

MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING
JANUARY 11, 2006


Present: Al Malinowski, Chairperson
Carol Collins, Vice-Chair
Les Loble, Director
Lance Child, Sec/Treasurer
Teri Kirschner, Administrator
Meg O'Leary – Big Sky Transportation District
Courtney Jones – Big Sky Transportation District
Lisa Knorr - Big Sky Transportation District
Ben Bulis – Ophir School Board
Jason Revisky – Big Sky Fire Department
Tony Kolnik

- 1) **Public Comment:** None
- 2) Defer the approval of December 14th minutes until later in the meeting.
- 3) Ben Bulis with the Ophir School Board is here to discuss whether the school can make a request at the next allocation for a fire suppression system. Discussion on whether Board can use funds for school district. The board has an opinion from Mona in regards to funding schools with Resort Tax money. The board asked that Mona further clarify with regards to capital improvements.
- 4) Tony Kolnik addressed concerns of his water rights in Big Sky. After he presented his concerns, the board explained that the role of the board in regards to funding projects is through an application presented by an organization requesting funds for a specific project.
- 5) Lisa Knorr with the Big Sky Transportation District explained that Tom Stuber with the Montana Department of Transportation received approval from the state to allow the BSTD to wait until the RAD June allocation for the matching funds request for the grant that the BSTD is seeking. Meg O'Leary asks the RAD Board to consider in the future changing their allocation date.
- 6) Minutes of the December 14, 2006 Board meeting. Suggestion to use full names. List issue and resolve. Get main subject and don't be too wordy. **Les Loble motioned to redo minutes with the help of Carol Collins, until the next meeting. Second by Lance Child. Motion carried – All in favor**
- 7) Review Appropriations application. Application due date Wednesday April 19 at 5.00 p.m. Make corrections and review at next Board meeting.

8) Motion by Les to address the renewal of the Big Sky Resort Area District before the November 2006 election. Second by Lance Child. Motion carried – All in favor.

9) Financials: Motion by Les Loble to approve financials. Second by Lance Child. Motion carried – All in favor

Respectfully Submitted,



Lance Child, Secretary

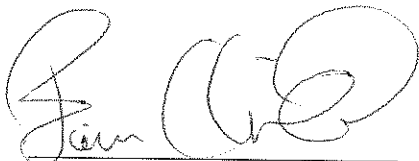
MINUTES OF THE BIG SKY RESORT AREA DISTRICT SPECIAL BOARD MEETING
JANUARY 25, 2006

Present: Al Malinowski, Chairperson
Lance Child, Secretary
Les Loble, Director
Teri Kirschner, Administrator

Meeting called to order at 2.00 pm

1. Administrative Position. Motion by Lance Child to have Les Loble as the Chairperson for the **hiring committee and Lance Child to be on that committee with a budget of \$3000.00.**
Second made by Les Loble. Motion carried – All in favor
2. Teri Kirschner was assigned by Al Malinowski to put an ad in the 3 papers. She also will put an ad over at Workforce Services as well. She will gather applications and deliver them to Les Loble for his review. The benefits will be as followed by the Montana State Government. Also a \$350.00 per month allowance for insurance.

Respectfully submitted,



Lance Child, secretary

MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING
February 16, 2006

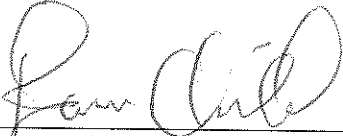
Present: Al Malinowski, Chairperson
Les Loble, Director
Lance Child, Sec/Treasurer
Rena Schumacher, Director
Teri Kirschner, Administrator
Bill Burton - Arctic Hot Tubs

- 1) **Public Comment:** None
- 2) December 14, 2005 Open Meeting minutes: **Motion by Rena Schumacher to approve minutes Second by Les Loble. Motion carried – All in favor.**
- 3) January 11, 2006 Open Meeting minutes: **Motion to approve minutes with changes by Les Loble. Second Rena. Motion carried – All in favor.**
- 4) January 25 Special Meeting minutes: **Motion by Lance to approve minutes with changes. Second Les Loble. Motion carried – All in favor.**
- 5) Issue of whether hot tubs should be taxable according to the BSRAD ordinance. Previously they have not been considered taxable items, but their accessories were. It was discussed on whether a hot tub would be classified under a medical or appliance category. Hot Tubs could be considered either depending on interpretation. Carol Collins, in her absence, explained to Al that if the Board decides to tax them from here on, the Board may be required to make a change to the ordinance. Board members felt like this would not be necessary. Al Malinowski expressed his opinion that he felt like tubs could be considered the same as a jetted tub, which at this time are not taxable. Les Loble expressed an opinion that he felt like hot tubs should be taxable in the same regard as a pool. Bill Burton stated that most hot tubs are wired to the house like an appliance. He also stated however, that he felt it would not affect his sales if he had to add the three percent sales tax on. **Motion by Les Loble that hot tubs and the chemicals should be considered taxable items. Second by Lance Child. Motion carried – In favor: Les Loble, Lance Child, and Rena Schumacher. Opposed: Al Malinowski.** Follow up with legal counsel from Mona Jamison, attorney. It is noted that BSRAD will be sure and notify all Hot tub companies that they are taxable not only for accessories, but also for the hot tubs and chemicals.
- 6) Administrator position. Les Loble has called the applicants and will be conducting interviews along with Lance Child sometime next week. Lance Child checked on the possibility of offering insurance through BSRAD. He will call Marne Hayes at the Big Sky Chamber of Commerce to see if BSRAD can obtain insurance through them. Al Malinowski was notified from Mona Jamison, attorney that we need to post a public notice when we are conducting interviews.

