

April 11<sup>th</sup>, 2022

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**TOWN OF WHITEHALL**

**P. O. BOX 529**

**WHITEHALL, MT 59759**

**April 11th, 2022**

**Public Hearing regarding Utility Rate Increase at 6:30 PM**

(Audio and video started late)

Kory: we have to hit what they call a target rate. We can't be under a certain amount. They like so much in reserves. The kind of come to an agreement with our loans and they set our target rate. What they call a target rate is.... The grants we receive from the Federal Government, ARPA, total 4 million dollars plus. They set a rate that we can not be under. We have to get a target rate to put money in reserves for infrastructure for trouble like that. They won't let us go below a certain rate when they give us money. Nor can we exceed a certain rate. We have never had an issue with exceeding the rate it is always hitting the rate because we are under the target rate all the time.

Audience Member: so, you say that the government gave us a grant of 4 million dollars and we have a target rate of \$49.15 that we have to do it then.

Kory: no, what this slide is saying is that Whitehall's current target rate... where did you get that number, Allissa?

Allissa: DEQ and the people they go through to set the rate.

Kory: okay so this is what they want us at as an average.

Allissa: yes.

Kory: okay, let me explain the average from base. That average rate that they are talking about is your base rate plus you water use. Very few houses in town hit the base rate. They usually go over the 3,000 gallons so they take what our average rate is for the whole town and that average rate has to exceed that \$49.15.

Audience Member: then you have sewer so you are looking at \$70 - \$80.

Kory: so, our target rate is \$31.60.

Audience member: so that's the minimum we are going to have right? Then every 1,000 gallons after that it is added to that.

Kory: now this is on averages. This isn't base. Just so you understand that. The base is going to be \$34 for water.

Audience member: for 3,000 gallons of water.

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Kory: Yes. There is a difference between base and average. The average is your total bill, your total water bill, usage and base, added together and divided by the number of users in town to get that number.

Audience member: so, \$49.15 would be an average.

Kory: yes.

Audience member: it has to do with the money that we borrowed to...

Kory: not borrowed. It is our grant money.

Audience member: we have to do this for how long?

Kory: as far as I know, we have to hit the target rate to initially start and then I've never heard of them coming back about our sewer. Have you Allissa?

Allissa: no, not that I am aware of.

Kory: when we start, they want us at that target rate and its our job to bring it up from there.

Audience member: \*inaudible\*

Kory: and at that time, we had to hit a target rate. So, now, the \$2.00 increase to sewer is what we need to do to maintain the sewer. At that time, they did the sewers they had the target rate that we had to hit. This is the same thing. If you look at it, I bet the sewer rates went up when we did that.

Audience member: so now you're saying that they are dictating that we have to raise our rates.

Kory: Correct.

Pod: It's not the city.

Kory: and they are not telling us that now just to clarify. When the water treatment plant becomes operational, and we sign the loan to finish out the water treatment plant is when that target rate has to be hit.

Pod: the water treatment plant isn't in operation?

Kory: no, we haven't even started the water treatment plant.

Pod: I thought we had a big treatment plant back here.

Allissa: that's the sewer.

Kory: its not up yet. The sewer...

Pod: it's still over at the lagoon?

Bill: these are two separate projects.

Kory: the sewer lagoon is right out here. Right across from Vigilante Electric, out there. Those are our ponds and we have a pivot that we run sewer water on. Two separate projects. This is going to be a fresh water plant. That will filter our drinking water.

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Pod: This is part of the new water and sewer lines that you're talking of going in the plant.

Kory: Correct.

Bill: not new sewer lines.

Pat: and this will be built over in the Rec Complex. A whole new building has to be built.

Pod: and it will take 4 point plus million dollars...

Kory: The whole project is 6.8 (million)

Bill: and this is water *not* sewer. Consumer came in... how many years ago was that?

Mary: that took place my first term as mayor.

Linda: this will take care of the uranium.

Kory: Correct

Pod: Oh, it does?

Linda: yes, that is what the water plant is for, yes.

Bill: its finally getting dealt with. The ball is moving quicker now.

Mary: it has taken 6 years to get to this point.

Pod: this 6.8 million. We don't expect any change to replace that.

Kory: We have quite the contingency there to cover that. I would hope, if anything, it is less than that. We have a 30% contingency because things are so crazy, we don't know where we are going to land exactly.

Pod: that's exactly what I'm saying is they come up with change orders...

Kory: we are hoping not. We are hoping that with the contingency in there it will cover that number that I gave you.

Pod: so explain to me this 4 plus million \*inaudible\*

Kory: the town is going to loan... I don't have the numbers in front of me so... am I right Allissa when I say that 4.8 (million), I believe, is grants. We did get granted a 2-million-dollar ARPA grant and USDA and... what else is there? There's...

