

# RECORD OF PROCEEDINGS

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## MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS

OF THE

THOMPSON CROSSING METROPOLITAN DISTRICT NO. 4

Held: Monday, July 30, 2018 at 4:00 p.m., at The Abundant Life Tabernacle, 5450 River Ranch Parkway, Johnstown, Colorado 80534.

**Attendance:**

A special meeting of the Board of Directors of the Thompson Crossing Metropolitan District No. 4 was scheduled in compliance with the laws of the State of Colorado, with the following directors in attendance:

Bruce Rau  
Brandon Wyszynski  
James Gertson

The following directors were absent (*absence excused*):

Jessica Deiter

Also present were: Kevin Collins, CliftonLarsonAllen, LLP; Jennifer L. Ivey, Icenogle Seaver Pogue, P.C.; and the following members of the public: Kendra Politowski, Cathy Butte, Amanda Marker, Caitlin O'Connor, Ryan Wood, Kevin Lemasters, Brendan Willits, and Lynn Beedle.

**Call to Order:**

Director Rau, noting the presence of a quorum, called to order the special meeting of the Board of Directors of the Thompson Crossing Metropolitan District No. 4.

**Director Matters/  
Disclosure Matters:**

Ms. Ivey then advised the Board that pursuant to Colorado law, certain disclosures by the Board members may be required prior to taking official action at the meeting. The Board then reviewed the agenda for the meeting, following which each Board member confirmed the contents of any written disclosures previously made, stating the fact and summary nature of any matters, as required under Colorado law, to permit official action to be taken at the meeting. Additionally, the Board determined that the participation of the members present was necessary to obtain a quorum or otherwise

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enable the Board to act.

Director Rau disclosed his interests and association with Clayton Properties Group II, LLC, including board membership on each of Thompson Crossing Metropolitan District Nos. 3, 5 and 6. This disclosure is associated with approval of items on the agenda that may affect his interests.

Director Wyszynski disclosed his interests and association with Clayton Properties Group II, LLC, including board membership on each of the Thompson Crossing Metropolitan District Nos. 3, 5 and 6. This disclosure is associated with approval of items on the agenda that may affect his interests.

Written disclosures of these interests had been filed with the Secretary of State and the Board prior to the meeting.

Director Matters/  
Disclosure Matters –  
Consider Process for  
Appointment to Vacancy:

Ms. Ivey explained to the Board that there is no statutorily mandated process for how a vacancy on the Board of Directors must be filled, instead the statutes merely state that the vacancy shall be filled by appointment by the remaining directors. At the request of Director Rau, Ms. Ivey prepared and distributed in advance of the meeting a process that has been used by other special districts where multiple eligible electors are interested in filling a vacancy. This process advertises the vacancies to the community, requests that interested eligible electors prepare an application for the Board to review, that interviews may be conducted and that the Board thereafter considers making an appointment from the applicants. After discussion, upon motion of Director Wyszynski and second of Director Gertson, the Board unanimously approved the process as outlined and directed that at least 4 prominent notices of the vacancy be posted in the community, that it be published as a legal notice, and that the posting be placed on MSI's community website, that the deadline for applications be set for September 4, 2018, that if more applications were received than seats to be filled that the Board may consider a special meeting for interviews of the applicants and that consideration of appointments be added to the November 6, 2018 regular meeting agenda.

Approval of/Additions  
to/Deletions from the  
Agenda:

Director Gertson made a motion to amend the agenda to add "Restructuring of the Districts/Service Plan Amendment" to the agenda. Director Rau requested a clarification as to what Director

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Gertson was intending to be discussed. Director Gertson stated that it was his intent that the District take over all operations and maintenance functions from Thompson Crossing Metropolitan District No. 3. Upon inquiry, Ms. Ivey explained that the operations and maintenance functions for Thompson Crossing Metropolitan District Nos. 3-6 had been consolidated in order to maximize efficiency, cost-effectiveness and to ensure the same level of service throughout the community and that the arrangement was set via an intergovernmental agreement among the districts that could be amended upon agreement of the districts and, depending on the nature of the changes, may or may not require an amendment to the Consolidated Service Plan for the districts which would require approval by the Town of Johnstown. The motion died for a lack of a second.

Director Gertson made a motion for the District to request that Thompson Crossing Metropolitan District Nos. 3, 5, and 6 revised the operations and maintenance obligations of the districts. The motion died for a lack of a second.

The agenda was approved without modifications.

