

Minutes of the

Arrowhead at Vail Association

Board of Directors Meeting held

January 28, 2019

A meeting of the Board of Directors of Arrowhead at Vail Association (the "Association") was held on Monday, January 28, 2019. In attendance were Board members George Bigley, Tim Gropp, Diane Loosbrock, Randy Smith and Dan Gallagher. In attendance by phone was Board member Chad Hollingsworth. Also in attendance were Jerry Hensel, Association Manager, Erin McCauley, Financial Analyst, Jim Clancy, Director of Public Safety, Sid Schultz and Steve Nusbaum with Design Review Administration, Bob Shafer, representing Arrowhead Metro District, George Coleman and Bert Solomon, property owners, and Carol Floyd, Secretary for the Meeting. The meeting was called to order at 10:00 a.m., and it was noted a quorum was present. Introductions were made.

Introduction of Koby Kenny

Mike Trueblood introduced Koby Kenny who will replace Jim Clancy and shared information about his background. Koby was most recently the Manager of Health and Safety for Beaver Creek, and prior to that worked in the Ski School program and as a Safety Specialist at Vail.

Public Comment

Bob Shafer announced Bill Rowe was elected to the Arrowhead Metro District ("AMD") Board filling the seat vacated by Bob Rosen. Bob gave an AMD financial overview stating they ended 2018 approximately \$200K favorable to budget and the prior year. Bob commended Arrowhead Public Safety for their management of a significant amount traffic through the skier lot, noting the lot is closed to the public when full with spaces reserved for property owners. He stated overnight parking is not allowed in the reserved spaces and spoke about enforcement of this issue. Shuttle ridership is equivalent to last year. Bob reported 57% of rides have been booked through the Village Connect app with an average wait time of 7.6 minutes. He said there will be signage in the circle designating pick up for east and west routes. Cell coverage in general and its effect on the transportation app was discussed. Diane Loosbrock will take this matter to the Strategic Planning Committee including an AMD Board member.

Bert Solomon expressed concern in regard to the construction hours of 7:30 a.m. to 6:30 p.m. Monday through Friday, and 8:00 a.m. to 12:00 p.m. on Saturday, particularly affecting properties with common walls. He asked that the hours be reconsidered. Sid Schultz confirmed these hours are established in the construction regulations, an appendix to the Design Guidelines. Dan Gallagher requested this topic be added to the Design Review Committee meeting agenda for discussion and revision if the Design Review Committee thought it appropriate. Bert brought to the Board's attention that the Riverbend Drive and Riverbend Court gates have been left open on a consistent basis. He questioned if this is to accommodate construction activity. Jim Clancy answered the intent is to have each contractor call in as they approach the gate. Jerry Hensel pointed out the gates will be open for plowing and maintenance when it snows. Jim said he will investigate and report back to the Board in regard to any technical issues or why the gates have been open more regularly than usual. Bert spoke about frequent calls to Public Safety in regard to contractors parking on his road. He inquired as to the number of fines issued and documentation of his calls to Public Safety. Jim Clancy said he will answer these questions in a follow-up communication to the Board.

Dan Gallagher offered a special welcome to George Coleman as the past President and encouraged his engagement to keep legacy and corporate knowledge available to the Board.

Approval of the January 3, 2019 Special Board Meeting Minutes

Diane Loosbrock moved to approve the January 3, 2019 Special Board Meeting Minutes as presented. Randy Smith seconded the motion and it was unanimously approved.

Review of the December 26, 2018 Annual Meeting Minutes

George Bigley suggested an addition to the Annual Meeting Minutes in reference to the Alpine Club pool closure hours, indicating the Alpine Club made the decision with approval from the Pool Advisory Committee.