7) Changes on the Appropriation Application look fine. Les Loble recommended some changes to the wording on page two. Teri Kirschner will make appropriate changes.

8) Financials: **Motion by Renae Schumacher to approve financial statements. Second by Les Loble. Motion carried – All in favor.**

Respectfully Submitted,

A handwritten signature in cursive script, appearing to read "Lance Child", written over a horizontal line.

Lance Child, Secretary

MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING
March 8, 2006

Present: Al Malinowski, Chairperson
Les Loble, Director
Lance Child, Sec/Treasurer
Rena Schumacher, Director
Carol Collins, Vice Chairperson
Leslie Fregien, Administrator

Chairperson, Al Malinowski, called the meeting to order at 11:13am

- 1) **Public Comment:** None
- 2) **February 16, 2006 - Open Meeting minutes: Motion by Carol Collins to approve minutes, as amended, Second by Rena Schumacher. Motion carried – All in favor.**
- 3) **February 27, 2006 – Special Meeting Minutes: Motion to approve minutes by Carol Collins. Second Rena Schumacher. Motion carried – All in favor.**

Old Business:

- 1) Discussed legal decision from Mona Jamison concerning taxing hot tubs, agreed to discuss amendments to the Ordinance at the next meeting.
- 2) Appropriations schedule, Q & A Session. Must change location from Buck's T-4. Board discussed moving the meeting to the Fire Hall. Administrative Officer directed to inquire if May 10th and May 31st are available, and publicize notification of location change when location approved.
- 3) Les Loble will draft a letter to the potential candidates for the Administrative Officer position notifying position has been filled.
- 4) Carol Collins discussed the BSRAD looking into rates at First Security Bank. Historically, the BSRAD has deposited fund in the local banks. There was no further discussion.

New Business

- 1) The Board extended a warm welcome to Leslie Fregien, the new Administrative Officer. Also discussed were business hours for the office. It was agreed by the Board and the Office Administrator that office hours will be 8:00am-5:00pm Monday thru Thursday and 8:00am-12:00pm on Fridays. Office hours to be amended at a later date if deemed to be necessary.
- 2) Lester Loble raised the issue of early submittal rewards, such as placing applicants in order of receipt of applications at the Q & A meeting. No decision was made. The board discussed that if there is to be a system, it would need to be noticed. The board asked the Administrative Officer to date and time applications as they are received.

- 3) Other: **Lance Child made a motion to add Leslie Fregien, Administrative Officer, to all signature cards at all banks the Big Sky Resort Area District does business with, and to remove Teri Kirschner from all signature cards and so directed Leslie Fregien to do so. Second by Lester Loble. Motion carried – All in favor.**
- 4) Agreed November is best option for the extension of the district election. Leslie, AO, to gather info from the Gallatin County Election Office and present to the Board at the next meeting.
- 5) Al brought up a question regarding the District's cash management policy. Is one in place? The board agreed to an outside review and agreed to invite Jack Werner @ Edward Jones to outline financial strategies and give recommendations at the next Board meeting.
- 6) Financials: Directed Leslie Fregien to review and advise on the Collection by County Report at a future date to be determined. **Motion by Renae Schumacher to approve financial statements. Second by Lance Child. Motion carried – All in favor.**

Chairperson, Al Malinowski, adjourned meeting at 12:18pm.

Respectfully Submitted,



Lance Child, Secretary

MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING
April 12, 2006

Present: Al Malinowski, Chairperson
Les Loble, Director
Lance Child, Sec/Treasurer
Rena Schumacher, Director
Leslie Fregien, Administrator

Chairperson, Al Malinowski, called the meeting to order at 11:05 am

1) Public Comment: None

2) March 8, 2006 - Open Meeting minutes: Motion by Les Loble to approve minutes, as amended, Second by Rena Schumacher. Motion carried – All in favor.

February 16, 2006 – Open Meeting Minutes: Motion to approve minutes by Rena Schumacher, as amended, Second by Les Loble, Motion carried – All in favor.

