, but every dollar makes a difference.
- In 2021, I had my busiest year with golf lessons; I have been steadily busy in 2022 and increased our lesson revenue in the 3rd quarter by 3.5% over 2021.
- Merchandise sales have also increased in 2022. For instance, in 2021 during the 3rd quarter we did a total of \$8,500 in sales, but in 2022 we did \$9,500, which is about a 12% increase in sales for 2022.
- Heather Gardens golf course hosted a high-level junior golf event and multiple high school tournaments during the 3rd quarter. The events were extremely well received by our residents.
- The Men's league hosted their club championship during the month of August this year. They had perfect weather and conditions for the event. We have a new club champion, and every participant had a wonderful time.
- The Ladies league decided to host their club championship in the month of September instead of their normal August timeframe. Just as they were hoping, they too had wonderful weather and course conditions.
- Golf course maintenance performed a summer vertical cut and aeration of the greens.
- The maintenance staff is terribly busy this time of year; primary golf maintenance operations during the 3rd quarter are mowing greens 7 days a week, rotating pin positions 3 days a week, mowing tees, fairways, roughs, and bunkers 3 days a week.
- We had a main irrigation line break in August but it was successfully repaired in-house to help keep costs to a minimum.
- In September, we fertilized the entire golf course, greens, tees, and roughs, to ensure it stays beautiful for the remainder of the season.

Next Quarter/Next 3-Months/Goals

- The 4th quarter can always be hit and miss. Last season we did not see our first snow until December 15th; we are keeping our fingers crossed for a similar experience this season, as it will help to keep our revenue numbers up.
- We will be looking at updating our hitting screen on our golf simulator, they have a life span of about 2-3 years, and we are 3 years into our current screen, and its starting to show its age.
- The golf shop will be reaching out to all those who have lockers to begin collecting locker fees for the 2023 golf season.
- We will be hosting an employee golf tournament for all HG employees in the month of October; it should be a wonderful day.
- Golf Course maintenance will be aerating the golf course the first weekend of October, mostly just greens and tee boxes.
- In November, we will winterize the irrigation system, and remove the lake fountain at the north pond.
- We will be preparing snowplow equipment for winter as well.
- Mowing frequency will slow, but leaf mulching and sweeping will be necessary for golfers to see golf balls.
- We will look to clean up the shrubbery around the waterfall and make that look more of how it was intended when it was installed.
- Tree pruning and removal will happen in the 4th quarter.

Budget/Projections/Expenses

- In terms of revenue projections, we have been doing fantastic; after 3 quarters, we are over \$50k below our budgeted subsidy, and as long as the weather stays nice, we should be able to finish our budget around there. Even if the weather gets bad, we feel we will still be able to come in under budget for the 2022 year.
- Depending on if we have a heavy snow in the last quarter, we may need to bring in some extra part-time hours for removal.
- We have nothing left on Capital expenses to purchase for 2022.

Restaurant

Accomplishments/Department Update

- In the third quarter, we have had several special dinners, including Jimmy buffet dinner, and the Italian Dinner, to mention a few. The events were well attended, and we appreciate the residents that showed up.
- Banquets and parties have been consistent the last two quarters, 1Q \$7816 sales, 2nd Q \$17682, 3rd Q 17851. We are getting calls for holiday parties, so hopefully, the 4th quarter will stay consistently busy with banquets.

- Cost of goods has been rising steadily, we have a fall menu coming out soon, and it will reflect a small price increase.
- Sunday brunch has been steady, and we have been fortunate to have some great volunteers to help us on Sundays.
- We launched the loyalty program recently, and we already have over 300 people signed up; our goal is to have 500 residents/guests signed up by the new year.
- Sales have been growing and staying consistent from the 2nd quarter to the 3rd quarter. In the first Quarter, we had sales of \$92,981 and served 6000 guests, 2nd Q \$164,209 sales, and we served 10,058 guests, 3rd Q \$161,815 in sales and served 10540 guests.
- In May, we promoted our cook Victor to the lead cook position in the kitchen, assisting in ordering, inventory, and scheduling to mention a few duties, which has helped bring stability to the kitchen. In the past few days, we hired a part-time cook for the kitchen and are interviewing for server positions.

Next Quarter/Next 3-Months/Goals

- Book more parties and events and increase sales. Host a special dinner in September and October; December gets too busy with holiday parties.
- The Foundation was gracious enough to grant us the funds to purchase two new large-screen TVs, which will be used for Bronco games and golf tournaments.
- We are working with a marketing company to increase our presence on the internet and promote the restaurant and golf course.
- Sunday brunches have been steady. The band that plays Sunday morning during brunch are volunteer residents, and we and all our guests are happy they play for us. The band is called Yesterdays Bacon.
- We are planning a Halloween Party for Sat 29th Oct, with a traditional scary menu, bat wings, liver, and the fun stuff. We will send out the information soon.

Budget/Projections/Expenses

- Overall, the restaurant continued the trend of running lean with staffing to minimize labor expenses and maintain an acceptable gross profit percentage.
- The new point-of-sale system has been helpful for the back-of-house accounting and analyzing our daily and hourly sales, and product mix, which helps us when we look at adding menu items or deleting items that are not selling.
- We will closely monitor the new menu changes and events to evaluate their impacts on the overall bottom line.
- Hopefully, the weather for the next 3 months will be a nice fall/winter as one thing we have noticed is that our business is driven by weather; when the weather is hot, we are slower than usual and the same applies when it snows.
- We are planning two community holiday parties again this year and expect to be busy with group holiday parties. We are collaborating with our suppliers to get pricing for the upcoming Turkey season; they are projecting a 20% price increase for turkeys this year and possible short supply.

HGA

Accounting

Accomplishments/Department Update

- Continuous improvements in efficiencies and processes have resulted in MOAs, and Financial Board reports being completed in 4-5 business days following the end of a month for Q1, Q2, and Q3 FY22.
- 2023 Budget, including the Capital Reserve study was completed on time, 9/9/2022. Budget workshops were conducted on September 26 and 27.
- Emphasis on collections in prior quarters has reduced Assessment Accounts Receivable from a high of \$377K in 2021 to around \$95K as of September 2022. Assessment AR is the lowest since 2016 when accounting for annual Assessment increases
- Implemented delinquency notices in accordance with HG-1137 which became effective 8/10/2022. We had 43 delinquency notices posted at Units for August and 32 for September. We waited 7 days and only had 11 certified mailings return receipts for August and 12 for September.
- We added another 40 accounts to Direct Debit in Q3, increasing resident participation to 74.8%, or 1,814 units. In July 2021, we had 1,580 residents using Direct Debit. Increasing Direct Debit participation significantly reduces the time required for our cash application process.
- The first nine months of 2022 with the newly created RV Lot & Garden Plot Tracking/Billing within Jenark has been a success. With this process being automated, minimal resources are used to monitor and maintain it.
- Continue progress on cleaning up the property management system.

