

Stevensville Town Council Meeting Minutes

for THURSDAY, SEPTEMBER 25, 2025, 6:30 PM 206 Buck Street, Town Hall

1. Call to Order and Roll Call

Mayor Michalson called the meeting to order, Councilmembers Bragg, Barker, Brown and Smith were all present.

2. Pledge of Allegiance

3. Public Comments (Public comment from citizens on items that are not on the agenda)

Airel Leaster, 318 Spring Street, an update from Tuesdays comment to a situation on Spring Street we still have some questions on the sheet, but I we are very pleased by all of the work that has been done it is back up to the standards that I saw previously and expect moving forward, very pleased with that and everything looks wonderful. Everyone did a good job, and I was also pleased to have Councilmember Brown come out to our street and looked at everything and spoke to me and others in the community. Chief Boe came out and is it my understanding that he wanted to make sure that everything was good, so we did get some calls, but we missed them because we thought they were spam calls and he did not leave any messages, but he came out and chat with us, got a lot of our questions answered. It was exactly what we were hoping for and what we expect. Thank you so much for doing that. All the gentleman that came out were fantastic and worked hard as they generally do. I still do have some questions from the previous meeting; we want to thank you.

Mayor Michalson: I will address those in my executive report.

Jeff Motley, Fire Chief: we were successful in our radio grant. When it all comes together I will make sure that I bring that back to you.

4. Approval of Minutes

a. Town Council Meeting Minutes 09/11/2025

Mayor Michalson: introduced town council meeting minutes 09/11/2025.

Councilmember Barker: I make a motion to approve town council meeting minutes of 09/11/2025.

Councilmember Smith: 2nd.

Mayor Michalson: motion and a 2nd. Discussion from the council? Public comment?

PUBLIC COMMENTS

Sue Devlin: 9/11/2025, condensed minutes?

Jenelle Berthoud: I put condensed minutes to the top of the minutes if I am adding anything that was left as comment, or I have taken in there admin reports. Chief Boe police department was included in the packet and then I will just add in anything extra, I don't have to type in what he just read that was provided in the packet. That is when I condense those minutes.

Sue Devlin: there may be some people that would not have access how would they know what was actually said.

Jenelle Berthoud: they read the report, Chief Boe read word for word or number for number I am not going to retype that if it is part of that agenda packet.

Sharon Gee: why are there five weeks' worth of minutes in this packet? I am just wondering why there are so many weeks.

Jenelle Berthoud: there are only two weeks. Town Council meeting minutes for 9/11/25 and the closed meeting minutes for 9/11/25.

Sharon Gee: the agenda is showing four.

Mayor Michalson: any other comments? Seeing none, Jenelle please take the vote.

Councilmember Bragg: aye.

Councilmember Barker: aye.

Councilmember Brown: abstain.

Councilmember Smith: aye.

Mayor Michalson: passes 3-0

b. Closed Meeting Minutes 09/11/2025

Mayor Michalson: introduced closed meeting minutes 09/11/2025. Can't discuss that because of the closed meeting; public can't read those.

Councilmember barker: I make a motion to approve closed meeting minutes for 09/11/2025.

Councilmember Bragg: 2nd.

Mayor Michalson: motion and a 2nd. Closed meeting so no discussion. Jenelle, please take the vote.

Councilmember Bragg: aye.

Councilmember Smith: abstain

Councilmember Barker: aye.

Councilmember Brown: abstain.

Mayor Michalson: motion passes 2 for and 2 abstain.

5. Approval of Bi-Weekly Claims

a. Claims #19928-#19946

Mayor Michalson: introduced approval of Bi-weekly claims #19928-#19946.

Councilmember Smith: I move that we consider claims #19928-#19946

Councilmember Barker: 2nd.

Mayor Michalson: motion and a 2nd. Discussion from the council?

Councilmember Brown: claim #1993 for the sludge pumps repair kit, I see that was purchased on 8/5 did we get our two bids per the purchasing policy.

