



## Board Meeting

Big Sky Resort Area District

11 Lone Peak Drive #204  
PO Box 160661  
Big Sky, MT 59716  
www.Resorttax.org  
info@resorttax.org  
406.995.3234

### FY21 (SPRING) Final Award Decision AGENDA

*June 17th, 2020 | 5:30-8:30 PM*

*Zoom Webinar*

[https://us02web.zoom.us/webinar/register/WN\\_kAFTG27WSaOZfuTpoMf5Jq](https://us02web.zoom.us/webinar/register/WN_kAFTG27WSaOZfuTpoMf5Jq)

#### I. Open Meeting

A. <b>Public Comment</b>	--	5:30
B. <u>FY21 Award Resolution: Action</u>	--	5:45
C. <u>Contract Template: Discussion</u>	--	7:00
D. <u>Award Orientation Review: Discussion</u>	--	7:30
E. <b>Public Comment</b>		

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**BSRAD BOARD & STAFF:** Kevin Germain, Chair | Sarah Blechta, Vice Chair | Steve Johnson, Treasurer & Secretary | Ciara Wolfe, Director | Grace Young | Director | Daniel Bierschwale, Executive Director | Kristin Drain, Finance & Compliance Manager | Jenny Muscat, Operations Manager | Sara Huger, Administrative Assistant

**\* All Board Meetings are recorded and live streamed. Please visit [ResortTax.org](https://www.ResortTax.org) for more information.**

**From:** [Ali Pizza](#)  
**To:** [Big Sky Resort Tax District Information](#)  
**Subject:** Discovery School Funding  
**Date:** Tuesday, June 16, 2020 10:39:34 AM

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Hello,

I'm a local in Big Sky and my family is looking at enrolling both our children in preschool for the next school year. The tuition assistance program directly impacts whether or not we are able to enroll our children. I work at the Hungry Moose market as a baker in the central kitchen, and my partner works at Ousel and Spur Pizza As the chef and back of the house manager. We have been in Big Sky for 4 and a half years contributing to the community and raising our babies and now that they're preschool aged, we have found the cost of enrolling them to be too much of a burden to our family's financial means. Funding for Discovery School is essential for meeting the needs of the families in Big Sky for early childhood development.

Thank you,

Ali Pizza  
801-884-7894

Sent from my iPhone

**From:** [Chris Moon](#)  
**To:** [Big Sky Resort Tax District Information](#)  
**Subject:** Public Comment - Trimming Expenses  
**Date:** Sunday, June 14, 2020 7:30:25 PM

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Dear Resort Tax Board -

Thank you for the hard work you are doing to allocate dollars collected by local businesses for investment into the Big Sky Community.

The office of professionals that do the daily work around resort tax and collections has grown substantially in the past year. Since you, the board, have asked the non-profits and organizations of Big Sky to tighten their belts and explore alternative funding avenues, I wonder if it is time to take a hard look at the office of Resort Tax and make some tough decisions about staffing and payroll. I would propose that you, the resort tax board, implement a 25% reduction in operational budget. This number is in line with the percentage cuts you have asked the conservation non-profits requesting funds from resort tax to incur.

Additionally, while the resort tax board often scrutinizes and critiques its applicants budgets and choices, I am unable to easily find any budget or P&L statement for the resort tax office and it's staffing/management costs. This seems like a large oversight that borders on hypocrisy.

2020 is unprecedented times, and we all need to look at sacrifices that can be made for the greater good of community.

Regards,

Chris Moon.

Chris Moon  
[moon.cd@gmail.com](mailto:moon.cd@gmail.com)

**From:** [Denise & Andrea BSA&T](#)  
**To:** [Big Sky Resort Tax District Information](#)  
**Subject:** Fund bsco, chamber, vbs  
**Date:** Wednesday, June 10, 2020 3:15:32 PM

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Hello,

Please accept this email for comments to support funding for organizations building community with long range planning and dedicated goals and direction. There are so many necessary projects for our community and the continued support of many organizations over the years has enabled many to confidently develop and grow their scope and strategic plans.

Please continue to fund BSCO and efforts for parks, trails and their strategic plans.

Please fund the chamber of commerce and visit big sky as organizations who support businesses who collect the tax.

Additionally, funding affordable, quality child care and educational programming should be a priority, such as Discovery Academy.

Please also evaluate the newly voted 1% for infrastructure and how it can help already established neighborhoods be part of this infrastructure, not just new hook ups. These established areas, especially in the south canyon area are already affordable housing areas and improvements to their infrastructure helps keep them affordable for families.

Thank you,  
Denise Wade

Sent from my iPhone

**From:** [JeNelle Johnson](#)  
**To:** [Big Sky Resort Tax District Information](#)  
**Subject:** Letter in support of GRTF  
**Date:** Tuesday, June 16, 2020 10:15:35 AM

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Dear Resort Tax Board,

Only 7.2% of 2021 resort tax funds have been awarded to environmental/conservation groups. In “Our Big Sky: Community Vision and Strategy,” members of our community gave EQUAL importance to Our People, Our Character, Our Recreation, Our Environment. Of the 150+ projects written in by community members, environmental conservation projects ranked 2nd.

