From: clorinsky@gmail.com
To: "Wheeler, Brian"; Suzan Scott
Cc: "Dick Fast"; "George Mueller"
Subject: RE: Revised agreement.

Date: Monday, March 20, 2023 9:16:34 PM

Attachments: <u>image001.png</u>

BSOA BSWD Drafts Track Changes.docx

Brian:

While I truly appreciate efforts to expeditiously finalize this agreement, the draft ignores our agreement as set forth in the motions approved by BSCWSD and BSOA. Consequently, the proposed draft is missing a number of material deal points. Since the issues are not simple drafting, I'm reaching out directly. While you may have seen a draft comparing Susan's edits to BSOA's proposed agreement, I've attached one for convenience. My references below are to the attached red line comparison.

- 1. The Recital that references the approved motions (Recital 4) is deleted. The motions we exchanged and had our respective boards approve are an integral part of the deal and need to be included.
- 2. We agreed that BSCWSD would acquire the existing easement to access the NWE substation property and if that easement is inadequate for BSCWSD's intended purpose, BSOA would in good faith negotiate additional reasonable uses (See BSOA's Motion #2). The draft provides for the grant of two easements (Section 2(A)).
- 3. We agreed that BSCWSD would grant BSOA access to Tract D across Tract H 20 (See BSOA's Motion #3). It has been deleted from the BSOA draft.
- 4. We agreed that if/when BSCWSD builds the new storage tank, it would dismantle the existing tank on Tract H 20 and remediate.
- 5. We agreed to a boundary realignment around the NWE site for construction of the new storage tank (BSCWSD initial motion). We did not agree to a grant of 2 acres.

Given the timing and apparent difficulty to finalize the written agreement based on the approved motions, perhaps we've overcomplicated this deal and should consider a simple agreement: In exchange for BSCWSD's water rights transfer, BSOA pays BSCWSD \$15k and installs the headgate pump. We can deal with the issues on Tract D and the NWE substation if/when BSCWSD acquires that property.

I look forward to hearing from you.

Thanks Brian.

Clay

From: Wheeler, Brian <bwheeler@bigskyresort.com>

Sent: Sunday, March 19, 2023 1:50 PM

To: Clay Lorinsky <clorinsky@gmail.com>; Suzan Scott <suzan@bigskyoa.org>