



MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING

January 14, 2009

Present: Al Malinowski, Chairperson
Lance Child, Vice Chairperson
Les Loble, Secretary/Treasurer
Rena Schumacher, Director
Loren Bough, Director
Stephanie Holstein, Administrative Officer

Chairperson, Al Malinowski, called the meeting to order at 10:33 a.m.

A. Public Comment: None.

B. Old Business

- a) **BSCC Spur Road Trail** – Mary Jane McGarity requested permission from the Board to transfer \$20,000 from the 2009 Spur Road Trail appropriation for use in completing Phase 1 of a proposed tunnel under Highway 64.
Motion by Ms. Schumacher to approve up to \$20,000 for use in the engineering design phase of the tunnel subject to the BSRAD attorney’s approval that this request falls within the original intent of the appropriation. Second by Mr. Bough. Ms. Schumacher and Mr. Bough in favor, Mr. Malinowski, Mr. Loble, and Mr. Child opposed. Motion failed.
The Board encouraged Ms. McGarity to apply for an appropriation for the tunnel project during the next allocation period.
- b) **BSCC 7th Inning Stretch** – Ms. McGarity reported the revenue and expenses from the concert held in September and requested that the appropriation cover their loss from the event.
Motion by Mr. Bough to pay \$3,226 of BSCC’s 7th Inning Stretch appropriation to cover the organization’s loss on the event. Second by Mr. Child. All in favor. Motion passed.
- c) **Attorney General Opinion** – Mr. Malinowski reported the draft Attorney General Opinion has been received. The Board instructed the Administrative Officer to have Mona Jamison draft a letter to the Attorney General stating the Board supports the opinion.
- d) **401(k)** – Ms. Holstein requested permission to cancel services with Intermountain Financial Group and United Pension Administration and explore other retirement plan options. She stated she would return to the February meeting with a proposal.
Motion by Mr. Loble to cancel the current 401(k) retirement plan. Second by Ms. Schumacher. All in favor. Motion passed.
- e) **Statute of Limitations** – Mr. Loble reported the statute of limitations has run on Ms. Fiegen’s case and all materials will be returned.

C. December 10, 2008 Open Minutes

Motion by Ms. Schumacher to approve the minutes as amended. Second by Mr. Bough. All in favor. Motion passed.

D. New Business

- a) **Appropriation funding requests** – Ms. Schumacher raised concern about recent Big Sky Search and Rescue appropriation funds being used for the purchase of a gift certificate. The Board concurred that this

is an inappropriate use of funds and instructed Ms. Holstein to contact Big Sky Search and Rescue and have the funds returned.

- b) **American Bank CD** – Mr. Malinowski reported the District’s American Bank CD will mature on January 17, 2009.

Motion by Mr. Loble to close the American Bank CD account and transfer the funds to the First Security Bank money market account. Second by Mr. Bough. All in favor. Motion passed.

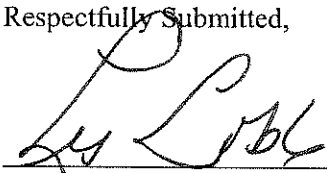
- c) **Resort Community legislative bill draft** - Ms. Holstein reported on a bill drafted by the Whitefish community which will raise the population limit for resort communities.

E. December 2008 Financial Reports

Motion by Mr. Child to approve the financial reports. Second by Mr. Bough. All in favor. Motion passed.

Chairperson, Al Malinowski, adjourned meeting at 11:26 a.m.

Respectfully Submitted,



Les Loble, Secretary/Treasurer



MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING

February 11, 2009

Present: Al Malinowski, Chairperson
Lance Child, Vice Chairperson
Les Loble, Secretary/Treasurer
Rena Schumacher, Director
Stephanie Holstein, Administrative Officer

Chairperson, Al Malinowski, called the meeting to order at 10:33 a.m.

A. Public Comment: Ginna Herman, President of the Arts Council of Big Sky, updated the Board on the programs supported by their 2008-2009 allocation to date.

B. New Business

- a) **Fire Department** – Jason Revisky updated the Board on the status of the Fire Department’s ambulance purchase and sought advice on his 2009-2010 application for resort tax funds.
- b) **2009-2010 Appropriations** – The Board set tentative dates for the application deadline (April 22, 2009), Q&A Forum (May 20, 2009 1:00 p.m.), and Appropriations meeting (June 11, 2009 1:00 p.m.). Both meetings will be held at the Big Sky Chapel. The Board reviewed the draft application and instructed Ms. Holstein to give notice of the 2009-2010 Appropriations process in the newspapers, online, and directly to current recipients.
- c) **New Office Space** – Mr. Malinowski led the Board in a discussion about the process the Board will use to seek and acquire a new office space for the District. The Board postponed listing the request for proposals until after the Appropriations process.
- d) **Other** – The Board directed Ms. Holstein to send a letter to William Hanson requesting he return all unneeded copies of the case paperwork to the District.

C. January 14, 2009 Open Minutes

Motion by Mr. Loble to approve the minutes, as amended. Second by Mr. Child. All in favor.
Motion passed.

D. Old Business

a) Holstein Personnel

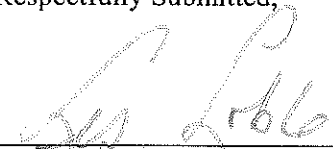
- Accrual of sick, vacation, and holiday hours during maternity leave:
Motion by Mr. Child to approve the accrual of sick, vacation, and holiday hours during maternity leave the same as normally accrued under the employment contract. Second by Mr. Loble. All in favor. Motion passed.
- Health insurance benefit:
Motion by Mr. Loble to include the premium for health coverage in Ms. Holstein’s basic compensation increased by appropriate taxes and for this to be calculated by the District’s Accountant. Second by Mr. Child. All in favor. Motion passed.
- Retirement plan – Ms. Holstein reported she will send a letter cancelling the current retirement plan as of December 31, 2008 this week. She also reported she is waiting to hear from the State of Montana Deferred Compensation Plan administrator on whether the District can participate.
- Performance Evaluation – Given Ms. Holstein’s maternity leave, the Board postponed her performance evaluation until June and asked her to find an evaluation form for the process.

E. January 2009 Financial Reports

Motion by Mr. Child to approve the January 2009 check register. Second by Mr. Loble. All in favor. Motion passed.

Chairperson, Al Malinowski, adjourned meeting at 11:40 a.m.

Respectfully Submitted,



Les Loble, Secretary/Treasurer



MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING

March 11, 2009

Present: Al Malinowski, Chairperson
Lance Child, Vice Chairperson
Les Loble, Secretary/Treasurer
Rena Schumacher, Director
Loren Bough, Director
Stephanie Holstein, Administrative Officer

Chairperson, Al Malinowski, called the meeting to order at 10:33 a.m.

- A. Public Comment:** Christl Gump made a presentation to the Board requesting 100% funding for the Big Sky Fire Department request. A majority of the Fire Department's work is for non-residents.
- B. February 11, 2009 Open Minutes**
Motion by Mr. Loble to approve the minutes, as amended. Second by Ms. Schumacher. All in favor. Motion passed.
- C. New Business**
- a) Investment Committee** – The Investment Committee made a recommendation to invest \$2,125,000.00 in the following: \$1,250,000.00 in a Business Advantage CD at Big Sky Western Bank for 2.46%; \$875,000.00 in a short-term (3 to 6 months) CD at First Security Bank for 2.25%; retain \$10,000.00 in the STIP; and close the Big Sky Western Bank money market account.
Motion by Mr. Child to adopt the investment plan as recommended by the committee. Second by Mr. Loble. All in favor. Motion passed.
- b) Administrative Officer report** – Ms. Holstein updated the Board on the following topics:
- The District had a successful on-site audit by Montana State Fund.
 - The reaction to the short-term rental mailing has been very positive; Ms. Holstein will begin canvassing short-term rental websites and contacting homeowners associations next month.
 - The District is now receiving weekly activity reports from the Sheriff's Department; Mr. Loble asked to review the reports.
 - Mona Jamison has successfully worked to remove resort tax areas and resort tax communities from the local option tax bill currently moving forward in the Legislative Session. Ms. Jamison also reported the Attorney General Opinion is now before the Attorney General and should be approved within a couple weeks.
 - Ms. Holstein asked for guidance on whether tanning is taxed. The Board stated services and supplies associated with tanning are taxed.
 - The NRMRC&D Noxious Weeds project requested time to make a presentation; the Board stated the April meeting would be an appropriate time.
 - Ms. Holstein reported she needed to request further information about invoices submitted in recent allocation payment requests from the Blue Water Task Force and the Transportation District; the Board encouraged her to continue to be diligent in her review of requests.
 - Mr. Malinowski expressed concern about the payment process used by the Transportation District for both Resort Tax and State funding; the Board asked Mr. Malinowski to ask the Transportation District to appear at the Board meeting in April.

- Ms. Holstein requested the option of taking extra days as needed during the months of April through July; she stated she would request extra days from Mr. Malinowski prior to taking them.

Motion by Mr. Child to allow Ms. Holstein extra days as needed during the months of April through July. Second by Mr. Loble. All in favor. Motion passed.

- c) **Other** – Mr. Loble informed the Board his conflict with the original Board meeting time no longer exists. The Board stated it would change the monthly meeting time to 11:00 a.m. beginning next month.

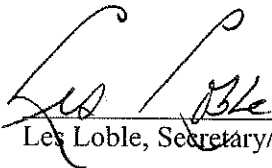
D. Old Business - None

E. February 2009 Financial Reports

Motion by Mr. Child to approve the February 2009 check register. Second by Mr. Loble. All in favor. Motion passed.

Chairperson, Al Malinowski, adjourned meeting at 11:26 a.m.

Respectfully Submitted,



Les Loble, Secretary/Treasurer



MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING

April 8, 2009

Present: Al Malinowski, Chairperson
Lance Child, Vice Chairperson
Les Loble, Secretary/Treasurer
Rena Schumacher, Director
Loren Bough, Director
Stephanie Holstein, Administrative Officer

Chairperson, Al Malinowski, called the meeting to order at 11:02 a.m.

A. Public Comment: None

B. New Business

- a) **Northern Rocky Mtn RC&D** – Jody Fagan and Don McAndrew made a presentation to the Board on the Noxious Weeds program.
- b) **Big Sky Search & Rescue** – Tom Reeves gave a progress report on the construction of the organization's new operations building. He sought guidance on how to maintain an adequate payment schedule with the contractor during June and July.
- c) **Big Sky Transportation District** – Lisa Knorr, David Kack, and Richard Schultz explained how the organization reviews invoices for payment and how it requests funding from the Montana Department of Transportation. The Board instructed the Transportation District to reconcile all funding at year-end with the BSRAD. Future resort tax funds requests will include a year-end reconciliation stipulation in the appropriation agreement.
- d) **Big Sky Chamber of Commerce** – Marne Hayes requested a transfer of funds between two of the Chamber's 2008-2009 appropriations.
Motion by Mr. Loble to transfer \$10,000 from the Chamber's Air Service Marketing Campaign appropriation to its Design and Printing of Publications appropriation. Second by Ms. Schumacher. All in favor. Motion passed.
- e) **November 2009 Board Election**
Motion by Mr. Loble calling for an election for two open seats on the BSRAD Board of Directors at the general election in November 2009. Second by Mr. Child. All in favor. Motion passed.
- f) **Other** – Mr. Malinowski reported he attended a meeting held by Big Sky Resort, Moonlight Basin, The Yellowstone Club, and Spanish Peaks. The meeting focused on creating a group ad campaign to increase visitation to Big Sky.

C. March 11, 2009 Open Minutes

Motion by Mr. Loble to approve the minutes, as amended. Second by Ms. Schumacher. All in favor. Motion passed.

D. Old Business

a) **Retirement Plan**

Motion by Mr. Loble to adopt a Resolution and Adoption Agreement to enter into a contract with the Public Employees' Retirement Board to offer the state deferred compensation plan for the voluntary use of its eligible employees. Second by Mr. Bough. All in favor. Motion passed.

b) Investment Committee

Motion by Mr. Loble to ratify the change in the amount invested in the First Security Bank CD from \$875,000 to \$975,000 to include the emergency fund. Second by Ms. Schumacher. All in favor. Motion passed.

c) Spreadsheets – Ms. Holstein presented spreadsheets illustrating monthly tax collections since 2001 and total appropriations since 1993.

Motion by Mr. Child to post the spreadsheets to the website. Second by Mr. Bough. All in favor. Motion passed.

d) June Meeting – In order to address business items after the upcoming appropriations process, the Board set a business meeting for Wednesday, June 17, 2009 at 11:00 a.m. The July meeting is cancelled.

e) Other – The final Attorney General Opinion was received prior to the meeting. The Board instructed Ms. Holstein to post it on the website and notify the newspapers.

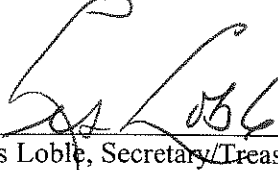
f) Other – At the request of Markus Kirchmayr, Mr. Malinowski granted additional time for public comment. Mr. Kirchmayr expressed concern that many short-term rental properties within the District are not collecting and remitting the resort tax. He asked the Board to prioritize identifying such properties.

E. March 2009 Financial Reports

Motion by Mr. Child to approve the March 2009 check register. Second by Ms. Schumacher. All in favor. Motion passed.

Chairperson, Al Malinowski, adjourned meeting at 12:30 p.m.