Allissa: WARDA, USDA, DNRC, DSEP...

Kory: there is a whole bunch of funders that are giving us grants.

Linda: and one of the reasons why it has taken us this long is because we have been trying to get these grants so we don't have as much of an expense to add.

Bill: otherwise, we had a bigger loan.

Pod: yes, so we are borrowing 2 million.

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Allissa: yeah.

Bill: and we are talking about an \$8.00 increase.

Kory: that's not going to be total.

Bill: it's in there with the 5 years.

Pod: I was going to say, after 5 years? This is what we are looking at? The numbers here?

Bill: for 2023 and then it...

Pod: \*inaudible\*

Kory: I can try to explain this a little bit. This first \$6.00 increase is going to get us closer to that target rate. I don't think its going to hit the target rate. I would say when, in two years, when the water treatment plant becomes final. You are going to see another higher increase to get us to that target rate. Then they yearly rate should maintain us for operating from there. I think you are going to see another rate increase by the time we are done.

Pod: is the \*inaudible\*

Kory: I don't know and I don't want to say. I think we are hoping this is over half. Is that fair to say? We don't have that number. It also depends... we have some more grants that we will know in June. Depending on them and how it all falls....

Pod: how can a person follow this? \*inaudible\*

Kory: every month we talk about this right here.

Mary: you can watch it on TV or you can attend the meetings.

Pod: I can't really \*inaudible\* with a copy or something and I can say okay this is.

Mary: you can come in and ask for copies.

Kory: and anytime you have questions you can call me or someone in the public works.

Pod: So, I can understand where you have to upgrade the water system.

Mary: we don't have any choice. Let Allissa finish her power point because it might answer a lot of your questions.

Allissa: Last month when we had these meetings, I didn't have the comparisons up. After making phone calls, I was pretty surprised to see. Manhattan, their average, not their base rate but their average is \$112.08. and I have broken down their water, sewer, and their garbage on what they are paying. Three Forks, their average is \$118.70. Townsend, their base rate, everyone has to pay this, is \$104.47. Roundup, their average is \$84.70 and Troy their average is \$94.58. So, we are...

Bill: we are under!

Allissa: yeah, still.

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Bill: Even with this major improvement that is first in the state. That's pretty good.

Allissa: With the garbage, we are not making and increase yet. Really the .50 cent increase that we are proposing with the 5-year plan is honestly just to keep up with inflation. We have a 3-year contract with McGree's, I don't know what it will be after that 3-years. Just to give you an idea of what other towns are paying that are similar in size to Whitehall.

Bill: this would be a good information that we put this comparison piece in the paper because that says a ton right there.

Pod: when you regulate the water usage in the winter time or sewer usage is that still going to be taking place where you, certain months you do averages.

Allissa: yes, actual and average. That is what we are proposing. I can go through these slides again but I just wanted to...

Pod: you look at Townsend and \*inaudible\* that number isn't considering any water usage for their lawn. They just get free water to water the lawn.

Allissa: I am just making this clear why we have to do this. We are not just doing this because we want to it is because we have to! I reached out to DEQ and asked what would be the repercussions of not doing this. They can enforce action and penalties daily. It could be bad. A court order, depending on the judge, how severe our penalties will be.

Pod: we are doing all this anyways right?

Allissa: Yes, people just tend to think that we are just doing this because we are lining our pockets and we are really not.

Pod: people want to know where their money is going.

Allissa: and they have every right to know that. I just want to make this clear. This is why we are doing this. And the primary goal is to take care of the uranium. Then the MCAs

Roy: if we back out of this deal that we have going with DEQ it would cost this town about 8 million dollars or better because they would just build it up and send you the bill.

Allissa: thank you, Roy!

Pod: I agree with what you are saying.

Roy: I would rather pay 2 (million) than 8 (million)

Pod: have you seen the interest rates on it lately?

Kory: I think it is at 1.1%. It's very low.

Bill: we are getting locked in on something good.

Kory: and we are hoping for loan forgiveness on it. There is a good chance we will get loan forgiveness.

Allissa: this is what the base rate would look like. Again the 5-year plan wouldn't take effect until July of 2023. \$1.25 for water \$1.25 for sewer and \$.50 for garbage. So there is 2023 and there is 2024.

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Bill: did you have some older figures on a slide right before that? I thought I saw some on there or no?

Allissa: nope. This is the proposal to take effect 30 days from now.

Pat: and those rates would be in place for about 15 months

Allissa: yes correct. And this is what we want to take place in 30 days and would be good until July. Or to be exact June 30<sup>th</sup> of 2023. That's what it will look like in 2023 basically it is roughly a \$3.00 increase every year.

