



BIG SKY OWNERS ASSOCIATION

Board of Director's Meeting Minutes December 2., 2016

Big Sky Owners Association Board of Directors met December 2, 2016 at 9 AM at the Big Sky Owners Association office in Big Sky, Montana. Directors in attendance included: John Loomis, Barb Rooney, Sharon Douglas, Eric Ossorio, Gary Walton, Gail Young and Grant Hilton. On the phone were Kevin Frederick and Kent Volosin. Suzan Scott, Casey Drayton and Lori Wetzel represented staff. Member, Richard Maus, joined the meeting as well as Deborah McAtee from Magpie Consulting.

1. Membership Forum: None
2. Call to Order: John Loomis called the meeting to order at 9:04 AM.
3. Minutes: Motion made by Gary Walton to approve the October 21, 2016 minutes; seconded by Grant Hilton. Motion unanimously carried.
4. Finance and Audit Committee
 - A. October Financials - Treasurer Kevin Frederick presented the October 2016 financial statement. Kevin stated that October is the first month of the fiscal year with 72% of the billed assessments being paid in October. He also noted a large expense for a required QuickBooks fee was recorded in October and will be an annual expense due to a policy change made by QuickBooks. The Board acknowledged that the financial statements as presented to them by Kevin with no objections raised about the information provided.
 - B. Receivables/Assessment Correspondence - Per Kevin, receivables have gone up due to the new assessment billing on October 1, 2016 but the same few members remain past due.
 - C. Lien Requests - None
 - D. Collection Request - None
 - E. New Members List - The monthly list of new members was provided to the Board for review.
- S. September Staff Report

Presenting the September staff report, Suzan Scott mentioned attending a meeting with the BSCO, the Chamber and other community organizations to work on a solution for recycling in Big Sky. At this point, an agreement for a temporary site is in final negotiations and efforts for a permanent site is also being considered. Once details are finalized, the Board will be informed of the results. Suzan and Casey met with Mr. Delzer, our Madison County snowplow contractor to assess any snow plowing issues. Suzan stated that the BSOA has not received any complaints yet due to the change in snow plow contractors on Madison County roads. Suzan also reported that Casey is going to be part of the Big Sky Parks Planning Advisory Committee.

6. Chairman's Report

A. Old Business

- i. Little Coyote Bridge Subcommittee Report -Kevin Frederick provided a recap to the Board regarding the Little Coyote Bridge.
 - a. Little Coyote Bridge Replacement: The BSOA Bridge Subcommittee asked Morrison and Maierle for a cost comparison of a stand-alone pedestrian bridge the BSCO is proposing versus replacing the existing bridge that would include a pedestrian walkway. The comparison is to determine whether the delta between the two projects' cost estimates is too large to overcome. The Bridge Subcommittee and the BSCO will then schedule a meeting to review the Morrison and Maierle report and make recommendations to the each Board regarding the bridge project.
 - b. Funding:RID, Resort Tax, BSOA, BSCO - Funding for the new bridge is a major concern for the Subcommittee. After further research, it appears grant funding for a private bridge replacement is very limited. The Board was asked to give the Bridge Subcommittee any ideas they may have for bridge funding. The Resort Tax Board was mentioned as a possible funding source.
 - c. To Date Bridge Expense Report -The bridge expense report was included in the Board packet for review.
- ii. BSOA Ponds Subcommittee Report - Kevin Frederick presented the ponds update to the Board.
 - a. DNRC Application Update - Kevin stated the DNRC determination letter is in the review stage and the BSOA should receive the letter by the end of December 2016. After the public comment period, we should receive the final approval from the DNRC by the end of February 2017. The Ponds Subcommittee gave approval for Mike Rotar to proceed with the Army Corp of Engineers permit application.
 - b. To-Date Ponds Expense Report - Kevin presented to the Board the most recent Ponds expense worksheet
- iii. BSAC Board Appointees - Deborah McAtee joined the meeting at this time per a request from the Nominating Committee. The Nominating Committee also suggested a Board Retreat to discuss possible policies the BSOA may want to implement regarding procedures for Director's appointments to the various committees within the BSOA, as well as possible changes to Committee Charters. The Board agreed to a Retreat. Suzan will provide Directors with options for Retreat dates. Because the vote for the BSAC appointees was delayed at the October Board Meeting, Eric Ossorio announced that one candidate has asked his nomination to the BSAC committee be removed from consideration. Eric stated that three Directors remain interested in the two open Board appointed BSAC positions. During the discussion Kent Volosin asked what qualifications are necessary to be on the BSAC, stated that he feels being able to attend most of the meetings is a major consideration and suggested the idea of job sharing for a BSAC position. A few Directors shared concerns about job sharing because project approval takes several meetings to complete the process and project related issues can also re-surface at any time. It was felt the same Directors should consistently attend committee meetings, which provides for better and more informed decision making. Also, with the Retreat being scheduled some time

