



BIG SKY OWNERS ASSOCIATION

Board of Director's Meeting Minutes - July 21, 2017

Big Sky Owners Association Board of Directors met on Friday, July 21st, 2017 at 9:00 am at the Big Sky Owners Association office in Big Sky, Montana. Directors in attendance included: John Loomis, Eric Ossorio, Gail Young, Maggie Good, Barb Rooney, Sharon Douglas. On the phone: Kevin Frederick, Gary Walton, Grant Hilton. Suzan Scott and Steve Anderson represented staff. Paula Alexander was present to record minutes. BSOA attorney Jennifer Farve was also present.

1. Call to Order: John Loomis called the meeting to order at 9:00 am.
2. Membership Forum: Members Present -- Al Malinowski, Michelle Frederick, Trever McSpadden, Jerry Scott, Sandra Brown, Brian Wheeler, Stacy Ossorio, Kate Scott, Jackie Gillespie, Terry O'Neill, Stewart Park, Mary Ann Park, Steve Johnson, Ben Reade

Amended Motion:

Motion initially made by Sharon Douglas to allow members to speak for 3-4 minutes, amended by Maggie Good to allow individual members to speak for three minutes maximum; seconded by Barb Rooney); seconded by Sharon Douglas. Motion carried unanimously.

Member Kate Scott asked if she will be on the ballot and noted her BSAC experience and that she is a member in good standing. Member Al Malinowski questioned the nominating process and felt that qualified members should be free to run for a BSAC position. Member Trever McSpadden questioned the makeup of the BSAC committee. Jerry Scott believed the recommendation of the nominating committee was in breach of the bylaws and felt that several directors should recuse themselves from voting. Member/Chair of BSAC Brian Wheeler spoke about the rights and responsibilities of BSOA Board and the need for accountability. Member/BSAC member Stacy Ossorio denied any conflict of interest or collusion that some members may perceive exist. It was suggested that members review the BSOA conflict of interest policy.

Membership Forum was closed. No further comments from the Membership.

3. May 19th & June 1st Minutes: Minutes from May 19th, 2017 were revised by Staff.

Motion made by John Loomis to approve the revised May 19th, 2017 Minutes; seconded by Barb Rooney. Motion carried unanimously.

Motion made by Gail Young to make a change in June 1st, 2017 Minutes on page 8 from "future Resort Tax asks" to "future Resort Tax Board applications"; seconded by Eric Ossorio. Motion carried unanimously.

4. Finance and Audit Committee
 - A. May and June Financials - New reserves have not yet been established. Page 17 shows budget versus actual. All expenses were under budget. A discrepancy in design review fees was announced, which Staff will research and report back. Re: Traffic Calming Study – An additional quote was submitted for a traffic camera that would show deviation from normal traffic patterns and capture as much information as possible.

Motion made by John Loomis to approve increase in budget of \$3025 for traffic study to \$4090 to include the traffic camera; seconded by Maggie Good. Motion carried unanimously.

- B. Receivables/Assessment Correspondence - None
- C. Lien request: None
- D. Collection Request: None
- E. Reallocate Funds to Restricted/Reserve Accts.: None
- F. New Members List: None

5. May and June Staff Reports – Reviewed and discussed.

6. Chairman’s Report

- A. Old Business

- i. BSOA Ponds Subcommittee Report
 - a. DNRC Application Update – It was reported that BSOA is still waiting on DNRC’s letter of preliminary determination
- ii. Little Coyote Corridor Committee
 - a. BSOA Committee Representatives – Suzan reminded the Board that with their approval of the Joint Committee Charter, the Board should now nominate two BSOA representatives to serve on the Joint Committee. Suzan also asked that if any Directors were interested, that they fill out a call to service form and submit the form back to her for the consideration of the Nominating Committee.
- iii. Annual Meeting Ballot Packet Update
 - a. BSOA & BSAC Candidate Update – Nominating Committee Chair, Eric Ossorio summarized the process the committee took to make their recommendations. In short, the Nominating Committee was empowered by the Board to come up with a slate for open positions on BSOA Board and BSAC. The committee then met to discuss contenders for open positions using a set of criteria, Committee rotation vs. the number of new incoming Committee members and consideration of the submitted call-to-service forms. In regard to the BSAC candidates, the committee felt two candidates had SOME of the qualifications but were not AS

qualified as the two incumbents and recognized that there were already two new members to the Committee. Maggie Good asked if who goes on the ballot has ever been an issue before. The response was that there generally not many people interested in being a candidate. It was also questioned why the Board has not appointed more members-at-large onto the Nominating Committee.

