

BIG SKY COUNTY WATER & SEWER DISTRICT NO. 363
SPECIAL MEETING
MINUTES - DECEMBER 28, 1995

The Big Sky County Water & Sewer District No. 363 met at 3:00 p.m. on Thursday, December 28, 1995, at HKM engineering in Bozeman. President Ogle, Vice President Meabon, Secretary Neece, and Directors Ingrahm, Peacock, and Radick were in attendance.

Others present: Ron Edwards, Bill Dutton, Ray Armstrong, Mona Jamison, Mike Wheat, Suzanne Squires, and Anne Sniecinski.

President Ogle opened the meeting to public comment. There being no public comment, President Ogle called the meeting to order.

Motion made by Harry Meabon to approve the minutes from the special meeting of December 12, 1995. Bill Neece seconded the motion and the motion carried.

Motion made by Harry Meabon to approve the minutes as amended from the special meeting of December 21, 1995. Bill Neece seconded the motion. During discussion of the motion, Harry Meabon made several revisions to the minutes. The motion to approve as amended carried.

Review Long-term Facilities Plan

Ray Armstrong from HKM Engineering, reviewed the corrections and additions made to the LTCWP. Mr. Armstrong discussed changes made to the summary table showing the alternatives, related costs, and limiting factors. Several suggestions were made by the Board to clarify the layout and information included in the table. Harry Meabon asked Mr. Armstrong to make sure that tables in the LTCWP and IAWP are consistent. The preamble to Chapter 7 was reviewed and discussed. Ray Armstrong will make final revisions and fax Chapters 1 and 7 to the District office on Friday, December 29th.

Ray Armstrong discussed the preferred alternative presented in the LTCWP. He suggested possibly phasing in various aspects of the plan, particularly winter snowmaking- phasing in the design and construction until the demand for additional effluent disposal was necessary. After discussion, the Board consensus was to not present the LTCWP as a phased in approach, instead keeping it in its current form.

Ray Armstrong reviewed text in the preamble of Chapter 7 and in Chapter 1. The Board suggested adding language further explaining the relationship between the Interim Action Work Plan (IAWP) and LTCWP, and the RID 305 moratorium.

Mona Jamison briefly discussed the RID 305 moratorium

Tax values for Gallatin and Madison Counties were discussed. Harry Meabon explained that called Madison County earlier in the week. No one answered and it was assumed that the County offices were closed for the holiday. HKM will ask the Water Quality Bureau to amend the LTCWP once a value for Madison County is obtained.

Bill Ogle raised the issue of implementing a small scale pilot project for winter snowmaking to start obtaining water quality data. The Board of Directors supported such a pilot program starting this winter. Ray Armstrong will investigate the possibility of bringing a small filtration plant to Big Sky. Ray Armstrong will also add a paragraph to the LTCWP stating that the Big Sky Water & Sewer District intends to conduct a pilot snowmaking project this winter.

Harry Meabon asked Ray Armstrong if a public hearing was necessary after the LTCWP is submitted to the state. Mona Jamison will check on the need for a public hearing. The Board discussed holding a public informational meeting and asked that a statement to that effect be added to the LTCWP. The Board wants more public involvement and will schedule a meeting in the near future. Mona Jamison suggested that a "Q&A" document be prepared and circulated in the community. The Board discussed possible dates for a meeting and asked the general manager to prepare a preliminary report on a public informational meeting sometime in the last week in January.

Ron Edwards discussed the State Revolving Loan (SRF) and pointed out that past expenses for engineering and legal services for the IAWP and LTCWP are eligible costs under the SRF program rules. The District can submit these past expenses for reimbursement through the SRF loan. If the Board elects to submit them, the costs will have to be included into the cost estimate for the loan and bond election resolution. The Board directed staff to determine the eligible costs for 1994 & 1995 and report at a later meeting.

Resolution 95-08 (Working Session)

Ron Edwards reviewed draft Resolution 95-08 and reported on his discussions with Dorsey & Whitney. Bond counsel advised the District that lands outside of District boundaries can be included in the description of benefited lands, and that lands within the District can be excluded from the benefited properties. Edwards will work with Bond Counsel to finalize the resolution for final reading by the Board.

Motion made by Stewart Peacock and seconded by Wendell Ingram directing staff to send letters to Madison and Gallatin Counties advising them of the pending bond election scheduled for April 2, 1995. Motion carried.

Resolution Voting Procedure

Mike Wheat gave a brief update on the question of voting procedure for the pending bond election. He still has not received return correspondence for the State Attorney General's office. He will call next week. Harry Meabon asked what the District's obligation is in contacting eligible voters on the bond election, and what constitutes "effective notice".

Land Swap

Ron Edwards briefly discussed the land swap for more driveway access space being proposed by Doug Bing. President Ogle pointed out that Boyne USA is also involved in the land swap, and suggested that the problem should be handled by the Big Sky Owners Association and the association should work the details of the swap out. The Board concurred that BSOA should present the issue at a future meeting for Board action.

Resort Tax Request

Bill Dutton reviewed the first resort tax request for fiscal year 1995-96 in the amount of \$192,908. The request is for District expenses for infiltration and inflow work, water monitoring, engineering and special legal services. **Motion** made by Harry Meabon and seconded by Stewart Peacock:

That the first resort tax draw as presented by Bill Dutton in the amount of \$192,908 be submitted to the resort tax committee against the \$375,000 allocation.

During discussion, Bill explained that tax requests must be submitted by the 5th of the month, the committee then reviews requests through the 10th of the month. The review goes through 3 different departments before being approved. Once approved checks are cut approximately 20 days later, or 30 days from the submittal date. After discussion the motion carried.

The Board briefly discussed the Resort Tax Application which must be filed by February 1, 1996. President Ogle stressed the need for an interlocal agreement between the District and Resort Tax Committee for future assistance in annual debt service payments for the wastewater project improvements. Bill Neece raised questions concerning the issue of requesting a flat rate payment versus an annual payment based a percentage of the resort tax collected.

The board briefly discussed Special Improvement District issues regarding the district's bond. A motion was made by Director Radick and seconded by Director Peacock directing district staff to investigate the procedures involved in converting to a SID.

Lone Mountain Springs Transfer

Ron Edwards reported that District staff is preparing to transfer operations, LMS files and accounting to LMS after January first. The District will send the 4th quarter bills out during the first week of January. All cash receipts will be forwarded to LMS for posting. Edwards asked the Board for direction as to how the transition would be handled by the District. **Motion** was made by Bill Neece and seconded by Wendell Ingrahm to:

Respond to operational matters through January 10th, after which time all operational matters should be referred to LMS staff. On billing matters, the District will assist LMS through January 30th, after which time all billing matters will be referred to LMS staff.

No discussion followed and the motion carried.

Correspondence

The board reviewed correspondence in the meeting packet as follows:

- **Hidden Village Owner's Association agreement (12/17/95)**- Requesting the Board to accept their offer to send a consolidated sewer bill to the association. The Board directed Mike Wheat to review the agreement sent with the letter and comment at a future meeting. The Board discussed the need for an Ordinance to establish a uniform procedure for billing all group billings.
- **Gallatin County Planning Office letter (12/15/95)**- The Board agreed to send a copy of the LTCWP to the planning office as requested in the letter.
- **Meadow Center memo (12/14/95)**- The Board took no action on the request for \$833.33 for surveying work as no agreement exists between the District and Meadow Center. Staff was directed to search files to determine if the District had entered into such an agreement.

Executive Session

President Ogle called the meeting into executive session.

Other New Business

Ron Edwards asked if the Board held regular monthly meetings. President Ogle explained that the 3rd Tuesday of each month had traditionally been the "regular" meeting of the Board.

A vehicle for District staff was discussed. President Ogle expressed his concern about the safety of staff with frequent trips to Big Sky and urged the Board to consider obtaining a Suburban. The Board directed staff to advertise for competitive bids from area dealers for purchase or lease options for a Suburban. The Board also suggested that Bob Stober, Fire Chief, be consulted on the availability of government leases for a vehicle.

Secretary Neece made a motion to adjourn. The motion was seconded by Director Ingraham.

Being no further business, President Ogle adjourned the meeting.

Harold P. Manton Vice President
for Sec Neece

W.F. Neece, Secretary

BIG SKY COUNTY WATER & SEWER

DISTRICT #363

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**BIG SKY COUNTY WATER & SEWER DISTRICT NO. 363
SPECIAL MEETING - THURSDAY, DECEMBER 22, 1995
2:30 P.M. - HKM ENGINEERING - BOZEMAN**

The Big Sky County Water & Sewer District No. 363 met at 2:30 p.m. on Thursday, December 22, 1995, at HKM Engineering in Bozeman. President Ogle, Vice President Meabon, Secretary Neece, and Directors Ingraham, Peacock, Radick, and Rothschiller were in attendance.

Others Present: Ron Edwards, Bill Dutton, Grant Burroughs, Patricia Burke, Ray Armstrong, Mona Jamison, Karen Fagg, Suzanne Squires, Todd Teegarden, and Mike Wheat.

President Ogle opened the meeting to public comment. Being no public comment, President Ogle called the meeting to order.

President Ogle introduced Ron Edwards and welcomed him aboard as the new District Manager

Secretary Neece motioned for dispensing of the reading of the minutes of the December 12, 1995 meeting. Director Rothschiller seconded the motion and the motion carried.

Ray Armstrong/HKM Engineering, reviewed the corrections and additions of the LTCP and discussed surface discharge, snow making, a possible second storage plant at a site on Lone Mountain, life span of all the components, and salvage value depreciation based on 20 years.

All present agreed that all viable options have been researched and presented to show the state the board and district's desire to meet the mandated requirements of the Compliance Order.

President Ogle asked for feedback on the district's previous position of "no discharge" of effluent. Vice President Meabon recommended option 1D which would change the district's position. He stated that he felt 1D offers more flexibility and is more cost effective than the other alternatives. All present agreed.

Mona Jamison stated that the decision to discharge and implement snow making will trigger a possible Environmental Impact Study. The 1993 Discharge Permit was discussed. Mona Jamison stated that it is still intact but that a few revisions would be required to update the permit.

President Ogle asked Mona Jamison to develop language to be inserted into the LTCP to show satisfaction and flexibility of the Compliance Order.

It was decided that an educational committee would be formed to promote and educate the public prior to the bond election. President Ogle stated that Manager Edwards could begin to implement such an educational program through a newsletter and other means. Manager Edwards stated that he would be in Missoula over the holidays and would meet with Mae Nan Ellingson to obtain promotion and educational materials.

Ray Armstrong asked Mona Jamison to fax the preambles to Chapter 7 to him so he can incorporate them into the technical information in the LTCP.

It was decided that the next board meeting would be held at HKM in Bozeman on Thursday, December 28, 1995, at 3:00 p.m.

Director Radick made a motion to pay Chip Hamilton as agreed contingent upon his completion of all parts of the IAWP, a bonus of \$10,200.00 as soon as possible. The motion was seconded by Director Peacock. The motion carried with 6 Yeas and 1 Nay.

Secretary Neece made a motion to adjourn. The motion was seconded by Director Rothschiller and the motion carried.

Being no further business, President Ogle adjourned the meeting.

W.F. Neece, Secretary

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BIG SKY COUNTY WATER & SEWER DISTRICT NO. 363

SPECIAL MEETING

MINUTES - DECEMBER 12, 1995

The Big Sky County Water & Sewer District No. 363 met at 3:00 p.m. on Tuesday, December 12, 1995, in the WSD No. 363 Conference Room. President Ogle, Vice President Meabon, and Secretary Neece, and Directors Juel, Radick, and Rothschiller were in attendance. Director Scott was absent.

Others In Attendance: Ray Armstrong, Patricia Burke, Grant Burroughs, Bill Dutton, Chip Hamilton, Wendell Ingraham, Mona Jamison, Marjorie Knaub, Stewart Peacock, Mike Richards, Ann Sniecinski, and Suzanne Squires.

President Ogle opened the meeting to public comment. Being no comment, he stated that the first order of the meeting was to swear in new directors, Wendell Ingraham and Stewart Peacock. Standing and raising their right hands, President Ogle swore in Directors Ingraham and Peacock.

Secondly, President Ogle asked the Secretary, Vice President and current directors to stand and raise their right hands and commenced to swear them in.

Vice President Meabon asked President Ogle to stand and raise his right hand and swore him in.

The Election of Officers for the WSD No. 363 Board was opened. President Ogle asked if there were any nominations for President of the Board. Vice President Meabon nominated Bill Ogle and Secretary Neece seconded. President Ogle asked for other nominations. No other nominations for President were made. The motion to re-elect President Ogle as President carried.

President Ogle opened the nominations for Vice President. Director Radick motioned to nominate Harry Meabon and Director Rothschiller seconded the motion. President Ogle asked for other nominations for Vice President. Being no further nominations, the motion to re-elect Harry Meabon as Vice President carried.

President Ogle opened the nominations for Secretary. Director Rothschiller motioned to nominate Bill Neece as Secretary and Director Radick seconded the motion. President Ogle asked for other nominations for Secretary. Being no further nominations, the motion to re-elect Bill Neece as Secretary carried.

All board members signed an Oath of Office certificate which were notarized by Loren Muscat.

President Ogle stated that the board had a challenging year ahead of them. He thanked Manager Hamilton for his considerable contributions and stated he was pleased with his performance.

BIG SKY COUNTY WATER & SEWER DISTRICT #363

President Ogle asked Director Juel for his parting remarks. Director Juel stated that he enjoyed the experience and was still very much interested in the progress of the community and would be attending meetings from time to time.

Vice President Meabon motioned that Manager Hamilton draft a letter for President Ogle's signature to go to the departing directors expressing the board's appreciation for services and participation. The motion was seconded by Secretary Neece and the motion carried.

The minutes from the December 7, 1995, meeting were reviewed for amendments. Vice President Meabon motioned to approve the minutes and Secretary Neece seconded the motion. The motion carried.

The financial report was given by Bill Dutton. He presented comprehensive financials on Lone Mountain Springs and Big Sky Water & Sewer District No. 363. He stated that past due notices accompanied by a letter explaining the 10 percent delinquent charge and the increased sewer assessment for the third quarter of 1995 would be mailed soon.

Manager Hamilton stated for the record that the Lone Mountain Springs financial report had not been reviewed by John Kircher. He also stated that quarterly reports required by Boyne/District/BSOA MOU are being furnished to Boyne.

Marjorie Knaub reviewed the Big Sky County Water & Sewer District No. 363's final audit FY 1995. At the conclusion of her review, she stated that any responses to the audit need to be made to the Department of Commerce and copied Knaub & Company.

Vice President Meabon stated he hoped the district's staff would develop guidelines and policies and respond to the listed suggestions for necessary internal control.

Manager Hamilton asked Ray Armstrong to present the changes and suggestions relevant to the LTCWP. Mr. Armstrong presented a working copy of Chapter 6 and reviewed, golf course percolation, effluent snow-making, deep well injection along with ATP design parameters.

Ray Armstrong stated that he would continue to work on the changes and additions to the LTCWP and communicate changes over the next week so the board would have a final review draft by the next scheduled board meeting. Mr. Armstrong also presented a layout of the sewage treatment plant depicting how it fits in to the plan. He stated that the LTCWP does include the existing sewage treatment filter building and pond for storing irrigation water.

Vice President Meabon suggested the board and Ray Armstrong look at taxable value and not SFE values when computing the cost of the project for individual owners.

In order to accommodate Mona Jamison and Ray Armstrong, it was decided that the next board meeting would be at 3:00 pm, Thursday, December 21, 1995, in Bozeman at HKM's office.

BIG SKY COUNTY WATER & SEWER DISTRICT #363

Manager Hamilton reported on the IAWP progress. He referred to a memo from Mona Jamison and the third amendment to the Compliance Order designating Todd Teegarden as the new coordinator of the Department of Environmental Quality.

Grant Burroughs gave the operator's report. His report consisted of flow data, testing data, and maximum annual load calculations. He reported that water levels in the ponds was recorded last year but that to date the levels have not been recorded. He stated, however, that the pond levels are higher this year than last.

Grant also reported that the aerators are working well and that the cage and netting are helping to prevent clogs in the shafts. As a part of his safety program, he has requested the purchase of a power washer, a washing machine and dryer. President Ogle and Manager Hamilton approved the purchase.

Grant offered to give a tour of the district's sewer plant and operations to new Directors Ingraham and Peacock and anyone else who might be interested.

Resolution 95-08 was discussed. The total figures will be furnished by Ray Armstrong by the next board meeting. Mae Nan Ellingson has requested an engineer's description of the entire project and has furnished the final format for Resolution 95-08.

Vice President Meabon stated that the application process for 1996 Resort Tax should be completed. Manager Hamilton stated that Bill Dutton has made some progress and will have the information available at the next meeting. This years request will be based on a lump sum based on the bond election.

President Ogle requested that Patricia Burke send a copy to each director of their signed and notarized Oath of Office certificates, He also requested the drafting of policies and procedures for future elections.

