



TO: Mountain Village Town Council
FROM: Jim Loebe, Transit & Recreation Director
DATE: March 13, 2025
RE: Bluegrass Parking Work Session

Executive Summary: For the past 25 years, the Town has provided overflow parking for the Telluride Bluegrass Festival, accommodating approximately 500 on-street vehicles and 500 vehicles in the Gondola Parking Garage daily throughout the four-day event. From Wednesday through Monday, festival management oversees parking operations, ensuring an organized and efficient system. The current parking agreement generates approximately \$120,000 in annual revenue, supporting the operation and maintenance of the Town's parking system.

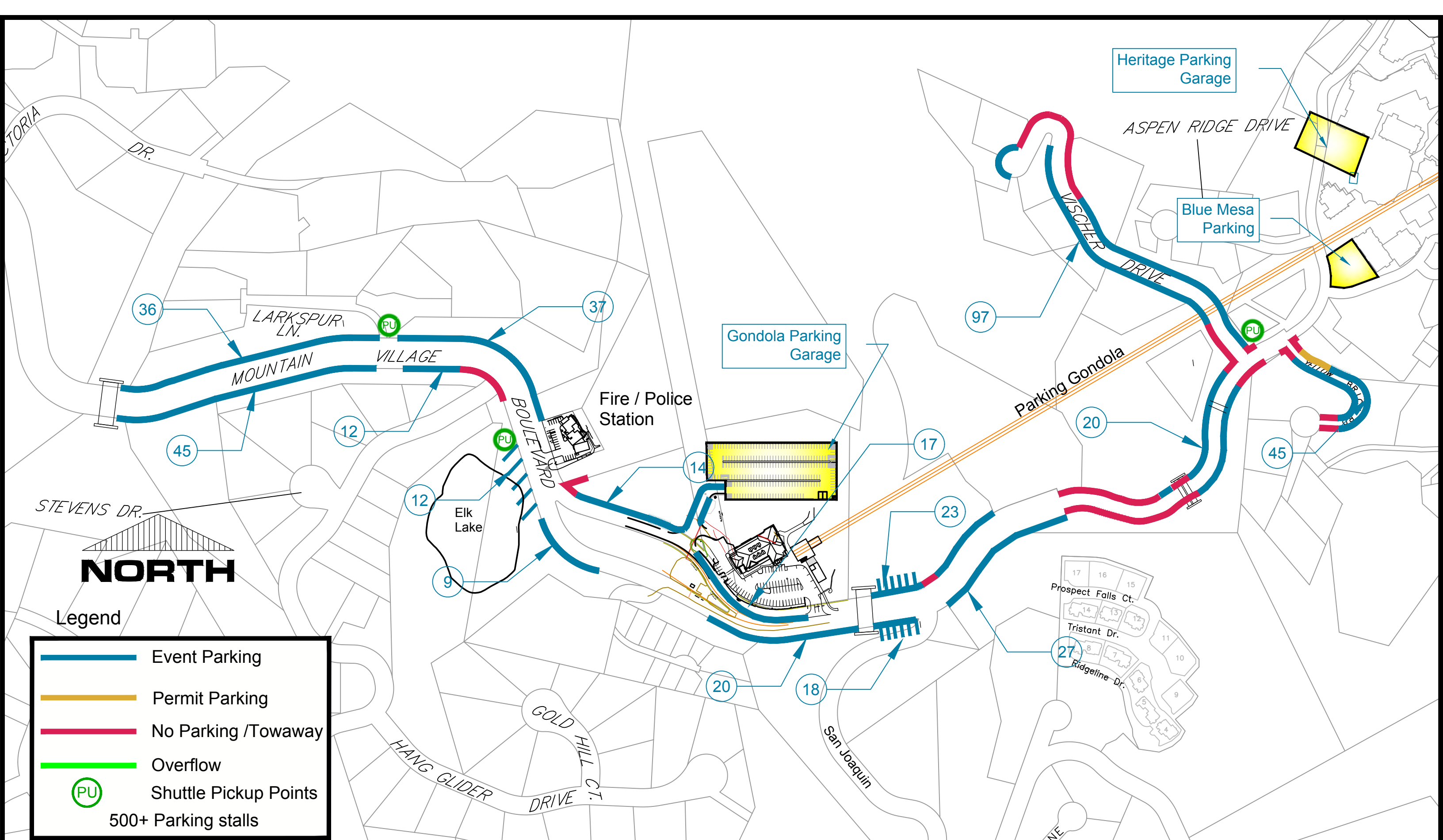
Overview

With the current 2022-2025 facilities use agreement set to expire after this year's festival, organizers have approached Town staff to renew the agreement for another five-year term (2026-2030). From a staff perspective, the Bluegrass Festival continues to manage parking effectively, mitigating safety concerns associated with on-street parking on roads not designed for such use. The presence of festival parking attendants has proven successful in maintaining order and safety.

Staff is not recommending any changes to the existing agreement, which includes the following key terms:

- Five-year term (2026-2030)
- \$3.00 per ticket, per day admission fee remitted to the Town
- On-street parking as designated in Exhibit A
- On-street and GPG parking management by festival staff
- "First Grass" concert on the Wednesday before the festival
- Additional porta-potties provided during the festival

If the Town Council is in favor of maintaining these terms, staff will prepare a draft agreement for consideration at the April 2025 council meeting.



Town of Mountain Village - Event Parking 2026 - 2030

EXHIBIT A

**AMENDED AND RESTATED
AGREEMENT BETWEEN THE TOWN OF MOUNTAIN VILLAGE AND TELLURIDE
BLUEGRASS FESTIVAL, INC., REGARDING THE PRODUCTION OF THE
BLUEGRASS FESTIVAL FOR 2026 THROUGH 2030**

THIS AGREEMENT (the "Agreement") is made and entered into on this ____ day of _____ 2025, by and between the Town of Mountain Village, a home rule municipality and political subdivision of the State of Colorado (the "Town"), and Telluride Bluegrass Festival, Inc., a Colorado corporation ("Producer"), and regards the production of the Telluride Bluegrass Festival ("Festival") for the years 2026 through and including 2030.