Motion made by Gail Young to have the following four names on the Board of Directors' ballot: Michelle Frederick, Maggie Good, Eric Ossorio, Gail Young and the following two names on the BSAC ballot: Kate Scott, Gary Walton; seconded by Maggie Good. Motion carried. Gary Walton abstained. Eric Ossorio abstained. John Loomis abstained.
Motion made by Sharon Douglas for the Board to go into executive session to discuss legal opinions from our attorney; seconded by Barb Rooney. Motion carried.

Executive session adjourned. Board Meeting resumed at 10:55 am.

- b. Directors Term Limits Update – Suzan reported that the Term Limits language was first sent to the Legal Committee and then vetted by our attorney.
- c. Election Ballot – Not yet finalized
- d. Meeting Presentations – Big Sky Resort, WSD, Town Center and BSCO will be presenting, along with the presentation of the BSOA financials
- e. Community Interest Tables, Invitees – Have not heard back from all invitees. Staff will continue to be proactive on this.

B. New Business

- i. New Project Proposal: Crail Canyon Loop – Denise Wade from LMR presented a proposed project that would create a loop on BSOA open space at Crail Canyon for hikers and bicycles, horseback, and cross-country skiers (no dirt bikes) and detour folks from the private limited-use easement above Crail Canyon. The trail would be on BSOA property only. LMR would build and maintain the single pass trail. Suzan noted that other projects would need to be considered before this proposal was acted upon: i.e., MV parking alternatives, parking restrictions, Little Coyote traffic calming study.

Motion made by Barb Rooney to continue further dialog with Lone Mountain Ranch for a loop trail up and back Crail Canyon on BSOA property; seconded by Sharon Douglas. Motion unanimously carried.

- ii. LMR 2018 Season Pass Agreement & Pricing - BSOA contributes \$50,000 per season in three installments. Fee was last raised in 2008/09 by \$10,000. Price of passes at LMR are going to increase, (see page 48/49 of board packet) this coming year that includes a \$1.50 processing fee. LMR therefore proposed an increase in BSOA's contribution. Directors expressed concern that members were not being sold passes at the Ranch. Denise asked to receive the membership list earlier and also to update the list in the middle of the season to help alleviate some of the problem.

Motion made by Barb Rooney to approve Option 2 as proposed on page 48/49 of Board Packet that would increase the annual flat rate contribution from \$50,000 to \$52,000 and increase the processing fee by 10%; seconded by Gail Young. Motion carried unanimously.

7. Committee Reports

- A. Executive Committee - None
- B. Legal Committee - *Review: Term Limits* - With the approval from the Board, staff drew up the Bylaws amendment and sent to legal and attorney to fine tune the language presented in ballot packet.

Motion made by John Loomis to approve term limits language for the Ballot Packet; seconded by Eric Ossorio. Motion carried.

- C. Nominations Committee - *June NC Meeting, Board Vote for NC Recommendations*
 - D. BSCO - A mountain bike road will be built next year. Master parks draft is being circulated around town re: parks in Big Sky. Beehive Basin buy/sell has been signed. Bridger Park tree fort is under construction and will be done in September. Signage on Andesite is going up for "Mountain to Meadow" for bikers and drivers. Barb reported that in a letter submitted to the Board, Ciara has asked why the BSOA FY 2018 funding to BSCO was reduced per the May Board Meeting. Suzan had an earlier conversation with Ciara about this but it was also suggested that a letter be written expressing our Board's appreciation for BSCO but sending regrets that BSOA is not able to maintain the same funding as in FY 2017.
 - E. BSAC - Committee has had very full agendas. There has been a record breaking number of projects for the July 12 meeting. New build is a 50/50 split of traditional versus contemporary, but all approved projects are compatible with the neighborhood. There are a few compliance issues. There is one lawsuit pending between two BSOA members.
8. Other - Next Board Meeting: It was suggested that Suzan send out a quorum check for a meeting in either August or September 1. The review of potential Annual Meeting Q & A questions will be discussed during the next Board Meeting.

Property Tax Appeals – Madison County Appraisals are going up significantly and the period to appeal ends August 3rd. Suzan will draft up an article for the newsletter notifying members as such.

Meeting was adjourned at 12:33 pm.

Eric Ossorio, Secretary