Being no further business, Secretary Neece motioned to adjourn and Director Rothschiller seconded. The motion carried.

President Ogle adjourned the meeting stating there would be no Executive Session.

Harold P. Meabon Vice President
for Sec. Neece

W.F. Neece, Secretary

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DISTRICT #363

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**BIG SKY COUNTY WATER & SEWER DISTRICT NO. 363
SPECIAL MEETING - THURSDAY, DECEMBER 21, 1995
2:30 P.M. - HKM ENGINEERING - BOZEMAN**

The Big Sky County Water & Sewer District No. 363 met at 2:30 p.m. on Thursday, December 22, 1995, at HKM Engineering in Bozeman. President Ogle, Vice President Meabon, Secretary Neece, and Directors Ingraham, Peacock, Radick, and Rothschiller were in attendance.

Others Present: Ron Edwards, Bill Dutton, Grant Burroughs, Patricia Burke, Ray Armstrong, Mona Jamison, Karen Fagg, Suzanne Squires, Todd Teegarden, and Mike Wheat.

President Ogle opened the meeting to public comment. Being no public comment, President Ogle called the meeting to order.

President Ogle introduced Ron Edwards and welcomed him aboard as the new District Manager.

Secretary Neece motioned for dispensing of the reading of the minutes of the December 12, 1995 meeting. Director Rothschiller seconded the motion and the motion carried.

Ray Armstrong/HKM Engineering, reviewed the corrections and additions of the LTCWP and discussed surface discharge, snow making, a possible second storage plant at a site near mountain village, life span of all the components, and salvage value depreciation based on 20 years.

All present agreed that all viable options have been researched and presented to show the state the board and district's desire to meet the mandated requirements of the Compliance Order.

President Ogle asked for feedback on the district's previous position of "no discharge" of effluent. Vice President Meabon recommended option 1D which would change the district's position. He stated that he felt 1D offers more flexibility and is more cost effective than the other alternatives. All present agreed.

Mona Jamison stated that the decision to discharge and implement snow making will trigger a possible Environmental Impact Study. The 1992 application for a Permit was discussed. Mona Jamison stated that it is still intact but that a few revisions would be required to update the permit.

President Ogle asked Mona Jamison to develop language to be inserted into the LTCWP to show relationships with IAWP and the Compliance Order.

It was decided that an educational committee would be formed to promote and educate the public prior to the bond election. President Ogle stated that Manager Edwards could begin to implement such an educational program through a newsletter and other means. Manager Edwards stated that he would be in Missoula over the holidays and would meet with Mae Nan Ellingson to obtain promotion and educational materials.

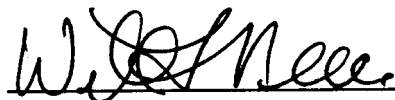
Ray Armstrong asked Mona Jamison to fax her legal portion for preamble to Chapter 7 to him so he can incorporate them into the technical information in the LTCWP.

It was decided that the next board meeting would be held at HKM in Bozeman on Thursday, December 28, 1995, at 3:00 p.m.

Director Radick made a motion to pay Chip Hamilton the agreed performance bonus of \$10,200 for his efforts in completing the IAWP and portions of the LTCWP. The motion was seconded by Director Peacock. The motion carried with 6 Yeas and 1 Nay.

Secretary Neece made a motion to adjourn. The motion was seconded by Director Rothschiller and the motion carried.

Being no further business, President Ogle adjourned the meeting.

A handwritten signature in black ink, appearing to read "W.F. Neece", is written over a horizontal line.

W.F. Neece, Secretary

BIG SKY COUNTY WATER & SEWER

DISTRICT #363

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BIG SKY COUNTY WATER & SEWER DISTRICT NO. 363 SPECIAL MEETING - DISTRICT CONFERENCE ROOM DECEMBER 7, 1995

The Big Sky County Water & Sewer District No. 363 met at 4:00 P.M. on December 7, 1995, in the WSD No. 363 Conference Room. President Ogle, Vice President Meabon, Secretary Neece, Radick, Rothschiller, and Scott were present. Director Juel was absent.

Others in Attendance: Stewart Peacock, Wendell Ingraham, Chip Hamilton, Bill Dutton, Patricia Burke, Doug Bing, Jerry Pape, Brent Pusey, Mike Richards, Ann Sniecinski, and Suzanne Squires.

President Ogle opened the meeting to public comment.

Brent Pusey, Design Review Coordinator/BSOA Architectural Committee and various other members of the committee expressed their concerns regarding the architectural renderings for the sewer treatment building as presented by the District. Several members of the committee expressed their concerns regarding structure size, exterior building materials, and roof design.

Various comments from the public regarding the fencing project were discussed. The public opinion was not in favor of the fencing. President Ogle stated that the fencing project had been discussed in board meetings over a period of three months and that the fencing was necessary and required by the district's insurance company. He stated that the fences were not placed closer to the ponds due to the fact that construction and expansion would bring the ponds up to the fencing.

President Ogle thanked the public for their input and concern and stated that the board would discuss the design of the sewage treatment building and present renderings to the Architectural Committee at their next meeting on Thursday, December 21, 1995.

Several board members expressed their concerns over never having seen the renderings that the manager had presented to the Architectural Committee. Members of the Architectural Committee expressed their anger over being denied scheduled time on the agenda for the district board meeting.

President Ogle apologized to the Architectural Committee and stated that he and Vice President Meabon would attend the December 21, 1995, Architectural Committee Meeting, and cooperate with them to expedite a final design for the sewage treatment building.

With no further public comment, President Ogle opened the meeting.

Vice President Meabon moved to approve the November 17, 1995, minutes as read and amended. Secretary Neece seconded the motion. The motion carried.

The November 21, 1995, minutes were read and amended. Vice President Meabon moved to approve the minutes as amended and Secretary Neece seconded the motion. The motion carried.

The financial report was given by Bill Dutton. He reported on the accounts receivable and on the uncollected user fees for Lone Mountain Springs and WSD No. 363.

Mr. Dutton also reported that the purchase order system is up and going, that the Resort Tax submittals will be executed prior to the end of 1995, and that he would provide a profit and loss statement for Lone Mountain Springs and WSD No. 363 by the next scheduled board meeting.

Manager Hamilton reported that the IAWP was submitted to the state on November 1, 1995. To date they are no further along and he felt that the state would not respond before mid-January.

Director Scott inquired if any part of Montgomery-Watson's proposal would be considered or implemented. Manager Hamilton stated that it is HKM's belief after months of extensive research and planning that the IAWP they developed is the best possible plan and it was too late at this time to turn it around.

Manager Hamilton referred to a letter he had written to President Ogle regarding the irrigation capability on the existing golf course and the fact that the golf course could potentially receive 392 million gallons of effluent during an irrigation season based on a ten hour irrigation window during nighttime hours. This figure was considerably higher than first calculated.

The filtration building was discussed. Director Rothschilder stated she felt the board should examine alternatives to the proposed metal siding. President Ogle stated that determining factors in choosing the exterior would be cost, service time, durability, and aesthetic value.

The second reading of Resolution 95-08 was completed. Manager Hamilton presented a total estimate for the LCTWP (excluding the golf course) along with Ray Armstrong's estimate. Hamilton recommended selling the total bond package at \$13,000,000, the current estimate required to complete the LTCWP.

Vice President Meabon stated that the final format for the resolution be obtained from Mae Nan Ellingson prior to the next board meeting and that legal council define "benefited users."

Secretary Neece stated that he felt it was critical to hold discussions with Boyne regarding their portion of the proposed total value for a bond election and that it was crucial to educate the public prior to attempting the sale of the bond.

President Ogle asked Wendell Ingraham and Stewart Peacock to give their input regarding the proposed bond election. Both expressed the need to educate the public prior to the election and to define the dollar amount to the individual. They both felt that the total amount required for the LTCWP be proposed in the beginning rather than going back at a later date for more.

Wendell Ingraham stated that he felt the board had done an excellent job of allowing the public to access the available information through the public forums but that the board perhaps needs to access the people.

President Ogle asked the board to be ready with their input at the next meeting as to how to present the proposed bond election to the public. President Ogle mentioned as possibilities: hiring a public relations person, contracting Manager Hamilton, and/or having Mae Nan Ellingson recommend someone for promotion of the proposed bond.

The seating of the new board members was discussed. Secretary Neece made a motion to seat the new board members at the next board meeting rather than December 19, 1995, as was previously determined. The motion was seconded by Director Rothschiller. The motion carried.

Director Scott asked if a letter to Joel Beardsley regarding the location of Pond #5 was ever mailed. President Ogle stated that the letter had not been drafted but would be completed by the next scheduled board meeting.

Manager Hamilton referred to a letter from Gaston Engineering regarding North Fork Creek subdivision, which consists of five (5) residential dwellings and one (1) commercial unit. They are requesting sewer hook up.

Director Radick suggested that a letter informing them that the district would not be able to honor their request until the building moratorium is lifted was all that was necessary. Everyone present agreed.

Being no further business, Vice President Meabon made a motion to adjourn the meeting to the Executive Session. Secretary Neece seconded the motion and the motion carried.

President Ogle adjourned the meeting to the Executive Session.



W. F. Neece, Secretary

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DISTRICT #363

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BIG SKY COUNTY WATER & SEWER DISTRICT NO. 363

SPECIAL MEETING

MINUTES - NOVEMBER 21, 1995

The Big Sky County Water & Sewer District No. 363 met at 9:00 a.m. on Tuesday, November 21, 1995 at Kenyon Noble in Bozeman. President Ogle, Vice President Meabon, Secretary Neece, and Directors Juel and Scott were present. Directors Radick and Rothschiller were absent.

Others in Attendance: Chip Hamilton, Bill Dutton, Patricia Burke, Ray Armstrong, Edward Blackman, Commissioners Chris Dunn and Phil Olson, Mae Nan Ellingson, Karen Fagg, Mona Jamison, Mike Richards, Ann Sniecinski, Suzanne Squires, and Mike Wheat.

The meeting was called to order by President Ogle.

Motion was made by Vice President Meabon to approve the minutes of November 7, 1995, and Secretary Neece seconded the motion. The motion carried.

Motion was made by Vice President Meabon to approve the minutes of November 10, 1995, and Secretary Neece seconded the motion. The motion carried.

President Ogle read a letter dated November 14, 1995, from Shelly Cheney which mandated the procedure for the district's tie breaking vote between board candidates Jere Hanan and Wendell Ingraham. The letter stated that any director who would be absent on the day of the tie breaking voting could vote via their notarized/certified signature.

A motion was made by Vice President Meabon to vote via secret ballot and for the results to be sealed and re-read at Shelly Cheney's office. The motion was seconded by Director Scott. The motion carried.

As per President Ogle's request, Patricia Burke accompanied by Mona Jamison, counted the sealed ballots in another room. Ms. Burke counted as Mona Jamison observed. Mona Jamison recounted. The results of the vote was Wendell Ingraham five (5) votes and Jere Hanan two (2) votes. The results of the count was reported to all present.

BIG SKY COUNTY WATER & SEWER DISTRICT #363

For the record, Director Rothschiller voted in person in front of Patricia Burke. Director Rothschiller's vote was signed but not notarized. However, even if her vote is not counted it would not change the outcome of the tie breaking vote.

The ballots were placed in an envelope and sealed to be hand delivered to Shelley Cheney's office as soon as possible.

President Ogle directed counsel to research as soon as possible the legal and proper procedure for swearing in new board members.

Secretary Neece made a motion to seat the new directors at the regular board meeting on Thursday, December 19, 1995. The motion was seconded by Vice President Meabon. The motion carried.

Bill Dutton gave an in-depth financial report on WSD No. 363. He discussed the Solomon computer program and the flexibility it offered for consolidating accounting programs for Lone Mountain Springs and WSD No. 363.

Mae Nan Ellingson, Whitney & Dorsey, gave a comprehensive presentation on the pros and cons of revenue bonds, general obligation bonds, and special assessment bonds. Following her presentation, President Ogle polled board members for which type of bond election would best suit the needs of the district. All present verbalized their vote in favor of the general obligation bond.

President Ogle stated that the board needed to evaluate the tax base, communicate with Gallatin and Madison County Board of Commissioners, develop a concise and precise definition of "benefited users" and establish the necessary steps to modify boundaries and the entertainment for petition of withdrawal from the district, and to review the strategy for approaching the electors.

President Ogle asked that Manager Hamilton take responsibility for obtaining taxable values and that legal counsel provide legal documentation regarding "benefited users".

Ray Armstrong of MSE/HKM Engineering continued the review process of the 20 year plan and stated he would have a rough draft of the final document of Items 6,7, and 8 by Tuesday, December 12, 1995 - possibly sooner. Karen Fagg suggested including a proposal in the long-term plan for a pilot study on effluent snow making .

BIG SKY COUNTY WATER & SEWER DISTRICT #363

Discussion of Pond #1 centered around modifications. It was decided that C&H Engineering would remain the engineer of record.

Being no further business, Vice President Meabon motioned to adjourn the meeting. The motion was seconded by Secretary Neece. The motion carried.

The meeting was adjourned by President Ogle.

A handwritten signature in black ink, appearing to read "W.F. Neece", is written over a horizontal line.

W.F. Neece, Secretary

BIG SKY COUNTY WATER & SEWER

DISTRICT #363

P.O. BOX 160670

BIG SKY, MT 59716

PHONE: (406)995-2660 FAX: (406)995-3053

BIG SKY COUNTY WATER & SEWER DISTRICT NO. 363

SPECIAL MEETING - HKM ENGINEERING

NOVEMBER 17, 1995

The Big Sky County Water & Sewer District No. 363 met at 9:00 a.m. on Friday, November 17, 1995, at HKM Engineering in Bozeman. President Ogle, Vice President Meabon, Secretary Neece, and Directors Rothschilder and Scott were present. Directors Juel and Radick were absent.

Others in Attendance: Chip Hamilton, Bill Dutton, Patricia Burke, Ray Armstrong, Steve Barrett, Patrick Burke, Karen Fagg, Mona Jamison, Bruce Petick, and Jim Ris.

The meeting was called to order by President Ogle.

Due to the absence of Mae Nan Ellingson, President Ogle suggested that a meeting be scheduled after the Thanksgiving Holiday to discuss the proposed bond election and Resolution 95-08 agenda items.

The Sewer & Water Board director election tie between candidates Jere Hanan and Wendell Ingraham was discussed. The tie breaker vote will be cast at the next board meeting. It was decided that absentee board members would vote via a notarized and signed ballot. Ballots are not be be opened until all absentee ballots are in.

Attorney Mona Jamison gave a brief information session on the proposed bond financing. She suggested that the board be ready with a finalized total cost of the IAWP including bond fees, legal fees, and contingency fees.

President Ogle stated that the bond issue needed to be approached with options such as other available funds from the District's budget, possibility of utilizing Resort Tax monies, other funding, and having funds available in escrow prior to construction.

In the case of the bond election being voted against, an emergency option of attaining a Special Rural Improvement District was discussed. Also discussed was obtaining finances through a private lending institution and or through individuals.

President Ogle stressed the importance of additional storage, lining the existing ponds, and having the funds available even if there is no bond election in order to meet the deadlines and to lift the building moratorium.

Director Rothschiller stressed the importance of promoting the bond election through public relations and possibly via a newsletter. She suggested that perhaps Marlene Kennedy would be a good candidate to publish the newsletter as she currently publishes the BSOA's newsletter.

President Ogle stated that he also felt that water conservation was a very important issue that needed more attention and would encourage the manager to push the issue.

President Ogle introduced Attorney Steve Barrett. Attorney Barrett introduced Patrick Burke, Bruce Petrik, and Jim Ris of Montgomery-Watson Engineering from Denver, Colorado.

Montgomery Watson presented their version of the Interim and Long Term plan to all present.

Following Montgomery-Watson's presentation, President Ogle suggested that perhaps in the future, Montgomery-Watson and MSE/HKM could establish a working relationship. President Ogle thanked Montgomery-Watson and Boyne for their assistance in getting MW to Bozeman.

Karen Fagg of HKM stated that they are willing to work with MW.

Ray Armstrong/HKM, reviewed and revised the 20 year plan with the board. Ray Armstrong will rewrite the plan and Mona Jamison will review and include the new statutes.

Secretary Neece presented the possibility of a pilot test for snow making using effluent to present data to the state as an option of another method of disposing of wastewater.

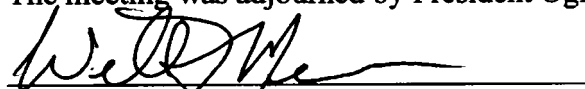
The Post Office/District land swap was discussed.

Manager Hamilton recommended going ahead with the land swap and an indemnification removing the district from any liability. Vice President Meabon expressed concern regarding the lack of information provided and stated that property ownership was not clearly designated. He stated he could not confidently make a decision based on the provided information.

Manager Hamilton is to contact the BSOA and let them know that the Big Sky Water & Sewer District No. 363 is willing to consider the land swap provided the district retains access to the sewer treatment plant.