Stephen Lassiter: not in writing, but there is only one company that makes that pump in Germany.

Councilmember Brown: are we going to get our two quotes, what is the brand can you spell the name of that pump.

Stephen Lassiter: (unclear audio) nitzhe?

Councilmember Brown: claim #1994, tire repair for the airport seemed a little bit high is there an explanation for that.

Brian Germane: there are two claims associated with that. One claim was \$143.00, and the other was a credit. The actual price was \$124.98.

Mayor Michalson: any other comments on the claims? Public comments? Seeing, none Jenelle please take the vote.

Councilmember Brown: no.

Councilmember Smith: aye.

Councilmember Bragg: aye.

Councilmember Barker: aye.

Mayor Michalson: passes 3-1

Mayor Michalson: I would like to ask the council to move item number 7 in front of number 6.

Councilmember Barker: I make a motion to move items a and b of new business number 7 in front of number 6 the guest.

Councilmember Brown: 2nd

Mayor Michalson: motion and a 2nd. Discussion from the council? Public comment? Seeing, none Jenelle please take the vote.

Councilmember Bragg: aye.

Councilmember Barker: aye.

Councilmember Brown: aye.

Councilmember Smith: aye.

Mayor Michalson: passes 4-0

7. New Business

a. Discussion/Decision: Special Event Permit for Brews & Boos Brewfest

Mayor Michalson: introduced new business item a. Special Event Permit for Brews & Boo Brewfest. For the Scarecrow Festival.

Councilmember Brown: I move that we approve special event permit for Brews & Boos Brewfest.

Councilmember Smith: 2nd.

Mayor Michalson: motion and a 2nd. Discussion from the council?

Councilmember Barker: a quick little note that this is associated with the Scarecrow Festival, this is not associated with the Scarecrow Festival.

Mayor Michalson: with the councils permission, Sean Doyle.

Sean Doyle: Stevensville Civic Club. It is not associated with the Scarecrow Festival. Due to changes in properties. We will not have it this year with the Scarecrow Festival and moving forward probably not. A few changes with it, we want to move it over to Lewis & Clark Park a 21 and over event, same as Creamery, coordinate with Chief Boe and the staff, wrist bands and ID checks, those that are manning it are

SAFE certified same thing as signing off on the check list, we do not expect it to be as big a Creamery so just a couple of hundred people. Costume contest, and this will be the first of many to come.

Mayor Michalson: any discussion from the council? Public comment? Seeing none, Jenelle please take the vote.

Councilmember Barker: aye.

Councilmember Brown: aye.

Councilmember Bragg: aye.

Councilmember Smith: aye.

Mayor Michalson: passes 4-0

b. Discussion/Decision: Twin Creeks Phase 3 Extension Request

Mayor Michalson: introduced new business item b, Twin Creeks Phase 3 Extension Request. (read the letter from Twin Creeks, provided in the packet).

Councilmember Bragg: I move to accept Twin Creeks Phase 3 Extension Request.

Councilmember Smith: 2nd.

Mayor Michalson: motion and a 2nd. Council discussion?

Councilmember Brown: I will need to abstain due to me conflict of working for a title company.

Max Wolf: thank you, it has been a pleasure working with the mayor and the town so far we look forward to working on phase 3 with you guys.

Mayor Michalson: any further comments from the council or the public, seeing none, Jenelle please take the vote.

Councilmember Smith: aye.

Councilmember Barker: aye.

Councilmember Brown: abstain.

Councilmember Bragg: aye.

Mayor Michalson: passes 3-0, 1 abstain.

6. Guests

a. Bobbie Shular, Montana Rural Water Systems

Mayor Michalson: introduced Bobbie Shular with Montana Rural Water Systems. We have had a lot of misconceptions and a lot of concerned citizens since we raised the water rates last August. There has been a lot of things flying around as you are aware and I am going to come out and say it; the other candidate is running on lowering the water rates. So, we are going to get the facts out here and let the public decide for themselves.

