

Minutes of the

Arrowhead at Vail Association

Board of Directors Meeting held

January 22, 2018

A meeting of the Board of Directors of Arrowhead at Vail Association (the “Association”) was held on Monday, January 22, 2018. In attendance were Board members George Bigley, George Coleman, Dan Gallagher, Cathie Bennett, Randy Smith, Tim Gropp, and Patty Strunk. Also in attendance were Jerry Hensel, Association Manager, Tim Baker, Sr. Director of Beaver Creek Village Operations, Jim Clancy, Director of Public Safety, Sid Schultz and Steve Nusbaum with Design Review Administration, Erin McCauley, Financial Analyst, and Carol Floyd, Secretary to the Meeting. The meeting was called to order at 9:01 a.m., and it was noted a quorum was present. Introductions were made.

Election of Officers

Patty Strunk moved to nominate George Coleman as President of the Association. Randy Smith seconded the motion and it was unanimously approved.

George Coleman made a motion to nominate Dan Gallagher as Vice President of the Association. Patty Strunk seconded the motion and it was unanimously approved.

George Coleman moved to nominate Cathie Bennett as Secretary and Treasurer of the Association. Dan Gallagher seconded the motion and it was unanimously approved.

Dan Gallagher made a motion to nominate all remaining officers as Assistant Vice Presidents to the Association. Cathie Bennett seconded the motion and it was unanimously approved.

Public Comment

George Coleman reported the Access Easement Agreement and Trail Maintenance Agreement for the Mud Springs Trail have been fully executed. In the absence of an Arrowhead Metro District (“AMD”) representative, Jerry Hensel indicated there was nothing new to report.

Annual Meeting Minutes

No revisions were recommended to the December 29, 2017 Annual Meeting Minutes as presented.

Design Review

In regard to the appeal of the Design Review Committee's ("DRC") denial of the application for artwork installed on the east garage wall at 60 Turnberry Court, Sid Schultz referenced an email explaining the significance of the piece to the owners. Sid reaffirmed the DRC's decision that the artwork does not meet the provisions of Section 3.14 of the Design Guidelines. Comment was made this artwork is not compatible with the mountain environment. Concern was expressed in regard to the subjectivity of allowing alphanumeric characters beyond a house number. The Board were in agreement to uphold the DRC's decision.

Dan Gallagher made a motion to uphold the October 5, 2017 decision of the Design Review Committee to deny the application for approval of artwork at 60 Turnberry Place. Patty Strunk seconded the motion and it was unanimously approved.

Dan Gallagher remarked about the excellent interactive nature of the Town Hall Meeting in regard to revision of the Design Guidelines. It was noted there will be further clarification on square footage based on legal opinion. He emphasized the importance of offering a live stream meeting on February 16th, and suggested holding the meeting at Colorado Mountain College. George Coleman gave direction to send this request to the Communications Committee.

George Coleman raised the issue of the DRC's inability to reach a quorum on occasion. The Association's attorney advised that one Board member consistently attend the regular meeting of the DRC so as to become knowledgeable and proficient with the process. This person could then become an alternate. Cathie Bennett accepted the appointment to fulfill this role.

Discussion took place regarding square footage minimums and maximums within various districts of the community, and it was noted the committee working on the Design Guidelines rewrite will establish more formal documentation. It was further noted, the DRC has the authority to amend those provisions. Steve Nusbaum clarified minimum square footage requirements are mostly in the PUD, and maximums are currently defined in the Design Guidelines by filing. Other limiting factors will be discussed in the upcoming guideline revision meeting on Friday. Steve suggested subjective language could be created to require buildings fit in scale with neighboring properties, and said this is ultimately a community decision. Steve added this is the most contentious issue the DRC faces, and that Arrowhead has the most specific limitations of any community he deals with. George Coleman said this committee is making every effort to be transparent and open through the process, and he offered assurance the proposed revisions will be presented to the community with an opportunity for discussion before finalization. George suggested the DRC create a package for applicants to better understand what they can and cannot do.

George Coleman acknowledged the DRC has received a letter from Joanne Carhart-Levy, and Sid Schultz confirmed receipt.

