R E C O R D   O F   P R O C E E D I N G S

Minutes of the Meeting of the Board of Directors
Arrowhead Metropolitan District
January 22, 2025

A meeting of the Board of Directors of the Arrowhead Metropolitan District, Eagle County, Colorado, was held on January 22, 2025, 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: 817 7134 7094, 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
- Robert Warner, Jr. (Zoom)
- Steve McPhetridge

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
- Randy Smith (Zoom)
- Geoff Dreyer, UERWA representative (Zoom)
- Brandon Abraham, owner 2013 Cresta Rd

Call To Order The meeting of the Board of Directors for Arrowhead Metropolitan District was called to order by Director Riggio on January 22, 2025, 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.

The Board noted that it has received certain written disclosures of potential conflict of interest statements from Director Riggio more than seventy-two hours prior to the meeting, indicating that he is the President and a member of the board of

directors of the Arrowhead Mountain Association in Arrowhead. Being a member of the Arrowhead Metro District and its current President, term to expire May 2025, this may potentially create a conflict of interest. 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 to the agenda.

Public Input There was no public input.

Minutes The Board reviewed the minutes included in the packet. Director Horton requested changes to the investment discussion on page 6 noting that the agreed investments were for 1 to 4 years, not 5. Upon motion duly made and seconded, it was unanimously

> **RESOLVED** to approve the minutes for December 4, 2024, with the corrections as noted.

Accounts Payable Ms. Johnston presented the accounts payable list explaining it included December and January payables. December payables were approved by Directors Roe and McPhetridge in accordance with the District's disbursement policy. Following discussion, and by motion duly made and seconded, it was unanimously

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

Evening Shuttle Service Mr. Hensel said there have been several requests for evening shuttle service between Arrowhead and Beaver Creek. Mr. Hensel is waiting to hear from Vail Resorts about the ability to staff an evening shuttle service. Discussion was had on usage of prior offered evening service, ability to staff drivers for evening service, hours of service, potential purchase of smaller shuttle such as a Sprinter for more flexibility on drivers, and collaboration with Beaver Creek Resort Company or Arrowhead Property Management to share service Following discussion, the matter was tabled and no action was taken.

Arrowhead Security Director Roe reviewed the work to date with Moore Safety and the multi-representative Security Focus group. The Consultant report from the site visit in December deems the Arrowhead gates a minor impediment to entry, however there is very little crime in Arrowhead and the surrounding areas. Focus group concerns lean toward safety such as shared roadways. Technology enhancements were suggested to address some safety concerns. The Focus group and consultants can work together to develop near-term and long-term enhancements that most Arrowhead residents and owners would support. Some suggested enhancements include using speed signs to monitor speeding with potential for enforcement, adding speed bumps to high traffic areas, installing camera equipment if infrastructure allows, installing license plate readers on the gates, and fortifying gates with arms to prevent multiple cars from passing through. Next steps are to have the Focus group provide recommendations for enhancements, developing a cost estimate, and soliciting owners and residents for feedback. Discussion continued on what enforcement would look like and cost, ongoing maintenance of enhancements, communications with the community, AA cost-share agreement.

2025 Operations Plan Update Director Roe is incorporating the security and safety responsibilities into the plan. A draft will be presented for the February meeting.

UERWA Update Mr. Dreyer reviewed the following:

- Molybdenum standard – Colorado Water Control Commission relaxed the Molybdenum standard which will have little impact on UERWA/ERWSD since there are negligible amounts in our water. Molybdenum is an essential element for human health, and it is not toxic, except in high levels due to industrial exposure.
- Eagle Mine Superfund site – A letter was sent by Eagle County and towns asking EPA to consider using the ERWSD water quality testing at the mine which is more extensive testing than the EPA's.
- Water main break in Avon is fixed.
- ERWSD is a 100% lead-free water supply system.
- Aspen mobile home village, the park across from Avon elementary school, is now designated as a regulated public water system and independently responsible for their own water testing and regulatory compliance.
- ERWSD water quality lab has a new mass spectrometer available for use to perform its own inhouse testing for heavy metals and contaminants and ERWSD can supply testing services to other water providers.
- Bolts Lake survey has been pushed out to 2025 and grant applications have been deferred pending more environmental permitting.
- CO River Operations – Currently operating under agreement between upper & lower basin states. A new agreement is required by August 2026 that will guide service in 2027 and beyond. Five proposals have been prepared by the BLM for consideration by the states.

- Director Warner reported that the Bolts Lake agreement did not get through congress last session

Arrowhead Association

Mr. Coleman reported the following:

- AA is appreciative of the District's leadership and delivery, on time and on budget, of Highway 6 safe crossing project.
- AA, with Vail Resorts, is selecting a site for a family deck on the mountain to be completed in Summer 2025.
- The contract for pickleball is with attorney Mr. Perkins. Changes include removing temporary courts and installing eight permanent hard surface pickleball courts. Parking is being considered with the development.
- Continued development of mountain trails and refining outside activities at the plaza.
- Landscaping in the community is continuing with a large part of budget dedicated to the roundabout landscaping which will be installed around June 15.
- AA is a willing partner for the security enhancements and suggested a sign board to provide information to the community.
- AA Board of Directors is meeting on Friday at 1 pm.

Mr. Hensel and Mr. Smith gave an update on the Highway 6 Safe Crossing Project roundabout landscaping. Hardscape is completed. Once the ground thaws around mid-April, final grading will be completed. Trees and shrubs should be planted by Memorial Day with the remaining plant material, annuals and perennials, done in June. An alternative date for the project open house would be June 15 in the completed landscaping is desired. Mr. Smith reviewed the updated landscape plan. Discussion continued on signage currently installed, which is being evaluated, and extending the curb and gutter to the gatehouse which would enhance drainage and showcase the landscaping. Mr. Hensel is obtaining an estimate since it was not included in the original budget.

Hwy 6 Safety Project

Director Riggio reviewed the acceptance by CDOT and warranty for the Safe Crossing project construction. 360 Civil is working on a complete project manual and as-builts to be turned over to the District.

Operations Report

Mr. Hensel reported:

- Operations team is two employees down, actively looking for staff.
- Turning over supervisor of maintenance team. An excellent candidate is in the pipeline and the District should benefit from the new leadership.

- 2025 Overlay project – Prebid meeting is February 2. It will be a quick turnaround with bids due within three weeks.
- The District's current Engineer Alpine Engineering is downsizing and removing administration from their services. After March, the District will need to do its own project administration or find someone else to handle that aspect including oversee projects and pay applications. Mr. Hensel is watching closing in what direction Beaver Creek is going.
- Capital – The Loader replacement and street signs will be ordered. The 2024 Bus has been delayed and now expected to be delivered to District mid-February. The purchase has been moved to the 2025 budget.

Director Riggio announced it was Mr. Hensel's last official meeting as a Vail Resorts employee. The Board thanked Mr. Hensel for his work and expressed that he was invaluable to the operations of the District, and the successful completion of the Highway 6 Safe Crossing project.

Financial Statements & Investments

Mr. Marchetti reviewed the preliminary December 2024 financial statements included in the packet. The delayed bus is being moved to the 2025 budget due to the delay and unused contingencies were removed. The end of year was positive with the ending fund balance projected to be around \$2.5 million. When the roundabout project was approved with 100% District funding and the mill levy lowered, the ending fund balance for 2024 was projected to be \$1.4 million, over \$1 million lower.

Discussion moved to District investments. UMB has not been as responsive as before and it is recommended that The District start moving its investments to Multi-Bank Securities (MBS). Director Horton had discussions with the representative for MBS and thinks it would be a good move. She suggested investing \$500,000 with MBS in one- and two-year Treasuries, \$250,000 each. Following discussion and upon motion duly made and seconded, it was unanimously

> **RESOLVED** to approve the Resolution opening a cash and investment account with Multi-Bank Securities, and, once opened, invest \$500,000 as suggested by Director Horton.

IGA

The Board reviewed the Intergovernmental agreement for a Wildfire Manager included in the packet. Mr. Hensel reported that both Beaver Creek and Bachelor Gulch are on board already and a candidate for the position has been identified. Director McPhetridge requested the job description for the Wildfire Manager and inquired if they would provide reports to the District. Following discussion and upon motion duly made and seconded, it was unanimously

> **RESOLVED** to approve the Intergovernmental Agreement with Eagle River Fire Protection District to hire an Area Wildfire Manager

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

> **RESOLVED** to approve the Resolution Designating Location to Post Notice designating the new District website and the physical location when needed at the Arrowhead Gatehouse, 1200 Arrowhead Drive.

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

- Directors Roe and McPhetridge, and Mr. Abrahams requested self-nomination and acceptance forms be emailed to them after the meeting.
- Directors Roe and Horton agreed to continue as the Audit Committee.

Future Meetings The next regular meeting was confirmed for February 26, 2025, at 3:00 p.m.

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)(e), Determining positions relative to matters that may be subject to negotiation, developing strategy for negotiations, and instructing negotiators regarding consultant proposal.

The Board entered Executive Session at 4:50 p.m.
The Board adjourned Executive Session at 5:19 p.m.

Following adjournment from executive session and, upon motion duly made and seconded, it was unanimously

> **RESOLVED** to approve the Hensel Consulting LLC Proposal as owner's representative for the District for one year of consulting.

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 on this 22nd day of January, 2025.

Respectfully submitted,

Beth Johnston
Secretary for the Meeting

R E C O R D   O F   P R O C E E D I N G S

Minutes of the Meeting of the Board of Directors
Arrowhead Metropolitan District
February 26, 2025

A meeting of the Board of Directors of the Arrowhead Metropolitan District, Eagle County, Colorado, was held on February 26, 2025, 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: 817 7134 7094, 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
- Robert Warner, Jr.
- Steve McPhetridge

Also in attendance were:

- Ken Marchetti, Marchetti & Weaver, LLC
- Beth Johnston, Marchetti & Weaver, LLC, recording secretary (Zoom)
- Paul Datsko, Director of Base Area Operations, Vail Resorts
- Jerry Hensel, Hensel Consulting
- Janet Cooper, representative of Arrowhead Association
- Randy Smith (Zoom)
- Geoff Dreyer, UERWA representative (Zoom)
- Brandon Abraham, owner 2013 Cresta Rd

Call To Order The meeting of the Board of Directors for Arrowhead Metropolitan District was called to order by Director Riggio on February 26, 2025, 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.

The Board noted that it has received certain written disclosures of potential conflict of interest statements from Director Riggio more than seventy-two hours prior to the meeting, indicating that he is the President and a member of the board of

directors of the Arrowhead Mountain Association in Arrowhead. Being a member of the Arrowhead Metro District and its current President, term to expire May 2025, this may potentially create a conflict of interest. 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 to the agenda.

Recognition of George Coleman The Board wants to recognize the tremendous contributions of George Coleman to the Arrowhead community through service with the Arrowhead Association and as the Association liaison to the District for several years. Mr. Coleman was instrumental in creating and maintaining a collaborative working relationship between the Association and District and will be missed.

Public Input **Introduction to Paul Datsko**: Director Riggio introduced Paul Datsko, the new Operations Manager for the District. Mr. Hensel explained that Mr. Datsko will be taking over Mr. Hensel's Vail Resorts duties as well as public safety for Arrowhead. Mr. Datsko explained that different departments in Arrowhead are now rolled up under his position so there will be one person for reporting. Mr. Datsko has been with Vail Resorts since 2008 with the majority of his time spent in hospitality in Arrowhead. He is excited to continue working with the Arrowhead community and has extensive background for project management so he will be comfortable overseeing paving and other projects that come up for the District.

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 January 22, 2025 as presented.

Burden Reduction Letter The Board reviewed the letter. Mr. Hensel explained that Vail Resorts has reduced the burden of labor and expenses for the Districts it works with, passing on their savings. This is the third year that they have reduced the burden.

IGA for Mosquito Control The Board reviewed the IGA included in the packet. Mr. Marchetti explained that the allocations are adjusted each year and a new contract with the service provider was received. General discussion was had on the service provided and locations within the District serviced. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Intergovernmental Agreement with Edwards, Berry Creek, Lake Creek Metropolitan Districts, Lake Creek Village LLC , for Mosquito Control Services.

Winter Evening Shuttle Service

Director Roe reviewed the evening shuttle service cost and that the 2025 budget includes enough to cover the service for the ski season. Mr. Datsko reviewed the service times and usage so far. General discussion continued on budgeting for a driver in the future and tracking usage. Upon motion duly made and seconded, it was unanimously

RESOLVED to ratify the cost of the evening shuttle service for the remainder of the ski season.

