
RECORD OF PROCEEDINGS

Minutes of the Meeting Of the Board of Directors Arrowhead Metropolitan District July 28, 2021

A meeting of the Board of Directors of the Arrowhead Metropolitan District, Eagle County, Colorado, was held on July 28, 2021 at 3:00 p.m. in the Marchetti & Weaver conference room at 28 Second St, suite 213, Edwards, Colorado, Eagle County, and via electronic Zoom meeting <https://zoom.us/>, Phone Only US 1 253 215 8782, Meeting ID: 810 3392 1896, in accordance with the applicable statutes of the State of Colorado.

Attendance The following Directors were present and acting:

- Bob Shafer
- Bill Roe
- Thomas Howard
- Vincent Riggio
- Michelle Horton

Also in attendance were:

- Jerry Hensel, Director of Resort Operations, Vail Resorts
- Ken Marchetti, Marchetti & Weaver, LLC
- Beth Johnston, Marchetti & Weaver, LLC, recording secretary
- Diane Loosbrock, President of Arrowhead at Vail Association
- Geoff Dreyer, UERWA representative
- George Coleman, Arrowhead resident

**Call To
Order**

The meeting of the Board of Directors of Arrowhead Metropolitan District was called to order by Director Shafer on July 28, 2021, at 3:00 p.m. noting a quorum was present.

**Disclosure of
Potential Conflict**

Of Interest The Board noted that it has received certain written disclosures of potential conflict of interest statements from Director Riggio more than seventy-two hours prior to the meeting, indicating that Director Riggio is affiliated with Trinity Development Group, Inc. (“Trinity”), a real estate development company. Trinity is evaluating possible alternative uses of the Skier Parking Lot owned by the District and Trinity may bid on the purchase or some other form of development of the Skier Parking Lot, within the confines of applicable law. Director Riggio’s activities in evaluating possible alternative uses of the Skier Parking Lot could be considered by some to constitute a potential conflict of interest. The Board noted, for the record, that this disclosure is restated at this time with the intent of fully complying with laws pertaining to potential conflicts of interest.

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Consideration

Of Agenda There were no changes to the agenda.

Minutes The Board reviewed the minutes included in the Board packet and by motion duly made and seconded, it was unanimously

RESOLVED to approve the minutes of the June 23, 2021 meeting as presented.

Accounts

Payable Ms. Johnston confirmed that an updated accounts payable list was emailed to the Board prior to the meeting. The Board reviewed the updated Accounts Payable list and by motion duly made and seconded, it was unanimously

RESOLVED to approve the updated Accounts Payable list as presented.

Time Limits Director Horton presented Roberts Rules use of time limits on discussion topics explaining a time limit is set for each topic and once the time limit is reached, a motion is required to extend the discussion time if necessary. There was additional discussion on changing the start time of meetings from 3:30 pm to 3:00 pm with a 2 hour time limit. Following discussion, the Board requested that starting with August, meetings would start at 3:00 pm and time-blocks would be assigned for discussions.

Action List The Board reviewed the action list in the packet.

UERWA

Update Mr. Dreyer reviewed the following for UERWA:

- The Authority was using direct customer outreach to excessive water users to change water use behavior.
- The Authority was able to provide lists of excessive user customers to Arrowhead Metro District if the Board requested it.
- The primary water counsel for the Authority is changing from Glenn Porzak to Christine Browning.

Mr. Dreyer reviewed the unification matrix outlining different alternatives for the Authority to consolidate with the Eagle River Water and Sanitation District (District). Also reviewed was a letter from Town of Avon discussing the loss of direct representation and other concerns with consolidation and the response from the District proposing Authority representatives to provide input to the District Board. District counsel was tasked with drafting a representative option model.

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Mr. Dryer reviewed the Authority's storage basins and ability to supply the Rivers if there was call and the differences between the in basin and out of basin reservoirs. A proposal on unification is expected by the next meeting and the unification process was explained including a resident vote and unanimous Authority vote to dissolve the Authority. Discussion continued on timing, consolidation, and Trailside HOA's successful irrigation water conservation project.

