



# BIG SKY OWNERS ASSOCIATION

## Board of Director's Meeting Minutes – Friday, September 16<sup>th</sup> at 9:00 AM

Big Sky Owners Association Board of Directors met on Friday, September 16, 2022 at the Big Sky Owners Association office in Big Sky, Montana. Directors in attendance included Chair John Gladstein, Clay Lorinsky, George Mueller, Kenny Holtz, Maggie Good, John Stowe, and Eric Ossorio. Directors in virtual attendance included Grant Hilton. Staff members in attendance included: Emma Lawler, Suzan Scott, and Kyle Pomerence; Tammy Estensen attended virtually. Emma Lawler recorded minutes. Also attending: Cleve Johnson, the Big Sky Housing Trust; Taylor Middleton and Brian Wheeler, Big Sky Resort; Whitney Montgomery, Big Sky Community Organization.

1. Call to Order: John Gladstein called the Board Meeting to order at 9:18 AM.
2. Membership Forum: Liz McFadden, Andrew Belli, John Unkart, Stacie Masuda, and Ruthi Solari provided comments during membership forum.

**A. Riverview Easement:** Member Liz McFadden asked why the BSOA will not lift the easement south of Highway 64 for the RiverView housing project to break ground this fall. Several other members also voiced their concern about the easement and the timing of the project. The Board explained that BSOA has an obligation to its membership to not give away its assets without a full review of the issue. Our legal counsel is exploring options to make this happen and following the processes and procedures to create a win-win situation for all parties concerned. It was acknowledged that Lone Mountain Land Company, the developer of the RiverView project, bought the parcel a year and a half ago and knew of the easement.

Brian Wheeler requested that the BSOA legal counsel provide documentation that the RiverView easement is valid. Brian read BSOA meeting minutes from more than 30 years ago and interprets the easement may not have been ratified. Brian also stated that Boyne has donated easements in the past in Big Sky for public and private benefit. Cleve Johnson, representing the Big Sky Community Housing Trust, explained that BSOA is requesting one unit in exchange for the easement which is not in the housing trust's purview.

All comments were noted by the Board and assured they will be taken into consideration.

**B. Rope Tow Joe:** Member Dorothy Moody explained that Rope Tow Joe, which transports residents to the Cascade lift, broke last season, Cascade owners do not have ski-in ski-out housing, and there is concern that there are no plans for



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replacement. Taylor Middleton, who was present at the meeting, explained that the tow rope has been hit by snowcats five times in the last 20 years. The public easement is not narrow; however, a homeowner adjacent to the lift tower, built hardscape features with stone steps into the public easement, which makes it difficult for snowcats to maneuver in that area. . It was asked and Taylor noted that this particular ski lift and management of the easement is not included in the Cascade covenants and therefore under BSOA's responsibility. The Board, however, will engage with the non-compliant owner to address the hardscape feature that is encroaching upon the easement. With the assistance of BSOA, the Big Sky Resort intends to repair the lift

*C. Meeting Notifications:* Member John Unkart asked if the BSOA can send out a digital notification for board meetings. It was reported that the BSOA notices all upcoming meetings in its monthly newsletter and on the homepage of the BSOA website. In addition, there is a calendar of regularly scheduled meetings available on the website. Also noted, Board meetings are always held on the third Friday of every month but may be subject to change.

### 3. Meeting Minutes:

**Motion made by Maggie Good to approve the August 19th Board Meeting Minutes; Seconded by Clay Lorinsky. Motion passed unanimously.**

### 4. Finance and Audit Committee:

A. August Financials: Treasurer Clay Lorinsky went over the financial report for August. The overall financial status of the BSOA remains in good shape, noting additional costs associated with the Annual Meeting in August.

