
RECORD OF PROCEEDINGS

Minutes of the Meeting Of the Board of Directors Arrowhead Metropolitan District January 26, 2022

A meeting of the Board of Directors of the Arrowhead Metropolitan District, Eagle County, Colorado, was held on January 26, 2022 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://us02web.zoom.us/j/83012234719>, Phone Only US 1 253 215 8782, Meeting ID: 830 1223 4719, in accordance with the applicable statutes of the State of Colorado.

Attendance The following Directors were present and acting:

- Bob Shafer
- Michelle Horton
- Tom Howard
- Bill Roe

The following Director was absent and excused:

- Vincent Riggio

Also in attendance were:

- Jerry Hensel, Director of Resort Operations, Vail Resorts
- Ken Marchetti, Marchetti & Weaver, LLC
- Beth Johnston, Marchetti & Weaver, LLC, recording secretary
- George Coleman, representative of Arrowhead at Vail Association
- Geoff Dreyer, AMD representative for UERWA
- Tim Gropp, Arrowhead owner and resident
- Paul Gorbald, Director of Transportation, Vail Resorts

Call To Order

The meeting of the Board of Directors of Arrowhead Metropolitan District was called to order by Director Shafer on January 26, 2022, 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

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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.

Consideration

Of Agenda There were no changes to the agenda.

Transportation

Report Mr. Gorbald gave a report on transportation services for the season to date. Village to Village service started November 24, 2021 with Arrowhead shuttles starting December 1. The Vail shuttle on January 4 did not have any riders so the official start date was pushed back to January 11. During the busy holiday weeks, the smaller shuttles were replaced with larger buses to handle the crowds during peak ride times. Ridership is up about 200% over 2021 season to date due to no limitations on capacity and increased service.

The transportation agreement includes a 5% increase of the hourly rate to cover expenses and salary increases for drivers. Mr. Gorbald reviewed the fixed and variable service rates and billing per the agreement. Director Howard requested backup showing how the service hours billed are determined, what buses were run, and a wait times report to compare to last year.

General discussion continued on service expectations through the end of the season, most effective use of available resources, an operating plan for Arrowhead, possible use of subcontractors for drivers, evening service to Beaver Creek during upcoming holidays and a possible second bus to Vail on Thursdays.

Minutes The Board reviewed the minutes included in the Board packet and Director Horton inquired on the paving in Riverdance. Following discussion, and by motion duly made and seconded, it was unanimously

RESOLVED to approve the minutes of the December 15, 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.

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Transportation

Agreements Director Shafer reviewed the revised Arrowhead Shuttle agreement reporting that he and Mr. Hensel worked out the issue outstanding from the December meeting. Given that time was of the essence for the agreement since service had already started, Director Shafer signed the revised Agreement. Following discussion, and upon motion duly made and seconded, it was unanimously

RESOLVED to ratify the Second Amendment to the Arrowhead Metropolitan District Transportation Services Letter Agreement.

Brownstein Engagement Letter

Director Shafer reviewed the engagement letter included in the packet and gave background on the request to research and procure potential grant funds for the District for infrastructure projects, notably the roundabout project. The Board requested that an update on the progress and timeline of the potential grant funds be prepared for the next meeting. Following discussion, and upon motion duly made and seconded, it was unanimously

RESOLVED to ratify the Engagement Agreement for Legal Services with Brownstein Hyatt Farber Schreck, LLP.

Encroachment

Agreement Mr. Hensel presented the Encroachment License Agreement for 14 St. Andrews Pl. The project included a redo of the driveway and installing a berm. Mr. Hensel did not flag any potential issues with the project in regard to the District property and recommended approval. Following discussion, and upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Encroachment License Agreement with Douglas and Debra Jacobs for 14 St. Andrews Place as presented.

Action List The Board reviewed the action list in the packet. Ms. Johnston gave an update on the election including postings on the website and the notice to be published.