Pod: should we be going out and getting more water start ups and turn ons and housing and all that  
\*inaudible\*

Mary: Yes, we have quite a few annexations in the works and the more we have the better average for all of us. Whitehall is growing just like every other place.

Pat: and what's going on up by the air park, they are not in the town. They are not part of the town.

Mary: if you are thinking of the affordable housing area, yes they are in the town but if you are thinking of the airport they are part of the county.

Kory: we are annexing part of Skyline Dr back down to first. There is a full block down there that we are adding a water and sewer line. It will end up being around 17 building lots and 4 or 5 structures now. We are trying to grow as much as we can.

Bill: and this treatment plant is designed to be able to take the addition. That is the whole point.

Pod: that is a good point too, to make sure that it is large enough to take that.

Bill: yeah, we talked at that right at the beginning. Kory was really good at getting that figured out.

Pod: you look at the valley down here by the railroad. I remember when it was 10 years ago like this  
\*inaudible\*

Allissa: This is really the end of my presentation. I am just trying to get the facts out there. If there are any questions for me, I can answer them. Or Kory.

**Colton Anderson gave presentation at 7:00pm about the overall community development needs for public facilities, economic development, and housing needs.**

The Whitehall Town Council held their regular meeting in the Council Chambers at 207 East Legion Ave, Monday, April 11<sup>th</sup>, 2022.

**PRESENT:** Council Members: Katy James, Bill Lanes, Pat Peterson, Linda Jung, Roy McBride, Treasurer Allissa Christensen, and Mayor Mary Janacaro-Hensleigh.

**VISITORS:** Kory Klapan, Joe Granvold, Ron Jung, Liz Pullman, Pod Moriarty, Lee Good, Jason Good

Mayor Mary Hensleigh called the Council Meeting to order at 7:30 P.M.

Roll Call was taken. All members present.

The Pledge of Allegiance was recited.

**IV. AGENDA APPROVAL:**

*Pat motioned for approval of agenda, Roy second*

*Motion passed unanimously*

**V. APPROVAL OF MINUTES:**

*Roy motioned for approval of minutes, Linda second*

*Motion Passed unanimously*

**VI. REPORTS:**

Mayors Report:

Mayor Mary: I would like to report that Spring Clean is coming up the week of April 26<sup>th</sup> through the 29<sup>th</sup>. The High School kids are invaluable and going to help clean up the Town. The Freshman start on Tuesday morning and then the Sophomore/Juniors on Wednesday and Thursday and then the Seniors do all the heavy lifting on Friday. If you have anything big that you need picked up, you need to call the Town and we will get you on the list to get that done. The Mormon Youth Group has volunteered their time if you are a senior citizen or someone that has mobility issues and needs help, they are more than willing to help clean your yard. You just need to call the Town and we will put you on their list and they will whip you into shape for the Spring. It's a very generous offer and we really appreciate it. This is a great time of year to get the Town all spruced up. Whitehall winds are very vicious. They knock over trash cans, we always have trash flying all over. We pick it up all year long but this is our big Spring Clean and it is always very successful. We got a letter, Dear Whitehall Town Council, we are invited to the Black-Tie Blue Jeans Auction. This is held May 21<sup>st</sup>, starts at 5:30, its at the Copper K Barn. It is always a great time and you are all invited. If you are interested in going just let me know, I have the form to fill out to get your tickets.

Attorney Report:

No Report

Clerk / Treasurer's Report:

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Allissa: For court, we have several pending citations. I have two trainings scheduled, the first one will be next week, Tuesday, Wednesday, Thursday. That is for Court Clerk School so I will be gone those 3 days. Because of that, and my next training, which is for Clerk School which is the first week of May, court will also be cancelled then. We will have a month where we will not have court, but we will resume May 18<sup>th</sup>. I was successful in receiving a grant for playground equipment from the Dennis and Phyllis Washington Foundation. It was for \$20,000.00 and they will also give us another \$20,000.00 next year if we can match it. Quarterlies were completed and submitted by Jessica. It can be a complicated process but she got it and did awesome. Kennedy has been keeping up on claims and answering the phones, all the day to day stuff. They are doing really good. My most recent task is, I have to begin reporting on our ARPA funds. We have not spent any yet but the Feds want us to report on it and it is surprisingly complicated! That has been a long process and other Towns are struggling with it too. I confirmed because I thought maybe its just me but everyone else is struggling with it too. Other than that just day to day stuff. Court has picked up a lot, so, that is good. If anyone has any questions, my door is always open. If rumors fly, come ask here first, okay!

Mayor Mary: Tell the about our exit interview.

Allissa: We finished the Audit and we had an exit interview, which is standard procedure when you do an audit. We did really well!

