

**Resolution No. 2025-10R**

**A RESOLUTION TO INCREASE COLD SMOKE PROJECT FUNDING FOR CRITICAL WATER STORAGE INFRASTRUCTURE**

WHEREAS, on October 4, 2023, the Big Sky Resort Area District (“District”) adopted a Capital Improvement Plan in which specific capital improvement and infrastructure projects needed within the District were identified; and

WHEREAS, following discussion and comments in public meetings duly noticed and held on August 14, 2024, September 11, 2024, October 9, 2024, November 14, 2024, December 5, 2024, January 2, 2025, and January 9, 2025, the Board considered whether to fund projects from the 2023 CIP; and

WHEREAS, following discussion and comments in its public meeting duly noticed and held on February 4, 2025, the Board agreed community workforce housing is a critical need in the community; and

WHEREAS, following discussion and comments in its public meeting, the Board agreed to fund the Cold Smoke Project identified in the CIP pursuant to certain terms and conditions including that BSRAD’s funding of the design, construction, acquisition or installation of infrastructure at the Cold Smoke Project, including water, wastewater, storm water, sewer, and utility systems, fire protection, and roads, bridges and other transportation needs, shall not exceed \$15,000,000 and that the voters authorize the District to issue bonds payable from collections of the 3% resort tax in the District, in principal amounts not to exceed the maximum amount authorized by law and upon terms and interest rates to be determined by the Board, and to impose an additional 1% resort tax for infrastructure, commencing when the costs of the Water Resource Recovery Facility Phase 1 project approved by voters at the May 2020 election are paid or accounted for, and to issue bonds payable from collections of the 1% additional resort tax in principal amounts not to exceed the maximum amount authorized by law and upon terms and interest rates to be determined by the Board (“Cold Smoke Bonds”); and

WHEREAS, on May 6, 2025, the electorate authorized the District to issue the Cold Smoke Bonds; and

WHEREAS, the Cold Smoke Project Sponsor has recently brought to the Board’s attention that unanticipated water pressure and fire suppression development and storage needs have been identified following additional engineering studies, that the Cold Smoke Project cannot proceed without this additional critical water infrastructure, and this critical water infrastructure is presently without any available funding; and

WHEREAS, the Cold Smoke Project Sponsor has requested the Board reconsider its infrastructure spending cap by increasing its contribution from \$15,000,000 to \$17,750,000, which increase will allow the critical water infrastructure to be built and the Project to proceed as planned; and

WHEREAS, the requested increase in infrastructure spending cap can be accommodated through the existing Bonds approved by the electorate without the need for any increase in the previously approved bonding authority.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BIG SKY RESORT AREA DISTRICT AS FOLLOWS:

Upon discussion and opportunity for public comment, the Board of the District hereby agrees to increase its infrastructure funding cap for the Cold Smoke Project from \$15,000,000 to \$17,750,000 to accommodate the construction of critical water storage infrastructure to address the unanticipated water pressure and fire suppression storage needs, without which the Project cannot otherwise proceed.

All other terms, conditions and limitations set forth in Resolution No. 2025-01R and in the First Amendment to Resolution No. 2025-01R, and in Resolution Nos. 2025-05R and 2025-06R shall remain in full force and effect.

PASSED BY THE BOARD OF DIRECTORS OF THE DISTRICT ON NOVEMBER 13, 2025 BY A VOTE OF 4 IN FAVOR and 0 OPPOSED.

Sarah Blechta

Sarah Blechta (Nov 17, 2025 10:39:38 MST)

Sarah Blechta, Chair

JZ

John Zirkle (Nov 17, 2025 12:54:24 MST)

John Zirkle, Vice Chair

Grace D. Young

Grace D. Young (Nov 17, 2025 11:32:00 MST)

Grace Young, Secretary & Treasurer

MMK

Michelle Kendziorski (Nov 17, 2025 10:14:15 MST)

Michelle Kendziorski, Director

Kevin Germain

Kevin Germain (Jan 2, 2026 12:33:52 MST)

Kevin Germain, Director











# Resolution 2025-10R Increase to Cold Smoke Project Funding

Final Audit Report

2026-01-02


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 Agreement completed.

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