



**HEATHER GARDENS METROPOLITAN DISTRICT
JOINT MEETING WITH HGA BOARD, THURSDAY, January 11, 2024**

Minutes

The special joint meeting of the Board of Directors of the Heather Gardens Metropolitan District ("HGMD") and the Heather Gardens Association Board was held in the Heather Gardens Clubhouse Auditorium at 2888 S. Heather Gardens Way, Aurora, Colorado 80014 on January 11, 2024 at 3:00 pm.

CALL TO ORDER: President Daniel Taylor called the meeting to order on January 11, 2024 at 3:00 pm. A quorum was present.

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

HGA BOARD MEMBERS PRESENT: HGA President Larry Davila, Mike Pula, Vice President; Sue McBeth, Secretary; Dave Baxter, Director; Ray Nash, Treasurer; Bill Gold, Director; Linda Hileman, Director; David Kennedy, Director; and John Recob, Director.

GUESTS PRESENT: Approximately 100 attended in person.

Facilitator comments - Bill Archambault

Rules of engagement - 3 minutes to talk

Motion: Point of order - Robin O'Meara. It is common practice when two groups get together that they agree on the agenda. It is common practice for two groups to agree on a facilitator and the need for facilitation by a third, unbiased party. I move to get a shared agenda outlined. There was no second.

Discussion centered around whether or not an agenda was submitted by the HGMD President. HGA said that only a letter from the HGMD President was received, not a formally proposed agenda.

Note: The agenda was authored by the HGA only, not agreed upon by the HGMD Board of Directors.

Robin O'Meara withdrew her motion as we went forward with the HGA Agenda as written.

Bill Archambault, HGA's selected facilitator, proceeded with the meeting.

Note: HGMD never agreed to having a facilitator, especially a former Director of the HGA Board.



Explanation of each board's responsibilities within the community:

District - 3 minutes Daniel's statement - see attached. Present a proposal to us to settle this dispute.

Association - 3 minutes - Sue McBeth - our mission is to enhance the quality of life in HG - multi-story buildings, CPs, THs and hires general manager, HR and Controller - supervise the employees and the managers supervise the employees in their department. Recreational fees collected - care, maintenance and maintain services related to those recreational amenities.

NEW BUSINESS

1. Settle upon next steps for items that are mutually agreed upon Management Agreement re-design

- Linda Hileman - if we do not make a plan, how will we go forward?

Rita Effler, HGMD Secretary

- The contract ends on December 31, 2024
- Two options:
 1. HGA Lease the Amenities from HGMD
 2. HGMD Hires their own General Manager to manage HGMD Properties only, Share some duties and employees with HGA

Eloise Laubach, HGMD Vice President - keep everything the same, stop the lawsuit against HGA

Craig Baldwin, HGMD Director - notified the HGMD of the canceling of the contract

Bill Gold - if this is the worst contract - tell me about it Craig and pointed out that Craig signed the contract. Craig Baldwin, HGMD Director - said he signed the contract under duress, did not agree with the content

Daniel - attorneys - got involved and shared the Management Agreement

- Ray Nash - one of 3 new board members, not involved in the discussions, attended meetings in the past, options - let's take a look
- Larry Davila - elected to the board in 2021 - a meeting of the leaders of the association I did not know of any problems under Jill Bacon and David Funk - up to April of this year - OK - all of sudden not working now - HGMD Candidates
- Daniel - Contract work is going forward without permission. Management is not being properly carried out. Rents aren't collected for the clubhouse. The clubhouse is not being maintained.



Heather Gardens

METROPOLITAN DISTRICT

- **Organizational Chart**
 - Review and update current Org Chart
- Consider the proposal of shared services between the two parties
- Allocate the employees and services to share
- Financial Analysis needed
- Eloise Against EVERYTHING
- HGMD can they hire the appropriate people?
- Bill Gold - can we continue to negotiate
 - Discuss proposed changes to Org Chart under a new Management Agreement
 - Strictly District -Strictly Association -Identify mutual needs
 - Eloise - end the lawsuit

HGMD employees

Shared Services:

Security

Accountant - whoever pays the bills pays them for everyone - HGA and HGMD

Maintenance -

Roads and Grounds -

Contracts - problem with a flow of information, proposals, contracts

HGMD projects have been done by the HGMD board for the last 6 months.

What used to work? What needs to be changed? What is being done working?

What is not working?

Contracting process must be made clear

Capital Projects going through HGA and HGMD

Sue - Progress is being made - Send emails to Sue -

- Bring Complaints to the Personnel Policy Committee -
- Robin O'Meara will attend Friday, January 12th at 10:00 AM
- Can take questions and concerns to the Personnel Policy Committee
- Contracting Process - Craig, Mike, John & Daniel will meet
 - Joint Budget & Finance Committee meetings
 - Contract approval process - sub committee to meet to discuss the process
- Authorization of District Payments
 - Invoice approval process
 - Check signing authority

Rita - is currently meeting with the controller every Wednesday to go over invoices

- Payroll is not being shared
- Still do not see money in and the money out
- Still need a very formal procedure to communicate
- Ray Nash will review the process so that they are consistently providing the information to the HGMD



Communications

- Community communications --Staff communication
- Robin - stated the current state
- Bill Gold - staff are now allowed to communicate with employees, not to direct them in their job, HGA to send the copy to the HGMD - don't direct staff
- HGA- general manager is to be communicated with before we talk to the employees
- HGMD can place work orders for things that need to be done - Proceed with the work orders
- Holly has been serving as the acting GM since Jon Rea left - she is overwhelmed
- Staff attendance at meetings - Yes, staff - please attend the meetings

Maintenance Work Orders - Board Members should not be able to direct staff to do so

Custodial is also a part of the Maintenance Work Order System - see Ashleigh in Management office for training and set up of access to the system

Public Comments/Questions

Co-Mingled Funds Questions

- Fees collected by HGMD go to the HGA for distribution
- Many years - all is OK
- New Controller - is looking into different procedure to do so
- Reconciliation
- Investment Only - Private and Public Money
- District Money can be verified by having money for our accounts
- Sort out this issue
- Recreation Fees and User Fees Question?
- User fees for classes - Enterprise Funds - District may determine the change
- Lawsuit - no one can process a loan or a mortgage if there is a lawsuit - lender
- Custodial Manager - do not have one now, what can we do to report custodial issues - should be part of the regular job of custodial manager
- Linda Savage - want to be taken care of that's why we need to move here - Recall petitions
- John Guise - Building 217 - What involvement did the HGA Board of the recall? None - President of HGA Board was involved answering questions - coincidence
- Financial Oversight - why do we want to have salaries? To verify billings.
- So the organizational chart proposal is not really going to work - oversight and transparency - HGMD goal
- Residents spoke when they voted in May - we wanted and voted for change.



ADJOURNMENT: The meeting adjourned at 5:00 pm.

Approved by the Heather gardens Board of Directors on December 2, 2024.


Robin O'Meara, Secretary
Heather Gardens Metropolitan District
Board of Directors