
RECORD OF PROCEEDINGS

Minutes of the Meeting of the Board of Directors Arrowhead Metropolitan District February 28, 2024

A meeting of the Board of Directors of the Arrowhead Metropolitan District, Eagle County, Colorado, was held on February 28, 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 (Zoom)
- Michelle Horton (Zoom, left 3:30 pm)
- Steve McPhetridge (Zoom)
- Robert Warner, Jr. (Zoom, joined 4:34 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
- George Coleman, representative of Arrowhead Association
- Geoff Dreyer, representative Upper Eagle River Water Authority (Zoom)
- Mark Herron, Arrowhead owner

Call To Order

The meeting of the Board of Directors of Arrowhead Metropolitan District was called to order by Director Riggio on February 28, 2024, 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 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.

Consideration

Of Agenda There were no changes.

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Public Input Mr. Herron explained he is an owner in Arrowhead and had questions about the roundabout project. He presented several questions including confirming the number of people that cross the main entrance, if the homeowner survey was able to be shared, what studies had been conducted in conjunction with the roundabout, who is funding the roundabout, and why there is no parking for owners in the parking lot. Mr. Hensel addressed the situation with the parking lot on Fridays due to the schools' open ski day explaining that they were working with the schools to encourage carpooling and other options to alleviate the congestion. Director Riggio addressed the remaining questions:

- 1) the survey was sent out to owners in an email and is available on the website.
- 2) funding is being provided by the District through sales tax and some property tax collections with Arrowhead Association funding the landscaping. Federal, State and County have declined funding the project.
- 3) McDowell Engineering completed the pedestrian and traffic study, and Director Riggio is unsure of the exact number of pedestrian crossings. Mr. Hensel offered to follow up on the study and get back to Mr. Herron with the requested information.

There was no other 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 January 24, 2024, 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.

Parking Enforcement and

Resolution Mr. Hensel reviewed the resolution to Authorize Arrowhead Public Safety to enforce parking on public streets. Mr. Hensel reviewed HB22-1137 that changed association authorization to enforce covenants, including parking. The Resolution will empower Public Safety to enforce illegal parking and other issues. There was general discussion on pickleball court parking being addressed with a fulltime attendance and the new parking lot. Director Roe questioned why there were no meetings with Public Safety when developing the resolution and who is responsible for the costs of enforcement. General discussion continued on Association and Public Safety responsibilities, that neither Public Safety nor the Association would change any current practices, but the resolution would allow enforcement options including booting. Ultimately, the Association would still provide direction to and

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be responsible for Public Safety. Following discussion, and upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Resolution Authorizing Adoption of Rules and Regulations for Parking on District Property.

Bachelor Springs

Sidewalk

Mr. Hensel gave background on meetings with the Bachelor Springs HOA. The HOA contacted the State who granted permission for a special use permit to build a sidewalk on state property between Bachelor Springs and Arrowhead. There was general discussion on Bachelor Spring's contribution to the District, cost to build and maintain a sidewalk, current services provided to Bachelor Springs, and ramifications of building a partial sidewalk that would benefit a single community instead of a sidewalk that runs the full length of Arrowhead that would benefit the entire community. Mr. Hensel reported that Bachelor Springs has gone out for proposal and is expected to come to the District with a proposal presentation to the Board. Following discussion, the Board affirmed that the District is not planning to fund or build a sidewalk at this time and requested that the Bachelor Springs HOA Board be invited to the next meeting for an open discussion on the subject.

UERWA

Update

Mr. Dreyer gave the following update:

- Approved a Water Supply Contract with the Colorado River Conservation District to lease 50-acre feet for a term of 40 years with a 35-year renewal option.
- The Arrowhead Easements and vacation of easement were approved as necessary to complete the Arrowhead Transmission Main Project.
- Bonds were issued with a better than expected interest rate
- A manager for Bolts Lake reservoir construction has been selected and they are negotiating terms.
- There was a joint meeting between ERWSD and UERWA to determine Shoshone water rights acquisition funding and sources with a \$1.5 million ask from the River District for combined ERWSD and UERWA. ERWSD and UERWA will discuss the ask in future meetings.
- Bolts Ditch is in the Holy Cross Wilderness area and currently only Town of Minturn has authority to maintain the ditch. Since ERWSD and UERWA purchased Bolts Lake from Battle North LLC, maintenance authority of the ditch needs to be granted to those entities. The Authority is asking individual members of the Authority to send a resolution in support of the passage of the Bolts Ditch Act to appropriate Representatives.

