

**Minutes of the
Arrowhead at Vail Association
Board of Directors Meeting
held May 24, 2021
via videoconference**

A meeting of the Board of Directors of Arrowhead at Vail Association (the "Association") was held on Monday, May 24, 2021, via videoconference. Board members present were Diane Loosbrock, Mark Noble, George Coleman, Phil Metz, Mary Pat Rapp, and Samantha Hodgkins. Also present were Jerry Hensel, Association Manager; 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 10:03 a.m.

Diane Loosbrock introduced Samantha Hodgkins announced she has been selected to fill the vacancy of Tim Muffley's seat on the Board. Diane noted Tim has sold his home and is leaving the Valley.

George Coleman moved to ratify the President's appointment of Samantha Hodgkins to the Board to serve the remainder of Tim Muffley's term. Mark Noble seconded the motion and it was unanimously approved.

Public Comment

Bob Shafer announced the Arrowhead Metro District ("AMD") has appointed Michelle Horton to fill Tom Svoboda's Board position when he moved to Cordillera. Cresta Road has been repaved. AMD intends to run a summer shuttle similar to 2019 including five Bravo events, July 4th to Vail and Beaver Creek, and to Beaver Creek for Oktoberfest. The AMD audit has been completed with no issues. Members of AMD will meet with the Edwards Metro District in regard to the roundabout project prior to meeting with the County. Bob will coordinate a short survey in regard to the roundabout to be emailed to property owners.

Design Review

Sid Schultz said Design Review Administration ("DRA") continues to be extremely busy with summer construction. There are 18 new projects for the June meeting. He will staff approve as many projects as possible. When asked if the process is going smoothly, Sid explained contractors are more familiar with the process than homeowners. Homeowners normally submit several questions via email to DRA before submitting an application. He said it would expedite the process if homeowners would read the guidelines before submitting their application. Sid added the guidelines are searchable. Randy Smith suggested a note on this matter be added to the welcome binder. Mark asked about the status of his request for a metrics report. Jerry Hensel said he is in discussion with Steve Nusbaum regarding this request. Mark emphasized the value of such report.

Public Safety

Koby Kenny noted an incident on April 9th that was missing from the Complaint Log involving a contractor who had followed a homeowner through the west gate. Koby said going forward any time Public Safety has availability in the morning they will rotate between the east and west gates to monitor how many contractors are coming through those gates and will take the opportunity to educate them on entering through the main gate. Mark asked if the entry codes could be changed or turned off for a period of time until the issue is under control. Koby will check to ensure transponders will continue to work if the codes are disabled. George Coleman suggested programming the codes to not allow access between the hours of 7:30 a.m. to 9:30 a.m. He noted there are two types of codes, those given out at the gate and those selected and assigned to property owners for their guests. He recommended codes assigned to property owners not be disabled if there is a method to accomplish this. Samantha Hodgkins commented in agreement with this approach. Mark Noble said he and Koby have been working on a draft regulation for access control that will be distributed to the Board for their feedback in a couple of weeks.

Committees

Activities: Michelle Horton joined the meeting to present a schedule of summer activities including contingency plans. She said there are four Thursday Afternoon Club ("ThAC") events scheduled noting the need for access to restrooms at Broken Arrow. Jerry Hensel said chairs and tables are on the patio and table umbrellas will be available for use.

Advertising and utilizing social media along with locations for posting flyers to promote the event was discussed. All were in agreement to move forward with the Turtle Bus bar and pizza wagon for the first event. Michelle will discuss the set up location with Jerry, Jerry stated Vail Resorts may be interested in providing food for future ThAC events, depending on restrictions. Other planned events include an ice cream social on the Broken Arrow patio, bagels and coffee for July 4th served from a couple of tents in the skier parking lot, and movie night on the base area lawn. Mary Pat Rapp asked if three Adopt-a-Trail days could be added to the event calendar. Michelle will prepare a full calendar of events to send via email blast. Diane Loosbrock added there will be more frequent newsletters over the summer season.

Operations: Jerry Hensel gave a capital project update. The pickle ball court conversion will begin next week. All lighting fixtures have been ordered for mid-August delivery. Hoods are approximately 90% complete. Down lighting for all key pads and address markers should be finished within two weeks. A new address marker will be built at McCoy Creek Drive. The Tennis Center grill should be installed in mid-June. A screen to attach to the Tennis Center awning to provide shade has been ordered. Koby Kenny is working with an arborist to identify areas for wildland fire mitigation. Public Safety will trade in the 2014 Toyota Tacoma and receive a new vehicle this week. Diane Loosbrock and Jerry will discuss how to manage use of the grilling center. Randy Smith asked if the new vehicle will have the new logo color and graphics and Jerry affirmed. Jerry estimated the change of signage to the new colors is about 75% complete.