2025 Paving

Mr. Hensel reviewed the bid tab for the 2025 paving and overlay project. GM Asphalt was the low bidder, and the District was happy with their services for similar work two years prior. The low bid comes in under budget and does not include the speed humps which are expected to be an additional $10,000. Following discussion, and upon motion duly made and seconded, it was unanimously

RESOLVED to approve the proposal and bid from GM Asphalt for 2025 Paving and Road Overlay work as submitted.

Curbing Extension

Mr. Hensel reviewed the estimate and scope of work to extend the outside curb from the roundabout to guardhouse. The curb extension is recommended to discourage cars pulling over and destroying landscaping as well as keeping water drainage within Arrowhead. Funds for the project would come from the capital contingency or savings on the paving project. General discussion continued on whether the curbing would interfere with plowing operations, need for an easement, and adding the work to the existing road improvements. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the cost for extending the concrete curb and gutter from the end of Arrowhead Drive at the Roundabout to the Guardhouse for a cost not to exceed $56,000.

Accounts Payable

The Board reviewed the Accounts Payable list included in the meeting packet. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Accounts Payable list as presented.

2025 Operations Plan Update

Director Roe reviewed the Draft 2 Plan including the new capital, fire professional, change to services plan, and other changes. Director Warner requested his profession be updated. There was general discussion on how to post the Plan to the website. Following discussion, the Board directed that the completed, final report be made available to the public.

Election Update

Ms. Johnston reported on the forms received and deadlines for submission.

UERWA Update

Mr. Dreyer reviewed the following:

- Tabled water rights report work to focus on Bolt's Lake work.
- Water rates have been revised from square footage to standard meter size.
- Year-end financials are good. Director Warner discussed $90 million enhancement of Edwards sewer treatment facility but would need to go to election for a General Obligation Bond authorization.
- Wildfire and emergency preparedness – no public water system is designed to fight wildfire or simultaneous structure fires. The real issue is storage of water supply. He recommends reading the Vail Daily article from February 1, 2025 which provided a comprehensive report on wildfire challenges with a public water supply. There was general discussion on demands of a public water system for wildfire fighting, including infrastructure damage that could impact a community.
- Bolt's Lake – progress has been made on the project, focusing on liner options and consideration of diversion alternatives.
- Bolt's Ditch Act did not pass last legislative session and will be reintroduced for this session.

The Board thanked Geoff for his service to the District and informative updates.

Arrowhead Association

Ms. Cooper introduced herself and explained that she will be taking over for Mr. Coleman as the Association liaison to the District. The Association appreciates the relationship they have with the District and wants to preserve it so she will be providing updates for the District in the future. Ms. Cooper reported the following:

- Safety and security project and collaboration with the District are ongoing.
- Pickleball court renovation is moving forward with collaboration on parking solutions with the District.
- The permanent sign for the roundabout has been received which was confirmed by Mr. Smith. A hiccup on electric will be resolved by next week so sign can be lit. There have been lots of positive comments on the project.

Security Project

Director Roe reviewed recommendations from the Security Focus Group including safety measures to curb speeding on the roads, enhancements to the gates to make them tailgate proof, communicating with the community to gage support of the proposed safety and security enhancements, and enforcement of the rules and policies that are currently in place.

Discussion continued on splitting responsibility of public safety with hard costs, gates, technology, structural issues moving to the District and soft costs like personnel, safety outreach, and the like staying with AA. General discussion continued on enforcement capabilities, which entity has more enforcement powers, consulting group tie in to focus group and additional value provided, and costs estimates for moving forward.

Operations and Transportation Report

Mr. Datsko reported on Operations:

- Hired two employees to the operations team and hoping to hire a new lead for the team within the next week.

Mr. Hensel presented the Transportation report

- Current report is for year over year to-date report through January 31. Next report will be for end-of-season in April.
- Arrowhead Shuttle - Ridership is up. Walk-ons are up as well. Average wait is consistent with prior year.
- Some complaints due to technological issues, there is a known dead cell area
- Arrowhead to Beaver Creek rides are down from last year, potentially due to opening earlier than last year.
- Arrowhead to Vail ridership is down significantly from previous year, potentially due to better ski conditions at Beaver Creek and Arrowhead compared to last year.

Financial Statements & Investments

The Board reviewed the updated financial statements for December 2024.

Ms. Johnston explained the need to update the PDPA custodian. Following discussion and upon motion duly made and seconded, it was unanimously

> **RESOLVED** to approve the President and Treasurer as custodians for the District PDPA accounts.

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

- Director Riggio & Mr. Hensel have both spoken to Mr. O'Laughlin regarding the Board's position on lighting for Sawatch and requested this item be closed out.
- Open house for Safe Crossing Project should be in June 2025 after landscaping is installed.
- Mr. Hensel confirmed all project documents have been received from 360 Civil, including as-builts, fully executed contracts, and project manual.

Future Meetings The next regular meeting was confirmed for March 26, 2025, at 3:00 p.m.

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)(e), Determining positions relative to matters that may be subject to negotiation, developing strategy for negotiations, and instructing negotiators regarding contracts for infrastructure upgrades.

The Board entered Executive Session at 4:41 p.m.
The Board adjourned Executive Session at 5:45 p.m.

Following adjournment from executive session and, upon motion duly made by Director Roe and seconded by Director Warner, it was unanimously

> **RESOLVED** to approve up to $1 million to be paid in October 2025 to Vail Resorts as an incentive to install a new automated fire mitigation system in Arrowhead on Cresta and Little Brave with fire mitigation added to the west side of Cresta Rd houses, additionally subject to Arrowhead and Vail Resorts negotiating a snow making and fire mitigation agreement acceptable to both parties prior to June 1, 2025.

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 on this 26th day of February, 2025.

Respectfully submitted,

Beth Johnston
Secretary for the Meeting

R E C O R D   O F   P R O C E E D I N G S

Minutes of the Meeting of the Board of Directors
Arrowhead Metropolitan District
March 26, 2025

A meeting of the Board of Directors of the Arrowhead Metropolitan District, Eagle County, Colorado, was held on March 26, 2025, 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: 817 7134 7094, 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
- Robert Warner, Jr. (Zoom)
- Steve McPhetridge (Zoom)

Also in attendance were:

- Ken Marchetti, Marchetti & Weaver, LLC
- Beth Johnston, Marchetti & Weaver, LLC, recording secretary (Zoom)
- Paul Datsko, Director of Base Area Operations, Vail Resorts
- Jerry Hensel, Hensel Consulting (Zoom)
- Janet Cooper, representative of Arrowhead Association
- Randy Smith (Zoom)
- Geoff Dreyer, UERWA representative (Zoom)
- Brandon Abraham, owner 2013 Cresta Rd

Call To Order The meeting of the Board of Directors for Arrowhead Metropolitan District was called to order by Director Riggio on March 26, 2025, at 3:01 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.

The Board noted that it has received certain written disclosures of potential conflict of interest statements from Director Riggio more than seventy-two hours prior to the meeting, indicating that he is the President and a member of the board of

directors of the Arrowhead Mountain Association in Arrowhead. Being a member of the Arrowhead Metro District and its current President, term to expire May 2025, this may potentially create a conflict of interest. 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 to the agenda.

Public Input There was no 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 26, 2025 as presented.

Accounts Payable The Board reviewed the Accounts Payable list included in the meeting packet. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Accounts Payable list as presented.

Election Update Ms. Johnston announced that the 2025 election was cancelled and reviewed the election results. Oaths of office will be taken in person immediately prior to the May 28th meeting. If any newly elected director will not be in attendance in person at the May meeting, they would need to make arrangements to take their oath prior to the meeting.

UERWA Update Mr. Dreyer reviewed the following:

- Steven Sendor with Fortius Capital, developer for Edwards River Park project, requested an extension of the conditional Letter To Serve. During discussion, the issue was raised about the inordinate amount of water dedicated for this project, requiring about 61 acre-ft of augmentation water. Discussions are underway for alternatives to reduce the water necessary for the project.
- Approved new rules and regulations.
- Water Shortage Response Plan will be addressed during a joint meeting of the Authority and ERWSD on April 10.
- Town of Avon work session – all going fine there.
- Discussion on water dedication methodology and renewals. Questions were raised about water usage and augmentation water for stream gaps.

- Design updates to Bolt's Lake will be discussed at the April 10th joint meeting. General discussion continued on Bolt's Lake size, final design, and timeline for completion. Director Warner added that a lot of the timeline uncertainty was due to unknowns on federal approvals.

Arrowhead Association

Ms. Cooper reported the Board unanimously approved supporting snowmaking and fire defense system efforts for Beaver Creek and Arrowhead. The AA Budget will need to be amended and the process to amend budget is being researched. Strategic Planning committee is determining how to restructure budget to allow for outlay of the funds.

Mr. Smith spoke on the landscaping projects being adjusted to reduce the amount of spending in 2025 so funds can be dedicated to the snowmaking and fire defense system project. Current landscaping projects to be completed include the original plan for the center of the roundabout, East and West sides of Arrowhead Drive, with work proceeding south to the sidewalk. Budget revisions led to removal of stone wall on the north side, but it can be done at a later date if desired. Work should start by April 7.

General discussion continued on sidewalk along the Arrowhead Drive. Mr. Hensel reported that there will be a delineated 6-foot-wide dedicated pedestrian and bike lane on the east side going from the tennis courts to the crosswalk at the roundabout included with the striping during the paving project. Discussion continued on the expected target fund balances for the Association, lift maintenance, and snow making enhancements for the mountain.

Security Project

Director Roe reported that two additional service providers were identified to find a new partner that could be a one-stop shop for gate and security items. An upcoming meeting with the contractors and focus group should provide more information. Internet upgrades need to be made as well. A clearer picture of which company to move forward with should be had within the next month. General discussion continued on the internet service provider, how a new contractor will be determined, District versus Association responsibility for gates, timeline for District expenditures on hardware, and communication with homeowners and solicitation for community involvement.

Operations Report

Mr. Datsko reported on Operations:

- Wes Cunningham accepted the role as Lead Maintenance technician for Arrowhead Maintenance.

- Speed signs are ordered and arrived yesterday. Mr. Hensel will provide a map for the signs' placement. Director Roe is working with a company that can snap pictures of license plates.
- Vegetation was cleaned up in some areas so that stop signs are more visible. Looking into relocation of a stop sign before the tree for increased visibility.
- Arrowhead mountain closes April 6 for skiing.

Mr. Hensel reported:

- All paperwork for the 2025 paving project is completed and paving to start May 5, weather dependent. GM Asphalt is pricing out speed humps to be added to Arrowhead Drive and Cresta Rd in front of Aspen Wood Lodge. Curbing project will also be added to paving project.
- New loader is expected to be delivered in the next week. General discussion on trade in versus private sale of the old loader sale and if it needs to be put out to public bid but Mr. Marchetti said there is no legal requirement to do so. The Board approved selling used loader to private party for the same price the District was offered for trade in or trading in the loader.
- General discussion on crosswalk at skier parking lot, who has right of way, and need for additional signage.

Financial Statements & Investments Mr. Marchetti reviewed the financial statements for period ending February 28, 2025 included in the meeting packet. Overall, items are tracking as expected. Sales tax for Januanry come in 20% above budget. Capital and non-routine expenditures were reviewed with new projects being added to the forecast

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

- Director Riggio to contact Bachelor Springs Board President to provide an update on the connector and discuss the gate project to see if they want to be included. General discussion on BSHOA possibly joining AA and financial contribution of Bachelor Springs to the District. Director Riggio to meet with Allison Ulmer to discuss including BSHOA into AA and will report back to the Board.
- AMD needs to find new engineering firm to replace Alpine Engineering due to their downsize of services.
- Open house for Roundabout tentatively scheduled for weekend of July 4.
- General discussion on makeup of the audit committee.
- Eagle Valley Wildland Fire Manager, if hired, to be invited to next meeting.

Future Meetings The next regular meeting was confirmed for April 23, 2025, at 3:00 p.m.

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)(e), Determining positions relative to matters that may be subject to negotiation, developing strategy for negotiations, and instructing negotiators regarding contracts for fire mitigation and snowmaking.

The Board entered Executive Session at 4:38 p.m.
The Board adjourned Executive Session at 5:20 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 on this 26th day of March, 2025.

Respectfully submitted,

Beth Johnston

Beth Johnston
Secretary for the Meeting

R E C O R D   O F   P R O C E E D I N G S

Minutes of the Meeting of the Board of Directors
Arrowhead Metropolitan District
April 23, 2025

A meeting of the Board of Directors of the Arrowhead Metropolitan District, Eagle County, Colorado, was held on April 23, 2025, 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: 817 7134 7094, 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)
- Robert Warner, Jr.
- Steve McPhetridge (Zoom)

Also in attendance were:

- Ken Marchetti, Marchetti & Weaver, LLC
- Beth Johnston, Marchetti & Weaver, LLC, recording secretary (Zoom)
- Paul Datsko, Director of Base Area Operations, Vail Resorts
- Jerry Hensel, Hensel Consulting (Zoom)
- Randy Smith, representative of Arrowhead Association (Zoom)
- Brandon Abraham, owner 2013 Cresta Rd
- Hugh Fairfield-Smith, Fire Management Officer, ERFPD
- Micah Radar, Area Wildland Fire Manager, ERFPD
- Tim Paxton, candidate for ERWSD District 1 Board seat
- Peter Blake, President, Arrowhead Association

Call To Order The meeting of the Board of Directors for Arrowhead Metropolitan District was called to order by Director Riggio on April 23, 2025, at 3:07 p.m. confirming 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.