Next Quarter/Next 3-Months/Goals

- Continue to strengthen and document control environment.
- Continue progress on cleaning up the property management system.
- Review other property management accounting systems.
- Update capital reserve report.
- Implement new ASC 842 Leasing standards.
- Begin quarterly community presentation on “Understanding HGA & HGMD Financial Statements.” This will be pushed back to 2023.

Communications/Business Office

Accomplishments/Department Update

- Hire/Backfill Business Office Manager Position – ASAP
- Continue collaborating with the Receptionist and cross-train to assist the Resident Service Coordinator.
- Heather Gardens/Property Brochure Completion Through Vendors

Next Quarter/Next 3-Months/Goals

- Review the Website & Opportunities
- Continue working on All-Stream Project – Determine Lines & Usage – Cost Saving Opportunities if applicable
- Website Cleanup/Updating
- Social Media Consistent Updates/Posting

Contracts/Facilities

Accomplishments/Department Update

The Department has continued to move forward with completing the 2022 capital reserve projects. During the beginning of 3rd quarter, a recommendation was submitted to the Maintenance Committee of projects to differ in 2022 to alleviate money to complete projects we feel are of higher importance.

- 2022 Carpet Replacement Project – Complete.
- 2022 Asphalt Project in CP-4 – Complete.
- 2022 Seville Drainage Project – Complete.
- 2022 HGMD Maintenance Parking Lot – Drainage / Asphalt project is complete for 2022.
- 2022 HGMD Clubhouse Paint Project – Complete.
- 2022 HGMD RV Parking Lot – Fence repair is complete. We have pricing for the Street Lamps and Internet. We are waiting on the final camera pricing before submitting it for approval.
- 2022 FPE Panel Replacement – There is (1) Panel remaining to be replaced. The panel is scheduled to be replaced on 10/12.
- 2022 Elevator Jack Replacement at B243 and 250 Complete. B244 Elevator Jack is scheduled for 10/10 – 10/23.
- 2022 Roof Replacement B221 and 222 – Project is scheduled for late August – December.
- 2022 Parking Structure Maintenance Plan – Working with BC&E to provide stair designs to be distributed to stair manufacturers for pricing.

Next Quarter/Next 3-Months/Goals

- Continue to complete Capital Reserve Projects scheduled.
- Continue to work with BC&E on submitting their design proposals to continue the Parking Structure Maintenance Plan project.
- Complete Misc. Concrete Repair, Railing & Drainage Projects.

Budget/Projections/Expenses

- Finishing the scheduled 2022 Capital Projects – B221 and 222 roofs, B244's Elevator Jacks, and (1) remaining FPE Panel replacement.
- Elevator Jack Replacement Budget – Pump Truck is driving the cost of the project to exceed the budget. Approx \$8K per elevator.

Custodial

Accomplishments/Department Update

- The third quarter for Custodial has been about improving communication and teamwork. The staff has done an excellent job in this area, and we continue to grow together. The staff has been hard at work and has done a tremendous job with daily tasks.
- We were able to fill a full-time open position. This solidified having all buildings covered. The new employee fit right in, and the staff welcomed her with open arms.
- We have weekly safety meetings that have been productive and meaningful. Emphasizing safety has allowed us to be more effective in our daily tasks.
- We put out the schedule to the community for yearly projects. This was certainly a learning process for me personally. I got great feedback from the staff and the maintenance committee.
- We have made maintaining our equipment an important part of our work. We added this element to our staff meetings. This is where we give demonstrations on how to care for the equipment.
- Continuing to coach, develop, and mentor our team has been an integral part of building our team. We have made great progress within our team regarding the response to the coaching.
- Processes and procedures continue to be a work in progress. As I learn more about the department, I will be able to put a clear imprint in this area.
- We have been able to order supplies responsibly. The supplies were a concern coming into this position. I collaborate with the staff and the inventory department to regularly get feedback. We have been able to get this area under control by looking at what products are needed and ensuring we have products that mirror each other

Next Quarter/Next 3-Months/Goals

- Create weekly, monthly, and annual schedule for equipment maintenance and special projects.
- Complete yearly projects

Budget/Projections/Expenses

- The new carpet extractor hit our operational expense this quarter

Human Resources

Accomplishments/Department Update

- The Human Resource Department has assisted departments with Full-Time, Part-Time, and Seasonal hiring/backfill efforts. Posting ads, vetting resumes, providing oversight and guidance with interviews and new hiring process.
- Planned and Executed Employee Teambuilding Event in September with Board – End of Summer BBQ with food and games for staff.
- Misc. Budget Support, including Payroll/Benefits info for Managers’ Recommended Budget.
- Performance Evaluation Review, Benchmarking Exercises, Reviewing Benefits and Competitive Wages.

Next Quarter/Next 3-Months/Goals

- Continue Development of Expanded Customer Service Training Course
- PEO Administration Review
- Employee Open Enrollment/Insurance/Benefit Review
- Hire/On-Board Business Office Manager - ASAP

Maintenance

Accomplishments/Department Update

- 243 chair rail -completed on 7/25/22
- Dryer vent cleaning on six buildings, 224,231,232,233,234 -completed on 8/25/22
- Boiler maintenance, 242,220,221,212,213-completed on 9/30/22
- Restriped the maintenance parking lot-completed on 9/13/22
- 242 retubed boiler – completed on 9/21/22
- Worked on budgets-completed
- Filled all positions in maintenance and paint.
- All reviews are done on time and Complete.
- Installation of corner protectors in the clubhouse shower area.
- Began 220 recirculation project 9/10/22

Next Quarter/Next 3-Months/Goals

- Roof maintenance of the buildings throughout the property 6,4 stories.
- Cleaning of the mechanical rooms, and boiler rooms in all buildings.

- Shut down all swamp coolers, and adjust for winter temperatures in the air handle rooms.
- Seasonal leaf cleanup of gutters throughout the property.
- Begin Chair rail project in building 214 at the end of October 2022
- Installing new security exit doors 217,219.

