



**MINUTES OF THE TELLURIDE MOUNTAIN VILLAGE OWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING
June 14, 2017**

BOARD MEMBERS PRESENT:	Bill Jensen, Jeff Proteau, Jim Royer, Jeff Badger, Robert Stenhammer, Duncan Hogarth & Tim Kunda
BOARD MEMBERS ABSENT:	None
STAFF PRESENT:	Anton Benitez, Garrett Brafford & Louise LaBranche
STAFF ABSENT:	Heidi Stenhammer
OTHERS PRESENT:	Laila Benitez and Emily Brafford

1. Call to Order and Determination of Quorum

Chairman Jensen called the meeting to order at 4:05 p.m. MST and announced that a quorum had been established with all seven Board members present.

2. Approval of the Previous Meeting Minutes

On **MOTION** by Director Royer to approve the February 22, 2017 Board of Directors meeting minutes, seconded by Director Kunda, a discussion ensued and it was determined that the last sentence of the first paragraph of the See Forever PUD Amendment section be struck from the minutes as it is not clear whether it is an accurate statement. The **MOTION**, including the suggested edit, carried unanimously (7-0).

3. TMVOA Updates

Winter '16-'17 MV Stats

Executive Director Benitez reported that the Town released sales tax collection data through April 2017. Lodging is up 11%, restaurants are up 4.3%, retail is up 5.3% and grocery and liquor sales are flat. Director Hogarth noted that Q1 2017 was rather flat due to significant snowfall at other ski resorts throughout the country.

A discussion ensued regarding the reasoning behind grocery and liquor being flat when all others are up. It was suggested that more and more Mountain Village residents and guests are doing their shopping at

Clarks in downtown Telluride or other grocery stores in Montrose due to lower prices, more variety, and a much better deli. Contractual obligations of the Market were discussed. The Market is required to keep its prices at a max of 7.4% higher than Clarks, and also provide a high-end deli. TMVOA staff will circulate the contract to the board after reviewing with legal, including a history of price-audit violations and provide some recommendations as to next steps.

2017 YTD RETA Performance

Controller Brafford reported that year-to-date RETA is at \$3.17M. The budget for the year is \$4.8M, so there is only \$1.8M left to collect with some of the historically strongest months still to come. RETA is outperforming expectations mainly due to single-family home sales in the \$1.5M - \$4.5M range. If the 5-year historical trend holds up, RETA could end the year \$1.7M to \$2M favorably ahead of budget.

Line of Credit

Controller Brafford reported that TMVOA took out a \$7.1M line of credit to cover part of the purchase of Lot 161CR, the related density, and Ridge lots 3 & 11. The Investment Committee, due to expected rising interest rates and TMVOA's cash position, recommended to the FAB Committee in February of this year to pay down the line of credit by \$5.9M and again this month by the remaining \$1.185M, so the LOC balance is now zero. Interest payments for 2017 were budgeted to be \$120K and will end up around \$32K, which will significantly reduce year-over-year carrying costs for the land.

Gondola Long-Term Plan

Controller Brafford reported that TMVOA is continuing to hold Gondola Subcommittee meetings, which includes representatives from the Town of Telluride, TMV, TSG, San Miguel County and TMVOA. BBC Research was engaged by the subcommittee to perform an Economic Impact Study of which all five entities are sharing equally in the cost. Surveys were conducted this past March utilizing the gondola operations team to survey riders as they exited the terminals. It was more of a test-run, however, good data was extrapolated and survey procedures were revised to get more accurate information. Other issues were discovered that will be improved for the surveys that will be conducted now through the end of the upcoming ski season. The surveys reveal who is using the system (local/guest), why, from where, to where, and much more. The final report should be completed by the middle of next year.

Next steps will be to re-engage Oswald Graber to review the final study in relation to his phase one study and layout various options for the stakeholders to make an informed decision on the future of the system.

Gondola – Redundant / Back-up Power

Controller Brafford reported that the dual-fuel, diesel back-up generators are being installed now. The new structure will house two generators with the ability to add a third. The generators start on diesel and then trim back to natural gas for lower energy consumption. Testing needs to be done by November 1st and the installation will be completed before the 2017/18 winter season. Down time may occur for this installation and related testing to be completed.

Gondola – Sound Dampening / Mitigation

Controller Brafford explained that TMVOA has received complaints from owners and HOA's surrounding Station 6 and the top of the Chondola regarding the noise of the machine. A bid for the installation of sound absorbing panels has been obtained from Outdoor Engineers/Oswald Graber. Because this is very specialized work, it's difficult to find other companies to provide additional bids. TMVOA staff attempted to get other bids with no luck finding a US vendor with project specific experience. Typico, the overseas company that Outdoor Engineers uses, just completed an installation at St. Anton which some members of the Gondola Committee group saw first-hand during the research trip earlier this year.

The cost to install the panels for both Station 6 and the Chondola is estimated at \$185K. The panels can also be customized with imagery either for advertising or Telluride imagery. After some discussion, it was determined that Telluride imagery would be preferred as opposed to advertising, and the Board recommended adding an additional \$15K to the budget bring the total to \$200K. Controller Brafford noted that decibel readings will be taken pre and post installation and, depending on the outcome of this project, Stations two and three may undergo the same modifications.

2017 General Budget Contingency

Executive Director Benitez reported that the 2017 budget includes a general contingency of \$500K of which the Board previously approved a \$68K expenditure for Young President's Organization initiatives leaving a balance of \$432K.

The following items are additional requests of expenditures from the general contingency fund which have been reviewed and approved by the FAB committee contingent on Board approval:

- Station 6 and Chondola Sound Mitigation - \$200K
- YPO Destination Book - \$17K
- Forest Health Landscape Assessment - \$12.5K
- Digital Carillon in Madeline Tower - \$12.5K
- Common Consumption Area Security Team - \$9K
- CVENT Website for Group Business - \$20K
- TMVOA Office Painting - \$5.3K

- Capital Items for Summer Vibrancy - \$25K

On **MOTION** by Director Hogarth to approve up to \$291K from the 2017 General Contingency fund for the above noted projects and initiatives, the **MOTION** was seconded by Director Badger and carried unanimously (7-0).

2017 Economic Stimulus (Sch J) Contingency

Executive Director Benitez explained that there is \$112K remaining in Economic Stimulus contingency funds. The summer vibrancy initiatives aim to provide seven-days-a-week of activities including a variety of music programs, the popular movie series, Fah's balloon art, the tennis program and clusters of Adirondack chairs. Director Royer noted that a professional planner needs to be hired to help strategically and methodically plan the capital improvements, locations and types of activities so this is done in a very professional manner.

On **MOTION** by Director Royer to approve up to \$112K from the Economic Stimulus Contingency (Sch J) for us for Summer 2017 Vibrancy Initiatives, the **MOTION** was seconded by Director Proteau and carried unanimously (7-0).

4. New Business / Other Business

Executive Director Benitez noted that the proposed VCA affordable housing units addition is on the next DRB meeting agenda, and encouraged all present to attend with support for the project. He also noted that the election deadline for ballots is on 6/27/17 for three open Mountain Village Town Council seats.

5. Next Meeting Date

The next TMVOA Board of Directors meeting will be held on Wednesday, September 20, 2017 at 4:00 p.m. at Mountain Village Town Hall.

6. Adjournment

On a **MOTION** by Director Stenhammer, seconded by Director Badger, the meeting adjourned at 5:11 pm MST.