Respectfully Submitted,



Les Loble, Secretary/Treasurer



MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING

May 20, 2009

QUESTION & ANSWER FORUM

Present: Al Malinowski, Chairperson
Lance Child, Vice Chairperson
Les Loble, Secretary/Treasurer
Rena Schumacher, Director
Loren Bough, Director
Stephanie Hanna, Administrative Officer
Mona Jamison, Attorney

Chairperson, Al Malinowski, called the meeting to order at 1:04 p.m.

Mr. Malinowski welcomed attendees, gave introductions, and gave a brief explanation of how the meeting would run.

1) Public Comment

Tom Reeves supported the Fire Department application noting the voter response to the Department's mill levy request.

Twila Moon spoke in favor of the Fire Department application stating it fits the purpose of the resort tax and opposed the Young Life application due to its religious nature.

Victor Deleo spoke in favor of all safety related applications as well as the Chamber marketing applications aimed at bringing more revenue to the community through visitation.

Meg O'Leary spoke in favor of the Transportation District in addition to the Big Sky Institute applications which, in her opinion, differentiate Big Sky from other resort communities.

2) Question & Answer Forum – Appropriation Applications – Mandatory meeting for representatives of organizations requesting Resort Tax Funding.

Gallatin County Sheriff's Office

1) Big Sky / Canyon / Division / Patrol Services

Sheriff Jim Cashell

\$110,267.00

Mr. Loble asked the nature of the slight increase in calls. Mr. Cashell responded it is for a variety of reasons and if needed he could submit a report. Mr. Malinowski noted the Big Sky Sheriff services on the submitted budget were less than what was allocated last year. Mr. Cashell explained the line item is for specific Big Sky costs and the rest of the funding is distributed throughout other indirect costs and held for cash carry over for next year; there will not be extra resort tax funding at year end. Ms. Schumacher asked if the call volume has decreased with the area quieting down and Mr. Cashell responded no.

Arts Council of Big Sky

GINNA HERMANN & BRIAN HURLBUT

2) Building the Arts in Big Sky through Partnerships and Shared Visions \$90,590.00

Mr. Loble confirmed this year there will be six free concerts while last year there were 7. Ms. Hermann explained the time frame for construction on the park allows for six concerts. ACBS will add two additional concerts in collaboration with the Chili Cook Off and Chamber events. Mr. Loble asked if there have been complaints about the fireworks. Ms. Hermann replied they have received feedback that the quality is not as good as what folks would like for Big Sky, thus the increase in the request. Mr. Loble asked how the BSCC Park impacts ACBS's request for the tent cover replacement. Ms. Hermann explained their long-term goal is to build a permanent amphitheater. In order to fundraise for the capital campaign they must conduct a design study for which they have requested funding. In the meantime, their current tent cover needs to be replaced. Mr. Malinowski and Mr. Child asked for clarification on the amount of cash on hand as well as how much remains for the headliner. Ms. Hermann explained they still retain the \$100,000 headliner fund. Mr. Child asked who will be responsible for the amphitheater. Ms. Hermann explained the ACBS will own and be responsible for the structure and under an MOU they will lease the property it sits on from the BSCC. Ms. Schumacher asked if the tent is purely temporary. Ms. Hermann explained their request is to replace the tent cover which can be used this summer, but after that it must be replaced. Mr. Child asked why, then, are they asking for the replacement this year. Mr. Hurlbut stated they would need to purchase the tent in May 2010 and set it up by June 2010.

Ophir School Board

KRISTA BOERSMA & ANNE MARIE MISTRETTA

3) Ophir / Community Gymnasium

\$200,000.00

Mr. Child noted due to his seat on the Ophir School Board, he resigns his participation in the application and the appropriation for the Ophir School Board.

Ms. Schumacher asked if the gap in funding for the gymnasium is from the unpaid pledge made by Tim Blixeth. Ms. Boersma explained they were pledged a total of \$2 million from three donors for the cost of the project. Two donors have made contributions and the Board has fundraised, leaving the \$200,000 gap for which they are requesting. Mr. Malinowski then clarified that the response to Ms. Schumacher's question is "yes." Ms. Boersma responded yes. Mr. Malinowski corrected the error in the application: their \$200,000 request is 11% of the total cost of the \$1.8 million project. Mr. Bough asked what percentage of hours the gymnasium is used by the public. Ms. Boersma explained the gym is used two to three hours every day by the community. Ms. Mistretta said the gym is open from 9:00 a.m. to 9:00 p.m. Monday through Friday and it is used by the public every day of the week. Mr. Loble asked how many hours it is used by adults. Ms. Boersma responded it is used every Tuesday and Thursday evening by 30 resort employees. Ms. Schumacher asked what the chances are for collecting on the pledge. Ms. Boersma responded it is unlikely, but if it did happen, the Board could consider returning the resort tax funds. Mr. Malinowski asked if the deficit in funding is due to cost increases or due to them assuming they would receive the necessary money. Ms. Boersma responded both, however they were able to stop construction to lower the costs of the project; this results in no performing arts center at this time. Mr. Malinowski asked if they are requesting funding to cover committed costs. Ms. Mistretta said yes, this money is committed and their only other option for covering the costs is to use the Ophir School Fund which is normally earmarked for teacher training. She spoke to the merit of the fund and its contribution to attracting highly qualified teachers. She explained the gym is open to the community as it is the only gym in town and they prefer to not use money set aside for the teachers in order to pay for it. Mr. Malinowski asked if that fund is the same as the endowment fund. Ms. Mistretta replied yes, as the endowment never grew, it was combined with the Ophir School Fund. Mr. Loble asked the size of the Ophir School Fund. Ms. Mistretta replied the fund is \$580,000. Mr. Loble asked if they have any other reserves, she replied no. Mr. Malinowski noted they did not provide a project budget with their application. Ms. Mistretta said she thought the budget they provided would suffice, but they can provide a more detailed budget. Ms. Schumacher asked if they receive funding from the Dream Catcher Foundation. Ms. Mistretta said yes, the Foundation has funded the Ophir School Fund, although this is the last year. Ms. Schumacher asked if they are asking BSRAD to more or less fund teacher training. Ms. Mistretta said they have taxable valuation to cover the costs, but they prefer to not to use the teacher

training fund and not to tax the community. She reiterated that the gym is used by the community. Mr. Malinowski asked if the investment pool's interest is meant to pay for the teacher training. Ms. Boersma said the pool is no longer earning interest so they are currently using the principle.

Krista Boersma, Anne Marie Mistretta, Ron Downer, Barbara Rowley, Alan McClain

4) Ophir School Landscaping / Fire Prevention & Mitigation \$97,500.00

Ms. Schumacher asked if they have any other source of funding. Ms. Rowley replied they would also use the Ophir School Fund if needed. Mr. Downer explained they knew they wouldn't have the money for the landscaping, but they couldn't request additional bonds as they were designated only as a K-8 District. Mr. Malinowski asked if they were also relying on the pledge from Mr. Blixeth for the landscaping costs. Mr. Downer replied no, they just went over on costs for the landscaping; they were hoping to get donated time and money to cover the costs. Mr. Loble asked them to clarify the reference to this being a life/safety issue. Mr. Downer explained the land use permit stipulates the landscaping, but with recent information, the Fire Chief has stated they can open the building without the landscaping. Ms. Schumacher asked if the landscaping is then just for aesthetics. Mr. Downer and Ms. Rowley replied yes, in addition to aiding with upkeep of the building and removal of noxious weeds. Ms. Schumacher asked if this were not funded would it just go on hold. Ms. Rowley said that is unknown, it would be a Board decision. Mr. Bough asked if this request is from the Ophir School Board and not Ophir School. Ms. Rowley replied yes. Mr. Malinowski asked the applicants to provide a detailed project budget before the next meeting. Mr. Malinowski noted his discomfort with this being a requirement of the land use permit, but something that was not planned for and now it is being put on the BSRAD. Ms. Rowley said during the planning, folks felt they would find the money due to the good economy at the time. Mr. Malinowski asked how this is a community benefit if it is not a safety issue. Ms. Rowley responded the gym is a community investment and the landscaping helps with fire safety, aesthetics, and building upkeep costs. Ms. Schumacher asked Ms. Jamison her perception of the application. Ms. Jamison responded that according to the application, the certificate of occupancy was at risk for the safety issues, but hearing that they can open without the landscaping, the community benefit is diminished. She stated there is a substantial question of whether this is a community benefit. Mr. Loble noted the disturbing factor of Ophir School having a history of not planning for life and safety features during construction.

Gallatin Valley Snowmobile Association

5) Buck Ridge Snowmobiling

Devon White

\$17,850.00

Mr. Child asked Mr. White in this year, the toughest year he has seen for resort tax funding, how does this application rank among all the others. Mr. White stated this project contributes directly to the tax by bringing people to recreate and spend money on local amenities in Big Sky. Mr. Malinowski asked what happens if this project is not funded. Mr. White stated the grooming would continue as the project would still have some funds from Fish, Wildlife & Parks, the State, and the gas tax. Mr. Child asked if the grooming would be cut in half. Mr. White said no, it would be groomed once a week instead of two or three times a week. Mr. Malinowski asked how many years this project has been in effect. Mr. White said 17 years. Ms. Schumacher asked if resort tax funds have been appropriated to it every year to which Mr. White replied yes. Mr. Child asked if there is any chance FWP would increase their funding and Mr. White said no.

Big Sky Transportation District

6) Skyline

Lisa Knorr & David Kack

\$305,000.00

Ms. Knorr noted ridership is still up as well as rider satisfaction. Ms. Schumacher asked if the federal funding is decreased this year. Mr. Kack responded yes, by about \$29,000. Mr. Loble asked when they will go out for their mill levy. Mr. Kack responded in November 2009 they will first go for an enlargement of the Transportation District to mirror the boundaries of the BSRAD and then in spring 2010 they will hold a special election for the property tax mill levy. They are unsure if they will still ask for the levy if the District is not enlarged. Mr. Malinowski asked why the mill levy will raise \$250,000 yet they are still requesting \$250,000 from BSRAD. Mr. Kack explained they need \$425,000 total and

they need to decide on the percent break down of how much to request from mill vs BSRAD based on how many properties wind up in the District boundaries. Ms. Schumacher asked if the District is expanded, would they need to increase their services to match. Mr. Kack responded no. Mr. Child asked if with the increase in ridership, have they requested more funding from Gallatin County. Mr. Kack explained with the large County deficit, additional funding is not possible. He also noted Madison County may not have funding next year. Ms. Schumacher asked if that affects the \$30,000 in this application. Mr. Kack responded yes, the \$30,000 from Madison County as well as funding from the Dream Catcher Foundation will most likely not come in and they will adjust their services accordingly.

7) Skyline Rollover	\$15,000.00
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Mr. Malinowski clarified that the funding they received two years ago for capital improvements is no longer available save the \$14,400 they rolled over last year. Therefore, the Board allowed them to add \$15,000 to the Skyline application and remove the Skyline Rollover application.

Gallatin County Consolidated Rural Fire District	Jason Revisky & Wendy Hiebert
8) Big Sky Fire Department	\$851,723.88

Mr. Revisky gave a synopsis of the services provided by the Fire Department and unsuccessful mill levy in the past year. Ms. Schumacher asked about the federal funding sources they had in the past but no longer have now. Mr. Revisky explained they had received some federal grants in the past for equipment, but overall they do not qualify for federal funding due to the comparison of their annual budget vs year round residents. Mr. Malinowski asked about the cash reserve fund. Ms. Hiebert said it will no longer exist after this year. Mr. Malinowski broke down their request into three areas: past capital improvement payments, new capital improvements, and operating losses based on budget. In regards to their capital improvements plan he noted they could ask for only the capital improvements they need this year rather than funding needed for future improvements which amount to \$200,000. Mr. Loble asked what capital improvements are needed this year. Mr. Revisky stated the self-contained breathing apparatus (SCBA). Mr. Bough asked how they will prioritize if they receive less funding. Mr. Revisky stated they could put off contributing money to the capital improvements and another option is to not hire one new employee. Mr. Revisky noted this will be the last payments on the fire engine and the building. Mr. Child asked if 70% of man hours go toward emergency response and transport are other areas of the organization weighted accordingly. Mr. Revisky said staffing is weighted in that direction as well but other areas such as the budget, capital replacements plan, and training are not as clearly weighted. Ms. Schumacher asked what position they would be hiring for. Mr. Revisky said a Deputy Fire Chief. Ms. Schumacher asked why wages are higher this year but benefits and employment taxes are down. Ms. Hiebert stated the submitted P&L is based off the budgeted numbers and she can provide a current year to date profit and loss budget vs actual. Mr. Malinowski asked if payment is made on the building in July rather than March, will this save interest. Ms. Hiebert said yes. Mr. Malinowski asked them to provide the new payment amount based on making that payment early. Mr. Child asked how many employees the Fire Department has. Mr. Revisky said eight and two seasonal.

Blue Water Task Force, Inc.	Kristin Gardner & Jon Holtzman
9) Watershed Group Funding	\$40,549.00
10) Watershed Group Funding Rollover	\$15,000.00

Mr. Malinowski asked what the tangible result of this funding is. Ms. Gardner explained the environmental benefits. Mr. Holtzman explained that BWTF is the only organization watching the quality and quantity of the water in the rivers. He said there are public briefings on their findings and reports on their website. Mr. Holtzman noted they are monitoring and asking parties involved with problems to fix it now rather than waiting until after the study is over; i.e. Big Sky Resort is partnering with them on monitoring an extra section of the stream by the golf course. Mr. Bough asked if Big Sky Resort is contributing to the cost of this extra monitoring. Mr. Holtzman stated they are contributing by fixing what is found to be the cause of any problems. Ms. Schumacher asked if the rollover is the last

TMDL funding. Ms. Gardner replied yes, the TMDL is over and there is a pool of money available for needed restoration in the future.

