

### Tom Bledsoe, President called meeting to order 5:05PM

A quorum for the meeting (20% of the 230 eligible owners, or 46 voters) was met with 47 present along with 32 proxies, for a total of 79 attendees. The meeting was called to order.

### Approve 2018 Meeting Minutes

Discussed meeting minutes from January 13th, 2019 2:30PM where we approved new set of BMOA bylaws. The January 13, 2018 meeting was continued and extended to February 25, 2018 at such time as the new BMOA bylaws were approved. Charles Hall 401 Powderhorn motioned to approve and Carl Acker from 25 Mountain Brook seconded. All in favor. Minutes for the regular and extended meetings were approved.

### Updates from Resort on Current Operations, Status and Improvements

Jamie Tatge, Chief Operating Officer of Leisure Resorts and Hotel (Management Company) and Kevin Mack, Director of Resort Services Burke Mountain provided updates

- Kevin Mack - Good start to year. Earliest opening in 20 years. Good snow making operations. Groomer fleets are functioning well. River hasn't frozen. Hotel is doing great. Near full capacity for this weekend. Christmas was very good, but the thaw did lower hotel stay numbers and numbers of tickets sold a bit. Things generally going well. Rest of the month is looking good. Season pass/ticket sales are up year over year.
- Jamie Tatge - Tatge reports that Michael Goldberg states Burke Mountain is not for sale at this time. Jay peak is however for sale. Two separate entities don't need to be sold at the same time. Need job creation to meet the EB5 requirements for the investors to be issued green cards, as well as certain improvements that a buyer would be looking for completed at Burke before it can be put on the market.
- Open Questions from Owners :
  - Bret Van Beaver (Beever) - wind hold criteria? Mack reports parameters are 30-35 mph winds detected and system slows and then Burke shuts it down. Tower 14 mid-Burke is where we receive the consistent wind information. Beaver asked if it's noticed more b/c of tree cut on upper Warren's Way. Mack says no, they were careful not to affect wind flow with tree cut in that area.
  - Hal Burns - What is the timeframe that is expected for Burke to go back on the market? Thought 1-2 years but Tatge couldn't really commit to an exact timeframe. Limitations in job creation that will affect this timeline. Goldberg is protecting investors - they are due green card to be processed. Then there is a desire to get them their investment revenue. This is looking at a viable sustainable model for the next buyer.
  - Is there a number of jobs that we need to hire? Tatge couldn't commit to how many jobs exactly. There is an algorithm that the "regional office" uses to calculate, but there is access problems at the regional office (closed). Need to be able to work with a regional office to identify this, so working thorough that obstacle.
  - Mack response to Snow Making Project question - multi-year project. We have the smallest pond (2.5 million gallons) in the state of Vermont ski resort industry (others have 30+ million-gallon ponds). Plan is to construct new pond, install new pumps and pump up through existing pipes to mountain. This helps answer need for jobs as this work would

- employ many construction jobs. And the snow making will help get snow on the hill earlier and cover multiple trails at a time - this is overall good for investors and future buyers.
- Keith Ballek, Wintergreen - Where is 50 acre sub-division located? Mack: Down on 114, Pinkham RD and White School RD, East Burke.
  - Charles Hall, Powderhorn 4001 - Windmill at top of mountain. Has it been renovated ? Does it work better now? Mack- Reports, yes work done on it over the last year and now the windmill is doing it's job and producing energy that Burke can sell back into the commercial grid. Where's the pond going? Mack reports just north of Burke Mountain leech field on Route 114, East Burke - near the properties that are going to be sold.
  - Nick Hall, Powderhorn - Snow making logic. Why are there piles out there for so long. Is there a strategy. Mack reports - Quality of the snow is dependent on temperature. Snow on dippers is going to have some Super G races this year so we need snow on the edges so that the B-Netting can be drilled into the snow and have a good base for that hill. Lower Willoughby snow piles to let the moisture drain out. The dryer it is the easier it is to move and less icy it will be long term.
  - Woman (did not catch her name) in back said that she believed snow wasn't made when it could have been. "Many missed opportunities". Mack advised her that there was not a day that they could have made snow that they didn't. Especially prior and through the holidays. What folks are seeing is full effort given the weather conditions. She again said that people are not coming from the city because they don't know that Burke is making snow, and she doesn't believe they are taking full advantage snow making opportunity. Again, Mack reported that they made snow every opportunity they can.
  - Another asked if there was improvements made to be able to make snow upper and lower at the same time. Mack said that they did two main things - replaced all the pipe on Bunker Hill and put in a new pipe system and they installed a new 2000 minute booster pump at the house above mid-burke. Those pumps only pump to the summit so those improvements did not enable them to pump to the bottom. This was a \$600k investment. Plan is to get larger pumps and to increase their ability to get more snow on the hill. Currently they can only make snow in one location at a time. The next iteration would be to do more at the same time.
  - Brett van Beaver - asked about the T-Bar and how it's shared. Training hill trails is exclusive to BMA when they are using it? Mack advised when the chair on wind hold public can use T-Bar but they cannot use the trails if they are in use by BMA so hard to get to other trails like - Doug's, Deer run, etc. Burke is looking at better ways of getting public to these other trails and away from training hill and McCarg's
  - Shannon Johnson (Mtn Brook) - thanked Kevin for the family friendly, kid friendly activities they are doing. Mack said they are trying to do more and more in this regard to entertain families and think they are doing being better at these pop-up events and some re-occurring.
  - Susan Stephen - says Nordic trails at Dashney Nordic Center are wonderful. Grooming is really good. And also thank you for all the hard work of the employees.
  - Mack - Resurrection of the Condo Connector - Ran snow machine over the trails that connect homes and condos to lifts.
  - Mid-Burke Lodge - what's happening? Nothing. Improved the floors and a couple other things it will stay the way it is for foreseeable future.
  - Eric Mauer asks what does pay for the work being done at Burke? Tatge - There is cash being generated by Burke, there is EB5 \$\$ - for example, snow making effort (~\$6m) could come from EB5 \$. The idea is that all the cash generated would go to making their

investments more lucrative so EB5 willing to continue to invest to get Green Card and investment return.