Mayor Mary: They had a hard time finding anything that they could fault us on. Best exit interview we have had in years. We felt quite pleased with that.

#### Public Work's Report:

Kory: I'll start with water. I'm going to take samples Wednesday. I haven't done them yet this month. We had a water leak on Viella that we fixed last Wednesday I believe. It was a corporation cock on the main. Ron and I did go to water school in Great Falls and got CECs. Sewer sampling on Wednesday. Sewer lagoons are coming up, water levels 1 are 4.75, cell 2 is 5.5, and cell 3 is 7. That is looking better than what we were doing in the past couple months. The sewer main extension across Legion Street has been sent to DEQ for them to approve it. The water T, for the water main split, we have received back from DEQ and is approved. We are working on now sending that annexation on Skyline Drive to DEQ. It will be about a 30 – 40-day review on that. It hasn't yet gone but we are close. Streets: we filled pot holes last week on Division Street and some around Town. Don't forget this Millings Project. It is still on the table for June 1<sup>st</sup> for Yellowstone, Paul Gulch, and Viella. Cemetery: we did have 2 cremation burials. We did mow and vacuum the Cemetery and Park. So, its ready to go. We fixed the sprinklers on the Cemetery. So far this year we have put out 7 loads of weed spray and we have had 17 locate tickets.

#### Fire Chief's Report:



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Joe: our calls last month were, 1 city, we had a gas and odor call. We had 2 fully involved semis on the rural side, two jack-knives, 1 passenger car roll over. 4 wildfires that totaled 7 acres. One passenger vehicle vs deer and multiple wrecks last night. YTD calls is 49. On the last 11 calls last month, we have 28 hours per member that attended. We have a lot of man hours into all these calls we have been going to. We've gotten 3 sets of turnouts ordered, one from the City, thank you for your support, and 1 from the Rural, and 1 from the Town Pump that gave us a donation last month. We received our new SCBA's which I will go over really quick. (Joe does demonstration on how the SCBA's and masks work) I just want to address that I am still the fire chief for Whitehall and Jefferson valley. Fire fighter training one is complete. Most of our fire fighters put in 72 hours of training over the last 3 months. That is a lot of training hours plus the calls. I just want to let everyone know how much time and effort people put into this. We are gearing up for the Whitehall Fire Dept raffle for the pancake breakfast. We have a 30-gun gun safe, a camp chef pellet BBQ, a 300 Winchester magnum gun, and a 2 nights dinner at Chico for two people. Those will be the prizes this year. We are holding that as the thousand tickets. They will be \$10 each or 6 for \$50. You can contact any member or city hall and someone can get ahold of me if they want to buy some. We are also looking into buying some rope rescue equipment with the fundraiser money. With both passes we have it is a needed thing and with the money we raise, that is what we are looking at buying. I want everyone to keep in mind, all fires except for camp fires that you have in your yard. Other than that, any debris in your yard you need to have a burn permit and if you don't have a burn permit you will probably get a ticket.

Roy: can you burn now, Joe?

Joe: yes, you can burn. Burning is open, you just have to have a burn permit. On windy days, if I know the wind is coming up, I shut it off through the county, and it will shut it off through everywhere. They won't let you activate a permit through the state, but if I feel it is okay to burn, they will let you activate the permit. If the state says that the wind isn't right or something and you're going to have stagnant smoke, they won't let you burn either. There are a couple different aspects of that.

Katy: Do you have a way to advertise that you have shut down for burning other than Jefferson County doing it?

Joe: I try to put it on our Facebook page. The biggest thing is activating the burn permit. If you go to activate the burn permit, you'll know that you can't get it activated. I will try and keep it posted on the Facebook page. We've been getting a lot of likes on that. Any more questions?

Mayor Mary: I just wanted to announce that after our last council meeting, the next day we met with Joe and the Rural Fire Dept. It was a great meeting and like most situations, on both sides we had communication issues. We are working on those. We are going to be having a joint meeting on the 28<sup>th</sup> at 2 pm with the Rural Dept to work on the upcoming budget. It is very helpful for everyone to meet and have a better understanding of each other.

Sherriff's Report:

No report.

Commissioner Report:

No report.

Committee / Board Reports:

Planning Board:

See minutes

Recreational Complex Board:

No report. See Minutes

Pool Board:

See minutes.

