

**Minutes of the
Arrowhead at Vail Association
Board of Directors Meeting held
November 23, 2020
via Videoconference**

A meeting of the Board of Directors of Arrowhead at Vail Association (the “Association”) was held on Monday, November 23, 2020, via videoconference. Board members present were Randy Smith, Diane Loosbrock, Mark Noble, and Tim Gropp. Also present were Jerry Hensel, Association Manager, Sid Schultz, Sr. Analyst for Design Review Administration, Kevin Hopkins, Financial Analyst, Koby Kenny, Director of Public Safety, Dan Gallagher, Ex Officio, George Coleman and Tim Muffley, Board nominees, Bob Shafer representing Arrowhead Metro District, and Carol Floyd, Secretary for the Meeting. The meeting was called to order at 10:02 a.m.

Randy Smith welcomed Board candidates George Coleman and Tim Muffley. Once elected, they will replace Tim Gropp’s and Randy Smith’s positions on the Board.

Public Comment

Bob Shafer gave an update on Arrowhead transportation services. The Village-to-Village shuttle begins 11/25, and Arrowhead’s inter-village shuttle and a second Village-to-Village shuttle is scheduled to begin 12/5. Each vehicle is limited to 50% occupancy or 11 passengers. Masks are required. Home and Alpine Club Circle pickups are encouraged to utilize the Village Connect app. Given the limitations on labor, evening service will not be offered as planned to begin December 17th. Bob noted there will be specific east and west routes. An application for the Route 6 project was submitted to Colorado Department of Transportation (“CDOT”) on November 2nd. They will have 45 days to review. If authorization is given to proceed, the next steps would be a survey, design work, and more detailed cost estimates. Bob reported sales tax revenues for July through September were \$108K, with the expectation of reaching \$190K at year end. \$375K is budgeted for next year.

Approval of October 26, 2020 Board of Director Meeting Minutes

Diane Loosbrock moved to approve the October 26, 2020 Board of Director Meeting Minutes as presented. Tim Gropp seconded the motion and it was unanimously approved.

Design Review

Sid Schultz said construction activity has slowed from the busy summer. He spoke about a couple of projects being reviewed in the next Design Review Committee (“DRC”) meeting including mockups of color for 87 Windermere, and the stone veneer being proposed for over the shot creek wall at 201 Aspen Meadow Drive. The River Ranch community is proposing an update to their Design Guidelines to increase the maximum allowable floor area from 5,750 sq. ft. to 6,000 sq. ft. Sid explained the approval process would remain the same as other communities within Arrowhead, requiring homeowner association approval before submitting an application to the DRC. Discussion took place in regard to documentation of the decision pertaining to approval of 201 Meadow Drive. Randy Smith suggested, in similar circumstances going forward, that Design Review Committee involve the Association Board. George Coleman recommended making a revision to the Design Guidelines. Randy requested Jerry Hensel and Sid meet with Kathy Aalto and the DRC to review the current guidelines and assess if there are any modifications that would be appropriate to increase the DRC’s comfort level in the decision making process to ensure compliance. Dan Gallagher added there should be specific timeframe guidelines.

Public Safety

Koby Kenny explained the year-over-year variance in Public Safety Services is related to the shutdown in March and April, and staffing levels over the summer. Public Safety is expected to be fully staffed by November 30th. They are implementing staggered starts to be compliant with State and County occupancy level mandates. 25% capacity for the gatehouse square footage allows for one person occupancy. The exception they were given allows for an occupancy of two which will permit one employee to spend more time out on patrol. Koby said they are working on additions to the employee training manual to help achieve expectations of the community and improve the culture and perception of Public Safety. Koby asked if the Board or any of their neighbors see something that is amiss, they reach out to him

directly so he can address the matter in a timely manner. Tim Gropp asked for clarification on what is included in Public Safety Services. Koby answered boot placements, deliveries, lost and found items, unlocks, etc. Diane inquired how the complaint log is compiled, noting calls she is aware of that were made and not included on the log. Koby said this is being addressed in the current training, with the expectation of much more documentation. Randy Smith spoke about response limitations in the COVID-19 environment. Koby is drafting a communication to homeowners so they will know what to expect from the Public Safety staff. Discussion took place regarding the Board's involvement in updating the Public Safety training manual.

Operations Committee

Lighting Status: Jerry Hensel requested feedback on the prototype light installed on Sawatch Drive. This light has been repositioned nightly to lessen its brightness. Jerry said a smaller version bollard light will be used in the Village.

Honeywagon Recycle Implementation Status: Jerry Hensel said last Tuesday was the second phase of exchanging containers to transition to single stream recycling. A communication was sent to homeowners last Monday with a schedule for the exchange.

Ceres Landscaping Proposal: Kathy Aalto joined the meeting to present two options for a landscaping plan to energize the community. She said the first phase will concentrate on the main entry. Whatever concept is decided upon will be expanded into driveways and intersections, and scaled appropriately. She spoke about the two-fold impression for community members and the public, and setting up a sense of arrival. The first scheme included a future roundabout on Hwy 6, with wing walls on each side of the main entry. Mature spruce trees would be preserved on the outer sides to provide framework to the entryway. Within the center island, a stone spine wall would angulate to create interest and provide a different view corridor coming and going. With focus on the median, the two outer sides could be simplified. The topic of a pedestrian walkway from the Village to Highway 6 was discussed. Kathy talked about the possibility of removing the cobble rumble strip to create a clean border for the asphalt road and regrading the drainage ditch. Kathy described the second scheme that would take out more of the dominant spruce feel in the median and create a regular rhythm of deciduous trees within a boulevard and on both sides of the road. This plan would simplify the lawn edge by using a low wall to transition up to a landscape or native area. Randy Smith asked that Board members email him and Jerry with any thoughts or feedback. Dan Gallagher suggested forming a landscape committee to work on this project.

