
RECORD OF PROCEEDINGS

Minutes of the Meeting of the Board of Directors Arrowhead Metropolitan District August 24, 2022

A meeting of the Board of Directors of the Arrowhead Metropolitan District, Eagle County, Colorado, was held on August 24, 2022 at 3:00 p.m. at the offices of Marchetti and Weaver, 28 2nd St, Unit 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
- Bill Roe
- Steve McPhetridge
- Vincent Riggio (Zoom)

Also in attendance were:

- Jerry Hensel, Director of Resort Operations, Vail Resorts (Zoom)
- Ken Marchetti, Marchetti & Weaver, LLC
- Beth Johnston, Marchetti & Weaver, LLC, recording secretary
- George Coleman, representative of Arrowhead at Vail Association (Zoom)
- Geoff Dreyer, AMD representative for UERWA (Zoom)
- Kevin Sharkey, Trails Program Manager, Eagle County

Call To Order

The meeting of the Board of Directors of Arrowhead Metropolitan District was called to order by Director Shafer on August 24, 2022, at 2:57 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.

Public Input Eagle Valley Trail Expansion Presentation: Director Shafer introduced the Board and meeting participants to Mr. Sharkey. Mr. Sharkey reviewed the Eagle Valley trails already completed and the trails remaining to be constructed, timeline for construction of the remaining trails, how the trails will connect to provide a continuous dedicated trail system throughout the Eagle Valley, and current support partners. There was discussion on impacts and benefits of the trail system to Arrowhead, project cost and funding. Mr. Sharkey requested a letter of support for the completion of the trail system and asked the Board to consider a financial contribution in their 2023 budget. Discussion turned to pledged support from other Districts, potential amount of support from Arrowhead and how to communicate the support to Arrowhead constituents. Discussion turned to the District's research on a safer Highway 6 crossing and the potential construction of a roundabout. The Board thanked Mr. Sharkey for his time and presentation and agreed to write a letter of support and consider financial support of the project for 2023.

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

RESOLVED to approve the minutes of the June 22, 2022 meeting as presented.

Accounts

Payable The Board reviewed the Accounts Payable list provided in the meeting packet. Director Shafer explained it included two months of payables and Ms. Johnston reviewed the paving and electric vehicle charger amounts included in the list. Following discussion and by motion duly made and seconded, it was unanimously

RESOLVED to approve the Accounts Payable list as presented.

Old Records Mr. Marchetti informed the Board that the District has numerous boxes of old records and files in storage with Management. There was general discussion on retention and cost to convert the records that were required to be retained from paper to electronic format. Following discussion, the Board authorized up to \$3,000 for reviewing the boxes and developing a cost estimate for converting the files.

Owner letter regarding parking

Director Shafer reviewed the letter in the packet from an owner across the street from the pickleball courts. The letter raised concerns regarding noise, litter, and

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traffic and parking issues. Arrowhead Association is working with Public Safety to address the noise and crowding. The parking issue would be discussed later when the 2023 road plan was reviewed later in the meeting.

Association

Town Hall Director Shafer updated the Board on the Arrowhead Association Town Hall meeting and the District's presentation. There were about 80 residents in attendance and concerns were raised about voting on the roundabout. **Director Shafer assured the attendees that if the Roundabout was to move forward, the District would hold a vote of the residents to determine if they were For or Against the construction of the Roundabout.**

Action List The Board reviewed the action list in the packet and the Board requested Ms. Johnston update the completed items as discussed.

UERWA Update

Mr. Dreyer reported that Director Roe attend the last UERWA meeting and updated the Board:

- A resolution was passed to create new fees for specific services.
- A letter was sent out regarding warming water temperatures.
- More conservation efforts are needed.

Director Roe reported that the Unification proposal was still on hold. He relayed a conversation he had with the Authority's President Geroge Gregory about the Unification vote and to clarify the District's options on Unification. Mr. Dreyer explained that ERWSD would no longer lease water to the Authority as they have in the past unless the Authority voted for Unification, despite there being no legal or water rights restrictions on leasing water. General discussion continued on Unification parameters for Arrowhead, what issues could arise in the future and the downside of Arrowhead supporting or not supporting Unification, especially in light of potential future development of the parking lot. Director Roe and Mr. Dreyer recommended inviting Authority President Mr. Gregory to a District meeting to explain Arrowhead's options surrounding Unification.