Trees, Parks and Cemetery:

See Minutes

Water/Sewer/Garbage and Streets/Alley/Sidewalks:

See minutes

T.I.F.F:

See minutes

CTAC:

No meeting

**VII. Public Comment:**

Pat: I live in Ward 1. Recently there was and RFP (request for proposal) put out about the possibility of a park area in the Valley View Subdivision being donated and multiple unit housing being built. Rumors are running around crazy, like it's already been sold and its going to be low-income apartments or low-income housing development. People are up in arms about it. I have had many calls from people in my ward. I just want to clarify; the RFP is an investigative tool. Give us an idea and we will investigate this. Everything has to be done in the open, it's not going to be hidden, it's not going to be decided in private and then all the sudden a building shows up. The stakes are up there because we had to get it surveyed before we could request proposals from private individuals, from developers, whatever. It is in the very early stages. Nothing is set. It has not been sold. We aren't planning on turning it into a slum area as some people are saying. I just want to make it clear that anything that is done up in that area will be done in plain view. There will be public hearings. Everybody will have a say. I have had many,

many calls. I had even two more today. We are not trying to hide anything. This is going to be done in full view of the Town. The neighbors will have their chance to give their comments and concerns. I will listen to anyone that wants to ask me about it. All of us would. It is not just affecting ward one, but all the wards. I just wanted to ease peoples' minds. That you will know about it before it happens, before its decided.

Joe: not for the fire dept but for Mount Horizons Subdivision. For the Planning Board, I'm usually working and I can't make those meetings but as far as I understood it. When that project started up there the homes were supposed to be completed with yards, and fences. There were supposed to be a complete package. That is not the case. There are some houses up there that the weeds are 3 foot high all the way around it. People don't take care of their properties up there, junk vehicles. My concern is I am not in the city but I am right on the border of it. Those kinds of homes that aren't being taken care of devalues every body's place up there. That was one thing that they promised us, that they would be done a full package. It would be done from the nice house, the nice yard, nice landscaping, fences. I don't know if that was ever written down but I wish the planning board would look into that before we would grant any more houses being built up there and to get some of the houses already there to get that taken care of.

#### **VIII. Consent Agenda :**

##### **Planning Board:**

##### **Development Permits:**

Billy and Katheryn Shelton / new structure / 7 N A st.

Steve Warmoth / new structure / 300 S Division

Brenda Sue Hartford / addition to existing structure / 8 E Viella St.

Keith MacMurdie / addition to existing structure / 208 N Noble St.

##### **Event:**

Walk n' Talk Fun Run PTSA May 14<sup>th</sup>, 2022 @10am

Reception Sandy Yakawich June 11<sup>th</sup>, 2022

*Katy motion to approve consent agenda, Linda second*

*Motion carries unanimously*

#### **IX. PRESENTATIONS**

**TSS – Plan to extend fiber internet**

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Jason Good: we are here to give you a presentation about extending our current fiber optic to the rest of Whitehall. We have been an internet provider in Jefferson County and Whitehall for almost 20 years.

Lee Good: Tonight, is kind of a good example of why we are wanting to do what we are wanting to do. As you can see outside it is snowing and it starts to blow, the snow starts sticking to the dishes and pretty soon you don't have any internet. We can't supply any internet. We had one year where it snowed and filled the dish up at the blue water tank and there was no way to get to it to clean it out. We had to wait until it melted. That is why we would really like to have fiber internet all the way through Whitehall. We feel it's just a big improvement for the Town. We've been thinking about this for a few years. In 2017, with the Town's permission and the Planning Board, we installed and experimental fiber into the home system along First St. in Whitehall, to see if we could accomplish it using local contractors and local resources. It really has been a successful venture. You really don't hear much about it because we haven't tried to expand it. We were just trying to do an experiment and what we learned with this experiment is we couldn't go any further on our own. We needed outside resources. We did as much as we could but to be able to provide everybody with fiber but we need some outside help. There are grants available, there's plenty of money but that is causing some problems too because everybody is trying to do everything at the same time. On our experimental system we have users on it right now businesses, schools, residential, library, those kinds of things. I would say it has been an extremely successful project. I don't think we have done anything to repair the fiber itself or the fiber into the home. We have had a few routers we have had to replace but the fiber itself is perfect. We have been talking to some of the people that have been using the fiber now and getting some letters of support to go along with the grant submission. We are getting really good letters of support and I think that's a good sign. We are a small company compared to others out there who want to put in for the grant and it is not an easy grant. We are doing the best we can but we started late. I think we have a plan to at least get us a submission and we don't get thrown out. The one thing about fiber that is probably more important than anything else is, number one, it isn't affected by weather interference, things like that. The biggest thing you have to worry about is what they call backhoe fade, where a backhoe catches the fiber and it breaks it. We have tried to design ours in such a way that if that did happen, we could fix it easily ourselves. We have conduits for everything. All the way to the homes that are connected. We have designed it in such a way that we can add more homes as they are needed because we couldn't afford to do everybody's home for free. We did have a charge for that to start with to carry it from the street to the house. Fiber is unlimited in capability. I don't think that anybody has ever been able to design a piece of electronic equipment yet that can pulse light faster than the fiber can carry it. We are talking terabits of information. Its really future proof technology. Which is pretty unusual. Most technologies, you are lucky if they last 5-6 years and then something else replaces it. Every year we wind up replacing our current system equipment. You can't get ahead of it. The nice thing about fiber is because it is unlimited in bandwidth, all you have to do is change the end pieces, you don't have to touch the