3) New Business:

a) Mary Jane McGarity-Big Sky Owner's Association-presented a detailed Chronology of Activity for the Community Park. She also provided a written detail. (attached). Present with Mary Jane was Mitch Furr, who will be the applicant for the remaining \$150,000 appropriation. Lance Child asked if the Open Land Board works with the County Commission in the decision making process for funding, approval, etc., at which Mary Jane responded yes and that the BSOA will continue to petition to obtain funds from the County for the final survey and appraisal as an appraisal cannot be in effect for more than one year. Al Malinowski opened for questions. Dave O'Connor, a Big Sky resident, inquired about the progress of lighting at the park. Mary Jane replied that in a park survey of local residents, of the 104 respondents, 91% were in support of park lighting and the lights are to retrofitted soon and will have a timer.

At this time a discussion ensued as to the acquisition of additional land for the park. BSOA has been in negotiations with James Taylor to purchase 23 acres of land adjacent to the park. BSOA has \$5,000 to execute the agreement and will be requesting \$350,000 from the Big Sky Resort Area District, a portion of the land acquisition costs. Al Malinowski stated that the Board was uncertain about what legal documentation BSRAD would be required to release funds. Agreed that possibly a Buy/Sell Agreement, or an Escrow Agreement would be sufficient, but BSRAD attorney Mona Jamison, is researching the issue.

Also, Mary Jane informed the Board that Bill Olson failed to negotiate a deal for the Beehive Trial and the funds available from BSRAD, \$15,200 would no longer be needed and inquired how to handle the funding. The Board explained that the appropriation would expire if not used or rolled over.

- b) Jake Werner-Edward Jones Investments-Financial Strategy Presentation: Al Malinowski introduced Jake Werner to the meeting. Mr. Werner had researched the various investments of BSRAD and had also researched the investment laws governing government entities and commented on each account, at which point Al Malinowski inquired about the current strategy for BSRAD. Les Loble interjected that it is the intention of the Board to spread the investments throughout the community while getting the best return possible. Lance Child stated that the cash needs to be available, while maximizing return. Mr. Werner acknowledged the importance to have balance with the community. Mr. Werner went on to explain various types of investments and the importance of making sure CD's are FDIC backed. He also suggested the CD's be "diversified" between various banks. Al inquired how Mr. Werner was paid for his services and Mr. Werner said his payment was generated by the investor, as a percentage. The Board agreed that Jake Werner and the Administrative Officer would continue to plan strategic investing, with the assistance of the Board. Also in question was a particular CD at Big Sky Western Bank having a maturity date of 10/20/05, which the Administrative Officer will research.
- c) Northern Rocky Mountain RC&D-Request to adjust line items for weed management: Carol from RC&D appeared and explained that the Director's salary was not covered for the last few month. They want to adjust the line item for weed control. Al made mention that such issues should, in fact, be presented before the Board: Motion by Renae Schumacher to transfer funds, Second by Lance Child. Motion carried – All in favor.

4) Old Business

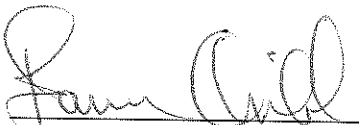
- a) Amendments to the ordinance: The Board discussed the implications of changing the ordinance every time the Board makes a decision and how to handle notification to the dealers that hot tubs are, in fact, a taxable item.. They agreed it should not be necessary and that a possible solution would be to amend the ordinance once, with more global wording and stick with the theory that everything in Big Sky is taxable unless it is listed in the exemptions. Motion by Les Loble that the dealers be informed that beginning June 1, 2006 they should begin collecting tax on all hot tubs and accessories, Second by Lance Child, Motion carried – All in favor.
- b) General Election-Districts extension: Administrative Officer explained the Election Office is very busy and that they requested more time to research the laws pertaining to District extensions. They would not be able to do this until the end of June 2006, however, they would do it if we absolutely needed the information before that. Les Loble raised the question of what the deadline is to get on the ballot. The Board agreed that Leslie will get more information and present it to the Board at the next meeting.
- c) PERS-Retirement Plan-Administrative Officer-Board agreed that Leslie, with the help of Les Loble, will begin the application process.
- d) Signing of bank signature cards: All board members signed the bank cards, with the exception of Carol Collins, who signed previously.
- e) Final Report-Les Loble-Chair, Hiring Committee-Administrative Officer: Les Loble gave a final report on the hiring process and the applicants. Written report is attached.

f): Discuss opening an account or CD at First Security Bank: The Board agreed that BSRAD will wait until a strategic financial plan is in place, and instructed Administrative Officer to find out how a bank insures CD's, etc., beyond the \$100,000 FDIC limit.

5) Financial Reports: Motion by lance Child to approve financial reports, Second by Les Loble. Motion carried – All in favor.

Chairperson, Al Malinowski, adjourned meeting at 12:37 pm.

Respectfully Submitted,

A handwritten signature in cursive script, appearing to read "Lance Child", written over a horizontal line.

