
RECORD OF PROCEEDINGS

Minutes of the Meeting Of the Board of Directors Arrowhead Metropolitan District August 25, 2021

A meeting of the Board of Directors of the Arrowhead Metropolitan District, Eagle County, Colorado, was held on August 25, 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
- Thomas Howard
- Vincent Riggio
- Michelle Horton

The following Director was absent:

- Bill Roe

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

Call To Order

The meeting of the Board of Directors of Arrowhead Metropolitan District was called to order by Director Shafer on August 25, 2021, at 3:02 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

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record, that this disclosure is restated at this time with the intent of fully complying with laws pertaining to potential conflicts of interest.

Consideration

Of Agenda There were no changes to the agenda. Director Shafer explained that a timed agenda would be used following the discussion at last month's meeting.

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 July 25, 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.

Officers Mr. Marchetti explained that the District never appointed a new secretary following the resignation of Mr. Svoboda. Following discussion, and by motion duly made and seconded, it was unanimously

RESOLVED to elect the following officers:

Robert Shafer	President/Chairman
Michelle Horton	Secretary
William Roe	Treasurer
Vincent Riggio	Asst Secretary/Asst Treasurer
Thomas Howard	Asst Secretary/Asst Treasurer

Action List The Board reviewed the action list in the packet and asked Management to update as discussed.

UERWA

Update Mr. Dreyer reviewed the following for UERWA:

- Stream flows were normal after rains in July and early August however since have fallen back down.
- There are two requests to UERWA for unallocated water, one for a carwash in Edwards and another for a new development in Avon.
- The Homestake Exchange allows water to be released from Wolford Reservoir so that a credit balance of water is held in Homestake.

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- The Traer Creek tank construction is expected to be complete by end of October.
- There is no update on the consolidation at this time but a communication will be sent to the Board is something significant comes up.

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

- The Town Hall meeting went well with good attendance and good information disseminated.
- The Vail Resorts race went well with no homeowner complaints. They have asked Arrowhead to consider hosting a burro race in the future.
- The email initiative was successful.
- Working with Vail Resorts to provide year round use of Broken Arrow restrooms.
- Approved cost share with Country Club of the Rockies for hardscape improvements.
- New initiatives with Fresh Tape Media and legal to use Arrowhead Village as DBA instead of Arrowhead at Vail. All social media using new name is secured.
- Rediscover Arrowhead activities to assist people with learning all that Arrowhead offers.

Director Riggio inquired about the missing Ute trail directional sign and Ms. Loosbrock reported it was being replaced.

Roundabout Update

Director Shafer gave a recap of the committee meeting on August 6. There was general discussion on location of the roundabout and construction of a sidewalk from east to west Arrowhead including a crosswalk with flashing pedestrian lights across Highway 6. Alpine Engineering is working on a cost estimate for the sidewalk and next steps is to vet the options for a roundabout or sidewalk.

Bond Refunding

Director Horton explained the District could lock in rates earlier than December and reviewed the costs and paying double interest if the new Bonds closed into escrow in September. Director Horton recommended that the Board move forward on the closing as soon as possible to lock in the best rates. General discussion continued on the Bond Counsel engagement letter included in the packet, the rates received from Chase bank for a refinancing similar to the 2019 bonds, and foregoing the request for proposals to multiple banks. Following discussion and upon motion duly made and seconded, it was unanimously

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RESOLVED to approve the Bond Counsel Services Engagement letter from Dinsmore & Shohl, LLP; and.

FURTHER RESOLVED to proceed with Chase Bank for initiating the Bonds.

Operations

Report

Mr. Hensel reported:

- Cresta Road signage is installed.
- Speed humps for Cresta Road are received and will be installed this week.
- Homeowner letter regarding changes to Cresta Road went out a couple weeks ago and five responses have been received, two of which were negative.
- Storm drain cleaning has been postponed.
- Six signs for approaching trails are in process.

There was general discussion on reviewing the notes from prior meetings to determine other safety measures such as mirrors, flashing lights, and identifying other areas for speed hump installation.

Financial

Statements

Mr. Marchetti reviewed the financial statements included in the packet noting that the forecast was updated in preparation for the 2022 budget and sales tax was still coming in strong. The Board requested that Management research the home improvement collections in regard to the Country Club of the Rockies remodel project.

Ken reviewed the Fund Balance comparison and Long Range Plan for Road Overlay costs for 2022-2036 included in the packet. He explained that the expedited plan had a higher initial outlay and some years with no overlay costs and that the original plan had less initial outlay but every year there were costs. Both assumed that the mill levy would drop from 15.5 to 10.074 at the same rate. The fund balance for the expedited plan is anticipated to be higher based on the assumption that inflation will be higher than interest rates over the time period. There was general discussion on both plans and the benefits of having the road overlays done more quickly. Mr. Hensel noted that the roads were inspected every year for damage and either plan would be adjusted as necessary. The Board requested that Management use the Expedited plan for the 2022 Budget.

Transportation

Update

Director Howard gave an update on the transportation agreement discussions and that Vail Resorts' goal is to provide the same level of service hours as 2019. Additional items for consideration for 2021-22 based on the survey responses:

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- There should be two evening buses between Arrowhead and BC starting earlier in the season.
- Add a 2nd bus to Vail and start them sooner in the season if possible.

The cost per hour for the new agreements is still unknown but Director Howard recommended that the Budget Committee use the 2019 amounts for 2022 budgeting purposes. Providing service to Oktoberfest was discussed but the driver would need a CDL.

Future Meetings

The Board decided to move all future meetings to a 3:00 pm start time with a timed agenda. The next meeting date was confirmed for September 22 at 3:00 pm.

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 25th day of August 2021.

Respectfully submitted,



Beth Johnston
Secretary for the Meeting