Budget/Projections/Expenses

- In-Progress, OPEX budget Draft review – it appears based on Cost of Good increases that the Maintenance Department budget may need to increase from 2022 to cover materials and so on.

Roads & Grounds

Accomplishments/Department Update

The third quarter is our busiest quarter with the transition from summer to fall and all the work required to ready the property for the winter season. We have been mowing and pruning, as usual, and are preparing for aeration, fertilization and blowing out the irrigation system, as well as, readying our leaf and snow removal equipment. R&G has continued to maintain our daily regimen of mowing, pruning, and weed mitigation. We hired TruGreen for a second mosquito treatment. Our aging irrigation software was replaced and is up and running well. The PMs for snow removal have been rewritten and are awaiting approval from the Structural Maintenance Committee. We received and finalized a water wise landscape design from the city and are currently obtaining bids for the installation of the design at the Yale entrance.

Pruning Crew:

- Completed trimming, pruning and removal of dead/unhealthy trees along Yale
- Pruning and removal of shrubs
- Removing dead from trees on a work order basis
- Completed pruning schedule for 4 and 6 story buildings
- Completing work orders

Mow/Special Projects Crew:

- Mowing, trimming and edging property.
- Removal of poor turf area in CP2 and installation of new rock bed
- Weed mitigation
- Edging overgrown drain pans for proper drainage after rain/snow

Irrigation Crew:

- Replacing leaking or nonoperational valves
- Replacing sprinkler heads that were broken during mowing operations.

Next Quarter/Next 3-Months/Goals

- Complete aeration and fertilization of property
- Winterize the irrigation system
- Bench pad project between CP3 and 244
- Fall garage sweeping
- Write new PMs for pruning and mowing operations
- Implement new snow removal procedures (if approved by the board)
- Hang Christmas lights/decorations

Budget/Projections/Expenses

- Our budget should be on track until the end of the year
- We have purchased our fall fertilizer at approximately 8k
- We are looking at the possibility of having to purchase a new plow for the new #500 if the old plow will not work

Security

Accomplishments/Department Update

In the third quarter of 2022 HG Security-

- Held an Active Shooter Seminar for employees and residents
- Completed and Audit of all Hg Radios
- Expanded the Active Shooter training for employees
- Developed officer training tracker
- Obtained 3 Quotes for Access Control system in clubhouse
- Chief was able to take Management 101 class
- Chief and three officers took Dealing with difficult customers training
- Completed the 2023 Operational Budget for the department
- Received new department radios

Next Quarter/Next 3-Months/Goals

- The next quarter will be spent on maintaining staffing
- Schedule and complete our bi-annual weapons qualification
- Get the project for cameras in RV lot and Parking Structures started
- Explore other training for officers
- Begin researching for purchase of new department vehicle
- Conduct a sign audit in all the parking areas

Budget/Projections/Expenses

- Service and upkeep of patrol vehicles
- For the last quarter of the year, I do not see any large purchases to be made besides the

instillation of cameras in the Parking Structures and RV Lot.

Heather Gardens Clubhouse/Restaurant Committee Meeting

October 10, 2022

Chair, Maria Mines, opened the meeting at 10:00 PM in the HG Board Room, with quorum present. Report of the September 12th meeting was approved, as written.

Report by Clubhouse Manager. Montrell Anthony expressed thanks to Cormac Ronan, Restaurant manager, for his assistance when it was needed. He also thanked volunteers who have been helping with Clubhouse activities with enthusiasm and energy, and Julie Racich, Assistant Manager, who continues to do an excellent job. The floor tile in both locker rooms was repaired and deep-cleaned, and a non-slip coating was applied for the first time. The Resource Fair had 35 vendors and was well attended. The Monday night Broncos game also had good attendance. Class registration went well, and good feedback will be used to adjust some items for better use. The Retro Band concert attracted 140 people to the auditorium. The fall equinox event was well attended and people enjoyed the food and social contact. Trips to the Colorado Rockies game and sightseeing to Cripple Creek were both sold-outs. The Craft Fair will take place this month, and all vendors spots have been sold. The Friday movie and Bingo have also had good attendance. A Halloween Party is planned for 22 October, featuring dinner, as well as dance and costume contests.

Report from Restaurant Manager. Cormac Ronan reported that sales for October were slightly above budgeted. Figures for the past three quarters: 6,000 meals served in the first one, 10,058 served on the second one, and 10,540 on the third one. Attendance seems to be affected by the weather, with more people going out when the weather is warmer. The Italian buffet had very good attendance, 75-80 people served. The loyalty program is up and running, with approximately 300 people signed up; a new ad in Heather 'N Yon will inform residents about the program and will offer discount coupons. If this marketing strategy is successful, it will be continued. In addition, the HG website is being used for marketing, in conjunction with HG PR group. The Sunday brunch continues to attract customers, approximately 140 each week; banners have been placed in front of the Restaurant to advertise this. The Halloween Party buffet is being planned, and holiday party bookings are already in progress. Two new TVs and one TV cart were purchased, paid for by Foundation funds, to be used in the Restaurant and Banquet Room. The committee was presented with a 3-page cost increase list, so they could be aware of rising costs in food and restaurant supplies. Staffing is slowly getting better, but there is still a need for one cook and one other server. Since parking continues to be a problem, it was suggested that a sign be displayed in the Golf Pro Shop, asking golfers to use the parking lot by Building #250, instead of the Clubhouse parking lot; Cormac will contact the Golf Shop regarding this issue. Live bands and music are under consideration for future events. Addressing a suggestion, Cormac stated that breakfast and snacks had been offered to golfers in the past, and there had been little or no response to this approach.

New Business. It was decided not to participate in the Heather Gardens 50th Anniversary Celebration as a committee; if any committee member felt that they wanted to participate as an individual, they were encouraged to do so.

There were no questions or comments from the audience, and with no further business to discuss, the meeting was adjourned at 11:15 AM.

There will not be a meeting in November. The next Clubhouse/Restaurant Committee meeting will be held on December 12, 2022 at 10:00 AM.

Lenora Tracy, Secretary

HGMD TREASURER'S REPORT for OCTOBER 2022 BOARD MEETING

Highlights of District Operations

For the Nine Months ended September 2022

Enterprise Fund:

Enterprise Fund revenue through September was \$2,089,900 which is \$6,100 less than budgeted. Enterprise Expenses were \$1,791,900 which is \$124,200 less than budgeted. Recreation Fee income of \$1,222,900 is as expected. Golf Revenue is \$23,800 more than budgeted. Clubhouse revenue is \$2,000 less than budgeted. Restaurant revenue is \$32,300 less than budgeted. Expenses for all three major amenities are about \$106,500 less than budgeted. Capital Expenditures of \$127,600 have been recorded including \$92,800 from 2021 projects completed in this year.

