

TMVRC OWNERS' ASSOCIATION, INC.
September 21, 2023
Board Meeting Minutes

*Due to technical difficulties and internet connectivity issues while recording, details which typically appear in TMVRC Board Meeting Minutes may not entirely be available in this document.
Portions of the meeting missed as a result of this issue are noted below.

- **Call to Order**
Chad Arkoff called the meeting to order.
- **Appointment of Recording Secretary**
Tricia Isakson, of ASAP Accounting & Payroll, acted as Recording Secretary.
- **Establish Quorum**
Board members present included:
Bryan Woody, Chad Arkoff, Michael Wagner, Michael Zarrilli, and Chelsea Buckland.
Quorum was established.

Also in attendance:
Michael Lynch, counsel for Association
Tricia Isakson, ASAP Accounting & Payroll
McKinley Hale, Director of Residence Services
Various owner-members
- **Approval of May 25th and June 9th, 2023 Board Meeting and Continuation Meeting Minutes**
[Recording Unavailable]
- **Board Member Nomination / Election**
[Recording Unavailable]
- **Vinny Phahurat and Caroline Oppenheimer**
[Recording Unavailable]
- **Condo Map Update**
[Recording Unavailable]
- **Log Chinking Update**
[Recording Unavailable]
- **Reserve Committee 2024 Proposed Budget**
[Recording Unavailable]
- **Clearnetworx Cable**
Bryan stated that Mountain Village Cable had historically provided cable services to the hotel, and Clearnetworx had recently been awarded the contract for this service. Some issues with this new company have arisen, and a resolution has been promised by Clearnetworx. Nonetheless, two other cable providers are being pursued for consideration if Clearnetworx fails to come through. Bids will be shared with the Board upon receipt.
- **Overview of the Opinion on Audit, Contracts, and Conflict of Interest – by Michael Lynch**
Michael Wagner initially requested this opinion regarding different audits required and what the audits should cover when considering the shared expenses. Secondly, he thought that any contracts signed by Auberge should also be shared with

the rest of the Board if it deals with the HOA. Thirdly, he stated his concern with having Auberge contacts on the Board while under contract with Telluride Resort Partners and not acting independently.

Bryan offered that five of the six contracts requested were provided to Michael Wagner, and Bryan agreed to send them again. Michael Lynch had composed a memo to the Board on June 30th which covers much of this matter. To highlight, Michael Lynch explained how CCIOA provides limited guidance regarding accounting practices and primarily covers record maintenance; therefore, the level of financial disclosure contained in the annual budget appears compliant with CCIOA. He continued to explain when an audit and a review would be required. When considering the Declaration, the HUU is granted authority in compiling allocation information, not specifically requiring the HUU to provide the Hotel side the shared expenses. However, there is further CCIOA provision referenced in the June 30th memo regarding information provided to some Board members and not others. Chad inquired how such a matter were to be enforced; Chelsea pointed out the unique relationship between parties; discussion followed. Michael Wagner reiterated his intention as striving for transparency for what the HUU pays after the Budget is passed. Conversation continued between Michael Zarrilli, Michael Lynch, and Chad covering how, and how often, to properly communicate any appropriate and necessary information between parties. It was emphasized that these efforts would take place on an as-requested basis and not become a routine practice as if required by the Declaration. Michael Zarrilli will draft an email for the Board to review and to eventually send to Brent to follow up on the matter.

Moving on to discuss Michael Wagner's concern over the contracts, Michael Lynch suggested that Michael Wagner first review the five contracts provided before proceeding with discussion on this topic.

On the matters of Conflict of Interest, Michael Lynch continued. A rewrite of the Conflicts of Interest language has been proposed. After review, Michael Lynch believed that a conflict of interest does exist and should be acknowledged, but it is not impermissible; therefore, based on the unique make-up of this Board, his recommendation for the Board is to write a 'permissible conflict of interest' provision. Discussion followed on the matter of fiduciary responsibility; Michael Lynch noting that the non-profit statute does not assign fiduciary obligations to the members or to the association.

Michael Lynch will follow up on this matter by honoring Michael Zarrilli's request to revise the language provided by the HUU's counsel and circulate it for approval.

- **Conflict of Interest Statement**

Michael Lynch covered this topic with the previous agenda item.

- **Shared Facilities Complete Audit**

Bryan confirmed it has been decided that Michael Lynch will contact Foley and Brent is going to add up hotel unit square footage.

