



BIG SKY OWNERS ASSOCIATION

Board of Director's Meeting Minutes

Friday, January 15, 2021 - 9AM

Big Sky Owners Association Board of Directors met virtually via conference call and visual on Friday, January 15, 2021. Directors in attendance included: Eric Ossorio, Gary Walton, Grant Hilton, John Stowe, John Gladstein and Maggie Good. Suzan Scott, Kathy Brown and Tammy Estensen represented staff. Amy San Nicolas was present to record minutes.

1. Membership Forum: None
2. Call to Order: Chair Eric Ossorio called the meeting to order at 9:05am.
3. Minutes: Board Meeting - December 18, 2020 Board meeting minutes and December 29, 2020 Special Board meeting minutes.

Motion made by Maggie Good to approve the December 18th Board meeting minutes; seconded by Gary Walton. Motion passed unanimously.

Motion made by Maggie Good to approve December 29th Special Board meeting minutes; seconded by John Gladstein. Motion passed unanimously.

4. Finance and Audit Committee:
 - A. Audit/Performance Deposit (PD) Project Update - Treasurer Maggie Good reported a call with Rich Lindell. Lindell anticipates to have the PD journal entry numbers adjusted within the next two weeks. Once this is completed the new auditor can begin her work on the 990 and combined 2019 and 2020 audit. This process should go quickly and smoothly. Thereafter, the Committee has other items it would like Lindell to help with. The Board can expect PD reports to be submitted to the Board next month and can anticipate a positive impact to equity for FY2019.
 - B. November and December Financials - Although presented in the Board Packet, November financials were bypassed to focus on the most recent statements. In the December statements, there are still some PD liabilities showing on the balance sheet but this will be cleaned up when Lindell adjusts the FY2020 year numbers. The December financials were recognized but not accepted until adjustments and the audits have been completed.
 - C. Receivables & Assessments - Assessment are being collected at a slower rate compared to last year due to approximately 25% of the invoices sent out in October were not received by members. However, these have since been resent and the issue appears to be resolved.
 - D. New Members List - No discussion.
5. Staff Report: November and December 2020 - There were no additional comments regarding staff report as presented.

6. Chairman's Report:

A. Old Business –

i. Project Updates:

a. LC Traffic Safety – GalCo Commissioners met and considered the request to amend the ordinance for the proposed speed tables on Little Coyote Rd. Details and the result of that meeting are included in the Staff Report. Kevin Daily emailed a report that an ordinance amendment could possibly allow speed tables on a case by case basis.

b. MadCo Emergency Egress – No new updates.

ii. Design Regulations Revisions Update: The Legal Committee (LC) put together a scope of work to hire consultant, Matthew Maynard (former GalCo Planner) to assist with the proposed revisions. Once this has been completed and sent to Maynard, the LC anticipates receipt of quote for consultation.

iii. Employee Housing Update: Needed repairs to the Condo are in the works, a new search for hire has begun and Suzan will be working on a proposal to present to the Executive Committee regarding the amount of rent to be deducted from the employee's paycheck.

iv. Ponds Project – RFPs: The Subcommittee is waiting to hear back from engineer Mike Rotar, of RESPEC on updated cost estimates. It was reported that Rotar does not have the time to complete the project, was reluctant to provide an updated cost estimate for the design work he completed and he wants an updated design that would reduce the size of Little Coyote Pond. Rotar was reminded that this issue was proposed a couple of years ago but was rejected by the Board. Rotar will now consult with his supervisor about a new estimate and BSOA's request for field data, designs and permit work completed. Board discussion was held on the need to immediately receive cost estimates as deadlines for a fall construction was looming, especially if BSOA needed to hire another engineering firm. It was proposed that a letter be written to RESPEC about the Board's disappointment in RESPEC's for actions above, which have left the project in a pinch and put BSOA in a hardship situation. It was asked if RESPEC's work with GRTF presents a conflict of interest for them and noted that RESPEC should be put on notice that any ponds project information they have in their possession should not be used on future projects, including the Gallatin River Task Force (GRTF) proposal. The following was then requested for Board approval: 1) Staff proceed with sending out RFPs, 2) the Ponds Subcommittee review the RFP and submitted proposals, 3) the Subcommittee

will then come back to the Board with a recommendation for an engineering firm.

Motion made by Grant Hilton for Board approval for staff to proceed with submitting RFPs to engineering firms for quotes on the ponds project and that the quotes be in accordance to existing designs; seconded by John Gladstein. Motion passed unanimously.

Also, at the recent Strategic Planning Subcommittee (SPS) meeting, Kevin Daily mentioned he would like to relinquish his position on the Ponds Subcommittee. Therefore, the SPS recommends to the Board that John Leeper, Advisory Committee member, be appointed as the new member of the Ponds Subcommittee. It was reported that John Leeper has willing and stated that he was excited for the opportunity to be on the Ponds Subcommittee. Grant Hilton, Chair of the Ponds Subcommittee noted that the timeline for getting this project completed in October was tight, however, the Subcommittee will move forward and see what can be accomplished. Board requested that new quotes from engineering firms provide separate cost estimates for the two ponds in case BSOA is only able to complete one of the ponds.

Motion made by Eric Ossorio to appoint John Leeper to the Ponds Subcommittee to replace Kevin Daily; seconded by Maggie Good. Motion passed unanimously.

