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## RECORD OF PROCEEDINGS

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### Minutes of the Meeting of the Board of Directors Arrowhead Metropolitan District January 24, 2024

A meeting of the Board of Directors of the Arrowhead Metropolitan District, Eagle County, Colorado, was held on January 24, 2024, 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, Meeting ID: 889 9887 0889, in accordance with the applicable statutes of the State of Colorado.

**Attendance** The following Directors were present and acting:

- Vincent Riggio
- Bill Roe
- Michelle Horton (Zoom)
- Steve McPhetridge
- Robert Warner, Jr.

Also in attendance were:

- Jerry Hensel, Director of Resort Operations, Vail Resorts
- Ken Marchetti, Marchetti & Weaver, LLC
- Beth Johnston, Marchetti & Weaver, LLC, recording secretary (Zoom)
- George Coleman, representative of Arrowhead at Vail Association
- Geoff Dreyer, representative Upper Eagle River Water Authority
- Randy Smith, AA representative for Highway 6 Safe Crossing project
- Phillip Ruschmeyer, Ruschmeyer Corporation (executive session only)
- Ryan Geller, Ruschmeyer Corporation (executive session only)
- Jose Carredano, Ruschmeyer Corporation (executive session only)

#### **Call To Order**

The meeting of the Board of Directors of Arrowhead Metropolitan District was called to order by Director Riggio on January 24, 2024, 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 Warner more than seventy-two hours prior to the meeting, indicating that Director Warner is a Board Member for Eagle River Water and Sanitation District, a former Builder/Developer in the District, a member of the Eagle County Planning Commission and Board of Adjustment, and President of the McCoy Springs at Arrowhead Homeowners Association. 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** Add safety concern from Mr. O’Loughlin and response to Bachelor Springs under Other Business

**Public Input** There was no public input.

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

**RESOLVED** to approve the minutes for December 13, 2023, as presented.

#### Accounts

**Payable** The Board reviewed the Accounts Payable list. By motion duly made and seconded, it was unanimously

**RESOLVED** to approve the updated Accounts Payable list as presented.

#### Encroachment

**Agreement** Mr. Hensel presented the encroachment agreement for 620 Arrowhead Drive to the Board. Mr. Hensel met with the developer and reviewed the proposed project to replace the current deck with a new snowmelt deck. The new deck will encroach a couple of feet onto District property and the 10-foot easement. Mr. Hensel reviewed with the applicant that the project cannot encroach on the ditch nor pipe and reviewed the owner responsibilities of the encroachment including that the deck may need to come down if the District needed to access the area of encroachment to which the owners expressed they understood. Mr. Hensel said he did not have concerns or issues with the project and recommended the Board approve the agreement. Following review, and upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve the Encroachment License Agreement for 620 Arrowhead Drive as submitted.

#### Other

**Business** 1) **Safety Concern from Mr. O’Loughlin:** The Board reviewed the request received from Mr. O’Loughlin to add lighting on Sawatch Drive between Gleneagle and St. Andrews. Mr. Hensel said he had spoken with Mr. O’Loughlin about the request and refreshed the Board that this issue was considered a few years ago but the owners of the neighboring properties rejected it. There was general discussion on the measures taken to date including installing reflectors, the lack of power in the area, and if additional lighting was necessary. Following discussion, the Board requested a response be drafted that the Board reviewed the request for additional

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lighting and did not find a safety issue. No further action will be taken on the issue at this time.

**2) Bachelor Springs Response:** Mr. Hensel met with the Bachelor Springs Board and relayed that a trail through the Vail Resorts Maintenance facility was unlikely. There was general discussion on other possible trail locations. The land between the Arrowhead east gate and Vail Resorts property is owned by the State so Bachelor Springs is working with them on a possible solution. The Board tabled any further discussion or action until Bachelor Springs comes back with other feasible options.

#### **UERWA Update**

Mr. Dreyer gave the following update:

- UERWA and ERWSD gave direction to their attorney to file exclusion for PFAS class action settlement.
- The Authority wants to achieve a six to twelve month of operating costs fund balance.
- There was a meeting with Eagle County and Town of Avon to decide criteria for prioritizing projects; however, land use decisions are not within the Authority's charter so the first come, first serve policy for water will remain in place.
- The Bolts Lake Reservoir design has had extensive updates, and they are going with two points of diversion plan from both Eagle River and Cross Creek.
- The draft Supplemental Environmental Impact Statement impacts the lower basin states but not Colorado
- The Colorado River water Conservation District has approved the lease of 50-acre feet of water to the Authority.
- The Authority supported the draft non-functional turf bill but is not sure how that will impact Arrowhead if passed.
- The West Slope entities signed agreement to purchase Shoshone water rights from Xcel Energy. There is still a lot to do including funding and conversion of water rights into in-stream flow.
- Unification is on hold indefinitely.