Being no further business, Director Rothschiller motioned to adjourn. The motion was seconded by Secretary Neece.

The meeting was adjourned by President Ogle.


W. F. Neece, Secretary

BIG SKY COUNTY WATER & SEWER

DISTRICT #363

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BIG SKY COUNTY WATER & SEWER DISTRICT NO. 363 SPECIAL MEETING - DISTRICT CONFERENCE ROOM MINUTES - NOVEMBER 10, 1995

The Big Sky County Water & Sewer District No. 363 met at 4:30 P.M. on November 10, 1995, in the WSD No. 363 Conference Room. President Ogle, Vice President Meabon, Directors Radick and Rothschiller were present. Secretary Neece and Directors Juel and Scott were absent.

Others in Attendance: Chip Hamilton, Bill Dutton, Patricia Burke, Grant Burroughs, and Attorney Mike Wheat.

The meeting was called to order by President Ogle. President Ogle stated that the purpose of calling this Special Meeting was to canvass the results of the November 7, 1995 election.

Due to the absence of Secretary Neece, Director Rothschiller was appointed as acting secretary for the November 10, 1995 meeting.

Attorney Mike Wheat explained to all present the procedures required for canvassing the votes as mandated by the Montana statutes.

President Ogle opened the sealed envelope containing: a list of registered voters in the district, a list of registered voters outside the district who requested a mail ballot, a list of corporate voters, and a list of walk-ins to the courthouse and duplicate tally sheets.

Attorney Wheat stated that the county statutes mandate that any absent board members must be represented by individuals who can and will assist with the canvassing process.

Vice President Meabon motioned to designate Chip Hamilton, Bill Dutton and Patricia Burke as stand-ins for the three vacant board positions in order to have a full board. Director Rothschiller seconded and the motion carried.

With Vice President Meabon counting and Acting Secretary Rothschiller double checking, they verified a total of 179 votes cast in Gallatin County.

With Director Radick counting and Acting Secretary Rothschiller double checking, they verified a total of 23 votes cast in Madison County.

With Chip Hamilton counting and Vice President Meabon double checking, they verified a total of 90 votes cast for voting landowners in Gallatin and Madison Counties. A second check was

BIG SKY COUNTY WATER & SEWER DISTRICT #363

done by Bill Dutton counting with Vice President Meabon verifying and they too confirmed a count of 90 votes cast in Gallatin and Madison Counties.

The list of walk-ins consisted of 12 names with three names crossed out for a total of 9 ballots counted.

The list of Corporate ballots totaled 13 names.

The tally sheets were verified and recounted by the board for each of the sewer board candidates as follows:

For Candidate Jere Hanan, Director Radick read off the tally marks and Vice President Meabon and Acting Secretary Rothschiller verified for a total count of 159 votes.

For Candidate Stewart Peacock, President Ogle read off the tally marks and Vice President Meabon and Acting Secretary Rothschiller verified for a total count of 199 votes.

For Candidate Dee Rothschiller, Chip Hamilton read off the tally marks and Vice President Meabon verified for a total count of 234 votes.

For Candidate Wendell Ingraham, Bill Dutton read off the tally marks and Vice President Meabon and Acting Secretary Rothschiller verified for a total count of 159 votes.


Vice President Meabon and Director Radick recounted Candidates Hanan and Ingraham's tally sheet to verify a tie of 159 votes for each.

The canvassing committee signed and dated the canvass sheet. President Ogle, with Patricia Burke witnessing, placed the following items in an envelope: the tally sheets, a sample ballot, the corporate list of voters, the land owners lists, the absentee list of voters, the Madison County list of voters, the Gallatin County list of voters, and the signed list of canvassers.

Everyone present witnessed the sealing of the envelope.

Attorney Mike Wheat stated that the final step is to certify the tie to the election official. When the election official determines the tie, the tie is to then be resolved by the Big Sky County Water & Sewer Board.

Being no further business, President Ogle adjourned the meeting to the Executive Session.


Dee Rothschiller, Acting Secretary

BIG SKY COUNTY WATER & SEWER

DISTRICT #363

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BIG SKY COUNTY WATER & SEWER DISTRICT NO. 363 SPECIAL MEETING - DISTRICT CONFERENCE ROOM MINUTES - NOVEMBER 7, 1995

The Big Sky County Water & Sewer District No. 363 met at 3:00 P.M. on November 7, 1995, in the WSD No. 363 Conference Room. President Ogle, Vice President Meabon, Secretary Neece, and Directors Radick, Rothschiller, and Scott were present. Director Juel was absent.

Others in Attendance: Chip Hamilton, Patricia Burke, Jaime McKay, Grant Burroughs, Stewart Peacock, Mike Richards, Ann Sniecinski, and Suzanne Squires.

The meeting was called to order by President Ogle

Vice President Meabon motioned to add two items to the agenda under correspondence, a letter from Joel Beardsley and a letter from Shelly M. Cheney. The motion was seconded by Director Rothschiller. The motion carried.

The minutes of the October 31, 1995, meeting were reviewed and amended. Director Rothschiller motioned to approve the October 31, 1995, minutes as amended and Director Scott seconded. The motion carried.

A brief financial report was given by Manager Hamilton. He reported on the status of accounts payable for WSD No. 363 and Lone Mountain Springs and the bank balances for each.

Manager referred to the Draft Audit and asked the board to review and to communicate any concerns or changes by noon, Friday, November 10, 1995, so the final draft could be prepared and included in next week's board packet.

Director Radick reported on the progress in scheduling interviews with the four finalists for the district manager position. He stated that one candidate had withdrawn due to personal reasons. Directors Radick and Scott reported on the results of the follow up on references for each of the three candidates.

Following the interviews, the board will discuss the outcome and make a decision on a final candidate. President Ogle stated that the board needs to be sensitive to the fact that the candidates will need to waive their right to privacy since their background information will be discussed at a board meeting.

Manager Hamilton reported that the IAWP submitted to the state on November 1, 1995. The only comments thus far are to confirm receipt of the document and that they are reviewing it.

President Ogle reported that the IAWP was well received by Steve Pilcher and the Directors and that they were impressed that it was received earlier than necessary since the extension included the IAWP.

Vice President Meabon suggested that a cover letter and a copy of the amended order be drafted. He suggested that a two page executive summary be added to the IAWP and be bound and distributed to the County Commission, each Resort Tax member, each member of the WSD No. 363 Board, the BSOA directors and executive director, and that additional copies be made available for interested individuals.

The third and final reading of Resolution 95-07 was completed and as required a voice vote was taken . Resolution 95-07 was passed with 5 I's and 0 Nays.

The Nicklaus Contract was discussed. It was decided that the manager needed to review the contract and determine Simpkins/Boyne's status and determine where the district stands. It was the general feeling of the board to not spend anymore money at this time.

Manager Hamilton referred to several letters concerning Doug Bing's requested land swap with the WSD No. 363. Discussion centered around the existing pond behind the post office, the designation of additional parking, and the proposed cost of \$1 per square foot for any additional land Doug Bing would acquire in the trade. Director Scott stated that he was against the land swap unless it is in the best interest of the District to do so. The option of leasing the property was also discussed.

The first reading of Resolution 95-08 was completed. Since there were so many blanks to be filled in, President Ogle suggested obtaining bond counsel, scheduling a second reading in approximately one month (December 3, 1995), determine definition of benefitted parties, and to identify dates, dollar amounts, and if the projects are to include the completion of the IAWP and any other additional properties.

As required, a voice vote for Resolution 95-08 was done. There were 5 I's and 0 Nays. The first reading of the resolution was approved.

The proposal from Montgomery Watson, an engineering firm from Denver, Colorado, to Boyne, USA was discussed. Director Meabon stated that he felt that since the WSD No. 363 board had spent approximately two years developing the IAWP, they should go forth with confidence with their plans for the IAWP. Since there is a four to five million dollar difference in their proposal, it was the general consensus of the Board to invite the Montgomery Watson representatives to come to Big Sky, at their own expense, and meet with the Board and HKM. It was decided that a date sometime before December 15, 1995, be scheduled for this meeting.

The Simpkins Taylor proposal was discussed. President Ogle and Director Scott highlighted the details of the proposal. All present agreed that the proposal, as presented, was unacceptable and that the district did not have the right or the power to carry out the terms of the proposal.

Director Scott suggested that a letter be drafted by the Board expressing the Board's disappointment over the proposal. President Ogle stated that he would take responsibility for composing and mailing said letter. It was decided the President Ogle and Vice President Meabon would meet with Simpkins to discuss alternatives and to clarify that the district is not closing the door but are still desirous of obtaining the property. In the meantime, options for obtaining other storage areas will be pursued.

President Ogle invited questions from the floor of non-board members. A discussion ensued and the renderings of the additional storage ponds was explained.

Correspondence from Shelley Cheney to Raymond Genelli regarding the WSD No. 363 Board election legislation was discussed. Director Scott motioned that a notification of the concerns stated in Shelley Cheney's letter be forwarded to Mona Jamison. Secretary Neece seconded the motion. The motion carried.

Correspondence to the Lone Peak Lookout from Joel Beardsley concerning the location of proposed Pond #5 was discussed. Due to the accusatory nature of Ms. Beardsley's letter, it was decided that President Ogle and Vice President Meabon would draft a letter in response stating the facts concerning Pond #5. It was agreed that with the pending bond election, positive public relations are essential.

A new landscape rendering will be completed and presented showing a new configuration of Pond #5 in perspective from Ms. Beardsley's backyard deck and presented to her as soon as possible.

President Ogle referenced the Management Agreement and stated that Director Rothschiller was against giving Manager Hamilton additional money to retain him until a new manager can be brought on board by December 15, 1995.

Being no further business, Secretary Neece motioned to adjourn the meeting. Director Rothschiller seconded the motion and the motion carried.

President Ogle adjourned the meeting to the Executive Session.

A handwritten signature in black ink, appearing to read 'W. F. Neece', written over a horizontal line.

W. F. Neece, Secretary

CANVASS OF VOTES CAST
GENERAL DISTRICT ELECTION
NOVEMBER 7, 1995

BIG SKY COUNTY WATER &
SEWER DISTRICT NO 363

FOR DIRECTORS
VOTE FOR THREE

159 C.J. (JERE) HANAN

199 STEWART PEACOCK

234 DEE J. ROTHSCHILLER

159 WENDELL O. INGRAHAM (WRITE-IN)

314 Ballots

We, the undersigned, hereby certify that each of the candidates received the number of votes as set forth herein for the office specified.

Dated this 10 day of November, 1995.

William O. [Signature],

Harold P. [Signature],

Dee Rothschild

Board
of
District
Canvassers

John Skip Radist

[Signature],

[Signature],

Patricia C. Butler

BIG SKY COUNTY WATER & SEWER

DISTRICT #363

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BIG SKY COUNTY WATER & SEWER DISTRICT NO. 363

SPECIAL MEETING

MINUTES - OCTOBER 24, 1995

The Big Sky County Water & Sewer District No. 363 met at 3:00 P.M. on October 24, 1995, in the WSD No. 363 Conference Room. President Ogle, Vice President Meabon, Secretary Neece, and Directors Juel, Radick, Rothschiller, and Scott were present.

Others in Attendance: Chip Hamilton, Grant Burroughs, Pat Burke, and Stewart Peacock.

The meeting was called to order by President Ogle.

The minutes of the October 17, 1995, Special Meeting were reviewed and amended to be re-read at next meeting prior to approval.

President Ogle referred to a letter from Cok, Wheat & Brown regarding LMS. President Ogle suggested sending a letter to the owner of LMS stating that the district would not consider the IRS fine as part of the district's payables.

The manager search committee's progress on narrowing down qualified applicants for the District Manager position was discussed. It was decided that the board would review all resumes/applications that have been received, narrowing down to 15 applicants for whom inquiries would be sent to determine continued interest in the position as well as availability for interviewing.

The second reading of Resolution 95-07 was completed. Three readings are required and all changes should be noted and recognized. The final reading will be completed at the next board meeting pending clarification of the first paragraph.

Chip Hamilton gave the manager's report concerning storage, filtration, and the golf course irrigation. He informed the board that the golf course irrigation bid was rejected and will go out for re-bid next week.

Plans for the golf course irrigation are available and shows all suggestions made which are applicable to cost reduction. Vice President Meabon voiced his concerns regarding the bidding procedure without available funds for the project and suggested that perhaps the project could be broken into two phases.

President Ogle appointed a committee of two, Vice President Meabon and Secretary Neece, to review the plans and to report back to the Board by Friday, October 27, 1995.

Financing for the golf course irrigation project was discussed. It was noted that a bond sale may not be possible due to the Boyne litigation and that another option would be to obtain private financing. The possibility of obtaining money from Resort Tax was also discussed.

President Ogle stressed the need to chart a financial path for the golf course irrigation and fitrations projects and to have the funds available before construction begins.

Mona Jamison, Attorney, has filed for an extension for the submittal of a financial plan which was due by November 1, 1995. A 30 day versus a 60 day extension was discussed.

Secretary Neece made a motion for a modification of the original order requesting an extension until either December 15th or 20th, based on the President's discretion. The motion was seconded by Vice President Meabon. The motion was unanimously carried.

The operator's report was given by Grant Burroughs. A graph was distributed showing the weekly flow comparions for 1993, 1994, and through October 22, 1995. Water levels in the storage ponds and the amount of golf course irrigation was also reported.

The operator also reported on the aerators and the problems with power outages and the various means for monitoring flows. He also reported that the preliminary plans are ready for the mountain flume and that funds are available through I & I. He was given the go ahead by the board for this project.

Vice President Meabon stated that the repair bills for the water pipes for LMS are to be repaired and paid for by LMS per the LMS Management Agreement for repairs of \$1,000 or less per repair.

President Ogle dismissed anyone who was not involved with the manager's search committee. The committee reviewed and discussed each of the applicants and narrowed the field to 14 finalists.

Being no further business, Vice President Meabon made a motion to adjourn the meeting. The motion was seconded by Secretary Neece and the motion carried.


W.F. NEECE, SECRETARY

BIG SKY COUNTY WATER & SEWER

DISTRICT #363

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BIG SKY COUNTY WATER & SEWER DISTRICT NO. 363

SPECIAL MEETING

MINUTES - OCTOBER 17, 1995

The Big Sky County Water & Sewer District No. 363 met at 3:00 P.M. on October 17, 1995, in the WSD No. 363 Conference Room. President Ogle, Vice President Meabon, Secretary Neece, and Directors Juel and Rothschilder were in attendance. Directors Radick and Scott were absent.

Others in Attendance: Chip Hamilton, Bill Dutton, Jaime McKay, and Jere Hanon, Attorney Greg Morgan, and Jennifer Brenner.

The meeting was called to order by President Ogle.

The minutes of the October 3, 1995, Special Meeting were reviewed. Vice President Meabon motioned to approve the corrected minutes. The motion was seconded by Secretary Neece. The motion carried.

The minutes of the October 7, 1995, Special Meeting were reviewed and additions and corrections were noted.

The dispute concerning the first quarter of 1995 and fourth quarter of 1994 billings of Hidden Village Owners Association was discussed. Attorney Morgan requested a separate consolidated billing of LMS and WSD, but the board declined that request based on the manager's recommendation. No formal action was taken pending the receipt of a formal proposal.

The financial report was given by Bill Dutton. All cash asset accounts have been reconciled as of October 1, 1995. Cash balance and accounts payable reports were distributed. LMS tract charge refunds for Hidden Village and Silverbow were discussed.

The applications for the General Manager position were discussed and it was decided that the final 15 applicants would be determined by the next board meeting and then narrowed down to 5 by the end of the October.

* The effluent filtration project was discussed with estimated costs for installation, equipment, piping, and excavation amounted to approximately \$900,000. Delivery of the filtration units are expected to take 16 weeks and the piping and plumbing approximately 2 to 4 weeks. Estimates for each of the two filtration units are \$225,000 each, piping \$70,000, and equipment and chemical feeds approximately \$100,000.

Construction of sewage effluent storage lagoons will require a 2 year construction schedule. Total estimated cost is \$2,500,000.

Vice President Meabon stated that the Public Information Forum held at the River Rock Lodge on October 9, 1995, was met with broad public support pending careful and attractive landscaping around Pond #5 and the inclusion of fencing and appropriate distancing from residents' homes. The district was sensitive to the input of nearby owners and would consider redesigning the ponds for reasonable setbacks from owners' property and in addition submit a new rendering from nearby owner's deck.

The LMS management agreement was discussed. Vice President Meabon motioned for the district's legal council to send a 60 day notice rescinding the WSD management agreement. The motion was seconded by Director Juel. The motion carried by a 4 - 1 vote, Director Rothschiller voting against the rescission.

Vice President Meabon motioned that the board adopt the first reading of Resolution 95-06 which allows the district to solicit the state for funding from the State Revolving Fund. The motion was seconded by Secretary Neece. The motion passed by unanimous vote by all directors present.

Director Rothschiller mentioned the district's upcoming Board of Directors election and recommended mailing the district's newsletter with President Ogle's message and the candidates' profiles to all the district's constituents.