The Board noted that it has received certain written disclosures of potential conflict of interest statements from Director Riggio more than seventy-two hours prior to the meeting, indicating that he is the President and a member of the board of directors of the Arrowhead Mountain Association in Arrowhead. Being a member of the Arrowhead Metro District and its current President, term to expire May 2025, this may potentially create a conflict of interest. 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 Mr. Dreyer will not be giving a report, so item 7a was removed. There was general discussion on seating newly elected directors before the May meeting.

Public Input

Tim Paxton introduced himself and that he is a candidate seeking re-election to the Eagle River Water and Sanitation District Board of Directors for District 1. He reviewed how to obtain an absentee ballot for the election and gave his background and qualifications to continue his seat on the Board.

Introduction to Area Wildfire Manager: Mr. Fairfield-Smith introduced Micah Rader as the local Area Wildfire Manager (AWM) for the Beaver Creek, Bachelor Gulch, Bachelor Springs, and Arrowhead areas, reviewing his background and qualifications for the position. Mr. Rader expanded on the introduction and his excitement for the new position. There was general discussion on what the AWM position will focus on, such as property assessments and monitoring fuel reduction, and how his work would be monitored and reported to the District Board, including progress reports. The Board requested he provide a monthly update at Board meetings and give a presentation for spring scheduled work at the May meeting.

Mr. Fairfield-Smith reviewed the fire defense and snow making system that the Board is considering stating that the system would allow for on-demand wildfire defense along modeled primary fire pathways. He expressed that the system would be another line of defense and protection for the community. Discussion turned to coordination with neighboring communities.

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 March 26, 2025 as presented.

Accounts Payable The Board reviewed the Accounts Payable list included in the meeting packet. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Accounts Payable list 04-2025 as presented.

Security and Gate Project Mr. Datsko reviewed the process to find a contractor for providing security enhancements and securing the gates for the community. Four contractors that provided proposals were vetted, and the committee recommends moving forward with Corvinus Group. Mr. Datsko reviewed the timeline and preliminary scope of services for a gate security service contract with an estimated cost of $13,000 and additional gate repairs of up to $50,000 per gate to get the gates functioning properly. Director Roe provided additional information on the state of the gates and proposed gate service agreement. He reiterated that the gates were the responsibility of the District and AA will provide funds already budgeted for fixing the gates. General discussion continued on budgeted funds and signage. Following discussion, and upon motion duly made and seconded, it was unanimously

RESOLVED to authorize the District entering into a service contract agreement with gate contractor Corvinus Group and also authorize gate repairs and improvements up to $300,000 with reimbursement from Arrowhead Association.

Road Cuts Mr. Datsko reviewed the road cuts needed for the gate repairs. The contractor will need to apply for the road cuts once they have the final specifications.

Mr. Datsko reported that ERWSD did not complete the road cut for their project in 2024 and is requesting the road cut fee and deposit paid in 2024 be transferred to 2025. The cut is expected to be completed by June. The Board directed Management to update the road cut letter to reflect the extension and new completed dates for warranty purposes.

UERWA Update Mr. Dreyer did not have anything to go over and would make a report at the May meeting.

Arrowhead Association Mr. Smith gave the following updates:

- Community survey being done this summer.
- Board is setting a date for Town Hall this summer.
- Landscaping is in progress, including round-about center, and a survey is being done to determine where walls will be placed. Mr. Hensel reported that footers

for the walls should be in place soon and new trees will be planted. Still on track for July 1 finish.

- Mr. Hensel is waiting on the estimate for curbing extension. Lane painting and striping of main entry will be completed once temperatures are conducive to painting with a completion goal of Memorial Day.

Security Project

Director Roe reviewed the communication to the Arrowhead community and referenced the draft letter distributed to the Board prior to the meeting.

Operations Report

Transportation Report: Mr. Datsko reviewed the end-of-season transportation report with year-over-year data included in the meeting packet. Total Rides completed were flat, Walk-on rides increased and total passengers and wait times decreased from the previous season. General discussion was had on continuing evening shuttles for 2025-26 season. Mr. Datsko recommends providing summer shuttle service for the major holidays and activities and reviewed the proposal included in the packet. Discussion continued on the use of the summer shuttles and potentially expanding the service to other events. Following discussion, and upon motion duly made and seconded, it was unanimously

> **RESOLVED** to approve the proposed summer shuttles for a cost not to exceed $5,500 for the three events.

Buses: Mr. Datsko reported the bus that was supposed to be delivered in 2024 will be delivered sometime this summer and reviewed the proposal for the 2025 bus that was included in the meeting packet. General discussion was had on the bus replacement schedule, budget, condition of the current buses, and production delays. The Board requested that Mr. Datsko check with Paul Gorbold and bring additional details and recommendations on the bus replacement for Board consideration.

Road Paving Project: Mr. Hensel reported that the contractor for the Road Paving Project will be milling May 1-3 with curbing extension and speed bumps installation following. The road paving and other road work are expected to be completed by Memorial Day.

Financial Statements & Investments

Mr. Marchetti reviewed the financial statements for period ending March 31, 2025 included in the meeting packet. Overall, items are tracking as expected.

Action Log

The Board reviewed the Action Log included in the packet and requested Management update as required. Discussion was had on the following items:

- 2024-12 & 2025-11: Director Riggio spoke with Dick O'Loughlin today in follow up to his inquiry for additional lighting last September and told him the Board decided that lights would not be installed due to dark sky compliance. A few roadside delineators were installed but additional delineators are recommended. Add to Action Log again to track reflector installation.
- 2025-04: There was discussion on local firms that would provide full-service engineering services and who other Districts are using. Mr. Hensel and Mr. Datsko were tasked to research and have discussions with firms, including Martin & Martin, and provide recommendations to the Board.
- 2025-07: Add on-going agenda item for AWM Consultant report for monthly updates.
- LT-A: Round-about landscaping should be completed by 7/1. Safe Crossing Project Open house tentatively scheduled for Tuesday July 1 at 10:30 am.
- Audit draft received; needs reviewed. Will set up meeting for audit committee so they can report back for May meeting.

Future Meetings The next regular meeting was confirmed for May 28, 2025, at 3:00 p.m.

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)(e), Determining positions relative to matters that may be subject to negotiation, developing strategy for negotiations, and instructing negotiators regarding BSHOA access and contracts for fire defense .

The Board entered Executive Session at 4:52 p.m.
The Board adjourned Executive Session at 5:54 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 at 5:55 p.m. on this 23rd day of April, 2025.

Respectfully submitted,

Beth Johnston

Beth Johnston
Secretary for the Meeting

R E C O R D   O F   P R O C E E D I N G S

Minutes of the Meeting of the Board of Directors
Arrowhead Metropolitan District
May 28, 2025

A meeting of the Board of Directors of the Arrowhead Metropolitan District, Eagle County, Colorado, was held on May 28, 2025, 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: 817 7134 7094, in accordance with the applicable statutes of the State of Colorado.

Attendance The following Directors were present and acting:

- Bill Roe
- Michelle Horton
- Robert Warner, Jr.
- Steve McPhetridge (Zoom)
- Brandon Abraham

Also in attendance were:

- Ken Marchetti, Marchetti & Weaver, LLC (Zoom)
- Beth Johnston, Marchetti & Weaver, LLC, recording secretary
- Mr. Datsko, Director of Base Area Operations, Vail Resorts
- Wes Cunningham, Supervisor of Operations, Vail Resorts
- Jerry Hensel, Hensel Consulting (Zoom)
- Geoff Dreyer, representative to UERWA (Zoom)
- Janet Cooper, representative of Arrowhead Association
- Vince Riggio, owner (Zoom)
- Micah Radar, Area Wildland Fire Manager, ERFPD
- Peter Blake, President, Arrowhead Association (Zoom, joined 4:50 pm)

Call To Order The meeting of the Board of Directors for Arrowhead Metropolitan District was called to order by Director Roe on May 28, 2025, at 3:03 p.m., confirming 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, 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 The AWM Report was moved up to immediately after Public Input.

Public Input Mr. Datsko introduced Wes Cunningham as the new Arrowhead Supervisor of Operations. Mr. Cunningham reviewed his background, his role with Arrowhead, projects completed and in progress, identified areas for improvement, and expressed his excitement to be working with the District and Arrowhead community. Mr. Datsko explained how costs for the Arrowhead Operations team are split between the District and AA. Director Roe reviewed the playground responsibility and recent discussions with AA for them to assume responsibility for any future capital improvements.

There was no other public input.

Area Wildfire Manager (AWM) Report Mr. Rader introduced himself, gave his background and reviewed his responsibilities as the Area Wildfire Manager for Arrowhead, Beaver Creek, and Bachelor Gulch. He reported to the Board:

- Heli logging: Still waiting on land use permit from Homestead. Once received, the project will go out to bid for western area fuels clean up.
- Homeowner assessments started in west Arrowhead, including Cresta, for about 60 homes. Assessments are recommendations for the homeowner to mitigate their individual risk and will be distributed to each property owner. There was general discussion on how best to obtain owner emails for report distribution.
- Wildfire detection – ERFPD is working with Dryad to place solar powered sensors that provide early detection of wildfires, similar to smoke detectors in a building. Early intervention detectors communicate to a gateway that sends signals to border sensors which sends a signal to fire department monitoring system. General discussion was had on crisis communication within Arrowhead community and EC Alert system.
- Insurance – Mr. Fairfield-Smith is working with a risk assessment company that is used by insurance companies to identify and recognize recent fire mitigation work within the County, including the Arrowhead community.

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

RESOLVED to approve the minutes of April 23, 2025 as presented.

Election of Officers & Committee Appointments

Following discussion and upon motion duly made and seconded, it was

RESOLVED to elect the following Officers for the Board:

President & Chairman	William (Bill) Roe

Vice President & Vice-Chair	Michelle Horton
Secretary	Robert (Bob) Warner
Treasurer	Robert (Steve) McPhetridge
Asst Secretary/ Asst Treasurer	Brandon Abraham

FURTHER RESOLVED to appoint the following representatives:

Upper Eagle Regional Water Authority
Primary: Geoff Dreyer
Alternate: Director Abraham

Special Projects Advisor, 2-year term through 2027: Vince Riggio

Arrowhead Association: Director Roe

The Board directed that the signers on all bank and investment accounts be updated to included all Board members except Director Horton. The Accounts Payable approvers will be updated to Director McPhetridge as primary approver and Director Abraham as backup approver.

Other Business

Director Roe and the Board acknowledged the service of Vince Riggio to the District and the Arrowhead community and thanked him for everything he has done during his time on the Board. Mr. Riggio expressed his gratitude for working with all the Board members and others involved with the District and how much he learned while serving on the District Board.

Accounts Payable

Ms. Johnston confirmed that an updated Accounts Payable List was emailed to the Board prior to the meeting. The Board reviewed the updated Accounts Payable list and, upon motion duly made and seconded, it was unanimously

RESOLVED to approve the updated Accounts Payable List 05-2025 as presented.

Bus Replacement

Mr. Datsko reported the bus ordered in 2024 will be delivered by July 4, 2025. There is another bus budgeted for 2025 and, if it is decided to move forward with the purchase, a letter of intent is needed, and it will be delivered by the start of 2025-26 ski season. The old shuttles being replaced will be sold once the new shuttles are received, so that there are 6 shuttles available for rotation and backup. General discussion continued on the number of shuttles available and needed for the ski season and special events, constraints on service, and increasing service.

Following discussion, the Board directed that the letter of intent for the 2025 bus be signed, and the oldest shuttle be sold.

Rebranding – Mr. Datsko suggested that the four remaining shuttles be rebranded with the new Arrowhead logos at an estimated cost of $8,500. Upon motion duly made and seconded, it was unanimously

> **RESOLVED** to approve rebranding 4 shuttles for a cost not to exceed $8,500.

Loader Forks Upon motion duly made and seconded, it was unanimously

> **RESOLVED** to approve purchase of forks for the new loader as presented in Wagner Rents quote Q97661 at a cost not to exceed $1,300.