It was reported in the Big Sky Chamber Economic Profile 2019 that 47% of Big Sky residents agree that the environment is “what makes Big Sky, Big Sky” (35% said society and 19% infrastructure).

Any way you slice it, our natural environment is very important to members of our community. Funding for environmental and conservation groups in Big Sky should be more aligned with the values of our community, especially considering the impacts of massive development with minimal oversight, climate change and water scarcity.

The recent contamination of the primary water source for residents of West Yellowstone shows how important clean water is to the health and well being of our communities. Drinking water could not be consumed and all restaurants in West were closed until it was determined the water was safe for consumption.

I encourage you to fully fund the Operations request submitted by GRTF, which would put environmental/conservation funding at 8.4%

Thank you for your service and for your consideration.

JeNelle Johnson

Sent from my iPhone

**From:** [JOHN POHL](#)  
**To:** [Big Sky Resort Tax District Information](#)  
**Subject:** Support BSCHT  
**Date:** Thursday, June 11, 2020 6:54:52 PM

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I am writing this to encourage you to support the activity and services BSCHT provides. As a long time property owner and having children who worked fulltime at the resort for several years I cannot emphasize enough the need to continue to support their work. Without their initiative, the quality of life and difficulty in attracting persons to make Big Sky what it is, will be near impossible. The need for affordable and stable work for housing is crucial to healthy and successful communities.

I speak not only as an owner, but also as someone who believes strongly in their work. So much so that we have partnered with them to provide housing for exactly this purpose. But it is not enough. The community needs to continue to support their invaluable work and ensure that they are funded!

Thank you for listening and providing them support.

John Pohl FGS  
Tel: 206.362.2430  
[www.3creekdev.com](http://www.3creekdev.com)  
[www.geophotography.org](http://www.geophotography.org)

**From:** [kristin Dowd](#)  
**To:** [Big Sky Resort Tax District Information](#)  
**Subject:** Discovery  
**Date:** Tuesday, June 16, 2020 3:49:30 PM

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To whom it may concern,

The tuition assistance our family receives from Discovery directly impacts our ability to enroll our child at Discovery, along with many other Big Sky families. I hope the tax board can reconsider.

Thanks for your time and consideration

Sent from my iPhone

**From:** [Lauren Knox](#)  
**To:** [Big Sky Resort Tax District Information](#)  
**Cc:** [Jesse Knox \(jesse.knox77@gmail.com\)](mailto:jesse.knox77@gmail.com)  
**Subject:** Big Sky Discovery Academy - Tuition Assistance Response - Please reconsider  
**Date:** Monday, June 15, 2020 4:51:51 PM

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Dear Big Sky Area Resort Tax Board,

The Knox family kindly asks and strongly urges the BSRAD to reconsider their response to the Big Sky Discovery Academy's request for tuition assistance.

Discovery provides academic preschool/child care programming that is essential to meeting the needs of the families of Big Sky. We are concerned that if they aren't able to fully fund their tuition assistance program that many families will have to reconsider their ability to have their children attend and may also have to reconsider where they live. Child care outside of Discovery and Morningstar in our town is extremely difficult to find for an affordable rate and even at exorbitant rates, has been proven to be unreliable in many cases. We consider ourselves very lucky and are grateful to have the opportunity to send our daughter (and previously our son) to preschool at Discovery. We would like to know that other families will have the opportunity if they chose to do so.

It is extremely important to us (and our community) that you reconsider the full request for assistance.

Thank you for your consideration,  
Lauren, Jesse, Jude and Cora Knox

Lauren Knox  
Yellowstone Club Sales  
[Lauren.knox@yellowstoneclub.com](mailto:Lauren.knox@yellowstoneclub.com)  
Mobile: 406.539.9190  
Office: 406.993.7010



**From:** [Laura Seyfang](#)  
**To:** [Big Sky Resort Tax District Information](#)  
**Subject:** BSCHT response to BSRAD after June 10th Allocation Meeting  
**Date:** Monday, June 15, 2020 8:07:57 AM

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## Big Sky Community Housing Trust Response to June 10 BSRAD Meeting

I apologize again for missing the discussion portion of the June 10<sup>th</sup> BSRAD Meeting when the Big Sky Community Housing Trust request was discussed. BSCHT is appreciative of the motion made to fund both Operations and DPA for the next 6 months.

