



BIG SKY OWNERS ASSOCIATION

Board of Director's Meeting Minutes – Friday, May 17, 2024 – 9:00 AM

The Big Sky Owners Association Board of Directors met on Friday, May 17, 2024, at the Big Sky Owners Association office in Big Sky, Montana. Directors in attendance included Chair Clay Lorinsky, Vanessa McGuire, and Kenny Holtz. Directors attending virtually included Maggie Good and Michelle Horning. Staff members in attendance were Suzan Scott, Kyle Pomerence, Lisa Chase, and Emma Lawler. BSOA members in attendance included Heather Walker, Jan Weber, Ernie Chappell, Dave Bickerstaff, and Markus Kirchmayer.

1. Call to Order: Chair Clay Lorinsky called the meeting to order at 9:11 AM.
2. Membership Forum: BSOA member Markus Kirchmayer was in attendance to give a public comment regarding short-term rentals throughout BSOA jurisdiction. He raised concerns about the inequity that short-term rentals can create in the housing market for locals in the community and that short-term rental property owners are running their businesses in residential neighborhoods where commercial activity is not permitted to occur due to zoning. He encouraged the BSOA Board to form an ad hoc committee to study the impact of short-term rentals on the community. The subject will be on the agenda for the June Board meeting.
3. April 19 Meeting Minutes:

Motion made by Kenny Holtz to approve the April meeting minutes with small changes that were sent to staff; seconded by Michelle Horning. Motion passed unanimously.

4. Finance and Audit Committee
 - A. April Financials: The BSOA's financials are in good standing. Cash accounts earning interest are doing well and expenses from the pond project will be wrapping up in the current fiscal year.

Motion made by Kenny Holtz to accept the April financial report; seconded by Vanessa McGuire. Motion passed unanimously.

- B. Receivables and Assessments: No further comment was made.
- C. New Members List: No further comment was made.
- D. Audit/990: Dane Hancock with Rudd & Company reported on the audit, which came back clean. Mr. Hancock will issue a management letter and another letter for internal controls. There was a question about Benefit Big Sky's 990, which is a separate 990 and had already been filed.



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Motion made by Maggie Good to approve the audit; seconded by Kenny Holtz; Motion passed unanimously.

Motion made by Maggie Good to accept the 990; seconded by Kenny Holtz. Motion passed unanimously.

5. Staff Report - April/May: No comments were made on the staff report.
6. Chairman's Report
 - A. Old Business
 - i. Pond Project Updates:
 - a. P&S Cost Estimate: Kenny Holtz and Kyle Pomerence updated the project's funding cost schedule and went over all funding sources and uses. Staff and the sub-committee are coordinating with Mace Mangold, of WGM Group and Alex Fox, with Pond & Stream Consulting, to complete the first phase of the project and move into the second phase for the construction of amenities. Because of the 1,500 cubic yards of excess dredge material hauled off site, there will be a slight cost overrun for this budgeted item; however, the subcommittee is satisfied with the current budget. The immediate goal is to clean up the northern side of the property, including the gravel trail, fixed dock, final grading, and revegetation as part of the first phase. It was mentioned that there would be some overlap in scope and costs from the initial cost estimate into phase two, the amenities construction.
 - b. Secure Structural Engineer and Contractor: Construction of the perimeter trail and fixed dock can be completed while the subcommittee solidifies an engineering plan for the vendor structure and parking lot. The subcommittee requests approval of \$110,000 to move ahead with work on the trail, dock, engineering costs for the foundation of the structure, bearproof trash enclosure, and general pond maintenance for Summer 2024. It was also discussed that the donor for the 'boat house' has not yet contributed to the building. If they do not contribute, the cost difference for the 'boat house' will become part of the fundraising effort at the hard launch on July 4th weekend.

Motion made by Maggie Good to authorize the Pond Sub-Committee up to \$110,000 to move forward with the rest of Phase 1 of the pond's construction, including summer 2024 pond maintenance, engineering costs for the foundation, a bear-proof trash can, gravel trail, and dock installation; seconded by Kenny Holtz. Motion passed unanimously.



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- ii. Benefit Big Sky (BBS) Updates
 - a. Fundraising Efforts
 - i. Sign Installed, BSOA Expense: The sign at the pond construction site was paid for by the BSOA. The cost incurred for installation will be paid for by BBS funds.
 - ii. Rehire of COaD: A potential candidate for the Communications, Outreach, & Development position could potentially start on May 28th.
 - iii. Traffic Mitigation Efforts Updates
 - a. LC Road Speed Tables
 - i. Funding – EC Special Assessment: The Executive Committee (EC) recommended that a special assessment be applied to the full membership to cover the construction costs for the speed tables, assuming the approval of full Resort Tax funding and receiving LCSTG and membership donations. A fundraising letter was sent out to the residents who are most impacted by traffic on their road, including Little Coyote Road (LCR) and Sweetgrass Hills residents. It was suggested that the Board should actively plan to study traffic calming efforts across the entire BSOA jurisdiction as the special assessment could set a precedent for other neighborhoods. The position of the EC is that the project will not move forward if the project is not awarded full Resort Tax funding and donations to cover the shortfall.