The Post Office, LLC
11) Big Sky Post Office

Al Malinowski
\$45,500.00

Chairperson, Mr. Malinowski, turned the meeting over to Vice-Chair, Mr. Child. Mr. Bough asked as this seems to be a routine application, what has changed this year. Mr. Malinowski stated he anticipated having the opportunity to request a funding increase from the USPS as in past years. However, this was not an option this year so the request is higher. Mr. Loble asked if the USPS stops delivering to contract stations, would The Post Office, LLC end. Mr. Malinowski stated yes and noted The Post Office, LLC only requests funding to cover the amount of money lost by the LLC each year. Mr. Child turned the meeting back over to Mr. Malinowski.

Morningstar Learning Center, Inc.
12) Morningstar Learning Center Rollover

Laura Sacchi
\$175,000.00

Mr. Loble asked if, under the same conditions imposed on the appropriation last year, does Morningstar still plan to seek financing for new construction. Ms. Sacchi replied yes. Mr. Child asked if the USDA funds the entire project, why apply for resort tax funds. Ms. Sacchi stated the 2 million dollars applied for does not cover the entire project; the \$175,000 is still needed. Mr. Child asked then why they only applied for a 2 million dollar loan. Ms. Sacchi explained they chose to request a loan in the same amount of the bond they explored seeking. She noted they expect to receive the phase one feasibility study report required by the USDA within two weeks. Mr. Bough asked if the \$175,000 resort tax funds are required for the USDA loan. Ms. Sacchi said it is included in the sources and uses they provided with the application to the USDA, but if it is not received, it does not affect the loan. Mr. Child asked if they have other options if the loan is not approved. Ms. Sacchi replied yes, the bond is still an option. Mr. Child asked if the loan is not approved would they immediately go for the bond or put the project on hold. Ms. Sacchi said this would be a board decision at that time. Mr. Loble asked for more detail on the feasibility study. Ms. Sacchi explained phase one includes a study of macro-economic factors and supply and demand. She said the USDA will use phase one of the study to determine whether or not the loan is approved. She further explained phase two is a more detailed study of community need required after the loan is approved. Ms. Schumacher asked if the project relies 100% on the rollover. Ms. Sacchi replied no, but it is helpful as fundraising is down. Ms. Schumacher asked if they have seen a drop in enrollment. Ms. Sacchi said their current class size is smaller, they have a higher request for scholarship funds, and have seen small cut backs in individuals' needed schedules. However, projected enrollment in the next couple years looks to be higher than ever, she stated. Mr. Malinowski asked Ms. Sacchi to provide an updated Exhibit E submitted with Morningstar's 2008-2009 Application which illustrates the financial projections for the project. Ms. Schumacher asked with the approval of the loan, what is the time frame for construction. Ms. Sacchi replied they hope to start this summer. They will need to rent a new space when their lease is up August 1st.

Friends of the Big Sky Community Library
13) Big Sky Community Library

Kay Reeves & Kathy House
\$54,320.00

Ms. Schumacher asked if the Library is self-sufficient. Ms. Reeves replied no, their current cash reserves are in the amount of \$50-60,000. Mr. Loble asked for a record of how many people visit the library. Mr. Bough asked if they plan to complete their portion of the landscaping. Ms. Reeves replied it would depend on what happens with Ophir School's portion.

Big Sky Community Corporation
14) Public Services, Parks and Trails

Mary Jane McGarity
\$60,500.00

Mr. Child asked why this request is smaller than last year. Ms. McGarity replied the request last year included a maintenance vehicle as well as property taxes for which they have successfully been awarded

an exemption. Ms. Schumacher asked why the cost of utilities are down. Ms. McGarity explained that BSOA is now covering the costs of the street, trails, and park lighting. Mr. Malinowski asked what BSCC would do if the full amount was not funded. Ms. McGarity replied her only option is to cover the gap with donations.

15) Community Park Phase I Improvements \$1,255,000.00

Mr. Malinowski recognized the motivation for BSCC to put the total cost of phase one out into the community with this application; he asked what portion is most crucial and what amount of funding is most efficient. Ms. McGarity replied the cost of the park is never going to be cheaper. Mr. Loble asked Ms. McGarity to sit down with her contractor before the next meeting and pose the question, what is the minimum. Ms. McGarity said she will pose the question, but that right now the minimum request for resort tax funds is \$1,255,000 and the total cost of phase one is \$1,450,000. She explained that each piece of the park relies on the others in this phase; she went on to say the minimum could be the second ball field and the concert stage area and that all else including paved parking could possibly be taken out. The Board asked her again to have this discussion with the contractor.

16) Spur Road Trail Pedestrian Tunnel - Engineering and Permitting \$85,625.00

Ms. McGarity stated if the Board has \$85,000 to appropriate to either the Park or the Tunnel, it is the BSCC Board's preference that it go to the Park. Mr. Loble asked if this cost could be any less. Ms. McGarity stated no. Mr. Malinowski asked for the estimated full cost of the tunnel. Ms. McGarity replied \$500,000 including the \$85,000. She went on to explain they will have a good opportunity to receive Community Transportation Enhancement Funds for the project. Mr. Malinowski asked what they will do for safety of pedestrians at the intersection in the meantime. Ms. McGarity stated they are working on two crosswalks and at this time they can afford only one. The cost for striping and a light for the two crosswalks is \$45,000. Mr. Child asked what the CTEF contribution will be for the tunnel. Ms. McGarity replied \$100-250,000.

Big Sky Search and Rescue, Inc.

17) Operations

Tom Reeves & Steve Johnson

\$14,700.00

Mr. Reeves noted he was not listed as representative on the application as he will not be available for the June 11th meeting. Mr. Loble asked for more clarification on their funding from the County. Mr. Reeves stated their request from the County has been reduced by \$23,000 for the cost of a generator and that he is 99% sure the County will approve this budget. Mr. Malinowski asked what is included in the \$10,000 Accounts Receivable. Mr. Reeves stated it was their most recent payment from BSRAD for their contractor deposit. Mr. Bough asked how many calls they receive. Mr. Reeves said their calls haven't changed over the past five years; 25 to 33 calls per year. He noted they have reduced their operational costs by 35% this year resulting in a smaller request for resort tax funds. Ms. Schumacher asked how they have made cuts and Mr. Reeves responded they have chosen to not replace any equipment this year and cut back on training at the suggestion of the County.

18) Search and Rescue Building Rollover \$280,000.00

Mr. Reeves stated this amount is now less than \$280,000 and will be further reduced by June 11th. Ms. Schumacher asked for an update on progress with the building. Mr. Reeves stated it is ready for the foundation at this time. He said they are 4 to 6 months away from completion.

Jack Creek Preserve Foundation, Inc.

19) Jack Creek Monitoring Program

Kevin Germain

\$5,773.00

Ms. Schumacher noted the similarity between this program and the Blue Water Task Force. She asked if they have considered partnering. Mr. Germain replied no. He explained the project is located at the tributary to the Madison River; it was started by MSU three years ago and became a partnership between

Moonlight Basin and the Jack Creek Preserve Foundation. Mr. Child asked if this project is within the boundaries of the BSRAD. Mr. Germain stated a majority of the watershed and three watershed monitoring stations are located within the District as well as an amount of the Jack Creek Preserve Foundation land. Mr. Malinowski asked if BSRAD community members can get to the Preserve. Mr. Germain stated yes, through Moonlight property. Ms. Schumacher asked if they have any other sources for this project. Mr. Germain answered none other than Moonlight Basin at this time. Mr. Bough asked if Lone Peak High School students can participate in the project. Mr. Germain stated while in the past they have worked only with Ennis students, they could work with Ophir students in the future. Mr. Bough asked what they are monitoring in the water. Mr. Germain said temperature, nitrates, phosphates, etc. Ms. Schumacher asked what MSU provides for the project. Mr. Germain stated MSU provides expertise and assistance on the project. Mr. Bough asked what the other activities are of the Foundation. Mr. Germain explained he is not greatly familiar with the Foundation, but it was started by the owner of the land, John Fossil, and it runs a youth camp for outdoor activities.

Northern Rocky Mountain RC&D

Crystal Hagerman & Don McAndrew

20) Big Sky Area Hazardous Fuels Reduction Program \$15,600.00

Mr. Loble asked how long the program has been running in Big Sky. Ms. Hagerman replied three years for which they have also received resort tax funds. Mr. Loble asked how many properties they have assisted. Ms. Hagerman replied they have assisted 54 landowners as well as worked with a number of subdivisions such as Hidden Village which include multiple homeowners. She stated they have helped to clear 107 acres in the Big Sky area. Mr. Child asked how receiving fewer funds would affect their services in Big Sky. Ms. Hagerman replied the funding allows them to dedicate a staff person to Big Sky; with less funding there is the possibility they could still make some trips to Big Sky but they would have much less presence in the community. Mr. Loble asked what the federal cost share funding provides. Ms. Hagerman stated it pays for the thinning of trees, clearing of brush, clearing the space around structures, and other forest health maintenance. Ms. Hagerman also noted they partnered with the BSCC this year on clearing the Ousel Falls Park.

21) Gallatin / Big Sky Noxious Weed Project \$19,000.00

Mr. Loble asked who eradicates the weeds on a property. Mr. McAndrew stated the landowner, be it a private owner, Forest Service, Department of Transportation, etc. Mr. Loble asked, hypothetically, if they found noxious weeds on State land, how they persuade the State to eradicate them. Mr. McAndrew explained they have undertaken an aggressive mapping program of the Gallatin Canyon. With that information, they have notified landowners and created the Gallatin / Big Sky Noxious Weed Committee which meets three times a year and includes private participants as well as State officials. This has helped all parties to work together to eradicate the weeds. Mr. Child asked what would happen if they are not funded. Mr. McAndrew explained that most of the funding pays for one part-time person assigned to this area and with no funding that designation would go away. He further noted they have assisted 70-75 homeowners this year.

Young Life

Dan Barnett & Doug Timm

22) Big Sky Young Life \$5,000.00

Mr. Timm began by addressing the question of whether it is legal and advisable for public taxes to fund faith based organizations. He explained Young Life has a non-sectarian, non-denominational arm for middle schoolers called WildLyfe. He stated in his opinion it is not only legal and advisable, but that it has been ruled that religious organizations should not be discriminated against for receiving public or private funding. Mr. Malinowski interjected that a larger concern for this request is whether it benefits the full community when the request is for scholarships for 10 kids. Mr. Timm replied that there are 52 kids in the middle school and 25 have participated to date in WildLyfe. Mr. Malinowski stated this request, however, is for 10 kids. Mr. Timm replied he thought the request was for \$2,500 for operations and \$2,500 for scholarships. Ms. Schumacher read an excerpt from the request stating it was for 10 \$500 scholarships. Mr. Barnett stated WildLyfe benefits the entire community by positively affecting kids at a

critical young age. Mr. Barnett stated this request, the second smallest request, will not “break the bank” and is a far less investment now than that of sending an adult through the court system in the future. He stated this is the first step in a long process; their intent is to be in the community for the long term as Young Life does not come into a community uninvited. He stated taking 10 kids to camp represents 20% of the population of the middle school. Mr. Bough asked where the camps are located. Mr. Barnett replied Young Life owns properties all over the country; they would be taking a group of local kids together to a camp in Oregon. Mr. Loble stated he believes they do need to address the legality of the application in terms of its religious affiliation. Ms. Jamison replied there are two provisions in the Montana Constitution which prohibit funding any religious organization. She noted the Articles of Incorporation included with the application state Young Life is a religious organization and therefore an appropriation is against the law. She further stated that scholarships for a group of 10 kids is too small and does not benefit the community at large. Mr. Barnett replied that Young Life is not a Church, it has faith roots and they are not going to apologize for that; he stated they accept all kids regardless of faith.

Montana State University's Big Sky Institute

Twila Moon & Katie Alvin

23) MSU & Big Sky Community Education Partnership: Phase Two \$15,300.00

Ms. Moon explained that on their FY10 Projected Budget, the Grant F&A's Returned to BI and the MSU Base Support will most likely be reduced; they hope to have exact numbers by the next meeting. Mr. Malinowski noted that John Varley, representative on the application, gave prior notification he would be unable to appear at the Q&A. Mr. Bough disclosed he sits on the National Board of the Big Sky Institute. He then asked for a recap of the work accomplished in Phase One. Ms. Moon explained they completed the assessment and they purchased 4 computers and video conference equipment. She went on to add they held their first successful video conference event in April and the computers have been used by camps and drop-ins. Mr. Bough asked if all the equipment is available to public. Ms. Moon replied yes. Mr. Loble asked for further explanation of the programs they will offer. Ms. Moon stated they will provide 12 programs throughout the year, differing in format and length. The assessment showed the number one interest to be face-to-face one-time events and the second largest interest to be life-long learning and business education. Mr. Malinowski asked for an update on the new building as resort tax was contributed to that cause, but the project is still unfinished. Ms. Moon said they own and utilize the land and the building is still in their strategic plan. The building will most likely be different than originally planned due to the economy. She also noted MSU has postponed the capital campaign which would have provided funding to the project. Mr. Malinowski asked if the contributed resort tax funds have been spent. Ms. Moon said no, the money is just on hold. Mr. Child asked for clarification on what portion of the budget provided is actually covering work in Big Sky as the budget is so large, it must include work by the greater University. Ms. Moon explained a majority of their staff is located at MSU working on research grants and the work done in Big Sky is centered on outreach and education in the community. She said she can provide a budget that illustrates the costs associated with Big Sky.