I would like to respond to some of the Board comments made during discussion. DPA to date has been used only for MeadowView properties because these are the ONLY properties which have been on the market at a price affordable to eligible buyers. While the current DPA rules stipulate a buyer must put down a minimum of 1% plus closing costs (which is a national standard), the vast majority of buyers, depending on the institutional loan they qualified for, put down between 5-20%. Board members quoted that the 150% AMI (average median income) limit of income for a 4 person household in 2017 was \$106,500, but updated 2019 numbers are being used to determine program eligibility. As of 2019, 150% AMI for Gallatin County is \$135,450. Targeting an even higher level of AMI and housing price point would require larger fund allocations for the program to be effective. An upward shift in focus would result in contributing larger dollar amounts to a smaller number of beneficiaries. At this time, this does not seem a reasonable use of scarce dollars.

Please remember the MeadowView project is the FIRST perpetually affordable project for the community and it serves only one segment of the housing challenged population. Additional projects are needed to help households across the spectrum to get into housing they can afford. As far as "missing the mark" with Down Payment Assistance, please acknowledge that our use of funds awarded in the past two years was a start, and a much needed boost to the 52 initial families housed. BSCHT has been investigating several additional options for down payment assistance across the state and will be advising local buyers how to obtain these funds. However, nearly ALL programs across the country focus on helping households at or below 150% AMI; most focus on households earning below 80% AMI.

Solving Big Sky's Workforce Housing problem WILL be an expensive undertaking. The supposition that to create the 560 units mentioned in the Housing Action plan will cost \$58,000 of Resort Tax supplement per unit is not correct. That is a reasonable forecast for home ownership units, but approximately 2/3 of the planned additional housing units will be rentals, and the subsidy requested per unit will be different (likely lower) due to the financing mechanism used.

As previously stated, our community does not have the funding alternatives many other resort communities use to fund their workforce housing challenges. Resort Tax is a critical part of the solution to this very large community issue.

Laura Seyfang  
Executive Director BSCHT  
office: 406-995-3696  
cell: 937-430-6688  
[www.bigskyhousingtrust.com](http://www.bigskyhousingtrust.com)



June 12, 2020

Dear BSRAD Board Members:

I am reaching out in writing to call your attention to a few critical points which may impact your thinking and, I hope, your recommendation. We are asking that you reconsider and award us our full request of \$89,000. Here's why:

**Critical Need:**

The Resort Tax was created because of the unique economic challenges for the residents of resort towns who must do business in a seasonal economy, have inflated real-estate values, and an abundance of service jobs which are typically low paid. This is why affordable housing is worth millions of dollars in resort tax funding--affordable housing simply cannot exist without this funding. I would make the case that the same argument holds for accessible child care, which is particularly important as we try to restart the economy, but is always important for working families who require two incomes to afford to live here. Without accessible child care, affordable housing does not work.

The current recommendation cuts our needs-based, tuition-assistance funding by 50 percent. This will cut the number and more importantly, the type of families who can access our child care because we only give this money to families who demonstrate need. Specifically, needier working families (even more impacted by the effects of COVID) will experience a loss of child care opportunities and just like those who cannot find housing, will need to leave the community. As referenced by board members in both Q&A sessions, it is important to support the dual-working families in this community: in the 2019-2020 school year 84% percent of our (Discovery's) preschool children were from households where both parents work. The cutting of funding seems antithetical to the Big Sky Strategic Plan identified priorities which include child care: and these priorities were established through a process that was funded by BSRAD dollars and were integral to the resort tax application process this year, in which we were asked to identify which priorities are met by our programming.

**Equity:**

We appreciate the board's desire to be equitable. For example, the decision to give conservation groups 75% of their requests seems logical. I cannot speak to whether conservation groups find this approach equitable, but I can say that had the same measure been used for child care, the result would have been more fair. Unfortunately, that is not what happened. The flat dollar amount allocated resulted in a recommendation that we receive 50% of our request, while Morningstar is recommended to receive 92% of their request. This approach can only be fair if costs and models of operation are identical, which of course they are not. What resulted was an extremely inequitable decision. Our needy families will experience a 50% reduction in

funding, while Morningstar's clients, regardless of need, will continue to get an across the board reduction in tuition with their 92% allocation.

If equity is the goal, the historical Resort Tax support to an organization must be compared. For example, our facility is leased, not owned, and we have not received prior Resort Tax dollars to facilitate the owning or building of our facility, as is the case with Morningstar: creating inequity in our overhead and operational costs. We meet the needs of 20 families of children ages 3-5 in Big Sky. If we were to cease operations, there would be a child care capacity issue in Big Sky.

I dislike having to talk about the only other child care provider in the community in order to justify our funding, and do so only because BSRAD has joined our fates at the hip. In fact, Morningstar and Discovery are partners in the hard and important work of meeting the community's child care needs. We support Morningstar's full request as well as our own.

Quality:

The quality and cost of our program is not an argument for a reduction of our request: in fact, it is an argument to grant us our full request. Not only is it reflective of the high cost of doing business in Big Sky, but also it reflects our attention to paying staff a salary that can sustain their living, working, and staying in this community. We respectfully utilize our tax dollars to provide access to our thoughtful approach to providing an academically-focused, child care program. As with all of the organizations who request and receive funding through the BSRAD-WMPAC, BSCO LEED Certified Community Center project, the Community Library, and GRTF to name a few-we strive for operating with excellence in what we provide to our community, as a benefit to everyone in our community.

