
RECORD OF PROCEEDINGS

Minutes of the Meeting of the Board of Directors Arrowhead Metropolitan District March 27, 2024

A meeting of the Board of Directors of the Arrowhead Metropolitan District, Eagle County, Colorado, was held on March 27, 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
- Steve McPhetridge (Zoom)
- 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 Association
- Geoff Dreyer, representative Upper Eagle River Water Authority (Zoom)
- Randy Smith, Arrowhead Association (Zoom)
- Jamie Peters, Bachelor Springs HOA Board (Zoom)
- Skip Krawczyk, Bachelor Springs HOA Board
- Joleen Jackson, Bachelor Springs HOA Board (Zoom)
- Tim Monson, Bachelor Springs HOA Board

Call To Order

The meeting of the Board of Directors of Arrowhead Metropolitan District was called to order by Director Riggio on March 27, 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 Consideration of the 2024 Aqua Sierra proposal was added under Approval of Bills and Appropriations.

Public Input

Bachelor Springs HOA Sidewalk Discussion: Several members of the Bachelor Springs HOA Board of Directors attended to make a presentation to the District requesting a sidewalk from Bachelor Springs to Arrowhead be considered in conjunction with the Highway 6 Safe Crossing Roundabout project. Mr. Monson presented a map showing current conditions at the Bachelor Springs entrance, no safe crossing across Highway 6, and gave examples of incidents that occurred along Highway 6. Mr. Monson reviewed funding sources for the roundabout, in particular contributions from Arrowhead Association. Mr. Monson asserted that Bachelor Springs does not benefit from the roundabout as currently designed, the owners pay taxes into the District and do not receive the services other areas of Arrowhead receive, and the community was not notified of nor consulted about the project, in particular they were left out of the homeowner's survey in October 2023.

Director Riggio responded that this project has been discussed at AMD public board meetings for multiple years and that public notice of all AMD's meetings is diligently provided. Public participation in Board meetings is welcome and appreciated so from the District's perspective the Bachelor Springs community was notified similar to the rest of AMD's constituents. However, Director Riggio confirmed that Bachelor Springs was inadvertently left out of the survey and apologized for the omission. However, the responses would most likely not have made a difference in the overall outcome of the survey or project based on the overwhelming support received for the project and processes are in place to include Bachelor Springs in future communications. General discussion was had on how to include Bachelor Springs in the project process and how to rebuild relations between the Boards.

Director Roe then explained that the proposed project is not feasible for several reasons:

- 1) Several years ago, the Arrowhead Metro District (AMD) had studied the idea of solving the problem of safe crossing of Hwy 6 by building a sidewalk that would run from the Arrowhead east gate along the south side of Hwy 6, extending past all three south gates and all the way to Miller Ranch Road. AMD opted not to do that because it was an incomplete solution to our problem. With strong encouragement from CDOT, AMD decided that a roundabout at the Arrowhead main gate would be the best solution for both pedestrians and bicyclists, as well as for automobiles

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coming in and out of the main village given the expected increase in traffic in future years. Had AMD opted to build a sidewalk connecting the three south entrances to Miller Ranch Road, it might have been able to justify extending the sidewalk to Knudson Ranch. But as a stand-alone capital project, connecting the Arrowhead east gate to Knudson Ranch with a sidewalk makes no practical or economic sense.

- 2) The project proposed by Bachelor Springs would be of essentially no use to the 731 tax-paying households within Arrowhead. The only AMD constituents that would use the amenity are the 26 units within Bachelor Springs. The bulk of the cost would be borne by AMD. Arrowhead represents greater than 98% of the AMD tax base, while Bachelor Springs represents less than 2%. That is around \$26,000 per year from Bachelor Springs, an amount that does not even cover the existing services provided by AMD (winter snow removal and periodic road maintenance and repairs). Arrowhead taxpayers would be absorbing the six-figure cost of the project, an outcome that would not be tolerated by Arrowhead residents.
- 3) AMD is substantially drawing down cash reserves to complete the Hwy 6 roundabout project, and it will take several years to restore our reserves to more normal levels. Even if we could justify the Bachelor Springs proposed sidewalk proposal, which we cannot, there are insufficient funds available to do the project, now or in the next several years.

General discussion continued on how the District can help fund a safe connection or passage between Arrowhead Village and Bachelor Springs community. Director Riggio offered to meet individually with the Bachelor Springs HOA Board for further discussion and look into alternative connection options.

There was no other public input.

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

RESOLVED to approve the minutes for February 28, 2024, as presented.

Accounts Payable The Board reviewed the Accounts Payable list. Ms. Johnston explained the refund of the overpayment made by Holland Creek Metropolitan District. By motion duly made and seconded, it was unanimously

RESOLVED to approve the updated Accounts Payable list as presented.

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Aqua Sierre

Agreement Ms. Johnston presented the 2024 Aqua Sierra agreement explaining that the agreement amounts were included in the 2024 budget and reviewed by the Budget Committee during budget preparation. Following discussion on the services, and by motion duly made and seconded, it was unanimously

RESOLVED to approve the 2024 Aqua Sierra Proposal.