24) Big Sky Community Atlas - Phase 1

\$30,600.00

Ms. Schumacher asked for more information on the grants noted in the application which are available next year. Ms. Alvin explained she has identified several grants with cycles starting January 2010 so the funds will not be available until the second year of this project. Mr. Malinowski asked Ms. Alvin to react to the fact that there is little funding available and a new project is difficult to prioritize. Ms. Alvin explained this project fits the purpose of resort tax as an important infrastructure piece for the community; especially the mapping component as mapping is difficult here and the data gathered from mapping is not readily available to the public. She advocated for the mapping section of the project and noted that the programming pieces of the project may be less essential. Ms. Schumacher asked if they have considered partnering with the Water & Sewer District on their GIS project. Ms. Alvin said portions of the photos the District is taking serve only Water & Sewer purposes and are not available to the public. She said any portions that are available to the public will be added to the Atlas data. She further explained their intention is to make all data available to the general public. Mr. Malinowski asked what will happen if they are not funded. Ms. Alvin stated pieces of the project would still continue. They would use GPS units from 4-H and continue to work with the geocaching information and they are committed to running

the camps this summer. She also said the software is already available from the State, so they could move forward with that piece. Mr. Bough asked where the work on this data and website would be done. Ms. Alvin said part of the work would be done in Big Sky and part on campus; a large amount of data was gathered during the development boom in Big Sky which needs to be compiled. New data would be gathered in Big Sky and added as well. She said they will work to put in a local server for the website in phase two.

Big Sky Ski Education Foundation
25) 09-10 Season

Jeremy Ueland
\$4,500.00

Mr. Loble asked what equipment they have in mind. Mr. Ueland said they will be replacing some equipment and purchasing some new. Mr. Malinowski asked for a detailed list of what they will be purchasing with the funds. Mr. Ueland said 80% will be replacements and 20% will be entirely new equipment. Mr. Malinowski asked if the equipment is available to the public. Mr. Ueland said yes. Mr. Malinowski asked if the public uses the equipment. Mr. Ueland said they let Big Sky Resort use it and folks used it for the Big Sky Town Series. Mr. Bough asked what their youth participation was this year. Mr. Ueland said they had an increase of 35%; last year they had 40 participants and this year they had 72. Ms. Schumacher asked how many racers they had this year. Mr. Ueland said they had about 5,000 starts and at their largest race of the year they had 220 athletes.

Big Sky Chamber of Commerce
26) Postage Assistance

Marne Hayes
\$6,000.00

Mr. Bough asked why postage is discussed separately. Ms. Hayes explained the postage for mailing materials is one piece of their overall promotion. She said the applications are separated as a way for the Board to see their overall strategy broken into parts. Mr. Malinowski noted the Board may want to consider combining the appropriations under one or two contracts.

27) Regional Year-Round Advertising Campaign

\$53,515.00

Mr. Bough asked if this was funded last year. Ms. Hayes said no. She noted this campaign is even more important in this bad economy as they do not want to miss out on the regional drive market; the section of people who are staying closer to home and driving to their vacation destinations. Mr. Loble asked if she feels this is more important than the other campaigns. She said she does not want to rank them in order; she feels they are all important pieces to the overall picture. Mr. Bough asked if this would be print media. Ms. Hayes responded yes, within regional publications. She said with more funding they can cover a larger area. Mr. Bough asked Ms. Jamison why resort tax funds can be used to buy ads. Ms. Jamison explained tourism development is permitted in the BSRAD Ordinance and there are a variety of mechanisms to accomplish tourism development and purchasing ads is one that is allowable. Ms. Schumacher noted that Mercury Advertising will receive almost \$135,000 for all their pieces of the projects. She asked if they can consolidate their efforts to bring the cost down. Ms. Hayes explained they bid the projects separately and she can have a conversation with Mercury to see if the creative costs can be lowered.

28) Fulfillment Publications Reprint

\$43,722.29

Ms. Hayes noted she will not include the recreational rack card in the project; all other quantities will stay the same. Mr. Child asked how the quantities compare to previous years. Ms. Hayes said they are about the same. She said they may adjust quantities as needed; however, changing the quantities does not adjust the cost by a significant amount.

29) Web Applications / Social Media Initiatives

\$8,000.00

Mr. Loble asked what the results are of other organizations doing this. Ms. Hayes said she does not know their results individually but she has spoken with many people about this trend. She said the growing

number of people adding these components to their marketing plans should speak to the success of the effort. Mr. Loble asked how it works. Ms. Hayes said it is not purchasing pop up ads. Instead it is a way to route people to the Chamber site, Chamber's Facebook page, etc. She said there is an administrative cost to get it going, but once it's established there is no cost for the Chamber staff to maintain it; she noted it is an easy way to keep people who have already made contact with the Chamber informed. Mr. Loble noted the application says 57% have joined a Social Network; he asked 57% of what. Ms. Hayes responded 57% of people who use the internet. Mr. Child asked if they have in-house expertise for this project. Ms. Hayes stated Mercury Advertising will help them set it up but then it will be managed by herself and Robin at the Chamber. Ms. Schumacher asked what the set up involves. Ms. Hayes said adding links and content to sites which will drive internet users to the Chamber sites. Ms. Schumacher asked if another web company can do this set up work. Ms. Hayes said yes, as long as what is created fits creatively. Mr. Loble asked how they will have the time for this highly demanding and time consuming online work. Ms. Hayes said they will do what they can; she said as much time can be spent on it as is available. Mr. Loble noted with 10,000 visitors to Twitter, there is a lot of background information to stand out from. Ms. Hayes agreed, but said it is important to be joining this trend in which all their competitors are already participating. Mr. Bough asked if there is an opportunity to partner with Chamber members who are already doing this. Ms. Hayes said there may be.

30) Winter Marketing Campaign

\$250,000.00

Mr. Loble asked Ms. Hayes to define a conversion study. Ms. Hayes said it is a study that follows up on all the inquiries made to the Chamber to see if those inquiries translated into a return. Mr. Loble asked if they are just saying, give us \$250,000 and let us run with it; he explained this request does not contain the detail the Chamber usually provides for its marketing campaigns. Ms. Hayes explained it takes time and money for all the groups involved to sit down and collaborate on a campaign like this. She said this request will pay for the effort to create a detailed campaign. Mr. Loble asked what 'tag-on' brand mark means. Ms. Hayes explained Big Sky Resort and Moonlight Basin would allow all businesses in Big Sky to use the tagline Biggest Skiing in America. Mr. Loble asked what is meant by 'lead with aces.' Ms. Hayes explained winter skiing is Big Sky's strongest 'suit' and therefore should be used as the main driver to bring in visitors. Mr. Loble asked who the members of the committee are. Ms. Hayes explained the application came from the effort of a team of people from Moonlight Basin, Big Sky Resort, Spanish Peaks, Chamber, Yellowstone Club, and Town Center. She said these partners came together to work on a strategy to bring more visitors to Big Sky next year; some will contribute funds to the project. Mr. Bough asked if the committee has committed to a brand and expressed his concern that the committee is deciding this for the entire community without any public input. Ms. Hayes said the committee has committed to the brand Biggest Skiing in America which Big Sky Resort has agreed to share; she explained any business in Big Sky can use the brand in any way they like. Mr. Bough asked how he can be sure these funds are additional marketing funds rather than funds replacing the marketing funds of the individual committee members. Ms. Hayes assured the Board these funds are not in place of any individual marketing funds; she said she would not apply for the funding if there was any question. She said Big Sky Resort and Moonlight Basin collectively spend \$1-3 million on their own campaigns aside from this effort. She stated this effort is in addition to the individual campaigns and it is meant to create a collective brand for the entire community. Mr. Bough expressed concern about not having a better understanding of the marketing budgets of the participants involved. He also noted this is essentially the participants asking Resort Tax Board to change the marketing of the entire community; yet there are no firm commitments given by the participants. Ms. Hayes said she does not believe the participants came together to get financial help for the hard times just so they can leave the burden on the Chamber and return to their separate corners. She believes they have had a rude awakening and they are committed to working together as a positive solution for the future. Mr. Malinowski noted he is pleased this request came through the Chamber as it gives him more confidence in it. He asked why \$250,000. Ms. Hayes said other communities are spending \$1 million on similar campaigns and the committee wanted to ask for much less than that, but also a fair amount to achieve an effective marketing campaign. Mr. Malinowski asked from where these other communities receive their funding. Ms. Hayes said from a variety of taxes. Mr. Malinowski asked how the success of the campaign can be measured. Ms. Hayes said without a central visitor tracking system, it is too difficult to count the number of visitors responding

to the campaign. She explained measurement is hard but the clearest way to see if it works is to not do it and see how bad next winter turns out to be. Mr. Child asked why the usual funding provided to the Chamber is not enough to constitute doing something for visitation. Ms. Hayes replied there is a new level of need in this crisis; she said this is a year in which an aggressive campaign is needed. Mr. Child asked if all the commitments for funding from the partners have been secured. Ms. Hayes explained the partners have committed to contributing \$40,000 to make the total cost of the project \$290,000. However, she noted if resort tax funds came in lower than \$250,000, the partners would make a proportional contribution to equal 20% of the appropriation. She said the contribution ability of the Yellowstone Club and Town Center are still unknown and that if some entities could not contribute, the others would not make up the difference. Mr. Child asked if there is enough time for two Chamber employees to pull off a \$250,000 campaign starting in May; can this request wait until next year when the details are more developed. Ms. Hayes said it is important to act on this now as the urgency is part of the motivation for the partners. She also said all the participants will be working on the campaign, not just the Chamber staff. She said waiting a year will be missing the boat. Ms. Schumacher asked if a more detailed plan and budget can be developed before June 11th. Ms. Hayes said yes. Mr. Bough said he has grave concerns that this process included no public comment, there are no letters of support provided by the partners, and there are no examples of how this branding would work. He feels this needs to be more flushed out to show the impact it will have on the entire community. Mr. Bough asked Taylor Middleton of Big Sky Resort to explain how the other resorts will be using the Big Sky Resort brand. Mr. Middleton explained that the committee has been made up of participants from all the resorts plus other lodging groups and everyone agrees on this brand. He said an example can be given to the Board before the next meeting. He said the Chamber will make final decisions on the branding. Ms. Hayes said they will take the same approach to this campaign as they have with the direct flight advertising; they will not highlight just Big Sky Resort and Moonlight Basin, they will highlight the entire Big Sky community. She said they will create biggestskiinginamerica.com where all partners will be visible and where visitors can book with any partner on that page. She said they will develop packages that all partners benefit from. She said the committee will be motivated to provide anything the Board requests as a contingency on the funds. Mr. Child asked if this effort will take over the Chamber's time and will other businesses suffer. Ms. Hayes said no, the Chamber Board is very involved as are the many people associated with the committee partners. She said she would not request funding for something that would take over the Chamber's other work. Mr. Bough said he sees the Chamber Board sending a clear message that the best solution for this crisis is to create more advertising and that should be the Resort Tax Board's burden to pay for. Ms. Hayes said that is a fair assumption.

31) Warm Season Target Market Advertising Campaign \$72,000.00

Ms. Hayes began by stating this application is for \$65,000 instead of \$72,000. Ms. Schumacher asked what has become of the direct flight marketing. Ms. Hayes said they have realized Chicago and Atlanta are their best return so they are focusing marketing in those cities and those efforts and costs are now absorbed within the other campaigns. Mr. Loble asked if the economic impact statement that most visitors spend more in Big Sky than other destinations is good or bad. Ms. Hayes said it is a little bit of both as contributing factors can be that Big Sky is more expensive but also that the average stay of visitors is longer in Big Sky than other destinations. Ms. Schumacher asked if more money shouldn't be spent on marketing summer since this is where Big Sky lacks the most. Ms. Hayes agrees that this is a need and noted that there will also be summer marketing included in the regional campaign.

32) Publicity Campaign \$25,000.00

Mr. Malinowski asked how money spent locally by resort tax drives someone else to visit and write about Big Sky. Ms. Hayes said the money is spent on the agency making contacts and convincing editors and writers to visit Big Sky; the funding also pays for courting them once they are here in order to entice them to write a story. Mr. Malinowski asked if it would be Mercury Advertising doing the "winning and dining." Marne said no, Mercury will facilitate the connection but it will be Chamber or other Big Sky people showing them around. She said on a fam trip all the businesses involved in coordinating the stay meet with the individuals. She said the funding pays for travel, lodging, spa treatments, dinner, etc. Mr.

Child asked why the resorts can't coordinate the trips rather than Mercury since they already coordinate such trips. Ms. Hayes said she wouldn't want just one resort coordinating the visits because then it is about the one resort rather than the entire community. Mr. Child said given the current crisis, he would hope the resorts would be more than happy to make connections and turn the fam trips over to the Chamber in order to facilitate a broad community benefit. Ms. Hayes said she cannot speak to what other organizations would be willing to do. Mr. Child asked how the success of the publicity campaign can be measured. Ms. Hayes replied there is a direct correlation between the trip and the number of articles written; she further explained the value of the trip is then measured by assessing the cost that would have been incurred had that amount of ad space been purchased. She said it is generally a very good return for the investment. Mr. Child asked if this were funded, could requests for payment tie the exact trips and money spent to articles written. Ms. Hayes said yes, the return should be able to be seen within 12 to 18 months from the time of the visit. Ms. Schumacher said this could be a line item of the Winter Campaign request. Ms. Hayes said there could be a publicity effort within the Winter Campaign. Mr. Malinowski asked if other Chambers hire outside agencies to build their publicity relationships. Ms. Hayes responded yes, the editors generally respond best to ad agencies. Ms. Schumacher asked if they have a good relationship with the Bozeman Chamber. Ms. Hayes said yes, they have partnered with Bozeman as well as West Yellowstone and the Yellowstone Country tourism region.