There is a reason that child-care operations have come and gone with such regularity in Big Sky. Without support, these types of non-profits cannot survive in a resort community and continue to provide for the identified priorities in our community.

Thank you for the time and commitment you all put towards allocating resort tax collections on behalf of the taxpayers of Big Sky. I recognize that your role is particularly challenging due to the effects of COVID-19. During this time, child care has been publicly recognized in the strategic plan of Big Sky, at both the state and federal levels, as an essential need, and essential business. Please reconsider your funding recommendation to grant us our full request.

Sincerely,



Nettie Breuner  
Head of School

**Big Sky Discovery Academy, Inc. a 501(c)(3) non-profit corporation**  
**Post Office Box 161548 | Big Sky, Montana 59716**

Dear Resort Tax Board,

We, at the Big Sky Food Bank, want to thank you for your consideration in funding our FY21 request. As you know, we've matched the increased need in our community with increased hours and services in order to support our Big Sky households.

Our increased ask from Resort Tax is in proportion to our increase in operations, and is matched by an increase in individual donations and support from community organizations. While we already have a significant donor base, we've added over thirty five new donors since the pandemic hit - including several charitable and philanthropic foundations. We rely on our generous donors to annually contribute about half of our budgeted expenses, though these gifts usually come in around the holidays. We've been thankful to see both our new and regular donors supporting the food bank these past three months.

We'd like to thank the Resort Tax for stepping up to share the burden of caring for our most vulnerable Big Sky neighbors. We serve some of the households most at-risk to fluctuations in the tourism economy. We believe that the Big Sky workforce should benefit from a small portion of the Resort Tax which is gathered, at least in part, from their sweat equity. We request that Resort Tax continue to be utilized to 'invest in the well-being of the Big Sky community' through the food bank as we feed, inform, and assist both the seasonal workforce and full-time locals. We thank you for sharing the burden of caring for those in need in Big Sky.

Very Sincerely,

Sarah and the BSCFB Advisory Council



**P.O. Box 160505, Big Sky, MT 59716**  
**[www.morningstarlearningcenter.com](http://www.morningstarlearningcenter.com)**

Dear Big Sky Resort Tax:

In light of recent discussion, I'd like clarify some specifics.

Morningstar's clientele is Big Sky's working families. The majority of our enrolled children come from two-parent working households. Only about five out of seventy-four families have one parent who stays at home. Typical parent occupations include ski instructors, nurses, and teachers. Our schedule follows the direction of a typical work schedule, not the public school schedule, including holiday seasons. In fact, we were considered an essential business and continued to serve the community during the quarantine for COVID-19.

The primary difference between Morningstar and Big Sky Discovery Academy is that Morningstar is a childcare facility, or daycare, and Big Sky Discovery Academy is a private school.

Morningstar's mission is to fill a critical void in Big Sky's basic community infrastructure by providing accessible and affordable early education childcare services. Morningstar applies for Resort Tax to fund our Tuition Reduction Program. This program helps us to pay our employees competitive wages while keeping enrollment costs for families low.

Please let me know if you have any other questions. I hope this helps to clarify Morningstar's important role in Big Sky's community.

Thank you,

Grace Winsell

Executive Director

Morningstar Learning Center, Inc.