Public Safety

Patty Strunk reported the southwest and southeast gates closures are in effect 11:00 p.m. to 5:00 a.m. Wildlife warning signs have been posted at the playground. Discussion took place in regard to posting additional wildlife signage in the community, and a decision was made to place signs at trailheads. Other recommendations were made to include this information in the newsletter and on the website. Bicycle and pedestrian signage has been posted on Cresta Road for uphill and downhill traffic. Mandatory dog leash signage has been placed at McCoy Creek trail and housing, the parking lot, and two signs within the village. Jerry Hensel said Vail Resorts is currently considering realignment of the biking trail and no decision has been made. Two additional digital speed control signs have been purchased by AMD. Jim Clancy explained they are able to capture data including the number of vehicles passing

through in a one-hour window and how many were below or above the speed limit. The speed sign on Cresta Road has been permanently mounted.

Jim Clancy presented two proposals for access control at the eight unmanned gates within Arrowhead. Apt Red, the current camera vendor, would install a mechanism at each gate providing more control over programming codes and a camera to view and record operators of any vehicle. It would allow property owners to assign custom codes for certain periods of time for guests, and Public Safety could more easily change codes for contractors. Dwelling Live proposed a system where guests would check in at the main gate and receive a printed bar code ticket that would be connected to a specific residence allowing access through the appropriate gate(s) during a certain timeframe. Both applications would operate through the existing wireless system. Jim noted \$30,000 was budgeted for this improvement. The Dwelling Live proposal would be considerably more expensive with ongoing costs for cloud based storage and ticket stock. He further noted Apt Red is familiar with the community and has proven to be very responsive. George Coleman expressed concern of burdening the main gate and back-up caused by the amount of time involved to enter information and issue bar codes.

Dan Gallagher moved to adopt the Apt Red proposal for \$30,000. Patty Strunk seconded the motion and it was unanimously approved.

Jim will schedule this work to commence in April or May. George Coleman asked Jim to explore the possibility of setting a password for each household to reduce the impact on Public Safety. Jerry Hensel advised Public Safety should maintain control over contractor access.

Jim Clancy talked about the wildfire mitigation five-year plan across Beaver Creek, Bachelor Gulch and Arrowhead. A forest health analysis was conducted for all three communities last year, and that information is currently being prioritized to develop a plan for each community. Jim said he would like to finalize the plan soon to be able to get on the contractor's schedule, given the dry winter conditions. He gave an update on changes to the Firewise certification process. They now require community work be complete and a plan in place before granting the designation. Because of the very different geographic conditions between the top of Cresta Road to the valley floor, they would consider Arrowhead at least two communities. They also want a representative from each "community" to champion the program and be actively involved. George Coleman informed the Board he intends to propose establishing a Homeowner Association Council comprised of the president of each association which Tim Gropp will chair. He said Firewise is one matter that should go before this council. Jerry estimated there are 26 homeowner associations within Arrowhead. Jim recommended sharing via newsletter and website the free local opportunities for personal property evaluations by the County and Fire District. George added Eagle River Water and Sanitation District offers irrigation assessments.

Patty spoke about a potential safety issue with pedestrians walking through the circle parking lot at the entrance to Arrowhead village. Jim Clancy recommended positioning two A-frame signs with arrows and verbiage directing pedestrians to use the sidewalk. Dan Gallagher requested Public Safety patrol this area during busy times of day, and Jim said they will have more of a presence.

Pool Placement Study

Kent Kriehn joined the meeting to give an overview of various concepts for placement of a community pool. For spatial consideration, the pool size used was 60 X 30 feet, without a kiddy pool, hot tub, or spa. The first option would require a 14 foot wall, separate and eliminate some playground equipment, and impact the Navaho trail. It was noted a section of the existing drainage pipe would have to be rerouted. In option two, additional retaining wall

was created to allow for all playground equipment to be replaced in two separate areas. In option three, with the addition of an eight foot wall, more space was created on the east end and would allow separation of the pre-teen and teen equipment. Option four expands to the west and would keep the existing restroom and playground equipment whole requiring a 24 foot wall. Kent noted geotechnical investigations would be the next step in examining these locations. Various adjustments were discussed. The Board requested Kent redraft the plans presented for pool placement to the east and west, incorporating a 75 X 35' pool, hot tub, downsized changing facility, and children's water feature, keeping the playground equipment in one area. Randy Smith requested Kent provide sight line information pertaining to the view from the homes to the west. Sun exposure was discussed. The Board was in agreement on the importance of providing information to the community as it becomes available.