#### **Arrowhead Association**

Mr. Coleman distributed updated notes to the Board during the meeting (and updated the Board on the following items:

- Money is included in the budget for updating the gates and the project is in process.
- Mr. Randy Smith presented four key issues for the roundabout landscaping at the HOA meeting, including demonstrating that Arrowhead is a high-end

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exclusive community, conceptual and thoughtful approach with community input, distinctive and memorable design, Arrowhead takes pride in community.

- Bobby Murphy will speak at the February 5 Wine and Cheese event.
- As appointed by Arrowhead Association President Janet Cooper, George Coleman will continue to serve as AA representative to the District.

#### **Highway 6 Safety**

##### **Project**

Director Riggio updated the Board on the following:

- The most recent letter prepared by Director Roe was a good communication to owners.
- CDOT is reviewing the letter from Alpine Engineering to issue a new permit
- There is interest from at least three contractors for the project.

Director Riggio reviewed the fee estimate for an Owners Representative received from Todd Goulding Advisers distributed to the Board via email prior to the meeting. He and Mr. Hensel explained that an Owners Rep oversees the project and assists with project tasks and compliance, site visits, and meetings prior to and during construction to keep the project on time and within budget. Director Riggio relayed that several of the District's trusted advisers recommended Todd Goulding and that the Board consider the fee estimate so that the Owners Rep could start as soon as possible. Following discussion and upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve hiring Todd Goulding Advisers as Owners Representative for the District's Highway 6 Safe Crossing Project for a fee not to exceed \$36,000.

#### **Operations**

##### **Plan**

Director Roe reviewed the Draft version 1 of the 2024 Operations Plan explaining that there were still several updates needed including the year-to-year comparisons. Director Roe requested feedback if the 2024 project verbiage was accurate and if a diagram should be included. Any comments and suggestions should be sent directly to Director Roe.

#### **Operations**

##### **Report**

Mr. Hensel reviewed the transportation report included in the meeting packet and gave a breakdown of the first months of the season. People are using the app especially over the December holidays. Director McPhetridge reminded the Board that a new bus would be purchased, timing of the delivery, and disposal of the bus being replaced. There has been no feedback, comments, or concerns on the bus service for the season so far. General discussion continued on wait times, evening bus service, procedure for adding buses during busy times, and third-party driver

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sources. Director Roe suggested sending a survey question to ownership to gauge the interest in adding evening service to Beaver Creek. Following discussion, the Board requested that evening service between Arrowhead and Beaver Creek be added Thursday through Sunday for five weeks beginning the end of February with communication going out to the community via email blasts.

Mr. Hensel also reported the following:

- The truck ordered last year is going into production.
- One staff person left but has been replaced so they are still fully staffed.
- There was a water leak on Cresta with only one owner effected and the water along Cresta Road would be shut off Tuesday to fix it

#### **Finance**

Mr. Marchetti reviewed the preliminary December financial statements included in the packet noting there was an error in the Property Tax year to date budget line which will be corrected. The December sales tax number is an estimated amount pending receipt of the actual sales tax amount which will be received in February. Expenses are mostly under budget and the audit starts at the end of February. Director Horton inquired on timing of the property tax receipts for 2024 with Mr. Marchetti reported that property taxes are primarily received between March and July and opining that the District should receive about 95% of revenues by July 10. Discussion moved to the cash position of the District in regard to the Highway 6 Safe Crossing project timeline.

Director Roe apprised the Board of the inquiry he received from an owner challenging the amount of sales tax collected from outside the gate. There was general discussion on how the initial percentages were calculated, that the percentages are conservative and actual collections are probably higher than the estimates, if there is any way to get a more accurate number of outside the gate collections, and if construction collections are accurate.

#### **Posting**

##### **Resolution**

Ms. Johnston reviewed the Resolution for posting notices included in the packet. There was general discussion on the physical posting location and if there was another suitable location. Following discussion and by motion duly made and seconded it was unanimously

**RESOLVED** to approve the Resolution Designating Location to Post Notice.

#### **Action Log**

The Board reviewed the Action Log in the packet and requested Management update as needed.

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**Future  
Meetings**

The Board confirmed the next meeting on February 28 at 3 pm noting that Directors McPhetridge and Warner were excused from attendance.

**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)(a) and (4)(e), Determining positions relative to matters that may be subject to negotiation, developing strategy for negotiations, and instructing negotiators for parking lot improvement.

The Board entered executive session at 4:39 p.m.

The Board adjourned executive session at 5:29 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 24th day of January 2024.

Respectfully submitted,



Beth Johnston  
Secretary for the Meeting