
RECORD OF PROCEEDINGS

Minutes of the Meeting Of the Board of Directors Arrowhead Metropolitan District October 28, 2020

A meeting of the Board of Directors of the Arrowhead Metropolitan District, Eagle County, Colorado, was held at the regular date and time on October 28, 2020 at 3:30 p.m. via electronic Zoom meeting <https://us02web.zoom.us/j/84901832557>, Phone Only US 1 253 215 8782, Meeting ID: 849 0183 2557, 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
- Randy Smith, President of Arrowhead at Vail Association
- George Coleman, owner
- Paul Gorbald, Director of Transportation, Vail Resorts

Call To Order

The meeting of the Board of Directors of Arrowhead Metropolitan District was called to order by Director Shafer on October 28, 2020, at 3:35 p.m. noting a quorum was present. No conflicts of interest were disclosed.

Consideration

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

Public Input There was no public input.

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 September 23, 2020 as presented.

Accounts Payable

Director Shafer reviewed the Accounts Payable list included in the packet. Following discussion and by motion duly made and seconded, it was unanimously

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RESOLVED to approve the accounts payable list as presented.

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

- The speed sign has been ordered.
- The Management Agreement is still in review at Vail Resorts legal.

UERWA The Board reviewed the minutes included in the packet.

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

- Test lighting, including light poles and fixtures, will be installed next week in various locations of the community. AVA is requesting feedback from the District Board as well as other owners and residents.
- The website is being revamped. AVA will let the District know the cost for their page which is expected to be minimal.
- The 2021 budget has been sent to the Membership.
- The Policies and Procedures on Cresta Road Safety have been finalized. Suggested striping and markings will be done after the Cresta road paving project is completed in 2021.
- The Annual meeting will be held on December 22, 2020 via Zoom starting at 4:00 pm. The Board is recommending Tim Muffley and George Coleman to join the Board.

Lighting Project

Director Roe reported that AVA was moving forward with the lighting project in 2021 and that the District should plan to follow suit. Mr. Hensel and Mr. Smith reviewed the changing of the fixtures and surrounding elements. They explained that they were planning to consolidate purchasing and installation to maximize bulk discounts. Director Roe and Mr. Hensel reviewed the estimated budget for the District's portion of the project and that it had been added to the 2021 preliminary budget. Discussion continued on whether the District should proceed with the project in 2021, the projected discount on materials by changing suppliers, and benefit of bulk purchasing. Following discussion, the Board decided to leave the estimated funds in the 2021 budget and reevaluate moving forward with the project in early 2021.

Operations Report

Mr. Hensel reported:

- A new path was created to provide owners with access to the River Dance ponds. There was still a question on liability and Mr. Collins, the District's attorney, was researching to clarify responsibility.
- The October snowstorm required one driver to be called out to clear the roads. They are actively searching to fill two positions and all equipment is ready for the season.

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- Matt Wadey with Alpine Engineering is working with the Water District to determine if there is a leak that caused the sinkhole by Riverbend Gate.

Transportation

Agreements Director Howard introduced Paul Gorbald and gave background and a report on the meetings between the District and Vail Resorts regarding winter bus service in Arrowhead. The final agreements were still under negotiation since they are going to be based on the Beaver Creek Metropolitan District agreement. If the agreements were not ready by mid-November, a temporary service letter would be used until the final Agreement was ready. Director Howard and Mr. Gorbald then reviewed the changes to service due to COVID including running the buses at 50% capacity, extra cleaning and sanitizing procedures, and potential shortage of available drivers especially during peak time. They explained the fixed and variable rate structure currently being considered for the new Agreements. They also reviewed how the changes were anticipated to affect service and the proposed adaptations to alleviate service issues including running east-west loops, consolidating service, designating specific bus stops for pick ups, and encouraging alternate means of going to and returning from Beaver Creek. Discussion continued on the need for effective and frequent communication to the Community and Public on the transportation challenges and alternatives available. Further discussion was had on staffing, returning staff versus new hires, and current health mandates.

Roundabout

Update Director Shafer reported that McDowell Engineering had completed the traffic study and would be sending it and the permit request to CDoT. There is expected to be more information by the November meeting.

Financial Statements &

Sales Tax Mr. Marchetti reviewed the financial statements included in the packet. Mr. Marchetti reviewed the sales tax received for July and August. General discussion continued on sales tax collection, projections for the winter considering Vista's closure and how to identify short term rentals. Further discussion was had on the Country Club of the Rockies construction project and the Board requested that Management contact the general contractor at RA Nelson to verify appropriate sales tax is being remitted on project materials.

2021 Budget Mr. Marchetti stated the public hearing to adopt the 2021 Budget had been continued from the September 23, 2020 meeting, and opened the meeting for public comment and discussion. Mr. Marchetti reviewed the preliminary budget included in the packet including the projected sales tax and property tax. General discussion continued on the projected fund balance and a suitable reserve, lowering the mill levy and postponing some capital projects if revenues drop.

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There being no further input, the budget hearing was closed. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Resolutions to Adopt the 2021 Budget as presented with minor adjustments that may occur; and

FURTHER RESOLVED to approve the Resolution to set the Mill Levy at 17.00 with 10.074 mills for operations and 6.926 mills for debt service; and

FURTHER RESOLVED to approve the Resolution to Appropriate Sums of Money for spending in 2021 subject to minor revisions as necessary.

2020 Audit Engagement Letter

Mr. Marchetti reviewed the engagement letter from McMahan and Associates included in the packet noting that there was a minimal increase in the fee. Following discussion and by motion duly made and seconded, it was unanimously

RESOLVED to engage McMahan and Associates to perform the 2020 Audit.

Future Meetings

The Board confirmed the next meeting for November 18, 2020, 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

RESOLVED to adjourn the meeting of the Arrowhead Metropolitan District Board of Directors this 28th day of October, 2020.

Respectfully submitted,



Beth Johnston
Secretary for the Meeting