



## BIG SKY COMMUNITY CORPORATION

### Board of Director's Meeting Minutes September 26, 2008

Big Sky Community Corporation Board of Directors met September 26, 2008 at 1:00 p.m. at the BSOA office in Big Sky. Directors in attendance included: Kevin Frederick (via telephone), John Leeper, Clare Nixon, Leslie Piercy, Jamy Patterson, Trever McSpadden and Jon Ayres. Eric Ladd was not able to be in attendance. Al Lockwood (Historic Crail Ranch) represented the Historic Crail Ranch program in attendance. Mary Jane McGarity (also Executive Director of the BSCC), Mindy Nowakowski, and Krista Mach represented BSOA staff.

**1. Community Forum:** The community was offered the opportunity to comment during the community forum. There was no comment from the community.

#### **2. Call to order**

Since Kevin Frederick was in attendance via telephone, he requested that John Leeper (Vice Chair) chair the meeting. John Leeper called the meeting to order at 1:04 PM.

#### **3. Review July 25, 2008 Minutes**

Trever McSpadden made a motion to ratify the approval of the minutes done by e-mail of the July 25, 2008 minutes, seconded by Leslie Piercy. Motion unanimously carried.

#### **4. Financials**

**4a. July/August Reports-** Mary Jane reported on the financials. Mary Jane reported that the auditors were here in early September and there were some changes to the statement of condition on the equity side, splitting out the categories and putting various park and trails assets (such as bridges and playground equipment) under restricted assets. Jon Ayres pointed out that it appeared there was a table miscalculation in the formula, which he indicated to Krista. John Leeper inquired about the charge on the credit card related to the Everlands event. Mary Jane responded it was for printing, invitations, and displays for the auction.

Motion by Leslie Piercy to accept the un-audited July and August financials as presented: Jon Ayres seconded the motion. Motion unanimously carried.

**4b. Audit Report-** Mary Jane reported that the auditors were here at the beginning of September and she expects a draft report by end of October.

#### **4c. Development/Donations-**

**i. Taste of Big Sky-** Mary Jane reported that this was a great awareness event and it also made ~\$200.

**ii. Raitt Tailgate '08-** Mary Jane reported that this was a successful event and the accounting is still being completed, but it is anticipated that the event raised ~\$30,000.

iii. **Young Dubliners-** Mary Jane reported that even with the softball teams buying tickets that revenues will probably not exceed the \$15,000 threshold set by the Resort Tax District, so money was raised on this event

iv. **Annual Appeal Mailing-** Mary Jane reported that the annual appeal letter and park booklet will be mailed out once a final audit report is completed so that it can be included.

4d. **Grants-** Mary Jane reported that the BSCC did not receive the Bozeman Deaconess grant, and she is still waiting to hear back from the THIP- MT Department of Commerce grant, which should be next month. Mary Jane reported that she continues to work on other grants to be submitted.

**4e. Expenses/Funding Requests-**

i. **Disc Golf-** Mary Jane reported that back in July the Board authorized money to be spent on the disc golf course if approved by Water & Sewer District to put the course on their property. The Water & Sewer District approved this at their September 22, 2008 board meeting with the caveat that BSCC name the Water & Sewer District as an additional insured.

Jon Ayres made a motion to authorize up to \$3,000 to be used to purchase 5 Disc Golf baskets and to authorize the BSCC to enter into a one year use agreement with the Water & Sewer District to put the course on their property and name them as an additional insured, seconded by Trever McSpadden.

Discussion: Trever McSpadden wanted to make sure the BSCC had something in writing with the Water & Sewer District. Jon Ayres inquired if the group who proposed the course has any matching finances or has been volunteering for BSCC, and Mary Jane responded that their group has been volunteering for different BSCC activities.

Motion unanimously carried.

5. **Chairman's Report-** John Leeper deferred to Kevin Frederick, Kevin reported that he has been working with staff regarding the land swap of the lands from BSCC to BSOA (Tracts B, C, D, E & F of Sweetgrass Hills and Tract C of Meadow Village Subdivisions).

