



MINUTES OF THE TELLURIDE MOUNTAIN VILLAGE OWNERS ASSOCIATION

SPECIAL BOARD OF DIRECTORS MEETING

August 3, 2018

BOARD MEMBERS PRESENT:	Bill Jensen, Jim Royer, Jeff Proteau, Tim Kunda and Tom Richards, Jeff Badger
BOARD MEMBERS ABSENT:	None
STAFF PRESENT:	Anton Benitez and Garrett Brafford
OTHERS PRESENT:	David Holbrooke & Mark Burrows – Original Thinkers, Laila Benitez – TMV, Joe Solomon – TMVOA Legal Council

1. Call to Order and Determination of Quorum

Chairman Jensen called the meeting to order at 2:35 p.m. MDT on Friday, August 3, 2018 in TMVOA Conference Room and determined a quorum was established with all Board members present.

2. Approval of Previous Meeting Minutes – Tabled Until Next Meeting

Review and approval of the June 13, 2018 Board of Directors meeting minutes was tabled until the September 19, 2018 Board of Directors meeting.

3. Original Thinkers

Chairman Jensen welcomed David Holbrooke, the founder of the new Original Thinkers festival, to the meeting and commented that this festival could become a great signature event for Mountain Village. Mr. Holbrooke explained that the festival is a carefully curated event that melds art, ideas and films into a four-day experience. All events will be held in Mountain Village over the first weekend of October which is typically a slow season in the area. Mr. Holbrooke explained the variety of speakers he has lined up for the festival and how they will add insight and flavor to the documentary films that will be shown. Some of the speakers have 5K plus followers on social media and marketing outlets. Chairman Jensen commented that this sort of festival will bring very smart and influential people to the area.

Executive Director Benitez commented that TMVOA is always looking to support events that are inspiring and have promising ticket sales. If TMVOA were to support this festival with funding, it would require a detailed matrix of ticket sales, other revenue streams and expenses. If deemed successful,

TMVOA could commit to two additional years of funding after which time the festival would need to be self-sustaining. Director of Operations and Finance Brafford noted that he is working on an economic stimulus policy that will clearly define what type of events TMVOA will support. Executive Director Benitez noted that staff currently uses an economic stimulus processing funnel to determine the events that are in TMVOA's best interest to support.

On **MOTION** by Director Kunda to approve one year of funding of the Original Thinkers festival in the amount of \$33,000 with the requirement of receiving detailed metrics within 45 days of the conclusion of the festival, seconded by Director Royer, the **MOTION** was unanimously approved (6-0).

4. Station 6 Sound Dampening

Director of Operations and Finance Brafford reported that gondola station six has an overhead drive which creates a significant amount of noise that is the subject of multiple complaints from surrounding homeowners. Decibel readings at station six are just below the level considered dangerous for the health of operator's ears and they need to wear earplugs. Sound dampening of the Chondola was recently completed and decibel readings reflected a 30% reduction in perceived noise.

The approved budget for the station six sound dampening project was \$207K however, after delving into this project, several other possible expenses have been identified. These expenses include the relocation of electrical boxes and a water pipe (cost?), lighting improvements to include backlighting of the panels (\$80K), additional hanging panels to further improve the sound dampening effects (\$38K), panel imagery design & production (\$8K) and powder coating (\$7.5K). A decision regarding whether to proceed with these additional expenses needs to be made now so that the project can proceed when the gondola closes for the season in October. The tourism board has been engaged to help with the design of the panels and will contribute toward the cost to change them out seasonally.

After a lengthy discussion of the pros and cons of the additional expenses, all agreed that, because this station is in the Town Hall Subarea which is the center of several significant improvements, that these additional, mostly aesthetic expenses are worthwhile for such a highly visible location.

On **MOTION** by Director Royer to approve the additional expenses bringing the total budget for the sound dampening system to \$359.5K subject to a consensus of the imagery on the panels, seconded by Director Kunda, the **MOTION** was unanimously approved (6-0).

5. Gondola Extended Through October 31st

Director of Operations and Finance Brafford reviewed the Executive Summary which provides an overview of the pros and cons of extending gondola operations through the end of October this year. The cost to extend the gondola, dial a ride and the meadows bus service for the additional ten days is \$171K of which the Town of Telluride has been asked to contribute 50% of the gondola cost totaling \$72.8K. Executive Director Benitez noted that, in his discussion with lodgers, they would like a three-year commitment to operate the gondola through the end of October in order for staff to successfully

book destination groups. After some discussion all present agreed to stick to the October 21st closing for 2018 and revisit the idea during the 2019 budget process so that both TMVOA and the Town of Telluride can properly budget for this expense if all parties agree to proceed.

6. Mountain Village Comprehensive Plan

Executive Director Benitez reported that he and several board members have received feedback from TMVOA members that there is a lack of knowledge regarding the contents of the Mountain Village Comprehensive Plan that was adopted in 2011. He and Chairman Jensen have discussed the idea of holding four public education meetings over the course of the next year to focus on educating membership on the key aspects and vision of the comp plan. Mayor Benitez commented that the comp plan is an advisory document designed to accomplish the economic sustainability of Mountain Village.

After some discussion all present agreed that the first meeting should occur after AECOM flushes out the highest priorities for the Village Center Subarea improvements and BBC provides the gondola economic impact study. It was also suggested that an outside expert should be hired to conduct the meetings.

Executive Director Benitez will report back at a later meeting with more details, ideas, costs, etc.

7. Signature Events

Executive Director Benitez reported that, during initial meetings with AECOM regarding the Village Core Subarea planning, the issue of the lack of a dedicated events and experience manager was raised. This is a standard position in many mountain towns and is typically controlled by the master association. The foundation of the position will be QEE metrics: Quality of event & target market fit, Experiences that are positive & lasting for our residents and guests and positive Economic impact to our local economy that is measurable. A diverse advisory committee will be established to weigh in on the direction of events and activities in Mountain Village.

It is the desire of TMVOA and TSG to have two or three signature Mountain Village events of which the first will be the summer food and wine classic which is currently in the planning process for 2019. TMVOA will own the rights of this festival and TSG has agreed to share in the potential deficit during the first few formative years.

To achieve the highest caliber events, this effort needs to be funded appropriately. Director of Operations and Finance Brafford reported that he has compiled a complex set of worksheets to project the budget based on significant research. It is believed that year one will incur expenses upwards of \$800K which includes administrative costs. Analysis indicates that the first-year revenue of the festival will be \$600K from ticket sales and \$100K from sponsorships leaving a deficit of \$100K which will be split between TMVOA & TSG. Expenditures may be necessary in 2018 however, they will be allocated to 2019 at the close of this fiscal year.

The ticket structure will incorporate a variety of pass levels with TMVOA membership given priority purchasing opportunities before sales are opened to the public. A marketing firm will be hired soon to start building the brand.

On **MOTION** by Chairman Jensen to approve the concept, the \$800K budget to include the hiring of an additional staff member for Mountain Village events and experience, the **MOTION** was seconded by Member Badger and carried unanimously (6-0).

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

On a **MOTION** by Director Richards, seconded by Director Proteau, the meeting went into Executive Session at 4:20 p.m. MDT.

On a **MOTION** by Director Royer, seconded by Director Kunda, the meeting came out of Executive Session at 5:00 p.m.

9. Adjournment

On a **MOTION** by Director Richards, seconded by Director Royer the meeting adjourned at 5:00 pm MDT.