

**Big Sky Transportation District Board Meeting  
In Conjunction with the Big Sky Area TAC  
February 23, 2017 (10 am)  
Minutes**

Board Members Present: Courtney Jones, John Knapton and Ennion Williams (Chair)  
TAC Members Present: Kerry Bruner, Chelsie Oehler and Hans Williamson  
Others Present: David Kack, Eric Romero (MDT) and Richard Schultz

The meeting was called to order by Ennion at 10:14 am

Public Comment was the first item on the agenda. Courtney asked about the incident in which the back tires/wheels of bus 54 came off as it was traveling from Bozeman to Big Sky. David said that Karst reviewed maintenance records, pre-trip inspection forms, and could not find anything that may have led to the incident. David noted that while this is the first and only time that this has happened in Skyline's nearly 11 years of operations, it is something that is hopefully never repeated again. David noted that Karst has never had this happen with a Streamline bus or any of its vehicles, so no one knows for sure why this incident occurred. Courtney said she just wanted to be sure that procedures were being followed so this doesn't happen again, and that we may hopefully learn why it happened.

Hans provided comment, and thanked the Board and all those involved in their effort of making Skyline a reality, and noted that the service always improves from year to year. He asked about funding, and what could be done to ensure we have the funding to keep adding the service needed. David noted that there would be a joint meeting between the Gallatin and Madison County Commissioners on April 6 at 1 pm, and being at that meeting would be a good start.

Kerry said that she wanted to mention (on behalf of David Mars) the incidents that have occurred on the bus. There had been emails about people drinking on the bus, and that some of the international employees (J-1s) may have been harassed on the bus. David noted that Karst posted the Passenger Rules on the bus, and that drivers had been more vigilant in monitoring the behavior. It was noted that US 191 is a road that requires the drivers' attention, so unless passengers are really getting out of hand, that the driver is focused on the road. Richard said that if a passenger is being harassed, they need to notify the driver immediately so it can be addressed. David noted that if there continues to be a problem, that monitors/attendants could be put on the buses.

The next item on the agenda was approval of the minutes from the January 18, 2017 Board meeting. It was moved by Courtney, seconded by John, to approve the minutes from the meeting. The motion passed unanimously.

The next item on the agenda was the approval of the FY 16 audit. There was some discussion about the issues on the audit, namely the separation of duties. It was noted that the

procedures may change in the near future, as accounting firms may change. It was moved by Courtney, seconded by John to approve the FY 16 Audit. The motion passed unanimously.

David then reviewed the FY 18 budget. It was noted that the budget submitted to MDT is not the full budget, but just enough to leverage all the money provided by MDT. David went on to say that requests for funding from the Big Sky Resort Tax Board, and the Gallatin and Madison County Commissions occur during the spring/summer. Once the amounts from those entities is known, the District can determine how much service is available for the winter season. David noted that 65% to 70% of the budget is spent during the winter season. It was again noted the importance of having Gallatin and Madison County support Skyline.

The Coordination Plan was then reviewed. David noted that Big Sky doesn't have many of the human service agencies that other communities have, therefore much of the coordination plan is focused on working with the private entities, including the large employers, in Big Sky. There was discussion on the vehicle requests in the plan, as well. Courtney asked if technology was included in the budget. David said that it is, even though there is no decision yet on what technology to use. He noted that Karst Stage is looking at SAUCON Technologies, which may meet the needs of the District.

Eric noted that MDT has changed the way it allocates its funds to providers. It was noted that under the FAST Act that performance measures (ridership and cost per ride) are being used to determine how much funding the various transit systems receive. Eric noted that a system could get up to a 4% increase a year, or a 2% decrease a year, depending on ridership. It was noted that this system uses a "two year average" so that a system doesn't lose funding for one bad year. It was noted that the FAST Act is through FY 20, and people would be watching to see what transit funding may look like past FY 20. It was moved by Courtney, seconded by John to approve the FY 18 Coordination Plan and Application for funding. The motion passed unanimously.

Under new business, David noted that he had been working with Lisa Lillelund, who was hired by the major resorts (with the Yellowstone Club in the lead) to look at sustainability issues. David said that he and Lisa had met with a person from the Montana Department of Environmental Quality (DEQ) about funding they will receive from a nationwide settlement with VW. David noted that approximately \$11.5 million will be received in Montana, and the discussion has been about how the District could use money on marketing, newer and alternative vehicles, and how Big Sky would look to use some of the funding for electric vehicle charging stations.

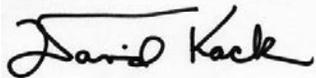
Courtney noted the opening and closing dates for Big Sky Resort for the summer season. Chelsie, Kerry and Hans noted the dates for their resorts. David said that he would have a draft summer schedule out soon. It was also discussed about gathering information on the payroll of the resorts, and how much of that is for employees who live in Gallatin County. Ennion noted it was important to show the economic impact of Big Sky to the County Commissioners, so they understand why it is important to support Skyline.

Finally, the Board discussed the situation with the current accountant. David noted that he was having some issues with the information being provided in a timely manner. Ennion noted that he had talked to several individuals in Big Sky, but none had the time to take on the District's work. David noted that he met with Kevin Hubley, a partner of Hubley, Phillips and Williams (HPW). They had the ability to take the account on, and didn't think it should be too much work. David noted that the HPW office was about two blocks from his office. The Board discussed various issues related to the accounting situation, and noted that the procedures could be modified to make the process easier.

It was moved by Courtney, seconded by John to switch to the accounting firm of Hubley, Phillips and Williams as soon as possible. Details of the new procedures/processes will be sent to the Board. Eric noted that it is important to separate out the various accounting/finance duties to minimize the potential for issues. It was noted that HPW will not be doing the annual audit.

Seeing that there were no other items, the meeting was adjourned at 11:16 pm.

Respectfully Submitted,

A handwritten signature in black ink that reads "David Kack". The signature is written in a cursive style with a horizontal line above the first name.

David Kack, Coordinator