Being no further business, Director Rothschiller motioned to adjourn the meeting and Secretary Neece seconded. The motion carried.

The meeting was adjourned to Executive Session to discuss legal matters. Following the Executive Session, the Board reconvened to ratify an extension agreement for Mr.. Hamilton of H & H Resources. Extension of Mr. Hamilton's contract will be held pending review by Directors Juel and Rothschiller.

A motion for adjournment was made by Secretary Neece and seconded by Vice President Meabon. The motion carried.



W.F. NEECE, SECRETARY

BIG SKY COUNTY WATER & SEWER

DISTRICT #363

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SIGN IN SHEET

OCTOBER 9, 1995 PUBLIC MEETING

RIVER ROCK LODGE

NAME	ADDRESS	TELE
Nancy & Rusty Heyman	Park Condo # 296	
Nancy Heyman	Park Condo # 292	
Betty Heyman	2290 Yellowtail	995-4863
Joseph A. Rasmussen	2205 Yellowtail	995-4582
Calista & Jim Kulkarni	Salmon River #3	995-4308
Jeff Stricker	2125 Yellowtail	995-4768
Prera Schraggen	(CA) soon to be in west fork	(714) 859-0342
Doc Rothchild		
Nut Evans	PO Box 160042	995-4018
(LINT LITL)	P.O. Box 162	388-6737
PER HALMARSSON	CPH ENGINEERING	587-1115
Harold P. Menon	2290 Yellowtail Rd	995-4863
GEORGE ROEN	CHL ENR	587-1115
Kirk Sage	Box 160472 BS	995-4433
OTTANAKU	POB 160142 BS	995-2360
Betty Heyman		
Jeff McBrace		
Joan & Fred McBrace	Box 160756	995-4028

BIG SKY COUNTY WATER & SEWER

DISTRICT #363

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BIG SKY COUNTY WATER & SEWER DISTRICT NO. 363

SPECIAL MEETING

MINUTES - SEPTEMBER 12, 1995

The Big Sky County Water & Sewer District No. 363 met at 3:00 P.M. on September 12, 1995, in the WSD No. 363 Conference Room. President Ogle, Vice President Meabon, Secretary Neece, and Directors Juel, Radick, Rothschiller, and Scott were in attendance. Also in attendance were Chip Hamilton, Jim Muscat, Jody Martinson, and Patricia Burke.

Other in Attendance: Joel Beardsley, Dick Evans, Per Hjalmeralson, Henry Schuler, Ann Sniecinski, Suzanne Squires, and Mary Vitolo.

The meeting was called to order by President Ogle.

The minutes from the August 29, 1995, meeting were reviewed and additions and corrections were noted. Secretary Neece motioned to accept the August 29, 1995, minutes as amended. The motion was seconded by Director Rothschiller. The motion carried.

The accounts payable for the WSD No. 363 for the past three pay periods were reviewed. Director Scott motioned that the payables be approved and Director Neece seconded the motion. The motion carried.

Chip Hamilton, Manager, gave a financial report for Lone Mountain Springs and the WSD No. 363. He informed the board members that John Kircher has applied for an operating loan for Lone Mountain Springs through the Big Sky Western Bank.

Manager Hamilton also stated that Lone Mountain Springs has retained the services of Anderson Zurmuehlean to apply to the Public Service Commission for a rate increase.

The district fencing project around existing ponds and proposed ponds was discussed. As per a letter from First West, a five foot, sage green, chain link fence posted with no trespassing signs would meet the insurance requirements. It was noted that a bid adjustment was necessary before the bid would be signed by President Ogle.

Chip Hamilton, Manager, gave an election update on the mail ballot process. Gallatin County will send out mail ballots to all registered voters in the district. Non-district land owners can receive a ballot by writing to the election administrator and requesting said ballot.

BIG SKY COUNTY WATER & SEWER DISTRICT #363

Secretary Neece motioned to send a cover letter and a request for mail ballot form to all Big Sky District #363 landowners living outside of the District informing them of the upcoming November 7, 1995, election. The motion was seconded by Vice President Meabon. The motion carried.

Manager Hamilton reported on the expansion, filtration, storage and funding issues regarding the Interim Action Work Plan (IAWP). He reported information on the possible bond election for funding the IAWP and stated that he felt the best time for a bond election would be after January 1, 1996.

Secretary Neece requested that a resolution stating the total cost of the IAWP be drafted and presented to the state.

Director Rothschiller informed the members that the BSOA Newsletter will be published the first week of October and that election information could be published in that publication.

Manager Hamilton reported on the irrigation project. It was agreed by all present that the more costly aluminum lined filtration tanks and piping materials be utilized due to the durability and longer life of said materials.

✱ Per Hjalmeralson, C & H Engineering, made a presentation on the revised storage plan with maximum storage being the main emphasis. The revised storage plan provides a 100 million gallon storage capacity. He reported that soil conditions show that a 2 to 1 slope is possible.

✱ Chip Hamilton asked Per Hjalmeralson to prepare a total estimated construction cost of the proposed storage plan in order to have specifications ready for presentation to the state by October 1, 1995. Hamilton stated that the next step would be for him to meet with Scott Anderson on September 20, 1995, to ascertain the viability of the plan.

Manager Hamilton stated that an offer has been made to William Dutton for the District Accountant position. President Ogle stated that Mr. Dutton's references and credentials have been checked. Salary and moving expenses were discussed. All present agreed with Mr. Hamilton's recommendation.

Letters of correspondence from residents concerned about the proposed ponds were discussed.

BIG SKY COUNTY WATER & SEWER DISTRICT #363

Vice President Meabon suggested filing for a permit to appropriate for the approximate 50 million gallons per year of I & I. He recommended contacting an attorney with expertise concerning water rights. All present agreed.

Being no further business, Director Rothschiller made a motion to adjourn the meeting to the Executive Session. The motion was seconded by Secretary Neece. The motion carried.

W.F. Neece, Secretary

BIG SKY COUNTY WATER & SEWER

DISTRICT #363

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BIG SKY COUNTY WATER & SEWER DISTRICT NO. 363

REGULAR MEETING

REVISED MINUTES - AUGUST 29, 1995

The Big Sky County Water & Sewer District No. 363 met at 3:00 P.M. on August 29, 1995, in the WSD No. 363 Conference Room. President Ogle, Vice President Meabon, Secretary Neece, and Directors Juel, Radick, Rothschiller and Scott were in attendance.

Others in attendance: Allan Kass, Per Hjalmeralson, Mike Richards, Henry Schuler, Scott Shea, Ann Sniecinski, Suzanne Squires, and Denise Tuohy.

The meeting was called to order by President Ogle.

The minutes from the August 3, 1995, meeting were reviewed and a motion was made by Director Rothschiller for approval. Vice President Meabon seconded the motion. The motion carried.

The revised minutes from the August 17, 1995, meeting were reviewed and a motion for approval of the minutes was made by Director Radick. The motion for approval was seconded by Director Rothschiller. The motion carried.

Chip Hamilton, Manager, informed the board of a new complaint he received regarding Lone Mountain Springs, Inc. concerning the condition of the water supplying Hidden Village residents. He stated that he has responded verbally to the complaint. He stated that he reported the complaint to Martin Jacobsen of the Public Service Commission and that Martin Jacobsen has agreed and approved of Mr. Hamilton's verbal response to the complaint.

Manager Hamilton reported on the financial status of Lone Mountain Springs, Inc. and informed the board of the steps needed to maintain the operation of LMS for the remainder of 1995. Chip Hamilton, Manager, stated that he will be meeting with the owner of Lone Mountain Springs, Inc. to discuss the financial problems and to stress the fact that a rate increase is not an acceptable remedy.

President Ogle stated that a 60 day time frame based on Chip Hamilton's meeting with the owner of Lone Mountain Springs be established to identify, quantify, and determine the amount of money required to maintain LMS for the remainder of 1995. President Ogle stated that the WSD No.363 and the owner of Lone Mountain Springs need to reach an agreement to initiate a plan for capital items such as repairs and water storage.

BIG SKY COUNTY WATER & SEWER DISTRICT #363

A motion was made by Vice President Meabon for Manager Hamilton to meet with John Kircher on August 30, 1995, to define the financial problems and short term solutions for repairing the system and to stress that a rate increase is not the solution. Additionally, a response from Mr. Kircher shall be forthcoming within 30 days and if no solution or response is made within 60 days, further action will be taken at that time. The motion was seconded by Secretary Neece. The motion carried unanimously.

Chip Hamilton, Manager, introduced Travis Teagarden, engineer in training with HKM. Travis reported on the irrigation project and evaporators, addressing such issues as clay content of the soil, pollution of other water areas, evaporation rate, and placement of the spray heads.

Vice President Meabon moved that a professional engineer be requested to evaluate the effects of the experimental spray system on the integrity of the pond embankment hypalon anchor system.

The site plan for additional storage was discussed. It was stated that the WSD No. 363 has done their part to meet the four part plan necessary to lift the building moratorium and is now awaiting word from Helena. The deadline for the original compliance order is Friday, September 1, 1995. Blueprints for the expanded golf course irrigation have been drafted and presented to the state. Plans for the approximate 160 acres with appropriated setbacks were presented to the state on Friday, August 25, 1995.

Per Hjalmeralson, C & H Engineering, gave an update on the site plan for additional storage. The landscaping of the proposed berm and the fencing projects were discussed. A landscape architect will be contracted to do a rendering for the proposed berm encompassing the ponds and including the security fencing.

The fencing project for the district property was discussed. Chip Hamilton read a letter dated January 1994, to the board from the WSD's insurance company, Northwestern National, stating that a 6 foot security fence must be placed around all ponds in order to continue insurance coverage for the district.

President Ogle asked for and received a consensus from the board requiring Chip Hamilton to consult with the insurance company regarding the possibility of constructing a 5 foot security fence which would meet insurance requirements and allow for a low visual profile around the ponds.

Budgeting for the expenditures for the aeration project, construction of golf course improvements, and additional monies needed for the proposed ponds was discussed.

BIG SKY COUNTY WATER & SEWER DISTRICT #363

Vice President Meabon suggested that a search needs to be initiated now for land to purchase for expansion and additional storage to complete the long term program. Per suggestion from President Ogle, Chip Hamilton will contact Cort Freeman, a the Public Information Officer for MPC in Butte, to seek advice regarding procedures for procuring lands.

Chip Hamilton reported on the possibility of a obtaining financing through the State Revolving Fund (SRF), secured through general obligation bonds as recommended by Mae Nan Ellingson, Bond Counsel, and Anna Miller of DNRC. Discussion centered around the bond election for short term and long term expansions which would be paid back over a 30 year period at 4 1/2 % interest. This would require the board to write a resolution on the amount of monies to bond which would be forwarded to the County Clerk. The suggested election time would be between mid November through mid December. Director Rothschiller suggested inviting Mae Nan Ellingson to a board meeting to present options.

President Ogle appointed Director Scott to assist Chip Hamilton in implementing a working plan with Mae Nan Ellingson prior to her bond election presentation to the WDS board members.

President Ogle made a motion to suspend the discussion of the first two items on the agenda under Old Business and go right to the discussion of the District Manager. The motion was seconded by Vice President Meabon. The motion carried.

The District Manager's position was discussed. Mr. Hamilton excused himself from the meeting allowing the board members to discuss personnel issues. President Ogle stated that if it was the consensus of the board to excuse Mr. Hamilton, he would move to adjourn the general meeting to the executive session.

Director Juel made a motion to adjourn the general meeting to the Executive Session. The motion was seconded by Bill Neece. The motion was carried.

Following Executive Session, President Ogle returned the meeting to the Regular Session.

Vice President Meabon moved to begin advertising for the position of General Manager of BSWSD No. 363. Director Rothschiller seconded the motion. The motion carried.

Director Radick moved the meeting to be adjourned. The motion was seconded by Director Juel. The motion carried.



W.F. Neece, Secretary

BIG SKY COUNTY WATER & SEWER

DISTRICT #363

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BIG SKY, MT 59716

PHONE: (406)995-2660 FAX: (406)995-3053

BIG SKY COUNTY WATER & SEWER DISTRICT NO. 363

REGULAR MEETING

MINUTES - AUGUST 17, 1995

The Big Sky County Water & Sewer District No. 363 met at 3:00 p.m. on Thursday, August 17, 1995, in the WSD No. 363 Conference Room. President Ogle, Vice President Meabon, and Directors Juel, Radick, Rothschiller, and Scott were in attendance. Secretary Neece was absent.

Others in Attendance: Kirk Dige, Per Hjalmeralson, Karla McCall, Hank Miller, Jim Muscat, and Suzanne Squires.

The meeting was called to order by President Ogle.

The minutes of August 3, 1995, meeting were reviewed for additions and corrections.

Director Rothschiller motioned for approval of the revised July 19, 1995 minutes and Vice President Meabon seconded. The motion carried.

The financial report was given by Karla McCall. She reported on the financial status of Lone Mountain Springs, WSD No. 363 and noted that the annual audit was in progress.

Vice President Meabon motioned that the Manager write a letter of recommendation for Karla McCall for her future employment. The motion was seconded by Director Rothschiller and carried unanimously. The board expressed their appreciation for Karla's endeavors as the District Accountant and wished her well.

Chip Hamilton, Manager, introduced Per Hjalmeralson, C&H Engineering. Together they presented a rendering and information concerning the Site Plan for Additional Storage.

President Ogle requested C&H to provide a total cost and time line projection for additional storage. President Ogle asked for and received a consensus from the Board to proceed with identifying costs and a complete set of landscape renderings suitable for presenting to the affected homeowners.

The Gallatin County Election was discussed. The Manager will obtain more information regarding the election process to clarify mail ballot vs. open ballot.

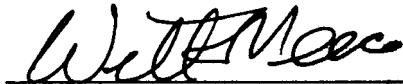
The IAWP was discussed. Chip Hamilton, Manager, reported on the irrigation of the golf course and the experimentation with mosquito foggers with diffuser heads that produce approximately a 90% water evaporation.

Jim Muscat, Operator, reported on the fencing project for the ponds. Board members expressed their concerns about the visual effect on the corridor entrance to Big Sky, affected homes and businesses. Before the project is initiated, the Board requested additional information as to the type, color, height, materials, and design of fencing and also state and insurance requirements.

Jim Muscat, Operator, reported that a notice would be posted limiting outdoor watering to restricted hours due to a serious shortage of water and potential fire hazards.

President Ogle distributed a job description for the District General Manager and requested that discussion regarding the Manager position be added to the agenda for the next meeting.

A motion to adjourn was made by Director Rothschiller and seconded by Vice President Meabon. The motion carried.

A handwritten signature in cursive script, appearing to read 'W.F. Neece', is written above a horizontal line.

W.F. Neece, Secretary

BIG SKY COUNTY WATER & SEWER

DISTRICT #363

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BIG SKY COUNTY WATER & SEWER DISTRICT NO. 363

REGULAR MEETING

MINUTES - AUGUST 3, 1995

The Big Sky County Water & Sewer District No. 363 met at 3:00 p.m. on Tuesday, August 3, 1995, in the WSD No. 363 Conference Room. President Ogle, Vice President Meabon, and Directors Juel, Radick, Rothschiller, and Scott were in attendance. Secretary Neece was absent.

President Ogle called the meeting to order.

The reading of the previous minutes were corrected and unanimously approved as amended. Vice President Meabon motioned for the re-drafting and re-reading of the July 19 Minutes. and the motion was seconded by Director Radick. The motion carried.

The financial report was presented by Karla McCall. Director Meabon motioned that accounts payable be approved by three directors and the District Manager and the motion was seconded by Director Scott. The motion carried.

Vice President Meabon motioned that the past three periods of accounts payable were acceptable and approved and Director Scott seconded. The motion carried.

Discussion regarding the November general election was as to whether or not it would be mail or booth ballot. President Ogle suggested to leave it as the mail ballot.

Chip Hamilton, Manager, reported on the golf course expansion and the four part plan requiring utilization of additional filtration. He reported that excellent progress has been made in regards to the development of adequate spray irrigation for effluent. He also reported that a 40 acre parcel of land has been donated by a private individual and that plans are underway on a pumping system to deliver water to that area if a final agreement is executed.

Vice President Meabon stated that he felt it was necessary to meet the regulations of the golf course with the key components being location, storage, and quantity. He reported on the 20 year plan and statistics in areas of current domestic flow and increase during skier days. He emphasized that the 20 year plan calculations needed to be increased to update the plan. Growth and occupancy rates need to be re-evaluated. Vice President Meabon stressed the need for all present to assess and be in agreement in order to finalize the 20 year plan.

Director Radick stated he felt the number one issue of importance is for the board to agree on the threshold level growth inducing numbers. All present agreed.

Jim Muscat, Operator for the District, reported on the bids for the fencing project. Director Scott stated he wished to explore options available as to height, color, and styles of fencing which would meet the state requirements.

Director Juel suggested the fencing project be extended down to the storage area. Jim Muscat, Operator for the District, stated that an alternative would be to fill in the drain pond as it is inactive.