UERWA Update

Mr. Dreyer gave the following updates:

- Conditional capacity to serve – gave background on conditional capacity to serve letters. Margaux PUD and Edwards River Park PUD were conditionally approved for an additional one-year extension.
- New legislation passed 1) Regulates the amount of tap fees able to be charged, does not directly apply to UERWA but does apply to ERWSD; 2) Prohibits non-functional turf in certain residential developments, also does not apply to most of the UERWA customer base.
- Bolts Lake presentation at joint meeting of Authority and ERWSD provided recommendations to source water to fill reservoir by pumping from Eagle River and to use asphalt-type liner. The vote on the recommendations is pending.

Arrowhead Association

Ms. Cooper gave the following updates:

- FAC starts June 20. A table for new homeowner sign up and information will be set up.
- Pickleball courts are done, and they are an incredible upgrade with fencing between courts. Sound barriers are installed on four courts and the remaining barriers should be installed in a couple of weeks once received.
- Roundabout landscaping installation is in progress and should be completed by July 4.
- Town Hall meeting is August 8.

Security Project

Director Roe reported that:

- Service agreement with Corvinus has been signed.

- Severe electrical issues have been identified, locates are in process and electrical work will be started next week
- Once electrical infrastructure is in, work will start on communications infrastructure and installing comprehensive control platform.

General discussion continued on communication infrastructure and the timeline for completion. Mr. Datsko notified the Board of a meeting with Corvinus Group next week and all directors are invited to attend.

Operations Report

- **Road Paving Project:** The paving project was completed and inspected on Monday. Punch list items need to be finished. The Castle Peak Close work caused problems with some homeowners' irrigation that the District will be fixing, with costs expected to be minimal. Striping on speed humps, pickleball court parking, road, and pedestrian areas will be done next week.
- Curbing to the gatehouse is completed.
- Aqua Sierra has started maintenance of the Riverdance ponds. They are meeting with Mr. Datsko next week. Cattails work will be done the first week of June.
- Water feature pump at Riverdance pond is not on due to pump leak and cracked pipe, waiting on quote then will be repaired.
- Transportation: Blues, Brews and BBQ's shuttles were well received with good ridership.

Director Horton thanked Mr. Datsko for the increased communication of projects other Arrowhead items in between meetings.

Financial Statements & 2024 Audit

The Board reviewed the financial statements for period ending April, 2025 included in the meeting packet, no further discussion was had.

The 2024 Audit committee, consisting of Directors Horton and Roe and owner Brandon Abraham, met with the auditors from McMahan and Associates early in May. Director Roe reviewed the meeting and reported that the audit was clean with no issues or discrepancies. Director Horton thanked Mr. Marchetti, Ms. Johnston, and others involved in the audit's preparation and completion for their diligence in providing the requested information and said that the District is one of very few that actually respond to auditor requests and meet with the auditors to review their audit. Upon motion duly made and seconded, it was unanimously

RESOLVED to accept the 2024 Audit Financial Statements as presented.

Action Log

The Board reviewed the Action Log included in the packet and requested Management update as required. Discussion was had on the following items:

- Mr. Marchetti said Alpine Engineering is downsizing and will continue serving engineering services for the next 10 years. If the District decides to stay with Alpine, administrative support will be needed which Marchetti & Weaver is able to provide if needed.
- Sawatch delineators are on order and should be installed in a week or so.
- Mr. Riggio said CDOT is available for the roundabout open house on July 1 at 3:00 p.m. with a ribbon cutting followed by celebration and fellowship at CCR. Director McPhetridge will coordinate with Vista for refreshments.

Future Meetings The next regular meeting was confirmed June 25, 2025, at 3:00 p.m.
The Highway 6 Safe Crossing Project Ribbon Cutting and Open House was confirmed for July 1, 2025 at 3:00 p.m.

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)(e), Determining positions relative to matters that may be subject to negotiation, developing strategy for negotiations, and instructing negotiators regarding contracts for fire defense.

The Board entered Executive Session at 4:48 p.m.
The Board adjourned Executive Session at 5:38 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 at 5:40 p.m. on this 28th day of May, 2025.

Respectfully submitted,

Beth Johnston

Beth Johnston
Secretary for the Meeting

RECORD OF PROCEEDINGS

Minutes of the special Meeting of the Board of Directors
Arrowhead Metropolitan District
June 6, 2025

A special meeting of the Board of Directors of the Arrowhead Metropolitan District, Eagle County, Colorado, was held jointly with Arrowhead Association on June 6, 2025, at 1:00 p.m. via electronic Zoom meeting, Meeting ID: 871 1333 9408 Passcode: 294289
, in accordance with the applicable statutes of the State of Colorado.

Attendance The following Directors were present and acting:

- Bill Roe
- Michelle Horton
- Robert Warner, Jr.
- Steve McPhetridge
- Brandon Abraham

Also in attendance were:

- Paul Datsko, Director of Base Area Operations, Vail Resorts
- Micheal Heaphy, Vail Resorts, Arrowhead Association manager
- Jerry Hensel, Hensel Consulting
- Hugh Fairfield-Smith, Eagle River Fire Protection District
- Micah Radar, Area Wildland Fire Manager, ERFPD
- Janet Cooper, representative of Arrowhead Association
- Peter Blake, President, Arrowhead Association
- Carolyn Gust, Arrowhead Association
- Randy Smith, Arrowhead Association
- Mark Schacht, Arrowhead Association
- Brian O'Hearne, Arrowhead Association
- Sheree Fleming, Arrowhead Association
- Andy Bombbush, Arrowhead Association
- Dan Gallagher, Arrowhead Association

Call To Order The meeting of the Board of Directors for Arrowhead Metropolitan District was called to order by Mr. Blake on June 6, 2025, at 1:05 p.m., confirming 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, 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.

Business Mr. Fairfield-Smith and Mr. Radar provided background, wildfire simulation model, and other information on the fire defense/snow making project and discussion was had on available fire defense options.

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)(e), Determining positions relative to matters that may be subject to negotiation, developing strategy for negotiations, and instructing negotiators with respect to fire defense/snow making project and related agreement.

The Board entered Executive Session at 2:13 p.m.
The Board adjourned Executive Session at 3:12 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 at 3:13 p.m. on this 6th day of June, 2025.

Respectfully submitted,

Paul Datsko
Secretary for the Meeting

RECORD OF PROCEEDINGS

Minutes of the Meeting of the Board of Directors
Arrowhead Metropolitan District
June 25, 2025

A meeting of the Board of Directors of the Arrowhead Metropolitan District, Eagle County, Colorado, was held on June 25, 2025, 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: 817 7134 7094, in accordance with the applicable statutes of the State of Colorado.

Attendance The following Directors were present and acting:

- Bill Roe
- Michelle Horton
- Robert Warner, Jr.
- Steve McPhetridge
- Brandon Abraham

Also in attendance were:

- Ken Marchetti, Marchetti & Weaver, LLC
- Beth Johnston, Marchetti & Weaver, LLC, recording secretary
- Paul Datsko, Director of Base Area Operations, Vail Resorts
- Geoff Dreyer, representative to UERWA (Zoom)
- Randy Smith, representative of Arrowhead Association
- Hugh Fairfield-Smith, ERFPD
- Micah Radar, Area Wildland Fire Manager, ERFPD
- Peter Blake, President of Arrowhead Association (joined 4:25)

Call To Order

The meeting of the Board of Directors for Arrowhead Metropolitan District was called to order by Director Roe on June 25, 2025, at 3:02 p.m., confirming 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 serves as a Board Member for Eagle River Water and Sanitation District, Eagle Valley Land Trust, Eagle County Zoning Board of Adjustment, and McCoy Springs at Arrowhead Homeowners Association, as well as a former Builder/Developer in the District. 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 to the agenda.

Public Input There was no 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 from May 28 and June 6, 2025 as presented.

Hwy 6 Safe Crossing Project Open House Planning

Director Roe followed up with Vince Riggio on the plans for the ribbon cutting at the roundabout and reception after at Vista. Funds in the amount of $1,000 were appropriated for the event. Director McPhetridge is working with Vista on the reception which will be billed to the District following the event.

Vehicle Booting

Mr. Datsko introduced the issues with parking violations and enforcement within the community, especially in light of State legislation over the past several years. He requested that the Association and District open discussions to determine the best enforcement option. General discussion was had on the ability of the District to enforce community rules, moving safety and security under District, and funding and oversight responsibilities. Following discussion, the Board authorized Mr. Datsko to work with Ms. Ulmer to develop a plan.

Area Wildfire Manager (AWM) Report

- Mr. Rader reported that 2025 home assessments are finished, and reports are being distributed to owners. Email addresses are being updated during the process. General discussion continued on owner feedback on the reports and working directly with landscape companies that work within Arrowhead.
- Mr. Fairfield-Smith explained the Community Connect app that allows owners to provide detailed contact information in case of an emergency. Mr. Rader will send the QR code for the app and it will be available at upcoming community events. The Community Connect app is designed to work in conjunction with Knox boxes.
- Mr. Fairfield-Smith reported a land use agreement with Homestead has been successfully negotiated so the heli-logging project can move forward. Old Growth Tree Services has been contracted to perform the mitigation work starting mid-July. Slash piles will be burned over the winter, but timing depends on optimal smoke dispersal days.

  The Board requested a cumulative report on all fire mitigation and home assessment work done to date for presentation at the Arrowhead Town Hall on

August 1. Mr. Fairfield & Mr. Rader plan to attend in person to present the report.

Riverdance Ponds Pump Repair

Ms. Johnston reviewed background on the pump repair and proposal sent via email to the Board earlier in June. Mr. Datsko reported that most of the work was done. The technicians are returning next week to finish the missed section. Following discussion, upon motion duly made and seconded, it was unanimously

RESOLVED to ratify the Aqua Sierra Quote to repair the water feature pump and pipes at a cost not to exceed $9,000.

July Shuttle Service

Mr. Datsko reviewed the proposed July shuttle service for Ford Amphitheater concerts included in the packet. General discussion on potential ridership demand, ridership make up, and July 4th service to Vail. Following discussion, upon motion duly made and seconded, it was unanimously

RESOLVED to approve shuttle service for July as proposed to include July 4th service to Vail, for a cost not to exceed $1,100.

Accounts Payable

The Board reviewed the updated Accounts Payable list which includes final payment for the 2025 Road improvements. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the updated Accounts Payable List 06-2025 as presented.

UERWA Update

Mr. Dreyer gave the following updates:

- Water shortage response plan was rolled into Rules and Regulations.
- West Riverview Townhomes project given one-year extension on capacity to serve.
- Board officers were elected. He reviewed the Directors on the Board.
- Regional Wastewater Facility will be $90 million upgrade project. The ERWSD Board recommends funding the project with GO bonds paid by property tax instead of Revenue Bonds paid through user fees. GO Bonds would require an election.
- Undergoing campaign to reach out directly to excess water users to encourage conservation.

Arrowhead Association

Mr. Smith gave the following update:

- Need to fill a couple board seats, any potential candidate names should be sent to Mr. Blake.
- Pickleball center is finished, some sound barriers need to be addressed. There are some neighbor concerns about the colors.
- Landscaping is behind schedule a couple of weeks due to rain earlier in the spring with expected completion by mid-July. Landscape committee is meeting in July to discuss 2026 projects including finishing landscaping along Arrowhead Dr.

Security Project

Director Roe requested the Board review Mr. Datsko's report included in the meeting packet for an overall update on the gates and reported the following:

- East Gate and McCoy gates are up and running. Highway 6 gates are in process and will be completed before intracommunity gates are done. Still having issues with electricity and other installed fixtures.
- Director Roe requested a full schedule and timing for completion from Corvinus. Remaining security upgrades are dependent on Gate project completion.
- Some owners are requesting installation of speed bumps on Sawatch. Board has requested temporary speed bumps installed in the interim.
- The stop sign on Cresta Rd and Arrowhead Dr is not visible due to tree needing limbed up. Mr. Datsko is proposing to move the stop sign a few feet and paint stop line on the road for better visibility and safety.

Operations Report

- **Speed Monitor Report:** Signs are positioned and collecting data with Public Safety reviewing the reports. Public Safety is contacting violators directly about excessive speeds letting them know the roads are being monitored. General discussion was had on interpreting the speed reports, 85% speed significance, and report anomalies. Mr. Datsko met with Traffic Safety and will have more information on how to address trouble areas.
- Bus ordered in 2024 will be delivered July 1 and rebranding of the other shuttles is complete.
- The Operations team is working on painting crosswalks and knocking down grasses next to the roads to reduce fire risk.

Financial Statements

The Board reviewed the financial statements for period ending May 2025 included in the meeting packet. Things are tracking as expected and there are no issues to report. General discussion on potential investment of cash.

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

Future Meetings

The next regular meeting was confirmed July 23, 2025, at 3:00 p.m.