Board Orientation

George Coleman commended Dan Gallagher on the orientation manual he put together for new Board members. George Bigley suggested the manual be distributed to all Board members. Dan explained it is a work in progress. Jerry Hensel said it will be distributed when finalized.

Unlicensed Vehicle and Unlicensed Driver Regulation

Jerry Hensel informed the Board the Unlicensed Vehicle and Unlicensed Driver Regulation has been adopted by AMD, noting it is not much different than the former regulation. Country Club of the Rockies has announced the golf cart rental program being introduced this summer.

Committees

Hiking: George Coleman stated grooming is in place for Mud Springs and the golf course. He said a few property owners have hiked the proposed trail. Jerry advised the Association is still in negotiations with Vail Resorts, and discouraged foot traffic in the area at this time. When asked, Jerry responded he anticipates a response from Vail Resorts within a month. In regard to Bachelor Gulch's participation in funding the trail, Jerry explained it was not included in their current budget cycle. Tim Baker added it will be on the agenda for their next meeting on March 29th.

Communications: Dan Gallagher requested everyone submit communication updates to Cynthia Bell within two weeks for distribution via Mail Chimp. George Coleman said WebEx will be used to engage the community further.

Snow: George Coleman complimented Vail Resorts on snow use opportunities with what they have had to work with. He expressed appreciation for the attention Arrowhead has received.

Strategic Planning: Meeting this week to work on the SWOT analysis and address topics to be considered going forward.

Image / Beautification / Landscaping: The Cresta Road improvements were discussed. Jerry estimated the project will commence May 1st with completion by Memorial Day. Patty and Jerry will meet with the landscaper for a walk-through in March. Dan Gallagher asked that conceptual plans be shared with the Board.

Nominating: Dan Gallagher shared an outline of Board orientation materials he prepared including an overview of the Association's relationship with stakeholders, current initiatives, certain covenants, and existing policies. He proposed adoption of revised Nominating Committee Guidelines. He explained the only change to this document is that Board members would not be nominated for an additional term until they have been off the Board for three years. It was noted former Board members are eligible to participate on committees. George Coleman suggested a special Board meeting be held immediately following the Annual Meeting for the purpose of electing officers, as well as implementing a process for people to express interest prior to that meeting.

Dan Gallagher moved to adopt the Nominating Committee Guidelines as presented. Randy Smith seconded the motion and it was unanimously approved.

Financials

Cathie Bennett reported the Association ended the year in good financial standing with a positive variance of \$170K. Real estate transfer assessments came in \$105K over budget.

Other Business

George Coleman suggested the short-term rental matter be assigned to the Strategic Planning Committee for further review and report back to the Board. He noted input from legal counsel has been received. Jerry Hensel clarified, this would only affect low density properties. Jerry added if AMD puts a 5% sales tax on the ballot this November and it is passed, that will enable licensing, tracking and better control of short-term rentals.

George Coleman confirmed Board meetings will stay on schedule for the fourth Monday of the month. He will propose a Town Hall meeting date for late spring or early summer.

Committee Assignments: Cynthia Bell – Communications, Cathie Bennett – Finance and DRC liaison, Tim Gropp – Inter-Homeowners Council, Patty Strunk – Landscaping and Public Safety, Dan Gallagher – Strategic Planning and Nominating, Randy Smith – Intercommunity Council. George Coleman asked committee chairpersons to begin grooming people to take on chairmanships. George said he would like to institute a Presidents’ Council of past presidents of the Association to meet a couple times a year, with the immediate past President as Chair. George added he would like to reach out to the community for interest in participating on committees and request background information.

There being no further business, motion was made by Dan Gallagher to adjourn the meeting. Cathie Bennett seconded the motion and the meeting was adjourned at 11:11 a.m.

Respectfully submitted,

Carol Floyd

Secretary to the Meeting