The topic of water shortage and watering restrictions was discussed at length. Jim Muscat reported on the complaints from customers residing in Hidden Village due to the discoloration and odor of the well water. He reported however, that the water supplying Hidden Village residents has been tested and is safe for consumption.

Watering restrictions were discussed and a majority vote was in favor of putting a watering restriction notice in each post office box. Additionally, it was suggested that on Monday, an evaluation be made and more stringent measures enforced if warranted.

Director Rothschiller made a motion for a letter to be composed and sent to the Fire Department for an Emergency Preparedness Plan and the motion was seconded by Director Juel. The motion carried.

Vice President Meabon suggested that another letter be composed and sent to the Management of Lone Mountain Springs recommending an engineering study be made to bring on additional sources and to repair all leaks in the system.

A motion to adjourn the meeting to the Executive session was made by President Ogle and seconded by Director Rothschiller. The motion carried.



W.F. Neece, Secretary

BIG SKY COUNTY WATER & SEWER

DISTRICT #363

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BIG SKY COUNTY WATER & SEWER DISTRICT No. 363

REGULAR MEETING

MINUTES - JUNE 20, 1995

The Big Sky County Water & Sewer District No. 363 met at 3:00 pm on Tuesday, June 20, 1995, in the WSD No. 363 Conference Room. President Ogle, Vice President Meabon, Secretary Neece, Directors Radick, Rothschiller and Scott were in attendance. Director Juel was absent.

President Ogle called the meeting to order and opened it to Public Forum.

Vice President Meabon motioned that the Minutes of the June 13th Special Meeting be approved. Secretary Neece seconded the motion. The Minutes were corrected and unanimously approved as amended.

The Fiscal Year 1996 Preliminary Budget was reviewed.

Vice President Meabon motioned that Resolution No. 95-05 adopting the Public Employees' Retirement System be adopted. Director Radick seconded the motion. The motion passed unanimously. Those in favor: Vice President Meabon, Secretary Neece, Directors Radick, Rothschiller and Scott. Those opposed: none.

Vice President Meabon motioned that the Board accept the Manager and Financial Officer's recommendation of Knaub and Company as auditor for the 1994-95 fiscal year. Director Scott seconded the motion. The motion passed. Those in favor: Vice President Meabon, Secretary Neece, Directors Radick and Scott. Those opposed: Director Rothschiller. The Manager was directed to check Knaub and Company's references.

The Manager was directed to stamp his Fact Book "Draft," bind it and distribute it to the Directors no later than Thursday.

The Manager was directed to arrange a conference call on Wednesday between himself, Scott Anderson, WQB, and Ray Armstrong, HKM, regarding the golf course irrigation aspect of the IAWP.

The Manager was directed to prepare an outline of a water conservation program by July 4th.

Secretary Neece motioned that the Board's previous actions adopting the Uniform Plumbing Code be affirmed with an effective date of July 1, 1995. Director Rothschiller seconded the motion. The motion passed unanimously. Those in favor: Vice President Meabon, Secretary Neece, Directors Radick, Rothschiller and Scott. Those opposed: none.

Secretary Neece motioned that the balance of the Agenda be waived except for the Committee Reports and Executive Session. Director Radick seconded the motion. The motion passed unanimously,

President Ogle adjourned the meeting to Executive Session.

W.F. Neece, Secretary

BIG SKY COUNTY WATER & SEWER

DISTRICT #363

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**MINUTES: SPECIAL BOARD OF DIRECTORS MEETING WEDNESDAY,
JULY 19, 1995**

PLACE: GOLDEN EAGLE LODGE

Membership Forum:

Hank Miller questioned whether or not the new WQB rules would effect the problems the District had with regard to the sewer meeting compliance.

President Bill Ogle called the meeting to order with directors Meabon, Scott, Neece, Radick, Rothschilder, and Juel present. In addition to the directors, the BSOA was represented by their directors, county commissioner Dunn from Gallatin County and commissioner Ted Coffman from Madison County were present. The District's guests were Mark Simonich, Director of the Montana Department of Environmental Quality, and Steve Pilcher, Director of the Montana Department of Environmental Quality, Water Quality Division.

The purpose of the special meeting was to discuss with the state representatives the following:

The Compliance Order issued July 13, 1994.

Expansion of the present golf course irrigation system under the approved IAWP.

Extension of the deadline, imposed by the Compliance Order, of September 1995 for the completion of the Long Term Facilities Plan.

Additional improvements under the IAWP not specifically approved to date.

A lengthy discussion followed on the issues outlined by President Ogle, involving public participation, county commissioners, and the BSOA Directors.

For the record after the discussions of President Ogle recapped the decisions agreed to by the State of Montana's representatives as follows:

The state will extend the deadlines under the Compliance Order on a mutually agreed basis and no fines will be imposed upon the District or the Directors prior to that date as a result of not meeting the September 1, 1995, deadline set out in the Compliance Order.

The Compliance Order will be modified to incorporate changes in the IAWP.

A meeting is to be set next week, by the state's representative Steve Pilcher, with the District's representatives to identify critical action items and set reasonable schedules within which the District can accomplish the improvements.

MINUTES: JULY 19, 1995 (CON'T)

System loading will not exceed current approved subdivisions and other legal obligations of the District. DEQ considers the status of the district's legal obligations subject to their review.

A re-evaluation of the Maximum Annual Load (MAL) to state waters will be done and an equation established to provide for additional loading to the District's system based upon the lowering of the MAL. It is suggested by the District and agreed to by the State that further consideration would be given to the recalculation and redetermination of the MAL.

It was acknowledged by Director Simonich that the decision to do an E.I.S. on the Big Sky area had been premature and that it was no longer under consideration.

President Bill Ogle and Director Mark Simonich gave closing comments and assurances of cooperation between their respective agencies.

A motion to adjourn was made by Director Scott and seconded by Director Neece. The motion passed unanimously.

W. F. Neece, Secretary

BIG SKY COUNTY WATER & SEWER

DISTRICT #363

P.O. BOX 160670

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PHONE: (406)995-2660 FAX: (406)995-3053

MINUTES: SPECIAL BOARD OF DIRECTORS MEETING WEDNESDAY, JULY
19, 1995

PLACE : GOLDEN EAGLE LODGE

Membership Forum;

Hank Miller questioned whether or not the new WQB rules would effect the problems the District had with regard to the sewer and meeting compliance.

President Bill Ogle called the meeting to order with directors Meabon, Scott, Neece, Raddick, Rothschilder, and Juel present. In addition to the directors the BSOA was represented by their directors, county commissioner Dunn from Gallatin County and commissioner Ted Coffman from Madison County were present. The District's guests were Mark Simionich, Director of the Montana Department of Environmental Quality, and Steve Pilcher, Director of the Montana Department of Environmental Quality, Water Quality Division.

The purpose of the special meeting was to discuss with the state representatives the following:

The Compliance Order issued July 13, 1994.

Expansion of the present golf course irrigation system under the approved IAWP.

Extension of the deadline, imposed by the Compliance Order, of September 1995 for the completion of the Long Term Facilities Plan.

Additional improvements under the IAWP not specifically approved to date.

A lengthy discussion followed on the issues outlined by President Ogle, involving public participation, county commissioners, and the BSOA directors.

For the record after the discussions President Ogle recapped the decisions agreed to by the State of Montana's representatives as follows:

The state will extend the deadlines under the Compliance Order on a flexible basis and **no fines will be imposed upon the District or the Directors** as a result of not meeting the September 1, 1995 deadline set out in the Compliance Order.

The Compliance Order can be modified, on an interim basis, upon request by the District, for additional spray irrigation and storage under the IAWP.

A meeting is to be set next week, by the state's representative Steve Pilcher, with the District's representatives to identify critical action items and set reasonable schedules within which the District can accomplish the improvements.

BIG SKY COUNTY WATER & SEWER DISTRICT #363

MINUTES: JULY 19, 1995 CONTINUED

Growth will not exceed present approved subdivisions and the present legal obligations of the District. The present legal obligations is still open for a joint decision between the State and the District.

A reevaluation of the Maximum Annual Load (MAL) to state waters will be done and an equation established to provide for additional loading to the District's system based upon the lowering of the MAL. It is suggested by the District and agreed to by the State that consideration would be given to the calculation of the MAL from BOD5 tests from the monitoring wells.

The state will not require an E.I.S. to be done on the District, since no formal action requiring an E.I.S. has been submitted to the state which create an expansion of growth. It was acknowledged by Director Simionich that the decision to do an E.I.S. on the Big Sky area had been premature and that it would no longer be required.

President Bill Ogle and Director Mark Simionich gave closing comments and assurances of cooperation between their respective agencies.

A motion to adjourn was made by director Scott and seconded by director Neece. The motion passed unanimous.

A handwritten signature in cursive script, appearing to read "W. Ogle".

BIG SKY COUNTY WATER & SEWER

DISTRICT #363

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**BIG SKY COUNTY WATER & SEWER DISTRICT No. 363
SPECIAL MEETING
MINUTES - JUNE 13, 1995**

The Big Sky County Water & Sewer District No. 363 met at 3:00 pm on Tuesday, June 13, 1995, in the WSD No. 363 Conference Room. President Ogle, Vice President Meabon, Directors Rothschiller and Scott were in attendance. Directors Juel and Radick were late. Secretary Neece was absent.

President Ogle called the meeting to order and opened it to Public Forum.

Director Rothschiller motioned that the Minutes of the June 6th Special Meeting be approved. Director Scott seconded the motion. The Minutes were amended and unanimously approved as modified.

The Fiscal Year 1996 Preliminary Budget was reviewed.

The Manager was directed to prepare an outline of a water conservation program and to update the Fact Sheet for the next meeting.

The Employee Guidelines were reviewed.

Director Radick motioned that the meeting adjourn to Executive Session. Director Rothschiller seconded the motion. The motion passed and the meeting was adjourned to Executive Session.



W.F. Neece, Secretary

BIG SKY COUNTY WATER & SEWER

DISTRICT #363

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BIG SKY, MT. 59716

PHONE: (406)995-2660 FAX: (406)995-3053

MINUTES: BOARD OF DIRECTORS MEETING TUESDAY, JULY 11, 1995

JOINT MEETING WITH BSOA BOARD OF DIRECTORS

PLACE : BSOA BOARD ROOM.

A public meeting was called to order by President Bill Ogle for the District and Chairman Bob Biggerstaff for the BSOA.

Attending: District Board Bill Ogle, Bill Neece, Jerry Scott, Dee Rothschiller, Skip Radick, Bob Juel

Attending: BSOA Bob Biggerstaff, Tim Ryan, Jim Anderson, Mary Wheeler, Taylor Middleton

The reading of the previous minutes was waived by consensus of the board.

President Ogle reviewed the status of the following for the benefit of the BSOA Board and the public attending the meeting:

1. Compliance Order
2. Interim Action Work Plan (IAWP)
3. MOU between the District and Boyne on the pending litigation.
4. The Simkins-Taylor Supreme Court ruling and the resulting obligation to the District.
5. The states environmental assessment.
6. The scoping notice and scoping meeting
7. The state's scoping comments
8. A general discussion of the impact of an E.I.S.

Public response and the general consensus of both boards is recorded to the effect that there was agreement that an E.I.S. was not needed. Mike Richards, George Metcalf and Paul Cronin of the public spoke in support of the District filing a legal action against the state and supported the BSOA in joining that action, if the state did not allow the District to solve their sewer problems and continue to develop the community.

The public meeting was adjourned at 5:15 PM.

President Ogle established a quorum of the District's board and a motion was made by director Neece and seconded by director Scott to move into executive session with the BSOA board.

The motion passed unanimous

A motion was made by Jim Anderson and seconded by Tim Ryan for the BSOA board of directors to move into executive session with the District's board.

The motion passed unanimous

BIG SKY COUNTY WATER & SEWER DISTRICT #363

MINUTES: JULY 11, 1995 CONTINUED

A motion was made by director Scott and seconded by director Neece to adjourn executive session.

The motion passed unanimous.

President Ogle called for a motion to move back to regular session. Motion was made by director Neece and seconded by director Juel to open regular session.

The motion passed unanimous.

A motion was made by director Radick and seconded by director Neece to join in the filing of a claim by Boyne, against the state of Montana and individuals in the employ of the state, for damages resulting from the present moratorium, prior to the expiration of the statutory deadline of July 13, 1995. Mona Jamison would file for the District.

A voice vote was held with directors Radick, Neece, Juel, Scott, Rothschiller, and Ogle voting aye, there were no nays. The motion carried unanimous.

A motion to adjourn was made by director Juel and seconded by director Neece.

The motion carried unanimous.

A motion to adjourn the BSOA executive session and return to regular session was made by BSOA director Anderson and seconded by director Ryan.

The motion passed unanimous.

A motion was made by BSOA director Middleton and seconded by director Anderson to join with the District in the complaint against the state. Bob Planalp is to file the notice of claim for the BSOA against the state. Director asked for and received clarification to the motion that the BSOA would file their own separate motion and it would not be a joint filing with the District.

The motion carried unanimous on a voice vote including the BSOA Chair, Bob Biggerstaff.



W. F. Neece, Secretary

BIG SKY COUNTY WATER & SEWER
DISTRICT #363

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MINUTES: BOARD OF DIRECTORS MEETING THURSDAY, JULY 6, 1995

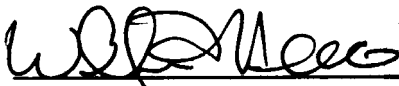
PLACE : RIVER ROCK LODGE

President Bill Ogle called the meeting to order at 3:00 PM and opened the meeting to public comment on the proposed 95/96 budget. Public comment was received by four persons.

The public session was closed at 4:30 PM as there were no additional comments. Director Neece made a motion to adjourn from regular session seconded by director Scott. Voice vote approved the motion and it carried.

President Ogle reconvened the board in executive session for a discussion of pending legal matters including the meeting between himself, Bob Biggerstaff, Mark Simonich of the Montana Department of Environmental Quality and the Lt. Governor.

The board adjourned at 6:00 PM.



W. F. Neece, Secretary

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BIG SKY COUNTY WATER & SEWER DISTRICT No. 363

REGULAR MEETING

MINUTES - JUNE 20, 1995

The Big Sky County Water & Sewer District No. 363 met at 3:00 pm on Tuesday, June 20, 1995, in the WSD No. 363 Conference Room. President Ogle, Vice President Meabon, Secretary Neece, Directors Radick, Rothschiller and Scott were in attendance. Director Juel was absent.

President Ogle called the meeting to order and opened it to Public Forum.

Vice President Meabon motioned that the Minutes of the June 13th Special Meeting be approved. Secretary Neece seconded the motion. The Minutes were corrected and unanimously approved as amended.

The Fiscal Year 1996 Preliminary Budget was reviewed.

Vice President Meabon motioned that Resolution No. 95-05 adopting the Public Employees' Retirement System be adopted. Director Radick seconded the motion. The motion passed unanimously. Those in favor: Vice President Meabon, Secretary Neece, Directors Radick, Rothschiller and Scott. Those opposed: none.

Vice President Meabon motioned that the Board accept the Manager and Financial Officer's recommendation of Knaub and Company as auditor for the 1994-95 fiscal year. Director Scott seconded the motion. The motion passed. Those in favor: Vice President Meabon, Secretary Neece, Directors Radick and Scott. Those opposed: Director Rothschiller. The Manager was directed to check Knaub and Company's references.

The Manager was directed to stamp his Fact Book "Draft," bind it and distribute it to the Directors no later than Thursday.

The Manager was directed to arrange a conference call on Wednesday between himself, Scott Anderson, WQB, and Ray Armstrong, HKM, regarding the golf course irrigation aspect of the IAWP.

The Manager was directed to prepare an outline of a water conservation program by July 4th.

Secretary Neece motioned that the Board's previous actions adopting the Uniform Plumbing Code be affirmed with an effective date of July 1, 1995. Director Rothschiller seconded the motion. The motion passed unanimously. Those in favor: Vice President Meabon, Secretary Neece, Directors Radick, Rothschiller and Scott. Those opposed: none.

BIG SKY COUNTY WATER & SEWER DISTRICT #363

Secretary Neece motioned that the balance of the Agenda be waived except for the Committee Reports and Executive Session. Director Radick seconded the motion. The motion passed unanimously,

President Ogle adjourned the meeting to Executive Session.


W.F. Neece, Secretary

BIG SKY COUNTY WATER & SEWER

DISTRICT #363

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BIG SKY COUNTY WATER & SEWER DISTRICT No. 363

SPECIAL MEETING

MINUTES - JUNE 13, 1995

The Big Sky County Water & Sewer District No. 363 met at 3:00 pm on Tuesday, June 13, 1995, in the WSD No. 363 Conference Room. President Ogle, Vice President Meabon, Directors Rothschiller and Scott were in attendance. Directors Juel and Radick were late. Secretary Neece was absent.

President Ogle called the meeting to order and opened it to Public Forum.