UERWA Update

Director Shafer reviewed the letter from Beaver Creek Metropolitan District included in the meeting packet. He also reported on the unification meeting he and Director Roe attended and relayed that not all Authority members are supportive of unification. Discussion continued on next steps for the unification.

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Arrowhead at

Vail Update Mr. Coleman expressed the AVA Board's appreciation of collaboration between the Association and District and their commitment to have the relationship continue. He then updated the Board on the following items:

- The investment policy was approved with Mercer Advisors as investment advisor.
- Operations for 2022 are fully funded with approval of the budget. The Pool agreement is signed.
- Strategic Planning group is moving forward. Mr. Gropp wants to continue working closely with the District on the roundabout project.
- Website revisions are up and running.
- Activities will be increasing in 2022 starting with several scheduled for this winter.
- New homeowner notebook is being developed with a one page rules & regulations reference for owners.
- The Annual Date of Record for ownership has been set for November 1.
- The Association trademark is reserved and the licensing agreement is in process.
- Implementing a program to issue annual parking passes to owners.

Operations Plan

for 2022 Director Roe reported that the Operations Plan was being updated and reviewed and that several additional items are needed to move forward with the 2022 Plan. Discussion continued on cell phone coverage in Arrowhead and which entity had responsibility to address it. Mr. Hensel gave an update on the Verizon plan and timing for implementation with all agreeing that improving cell service was a priority within the community. Management indicated that most of the items requested could be sent and the first draft for review should be available by the next meeting.

Roundabout

Update Director Shafer provided the following updates related to the roundabout:

- Kari McDowell and McDowell Engineering has been re-engaged in the project.
- The CDoT permit has been extended for an additional year through February 2023.
- The meeting to request lowering the speed limit on Highway 6 in front of Arrowhead was postponed until the permit was extended. Now that the permit extension has been granted, a letter requesting a meeting will be sent.
- Brownstein is working on funding options. Director Riggio will provide an update at the next meeting.

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Discussion turned to the right of way work and next steps. The Board requested that maps be distributed showing the minor right of way acquisition needed for the project and that discussions be initiated with the property owners (Country Club of the Rockies and Vail Resorts) and that Mr. Collins be consulted regarding the documents to use for conveyance of the right of way areas.

Operations

Report

Mr. Hensel reported:

- Signs for the 20 mph speed limit have been posted throughout the community.
- The paving project invitation to bid will be published next week with bids due at the beginning of March for Board review at the March meeting. All work is expected to be completed by Memorial day.
- The snow removal team is one crew member short and the team is doing well.

Discussion turned to electric chargers being installed in the parking lot. Mr. Hensel spoke with Holy Cross Electric and they provide grants to cover up to 85% of the cost to purchase and install the chargers. General discussion was had on who would benefit, if they are a right fit for the community, where the chargers should be installed and the loss of parking spaces, how many charges should be installed and expected cost to the District. Following discussion, the Board requested that Mr. Hensel pursue applying for the grant with Holy Cross for installation of chargers.

Financial

Statements

Mr. Marchetti reviewed the preliminary year end financial statements included in the packet. It was projected that there would be a \$400,000 surplus. The Board requested that Director Shafer draft a letter to the owners to be included in the AVA newsletter letting owners know that the District was on track with lowering the mill levy and was in a good financial position. Discussion then turned to the sales tax collections with the Board requesting more detail of amounts in the Other category.

Posting

Resolution

Mr. Marchetti reviewed the Resolution for posting notices included in the packet. By motion duly made and seconded it was unanimously

RESOLVED to approve the Resolution Designating Location to Post Notice.

Future

Meetings

The next meeting was confirmed for February 23, 2022 at 3:00 pm.

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**Executive
Session**

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) and (4)(g), Determining positions relative to matters that may be subject to negotiation, developing strategy for negotiations, and instructing negotiators relating to the UERWA unification process.

The Board entered into executive session at 5:07 p.m.

The Board adjourned from executive session at 6:08 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 26th day of January 2022.

Respectfully submitted,



Beth Johnston
Secretary for the Meeting