



Board of Director's Meeting
March 25, 2011 @ 11:00 a.m. Mountain Time
Via Conference Call at Hammond Property Management Office

Minutes

I: Call to Order

The meeting was called to order at 11:00 am by Ernie Filice. In attendance via conference call were the following: Judith Nilon, Todd Chapman, Ernie Filice, Brad Fretz, and Jim Hammelman. Also in attendance from Hammond Property Management ("HPM") were Scott Hammond and Alison Gregory.

A quorum was established with all Board of Directors present.

II: Approval of 12/1/2010 Board Meeting Minutes

Mr. Filice made a motion to accept the 12/1/2010 Board of Director's meeting minutes. Mr. Fretz seconded the motion. All in favor; motion passed.

III: Project List

a. Downspout Project

b. 2011 Projects

- i. Pond
- ii. Waterfall
- iii. Landscaping
- iv. Water Pits
- v. Signage
- vi. Boyne Easement
- vii. Other

b. 2012 Projects

- i. Possible Trail Reroute
- ii. Remodel of Clubhouse (Gym Workout Area)

Mr. Hammelman began discussion of the project list, including the downspout project, by reviewing the budget discussion from the Annual Meeting on monies allocated for projects. The Association will have roughly \$59,670, including \$8,800 from Betterment Reserve, to work with in 2011 on painting/staining project, downspout project, and other necessary projects, as listed above. The breakdown is as follows:

- The painting/staining project will cost \$21,000.
- The downspout project will cost roughly \$8,800. This totals \$29,800 for the painting/staining and the downspout projects.
- \$29,870 will be left to fund other necessary projects, such as the pond and building #8 drainage improvements; waterfall area improvements; sign relocation, and meter pits.
- Mr. Filice explained the Association will most likely see savings in the propane line item and assessment contingency line item. If savings are seen in both those line items, the money saved could go toward the project funding.
- The fish pond improvement and drainage area improvement for building #8 will cost \$4,000.
- The waterfall area and sign relocation will cost \$6,000.
- After the pond improvements, drainage improvements, waterfall improvements, and sign relocation are completed, the Association will have \$19,870 remaining.
- Mr. Hammond explained that work performed on BOTH meter pits would cost roughly \$20,000. Therefore, that would consume all of the \$19,870 remaining money for projects.

Discussion then took place among the group whether or not the Association perform work/repairs on both meter pits or just take care of one for 2011 and take care of the second meter pit in 2012. If only one meter pit is repaired, then roughly \$10,000 would remain available in the 2011 budget for other projects.

Mr. Hammond reminded the Board that, to date, the Association has spent \$7,000 on roof snow removal with Montana Steamworks. Only \$2,500 was budgeted for roof snow removal. The Association is over-budget by roughly \$5,000. Mr. Filice suggested effectively applying the expected underage of \$3,000 from building maintenance and offsetting the \$5,000 overage. This action results in an effective \$2,000 over-budget position. The \$2,000 could possibly be absorbed in other under-budget categories as the year continues. Mr. Fretz commented that performing work on only one meter pit would be the reasonable choice. Mr. Hammelman also agreed that performing work on only one meter pit will result in a cash cushion of approximately \$10,000, which provides a cushion for possible overages and/or other work that may need to be performed.

The tentative schedule for projects for 2011 is as follows:

- The painting/staining will be completed on buildings #4 and #5 by Dependable Paint. The Board asked Scott to discuss with Dependable Paint the possibility of performing the painting/staining work in May/June timeframe before the busy summer season starts. Mr. Hammond will work with Dependable Paint to have the painting/staining work completed in the May/June timeframe.
- The pond improvements, waterfall improvements, drainage behind building #8, and sign relocation will take place in late spring. The Board would like this project to begin as soon as the weather permits, which will most likely be May.

- The downspout work on buildings #5, #6, #7, and #8 will take place in the fall of 2011.
- With regard to the water meter pits, whether both meter pits are repaired and/or the Board chooses to only have one meter pit repaired in 2011, the work will be performed in the fall of 2011.

