

RECORD OF PROCEEDINGS

MINUTES OF SPECIAL MEETING **BOARD OF DIRECTORS**

POLO RESERVE METROPOLITAN DISTRICT **WEDNESDAY, FEBRUARY 1, 2023** **ARAPAHOE COUNTY, COLORADO**

A special meeting of the Board of Directors (“Board”) of the Polo Reserve Metropolitan District (“District”) convened at 6:30 p.m. on Wednesday, February 1, 2023, at 4481 West Caspian Circle, Littleton, Colorado 80128. The following Directors were in attendance:

Glenn Lee
Darrell Lomelino
Michael McGinnis
William Steigers
Sandor Weiss

Also, in attendance were: Adam Cohen, Executive Director of the Denver Children’s Foundation (“Foundation”); Taylor Kennedy, Chair of the 2023 Denver Polo Classic Event; Vince Luparell, a member of the Foundation; and Timothy J. Flynn, from Collins Cole Flynn Winn & Ulmer, PLLC, the District’s legal counsel.

CALL TO ORDER

The meeting was called to order by the District’s President, William Steigers, who presided as Chair.

APPROVAL OF AGENDA

Following a brief discussion, a motion was made by Director McGinnis and seconded by Director Lomelino to approve the agenda, as presented. The Chair called for a vote, and the motion was UNANIMOUSLY ADOPTED.

DENVER CHILDREN’S FOUNDATION PRESENTATION

Adam Cohen introduced himself, Taylor Kennedy, who was online, and Vince Luparell. All appeared to express their appreciation to the Board for its willingness to host the Denver Polo Classic Event on the Metro District’s Polo Fields. The Event has become the largest charitable event of its kind in the country, raising significant funds for Colorado’s at-risk and disadvantaged youth. The event will be held this year on July 14,

15, and 16. No significant changes are expected from the way in which the Event was conducted in calendar year 2022. The organizers will have regular tables and VIP tables. The tents will be set up on the east side of the Polo Field. Polo Reserve Homeowners Association (HOA) members are welcome to attend and can purchase tickets at a discount through April 1, 2023. A brochure for the Event will be given to the HOA to distribute to its members.

There was a brief discussion concerning security, the site plan for the tents and tables, and the procedures for notifying police/security guards in the event a problem or incident were to occur. It was also noted that the extension previously granted to the Foundation for holding the event on the District's Polo Fields is contingent upon J-5 extending its license agreement for the Polo Field. A Board member and legal counsel are currently working on the extension at the present time.

There was also a discussion concerning the District's insurance requirements and how the Foundation would obtain proof of insurance from its vendors. A new streamlined process will be put in place this year by the Foundation so that certificates of insurance can be provided to the District well in advance of the Event. The Foundation will coordinate with J-5's representative, Dave Radueg, with respect to the placement of stakes and tents so as to avoid damage to the Polo Fields and the irrigation system.

This year a wrist band system will be put in place to help guard against underage drinking. Also, at the time the Foundation applies for its liquor license permit, a Notice of Hearing will be posted on the Polo Fields, but not on any walls or monuments within the subdivision to avoid the difficulties arising when taped notices have to be removed.

At the conclusion of their presentation, the Foundation representatives left the meeting.

APPROVAL OF THE NOVEMBER 29, 2022 SPECIAL MEETING MINUTES

Following a review and brief discussion, a motion was made by Director Lee and seconded by Director Weiss to approve the November 9, 2022, special meeting minutes, as presented. The Chair called for a vote, and the motion was UNANIMOUSLY ADOPTED. Legal counsel will send a copy of the approved minutes to Director Steigers for posting in the District's Dropbox file.

NON-POTABLE WATER PROVIDED BY THE HOA

There was a brief discussion concerning the way in which the HOA currently distributes non-potable water to its members. The District, which owns water rights in the Last Chance Ditch, makes available to the HOA surplus water not needed for irrigation of the Polo Fields and other District property. The HOA distributes that water through a piping system that the HOA owns. It was noted that if members of the HOA do not pay

their HOA dues, the HOA most likely would be able to discontinue non-potable water service which it currently provides as a benefit to its members. For purposes of reviewing the arrangement between the HOA and the District, legal counsel will review the District's Service Plan and the Overlapping Consent Resolution that was adopted by the Southwest Metropolitan Water and Sanitation District at the time the District was organized. It was Mr. Flynn's recollection that the Overlapping Consent Resolution precludes the District from owning or operating a non-potable water distribution system except as needed for irrigation of the Polo Fields and other District property.

REVIEW AND ACCEPTANCE OF FINANCIAL STATEMENTS

Director Lee reviewed a Balance Sheet for the District dated December 31, 2022, as well as a Profit and Loss Statement for the period beginning January 1, 2022, through December 31, 2022, as compared to the same period in 2021, and a Budget to Actual dated December 31, 2022.

Director Lee noted that the District no longer has a debt service mill levy which has reduced the amount of specific ownership taxes the District receives. In addition, the District will need to increase its revenues in order to adequately fund its ongoing operation and maintenance expenses, as well as to fund the reserve accounts it needs for purposes of replacing District capital assets in the future. During the discussion, it was generally the consensus of the Board that an election to increase property taxes would be presented to the District's voters in May of 2024. There was a general discussion concerning the types of questions that could be presented to the homeowners for approval. This matter will be discussed in greater detail at future Board meetings.