**Morningstar Learning Center is a Montana not-for-profit corporation**  
**with 501(c)(3) status-Tax ID #20-5113402**

FY21 Total Available

\$ 6,510,277

Remaining

\$ 3,599,905

ORG	PROJECT	SPRING (Jul-Dec) REQUEST	SPRING AWARD RECOMMENDATION	FALL (Jan-June) REQUEST	TOTAL FY21 REQUEST	Jun 21	Jul 21
BSFD	Operational Support	\$420,713	\$420,713	\$420,713	\$ 841,425		
BSFD	Wildland Apparatus Replacement	\$160,000	\$0	\$0	\$ 160,000		
BSTD	BSTD Operations	\$195,000	\$195,000	\$325,000	\$ 520,000		
BSTD	BSTD Big Sky Bus Barn	\$0	\$0	\$250,000	\$ 250,000		
GSCO	Big Sky/Canyon Patrol Division	\$155,664	\$155,664	\$155,664	\$ 311,327	\$25,944	
ACBS	2021 Summer Programming	\$30,000	\$30,000	\$185,500	\$ 185,500	\$50,000	\$5,500
BBBSBC	Youth Wellness	\$7,500	\$0	\$7,500	\$ 15,000	\$1,250	
BSCFB	Case Management & Outreach	\$14,880	\$14,880	\$14,880	\$ 29,760	\$2,480	
BSCFB	Operations/Admin & Food Purchase	\$10,572	\$10,572	\$10,572	\$ 21,150	\$1,762	
Discovery	Early Childhood Preschool Program Tuition Assistance	\$44,660	\$22,400	\$44,660	\$ 89,320		
BSRF	Community Recycling and Compost Removal	\$3,060	\$3,060	\$2,340	\$ 5,400		
BSSAR	Training	\$2,200	\$2,200	\$10,000	\$ 12,200		
BSSAR	Volunteer Safety	\$650	\$650		\$ 650		
BSSAR	Shop tools/building infrastructure	\$1,300	\$1,300		\$ 1,300		
BSSHA	Operating Assistance Project	\$0	\$0	\$40,227	\$ 40,227		
WMPAC	FY21 Artist Fees	\$90,000	\$90,000	\$45,000	\$ 135,000		
FOL	Library Operations	\$17,500	\$17,500	\$48,220	\$ 80,720	\$4,220	
Alliance	Administration	\$5,058	\$5,058	\$4,060	\$ 9,118	\$347	
Alliance	Environmental Stewardship	\$3,775	\$3,775	\$2,725	\$ 6,500	\$1,300	
Alliance	Education & Awareness	\$1,825	\$1,825	\$3,725	\$ 5,500	\$775	
Alliance	Community Outreach	\$2,800	\$2,800	\$2,100	\$ 4,900	\$1,150	
GVSA	Two additional groomings of the Buck Ridge/Doe Creek Road snowmobile trail	\$7,000	\$7,000	\$18,000	\$ 25,000		
HFHGV	Big Sky School Teacher Housing Project	\$17,500	\$17,500	\$17,500	\$ 35,000		
MLC	Tuition Reduction	\$83,745	\$72,800	\$84,510	\$ 168,255	\$13,740	
PVW	Karst Bridge Rehabilitation	\$48,000	\$0	\$0	\$ 114,000		
MLR	Permanent Conservation of Big Sky's Fish and Wildlife Habitat and Open Space	\$10,002	\$7,502	\$9,998	\$ 20,000	\$1,663	
POLLC	Big Sky Post Office - Operations	\$41,000	\$18,000	\$39,000	\$ 80,000		\$18,000
WCS	Bear Smart Big Sky: Advancing Community Engagement and Stewardship to Keep Bears and the Landscape Wild	\$24,068	\$18,051	\$24,068	\$ 48,136	\$12,034	
WIA	Direct Behavioral Healthcare Services	\$19,500	\$19,500	\$19,500	\$ 39,000	\$3,250	
WIA	Indirect Behavioral Healthcare Services	\$5,500	\$5,500	\$5,500	\$ 11,000	\$917	
Big Sky Chamber	Leadership, Staffing and Operations of the Big Sky Chamber of Commerce	\$176,100	\$176,100	\$181,411	\$ 357,511	\$39,911	
Big Sky Chamber	Local Governance Facilitation - Eggs&Issues/Gallatin-Madison Joint County Commission Meeting   Coordinating Council of Big Sky	\$5,500	\$5,500	\$5,500	\$ 11,000		

FY21 Total Available		\$ 6,510,277	Remaining		\$ 3,599,905		
ORG	PROJECT	SPRING (Jul-Dec) REQUEST	SPRING AWARD RECOMMENDATION	FALL (Jan-June) REQUEST	TOTAL FY21 REQUEST	Jun 21	Jul 21
Big Sky Chamber	Advocating for Our Community   Creating a Positive Business Climate - MT Chamber Days and BBER Economic Outlook Seminar	\$0	\$0	\$11,000	\$ 11,000		
BSCHT	BSCHT Operations Support	\$64,000	\$64,000	\$66,000	\$ 130,000	\$11,000	
BSCHT	Down Payment Assistance	\$200,000	\$200,000	\$0	\$ 200,000		
BSCHT	Future Property Development	\$500,000	\$0	\$1,000,000	\$ 1,500,000		
BSCHT	Long Term Rental Program	\$10,000	\$0	\$10,000	\$ 20,000		
BSCO	Operations & Maintenance	\$314,481	\$314,481	\$239,257	\$ 533,735	\$50,961	
GRTF	Operations	\$116,544	\$87,408	\$116,544	\$ 233,081	\$19,424	
GRTF	Education and Outreach	\$7,500	\$7,500	\$7,500	\$ 15,000	\$1,250	
GRTF	Watershed Monitoring	\$0	\$0	\$4,000	\$ 4,000	\$4,000	
GRTF	Watershed Restoration and Enhancement Projects	\$20,000	\$20,000	\$10,500	\$ 30,500		
GRTF	Water Supply Resiliency Projects	\$38,520	\$38,520	\$22,500	\$ 61,000	\$3,750	
GRTF	Gallatin Canyon Groundwater Discharge Modeling, Planning and District Formation Support	\$0	\$0	\$49,998	\$ 100,000	\$8,333	
VBS	Team Big Sky	\$70,350	\$63,315	\$84,208	\$ 154,588	\$18,108	
VBS	Promote the Big Sky Destination	\$322,554	\$290,299	\$77,896	\$ 401,200	\$16,501	
VBS	Develop and Steward the Destination	\$3,000	\$0	\$11,500	\$ 14,500		
VBS	Lead	\$12,746	\$0	\$17,754	\$ 31,000	\$649	
		TOTAL SPRING REQUESTS		TOTAL FALL REQUESTS (AS OF 6.10.20)	TOTAL FY21 REQUEST (SPRING AND FALL)		
		\$ 3,284,767	\$2,410,372	\$ 3,706,530	\$ 7,073,503		
RESERVE			\$ 500,000	UPDATED FALL REQUESTS WITH DEFERRALS INCLUDED IN FALL REQUESTS			
				\$ 4,384,030			

