

**Minutes of the
Arrowhead at Vail Association
Board of Directors Meeting held
August 24, 2020
via Videoconference**

A meeting of the Board of Directors of Arrowhead at Vail Association (the "Association") was held on Monday, August 24, 2020 via videoconference. Board members present were Randy Smith, Diane Loosbrock, Mary Pat Rapp, Mark Noble, Tim Gropp, and Chad Hollingsworth. Also present were Jerry Hensel, Association Manager, Sid Schultz, Sr. Analyst for Design Review Administration, Kevin Hopkins, Financial Analyst, Dan Gallagher, Ex Officio, George Coleman, property owner, Bob Shafer, representing Arrowhead Metro District, and Carol Floyd, Secretary for the Meeting. The meeting was called to order at 10:03 a.m.

Public Comment

Bob Shafer informed the Board he will include one slide in the Town Hall presentation regarding the Route 6 crossing. He spoke about advice received from Todd Williams, Manager of Riverwalk, and the benefit of the crossing to Arrowhead and the greater Edwards area. Bob and others plan to attend the Edwards Metro District meeting in November. An additional traffic study will be needed this year including survey and design work. Arrowhead Metro District ("AMD") will determine whether to proceed with the study based on July 2020 financials. Discussion took place in regard to timing of negotiations for right of ways and land contributions for the roundabout. Jerry Hensel explained Colorado Department of Transportation ("CDOT") has a process to be followed once approval is granted. Jerry said all road improvements for this year are complete. Bob will present the first sales tax report in the next Board meeting. AMD budget planning for 2021 is in progress. The transportation plan will be similar to 2020 with the exception of a capacity reduction.

George Coleman offered several suggestions for the Board's consideration. He said there are a couple of volunteers that would be willing to investigate I-70 noise abatement with the Senate and House if the Board has interest. In regard to beautification of the front entrance, he proposed installing large sculptures such as a skier, biker, hiker, or cross-country skier to represent what is inside the Arrowhead community. George spoke about the importance of continuity and historical perspective. In addition to the past president sitting on the Board as Ex Officio and the Past Presidents Council, George referenced the ULI Study's recommendation to permit the opportunity for Board members to serve consecutive terms. He quoted correspondence between the Nominating Committee and Board in 2017 to "allow flexibility in compelling situations where the transition of an individual is critical to the successful continuation of a particular project." Additionally, he suggested the President make one or two appointments of individuals to sit in on Board meetings for one year as non-voting members to report on specific tasks. Mark Noble asked for input on the downside of allowing consecutive terms. Dan Gallagher talked about the risk of stagnation and loss of diversity. He recalled the Nominating Committee's preference, with which the Board agreed, for Board members to vacate for three years before being nominated for another term. Diane Loosbrock and Dan spoke in favor of implementing one-year appointments. Randy Smith asked the Board to send him input on the matter for discussion in a future meeting. Randy supported preliminary research for noise abatement noting Kari McDowell may be able to provide insight. He said the roundabout will be maintained by the Association, allowing them to make it a statement entrance.

Design Review

Sid Schultz gave an update on 201 Aspen Meadow Drive. This project was tabled at the last meeting. Landscape plans submitted do not address some screening the Design Review Committee ("DRC") requested. They have removed their mock-up from the site. Drawings indicate the wood siding and trim will be represented on the house. Sid said he is hopeful the DRC will be able to approve the changes with a couple of conditions at their meeting on September 3rd. Jerry Hensel raised concern regarding the home being listed for sale before it is complete and asked what recourse the Association would have if it sells prior to completion. Sid answered a letter of noncompliance could be added to the title or a lien filed against the property. Jerry Hensel said he will attend the DRC meeting. Randy gave the Board a head's up that a special Board meeting may be called to take action. Discussion took place regarding implementing a regulation requiring construction to be in compliance before a property is put on the market. Randy commented on progress with improved dialogue minimizing guesswork between property owners and the DRC to expedite decisions collaboratively, with a goal of continuing to improve the process.

Public Safety

Jerry Hensel confirmed an additional speed monitor sign has been ordered.

Committees

Operations:

Summer Maintenance: Jerry Hensel said the color conversion is on track for completion by the end of the month, with the exception of light posts that will be replaced next year. Street signs are currently being installed.

Lighting: Jerry Hensel said the ship date for the test light to be installed on Sawatch Drive is October 2nd. Installation should be complete by October 15th.

Honeywagon: Jerry Hensel reported the transition to single-stream recycling will take place over the course of two or three recycling pickups. Honeywagon is currently ordering the containers. A date to begin implementation has not been set. Jerry will keep the Board apprised. The challenge of swapping containers for those not in residence was discussed.

Landscaping Proposal: Randy Smith advised revisiting the proposal following the financial report. He explained the cost to develop the first two phases of the landscaping plan is \$12K. The benefit of proceeding now would allow for implementation next summer, with the only caveat being plans for the main entrance and status of the round-about. Diane Loosbrock questioned the exclusion of Eagle County right-of-way permits. Jerry Hensel explained the landscaping is outside of the right-of-ways. Diane expressed concern about the area at the west gate where trees were taken down on the walkway between Aspen Ridge Lane and Aspen Meadow Drive. Jerry said AMD is considering working on that path next summer. Jerry explained the plan will identify location, size, and shapes of flowerbeds to ensure they flow properly.