Restricted Funds

Conservation Trust Fund (Lottery). In September the District received a quarterly distribution of lottery funds amounting to \$4,625. Year to date revenue is \$14,800 and \$19,150 has been used for District projects. At September 30th, there was 167,589 in the bank account dedicated for Lottery Funds.

Foundation Fund. The Foundation Fund has received \$2,800 in donations and interest income through September and \$888 has been spent on projects. The Foundation bank account has a balance of \$42,916 and investments amounting to \$150,000 at maturity.

Debt Service Fund. Property tax collection, year to date, has been \$498,093. Specific ownership tax revenue year to date, has been \$23,873. Specific Ownership tax collection for the year may be less than anticipated in the budget. This is not a concern since the bank account for the Debt Service has excess funds. The Debt Service bank account has a balance of \$546,403 at the end of the month. A bond principal payment of \$280,000 and bond interest payment of \$153,700 will be due on December 1, 2022.

FOR THE MONTH ENDED SEPTEMBER 2022

	Budget	Actual
Clubhouse Subsidy	\$(45,826)	\$(51,487)
Golf Subsidy	\$(287)	\$ 886
Restaurant Subsidy	\$(7,272)	\$(6,165)

YEAR TO DATE THROUGH SEPTEMBER 2022

Clubhouse Subsidy	\$(486,839)	\$(439,422)
Golf Subsidy	\$(179,621)	\$(122,852)
Restaurant Subsidy	\$ (62,844)	\$ (70,948)

Golf Course Usage and Income	2022	2021	2020	2019	2018	2017
INCOME						
January	3,986	11,459	9,726	8,111	6,302	1,535
February	1,354	5,786	5,075	0	3,060	9,296
March	16,825	7,378	16,568	8,095	25,421	19,323
April	41,742	36,254	3,048	32,944	29,992	32,075
May	51,467	44,535	42,140	43,455	44,098	33,770
June	67,089	59,336	61,330	53,610	46,511	45,609
July	71,427	64,426	62,154	55,768	45,287	46,958
August	70,427	67,034	62,769	58,504	50,022	41,007
September	58,152	54,320	54,223	49,548	41,417	31,709
October	-					
November	-					
December	-					
TOTAL	382,469	350,528	317,033	310,035	292,110	261,282
EXPENSES						
January	43,719		41,663	29,822	28,721	23,466
February	35,740	39,321	31,348	32,360	29,615	35,020
March	45,758	50,041	52,113	40,311	39,114	34,302
April	44,900	104,831	57,098	51,921	50,444	52,317
May	61,385	48,569	55,203	51,904	42,776	38,228
June	74,222	62,769	66,251	44,801	49,083	43,244
July	70,192	68,334	72,526	69,741	46,548	76,661
August	72,144	68,556	64,764	70,396	50,414	82,402
September	57,266	62,715	64,763	49,031	46,002	51,890
October	-					
November	-					
December	-					
TOTAL	505,326	505,136	505,729	440,287	382,717	437,530
PROFIT (LOSS)						
January	(39,733)	11,459	(31,937)	(21,711)	(22,419)	(21,931)
February	(34,386)	(33,535)	(26,273)	(32,360)	(26,555)	(25,724)
March	(28,933)	(42,663)	(35,545)	(32,216)	(13,693)	(14,979)
April	(3,158)	45,914	(54,050)	(18,977)	(20,452)	(20,242)
May	(9,918)	(4,034)	(13,063)	(8,449)	1,322	(4,458)
June	(7,133)	(3,433)	(4,921)	8,809	(2,572)	2,365
July	1,235	(3,908)	(10,372)	(13,973)	(1,261)	(29,703)
August	(1,717)	(1,522)	(1,995)	(11,892)	(392)	(41,395)
September	886	(8,395)	(10,540)	517	(4,585)	(20,181)
October	-					
November	-					
December	-					
TOTAL	(122,857)	(154,608)	(188,696)	(130,252)	(90,607)	(176,248)
DAYS COURSE CLOSED						
January	23	14	10	25	11	23
February	28	13	27	28	14	7
March	14	19	18	22	8	4
April	2	17	16	6	1	0
May	2	0	0	0	0	0
June	0	0	0	0	0	0
July	1	0	0	0	0	0
August	1	1	0	0	0	0
September	0	1	2	0	0	0
October						
November						
December						
TOTAL	71	65	73	81	34	34
ROUNDS PLAYED						
January	182	525	440	268	521	115
February	0	240	194	0	247	757
March	967	392	989	463	1873	1378
April	2272	2068	275	940	2416	2632
May	3212	3208	2,976	2,837	3347	2747
June	3309	3264	2,763	3,801	3481	3601
July	3436	3488	3,986	3,826	3441	3475
August	3500	3577	4,034	4,039	3750	3265
September	2928	2994	3,477	3,392	2965	2482
October						
November						
December						
TOTAL	19,806	19,756	19,134	19,566	22,041	20,452
YTD Income per round played	19.31	17.74	16.57	15.85	13.25	12.78
YTD Expense per round played	25.51	25.57	26.43	22.50	17.36	21.39
YTD Profit (loss) per round played	(6.20)	(7.83)	(9.86)	(6.66)	(4.11)	(8.62)

Resturant Statistical Information	
Income	2022
January	19,177
February	26,344
March	48,465
April	56,155
May	55,769
June	53,688
July	59,007
August	53,914
September	50,900
October	
November	
December	
Total	423,419
Expenses	2022
January	38,573
February	39,411
March	57,350
April	60,949
May	59,111
June	61,093
July	61,813
August	58,997
September	57,065
October	
November	
December	
Total	494,362
Profit (loss)	2022
January	(19,396)
February	(13,067)
March	(8,885)
April	(4,794)
May	(3,342)
June	(7,405)
July	(2,806)
August	(5,083)
September	(6,165)
October	-
November	-
December	-
Total	(70,943)
Number of Guests	2022
January	1,172
February	1,666
March	3,162
April	3,354
May	3,319
June	3,385
July	3,691
August	3,570
September	3,279
October	
November	
December	
Total	26,598
YTD income/guest	\$ 15.92
YTD expense/guest	\$ 18.59
YTD Profit(loss) per guest	\$ (2.67)

**HEATHER GARDENS BUDGET & FINANCE COMMITTEE
OCTOBER 17, 2022, MEETING REPORT
COMMITTEE MET IN THE BOARD ROOM
MEETING ALSO AVAILABLE ON ZOOM**

TO: Members of the Heather Gardens Budget & Finance Committee, HGA Board of Directors, HGMD Board of Directors, Chief Executive Officer, and Chief Financial Officer.

