

RECORD OF PROCEEDINGS

**MINUTES OF A SPECIAL MEETING OF THE
BOARD OF DIRECTORS OF THE
INDEPENDENCE OVERLAY METROPOLITAN DISTRICT,
HELD
November 21, 2024**

A Regular Meeting of the Board of Directors of the Independence Overlay Metropolitan District was held virtually on November 21, 2024, at 6:00 p.m. The meeting was open to the public.

ATTENDANCE:

In attendance were Directors:

Timothy Craft, President
Jim Yates, Secretary/Treasurer
Randy Roberts, Assistant Secretary
Kevin Haughn, Assistant Secretary
VACANCY

Also, in attendance were:

4 Residents
Dianne Miller, Miller & Associates Law Offices, LLC
Kurt Schlegel, Special District Solutions, Inc.

CALL TO ORDER:

Mr. Schlegel called the role and stated that a quorum of the Board was present, and Director Craft called the meeting to order at 6:02 p.m.

**CONFLICTS &
DISCLOSURE
STATEMENTS:**

Mr. Schlegel stated that disclosures of potential conflicts of interest were filed with the Secretary of State for all directors prior to this meeting and no new conflicts of interest were disclosed at the meeting.

APPROVAL OF AGENDA:

Director Yates moved that the Board approve the Agenda as presented. Upon a second by Director Haughn a vote was taken, and the motion carried unanimously.

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CONSENT AGENDA:

Director Yates moved that the Board approve the Consent Agenda consisting of the following item, as presented:

1. Approval of Minutes from the Regular Meeting of June 12, 2024
2. Ratification of Agreement with Water Solutions Sprinkler Service for 2024 / 2025 Snow Removal Services
3. Ratification of Payments Made through November 21, 2024 represented by Checks #1256 - #1323 totaling \$377,634.55

Upon a second by Director Craft a vote was taken, and the motion carried unanimously.

CORRESPONDENCE:

Mr. Schlegel presented 3 emails he received from residents requesting that the Board consider installing a crosswalk or traffic control device on Hancock Parkway for pedestrian safety.

PUBLIC COMMENT:

Mr. Caleb Scott expressed his concern over residents parking oversized vehicles and recreational vehicles on the streets in Independence. Mr. Schlegel stated that the Metropolitan District can enforce the Covenants, Conditions, and Restrictions (CCR) and the Design Guidelines, but has no authority to regulate the parking of vehicles on the streets. Director Haughn stated that this is a priority of his and suggested that the residents work together and petition Elbert County for assistance with this issue.

UNFINISHED BUSINESS:

Appointment to Fill Vacancy on the District's Board of Directors:
Mr. Schlegel started that he has received letters of interest and resumes from two (2) residents, William Bridgham and Taylor Graham. Both residents are eligible to be appointed to fill the current vacancy.

The candidates were asked to address the Directors to explain their interest in appointment and experience in relevant roles. The Directors then asked several questions of each candidate.

Following this discussion, the Directors were asked to vote for their choice for appointment by secret ballot to Mr. Schlegel.

Mr. Bridgham received three votes and Mr. Graham received one vote.

Mr. Schlegel stated that he will work with Counsel to generate a Certificate of Appointment and Oath of Office for Mr. Bridgham, and then file these documents with the appropriate agencies when completed. Mr. Brigham's position will be included in the District's May 6, 2025 election for a term of two years.

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Community Book Library: Director Haughn asked if any progress has been made on the proposed book trading library that was discussed at the Board's last meeting. Mr. Schlegel stated that he contacted the resident that requested permission to build and install following the last meeting but that he has not received any communication from them since that time.

NEW BUSINESS:

Annual Administrative Resolution – Mr. Schlegel explained the purpose of this resolution. The Directors discussed the need for the conduct of regular meetings every other month beginning in 2025. Following discussion, Director Yates moved that the Board approve the Annual Administrative Resolution, No. 2024-11-01, as amended. Upon a second by Director Craft a vote was taken, and the motion carried unanimously.

Workers' Compensation Insurance Waiver Resolution: Mr. Schlegel presented for the Board's Review and Consideration a Resolution waiving Worker's Compensation Insurance for the Independence Overlay Metropolitan District for 2025. Director Haughn moved that the Board adopt Resolution No. 2024-11-02 as presented. Upon a second by Director Yates a vote was taken, and the motion carried unanimously.

Renewal of District Insurance and Special District Association (SDA) of Colorado Membership - Following discussion Director Yates moved that the Board direct management to renew the District's insurance coverage and membership in the SDA for 2025. Following a second by Director Craft and upon a vote taken, the motion carried unanimously.

