



To: TMVOA Board of Directors and Members  
From: Nelson Sharp, President  
CC: Erin Neer  
Date: 6/25/09  
Re: Prioritization of TMVOA's Resources

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In preparation for the Board's discussions in regards to the prioritization of TMVOA's resources, please find below the excerpted language regarding TMVOA's purpose from the General Declarations, Section 1.1(b):

"Metro Services was formed to perform certain functions and to hold and manage certain property for the common benefit of some or all Owners or Lessees within the Telluride Mountain Village with respect to Metro Services and with respect to Functions undertaken and Facilities held by Metro Services. Metro Services may perform all tasks and functions whether or not specifically set forth herein which it deems necessary to foster and preserve the health, safety and welfare of persons in the Telluride Mountain Village, preserve property, property rights and property values and to maintain the Telluride Mountain Village as a pleasant and desirable environment for all persons residing, visiting or doing business therein."

Although our governing documents are a good starting point for discussion, since they were drafted so long ago and many changes have occurred in our community since then, developing more current strategic planning documents could be a very beneficial exercise for the TMVOA membership to undertake. In addition to guiding the organization more precisely, such an exercise would accompany the current policy review and document updating that we are working on to improve our compliance with the new tax exempt requirements recently released by the IRS.

Such a process could include the following:

1. Soliciting member input on mission statement, activities, programs, etc.
2. Review of mission statement.
3. Development of strategic plan which would include clearly defined goals and objectives to achieve TMVOA's mission.

4. Drafting operational plan which would specify how activities are to be implemented. This plan would clearly define specific program, financial, personnel and evaluation activities within specific timelines and would be a management tool to evaluate programs and outcomes.

**Action Required**

Begin discussing the best manner to prioritize TMVOA's resources for the long term goals of the organization and consider short term prioritization exercises that can guide the 2010 budget process.

2.14 *Subowner.* Subowner shall mean any person or persons, entity or entities who occupy or use a Site or portion thereof pursuant to a license, concession agreement or other arrangement with an Owner or Lessee or who have any right, title or interest in a Site, including a mortgagee or beneficiary, as the case may be, under a mortgage or deed of trust encumbering a Site.

2.15 *Telluride Mountain Village.* The Telluride Mountain Village shall mean all of the real property located in the Town, whose boundaries are coterminous with those of the Town as those boundaries may be extended from time to time by annexation or otherwise.

2.16 *Transfer.* Transfer, whether or not the same is in writing or is recorded, means and includes: (i) any grant assignment, transfer, exchange, conveyance or consummated sale of any ownership or title to a Site situated in or zoned density in the Telluride Mountain Village; or (ii) the leasing, letting, conveyance, assignment, transfer or consummated sale of a possessory interest in a Site or zoned density; subject to the exemptions provided in Section 5.3 (C) of this Declaration. For purposes of Section 5.3, a Transfer subject to assessment shall also include a sale, conveyance, or transfer of majority or controlling interest in a corporation, limited liability company, partnership, limited partnership, joint venture, trust or other association or organization where such organization or association owns a Site or Sites or zoned density located in Telluride Mountain Village, and the fair market value of that Site or Sites or zoned density represents more than one half of the total fair market value of all tangible assets of such entity, organization or association. Real Estate Transfer Assessment for such Transfers shall be based upon the fair market value of the Site or Sites or zoned density at the time of the Transfer. Said Real Estate Transfer Assessment shall be due and payable at the time of any such Transfer and contemporaneously therewith.

### **III. CERTAIN OBLIGATIONS AND RIGHTS OF METRO SERVICES:**

#### *3.1 Membership, Duties and Obligations of Lessees and Owners.*

(a) Every Owner and Lessee is a member of Metro Services. Said membership is appurtenant to the Site of said Owner or Lessee and the membership shall automatically pass with fee simple title or the leasehold interest to the Site. If title or the leasehold of a Site is held by more than one person, the membership related to that Site shall be shared by all such persons in the same proportionate interest and by the same type of interest in which the title or leasehold of a Site is held. If title to a Unit is held in fractional ownership, the membership related to that Unit shall be shared by all such fractional owners in the same proportionate interest as their fractional ownership. An Owner or Lessee shall be entitled to one membership for each Site leased or owned by him. If title or the leasehold of a Site is held by a corporation, the membership related to that Site shall be issued in the name of the corporation, and the corporation shall designate to Metro Services in writing the name of one natural person 18 years of age or older who shall have the power to vote said membership at any meeting of members, and to serve if elected as a member of the Board of Directors of Metro Services in the name of the corporation. The memberships of an Owner or Lessee in Metro Services may not be transferred except in connection with the transfer of the title or the leasehold of the Site; provided, however, that the rights of membership may be assigned to a mortgagee as further security for a loan secured by a lien of a Site.

(b) Each Owner or Lessee by acceptance of his interest in a Site agrees to accept and be bound by the Articles of Incorporation, the Bylaws and any rules and regulations of Metro Services that are in effect from time to time.

(c) No Owner or Lessee may reject, repudiate, disown, renounce or disclaim his membership in Metro Services and the rights, duties and obligations attendant to the membership.

