



BIG SKY OWNERS ASSOCIATION

Board of Director's Meeting Minutes – Friday, June 16, 2023, at 9:00 AM

Big Sky Owners Association Board of Directors met on Friday, June 16, 2023, at the Big Sky Owners Association office in Big Sky, Montana. Directors in attendance included Michelle Horning and Walt Andrews. Directors in virtual attendance included Chair George Mueller, Will Brennecke, Morgan Brooke, and Kenny Holtz. Suzan Scott, Kyle Pomerence, Emma Lawler, and Logan Sellers were in attendance representing staff. Dick Fast with Water & Sewer District and Whitney Montgomery with Big Sky Community Organization attended.

1. Call to Order: Chair George Mueller called the meeting to order at 9:04 am.
2. Membership Forum: No comments were made.
3. May Meeting Minutes:

Motion made by Maggie Good to approve the May Meeting Minutes as amended; seconded by Walt Andrews. Motion passed unanimously.

4. Finance and Audit Committee:

B. May Financials: Kenny Holtz reported that the BSOA's financial status is on track for the year. Treasury bills were reinvested. \$262,000 in Resort Tax funding for the Pond Project will be reimbursed in full for the invoices submitted.

C. Receivables & Assessments: No further comment was made.

D. New Members List: No further comment was made.

Motion made by Maggie Good to accept the financial report; seconded by Kenny Holtz. Motion passed unanimously.

E. Draft Budget and Strategic Plan: The process to draft and recommend the FY24 budget was reported, where the Executive Committee initially reviewed the Strategic Plan for resources needed, analyzed potential staff expenses, and a rough draft of the FY24 budget, all before making a Board recommendation for FY24 staff expenses. Thereafter, the Finance Committee vetted the FY24 Strategic Plan Financial Analysis, followed by the draft budget prior to their recommendation to the Board. With the presentation of the draft budget, conservative revenue estimates for the coming year were noted. Concern was expressed about the high cost of staff health insurance. Suzan reported a discussion with staff regarding their preference for a less rich healthcare policy to reduce insurance costs, in place of higher wages. A reduction in insurance costs is seen in the budget as the result of that preference to increase staff healthcare deductions in lieu of wages. Included in the Executive and Finance Committee motions was the approval of the draft budget as presented, with a 10% assessment increase.

Motion made by Walt Andrews to approve the proposed budget and a 10% increase in dues; seconded by Will Brennecke. Motion passed unanimously.



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Motion made by Kenny Holtz to approve the FY24 Strategic Plan as presented by the Strategic Planning Sub-Committee and reviewed by the Finance Committee; seconded by Maggie Good. Motion passed unanimously.

F. Suspension of Privileges: Members who are non-compliant will have their membership privileges suspended. No further comment was made.

Motion made by Walt Andrews to approve the list of owners for suspension of privileges, all of which are non-compliant, and that they are sent a notification that their privileges are suspended; seconded by Will Brennecke. Motion passed unanimously.

5. Staff Report: The June staff report will be available in July. Suzan asked the Board their preference for bi-monthly staff reports instead of each month. The Board preferred the monthly staff reports included in the Board packet.

6. Chairmans Report

A. Old Business

i. Ponds Project

a. Project Timeline: The project is set for the fall of 2023. The initial deposit was made to the construction contractor.

b. Water Rights: Board members came to a verbal agreement with the Water & Sewer District about the transfer of water rights at a recent meeting. The agreement has since been revised, which the Legal committee will review a final time before sending it to WSD for consideration.

c. Dewatering Site: Big Sky Resort Construction Manager Chad Wilson indicated at a recent Ponds Subcommittee meeting that they no longer have a use for the dredge material. Walt Andrews and George Mueller plan to meet with Taylor Middleton to further discuss the dewatering site on Boyne property.

ii. Little Coyote Speed Tables: Because only one bid came back that was exceptionally high, staff will continue to research alternatives. Re-advertising the bid in the fall would cost no more than \$2,000. Staff have reached out directly to various pavement firms in the region, none of which were able to fit the project into their schedule. Stahly Engineering recommended doing the work in phases, installing one or two speed tables at a time to cut mobilization costs. It was recommended that staff reengage with those firms to see if the project could be considered at a later date and to research the use of temporary speed tables, which could be installed at the proposed locations this summer, if permissible by the County.



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iii. Old Jow Rope Tow: Select Board of Directors and Suzan Scott will meet with Taylor Middleton to discuss this issue further.

iv. Benefit Big Sky Bylaws: The bylaws were well-reviewed by the BBS Board, the Legal Committee, and legal counsel. The BBS Board is satisfied with the amendments as presented, which provide the BBS Board authority to function independently, yet have some BSOA oversight.

Motion made by Michelle Horning to approve the BBS Bylaws as presented; seconded by Walt Andrews. Motion passed unanimously.

v. Annual Meeting

a. Venue: Logan Sellers presented bids from Bucks T4 and Big Sky Resort. Both were above the allotted budget for the annual meeting.

Traditionally, the annual meeting is held at the resort. Two day lift passes to the resort have been donated and it was proposed to hold a raffle to incentivize attendance.

b. Budget: A proposed budget was presented that indicated costs for the venue, food and beverage, and live music increased.

