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Joint meeting of Skyline Mountain Special Services District, Skyline Mountain Resort Board of Trustees and Legacy Mountain.

Legacy's attorney, Roger Sanders previously forwarded for our consideration 4 proposals for joint consideration:

1. Legacy offers to exchange real property needed by SMR for plat corrections and source protection of water for the 5 acre parcel at the "Hot Well". Max Henrie had a plat map of both subdivisions that could be overlaid on on the other. He stated that the most critical acreage was the 1/2 acre where Ted Barby's cabin is located + one other small piece we need and, probably for them, the small piece they need for their road ... roughly speaking, 1 1/2 acres or so. Discussion also surrounded the lots SMR withdrew in order to provide source protection for Legacy's well and the need to source protect the Chicken Springs area for SMR. The possibility of each entity offering generous enough prescriptive easements around each of the two areas to allow for unencumbered development of the water source was also discussed as an alternative to actually selling or trading properties. A committee with Loren, Jonathan and Roger Sanders from Legacy will work with Everett Taylor, Roger Mace, Jay Hansen, and Max Henrie to come up with best ways to approach this challenge. The possibility of even a 3 way development of the "Hot Well" with Legacy, SMR-SSD, and Birch Creek Irrigation Company was discussed.

2. Legacy will pay for a pipeline from Thad's Peak Well to the Legacy water system and storage tank to provide immediate water to their system. Said pipeline would be run in such a manner as to allow significant numbers of SMR owners to connect to the system ... the route to be determined by the water committee. A ratio of 2 gallons for SMR-SSD and one gallon for Legacy was proposed. Thad's Peak Well now produces about 50 gallons per minute, which, on a 24 hour basis is approximately 72,000 gallons. The 24,000 gallons (1/3) that could go to Legacy will potentially support approximately 60 of their 139 state approved water connections. The challenge of additional water development needed by both for future "build out" was discussed. This would of necessity be a "temporary" agreement lasting for years but not unlimited. Pumping fees, terms and time of the agreement need to be resolved.

3. Legacy and SMR-SSD will cooperate on the location of parking areas and gates in common rights of way. The previous court settlement provides for access by Legacy on SMR's roads and we need to find a way to accomodate safely the needs of their "year around" access commitment to their lot owners and SMR-SSD's desire to keep the damage to the roads down by having them for winter access only. A committee was formed consisting of Jay, Roger and Max from SMR-SSD and Loren and Jonathan

from Legacy to work this out. Time is of the essence with Legacy proceeding on their dugway improvements. Agreements on maintenance costs to re-do road base and gravel each spring + plowing/grooming costs etc all need to be addressed.

4. Legacy will cooperate with and participate in the process currently undertaken by SMSSD to evaluate and develop a master water plan for the area in an effort to maximize the use of existing water sources and distribution systems and to effectively develop new sources and systems. This was agreed and the Hansen Allen and Luce Company will become involved in that.

5. Legacy will provide a letter to SMR-SSD stating clearly their absolute no hunting policy.

6. Legacy will develop a 4 wheeler lot # identity plate to be used for emergency help and for policing of ATV use. They will work out a plan where a gate key package would include such a lot ID plate.

7. Loren will contact Joe Hanks for a copy of our architectural covenants.

Meeting adjourned at 9:00 p.m.

Respectively Submitted

Monte Pugmire, clerk/sec of Skyline Mountain
Special Services District

PROPOSAL

In an effort to resolve ongoing issues between Sports Haven and the Legacy Group and in an effort to create cooperation and good neighbor relations, the Legacy Group makes the following proposal to both Sports Haven and SMSSD:

1. Legacy offers to exchange real property required by Sports Haven for plat corrections and water source protection easements for the five acre parcel adjacent to the "Hot Well". This exchange would be on an acre for acre basis for open space land and on a valuation basis for platted lots.
2. Legacy will pay for a pipeline from the Thad's Peak well to the Legacy water system and allow Sports Haven to deliver water through Legacy's existing system on the basis that for every two gallons of water delivered by Sports Haven, Legacy would be entitled to one gallon as compensation for the construction costs and use of the existing system.
3. Legacy and Sports Haven will cooperate in the location of parking areas and gates affecting common rights of way. A committee with representatives from each party shall be created to resolve existing issues and manage ongoing relations for these items.
4. Legacy will cooperate with and participate in the process currently undertaken by SMSSD to evaluate and develop a master water plan for the area in an effort to maximize the use of existing water sources and distributions system and to effectively and efficiently develop new sources and systems.