**AGREEMENT FOR RECEIPT OF RESORT TAX FUNDS  
FISCAL YEAR (SPRING) 2020-2021**

**THIS AGREEMENT** for the receipt of resort tax funds ("Agreement") is entered into by and between the Big Sky Resort Area District ("District") and \_\_\_\_\_ ("Contractor").

WHEREAS, the District was created effective April 7, 1998 pursuant to Mont. Code Ann. §§ 7-6-1531 through 1550; and

WHEREAS, an initial Board of Directors for the District was elected on June 2, 1998 by the electors residing within the District and the current members of the Board of Directors ("Board") have been duly elected to serve on behalf of the District in subsequent elections; and

WHEREAS, pursuant to Section 19 of District Ordinance 98-01, as amended, ("Ordinance"), the District is required to award the revenue derived from the imposition of the resort tax in the District for "infrastructure facilities (as that term is commonly defined) in the District; public services, including but not limited to the establishment and maintenance of an adequately-sized post office; ambulance and other emergency medical services; public transportation systems; snow plowing; tourism development for the District; and other services that provide for the public health, safety, and welfare within the District; and reimbursement or payment to the resort area district of the costs associated with the collection, administration, and litigation of the resort tax;" and

WHEREAS, the District conducted a public hearing on June \_\_\_\_\_, 2020, on all applications for receipt of resort tax revenue for the District's Spring fiscal year 2020-2021 funding cycle; and



WHEREAS, Contractor submitted an application for receipt of resort tax funds ("Application") to the District in the amount of \$\_\_\_\_\_ for \_\_\_\_\_ and \$\_\_\_\_\_ for \_\_\_\_\_ ("Services"); and

WHEREAS, the District has determined that Contractor's Application to provide the Services as described in its Application and in this Agreement meets the requirements of Section 19 of Ordinance #98-01 as amended, and Title 7, Chapter 6, Part 15, MCA; and

WHEREAS, at its public meeting held on June \_\_\_\_\_, 2020, the District gave final approval for the total award of \$\_\_\_\_\_ specifically allocated as follows: \$\_\_\_\_\_ for \_\_\_\_\_ and \$\_\_\_\_\_ for \_\_\_\_\_ pursuant to the terms and conditions set forth in this Agreement (the "Award");

**NOW THEREFORE**, the District and Contractor agree as follows:

1. **TERM.** This Agreement shall commence on July 1, 2020 and shall terminate on December 31, 2020.

2. **FUNDING.**

A. The final "WHEREAS" clause set forth above is specifically incorporated herein, and the District agrees to provide the funding for the Services as set forth in that final "WHEREAS" clause.

B. In consideration of receiving the Services from Contractor as set forth in Section 3 below, the District awards the Award to the Contractor for the term of this Agreement. Payment of the Award shall be made to Contractor only upon receipt of invoices or supporting claims, receipts, bills, or other documentation deemed appropriate by the District in its sole discretion. Should Contractor desire to transfer appropriated funds from one designated purpose or line item in their allocation budget to another purpose or

line item in their allocation budget, it must first apply for and receive the written approval of the District prior to any such transfer.

C. If Contractor has an audit performed by an independent third party, Contractor shall provide a copy of the complete audit report to the District within ten (10) days of Contractor's receipt of such audit report. If Contractor does not have an audit performed, it is not required to do so by this Agreement.

3. **SCOPE OF SERVICES.** In consideration for the receipt of resort tax funds and the award of the Application, Contractor agrees:

A. That it shall fully comply with the conditions imposed by the District, if any, as set forth in this Agreement, and the specifications, information and statements contained in its Application, which is incorporated into this Agreement by this reference and on file at the District office.

B. That it shall expend awarded resort tax revenue for the Services as specifically described in its Application and approved by the District. Contractor shall not use the Award for any purpose not specifically authorized by the District.

4. **CONTRACTOR EXPENDITURE REQUIREMENTS – AMENDMENTS.**

Contractor agrees that the funds received pursuant to this Agreement shall be expended solely for the services or project described in Contractor's Application and as approved by the District, unless a specific amendment to this Agreement has been approved by the District in writing.