Lance Child, Secretary

- 3) Big Sky Transportation – Big Sky SnowExpress Operation
Representative: Courtney Jones Requesting \$368,633.00

Courtney Jones began by explaining the expansion of the bus fleet and that they will be year round now and that they are eligible for funding from the federal government. Renae Schumacher asked when the service would start. Les Loble asked Courtney Jones to provide pictures of the planned buses. The Board questioned why riders are not charged a fare and if the routes are known yet. Lance disagreed with not charging fares. Al Malinowski suggested funding be contingent on giving charging fares a try. Carol Collins asked about mill levy options.

- 4) Gallatin Canyon Consolidated Rural Fire District – Big Sky Fire Department
Representative: Jason Revisky Requesting \$286,000.00

Also accompanying Jason was Wendy Heibert to answer financial questions. Jason requested continuation of funding and the need for a special response unit that would access wilderness areas. Renae Schumaker asked if impact fees can be used and if the state would be willing to provide signs. Also discussed was the importance of providing medical insurance to the volunteers and a capital improvement plan.

- Gallatin Canyon Consolidated Rural Fire District – Big Sky Fire Department
Representative: Jason Revisky Rollover Request \$85,000.00

No questions.

- 5) Big Sky Owners Association/Big Sky Community Corporation – Big Sky Spur Road trail
Representative: Bill Olson Requesting \$47,710.00

Bill Olson first expressed his gratitude for last years funding and explained the need for additional funding due to the amount of geotech work required.

- Big Sky Community Corporation – Big Sky Spur Road Trail
Representative: Bill Olson Rollover Request \$403,292.71

Carol Collins asked if the trail will happen this year and Bill Olson said it would be and that contracts would be signed by June 2006.

- 6) Big Sky Owners Association/Big Sky Community Corporation – Public Services 2006/2007
Representative: Mary Jane McGarity Requesting \$34,500.00

Mary Jane McGarity requested continuation of funding, the need for lighting, signs, etc. Carol Collins asked about the higher prices for trash & toilets and suggested that the groups involved in scheduled events should pay for the trash. Lance Child stated that he is against charging groups for trash disposal.

- 7) Big Sky Owners Association/Big Sky Community Corporation-Park Purchase Trans. Costs
Representative: Mary Michelle Furr Requesting \$12,500.00

Lance asked if the appraisal was complete and Mitch Furr said it was not, but would be as soon as the seller agrees with the Appraiser used.

- 8) Big Sky Owners Association/Big Sky Community Corporation-Park Land Purchase
Representative: Mary Michelle Furr Requesting \$150,000.00

No questions.

- 9) Blue Water Task Force – Community Water Quality Monitoring Program
Representative: Katie Alvin Requesting \$53,100.00

No questions.

- 10) Big Sky Search & Rescue – Operating Fund & Building Fund
Representative: Tom Reeves Requesting \$332,275.00

Also with Tom Reeves was Rocco Altobellie. Tom Reeves requested continuation of funding and the need for a shelter to store equipment. Questions and comments arose concerning the legalities behind donated land and deed requirement and that Mona Jamison would have to set up a special contract with contingencies. Al Malinowski questioned how property taxes, building maintenance, etc. would be paid for. Tom Reeves explained that Search & Rescue is a Public Benefit Corp., and cannot legally charge for their service.

- 11) Ophir School District – Fire Suppression System
Representative: Ben Bulis Requesting \$200,343.00

At issue was the legality of funding a school project. Al Malinowski instructed Ben Bulis to obtain a legal opinion from the school's attorney. Mona Jamison requested what budget item the funding, if any, would go into.

- 12) Ophir School District – Miner's After School Program
Representative: Anne Marie Mistretta Requesting \$8,375.00

At issue was the legality of funding a school project. Al Malinowski instructed Anne Marie Mistretta to obtain a legal opinion from the school's attorney. Mona Jamison requested what budget item the funding, if any, would go into. Lance Child asked if the program serves a broad enough group for the District to legally fund it.

- 13) Big Sky Water & Sewer District – Project Debt Service Cost Sharing
Representative: Ron Edwards Requesting \$200,000.00

No questions.

- 14) Big Sky Water & Sewer District – Water Facilities Improvements
Representative: Ron Edwards Requesting \$175,000.00

Ron Edwards requested this for a one time bond payment to defray cost to rate payers. Mentioned was that this type of situation gives BSRAD leverage in the Legislature because of the long term commitment.

- 15) Big Sky Water & Sewer District – Storage Pond Liner Cover
Representative: Ron Edwards Requesting \$50,000.00

Lance Child asked when the liner cover would be done. Ron Edwards explained how the liner covers work and that it would take a period of approximately 5 years to complete.

- Big Sky Water & Sewer District – Storage Pond Liner Cover
Representative: Ron Edwards Rollover Request \$50,000.00

This discussion was included with item 15. It is the same issue.