Women in Action

33) Mental Health Program

Rachel Thesing & Christine Adams

\$20,000.00

Mr. Loble asked what the funding would be used for. Ms. Thesing said actual hours of counseling. Mr. Bough asked how many people were helped with last year's funding. Ms. Thesing responded 43 families and 73 children. She said this year they have helped 23 families and 35 children so far; already an increase from last year. Mr. Child asked if the growth in need is the reason for the increased request. Ms. Thesing said yes as well as a reduction in private donations. Mr. Child asked how much less they have received in donations. Ms. Thesing said last year they received \$24,000 in donations and \$10,000 in resort tax funds. This year they have received \$15,000 in donations so are asking for \$20,000 from resort tax in order to at least keep the program at the same level. Mr. Malinowski asked more about the Smith Foundation, which is donating the \$15,000. Ms. Thesing said it is a private family foundation and those funds are already secured. She noted it is the same foundation who offered the seed money to start the mental health program after a community survey revealed counseling as the biggest need; after the start up phase was successful, the foundation made a three year commitment to the program. Mr. Malinowski asked what happens to the program if the funding is reduced. Ms. Thesing said the program would just be smaller, fewer hours would be offered. Mr. Child said he understands the main access point to the program is through the school, but is it open to anyone. Ms. Thesing said it is open to anyone in the community, they get most referrals from the school, but the HR departments of many of the larger employers are also aware of it and have referred individuals as well. Ms. Schumacher asked if the Angels advertised are for camps only. Ms. Thesing said yes.

Big Sky County Water & Sewer District No. 363

34) Existing Water & Sewer Project Debt Service Cost Sharing \$300,000.00

Ron Edwards

Mr. Malinowski asked what would happen if this request were not funded. Mr. Edwards responded the exact amount not funded would be a direct increase on the property tax roll. He said the amount of this request, \$300,000, stays the same each year.

35) Pilot Snowmaking Study Project

\$20,000.00

Mr. Bough asked if this is the same water treatment level of the waste water that is being used to water the golf courses. Mr. Edwards said yes, this technology is being used in other places but not yet Montana. He explained they are trying to help develop this concept as an acceptable means of waste water disposal. Mr. Edwards said all the resorts are committed to the project and have committed funds, so resort tax would cost share 50%. Mr. Bough asked, in the big picture, if this is successful does it allow the addition of more hookups to the W&S District. Mr. Edwards said yes, and this dovetails with the canyon study.

Their biggest hurdle, he said, is storage of the extra waste water in an environmentally sensitive manner; snowmaking is a viable option and all the resorts in the area need snowmaking. Mr. Loble asked why the pilot will be done at Yellowstone Club. Mr. Edwards explained they already have pipe lines running to Yellowstone Club for the golf course irrigation, so it makes sense to use those lines and the storage they already have located there. Mr. Loble asked if the snow will be used for ski terrain. Mr. Edwards said he does not know at this time as they are first trying to prove the technology. He said if it works, they will explore its uses. He said it could be used for ski terrain if it meets state standards for runoff. Mr. Child asked what the economic benefit is if not for skiing. Mr. Edwards said to alleviate the storage burden of water for eight months out of the year and to keep the water out of the Gallatin River as the community grows. He said there is a window of opportunity to develop this as there is cooperation from the resorts and time in the state agencies' work loads. Ms. Schumacher asked if they will go through with the project regardless of funding. Mr. Edwards said they would par it down, but probably still try to do something. Mr. Child asked if this is a one time request. Mr. Edwards said the study will last one year. He said there is a chance the state will request further studies, but at this time he anticipates it being just a one year pilot project. Ms. Schumacher asked if they have approached Lone Mountain Ranch to participate and Mr. Edwards said no.

36) Storage Pond Liner Project \$50,000.00

Mr. Malinowski asked the total cost of the liner. Mr. Edwards said he believes the cost of the liner is just shy of \$100,000; this pays for 300 feet of liner.

37) Update GIS Aerial Photographs of the Big Sky Area Rollover \$50,000.00

Mr. Bough asked why this didn't happen last year. Mr. Edwards said they were busy with other projects last fall and missed the opportunity to take the photos as the photos must be taken with no snow cover, so they have to wait until late this summer.

3) Public Comment

Tim Ryan from Resort Property Management spoke in favor of the Chamber's marketing requests noting his reservations for next winter are almost non-existent; normally by this time he is nearly booked up for Christmas week, but this year he has only a couple reservations. He said we need to put "heads in beds" in order to help the businesses in Big Sky; he has never seen reservations so low.

Robin Hicks, Board President of the Chamber of Commerce stated the Chamber Board is fully supportive of the Winter Campaign for driving tourism in Big Sky next winter. She said the Board is committed to helping Chamber staff as much as needed.

Steve Johnson spoke in favor of the Fire Department, Search and Rescue, Sheriff, and the Water & Sewer District noting public health and safety are the highest priorities for our community.

Mike Schulz, as a member of the Winter Campaign committee, spoke in favor of the Campaign and addressed a number of questions raised by the Board during the earlier discussion. He noted that tourism development was put into the BSRAD Ordinance as a very conscious choice to help the community generate business.

Mark Loomis, homeowner and resident of Big Sky for five years, spoke in favor of the Fire Department and Search and Rescue.

Jon Holtzman of Blue Water Task Force spoke in favor of the Water & Sewer District's snowmaking project as dealing with increasing amounts of waste water in a good way is critical to our community. He also gave his support of the Chamber's regional campaign as a smart plan for competing for a limited number of people. He also voiced his support of the Women In Action application noting mental health issues affect all communities and having a program like this is a very good thing.

Jamie Kabisch of First Security Bank and Board Vice President of the Chamber of Commerce said as a banker he sees the affects of the bad economy on a daily basis. As a member of the Chamber Board he believes promotion of Big Sky is very important right now. He noted the Chamber Board is made up of nine different people who will all look objectively at whatever plan is created by the committee.

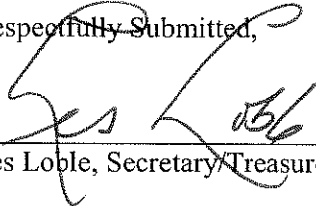
Katie Alvin urged the Board to fund the health and safety requests. She also said as a small business owner she sees the impacts visitation numbers have on the "little guys" and she fully supports any efforts of the Chamber to promote Big Sky.

Rich Piercy spoke in favor of the Search and Rescue and Fire Department requests. He noted many organizations have spoken of the drop in business during this time, but the number of emergency calls doesn't seem to go down.

Taylor Middleton of Big Sky Resort said Boyne will spend \$2.5-3 million on marketing but this community needs a supplemental plan to that of the individual campaigns for each resort.

Chairperson, Al Malinowski adjourned the meeting at 6:11 p.m.

Respectfully Submitted,



Les Loble, Secretary/Treasurer



MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING

APPROPRIATIONS MEETING

June 11, 2009

Present: Al Malinowski, Chairperson
Lance Child, Vice Chairperson
Les Loble, Secretary/Treasurer
Rena Schumacher, Director
Loren Bough, Director
Stephanie Holstein, Administrative Officer
Mona Jamison, Attorney

Chairperson, Al Malinowski, called the meeting to order at 1:04 p.m.

D) Open Meeting

Mr. Malinowski began the meeting by reviewing the agenda.

A) Public Comment

Becky Pape, former BSRAD Board member, spoke in favor of the Sheriff's application noting the amount of the Sheriff's requests have not increased a great amount since the first year the office requested funds. She also expressed her opinion that some applications, such as the BSCC Park, are discretionary and should not be put before the essential emergency services requests.

Steve Nordahl of Lone Peak Brewery and Josie Bolane of Wrap Shack spoke in favor of the Chamber of Commerce requests as the Chamber marketing is essential to small businesses that cannot afford their own marketing efforts.

Kyle Olson of Bambu Bar & Asian Bistro spoke in favor of the Chamber of Commerce requests.

Bill Simkins of Big Sky Town Center supported the Chamber of Commerce Winter Campaign request.

Laura Sacchi of Morningstar Learning Center reported that the feasibility study for the USDA loan is complete and it confirms the need in the community for the Center and it recommends not phasing the project. Therefore, she stated the rollover request is critical for the Center's ability to obtain financing. Ms. Sacchi also spoke in favor of the Chamber of Commerce request as it demonstrates an unprecedented collaborative marketing effort.

Kevin Barton of the Chamber of Commerce Board and True Value spoke in favor of the Chamber of Commerce requests as small businesses can benefit from the strong marketing departments of the large resorts.

Bob Stober, former BSRAD Board member and 16 year resident of Big Sky, spoke in favor of the Fire Department noting the Department relies heavily on resort tax funds for its operations.

John Allen of East West Resorts supported the Chamber of Commerce applications.

Barbara Rowley, Ophir School Board Trustee, presented an amended budget for the School Board's landscaping request.

Katie Alvin supported the health and safety requests including Ophir landscaping. She spoke in favor of the Women in Action request as it is the only provider of mental health services in the community. Ms. Alvin also supported the RC&D and Blue Water Task Force applications noting the importance of preserving our natural resources.

Burt Mills of the Chamber Board and Spanish Peaks supported the Chamber requests, noting the Winter Campaign as a critical piece to the traditional funds appropriated to the Chamber in previous years. He noted that the Winter Campaign is actually a campaign that will benefit Big Sky year round.

Eric Ladd of the BSCC Board supported the Park request. He stated this project needs to start this year in order to take advantage of the affordable contractor bid they received for the project and in order to make a community investment that will benefit all members of the community as well as draw visitors to Big Sky.

Trevor McSpadden of the BSCC Board spoke in favor of the Park request noting parks and trails are an important aspect of the community.

Ennion Williams of Lone Mountain Ranch, Transportation District Board, and CVB Board, spoke in favor of the Transportation District request noting the decrease in funding from the Dream Catcher Foundation and Madison County. He stated services will decrease if full resort tax funds are not awarded. He also spoke in favor of the Chamber of Commerce requests as LMR is excited to be a part of the Biggest Skiing in America. On behalf of the CVB, he added their support of the Chamber requests noting CVB bed tax revenue is down 60-70% which directly affects their marketing budget.

Steve Johnson supported the emergency services requests stating when times are tough, these essential services must go to the top of the list. He also supported the Chamber Winter Campaign request noting its collaborative nature as a positive step forward for the community.

Lee Poole of Moonlight Basin spoke in favor of the Chamber of Commerce Winter Campaign request stating Moonlight is 100% supportive of the effort. He also stated the Winter Campaign committee will return to request resort tax funds in the future.

Don Loyd of the BSOA Board and Madison County Planning Board noted that many requests are legitimate, but he believes the emergency services requests are priority. He also supported the BSCC Park request.

Laura Bell of the Big Sky Weekly spoke in favor of the Big Sky Ski Education Foundation request noting the good work it does for the children of Big Sky.

Chris Moon of the Fire Department supported the emergency services requests. He also spoke in favor of the Chamber requests which will bring visitors to the community.

Jason Revisky of the Fire Department supported all the emergency services requests. He also stated the Fire Department will decrease its request by \$258,500 by eliminating the future years contribution to the capital improvements plan and reducing the health insurance benefits for the firefighters.

Kevin Germain of Moonlight Basin supported the Blue Water Task Force and Water & Sewer Pilot Snowmaking requests noting the importance of not turning our back on natural water during tough times. He also spoke in favor of the Fire Department and Sheriff, as well as the Chamber.

Kari Gras of the Fire Department supported the emergency services requests.

Devon White of the Corral Bar & Steakhouse supported the Blue Water Task Force, Water & Sewer Snowmaking, Transportation District, and Chamber of Commerce requests.

B) General Announcements

Mr. Malinowski spoke to the public about the BSRAD website and the District's current focus on short-term rentals.

C) 2009-2010 Resort Tax Funds Appropriations

a. Funds Available

Mr. Malinowski reported on the amount of funds available for 2009-2010 appropriations, noting the option for the Board to appropriate the \$100,000 emergency fund. He explained the figure to be approved for new and rollover requests does not include the annual, mandatory appropriation of \$500,000.00 for the Water & Sewer District bond.

Motion by Mr. Bough to approve \$2,332,238.54 to be appropriated to new and rollover requests. Second by Mr. Loble.

Discussion: None.

All in favor. Motion passed.

b. Appropriation of Funds

1) Motion by Mr. Loble to approve the Big Sky Search and Rescue, Inc. Rollover request in the amount of \$248,357.50. Second by Mr. Child.

Discussion: None.

All in favor. Motion passed.

2) Motion by Mr. Child to approve the Big Sky Search and Rescue, Inc. Operations request in the amount of \$14,700.00. Second by Mr. Bough.

Discussion: None.

All in favor. Motion passed.

3) Motion by Ms. Schumacher to approve the Gallatin Canyon Consolidated Rural Fire District request in the amount of \$593,723.88. Second by Mr. Loble.

Discussion: Ms. Schumacher noted this amount accounts for the reductions made by Mr. Revisky during Public Comment. The amount of the reduction was clarified as \$258,500.00.