Following a brief discussion, a motion was made by Director Weiss and seconded by Director McGinnis to accept the financial statements, as presented. The Chair called for a vote, and the motion was UNANIMOUSLY ADOPTED.

RATIFICATION OF INTERIM DISBURSEMENTS

Because it was so early in the year, Director Lee did not have a list of disbursements since January 1, 2023. He did review a Statement of Transaction Detail by Account for the period beginning January 1, 2022 and ending December 31, 2022. This information was provided so that the Board was aware of all expenditures made by the District in 2022 since the Board's September 29, 2022 special meeting.

At the conclusion of the discussion, a motion to ratify, approve, and confirm the interim disbursements for the period beginning November 29, 2022, through December 31, 2022, was made by Director Weiss and seconded by Director McGinnis. The Chair called for a vote, and the motion was UNANIMOUSLY ADOPTED.

FEBRUARY 2023 PAYABLES

There were no payables presented to the Board at this meeting.

RESOLUTION DESIGNATING LOCATION FOR POSTING OPEN MEETING

LAW NOTICES

The Board considered Resolution 2023-2-1, which designates the location for posting regular and special meeting notices, as required by the Colorado Open Meetings Law. The District has a website and that is the designated location for posting meetings notices. However, the community bulletin board locations will continue to be utilized as a convenience to the District's residents until they become familiar with looking to the website for meeting notices. Director Weiss will continue to be the person who will be responsible for posting meeting notices on the District's website.

Following a brief discussion, a motion was made by Director McGinnis and seconded by Director Weiss to adopt Resolution 2023-2-1. The Chair called for a vote and the motion was UNANIMOUSLY ADOPTED.

UPDATE ON MAY 2, 2023 BOARD OF DIRECTORS ELECTION

Legal counsel noted that at the present time, a self-nomination petition has been filed for each vacant seat on the District's Board of Directors. Currently, Directors Weiss, Steigers, and McGinnis have filed self-nomination forms. Directors Weiss and Steigers are seeking re-election for a four-year term of office and Director McGinnis a two-year term of office.

If there is not more than one person seeking election for each position on the District's Board of Directors as of the end of February 2023, the election will be cancelled and all three Directors will be deemed elected. Mr. Flynn indicated that if this occurs, the oaths of office will be administered to the newly elected Directors as soon as practical after the May 2 election date.

UPDATE ON POLO FIELD LICENSE AGREEMENT WITH J-5

Legal counsel indicated that he has not followed up on this matter. He will work with Director McGinnis to contact Leonard Goldstein and work out the particulars of the extension so that J-5's License Agreement can be extended for five (5) years, i.e., through the end of 2028.

**UPDATE ON LANDSCAPE & IRRIGATION AGREEMENT AND PUMP HOUSE
ROUTINE MAINTENANCE AGREEMENT**

Director Steigers will be sending a modified version of the Landscape and Irrigation Contract with Lawn Care Solutions to Mr. Flynn’s office to finalize. Once the Agreement has been finalized, it will be sent to Lawn Care Solutions for execution. Director Steigers is in the process of doing the same thing with respect to Colorado Water Well for the Routine and Emergency Maintenances Services Agreement for the pump house equipment.

Following a brief discussion, the Board authorized Director Steigers to complete the negotiations for those two Agreements and to sign them on behalf of the District once the Contractors have signed the Agreements.

REPAIRS TO LEAKING IRRIGATION PIPE - LAST CHANCE DITCH

There was a brief discussion concerning the repairs that need to be made to the irrigation pipe that delivers water from the Last Chance Ditch to the District’s water storage pond. Director Weiss is in the process of working with Hydro Physics to obtain a video inspection of the pipe to determine where the leaks are, and to have the location of the pipe staked. This will help the Board determine the nature and extent of the damages that need to be repaired.

Director Weiss will work with legal counsel to finalize a purchase order with Hydro Physics for this matter. As noted above, the scope of the work will include staking the underground line so that the location of the line can be observed from the surface.

2023 REGULAR MEETING SCHEDULE

Following a brief discussion, the Board agreed that it would continue to meet regularly during calendar year 2023 on the fourth Thursday of April, July, and October at 6:30 p.m. at 4481 West Caspian Circle. It was noted that this regular meeting schedule was included as part of the Open Meetings Law Resolution adopted earlier in the meeting by the Board.

MISCELLANEOUS MATTERS

There were no miscellaneous matters to come before the Board.

ADJOURNMENT

There being no further business to come before the Board, a motion was made by Director McGinnis and seconded by Director Weiss to adjourn. The Chair called for a vote, and the motion was UNANIMOUSLY ADOPTED.

Whereupon, this special meeting of the Board of Directors of the Polo Reserve Metropolitan District adjourned at approximately 8:40 p.m. The next regular meeting of the Board of Directors is scheduled for Thursday, April 27, 2023, at 6:30 p.m. in Director Steigers' home located at 4481 West Caspian Circle, Littleton, Colorado 80128.

Respectfully submitted,

/s/ Timothy J. Flynn, Recording Secretary