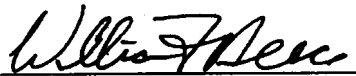
Director Rothschiller motioned that the Minutes of the June 6th Special Meeting be approved. Director Scott seconded the motion. The Minutes were amended and unanimously approved as modified.

The Fiscal Year 1996 Preliminary Budget was reviewed.

The Manager was directed to prepare an outline of a water conservation program and to update the Fact Sheet for the next meeting.

The Employee Guidelines were reviewed.

Director Radick motioned that the meeting adjourn to Executive Session. Director Rothschiller seconded the motion. The motion passed and the meeting was adjourned to Executive Session.



W.F. Neece, Secretary

BIG SKY COUNTY WATER & SEWER

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BIG SKY COUNTY WATER & SEWER DISTRICT No. 363

SPECIAL MEETING

MINUTES - JUNE 6, 1995

The Big Sky Country Water & Sewer District No. 363 met at 3:00 pm on Tuesday, June 6, 1995, in the WSD No. 363 Conference Room. President Ogle, Vice President Meabon, Directors Radick, Rothschiller and Scott were in attendance. Secretary Neece arrived late. Director Juel was late.

President Ogle called the meeting to order and opened it to Public Forum.

The Fiscal Year 1996 Preliminary Budget was reviewed. The Manager and the Financial Officer were instructed to produce a memo on constraints to budgeting reserves and spending outside budgeted items for Board consideration and clarification.

The Sewer Storage Studies were ordered to be suspended until further notice.

The Manager was instructed to draft a procedure for notice of emergency situations. In the future, the Directors will be notified of emergency situations as soon as possible.

The Sewer Operator provided an update of the Infiltration and Inflow projects that are currently underway.

Director Radick motioned that the Employee Guidelines be moved to the next scheduled meeting. Director Rothschiller seconded the motion. The motion passed.

The President adjourned the meeting to Executive Session.


W.F. Neece, Secretary

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BIG SKY COUNTY WATER & SEWER DISTRICT No. 363

SPECIAL MEETING

MINUTES - JUNE 13, 1995

The Big Sky County Water & Sewer District No. 363 met at 3:00 pm on Tuesday, June 13, 1995, in the WSD No. 363 Conference Room. President Ogle, Vice President Meabon, Directors Rothschiller and Scott were in attendance. Directors Juel and Radick were late. Secretary Neece was absent.

President Ogle called the meeting to order and opened it to Public Forum.

Director Rothschiller motioned that the Minutes of the June 6th Special Meeting be approved. Director Scott seconded the motion. The Minutes were amended and unanimously approved as modified.

The Fiscal Year 1996 Preliminary Budget was reviewed.

The Manager was directed to prepare an outline of a water conservation program and to update the Fact Sheet for the next meeting.

The Employee Guidelines were reviewed.

Director Radick motioned that the meeting adjourn to Executive Session. Director Rothschiller seconded the motion. The motion passed and the meeting was adjourned to Executive Session.



W.F. Neece, Secretary

BIG SKY COUNTY WATER & SEWER

DISTRICT #363

P.O. BOX 160670

BIG SKY, MT 59716

PHONE: (406)995-2660 FAX: (406)995-3053

BIG SKY COUNTY WATER & SEWER DISTRICT No. 363

SPECIAL MEETING

MINUTES - MAY 23, 1995

The Big Sky Country Water & Sewer District No. 363 met at 3:00 pm on Tuesday, May 23, 1995, in the WSD No. 363 Conference Room. Vice President Meabon, Secretary Neece and Directors Juel and Rothschiller were in attendance. Also present was Jerry Scott. President Ogle arrived late.

Acting President Meabon called the meeting to order and opened it to Public Forum.

Curly Shea, owner of the First Place Restaurant, and Carol Collins, representative of the Edelweiss Restaurant, expressed their concerns about the proposed fencing of the sewer ponds in Meadow Village. Mr. Shea presented his concerns in writing as well.

Jerry Scott was sworn in by Acting President Meabon.

Acting President Meabon motioned that the minutes of the May 16th Regular Meeting be approved. Secretary Neece seconded the motion. The minutes of the May 16th Regular Meeting were unanimously approved as presented.

Secretary Neece motioned that the Board adopt the Resolution Of Intention to approve the contract with the Public Employees' Retirement Division. Director Scott seconded the motion. The motion passed. Those in favor: Vice President Meabon, Secretary Neece, Directors Rothschiller and Scott. Those abstaining: Director Juel.

Secretary Neece motioned to remove from the table the motion that Aspen Groves Subdivision be accepted into the District under Section 7-13-2340, M.C.A.. Director Rothschiller seconded the motion. The motion passed unanimously. Those in favor: Vice President Meabon, Secretary Neece, Directors Juel, Rothschiller and Scott.

The motion to accept Aspen Groves Subdivision into the District under Section 7-13-2340, M.C.A. failed. Those against: Vice President Meabon, Directors Juel and Scott. Those in favor: Secretary Neece and Director Rothschiller.

Director Scott motioned that the Board accept Aspen Groves Subdivision in to the District under 7-13-2341, subparagraph 5, M.C.A. subject to no hookups being granted until the planned capacity actually exists. Director Neece seconded the motion. The motion passed. Those in favor: President Ogle, Secretary Neece, Directors Rothschiller and Scott. Those against: Vice

President Meabon and Director Juel. The Manager was directed to submit the Board's actions to legal counsel for review.

Director Rothschilder motioned that the Board adjourn to Executive Session. Director Juel seconded the motion. The meeting adjourned to Executive Session.


W.F. Neece, Secretary

History: En. Sec. 22, Ch. 242, L. 1957; amd. Sec. 1, Ch. 335, L. 1969; R.C.M. 16-4522(part).

7-13-2330. Status of bonds — tax exemption. Any bonds issued by any district organized under the provisions of this part and part 22 are hereby given the same force, value, and use as bonds issued by any municipality and shall be exempt from all taxation within the state of Montana.

History: En. Sec. 23, Ch. 242, L. 1957; R.C.M. 1947, 16-4523.

7-13-2331 through 7-13-2339 reserved.

7-13-2340. Correction of erroneous property description. (1) As provided in this section, the board of directors of any district may correct an erroneous property description of land within the district.

(2) The board of directors shall by resolution:

(a) set forth the current property description and the proposed property description;

(b) set a date for a public hearing to be held on the proposed property description; and

(c) provide that the property description change is intended only for the purpose of correcting an erroneous land description.

(3) A copy of the resolution adopted pursuant to subsection (2) must be posted in three public places in the district and mailed to the owner or owners of record of the property described in subsection (2)(a).

(4) After hearing comments and receiving written consent by the owner or owners of the property described in subsection (2)(a) at the public hearing, the board of directors may by resolution adopt the proposed property description as the correct property description. The correct property description is effective upon filing a copy of the resolution with the county clerk and recorder of the county or counties in which the district is located.

History: En. Sec. 1, Ch. 259, L. 1985.

7-13-2341. Addition of land to district. (1) Except as provided in subsection (5), any portion of any county, any municipality, or both, may be added to any district organized under the provisions of this part and part 22 at any time upon petition presented in the manner provided in this part and part 22 for the organization of such district.

(2) The petition may be granted by ordinance of the board of directors of such district. Such ordinance shall be submitted for adoption or rejection to the vote of the electors in such district and in the proposed addition at a general or special election held, as provided in this part and part 22, no less than 75 or more than 90 days after the adoption of such ordinance.

(3) If such ordinance is approved, the president and secretary of the board of directors shall certify that fact to the secretary of state and to the county recorder of the county in which such district is located. Upon the receipt of such last-mentioned certificate, the secretary of state shall within 10 days issue his certificate, reciting the passage of said ordinance and the addition of said territory to said district. A copy of such certificate shall be transmitted to and filed with the county clerk of the county in which such district is situated.

(4) From and after the date of such certificate, the territory named therein shall be deemed added to and form a part of said district with all the rights, privileges, and powers set forth in this part and necessarily incident thereto.

(5) If the board of directors determines that a district has a water facility or a sewer facility with a capacity greater than required to meet the needs of the current district, it may by ordinance, upon petition of contiguous property owners and with the written consent of all property owners to whom the service is to be extended, expand the district to include land, to the extent of excess capacity, without complying with subsections (1) and (2). However, if the board determines that an election should be held or if 40% or more of the members of the district petition for an election, compliance with subsections (1) and (2) is required.

History: En. Sec. 31, Ch. 242, L. 1957; amd. Sec. 1, Ch. 263, L. 1967; R.C.M. 1947, 16-4531(part); amd. Sec. 1, Ch. 411, L. 1981; amd. Sec. 22, Ch. 250, L. 1985; amd. Sec. 1, Ch. 597, L. 1985.

7-13-2342. Consolidation of county water and/or sewer districts.

(1) Two or more districts organized under the provisions of this part and part 22 may consolidate at any time, upon petitions submitted to the board of directors of each such district. Such petitions shall be in the form required for petitions for the organization of districts. Each such petition shall be signed by not less than 10% of the registered voters of the territory included within said district.

(2) Said petitions may be granted by ordinance of the board of directors of each of said districts. Such ordinances shall be submitted for adoption or rejection to the vote of the electors in such districts at general or special elections held, as provided in this part and part 22, within 70 days after the adoption of such ordinances.

(3) If such ordinances are approved, the president and secretary of the boards of directors of each of said districts shall certify that fact to the secretary of state and to the county clerk of the county or counties in which such districts are located. Upon the receipt of said certificate, the secretary of state shall within 10 days issue his certificate, reciting the passage of said ordinances and the consolidation of said districts. A copy of such certificate shall be transmitted to and filed with the county clerk of each county in which such consolidated district is situated.

(4) From and after the date of such certificate, the districts shall be deemed to be consolidated and shall consist of one district with all the rights, privileges, and powers set forth in this part and part 22 and necessarily incident thereto.

(5) The number and manner of selection and election of directors of the consolidated district shall be the same as the number and manner of selection and election of directors of newly organized districts.

History: En. Sec. 31, Ch. 242, L. 1957; amd. Sec. 1, Ch. 263, L. 1967; R.C.M. 1947, 16-4531(part).

7-13-2343. Exclusion of land from district — initiated by petition. Any territory included within any district formed under the provisions of this part and part 22 and not benefited in any manner by such district or its continued inclusion therein may be excluded therefrom by order of the board of directors of such district upon the verified petition of the owner or owners

7-13-2256. Canvass of vote. (1) The board of county commissioners shall canvass the returns of the first election, and thereafter, except as provided in this part and part 23, the board of directors shall meet as a canvassing board and duly canvass the returns within 4 days after any district election, including any district bond election.

(2) If the district lies in more than one county, the board of county commissioners whose county contains the largest percentage of the territory of said district shall canvass the returns of the first election.

History: En. Sec. 8, Ch. 242, L. 1957; amd. Sec. 1, Ch. 258, L. 1959; amd. Sec. 7, Ch. 167, L. 1965; amd. Sec. 1, Ch. 263, L. 1967; amd. Sec. 4, Ch. 257, L. 1974; amd. Sec. 3, Ch. 521, L. 1975; R.C.M. 1947, 16-4508(part).

7-13-2257. Repealed. Sec. 407, Ch. 571, L. 1979.

History: En. Sec. 7, Ch. 242, L. 1957; amd. Sec. 6, Ch. 167, L. 1965; amd. Sec. 1, Ch. 33, L. 1967; amd. Sec. 3, Ch. 257, L. 1974; amd. Sec. 2, Ch. 310, L. 1975; amd. Sec. 2, Ch. 21, L. 1975; amd. Sec. 3, Ch. 296, L. 1977; R.C.M. 1947, 16-4507(19).

7-13-2258. Effect of failure to qualify for office. If a person elected fails to qualify, the office shall be filled as if there were a vacancy in such office as provided in 7-13-2262.

History: En. Sec. 7, Ch. 242, L. 1957; amd. Sec. 6, Ch. 167, L. 1965; amd. Sec. 1, Ch. 263, L. 1967; amd. Sec. 3, Ch. 257, L. 1974; amd. Sec. 2, Ch. 310, L. 1975; amd. Sec. 2, Ch. 521, L. 1975; amd. Sec. 3, Ch. 296, L. 1977; R.C.M. 1947, 16-4507(20).

7-13-2259. Manner of making appointments. The mode of appointment of director or directors by a mayor or by a board of county commissioners shall be by certificate of appointment signed by said mayor or issued by said board of county commissioners and transmitted to the board of directors of said district.

History: En. Sec. 7, Ch. 242, L. 1957; amd. Sec. 6, Ch. 167, L. 1965; amd. Sec. 1, Ch. 263, L. 1967; amd. Sec. 3, Ch. 257, L. 1974; amd. Sec. 2, Ch. 310, L. 1975; amd. Sec. 2, Ch. 521, L. 1975; amd. Sec. 3, Ch. 296, L. 1977; R.C.M. 1947, 16-4507(21).

7-13-2260. Provision for municipalities not having mayor. In municipalities in which there is no mayor, the duty imposed upon said officer by the provisions of this part and part 23 shall be performed by the president of the board of trustees or other chief executive of the municipality.

History: En. Sec. 32, Ch. 242, L. 1957; amd. Sec. 11, Ch. 167, L. 1965; amd. Sec. 1, Ch. 263, L. 1967; R.C.M. 1947, 16-4532(part).

7-13-2261. Recall of officers. Every incumbent of an elective office, whether elected by popular vote for a full term, elected by the board of directors to fill a vacancy, or appointed by a mayor or the board of commissioners for a full term, is subject to recall by the electors of any district organized under the provisions of this part and part 23 in accordance with Title 2, chapter 16, part 6.

History: En. Sec. 9, Ch. 242, L. 1957; amd. Sec. 1, Ch. 263, L. 1967; R.C.M. 1947, 16-4509; amd. Sec. 24, Ch. 251, L. 1979; amd. Sec. 333, Ch. 571, L. 1979.

7-13-2262. Vacancies on board of directors. Any vacancy in the board of directors, whether the vacant office is elective or appointive, shall be filled by the remaining directors.

History: En. Sec. 11, Ch. 242, L. 1957; amd. Sec. 1, Ch. 263, L. 1967; R.C.M. 1947, 16-4511(part).

7-13-2263 through 7-13-2270 reserved.

7-13-2271. Organization of board of directors. (1) The board of directors shall hold its first meeting on the sixth Monday after the first general election for the election of directors as herein provided. It shall choose one of its members president and shall thereupon provide for the time and place of holding its meetings and the manner in which its special meetings may be called.

(2) The board shall establish rules for its proceedings.

History: En. Sec. 10, Ch. 242, L. 1957; amd. Sec. 1, Ch. 263, L. 1967; R.C.M. 1947, 16-4510(part).

7-13-2272. Duties of board president. The president shall sign all contracts on behalf of the district and perform such other duties as may be imposed by the board of directors.

History: En. Sec. 16, Ch. 242, L. 1957; amd. Sec. 1, Ch. 263, L. 1967; R.C.M. 1947, 16-4516(part).

7-13-2273. Compensation of members of board. Each of the members of the board of directors shall receive a monthly salary that may not exceed the following amounts:

(1) \$60 in districts with a population of no more than 500 persons;

(2) \$80 in districts with a population that exceeds 500 but is no more than 5,000 persons; and

(3) \$100 in districts with a population of more than 5,000 persons.

History: En. Sec. 11, Ch. 242, L. 1957; amd. Sec. 1, Ch. 263, L. 1967; R.C.M. 1947, 16-4511(part); amd. Sec. 1, Ch. 46, L. 1981.

7-13-2274. Conduct of business. (1) All legislative sessions of the board of directors, whether regular or special, shall be open to the public.

(2) A majority of the board shall constitute a quorum for the transaction of business.

(3) The board shall act only by ordinance or resolution.

History: En. Secs. 10, 11, Ch. 242, L. 1957; amd. Sec. 1, Ch. 263, L. 1967; R.C.M. 1947, 16-4510(part), 16-4511(part).

7-13-2275. Procedure relating to ordinances and resolutions. (1) The ayes and noes shall be taken upon the passage of all ordinances or resolutions and entered upon the journal of the proceedings of the board of directors. No ordinance or resolution shall be passed or become effective without the affirmative votes of at least a majority of the total members of the board.

(2) The enacting clause of all ordinances passed by the board shall be in these words: "Be it ordained by the board of directors of district as follows:"

(3) All resolutions and ordinances shall be signed by the president of the board and attested by the secretary.

History: En. Sec. 11, Ch. 242, L. 1957; amd. Sec. 1, Ch. 263, L. 1967; R.C.M. 1947, 16-4511(part).

7-13-2276. Right of initiative and referendum. (1) Ordinances may be passed by the electors of any district organized under the provisions of this part and part 23 in accordance with the methods provided by the general laws of the state for direct legislation applicable to cities and towns.