Amended motion by Ms. Schumacher to approve the request in the amount of \$593,223.88. Second by Mr. Loble.

Discussion: Mr. Child asked Mr. Revisky if this includes a new Assistant Chief. Mr. Revisky replied yes at a cost of \$90,000 and stated the Assistant Chief will also be an EMT and firefighter. Mr. Malinowski asked Ms. Wendy Hiebert of the Fire Department the amount of the savings if payment on the Fire Station is made earlier in the year. Ms. Hiebert and Ms. Holstein clarified that amount to be \$5,929.44. The Board discussed the option of funding only the essentials at this point and returning later to fund the addition of a staff person if funding allows.

Amended motion by Ms. Schumacher to approve the request in the amount of \$497,294.44. Second by Mr. Loble.

Discussion: None.

All in favor. Motion passed.

4) Motion by Mr. Bough to approve the Gallatin County Sheriff's Office request in the amount of \$110,267.00. Second by Mr. Loble.

Discussion: None.

All in favor. Motion passed.

5) Motion by Ms. Schumacher to approve The Post Office, LLC request in the amount of \$45,500.00. Second by Mr. Child. Mr. Malinowski abstained from the discussion.

Discussion: Mr. Bough asked Mr. Malinowski if this request funds only the deficit incurred by the LLC.

Mr. Malinowski said yes, if there is not a deficit, payment of the funds will not be requested.

Mr. Malinowski abstained from the vote. All in favor. Motion passed.

6) Motion by Mr. Loble to approve the Chamber of Commerce Winter Marketing Campaign request in the amount of \$250,000.00. Second by Mr. Malinowski.

Discussion: Ms. Schumacher noted her preference of making one large appropriation to the Chamber to include all requests. Mr. Malinowski stated he believes the Winter Campaign should be separate as it includes other partners. Mr. Child agreed that the Winter Campaign should be separate but that all other requests could be combined. Ms. Jamison was asked if one contract can be used for all Chamber applications. Ms. Jamison stated it is legal to do so and the Board can make any stipulations desired. The Board discussed setting a minimum for the Winter Marketing Campaign and its effect on the funding available for the other requests. Mr. Bough asked Ms. Marne Hayes of the Chamber if the structure of one contract is favorable. Ms. Hayes responded the structure is good, but she would be concerned about having enough funds left over for the other marketing projects. Mr. Bough asked the status of the other funding sources for the Winter Marketing Campaign. Ms. Hayes replied \$33,000 cash, \$7,000 in in-kind donations, and \$5,000 in pledges have been received. Mr. Bough asked who is ultimately responsible for making decisions related to the funding. Ms. Hayes responded herself and the Chamber of Commerce Board of Directors. Mr. Child asked if the Chamber Board can create a set of baseline metrics to measure the success of the campaign and make a presentation to the BSRAD Board in the coming year. Ms. Hayes said they could. Mr. Bough noted the importance of the Chamber needing to find the full \$50,000 in matching funds.

In favor: Les Loble

Opposed: Al Malinowski, Lance Child, Renae Schumacher, Loren Bough

Motion failed.

7) Motion by Mr. Bough to approve all Chamber of Commerce requests in the amount of \$350,000.00 under the condition that a minimum of \$250,000.00 is spent on the Winter Marketing Campaign. Second by Ms. Schumacher.

Discussion: Mr. Bough stated he feels this is a reasonable amount for the requests, it accounts for a 30% reduction. Mr. Child asked if Mr. Bough would like to include a requirement for obtaining the \$50,000 match.

Amended motion by Mr. Bough to approve all Chamber of Commerce requests in the amount of \$350,000.00 under the condition that a minimum of \$250,000.00 is spent on the Winter Marketing Campaign and that in order to request funds for the Winter Marketing Campaign, the Chamber of Commerce must obtain \$50,000.00 in private donations.

Discussion: None.

All in favor. Motion passed.

8) Motion by Mr. Bough to approve the Arts Council of Big Sky request in the amount of \$79,090.00. Second by Ms. Schumacher.

Discussion: Mr. Bough noted this reduces the request by \$11,500.00 for the design study for the new amphitheater.

All in favor. Motion passed.

9) Motion by Ms. Schumacher to approve the Friends of the Big Sky Community Library request in the amount of \$54,320.00. Second by Mr. Bough.

Discussion: Mr. Child recommended reducing the appropriation by 15% as the organization currently has cash reserves. Mr. Bough asked Ms. Kay Reeves of the Library what the reserves are to be used for. Ms. Reeves stated the reserves will be down to \$50,000 by June 30 in order to cover shortcomings in their budget for this fiscal year.

Amended motion by Ms. Schumacher to approve the request in the amount of \$47,000.00. Second by Mr. Bough.

Discussion: None.

All in favor. Motion passed.

10) Motion by Mr. Bough to approve the Transportation District request in the amount of \$320,000.00. Second by Ms. Schumacher.

Discussion: Mr. Bough noted he made the motion to approve the full request because the organization will not be receiving funds from the Dream Catcher Foundation and Madison County which will result in a decrease in services. Mr. Bough asked Ms. Lisa Knorr of the Transportation District what services would be cut if full funding is not awarded. Ms. Knorr and Mr. Ennion Williams stated the number of routes and stops would be decreased as well as hours for the Bozeman and Yellowstone Club routes. Mr. Malinowski asked Mr. Bough to include the stipulation that the Transportation District reconcile its funding with BSRAD at year-end.

Amended motion by Mr. Bough to approve the request in the amount of \$320,000.00 under the condition that the Transportation District completes a year-end reconciliation of funds. Second by Ms. Schumacher.

Discussion: Mr. Loble stated he doesn't deny the value of this service, but this organization can make incremental changes that directly equate to savings. Mr. Child expressed his concern that it is not resort tax responsibility to cover loss of funding or decrease in services during these tight financial times. Mr. Malinowski stated he believes this is the bottom line budget for the Transportation District. Mr. Bough agreed, stating there already seems to be funding holes in the budget.

In favor: Al Malinowski, Les Loble, Renae Schumacher, Loren Bough

Opposed: Lance Child

Motion passed.

11) Motion by Mr. Child to approve the Northern Rocky Mountain RC&D Gallatin/Big Sky Noxious Weed Project request in the amount of \$19,000.00. Second by Mr. Loble.

Discussion: None.

All in favor. Motion passed.

12) Motion by Ms. Schumacher to approve the Big Sky Community Corporation Public Services, Parks and Trails request in the amount of \$60,500.00. Second by Mr. Loble.

Discussion: None.

All in favor. Motion passed.

13) Motion by Ms. Schumacher to approve the Big Sky Community Corporation Community Park Phase I Improvements request in the amount of \$500,000.00. Second by Mr. Child.

Discussion: Mr. Child asked for clarification on the stated minimum funding required to break ground this year per a letter submitted by BSCC since the Q&A Forum. Mr. Bough read from the letter \$550,000. Mr. Child noted funding less than the full amount requested does not save money in the long run as it increases the phases of the project. The Board discussed whether this request is a "want" or a "need." Ms. Schumacher asked Ms. Mary Jane McGarity of BSCC if the project would be started this summer if they are not awarded the \$550,000 minimum. Ms. McGarity said BSCC will not start the project on August 15th if they are not awarded those full resort tax funds. She added previous funding and efforts on the Park are not wasted; there will be cost increases and a delay in the project, but BSCC will fundraise and return next year to request funds.

All opposed. Motion failed.

Mr. Malinowski asked Ms. Jamison if the Board can re-appropriate funds from rollover requests not approved. Ms. Jamison said the funds are committed to the organization that originally received the funding until June 30th. She said if the Board wishes to appropriate any rollover funds to new requests, the Board can either make appropriations contingent upon the funds being available July 1st or risk the funds being spent in the next 19 days.

14) Motion by Mr. Loble to approve the Women in Action request in the amount of \$20,000.00. Second by Mr. Child.

Discussion: Mr. Malinowski and Mr. Bough said they were considering an amount closer to last year's award of \$10,000. Mr. Loble stated this is a critical program and Mr. Child added it is the only organization providing this service.

In favor: Les Loble, Renae Schumacher, Lance Child

Opposed: Al Malinowski, Loren Bough

Motion passed.

15) Motion by Mr. Child to approve the Big Sky County Water & Sewer District Pilot Snowmaking Study Project request in the amount of \$20,000.00. Second by Mr. Bough.

Discussion: Mr. Bough stated he thinks this is a forward-looking project which may aid in increasing the number of hook-ups in the community. Mr. Loble asked Mr. Ron Edwards of Water & Sewer if this is a way to dispose of waste water after it has been treated. Mr. Edwards said yes, this would alleviate winter storage demands. Mr. Malinowski asked Mr. Edwards if he has acquired matching funds for this project. Mr. Edwards said he has commitments from the resorts to match 50%.

Amended motion by Mr. Child to approve the Big Sky County Water & Sewer District Pilot Snowmaking Study Project request in the amount of \$20,000.00 under the condition and that in order to request funds, the Water & Sewer District must obtain \$20,000.00 in private donations. Second by Mr. Bough.

Discussion: None.

All in favor. Motion passed.

Mr. Child clarified that the Ophir School Board Landscaping request has been lowered to \$74,900.00.

Mr. Loble asked Ms. Kristin Gardner of Blue Water Task Force if the \$15,000 in rollover funds are already committed.

Ms. Gardner said yes, they are committed in contracts to be finished by the end of August.

16) Motion by Mr. Loble to approve the Blue Water Task Force, Inc. Rollover request in the amount of \$15,000.00. Second by Mr. Bough.

Discussion: Mr. Loble stated he does not want to encourage last minute spending of funds that would not otherwise be used, but in this instance these funds are already committed.

All in favor. Motion passed.

17) Motion by Mr. Bough to approve the Gallatin Valley Snowmobile Association request in the amount of \$15,000.00. Second by Ms. Schumacher.

Discussion: Mr. Bough stated the amount is a result of a 15% reduction. Mr. Malinowski asked Mr. Devon White of the Snowmobile Association how a reduction in funding would affect the grooming of the trail. Mr. White stated new signage and trail maintenance would be removed from the budget.

All in favor. Motion passed.

18) Motion by Mr. Bough to approve the Blue Water Task Force, Inc. Watershed Group Funding request in the amount of \$33,000.00. Second by Mr. Child.

Discussion: Mr. Bough said this amount is suggested in an effort to "tighten the belt." He asked Ms.

Gardner if the program could continue with \$33,000. Ms. Gardner said yes, she could make adjustments.

In favor: Al Malinowski, Lance Child, Loren Bough, Renae Schumacher

Opposed: Les Loble

Motion passed.

19) Motion by Mr. Child to approve the MSU's Big Sky Institute Big Sky Community Atlas – Phase I request in the amount of \$19,900.00. Second by Mr. Bough.

Discussion: Mr. Child asked Ms. Katie Alvin of Big Sky Institute what was cut from the original \$30,600 request. Ms. Alvin said she cut the camp activities and also went through each line item and "nitpicked" the details. Mr. Malinowski asked Ms. Alvin if this project could be done next year. Ms. Alvin said yes. The Board discussed whether this project is a "want" or a "need."

In favor: Loren Bough, Lance Child

Opposed: Al Malinowski, Les Loble, Renae Schumacher

Motion failed.

20) Motion by Mr. Loble to approve the MSU's Big Sky Institute Community Education Partnership: Phase Two request in the amount of \$13,500.00. Second by Mr. Bough.

Discussion: Mr. Loble asked Ms. Twila Moon of Big Sky Institute if the project will work with this amount of funding. Ms. Moon said yes, the Institute will adjust the programs offered.

All in favor. Motion passed.

21) Motion by Mr. Bough to approve the Big Sky Ski Education Foundation request in the amount of \$3,800.00. Second by Mr. Loble.

Discussion: Mr. Bough said the amount suggested is another attempt to "tighten the belt." He asked Jeremy Ueland of BSSEF if they can accomplish their goals with \$3,800. Mr. Ueland said yes, they will focus on maintaining equipment previously purchased by resort tax. Mr. Malinowski expressed concern that the equipment is not being used by the public. Ms. Schumacher noted the amount requested is much less than requested in previous years.

All in favor. Motion passed.

22) Motion by Mr. Child to approve the Big Sky Water & Sewer District Rollover request in the amount of \$50,000.00. Second by Ms. Schumacher.

Discussion: Mr. Loble asked Mr. Edwards what would happen if the funding is not approved. Mr. Edwards said they would not take the photos. Ms. Schumacher clarified the photos would be available to members of the public who find them useful. Mr. Bough asked Mr. Revisky of the Fire Department if these photos are useful to him to which he replied yes. Mr. Child asked Mr. Johnson of Big Sky Search and Rescue if these photos are useful to him to which he replied no, because most Search and Rescue missions are outside the boundaries of the Water & Sewer District.

All in favor. Motion passed.

23) Motion by Mr. Bough to approve the Ophir School Board Landscaping/Fire Prevention & Mitigation request in the amount of \$65,000.00. Second by Mr. Child.

Discussion: Mr. Loble stated he feels this request is a "want" and not a "need." Mr. Bough explained Ophir School Board got itself into a bind and this is an important piece to finishing the project. He said he appreciates the reduction in their request. Mr. Child clarified he will participate in the discussion and vote on this request as his discussions with legal counsel reveal he can legally participate because he does not have personal economic benefit as a School Board Trustee. Mr. Loble stated he believes this is not a mandatory need. Mr. Child said the school is used by many members of the community and while it could wait until next year, it is critical for maintenance and safety. Mr. Loble said if this is a safety issue, the School Board should have taken care of it in the first place.