Mountain Opening: Jerry Hensel announced Beaver Creek is scheduled to open on Wednesday, November 25th, with limited terrain. Arrowhead is tentatively scheduled to open on December 19th. Gary Shimanowitz will provide one week's notice.

Marketing and Communication: Diane Loosbrock said a newsletter recently was distributed. One more will be sent this year including uphill information. She and Randy Smith have a meeting with Fresh Tape Media next week. She referenced a social media report that she recently sent to the Board, and offered to relay any questions at the upcoming meeting.

Financials

Kevin Hopkins reviewed the Balance Sheet as of October 31, 2020. He reported most of the cash has been transferred to Alpine Bank ("Alpine"). He is currently working with UNB Bank to transfer the Operating Account balance to Alpine. That account will be closed once the CD expires in 2021. No outstanding annual assessment payments have been received. Kevin asked the Board for guidance on next steps in terms of a sending a legal letter or charging interest. Jerry Hensel requested Kevin send him the list of delinquent property owners to forward to the Association's legal counsel. Kevin explained the AP process being used by the Vail Resorts accounting system. They make all AP payments and send the Association a request once or twice each month to fund that amount. Currently, some real estate transfer assessments ("RETA") checks have gone to a bank account in Broomfield and are shown as due to the Association. Once the Alpine lock box is set up, RETA checks will be sent from the title companies directly to the Association's Alpine account. Kevin pointed out the Income Statement does not reflect the updated forecast of \$2.7M for RETA at year end. In Expenses, trash is over year to date. Jerry Hensel will follow up with Vail Honeywagon to determine the reason for this overage. Randy asked that the forecasts be updated for distribution with the Annual Meeting package. Randy will include two paragraphs of notes to explain the financials and provide the rationale for assumptions in the 2021 budget, particularly around projects. Tim Gropp talked about a meeting with Alpine where cash preservation in FDIC accounts was prioritized. The bank offered a Money Market account with interest of .05%, and CDs up to .1%. There are investment options if the Association were willing to assume more risk. The bank agreed to meet with representatives of

the Association on a quarterly basis to review accounts and market trends. Randy Smith asked Kevin if the financial audit has been finalized. Kevin said he will follow up on the status of the audit.

Old Business

Map Update: Jerry Hensel said he is expecting a proof of the map from the printer within a couple of days, and will send it to Diane Loosbrock for review. Once approved, the maps should be printed within 10 days.

AVA Bylaws – Legal Engagement: Randy Smith spoke about the Association bylaws being outdated. He requested Board approval to engage legal counsel to amend and restate the Association’s bylaws. As a working group, he, Diane Loosbrock and Dan Gallagher have prepared a document to send to Greg Perkins.

Diane Loosbrock moved to approve engagement of Greg Perkins and his law firm to prepare an amended and restated set of Association Bylaws. Tim Gropp seconded the motion and it was unanimously approved.

Annual Meeting Format/Voting/Q & A: Randy Smith recommended keeping the Annual Meeting concise with reports from Metro District and Beaver Creek Resort, and providing updates on financials, community and capital improvements. It was noted attendees will use the ‘raise hand’ feature to ask questions. George Coleman referenced the Conduct of Meetings resolution whereby each person shall be given up to two minutes to make a statement or ask a question. This time limit may be increased or decreased at the Chairperson’s sole discretion as long as it is uniform for all persons addressing the meeting.

Pool Closure: Randy Smith spoke briefly about concerns received via email in regard to the pool closure and reimbursement of cost savings. The cost of operating the pool for this year is unknown. When the final costs are determined, the Association’s share for the two months of 2020 the pool was unavailable would equate to a single digit dollar amount if divided by all property owners. He further noted dues are not refunded when other amenities are closed. Diane Loosbrock added the assessments are paid as a lump sum for whatever the Association can provide, and any amount not used goes back into the association cash account.

Cell Service: Randy Smith stated he and Steve McPhetridge have reached out to two cell tower companies, and they are not currently interested in placement of towers near Arrowhead. Jerry Hensel mentioned potential improvements planned for this year that were postponed until next year because of the pandemic.

AVA Board Officer Nominating Process: Randy Smith asked for the Board’s point of view on the proposed Board Officer nominating process as described in the document included in the Board package for this meeting. Mark Noble indicated he was in favor.

Mark Noble moved to adopt the Board Officer Nominating policy as presented in the November 23, 2020, Board package. Diane Loosbrock seconded the motion and it was unanimously approved.

Randy Smith asked for the Board’s feedback on the newly installed light on Sawatch Drive, specific to its appearance or functionality. Jerry Hensel confirmed the light is dark sky compliant. He will take a photo of the light this evening and forward to all Board members.

Randy Smith said he will schedule the Annual Board Meeting, for the purpose of appointing officers, a day or two after the Annual Member Meeting, depending on availability.

George Coleman thanked Randy Smith on behalf of the community for his exemplary leadership and involvement as President of the Association. He acknowledged Dan Gallagher for completing his year as Past President, and for his positive engagement. Randy Smith thanked the other Board members for their hard work, diligence, and dedication. Tim Gropp expressed his pleasure of working with the Board.

There being no further business, Randy Smith adjourned the meeting at 12:19 p.m.

Respectfully submitted,
Carol Floyd, Secretary for the Meeting