More discussion took place regarding the water meter pits. The Board asked for Mr. Hammond's thoughts on which meter pit repair calls for more urgency. Mr. Hammond explained that the meter pit on the east side of the Complex is in the most need of repair because it is a "crowded clock", meaning it currently has 27 zones per unit and cannot operate efficiently because there is too much demand on the watering time. During times of drought restrictions, watering times are too short with so many zones, which only adds to the problem of that area of the Complex not getting enough water. The meter pit on the west side of the Complex also needs repaired. Currently, that meter pit houses three water meters that are tied into people's individual mechanical room. The water meters are noisy and inconvenient to those owners and need to be removed.

After much discussion, the Board agreed that if the decision was made to perform work on one meter pit for 2011, the meter pit on the east side would be taken care of first. Then, in the fall of 2012, the meter pit on the west side of the Complex would be taken care of.

Finally, the waterfall area improvements were discussed in more detail. Mr. Hammond will obtain estimates from two contractors' spring 2011 (May/June) for the following work to be performed:

- Improve messy area around waterfall
- Application of top soil and improving area around pond that according to Urbani Fisheries disrupts efforts while performing pond work.
- Drainage problems behind building #8

Mr. Filice made a motion to accept the plan for the waterfall area as mentioned above. Mr. Fretz seconded the motion. All in favor; motion passed.

Finally, the Board will hold off on all other discussions regarding project list until later in the year. At that time, the Board will review the financial status of the Association and decide at that point what, if any, further projects can be addressed for completion.

IV: SPC Rules

The rules and regulations for SPC were discussed at the annual meeting. The Board asked Ms. Gregory to send the Rules and Regulations out again to all owners and rental companies via email and website with the 2011 Annual Meeting minutes to each owner.

Mr. Filice proposed adding a rule to the Rules and Regulations about the number of cars allowed for each unit. Mrs. Nilon (Chairman of the Rules Committee) will email Stacey Chapman (President of Rules Committee) the Board's request of clarifying in the rules number of cars allowed for each unit. The Rules Committee will meet this summer and add this item to the agenda.

Mr. Filice also has received complaints/concerns from an owner about the public coming into the east side of the parking lot with dogs and allowing dogs to wander all over

Complex. The public comes into the Complex to access the BSOA trail. Mrs. Nilon explained that the public is allowed to walk through the entrance into the Complex to access the easement (Big Sky Community Corporation trail). However, people should not be walking across the Complex to get to the easement. The Complex is private, with the exception of the easement. The Board discussed installing signs to remind the public SPC is private property. Mr. Hammelman commented that two signs should be installed. There should be one at the east and west entrances, between building #1 and #2 where the easement begins and between #9 and #12 where the easement ends. The sign should state something to the effect of ***“Private Property: Trail through Private Property. Please stay on Designated Trail”***.

HPM will obtain estimates for installing two signs at the Complex and then email the Board options and designs. Upon approval, HPM will install the signs after the snow melts (April/May).

V: New Business

a) Temporary Access for Boyne/Big Sky Resort

The Board elected to grant temporary access to Boyne/Big Sky Resort through the eastern access to SPC's property for the duration of the 2011 golf season, solely in order to accommodate vehicular transportation to the golf course maintenance building, with the constraints previously discussed concerning restrictions protecting the safety and well-being of our residents. Passage for golf course employees and the drivers of any delivery vehicles will be limited to business purposes during business hours only, with speeds not to exceed 10 mph, radio volumes kept low, and utmost care exercised to avoid injury to people or pets, or damage to property. Mrs. Nilon will send a letter to Brian Wheeler in the next few days notifying him of the granted temporary access.

b) Pool

Mr. Filice suggested that Scott and/or Ryan perform an inspection of the pool in no later than early June prior to the pool being filled for the summer season. Mr. Hammond agreed to do so with Mr. Filice and any other Board member that may be in Big Sky at that time.

c) Satellite Dish Consolidation Project

Mr. Fretz updated the Board regarding the satellite dish replacement project. At this point, Mr. Fretz has not heard from DirecTV's MDU group. Currently, due to potential charges by DirecTV for consolidating additional dishes, Fretz recommended to delay the consolidation project. The project is on hold right now until Mr. Fretz hears from DirecTV. Mr. Filice suggested the Board wait to make any final decisions until Three Rivers comes through with package and pricing information for the fiber optic cable installation. If and when Mr. Fretz receives information from DirecTV and when 3 Rivers presents their fiber optic information, the Board can meet to discuss the options.

VI: Adjournment

Mr. Filice made a motion to adjourn the meeting at 12:10 pm. Mr. Fretz seconded the motion. Meeting adjourned.