

**Minutes of the
Arrowhead at Vail Association
Board of Directors Meeting
held June 28, 2021
via videoconference**

A meeting of the Board of Directors of Arrowhead at Vail Association (the “Association”) was held on Monday, June 28, 2021, via videoconference. Board members present were Diane Loosbrock, Mark Noble, George Coleman, Phil Metz, and Mary Pat Rapp. Also present were Jerry Hensel, Association Manager; Sid Schultz, Sr. Analyst for Design Review Administration; Steve Nusbaum, Senior Manager of 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 10:02 a.m.

Public Comment

Bob Shafer gave an update on summer transportation. There will be a shuttle for five Bravo! events, to Vail and Beaver Creek on July 4th, and to Beaver Creek for Oktoberfest. Bob explained Beaver Creek Village Transportation is short staffed and will not be able to provide drivers this summer. Arrowhead Property Management (“APM”) has agreed to partner with Arrowhead Metro District (“AMD”) to provide transportation with APM’s vehicle. Bob noted the driver is not CDL certified. AMD plans to arrange training for this driver to be certified so they are able to utilize an AMD shuttle with larger capacity in the future. Bob spoke about the Hwy 6 roundabout project. A meeting was held with two members of the Edwards Metro District (“EMD”) to gain insight on their priorities. Their first priority is currently a roundabout solution at Hillcrest Road leading to the Cordillera Valley golf course. They are considering solutions for connecting Arrowhead with the Riverwalk area. Bob attended the June 17th EMD Board meeting and delivered a brief overview of the proposed Arrowhead roundabout project during Public Comment. Bob enlisted a couple of members of EMD to work with the Arrowhead team. A safety survey was sent to residents on June 14th and will close today. The survey results will be analyzed and shared with the project team. Bob revisited the topic of managing bike and vehicle traffic on Cresta Road. Property owners continue to voice concern. Bob said a number of measures have been taken to control the situation. Closing Cresta Road is not an option. Vail Resorts has rights allowing the public to utilize Cresta Road and they do not wish to release those rights. Signage will be installed warning of the risk involved. Pedestrian use is encouraged with markings. Seasonal speed bumps are going to be installed. George Coleman recommended speaking about this issue at the next Town Hall meeting. Randy Smith suggested asking Vail Resorts to allow signage on the mountain to divert downhill bicycle traffic from Cresta Road. Jerry Hensel said there will be road repair activity within the community over the next couple of weeks.

Design Review

Sid Schultz reported this summer has been the busiest in the Design Review Committee’s (“DRC”) history. There are 25 projects on this week’s meeting agenda. Sid informed the Board of two projects that were built differently than approved. In one instance, a metal fireplace was approved for placement on a second floor deck and a stone veneer fireplace was built in its place. Sid noted the design regulations require the use of heavier materials below and lighter materials above. Discussion took place with regard to enforcement of the guidelines. Imposing substantial fines was suggested. Steve Nusbaum commented that there has been significant turnover of properties and many contractors have not previously done work in the community. Steve asked how DRC and the Association can do better outreach and provide education to those moving into the community or new businesses that are doing business in the community. George Coleman proposed requiring contractors to obtain an annual license for a nominal fee. This license could be revoked if guidelines are not followed. Mark Noble shared his view that it is ultimately the responsibility of the property owner. Diane Loosbrock referenced landscaping and sustainability regulations included in the Board package to assist the Board with questions that may arise regarding manicured vs. native landscaping. Mark Noble asked to schedule a short meeting with Steve Nusbaum, Sid Schultz, and Jerry Hensel to discuss his proposed DRC summary activity report and Steve agreed.

Public Safety

Koby Kenny said it was a relatively slow month in Arrowhead and for Public Safety. On the Activity Report he explained the variance in Public Safety Services is because of how past employees were documenting services. This category should be more consistent moving forward. Koby said Public Safety officers have been stationed at the east and west gates in the morning hours to prevent non-homeowners from entering. Mike Trueblood and Koby have met with the Public Safety team to focus on guest service and expectations of their job. Koby spoke about the key holder agreement and a meeting scheduled to discuss changes. Koby reported on fire mitigation efforts. Old Growth Tree Removal has cut

a fire break approximately 100 feet wide uphill from the Ute Trail. Another area behind the Dakotas has been identified for a similar fire break. Stage 2 fire restrictions are limiting the machinery that is able to be used. Management of gate access codes was discussed. Koby will provide Diane Loosbrock with a list of property owners who have personal access codes. A communication will be sent to those property owners clarifying permitted distribution.

