



BIG SKY OWNERS ASSOCIATION

Board of Director's Meeting Minutes - Friday, November 20th, 2020 - 9AM

Big Sky Owners Association Board of Directors met on Friday, November 20, 2020 at the Big Sky Owners Association office in Big Sky, Montana. Directors in virtual attendance included: Eric Ossorio, Gary Walton, Grant Hilton, John Stowe, John Gladstein, Maggie Good, Kevin Daily, Philip Chadwell. Suzan Scott, Kathy Brown and Tammy Estensen represented staff. Amy San Nicolas was present to record minutes.

Laura Seyfang, of Big Sky Community Housing Trust, was on the call to represent Meadowview Subdivision's request to snowplow Arapahoe Trail. Rumsey Young and John Leeper represented the Advisory Committee.

1. Membership Forum: None.
2. Call to Order: Chair Eric Ossorio called the meeting to order at 9:10 AM
3. Minutes: October 16, 2020 Board Meeting: Maggie sent edits via email to staff

Motion made by Gary Walton to approve the minutes with the emailed typographical edits incorporated; seconded by Maggie Good. Motion passes unanimously

4. Finance and Audit Committee:
 - A. Audit/Performance Deposit (PD) Project Update - Treasurer Maggie Good reported that the PD Project is almost complete.
 - i. CPA Contract Work: Maggie Good reported a meeting with Rich Lindell was held to review the PD issues and adjustments to be made, there will be an approximate \$70,000 positive impact from PD to the balance sheet and a \$15,000 reserve will be set up for PD's not reconciled, that may yet be requested for return. Also reported was that Lindell's work will come in under budget, however together with the proposed cost of the FY 2020 audit and 990, audit expenditures for the year will be at budget.
 - ii. Auditor Contract: Suzan Scott reported that a contract agreement with the new auditor to complete the FY 2019 and 2020 audits and 990s has been finalized. Proposed audit and 990 costs for both years are within the budgeted amounts.
 - B. October Financial Statements - Treasurer Good reported that a handful of correction entries remain on the balance sheet before everything is accurately presented. There was discussion about the snow maintenance costs on the Actual vs. Budget statement.
 - C. Lien Request - NA
 - D. Receivables & Assessments - Treasurer Good reported that assessment collections are less than in past years, which could be due to the



pandemic. Staff reported some assessments still need to be processed, much of which are ACHs.

E. New Members List – No discussion required.

5. Staff Report: October-November, 2020 – Suzan Scott provided a brief summary of the report. The Legal Committee was asked to review Section 3.2.2 in the Bylaws as it relates to the proposed Employee Housing project.
6. Chairman’s Report:
 - A. Old Business –
 - i. Project Updates:
 - a. Little Coyote (LC) Traffic Safety – Kevin Daily reported that Levi Elon of the GalCo Transportation/Road and Bridge department seemed to support speed tables on Little Coyote Rd., stated there is a variance in place for a variety of reasons/situations and speed tables are most likely the best option given other traffic calming measures are not possible due to LC Rd. being so narrow. It was noted that BSOA submitted all the related materials for the variance request and the issue will likely be presented to County Commissioners at the January meeting. It was recommended that residences of Little Coyote Rd. as well as Eric Ossorio, BSOA Chair, should attend (virtually) the meeting to show support for the project. Levi felt a signed petition was not necessary at this point, there was discussion about additional support letters and an updated letter from BSOA and BSCO, however no action was needed yet.
 - b. MadCo Emergency Egress – nothing new to report
 - c. Ponds Project – As presented, Suzan Scott reported high support from the membership for the Ponds Project based on March’s survey results, mentioned that if the Board wished to move forward with the project, there is need to request Resort Tax funding, renew FWP’s grants, seek additional grant funds, get updated project cost estimates, finalize designs and complete the permit process. It was agreed that project costs would have inflated considerably, that costs estimates should be requested for review of the Subcommittee and a recommendation from the Subcommittee be made to the Board.
 - ii. Design Regulations Revisions Update: In October, the Board asked the LC to review the BSAC recommended revisions prior to Board review. The LC, however, did not feel comfortable to adequately review and make recommendations on the proposed



revisions. Therefore, the LC recommended hiring a local, professional GalCo consultant to review them, asked that the Board allow the LC to hire a consultant and provide a budget cap for the hire. Mentioned was that Grant had asked Trevor McSpadden, John Seelye and Stacy Ossorio to be on the Subcommittee, also a Board request at the October meeting. There was some discussion about potential conflicts of interest regarding a proposed Subcommittee member and recognition that the BSOA Conflict of Interest Resolution dictates who should serve on a Committee.

Motion made by Maggie Good to allow the LC to hire a professional consultant to review the proposed commercial DR revisions with a budget up to \$5,000; seconded by Grant Hilton. Motion passed unanimously.

Motion made by Grant Hilton to assign John Seelye, Stacy Ossorio, and Trevor McSpadden to the DR revisions subcommittee, with Grant Hilton as the Chair; seconded by Maggie Good. Motion failed with seven opposed and one Director who abstained.

Grant Hilton amended the motion to assign John Seelye, Stacy Ossorio, and Trevor McSpadden, with Grant Hilton as the Chair, to the DR revisions subcommittee to specifically focus on residential sections of the DR. Motion failed for lack of a second.

Motion made by Grant Hilton to assign John Seelye, Stacy Ossorio, and Maggie Good to the DR revisions subcommittee, with Grant Hilton as the Chair; seconded by John Gladstein. Motion passed unanimously.

- iii. Meadowview Snowplow Request: In October, the Board asked the Legal Committee (LC) to review this issue and come back with a recommendation to the Board. After meeting, the LC recommended the Board not accept the request to snowplow Arapaho Trail. The Board reviewed the quotes, confirmed that the LC did review the option to make a charitable contribute, and acknowledged the Board would determine whether or not a charitable donation is made. It was noted that if Arapaho Trail was extended to be a true through street for full public use, the snowplow request could be revisited.

