
RECORD OF PROCEEDINGS

Minutes of the Regular Meeting Of the Board of Directors Arrowhead Metropolitan District June 28, 2017

A Regular Meeting of the Board of Directors of the Arrowhead Metropolitan District, Eagle County, Colorado, was held on June 28, 2017, at 3:00 p.m., at the offices of Marchetti & Weaver, LLC, 28 Second Street, Suite 211, Edwards, Eagle County, Colorado, in accordance with the applicable statutes of the State of Colorado.

Attendance

The following Directors were present and acting:

- Dick Bourret
- Chris Matlon
- Bob Rosen
- Bob Shafer
- Thomas Svoboda

Also in attendance were:

- Jerry Hensel, Operations
- Geoff Dreyer, UERWA Representative
- Rick Bross, Arrowhead at Vail (via phone)
- Ken Marchetti, Marchetti & Weaver, LLC
- Beth Johnston, Marchetti & Weaver, recording secretary
- James Collins, Collins, Cockrel & Cole

Call To Order

The Regular Meeting of the Board of Directors of Arrowhead Metropolitan District was called to order by Chairman Matlon on June 28, 2017, at 3:00 p.m. noting a quorum was present.

Consideration of Changes To the Agenda

Director Matlon requested that legal updates be moved forward since Mr. Collins was in attendance.

Public Input

Nothing Reported.

Private Golf Carts

Mr. Collins reviewed the Memorandum to the Board regarding Private Golf Cars on District Roads included in the meeting packet. General discussion ensued. The Board directed a letter be drafted on Arrowhead Metropolitan District letterhead to Pentti Tofferi outlining several issues that the Board has

RECORD OF PROCEEDINGS

Arrowhead Metropolitan District Board of Directors June 28, 2017 Meeting Minutes

with the use of golf cars on District roads. The Board also requested that Mr. Collins make several changes to the Resolution for review at the next meeting.

Petition for Exclusion

Mr. Collins updated the Board on the exclusion petition and the effect on the property owner's access to water through Upper Eagle Regional Water Authority. After discussion, the Board directed the Notice of Hearing to be published for the next meeting.

Cresta Road District Ownership

Mr. Collins reviewed the background of Cresta Road and the Easement, stating that the Easement was already signed by Arrowhead Mountain Association with signed consent of Vail/Arrowhead, Inc. After discussion and by motion duly made and seconded it was unanimously

RESOLVED to approve the Assignment of Easement Agreement with Arrowhead Mountain Association.

AVA

Rick Bross gave a report regarding activity at the Arrowhead at Vail Association including:

- Terry Scanlon has been brought on the DRB as a new member. With only one response to the DRB RFP to revise the guidelines, AVA will contact the other potential applicants in efforts to get another bid.
- Financials are approximately \$30,000 down however sales are picking up. Almost all dues have been collected.
- Activities for the summer include July 4th celebrations and a Labor Day event to be determined.
- Tennis and pickleball have started for the summer.
- A brief summary of the survey sent to Arrowhead owners.
- Vail Resorts is not having FAC or lunch service at the swimming pool. They are planning to increase safety banners and have a dedicated Yellow Jacket on Arrowhead Mountain.

UERWA

Geoff Dreyer gave a report regarding activity at the Upper Eagle Regional Water Authority from May 25 including:

- The Climate Action Plan resolution was passed.
- Brief overview of the white paper regarding tap fees and housing affordability and finds that the Authority's fees are within accepted industry-wide standards and are equitable to customers.

RECORD OF PROCEEDINGS

Arrowhead Metropolitan District Board of Directors June 28, 2017 Meeting Minutes

- Snotel site's historical data for Vail is skewed due to changes in the readings area.
- Bachelor Gulch Water Service Agreement has been executed.
- St. Jude's Recreation Water Bill has passed.

Executive Session

By motion duly made and seconded it was unanimously

RESOLVED to enter into executive session at 3:30 p.m. pursuant to C.R.S. §24-6-402(4)(e), for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators.

The board adjourned from executive session at 3:35 p.m.

Minutes

The Board reviewed the minutes of the March 29, 2017 Special Meeting. After discussion and by motion duly made and seconded it was unanimously

RESOLVED to approve the March 29, 2017 Special Meeting with the following correction:

Skier Parking Lot

Last paragraph, last sentence replaced with: The Board *expressed disappointment and* felt that the Vail Resorts Parking Policy was not consistent across all lots and unfair to Arrowhead owners.

