

**INTERLOCAL AGREEMENT TO ADMINISTER THE GALLATIN COUNTY BIG SKY MEADOW TRAILS,
RECREATION AND PARKS SPECIAL DISTRICT AND THE MADISON COUNTY BIG SKY MOUNTAIN
PARKS, TRAILS AND RECREATION SPECIAL DISTRICT**

This Interlocal Agreement ("Agreement") is effective this 12TH day of April, and entered between Gallatin County, Montana and Madison County, Montana, both political subdivisions with general government powers and collectively referred to herein as the "Parties".

WHEREAS, on July 26, 2011, through Resolution No. 2011-061, Gallatin County created the Big Sky Meadow Trails, Recreation and Parks Special District pursuant to § 7-11-1001, Montana Code Annotated (MCA), et seq.;

WHEREAS, on January 31, 2012, through Resolution No. 3-2012, Madison County created the Big Sky Mountain Parks, Trails and Recreation Special District pursuant to § 7-11-1001, MCA, et seq.;

WHEREAS, these special districts share common boundary lines and the resolutions creating the districts provide for the administration thereof by a joint board to afford residents and owners with improved opportunities to plan, manage, develop, create, maintain, finance, and improve trails, recreation, and parks in the greater Big Sky area to promote quality of life and to be of general benefit to the inhabitants;

WHEREAS, the Parties entered an interlocal agreement pursuant to § 7-11-101, MCA, et seq., effective February 7, 2012, to form the contemplated joint board and such board has since administered the special districts;

WHEREAS, the prior interlocal agreement expired on February 7, 2022, and the Parties therefore desire to enter into this Agreement to re-establish the joint board to manage the special districts and, further, to update the terms and understandings of this joint venture.

NOW, THEREFORE, in consideration of the mutual promises and conditions contained herein, the Parties agree as follows:

1. **PURPOSE.** The area around Big Sky ski mountain and the greater Big Sky Resort area is comprised of large tracts of land and developments owned by several entities, as well as many individual and smaller tracts belonging to homeowners and businesses. These collective landowners hold property and businesses in Gallatin County, Madison County, or both. It is necessary to allow these individuals and entities to work collectively to manage community trails, recreation, and parks for the greater enjoyment of residents of the Big Sky community and all visitors to the Big Sky Area.

This Agreement establishes a joint board dedicated to the creation and implementation of recreation programs and to the creation, acquisition, establishment, operation, improvement, and maintenance of parks, trails, and recreation in the greater Big Sky area, including parks, playgrounds, athletic facilities, ball fields, trails, rest rooms, picnic shelters, and campgrounds.

2. DURATION. The initial term of this Agreement shall be ten (10) years, unless terminated sooner by either party pursuant to Section 9 (Termination). After the initial term, this Agreement shall continue to renew for subsequent five-year terms until terminated.
3. CREATION OF JOINT BOARD. This Agreement re-establishes and forms the Big Sky Trails, Recreation, & Park District Board of Directors ("Board") to jointly manage the special districts. No other legal entity is created by this Agreement, nor does this Agreement void or supersede the separately existing special districts.
4. FINANCING AND BUDGET. The Parties intend this joint undertaking to be self-funded through grants, gifts, donations, or rental or user fees. The Board, on behalf of each special district, also may impose assessments or fees as authorized and pursuant to the process at § 7-11-1024, MCA, and § 7-11-1025, MCA, which require additional notice and resolutions for assessment. To the extent practicable, the Board will coordinate all assessments and fees with both Parties such that the assessments and fees are assessed across both special districts. If assessments or fees are approved to be assessed only in one special district, the Board shall restrict the spending of such revenue to programs and operations occurring only in that specific district.
5. ADMINISTRATION. In accordance with Title 7, Chapter 1, Part 2, MCA; Title 7, Chapter 11, Part 1, MCA; and Title 7, Chapter 11, Part 10, MCA:
 - a. The Board shall have five members with two members appointed by Gallatin County, two members appointed by Madison County, and one member appointed by either Madison County or Gallatin County with approval or consent of the other county.
 - b. Each Board member must reside in the county from which they are appointed, and either own property or reside within the special district boundary from which they are appointed.
 - c. Each Board member shall serve at the discretion of the county that appoints the member.
 - d. Board members shall serve three-year terms.
 - e. Board members are not entitled to mileage, expenses, salary, or per diem.

