
RECORD OF PROCEEDINGS

Minutes of the Meeting Of the Board of Directors Arrowhead Metropolitan District January 27, 2021

A meeting of the Board of Directors of the Arrowhead Metropolitan District, Eagle County, Colorado, was held at the regular date and time on January 27, 2021 at 3:30 p.m. via electronic Zoom meeting <https://zoom.us/>, Phone Only US 1 253 215 8782, Meeting ID: 810 3392 1896, Eagle County, Colorado, in accordance with the applicable statutes of the State of Colorado.

Attendance The following Directors were present and acting:

- Bob Shafer
- Bill Roe
- Thomas Howard
- Vincent Riggio

Also in attendance were:

- Jerry Hensel, Director of Resort Operations, Vail Resorts
- Ken Marchetti, Marchetti & Weaver, LLC
- Beth Johnston, Marchetti & Weaver, LLC, recording secretary
- Diane Loosbrock, President of Arrowhead at Vail Association
- Geoff Dreyer, UERWA representative
- George Coleman, owner
- Paul Gorbald, Director of Transportation, Vail Resorts
- Jim Collins, District counsel
- Linn Brooks, General Manager, Eagle River Water & Sanitation District
- Jason Cowles, Eagle River Water & Sanitation District

Call To Order

The meeting of the Board of Directors of Arrowhead Metropolitan District was called to order by Director Shafer on January 27, 2021, at 3:31 p.m. noting a quorum was present.

Disclosure of Potential Conflict Of Interest

The Board noted that it has received certain written disclosures of potential conflict of interest statements from Director Riggio more than seventy-two hours prior to the meeting, indicating that Director Riggio is affiliated with Trinity Development Group, Inc. ("Trinity"), a real estate development company. Trinity is evaluating possible alternative uses of the Skier Parking Lot owned by the District and Trinity may bid on the purchase or some other form of development of the Skier Parking Lot, within the confines of applicable law. Director Riggio's activities in evaluating possible alternative uses of the Skier Parking Lot could be considered by some to constitute a potential conflict of interest. The Board noted, for the

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record, that this disclosure is restated at this time with the intent of fully complying with laws pertaining to potential conflicts of interest.

Consideration

Of Agenda Director Shafer requested that the Transportation discussion be moved to later in the meeting.

Public Input Mr. Coleman urged the Board to fill the vacant seat to assist with the workload.

Minutes The Board reviewed the minutes included in the Board packet and by motion duly made and seconded, it was unanimously

RESOLVED to approve the minutes of the meeting of November 18, 2020 as presented.

Accounts

Payable

Ms. Johnston confirmed that an updated Accounts Payable report was emailed out to all Board members prior to the meeting. Director Shafer reviewed the Accounts Payable list highlighting the roundabout project invoices. Following discussion and by motion duly made and seconded, it was unanimously

RESOLVED to approve the updated accounts payable list.

Bachelor Springs

Parking

Spaces

Mr. Dreyer reviewed the background on the new Bachelor Springs parking spaces. He explained that the Easement Deed included in the packet was prepared by Mr. Collins and would convey the spaces to Arrowhead Metropolitan District consistent with the other roads and parking areas within Bachelor Springs. There was general discussion on the easement and maintenance of the spaces. By motion duly made and seconded, it was unanimously

RESOLVED to approve the Easement Deed dated January 15, 2021 between Knudson Ranch Association Inc and Arrowhead Metropolitan District .

Action List The Board reviewed the action list in the packet:

- All short term projects except the Management Agreement were reviewed and deemed completed and could be removed from the log.
- The Encroachment Agreement database was determined to not be needed.
- The paving of pathways on Arrowhead Drive between Aspen Ridge & Aspen Meadow would be revisited if there were funds available from the Upper Cresta Road overlay project.

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- Director Roe plans to have a draft Operations Plan for the February meeting and needs several agreements for the Appendix. He and Mr. Hensel are working on the summary of capital projects for 2021.

Transportation

Service

Mr. Gorbold gave an overview of transportation service for the season to date:

- Ridership of the Arrowhead to Beaver Creek shuttles are down which is expected due to the promotion of ski to and from Beaver Creek due to Covid19 concerns.
- Ridership is flat for on demand service within Arrowhead.
- Transportation is going well and utilizing available resources to ensure adequate service.
- Additional staff has been added recently so extra shuttles could be run if needed during spring break.
- On demand transportation is responding to calls within 20 minutes or less, the service standard, 92% of the time. Between December 19, 2020 and January 3, 2021, service standards were met on 88% of calls.

The Board reported that few complaints had been received so far this season and commended Mr. Gorbold and Mr. Hensel for doing a good job given the difficult circumstances. General discussion was had on how to find ways to improve availability of drivers as that seems to be the largest obstacle to meeting service standards.

