



BIG SKY OWNERS ASSOCIATION

Board of Director's Meeting Minutes – Friday, January 20 at 9:00 AM

Big Sky Owners Association Board of Directors met on Friday, January 20, 2023 at the Big Sky Owners Association office in Big Sky, Montana. Directors in attendance included Vice Chair Clay Lorinsky, Kenny Holtz, Maggie Good, Michelle Horning, and Walt Andrews. Directors in virtual attendance included Morgan Brooke and George Mueller. Staff members in attendance included Suzan Scott, Emma Lawler, and Kyle Pomerence; Emma Lawler recorded minutes. Al Malinowski attended virtually; Ron Edwards was in attendance representing Big Sky Water and Sewer District. Taylor Middleton and Brian Wheeler were in attendance.

1. Call to Order: Vice Chair Clay Lorinsky called to order at 9:00 AM.
2. Membership Forum: Taylor Middleton was present to request an update on two matters. Brian Wheeler was also in attendance to discuss several issues.

A. The BSOA Election Process: Big Sky Resort has not participated in the BSOA Board Elections for the last several years. Taylor Middleton has requested that anyone who is a BSOA member in good standing that wishes to be placed on the ballot be allowed to appear on the ballot. It was explained to Taylor that changes to the BSOA Board nominating process have not yet been made and would be up for discussion at the February Board Meeting.

B. Covenant Compliance: Taylor Middleton also discussed how BSOA staff can improve BSOA's ability to maintain property value and compliance. He requested that the BSOA improve on covenant enforcement. He mentioned a compliance issue regarding chipped paint on a home in BSOA jurisdiction, as well as discarded tires in the front yard of another property. Suzan Scott mentioned that recently a compliance manager was hired to carry out covenant compliance enforcement. It was reiterated that the BSOA is complaint driven and the two previously mentioned complaints would be addressed. Discussion ensued about implementing a change in the enforcement process. It was suggested that this issue be a line item on the FY 2024 strategic plan.

C. Cascade Subdivision: Brian Wheeler commended compliance manager, Sam Luedtke, on his work with a Cascade owner and the Resort in addressing the Rope Tow Joe issue. All parties are making progress towards a solution. Three different land surveys were conducted, and operation standards were addressed. Brian mentioned that the Rope Tow Joe issue, from Big Sky Resort's perspective, has revealed an overlying issue of Cascade owners not having their own association. He encouraged the BSOA Board to consider activating the Cascade



BIG SKY OWNERS ASSOCIATION

Owners Association, per the 2002 Cascade Covenants. He believes that owners in the Cascade subdivision feel like they don't have a voice to resolve acute issues in their neighborhood. It was noted that there is some precedent to follow through because Aspen Groves has their own association and board. It was recommended that BSOA's legal counsel look at the Cascade Covenants to determine BSOA's role in activating the Cascade Owners Association, if it chooses to do so. Discussion ensued about an effort by certain residents of Cascade to form an "Upper Cascade" owners sub-association in order to assist those residents with issues involved with their neighborhood. Suzan Scott will look into these matters and keep in touch with Brian Wheeler.

D. Water Rights for Evaporative Purposes - Little Coyote Pond Project: Brian reported that the conveyance of 7.14 acre-feet of water rights for Little Coyote Pond in exchange for a utility easement for a new water tank is a win-win for BSOA and the greater community. Both the Water & Sewer District and BSOA have their attorneys looking at the agreement for review in a timely manner. The water rights agreement will be up for discussion on the agenda for the next Board meeting. Both parties are hopeful that this agreement will be finalized, and the Pond Project can move forward.

3. Minutes: December 16 Board Meeting:

Motion made by Kenny Holtz to approve the December 16 Board Meeting Minutes with Maggie Good's corrections. Motion seconded by Walt Andrews. Motion passed unanimously.

4. Finance and Audit Committee:

A. Finance Agenda Items -

Settlement account: The Finance Committee met but did not achieve quorum. There was a recommendation to put the full \$150,000 from the Kilbourn settlement into a 3-month treasury bill account.

Motion made by Maggie Good to move the full \$150,000 from the Kilbourn settlement into a 3-month treasury bill. Motion seconded by Walt Andrews. Motion passed unanimously.

Late Assessment Policy: The finance committee was also tasked with creating an official policy regarding late notice after 15 months of not paying assessments, instead of 23 months, including a \$200 lien filing fee. This policy would clean up the process for late payments.