Bobbie Shular: thank you for inviting me back to your system. Once again I am impressed by the team that Stevensville has put together, both in your administration and public works department. You have some excellent people working with your system. To reiterate the rate analysis that we did about a year ago. When we do that analysis we break out the loans on the system both water and sewer, we make sure that there is enough money set aside in reserves to service those loans in case of a catastrophic emergency events, we look at the total costs of operations and maintenance, everything from salaries to paperclips we look at the total number of services and put that into the spreadsheet. That spreadsheet then will tell us down to the service each equivalent dwelling unit, what each service needs to be collected per month to be able to continue to operate that system and pay the bills. MCA codes 7-13-4301 specify that municipalities (1) the rates have to be fair and equitable (2) there has to be enough revenue coming in to be able to pay the bills. The councils are required to review their finances at a minimum once a year up to once a quarter and it also says that they have the authority to change those rates to ensure that the expenses that are generated are being paid for. The analysis ensures that the rates being raised to, shortly before the meeting I was speaking with Mr. Underwood and the two things that I always like to pay attention to are power and chemicals. I asked Mr. Underwood about those expenses and how much they have changed since last year since the last rate analysis. Did you want to share some of those figures?

Robert Underwood: the three highest salaries, utilities and chemicals. The analysis that we did, sewer had gone up \$34,000.00 and the water had gone up \$32,109.00 in two years and in those three areas. Those are our biggest expenses in the system right now, that is a total of \$80,800 increase in those three categories.

Bobbie Shular: I also spoke with DNRC earlier today, and one of the things that concerns me is the cost of power and it just keeps going up and up. Speaking with DNRC it was a subject that came up and there is a rumor on the horizon it has not been fully developed yet, but there is talk about putting together a program that may

possibly help finance solar panels for certain processes that are using power to help systems lower the amount of power that they have to pull off of the grid and also help them lower their overall costs or at least keeping it from skyrocketing costs. Those are the things that I have in addition to. Does anyone have any questions.

Councilmember Barker: so, I am seeing across the board several towns that are having the same issues that we have had with the increased water and sewer rates.

Bobby Shular: it is a very hard thing to deal with right now. I think that you need to keep in mind that we had 16% inflation four years ago, 18% inflation three years ago, I did not see the last breakdown, but it is a total of 40% inflation over all costs throughout the nation, that \$70,000.00 raise that you are seeing in those areas is that inflation kicking in. Unfortunately, we have to continue to bring in that revenue to continue to pay the vendors. So that services can continue to be provided. One of the standards that the united state has set is when the water comes out of your tap is that it is safe to drink. There are some places that have water coming out of your tap, but you will not drink it because it is not safe. With that there is a cost associated with that.

Councilmember Barker: what would be the chances that we would be lowering our water and sewer bills.

Bobbie Shular: in order to lower them your expenses would have to go down, and there is always research going on and there may be an avenue in the future that may help, I don't want to be too optimistic and say lower the power bills but maybe keep them from skyrocketing like they are. That is an avenue, one of the things that is contributing is the cost of chemicals going up is the expense of producing chlorine is the number one chemical is the disinfection of water. The cost of that skyrocketed there were changes in the way that chlorine can be produced there are restrictions on the way that chlorine can be produced that contributed to the cost of production going up and that is part of what is going on with that. If there is a way to help produce chlorine at a lower rate or cost that could possibly translate into lower costs. As far as, those are the two specific things that I can think of, your people are constantly looking at and following up on anything that could help the system lower costs, and we did discuss some of that before this meeting.

Mayor Michalson: could you answer about the bond debt and when you reach a certain threshold.

Bobbie Shular: so, I do not recall when is the bond, payoff is still far out in the future it had to be calculated in the rate analysis. That is something that I ask in the

analysis and the payoff date. And for this system there is going to be a bond that is going to be paid off.

Gina Crowe: the ^{closest} ~~closest~~ one is 2040, then 2051 and 2054 and 2056.