FROM: Terry Hostetler, HGA Treasurer, and Bill Archambault, HGMD Treasurer

Committee: Terry Hostetler, Co-Chair, Bill Archambault, Co-Chair, Craig Baldwin, Harry Laubach, Ray Nash, Randy Lane, Richard Ferguson, and John Recob. Members Baldwin and Laubach were excused due to other commitments.

Staff: Jon Rea, CEO; Jerry Counts, CFO.

Audience: Approximately 15 residents, including HGA Board Members and HGMD Board Members

Welcome and Chair Comments: The B&F Committee meeting was called to order at 10:00 AM. A quorum was established. Co-Chair Hostetler welcomed all members and residents present.

The September 15, 2022, B&F Committee meeting report was accepted as presented.

Report from HGA Investment Advisors, the Nice Group of Raymond James, was presented. There are 2 CDs maturing today which have been approved for reinvestment for 2 years including a \$100,000 CD in Capital Reserves and a \$235,00 CD in the Operating account. Also discussed was investing \$1,2394,828 currently in the capital reserves cash account into a Money Market Fund backed by US Treasuries. Money market funds are very liquid and actual cash would be available the next business day, if needed. Currently, the money market fund is paying between 2.4% and 2.6% net of investment fees.

Motion by Recob seconded by Lane and passed unanimously to recommend that the Heather Gardens Association Board of Directors invest the amount held in the Raymond James Capital Reserve Savings account (Account A107.3) \$1,234,828 as of September 30, 2022, into a Raymond James Money Market Fund backed by US Government Treasuries.

Monthly Operating Analysis Review: Jerry Counts, CFO, reviewed the September financial statements for HGA and HGMD. All questions were answered.

Subcommittee and Other Reports:

Audit Subcommittee: Report was reviewed.

Insurance Subcommittee: Next month, the Insurance subcommittee will discuss with the insurance pool the renewal of HGMD insurance coverage for the year beginning January 1, 2023.

Capital Projects Subcommittee: Nothing to report after the budget meeting held last week,

Investment Update: Discussed earlier in this report

Unfinished Business: None

New Business:

- 1) Information was presented regarding an emergency project for sewer mainline replacement in South Townhouse units 3206-3126 at a cost of \$11,275. No action was required nor taken by the Committee as this was an emergency project that had been completed.

Members of the audience wishing to speak on non-agenda items: None

The meeting was adjourned at 11:22 AM. The next meeting will be on November 14, 2022, at 10 AM in the Board Room and via Zoom.



HEATHER GARDENS METROPOLITAN DISTRICT REQUEST FOR CAPITAL EXPENDITURE

PROJECT: Clubhouse Outdoor Pool Boiler Replacement

DEPT: Maintenance

DATE: September 28, 2022

Table with budget details: BUDGET Year: 2022, Budget Amount: \$ 32,704, Contract Amount: \$ 22,880, Expended YTD: \$, Change Order Res.: \$ 2,288, Total Project Cost: \$ 25,168, Unexp. Balance: \$, Add. Funds Request: \$

DESCRIPTION: This project includes removing and replacing the existing Heather Gardens Clubhouse Outdoor Pool Boiler with a new Mighty Therm LAARS boiler with the same specifications as the existing boiler.

JUSTIFICATION: (Attach backup material as required)

The average life span of a pool boiler is typically 15 years. The existing pool boiler was installed in 1998. The outdoor pool boiler is currently leaking, causing it not to work properly.

BID COMPARISON: (If required, summarize or attach separate schedule.)

- Long Mechanical: \$22,880
Air Conditioning Associates, Inc – Denver Boiler Company: \$31,133
Colorado Mechanical Systems, LLC: \$41,999

RECOMMENDATION: The recommendation is to contract with Long Mechanical to replace the existing Clubhouse Outdoor Pool Boiler. We feel all 3 vendors submitting a proposal could complete this job to HG standards therefore we are recommending the low bidder for this project.

Approval table with 7 columns: 1. Department Head, 2. Controller, 3. CEO, 4. Department Comm. Chair, 5. Budget & Fin. Committee, 6. HGA President, 7. HGMD President. Includes checkboxes for Concur/Non-concur and handwritten initials.

Check concur, non-concur or concur with justification, then initial. Attach comment sheet if you like.

*Capital expenditures, except emergency replacements and weatherproofing performed by HGA labor, are approved/revised as follows: All Items require Block 1, 2 (when needed), and 3 through 8 completed.

Project Agreement

Quote Number:	CMK22-01569	September 19, 2022	Page 1 of 5
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Customer:	Heather Gardens Metro District
Location:	Heather Gardens Association 2888 South Heather Gardens Way Aurora, Colorado 80014
Regarding:	Replacement of LAARS Boiler for Pool

Thank you for the opportunity to provide solutions to your HVAC needs. We are pleased to offer our proposal to replace the failed LAARS boiler, model AP0500IN09C1PCJX with serial number ending in 3164, with a new factory direct boiler of same specs.

OUR PROPOSAL INCLUDES THE FOLLOWING:

1. Providing the following:
 - ◆ One (1) new Mighty Therm LAARS boiler
 - 500,000 BTU/HR
 - 160 psi Heat exchanger
 - 24-volt control system
 - 115/24VAC Transformer
 - 75 psi pressure relief valve
 - Removable burner trays
 - External header gaskets
 - Pump included
 - ◆ Labor
 - ◆ Permit and inspections
2. Removal of failed boiler includes:
 - ◆ Shutting off and isolation of power (Lock-Out/Tag-Out)
 - ◆ Isolation and draining of water
 - ◆ Disconnecting water inlet and outlet piping
 - ◆ Disconnecting electrical, power and controls
 - ◆ Shutting and isolation of gas inlet
 - ◆ Disconnecting gas piping to boiler
 - ◆ Disconnecting flue from top of boiler

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- ◆ Removal of boiler and haul away for proper disposal