Arrowhead Association

Update

Mr. Coleman updated the Board on the following items:

- The Town Hall meeting went well with good attendance. All questions were addressed.
- The pickleball courts are getting more complaints about parking and noise.
- There have been issues with removal of dead trees in Arrowhead. The association has requested a policy proposal from the Design Review Committee to be presented at the association's next board meeting.

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- Budget planning is in process.
- Landscaping in the Village core is being assessed by the Village at Vail Association and its individual member HOAs.
- A newsletter is being prepared.
- A Call for Nominations for two board seats was sent and there have been a significant number of self-nominations so far.
- Summer activities are wrapping up and went well. Mr. Coleman called out Cherry Gallagher, Kathy Roe and Val Ropes for doing a super job.
- Gate codes are in place and more transponders are expected.
- Parts for gates are on order and the gates will be fixed once they come in. There was general discussion on whether the interior neighborhood gates were still needed and their purpose.

Roundabout Update

Director Shafer updated the Board on the Roundabout project and that they were waiting on a letter from Ben Gerdes regarding the project funding. Director Shafer is corresponding with Rickie Davies on what more is needed. General discussion continued on the roundabout budget, mill levy rate, available funds for the project and being flexible with moving the project to future years if needed to obtain funding.

Operations Report

Mr. Hensel reported:

- The Riverdance pond cleanup is underway and deadfall and cattails have been removed.
- A Transportation schedule for Oktoberfest has been prepared. Beaver Creek is drawing up a new transportation agreement with their new legal team. Arrowhead's agreement will mirror the Beaver Creek agreement and may be available by end of September. The District should provide Vail Resorts with their winter transportation service wish list. Staffing levels for winter look strong so far and hourly rates are expected to increase significantly due to a wage increase. The Transportation committee made up of Directors Shafer and McPhetridge will meet next week to review services.
- The EV Chargers installation project is moving forward. After a delay, the chargers have been delivered. The chargers will be installed in the original location. A new transformer will be installed in the parking lot and boring for the new line will be done next week.
- The contractor options to repair the sinkhole that developed are not ideal. They are hoping to contract with Frontier for the repair if they are available.

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The sink hole was caused by water from a leaking pipe under the parking lot that was backflowing.

- There was a request from an owner for a new streetlight to be installed between St. Andrew's and Gleneagles Court. The Board requested more information on why a streetlight is necessary. Director Shafer agreed to reach out to the owner.

Mr. Hensel reviewed the updated Road Capital Plan and proposed paving plan for 2023 which includes adding more parking spaces near the pickleball courts. There was discussion regarding the new parking spaces, whether they would alleviate parking issues in the neighborhood and the need to promote ride share or alternative transportation methods such as bicycles and how to approach the court users about the noise and security concerns. Discussion continued on the long range capital plan and the Board requested the full paving estimate be included in the 2023 budget.

Director Shafer reviewed the Cresta Road bicycle safety update that Director Riggio prepared for the Board emphasizing that the speed humps are considered a temporary solution by the residents. Mr. Hensel reported that a couple new and extender trails should eliminate more bicycle traffic from the roads as they are completed.

Financial Mr. Marchetti reviewed the preliminary financial statements in the packet reporting that everything looks good. The Board requested that the bond be removed from the 2022 forecast. Discussion turned to the mill levy rate for the 2023 budget and if it could be reduced. 2023 is a reassessment year and legislative changes to decrease the assessed valuation would affect the 2024 budget. Mr. Marchetti shared a breakdown of the residential assessment rate in the legislation with the Board.

Water Rights Application The Board reviewed Mr. Collins' response regarding the water rights application filed by Vail Resorts and there was general discussion on why it was filed.

Future Meetings The next meeting was confirmed for September 28, 2022 at 3:00 pm. The budget committee set the budget work session for Wednesday, September 7 at 10 a.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 24nd day of August 2022.

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Respectfully submitted,

A handwritten signature in blue ink that reads "Beth Johnston". The signature is written in a cursive style.

Beth Johnston
Secretary for the Meeting