**Motion made by George Mueller to accept the Financial Report for August 2022. Seconded by Kenny Holtz. Motion passed unanimously.**

B. Receivables & Assessments: Assessments collected from members for FY 2022 are at nearly 100% at FY22 year-end.

C. New Members List: No further comment regarding new members was made.

### 5. Staff Report: All staff reports will be discussed at the October 21<sup>st</sup> Board Meeting.

### 6. Chairmans Report

#### A. Old Business

##### i. Ponds Project Updates



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a. Bidders Report: Miller Recreation and Pond and Stream are the two contractors interested in the ponds project. The Ponds Subcommittee is anticipating bids from both contractors. WGM has been working with Miller Recreation to obtain a project plan and schedule this fall. The Ponds Subcommittee will review the bid from Miller Recreation in mid-October for a recommendation to the Board to move forward with construction at the October Board meeting.

### ii. Annual Meeting

a. Wrap-Up: It was noted that Staff held an internal debrief to discuss the Annual Meeting and opened up the same for the Board. Kenny Holtz recommended a different streaming platform for virtual attendees next year.

b. Quorum: After last-minute ballots were returned and consultation with legal counsel, quorum was established at the 2022 Annual Meeting with at least 606 members. Per the Bylaws, 25% of all eligible voters, or 605 members, is required for quorum. The final election tally was ratified by interim Board Secretary, Eric Ossorio.

c. Election Results: The Board reviewed the 50<sup>th</sup> annual election results. Michelle Horning, Walt Andrews, Morgan Brooke, and George Mueller were elected as Board members with their terms starting in FY 2023.

iii. BSOA Easement South of HWY 64: It was noted that negotiations regarding the RiverView easement will continue in a manner that is collaborative and creates a win-win situation for all parties involved. The BSOA is following legal procedures regarding the easement under our obligation to our membership and will continue to support workforce housing efforts in Big Sky.

iv. LC Speed Tables Update: Staff has been working with Nate Peressini from Stahly Engineering to obtain a draft design for the speed tables on Little Coyote by the end of September. The firm will need to get approvals from the Big Sky Fire Department and Gallatin County. The next phase in



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the process will be going out for bids with construction starting in early spring.

v. BSCO Residential Units in Park: Big Sky Community Organization submitted an application for BSAC review for a maintenance facility in the community park but has also proposed residential units in the upper level of the building. Due to the aesthetics of the proposed building, the BSAC requested more information from the applicant, including finished samples and an updated design plan. The committee noted it looked very industrial and that metal as a main siding material was not permissible by the Design Regulations. For the proposed residential units, the BSCO is requesting a variance . Representing BSOA's project, Whitney Montgomery discussed the issue of workforce housing as the housing shortage continues to drive away quality staff. The Board recommended that BSCO work with designers to produce a more acceptable design. It was noted that the Legal Committee has been working to determine if residential units can be built in the Community Park, per the Sweetgrass Hills covenants and if deemed necessary, BSOA will work with BSCO to amend the covenants.

### **B. New Business**

i. Member Voting Rights: Taylor Middleton, representing Big Sky Resort, explained that the Resort feels they have been disenfranchised, which is why 85 units the Resort represents is not voting in the BSOA election. Taylor explained that he disagrees with the way the nominating process is carried out and that there is a perception in the community that BSOA discourages members to run for BSOA Board of Directors. Taylor requested that the BSOA create an official policy where any member in good standing can run for the election. He also questioned the notification process for the second Annual Meeting for 2022 . The Board referred to Section 2.7 of the Bylaws, which indicated that notification of the meeting was properly announced. Taylor Middleton also asked for a proactive compliance program so the BSOA can continually work to enforce covenants and address community issues like noxious weeds and trash management. Currently, the policy is that BSOA is complaint-based and does not patrol the Association for out-of-compliance members. It was noted that to be pro-active as Taylor suggests, the hiring a FT compliance



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employee would be required and funding for that is not in the BSOA budget. That said, this should be considered further.

Regarding Board candidates, the Board explained that it is difficult to recruit Board candidates, which all non-profits in the Big Sky area are experiencing. There is an open filing period announced in our Newsletters and website that occurs every spring where all members in good standing can fill out an application for a director or BSAC position. The Nominating Committee (NC) conducts interviews to ensure that each candidate understands the time commitment associated with the role, as well as meets Board approved criteria, i.e., balanced representation of the various Subdivisions, professional and Board experience, knowledge of the community and BSOA, and relative “independence” of any conflicts of interest. It is up to the NC to vet through the candidates and make a recommendation to the Board. The instances where candidates chose to not run and were not placed on the ballot, was primarily because of their personal time constraints.