5. **SUBMISSION OF PAYMENT REQUESTS BY CONTRACTOR CLAIMS AND PAYMENT OF RESORT TAX FUNDS.**

A. This Agreement must be fully executed and returned to the District before Contractor may submit any payment request for the Award and no payment request may be submitted to the District prior to July 15, 2020.

B. An award orientation must be completed by the Contractor before Contractor may submit payment request for the Award.

C. All payment requests must be signed and submitted by Contractor's Designated Representative identified as \_\_\_\_\_ (insert name and title here).

D. All payment requests and follow up forms shall be submitted using the online portal established by the District, using forms provided by the District no later than forty-five (45) days following the date in which the invoices for the Services were received or the Services were performed by Contractor. Any and all final requests for payment at the end of the Appropriation period must be submitted to the District no later than fifteen (15) days following the expiration of this Agreement. The District shall not be obligated to fund any payment request that is not timely submitted by the Contractor. Contractor shall not submit more than one payment request per month, without the express approval of the District following Contractor's written request to submit additional payment requests. Requests are to be submitted on the schedule established by the District during the award orientation.

E. Contractor shall attach to the payment request proper documentation showing the Services have been performed, including without limitation all invoices for Services received, payroll records for all payroll costs, documentation of compliance with applicable federal, state and county laws, regulations, and ordinances, and any other documentation related to the Services or projects as requested by the District. Documentation submitted by Contractor must clearly show the dollar amounts, and all documentation must be submitted in the order in which the expense appears on the itemized expense list form required by the District.

F. The District, in its sole discretion, may determine whether or not the payment request submitted is for items or services within the scope of Services described by Section 3 of this Agreement. Payment requests for items or services not within the scope of Services described in Section 3 of this Agreement, as determined by the District, will not be paid or reimbursed. No payment requests for alcohol or tobacco shall be considered to fall within the Scope of Services described in Section 3 of this Agreement.

G. Contractor shall notify the District of any changes of \$5,000 or more to a scheduled payment request as established during the post award orientation within 15 days of first learning of the need for a change.

H. The District shall pay invoices or claims which it determines in its sole discretion, are within the scope of the Services provided under Section 3 of this Agreement. The District reserves the right to retain up to 10% of each approved claim to assure Contractor's continued provision of the balance of the Services and compliance with this Agreement. Final payment any retained amounts will be made at the discretion of the District upon the completion in full of all Services.

I. Contractor authorizes the District to issue checks payable to Contractor at its address listed in this Agreement. Should Contractor's address change during the term of this Agreement, it shall be Contractor's responsibility to notify the District of such change in writing.

**6. NONCOMPLIANCE. RETURN OF FUNDS-UNSPENT FUNDS.**

A. Return of Funds for Noncompliance. If resort tax funds are paid to Contractor under this Agreement and Contractor is unable to provide the Services as specified in Section 3, Contractor shall notify the District immediately. Contractor shall also immediately return any and all portion of the Award that the District had already paid to the

Contractor under this Agreement, unless the District expressly agrees in writing that the return of the paid Award is waived for good cause shown by the Contractor.

B. Unspent Funds. If for any reason, resort tax funds awarded to Contractor have not been spent by Contractor prior to the date specified in Section 5(A)(2) of this Agreement, the unspent Award shall not be disbursed to Contractor, but shall be retained by the District and reallocated for other purposes in the sole discretion of the District. The District shall not be obligated to re-award unspent funds from the prior year. Contractor may apply for use of unspent funds, which application shall be timely submitted to the District pursuant to its rules and procedures. Any such application may be granted, rejected, or modified by the District in its sole discretion. The granting of funds under this Agreement does not obligate the District to award resort tax funds for any subsequent fiscal year or to approve any request from the Contractor to rollover the unspent Award.

7. **RECORDS.** Contractor shall maintain accounts, records and other evidence pertaining to the funds expended under this Agreement during the term of this Agreement and for a period of five (5) years following the expiration of this Agreement. The system of accounting employed by the Contractor shall be in accordance with generally accepted accounting principles or other comprehensive basis of accounting and will be applied in a consistent manner so that the expenditures under this Agreement can be clearly identified from all other expenditures. Upon reasonable notice, Contractor agrees to provide the District or its designated agent with access to the accounts and records relating to the services provided and payments made under this Agreement.

8. **LIABILITY.** Contractor shall hold the District, Board and all its agents and employees harmless and indemnify for any acts, errors, or omissions arising from the services provided or project performed by the Contractor which could result in any claims by the Contractor, its employees or by a third party. The Contractor shall assure the provision

of the comprehensive general liability insurance that includes coverage of bodily injury, property damage, and attorney's fees incurred at all trial and appellate levels, and automobile liability, with a limit of not less than \$1,000,000.00 per occurrence. Contractor must provide proof of insurance for itself and its subcontractors to the District prior to any payments being made to Contractor under this Agreement.

