
RECORD OF PROCEEDINGS

Minutes of the Meeting of the Board of Directors Arrowhead Metropolitan District May 27, 2026

A meeting of the Board of Directors of the Arrowhead Metropolitan District, Eagle County, Colorado, was held on May 27, 2026, 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: 684 8080 9467, 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, Assistant Manager for Arrowhead, Vail Resorts
- Geoff Dreyer, UERWA representative (Zoom)
- Micah Rader, Area Wildland Fire Manager
- Hugh Farifield-Smith, ERFPD
- Rachel Smith, Jensen Huges (Zoom)
- Vernon Champlin, Jensen Hughes (Zoom)
- Jonathan Hughes, Jensen Hughes (Zoom)
- Sarah Smith-Hymes, Holy Cross director election candidate
- Thomas Weber, 71 McCoy Springs Crt (Zoom)
- Eric Lovgren, Eagle County EMC (Zoom)
- Neil Dermody, AA Director (Zoom)
- Mike Heaphy, AA Director (Zoom)
- Mark Schacht, AA Director (Zoom)

Call To Order

The meeting of the Board of Directors for Arrowhead Metropolitan District was called to order by Director Roe on May 27, 2026, at 3:01 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

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Board of Adjustment, McCoy Springs at Arrowhead Homeowners Association and Homestead 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 are no changes to the agenda.

Public Input

Introduction to Sarah Smith-Hymes: Ms. Smith-Hymes herself as a candidate for the northern seat in the Holy Cross Energy board election. She reviewed who is eligible to vote and encouraged researching all candidates before voting.

There was no other public input.

Fire Mitigation Project

Director Roe introduced the consultants from Jensen Hughes and gave background of the wildfire assessment they completed. Ms. Smith, Mr. Champlin, and Mr. Hughes introduced themselves and reviewed their backgrounds, qualifications, and roles within Jensen Huges, as well as M. Rader as the on-site contact. Ms. Smith then reviewed the Arrowhead Community Wildfire Assessment and story map and encouraged sharing it with the community. She defined hazard versus risk and how that relates to community preparation, mitigation, and response. She then reviewed the primary risks and conditions identified in the Arrowhead community noting insurance companies are receptive to communities addressing and mitigating their fire risk. The presentation moved to potential fire conditions, cutoff of evacuation routes, and vulnerability of homes. Action items and checklists that tie closely to Eagle County's recommendations were included. Discussion continued on the mitigation completed by ERFPD, focusing on maintenance of the areas mitigated, and what fuel treatment projects should be prioritized. Ms. Smith expressed concerns over homeowners that have not fortified their homes or completed simple, inexpensive projects to decrease a home's vulnerability to wildfire. Director Horton requested written materials that could be distributed to homeowners. Mr. Lovgren said the County has written materials, reviewed some of the contractors that are working through the cost-share program, and assistance via the cost share program. Discussion turned to current community efforts such as the AA email campaign, and how to push more communication to the community. Ms. Smith offered to send a pdf version of the report to the Board for final review and, once any updates are completed, the story map will be made available to the community. Next steps were discussed. The Board requested the Priority List from Mr. Rader and ERFPD.

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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 April 22, 2026, as presented.

New Business and Special Orders

Riverdance Ponds Site visit: Director Roe reported that the site visit was productive. No follow up necessary at this time.

Ratification of Encroachment Agreement Amendment 58 McCoy Springs Trail: Mr. Datsko explained that Eagle County required additional encroachment items to be identified on the Encroachment Agreement that was approved in December 2025. An amendment was prepared and Mr. Datsko does not have issues with the revisions. Discussion was had on why an encroachment agreement is needed. Following discussion, and upon motion duly made and seconded, it was unanimously

RESOLVED to ratify the First Amendment to Encroachment Agreement for 58 McCoy Springs Trail.

Consideration of Road Lane Reduction Request – 71 McCoy Springs Ct: Mr. Datsko explained the project at 711 McCoy Spring Court will be removing dirt on the south side of McCoy Springs Court and requires one lane of the road to be blocked. Mr. Weber explained the project is necessary due to lateral movement of the existing home and reviewed the specifics of the project. The project is expected to last several months, into September. Discussion was had on the impacts to other homeowners. Following discussion, the Board approved the temporary closure of one lane of McCoy Springs Court for a duration not to exceed 6 months, contingent on acknowledgment and approval of three other impacted homeowners. Once acknowledgement from the homeowners is received, Mr. Datsko will draft and send the necessary letter to Eagle County.