Strategic Planning: Mark Noble asked Mary Pat Rapp about progress on trails and bench replacement and if she has received the support needed. She explained she has been out of town. Jerry Hensel asked Mary Pat to provide her expectations and he will involve the Vail Resorts trail crew. Jerry said the bench is on the Maintenance team's worklist and he will check the status. Mark reported the homeowner's survey will be distributed this Friday. They will have 14 days to respond. A tabulation of results is expected by the end of June. The Strategic Planning Committee will meet the third week in June to revisit the existing plan and discuss additions or changes. He welcomed comments or suggestions from Board members who are not on the committee.

Marketing and Communications: Diane Loosbrock shared that the new website has been launched. Alana with Fresh Tape Media will send an email announcement. Val Ropes is meeting with the web host tomorrow to discuss the interactive calendar feature. Diane reported that George Coleman has captured a large percentage of the 70 property owner email addresses we do not have. She will send a letter to those individuals requesting permission to use their email address for the Association's electronic communication. Diane referenced a draft letter to biking groups included in the Board package. It has been approved by AMD and anyone who has worked on the biking policy. The goal is to send the letter to biking groups within the community to educate and better regulate policies. Val suggested printing copies for distribution from the gatehouse to cyclists parking their car in the skier lot. Diane asked for comments or feedback on the letter. Hearing none, the letter was approved.

Landscaping: Randy Smith gave an update on the east entrance landscape design. The estimated cost is between \$180K and \$250K. A proposal has been received from Ceres Landcare and Jerry is awaiting a second proposal. Randy noted \$150K is budgeted in 2021 for the landscape initiative. Randy, Jerry Hensel, and Mark Noble have discussed avenues for making up the shortfall with cost savings in other areas of the budget. \$10K has been spent year to date on design work for the east and main entrances. Randy shared high level estimates for the entire project. He said this will update the interior environment and enhance all entrances. When asked the timeframe for this project, Randy said it will be a multi-year project anticipated to finish in 2024.

George Coleman moved to increase the landscape project budgeted amount from \$150,000 to \$250,000, and approval to utilize \$50,000.00 in reserve funds for this project. Mark Noble seconded the motion and it was unanimously approved.

Financials:

Mark Noble reported April was a good month. Real estate inventory is currently low with only six properties on the market. The real estate transfer assessment ("RETA") forecast for May and June is \$100K per month. Mark noted that by the end of the second quarter income will be \$1M with an annual budget of \$1.4M. The 2019 audit has been completed. Two small issues are being addressed with the auditor. The 2020 audit will begin in a few weeks. Randy Smith has been working on an investment policy that should come before the Board for consideration within a couple of months. Mark asked for the Board's feedback on a proposal for an expense approval policy. As written, the Association Manager would have the authority to approve all budgeted expenses up to \$20K. Unbudgeted expenses under \$10K would require Treasurer approval. Budgeted expenses over \$20K and unbudgeted expenses over \$10K would require Board approval.

George Coleman moved to accept the expense approval policy as presented by Mark Noble. Samantha Hodgkins seconded the motion and it was unanimously approved.

Investment Committee

Randy Smith raised the question of whether there is any concern with moving away from the historical very conservative path, as described by the policy adopted by the Board in 2006, to a different investment strategy designed to preserve principal and pursue an investment strategy considered reasonably risk free. He noted specifics of that strategy have yet to be completely identified. The next step would be to begin talking to people in the community with expertise to form an investment committee or engage with the finance committee. The objective would be to add to the invested funds an amount on an annual basis to improve those funds value equal to or greater than the rate of inflation and the cost of the investment, targeting a few percentage points above those indicators. Samantha Hodgkins spoke in favor of this approach. Diane Loosbrock asked if there were any objections to the direction Randy is taking and none were expressed.

New Business

Relationship Building with the Edwards Community: Discussion took place in regard to the value of building relationships in the Edwards Community. Randy Smith noted only River Dance and a portion of the Eagle River leading up to McCoy gate entrance are in Edwards. The rest of Arrowhead is not in Edwards or Avon. George Coleman spoke about many nonprofit organizations and community initiatives supported by Arrowhead residents. Bob Shafer shared his opinion that it will be important to engage with Edwards Metro District. Bob requested Diane Loosbrock share the Edwards Metro District Operating Plan with the Board. George Coleman and Samantha Hodgkins agreed to work with Diane Loosbrock on this matter.

In-person Meetings: Phil Metz confirmed Vail Resorts has not yet given authorization for in-person meetings. He added things are trending in the direction where that guidance may be given soon. Jerry Hensel added in-person meetings are currently allowed outside. Diane Loosbrock will check with Jerry prior to the next meeting in regard to updated guidance. Randy Smith talked about other company parameters where in-person meetings are held with those vaccinated or require masks for those who have not been vaccinated.

Yard Noncompliance: Jerry Hensel stated Public Safety and Design Review Administration monitor lawn maintenance in the community. He requested any issues be brought to his attention and he will address the matter.

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

Respectfully submitted,

Carol Floyd
Secretary for the Meeting