Gate and Parking Lot

Discussion Mr. Hensel reviewed the parking lot control and gate proposal from last fall. Mr. Hensel confirmed that there was no further discussion on installing a gate at the parking lot and conversation moved to how to manage the parking lot. Mr. Coleman said that overall, the parking lot control has been fine and that a few inappropriate incidents had been dealt with. Mr. Hensel explained that conversations on parking lot management will be on-going to ensure efficiencies are in place and the parking lot is being managed properly. General discussion continued on the role of Public Safety and traffic concerns at the skier drop-off circle.

UERWA

Update

Mr. Dreyer gave the following update:

- Approved the dedication of 16-acre feet of Eagle Park Reservoir water for service to proposed new construction on the Colorado State Land Board parcel in Eagle-Vail for an affordable housing project by the Town of Avon. The housing project could take 25 years for full build out.
- Updated Rules and Regulations have been approved. Director Warner commented that the changes were relatively minor.
- The Upper Eagle Regional Water Authority and ERWSD are contracting with the Ferguson Group to pursue grants for Bolt's Lake and other grants.
- Bonds were issued at a favorable interest rate.
- Black and Veatch were hired as the Bolt's Lake project managers.
- Bolt's Lake testimony by Siri Roman in support of the Bolt's Lake Ditch Act so UERWA has the right to maintain the ditch. The District's resolution of Support was received.
- There was a joint meeting between ERWSD and UERWA regarding the Shoshone call with an ask of \$1.5 million between the District and UERWA and that amount will be reviewed at the next meeting.

Arrowhead

Association

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

- Gate maintenance is ongoing, materials have been received and all gates should be functioning properly by spring.

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- A tennis contract agreement has been signed with Beyond the Baseline Tennis.
- Preliminary discussions have begun with Bachelor Springs regarding their being subject to Arrowhead Association DRC review. He reviewed the provision in the District's inclusion agreement and the current discussions on options, such as annexing Bachelor Springs into Arrowhead Association or charging higher review fees to cover the full costs involved. Ultimately, whatever option or adjustment is made will come before the District. There was general discussion on Bachelor Springs annexing into the Arrowhead Association.
- A committee was formed to investigate the traffic flow around the Alpine Club traffic circle skier drop off.
- Randy Smith and Dan Gallagher have been named as Directors Emeritus to Arrowhead Association to allow them to speak and participate in meetings, but they do not have a vote.
- There was general discussion on the new security procedures at the gates.

Highway 6 Safety

Project

Director Riggio updated the Board on the following:

- There was a conversation with Arrowhead Association about purchasing landscape material for the roundabout project through the District.
- C-DOT has reviewed the transfer deeds for the right of way acquisition, and they are currently with the District's attorney for final review.
- The project is still on track for a May 1 start date.
- Contractor bids are due by end of day 3/28. The project team will review and tabulate the bids and present a recommendation for the Board. There was general discussion on the proposals submitted so far and that one expected contractor has decided not to submit due to a scheduling conflict.
- There was general discussion on calling a special meeting to review the proposals and select a contractor, when the access permit will be issued, and options for the Board to select a contractor prior to receipt of the access permit but with entering into a construction contract to be subject to receipt of the CDOT permit. Following discussion, the Board requested a special meeting be scheduled for April 8 at 3:00 pm [subsequently changed to 3:30 pm] via remote Zoom meeting only to consider the project proposals.
- The landscape plan has been submitted to CDOT and awaiting comments.

Operations

Report

Mr. Hensel reported the following:

- Gave background on the EV charger project and all installed chargers are working well. The chargers have about 150 charges to date with revenues exceeding the electric expense. The chargers are listed on the EV Charger maps and any EV can use the chargers.

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- The new truck is ready for pickup and came in under budget. The spreader and plow came in about \$5,000 over budget. The plow and spreader can be installed now or in the fall. The Board approved the additional funds for the equipment and directed that the overage be taken from the capital contingency budgeted for 2024.
- Numbers for installing the guardrail along Sawatch Drive should be received soon.
- They are still one employee short and having minor equipment issues. Overall, the Board is happy with snow removal operations for the season.
- ERWSD will be replacing the water line under the lift starting April 20 with project completion expected in fall 2024. The Cresta Gates will need to be removed to allow truck access during the project. There will be no Cresta Gate or cameras from April 20 through Memorial Day while ERWSD, at their expense, will remove and reinstall the Cresta Gate about 50 feet back from the current location to facilitate truck traffic for the project. There was general discussion on pedestrian access to Cresta Rd during the project and rerouting two trails that traverse the project construction area.

Finance Mr. Marchetti review the financial statements for period ending February 29, 2024 included in the packet. There is not a lot of activity so far and overall things are tracking as expected. There was a larger fund balance than anticipated at the end of 2023. Sales tax is coming in slightly lower than expected, which is what is being seen throughout the county.

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

Future Meetings The Board called a special meeting for April 8 at 3:00 pm and confirmed the next regular meeting on April 24, 2024, at 3:00 p.m.

Subsequent to meeting adjournment, the special meeting start time was changed to 3:30 pm due to a scheduling conflict

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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 27th day of March 2024.

Respectfully submitted,



Beth Johnston
Secretary for the Meeting