



BIG SKY OWNERS ASSOCIATION

Board of Director's Meeting Minutes - Friday, December 16, 2022 - 9:00 AM

Big Sky Owners Association Board of Directors met on Friday, December 16, 2022, at the Big Sky Owners Association office in Big Sky, Montana. Directors in attendance included: Clay Lorinsky, Morgan Brooke, Michelle Horning, Maggie Good, Walt Andrews and Kenny Holtz. Directors attending virtually were George Mueller and Eric Ossorio. Member Al Malinowski was in attendance. Staff members attending included Suzan Scott, Kyle Pomerence, and Emma Lawler. Emma Lawler recorded minutes.

1. Call to Order: Chair George Mueller called the meeting to order at 9:01 AM.
2. Membership Forum: When given the opportunity, no members had comments.
3. Meeting Minutes:

Motion made by Kenny Holtz to approve the October 21, 2022 meeting minutes.
Motion seconded by Maggie Good and passed unanimously.

4. Finance and Audit Committee
 - a. Financial Report: Kenny Holtz reported that the BSOA's financial status remains in well positioned.
 - b. Receivables & Assessments: 85% of assessments have been received as of mid-November. Funds were received for relinquishing the easement along HWY 64 and were invested in treasury bills, along with performance deposit funds, all of which are now earning over 4% interest. The unknown owner of the \$10,000 performance deposit was discovered, and this amount will no longer be stated in miscellaneous income category.
 - c. Lien Policy: The Financial Committee (FC) recommended that the BSOA create a policy for filing a lien for non-compliance or unpaid assessments. It was proposed that after an outstanding balance of 15 months dues, the FC may implement filing a lien. The Board asked the FC write out a draft policy for approval by the January Board Meeting.
 - d. Schwab Accounts Update: In November, there was a cyber-security breach via staff emails and the Schwab reserve account. Staff has been working with Acadeus, BSOA's IT support, to implement multi-factor authentication for Microsoft Office 365 emails. Suzan Scott explained that additional processes have been added to access the Schwab account to prevent further breach. Schwab has been asked to investigate the breach. Staff was asked to look into increasing our insurance for cybersecurity, which will be reviewed at the January Board meeting.



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**Motion made by Maggie Good to accept the financials for October and November.
Motion seconded by Walt Andrews and passed unanimously.**

5. Staff Report: Suzan Scott reported on the staff report with no further discussion.

6. Chairman's Report

A. Old Business

i. Pond Project Updates: The Ponds Subcommittee, the Legal Committee (LC), and legal counsel have reviewed and finalized the construction contract with Miller Recreation. The project is shovel-ready. Still to be completed is the transfer of water rights from Big Sky Water Sewer District (WSD) for the restoration of Little Coyote Pond, as laid out in the 2015/BSOA/WSD MOU. The MOU and the Department of Natural Resources and Conservation's 2017 determination, where 7.15 acre-feet (AF) of recreational/fisheries water designated to the Little Coyote Pond project was discussed at the WSD's December Board meeting.

Along with a purchase price for the water rights, the WSD is also proposing BSOA give them a utility easement along the Jeep trail across BSOA open space. WSD would like to eventually purchase from Northwestern Energy and install a larger water tank and therefore an access easement is necessary. The water tank would benefit not just BSOA members but the Big Sky Community surrounding the Meadow. It was proposed that their lawyer draft an agreement by January, to be reviewed by the LC and Ponds Subcommittee.

Motion made by Maggie Good to give the Ponds Committee and Legal Committee authority to negotiate with the Big Sky Water and Sewer District for the water rights for the pond project with the cost not exceeding the transfer of the Jeep Trail utility easement near lot D or \$15,000. Motion seconded by Kenny Holtz. Motion passed unanimously.

ii. Benefit Big Sky (BBS) Bylaws: The BBS Board met on November 15 to review the draft BBS bylaws, which were then sent to the attorney for review. It is anticipated that edits and comments from the attorney will be



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completed by mid-January, which will eventually need to be approved by the BSOA Board.

iii. Nominating Committee (NC) Recommendations:

a. Board Candidate: A decision was made to fill Director John Stowe's vacant seat. The Nominating Committee has two candidates to recommend as Board appointees. Members of the Board will contact them to see if they are interested in serving the remainder of John's term or potentially run in the coming year for a full term.

b. Nominating Process: The NC also voted to uphold the current election process, as recommended to the Board. It was noted that the candidate filing period, which occurs in the spring, lasts 30 days, and remains open to any BSOA member in good standing who wishes to file for Board candidacy. The NC then vets through candidate applications and conducts interviews to determine each candidates' time commitment, qualifications, and potential involvement.

c. Change to Bylaws: The Board discussed and decided that the Secretary of the Board automatically be on the Executive Committee. A Bylaws amendment is required to reflect that change.