- v. Chapel Parking Partnership: The Big Sky Chapel has requested the BSOA share the cost of a joint parking lot development/project with a total cost estimate of \$160,000 - \$180,000 and a 30% contribution from the BSOA. The concept is mutual use of parking spaces on both properties. Grant Hilton mentioned four technical issues: 1) Do we need a secondary driveway going into our side or just use their current driveway? 2) The Chapel needs to put a retaining wall on their lot, which would cross onto our lot and would need BSOA permission to do so. 3) Do we need a staging/laydown area for equipment during the construction of our Ponds Project? 4) The Chapel is proposing a street light pole be located on BSOA property and would need BSOA permission for this. Hilton noted the Board will need to determine whether or not to move forward with this project, commit up to \$54,000 to this project for six spaces on BSOA property and invite the Chapel to present their project at a future Board meeting. It was noted that the existing agreement for shared parking with Meadow Village Condo Association allows for overflow but due to the growth of the congregation, there's safety concerns about crossing Little Coyote. Therefore, the

Chapel prefers to expand their own parking. It was also noted that use of our parking lot would likely be at the same time for BSOA needs, so the benefit to the BSOA might not be that significant. Of the 38 proposed total parking spaces, only six spaces would be on BSOA property which calculates out to about 15-16%, or half of the 30% the Chapel is requesting. The Board determined that until it knows more about the Ponds Project, the BSOA will not enter into an agreement with the Chapel nor invite the Chapel to present the project to the Board.

- vi. Furnace Replacement: The invoice for the new furnace was included in the Board packet and the additional cost of shipping the furnace from Portland was noted. The new furnace has been installed and is working properly.
- vii. SPS Recommendations: Advisory Committee Projects – SPS recommended the Advisory Committee (AC) work on the creation of the 501c3 and Energy and Water Sustainability projects. Staff clarified that the Sustainability project included initiatives to promote awareness to the membership, participate in community sustainability efforts, and update the Design Regulations to address energy and water sustainability concerns.

Motion made by Grant Hilton to approve the Strategic Planning Subcommittee’s recommendation for new Advisory Committee projects noting that the AC coordinate with and report to the Design Regulation Revision subcommittee; seconded by Eric Ossorio. Motion passed unanimously.

B. New Business –

- i. WSD’s New Canyon District, DEQ Permits: Guest Ron Edwards, presented a map of the proposed new district and discussed its origin, including four areas along 191: the Conoco, Quarry area, Bucks T-4, and the Cummings property. Edwards reported the next steps: establish bylaws, create a five-person committee per state requirement, establish a budget. The \$12 million for the project is to come from collections of the new 1% Resort Tax. The majority of engineering work will occur in 2021 with construction planned for 2022 that includes pre-install of conduits for future pipelines. Benefits of the project will be more widespread as places like Lazy J and Ramshorn join the district and at some point, the district will expand across 191. Currently, the WSD new plant is out to bid and it is anticipated the new district won’t impact the WSD expansion schedule. The expansion is designed in phases and will be applying for the addition 1% tax as well. Regarding the article in the Chronicle, barring of DEQ permits will block places from receiving permits to use waterways in the area and would effectively stop new districts from being

developed. Attorneys from both sides have asked a judge to decide the suit without a jury. DEQ hasn't yet stopped issuing permits but that is the intention of the suit. A huge factor of this is snow making, one of the suits' contention points, but Edwards said the new plant would get the treatment to a level where treated water could be used for snow making. This suit wouldn't affect WSD expansion. Edwards does not anticipate the current expansion to result in a rate increase for BSOA members because of the 1% Resort Tax funds but couldn't guarantee that given the current pandemic and the resulting economic fallout. If WSD does not get the full amount of the 1%, then the short fall would become a rate increase.

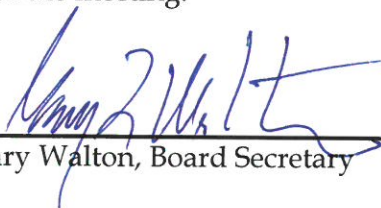
7. Committee Reports:

- A. Executive Committee - *Meeting: 12/21/20 - Staff Year-End Bonuses, BSFD Support Letter*: Year-end bonuses were approved and staff drafted and sent a support letter for the BSFD Wildfire Prevention grant application.
- B. Legal Committee - *Meeting 12/14/20, 12/30/20 - LLC Creation, Pinnacles Letter from Attorney*: Conference call is scheduled for Wednesday at 4 PM to discuss the letter from Pinnacles Attorney as well as other legal issues.
- C. Nominations Committee - No meeting
- D. Strategic Planning Subcommittee - *Meeting: 01/05/21*: Nothing further to discuss.
- E. BSAC - *Meeting: 11/19/20, 12/3/20, 12/17/20, 1/7/21*: Issues reported about review fees being paid prior to applications being reviewed and in connection with fee waiver requests. Board requested staff include PD totals each month to compare with financial statements and that all active compliance issues, whether requiring action or not, be included in the report.
- F. BSOA Advisory Committee - No Meeting
- G. BSCO Trails - No report available.
- H. Ponds Subcommittee - No Meeting

8. Other: None

9. Adjourn: With nothing further to discuss, the meeting was adjourned at 11:00

Attendance Summary: accept as otherwise noted, all directors were in attendance for the duration of the meeting.



Gary Walton, Board Secretary