Motion made by Maggie Good to approve moving forward with a special assessment of 5% of the operating budget to fund the LCR speed tables project, contingent upon full Resort Tax funding and \$10,000 to \$15,000 in donations from Little Coyote and SGH residents towards the project; seconded by Clay Lorinsky. Four in favor and one opposed. Motion carried.

- ii. Timberline Contract: As presented in the Board Packet, the lowest bid for three speed tables on Little Coyote Road was submitted by Timberline last spring, who is willing to do the work this summer.

Motion made by Kenny Holtz to move forward with the Timberline bid and as the contractor, subject to Legal Committee review and kill fee built into the contract; seconded by Vanessa McGuire. Motion passed unanimously.



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- iv. Strategic Planning & Membership Survey Results Update: The results from the 2025 membership survey was discussed. Although traffic safety ranked high as a concern in the open-ended survey answers, the total percentage of responses for this category was 15%. The Strategic Planning Sub-Committee analyzed the survey results to help guide special projects for the fiscal year 2025. There were no further comments on the proposed plan.

Motion made by Clay Lorinsky to approve the FY 2025 Strategic Plan and send the approved plan to Finance Committee to finalize the FY 2025 budget; seconded by Kenny Holtz. Motion passed unanimously.

- v. M-M Contract for Bridge Assessments and RID Amendment: There were no further comments on the contract to hire Morrison Marile to assess the bridges in Meadow Village and the feasibility of an amendment to the current RID for bridge repairs.

Motion made by Kenny Holtz to approve both contracts, contingent upon review and approval by the Legal Committee; seconded by Clay Lorinsky. Motion passed unanimously.

- vi. Old Joe Rope Tow – Boyne Response Letter: A letter was sent to Big Sky Resort regarding the rope tow in Cascade. A response letter was recently sent to the BSOA and presented in the Board Packet. A suggestion was made to obtain outside legal counsel to determine the BSOA's role in this issue, as there is a disagreement about which entity is responsible for bringing Old Joe Rope Tow back into service. The rope tow is not included in the Cascade covenants. The owners and their legal counsel are willing to work with the BSOA and Big Sky Resort to find a resolution. Staff will send attorney Dave Weaver the two letters from Big Sky Resort and the BSOA to determine obligation, accuracy, and the general easement for the benefit of the Cascade membership. Maggie Good will draft a letter to send to the Cascade owners to provide them with an update on this issue.

Motion made by Vanessa McGuire to send both letters to BSOA's attorney Dave Weaver for an outside legal opinion; seconded by Kenny Holtz. Motion passed unanimously.

- vii. Snowplowing Bid for Evergreen Road: A bid came in to switch snowplow contractors over to the responsibility of Hammond Property Management for a section in Hidden Village, since they are not dues paying members and



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currently benefitting from BSOA's current snowplow contract. There is still a need for Hidden Village to confirm they will contribute.

Motion made by Kenny Holtz to approve the snowplow agreement on Evergreen Road; seconded by Vanessa McGuire. Motion passes unanimously.

- B. New Business
 - i. D&O Insurance Renewal: No further comment or action was made.
- 7. Standing Committee Reports
 - A. Executive Committee – *Meeting – 05/03/24*: No further comment was made.
 - B. Legal Committee – *Meeting – 04/26/24: Rainham*: The design regulations in their subdivision will be similar to the BSAC's. Both parties are working towards a resolution. *Kilbourne Compliance*: the court has ruled that the BSOA is entitled to seek enforcement of the previous settlement agreement. *Docs Vs BSOA*: the owners will have thirty days to get the property back into compliance. *Jurisdiction Issues*.
 - C. Nominating Committee – *Meeting – 5/21/24*: The filing period closes May 20th. Staff will send a reminder to members regarding the filing period deadline. Depending upon the number of candidates who have filed, the NC will inquire with other potential candidates to be on the ballot in July.
 - D. BSAC – *Meetings – 05/02/24; 05/16/24: Changing Cascade Covenant*: it was determined that Madison County regulation on a plat change trumps any covenant in the BSOA. *Wood burning Outdoor Firepits*: BSAC did approve an open fire pit, but staff will research further on a ban on outdoor wood burning firepits as it relates to wildfire risk in Big Sky.
 - E. Ponds Subcommittee – *Meetings – 04/30/24, 05/14/24*: No further comment was made.
 - F. Wellness District – *No Meeting*: The Wellness District Coalition filed for litigation. It was determined that it is not the court clerk's purview to determine the viability of signatures, so there will be legal action taken against the County to determine the validity of the signatures collected.
 - G. Benefit Big Sky (BBS) – *No Meeting: Speed Table Fundraising, MLB Grant Letter, Naming Rights*. No other comment was made.

Next Board Meeting – June 21st

8. Adjourn: Meeting adjourned at 11:28 AM

George Mueller, Secretary