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## RECORD OF PROCEEDINGS

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### Minutes of the Regular Meeting Of the Board of Directors Arrowhead Metropolitan District June 27, 2018

A regular meeting of the Board of Directors of the Arrowhead Metropolitan District, Eagle County, Colorado, was held on June 27, 2018, at 3:30 p.m., at the offices of Marchetti & Weaver, LLC, 28 Second Street, Suite 213, Edwards, Eagle County, Colorado, in accordance with the applicable statutes of the State of Colorado.

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

- Bob Shafer
- Bob Rosen
- Thomas Svoboda
- Vincent Riggio
- Tom Howard (via phone)

Also in attendance were:

- Jerry Hensel, Director of Resort Operations, Vail Resorts
- Ken Marchetti, Marchetti & Weaver, LLC
- Beth Johnston, Marchetti & Weaver, LLC, recording secretary
- Geoff Dryer, Upper Eagle River Water & Sanitation District (arrived 4:35 p.m.)

**Call To  
Order**

The Regular Meeting of the Board of Directors of Arrowhead Metropolitan District was called to order by Director Shafer on June 27, 2018, at 3:30 p.m. noting a quorum was present. No conflicts of interest were disclosed.

**Consideration of  
Changes to the  
Agenda**

Consideration of the Transportation Letter with Vail Resorts for Summer service was added to the agenda.

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

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

**RESOLVED** to approve the May 30, 2018 Special Meeting minutes as presented; and

**FURTHER RESOLVED** to approve the June 13, 2018 Continued Meeting minutes as presented.

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## RECORD OF PROCEEDINGS

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### Arrowhead Metropolitan District Board of Directors June 27, 2018 Meeting Minutes

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#### **Encroachment**

**Agreement** Mr. Hensel reported that he had met with the applicants for a site visit and suggested slight revisions which have been reflected in the final application included in the Board packet. General discussion followed and upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve the Encroachment License Agreement for 84 Riverbend as submitted.

#### **Accounts**

**Payable** The Board reviewed the accounts payable list included in the packet requesting more information on the Vail Resorts Syncromatics invoice. Mr. Hensel explained this was the final payment for the Syncromatics application. After discussion, and by motion duly made and seconded, it was unanimously

**RESOLVED** to approve the accounts payable list as presented.

#### **Draft Ballot**

**Question** The Board reviewed the sales tax ballot question language following review and recommendation by Mr. Collins. Ms. Johnston noted that both the red-lined and clean version were included in the packet so the Board could easily see what was removed or changed. General discussion followed and no additional changes were requested at this time.

#### **Sales Tax**

**Presentation** Director Shafer reported that he is preparing an informational packet for distribution to owners as well as for presentation at the Town Hall meeting on July 14. The Board discussed information to be included and presentation options including the pros and cons of implementing a sales tax in the District. The Board reviewed the tax calendar requesting updates and that the informational email to owners be sent prior to the July Town Hall meeting.

#### **2017 Audit**

Director Shafer reported that he and Director Riggio met with Dan Cudahy from McMahan and Associates, LLC, giving background and details of the meeting for the Board. Director Shafer relayed that Mr. Cudahy found the District to be in an excellent financial position. General discussion followed including discussion surrounding the Gallagher Amendment and its effect on the District. Mr. Marchetti noted that the effects of the Gallagher amendment could be included in the Management Discussion and Analysis for next year. Following discussion, and by motion duly made and seconded, it was unanimously

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## RECORD OF PROCEEDINGS

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### Arrowhead Metropolitan District Board of Directors June 27, 2018 Meeting Minutes

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**RESOLVED** to approve the 2017 Audit with a correction to the title of the 2017 bonds on the final page 39.

**Financial  
Statements**

Mr. Marchetti reviewed the financial statements included in the Board packet. Mr. Hensel explained that the Parking Lot Sealcoat was normally budgeted for every other year but was completed in 2018, an off year, as directed by the Board. The Board requested that current interest rates be presented at the August meeting for replacement of the CD maturing in September. Mr. Marchetti reviewed the Assessed Valuation and Residential Assessment Rate projections explaining the Gallaher effect on the assessed valuation. Discussion continued on cost management for the District.

