



## MINUTES OF THE TELLURIDE MOUNTAIN VILLAGE OWNERS ASSOCIATION

### BOARD OF DIRECTORS MEETING

September 16, 2019

<b>BOARD MEMBERS PRESENT:</b>	Bill Jensen, Jeff Proteau, Tim Kunda, Jim Royer and Tom Richards
<b>BOARD MEMBERS ABSENT:</b>	None
<b>STAFF PRESENT:</b>	Anton Benitez, Garrett Brafford, Whitney Pearce Rosenfeld and Heidi Stenhammer
<b>STAFF ABSENT:</b>	Ann Barker
<b>OTHERS PRESENT:</b>	Joe Solomon, Laila Benitez, Bingo Eaton, Dave Zaumseil, Andrew Shaffner, Stephen Roth and Nick Warnick (via phone)

---

#### 1. Call to Order and Determination of Quorum

Chairman Jensen called the meeting to order at 4:05 p.m. MST in Mountain Village Town Hall and noted that a quorum was established with 5 out of 5 Board members present in person.

#### 2. Consideration and the Approval of the Following Meeting Minutes

On **MOTION** by Director Kunda to approve the June 12, 2019 Board Meeting minutes, the **MOTION** was seconded by Director Richards and carried unanimously (5-0).

#### 3. 2018 Audit

Accounting Manager Pearce-Rosenfeld reviewed the 2018 Audit and introduced Nick Warnick of Haynie & Company who oversaw TMVOA's audit. He reported that TMVOA received a clean or unmodified opinion which is the highest level of assurance a company can receive. He noted that TMVOA records are being managed well and are in very good shape.

#### 4. RETA Update & Q1 Snapshot

Accounting Manager Pearce-Rosenfeld reported that as of August YTD RETA is pacing favorably over budget by \$335K. A total of 68% of budget has been collected YTD. Compared to the five-year average, TMVOA is unfavorable by \$620K however, 2019 was anticipated to be a lighter RETA year. September is pacing well at 54% of the monthly budget.

The 2019 Q1 snapshot was reviewed and Accounting Manager Pearce-Rosenfeld noted that G&A is higher than the previous year because there was a vacant position for some of 2018 and an additional staff member added in 2019. Chairman Jensen commented that we are now in Q3 and this information seems dated. Director of Operations and Finance Brafford noted that this is due to the delay in receiving gondola invoices and projecting these fluctuating expenses is difficult. Accounting Manager Pearce-Rosenfeld also noted the quarterly snapshots are completed in advance but are circulated at the following board meeting, instead they will be emailed to the board upon completion as opposed to waiting for the next board meeting.

## 5. Delinquent Accounts

Accounting Manager Pearce-Rosenfeld reported that two of the three delinquent accounts reported in the Board meeting packet were paid this morning.

Information on the final delinquent account is as follows:

Paul Blackman and Sharon Rowlands are the owners of 692 Mountain Village Blvd, described as "Lot 101." The dues on this property are payable at the rate of \$150 per quarter. These owners have not paid dues since January 1, 2019.

On June 11, 2019, the required First Notice of nonpayment was issued, including offering a payment plan as required by law. The owner did not respond.

On July 11, 2019, TMVOA attorney, Joe Solomon, issued the required Second Notice of nonpayment, including offering a payment plan as well as notifying the owner that the Board would be convening on June 19, 2019 (later revised to June 16, 2019) to consider authorizing a lawsuit to foreclose on the property to collect the dues. The owner has still yet to respond.

Based on the fact that TMVOA has complied with its collection procedures, issuing repeated notifications to the owner, including noticing the owner that the Board would be considering authorizing a lawsuit to foreclose on the property to collect the dues, as well as a money judgment against the owner, Director Kunda made a **MOTION** to authorize TMVOA to proceed with foreclosure action, including a money judgment against the owner. The **MOTION** was seconded by Director Proteau and carried unanimously (5-0).

## 6. Dial A Ride / App Update

Director of Operations and Finance Brafford reported that TMVOA contracted with Downtowner to create and implement the Mountain Village Dial A Ride app. The app was rolled-out for testing in August and went live in early September. Since going live, 453 members have downloaded the app out of the 1,500 eligible residential members. TMVOA has received very positive feedback about the new app from users and drivers. Users are still able to call to request a ride but they need the unique access code for their property.

## 7. Policy Addressing Disputes & DAR Policy

TMVOA Attorney Joe Solomon reported that Colorado law requires that HOAs have a policy on (1) dispute resolution with Members, and (2) enforcement of governing documents. TMVOA had a policy on dispute resolution with Members, but it did not have a policy on enforcement of governing documents. He noted that it typically makes sense to combine these into one policy, since, the best dispute resolution policy is ultimately a hearing with the Board, same as the enforcement procedure. Also, the arbitration provision in the old 2007 policy is not enforceable.

As such, the Board reviewed an updated Enforcement and Dispute Resolution Policy which tracks all legal requirements. If the Board approves this updated Policy, it will be posted on the TMVOA website for Member comment, then adopted at the next Board meeting.