5a. **Subdivision Tract Transfer to BSOA-** Mindy handed out the memo from the auditors (AZ) and the legal opinion from outside counsel with regard to the transfer of the greenbelt tracts (B, C, D, E & F) in Sweetgrass Hills and the open space tract (Tract C) in Meadow Village. It was the opinion of the auditors and outside counsel that: the land was originally transferred under the incorrect assumption that lands held by the BSCC would be exempt from real property taxes; that BSCC did not pay any consideration for these lands to the BSOA; that there may have been no formal approval of the transfer of these lands from BSOA to BSCC; and since the transfer the BSOA and BSCC Boards and management have determined that since those lands are for the respective subdivisions that they should have remained with the BSOA as the association for Meadow Village and Sweetgrass Hills; and

) that it was determined those lands should be transferred back from the BSCC to the BSOA without consideration being paid by the BSOA. Mindy reported that in its meeting earlier this morning the BSOA made a motion to accept the lands back by deed from the BSCC without consideration being paid by the BSOA.

Motion by Clare Nixon that on advice of outside counsel and the auditors (AZ) to deed back by warranty deed Tracts B, C, D, E and F of Sweetgrass Hills Subdivision and Tract C of Meadow Village Subdivision from the Big Sky Community Corporation to the Big Sky Owners Association, Inc. without the Big Sky Owners Association, Inc. paying any consideration for the tracts, seconded by Jarry Patterson.

Discussion: Trever McSpadden asked if there still would be a service agreement between the BSCC and the BSOA for office space and staffing. Mary Jane responded that yes there still would be an agreement and that agreement is getting finalized for Board review. Kevin Frederick asked for clarification if this was a neutral transaction, Mindy responded yes it was because the assets had never been booked on BSCC's books. Jon Ayres inquired on the length of the service agreement. Mary Jane responded it is anticipated to be ~3 years.

Motion unanimously carried.

) **5b. Staff Activity-** Mary Jane reviewed the staff report that was included in the Board packet and pertinent BSCC activities: re-appraisal from the Montana Department of Revenue resulting in a reduction of real property taxes for the Big Sky Community Park; approval for the Disc Golf course on Water Sewer District land; and a report that the annual appeal letter will be going out this fall.

**5c. Easements for WSD-** Mindy presented an overview of the history and current situation, that the Water & Sewer District (WSD) does not have a recorded legal access to its treatment plant and the associated water lines through the Big Sky Community Park to access its plant on Tract A of COS 2216 and its Tract 1 of COS 2364. Mindy reported that staff has been in discussion with the Ron Edwards of the WSD for almost a year and a half and a draft access easement was drafted and sent to the WSD and its counsel Susan Swimley on August 26, 2008, with no response to date. Mindy reported that the water line/utility easement will be a separate document that she is in the process of drafting. Mindy requested a motion from the Board to authorizing her to work directly with the WSD board (including their attorney) and to continue to move forward on negotiating an access easement and separate utility easement.

Trever McSpadden made a motion to authorize Mindy Nowakowski to work directly with the Water & Sewer District Board, as well as, their attorney and to continue to move forward on negotiating an access easement and separate utility easement, seconded by Kevin Frederick. Motion unanimously carried.

) Mindy also reported that the Big Sky Search and Rescue who is trying to build its building on WSD land on Tract 1 of COS 2364, has applied for and received (provided they meet all conditions) from Gallatin County a conditional use permit to build the building, but as a condition, must show legal access through the Big Sky Community Park to get to its building on Tract 1 of COS 2364 in order to get its land use permit. Mindy discussed this with the

Gallatin County, Deputy County Attorney, Chris Gray and they are willing to consider a license in the interim while BSCC is negotiating the access easement with WSD. Mindy is requesting permission to proceed with drafting this license and requested the Board to authorize the following officers to review and sign the license on behalf of the Board: Kevin Frederick, Trever McSpadden, and/or John Leeper.

Leslie Piercy made the motion to authorize Mindy Nowakowski to proceed with drafting the access license for the Big Sky Search and Rescue to cross the Big Sky Community Park and to authorize the following officers to review and sign this access license on behalf of the Board: Kevin Frederick, Trever McSpadden, and/or John Leeper, seconded by Jamy Patterson. Motion unanimously carried.