RECITALS

- A.** The Town owns and operates various infrastructure within the Town of Mountain Village, including but not limited to roads, parking structures and a gondola transportation system (the "Gondola") (collectively, the "Town Facilities").
- B.** Producer owns and operates the Festival in the Town of Telluride, which is generally scheduled for the third weekend (Thursday-Sunday) in June of each calendar year.
- C.** The Town of Telluride is immediately adjacent to the Town and is connected via the Gondola.
- D.** Producer and the Town desire to have patrons of the Festival utilize the Town Facilities during the Festival.
- E.** The Town has determined that it is in its best interest to allow Festival patrons to utilize the Town Facilities according to the terms and conditions of this Agreement.

NOW THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties agree as follows:

1. **Producer Commitment.** Producer agrees to use its best efforts to produce the Festival in a world-class manner during the term of this Agreement with specific regard to generating the lodging demand attributable to the Festival and Producer's effort and investment.
2. **Use of Facilities for Parking.** The Town shall permit Festival patrons to use various Town Facilities during the Festival, including the Gondola Parking Garage (GPG) and right-of-way along Upper Mountain Village Boulevard to the Bridge Number 68 and other streets as generally illustrated on Exhibit A, attached hereto and incorporated herein; provided, however, certain areas may be posted with "No Parking" signage. In the event of construction or other extenuating circumstances, the Town reserves the right to require Festival patrons to park cars in alternate locations as deemed appropriate by the Town's parking committee sole discretion. Producer shall work with Town staff to develop a parking plan to ensure such parking plan maximizes pedestrian use and access through the Village Center. The Town shall be responsible for managing the parking in the Gondola Parking Garage and street parking in such location and