Design Review

Sid Schultz reported there are two new homes in various phases of approval on Aspen Meadow Drive and Windermere Circle. Dan Gallagher asked about reception of the revised Design Guidelines. Sid said because the new guidelines have more flexibility in materials and roof pitch, they are much more subjective and place greater burden on the Design Review Committee (“DRC”) in the approval process. Steve Nusbaum added it is slightly more difficult to do staff reports because of subjectivity and newness of designs. Discussion took place in regard to possible alternates for the DRC in the event Cathie Bennett is unable to attend.

Public Safety

Dan Gallagher thanked Jim Clancy on behalf of the Board and community for his many years of service, and wished him well with his relocation. Jim reviewed the year-end call report noting deviations due to mid-year staffing challenges. He said the team is now fully staffed with one Bachelor Gulch Public Safety lead recently transferring to Arrowhead. Frequent turnover was discussed. Jim said this has been an unfortunate trend across all Public Safety operations, and a sign of the economy and unemployment rate. He added it is harder for Public Safety to react to this trend due to the amount of training required and nuances of the job and Arrowhead. Dan Gallagher inquired about the increased number of intrusion alarms. Jim answered these are potential intrusions, and rarely an actual intrusion. Public Safety always responds and logs each incident, but does not normally enter the home. Dan Gallagher asked Jim for suggestions of how the report could be reformatted to have more meaning. The Board was in agreement to have the Public Safety Committee and John Herbert to take a fresh look at the report and provide recommendations to the Board.

Committees

Public Safety: Discussion took place in regard to a gate study vs. upgrading mechanical parts. Jim Clancy estimated the \$20,000 budgeted could be used to upgrade some parts and perform the study. Jerry Hensel said the Vail Resorts gate tech would be qualified to provide direction, and could recommend external consultants should the Board so desire.

Committee Members: Dan Gallagher advised the Board that the Bylaws require appointment of a Nominating Committee at least 30 days prior to the annual meeting. Diane Loosbrock as Chair of the Nominating Committee is currently recruiting members to serve on the Nominating Committee. She will then propose those members for appointment as the official Nominating Committee for 2019. The Nominating Committee suggested sending a general notice to all owners seeking expressions of interest in serving on the Board for the terms starting in 2020.

Activities: Dan Gallagher and Jerry Hensel will walk the new trail to determine which sections may be able to be groomed upon completion of the trails.

Snow: Dan Gallagher will forward the most recent Snow Committee report to the Board.

Intercommunity Council: Randy Smith spoke about the Beaver Creek Resort Company's current development initiative at Beaver Creek, and the importance of the Association becoming much more aware of Beaver Creek Resort Company activities and programs so that the Association might take advantage of opportunities to collaborate in ways that would benefit both organizations.

Strategic Planning: Diane Loosbrock stated many of the ULI study objectives have been accomplished. The committee will refine and add new ideas. She will redistribute the strategic objectives with tasks for the Board's input and direction on prioritization. Diane suggested scheduling a shuttle for four or five Bravo events this summer. Jerry Hensel advised providing Transportation with tentative dates as soon as possible. Expanding the utilization of shuttle buses over summer holidays and popular events was discussed. Jerry cautioned transportation staffing is limited during the summer and further extended during holiday periods.

Short-term Rentals: Dan Gallagher spoke about a presentation by Short-term Rental Helper who offers administrative oversight of monitoring short-term rentals. It is an all-inclusive service with ala carte options. Cathie Bennett is expecting a proposal from that company as well as the one currently engaged by Beaver Creek and Bachelor Gulch. Dan suggested postponing the adoption of the short-term rental regulation until a services company is retained and has the opportunity to provide input as to the form of the proposed regulation. This may require postponement of adoption until the end of the third quarter, but still in time to implement before the start of the ski season. George Coleman recommended the Public Safety Committee create a timeline for the process before the next Board meeting.

Image/Beautification: Jerry Hensel gave an update on plans for a lighting study. He explained AMD is responsible for the street lights in the parking lot and along Cresta Road, and the Association is responsible for all others. Jerry said he will suggest options for consultants to look at dark and light spots within the community as recommended in the ULI Tap. George Coleman mentioned prior plans for additional entryway signage.