In favor: Loren Bough, Lance Child, Renae Schumacher

Opposed: Les Loble, Al Malinowski

Motion passed.

Mr. Child asked Ms. McGarity of BSCC to clarify the grants BSCC will apply for in the coming year for the Park.

24) Motion by Mr. Child to approve the Big Sky Community Corporation Community Park Phase I Improvements request in the amount of \$50,000.00. Second by Ms. Schumacher.

Discussion: Mr. Child explained awarding these funds shows support of the project and also helps BSCC leverage matching funds in the coming year.

All in favor. Motion passed.

25) Motion by Ms. Schumacher to approve the Jack Creek Preserve Foundation, Inc. request in the amount of \$5,000.00. No second. Motion died.

26) Motion by Mr. Loble to approve the Big Sky Water & Sewer District Existing Water & Sewer Project Debt Service Cost Sharing request in the amount of \$50,000.00. Second by Mr. Bough.

Discussion: Mr. Loble said he feels some portion of this request needs to be funded. He further explained that in other resort tax areas tax reduction is a mission of the resort tax, but in Big Sky it is not. He agrees with this approach yet noted resort tax has still reduced property taxes in previous years. Mr. Bough said he agrees and noted resort tax is simply doing less this year.

All in favor. Motion passed.

27) Motion by Mr. Child to approve the addition of \$30,000.00 to the original Chamber of Commerce appropriation. Second by Mr. Loble.

Discussion: Mr. Child stated no other applications have received so much support from the community and he believes the Chamber can use additional funds for the other marketing efforts so that the Winter Campaign does not absorb all Chamber functions. Mr. Bough said he heard most support for the Winter Campaign and he believes the Chamber can do plenty with \$100,000 for the other requests and does not support appropriating more resort tax funds to marketing. Ms. Schumacher said this award lines up better with previous awards and she is supportive of funding the other marketing efforts of the Chamber.

In favor: Lance Child, Les Loble, Al Malinowski, Renae Schumacher

Opposed: Loren Bough

Motion passed.

Mr. Bough asked Ms. Jamison if the Board can fund rollovers in an amount less than requested. Ms. Jamison said yes.

28) Motion by Mr. Bough to approve the Morningstar Learning Center Rollover request in the amount of \$25,000.00 with the same condition set forth in the original appropriation: that the organization complete financing in order to receive the funds. Second by Mr. Loble.

Discussion: Mr. Bough explained this award would be a way to be supportive of the project, but frees up funds from a project that is slow to start. Mr. Malinowski asked Ms. Sacchi of Morningstar the total cost of the project at this time. Ms. Sacchi replied \$2.4 million. Mr. Bough asked Ms. Sacchi if the USDA loan is contingent on the full \$175,000 resort tax appropriation. Ms. Sacchi replied she cannot answer this question because she has not yet received the terms of the loan. Ms. Schumacher recalled the discussion from the Q&A Forum when Ms. Sacchi stated the resort tax funding does not affect the USDA loan. Mr. Child noted the project could be scaled back in the future in order to meet terms of the loan. Mr. Malinowski said he is no longer supportive of allowing financial "experts" to determine the feasibility of the project. However, he said the most current financial projections for the project reveal a profitable venture and therefore he does not see the necessity of resort tax funds for the project. Mr. Malinowski further noted resort tax is still the largest single contributor to the project. Ms. Schumacher said she believes more details of the project will be learned in the coming year and Morningstar could return next year to request funding.

In favor: Loren Bough, Les Loble, Lance Child

Opposed: Al Malinowski, Renae Schumacher

Motion passed.

29) Motion by Mr. Loble to approve the Northing Rocky Mountain RC&D Big Sky Area Hazardous Fuels Reduction Program request in the amount of \$14,500.00. Second by Mr. Bough.

Discussion: Mr. Loble said he believes this is a critical piece to the safety of the community. Mr. Child said he does not see the critical nature of the request since property owners can receive this service by calling NRM RC&D directly. Mr. Bough said he thought it guarantees a person dedicated to this area to perform outreach and asked Ms. Crystal Hagerman of the RC&D if it does and she replied yes. Mr. Malinowski asked Ms. Hagerman if Big Sky obtains federal funding for this project because of resort tax funding. Ms. Hagerman replied yes.

Renae abstained from the vote. In favor: Les Loble, Loren Bough, Al Malinowski

Opposed: Lance Child

Motion passed.

Because rollover funds not approved will be appropriated, the Board discussed whether a condition should be attached to appropriations stating their contingency on availability of funds July 1st. The Board chose to not single out particular appropriations with such a condition and instead assume the risk of the funds being spent by June 30.

30) Motion by Mr. Loble to approve the addition of \$90,000.00 to the original Gallatin Canyon Consolidated Rural Fire District appropriation. Second by Ms. Schumacher.

Discussion: Mr. Loble stated based upon the community comments that resort tax should fund the Fire Department, he feels resort tax funds should go toward the needed additional staff member. Mr. Child, Mr. Bough, and Mr. Malinowski expressed concerns about adding to the deficit of the Fire Department by expanding staff in a time of needed cut backs and fear that future requests will include this additional staff member. Mr. Malinowski asked Mr. Revisky of the Fire Department if it did not receive this appropriation, would the Fire Department still go forward with hiring. Mr. Revisky said no, but he could hire an EMT/Firefighter rather than an Assistant Chief for \$60,000. Mr. Malinowski asked Mr. Revisky, suppose in 2010 you do not receive enough funding for this position. Mr. Revisky responded then it is my responsibility to fund it.

Amended motion by Mr. Loble to approve the addition of \$60,000.000 to the original Gallatin Canyon Consolidated Rural Fire District appropriation. Second by Ms. Schumacher.

Discussion: None.

In favor: Les Loble, Loren Bough, Lance Child, Renae Schumacher

Opposed: Al Malinowski

Motion passed.

31) Motion by Mr. Loble to approve the Ophir School Board Community Gymnasium request in the amount of \$75,000.00. Second by Mr. Bough.

Discussion: Mr. Bough stated he fully supports the gym and it will open along with Lone Peak High School in the fall and more community events will be held there. Mr. Bough explained his family has donated \$400,000, the Dolan family has donated \$400,000, and Mr. Blixeth has contributed \$100,000. He said they are working on securing the remaining funds pledged by Mr. Blixeth. Mr. Loble said he is disappointed in the number of individuals that use the gym other than school children.

Amended motion by Mr. Loble to approve the Ophir School Board Community Gymnasium request in the amount of \$75,000.00 under the condition that the Ophir School Board make a concerted effort to make the gymnasium available to the public and that the Ophir School Board give the BSRAD Board of Directors quarterly reports on those efforts.

Discussion: Mr. Malinowski noted this is a unique scenario in which resort tax funds are funding a project that is already complete. It does not set a precedent for future requests for funds for underfunded, but completed projects.

All in favor. Motion passed.

Motion by Mr. Loble to approve all appropriations as motioned and approved. Second by Mr. Bough.

Discussion: None.

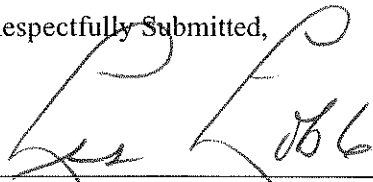
All in favor. Motion passed.

D) Public Comment

Twila Moon suggested the Board make an effort in the next year to create a better way for the public to make comments on applications and to voice opinions of what the priorities are for resort tax funds.

Al Malinowski adjourned the meeting at 4:39 p.m.

Respectfully Submitted,



Les Loble, Secretary/Treasurer



MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING

June 17, 2009

Present: Al Malinowski, Chairperson
Lance Child, Vice Chairperson
Les Loble, Secretary/Treasurer
Rena Schumacher, Director
Loren Bough, Director
Stephanie Holstein, Administrative Officer

Chairperson, Al Malinowski, called the meeting to order at 11:07 a.m.

A. Public Comment: None

B. Open Meeting Minutes

Motion by Mr. Loble to approve the April 8, 2009 minutes. Second by Mr. Child. All in favor. Motion passed.

Motion by Mr. Loble to approve the May 20, 2009 Q&A Forum minutes, as amended. Second by Mr. Bough. All in favor. Motion passed.

Motion by Mr. Loble to approve the June 11, 2009 Appropriations Meeting minutes, as amended. Second by Mr. Child. All in favor. Motion passed.

The Board discussed ways to gather public comment on appropriation priorities in the coming year.

C. New Business

- a) **Big Sky Ski Education Foundation** – The Board reviewed a payment request from BSSEF for reimbursement of a laptop purchase.
Motion by Mr. Child to approve reimbursement of the laptop purchased under Big Sky Ski Education Foundation's 2008-2009 Appropriation. Second by Mr. Bough. Mr. Child and Mr. Bough in favor. Mr. Malinowski, Mr. Loble, and Ms. Schumacher opposed. Motion failed.
- b) **Northern Rocky Mountain RC&D Hazardous Fuels Program** – The Board reviewed a request for a line item transfer.
Motion by Mr. Loble to approve the transfer of \$300 from the travel line item to the supplies line item of the Hazardous Fuels 2008-2009 Appropriation. Second by Mr. Bough. All in favor. Motion passed.
- c) **First Security Bank CD** – Due to the maturation of the \$975,000 FSB CD on June 13, 2009, the Investment Committee recommended rolling over \$500,000 to a new FSB three-month CD at 2% interest.
Motion by Ms. Schumacher to open a new \$500,000 three-month CD at First Security Bank and deposit the remaining \$475,000 in the FSB money market account. All in favor. Motion passed.
- d) **Administrative Officer Performance Evaluation** – Speaking on behalf of the whole board, Chairman Malinowski said that the Board is completely satisfied with Ms. Holstein's work, her sound judgment, and her cultivation of relationships between the District and the merchants who collect and remit the resort tax. The Board reviewed current benefits of the position, gave Ms. Holstein an overall exceptional evaluation rating, and discussed an appropriate wage increase.

Motion by Mr. Loble to increase Ms. Holstein's wage to \$30.00 per hour effective June 8, 2009.
Second by Ms. Schumacher. All in favor. Motion passed.

- e) **Fiscal Year 2010 Draft Budget** – The Board reviewed the budget draft. Ms. Holstein will adjust the wage line items and bring the budget for final approval to the August Board meeting.
- f) **Other** – Mr. Loble suggested that, once the current collections are resolved, the Board should discuss with legal counsel whether collections could be handled more efficiently locally. Mr. Malinowski informed the Board of the task given to Ms. Holstein to add historical data to the website including the history of the District, a Board roster, and archived minutes.

D. Old Business

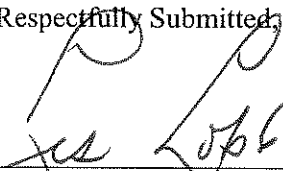
- a) **Resolution** – The Board signed Resolution No. 2009-01R authorizing the appropriation of resort tax funds for fiscal year ending June 30, 2009.
- b) **Other** – Ms. Holstein updated the Board on the status of the short-term rental effort and the closing of the BSRAD 401k Plan.

E. Financial Reports

Motion by Ms. Schumacher to approve the April and May 2009 check register. Second by Mr. Bough. All in favor. Motion passed.

Chairperson, Al Malinowski, adjourned meeting at 12:57 p.m.

Respectfully Submitted,



Les Loble, Secretary/Treasurer



MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING

August 12, 2009

Present: Al Malinowski, Chairperson
Lance Child, Vice Chairperson
Les Loble, Secretary/Treasurer
Rena Schumacher, Director
Stephanie Holstein, Administrative Officer

Chairperson, Al Malinowski, called the meeting to order at 11:10 a.m.

A. Public Comment: None

B. Open Meeting Minutes

Motion by Mr. Loble to approve the June 17, 2009 minutes. Second by Ms. Schumacher. All in favor. Motion passed.

C. New Business

- a) **Ordinance 98-01-ORD** – The Board discussed the timeline and process for rewriting Ordinance No. 98-01-ORD. Mr. Loble will write the first draft. The draft will then be reviewed by legal counsel and the Administrative Officer and then circulated to the Board. The Board, with the help of legal counsel and the Administrative Officer, will address the specifics of needed edits and the process for gathering public input.
- b) **Board Training** – The Board discussed an upcoming Board of Directors training to be held in Big Sky and instructed Ms. Holstein to notify the organizer of BSRAD's interest in attending.
- c) **2009-2010 Law Enforcement Agreement**
Motion by Mr. Loble to adopt the 2009-2010 Law Enforcement Agreement. Second by Ms. Schumacher. All in favor. Motion passed.
- d) **Donations** – Ms. Holstein informed the Board of a number of items she would like to donate as they are no longer needed. The Board approved the donations as well as the installation of a needed vent for the air conditioning unit.

D. Old Business

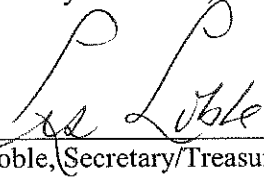
- a) **401(k)** – Ms. Holstein and Mr. Malinowski updated the Board on the successful cancellation and liquidation of the 401(k) plan and accounts.
- b) **Employee bond** – After reviewing current policies and employee dishonesty coverage, the Board concluded an employee bond is unnecessary.
- c) **FY 2010 Budget**
Motion by Mr. Child to approve the Fiscal Year 2010 Budget. Second by Ms. Schumacher. All in favor. Motion passed.
- d) **New Office Space** – The Board further discussed acquiring a new, larger office space. Mr. Malinowski and Mr. Loble will re-form the committee and seek a realtor.
- e) **Other** – Ms. Holstein informed the Board of the current list of individuals running for election and of the August 20, 2009 deadline.