**Sales Book**

Mr. Marchetti reviewed the sales book included in the packet, explaining how it is prepared and how the information it provides is used. Overall, the sales book shows a projected 15% increase between the sales price and assessed value of a property time adjusted through June 30, 2018.

**Long Range  
Plan**

Director Shafer reviewed the Long-Range Plan included in the packet noting the estimated potential sales tax collection maintains a consistent fund balance through 2032. General discussion on other revenue sources, controlling costs, and maintenance of the fund balance followed.

**Summer 2018  
Transportation**

**Agreement**

Mr. Hensel reviewed the Transportation Services Agreement for Summer 2018 explaining that the services would ultimately be paid in full by Arrowhead at Vail Association. After review, and by motion duly made and seconded, it was unanimously

**RESOLVED** to approve the Transportation Agreement for Summer 2018.

**10-Year**

**Capital Plan**

Mr. Hensel reviewed the estimate provided by Alpine Engineering to update the 10-year capital plan for the roads. Scope of services and what was included in the estimate were discussed. After discussion, and upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve the Alpine Engineering Professional Services Agreement for AMD 10-year Capital Improvements Road Plan.

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### Arrowhead Metropolitan District Board of Directors June 27, 2018 Meeting Minutes

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#### **Cresta Road**

##### **Safety**

Director Shafer gave background and history of the issues presented and actions taken to address speed and safety concerns on Cresta Road. The Board reviewed and discussed the email exchange included in the Board packet and Mr. Hensel expounded on some of the requests and suggestions, such as bike lanes. Directors Rosen and Howard suggested installing speed bumps to control speeds since the signs did not seem to be working. Mr. Hensel estimated an asphalt speed bump would cost approximately \$2500 installed. Director Shafer requested that Director Riggio confer with other owners on Cresta Road and that the District needed to directly address the AVA Safety Committee to work through the issues.

#### **Cresta Road**

##### **Lighting**

Mr. Hensel distributed a map showing the unlit address markers and current lighting installed on upper Cresta Road. The map also indicated a proposed location for installation of a District owned street lamp which Mr. Hensel recommended. Mr. Hensel reported that solar panels to power the unlit address markers ranged from \$300-400 installed. After review and discussion, and upon motion duly made and seconded, it was unanimously

**RESOLVED** to approve installation of a street lamp at the location proposed on the distributed map with a total cost not to exceed \$6000; and

**FURTHER RESOLVED** to approve sending letters to the owners of the properties with unlit markers that they were required to hook up the markers to electric or otherwise provide power to the markers, including the solar powered option as indicated above.

#### **Operations**

##### **Report**

Mr. Hensel reported that the old bus was taken to auction and was expected to fetch around \$6000. The new truck and plow had been delivered and some signage for the truck was still in the works. There was not much to report as not much maintenance was being done by the District.

##### **Action Log**

The Board reviewed the current action log.

##### **Future**

##### **Meetings**

The Board confirmed the next meeting would be held July 25, 2018 starting at 3:30 p.m.

##### **UERWA**

Mr. Dreyer reviewed the May minutes of the Upper Eagle River Water Authority included in the Board packet discussing in detail the Green Award recognition, Snowpack and Streamflow updates, and Eagle River Village water upgrade.

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## RECORD OF PROCEEDINGS

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### Arrowhead Metropolitan District Board of Directors June 27, 2018 Meeting Minutes

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**Executive  
Session**

By motion duly made and seconded it was unanimously

**RESOLVED** to enter into executive session at 5:43 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 5:49 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 Regular Meeting of the Arrowhead Metropolitan District Board of Directors this 27th day of June 2018.

Respectfully submitted,



Beth Johnston  
Secretary for the Meeting