

**Minutes of the
Arrowhead at Vail Association
Board of Directors Meeting
held March 22, 2021
via Videoconference**

A meeting of the Board of Directors of Arrowhead at Vail Association (the “Association”) was held on Monday, March 22, 2021, via videoconference. Board members present were Diane Loosbrock, Mark Noble, George Coleman, Phil Metz, Mary Pat Rapp, and Chad Hollingsworth. Also present were Jerry Hensel, Association Manager, Dana Miller, Financial Analyst, Sid Schultz, Sr. Analyst for Design Review Administration, Koby Kenny, Director of Public Safety, Randy Smith, Ex Officio, Bob Shafer representing Arrowhead Metro District, Val Ropes, Administrative Assistant to the Board, and Carol Floyd, Secretary for the Meeting. The meeting was called to order at 10:04 a.m.

Diane Loosbrock introduced and welcomed Dana Miller who will provide support as the Financial Analyst for the Association.

Public Comment

Bob Shafer gave an update on the Hwy 6 roundabout project. Arrowhead Metro District (“AMD”) presented a design to Colorado Department of Transportation (CDOT). CDOT brought in their designer to provide another point of view. Those comments were discussed in a subsequent meeting. Alpine Engineering is currently working on a cost estimate to provide to CDOT. A proposal must be submitted to Eagle County by the end of May. Bob noted the importance of the County’s and Edward Metro District’s participation for the project to proceed. A question will be added to the homeowner survey to determine if property owners are in favor of the project. He said AMD would issue a bond to fund the project from existing tax and sales tax revenue. Bob reported sales tax revenue for the six-month period of 2020 came in at \$212K. Sales tax revenue for 2021 is budgeted at \$375K. Cresta Road will be repaved in May from McCoy Creek Drive to the top of the road at a cost to AMD of \$400K.

Design Review

Sid Schultz reported construction activity is picking up and there are 15 submittals for the April Design Review Committee (“DRC”) meeting. Most projects are relatively small. They will review the sketch plan for the new residence at 123 Windermere Circle. Diane Loosbrock asked if contractors are being cautioned about entering through the east and west gates. Sid said he has spoken to the Code Enforcement Officer who covers this matter in all preconstruction meetings and he has agreed to reinforce the policy. Sid recommended that anyone who sees this occur should contact Public Safety. Mark Noble suggested this matter be addressed in a future newsletter to make homeowners aware of the policy.

Public Safety

Koby Kenny presented an analysis of the 2020 Complaint Summary. One-third of the complaints are parking related, followed by noise and trash. For the month of February, parking patrols were up year-over-year in an effort to prevent parking issues before they turn into a complaint. He attributed the issue to guests and homeowners who are not aware of the regulations. He proposed educating the community on the policies. Koby noted there were approximately 11,000 vehicles that went through the main gate last week, one of the highest weekly numbers year to date. Randy Smith asked if there were effective enforcement systems in place at Beaver Creek or Bachelor Gulch and how Arrowhead could duplicate those procedures. Koby explained the difference in public usage and access to those communities. Mark Noble commented that the parking regulation included in the Declaration is insufficient and needs to be further developed for Public Safety to have greater clarity. Discussion took place in regard to package delivery. Koby explained the impact from COVID. He noted providing this service is not included in the management agreement. At the next Board meeting Koby will present an analysis of the impact this service would have on the Public Safety bandwidth to perform their other functions based on historical data of packages received. Koby talked about the liability of such a program and potentially charging for the service. Mark Noble added the Board and Public Safety should agree on what service is provided and make it professional. George Coleman voiced his concern regarding the liability aspect and overwhelming Public Safety with this responsibility. He recommended not accepting packages on behalf of homeowners. Diane Loosbrock noted this is a service that has been previously offered. She said she has had a number of people ask why it has been discontinued. She recommended offering a subscription service at a minimum. Koby added there is very limited space in the gatehouse allowing for a couple of square feet of packages at one time. Randy Smith agreed with determining the cost to offer such service. He posed the overarching question of what is the mission of Public Safety. Mark and Koby will provide further facts next month to assist the Board in making a decision.

Committee Reports

Development Website: Alana Moritz, Creative Director with Fresh Tape Media (“Fresh Tape”), joined the meeting to present the Association’s newly designed website. Jared Harding and Jared Kleinstien with Fresh Tape were also in attendance. Alana explained the goal of integrating the new brand guide colors and fonts created last year as well as making the site more helpful and intuitive for homeowners and visitors. The navigation bar is broken into two topics with the first containing all homeowner information. The second tab, entitled “Explore,” is applicable to homeowners as well as visitors who want to learn more about Arrowhead. Most tabs have the same functionality as the previous website. At the bottom is a live update from the Association’s Instagram page. There will be a section for upcoming events. Ideally, a widget will be used to track interest and RSVPs for activities and events. Alana shared the url for the Board to navigate the new site and provide feedback via email to her on any suggested changes in functionality or language. Alana will send a Google docs link to Diane Loosbrock to send to the Board for sharing their input. Phil Metz commented on confusion around the identity of Arrowhead when combined with Beaver Creek and Vail, and proposed revisiting this subject in the next Marketing Committee meeting. Jared Kleinstien requested all comments in regard to the website be submitted by Friday.