AVA Update Ms. Loosbrock reviewed the following activity for Arrowhead at Vail Association:

- Amended Bylaws were passed.
- Survey results were received and the Metro areas received high owner satisfaction ratings. More transportation, shuttles to other resorts were requested.
- Summer events are on-going.
- Trail groups are coming in to do trail maintenance.
- Trails Master plan was proposed and being reviewed in conjunction with future budgets.
- The HOA Town Hall meeting is August 16 at 5 pm via Zoom.

Roundabout Update

Director Shafer reviewed the progress to date on the Arrowhead/Edwards Metros working group and there is another meeting scheduled for August 6. The Edwards Metro minutes from June are included in the meeting packet. The District's resident survey results were in and Director Shafer reviewed the responses and discussion continued on the responses and next steps.

Bond Refunding

Director Horton thanked Mr. Marchetti for sharing his knowledge and experience with bond refunding. Director Horton reviewed the options available and reported that interest rates have dropped further, including for taxable options. Director Horton and Mr. Marchetti reviewed the prior bond refinancing via private placement at Chase Bank. Discussion continued on potentially refinancing other bonds and an update would be given at the next meeting.

Operations Report

Mr. Hensel reported:

- There was an issue with the water and it was found that Comcast, during their installation, put a bore through the storm sewer conduit. The damage was being repaired and Comcast is responsible for the costs of the repairs.
- The storm sewer drains need cleaning. Mr. Hensel anticipates that the cleaning will not exceed \$10,000 and is already budgeted in the road maintenance budget line. The Board requested that Mr. Hensel proceed with the cleaning.

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- The lights are backordered and expected to be delivered at the end of August, pushing installation back to September. The project is expected to be completed by the end of October.
- There is a vehicle in for repairs.
- The asphalt and concrete work have been completed.

Financial Statements

Mr. Marchetti reviewed the financial statements included in the packet noting items were tracking as expected, sales tax revenue was strong. Discussion turned to the 2022 budget and Mr. Marchetti explained the process and timing. The Board appointed Directors Roe and Horton to the 2022 Budget Committee. Director Howard was asked by the Board to work with Vail Resorts on the winter transportation agreements. Mr. Hensel told the Board that Vail Resorts will be able to provide service hours similar to 2019 for Arrowhead during the 2021-22 season. Discussion continued on transportation services, an evening shuttle, and how to incorporate the resident survey requests into the schedule.

Cresta Road Safety

Director Riggio reported on the Cresta Road safety issue reporting that Mr. Collins advised a Resolution to provide stronger backup for the safety measures taken by the Board. Director Riggio reviewed the Resolution, steps taken to increase safety, and meetings with the HOAs. Director Shafer reviewed the letter to Arrowhead Homeowners and Residents and it will be sent to and reviewed by Mr. Collins before distributing and he will attend the HOA President's meeting. Areas on Cresta Road have been identified for installation of speed humps which were designed to decrease speeds to 15 mph. The Board reviewed the suggested sign verbiage to be installed along Cresta Road. Discussion continued on additional safety measures such as installation of mirrors on corners, motion flashers, concerns by HOAs, the engineer's letter, and how to evaluate the success of measures taken. Following discussion, the Resolution was tabled pending receipt of the engineer's letter.

Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the purchase and installation of speed humps, signage, and other safety enhancements for Cresta Road at a cost not to exceed \$20,000.

Future Meetings

The Board confirmed the next meeting on August 25 would start at 3:00.

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Adjournment There being no further business to come before the Board, by motion duly made and seconded, it was unanimously

RESOLVED to adjourn the meeting of the Arrowhead Metropolitan District Board of Directors this 28th day of July 2021.

Respectfully submitted,



Beth Johnston
Secretary for the Meeting