

## Minutes of the

### Arrowhead at Vail Association

#### Board of Directors Meeting held

October 23, 2017

A meeting of the Board of Directors of Arrowhead at Vail Association (the "Association") was held on Monday, October 23, 2017. In attendance were Board members George Bigley, Cathie Bennett, Patty Strunk, George Coleman, and Cynthia Bell. In attendance by phone were Rick Bross and Dan Gallagher, Board members, Chad Hollingsworth, Board nominee, and Bob Shafer representing Arrowhead Metro District. 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 with Design Review Administration, Erin McCauley, Accounting Manager, and Carol Floyd, Secretary to the Meeting. The meeting was called to order at 9:03 a.m., and it was noted a quorum was present. Introductions were made.

#### Public Comment

No public comment was made.

#### Public Safety

Patty Strunk reviewed notes from the Safety Committee meeting on October 19<sup>th</sup>. Notice of closure of the southeast and southwest gates between 11:00 p.m. and 5:00 a.m. will be posted the week of October 23<sup>rd</sup> and will take effect on November 15<sup>th</sup>. Jim Clancy noted emergency vehicles are equipped with RFID readers programmed for access 24/7. In regard to golf cart traffic, the committee will contact the golf course management team regarding rules currently in place. John Herbert has offered to give a safety course if golf carts are deemed to be allowed within the community. Signs cautioning the presence of wildlife will be installed at the playground. Verbiage and placement for safety signage pertaining to pedestrian and bicycle traffic on the south side entry and internal gates were discussed. Jim Clancy will have mock-up signs created for presentation to the Arrowhead Metro District ("AMD").

**Motion was made by George Coleman for the approval of signage as presented for the Arrowhead Metro District's consideration, approval, and installation. George Bigley seconded the motion and it was unanimously approved.**

In regard to bicycle traffic on Cresta Road, Jerry Hensel explained all roads in Arrowhead are public, noting an easement to the Mud Springs trailhead. He further noted the objective is to make Cresta Road a safer place for bikers, vehicles and pedestrians. The committee has proposed striping on the right uphill side of Cresta Road to be designated for pedestrians in both directions and ascending cyclists. Cyclists would descend in the same direction as traffic. Jerry Hensel stated legal road widths would be required to create a pedestrian or biking lane and would necessitate AMD approval. Jerry also said there would be an educational element with implementation. The concept of striping on Cresta Road will be presented to the AMD Board at their next meeting for consideration. Leash law signage will be installed at the parking lot and entrance to McCoy Creek. Patty reported Vail Resorts has committed to improving maintenance on the Village-to-Village mountain trail and possible realignment of the beginning of the trail. Jim Clancy spoke about various technological options for a guest access control system to support homeowners notifying Public Safety prior to their guests' arrival. Patty added that this process would greatly impact Public Safety and may require one additional employee. Patty spoke about a variety of speed signs available. Jerry Hensel said this topic was tabled in the last AMD meeting. Bob Shafer asked Jerry Hensel to bring information on the various options to the upcoming AMD meeting. Rick Bross made a recommendation to install a sign at the top of the Mud Springs trail where it connects with the yurt and Village-to-Village trail directing mountain

bikers to descend on Arrowhead Mountain rather than Cresta Road. Jerry Hensel advised this trail is controlled by Vail Resorts which strongly supports multi-use trails and would not likely be in favor of such a sign. George Coleman suggested a sign recommending both hikers and mountain bikers descend on the mountain trail.

## **Design Review**

Sid Schultz said the proposal for the Design Guideline revision project is currently being reviewed by the Association's attorney. David Cooper has a few additions to make with a target of having a proposal in place and accepted by the Association Board by the November 2<sup>nd</sup> Design Review Committee ("DRC") meeting. After that meeting a kick-off meeting will be held with Shepard Resources, the DRC, and the adjunct advisory committee. Cathie Bennett asked if the cost for this project is expected to be incurred in 2018. Sid answered \$10K is anticipated to be paid in 2017 with the remainder in 2018. Jerry Hensel clarified, with the addition of a 10% contingency, \$120K is currently budgeted for this project. The Board agreed to let the DRC and advisory committee determine when to hold the next Town Hall meeting. Rick Bross commented his liaison role with DRC will end with the end of his term on the Board this year. George Coleman responded that the 2018 constituted Board will make recommendations to set up all committees.

## **Committees**

**Activities Committee:** George Coleman referred to the Activities Committee Report distributed to the Board for inclusion in the minutes. 2018 winter programming being considered includes trail hiking, snow biking, ski demo day, back stage tours of the ski resort, cross-country skiing on the golf course, first tracks for residents, adult snow games, children's snow games, snowshoe walks, full moon snowshoe and dinner at Vista Restaurant, and trivia night. 2018 summer activities anticipated include tennis, pickle ball, children's day camp, Fourth of July community breakfast, movie night(s), fishing, hiking, biking, trivia night, and aqua fitness at the Arrowhead Village pool. Discussion took place in regard to the frequency of email communication. This subject will be revisited at the next Board meeting.