- 16) Big Sky Ski Education Program – Ski Team Equipment
Representative: Marjorie Knaub Requesting \$35,095.00

Lance Child questioned if any other groups benefit from the program. Majorie Knaub explained that many groups benefit from the program and that the Nationals will be held in Big Sky this year, which should generate money for the local businesses. Les Loble requested a list of all groups and entities that benefit from the program.

17) Friends of the Big Sky Community Library – Big Sky Community Library
Representative: Kay Reeves Requesting \$58,310.00

Accompanying Kay Reeves was Kathy House. Kay Reeves explained that the circulation system is antiquated and that the rent has doubled.

Lance Child asked if there was any other funding available. Kay explained that the only other option they have is through private donations.

18) Northern Rocky Mountain RC&D Area – Gallatin/Big Sky Weed Management Program
Representative: Ron Carlstrom Requesting \$29,120.00

Josh Keller appeared for of Ron Carlstrom, who had a family emergency. He explained the program and what they are currently planning for public awareness and classes they provide, etc. He requested continuation of funding for the next year.

There were no questions.

19) The Post Office, LLC – Big Sky Post Office
Representative: Al Malinowski Requesting \$35,000.00

Al Malinowski gave a brief overview of status of the Post Office.

Carol Collins asked how long the next contract lasts. Al Malinowski said that as long as they can maintain a break-even status they will continue to run the Post Office, however the goal is to have USPS take over the operations.

20) Big Sky Institute-MSU – Engineering the Invisible Building
Representative: Lisa Graumlich Requesting \$115,640.00

Also accompanying Lisa Graumlich was Robert Swenson. This is a new endeavor that would be adjacent to the Ophir School and would host a variety of science opportunities for students, etc. Lance Child asked the size of the parcel they have obtained and it is 3 ½ acres.

Lance Child asked if there were any other funding opportunities. Lisa Graumlich and Robert Swenson gave an overview of what was available.

21) Big Sky Association of the Arts – Music in the Mountains
Representative: Beth Van Horn Requesting \$20,000.00

Beth Van Horn and Amy Gale gave a brief overview of what the Association has planned for the upcoming season. There were many questions and comments from the Board about the selection of entertainment. Board members feel the symphony attracts only one particular group and the Association of the Arts should concentrate on a wider audience and also getting head-liners for entertainment.

Al Malinowski asked if their costs were too much. Amy Gale explained that there is a definite need for cash flow and that headliners pose a greater risk financially.

Lance Child requested a current year YTD Balance sheet and a P&L report.

22) Buck Ridge Snowmobile Trail Grooming
Representative: Devon White Requesting \$17,000.00

Devon White began by thanking the Board for past funding and requested continuation of that funding.

There were no questions.

23) Big Sky Chamber of Commerce – Operations
Representative: Marne Hayes Requesting \$30,000.00

Marne Hayes gave a brief overview of the project and requested continuation of funding. Carol Collins asked Marne Hayes to clarify postage costs for a mass mailer the Chamber does.

24) Big Sky Chamber of Commerce – Advertising & Public Relations
Representative: Marne Hayes Requesting \$10,000.00

Kate Ketschek joined Marne Hayes to stress the importance of marketing the Big Sky area and that continued funding is of great assistance.

25) Big Sky Chamber of Commerce – Direct Flight Marketing Campaign
Representative: Marne Hayes Requesting \$55,000.00

Marne Hayes gave a brief overview of how well the program has taken off and that it actually did better than they anticipated and thus is saving the Chamber guarantee dollars. This is a request for continuation of funding also.

There were no questions.

26) Big Sky Chamber of Commerce – Fireworks
Representative: Marne Hayes Requesting \$5,000.00

Request is for continuation of funding. There were no questions.

27) Big Sky Chamber of Commerce – Community & Infrastructure Solution Group
Representative: Kate Ketschek Requesting \$9,020.65

Kate Ketschek requested a continuation of funding. Les Loble asked her and Marne Hayes to rank the most important applications of all of their funding requests.

Big Sky Chamber of Commerce – Community & Infrastructure Solution Group
Representative: Kate Ketschek Rollover Request \$2,479.35

This rollover was included in the request for continuation of funding.

2a) Public Comment for Question & Answer Session

Kate Ketchsek spoke in support of the Big Sky Fire Hall and the importance of medical insurance for the volunteers. She also spoke in support of the Big Sky Search & Rescue, the Chamber of Commerce and the BSOA Parks and trails.

Tom Reeves spoke in support of the Chamber image campaign, the Big Sky Institute and Ophir School.

Paul Bussi spoke in support of the advertising campaign of the Chamber of Commerce and also the Big Sky Institute.

Sally Moskol voiced here support of the Big Sky Library.

Kay Reeves spoke in support of the Big Sky Institute, the Association of the Arts and the Chamber of Commerce Community and Infrastructure.

Beth Van Horn spoke in support of the SnowExpress but feels the caliber of buses needs to be improved.