(2) Ordinances may be disapproved and thereby vetoed by the electors of any such district by proceeding in accordance with the methods provided by

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senate, but shall have no

decision in the Kelley case,
nt Governor of Michigan
he committee of the whole
give the casting vote when
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the issue before it in July
t portion of section 19 of
ich reads as follows: 'No
a law without the concu-
rs elected to each house'."

rent Resolution No. 1, ap-
quoted in full was neither
ot a measure either drafted,
nactment into law. It had
n could become a law.
ause if carried, kills the
nacting clause is dead from

er was a bill, never was a
enacting clause, never be-
number of votes cast for its
a law. Section 19 of Article
reading: "No bill or joint
t the concurrence of a ma-
ach house" has no applica-
on No. 1, supra. See: State
nt, 197, 103 P. 497; Vaughn
qualization, 109 Mont. 52,
gs Bank, 269 Mich. 432, at
; Collier & C. Lithograph-
2 P. 417; Seudder v. Smith,
nley v. Scott, 401 Pa. 310
30.

140 Mont. STATE EX REL. EASBEY v. HIGHWAY PATROL Bd. 411
140 Mont. 383.

Rice's Parliamentary Rules gives these definitions:

"Resolution.—A formal motion or resolution in writing
offered for adoption by an assembly. It usually begins with the
words 'Resolved, That'."

"Joint Resolution.—A formal statement or proposition of less
scope than a bill, requiring the concurrence of both branches of
a legislative assembly."

Webster's New International Dictionary, 2d ed. Unabridged,
gives this definition: "concurrent resolution. *Parliamentary
Practice*. Either one of two resolutions identical in language
passed independently by both branches of a body. They merely
express its assent or opinion. cf. joint resolution."

[2] In Kalamazoo Municipal Utilities Association v. City
of Kalamazoo, 345 Mich. 318, at p. 328, 76 N.W.2d 1, at pp. 5, 6,
61 A.L.R.2d 583, at pp. 591, 592, the court said: "A resolution
is not a law or an ordinance but merely the form in which a
legislative body expresses a determination or directs a particu-
lar action. An ordinance prescribes a permanent rule for con-
duct of government, while a resolution is of special or temporary
character."

The Supreme Court of Montana is not about to eliminate or
expunge any word or words from Section 15 of Article VII of
Montana's Constitution, nor is it about to allow the *general*
provisions of Section 24 of Article V of our Constitution to
supplant or override the *express and specific* provisions of
Section 15 of Article VII, supra, which here control.

[3] Lieutenant Governor Babcock was duly and *expressly*
authorized by Section 15 of Article VII of Montana's Constitu-
tion and by Section 4 of Senate Rule II to cast the deciding vote
on House Bill 342 and it became and is a valid law.

This opinion is confined to a consideration and determination
of the constitutional question presented and it neither considers
nor passes upon the necessity for nor the wisdom or merits of
such legislation as Chapter 249 of the Montana Session Laws
of 1961.

BIG SKY COUNTY WATER & SEWER

DISTRICT #363

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BIG SKY COUNTY WATER & SEWER DISTRICT No. 363

REGULAR MEETING

MINUTES - MAY 16, 1995

The Big Sky Country Water & Sewer District No. 363 met at 3:00 pm on Tuesday, May 16, 1995, in the WSD No. 363 Conference Room. President Ogle, Vice President Meabon, Secretary Neece and Directors Juel, Radick and Rothschiller were in attendance. Also present was Jerry Scott.

President Ogle called the meeting to order and opened it to Public Forum.

Director Radick motioned that the minutes of the May 2nd Special Meeting be approved. Secretary Neece seconded the motion. The minutes of the May 2nd Special Meeting were unanimously approved as amended.

Director Rothschiller motioned that the minutes of the May 9th Special meeting be approved. Vice President Meabon seconded the motion. The minutes of the May 9th Special Meeting were unanimously approved as written.

President Ogle directed the Finance Officer to create a restricted account for Seypar funds.

Director Rothschiller motioned that the bills and claims incurred during the month of May be approved. Director Radick seconded the motion. The motion passed unanimously.

Vice President Meabon made a motion authorizing the Manager to pay HKM Associates' April 19th invoice up to the billed amount contingent upon the following:

1. receipt of all District-owned maps, drawings, discs and other work products.
2. request for price reduction based on Board's dissatisfaction with services rendered.

Director Rothschiller seconded the motion. The motion passed unanimously.

The President directed the Manager to approach the Soil Conservation Service regarding the use of their stream gauging equipment.

Director Rothschiller motioned that the District pass a resolution to modify District No. 363 boundaries to include Aspen Groves Subdivision as originally submitted at the April 27, 1993, public hearing. Secretary Neece seconded the motion. After discussion, Secretary Neece made a motion to table the item until the next, regularly scheduled meeting where the full Board is present. Director Rothschiller seconded the motion. The motion passed unanimously.

President Ogle adjourned the meeting to Executive Session.



W.F. Neece, Secretary

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BIG SKY COUNTY WATER & SEWER DISTRICT No. 363

SPECIAL MEETING

MINUTES - MAY 9, 1995

The Big Sky Country Water & Sewer District No. 363 met at 3:00 pm on Tuesday, May 9, 1995, in the WSD #363 Conference Room. President Ogle, Vice President Meabon, Secretary Neece and Directors Juel, Radick and Rothschiller were in attendance.

President Ogle called the meeting to order and opened it to Public Forum.

The Minutes of the May 2, 1995, Special Meeting were not available, therefore Vice President Meabon motioned that agenda item IV, New Business, precede agenda item III, Old Business. Secretary Neece seconded the motion. The motion passed unanimously.

Board member candidates Wendell Ingraham and Jerry Scott were interviewed to fill the vacancy created by the resignation of Director Hill. A written ballot was taken. Jerry Scott was elected to fill vacant Board Member Position 1. President Ogle welcomed Mr. Scott to the Board of Directors.

Under Old Business, District By-laws were discussed, amended and forwarded to Mike Wheat for legal review. Discussion of Employee Guidelines was postponed until a later date.

President Ogle adjourned the meeting to Executive Session.


W.F. Neece, Secretary

BIG SKY COUNTY WATER & SEWER

DISTRICT #363

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BIG SKY COUNTY WATER & SEWER DISTRICT No. 363

SPECIAL MEETING

MINUTES - MAY 2, 1995

The Big Sky County Water & Sewer District No. 363 met at 3:00 pm on Tuesday, May 2, 1995, in the Kenyon Noble Board Room. President Ogle, Vice President Meabon, Secretary Neece and Directors Juel and Rothschiller were in attendance. Also present were Mike Wheat and Mona Jamison, attorneys for the District, and George Austiguy of ESA Consultants. Director Radick was absent.

President Ogle called the meeting to order and opened it to Public Forum.

Director Rothschiller motioned that the minutes of the April 18, 1995, be approved. Secretary Neece seconded the motion. The minutes were amended and approved.

Director Rothschiller motioned that the minutes of April 25, 1995, be approved. Secretary Neece seconded the motion. The motion passed and the minutes were approved.

Secretary Neece motioned that the Accounts Payable Policy be approved. Vice President Meabon seconded the motion. The motion passed unanimously.

Director Rothschiller motioned that the Budget Revision Resolution be approved. Secretary Neece seconded the motion. The motion passed unanimously.

The Board discussed the inclusion of Aspen Groves in the District with attorney Mike Wheat and President Ogle tabled the item for reconsideration in a couple of weeks.

Vice President Meabon moved that the District submit a separate Resort Tax Application for \$60,000 to finance a water resource study. Director Rothschiller seconded the motion. The motion passed unanimously.

Secretary Neece motioned that the District submit a separate Resort Tax Application for \$65,000 to finance fencing and to include the issue of public safety in the proposal. Vice President Meabon seconded the motion. The motion passed unanimously.

Director Juel motioned that the primary Resort Tax Application be approved with the following modifications:

- increase the rate on S.F.E.s.
2. offset revenues with expenses.
3. include separate applications for fencing and a water resource study.

4. footnote \$350,000 in the District's budget from the Boyne MOU.
5. delete \$22,000 for tools and a new truck.

Director Rothschiller seconded the motion. The motion passed unanimously.

President Ogle adjourned the meeting to Executive Session.



W.F. Neece, Secretary

BIG SKY COUNTY WATER & SEWER

DISTRICT #363

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BIG SKY COUNTY WATER & SEWER DISTRICT #363

SPECIAL MEETING

MINUTES - APRIL 25, 1995

The Big Sky County Water & Sewer District No. 363 met at 3:00 pm on Tuesday, April 25, 1995, in the Kenyon Noble Board Room. President Ogle, Vice President Meabon, Secretary Neece and Directors Juel, Radick and Rothschiller were in attendance. Also present were Mike Wheat and Mona Jamison, attorneys for the District, and Harry Hughes and George Austiguy of ESA Consultants.

President Ogle called the meeting to order.

Secretary Neece motioned that the Board accept the Accounts Payable Policy. Vice President Meabon seconded the motion. The motion passed unanimously. The Accounts Payable Policy will go into effect on May 1, 1995. The Accounts Payable Committee will include the President, Vice President and Secretary. Any two members of the committee will approve bills for payment after the bills have received tentative approval from the Auditor and the Manager.

Director Radick motioned that the Board reconsider its decision to resubmit for Resort Tax Funds. Secretary Neece seconded the motion. The motion passed unanimously.

Vice President Meabon motioned that the Board resubmit the request as presented at the April 18, 1995, Special Meeting. Director Juel seconded the motion. The motion passed with a 3 to 2 vote. Those in favor: President Ogle, Vice President Meabon, Director Juel. Those against: Directors Radick and Rothschiller. Abstaining: Secretary Neece.

In regards to the 1995-96 Resort Tax Application, Vice President Meabon motioned that the Board submit an application for \$375,000 contingent upon review of the Boyne Memorandum of Understanding by legal counsel. Also included in the 1995-96 Resort Tax Application will be a written request that the District be allowed to transfer up to 10% of the total amount between categories. Secretary Neece seconded the motion. The motion passed unanimously.

In addition to the 1995-96 Application For Funds, the Board agreed to submit two other items to the Resort Tax Board - a request for clarification of the fiscal year requirement and rollover of unused Resort Tax funds from one fiscal year to the next for projects begun in the previous fiscal year.

Due to the late hour, Resolution 95-03, a Resolution Adopting Budget Revisions, was stricken from the Agenda.

Secretary Neece motioned that the decision whether to include Aspen Groves in the District's boundaries be tabled until the next appropriate Special Meeting. The motion required no second, and the decision was made to table the decision until the next special meeting.

In regards to the EIS Scoping Session on Thursday, April 27th, the Board agreed to support a narrow scope reflecting the District's own boundaries. Those in favor: President Ogle, Vice President Meabon, Secretary Neece, Directors Radick and Rothschiller. Those against: Director Juel.

The Board also agreed to support a Programmatic EIS as long as the State would allow movement towards lifting the moratorium through the Interim Action Work Plan.

President Ogle adjourned the meeting to Executive Session.



W.F. Neece, Secretary

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BIG SKY COUNTY WATER & SEWER DISTRICT No. 363

REGULAR MEETING

MINUTES - APRIL 18, 1995

The Big Sky County Water & Sewer District No. 363 met at 3:00 pm on April 18, 1995, in the WSD No. 363 Conference Room. President Ogle, Vice President Meabon, Secretary Neece and Directors Juel, Radick and Rothschiller were in attendance.

President Ogle called the meeting to order and opened it to Public Forum. Gege LeRoy requested that Grizzly Flats be allowed to hook up to the water system. President Ogle asked that the LeRoys put their request in writing and identify the source of contamination to their well so that the Board can act on their request.

Ken McBride questioned the Board regarding the assessment of water fees on vacant lots in West Fork Meadows. President Ogle answered that such lots should not have received water bills and that the erroneous bills should be returned to the WSD No. 363 Manager.

Secretary Neece motioned that the minutes of March 21, 1995, be approved. Director Rothschiller seconded the motion. The Manager was directed to send a letter to Bob Stober seeking clarification of the Gallatin Canyon Volunteer Fire Department's request that the floor drains of the Fire Hall's new addition be hooked up to the sewer system.

In regards to the resubmission of the 94-95 Resort Tax items, Vice President Meabon motioned that the format be revised to conform with the Resort Tax line items, that the H & H Resources portion of the resubmission be deleted, and that the remaining \$80,822.55 be resubmitted. Director Radick seconded the motion. Upon discussion, it was decided that the resubmission be sent with a letter of clarification from President Ogle. The motion carried with a vote of 3 to 2. Those in favor: Vice President Meabon, Directors Radick and Juel. Those against: Secretary Neece and Director Rothschiller.

Vice President Meabon motioned that the Board hire ESA Consultants to assist the District with the EIS scoping session. Secretary Neece seconded the motion. The motion passed unanimously.

Ordinance No. 95-1003, an ordinance adopting the Uniform Plumbing Code, received its first reading.

The Manager was directed to initiate the process of obtaining water rights to Well No. 3 in Meadow Village.

BIG SKY COUNTY WATER & SEWER DISTRICT #363

In regards to the Board Member Replacement, the Manager was directed to ask applicants Jerry Scott and Wendell Ingraham to appear before the Board at the next Board Meeting.

Discussion of both the Employee Guidelines and By-laws was postponed until the next Board Meeting. The Manager was directed to submit the Employee Guidelines to Mike Wheat for a legal review.

A Grievance Procedure was implemented until the Employee Guidelines could be officially adopted. A three member committee consisting of the Manager and two Board Members will be created, but only one of the Board Members and the Manager will be required for the procedure. Grievances are to be directed to the Manager first and then to one of the appointed Board Members.

The Manager was directed to submit the Accounts Payable Policy to Mike Wheat for legal review.

President Ogle adjourned the meeting to Executive Session.



William F. Neece, Secretary

BIG SKY COUNTY WATER & SEWER**DISTRICT #363****P.O. BOX 160670****BIG SKY, MT. 59716****PHONE: (406)995-2660 FAX: (406)995-3053****SIGN IN SHEET FOR 03/27/95**

	<u>Name</u>	<u>Address</u>	<u>Phone Number</u>
1.	Eric Ossorio	Big Sky	995-4644
2.	Kirk Dige	P.O. Box 160472, Big Sky	995-4433
3.	Michael Richards	P.O. Box 160193, Big Sky	995-4071
4.	Dan Secrease	P.O. Box 160548, Big Sky	995-2717
5.	William Neece	P.O. Box 160001, Big Sky	995-5826
6.	Bill Murdock	P.O. Box 160057, Big Sky	995-4166
7.	Dennis & Debbie Stoner	P.O. Big 160636, Big Sky	995-4898
8.	Wayne & Marilyn Hill	P.O. Box 160277, Big Sky	995-4238
9.	John Maysack	P.O. Box 160653, Big Sky	995-2906
10.	Kevin Kelleher	54725 Gallatin Rd., Gateway	995-4386
11.	Kyle Barner	P.O. Box 160052, Big Sky	995-4319
12.	Paul, Janet & Packy Cronin	P.O. Box 160056, Big Sky	995-4560
13.	Jerry Scott	P.O. Box 160189, Big Sky	995-2850
14.	Brian Wheeler	P.O. Box 160001, Big Sky	995-2270
15.	Doug Bing	P.O. Box 160068, Big Sky	995-4579
16.	Ken McBride	P.O. Box 160146, Big Sky	
17.	Suzanne Squires	49890 Gallatin Rd., Gateway	995-2163

NOTES

1. M. Richards: When will scoping session be?
S. Pilcher: Sometime during the month of April at Bucks T-4. There may be more than 1 session.
B. Neece: There are 2 seasons of people here plus those that live here.
2. M. Richards: Who pays for EIS
S. Pilcher: WSD #363 & named subdivisions. Equitable division of fees based on sliding scale percentage of cost of project.
3. K. Barner: Are there rules/milestones to keep the EIS running in a timely fashion?
S. Pilcher: The statutes contain no milestones.
4. D. Secrease: Will hookup permits become available during the EIS?
S. Pilcher: A limited number of permits may be issued once the "success" of IAWP is determined.
5. H. Meabon: Final IAWP plans & specifications will be submitted to State on Wednesday. Once approved, they will open for bidding.
6. P. Cronin: What will be the process for allocating permits?
H. Meabon: No procedure has been established yet. In his opinion, the fairest place to start might be with the original subdivisions included in RID #305's moratorium.
7. M. Richards: How will the Mining Legislation impact the WQB?
S. Pilcher: Neither will impact the WQB decisions regarding development in Big Sky. Exception: SB 331 will relax standards for release of nitrates to groundwater which could affect proposed land application of effluent.
8. M. Richards: How did Diamond Hitch get approval?
S. Pilcher: 2 laws can be used to approve subdivisions - the Sanitation & Subdivision Act and the Public Water Supply Act. The Public Water Supply Act doesn't apply to on site individual water & sewerage disposal system. Diamond Hitch has on site individual water & sewerage disposal. MEPA says an EIS can't override other statutory time limits on subdivision approval.
M. Richards: How will Diamond Hitch be treated in the EIS process?
S. Pilcher: Just like any other existing subdivision (i.e. like Meadow & Mountain Village).