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Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Resolution Supporting Passage of the Bolts Ditch Act.

Arrowhead Association

Mr. Coleman reviewed the notes circulated to the Board via email prior to the meeting and updated the Board on the following:

- Materials have been shipped for repairs to all of the gates in Arrowhead and the repairs should be done by April.
- The Design Review Committee encouraged homeowners to inform immediate neighbors of their project plans. There was general discussion on whether this should be required.
- The trail planned for under the lift is too steep and will not be built.
- There was preliminary discussion on the Bachelor Springs/Knudson Ranch inclusion into the District and lack of Association documentation accepting the arrangement that BS/KR projects need to go through AH DRB review. Mr. Marchetti gave background on the provision in the District's inclusion agreement explaining that the AVA Board at the time agreed because any projects brought before the committee would be subject to the review fees to cover any costs of review and it would ensure the BS/KR homes would be kept to the standard of the general AH community. Mr. Coleman said the issue was in committee and they would determine if formal acceptance or ratification was necessary.
- A homeowner presented a review of the Association's short term rental policy which has no change to the core village but includes changes to areas inside the interior gates. The Association confirmed that 80% of all rentals are at least 7 days. AA will review the proposal at the next meeting and determine if any change in Association policy is needed.

Highway 6 Safety

Project

Director Riggio updated the Board on the following:

- Mr. Hensel, Mr. Goulding, and Director Riggio meet every week to review any issues from the prior week and to address any potential issues for the current week and change orders submitted. Any other Board members are welcome to attend the meetings. Ms. Johnston requested if more than two Board members want to join, the meeting should be noticed as a work session to avoid potential unnoticed meeting issues.
- Requests for Proposals (RFP) notice goes out tomorrow.
- CDOT redline comments received and comments were returned Tuesday.
- Access Permit should be issued towards the end of March but are still on track

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- Mr. Hensel said no Intergovernmental Agreements (IGA) are necessary from the State or County for maintenance. The County will not participate in any maintenance of the roundabout. Mr. Hensel reviewed the maintenance responsibilities for the State and District and explained they would be documented in an informal document that would be signed off on by the State and County before coming before the Board for approval. Mr. Marchetti cautioned the Board that IGAs should be prepared to avoid maintenance and responsibility issues in the future.
- Property deeds were sent to the State for comment.
- There was discussion on having a Town Hall meeting or sending a letter update to owners once the access permit and bid proposal is approved, probably in early April.
- There was general discussion about updating the District's service plan to include the additional maintenance responsibilities.

Operations Plan

Director Roe reviewed the changes to the second draft included in the meeting packet. Director Riggio requested additional time to review the Plan before it is published on the website. Following discussion, upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Arrowhead Metropolitan District 2024 Operations Plan subject to any revisions or comments received by Friday March 1, 2024.

Operations Report

Mr. Hensel also reported the following:

- Staff are short one plow driver that they are actively trying to replace.
- A snowplow truck was taken in to complete a recall and additional repairs were required.
- The Loader lost its main computer which had to be replaced.
- The new toolcat blew out an engine seal which needed repairs
- The team is doing good with snow removal
- There is a buyer for the old truck at the same price the District was offered for trade in. The new truck entered production but there is still no estimated delivery date.
- The evening transportation service offered by Vail Resorts is for two weeks between March 14 and 30, Thursday through Sunday only. The five weeks starting at the end of February as requested cannot be done due to driver shortages. Advertisement of the service will be handled through AA to ensure good ridership. There was general discussion on the changes and advertising strategy. The Board agreed to the reduced dates of service.

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Finance Mr. Marchetti stated that the financial statements included in the packet were a revisit of the December 2023 statements updated prior to the start of the audit and with the final sales tax revenues. The sales tax exceeded 2022 by over 20% and the year ended with a positive increase to the fund balance. The audit fieldwork started Monday and a draft was expected to be presented to the Board at the April meeting. The audit committee was confirmed to be Directors Roe and Horton.

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.

Future Meetings The Board confirmed the next meeting on March 27, 2024, at 3 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 28th day of February 2024.

Respectfully submitted,



Beth Johnston
Secretary for the Meeting