Committees

Operations:

Insurance – Diane Loosbrock gave an update following a meeting held with the Association’s insurer. All of the volunteers, committee chairs, or those working on Association business are covered under the liability policy. There will be a change in the policy for Directors and Officer with broader coverage. Jerry Hensel is exploring moving the auto insurance policy.

Tennis Center Maintenance – Val Ropes will spruce up the Tennis Center bulletin board and Jerry Hensel will look into replacement of the bulletin board doors. Randy Smith mentioned there are some trees overhanging the courts that need to be addressed. Jerry will have the landscaper look at this area.

Valet Trash Service – Jerry Hensel explained the valet trash service has been provided for Cresta Road and River Ranch homes built with trash closets. Vail Honeywagon (“VH”) retrieves the trash containers and returns them to the closet. This service costs the Association approximately \$2,000 per month. Mark Noble said the Finance Committee recommends continuing to pay for this service through the end of the year at which time it will become the property owners’ responsibility. Jerry Hensel recommended VH bill property owners directly for this service beginning January 1, 2022. He further recommended a communication be sent in September notifying those property owners that are affected. Diane Loosbrock remarked that large items are being left at the community dumpsters and suggested this be mentioned in the next newsletter.

Mark Noble moved that the Association pay for valet trash service until December 31, 2021. Property owners will take responsibility for payment for this service as of January 1, 2022. George Coleman seconded the motion and it was unanimously approved.

Cell Tower – Jerry Hensel spoke about a cell tower previously planned to be located at the charter school to improve service in Arrowhead. Per the Vail Resorts IT Department, this is likely to be installed next summer. Jerry is also looking into installing nodes around the community to increase the signal as a temporary solution.

Pool Agreement – George Coleman referenced notes from a recent Pool Committee meeting included in the Board package.

Marketing and Communications:

Diane Loosbrock talked about website updates in progress. A liability waiver for activities has been drafted by the Association’s legal counsel. The intention is to put the waiver on the website along with activities sign up. Once the waiver is on the site, activities will be posted to the interactive calendar.

Strategic Planning:

Mark Noble stated the Strategic Plan is on target. He asked if there is a fire mitigation plan. Jerry said the plan is in process but has not yet been received. Mark gave an update on the homeowner survey. There were 612 responses, 50 more than 2017, indicating homeowners are still eager to share their opinions. Two responses per household were allowed and a breakdown of how many households the responses represent should be available soon. The consultant will present the results at the next Strategic Planning meeting on July 15th. All Board members are welcome to attend this meeting.

Activities:

Val Ropes reported, despite the weather, the first Thursday Afternoon Club (“ThAC”) was a huge success with delicious pizza, nice cocktails, and wonderful music. Approximately 100 people attended the event. The same band will be booked for the remaining ThACs. The cost of the event came in under budget. Umbrellas and stands were purchased for \$2,300. Diane Loosbrock suggested adding games for the next ThAC. Phil Metz offered to help facilitate storage of umbrellas and games at the Arrowhead Alpine Club. 163 scoops were served at The Ice Cream Social and great photos were captured for Instagram. Diane Loosbrock encouraged all Board members to attend the Association events. Val spoke about the upcoming July 4th offering of coffee, bagels, and doughnuts. Diane Loosbrock announced that Michelle Horton has accepted a position on the AMD Board and has asked to be relieved of her duties as Chair of the Activities Committee. George Coleman will co-chair this committee with Val.

