

RECORD OF PROCEEDINGS

**MINUTES OF A COMBINED SPECIAL MEETING OF THE
BOARD OF DIRECTORS OF THE
INDEPENDENCE METROPOLITAN DISTRICT NOS. 2, 3, and 4,
AND THE INDEPENDENCE WATER & SANITATION DISTRICT
HELD
December 18, 2023**

A Regular Meeting of the Boards of Directors of the Independence Metropolitan Districts Nos. 2, 3, and 4, and the Independence Water & Sanitation District was held virtually on December 18, 2023, at 2:00 p.m. The meeting was open to the public.

ATTENDANCE:

In attendance for the Metropolitan District Nos. 2, and 3, and the Water & Sanitation District were Directors:

Timothy Craft, President
Jim Yates, Secretary/Treasurer
Jeff Keeley, Assistant Secretary
Randy Roberts, Assistant Secretary

In attendance for Metropolitan District No. 4 were Directors:

Timothy Craft, President
Jeffrey Keeley, Secretary/Treasurer
Jim Yates, Assistant Secretary

Director Blair was not able to participate – excused absence.

Also, in attendance were:

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

CALL TO ORDER:

Mr. Schlegel stated that a quorum of the Board was present, and Director Craft called the meetings to order at 2:00 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.

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APPROVAL OF AGENDA: After review of the Agenda Director Yates moved that the Boards approve the Agenda as presented. Upon a second by Director Keeley a vote was taken, and the motion carried unanimously.

CONSENT AGENDA: Director Keeley moved that the Boards approve the Consent Agenda consisting of the following item, as presented:

1. Approval of District Nos. 1, 2, 3, and 4; Overlay District; and Water & Sanitation District Minutes from the Special Meeting of November 28, 2022 (enclosure)
2. Approval of Minutes from the Independence Metropolitan District No. 3 Special Meeting of September 26, 2023 (enclosure)
3. Approval of Minutes from the Independence Water & Sanitation District Special Meeting of September 26, 2023 (enclosure)
4. Ratification of District Nos. 2, 3, and 4; and Independence Water & Sanitation District Payments made through November 30, 2023

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

CORRESPONDENCE: None

PUBLIC COMMENT: None

NEW BUSINESS: 2024 District Budgets: Mr. Schlegel stated that the required notice of 2024 Budget Hearings was published in the Ranchland News, posted to the District's websites, and presented for the Board's Review and Consideration proposed Operating Budgets for the Independence Metropolitan District Nos. 2, 3, and 4, and the Independence Water & Sanitation District. Director Craft opened the Public Hearing on the proposed 2024 Operating Budgets @ 2:04 p.m. Mr. Schlegel discussed the status of receipt of final assessed valuations from Elbert County. Hearing no public comment, Director Craft closed the Public Hearing @ 2:18 p.m.

Director Keeley moved that the Boards approve and adopt the 2024 Budget Resolutions, Appropriating Funding for Expenditures, and Approving the Certification of MILL Levies

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for 2024. Upon a second by Director Yates a vote was taken, and the motion carried unanimously.

2024 Annual Administrative Resolutions: Mr. Schlegel presented for the Board's Review and Consideration Annual Administrative Resolutions for the Independence Metropolitan Districts Nos. 2, 3, and 4, and the Independence Water & Sanitation District. Director Keeley moved that the Boards adopt the Annual Administrative Resolutions as presented. Upon a second by Director Yates a vote was taken, and the motion carried unanimously.

Workers' Compensation Insurance Waiver Resolutions: Mr. Schlegel presented for the Board's Review and Consideration Resolutions waiving Worker's Compensation Insurance for the Independence Metropolitan Districts Nos. 2, 3, and 4, and the Independence Water & Sanitation for 2024. Director Keeley moved that the Boards adopt the Resolutions as presented. Upon a second by Director Yates a vote was taken, and the motion carried unanimously.

Irrigation System Maintenance: Mr. Schlegel presented a proposed Seasonal Resource Agreement with Colorado Pond & Lake for consideration by the Water & Sanitation District's Board of Directors. Director Keeley moved that the Board approve the agreement as presented, subject to final legal review. Upon a second by Director Yates a vote was taken, and the motion carried unanimously.

Dry Utilities Coordination: Mr. Schlegel presented a proposed agreement with the Harris Kocher Engineering Group, Inc. for the coordination of dry utilities installation at several Water & Sanitation District well sites and infrastructure assets. Following discussion, Director Keeley moved that the Board approve the agreement as presented, subject to final legal review. Upon a second by Director Yates a vote was taken, and the motion carried unanimously.

FINANCIAL AND MANAGEMENT ITEMS:

Review of Unaudited Financial Statements: Mr. Schlegel presented copies of the unaudited October 31, 2023 Financial Statements for the Independence Metropolitan Districts Nos. 2, 3, and 4, and the Independence Water & Sanitation District for the Board's review.

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2023 Financial Audits for District No. 3, and the Water & Sanitation District: Mr. Schlegel presented two (2) 2023 Audit Engagement proposals for the Board's consideration. Following discussion by the Board members, Director Keeley moved that the Board approve and execute the 2023 Audit Engagement Letters with The Adams Group, LLC for District No. 3, and the Water & Sanitation District, as presented. Upon a second by Director Yates a vote was taken, and the motion carried unanimously.

2023 Audit Exemption Applications: Mr. Schlegel discussed the requirement to complete Audit Exemption Applications for the Independence Metropolitan Districts Nos. 2 and 4 and requested that the Boards appoint the Districts' Accountant to complete and submit these audit exemption applications. Director Keeley moved that the Board Appoint the Districts' Accountant to complete and file 2023 Audit Exemption Applications for the Independence Metropolitan District Nos. 2 and 4. Upon a second by Director Yates a vote was taken, and the motion carried unanimously.

DIRECTOR'S ITEMS:

None

NEXT MEETING:

The Board members determined that the next regular meeting of the Districts' Boards of Directors are scheduled for June 14, 2024, and Special Meetings will be called as necessary.

ADJOURNMENT:

There being no further business to come before the Board, upon motion duly made, seconded and unanimously carried, the meeting was adjourned at 2:34 p.m.

Respectfully Submitted:

Kurt Schlegel

Secretary for the Meeting