**5d. HCR Golf Course Easement-** Mary Jane presented the map of the property where the proposed golf cart easement would be placed. She also reviewed for the Board the history of the donation of land for the Historic Crail Ranch from Boyne and that it was an oversight that the easement was not reserved at that time. She also showed where the porta potty for Historic Crail Ranch and its fence go onto Boyne's property and that there would be some sort of agreement that in exchange for the easement that Boyne would permit the Historic Crail Ranch to have those assets on Boyne property. Al Lockwood reported that the Committee had no objection to the basic idea of granting the golf cart easement as shown on the map since the easement as shown is actually on the right side (outside) of the fence adjacent to the neighbor's property and that there be some consideration if Boyne wants the porta potty moved that Boyne can pay for moving it. It was discussed that the porta potty actually is an asset to the golfers and brings people to the ranch. There was discussion on whether the granting of this easement would in some way affect the ranch's historical designation.

Trever McSpadden made a motion to direct Mary Jane McGarity and Mindy Nowakowski to work on the easement as presented and discussed, seconded by Clare Nixon. Motion unanimously carried.

#### **6. Program/Committee/Reports**

**6a. Park Construction Team-** Trever McSpadden reported that the committee is progressing well with its engineering firm Morrison-Maierle and they have a meeting this afternoon here at the BSOA office.

**6b. Parks-** Mary Jane reported that they are shutting down and winterizing the park assets for the winter.

**6c. Trails-** John Leeper reported that the birthday party on the 13<sup>th</sup> was a success with a nice showing from the community. He reported that the Spur Road Trail is nearly complete as they are working to put wood backings to the guardrail bolts. There was some discussion that some board members were fielding calls about the number of signs that were installed with the trail. John reported that all signs were a requirement of Montana Department of Transportation. Jon Ayres asked if the signs would be affected by snow plowing on Highway 64, John responded that they should not be, but only time will tell. John reported on ongoing projects for the trails committee: an equine off load area for the Yellow Mules Trail that would not be at the Ousel Falls trailhead. The Committee has been in discussion with Bill Schwab (of Gallatin Preserve), because his development is in a prime location and with the construction of the new access road from Yellowstone Club it would be

) an ideal time and location to put in an equine off load area and Jim Jones from FWP thinks there could be some funding for this type of project. Janny Patterson clarified that the road will be the primary access to Yellowstone Club and offered to be of assistance to the Committee in working with Yellowstone Club. John reported that the master plan for the trails was to construct a trail under Highway 64 to provide a better pedestrian access from West Fork to the Meadow Village trails. John also reported that the Committee was accepting estimates/bids for the construction of the walking trail to access the new Kircher Park. John elaborated on the construction plans for the trail. There was some discussion on funding for this access trail since it would be off the Spur Road Trail.

) Clare Nixon made a motion to extend the Spur Road Trail to include this walking trail to Kircher Park with a handrail and per the construction specifications as determined by the Committee, to be funded by any remaining funds from the Spur Road Trail resort tax funds that can be used for this trail (with verification from resort tax), seconded by Leslie Piercy. Motion unanimously carried.

) **6d. Historic Crail Ranch-** Al Lockwood reported that their final meeting was on September 15<sup>th</sup>. He reported on planned events for summer 2009. He also reported that the Committee has two projects for next summer to put 2 storage sheds on the property that will match historically and they will make that submittal to the Big Sky Architectural Committee for their review. Mary Jane said that the funding for those two sheds could be a resort tax application.

) **6e. Camp Big Sky-** Mary Jane reported that Camp Big Sky is done for the summer and Katie and Jeni are looking forward to doing next year's camp. Staff is still working on finalizing workers' compensation insurance for summer camp staff.

**6f. Others as present-** No other Program chairs were present.

**7. Other-** Mary Jane presented a draft schedule for the Board's review.

**7a. Set meeting schedule for year-** The Board set the following meetings for this year and next: November 21, 2008; January 23, 2009; and February 13, 2009 which will also serve as the annual meeting.

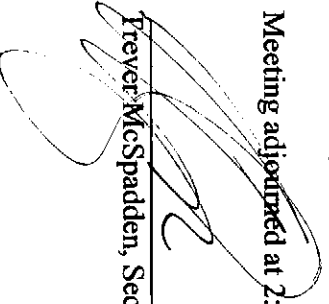
**7b. Set preliminary event schedule for year-** The Board agreed with the schedule as presented for events: Dodgeball, Everlands, and the summer headliner event (Raitt Gate II).

The next BSCC board meeting will be November 21, 2008 at 1:00 p.m.

## **8. Adjourn**

) Jon Ayres made a motion, seconded by Clare Nixon to adjourn the meeting. Motion unanimously carried.

Meeting adjourned at 7:42 P.M.

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Frever McSpadden, Secretary