The Question and Answer Forum was ended and the Board continued with the rest of the agenda items.

Next discussed was the budget for 2006-2007. Al Malinowski suggested they take some time to review and approve the budget. The Board agreed.

Next discussed was available funding for allocations. Lance Child had come up with a slightly different amount than the Administrative Officer's figures.

Next discussed was how the Allocation Meeting forum would be handled. The Board agreed to go down the list, as was the Q&A Forum, have discussions and vote.

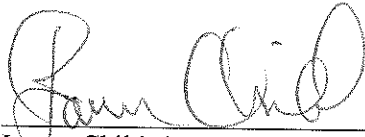
Al Malinowski requested previous year figures for April, May & June from Leslie Fregien.

Next discussed was the next general election and getting the District put on the ballot. Leslie Fregien suggested Mona Jamison take care of it, since that is her expertise. It was agreed that Mona Jamison take over to petition, etc.

Financials. A motion to approve the financial reports was made by Lance. Second by Les Loble. All in favor.

Meeting was adjourned at 7:20pm.

Respectfully Submitted,

A handwritten signature in cursive script, appearing to read "Lance Child", written in dark ink.

Lance Child, Secretary

MINUTES OF THE BIG SKY RESORT AREA DISTRICT ALLOCATION MEETING
May 31, 2006

Present: Al Malinowski, Chairperson
Carol Collins, Vice Chairperson
Les Loble, Director
Lance Child, Sec/Treasurer
Rena Schumacher, Director
Leslie Fregien, Administrator
Mona Jamison, Attorney

Chairperson, Al Malinowski, called the meeting to order at 1:15 pm

1) Public Comment:

Mindy Nowakowski voiced her support for the Big Sky Post Office.

Steve Johnson voiced his support for The Big Sky Chamber of Commerce Community & Infrastructure Solution Group.

Brantley Persons, Big Sky Fire Department Volunteer, thanked the Board for supporting medical benefits for the volunteers.

Al Malinowski asked for other comments from the public: none.

Al Malinowski introduced Ron Edwards to the meeting and explained to the room that Ron would be keeping track of the allocation decisions on the overhead projector. Mr. Malinowski then explained to the forum the amount of funds available for allocations and that there were more requests than funds available.

2) Board Allocation Motions and Discussion:

a) Carol Collins made a motion to approve all rollovers for \$540, 772.06. Second by Rena Schumacher.

Discussion: Big Sky Chamber of Commerce rollover will be less than request.

Carol Collins made a substitute motion to approve the Rollovers, with a modified amount of \$529,609.31. Second by Rena Schumacher. All in favor. Motion passed.

b) Les Loble made a motion to approve the Gallatin County Sheriff's Office request, for the full amount, of \$93, 856.00. Second by Carol Collins. All in favor. Motion passed.

Discussion: None

c) Lance Child made a motion to approve the Big Sky Institute request for \$115, 640.00. Second by Les Loble. Voting in favor: Rena Schumacher, Lance Child, Les Loble and Al Malinowski. Opposed: Carol Collins. Motion passed.

Discussion: None

d) Renae Schumacher made a motion to approve the Friends of the Big Sky Library request for \$58,310.00. Second by Les Loble. All in Favor. Motion passed.

Discussion: None

e). Les Loble made a motion to approve the Big Sky Association of the Arts request for \$20,000.00. Second by Carol Collins. Those in favor: Les Loble, Carol Collins. Those opposed: Al Malinowski, Lance Child, and Renae Schumacher. Motion failed.

Discussion: Lance Child said if the District did not fund The Bozeman Symphony he would not have a problem funding the Big Sky Association of the Arts. Les Loble voiced his opinion that the community needs more cultural activities. Al Malinowski agreed with Les Loble about more cultural activities, but also feels there is a need for more popular names for entertainment. Renae Schumacher agreed with Lance Child, and stated that she would support any other production costs, besides the symphony. Carol Collins asked Beth Van Horn if she felt those conditions could be met by the Association of the Arts and Beth said they could meet those conditions.

Renae Schumacher made a new motion to approve the Big Sky Association of the Arts for the full amount of \$20,000.00, on the condition that none of the funds would be to support the Bozeman Symphony. Second by Les Loble. All in favor. Motion passed.

f). Carol Collins made a motion to approve Big Sky Transportation-SnowExpress. Second by Renae Schumacher. All in favor. Motion passed.

Discussion: Al Malinowski did ask them to consider charging riders a fee. Lance Child agreed with Al Malinowski.

g). Carol Collins made a motion to approve the Big Sky Fire Department request. Second by Lance Child. Les Loble abstained from voting as he is a volunteer fire fighter. Those in favor: Renae Schumacher, Carol Collins, Lance Child. Those opposed: Al Malinowski. Motion passed.