Hiking: Mary Pat Rapp said she is very pleased with neighborhood participation on the trail committee. As of last Wednesday, there had been 37 volunteers working a total of 142 hours. Work has been focused on the Ute trail to make it safer for bikers and hikers to navigate. Long-term, a maintenance plan and paid help will be needed to maintain the many trails. Jerry Hensel will follow-up on one-way signage that was ordered for the Ute trail. Diane Loosbrock offered to include a thank you to volunteers in the newsletter.

Strategic Planning: Mark Noble said the committee has recommended moving the short-term objective of creating a new trail between Cresta and Golden Bear, possibly in conjunction with a ski glade, to a long-term objective. The factors influencing their recommendation was privacy, safety, and cost. Mark said he would like to ensure this is what ownership wants before moving forward. Randy Smith suggested this may be a question for the homeowner survey Mark is working on. Randy spoke about an in-depth conversation he and Jerry Hensel had with Gary Shimanowitz including the topic of the aforementioned trail. Funding from Vail Resorts will not be available in 2021. Jerry added that Vail Resorts will determine what trail maintenance they are responsible for, and the Association can then plan accordingly.

Marketing and Communications: Diane Loosbrock reported Fresh Tape Media has created new stationary with the new branding. When the stationary is received, Diane has drafted a letter to be sent to property owners for whom we do not have email addresses encouraging them to provide that information. Fresh Tape Media has been contacting local real estate firms and asking if they have interest in having their listings promoted. This generates new free content. They also advertise for the community and for people to visit or join Arrowhead. They have been asking Vail Valley real estate companies with property listed in Arrowhead to tag ArrowheadatVail in the copy so people can find our user name. Preliminary discussions have taken place in regard to next year's contract. They have agreed to assist with the newsletter on an hourly basis and have signed a nondisclosure agreement.

Nominating Committee: Diane Loosbrock said there have been several very good nominations. The committee will meet soon and Diane will bring their recommendations to the Board for consideration.

Activities: Diane Loosbrock expressed gratitude to George Coleman for moderating Bingo night. Turnout was nearly 100 people. Diane spoke about upcoming events. On August 28th, Filthy Friday will include no hands watermelon and chocolate pudding eating, egg and water balloon tossing, face painting, etc. On Saturday, August 29th, there will be Adults Only trivia. Starry, Starry Movie Night on the lawn is scheduled for Saturday, September 5th. Masks and social distancing will be required.

Financials

Kevin Hopkins informed the Board that when a property goes under contract, the title company sends a status request that can be flagged as noncompliant with DRC regulations to notify the buyer there is a potential violation. Kevin reviewed the Balance Sheet as of July 31, 2020, pointing out there are some payables that need to clear. He will confirm the outstanding annual assessments and work with Randy Smith and Tim Gropp to determine next steps for collection. On the Income Statement, real estate transfer assessments ("RETA") are lagging year to date. Kevin noted there is a significant amount of real estate under contract. He anticipates RETA coming in close to budget at the end of August. In regard to expenses, the \$15K savings in landscaping will likely not be realized and the forecast will be adjusted. Based on

the new methodology of calculating management fees, the Association is due a \$15K credit. An adjustment for Muni Services and Public Safety should generate an additional credit of \$5K. These adjustments will be reflected in the August financials.

Tim Gropp said because of the positive income situation, the Finance Committee has decided to take a possible dues increase off the Town Hall agenda. In regard to the cash reserves, if RETA is realized from the properties currently under contract, Tim advised looking at investment strategies for 2021.

Randy Smith asked the Board to consider the Ceres landscape proposal for approval.

Tim Gropp moved to approve proceeding with Phase 1 and 2 of the Ceres landscape proposal. Mark Noble seconded the motion and it was unanimously approved.

Old Business

Short-Term Rentals: Randy Smith suggested moving to a quarterly rather than monthly report on short-term rentals. Jerry Hensel agreed. Jerry said there are presently 170 registered short-term renters. 30 percent remain to be identified. 180 listings are currently posted for winter. In mid-September, renewal letters will be sent for registration effective October 1st.

Tennis Update: Jerry Hensel said negotiations continue in regard to a monetary adjustment for tennis staffing.

Arrowhead Map: Diane Loosbrock shared information to be included on the Arrowhead map: hiker/cyclist/skier codes, fishing, golf, swimming pool, tennis, transportation, skier specific information, important phone and emergency numbers, facts about Arrowhead, and the Vision and Mission statements.

Strategic Objectives: Mark Noble reported all objectives are on track for 2020.

Arrowhead Bicycle Safety Policy and Signage: Randy Smith referenced a redline version of the policy based on input received from property owners. He said the policy will not be adopted today and will be discussed in an Executive Session.

August 27th Town Hall: Randy Smith thanked everyone for their work on the Town Hall presentation. He relayed Carol Floyd's request for a 30 minute practice session and it was scheduled for August 25th at 10:00 a.m. Jerry will confirm the timing of Gary Shimanowitz's participation.

Diane Loosbrock moved to enter an Executive Session for the purpose of reviewing legal opinion and advice, and to discuss a strategic business matter. Chad Hollingsworth seconded the motion and the Board entered Executive Session at 11:31 a.m.

Motion was made by Tim Gropp to exit Executive Session. Diane Loosbrock seconded the motion and the Board exited Executive Session at 11:50 a.m.

There being no further business, Diane Loosbrock moved to adjourn the regular meeting. Mark Noble seconded the motion and the meeting was adjourned at 11:51 a.m.

Respectfully submitted,

Carol Floyd
Secretary for the Meeting