Communication: Chad Hollingsworth described a communication plan that would separate information into two categories. Administrative and logistical information would be available to homeowners through a secure portal. Social media platforms such as Facebook and Instagram would be used to promote entertainment and activities to likely build interest and attendance. Discussion took place in regard to crossover during the transition period and the option of linking social media via the secure portal. Chad shared his opinion that newsletters are phasing out. He spoke about the marketing consultant's ability to measure data around engagement with events to refine and optimize future events. Randy Smith said Fresh Tape has secured the Instagram site and are working on a Facebook site. The next step will be to populate the sites which Randy anticipates being live by late spring.

Presidents Council: George Coleman said the council will meet on Wednesday, February 6th.

HOA Presidents Council: Tim Gropp previously suggested a Board member attend all sub-association meetings. He will send an email to the Board with the date(s) that need to be covered.

Public Safety: Jerry Hensel shared information received from DRC during the meeting in regard to construction and parking fines related to 84 Riverbend Drive. Notification of property owners was discussed.

Financials

Tim Gropp reviewed the Income Statement as of December 31, 2018, noting a \$330K positive variance in real estate transfer assessments ("RETA"). He said this amount was not included in the three-year average for budgeting purposes, and that RETA was budgeted conservatively for fiscal year 2019. Tim asked for suggestions in finding a method of monitoring how many homes are listed and the close rate. Tim reported an overage in common area utilities due to the Cresta Road landscape improvements. He explained the \$32K unfavorable variance in Public Safety was to cover overtime during lower staffing periods.

Other Business

Dan Gallagher distributed the ULI TAP June 2016 Progress Report for the Board's review. He asked the Board to share new ideas with Diane Loosbrock and the Strategic Planning Committee for enhancing the community experience with activities and capital improvements. Dan also suggested looking over the 2017 survey, specific to each committee area.

George Coleman shared a reminder in regard to the replacement tree for the McComb memorial. Jerry Hensel said he will follow-up on this matter.

Dan Gallagher spoke about an inquiry that has been made in regard to developing an Arrowhead specific map from the Beaver Creek trail map showing Arrowhead trails, amenities, commercial locations, and adding the valley floor Arrowhead community. This would benefit property owners as well as brokers to promote the community. Dan said he and Randy have been invited by Slifer to attend any of their Monday meetings to present the Arrowhead "story." Diane Loosbrock asked if such a trail map could be linked to social media. She mentioned there are currently no trail maps at the entrance to Mud Springs trail.

George Bigley asked if the Board intended to continue with Friday Afternoon Club ("FAC") events this summer and at what frequency. Jerry Hensel answered four events have been budgeted. Dan Gallagher will ask Michelle Horton, Activities Committee Chair, to provide dates by the next Board meeting.

Jerry Hensel gave an overview of the 2019 capital projects including replacement of the tennis center wind screens at the clay courts, \$33K for Village landscaping, \$5K for a lighting analysis, \$5K for a new tennis center ball machine, \$20K for a gate feasibility study, \$20K for the east end hiking trail, and replacement of one Public Safety vehicle. Jerry estimated, depending on weather, the eastern trail will connect to the Village-to-Village trail by June 15th, with return loop potentially completed by July 4th.

There being no further business, Diane Loosbrock moved to adjourn the regular meeting for the Board to enter an executive session. Tim Gropp seconded the motion and the meeting was adjourned at 12:01 p.m.

Motion was made by Tim Gropp for the Board to enter an executive session for the purpose of discussing a personnel matter. Randy Smith seconded the motion and the Board entered an executive session at 12:02 p.m.

Randy Smith moved to adjourn the executive session. Diane Loosbrock seconded the motion and the executive session was adjourned at 12:31 p.m.

Respectfully submitted,

Carol Floyd

Secretary to the Meeting