Discussion: Renae Schumacher feels sign request of \$40,000.00 not completely necessary. Jason of the fire department said that if he were to have to prioritize, the sign request would be the last; however, he feels the signs are justified for traffic control and safety issues. Lane Child voiced his support of the signs, but asked Jason if this would be recurring. Jason stated that they may be losing the \$90,000.00 from the Yellowstone Club and that the mill levy is the lowest in the county.

h). Renae Schumacher made a motion to approve the Ophir School-Fire Suppression System. Second by Lance Child. Those in favor: Renae Schumacher, Lance Child and Al Malinowski. Those opposed: Les Loble and Carol Collins. Motion passed.

Discussion: Les Loble asked Mona Jamison to offer a legal opinion regarding the impact this could have on the resort tax. Mona Jamison explained that she is satisfied with the legality, based upon the legal decision the District received from the applicants legal counsel. She went on to explain that she continues to lobby for the resort tax and has concerns about the possible political backlash funding the school. Les Loble voiced his opposition due to the risk of losing the resort tax. Lance Child inquired of Mona Jamison if the legislature could repeal or modify the district with the exception of the Water & Sewer bonds. Les Loble asked if the legislature could issue a statute that only bonded indebtedness be paid by the resort tax. Mona Jamison answered yes to both questions.

i). Carol Collins made a motion to approve the Northern Rocky Mountain RC&D request. Second by Les Loble. All in Favor. Motion passed.

Discussion: None

j). Renae Schumacher made a motion to approve the BSOA Public Services request. Second by Lance Child. Those in favor: Renae Schumacher, Les Loble, Lance Child and Al Malinowski. Those opposed: Carol Collins. Motion passed.

Discussion: Carol Collins stated that she was against the request because the cost for the trash increased \$10,000.00 in one year and there are no fees to offset the costs as we request of other entities.

k). Lance Child made a motion to approve the Big Sky Post Office request. Second by Les Loble. Those in favor: Les Loble, Lance Child, Renae Schumacher. Those opposed: Carol Collins. Al Malinowski abstained from voting since he is the representative for the Big Sky Post Office.

Discussion: None

l). Les Loble made a motion to approve the Chamber of Commerce Regional Advertising and Public Relations request. Second by Carol Collins. Those in favor: Carol Collins, Les Loble, Lance Child. Those opposed: Al Malinowski and Renae Schumacher. Motion passed.

Discussion: Renae Schumacher and Al Malinowski voiced their opposition because the Chamber does not have a solid plan in place. Les Loble stated he feels the image of Big Sky needs improvement.

m). Lance Child made a motion to approve the Chamber of Commerce Community and Infrastructure Solution Group. Second by Carol Collins. All in favor. Motion passed.

Discussion: None

n). Carol Collins made a motion to approve the Chamber of Commerce Operations request. Second by Renae Schumacher. All in favor. Motion passed.

Discussion: None

o). Renae Schumacher made a motion to approve the Chamber of Commerce Direct Flight request. Second by Carol Collins. All in favor. Motion passed.

Discussion: None

p). Renae Schumacher made a motion to approve the Chamber of Commerce Fireworks request. Second by Al Malinowski. All enthusiastically in favor. Motion passed.

Discussion: None

q). Renae Schumacher made a motion to approve the Buck Ridge grooming request. Second by Lance Child. All in favor. Motion passed.

Discussion: None

r). Lance Child made a motion to approve the Big Sky Ski Education request. Second by Les Loble. Those in favor: Lance Child, Les Loble, Renae Schumacher, and Al Malinowski. Those opposed: Carol Collins. Motion passed.

Discussion: None

s). Renae Schumacher made a motion to approve the Blue Water task force request. Second by Al Malinowski. All in favor. Motion passed.

Discussion: None

t). Lance Child made a motion to approve the Big Sky Water & Sewer Liner Cover request. Second by Renae Schumacher. All in favor. Motion passed.

Discussion: Les Loble thinks the Water & Sewer District request is too large a percentage of each year's available funding. Carol Collins and Lance Child want to see the cover get done so this is not recurring for years. Les Loble asked Ron Edwards how far out they are with the cover. Ron Edwards replied that the engineers estimate over one million dollars.

u). Renae Schumacher made a motion to approve \$19,275.00 for the Operating budget of the Big Sky Search & Rescue request. Second by Les Loble. All in favor. Motion passed.

Discussion: Carol Collins suggested that Search & Rescue rent a building until there are more definite plans for a building location.

v). Lance Child made a motion to approve the Big Sky Water & Sewer Debt Service Cost. Second by Renae Schumacher. Those in favor: Renae Schumacher, Lance Child, Les Loble and Al Malinowski. Those opposed: Carol Collins.

Discussion: None

w). There was no motion or vote for the Ophir School-Miner's After School Program.

Discussion: Renae Schumacher stated that the school does not meet the requirements of the district. The Board asked Mona Jamison for an opinion. Mona Jamison stated that the school program does not meet the requirements.

x). Renae Schumacher made a motion to approve the BSOA Park Land Purchase. Second by Lance Child. None were in favor. All opposed.