3.2 *Property Maintenance Function.* Metro Services shall provide for the care, operation, management, maintenance, repair and replacement of all Facilities. Said obligation shall include, but not be limited to, removal of snow from and application of sand and de-icing agents to parking areas, roads, walks, bridges, drives, malls, stairs and other similar Facilities as necessary for their customary use and enjoyment; maintenance and care of all open space or unimproved areas included in the Facilities and of plants, trees and shrubs in such open space or unimproved areas; maintenance of lighting provided for parking areas, roads, walks, drives, malls, stairs, and other similar Facilities. Said obligations may also include maintenance of roads, walks, bridges, drives and loading areas which are not Facilities but are necessary or desirable for access to the boundary of or full utilization of any Site or any improvements within the Telluride Mountain Village.

3.3 *Transportation Function.* Metro Services may own or fund, the construction, operation, maintenance and repair of a transportation system between the designated parking areas within the Telluride Mountain Village and the commercial, residential and recreational areas of the Telluride Mountain Village and between noncommercial, non-recreational areas within the Telluride Mountain Village and the commercial, residential and recreational areas of the Telluride Mountain Village. Metro Services, as it deems necessary, may extend such transportation system to areas outside of the Telluride Mountain Village to provide transportation for Owners, Lessees, Subowners or Guests and others. Such transportation system may include but is not limited to a bus, auto, gondola, funicular, helicopter, tram, airplane or rail system and any other Facilities deemed necessary or appropriate for the proper operation and maintenance of such system.

3.4 *Solid Waste Collection and Disposal Function.* Metro Services may provide for the collection, removal and disposal of all solid waste in the Telluride Mountain Village, including but not limited to the construction, operation and maintenance of a central waste disposal facility, and the possible production and sale of any energy generated in connection therewith. Metro Services shall have the power to charge for the service and to adopt, amend and enforce rules and regulations applicable within the Telluride Mountain Village to provide for the orderly collection and disposal of such waste and for the sale of any energy generated in connection therewith and the distribution of such energy.

3.5 *Post Office.* Metro Services may own or fund the construction, operation and maintenance of a post office in cooperation with the United States Postal Service.

3.6 *Operation Function.* Metro Services may do all things that are within the power of the Mountain Village Metropolitan District or the Town and which are not being performed by those organizations which may be reasonably necessary or desirable to keep and maintain the Telluride Mountain Village as a safe, attractive and desirable community.

3.7 *Marketing Function.* Metro Services may provide a suitable and continuing program to promote the Telluride Mountain Village as a desirable, year-round, destination resort, including but not limited to advertising the Telluride Ski Area, stimulating and coordinating special events, advertising and placing articles in news media, establishing uniform standards for promotional programs of individual members, involvement in lecture tours and ski shows, encouraging responsible groups to hold conferences and negotiating arrangements and accommodations for such groups, conducting tour operations, publishing a newsletter, providing and operating reception and information centers and buying space for the accommodation of Guests. Metro Services may undertake or fulfill the functions

contemplated hereunder in whole or in part in conjunction with or through any organization which may be engaged in the promotion of the state or local area ski, golf and other recreational industries.

3.8 *Central Reservations Function.* Metro Services may make available a central reservation service for Owners or Lessees which service may include the administration of a complimentary room pool and the ability to reserve other resort services. Owners and Lessees shall comply with all reasonable rules and regulations of Metro Services in connection with the central reservation service as may be in effect from time to time. Such rules and regulations may, among other things, provide for the submission of specified information to Metro Services on a daily (or other regular) basis relating to proposed and actual occupancy, type of facilities available, type of services or goods available, booking time and other information necessary for the proper functioning of the service and relating to the marketing and promotion of the Telluride Mountain Village as a year-round destination resort; may require the payment of specified fees and charges for setup, administration and use of the service; provide for the assignment of rooms or services by Metro Services on a first-come, first-serve (free sell) or other reasonable basis, and require the Owner or Lessor to be connected to an on line, real time computer facility.

3.9 *Recreation Function.* Metro Services may provide or fund a year-round recreational program of suitable variety with such miscellaneous equipment as may be necessary. The recreational program may include but is not limited to, informing visitors of recreation available and stimulating their participation therein; conducting, financing, operating, managing and maintaining programs for children, including but not limited to daycare facilities and such miscellaneous equipment as may be appropriate for use in connection therewith; conducting, operating, managing, maintaining, repairing and replacing within the Telluride Mountain Village swimming pools, ice rinks, sauna or steam baths or other spa related facilities and services, golf courses, horseback riding stables, equestrian facilities, tennis courts, game courts, game areas, other indoor or outdoor recreational amenities, and such miscellaneous equipment as may be appropriate for use in connection therewith; and removing snow from and cleaning such Facilities as necessary to permit their full use and enjoyment.

3.10 *Conference and Performing Arts Function.* Metro Services may finance, lease, construct, build, acquire, operate, maintain, and otherwise assume responsibility for a Conference Center, a Performing Arts theater, a "Guild" Center, a movie theater, a learning center, and other facilities and/or programs which will increase the attractiveness of the Telluride Mountain Village as a year-round, destination resort.

3.11 *Property Management Function.* Metro Services may own, finance, lease, acquire, operate, maintain, and otherwise be responsible for a property management service which shall include, but shall not be limited to, condominium rental management services, association management services, the care of private residences, and other services which generally relate to the management of private or commercial properties.

3.12 *Other Functions.* Metro Services may undertake and perform other Functions as it deems reasonable or necessary to carry out the provisions of this Declaration.

3.13 *Contract for Functions.* Metro Services may contract with any public or private entity or person to provide the functions described in this Declaration.

3.14 *Insurance.* Metro Services shall obtain in its name and keep in full force and effect at all times at least the following insurance coverage: (a) casualty insurance with respect to all insurable