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fiber. We can buy fairly inexpensive end pieces, a light source and a receiver that is surprisingly inexpensive for carrying almost a gigabit of information. The system we put in we could actually measure over 850 megabits at places throughout the system. Like at the Borden's hotel, where we actually demonstrated where we did 850 down and 850 up. That is practically a gigabit at a thousand. Like I said, it's unlimited once we put it in and once, we get it to work and get it connected to houses it should last a long time. We should just be able to keep upgrading the equipment. This equipment goes down in cost we can do that pretty easily. It's also known for reliability. One of the things that we have a lot of trouble with is the wireless equipment, it is constant effort to keep it up. It's a full-time job, maybe a two-person job, to keep the system we have now up. We go all the way to Willow Creek for the school there it keeps us really busy. We have talked to a lot of people at conferences and they say its kind of like the old Maytag washing machine they had, it just doesn't break. The people that put fiber into towns and rural areas, it is almost perfect. You hardly ever have to do anything. Its more customer equipment that gives trouble rather than the system. Of course, weather and interference, we get weather like this... and what happens is you get reflections of radio waves low and what happens then is we all use the same frequencies, Manhattan, Three Forks, Butte, it's called knife edge refraction. (Lee demonstrates the wave lengths) In fact you can hear it on the local radio station, 106.5 at the fire station, you can get it in down town Butte. How can that be? What happens, is the mountain top bends the wave and you can get the frequency. Same thing happens with the internet. Our internet frequencies also bend and we also find that there are times where interference is bad and you can't help it. There is nothing you can do. The fiber is untouched by all these things. We are hoping that we can get the entire Town of Whitehall with fiber down the streets so we can then connect any house that wants to use it. We figure that there will be a few early users and there will be constant growth after that.

Joe: Will anyone not in the town of Whitehall have that?

Lee: Close to Whitehall will benefit from it too. It's like the Willow Creek school for example. We took the closest fiber connection we could find to the Willow Creek School. It was 7 miles and they have 100 megabits. There is new equipment that is called 5G that is fairly reasonable but it is only good for short distances. We are looking at being able to take and go from the edge of the town where we have fiber to and using the millimeter wave to go maybe another 2-3 miles.

Jason: We do plan on going into Sky Park with this.

Lee: Here's kind of what we have laid out on the map. You can kind of see what we want to be able to do and then help as many people as we can with it after it's in. We will try to the dense areas first and then slowly pick up the others that are further along the way.

Pat: what kind of time line are we talking about?

Lee: That's and interesting question. What we would like to do is, if it were our choice, we would be out there as soon as it dries up planting fiber but like he's seeing his

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business over there and everybody wants to do it because of money. There is money out there and there hasn't been money before. Everybody is going to try and do the same thing at the same time, same materials, and the same people. We have one advantage. We are using local people. We have done it before. We know how to do it. We don't have to bring a splicing crew in. We did everything because it was a conduit system with everything cut to length and pre-formed before we ever got it. We hope that we answer your question. If we get an award in maybe September, that we could maybe start as soon as we get fiber which will be 27 weeks or so.

Pat: to do the whole town?

Jason: No, that's how far our parts are out.

Lee: We couldn't start until we had our parts. That's what is frustrating about this. That's why it's already a problem, getting materials. We are hoping that we get this thing in, we don't get thrown out right away and then probably order fiber because we won't have to pay for it until it comes, which will be 25 weeks or something like that. Then we would be hopefully ready to start at that point. We will do it in phases. To really answer your question, we are talking at least two years to finish it up. I would like to do it quicker and if we can we will.

Liz: Are you with airgrids?

Lee: No.

Liz: Because airgrids came in last month and said you were with them. Could you clarify that? Is there two competing?

Lee: We are now competing. What happened was we talked to him but we really didn't agree to anything. We explored all options to do this. He's doing more, we think, a regional project. He's talking about Dillon, Butte, Whitehall and it is a lot larger project than what we are talking. We are talking just Whitehall. We want to just get Whitehall done. We started it and we want to get it finished. Ours is a lot smaller.

Liz: Is it two different sets of fiber or would you go off of his?