Motion made by Gary Walton to accept the LC's recommendation to deny the request to snowplow Arapaho Trail; seconded by John Gladstein. Motion passed unanimously.

Motion made by Maggie Good to make a one-time exception to the Board's previous motion to not make any charitable donations this fiscal year and give Big Sky Community Housing Trust a \$5000 charitable donation to support the snowplowing of Arapaho Trail for the 2020-2021 winter season; seconded by Grant Hilton. Motion passed unanimously.



Grant Hilton suggested that BSCHT consider rentals for lesser skilled workers for BSCHT's next housing development in Big Sky.

- iv. Employee Housing Update: The Board reviewed Grant Hilton's analysis and model for purchasing employee housing, the investment potential and how it may relate to employee expenses and retention; acknowledged the recommendation to purchase a studio or single bedroom condo, spend up to \$350,000 for the purchase and that funding for the purchase would come out of BSOA reserves. The state of the market was discussed, whether it's a good time to buy and the greater challenge is more likely availability instead of marketability. Potential HOA dues/fees associated with a property were evaluated, which employee/position the housing would be offered and whether employee housing would be attractive to potential BSOA employees. The LC was asked to ensure Bylaws requirements permit the purchase, that \$150-170 was needed to file the LLC paperwork and a name was to be chosen. It was suggested that an employee be offered subsidized rent, if for some reason the Association had to wait on the purchase.

Motion made by Grant Hilton to authorize the LC to form an LLC for employee housing with the name BSOA Employee Housing LLC or another name determined by LC; seconded by John Gladstein. Motion passed unanimously.

Motion made by Grant that the LC review the Bylaws, Section 3.2.2 to determine the Association can enter into a housing contract, then a subcommittee comprised of Eric Ossorio as Chair, Suzan Scott and one other Director be authorized enter into a purchase agreement for a studio/single bedroom condo up to \$350,000, financed with 20% down payment, to be held by the LLC as the owner of record; seconded by Gary. Motion passed unanimously.

B. New Business -

- i. New Server, Laptop Computer: A memo detailing office IT inventory, office IT needs, and an Executive Committee (EC) recommendation for a new server and a laptop was presented. It was noted that our IT firm recommended a new in-house server as opposed to using the Cloud, given the proprietary and membership information kept. Also, a reserve fund is in place to pay for the server replacement and a new laptop would be used by the front desk position to allow for remote work. The EC recommendation included \$5,000 for the new server and \$750 for the purchase of a laptop computer.



Motion made by John Gladstein to authorize up to \$750 for the purchase of a mobile laptop for the front desk position and \$5,000 from the IT reserves for the purchase of a new server; seconded by Grant. Motion passed unanimously.

- ii. Advisory Committee (AC) – Future Projects: It was suggested that the Board think about new projects for the Committee for the coming year and that Tammy Estensen will be assigned to staff the Committee. AC Chair, Rumsey Young commended the Board on their work and reported that the two projects currently on the Committee’s docket are still ongoing and might be indefinitely. More than ever, the recent fire put MadCo emergency egress at the forefront of the Committee’s mind and the need to push this issue with Madison County. Young requested the Board provide Board meeting minutes to the AC Chair, although the minutes would be in draft form. Staff suggested the minutes be reviewed by the Secretary, marked draft, and then be sent to only the AC Chair. Staff recommended that the Strategic Planning Subcommittee meet, review the Board approved projects, then determine and recommend to the Board which projects the AC could assist with, all prior to the next AC meeting.

7. Committee Reports:

- A. Executive Committee – Meeting: 11/19/20 – Front Desk, COVID Office Protocol: No further discussion required. EC Chair report was included in packet.
- B. Legal Committee – Meeting 10/23/20, 11/13/20, 11/19/20: No further discussion required; minutes were included in the Board packet.
- C. Nominating Committee – No meeting
- D. Strategic Planning Subcommittee – No Meeting
- E. BSAC - Meeting: 11/05/20, 11/19/20: It was noted that the Committee is more strictly following guidelines with regard to Review Fees and are not waiving these fees unless determined appropriate by those guidelines.
- F. BSOA Advisory Committee – No Meeting; nothing new to report. However, the next step for emergency egress is to create a community coalition of key players in Big Sky and ask that someone in Big Sky locally take the lead on this issue. Staff was asked to check with MadCo about any funds allocated or added to its budget for FY 2021 and 2022 for the survey and repair of the first half of Jack Creek Road.
- G. BSCO Trails – It was reported that the Poop Shoot Trail easement is almost in place. Boyne and BSCO will be building a pedestrian pathway from the end of the Andesite Road to the Resort area. Andesite Road will be repaved, including a bike lane. The AGOA has petitioned to slow down traffic on Andesite, which is related to bike traffic from the Poop



shoot. and it was suggested that BSOA weigh in to support a reduction of speed on this road.

Motion made by Gary Walton to support the speed limit reduction on Andesite Road that AG and BSCO are supporting; seconded by John Gladstein. Motion passed unanimously.

H. Ponds Subcommittee - No Meeting

8. Other: Conflict of Interest (COI) forms will be sent out to all Directors and Committee volunteers, along with the revised COI policy. Administrative documents are also forthcoming as well as the newly amended Bylaws. Staff was asked to follow up with Morrison Maierle about the road maintenance in Meadow Village.
9. Adjourn: with nothing further to discuss, the meeting was adjourned at 12:02 PM.

Attendance Summary: accept as otherwise noted, all directors were in attendance for the duration of the meeting.

Gary Walton, Secretary