Operations: Jerry Hensel reported a location has been decided upon for the Arrowhead mountain cam. He advised it will not be shown on the Beaver Creek website until their cameras are updated this fall. Jerry said the camera could be linked to the Arrowhead website in the meantime. The cost will be \$8K.

George Coleman moved to allow Jerry Hensel to proceed with a contractual agreement for an Arrowhead mountain camera and cabling, not to exceed \$10,000. Chad Hollingsworth seconded the motion and it was unanimously approved.

Jerry Hensel gave an update on the lighting project. Resurfacing the address marker bollards is nearly complete on the north side of Hwy 6. Jerry noted those on the south side of Hwy 6 will not be resurfaced at this time because of potential landscape improvements. Lighting for the bollards will follow. The light post currently at the guard gate will be replaced with a five-foot taller version of the same design to accommodate Wi-Fi transmission of security information. Jerry informed the Board of two landscaping contracts that will be put in place this year. Roots Garden Design who plants and maintains the flower beds and Alpine Design who maintains the landscaping. Each agreed to a cost reduction last year because of COVID with the guarantee of receiving this year’s contract. It was noted this expense is included in the 2021 approved budget.

Strategic Planning: Mark Noble said the Committee has been completely focused on the homeowners’ survey. They met last week to review a draft from the consultant. Mark said he expects to receive the final version by the end of next week and will distribute it to the Board for their feedback.

Communications: Diane Loosbrock said the newly formatted newsletter went out and was very well received thanks to Alana Moritz, Tim Muffley, and Val Ropes.

Activities: Val Ropes reported the Activities Committee has met a couple of times and have made tentative plans for the summer. The goal is to have a place on the website to see events and click to a sign up page. She spoke about the upcoming snowshoe event and unlikely the snowshoe track will be in good condition next Saturday. Various backup plans were discussed. George Coleman suggested an email blast to publicize the event including an RSVP requested by Thursday evening to determine participation. Alternatively, George suggested postponing until spring due to the wonderful weather that is anticipated. Diane Loosbrock relayed advice from legal counsel in regard to the necessity of waivers for activities and events. Greg Perkins advised the need for a waiver would depend on the activity or a general waiver could be used. Diane has spoken to the web host in regard to setting up an online waiver. General consensus among the Board was in favor of encouraging use of an online waiver with paper copies available at the event. George Coleman asked Jerry Hensel to look for a location to store games and equipment for activities.

Landscape: Randy Smith said the Committee does not yet have a landscaping proposal for the east gate for the Board’s approval. The most recent pricing for this portion of the project exceeds \$250K. Jerry will pursue other bids. Randy noted additional modifications to the design may be required. He further stated this project will likely begin in late spring or early summer. Randy asked the Board to send him any feedback in regard to the March 8th drawing.

Financials

Mark Noble commended Dana Miller for her handling of the February financial close. Dana gave a brief overview of her background. She has been with Vail Resorts for 24 years in various accounting roles including travel and reservations and HOA Accounting. She lives in Dillon and will office in the Seasons building. Her goal is to get the financial reporting up to the Association's standards within 60 days. Mark added that she is already 90% there. He reiterated the Finance Committee's approach, led by Dana, where they will go through every detail of the financials. They will then present to the Board a summary of the most important items. The Board will have access to the detailed financial package. Mark and Jerry Hensel will continue providing the overview at each meeting. Mark reported February was another good month with real estate transfer assessments ("RETA") coming in from the previous year's sales. RETA revenue is ahead of budget for February and compared to last year as of year to date. Mark said inventory of multi-family properties on the market is down. Inventory of single-family homes has dropped less significantly and pricing of these homes has remained at a relatively high level. The RETA revenue forecast for the first and second quarter is good. Expenses are favorable driven by savings in Public Safety. George Coleman suggested tracking the number of units sold over the past three years vs. the number of units in Arrowhead to project the number of units that might be sold over the next several years to help with long-term budget planning. Mark responded that there is data regarding RETA income over the past ten years, year by year and month by month. The average over three or five years is used to set the budget. Dana said the 2019 audit and 2019 tax return has been in review with McMahon and Associates. No penalties are expected with the late filing of the tax return. There are some audit adjustments that will be posted before the March financials. On the Balance Sheet, retained earnings of \$4.4M will increase by approximately \$30K. The 2020 audit is scheduled to commence the last week in June.

Old Business:

Town Hall: Diane Loosbrock and Carol Floyd will schedule a run through of the Town Hall presentation with those presenting on Friday morning.

New Business:

Trademark Filing: Diane Loosbrock noted there was a brief conversation in Executive Session regarding going forward with a trademark filing. The attorney at the Dorsey law firm in Boulder has all of the information needed at this time. It is estimated to take a minimum of nine months. It will be accompanied by a license agreement allowing Alpine Club and Country Club of the Rockies to have protected rights to use the Association's logo.

Maintenance Yard: George Coleman proposed paving the dumpster area to prevent large potholes. Jerry Hensel clarified that the property is owned by Vail Resorts who allows the Association to use it. He added that Vail Resorts may have environmental concerns. Jerry said there may be an opportunity to accomplish this in conjunction with the milling on Cresta Road. He will look into options.

There being no further business, George Coleman moved to adjourn the meeting. Chad Hollingsworth seconded the motion and the meeting was adjourned at 11:55 a.m.

Respectfully submitted,

Carol Floyd
Secretary for the Meeting