Motion made by Kenny Holtz to hold the Annual Meeting at Big Sky Resort with an increased budget of up to \$13,000; seconded by Michelle Horning. Motion passed unanimously.

c. Speakers: Logan reported confirmed speakers for the annual meeting. Senator Jon Tester can potentially speak at the meeting; however, his availability is still to be determined. Maggie Good mentioned that if the wellness district initiative gains momentum, a representative from that group could present on those efforts.

d. Board Candidates: In motions presented to the Board, the Nominating Committee recommended four board candidates for the FY 2024 election slate, as well as two BSAC candidates to be placed on the election ballot.

Motion made by Walt Andrews to approve the two Nominating Committee motions and approve the slates for BSOA Board of Directors and BSAC election; seconded by Maggie Good. Motion passed unanimously.

e. Sweetgrass Hills (SGH) Covenant Amendments

i. BSCO Workforce Housing: There was a previous discussion about the language of the proposed covenant amendment that limits housing to employees of the BSCO. Resort



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Tax included the requirements for any Big Sky employees in their award contract with BSCO. George Mueller recommended Board approval subject to Legal Committee review. Whitney Montgomery reported that they engaged with a few select Sweetgrass Hills residents, and the majority expressed support.

ii. BSWSD Easement: In recent negotiations, WSD dropped the requirement of two acres of BSOA open space for their water tower project in Sweetgrass Hills. The BSOA will still grant them the easement as needed for work on the newly proposed water tower.

iii. Cold Roof Height Allowance: There is currently no language in the SGH covenants for height allowance of cold roofs. Proposed language was presented and discussed.

iv. Variance Allowed: There is currently no process for variance in the SGH covenants. No further comment was made.

Motion made by George Muller to approve the proposed Sweetgrass Hills covenant amendments, subject to the Legal Committee's final approval; seconded by Walt Andrews. Motion passed unanimously.

B. New Business

i. Personnel Policy Revisions: The Executive Committee (EC) met to update the BSOA Personnel Policy Manual. Several staff members went from hourly to salary based on a 40-hour work week. The EC revised the changes and recommended approval.

Motion made by Maggie Good to approve the Personnel Policy Manual as revised; seconded by Michelle Horning. Motion passed unanimously.

ii. Wildlife Migration Study: Under the purview of the Sustainability Committee, there is a growing need to assess the calving areas and migration patterns of elk and has rapidly increased in the last 30 years. Residents from both Aspen Groves and Antler Ridge have approached the BSOA to further explore the feasibility of supporting a wildlife assessment. Staff met with April and Lance Craighead of the Craighead Institute and concerned residents in Antler Ridge. It was discussed at their meeting that six Ridge area leading into the old logging road and proposed Flatiron property. The Craigheads estimated that their involvement in interpreting data and generating a report will cost about \$2000. The purchase of several cameras was discussed for long-term studies to be conducted. Cost-sharing with Antler Ridge residents and possibly partnering with an interested organization such as Lone Mountain Land Company was proposed.



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Motion made by Kenny Holtz to approve up to \$5,000 from the BSC reserve to spend on this initiative with the intent of additional fundraising and partnerships; seconded by Maggie Good. Motion passed unanimously.

7. Standing Committee Reports

A. Executive Committee – Meeting: 06/07/23 – Personnel Policy Manual Revisions, ED Eval, Staff Expenses. No further report was given.

B. Legal Committee – Meeting: TBD - Rainham Settlement, Doc vs. BSOA Depositions Canceled, BBS Bylaws, LC Pond Water Rights, BSCO's SGH Covenant Amendments, Upper Cascade Subdivision. No further report was given.

C. Nominating Committee – Meeting: 05/24/23 – Interview and Recommend Candidates. No further report was given.

D. BSAC – Meetings: 05/18/23, 06/01/23 – DRRC meeting to finalize changes, Old Joe Rope Tow, Review Fee Schedule Revisions, Straus Project, Yellowtail Project, SGH Covenant Amendments. No further report was given.

E. Ponds Subcommittee – Meeting: 05/30/23 – Dewatering, Water Rights, Funding. No further report was given.

F. Sustainability Committee – No Meeting: At a previous Board meeting last spring, Brian Wheeler mentioned a cumulative traffic study being done in partnership with the Resort, MDOT, and LMLC. Maggie Good recommended that staff circle back to get a copy of the study.

G. Wellness District – No Meeting: The next meeting will strategize getting signatures to preset to the Madison County Commissioners; the next meeting is scheduled on June 22.

H. Benefit Big Sky (BBS) – Meeting 06/13/23: Bylaws, BBS Website Proposal. No further report was given.

I. Big Sky Post Office Subcommittee – No Meeting: Post office contract was extended through May 2024 to allow for enough time for the US Postal Service to build out their facility with the intent to be a federally recognized post office.

8. Other: Next Board Meeting – July 21, 2023

Motion made by Chair George Mueller to adjourn the meeting; seconded by Walt Andrews. Motion passed unanimously.



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9. Adjournment: Meeting adjourned at 11:24 am.

Maggie Good, Secretary