**Strategic Planning:** George Coleman stated the Strategic Planning Committee has affirmed its recommendation to expand the hiking trails. Once this has been approved and funded, trail cuts will begin in the spring and targeted for completion by Labor Day. Bachelor Gulch Village Association will be asked to contribute toward the project. Tim Baker explained the need for documentation to clarify expectations of the Association and Vail Resorts prior to proceeding with this project. As indicated in the homeowner survey response and per the Board's direction, the committee is proposing a location for a new pool and hot tub for residents and guests in the area contiguous to the parking lot and current playground. George noted the amount of space available is far in excess to make this improvement. The property is owned by AMD and would require a formal request from the Association for AMD's consideration. If AMD's approval is received to utilize the property, the next step would be obtaining a feasibility study and cost estimate. This information would then be brought before the Board to determine if it is a project they would like to go forward with and how it would be funded. Ultimately, the proposal would be vetted within the community for their approval. Access to the pool was discussed. George estimated a feasibility study to cost no more than \$10K, and suggested it be included in the 2018 budget. Rick Bross said a proposal will be made to AMD for a shuttle to Beaver Creek on Friday and Saturday evenings during the winter season. The morning shuttle pick up has been moved from 8:20 a.m. to 8:15 a.m. for the purpose of getting to Ski School.

**Image/Landscaping:** Patty Strunk reported a tree was taken out at the main gate and the area looks very good.

**Communications:** Cynthia Bell put out a second request for newsletter content to compile a final draft for the website designer by Thanksgiving. The Communications Committee has begun working on the Annual Report. Cynthia intends to have further information on this in the next meeting.

**Nominating:** Dan thanked board nominee Chad Hollingsworth for attending the meeting.

**Snow:** Rick Bross spoke about the Snow Committee's first meeting. Some items discussed were prioritizing snowmaking on Little Brave and Cresta, increased snowmaking, safety signage, and a designated yellow jacket every ski day. Other possible projects talked about were a kids' activity area on top of the mountain, expanding terrain above the yurt, signage to restrict sledding in the area south of Broken Arrow, and assigning an area above the trail going to the yurt for community activities and games. One committee member has explored incorporating sledding activities within the playground area.

Jerry Hensel said safety and liability to AMD would be determining factors. George Coleman suggested including a sledding area as part of the pool feasibility study. Jerry Hensel said he will be discussing a potential sledding area with Country Club of the Rockies (“CCR”) this week. Cathie Bennett expressed concern regarding children sliding from the pro tee on the third hole onto Arrowhead Drive. Jerry will alert CCR of this in his upcoming meeting.

## **Financials**

**September 2017 Financials:** Cathie Bennett reported Real Estate Transfer Assessments (“RETA”) have slightly exceeded budget. All dues are in. In other operating expenses, the Pro Shop came in under budget, there was a small overage in irrigation, and a \$9,000 insurance refund will offset the additional shuttle cost which has been carried all year. Discussion took place in regard to how to fund the \$10K for Design Guideline update expenses which will occur in 2017. Erin noted savings in Design Review Administration for a position which was vacant earlier in the year may cover this expense.

**FY2018 Budget Planning:** Cathie Bennett referred to the previous budget discussion and stated if everything suggested were funded, the ending fund balance would be reduced to \$500K. Association history has been to maintain \$1m. Cathie stated the Metro District has agreed to assume the truck and bus leases for a savings of \$75K. Bob Shafer said there was consensus among the AMD Board that the leases should be a responsibility of AMD, and a final decision will be made at their meeting on Wednesday. It was noted at the last meeting all capital improvements were taken out of the budget except \$30K for Village landscape and \$30K for trails. A conversation took place in regard to increasing the annual assessment to lessen reliance on RETA and allow for certain projects. Rick Bross asked Jerry Hensel to describe the lighting improvements which have taken place. Jerry explained no new lighting has been installed. All existing lighting has been renovated to LED. AMD is currently nearing completion of all the parking lot lighting. Rick expressed interest in hiring a lighting consultant to evaluate the community. The Board decided on the following additions to the 2018 budget: \$80K for the Cresta Road beautification, \$30K for access control upgrade, \$10K for the swimming pool feasibility study, and \$5K for a lighting analysis equaling \$127,500. If the annual assessment were raised by \$400 to \$1,600 per year, this would generate \$291,600 in revenue, leaving a fund balance of \$1,185,000 with the aforementioned projects.

**Cathie Bennett made a motion to approve the 2018 budget as distributed for this meeting with the addition of the following capital projects: \$82.5K for Cresta Road landscape improvements, \$30K for access control, \$10K for feasibility study for a swimming pool, and \$5K for a lighting consultant for a total of \$127,500, and that the budget reflect a \$400 increase in the annual assessment from \$1,200 to \$1,600 per year. George Coleman seconded the motion and it was unanimously approved.**

**Patty Strunk moved to set a date of record for the Annual Member Meeting as of November 1, 2017. Cathie Bennett seconded the motion and it was unanimously approved.**

## **Other Business**

Rick Bross referred to the Drone Policy he previously distributed to all Board members, noting it has been reviewed and approved by the Association’s legal counsel. Jerry Hensel suggested changing the wording of Village to the Arrowhead Community. General consensus among the Board was in agreement with the Drone Policy.

**There being no further business, Patty Strunk made a motion to adjourn the meeting. Cathie Bennett seconded the motion and the meeting was adjourned at 11:00 a.m.**

Respectfully submitted,

Carol Floyd

Secretary to the Meeting