Pickleball parking lot: Mr. Datsko reported that a complaint was filed with Eagle County on the pickle ball courts parking lot. Eagle County is requiring a grading permit for the lot. Mr. Datsko is working with Mr. Wadey from Alpine Engineering on providing the appropriate documentation to the County. A related issue involves an adjacent homeowner that claims the pickleball parking spaces are on their property line and requested an encroachment agreement to reduce their liability. Mr. Datsko has ordered a lot survey to determine the property lines and if an Encroachment Agreement is necessary. No Board action is necessary at this time.

Approval of Bills and Appropriations

Accounts Payable: The Board reviewed the payables list included in the meeting packet. There was discussion on the Jensen Hughes invoices for \$18,000.

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

RESOLVED to approve the Accounts Payable List 05-2026 with payment of the Jensen Hughes invoice INV-3937642 for \$18,359.62 held until the final report is received.

2026 Can-Am Defender: Mr. Datsko reviewed the proposal in the packet explaining it would replace the 2016 Mule. The actual cost has increased because the dealer that provided the quote went out of business and the quote is from a new dealer. Attributes of the Defender were reviewed including that a plow can be attached to it and it can be repaired by Beaver Creek Maintenance Shop, potentially reducing repair costs. Following discussion and upon motion duly made and seconded, it was unanimously

RESOLVED to approve purchase of 2026 Can-Am Defender Cab cost of \$19,962.

UERWA Update

Mr. Dreyer said there was no meeting since the last report.

Arrowhead Association

Ms. Gust and Mr. Scanlan did not attend the meeting, so no update was given.

Operations Report

Mr. Datsko and Mr. Cunningham reported:

- **Road Safety:** speeds are being monitored.
- **Road Overlay:** new permanent speed humps are going in on Cresta Rd, and the temporary speed humps will continue to be in place. The Overlay Project is moving forward. Paving in Bachelor Springs area is delayed due to the Bachelor Spring HOA requesting to pave their driveways before the road is completed. The Parking lot is seal-coated and striped. Operations crew is painting the roads.
- **Culvert Cleanouts:** two areas of major concern have been identified and need cleaned out to provide proper drainage and reduce icing on the roads in the winter. One area is on Cresta Rd and the other is in front of the Dakotas. Culvert heave at Dakotas is still being researched. There was discussion on what entity is responsible for the culvert replacement. The Board requested Mr. Datsko check with Ms. Ulmer for clarification.
- **New speed sign / license plate reader sign:** the license plate reader trailer is up and running, tracking data and training are ongoing. Implementation will be on Cresta Rd. Communication will go to violators, but tickets will not be issued at this point. The reader will pick up cyclists as well but there is currently no way to identify them.

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- **Budget Spilt confirmation:** the proposed budget split is 50% to AA, 48% to AMD and 2% to Village Association. The previous District split was 46% and the impact is expected to be a \$10,000 increase to the District. Mr. Datsko is preparing a written document to memorialize the split for approval at a future meeting. The Board directed moving forward with the split as presented.
- **Maintenance Tracking Software:** The software to track Operations work is still in process and on budget but using a different vendor.
- **Transportation:** The Blues, Brews and Barbeques shuttles over Memorial Day were successful. Shuttles are schedule for 4th of July to Vail and Beaver Creek and also Bravo!.

Security Project

Mr. Datsko reported the Riverbend gate is 80% working, with the call box being the problem. Pricing is being obtained for a replacement call box. The East gate also needs repaired; the part is on order and expected to be fixed by end of week. Discussion continued on communications and fiber installation. Mr. Datsko had a meeting with FirstNet to open lines of communication for private cellular service within Arrowhead and is expecting pricing for presentation to the Board at the June meeting. Current communication system would be kept in place for redundancy. Air conditioning has been installed in server room.

Financial Statements

Mr. Marchetti reviewed the financial statements included in the packet, no issues to report, and things are tracking as expected.

2025 Audit: The 2025 Audit committee, consisting of Directors Horton and Abraham, met with the auditors from McMahan and Associates yesterday. Director Horton reported that a clean audit letter was received, reviewing the history of the mill levy. The prepaid fire mitigation that was carried over resulted in a note on the audit due to the time it took to get the information. Director Horton thanked Mr. Marchetti, Ms. Johnston, and others involved in the audit's preparation and completion. Upon motion duly made and seconded, it was unanimously

RESOLVED to accept the 2025 Audit Financial Statements as presented.

Action Log

The Board reviewed the Action Log included in the packet and requested that Management update as required. Director McPhetridge met with Riverdance Association, and they are ok with the current set up.

Future Meetings

The next meeting was confirmed for Wednesday, June 24, 2026, at 3:00 pm. There was discussion whether a work session for follow up with Jensen Hughes was needed.

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

RESOLVED to adjourn the meeting of the Arrowhead Metropolitan District Board of Directors at 5:34 p.m. on this 27th day of May, 2026.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Beth Johnston", is written above the printed name.

Beth Johnston
Secretary for the Meeting