Motion made by Maggie Good to automatically place the Board Secretary on the Executive Committee. Motion seconded by Kenny Holtz. Motion passed with seven Directors in favor and one opposed.

Motion made by Walt Andrews that Maggie Good fill the position of Board Secretary and replace John Stowe on the Executive Committee. Motion seconded by Kenny Holtz. Motion passed unanimously.

Motion made by Maggie Good to authorize the Nominating Committee to draft language that would create an open ballot for the general membership. Motion failed with a five to three vote.

Maggie Good was then asked to draft language that she would further describe a nominating process that the Board may consider and support.

iii. Christmas Stroll: This year's Christmas Stroll was a great success. Suzan Scott encouraged Directors to participate in this event in the coming year.



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B. New Business

- i. Board Room TV/Camera/Zoom Proposal: Staff drafted an IT Upgrade Proposal. After Board review, a much-heightened conference room upgrade with quality cameras and high tech screen is needed for board room meetings that accommodates superior virtual attendance.

Motion made by Kenny Holtz to approve staff spending up to \$1500 for basic upgrades for desktops and Zoom. Staff will draft a proposal for quality high tech upgrades for the conference room. Motion seconded by Clay Lorinsky. Motion passed unanimously.

- ii. BSCO Documents: BSCO is coming up on its 25th anniversary. They would like review old BSCC documents that are in BSOA storage. It was decided that the old rendering of the Community Park be given to BSCO.

- iii. CLCA's Old ATM Unit: Unit C-C in Meadow Village was an ATM space. First Security Bank still owns the unit. It is currently being used by the landscaping crews. Suzan suggested the BSOA purchase the unit for storage.

Motion made by Kenny Holtz to approve going forward with the purchase of Unit C-C in Meadow Village. Motion seconded by Clay Lorinsky. Motion passed unanimously.

7. Standing Committees - Reports

A. Executive Committee – Meeting: 11/10/22, 12/09/22 – *Individual Personnel Issues, YE Bonuses, Personnel Policy Manual Revisions*. No further comment.

B. Legal Committee – Meeting: 11/10/22 – *Hwy 64 Easement Resolution, Rainham & Kilbourne Settlements, MRD Contract, BBS Bylaws*. The lawyers are working through the paperwork on the two settlements.

C. Nominating Committee – Meeting: 12/15/22 – *Board Candidates, Nominating Processes*. No further comment.

D. BSAC – Meetings: 12/01/22, 12/15/22 – *Old Joe Rope Tow*: Sam Luedtke has been working with both parties to agree on a resolution. They will meet again after the first of the year to continue negotiations.

E. Ponds Subcommittee – Next Meeting: TBD – *Dewatering, Construction Contract, Water Rights*. No further comment.



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F. Sustainability Committee - *Next Meeting: TBD - TEDD, Best Practices Doc*, Expansion of the WSD into the Canyon. Committee will need to reconvene to discuss a position on the WSD expansion. Emma has completed the Design Best Practices. TEDD issue will be discussed with Kevin Germain at the next meeting.

E. Benefit Big Sky - *Meeting: 11/15/22, 11/17/22, 12/29/22 - BBS Bylaws. No further comment.*

H. Big Sky Post Office Subcommittee - *Meeting: 11/09/22 - Recent email from Al Malinowski.* Al Malinowski was at the meeting to share that things are progressing in the right direction. There have been visits to the current facility. Regional management staff were able to see the space and see the General Delivery problem. They also saw the new space being built adjacent to the current Post Office. The space is more than twice as large. The construction will be done in the next year. Al Malinowski believes that this should be funded by USPS.

8. Other Business

A. Madison County Redistricting: Maggie Good stated that efforts are underway to redistrict the Big Sky portion of Madison County into Gallatin County. This effort may negatively impact Big Sky residents. Therefore, Maggie recommends that if the BSOA can be of influence to keep the district the same, it would benefit the Big Sky community. There needs to be more proactive measures in voicing support for students in Big Sky who do not have a bus service to school due to lack of funding by Madison County. Maggie is calling for research into how to keep tax dollars in Big Sky.

B. Next Board Meeting: January 20, 2022

Motion made by Kenny Holtz to adjourn the meeting. Motion seconded by Walt Andrews. Motion passed unanimously.

Meeting adjourned at 10:38 AM.

Maggie Good, Secretary