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)(e), Determining positions relative to matters that may be subject to negotiation, developing strategy for negotiations, and instructing negotiators regarding contracts for fire defense.

The Board entered Executive Session at 4:15 p.m.
The Board adjourned Executive Session at 5:07 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 at 5:10 p.m. on this 25th day of June, 2025.

Respectfully submitted,

Beth Johnston
Secretary for the Meeting

R E C O R D   O F   P R O C E E D I N G S

Minutes of the Meeting of the Board of Directors
Arrowhead Metropolitan District
July 23, 2025

A meeting of the Board of Directors of the Arrowhead Metropolitan District, Eagle County, Colorado, was held on July 23, 2025, 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: 817 7134 7094, in accordance with the applicable statutes of the State of Colorado.

Attendance The following Directors were present and acting:

- Bill Roe
- Michelle Horton (Zoom)
- Robert Warner, Jr.
- Steve McPhetridge
- Brandon Abraham

Also in attendance were:

- Ken Marchetti, Marchetti & Weaver, LLC
- Beth Johnston, Marchetti & Weaver, LLC, recording secretary (Zoom)
- Paul Datsko, Director of Base Area Operations, Vail Resorts
- Wes Cunningham, Operations Supervisor, Vail Resorts
- Geoff Dreyer, representative to UERWA (Zoom)
- Randy Smith, representative of Arrowhead Association
- Janet Cooper, representative of Arrowhead Association (Zoom)
- Siri Roman, General Manager, ERWSD
- David Norris, Director Business Operations, ERWSD
- Brian Thompson, Government Affairs Officer, ERWSD
- Lauren Snyder, ERWSD

Call To Order

The meeting of the Board of Directors for Arrowhead Metropolitan District was called to order by Director Roe on July 23, 2025, at 3:02 p.m., confirming 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 serves as a Board Member for Eagle River Water and Sanitation District, Eagle Valley Land Trust, Eagle County Zoning Board of Adjustment, and McCoy Springs at Arrowhead Homeowners Association, as well as a former Builder/Developer in the District. 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 to the agenda.

Public Input

Eagle River Water and Sanitation District (ERWSD) Regional Wastewater Facility Upgrade Presentation

Ms. Roman introduced her team and the presentation topic. Mr. Norris reviewed current water use, conservation efforts, tools available to users to monitor usage, and education provided to excessive users. There was general discussion on available water supplies, why conservation and in-basin storage are necessary and the need to decrease demand to match the amount of storage available for release and for future development demand. Ms. Roman reviewed the current wastewater treatment facilities (WWTF) and how they work together. State regulatory standards and aging infrastructure require the Edwards WWTF be upgraded to bring the facility into compliance. Mr. Norris reviewed the options available to pay for the WWTF upgrade, including revenue bonds and general obligation (GO) bonds, differences between the options, and impact to water customers for each method. General discussion followed on why GO bonds are the preferred payment method for the upgrades.

Area Wildfire Manager (AWM) Report

Mr. Datsko reported that the home assessments are done, and smoke sensors are being considered.

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 from June 25, 2025 as presented.

Operations Management Agreement

Mr. Datsko reported that the draft Agreement is ready was reviewed by Vail Resorts legal and there are no changes from the prior agreement. He inquired if the Board would like any changes. The Board requested the agreement be distributed prior to the next meeting for review.

AA/AMD Responsibilities and Vehicle Booting

Mr. Datsko reviewed the proposed changes to responsibilities with AA taking over the playground and the District taking over the gates. Mr. Datsko met with the attorneys for both AA and the District to start the process of developing an agreement. There is another meeting later this week which will include Director McPhetridge as the District representative. AA has not appointed a representative yet. General discussion continued on funding the new responsibilities, agreements to memorialize the arrangement, parking and booting issues, DRB enforcement responsibility, recent State legislation, and timing. Mr. Datsko hopes to have draft agreements for both Boards to review by next month.

Fire Defense/Snowmaking Project Discussion

Director Roe gave an update on the current status of the fire defense/snowmaking project discussions. The project will not happen until 2026, if at all. Directors Roe and McPhetridge met with members of the Bachelor Gulch Village Association and they and the Bachelor Gulch Metropolitan District seem disinterested in partnering on the fire defense/snow making project at this time. Discussions with Dan Ramker, Vice President of Mountain Operations Beaver Creek Resort, about removing the parking lot deed restriction as a contingency to the District's funding of the fire defense/snowmaking project were not well received. The most recent project cost estimate is $3.4 million to complete all the areas currently identified for the project with Vail Resorts covering any cost overages. While Cresta Homeowners have confirmed they are not willing to participate financially in the project, Ms. Cooper confirmed AA is committed to partnering with the District due to the increase in value the project would bring to the community. General discussion continued on the parking lot restrictions, hiring a consultant for an objective review of other cost-effective fire mitigation options, and value of the project to the community. Director Roe will continue discussions with potential funding partners and review the draft agreement with Ms. Ulmer.

Arrowhead Association

Ms. Cooper and Mr. Smith gave the following update:

- Town Hall meeting will be August 8 with emphasis on discussing fire mitigation and funding needs with homeowners.
- A community survey will be sent out and completed by October and include questions on funding sources to support long-term goals and projects.
- Summer bus service to Bravo! Vail was successful. Bravo! Vail staff met the final bus to give out coupons for a free beverage. Feedback was very positive with requests for more transportation for Bravo!, the Dance festival, and other summer events. General discussion was had on Bravo! Vail hosting a reception next summer for Arrowhead riders and adding more buses to accommodate a larger event.
- New trail on Arrowhead Mountain approved by Vail Resorts will be for hiking only.
- Pickleball is very popular again this year and the renovated courts have been well-received.
- Landscaping is a month behind due to weather conditions and product availability. The landscape budget for the next two years is being prepared including extensions of beds along Arrowhead Drive.

- The new curbing along Arrowhead Drive is working. AA is requesting that curbing be installed on the median side of Arrowhead Drive to the gatehouse as well as extended on both sides to Cresta Rd.

Accounts Payable

The Board reviewed the updated Accounts Payable list and, upon motion duly made and seconded, it was unanimously

> **RESOLVED** to approve the updated Accounts Payable List 07-2025 as presented.

UERWA Update

Mr. Dreyer gave the following update:

- Bolts Lake Update – have joint meeting tomorrow and will have more to report later.

Mr. Dreyer broached the topic of a resolution of endorsement for the GO Bonds presented earlier in the meeting. Director Warner suggested that requests for endorsements will probably occur in the fall closer to the actual election date. General discussion continued on eligible voters deciding the funding method for all water district users and other entities holding elections in November for mill levy increases or bond issues.

Security Project

Mr. Datsko reported that the six gates along Highway 6 are working normally with minor issues to repair bumper guards. Interior gates are progressing slower than anticipated with trenching in progress and are expected to be completed by August 8 with wires being pulled after. All work to date is included in the electrical work already approved.

New communication system can be implemented without needing to iron out broadband issues. Corvinus recommends a fiber line for communication instead of the sight-to-sight system currently in use. They are looking at possibly using fiber lines already installed by other companies. As gates come online, other repairs, such as bent hinges, are being addressed. General discussion was had on next steps including upgrading servers, replacement of Gatehouse system, switching to fiber communications and connectivity, and obtaining firmer estimates and timing for remaining upgrades from Corvinus.

Operations Report

- Transportation Update: Ms. Cooper covered earlier, summer buses have been successful.

- River Dance Ponds: Pump is working since repaired but continuing to have issues. Mr. Hensel is assisting.
- Road Safety Update: Speed reports are in packet. Mr. Cunningham found that sprinklers are tripping the traffic sign sensors at night between midnight and 6 a.m. so future reports will be filtered to remove that information. Reports are reflecting good data with average speeds clocked under 20 mph and sending alerts for excessive speeding with follow-up by Public Safety. General discussion continued on installing cameras on the signs to provide more targeted education and other areas to place the signs for more data.
- Mapping software: AA hired a company to provide GIS mapping for irrigation. The company can potentially map other infrastructure within Arrowhead, such as roads and gate electrical. A cost estimate will be prepared for the Board to consider.

Financial Statements

Mr. Marchetti reviewed the preliminary financial statements for period ending June 30, 2025 included in the meeting packet. Things are tracking as expected and there are no issues to report. Sales Tax is coming in lower than budgeted, so the revenue forecast has been decreased.

Long Range Projection review: The next four years look okay but may need to be less aggressive with mill levy reduction for further out years.

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

Future Meetings

The next regular meeting was confirmed for August 27, 2025, at 3:00 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 at 5:09 p.m. on this 23rd day of July, 2025.

Respectfully submitted,

Beth Johnston

Beth Johnston
Secretary for the Meeting

RECORD OF PROCEEDINGS

Minutes of the Meeting of the Board of Directors
Arrowhead Metropolitan District
August 27, 2025

A meeting of the Board of Directors of the Arrowhead Metropolitan District, Eagle County, Colorado, was held on August 27, 2025, 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: 817 7134 7094, in accordance with the applicable statutes of the State of Colorado.

Attendance The following Directors were present and acting:

- Bill Roe
- Michelle Horton
- Robert Warner, Jr.
- Steve McPhetridge
- Brandon Abraham

Also in attendance were:

- Ken Marchetti, Marchetti & Weaver, LLC
- Beth Johnston, Marchetti & Weaver, LLC, recording secretary (Zoom)
- Paul Datsko, Director of Base Area Operations, Vail Resorts
- Wes Cunningham, Operations Supervisor, Vail Resorts
- Geoff Dreyer, representative to UERWA (Zoom)
- Randy Smith, representative of Arrowhead Association
- Lauren Snyder, Eagle River Water and Sanitation District
- Dan Ramker, Vail Resorts (arrived 4:00 pm, left 4:45 pm)
- Mark Schacht, Arrowhead Assoc (Zoom arrived 4:00 pm, left 4:45 pm)
- Sheree Fleming, Arrowhead Assoc (Zoom arrived 4:00 pm, left 4:45 pm)

Call To Order

The meeting of the Board of Directors for Arrowhead Metropolitan District was called to order by Director Roe on August 27, 2025, at 3:00 p.m., confirming 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 serves as a Board Member for Eagle River Water and Sanitation District, Eagle Valley Land Trust, Eagle County Zoning Board of Adjustment, and McCoy Springs at Arrowhead Homeowners Association, as well as a former Builder/Developer in the District. 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.

Director Abraham disclosed verbally at the meeting he is an executive board member of the Trailside Owners Association and his position on that board could be considered as a potential conflict of interest for the Fire Defense/Snow Making Project discussion as it relates to requesting additional funding partners, specifically homeowner's associations, for the project.

Consideration Of Agenda

Reports by Mr. Datsko were moved forward to accommodate an early departure; Fire Defense/Snowmaking Project discussion will commence at 4:00 pm.

Public Input

Area Wildfire Manager (AWM) Report

Mr. Datsko explained the QR code cards and passed them out. The cards provided instructions to sign up for alerts.

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 from July 23, 2025 as presented.

AA-AMD responsibilities

Director McPhetridge gave an update on the meeting with the District's and Association's attorneys to discuss the duties that the District has authority to take on. Arrowhead Association is reviewing the draft Memorandum of Understanding (MOU) to ensure both parties are on the same page. The exact duties are still being discussed.

Eagle County Lodging Tax

There was general discussion on the proposed lodging tax increase and the potential impact on the Arrowhead community. Mr. Marchetti reviewed the current conditions versus the proposed increase to the Eagle County lodging tax that is being contemplated for inclusion on the November 2025 ballot. The Eagle County Board of County Commissioners is still working to determine the amount of the increase and for what the new revenue generated by the increase would be used. Following discussion, the Board requested that Director Roe, on behalf of the District, prepare and send a letter to the Commissioners indicating that the AMD Board does not believe the tax increase will be in the best interest of the Arrowhead community and is therefore opposing the increase.

Security Project

Mr. Datsko reported that Corvinus is working on the interior gates and all electrical is working now. Mechanical repairs are needed including motors, safety wires, and sensors. Mr. Datsko reviewed the proposal by Corvinus to replace the software system with work expected to be completed by the end of the year. The total cost for repairs and upgrades to the gates is expected to be $360,000 with AA contributing $350,000 and the District responsible for anything over AA's contribution, which is anticipated to be around $10,000. There was discussion on the bandwidth for upgrading the gate communications with Mr. Datsko confirming the current system was sufficient to run the upgraded system. Discussion continued on Moore Consultants providing a menu of security options that the Board can choose from to address issues in the community and set up a foundation for moving forward. Following discussion, upon motion duly made and seconded, it was unanimously

> **RESOLVED** to approve the Corvinus Proposal 2504141-3 Upgrade Access Control and IP Video Upgrade in an amount not to exceed $240,915.00 with Arrowhead Association providing funding up to a total of $350,000 and the District covering any costs over $350,000.