Lee: Probably what will happen is one of us will get awarded and the other one won't. That is the challenge. Can we provide a proposal better than anyone else? Or are we going to find that they award both and then what do we do. Maybe we work together somehow, I don't know. We will cross that bridge when we get there.

Allissa: I will shed some light on this. He called today and he cancelled, obviously he is not here. His words, Dillon is wanting him to do more work and he kind of left it as if we want services from him, we can reach out to him. That's where it was left.

Lee: I think he's actually, maybe, pulled back.

Liz: I was just trying to figure out...

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Lee: Yeah, we were kind of surprised on that one too. The idea is right but a regional project takes a lot more time. Really our whole premise is that people need better internet now, right now, today! Not 5 years from now. That's how long these longer projects are going to take. It's been proven. Bozeman got one a long time ago and it was only supposed to take a couple of years and I don't think they are done yet. We were in a house the other day that had fiber laying on the ground going through the yard to feed it. You kind of wonder if they ever did get their project done. Its going to be exceedingly hard because we have inflation going on which is almost run away. We placed an order for \$25,000.00 in conduit in hopes to get it started. We were 4 days late on getting the order placed. They came back 4 days later, the same order at \$39,000.00. From 25 to 39 in 4 days. These are going to be bigger projects that take longer. I don't know how they are going to put in enough money in the first grant to make sure they covered for 3 or 4 years. We want to get it done quick.

Linda: I have a couple questions. On your diagram, the green is where there is fiber? And you serve how many houses?

Lee: Yes, we serve about 20 houses

Linda: Are any of those businesses as well?

Jason: Bordens, library and the school.

Linda: They are all liking it I take it?

Lee: oh yes.

Linda: My next question I have is, you say 5 years for a bigger project, and you think in two years?

Lee: we are hoping for two years, but we are only concentrating in one area. We aren't trying to do 3 different areas where we are moving equipment.

Linda: When you say concentrating in one area you mean Whitehall?

Lee: Yes Whitehall.

Jason: The town of Whitehall. Not just one area.

Linda: and you have taken this almost to the cemetery if I read this right?

Lee: Yes

Linda: and you will continue on with that direction?

Lee: Yes

Linda: on your map under the red stripes, I see second street expansion and into the commercial area. In the orange, where it says Rocky Mountain Dr Subdivision. You don't have Cindy Ln on there right across from Rocky Mountain Dr, highlighted. Is there a reason for that?

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Jason: So, we are going to have two legs coming up to these

Pat: It doesn't have to be in every street?

Lee: no, no we have places already that we are crossing over into the next street. Whitehall has some pretty unusual alleys that cross in the middle of the street and we've gone on some of those. For example, Wheelers have internet and they are not on First St. They have fiber internet.

Jason: Plus, the school

Lee: Its hard to draw, we aren't sure how much.... We may not ask for, in the grant, to do above the interstate at the moment. We may do that with the 5G equipment instead. Crossing the interstate for a small company is going to be...

Linda: Expensive

Lee: Well, politically, impossible or very lengthy. It could be something we might start if we can get help with that. Maybe there is some ways that we can find that we can work... I read an article today about running internet through water pipes. Actually, putting a glass fiber through the middle of a water pipe. So, I though hey I thought about that a long time ago. Why couldn't you do that? I mean its not going to pollute the water any. Sure enough, there was an article today about a county or town doing exactly that. Is to not dig up the streets not do anything just flush it through. Where's Kory? He might not like that idea. But it's a thought we have to cross though it would be very expensive. I'm kind of afraid to try that, we decided to be on the cautious side just to get these done and do as much as we can.

Linda: when we put the fiber in you will be tearing up the roads.

Lee: Yes, we will

Audience member: drill it!

Lee: well that comes with an interesting story we did that all the way down the alley, I think, behind Legion. They drilled through everyone's sewer pipes on the way and filled them full of mud because the drill pumps mud. It was 2 or 3 or 4 days later they realized their toilets couldn't flush. I don't know how many of them they went through but there is a couple of them. You never know.

Audience member: \*inaudible\* all these places have fiber but Whitehall.... There's nothing here to put fiber on.... Fly by night internet company..... It's not dependable from what I've experienced.... We know where he is... call him up and say.... There just isn't enough copper in for it to work.... I quit working at 10. We should be supporting this local business.

Mary: Airgrids was on the agenda to do a second presentation but as Allissa said they cancelled and they are not here.