3. Installation of new boiler includes:

- ◆ Hauling in and setting new boiler in place
- ◆ Connection of water
 - Inlet and outlet connections
 - Pressure relief piping
 - Removing isolation from inlet and outlet and checking for leaks
- ◆ Connection of gas line
 - Moving piping as necessary
 - Connecting to new boiler gas connection
 - Removing isolation and testing for leaks
- ◆ Connection of electrical
 - Connecting of main power
 - Connecting of control wires
 - Removing LO/TO and restoring power
- ◆ Startup and commissioning of the new boiler
- ◆ Permit inspections and state certifications for boiler/pressure vessel

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OUR PROPOSAL EXCLUDES THE FOLLOWING:

1. Providing the labor and materials for work not detailed to be done in this project's scope of work, including:
 - ◆ Providing labor after our normal business hours 8:00 am to 4:30 pm Monday through Friday

YOUR INVESTMENT FOR THIS AGREEMENT IS \$22,880.00
 Twenty-Two Thousand Eight Hundred Eighty Dollars and Zero Cents

This price will be held firm for 30 days. Please review this proposal and let us know if you have any questions. If this proposal is acceptable, please sign below.

Thank you for selecting LONG Mechanical Solutions.

Your building technology partner

Mike Poole

Mike Poole
 Account Executive

Accepted by,

Authorized Signature

Printed Name

Date: _____ PO# _____

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TERMS AND CONDITIONS OF SALE

- 1. OFFER AND ACCEPTANCE** – LONG Building Technologies, LONG Mechanical Solutions (LONG) offers to sell the equipment, materials and labor indicated in strict accordance with the terms and conditions stated herein. Submittal of a Purchase Order, contract or execution of this offer by Customer, or allowing LONG to commence work shall be deemed an acceptance of this offer, which offer and acceptance shall constitute a legally enforceable contract between Customer and LONG. Any additional or differing terms and conditions contained on Customer's Purchase Order or contract (whether or not such terms materially alter this offer) are hereby rejected by LONG and shall not become part of the contract between Customer and LONG unless expressly consented to in writing by LONG. This offer is subject to acceptance within 30 days after date proposed and is based on all work being performed during regular working hours unless stated differently in the offer.
- 2. TERMS** – Terms of Payment for goods shipped and/or services rendered hereunder shall be NET 30 days on receipt of invoice. Credit card processing fees are not included. Processing fees charged to LONG resulting from Customer payment by credit card will be added to customer's invoices. LONG reserves the right to add to any account outstanding more than thirty (30) days a charge of one and one-half (1½%) percent of the principal amount due at the end of each thirty (30) day period.
- 3. INVOICING** – LONG reserves the right to issue partial or complete invoices as material is furnished and as services are rendered.
- 4. PERFORMANCE** – LONG shall not be liable for delays in delivery of equipment or performance of services hereunder where such failure or delay is due to the disapproval of LONG's Credit Analysis, strikes, fires, accidents, national emergency, failure to secure materials from the usual sources of supply, or any other circumstances beyond the control of LONG, whether of the causes enumerated above or not, which shall prevent LONG from making deliveries or performing services in the usual course of business. In the event of the disapproval of Credit or the occurrence of any of the above, LONG may, at its sole option, cancel Customer's Purchase Order or contract without any liability on the part of LONG. Alternatively, LONG may extend the time for its performance by a period equal to the duration of the cause underlying LONG's failure or delay. Receipt of the equipment or services by Customer upon its delivery shall constitute a waiver of all claims for delay.
- 5. TAXES** – Prices quoted are exclusive of taxes unless specifically state differently in the scope of work proposal. The amount of any present or any future occupation, sales, use, service, excise or other similar tax which LONG shall be liable for either on its own behalf or on the behalf of the Customer, with respect to any orders for machinery or services, shall be in addition to the billing prices quoted and be paid by the Customer.
- 6. WARRANTY** – On equipment, LONG will extend the manufacturer's warranty to our customer (typically up to 1 year, starting the date sold to LONG). LONG warrants installation craftsmanship, parts and materials for 90 days and will repair or replace, at LONG's option to fulfill the term of the initial warranty period. This warranty does not include loss of refrigerant, fuses, subcontracted services (example, crane), damages caused by customer misuse or abuse, acts of God, site electrical or other problems or after-hours warranty service labor. The warranty and liability set forth above are in lieu of all other warranties and liabilities, express or implied, in law or in act. The warranties contained herein set forth customer's sole and exclusive remedy in the event of a defect in workmanship or materials.



Long live your building!

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7. **LIMITATION OF LIABILITY** – LONG will provide proof of liability insurance coverage per customer's request. LONG shall not be liable for any special, incidental or consequential damages. All claims, causes of action or legal proceedings against LONG arising from LONG's performance under this contract must be commenced by Customer within the express warranty period specified under Paragraph 6 hereof. Failure to commence any such claim, cause of action or legal proceeding within such period shall constitute a voluntary and knowing waiver thereof by Customer.
8. **CANCELLATION** – Should customer cancel the project, LONG reserves the right to collect cancellation charges (including, but not limited to, all costs and expenses incurred, plus reasonable overhead and profit against any cancelled order or contract).
9. **DISPUTES AND CHOICE OF LAW** – This contract shall be deemed to have entered into and shall be governed by the laws of the State of Colorado. All claims, disputes and controversies arising out of or relating to this contract, or the breach thereof, shall, in lieu of court action, be submitted to arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association, and any judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. The site of the arbitration shall be Littleton, Colorado unless another site is mutually agreed between the parties. The parties agree that any party to the arbitration shall be entitled to discovery of the other party as provided by the Federal Rules of Civil Procedure; provided, however, that any such discovery shall be completed within four (4) months from the date the Demand for Arbitration is filed with the American Arbitration Association.
10. **COSTS TO LONG** – In the event it becomes necessary for LONG to incur any costs or expenses in the collection of monies due to LONG from Customer, or to enforce any of its rights and privileges hereunder, Customer, upon demand, shall reimburse LONG for all such costs and expense (including, but not limited to, reasonable attorney's fees).
11. **NON-SOLICIATION** – Both parties agree that during the term of this agreement and for a period of one year after termination, not to discuss, solicit, hire or in any way cause any employee of the other to consider terminating their employment with one party in favor of starting their own company to provide services similar to those included in this agreement or for direct employment by the other party. Should this clause be violated it is agreed that the offended party will be significantly damaged. The offending party agrees to reimburse the offended party a minimum compensation equivalent to the last 3 years of wages, benefits and training paid and attributed to the solicited former employee. This clause can only be waived by the prior written agreement of executives of both parties to this agreement.
12. **ENTIRE AGREEMENT** - These terms and conditions, and the matter set forth on the face of LONG's offer to sell, constitute the entire agreement between LONG and Customer. No course of dealings or performances, or prior, concurrent or subsequent understandings, agreements or representations become part of this contract unless expressly agreed to in writing by an authorized representative of LONG.
13. **ASSIGNMENT** – Customer shall not assign this contract or any interest therein without the prior written consent of LONG. Any actual or attempted assignment without LONG's consent shall entitle LONG, at its sole option, to cancel this contract and, in such event, LONG shall be entitled to payment for all work performed and materials furnished to the date of cancellation, as well as reasonable compensation for lost overhead and profits.