E. Financial Reports

Motion by Ms. Schumacher to approve the June and July 2009 check registers. Second by Mr. Child. All in favor. Motion passed.

Chairperson, Al Malinowski, adjourned meeting at 12:00 p.m.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Les Loble". The signature is written in black ink and is positioned above a horizontal line.

Les Loble, Secretary/Treasurer



MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING

September 9, 2009

Present: Al Malinowski, Chairperson
Lance Child, Vice Chairperson
Les Loble, Secretary/Treasurer
Rena Schumacher, Director
Loren Bough, Director
Stephanie Holstein, Administrative Officer

Chairperson, Al Malinowski, called the meeting to order at 11:04 a.m.

A. Public Comment: None

B. Open Meeting Minutes

Motion by Ms. Schumacher to approve the August 12, 2009 minutes, as amended. Second by Mr. Loble. All in favor. Motion passed.

C. New Business

- a) **Ordinance 98-01-ORD** – The Board discussed the progress made on the draft of the Ordinance. After recognizing the advantages and disadvantages of editing the Ordinance, it was determined that Mr. Loble will meet with legal counsel and the Administrative Officer prior to the October Board meeting to discuss editing the Ordinance and what edits, if any, should be made.
- b) **First Security Bank CD matures 9/18/09**
Motion by Mr. Child to extend the CD for an additional three months. Second by Mr. Bough. All in favor. Motion passed.
- c) **Capitalization Policy**
Motion by Mr. Child to adopt a capitalization policy by which purchases equal to or greater than \$5,000.00 will be capitalized. Second by Mr. Loble. All in favor. Motion passed.
- d) **2004 BSOA Appropriation** – Mr. Malinowski informed the Board that the minutes from the 2004 Appropriations meeting indicate that the Board asked about zoning requirements for the BSOA softball field lights. The response was the lights were compliant.
- e) **Taxability of Yoga** – Ms. Holstein informed the Board of her work on seeking tax collections from local yoga, dance, and fitness instructors.
- f) **Community Survey** – Mr. Bough expressed his desire for the District to consider creating a community survey to gather input on the community's preference for resort tax appropriations. The Board charged Ms. Holstein with researching the topic.

D. Old Business


- a) **November 2009 Election** – Ms. Holstein updated the Board on the details of the upcoming election. The Board will further discuss the election and public notices at the October meeting.

E. Financial Reports

Motion by Mr. Child to approve the August 2009 check register. Second by Mr. Loble. All in favor. Motion passed.

Chairperson, Al Malinowski, adjourned meeting at 12:08 p.m.

Respectfully Submitted,



Les Loble

Les Loble, Secretary/Treasurer



MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING

October 14, 2009

Present: Al Malinowski, Chairperson
Lance Child, Vice Chairperson
Les Loble, Secretary/Treasurer
Rena Schumacher, Director
Stephanie Holstein, Administrative Officer

Chairperson, Al Malinowski, called the meeting to order at 11:02 a.m. and noted after eight years of service, this is Rena Schumacher's final meeting.

A. Public Comment: None

B. New Business

- a) **Chamber of Commerce** – Marne Hayes of the Big Sky Chamber of Commerce updated the Board on the progress of the Winter Marketing Campaign, *Biggest Skiing in America*.
- b) **Fiscal Year 2009 Audit** – Rosie Barndt, CPA of Holmes & Turner finalized the audit by conducting the necessary exit interview and reviewing the draft with the Board.
- c) **Transportation District** – The Board reviewed the FY 2009 financial statements submitted by the Big Sky Transportation District. The Board concluded the documents do not satisfy the requirement to reconcile the FY 2009 appropriation year. Mr. Malinowski and Ms. Holstein will formulate a list of questions for the Transportation District and send to the Board for review. Representatives of the Transportation District will be asked to attend a Board meeting for discussion.
- d) **Fire District Payment Request**

Motion by Ms. Schumacher to approve \$100,000.00 of the Gallatin Canyon Consolidated Rural Fire District's payment request #2. Second by Mr. Child. All in favor. Motion passed.

C. Open Meeting Minutes

Motion by Ms. Schumacher to approve the September 9, 2009 minutes, as amended. Second by Mr. Loble. All in favor. Motion passed.

Chairperson, Al Malinowski, recessed the Open meeting and opened the Closed meeting at 12:26 p.m. He re-opened the Open meeting at 1:15 p.m.

D. Old Business

- a) **November 2009 Election** – Ms. Holstein informed the Board of the three write-in candidates for the election: Ginna Hermann, Scott Johnson, and Dax Schieffer.
- b) **Legal Counsel, Ordinance, Election Law Updates**

Mr. Loble informed the Board of attorney Mona Jamison's conversation with Cindy Younkin which confirmed there is nothing additional to be done with the two current lawsuits. Mr. Loble stated if another delinquency results in a Judgment, the Board will discuss whether or not to engage a local collections attorney.

After a conversation between Mr. Loble and Ms. Jamison and in light of Loren Bough's concerns, no amendments to Ordinance No. 98-01 will be proposed at this time.

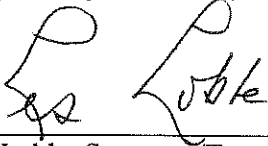
The Board will discuss the desired amendments to the election laws for the BSRAD at the next meeting when the new member is present.

E. Financial Reports

Motion by Mr. Child to approve the September 2009 check register. Second by Mr. Loble. All in favor. Motion passed.

Chairperson, Al Malinowski, adjourned the meeting at 1:42 p.m.

Respectfully Submitted,

Handwritten signature of Les Loble in cursive script.

Les Loble, Secretary/Treasurer



MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING

November 11, 2009

Present: Al Malinowski, Chairperson
Les Loble, Secretary/Treasurer
Loren Bough, Director
Stephanie Holstein, Administrative Officer

Chairperson, Al Malinowski, called the meeting to order at 11:06 a.m.

A. Public Comment: None

B. New Business

- a) **Other** – Ms. Holstein requested a schedule change to Monday, Wednesday, Friday beginning January 4, 2010. The Board approved the change and asked that she notice the change appropriately.

C. Open Meeting Minutes

Motion by Mr. Loble to approve the October 14, 2009 minutes, as amended. Second by Mr. Bough. All in favor. Motion passed.

D. Financial Reports

Motion by Mr. Bough to approve the October 2009 check register. Second by Mr. Loble. All in favor. Motion passed.

E. Old Business

- a) **Short Term Rentals** – Ms. Holstein updated the Board on her efforts to contact short-term rental owners. Mr. Loble will work with Ms. Holstein on edits to an outreach letter aimed at property management companies and homeowner associations.
- b) **Community Survey** – Ms. Holstein updated the Board on optional strategies for conducting the community survey. The Board stated each member would submit to Ms. Holstein ten questions to be asked in the survey, from which Ms. Holstein will create the survey with the help of a specialist. The survey will be online and well marketed throughout the community via email, websites, ads, and mailings.
- c) **Election**

Attorney Mona Jamison joined the meeting by conference telephone. She discussed the process required by law that must be taken due to the tie vote. The tie vote was confirmed at the County recount on Tuesday. The Board will appoint one of the candidates to the position at a special meeting to be scheduled as soon as possible and publicly noticed.


Ms. Jamison discussed the process for affirming the appointment at the next election. Ms. Holstein will contact the Election Administrator to learn of the date of the next election; if it is not until June 2010, Ms. Jamison will draft an opinion in favor of using a mail ballot special election for the affirmation. Ms. Jamison will also define whether other individuals can run against the appointee and whether it is a “Yes” and “No” vote.

After the conference call was concluded, the Board asked Ms. Holstein to research any historical precedence for making election appointments by a coin toss or other neutral decision-making process.

- d) Administrative Items** – Ms. Jamison requested that the Board consider amending the administrative sections only of Ordinance 98-01ORD and Ordinance 2008-01 for the purpose of instituting a quarterly payment option for businesses and individuals with continual low remittances. The Board was in favor of Ms. Holstein and Ms. Jamison making suggested edits at the next meeting.

Chairperson, Al Malinowski, adjourned the meeting at 12:07 p.m.

Respectfully Submitted,



Les Loble, Secretary/Treasurer



MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING

November 23, 2009

Present: Al Malinowski, Chairperson
Lance Child, Vice Chairperson
Les Loble, Secretary/Treasurer
Loren Bough, Director
Stephanie Holstein, Administrative Officer
Scott Johnson, Candidate
Phyllis Breeden, representative of Candidate Ginna Hermann

Chairperson, Al Malinowski, called the meeting to order at 8:45 a.m.

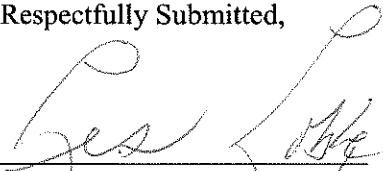
A. Public Comment: None

B. New Business

- a) **November 2009 Election Tie Vote** – Mr. Malinowski explained that given the tie between Mr. Johnson and Ms. Hermann, the Board is required to appoint one of the candidates to the seat. He further explained that the decision could be made via a coin toss, as is commonly done in Gallatin County. Both candidates agreed to the use of this method. He stated that the candidate chosen for the seat will serve until the next regularly scheduled BSRAD Board of Directors election in November 2011 when the remaining two years of the term must be affirmed by community election. Mr. Malinowski assigned “heads” to Mr. Johnson and “tails” to Ms. Hermann. The coin was tossed and came up “tails.” Ginna Hermann won the coin toss.

Chairperson, Al Malinowski, adjourned the meeting at 8:50 a.m.

Respectfully Submitted,



Les Loble, Secretary/Treasurer



MINUTES OF THE BIG SKY RESORT AREA DISTRICT OPEN BOARD MEETING

December 9, 2009

Present: Al Malinowski, Chairperson
Lance Child, Vice Chairperson
Les Loble, Secretary/Treasurer
Loren Bough, Director
Ginna Hermann, Director
Stephanie Holstein, Administrative Officer

Chairperson, Al Malinowski, called the meeting to order at 11:01 a.m.

- A. Public Comment:** Tom Reeves and Steve Johnson of Big Sky Search & Rescue updated the Board on the status of construction of BSSR's new facility.
- B. Old Business**
- a) **Board seat appointment**
Motion by Mr. Loble to appoint Ginna Hermann to the fifth seat of the Big Sky Resort Area District Board of Directors. Second by Mr. Child. All in favor. Motion passed.
 - b) **Big Sky Transportation District** – Mr. Malinowski reviewed the status of the FY09 reconciliation and FY10 deficit of the Big Sky Transportation District. Lisa Knorr, David Kack, and Jerry Page were present to discuss the matters. The reconciliation was resolved and Mr. Malinowski requested from the BSTD copies of all future quarterly payment requests to the MT Department of Transportation with supporting invoices as well as a copy of the FY09 audit when completed.
 - c) **Ordinances 98-01 and 2008-1** – Ms. Holstein presented the suggested amendments to the administrative sections of the ordinances, which will allow for a quarterly payment option for qualified collectors. The Board instructed Ms. Holstein to prepare the amendments for 1st Reading at the January meeting.
 - d) **Election laws amendments**
Motion by Mr. Loble to authorize Attorney, Mona Jamison to draft two changes to the BSRAD election laws for the 2011 Legislative Session; 1. to permit election by acclamation and 2. to permit appointees to serve the remaining term without need to stand for election at the next regularly scheduled election. Second by Mr. Bough. All in favor. Motion passed.
 - e) **Short-term rentals** – Ms. Holstein updated the Board on the efforts made to contact and register short-term rentals in Big Sky for collection of the resort tax. The Board instructed Ms. Holstein to discuss with Attorney Jamison the possibility of drafting legislation that would allow MT Department of Revenue to share lodging tax lists with the BSRAD.
 - f) **New office space** – Ms. Holstein updated the Board on her attendance at the Gallatin Building Owners Association annual meeting. Mr. Malinowski and Mr. Loble asked Ms. Holstein to keep this item on the agenda in the coming months.
- C. Open Meeting Minutes**
- Motion by Mr. Loble to approve the November 11, 2009 minutes, as amended. Second by Mr. Bough. All in favor. Motion passed.

Motion by Mr. Loble to approve the November 23, 2009 minutes, as amended. Second by Mr. Child. All in favor. Motion passed.

D. New Business

a) Board Officers

Motion by Mr. Loble to reelect the current officers for another year. Second by Mr. Bough. All in favor. Motion passed.

b) First Security Bank accounts

Motion by Mr. Child to remove Renae Schumacher and add Ginna Hermann to the Money Market and Checking accounts at First Security Bank. Second by Mr. Loble. All in favor. Motion passed.

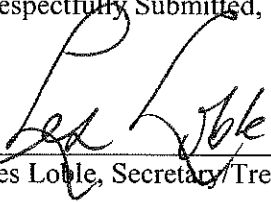
Motion by Mr. Child to let the CD at First Security Bank mature on December 18, 2009 and to transfer the funds to the Money Market account. Second by Mr. Bough. All in favor. Motion passed.

E. Financial Reports

Motion by Mr. Child to approve the November 2009 check register. Second by Mr. Bough. All in favor. Motion passed.

Chairperson, Al Malinowski, adjourned the meeting at 12:05 p.m.

Respectfully Submitted,



Les Loble, Secretary/Treasurer