
RECORD OF PROCEEDINGS

Minutes of the Meeting Of the Board of Directors Arrowhead Metropolitan District November 17, 2021

A meeting of the Board of Directors of the Arrowhead Metropolitan District, Eagle County, Colorado, was held on November 17, 2021 at 3:00 p.m. at the offices of Marchetti and Weaver, 28 Second St, Suite 213, Edwards, with an option to attend 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
- Vincent Riggio
- Michelle Horton
- Tom Howard
- Bill Roe (arrived 3:28 pm)

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
- George Coleman, Arrowhead owner and resident
- Erich Kennedy, Dinsmore & Shohl

Call To Order

The meeting of the Board of Directors of Arrowhead Metropolitan District was called to order by Director Shafer on November 17, 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.

Public Input There was no public input.

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 October 20, 2021 meeting as presented.

Accounts

Payable Ms. Johnston confirmed that an updated accounts payable list was distributed via email 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.

Resolution Authorizing issue of 2021 Refunding

Bonds Mr. Marchetti confirmed that the meeting had been noticed for consideration of the Bond issue. He reviewed the projected debt service schedule for the refunding bonds explaining there has been no change in the numbers since the previous month. Director Horton confirmed that the bond issue was to decrease the interest rate from a current rate peaking at 4.1% to a fixed taxable rate of 2.42% resulting in over \$100,000 in savings to the District with taxable issue flexibility. Mr. Kennedy reviewed the Bond Resolution and other documents included in the bond issue, the timeline, and confirmed the closing date as December 1, 2021. There was general discussion on the Bond Resolution and the savings over the life of the bonds. Following discussion, and upon motion made by Director Riggio and seconded by Director Howard, it was unanimously

RESOLVED to approve the Resolution Authorizing the Issuance of the District's General Obligation Refunding Bonds, Taxable Series 2021 in an amount not to exceed \$1,650,000, and other parameters as included in the Resolution.

Action List The Board reviewed the action list in the packet and requested management to update items as necessary.

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Update The Board reviewed the minutes included in the packet.

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

- Tim Grope will replace Randy Smith as the AVA representative on the highway 6 committee.
- Negotiated new package agreement with Public Safety so packages are accepted at the gatehouse for owners to pick up within a specified amount of time. They are also looking into package lockers for the community.
- Working on contractor license program to require contractors to enter through main gate. Ms. Johnston suggested coordinating with the District for sales tax.
- Vail Recreation District ski days will be held early in the morning and participants should be gone before the lift opens.
- Creating a new owners book to use to welcome new owners and will be available on the website.
- Annual meeting will be held 12/21 at 3:00 pm. The District will be presenting.
- General discussion on annual parking passes to identify residents parking in the resident spaces, vehicle identification within the community.
- General discussion on investments for the anticipated budget surplus.

Roundabout

Update Director Shafer reported that he will be presenting a formal letter of request to Edwards Metro District at their next meeting asking for their support to lower the speed limit on Highway 6. He then reviewed the timeline for approaching CDoT and Eagle County in 2022. Discussion turned to potential funds available through the Federal Infrastructure Bill and how the District could benefit. Director Riggio volunteered to look into contacts for a proposal.

Operations

Report Mr. Hensel reported:

- Guardrail staining is complete.
- There is a live camera feed on the Arrowhead website.
- Speed bumps have been removed from Cresta Road and road patching is being completed. Warning signs are on order and will be installed next year.
- Still looking to fill one position for the winter, all equipment is serviced.
- All light fixtures for the Lighting project have been received. The parking lot fixtures have been installed and the Cresta Road fixtures will be installed soon.

Transportation

Agreements Mr. Hensel confirmed that Village to Village transportation will start Wednesday November 24 when Beaver Creek is scheduled to open and reviewed the operating

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schedule. Arrowhead buses are expected to start running December 4 at full capacity with masks required since it is public transportation. Vail Resorts hopes to provide 20+ service hours and two busses to Vail starting in January but service is dependent on driver availability. Discussion turned to providing evening shuttles to Beaver Creek and possibly partnering with Arrowhead Property Management to share an evening shuttle since their driver obtained a CDL and can now operate an Arrowhead bus. General discussion continued on evening shuttle options and communication to residents.

Mr. Hensel reported that the hourly rate for service was increasing to \$76.91 and that Vail Resorts approved a driver bonus program. Arrowhead was expected to be responsible for about 8% of any bonus payout which, based on 20+ service hours being met and remaining fully staffed, would be a maximum payout of \$5,000 in January and \$16,400 in April.

Financial Statements

Mr. Marchetti reviewed the financial statements noting that there is no change in the forecast, items are tracking as expected, and sales tax is still coming in strong. Mr. Marchetti reviewed the \$3.25 million bond issue projection for fully funding the roundabout assuming use of tax-exempt bonds, an increase to the assessed valuation based on increasing property values, debt services payments, gradual lowering of the mill levy and fund balance projection. The projections shows that the District would be able to pay the debt service on \$3.35 million of debt with approximately 2 mills. General discussion continued on issuing additional debt, projected AV and effect on mill levy revenue and fund balance.

District Legal Counsel

Director Shafer reviewed the letter from Collins, Cockrel and Cole explaining that the practice was splitting into two practices with different special district focuses. Following discussion, and upon motion duly made and seconded it was unanimously

RESOLVED to retain Collins Cole Flynn Winn and Ulmer for District legal counsel effective January 1, 2022.

Future Meetings

The next meeting date was confirmed for December 15, 2021 at 3:00 pm. The Board reviewed the proposed 2022 meeting calendar setting regular meetings on the fourth Wednesday of January through October, third Wednesday of November and second Wednesday of December. Upon motion duly made and seconded it was unanimously

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RESOLVED to approve the 2022 Meeting calendar.

**Executive
Session**

Director Riggio recused himself from the remainder of the meeting. By motion duly made and seconded it was unanimously

RESOLVED to enter into Executive Session pursuant to C.R.S. §24-6-402(4)(e), Determining positions relative to matters that may be subject to negotiation, developing strategy for negotiations, and instructing negotiators regarding the parking lot 4:35 p.m.

The board adjourned from executive session at 5:11 p.m.

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 17th day of November 2021.

Respectfully submitted,



Beth Johnston
Secretary for the Meeting