- Mauer- What's going on with marketing to get people here. Mack says - spending more year over year for Small Mammal is a marketing firm from Boston. Have worked here in the past "pre-Q". Billboards, weather channel, social outlets, lists for some of the travel sites and deals to these travel sites, etc. Growth in marketing and sales effort has been exponential since 2016. Was 1/2 person now over 4 dedicated marketing/sales folks for weddings, groups, parties and business conferences. Not doing TV - too expensive. Work in partnership with Kingdom Trails in Canada for summer sales (MTB stuff but also winter skiing to get Canadians here).
- Brett Van Beever - Summer Growth? Mack - Good. DH MTB is good. There was definite growth. The biggest hotel month was in the summer (in fact 2 of top 3 biggest months are summer). Bikers less affected by weather than skiers. Doing lots of weddings. Sell Witheral room frequently as well as for wedding and for private and corporate events. Summer is a lot of fun around here.

#### Water Sewer RDS budget reviews - Kevin Mack then Rick Griffiths

- Mack reviews the Water, Sewer, & RDs budget
  - Not looking at any increase in water rates. In order to increase need to go to Public Service Board. Rates haven't been changed since 2009. It's time but it's a process through the PSB.
  - In the future we are expecting a need for a 10% rate increase for Sewer and RDs. Those rates have been in place for 6 years now. The increase will go from \$215 to \$236 about a \$20 increase. Sewer fee will go \$219 to \$241. That would be the impact of the increase, but it is not budgeted for 2019 because of the long review process. This would also increase the funding in the Reserve Accounts. Trying to be fairly aggressive about getting our heads around things for water and sewer with Scott Wood - water/sewer engineer. Good handle on where the gaps are and where we're going.
  - The current fiscal year 2019 show 4k profit to Roads and a loss to Water. That's a result of no increase over such a long period of time. RD increase will get Mtn RD management in line. Without the PSB approval we will not be getting water in line but that will be coming. Asked if there is a way to get cost of living increases built into the plans. This will be part of next plan going to PSB.
  - Question about a better way of monitoring water use than just charging by bedroom. Mack Says water meters are out there but not at the unit level. Maybe something to look at the condo association level or home owner level. Mountain & BMA pays usage *and* flat rate. While the condo and home owners get charged just a bedroom rate.
- Rick Griffiths, owner Bear Path and BMOA Chair on w/s/rds sub-committee. Discussed that his committee worked closely with Scott Wood. 5 meetings since last annual BMOA meeting. Needed to decide what projects to pay out of escrow accounts that BMOA manages.
  - 1st approved was a \$2600 valve to sewer system. Two more items were a bit more substantial: 1) for the water system - we did approve some \$12k for well permitting money to be released to the mountain to get the well properly permitted. Scott worked with the State, avoided fines and got the permit done. And, 2) was also around \$12k to deal with the above standard high pressure in the water system. Pressure in the water system has caused "blow outs" at condos. So an engineering study, "water model," was provided on how to reduce the pressure and risks of damage to the units and facilities at the mountain.

- On the water reserves account, we will definitely have a deficit on the reserve side if we try to undertake the pressure project. It will take \$45-\$50k job to fix this pressure issue. We only have \$20k in the water reserve account. So, the issue is that we do not have this amount of money in the water reserve. So a big part of the committee work in 2019 will be to solve this.
- The sewer reserve has close to \$200k in reserve. There are a couple modest projects that we'll be focusing on in sewer that are under 20k.
- And there is 50k in RDs reserve funds. Will need some of that to do some road repairs, improvements around 20k.

Beever Question - What does the RD work includes? Mack: grading ditching plowing calcium chloride and culvert work.

- Motion to Approve Water/Sewer/Rds 2019 budgets - Chuck Goldrick, Powderhorn motions to approve all 3 budgets, 2nd by Mark Stephen Mountain Brook. All approve.

### Election of Members to the BMOA Board of Directors

Vote: Elect Nominees from Condo Associations

- Rick Griffiths, Bear Path
- Charles Goldrick; Powderhorn
- Keith Ballek; Wintergreen
- Open Nomination for Kimberly Granat, Homeowner, Bow Hill

Motion to approve all positions Tom Moore and 2nd by Brett Van Beever, all in favor

### Financials - Mark Manikian, Treasurer BMOA

**Reported –**

**BMOA Dues - \$16,800**

**Interest Recied - \$633.76**

**Reserve Account Income –**

RDS RSRV - \$68,769.24

Swer RSRV - \$208,519.20

Wtr RSRV - \$52,340.56

Total RSRV - \$329,629.00

Gross Profit - \$347,06.76

**Expenditures**

Bank Carges - \$24

Legal and Professional services \$4862

Office Supplies & Software - \$97.26

RD Repair & Maintennance \$16,803

Unc Exp 0

Water Repair And Maintenance - \$12,101.75

Total Expenditures \$33,888.01

Net Operating Rev \$313,174

Net Rev - \$313,174,75

- Ken McGuire, Powderhorn asked if we have issues with people not paying BMOA fees. No, only one homeowner hasn't paid.

- Shannon MTB asked about legal work expense past and future. Tom explained legal work was to rewrite the BMOA bylaws (2018) and future work will be focused on Covenants and Restrictions common lands and member coverage.

6:30 Meeting motion to adjourn - BVB moved, 2nd Tom Moore. No opposition.