- **Estimate and Design of Ski Valet**

Bryan shared his screen to display the scope of work for the Ski Valet. It features new rubber flooring, color schemes, paint, fixtures, etc., all not to exceed \$175K as noted in the Reserves. Bryan displayed the spatial layouts and traffic flows. Michael Zarrilli requested that an itemized budget for this project be available for the Reserve Committee meeting on Friday; with the project manager currently out of town, Bryan will secure this information as quickly as possible.

- **Delivery Date for Contracts Entered Into by the Manager**

Bryan noted this was shared earlier in the meeting; these were distributed in February and will be re-sent to Michael Wagner as requested.

- **Draft Budget Delivery Date to the Board**

Bryan shared that John Keating, Director of Finance, is presently working on the Operating Budgets and Capital Expenditures Budget for the Hotel, completion is anticipated by the end of the first week in October. In the third week of October, it will be presented to the home office of Auberge; any modifications will be made within two weeks thereafter. In November, likely in the second week of the month, it will be presented to Ownership with the opportunity to request revisions thereafter. Bryan confirmed that Auberge needs to review this information before it comes before the Board. With the next Board meeting scheduled in December, Michael Zarrilli and Michael Wagner requested an interim meeting; Bryan will propose dates.

- **Guest Services Allocations**

[Some Recorded Portions of this Section are Unavailable]

Michael Zarrilli requested this be reviewed during the budget process, wondering why Guest Services is involved in something contracted between the hotel owner and residence owners. Bryan clarified that this matter more so referred to Resident Services than Guest Services. Michael Zarrilli concluded that these parties and their services should be considered throughout the budget process.

- **Farewell to the Lee and Rangwani Families**

Bryan noted these changes within the community, as Units 707 (Lee) and 1403 (Ragnwani) have sold.

- **Welcome to the Hunt and Yongerman Families**

Bryan continued, welcoming Mr. Hunt (Unit 707) and Mr. & Mrs. Yongerman (Unit 1403). One additional unit is under contract at this time.

- **New Board Member Business**

Michael Wagner inquired about past applications for the PPP loans, their beneficiaries, and their forgiveness. Chad initially desired to not comment on the matter, emphasizing that it was not relevant to this TMVRC group, as the HOA had not been involved in any loan benefit or its forgiveness. Discussion followed with debate over the financial aid: how a proactive responsibility for financial aid was addressed at that time and how it would be addressed in the future, how financial aid would be applied to employees who fall under both HOA/hotel parties, how financial aid would thereafter be disclosed, and the general unprecedented uniqueness of the PPP. Michael Lynch will finalize this matter with members in following up how it compares to other HOAs.

McKinley shared her screen for the group to review and approve remodel submissions. She displayed a list of owners requesting remodels and their details, beginning with Unit 514 (Stone). Bryan motioned to approve the proposed renovation scope to commence October 16th, to be finished by Thanksgiving, subject to permits and approvals by the Town of Mountain Village, with Chelsea to inquire with Mr. Stone what the countertop materials are, as there are some operational and durability concerns; Michael Zarrilli seconded; the motion passed.

McKinley continued, presenting Unit 525 (Goldin). Bryan and Michael Lynch inquired about specific necessary documentation, including deposits, approval forms, insurance, density transfer, and rezone approval. Michael Lynch explained that a density transfer would be necessary when a kitchen is added/expanded and would then require a rezoning from 'lodge efficiency units' to 'lodge units'. Michael Lynch and the Board will work together to ensure the classification of units is up-to-date for all applicants.

[Some Recorded Portions of the Remainder of the Meeting are Unavailable]

McKinley presented a third unit; Chelsea, Michael Zarrilli, and Michael Wagner voiced their approval; due to internet connectivity issues, Bryan will review and circulate to the Board within 24 hours.

Due to internet connectivity issues, Bryan motioned to adjourn; Michael Zarrilli seconded; the motion passed; however, before members could vote on the motion, Dave Wilson inquired about Caroline Oppenheimer's original notice and contact information. McKinley will pass along that introduction information. McKinley will also continue her renovation applicant presentation at a later time and/or circulate those related materials to the Board. The remaining members - Michael Zarrilli, Michael Wagner, and Chelsea - voted to adjourn the meeting.

- **New Business**

This agenda item was addressed in the section above.

- **Adjourn**

This agenda item was addressed in the section above.