BIG SKY OWNERS ASSOCIATION

Motion made by Walt Andrews to give notice to accounts not paid after 15 months and accept the newly proposed assessment policy. Motion seconded by Maggie Good. Motion passed unanimously.

B. December Financials: Treasurer Kenny Holtz gave an update on December Financials. BSOA financials are in a strong position.

C. Receivables & Assessments: No further comment.

D. New Members List: No further comment.

5. Staff Report: Suzan Scott gave a summary regarding BSOA staff. Lisa Hoogenboom will move into the Architectural Review Manager position. The Communications and Outreach position is currently vacant. No further comment was made.

6. Chairmans Report

A. Old Business

i. Pond Project Updates

a. Water Rights: All parties involved in the conveyance of the water rights are working towards an agreement. Legal counsel is reviewing the language of the water rights agreement and will return the document with its comments.

ii. Benefit Big Sky Bylaws: The Legal Committee will need to review the BBS Bylaws and obtain BSOA Board approval. No further comment was made.

iii. Nominating Committee Recommendations

a. Board Candidates: There were two Board candidate recommendations to fill the vacant seat. Call to service forms were submitted from both members and they are both interested. The Nominating Committee will meet next week to discuss next steps.

b. BSOA Nominating Process: The Board will table this matter until the February Board meeting. Maggie Good will bring language changes to the Bylaws back to the Board for discussion.

iv. Boardroom TV/Camera/Zoom Proposal



BIG SKY OWNERS ASSOCIATION

Motion made by Maggie Good to approve staff spending up to \$7,500 on necessary upgrades to the Board room for video conferencing. Motion seconded by Michelle Horning.

Kenny Holtz amended the motion to include an additional TV and increase the budget to \$8200. Motion passed unanimously.

v. Unit C-C: Suzan is waiting to hear back from the owner. No further comment was made.

B. New Business

i. Rotary Club Donation:

Motion was made by Clay Lorinsky to approve the donation of two Lone Mountain Ranch Season Passes to the Rotary Club auction. Motion seconded by Maggie Good. Motion passed unanimously.

ii. Incorporation: Big Sky Local Governance, Inc. is a small group investigating different avenues for Big Sky to incorporate. The group is considering only the Gallatin County-side of Big Sky. It was agreed that as a major owners' association, BSOA should be involved in these conversations. Clay Lorinsky and Maggie Good agreed to sit in on those meetings as they become public.

7. Committee Reports

A. Executive Committee – No Meeting: *Individual Personnel Issues, Personnel Policy Manual Revisions*

B. Legal Committee – No Meeting: *BBS Bylaws, Settlements - Rainham is still in negotiation and done, in principle. The BSOA received \$150,000 from the Kilbourn settlement.*

C. Nominating Committee – No Meeting: *Board Candidates, Nominating Process*

D. BSAC – Meetings: 01/02/23 - *Yellowtail Project: There has been pushback from adjacent neighbors regarding aesthetics, viewshed, and increased traffic. A private meeting was held between the owners and developers of the project to address concerns. Property value was another concern among the owners. It was mentioned that it would be helpful to see the changes from the initial sketch plan to final review. The traffic study that was paid for by the developer indicated there would be 240 additional cars on the road per day. Project representative, Kenny Holtz, agreed to put \$50,000 in escrow to fund traffic mitigation efforts along Yellowtail Road. This could include BSAC's own*



BIG SKY OWNERS ASSOCIATION

traffic study. It was also mentioned that the old brewery in Meadow Village was purchased as a showroom for the Yellowtail Condos.

E. Ponds Subcommittee – Next Meeting: 1/27/23 – Dewatering, Construction Contract, Water Rights

F. Sustainability Subcommittee – Next meeting 1/31/23; TEDD Proposal for Moonlight Basin, Best Practices Document

G. BBS – Next Meeting: TBD – BBS Bylaws

H. Big Sky Post Office Subcommittee – No meeting: Al Malinowski is waiting to talk to the Kircher family about the new facility being built. The termination of lease for the current post office location still stands.

8. Other:

A. Next Board Meeting – Feb 17, 2023

9. Adjournment

Motion was made by Walt Andrews to adjourn the meeting. Motion seconded by Clay Lorinsky. Motion passed unanimously.

The meeting adjourned at 10:33 am.