PROPOSAL
AIR CONDITIONING ASSOCIATES, INC.
DENVER BOILER COMPANY
250 WEST LEHOW AVENUE
ENGLEWOOD, COLORADO 80110
(303) 744-3141
FAX: (303) 744-3116

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Proposal Submitted To: Heather Gardens	Phone	Date 8-29-2022
Street 2888 S heather Gardens Way	Job Name Heather gardens	
City, State and Zip Code Aurora CO 80014	Job Location 13931 E Marion Dr	
Attn: Jon	Email jon.howell@HeatherGardensmail.com	Job Phone 720 422 0837

We hereby submit specifications and estimates for:

Installing Pool Boiler.
Boiler is out 14-18 weeks

- *Disconnect the old boiler from gas, electrical, stack piping water piping.
- *Remove old LARRS pool boiler and discard of off site
- *Bring in new like for like LAARS 500MBH POOL BOILER CSD1,PUMP.
- *Set boiler in place. Reconnect to the existing gas, flue piping, water piping, electrical.
- *Pipe the sensors in the supply and return per the manual.
- *Change the piping to meet the manual specifications on the primary and secondary piping.
- *Perform a start up on the boiler
- *Have the boiler inspected by the state.

Exclusions: Any other work than in the scope above. Code violations in the room if any, electrical, flu piping, gas piping,

ACA/Denver Boiler Co. provides a one year limited warranty against defective workmanship on new equipment and system installation, and a thirty day limited warranty on service repair limited to the labor needed to correct the defect. Defective equipment, parts and materials are covered by the manufacturer warranty which is available upon request. All warranty claims are subject to acceptance by ACA/Denver Boiler Co. and the manufacturer.

We propose hereby to furnish material and labor and complete in accordance with above specifications, for the sum of: *****Thirty One Thousandad One Hundred Thirty Three Dollars 00/100 Cents***** (\$31,133.00)

Payment to be made as follows: Thirty days net

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements are contingent upon but not limited to strikes, accidents or delays beyond our control. The owner of the address to be services is to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workmen's Compensation Insurance.

Authorized by: Zane Prante _____ Signature: _____

Acceptance of Proposal - The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Signature: _____ Date of acceptance: _____

NOTE: This proposal may be withdrawn by us if not accepted within 14 days

COLORADO MECHANICAL SYSTEMS, LLC.

To: Heather Gardens Association	PHONE: 720-422-0837	DATE 8/5/2022
Attn: Jon Howell	JOB NAME/LOCATION: Club House - 2888 South Heather Gardens Way Aurora, Colorado 80014	
	EMAIL: Jon.Howell@HeatherGardensmail.com	JOB: Pool Boiler

Scope of Work: CMS proposes to provide the following services:

Pool Boiler – Lead Time 16 Weeks

Inclusions:

- Removal of existing boiler and dispose of properly.
- Furnish and install (1) Laars AP0500IN09C1PCJX Pool Boiler.
- Disconnect and reconnect associated piping.
- Reuse all shutoff valves. (If shut offs do not
- Disconnect and reconnect existing electrical connections.
- Install a new EPO for electrical code.
- Disconnect and reconnect existing gas piping.
- Reconnect to existing flue at wall.
- Installation of insulation for associated piping.
- Perform factory authorized startup and test new Pool Boiler for proper operation.
- Clean area of work debris.
- CMS provides 1-year labor warranty to all work performed.
- Includes manufacture warranty.
- This proposal is subject to change based on unknown items that may occur as a result of COVID-19 such as material delays, labor shortages due to vaccination status, jobsite disruptions or governmental intervention. Manufacturers and production facilities are feeling the impacts of decreasing international imports, health and safety concerns and economic impacts to their businesses. As a result, manufacturing production may be impacted. Therefore, lead times and production may be extended without warning and pricing may be affected. CMS reserves the right to pass on supplier and subcontractor price adjustments from the time of contract execution until the material release date with these entities. Known projects with critical completion schedules should be coordinated with CMS.

Exclusions:

After hours, overtime and or weekend labor, permits, upgrades to line voltage electrical, Design and/or engineering, removal/repair/replacement of finished surfaces; DDC Controls, drywall repair or replacement if necessary; any GC work; carpentry; painting; fire alarm; fire suppression work, sprinkler work; liquidated damages; pre-existing conditions; insulation; controls modifications or upgrades; warranty to existing equipment or components; any labor, or material not specified in scope.

Thank you for the opportunity to submit this proposal!

CMS proposes to furnish material and labor as per the scope of work set forth above for the sum of:

\$ Forty-One Thousand, Nine Hundred Ninety-Nine Dollars \$41,999.00

Payment to be made as follows: Net 20 Days

All material is as specified. All work to be completed according to standard practices. Any alteration or deviation from the above involving extra costs will be executed only upon written orders and will become an extra charge over and above the estimate. Owner to carry fire, tornado and other necessary insurance.

ACCEPTANCE OF PROPOSAL – The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Signature _____
Date _____
Title _____

Authorized Representative:

Signature Richard DiFranco

Richard DiFranco
Senior Account Executive

Note: This proposal may be withdrawn by us if not accepted within **10** days.

WORK ORDER CONTRACT

HEATHER GARDENS METROPOLITAN DISTRICT

1. **CONTRACTOR.** The Heather Gardens Metropolitan District (the "District") hereby retains Long Mechanical (the "Contractor") to perform the Work (as defined in paragraph 3) for the District. The Contractor hereby agrees to perform such Work, pursuant to the terms and conditions set forth herein as an independent contractor of the District.

2. **TERM.** The Contractor shall commence the Work on TBD or when otherwise advised by the District. The Contractor shall complete all the Work by TBD.