Operations Report

- River Dance Ponds: Pump repair is complete though the cost was more than originally estimated. Additional work is required to fix the pump room and estimates are being prepared for inclusion in the 2026 budget.
- Road Safety Update: Speed reports were emailed to the Board prior to the meeting. The South entrance has heavy use with speeds between 17-23 mph. The East and West gates are also seeing heavy use though that is expected to change once the gates are fixed and most traffic will be directed to the main gate for entry and exit. There was general discussion on gate use and how to address continuing issues such as vehicles piggybacking through the gates.
- Alpine Engineering Future Services: The proposal of services provided by Alpine Engineering was reviewed and how the duties no longer provided would be distributed. Mr. Datsko recommended continuing with Alpine Engineering for the road overlay projects with Operations and Management, picking up the administrative duties. The Road Overlay and Repairs Project for 2026 is estimated at $401,934 and will go to bid in the spring.

Approval of Bills and Appropriations

Operations Management Agreement: Mr. Datsko reviewed the draft Operations Agreement. The new agreement matches the current agreement, but additional duties may need to be incorporated depending on what is agreed upon between the District and AA. He requested initial feedback on the agreement even though the financial piece needs to be finalized once Vail Resorts finalizes their budget. Discussion was had on the 30-day termination provision, removal of property taxes responsibility in the facilities lease, and correction to the parking lot linear feet.

Bobcat Sweeper: Mr. Cunningham reviewed the Bobcat sweeper use, age, and repairing versus purchasing new. If a new sweeper attachment were purchased by September 1, Bobcat of the Rockies agreed to waive the $1,060 repair call invoice for diagnosing the old sweeper. There was discussion on advantages and disadvantages of the District owning a sweeper and renting a sweeper from another entity. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the purchase of a new Bobcat sweeper attachment by September 1st at a cost not to exceed $6,900 as presented in the Quote MB1336610 from Bobcat of the Rockies.

Guardrail Staining: Mr. Datsko reviewed the need to repair and stain the guardrails on Cresta Rd before the fall. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the proposal from Alpine Painting and Custom Finishes dated August 4, 2025 for Guardrail staining on Cresta Road for a cost not to exceed $16,875.

Fire Defense/Snowmaking Project Discussion

Director Roe introduced Mr. Ramker with Vail Resorts. Mr. Ramker introduced himself, gave his background, and discussed changes to the initial project including utilizing Vail Resorts employees, other cost-saving measures, and overall project costs. General discussion continued on what Vail Resorts would bring to the table, specifics of the system and how it would work for snowmaking and wildfire defense, cost for including the spur option, and expectations for snowmaking on Arrowhead Mountain. Discussion continued on return of investment for the system, other examples of private funding by other communities for similar projects, if funding the project would set a precedent for the District to pay for future capital projects and upgrades, and what Vail Resorts would be responsible for including ongoing repairs and maintenance of the system. Conversation moved to the Funding Agreement terms, timing for funds to be disbursed, signatures, and the 20-year operating clause.

Mr. Ramker and the AA Directors left the meeting. The Board continued discussion on the presentation. It was suggested that a community survey be done to gauge support for the project and educational materials on the project be prepared.

UERWA Update

Ms. Snyder reviewed the draft resolution of support included in the meeting packet and why the ERWSD Board decided to propose GO Bonds to fund the upgrade project. Discussion was had on how the GO Bonds funding option would impact Arrowhead residents and whether the District should endorse the funding option. The Board conveyed that they were in support of the upgrade project but not necessarily the use of GO Bonds to fund the project. Mr. Dreyer brought up concerns regarding a similar issue when the Bolts Lake funding is needed. Following discussion, the Board decided to decline approving the resolution in support of the ballot measure on general obligation bonds for regional wastewater facility upgrades indicating that Arrowhead residents should make their own decision.

There were no other updates from the Authority. There is a joint meeting of the Authority and ERWSD to discuss technical issues of the Bolts Lake dam.

Arrowhead Association

Mr. Smith gave the following update:

- The community survey results are expected by September 5, and, if interested, a review with the District can be arranged.
- The AA meeting planned for September 5 for budget revisions may be cancelled.
- Safety Update – The meeting will be scheduled with CCR to discuss the usage of their irrigation system for wildfire defense.

Accounts Payable

The Board reviewed the updated Accounts Payable list and, upon motion duly made and seconded, it was unanimously

RESOLVED to approve the updated Accounts Payable List 08-2025 as presented.

Financial Statements

The Board reviewed the preliminary financial statements for period ending July 31, 2025 included in the meeting packet noting there are no issues to report. The Budget Committee will have its initial meeting the week of September 15, an exact date to be determined.

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

Future Meetings

The next regular meeting was confirmed for September 24, 2025, at 3:00 p.m. the regular meeting scheduled for October 22, 2025 was cancelled and rescheduled for Tuesday, October 28, 2025 at 3:00 pm due to a scheduling conflict.

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 at 5:33 p.m. on this 27th day of August, 2025.

Respectfully submitted,

Beth Johnston
Secretary for the Meeting

Minutes of the Meeting of the Board of Directors
Arrowhead Metropolitan District
September 24, 2025

A meeting of the Board of Directors of the Arrowhead Metropolitan District, Eagle County, Colorado, was held on September 24, 2025, 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: 817 7134 7094, in accordance with the applicable statutes of the State of Colorado.

Attendance The following Directors were present and acting:

- Bill Roe
- Michelle Horton (Zoom)
- Robert Warner, Jr.
- Steve McPhetridge
- Brandon Abraham

Also in attendance were:

- Ken Marchetti, Marchetti & Weaver, LLC
- Beth Johnston, Marchetti & Weaver, LLC, recording secretary
- Paul Datsko, Director of Base Area Operations, Vail Resorts
- Wes Cunningham, Operations Supervisor, Vail Resorts
- Geoff Dreyer, representative to UERWA (Zoom)
- Randy Smith, representative of Arrowhead Association (Zoom)
- Neil Dermody, owner 24 McCoy Creek Dr (Zoom)
- Mick Woodworth, Fire Chief, ERFPD
- Trevor Broersma, General Manager, Cordillera Metropolitan District

Call To Order

The meeting of the Board of Directors for Arrowhead Metropolitan District was called to order by Director Roe on September 24, 2025, at 3:02 p.m., confirming 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 the following Directors more than seventy-two hours prior to the meeting: Director Warner serves as a Board Member for Eagle River Water and Sanitation District, Eagle Valley Land Trust, Eagle County Zoning Board of Adjustment, and McCoy Springs at Arrowhead Homeowners Association, as well as a former Builder/Developer in the District. Director Abraham is an executive board member of the Arrowhead Trailside homeowners Association which may present a potential conflict of interest in representation. The Board noted, for the record, that these disclosures are restated at this time with the intent of fully complying with laws pertaining to potential conflicts of interest.

Consideration Of Agenda

No changes

Public Input

Area Wildfire Manager (AWM) Report: Chief Woodworth introduced himself as the new Fire Chief with Eagle River Fire Protection District (ERFPD). He confirmed that Eagle Valley Wildland is fully staffed, and all agreements are in place and being reviewed despite some hiccups surrounding confidential personnel issues. Mr. Swanson, the acting fire mitigation officer, is working with Mr. Datsko on wildfire mitigation issues. Any questions or issues should be addressed to Chief Woodworth or Mr. Swanson. Mr. Datsko reported that mastication will be done this year, however, heavy logging is delayed until 2026. General discussion continued on how the schedule changes will affect the 2025 and 2026 budgets. Chief Woodworth will follow up and get back to the Board once agreements have been reviewed.

There was discussion on Country Club of the Rockies (CCR) using the District parking lot for temporary storage of their sand during the shoulder season and Mr. Datsko reviewed why CCR was permitted to do this.

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 from September 24, 2025 as presented.

AA-AMD responsibilities

Mr. Datsko reported that there is no new information on this topic. The MOU is still being reviewed by AA and the attorneys. Director Roe gave background on why the AA and AMD are discussing the various responsibilities, what the District may be interested in taking on, and general discussion continued. It was suggested that two members from each of the District and AA board meet to hammer out a deal and bring back the results to the respective Boards for consideration. Management requested to be included in further discussions.

Approval of Bills and Appropriations

Operations Management Agreement: The Operations Management Agreement is on a five-year renewal cycle and is up for renewal at the end of 2025. Mr. Datsko reported that the termination provision is being considered to be extended from a 90 day notice to 120 days and property tax reimbursement by the District will be included as part of CAM (Common Area Maintenance), the facilities rent amount will be populated, and parking lot description will be modified to square footage instead of linear feet. General discussion continued on termination length and adding a cure clause. The agreement should be updated in the next couple of weeks for distribution to the Board, prior to the next meeting.

Transportation: Mr. Datsko and Ms. Johnston introduced the transportation agreements, reporting that they are the same service hours as the previous season. The Budget Committee discussed adding a second bus to Vail and Mr. Datsko confirmed that Vail Resorts can accommodate the extra service. The Board set the Vail shuttles to run Tuesdays and Thursdays from January to March. Upon motion duly made and seconded, it was unanimously

> **RESOLVED** to approve Exhibit A to the Sixth Amendment to the Arrowhead Metropolitan District Transportation Service Letter Agreement with an increase of the Vail hours to 60 for the second shuttle; and
>
> **FURTHER RESOLVED** to run the Vail shuttles on Tuesday and Thursday from January 6 through March 31, 2026; and
>
> **FURTHER RESOLVED** to approve Exhibit A to the Sixth Amendment to the Intervillage Transportation Agreement.

BMHS Project Graduation Funding Request: Director Roe introduced the donation request. General discussion was had on whether the donation was an appropriate use of taxpayer dollars and the purpose of the event. Following discussion, the Board declined donating to the BMHS Project Graduation.

Audit Engagement Letter: Director Roe introduced the audit engagement letter and general discussion was had. Following discussion and upon motion duly made and seconded it was unanimously

> **RESOLVED** to approve the Engagement Letter with McMahan and Associates for completion of the 2025 audit.

Aqua Sierra: Ms. Johnston reviewed the proposal for maintenance of the ponds and wetlands, which does not include rebuilding the pump house. There was general discussion on responsiveness, accountability, setting deliverable dates for the work, and setting expectations, including service reports. The Board requested Mr. Datsko research other options including discussions with Riverdance HOA. Mr. Dreyer shared history on the pond maintenance. Following discussion and upon motion duly made and seconded it was unanimously

> **RESOLVED** to approve the Aqua Sierrea Proposals for 2026.

Accounts Payable

The Board reviewed the updated Accounts Payable list. Ms. Johnston reported that the 2025 bus has been delivered, and the invoice was received this morning. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Accounts Payable List 09-2025 as presented; and

FURTHER RESOLVED to approve payment in full of Invoice 021632-In from Colorado/West Equipment Inc in the amount of $165,538.15 for the 2025 shuttle bus.

UERWA Update

Since Mr. Dreyer was present but not acting at the last UERWA meeting because of technical issues with the remote meeting, Director Abraham gave the following updates:

- Resolution authorizing the Bolts Lake Redevelopment Project was approved, contingent on subcommittee approval.
- There was a tour of the wastewater facility for the Sanitary Survey and there were no violations for wastewater treatment.

Mr. Dreyer said the UERWA would be considering a letter of support for Ballot issue 6A at their meeting tomorrow and inquired how the Board would like Mr. Dreyer to vote. Following discussion, the Board requested that Mr. Dreyer, as representative for District, abstain from voting on the letter of support.

Arrowhead Association

Mr. Smith gave the following update:

- The AA Board held a special meeting on September 5 to share the mountain project presentation and answer questions. Responses and questions were mixed. The AA will develop an FAQ framework with all questions and answers available to owners. They still need input from ERFPD, so some answers are still pending.
- Carolyn Gust is available to meet with the District Board to review the community survey. Director Roe requested a summary of survey be sent to Management for inclusion and discussion at the next District meeting.
- Landscape Committee is meeting on Friday to discuss several projects including Arrowhead Drive, McCoy Creek bridge, and landscaping. The AA Board meeting will have budget discussion.

Director McPhetridge asked about north roundabout landscaping and when it would be completed. Mr. Smith cautioned that if the $2 million for snowmaking was budgeted for 2026, the north roundabout landscaping may be delayed to a future year. Director McPhetridge suggested that the District consider completing the landscaping if AA does not include it in their 2026 budget. The remaining work is estimated to cost about $100,000, including walls and plantings and he suggested using funds currently budgeted for the curb and gutter extensions requested by Mr. Smith at the previous meeting. General discussion was had on curbing the median and additional landscaping installation. Mr. Smith to follow up after AA budget meeting.