On **MOTION** by Director Royer to approve the updated enforcement and dispute resolution policy and post to the website for Member comment, the **MOTION** was seconded by Director Kunda and carried unanimously (5-0).

TMVOA Attorney Solomon reviewed a few edits to the new Dial-A-Ride policy which addresses operational details and existing practices. One of the edits clarifies that trip overage charges can be collected in accordance with TMVOA assessment collection policies and the second edit notifies Members that TMVOA will not accept instructions not to pick up or drop off riders. Rather, it is up to the property owner to manage use.

The Board was asked to review this document and let Director of Operations and Finance Brafford know of any questions or changes. The document will be posted to the website and can be adopted via unanimous consent resolution 30-days after posting or adopted at the next Board meeting.

## 8. Informational Updates

### Open Board Seats

President and CEO Benitez noted that there are two vacant seats on the Board. The commercial seat was vacated by Jeffrey Badger who recently passed away and the Lodging seat has been vacant since Duncan Hogarth moved away. The current commercial seat term runs through the end of 2020. The lodging seat term runs through the end of this year. After some discussion it was determined that nominations should be requested for the Commercial seat and the Board will decide at the next meeting on who to appoint. The Lodging seat will remain vacant and will be addressed with this year's election process.

Mr. Eaton commented that it would be nice to have a "State of the Association" update at the summer member social.

**Common Consumption Area**

President and CEO Benitez reported that the Common Consumption Area successfully launched on June 15<sup>th</sup>. There are 8 participating liquor-licensed establishments participating in the CCA and another 17 non-liquor licensed establishments participating. The new CCA has been very well received and TMV police and TSG security personnel have reported no issues with public intoxication and that it has been more of a public education process.

At the close of the summer season on October 20<sup>th</sup>, an inventory of CCA cups will be taken to gauge the number of people who took advantage of taking a beverage from a licensed premise. The MVPA met with the Vessel company about reusable steel cups and will continue to explore the various avenues to reduce single-use plastic cups.

**Lot 161CR**

Director Royer provided a recap of the litigation with the Ridge Club Owners Association which has been settled and allows for Lot 161CR to have a clean title.

**Gondola LT Planning**

Director of Operations and Finance Brafford reported that a Gondola Subcommittee planning session recently took place with all five governmental agencies represented. Stakeholder meetings with the various town councils and SMART will commence soon and consist of 7-10 meetings over the course of 1-1.5 years with the goal of determining the status of the gondola system post 2027 when TMVOA's obligation to fund the system expires.

**Market**

President and CEO Benitez reported that the press release about the new market operator went out this morning. The current operator will be winding down operations over next couple weeks and will close by October 1<sup>st</sup>. A complete remodel of the space will commence October 1<sup>st</sup> and a grand opening set for Memorial Weekend 2020. The enhancements to the exterior of the building were a result of public input from the Town Hall Subarea process and the amendment to the Mountain Village comprehensive plan that was approved by Town Council in June of 2017. The new operator is John Buxmon of the Village Market. TMVOA owns the market space and is paying for most of the remodel. The new market will have competitive pricing, a very high level of service, diversity of product and a high-quality deli and meat counter along with a salad and sushi bar.

The Board requested that Mr. Buxmon come to an upcoming Board meeting to establish a relationship and discussion expectations.

## **Telluride Reserve**

President and CEO Benitez reported that it has been one month since the Telluride Reserve event took place. He reported the following details:

- 200 people participated of which 110 were ticket holders, 58 were talent and 37 were volunteers/guest services
- Of the ticket holders, 37 were full-time locals, 22 were second homeowners, and 51 were from out-of-the area. More females attended than males and the average age of attendees was 56 with most attendees 61 or older.
- The overarching feedback was very positive with guests commenting that it was unlike any other event they have been to with outstanding food and wine, great energy and interaction and wonderful small touches like painting with wine and warm cookies.
- Constructive comments were relative to the high ticket price, the complex ticket structure and the compressed events.
- Total revenue was \$410K and expenses were \$602K for a net negative income of approximately \$205K
- Staff and the Board will continue to analyze the event feedback, digest guest surveys, finalize the P&L and then determine potential changes to the event structure.
- TMVOA and TSG achieved its goal of creating an event to distinguish Mountain Village apart from other wine events.
- Marketing efforts were extremely high-quality and built a brand for the Telluride Reserve that should see a return in years to come.
- The event created a very high-level of industry buzz.

## **9. New Business / Other Business**

Director Royer asked that in an upcoming communication it cover details about the steps taken towards fulfilling the priorities set out in the Town Hall and Village Center Subarea plans and the next priorities on the list.

## **10. Executive Session pursuant to CRS Section CRS 38-33.3-308 (3) & (4)**

On a **MOTION** by Director Proteau, seconded by Director Richards, the meeting went into Executive Session at 5:35 p.m. MDT.

On a **MOTION** by Director Royer, seconded by Director Kunda, the meeting came out of Executive Session at 6:00 p.m.

## **11. Adjournment**

On **MOTION** by Director Royer, seconded by Director Kunda, the meeting adjourned at 6:00 pm MDT.