number of spaces as determined by the Town, in a manner generally consistent with Exhibit A, except that the Town's police department shall have the final determination of where parking shall occur in order to mitigate safety issue. Town staff and Producer's staff shall manage the parking in order to ensure full utilization while maintaining a sufficient supply of parking for residents and property owners within the Town. The Town and Producer's parking attendants shall also advise Festival attendees of the Heritage Parking Garage ("HPG"). The Town shall determine the cost for daily and overnight parking in HPG. Producer shall provide a sufficient number of parking attendants, at Producer's sole cost and expense, in order to park Festival patrons in a safe and orderly manner and to ensure that parking does not occur outside of the designated parking areas. Parking attendants provided by Producer shall be subject to and abide by the direction of the Town's police department and code enforcement officers. Parking operations will be handed over to the Producer at 12:00 p.m. Wednesday before the Festival, at which time the Producer will be responsible for managing parking in GPG and on-street. This arrangement will continue until 12:00 p.m. Monday following the Festival. Producer's parking attendants shall be on site from 8:00 a.m. until 3:00 a.m. Thursday through Sunday of the Festival in order to assist Festival patrons arriving and returning to their vehicles.

Notwithstanding the foregoing, in the event the Gondola Parking Garage reaches full build out during the term of this agreement, which would provide the same number of parking spaces as on street parking, the Town may eliminate on street parking and relocate parking into the fully built out Gondola Parking Garage.

3. First Grass Concert. Producer shall provide a "free" concert, consistent with the level of the Bluegrass Music Festival in Sunset Plaza on the Wednesday prior to the Festival, from 5:00 p.m. - 8:00 p.m., to kick off the Festival. Producer shall be responsible for the cost of the band, stage, sound/lighting, three porta-potties, and advertising, which shall include, at minimum, 50 posted posters, advertisements on the Festival website, inclusion in any Festival programs and multiple email blasts beginning at least sixty (60) days prior to the First Grass Concert. The Town shall also assist with providing advertising for the event in such manner and amount as determined by the Town. Bluegrass shall be responsible for securing a license agreement from Telluride Ski & Golf, LLC for the use of their open space at Sunset stage for the free concert.

4. Town Costs. Producer shall be responsible for collecting an admission fee of three dollars (\$3.00) per ticket, per day from Festival attendees. Producer, at its option, may distribute up to fifteen percent (15%) of the total attendees as complimentary tickets per day of the event for staff, performers, guests and concessionaires. No later than five (5) days after the event Producer shall certify in writing to Town a complete and accurate list of all wristbands distributed, sold, and voided, as verified by the Town of Telluride Finance Director, to establish the actual number of admissions.

5. Payment. Producer shall remit a deposit of Forty Thousand Dollars (\$40,000) sixty days prior to the event. Remainder of fee due will be remitted after certification of the number of admissions as verified by the Town of Telluride Finance Director, which shall in no case be more than thirty days after the event.

6. Fee for Parking. Producer shall be permitted to implement a plan to charge patrons for parking in the Gondola Parking Garage and on Mountain Village Boulevard (the “Parking Payment Plan”). The Parking Payment Plan shall include all the logistics necessary to charge for parking in a safe and efficient manner, including but not limited to identification cards, number of attendees, sequencing and safety measures. The Parking Payment Plan shall include an acknowledgment and understanding that anyone with a valid resident, property owner or employee issued parking pass shall not be charged for parking. The Parking Payment Plan shall be presented to the Town for approval of the plan at least one hundred and twenty (120) days prior to the Festival. In the event the Parking Payment Plan is not approved by the Town within sixty (60) days, such non-approval shall not terminate this Agreement or any of the obligations of the Producer under this Agreement. The non-approval of the Parking Payment Plan shall only preclude the Producer from charging to recoup costs.

7. Parking Plan Promotion. Producer agrees to communicate and support the Mountain Village parking strategy and plan in whatever means reasonably requested by the Town, said support to include detailed descriptions on the Festival website as well as complete distribution of rules and maps in emails and the Festival “program.”

8. Gondola Operations. This Agreement does not address the possibility of extending the hours of the Gondola beyond its normal operating hours. Producer is encouraged to seek funding for extended Gondola operations from TMVOA, and the Gondola hours may be extended only upon the mutual agreement of the Town and Producer.