3. **SCOPE OF WORK.** The "Work" contracted for pursuant to this Work Order shall consist of the following: Long Mechanical will Remove and Replace the existing Heather Gardens Clubhouse Outdoor Pool Boiler with a new Mighty Therm LAARS Boiler with the same specifications as the old existing Boiler. The new Boiler will be capable of distributing 500,000 BTU's/HR. Long Mechanical will dispose of the old Boiler properly. All work is to be permitted and inspected by the City of Aurora prior to final payment being released.

Or check here if a scope of work is attached to this Work Order and incorporated herein by this reference.

In the event of any conflict between the terms of an attached scope of work and this Work Order the terms of this Work Order shall prevail. In performing the Work the Contractor shall: (a) comply with all applicable federal, state and local laws (b) be responsible for providing, at its cost and expense, all management, supervision, labor, materials, administrative support, supplies and equipment necessary to perform the Work and (c) warrant the Work for one year after completion of the Work, as applicable.

4. **COMPENSATION.** The Contractor shall be paid an amount not to exceed \$22,880.00 by the District for Work satisfactorily performed either (a) on a as performed basis or (b) in a lump sum upon completion. The Contractor shall be solely responsible for all expenses it incurs in performance of the Work and shall not be entitled to any reimbursement or compensation except as set forth herein. As applicable, for certain contracts over \$50,000, the performance and payment bond provisions of Section 38-26-105, C.R.S. are hereby incorporated by this reference into this Work Order as though fully set forth herein, and shall hereinafter bind the District and the Contractor accordingly.

5. **INDEMNIFICATION.** Subject to the provisions of Section 13-50.5-102(8), C.R.S., to the extent applicable to this Work Order, the Contractor shall indemnify, defend and hold harmless the District and each of its directors, employees, agents and consultants (collectively the "Indemnitees"), from and against any and all claims, demands, suits, actions, proceedings, judgments, losses, damages, injuries, penalties, costs, and expenses (including reasonable attorneys' fees), and liabilities of, by or with respect to, third parties ("Any Claims") to the extent they arise from or may be alleged to arise, directly or indirectly, in whole or in part, from the intentional or negligent acts or omissions of the Contractor or any of its subcontractors, agents, representatives or employees, or the agents, representatives, or employees of any subcontractors, in connection with this Work Order and/or the Work provided hereunder, including, without limitation, Any claims which causes or allows to continue a condition or event which deprives the Indemnitees, as applicable, of its sovereign immunity under the Colorado Governmental Immunity Act, Sections 24-10-101, *et seq.*, C.R.S., as amended from time to time. Provided, however, that such Contractor shall not be liable for any claim, loss, damage, injury or liability arising out of the negligence, willful acts, or intentional torts of the Indemnitees. The obligations this paragraph shall survive termination or expiration of this Work Order.

6. **INSURANCE.** The Contractor shall secure and maintain for the term of this Work Order adequate statutory workers' compensation insurance coverage, comprehensive general liability insurance and excess liability coverage, from companies licensed in the State of Colorado, as will protect itself and the Indemnitees from claims for bodily injuries, death, personal injury or property damage, which may arise out of or result from the Contractor's acts, errors or omissions. Such insurance coverage shall be acceptable to the District in its sole discretion. To provide evidence of the required insurance coverage, copies of certificates of insurance shall be furnished to the District.

7. **CONFIDENTIALITY.** During the performance of this Work Order the Contractor may have access to confidential information and hereby agrees that the Contractor will not use or disclose to anyone, except as required in the performance of this Work Order or by law, or as otherwise authorized by the District, any or all confidential information given to the Contractor by the District, developed by the Contractor as a result of the performance of this Work Order or accessed by the Contractor as a result of this Work Order. The Contractor acknowledges and agrees that all documents in the District's possession, including documents submitted by the Contractor, are subject to the provisions of the Colorado Open Records Act, Sections 24-72-200.1, *et seq.*, C.R.S. The Contractor agrees that, if the District so requests, it will execute a confidentiality agreement, in a form acceptable to the District. The obligations of this paragraph shall survive termination or expiration of this Work Order.

8. MISCELLANEOUS.

A. Subject to Annual Budget and Appropriation/Governmental Immunity. The performance of those obligations of the District hereunder requiring budgeting and appropriation of funds are subject to annual budgeting and appropriations. As applicable, the provisions of Section 24-91-103.6, C.R.S. are hereby incorporated by this reference into this Work Order as though fully set forth herein and shall hereinafter bind the District and the Contractor accordingly. Nothing in this Work Order, or in any actions taken by the District pursuant to this Work Order, shall be deemed a waiver of the District's sovereign immunity under the Colorado Governmental Immunity Act, Sections 24-10-101, *et seq.*, C.R.S.

B. Integration/Modification/Assignment/Termination. This Work Order contains the entire agreement between the parties, and no statement, promise or inducement made by either party or the agent of either party that is not contained in this Work Order shall be valid or binding. This Work Order may be modified, amended or changed only by an agreement in writing duly authorized and executed by both parties. The Contractor shall not assign this Work Order or any interest hereunder, in whole or in part, without the prior written consent of the District, which consent may be withheld for any reason or for no reason. The District may assign this Work Order or any interest hereunder, in whole or in part, at any time. The District may terminate this Work Order at any time for convenience or for cause, in whole or in part, by delivery to the Contractor of a written notice of termination at least five (5) days prior to the effective date.

C. Severability/Non-Waiver/Governing Law and Venue. If any term or provision of this Contract is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Work Order; provided, however, that if any fundamental term or provision of this Contract is invalid, illegal, or unenforceable, the remainder of this Work Order shall be unenforceable. No waiver of any of the provisions of this Work Order shall be deemed to constitute a waiver of any other provision of this Work Order, nor shall such waiver constitute a continuing waiver or waiver of any subsequent default unless otherwise expressly provided herein. This Work Order shall be governed by and construed in accordance with the laws of the State of Colorado, and venue for any dispute hereunder shall lie in the state courts of the State of Colorado.

This Work Order may be executed in one or more counterparts, each of which shall be deemed an original and together shall constitute one and the same instrument. The parties consent to the use of electronic signatures pursuant to the Uniform Electronic Transactions Act, Sections 24-71.3-101, *et seq.*, C.R.S., as may be amended from time to time. By signature of its representatives below, each party affirms it has taken all necessary action to authorize said representative to execute this Work Order.

DISTRICT:

By: _____
Its: _____
Date: _____

CONTRACTOR:

Long Mechanical
By: _____
Its: _____
Date: _____