Fire Defense/Snowmaking Project Discussion

Director Roe reviewed the project meeting and coming to an agreement with Vail Resorts (VR). A follow-up meeting was held to document and resolve the differences to produce a new funding agreement addressing the issues. The VR attorney finished a draft with all inputs for review by Dan Ramker, but no feedback has been received yet. There are still questions about the viability of opening Arrowhead Mountain earlier and if vendors will honor pricing next spring. Director Horton set up a meeting with Mr. Ramker on September 29 to discuss equipment and will share any findings with the Board and AA. General discussion continued on estimated costs, not to exceed the contract limit, Association contributions for spur section, and water use decree. Director McPhetridge reviewed the meeting with CCR to offer the ponds and irrigation system for fire defense and obtaining a generator to turn on the irrigation system in an emergency.

Security Project

Mr. Datsko reported two gates are still down, parts are on order and should be received next week. Sensors and safety loops will be installed on each gate next week. The Avigilon control panel is on order, and the amount of data will be doubled at no additional cost. He is getting a bid for pulling fiber and looking into partnering with Visionary to use their already installed lines. The goal is to have all gates mechanically functioning and new software and hardware installed before winter. Mr. Datsko relayed his positive experiences with Corvinus so far.

Operations Report

Mr. Datsko reported:

- Traffic reports included in the packet show average speeds are below the speed limit. Discussion was had on moving the sign at the top of Cresta. Working with Traffic Logic to get signs with license plate readers and funds have been included in the budget for 2026.
- Aqua Sierra service report was reviewed.

Financial Statements

Mr. Marchetti reviewed the financial statements included in the packet.

Budget Mr. Marchetti stated the meeting was noticed and published for the public hearing to consider amending the 2025 budget and adopting 2026 Budget. The budget hearing was opened for comment. The Budget Committee met to review the 2026 budget in mid-September. The mill levy is suggested to stay the same as 2025 with the General Fund covering the Debt Service fund expenditures. The fund balance is expected to be around $1 Million at year end 2026. Following discussion, the Board continued the public hearings to the next meeting.

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

Future Meetings

The next meeting was confirmed as a special meeting on Tuesday, October 28, 2025 at 3:00 pm. There was discussion on the request for a one-hour presentation by the Town of Avon for community engagement for Regional Housing Solutions. The Board tentatively approved a time allotment of 15 minutes during public input at the December 4 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 meeting of the Arrowhead Metropolitan District Board of Directors at 4:59 p.m. on this 24th day of September 2025.

Respectfully submitted,

Beth Johnston

Beth Johnston
Secretary for the Meeting

Minutes of the Meeting of the Board of Directors
Arrowhead Metropolitan District
October 28, 2025

A special meeting of the Board of Directors of the Arrowhead Metropolitan District, Eagle County, Colorado, was held on October 28, 2025, 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: 817 7134 7094, in accordance with the applicable statutes of the State of Colorado.

Attendance The following Directors were present and acting:

- Bill Roe (Zoom)
- Michelle Horton (Zoom)
- Robert Warner, Jr.
- Steve McPhetridge (Zoom)
- Brandon Abraham

Also in attendance were:

- Ken Marchetti, Marchetti & Weaver, LLC (Zoom)
- Beth Johnston, Marchetti & Weaver, LLC, recording secretary (Zoom)
- Paul Datsko, Director of Base Area Operations, Vail Resorts
- Wes Cunningham, Operations Supervisor, Vail Resorts
- Randy Smith, representative of Arrowhead Association (Zoom)
- Janet Cooper, representative of Arrowhead Association (Zoom)
- Carolyn Gust, Arrowhead Association (Zoom)
- Neil Dermody, owner 24 McCoy Creek Dr (Zoom)
- Micah Rader, AWM, ERFPD
- Peter Blake, Arrowhead Association (Zoom)

Call To Order

The meeting of the Board of Directors for Arrowhead Metropolitan District was called to order by Director Roe on October 28, 2025, at 3:01 p.m., confirming 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 the following Directors more than seventy-two hours prior to the meeting: Director Warner serves as a Board Member for Eagle River Water and Sanitation District, Eagle Valley Land Trust, Eagle County Zoning Board of Adjustment, and McCoy Springs at Arrowhead Homeowners Association, as well as a former Builder/Developer in the District. Director Abraham is an executive board member of the Arrowhead Trailside homeowners Association which may present a potential conflict of interest in representation. The Board noted, for the record, that these disclosures are restated at this time with the intent of fully complying with laws pertaining to potential conflicts of interest.

Consideration Of Agenda

Move Finance and Budget Approval to follow Approval of Bills and Appropriations due to scheduling conflict.

Public Input

AA Community Survey Results: Director Roe introduced Ms. Gust to review the results of the AA community survey. Ms. Gust said the survey was provided to all owners, was longer than previous years, and provided good information for the Association with a strong 58% participation. Ms. Gust gave an overview of the survey and reviewed targeted responses and key findings:

- Safety & Security are the most important public safety issue with gate operation being a main concern.
- Fire mitigation is a high priority for owners and open-ended comments were shared.
- Gate reliability and vehicle speeding are high concerns as is parking lot enforcement.
- Owners are mostly satisfied with landscaping, but relayed maintenance was inconsistent and in need of updating.
- Downhill snow sports and hiking are the highest rated recreational activities with racquet sports getting the highest increase in satisfaction
- Residents are less likely to rent their homes than in previous years. There was no clear response regarding minimum stay requirements, so AA tabled the issue for now.
- Transportation services are highly important to residents and owners with top ratings on winter and summer shuttles. Thursday is the preferred day for an additional shuttle to Vail. Open-ended comments were reviewed with capacity issues and the mobile application needing improvement.

There was general discussion on the results, educating the Arrowhead community on some of the concerns, using technology to address concerns, and Director Roe confirmed a second Vail shuttle has already been added to run on Thursdays.

Area Wildfire Manager (AWM) Report: Mr. Rader reported:

- A year-end report is being produced with progress made so far. The year-end report will be distributed as soon as it is ready for discussion at the next meeting.
- Mastication has started in a new section 5-1 by Quiver Trail. Due to the land use agreement with Homestead being delayed, they are hoping to move mastication and heli-logging into 2026, and evaluation is on-going.
- Actively mapping burn piles to start the burning, weather dependent.

- Continuing to work with Dryad on the early warning sensors based on environmental conditions.

Director McPhetridge reiterated Country Club of the Rockies's willingness to provide golf course water for a wildfire emergency and requested someone from ERFPD contact him to review a plan and potential agreement.

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 from September 24, 2025, as presented.

Mr. Datsko submitted a possible correction to the approved August 27, 2025, minutes under the Security Project section that the Arrowhead Association will be contributing $300,000, not $350,000, for gate repairs and upgrades. Director Roe suggested that the $350,000 total is correct and made up of $300,000 for gates and $50,000 for electrical work. Mr. Datsko will confirm the total and report back. The suggested correction is tabled pending confirmation of AA budget amounts.

AA-AMD responsibilities

Mr. Datsko said a meeting will be held in a few weeks to discuss skier parking and other shift of responsibilities between AA and the District. Discussions are on-going and there is nothing further to report.

Pedestrian Bridge

Mr. Datsko reviewed the pedestrian bridge proposed by AA to connect trails on one side of the road to trails on the other hoping to direct bike traffic going to the parking lot from going through the main Arrowhead Village. General discussion continued on the need for an easement agreement between the AA and the District, adding a crosswalk to direct traffic from the trails, and moving the location away from the curve to increase safety.

Approval of Bills and Appropriations

Operations Management Agreement: Mr. Datsko said the Operations Management Agreement was updated to adjust the termination clause to 120 days for both parties, adjust the CPI index, and remove the CAM and property tax reimbursement clauses in Exhibit D. Mr. Marchetti suggested that the Denver-Aurora-Lakewood CPI index should be used instead of a General Index and minor updates to the notices section for the District are requested. There was general discussion on the changes and adding the McCoy Springs sidewalks along Cresta Road to the maintenance schedule, if applicable. Following discussion, and upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Amended and Restated Operations Agreement between The Vail Corporation and Arrowhead Metropolitan District with minor changes as discussed.

2026 Bus Purchase: Mr. Datsko reported that the 2024 and 2025 buses have been received and reviewed the proposal for a bus to be purchased in 2026 confirming that the funds for the purchase were included in the 2026 budget. General discussion continued on the fleet size and age of the buses. The decision to accept the bus proposal was tabled pending discussion of the preliminary 2026 budget later in the meeting.

Financial Statements

Mr. Marchetti reviewed the financial statements included in the packet.

Budget

Mr. Marchetti stated the meeting was a continuation of the public hearing to consider amending the 2025 budget and adopting 2026 Budget. The budget hearings were opened for comment. The 2025 budget does not need to be amended and that hearing was closed. The 2026 mills are kept the same as 2025, but the assessed valuation increase results in increased property tax revenue. The Sales Tax rate is projected to stay the same. Most operating expenses were increased on a CPI basis and debt service is based on the debt repayment schedules. Budgeted capital expenses lower the projected fund balance to just over $1,000,000. He also reviewed the Public Safety expense and equal cost share offset from AA and the Fire Defense/Snowmaking project budgeted for $1,000,000 with any remainder to be made up by the benefiting HOAs off the spur section. General discussion was had on the fire defense cost estimates and pushing the road overlay to a future year. There being no further input, the 2026 budget hearing was closed. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Resolutions to Adopt the 2026 Budget option one as presented with minor adjustments that may occur; and

FURTHER RESOLVED to approve the Resolution to set the Mill Levy as follows: Operations 10.073, Temporary Credit 0.000, Debt Service 0.000.

FURTHER RESOLVED to approve the Resolution to Appropriate Sums of Money for spending in 2026 subject to minor revisions, if necessary.

Accounts Payable

The Board reviewed the Accounts Payable list. Following discussion, and upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Accounts Payable List 10-2025 as presented.

UERWA Update

The board reviewed the summary minutes in the packet. Director Abraham reported that the Bolts lake project is moving forward.

Arrowhead Association

Ms. Cooper gave the following update:

- The previous meeting had quite a bit of public comment, mostly on the budget, fire mitigation/snow making project, and board nomination process. Many comments on the fire mitigation/snow making project were based on lack of information and misunderstandings that were addressed at the meeting.
- The 2026 proposed budget includes capital projects funded by reserves savings. Operating Dues have remained flat for several years and are not keeping up with expenses. The proposed budget increases dues with some owners suggesting cutting expenses instead.
- Several owners recommended that the Association hold elections for board seats instead of relying on the nominating committee.
- The 2026 budget includes funds for the fire mitigation/snow making project and landscaping plan for the entryway has been scaled back.

Roundabout landscaping, curb, and gutter extension: Mr. Smith reported on landscaping for the main entrance with some progress budgeted for 2026 and delaying some work to future years.

Mr. Dermody inquired about the $85,000 cybersecurity fraud issue. Ms. Cooper explained that a payment was mistakenly sent to a fraudulent party instead of the intended vendor. Director Horton volunteered to assist Mr. Datsko in developing processes and controls to prevent a similar incident in the future.

Fire Defense/Snowmaking Project Discussion

Director Roe said a communication was sent to the owners and residents with an update on the project and its current status. A redline draft agreement from Vail Resorts Corporation (VRC) attorneys was disappointing with four major issues of contention. VRC wants to amend their water and use rights passing the costs on to the District and AA. Ms. Ulmer suggests VRC grant Arrowhead a junior water right instead. Director Roe reviewed the engagement letter for a dedicated water attorney for the District to enter discussions with VRC. A related issue says the system cannot be used for fire mitigation until the water rights amendment is decreed which could take several years The minimum term for operation of system was removed, there are concerns with the validity and accuracy of cost estimates, and Mr. Ramker is leaving Beaver Creek. General discussion followed on the issues, how best to move forward, potentially terminating the project if the issues cannot be worked out, and bringing on other consultants to determine the benefits of the system. Following discussion, and upon motion duly made and seconded, it was unanimously

> **RESOLVED** to approve the engagement letter with Lyons Gaddis for assistance with Water Rights for Fire Mitigation Purposes for an amount not to exceed $5,000.

Security Project

Mr. Datsko reported that

- AA has reimbursed the District just over $269,000 so far and will confirm the total reimbursement amount.
- Previous gate operator is providing passwords.
- Cameras are being installed next week.
- 8 out of 9 gates are working and the Cresta Gates are expected to be up and running by end of this week.
- The new mobile application for the gate will not be used right away due to issues and the PDK mobile application will continue to be used.