9. Bus and Porta-Potties. Producer hereby agrees to operate, at its own cost and expense, one (1) bus with a passenger capacity of 14-24 passengers during the Festival. The bus route and hours of operation shall be as determined by the Town. In addition, Producer agrees to provide, at its own cost and expense, three (3) porta-potties for use during the Festival at locations to be determined by the Town.

10. Insurance. Producer shall carry and maintain: (i) a policy of comprehensive general liability insurance with annual limits of at least \$2,000,000; (ii) a policy of worker’s compensation insurance with annual limits of at least \$1,000,000 for each accident; (iii) a policy of comprehensive automobile liability with annual, combined, single limits of at least \$1,000,000; and (iv) such other insurance as may be appropriate given the nature of the Festival. With respect to the general liability insurance carried pursuant to this Agreement, the Town shall be listed as an additional named insured. Producer shall furnish certificates acceptable to the Town that Producer has the foregoing insurance in effect at least thirty (30) days prior to the Festival for each calendar year.

11. Indemnification. The Producer shall defend, indemnify and hold harmless and Town and its respective directors, officers, employees, successors and assigns from any expense, claim, action, liability, loss, damage or suit (including attorney's fees and costs) arising out of, or in any way connected with the Festival and the Producer and the Festival patron’s use of the Town Facilities, injuries to Town’s employees, volunteers, Festival patrons and third parties and the Town’s performance under this License Agreement.

12. No Waiver of Governmental Immunity. Nothing in this Agreement shall be construed to waive, limit, or otherwise modify any governmental immunity that may be available by law to Mountain Village, its officials, employees, contractors, or agents, or any other person acting on behalf of Mountain Village and, in particular, governmental immunity afforded or available pursuant to the Colorado Governmental Immunity Act, Title 24, Article 10, Part 1 of the Colorado Revised Statutes.

12. Communication. The parties acknowledge that parking during the Festival is a difficult task within the region, and each party agrees to actively communicate with the other party, San Miguel County and the Town of Telluride regarding parking and transportation prior to and during the Festival.

13. Term of Agreement. This Agreement shall run from the date of execution until payment of the fee to the Town (thirty (30) days) after the last day of the Festival in the year of 2030. This Agreement may be terminated by either party by giving the other party at least six months prior to the Festival, written notice of termination.

14. Assignment. This Agreement shall not be assignable by either party without the express written consent of the other party.

15. Attorney's Fees. In the event of any dispute regarding this Agreement or the use of the Facilities, the prevailing party shall be entitled to costs and reasonable attorney's fees.

16. Governing Law, Enforcement, Venue. This Agreement shall be governed by and interpreted according to the law of the State of Colorado. Venue for any action arising under this Agreement shall be in the appropriate court for San Miguel County, Colorado. To reduce the cost of dispute resolution and to expedite the resolution of disputes under this Agreement, the Parties hereby waive any and all right either may have to request a jury trial in any civil action relating primarily to the enforcement of this Agreement. The Parties agree that the rule that ambiguities in a contract are to be construed against the drafting party shall not apply to the interpretation of this Agreement. If there is any conflict between the language of this Agreement and any exhibit or attachment, the language of this Agreement shall govern.

16. Complete Agreement. This Agreement expresses the full and complete understanding of the parties with respect to the terms and conditions set forth herein and supersedes all prior and contemporaneous proposals, agreements, representations and understandings and may not be contradicted by evidence of any prior or contemporaneous agreement. This Agreement shall be construed as to its fair meaning and not strictly for or against either party. The headings hereof are descriptive only and are not to be construed in interpreting the provisions hereof.

IN WITNESS WHEREOF, the parties have executed this Agreement, on the date first set forth above.

TOWN OF MOUNTAIN VILLAGE, a municipal corporation and political subdivision of the State of Colorado

By: _____
Marti Prohaska, Mayor

Approved as to Form:

X, Town Attorney

TELLURIDE BLUEGRASS FESTIVAL, INC., a Colorado corporation

By: _____
CRAIG FERGUSON, President

DRAFT