down the road, Deborah suggested a vote be taken during this Board Meeting for BSAC Board appointees. The choices were either Option 1, which proposes the current BSAC Board appointees remain on the Committee until after the Retreat when new nominating procedures can be adopted or, Option 2, which proposes a vote at this Board Meeting that would appoint 2 of the 3 Directors to the BSAC for the remainder of fiscal year 2017. Motion made by Barb Rooney to approve Option 1, which would continue with the current BSAC appointees retroactive to October 1, 2016 going forward to year end September 30, 2017; seconded by Sharon Douglas. Opening up for discussion, Grant suggested each Director confirm their desire to be on the BSAC and state why they want to be on the Committee. With that, the proposed appointees shared with the Board their qualifications and why it was important to them to be on the BSAC committee. Sharon Douglas presented first, then Gail Young and Grant Hilton went last. With no further discussion, Chairman Loomis asked for a vote. With four "yes" votes and five "no" votes the motion failed. Motion was then made by Gary Walton to reappoint Sharon Douglas and Grant Hilton to the BSAC from October 21, 2016 to December 2, 2016; seconded by Barb Rooney. Motion unanimously carried. Motion was then made by Gail Young to approve Option 2 submitted by the Nominating Committee with the appointees being in the position until the end of fiscal year 2017; seconded by Gary Walton. Opening up for discussion, Gary ask if there would be a second vote for two appointees to be on the Committee and the second vote was confirmed. Motion unanimously carried. The Board then agreed to hold a silent vote with Deborah facilitating the vote, supplying the ballots and tallying the votes. Receiving a majority vote, the tallied results were Gail Young and Grant Hilton. Motion made by Gary Walton that, per the vote, the Board will appoint Gail Young and Grant Hilton to the BSAC; seconded by Tohn Loomis. Motion passed with 7 "yes" votes and 2 "no" votes. On behalf of the Board, Grant Hilton thanked Sharon for her years of service to the BSAC.

B. New Business

- i. Nominating Procedures - John Loomis stated the Nominating Committee felt it would be helpful to have the facilitator, Deborah McAtee, assist in modifying the Committee procedures and Charters. Eric Ossorio explained that the Committee held a meeting on Tuesday, November 29th and meeting notes were included in the packet for Board review. Deborah stated that differences of opinion exists about current Nominating Committee procedures, i.e. BSAC appointees, which is why the Board agreed a Retreat should be scheduled. It was requested that Suzan provide Directors options for Retreat dates within the last 2 weeks of January 2017 to see what date works best for all Directors.

*****Deborah McAtee exited the meeting at 10:40 A.M.*****

- ii. Snowplow Request - Territorial Drive - This item was discussed at the beginning of the meeting with Mr. Richard Maus joining the discussion to add Territorial Drive to the list of BSOA plowed roads in Madison County. Linda Maus submitted a snow plow request to the BSOA on November 19, 2016 on behalf of the property owners, Gallatin Canyon Adventures, LLC. Casey presented the issue to the Board and stated

that an addendum could be added to the Delzer Diversified contract if approved. Motion made by Grant Hilton to approve the request to plow the .1 mile section of Territorial Road with a provision, that if the road is not paved by the end of Summer 2017, the Board can review the approval to determine if the snow plowing will continue; seconded by Gary Walton. Motion unanimously carried.

*****•-Mr. Maus exited the meeting at 9:20 A.M.

....., Kevin Frederick signed off the phone at 102 A.M.

iii. January Board Meeting - The Board members were asked if they would like to move the January Board Meeting from January 20th to January 13th. Motion made by Sharon Douglas to change the date of the January Board Meeting to January 13th; seconded by Gail Young. Motion failed. The next Board meeting will be January 20, 2017.

7. Committee Reports
 - A. Executive - None
 - B. Legal - None
 - C. Nominations - Per Eric, there was nothing further to report
 - D. BSCO - Barb Rooney reported that the BSCO is shifting to by-monthly Board Meetings. The BSCO is working on a second yurt in the Community Park this summer and also additional resrooms located near the yurt.
 - E. BSAC - Grant stated that an on-going construction foundation mishap is going to take time to resolve and there have also been a few compliance issues.
8. Other
9. Adjourn: Meeting adjourned by John Loomis at 11:24 A.M.

The next BSOA meeting will be January 20, 2017 at 9:00 A.M.



Eric Osborn