

EXHIBIT 2

BIG SKY GOLF COURSE WATER QUALITY MONITORING PLAN

AND

SUMMARY OF LYSIMETER AND MONITOR WELL DATA: 1996

Prepared for:

Big Sky County Water & Sewer District #363

by

MSE-HKM, Inc.
P.O. Box 31318
Billings, MT 59107

March 1997

F:\WP\04\1357102\JAR07083.doc

**BIG SKY GOLF COURSE WATER QUALITY MONITORING PLAN
AND
SUMMARY OF LYSIMETER AND MONITOR WELL DATA: 1996**

WATER QUALITY MONITORING PLAN

Background

The Big Sky Golf Course has historically been irrigated with effluent from the wastewater treatment facility. As part of the 1979 contractual agreement between Rural Improvement District No. 305 (RID) and Big Sky of Montana Incorporated (Big Sky), Big Sky agreed to furnish land to RID “for the application and disposal of wastewater by irrigation”. The agreement outlines the District’s responsibilities not to pollute the environment with their wastewater disposal. Part of the District’s responsibilities include irrigation scheduling measures to prevent over-irrigation and a water quality monitoring program to “monitor the system’s pollution control performance and guiding its operation”.

In July of 1993, the State of Montana’s Department of Environmental Quality (DEQ), formerly the Department of Health and Environmental Sciences (DHES), issued a Compliance Order that required the District to submit an Interim Work Plan and a Long-Term Compliance Work Plan. The Compliance Order placed a moratorium on new connections to the sewer system which resulted in stopping new construction activity. The moratorium was the result of deficiencies in the sewer and wastewater facilities and due to the fact that effluent was being applied on the golf course that did not meet DEQ standards.

MSE-HKM, Inc. (MSE-HKM) prepared an Interim Action Work Plan (IAWP) that outlined short-term solutions necessary to comply with DEQ’s requirements. MSE-HKM also prepared a Long-Term Compliance Work Plan including further expansion and rehabilitation of the Big Sky wastewater facilities. The IAWP outlines corrective measures to eliminate lagoon leakage and provide filtration and chlorination for disinfection of wastewater for land application to the unrestricted golf course.