### Public Comment For Matters Not on the Agenda:

Ms. Beedle, a six-year resident of the community, addressed the Board to voice concerns regarding the drainage issue on the enclave path; whenever it rains or snows the path is inundated with water/ice making it unusable. Mr. Lemasters noted that he has recently done a walk-thru of the property with various District and developer representatives and that they are assessing the best way to remediate this issue.

Ms. Marker, a two-year resident of the community, addressed the Board to voice concerns regarding the management services provided by MSI. Specifically, she noted that they are not responsive, fail to promptly return calls, and seem bothered by requests of residents. She also noted that she believes they may not always provide the correct information and that during a recent conversation with them she was advised that her concerns were the fault of the landscape company that doesn't show up as they are required to. Ms. Marker went on to advise that some of her concerns have to do with the lack of maintenance to community facilities and landscaping. Director Rau noted that MSI should not be responding in the manner that Ms. Marker has noted but that many of her concerns should be addressed to the District's

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manager, Jerry Jacobs. Ms. Ivey was directed to put Ms. Marker in touch with Mr. Jacobs. Ms. Marker later noted that she thought that the expenditure of over \$55,000 a year on a life guard was excessive given her other concerns about upkeep and maintenance.

Ms. O'Connor addressed the Board and asked if there is a website with updated accurate information about the contact people for the District. Director Rau noted that MSI does maintain a community website and that the information should be available on that site. Ms. Ivey was directed to ensure that MSI had the accurate information to update the website.

Mr. Willits addressed the Board regarding the irrigation needs of the District and inquired about the possibility of acquiring additional water rights that would provide the District with the priority needed to call water availability earlier. Director Rau noted that this would be quite expensive and there are adequate water rights for the water needs of the community, but that timing of availability is dependent on when the call is made by third-parties. Mr. Willits also questioned previous statements made regarding the overcrowding at the community pool being caused by non-resident use and claimed that the statements were anecdotal, and that facts and statistics need to be available. Director Rau noted that statistics have been kept over this last season and a report is expected at the November 6, 2018 meeting. Mr. Willits further noted that he is still waiting for Mr. Jacobs to provide a copy of the Splash agreement.

Ms. Politowski noted that she did not think the extra expense of acquiring additional water rights was necessary when there is already an abundance of trees and watering occurring.

Ms. Butte noted that she is frustrated by the lack of maintenance and asked if Mr. Jacobs could be at the community more frequently to address these concerns.

Mr. Wood noted that he is in general agreement with Director Gertson that the arrangement among the districts needs to be revised.

### Approval of Minutes:

After discussion, upon motion of Director Wyszynski and second of Director Gertson, the Board unanimously approved the March 13, 2018 special meeting minutes.

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Legal Matters:

None.

Financial Matters –  
Interim Financial Report  
and 2017 Audit:

Mr. Collins reviewed with the Board the June 30, 2018 financial statements, the schedule of cash position updated to July 23, 2018 and the 2017 audit report. Upon the motion of Director Wyszynski and second of Director Gertson, the Board unanimously accepted the interim financial report and ratified the acceptance and filing of the 2017 audit.

Mr. Wood inquired about the overall financial health of the District. Mr. Collins reviewed the overall health of the District as well as Thompson Crossing Metropolitan District Nos. 3, 5 and 6. It was explained that the districts continue to need support from the developer, Oakwood Homes, in order to fund operations and maintenance expenses but that this subsidy has been slowly decreasing. It was further explained that the District has not been able to fully pay its debt service obligations but, the District and its residents are protected because the bonds have a mill levy cap and are only a limited general obligation – this means that as long as the District continues to collect the required capped mill levy that it is not in default and there is no requirement to further increase the mill levy except for limited adjustments under the Gallagher Amendment.

Other Business:

Director Gertson tendered his written resignation effective as of 7:00 p.m. on July 30, 2018 and urged the Board to fill his vacancy with another member of the Thompson River Ranch community.

*In a conversation with Mr. Gertson after the conclusion of the meeting it was discovered that Mr. Gertson had sold his residence and moved to an apartment outside of the District prior to the conduct of this meeting. As such, in accordance with Section 32-1-905(1)(d), C.R.S., Mr. Gertson ceased to be qualified for his office when he moved out of the District and his office was deemed vacant at that time.*

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Adjournment:

There being no further business to come before the Board, and upon motion of Director Wyszynski, second of Director Gertson and unanimous vote, the meeting was adjourned.



Secretary of the Meeting