Operations Report

Mr. Datsko reported:

- Traffic reports are included in the packet.
- Cresta Road speed sign is up and running, camera captures the vehicle for identification.
- License plate reader is being researched for next year. An upgraded camera will need to be used if wanting to issue tickets.
- Operations are gearing up for winter, and vehicles are being serviced. Four core people and one part-time, on-call person are coming back.
- Swing arm for parking lot arrived to provide a physical barrier.
- Three new individuals are at the gatehouse and nameplates will be used to identify the employee working.
- Mr. Cunningham reported the outdoor storage area is cleaned up and he invited the Board to tour the facility.

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

Future Meetings

The next meeting was confirmed for Wednesday, December 3, 2025, at 3:00 pm. Following review of the 2026 proposed meeting calendar, and upon motion duly made and seconded, it was unanimously

RESOLVED to approve the 2026 meeting schedule as presented with meetings to be held starting at 3:00 pm in person with a remote option on the fourth Wednesday of each month January through October and the first Wednesday of December, no meeting for November.

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 at 5:05 p.m. on this 28th day of October, 2025.

Respectfully submitted,

Beth Johnston
Secretary for the Meeting

Minutes of the Meeting of the Board of Directors
Arrowhead Metropolitan District
December 3, 2025

A meeting of the Board of Directors of the Arrowhead Metropolitan District, Eagle County, Colorado, was held on December 3, 2025, 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: 884 6262 6305, in accordance with the applicable statutes of the State of Colorado.

Attendance The following Directors were present and acting:

- Bill Roe (Zoom)
- Michelle Horton (Zoom)
- Robert Warner, Jr.
- Steve McPhetridge
- Brandon Abraham

Also in attendance were:

- Ken Marchetti, Marchetti & Weaver, LLC
- Beth Johnston, Marchetti & Weaver, LLC, recording secretary (Zoom)
- Paul Datsko, Director of Base Area Operations, Vail Resorts
- Wes Cunningham, Operations Supervisor, Vail Resorts
- Janet Cooper, representative of Arrowhead Association
- Geoff Dreyer, AMD representative for UERWA (Zoom)
- Micah Rader, AWM, ERFPD (Zoom)
- Neil Dermody, owner 24 McCoy Creek Dr (Zoom)
- Kim Williams, Director of Housing, Eagle County
- Matt Andrews, Housing Department, Eagle County (Zoom)
- Eric Heil, Town Manager, Town of Avon (Zoom)
- Jamie Peters, owner in Bachelor Springs (Zoom)
- Jean Peters, owner in Bachelor Springs (Zoom)
- Kevin Jordon, Arrowhead owner (Zoom)
- Terry Scanlan, Arrowhead owner

Call To Order

The meeting of the Board of Directors for Arrowhead Metropolitan District was called to order by Director Roe on December 3, 2025, at 3:02 p.m., confirming a quorum was present. Ms. Johnston called roll.

Disclosure of Potential Conflict Of Interest

The Board noted that it has received certain written disclosures of potential conflict of interest statements from the following Directors more than seventy-two hours prior to the meeting: Director Warner serves as a Board Member for Eagle River Water and Sanitation District, Eagle Valley Land Trust, Eagle County Zoning Board of Adjustment, and McCoy Springs at Arrowhead Homeowners Association, as well as a former Builder/Developer in the District. Director Abraham is an executive board member of the Arrowhead Trailside homeowners Association which may present a potential conflict of interest in representation. The Board noted, for the record, that these disclosures are 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 to the agenda.

Public Input

Regional Housing Solutions Presentation: Ms. Williams reviewed the housing challenges in Eagle County including insufficient income to afford home purchases and rents and that housing is a priority concern for county residents based on surveys. She provided statistics on housing demand and historical housing prices, housing needs for future years and current investments in community programs. Eagle County is looking for more jurisdictions to assist in improving community housing although the is no county-wide dedicated funding source for housing. Mr. Heil gave an overview of how housing needs can be met and why it is necessary including providing adequate, affordable housing for workers. Ms. Williams reviewed options to address the issue including establishing a regional housing authority like other counties. Discussion on the issue is expected to continue in 2026.

Area Wildfire Manager (AWM) Report: Mr. Rader reported on the year end summary included in the meeting packet:

- They were not able to access units 15 & 16, so they established a separate unit 5.1 The original polygon outlined 111 acres, of that plot only 73 acres were planned as treatable leaving the buffer around the existing trail. Forty-two acres have been treated to date. The remaining acreage in unit 5.1 and 15 & 16 are expected to be completed in 2026.
- 270 residential assessments in west Arrowhead and Cresta were completed. Assessments in 2026 will include east Arrowhead, and in 2027 river-side and village core (multi-family) will be done.
- The Wildland Fire program is requesting same funding in 2026 as provided in 2025. There was discussion that the approved 2026 budget includes $190,000 which is $10,000 less than provided in 2025.
- Mr. Rader and Tim Swaner have been invited to Fort Bragg California to attend live fire testing of Dryad sensors and are planning to attend to see if the system is still viable. They are also planning to attend a Wildfire Summit in April in San Diego. Mr. Rader requested authorization from the District for a portion of 2026 funding to be used for attending both seminars. After discussion, the Board authorized the use of a portion of approximately

$5,000 of the 2026 funding for the California seminars, contingent on the other communities also contributing.

- The drone program is expected to be up and running by spring runoff for use in river and backcountry rescue. Drones will have live, real-time access to spot potential fire issues, such as lightning strikes.
- Delay of 2025 mitigation work is due to the land use agreement with Homestead HOA being tied up with the Fire Department legal.
- 2026 will focus on one-way access communities.

General discussion continued on the District Board looking into an outside consultant to review the conditions in Arrowhead and want to be sure efforts are not duplicated. Further discussion was had on Dryad system and other early warning sensor systems.

There was no other public input.

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

RESOLVED to approve the minutes from October 28, 2025, as presented.

Mr. Datsko consulted with Mr. Hensel who confirmed that Arrowhead Association (AA) agreed to pay up to $300,000 towards the gates project. Director Horton confirmed her recollection agreed with Director Roe that an additional $50,000 was pledged for electrical work. Mr. Datsko will research further and report back. The suggested correction to the July Minutes is tabled pending further research.

Encroachment Agreement

Mr. Datsko reviewed the encroachment agreement submitted for 58 McCoy Springs Trail. The applicant proposed to install landscaping within the District's easement on a new home build. Following discussion, and upon motion duly made and seconded, with Director Warner abstaining and four votes in favor, it was

RESOLVED to approve the Encroachment Agreement for 58 McCoy Springs Trail as submitted by KATC Beaver Creek LLC.

Approval of Bills and Appropriations

2026 Bus Purchase: Following discussion , the Board directed that the letter of intent for the 2026 bus be prepared and signed. Upon motion duly made and seconded, it was unanimously

RESOLVED to purchase a 2026 bus as quoted by Colorado/West Equipment dated September 15, 2025 for a cost not to exceed $170,540.

All Traffic Solutions: Mr. Datsko reviewed the cloud storage service plan for 2026 for the speed signs. Following discussion, and upon motion duly made and seconded, it was unanimously

> **RESOLVED** to accept the Renewal Quote Q-103758 from All Traffic Solutions for 2026 cloud storage at a cost not to exceed $8,400.

Accounts Payable: Ms. Johnston confirmed that an updated accounts payable list was emailed to Directors prior to the meeting. The Board reviewed the updated Accounts Payable list and, upon motion duly made and seconded, it was unanimously

> **RESOLVED** to approve the updated Accounts Payable List 11-2025 as presented.

UERWA Update

Mr. Dreyer reported:

- Budget was approved and fund balance policies approved.
- Ballot Issue 6A for tax increase to fund projects had several districts adopt resolutions of support, through Arrowhead Metro District (AMD) declined. The issue passed in the November election.
- DOVE effort is a new program and AMD participated via the Authority. Results found no major violations and only two 2 minor deficiencies. Authority was praised for maintaining the most comprehensive documentation.
- Bolts Lake is proceeding and on track.
- Piney River water right, still trying to transfer from Denver to District.

Arrowhead Association

Ms. Cooper gave the following update:

- Last board meeting was on November 21 with significant public comment and was summarized by the Board in an email to homeowners. Director Abraham praised the multiple communication efforts of the HOA.
- Ballots and voting information went out yesterday. The last election was held in 2007. Bylaws provide for selection process made up primarily of a committee of homeowners and this year there are three self-nominated candidates reviewed by the committee. The ballot included two candidates proposed by the committee and also includes space for write-in candidate.
- New car stickers are out for 2026; all owners need to get one to identify them as owners.
- Ms. Cooper is working with Activities Committee to schedule buses for summer activities like Bravo! This is her last meeting as representative to AMD; a replacement has not been selected.

Fire Defense/Snowmaking Project Discussion

Director Roe reported that AA removed the allocation for fire defense from their 2026 budget thereby nixing the fire defense/snow making project. The District wants to move forward with an independent wildfire assessment. Mr. Datsko solicited proposals for and reviewed the companies that submitted proposals and their credentials. Discussion continued on AA pulling funding on the project, cost sharing of the independent assessment with other Districts such as Beaver Creek and Bachelor Gulch, obtaining a comprehensive emergency response plan for the community, tying into Eagle County's plan, and Mr. Datsko's methods and diligence for obtaining proposals.

Further discussion on the fire defense/snow making project with Vail Resorts is tabled pending further information on funding cost share.

Security Project

Mr. Datsko reported that

- New IT system installed, all software is working. General discussion on accessibility of security videos, policy is still being finalized but expected to be 30-45 days, and needing to set a retention limit to reduce liability.
- New servers are installed and running hot; a ventilation system needs to be installed in the gatehouse back office.
- Gates functioning great, vehicles need to pass through slower to avoid issues. Owner education for using the new gates is on-going with a communication sent last week.
- Internet connectivity still needs updated, looking for dedicated cell network or fiber line. No response has been received from Visionary about using their infrastructure.
- Getting bids to update motors next year for north side and also considering swing arm gates.
- Discussion on Riverside gates having functionality to open one side at a time however a half open gate will not allow sufficient width for larger vehicles including fire, trash, and other large vehicles. Considering using drop arms in front of gate to deter multiple cars entering at a time.

AA-AMD responsibilities

Mr. Datsko said discussions are still on-going. AA is concerned that if security is turned over to AMD, there may be an issue with Vail Resorts continuing management. General discussion continued on how to split the duties. Director McPhetridge suggested meeting with Mr. Datsko and Ms. Johnston to discuss.

Operations Report

Mr. Datsko reported:

- **Pedestrian Bridge:** Mr. Datsko requested a letter from AMD that they approve the project moving forward to include when AA goes to the County for the permit. General discussion was had on the need for the bridge, previous safety education for bikers to not ride on Cresta which pedestrian bridge may contradict and moving safety signs behind the bridge. Following discussion, the Board declined to provide a letter at this time since AA is doing the project.
- Reviewed road safety data and how the signs were working in conjunction with Public Safety presence.
- The evening weekend shuttle to Edwards-Beaver Creek starts this Friday, Vail Shuttle starts January 6 on Tuesdays and Thursdays with rides booked directly on website. Arrowhead shuttle starts December 15.
- Riverdance pond pumphouse needs repairs and updating. Working with Jerry Hensel to bring up to code, raise floor that has sunk, update electrical, and overhaul pumps. Mr. Datsko requested $15,000 to be spent in 2025 to start updates including leveling the floors and updating electrical panel. Next year will include update of pumps and related work expected to be $10,000 which was included in the budget. Discussion was had on repairs and alternative options for the area. Following discussion, and upon motion duly made and seconded, it was unanimously

  RESOLVED to approve expending an amount not to exceed $15,000 in 2025 to start pumphouse repairs as discussed.

Financial Statements

Mr. Marchetti reviewed the financial statements included in the packet. Sales tax jumped up and is back on track. Everything else tracking as expected. General discussion was had on removing the fire defense/snowmaking project from the 2026 budget but no action was taken.

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

Mr. Jordon thanked the Board for considering an outside consultant for fire mitigation and assessment before moving forward with the fire defense/snow making project.

Executive Session

By motion duly made and seconded it was unanimously

RESOLVED to enter into Executive Session pursuant to §24-6-402(4)(e) C.R.S., Determining positions relative to matters that may be subject to negotiation, developing strategy for negotiations, and instructing negotiators regarding the fire mitigation/snowmaking funding agreement.

The Board entered Executive Session at 5:09 p.m.

The Board adjourned Executive Session at 5:07 p.m.

Upon motion duly made and seconded, it was unanimously

RESOLVED to approve engaging Jenson Hughes for an independent review and analysis of wildfire risk for a cost not to exceed $25,000 following review of the proposal by the Board with Board authorizing Director Roe to enter into the agreement.

Future Meetings

The next meeting was confirmed for Wednesday, January 28, 2026, at 3:00 pm.

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 at 5:43 p.m. on this 3rd day of December, 2025.

Respectfully submitted,

Beth Johnston
Secretary for the Meeting