**Motion made by George Mueller to continue to follow the terms of the Nominating Committee and any owner in good standing can be on the ballot. Seconded by Kenny Holtz.**

Discussion: There was clarification that the above motion goes against current Bylaws requirements and the Nominating Committee Charter and that Call to Service forms are made available to all members in good standing. Because the annual election will not occur for another year, it was suggested that there is time to address this matter appropriately, that the Bylaws be reviewed, along with the Nominating Committee charter. Taylor stated that the outcome of this meeting is to ensure that every member in the BSOA in good standing has the right to run and is welcomed to this Board.

John Gladstein ruled the motion out of order, as we operate on our governing documents, legally.

**George Mueller withdrew motion.**

**Motion made by Kenny Holtz to request that the Nominating Committee reconvene for the purpose of reviewing and potentially amending the Bylaws and the voting process for members in good-standing, to be conducted within the next three months. Motion died without a second.**



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The Board did, however, agree that this issue should be reviewed by the NC within the next three months.

- ii. Sign Standards: There are not standards for residential street signs. The BSAC requested Board approval for residential street sign standards.

**Motion made by Maggie Good to approve the sign standards. Seconded by Kenny Holtz. Motion passes unanimously.**

## 7. Committee Reports

A. Executive Committee – *Meeting: 09/13/2022; Election Certification, Personnel Matters* – Issues addressed in Executive Session.

B. Legal Committee – *Meeting: 08/04/2022; Rainham Mediation, Kilbourn Settlement, S. HWY 64 Easement, BSCO Residential Units* - Issues addressed in Executive Session.

C. Nominating Committee – *No meeting*. There was no report.

D. BSAC – *Meetings: 09/01/2022; 9/15/2022*; Construction season is winding down. The new Architectural Review Coordinator will continue to train with Suzan . The primary issue on the BSCO application was aesthetics but the BSAC would like to approve their project as soon as they receive updated materials.

E. Ponds Subcommittee – *No Meeting*

F. Sustainability Subcommittee – *Meeting 09/06/2022*; Staff will meet with Madison County Commissioners regarding the Flatiron development application to address the submitted traffic studies in October. Kevin Germain is requesting to meet with the committee to address outstanding questions about the TEDD/TIF initiative in Moonlight Basin. Madison County delayed their endorsement of the TEDD/TIF until more information becomes available.

8. Other: Interim Board Chair, Oct. 1 through Oct. 21, 2022 – Suzan explained that due to the delay in establishing quorum and that at the end of the fiscal year, there will be no Board Chair in place, thereafter, given that John Gladstien’s term expires on the 30<sup>th</sup> and the Vice Chair, Gary Walton, resigned. Therefore, there is need to confirm an interim Chair beginning Oct. 1, 2022 through Oct. 21, 2022, when the Board approve Officer and Committee assignments.



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Motion made by John Gladstein to assign Clay Lorinsky as the Interim Board Chair beginning Oct. 1, 2022 through Oct. 21, 2022; Seconded Kenny Holtz. Motion passed unanimously

- Next Board Meeting - Oct 21, 2022

Motion made by Clay Lorinsky to go into Executive Session; Seconded by Eric Ossorio. Motion passed unanimously.

\*\*\*\*\**The Board went into Executive Session at 10:55 AM*\*\*\*\*\*

\*\*\*\*\**The Board came out of Executive Session at 12:00 PM*\*\*\*\*\*

Motion made by George Mueller to accept the staff reorganization as proposed and the \$500 per month transportation and housing allowance for each staff member through FY23; Seconded by Kenny Holtz. Motion passed unanimously.

Motion made by Grant Hilton to retract the BSOA's ask for BSRAD reconsideration for additional Pond Project funding; seconded by Clay Lorinsky. Motion passed unanimously.

9. Adjourn - There being no other business the meeting was adjourned at 11:32am

Motion made by George Mueller to adjourn the Board meeting; Seconded by Kenny Holtz. Motion passed unanimously.

Emma Lawler & Suzan Scott.