Discussion: Board agreed to wait and see what the Open Lands Dept. will do. Agreed that the BSOA can always request the funds again next year.

y). Renae Schumacher made a motion to approve the BSOA Park Land Transaction costs. Second by Lance Child. Those in favor: Renae Schumacher, Lance Child, Les Loble and Al Malinowski. Those opposed: Carol Collins. Motion passed.

z). Renae Schumacher made a motion to approve the BSOA Spur Road Trail. Second by Lance Child. All in favor. Motion passed.

ab). Les Loble made a motion to approve the Gallatin County Planning Office request. Second by Carol Collins. Motion was taken off the table.

Discussion: Lance Child and Renae Schumacher disagree with the T1, but agree with the rest of the request. Carol Collins asked Lance Child & Renae Schumacher if they would agree if a less expensive system were purchased. They said they would. Carol Collins asked Paul Bussi to get information on a different system. Paul Bussi came back with different figures.

Lance Child made a motion to approve \$32,000.00. Second by Les Loble. All in favor. Motion passed.

ac). No motion was made on Big Sky Water & Sewer Water Facilities Improvements. Did not pass.

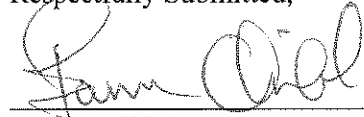
3) Public Comment: None

4) Motion To Adopt Allocations for 2006-2007

Les Loble made a Motion to Adopt the Allocations for 2006-2007. Second by Renae Schumacher. All in favor. Motion passed.

Meeting was adjourned at 3:30.

Respectfully Submitted,



Lance Child, Secretary

Date

MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING
June 14, 2006

Present: Al Malinowski, Chairperson
Carol Collins, Vice Chairperson
Les Loble, Director
Rena Schumacher, Director
Leslie Fregien, Administrator

Chairperson, Al Malinowski, called the meeting to order at 11:07 am

- 1) **Public Comment:** None
- 2) **Presentation by Bill Dutton and Tom Wilson of Big Sky Western Bank.** Tom Wilson began by explaining our bank accounts and that they added tiers to them. Next was a discussion with the Board about the investment portfolio that Big Sky Western Bank had to secure our holdings at the bank. Tom Wilson is to bring the actual agreement with BSWB into the office. Will also bring BSWB Annual Statement.
- 3) After Bill Dutton and Tom Wilson, the board discussed their opinions on how the money needs to be invested. Carol Collins feels BSRAD monies need to be spread out between all of the banks. A decision was made to invite First Security Bank and American Bank to give a presentation on what they would offer us. Leslie will make arrangements for the next meeting. The Board also agreed to cash in the two CD's at BSWB and transfer those funds to the Money Market Account at BSWB.
- 4) **April 12, 2006 - Open Meeting minutes:** Motion by Les Loble to approve minutes, as amended, Second by Carol Collins. Motion carried – All in favor.

May 10, 2006 – Questions and Answer Forum Minutes: Motion by Les Loble to approve the minutes as amended. Second by Rena Schumacher. Motion carried – All in favor.

- 5) **May 31, 2006 – Allocation Meeting Minutes.** Motion by Les Loble to approve the minutes as amended. Second by Rena Schumacher. Motion carried – All in favor.

6) New Business:

a) General Election-Districts extension: Leslie Fregien told the Board that Mona Jamison needs to know if the Board wants to put before the voters to extend the District for 20 years, or indefinitely. The Board agreed to extend the District for 20 years. Les Loble made a motion to put before the people of the District a vote to extend the District 20 years. Second by Rena Schumacher. Motion carried. All in favor.

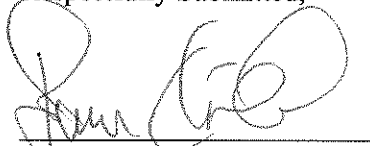
Next was a decision between two ballot issues for the extension of the District. Al Malinowski made a motion to use Ballot #1. Carol Collins feels the wording needs to be changed on the 2nd Ballot and it should be used instead of Ballot #1. Second by Les Loble. Also in favor: Renae Schumacher. Motion carried 3 to 1.

7) Old Business

- a) Proposed Budget for FYE 2006-2007. Renae Schumacher made a motion to approve the budget, as amended. Second by Les Loble. Motion carried. All in favor.
- b) Financials: The Board agreed to table the financials until the next meeting as there was a question by Les Loble as to why there appeared that checks were missing.
- c) Carol Collins brought before the Board the possibility of Leslie Fregien going to a four day work week. The Board agreed that was fine. The hours need to be posted if Leslie goes to a 4 day work week.
- d) Leslie Fregien is to update the answering machine message.

Chairperson, Al Malinowski, adjourned meeting at 1:17 pm.

Respectfully Submitted,



Lance Child, Secretary