9. **STATUTORY PROVISIONS.** Contractor shall comply with all applicable state, federal and local laws and regulations.

10. **DEFAULT AND TERMINATION.**

A. In the event Contractor fails to comply with any provision of this Agreement, the Contractor shall have the right to cure such a breach within ten (10) days from receipt of written notice of the default or breach provided by the District to the Contractor.

B. In the event the Contractor fails to timely cure any breach of this Agreement as set forth in Section 10(A), the District may terminate the Agreement immediately without any further opportunity of the Contractor to cure or remedy the breach.

C. Upon termination of the Agreement by the District for failure of the Contractor to perform provisions of the Agreement as described in paragraphs A and B of this Section, the District may require that all resort tax funds plus 6% annual interest from the date of receipt of the funds shall be immediately returned to the District.

D. Either party may terminate this Agreement without cause, upon thirty (30) days' written notice to the other party, provided that, if the Contractor is seeking to terminate the Agreement, Contractor must return to the District all resort tax funds previously paid under this Agreement, unless the District expressly agrees in writing that return of the funds is waived for good cause shown.

11. **ASSIGNMENT.** Contractor may not assign or subcontract any portion of this Agreement without the prior written approval of the District.

12. **INDEPENDENT CONTRACTOR STATUS.** Contractor is an independent provider or contractor. Neither the Contractor nor any of its employees are employees of the District under this Agreement nor will they be considered employees of the District under any subsequent amendment to this Agreement, unless otherwise expressed. To that end, the District is not responsible for the withholding of any state or federal taxes, or social security or other benefit contributions, nor will the District extend to the Contractor any of the benefits that it extends to employees of the District. Contractor is responsible for maintaining necessary workers' compensation coverage for its employees.

13. **OWNERSHIP OF PROPERTY.** Unless otherwise specified in this Agreement, any property purchased by the Contractor with resort tax funds in order to provide the Services under this Agreement is owned by the Contractor.

14. **INTERPRETATION.**

A. This Agreement shall be governed and interpreted according to the laws of the State of Montana.

B. The provisions of this Agreement are independent and severable, and the invalidity, partial invalidity, or unenforceability of any one provision or portion shall not affect the validity or enforceability of any other portion.

15. **ENTIRE AGREEMENT.** This agreement is the entire agreement between the parties. No alterations, modifications, or additions to this Agreement shall be binding upon the parties unless reduced to writing and signed by the parties.

16. **NOTICES.** Any notices, demands or other communication required by this Agreement to be in writing shall be delivered (i) in person, against receipt, (ii) by certified mail, postage prepaid, return receipt requested, or (iii) by U.S. Express Mail or a

commercial overnight courier that guarantees delivery within the next two business days.

Such notices shall be addressed as follows:

To the District:                      Danny Bierschwale  
District Manager  
Big Sky Resort Area District  
11 Lone Peak Drive, Suite 204  
P.O. Box 160661  
Big Sky, MT 59716

To the Contractor:                      \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

All notices complying with this Section shall be effective only upon delivery.

17. **AVAILABILITY OF FUNDS.** The District and Contractor agree that if, for any reason, revenues received from the collection of the resort tax are insufficient to pay the Award, the District may unilaterally adjust the Award based on actual availability of cash and revenue and without liability or remedy to Contractor.

18. **NOTICE TO THE PUBLIC OF DISTRICT FUNDING:** Contractor shall provide prominent notice to the public that the District has funded the Services and/or project(s) described in Contractor's Application. This notice must read as follows: "This project has been funded fully or partially by resort tax funds." Contractor further agrees to provide photos of Contractor's Services or projects for use by the District in promotional or other materials.

19. **PROJECT IMPACT REPORTS AND MEETINGS:** Contractor shall submit a minimum of one project impact report and attend one project meeting with the District detailing the progress it has achieved in providing the Services funded by the District. Dates of the Impact Meeting will be determined during the award orientation.

**BIG SKY RESORT AREA DISTRICT:**

**CONTRACTOR:**



\_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Date)



## FY21 (SPRING) AWARD ORIENTATIONS

To ensure accountability and set clear expectations for all organizations awarded funds during the spring cycle we will be hosting award orientations following final award decisions. These orientations must be completed prior to an organization requesting any funding from their award.

- Items to be discussed during the award orientations:
  - FY21 Spring Award Contracts
  - Final verification of payment request schedules based on final award amounts
  - The new digital payment request process
  - Policies and best practices for submitting payment requests
  - Answering any questions organizations may have
- Award orientations will be held virtually via Zoom:
  - Virtual Dates: Monday through Friday July 1 -14 from 9am-5pm based on availability
    - Jenny will be conducting the orientations
  - Required Attendees:
    - Executive Directors and/or Board Chairs
    - Authorized payment requests designees
- A summary/rollup of the award orientations will be provided at the July or August Board meeting