The Board reviewed the minutes of the May 24, 2017 Regular Meeting. After discussion and by motion duly made and seconded it was unanimously

RESOLVED to approve the May 24, 2017 Regular Meeting with minor corrections to grammar and syntax.

Accounts Payable

The Board reviewed the accounts payable list included in the meeting pack. Ms. Johnston recommended holding payment to the Eagle Valley Land Trust until an invoice is received. After discussion and by motion duly made and seconded it was unanimously

RESOLVED to approve payment of the items on the accounts payable list as presented except the \$3000 contribution to Eagle Valley Land Trust.

2016 Audit

RECORD OF PROCEEDINGS

Arrowhead Metropolitan District Board of Directors June 28, 2017 Meeting Minutes

Director Shafer gave background and summary of the Audit Committee's meeting with Dan Cudahy from McMahan and Associates. Director Shafer relayed that the Auditor found the District to be in a good position. After discussion and by motion duly made and seconded it was unanimously

RESOLVED to approve the 2016 Audit with minor changes as discussed with the Auditor.

The Board would like to thank the Audit Committee, Bob Shafer and Thomas Svoboda, for their time and effort in reviewing the financial statements and meeting with the Auditor.

Financial Statements

Mr. Marchetti presented the preliminary financial statements ending May 31, 2017. The Board reviewed the balance sheet and revenues and expenses for the month.

Long Range Financial Plan

Mr. Marchetti reviewed the long range financial plan using a mill levy of 18.5 mills total. Mr. Marchetti reported that the plan assumed higher home assessments being offset by lower Gallagher Residential Assessment Rates. General discussion followed about the accuracy of future road expenses. Mr. Marchetti and Mr. Hensel agreed that the projections were based on Alpine Engineering's assessments and were as accurate as possible.

Possible Sales Tax

Mr. Marchetti reviewed that the projections showed a sales tax would provide approximately the same income as a 1.5 mill levy. Discussion continued around what sales could be taxed and the cost of implementation. Mr. Marchetti reviewed the steps necessary for the District to impose a sales tax and estimated it would cost approximately \$10,000. Director Matlon stated that a town hall meeting would be necessary before going to the voters. Further discussion ensued with the Board tabling the issue to a later meeting.

Operations Update

Director Matlon requested that 2 additional parking spaces be temporarily striped at the skier parking lot entrance and signed for Arrowhead Residents Only for winter use. A general discussion followed on the number of spaces required by Vail Resorts (246) in the winter versus total number of spaces in the lot. The Board proposed signing for one additional permanent Arrowhead resident and two

RECORD OF PROCEEDINGS

Arrowhead Metropolitan District Board of Directors June 28, 2017 Meeting Minutes

additional general parking spaces if available after an inventory of the spaces is completed by Operations.

Mr. Hensel reported that the playground had been painted as requested at the last meeting. The Board also requested that the trash be monitored and removed as needed.

The Board inquired whether the December 7, 2016 letter to Homestead Owner's Association regarding the mudslide was sent and to resend if not.

Parking Lot Lighting

Mr. Hensel reviewed the life expectancy, installation process, and cost of steel versus log light posts with Mr. Hensel recommending wood posts be used when replacing because of concerns with how the steel posts will attach to the existing bases. Mr. Hensel then reviewed retrofit lights versus LED fixtures to replace the High Pressure Sodium lights currently in use. Mr. Hensel reported that he is still waiting on a vendor bid and could not prepare the lighting projections for the meeting but would have a formal proposal with electrical savings calculated for replacing the lamps at the next meeting.

Action Log

The Board reviewed the current action log noting that the Cresta Road Overlay Review comments should have warranty period expires 2018, not 2017.

Future Meetings

The Board requested that the July 26 meeting begin at 3:00 pm. The Board tentatively cancelled the August 23 meeting and would start reviewing the budget at the September 27 meeting

Adjournment

There being no further business to come before the Board, by motion duly made and seconded it was unanimously.

RESOLVED to adjourn the Regular Meeting of the Arrowhead Metropolitan District Board of Directors this 28th day of June, 2017.

Respectfully submitted,

Beth Johnston
Secretary for the Meeting