9. B. Murdock: Will there be any new hookups in the District this summer?
H. Meabon: If everything goes as planned, maybe, but no guarantees.
10. K. Kelleher: Won't SB 330 or 331 make snowmaking a more viable option of I & I abatement?
S. Pilcher: No. Snowmaking impacts surface water more than groundwater, and those bills deal w/ groundwater.
11. P. Cronin's: If the District has no idea how many people want to hookup it's hard to way how State's new hookups will help, and if 3 years is the guesstimate for when the LTCWP will be up and running, some people may need to make new life plans.
12. B. Neece: Water conservation measures can = hookups. People should quit complaining unless they're doing their part to save water.
13. S. Pilcher: IAWP review shouldn't take all that long.
14. M. Hill: Will more new hookups be awarded each year as the BOD₅ levels continue to stay low?
S. Pilcher: WQB will respond to piecemeal improvements and grant relief when appropriate.
15. S. Pilcher: 30 days from scoping session to boundary setting.
16. J. Scott: Will individual lawsuits over participation in cost of EIS prolong the EIS process?
S. Pilcher: Costs in excess of \$2500 must be shared by EIS victims. Lawsuits can significantly prolong the process.
17. J. Scott: Is an EIS an all or nothing deal? I.e. can individual victims be let go in mid process?
S. Pilcher: An EIS is an all or nothing situation. Individual members such as WSD #363's LTCWP can't be let go in the middle.
18. B. Neece: What is the State's opinion on sealing the ponds?
S. Pilcher: Its a good idea as an interim solution to I & I reduction.

BIG SKY COUNTY WATER & SEWER

DISTRICT #363

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BIG SKY COUNTY WATER & SEWER DISTRICT #363

REGULAR MEETING

MINUTES - MARCH 21, 1995

The Big Sky County Water and Sewer District #363 met at 3:00 pm on March 21, 1995, in the WSD #363 Conference Room. President Ogle, Secretary Neece and Director Rothschiller were in attendance. Director Juel was conferenced into the meeting via the speakerphone. Vice President Meabon and Director Radick were absent.

President Ogle called the meeting to order and opened it to Public Forum. Bob Stober of the Gallatin Canyon Volunteer Fire Department made a formal request that the floor drains in the Fire Hall's new addition be hooked up to the sewer system.

Director Rothschiller motioned that the minutes of the March 1st Regular Meeting be approved as published. Secretary Neece seconded the motion. The motion passed unanimously. Secretary Neece motioned that the minutes of the March 1st Executive Session be approved as published. Director Juel Seconded the motion. The motion passed unanimously.

Karla McCall, the District's new accountant, was introduced to the Board and presented the Monthly Financial Report. Secretary Neece motioned to accept the Monthly Financial Report. Director Rothschiller seconded the motion. The motion passed unanimously.

Approval of the By-Laws and Employee Policy was postponed pending further review by the Board.

Director Rothschiller motioned that the Board authorize the expenditure of up to \$35,000.00 for design only portion of the Golf Course process. Secretary Neece seconded the motion. The Manager was directed to poll the Board with his choice of architects. The motion passed unanimously. Secretary Neece motioned that the Board approve an expenditure of no more than \$5,000.00 to cover the Golf Course related expenses incurred by C & H Engineers. Director Juel seconded the motion. The motion passed unanimously. Director Rothschiller motioned that the Board authorize the expenditure of \$11,000.00 for HKM's Golf Course Groundwater Monitoring Study. Secretary Neece seconded the motion. The motion passed unanimously.

Secretary Neece motioned that the Board approve the second request for funds from the 1994-95 Resort Tax Allocation. Director Rothschiller seconded the motion. The motion passed unanimously.

In regards to Bob Stober's request that the floor drains in the Fire Hall's addition be hooked up to the sewer system, Director Juel motioned that the Board inform the State of its intention to

grant the request as an emergency measure pending review by Mona Jamison.; Director Rothschiller seconded the motion. The motion passed unanimously.

President Ogle directed the Manager to notify Dr. Meek, in writing, that there is no waiting list for sewer hook-up and to answer all similar requests in the same manner.

Secretary Neece motioned that the Board adjourn to Executive Session. Director Juel seconded the motion. The motion passed unanimously.


W.F. Neece, Secretary

BIG SKY COUNTY WATER & SEWER

DISTRICT #363

P.O. BOX 160670

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PHONE: (406)995-2660 FAX: (406)995-3053

MEMORANDUM

TO: Bill Ogle

FROM: Brent

DATE: 03/14/95

RE: Informal Q & A Session, 03/13/95

ATTENDANCE

1. William Neece
2. William Ogle
3. Brent Pusey
4. Wayne & Marilyn Hill 995-4238
5. John Maysak 995-2906
P.O. Box 160653
Big Sky, MT 59716
6. E.K. McBride 995-4255
7. Kyle Barner 995-4319
8. Glen Mosher 995-4396
9. Doug Bing 995-4579
10. Craig Smit 995-2897
11. Renae Smit 995-2588
12. Suzanne Squires 995-2163
13. Michael & Mary Riley 995-3010
14. Phil Smith

NOTES

- *** Please note that these are not notes of exactly what was said, rather impressions I had based on who attended the meeting and the types of questions and comments that were made.

There was a good turnout of young property and business owners, many of whom work during the day and aren't able to make Regular Board Meetings. These evening Q & A Sessions are a good way to touch base with them - their support is important. When filling the vacant Board seat, maybe a representative of this group should be considered.

2. Weekly in-house staff meetings will compel the Board and staff to chart their progress (or lack of it). If this information were made available to the public at these Informal Sessions or through a newsletter, maybe John Q. Public would have a better appreciation for the small steps taken along the way rather than only hearing about major accomplishments and bombshells. This would also account for money and time spent.
3. Harry Meabon's District History should be updated regularly and made available to the public - it could answer many of the "historical" questions about RID #305, WSD #363, etc.
4. Reach out to community members who aren't business or property owners - they pay the Resort Tax and have a legitimate interest in what their Resort Tax dollars are accomplishing at WSD #363.
5. Education!!!! There's a basic lack of information and understanding as well as a healthy dose of misinformation and misunderstanding of the whole sewer issue.
6. The WSD #363 staff needs to be perceived as knowledgeable, helpful and approachable. Many of the questions and concerns raised at this meeting could be handled day to day rather than left unanswered and allowed to fester.

CONFIDENTIAL

**BIG SKY COUNTY WATER & SEWER DISTRICT #363
EXECUTIVE SESSION
MINUTES - MARCH 1, 1995**

President Ogle and Mike Wheat were directed to pursue a settlement meeting with Boyne. The focus of this meeting will be shared costs for a facility to serve Big Sky to build-out.


W.F. Neece, Secretary

BIG SKY COUNTY WATER & SEWER

DISTRICT #363

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BIG SKY COUNTY WATER & SEWER DISTRICT #363

REGULAR MEETING

MINUTES - MARCH 1, 1995

The Big Sky County Water & Sewer District #363 met at 3:00 pm on March 1, 1995, in the WSD #363 Conference Room. Acting President Ogle, Secretary Neece and Directors Juel, Meabon and Radick were in attendance. Director Rothschilder was conferenced into the meeting via speakerphone. Also in attendance was Mike Wheat, legal counsel for the District.

Acting President Ogle called the meeting to order. Director Juel motioned that the minutes of the February 21st be approved as published. Director Meabon seconded the motion. The motion passed unanimously.

Acting President Ogle read Wayne Hill's letter of resignation into the minutes. Secretary Neece motioned that the Board accept Mr. Hill's resignation. Director Radick seconded the motion. The motion passed unanimously. Acting President Ogle motioned that the Board pass a resolution and prepare a plaque honoring Mr. Hill for his years of service. Director Juel seconded the motion. The motion passed unanimously.

In regards to planning of the golf course project, Director Meabon motioned to accept the Manager's recommendation that the Board post a two week notice seeking services similar to those proposed by Nicklaus Designs. Director Juel seconded the motion. The motion passed. Ayes: Ogle, Juel, Meabon, Radick Rothschilder. Nays: Neece.

In regards to the EIS Scoping Session, the majority of the Board agreed to support narrow boundaries - i.e. not to include Big Sky Lumber. A meeting will be held with Mona Jamison to discuss the Scoping Session.

Acting President Ogle recessed himself from discussion of the Infiltration and Inflow at Yellowtail Road and turned the meeting over to Secretary Neece. Secretary Neece directed Mike Wheat to research the penalties attached to this issue as well as the Board's authority to grant amnesty for this and similar situations. The Manager was directed to establish a meeting with Mr. Rick Ogle in an effort to arrive at an amicable solution to the problem. Secretary Neece turned the meeting back over to Acting President Ogle.

Mike Wheat was directed to draft a policy governing the solicitation of engineers, architects and surveyors. The policy would identify the upper dollar limits for at large solicitation and require a yearly update for qualifications.

The Management Committee reported its intention to continue operations and recommended that staff be included in its future reports. The Board supported the Committee's findings.

Secretary Neece motioned that the agenda item relating to the Election of Officers be stricken. There was no second for the motion.

Director Meabon motioned that Acting President Ogle be nominated for President. Secretary Neece seconded the motion. The nominations were closed. Acting President Ogle was unanimously elected President for an eight month term.

Director Meabon motioned that Secretary Neece be nominated for Vice President. Secretary Neece declined the nomination. Director Juel motioned that Director Meabon be nominated for Vice President. Secretary Neece seconded the motion and motioned that nominations be closed. Director Meabon was unanimously elected Vice President for an eight month term.

Director Neece will continue to serve as Secretary.

Director Radick motioned that the Board adjourn to Executive Session.

A handwritten signature in dark ink, appearing to read "W.F. Neece", is written over a horizontal line.

W.F. Neece, Secretary

CONFIDENTIAL

**BIG SKY COUNTY WATER & SEWER DISTRICT #363
EXECUTIVE SESSION
MINUTES - FEBRUARY 21, 1995**

It was decided that President Hill would instruct Mike Wheat to retract the District's present settlement offer.



W.F. Neece, Secretary

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DISTRICT #363

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BIG SKY COUNTY WATER & SEWER DISTRICT #363

REGULAR MEETING

MINUTES - FEBRUARY 21, 1995

The Big Sky County Water & Sewer District #363 met at 3:00 pm on February 21, 1995, in the WSD #363 Conference Room. President Hill, Vice President Ogle, Secretary Neece and Directors Juel, Meabon, Radick and Rothschiller were in attendance.

President Hill called the meeting to order and opened the meeting for public comment. Terry Threlkeld, speaking as a representative of various engineering groups, asked that the Board follow statutorily prescribed hiring procedures when hiring engineering firms. President Hill asked that the Board be allowed to postpone its response pending receipt and review of Mr. Threlkeld's initial complaint.

The minutes of the January 10th, 7th and February 8th were approved as published.

A special meeting will be held regarding the District's By-laws and Employee Policy. Board members were asked to submit their comments to the District Secretary by Wednesday, March 1st.

Director Meabon motioned that the Board offer Karla McCall the District Accountant position at the advertised price range. Secretary Neece seconded the motion. The motion passed. Director Rothschiller abstained from voting.

Director Meabon motioned that the Board accept C & H Engineering and Surveying, Inc.'s IAWP proposal through submittal of the design for state approval. Vice President Ogle seconded the motion. The motion carried unanimously.

A special meeting will be held to discuss progress on the Golf Course Project.

Ordinances #94-1001 and 1002 received their third reading. Director Radick motioned that the Board vote on Ordinance #94-1001. Secretary Neece seconded the motion. Ordinance #94-1001 was passed by unanimous vote. Those in favor: President Hill, Vice President Ogle, Secretary Neece and Directors Juel, Meabon, Radick and Rothschiller.

Director Radick motioned that the Board vote on Ordinance #94-1002. Secretary Neece seconded the motion. Ordinance #94-1002 passed by unanimous vote. Those in favor: President Hill, Vice President Ogle, Secretary Neece and Directors Juel, Meabon, Radick and Rothschiller.

In regards to the infiltration and inflow situation at Yellowtail Road, Director Meabon motioned that no action be taken to resolve the matter without the unanimous approval of the Board. Director Rothschiller seconded the motion. The motion passed unanimously.

In response to the letter submitted by Secretary Neece, it was agreed that a retreat would be held at 8 am on Tuesday February 28th, at the River Rock Lodge.

Director Meabon motioned that the Board reimburse Meadow Center, Inc. for the cost of and expenses incurred by the low flush toilets. Secretary Neece seconded the motion. The motion passed unanimously.

Secretary Neece motioned that the District's large sign be removed and replaced by the smaller one once the smaller sign receives approval by the Architectural Committee. Director Rothschiller seconded the motion. The motion was passed unanimously.

Director Meabon motioned that the Board adjourn to Executive Session for a discussion of the Boyne Lawsuit Settlement Offer. Director Juel seconded the motion. The motion passed unanimously.

President Hill reconvened the public meeting. President Hill then added an item to the agenda to consider action on the Resort Tax Fund Request of October 11, 1994, and the letter from Resort Tax Chairman Mike Richards of January 30, 1995. Following discussion of the matter, Director Juel motioned that the Board return funds to the Resort Tax Committee. Director Rothschiller seconded the motion. The motion was passed unanimously.



W.F. Neece, Secretary

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BIG SKY COUNTY WATER & SEWER DISTRICT #363

SPECIAL MEETING

MINUTES - FEBRUARY 8, 1995

The Big Sky County Water & Sewer District #363 met at 3:00 pm on February 8, 1995, in the WSD #363 Conference Room. President Hill, Vice President Ogle, Secretary Neece and Directors Juel, Meabon and Rothschiller were in attendance. Director Radick was absent.

President Hill called the meeting to order. A discussion was held regarding the State's approval of the Interim Action Work Plan. President Hill and Secretary Neece presented an update on the Gallatin County Volunteer Fire Department's Water Storage Study.

President Hill adjourned the meeting to Executive Session for a discussion of the Boyne Lawsuit Settlement Offer.


W.F. Neece, Secretary

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BIG SKY COUNTY WATER & SEWER DISTRICT #363

SPECIAL MEETING

MINUTES - JANUARY 17, 1995

The Big Sky County Water & Sewer District #363 met at 3:00 pm on January 17, 1995, in the WSD #363 Conference Room. President Hill, Vice President Ogle, Secretary Neece and Directors Juel, Meabon, Radick and Rothschiller were in attendance. Also present was Mike Wheat, legal counsel for the District.

President Hill called the meeting to order.

Vice President Ogle moved that the Board authorize the Manager to negotiate an agreement with C & H, Inc. to provide assistance with matters relating to effluent disposal. Secretary Neece seconded the motion. The motion passed unanimously.

Director Meabon motioned that the Board authorize the Manager to approach Jack Nicklaus Designs regarding the expenditure of \$25,000. for the purpose of planning for a championship golf course that would maximize irrigation potential. The expenditure would cover initiating conceptual plans for the golf course utilizing two options and including production cost estimates for each option:

1. no development
2. mixed commercial and residential development.

Director Juel seconded the motion. The motion passed unanimously.

It was the consensus of the Board that CDM and Flood & Associates be the technical consultants for planning and engineering that would be brought in, in the near future.

President Hill adjourned the meeting to Executive Session.


W.F. Neece, Secretary

BIG SKY COUNTY WATER & SEWER

DISTRICT #363

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BIG SKY COUNTY WATER & SEWER DISTRICT #363

SPECIAL MEETING

MINUTES - JANUARY 10, 1995

The Big Sky County Water & Sewer District #363 met at 3:00 pm on January 10, 1995, in the WSD #363 Conference Room. President Hill, Vice President Ogle, Secretary Neece and Directors Juel, Meabon, Radick and Rothschiller were in attendance.

President Hill called the meeting to order.

In regards to evaluating the Project Manager's performance, President Hill appointed three board members to serve on a personnel committee. Those board members appointed include Vice President Ogle, Secretary Neece and Director Meabon. The Committee will meet with the Manager to discuss their findings and recommendations and report back to the Board. Secretary Neece requested that President Hill delegate his authority for overseeing the Manager on a daily basis to the three member panel for a finite period of time.

Vice President Ogle and Secretary Neece reported on the meeting they had with Governor Racicot in Helena on January 4th. Director Meabon moved to approve Vice President Ogle and Director Neece's letter to Governor Racicot regarding the meeting. Director Radick seconded the motion. The motion was unanimously passed.

Director Neece motioned that the Board commit to the concept of a golf course. Director Juel seconded the motion. The motion passed with unanimous approval.

Vice President Ogle moved that the Board authorize an expenditure of \$25,000. for the purpose of planning for a championship golf course that would maximize irrigation potential. The expenditure would cover:

1. hiring a consultant;
2. initiating conceptual plans for the golf course utilizing two options and including production and cost estimates for each option:
 - a. no development
 - b. mixed commercial and residential development.

Director Rothschiller seconded the motion. The motion was passed unanimously passed.

President Hill adjourned the meeting.



W.F. Neece, Secretary