2025 Election – Mr. Schlegel discussed the requirement to conduct an election on May 6, 2025 to elect three (3) Directors whose terms will expire on that date. Director Yates moved that the Board approve and adopt Resolution No. 2024-11-03, Calling for a May 6, 2025 Regular Election for Directors. Following a second by Director Craft and upon a vote taken, the motion carried unanimously.

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Resolution Amending and Restating Policy Regarding Colorado Open Records Act (CORA) Requests: Mr. Schlegel discussed the need to update the District's CORA Request Policy to remain in compliance with State law. Director Yates moved that the Board adopt Resolution No. 2024-11-04 Amending and Restating the District's Policy Regarding CORA Requests. Upon a second by Director Craft, and upon a vote taken, the motion carried unanimously.

Pool and Community Center Maintenance & Management: Mr. Schlegel presented a proposed agreement with Front Range Recreation (FRR) to provide pool maintenance and management of the Community Center for 2025 for the Board's consideration. Director Yates moved that the Board approve and execute the 2025 Agreement with FRR as presented. Upon a second by Director Craft, and upon a vote taken, the motion carried unanimously.

2025 Residential Trash & Recycling: Mr. Schlegel presented a proposed agreement with HBSCO, LLC for residential trash and recycling collection services in 2025. Director Yates moved that the Board approve and execute the 2025 Agreement with HBSCO, LLC as presented. Upon a second by Director Craft, and upon a vote taken, the motion carried unanimously.

Pedestrian - Traffic Safety: Director Yates stated that the developer has discussed the installation of a marked crosswalk and other potential solutions that may provide a safer alternative for residents crossing Hancock Parkway with Elbert County staff. He will continue his efforts with Elbert County staff and report back to the Board regarding solutions as soon as possible.

MANAGEMENT & FINANCIAL ITEMS:

2024 Budget Amendment: Mr. Schlegel stated that the required notice of 2024 Budget Amendment Hearing was published in the Ranchland News and presented for the Board's Review and Consideration a proposed Amended 2024 Budget for the Independence Overlay Metropolitan District. President Craft opened the Public Hearing on the proposed 2024 Amended Budget at 7:24 p.m. Mr. Schlegel explained that the Budget Amendment is required since the District's expenditures exceeded the amount appropriated in the original 2024 Budget. Hearing no public comment, President Craft closed the Public Hearing at 7:25 p.m. Following discussion Director Yates moved that the Board approve and adopt the 2024 Budget Amendment Resolution No.

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2024-11-05 as presented. Upon a second by Director Craft a vote was taken, and the motion carried with three (3) Directors voting YES, and one (1) Director abstaining from the vote.

2025 District Budget: Mr. Schlegel stated that the required notice of 2025 Budget Hearing was published in the Ranchland News and presented for the Board's Review and Consideration a proposed Operating Budget for the Independence Overlay Metropolitan District. President Craft opened the Public Hearing on the proposed 2025 Operating Budget at 7:26 p.m. Mr. Schlegel discussed the projected revenues and expenditures anticipated in 2025 and answered questions regarding same from the Directors. Hearing no public comment, President Craft closed the Public Hearing at 7:40 p.m. Following discussion Director Yates moved that the Board approve and adopt the 2025 Budget Resolution No. 2024-11-06, Appropriating Funding for Expenditures and Approving the Certification of an Operations Mill Levy of 15.000 Mills to cover projected 2025 Operations expenditures, pending receipt of the District's Final Assessed Valuation from Elbert County. Upon a second by Director Craft a vote was taken, and the motion carried unanimously.

Review of Cash Position and Financial Statements: Mr. Schlegel presented the unaudited Financial Statements dated October 31, 2024, for the Board's review.

2024 Audit: Mr. Schlegel stated that since the District expenditures exceeded \$750,000.00 in 2024, a full audit will be required. He stated that he had received one engagement letter and is seeking other quotes for the 2024 Audit and will bring those to the Board at their next meeting for review and consideration.

2026 Budget: Director Haughn moved that that the Board appoint the District's Accountant to prepare the 2026 Budget. Upon a second by Director Craft a vote was taken, and the motion carried unanimously.

NEXT MEETING:

The Board members determined that the next scheduled regular meeting is scheduled for July 22, 2025 and Special Meetings will be called as necessary.

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ADJOURNMENT:

There being no further business to come before the Board, upon motion duly made, seconded and unanimously carried, the meeting was adjourned at 7:48 p.m.

Respectfully Submitted:

Kurt Schlegel

Secretary for the Meeting