## **X. Unfinished Business**



A. Council determination on employee pay scale. Tabled.

**XI. New Business:**

A. Council determination on Resolution 2022-4 water rate increase

Roy motioned approval, Linda second

Motion carries unanimously

B. Council determination on Resolution 2022-5 Sewer rate increase

Pat motioned approval, Linda second

Motion carries unanimously

C. Council determination on Resolution 2022-6 garbage rate increase

Roy motioned approval, Pat second

Motion carries unanimously

D. Council determination on putting together a non-exclusive Resolution/agreement allowing internet companies to install fiber throughout the town of Whitehall

Katy motioned to discuss, Bill second

Kory: some of my concern has been with this today, I discussed it with Mary. If we let all these internet companies come into our town to put fiber wherever they need. Well, if we have a water break, I am the one digging around all these different fiber connections. So, there is two ways to look at this. We have to either restrict how many internet companies can put fiber in our town or the town could figure out how to apply for grants and put in towns conduit and then lease spots of this conduit back to the internet companies. The county was kind of going that direction for a little while. I don't know if they still are. It would compile all of our fiber into one ditch. I'm just concerned about fiber running everywhere. If you have 4 different companies putting fiber through the town of Whitehall, all competing with each other, we got a lot of fiber going everywhere.

Linda: My concern is, you (Kory) and I visited earlier this week, if we have all this fiber how do we keep track of it? How do we keep track of it? We have to kind of have some sort of plan.

Kory: Yeah exactly. It's going to cross into my waterlines, my sewer lines, I mean everywhere. Every time you dig, it costs the town money to have to go around. The way I see this is if we do not restrict this somehow, its going to be a nightmare.

Linda: and we are congested in an alley.

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Kory: yeah, First Street alley you can't let anything else down that. It's crazy. If we ever have to dig up that sewer line in First Street alley we are in trouble. Its just a thought. I don't know how it would work. I haven't penciled it all out. It is an expense for the town to pay for that conduit. You could get revenue back off of it by leasing it out to the user but it would just clean everything up, or somehow restrict. We can't just invite every internet company to put fiber in our town. Keep that in mind.

Pat: what is the purpose of this ordinance that we are looking at?

Allissa: that was an example from Billings. I also attached the emails of talking to them and the process they went through. Those were just examples. This is all new to me and I can discuss more with Ed on the possible conduit and leasing out.

Linda: can we look into the cost as to what it would cost the town to have it all so we could lease it out.

Kory: I do have a pretty good cost on the loop of the water treatment plant. That cost is going to be about \$80,000.00. That will give you kind of an idea. That's from here to Division St well, to the Rec Complex, back to the Fire House well. It is quite expensive. But I don't know how you regulate it. An internet company is not a utility so they don't have just a right to go in our alley or street access. Somehow, we are going to have to regulate it so we don't have.... I thought maybe that was a quick way to be fair and give multiple businesses a chance to supply fiber to the town of Whitehall.

Mary: This motion is just the first step to allow us to move forward. We will bring it back the next council meeting. We will talk to Ed. We will have more information. Its just a first step so we can move forward with this. I thought Kory's (idea) was a good one.

Katy: do we need a non-exclusive? Isn't that the word that....

Roy: isn't Lee the only internet?

Mary: you can't discriminate.

Katy: suppose they had to provide a proposal about what they even offer? That will tie you into with that person if they come up with a good proposal. I'm sure Ed can answer that question as well.

Mary: Yeah. This is all new to all of us.

Kay: that's why in the minutes we suggested doing an RFP on it just because we do have other people that do want to do it. Wouldn't that be a better way to open the door up rather than saying okay come on in folks. I agree with you Kory. We do want to be cautious with that.

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Kory: on the other hand of that we have to pay attention to is who is actually getting the grant and can afford to do it.

Katy: yes, that is where that proposal would come in.

Kory: the only thing that would be rough with that is if we had somebody with a proposal do it and never got the funding.

Allissa: Ed made a point too that RFP's are more for equipment and stuff that is at \$80,000.00 or more something tangible than in this case it is a service. That's what he said. An RFP, again this is all new, and maybe we could table this and then next month I can research it some more.

Kory: I guess my question is if Lee is the only one that continues on this grant and is successful and he puts in fiber throughout our town, what do we have in place to a competitor that can do the same thing? and then their competitor do the same thing? and then their competitor.

Katy: with whatever verbiage that you use in whatever document you create; it would cover that.

Kory: or make it to where one conduit with supply a lot.

Katy: exactly. It sounds like just getting all of the ducks in a row to get it to protect us, the town.

Kory: yes.

Mary: Thanks Kory.

Roy motioned to table until the next meeting, Linda second.

Motion is tabled.

## **XII. BILL/ CLAIM APPROVAL LIST TO BE SIGNED BY ALL COUNCIL MEMBERS**

Linda motioned to pay bills, Pat second

## **XIII. Adjourn:**

Pat motioned to adjourn, Linda second.

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Mayor Mary Hensleigh

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Date

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Town Clerk Treasurer

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Date