- f. The Board shall not pledge the credit of Gallatin County or Madison County or impose a tax unless specifically authorized by state law.
- g. The Gallatin County and Madison County Commissions shall each maintain a register of their respective Board appointments per § 7-1-201, MCA.
- h. The Board shall adopt bylaws consistent with § 7-1-201, MCA, and this Agreement, including the following provisions:
 - i. A majority of members constitutes a quorum for conducting business, and action may be taken by a majority vote of members present and voting;
 - ii. The Board shall provide for the keeping of written minutes, including the final vote on all actions and the vote of each member;
 - iii. All records of the Board shall be preserved consistent with public records law; and
 - iv. The Board shall provide by rule for the date, time, and place of its regularly scheduled meetings and file this information with the Gallatin County and Madison County Commissions.
- i. Consistent with § 7-1-204, MCA, the Board shall submit the minutes of its proceedings to both the Madison County and Gallatin County Clerk & Records for electronic storage and retention within 30 days after the minutes have been approved.
- j. The Gallatin County and Madison County Commissions shall jointly assume the duties of the Board if the minimum number of qualified members is not available, and in such case the County Commissioners shall have all the same powers and duties and act in the same capacity of the Board and shall not receive any additional compensation.

6. BOARD POWERS & DUTIES. The Board may exercise only the specific powers and duties granted by this Agreement as follows:

- a. Implement a program and order improvements for the special districts designed to fulfill the purposes of the special districts;
- b. Administer the budgets of the special districts;
- c. Subject to Gallatin County procurement and contracting policies, and payable only from the Board's approved budget:
 - i. Contract for services directly related to the specific improvements or programs of the special districts;
 - ii. Purchase, rent, or lease equipment, personal property, and material necessary to develop and implement an effective program;

- iii. Cooperate or contract with any corporation, association, individual, or group of individuals, including any agency of federal, state, or local government, in order to develop and implement an effective program;
 - iv. Receive gifts, grants, or donations for the purpose of advancing the program and, by gift, deed, devise, or purchase, acquire land, facilities, buildings, and material necessary to implement the purposes of the special districts;
 - v. Construct and maintain facilities and buildings necessary to accomplish the purposes of the special district;
- d. Submit annual budget and work plans to the Gallatin County and Madison County Commissions for review and approval; and
- a. Exercise all powers that are necessary and proper to the foregoing powers and duties.
7. ACQUISITION, OWNERSHIP, AND DISPOSITION OF REAL PROPERTY. The Board may acquire, hold, or dispose of personal or real property in accordance with this Agreement. All property shall be adequately insured in accordance with accepted standards applicable in the counties. The county where the real property is located shall be transferred ownership of such property upon termination of this Agreement, unless mutually agreed otherwise.
8. RETIREMENT SYSTEM REPORTING. Board members shall serve as volunteers without compensation and therefore no retirement reporting is required. If employees are hired by the Board that are entitled to retirement benefits, the Board is responsible for all retirement contributions.
9. TERMINATION. Whenever in the best interests of their respective special district or the owners of property subject to potential assessments, fees, or taxes, the Parties may mutually agree to terminate this Agreement. Either party also may terminate this Agreement at any time, with or without cause, upon providing the other party at least 30-days' advance notice.
10. FILING OF INTERLOCAL AGREEMENT. Each party shall file this Agreement with their respective county clerk and recorder and with the Montana Secretary of State.

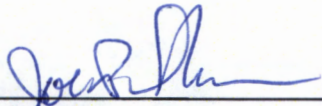
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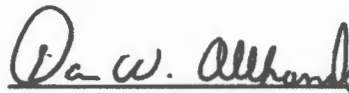
DATED this 12TH day of April, 2022. DATED this 12TH day of April, 2022.

GALLATIN COUNTY



Joe P Skinner, Chair
Board of Gallatin County Commissioners

MADISON COUNTY



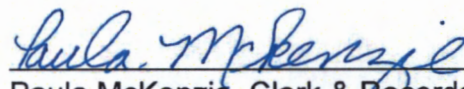
Dan Allhands, Chair
Board of Madison County Commissioners

ATTEST:



Eric Semerad, Clerk & Recorder

ATTEST:



Paula McKenzie, Clerk & Recorder