Transportation

Agreements

Ms. Johnston confirmed that the updated Transportation Agreements were distributed via email to the Board prior to the meeting. Directors Shafer and Howard reviewed the agreements explaining the rate breakdown between fixed and actual costs and services provided. General discussion continued on the lack of service standards outlined in the new agreements. Following discussion and upon motion duly made and seconded it was unanimously

RESOLVED to approve the First Amendment to the Arrowhead Metropolitan District Transportation Services Letter Agreement dated November 1, 2020 between The Vail Corporation and Arrowhead Metropolitan District; and

FURTHER RESOLVED to approve the First Amendment to the Intervillage Transportation System Agreement dated November 1, 2020 between The Vail Corporation, Beaver Creek Metropolitan District, and Arrowhead Metropolitan District.

AVA Update Mr. Coleman reviewed the following activity for Arrowhead at Vail Association:

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- The AVA Board is supportive of the District roundabout project.
- There was an HOA President's meeting held to update Arrowhead Association boards on activities and projects going on including the lighting update, parking lot overlay, trail maps, road work, and mountain camera.
- A community survey is being sent to all owners and residents to determine desired enhancements or additional amenities for the community.
- Renovations are being done at the tennis courts to install pickleball courts (west) and a gas barbeque (east).
- Discussions are ongoing on how to mitigate an increase of dog feces left in the community.

Director Shafer introduced Ms. Loosbrock who replaced Mr. Smith as president of the AVA Board.

Lighting Study

Director Roe and Mr. Hensel reviewed recently received information on the suggested fixtures for the parking lot, streets and other lights to be replaced by the Metropolitan District. A detailed cost package is being prepared for Board review at the February meeting and general discussion continued on the project. Mr. Hensel reviewed the sample fixtures that have been installed and requested feedback from residents and Boards.

Operations Report

Mr. Hensel reported:

- Alpine Engineering is working on preparing the Upper Cresta Road bid packet that will be sent out at the end of February. There are no changes expected to the estimated project cost or budget.
- A new Operations Manager for Arrowhead and additional staff has been hired. Mr. Hensel plans to introduce the new Operations Manager to the Board at the February meeting.
- There was general discussion on using solar power options for some of the lighting being replaced and ownership and responsibility of the lighting within Arrowhead.

Ms. Johnston confirmed that the Assignment of Easement for the Riverdance Ponds was emailed to the Board prior to the meeting. Mr. Hensel gave background on the easement and that it gave the District permission to perform maintenance around the ponds. Mr. Hensel and Mr. Collins explained that the easement had not been signed over at the time all other property was transferred to the District. Following discussion and upon motion duly made and seconded it was unanimously

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RESOLVED to approve the Assignment of Easement, Arrowhead at Vail – Filing No. 26 Pond and Grading Easement dated January 27, 2021 between Vail/Arrowhead Inc and Arrowhead Metropolitan District.

Roundabout Update

Director Shafer gave an update on the permit status, surveys and the project design, reviewing the timeline to submit the project to CDOT. Once CDOT gave final approval of the design, costs could be determined and the District could engage cost share partners and start public outreach. General discussion continued on maintenance, lighting, on-going responsibility, trails connections, and ideas for presentation to the cost share partners and public. Mr. Collins recommended that the District work with Eagle County when ready to move forward with CDOT on the Roundabout project.

Financial Statements & Sales Tax

Mr. Marchetti reviewed the financial statements explaining they were preliminary for year ending 2020. Mr. Marchetti noted that the District fund balance increased despite the pandemic challenges. Discussion turned to sales tax collection and how to verify retailers and short term rentals were reporting and remitting the tax. Mr. Marchetti and Ms. Johnston gave an update on discussions with the Arrowhead Design Review Committee, Host Compliance and other options for outreach and collection. The Board requested additional time be set aside at the February meeting to review the 2020 sales tax collections.

Legal

Mr. Collins recommended that the District look into signage for Cresta Road to permit only authorized bike riding as a way to limit the District's liability.

Executive Session

By motion duly made and seconded it was unanimously

RESOLVED to enter into executive session at 5:20 p.m. pursuant to C.R.S. §24-6-402(4)(e), for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators.

The board adjourned from executive session at 6:20 p.m.

Future Meetings

The Board confirmed the next meeting for February 24, 2021, starting at 3:30 p.m., to be held via Zoom.

Adjournment There being no further business to come before the Board, by motion duly made and seconded, it was unanimously

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RESOLVED to adjourn the meeting of the Arrowhead Metropolitan District Board of Directors this 27th day of January 2021.

Respectfully submitted,



Beth Johnston
Secretary for the Meeting

Subject to Approval