Hiking:

Mary Pat Rapp talked about the Arrowhead hiking day planned for July 3rd. There will be three groups departing from the base of the Arrowbahn lift at 9:00, 10:00 and 11:00 a.m. All hikes are being lead and will finish at approximately the same time. Mary Pat has spoken with Jerry Hensel and James Strablizky with Vail Resorts regarding trail maintenance. Vail Resorts' priority for this summer is getting McCoy Park open. Mary Pat's biggest concern is thistles overwhelming the trails. The Adopt-A-Trail program would like to place a sign recognizing the Association for adopting a trail. Mary Pat suggested placing this sign at the bottom of the Ute Trail. James has recommended additional safety signage. Mary Pat said more directional signs are also needed. Jerry Hensel noted James can have signs made if the Hiking Committee is able to install them. Jerry added that he can arrange for a post hole digger. Jerry informed the Board of a large Arrowhead trail map sign being assembled on a tripod to be placed on the Broken Arrow deck just above the stairs. Discussion took place regarding the responsibility for trail maintenance. Jerry clarified, in the agreement with Vail Resorts to build trails on their property, the Association is responsible. He suggested providing refreshments following volunteer days. Val Ropes offered to assist with the after-parties. There were no objections to the Adopt-A-Trail sign placement. Mary Pat noted the bench on Navaho trail has been replaced.

Work in Progress:

Val Ropes will present an addition to the welcome binder in the July meeting. The Association emails have been redesigned to coincide with the look of the newsletter and the Association's branding parameters. She has been going over website details.

Landscaping:

Randy Smith gave an update on the landscaping project. He spoke about environmental factors which have come to the forefront and a need to be sensitive to the challenge of drought. A shortage of plants and landscaper staffing will prevent the entrance project from proceeding this summer. There will be no expenditures other than for design work this year. The project is expected to resume next spring. Mark Noble asked Randy to provide financial information related to this project to Dana Miller for forecasting purposes.

Financials

Treasurer/Finance Committee Report:

Mark Noble reported revenue is ahead of budget and same time period last year due to real estate transfer assessments ("RETA"). Design Review fee revenue is \$67K through May vs. \$17K at the end of last year. Mark said there is a continued decrease in real estate inventory for sale. \$1M in RETA is expected by the end of June vs. the annual budget of \$1.4M. Expenses are on target. There is a savings of \$50K in Public Safety. Now that they are fully staffed, it is anticipated they will utilize their budget for the remainder of the year. Improvements are currently under budget and will begin soon. The Balance Sheet shows outstanding assessments of under \$50K. Dana Miller will continue to handle collection of the assessments. Mark Noble asked the Board to consider revisions to the Expense Approvals policy approved in the last Board meeting for inclusion in the Bylaws. To maintain transparency, Dana will publish a list of all expenses incurred over \$10K each month for the Board's review.

Mark Noble moved to revise the Expense Approval policy for the Bylaws whereby the Treasurer will have the authority to approve budgeted expenses above \$20K and unbudgeted expenses up to \$10K, as long as the expenses do not exceed the annual budgeted amount. Board approval will be required for unbudgeted expenses above \$10K and any unbudgeted expenses that would cause the end of year budget to be exceeded. Phil Metz seconded the motion and it was unanimously approved.

Mark Noble asked for the Boards approval to appoint Dana Miller as Chairperson of the Finance Committee. The Board was in agreement. Dana will deliver the financial report in the months ahead.

Bylaws:

Diane Loosbrock advised the Board final changes to the Bylaws are in process. She noted the Board has the authority to approve such changes. All Board members are expected to thoroughly review the Bylaws in advance of the July Board meeting. Legal counsel will attend the meeting to answer any questions, followed by a formal vote.

Investment Committee:

Randy Smith stated a committee of seven community members has been formed. Their first task will be to clean up the Investment Policy statement. Different investment strategies for various assets in the investment portfolio are being looked at. An update will be provided in the July Board meeting.

New Business:

In-person Meetings:

Diane Loosbrock asked if there were any objections to holding in-person meetings going forward. Hearing none, the next meeting will be held at the Seasons at Avon with an option to attend virtually.

There being no further business, Diane Loosbrock moved to adjourn the meeting. Phil Metz seconded the motion and the meeting was adjourned at 12:00 p.m.

Respectfully submitted,

Carol Floyd
Secretary for the Meeting

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