Bobbie Shular: so, the organizations that work on grants and loans work hand in hand, it does not matter if you are going with SRF or Rural Development all that language says that the system has a responsibility to ensure that there is enough revenue collected in order to service those bonds and loans. We also have to set aside a certain amount to address emergencies and also to anticipate future capital costs; equipment, replacement, infrastructure replacement and from what I understand you brought up the fact that Stevensville is one of the oldest communities in Montana and you infrastructure is one of the oldest in the state. Unfortunately, infrastructure has a life span, and yours is coming close to being at the end of its life span. That means that there is going to be additional repairs I do believe while doing leak detection we have a few leaks down, one of the things that your public works department has been working on fixing those, and every leak fixed that translates into power and chemical savings. That is water that is being delivered to the customer treated and then being lost. They are still doing an investigation, and it looks like the reservoir may have some issues under the cement and that is something that they are going to look at and move forward. Whether you choose to replace the reservoir or fix that issue neither option is a cheap option. They are going to be expensive; the discussion will be what option is best for the system.

Councilmember Brown: so, I don't know if you drove around town and say how many yards are bone dry are brown, and people can't afford their water bills and sewer bills. Mine was \$200 more all summer long and I had terrible dry burnt spots here the grass is dead, it is to a point that you have to resod. The other thing is, isn't there a way that we could work with you to try to figure out a way to help with the cost for the people to pay their bills so that they can actually afford them.

Bobbie Shular: that goes back to your expenses and when we did the analysis we knew how much was being spent until some of these power costs take effect that is the only way for you to lower your expenses. What you are going up against is the MCA code that stipulates that water and sewer has to be self-supporting. That means that your revenues coming in have to be sufficient to pay the bills. And with that issue it is tough issue, and this is not an easy issue, there are laws and stipulations in that paperwork and different financials that you have to show, in reserve accounts and with the budget that you are being financially responsible. If those institutions feel like the system is not taking it seriously they may have to look

at ways for the system to take it seriously. Your team has done a great job maintaining that paperwork to show that the system is taking that responsibility seriously and it is very unfortunate that people are not able to water their lawns because of the expense.

Councilmember Brown: we have influx of people moving out of town because they can't afford the water and sewer bills in town anymore. We are losing population, which cuts our taxes down. We have to come up with something it is going to have to be a discussion point. The other question that I have is what is the black stuff that is coming through our water system it is in our sinks and toilets, and you scrub, and you can't get rid of it, like an oily substance to the point that my sister from Wyoming won't even drink our water in town.

Bobbie Shular: that sound like manganese, that is the exact characteristics of manganese. It is the geology of your water. You can add polyphosphate to it, but that is another expense, and it is not cheap. Going back to the loss in population because people can't afford the water bills we can actually expand that into a larger question and people can't afford their homes right now, their property taxes, living expenses in this state, no matter what area you look at, the expenses have exploded. I was looking at an article the other day that said housing costs in Montana have gone up by 1,310% what we are seeing in the water bills it is effecting everything across the board.

Councilmember Brown: one more question, I am not sure how we calculate our sewer during the summertime, is it calculated on the number of gallons the people are using.

Andrena Case, Deputy Clerk: the sewer is a base rate, based on the size of the water line.

Councilmember Brown: so, it is not calculated on the number of gallons use in the summertime, thank you and that was one question that I needed answered.

Mayor Michalson: any other questions from the council? I have a question, Andrena could you please let the public know the last time that we had a rate increase before this last one.

Andrena Case: in 2019. November 1, 2019.

Mayor Michalson: and what was that.

Andrena Case: \$31.14 for water and \$51.90 for sewer.

Mayor Michalson: I think that it boils down to the town has to make a decision, I pay the same rate like everybody else, we are homeowners. We have to make a decision, do we want to build for the future of Stevensville or do we want to have green lawns. We can have green lawns but when you are leaking 11 million gallons of treated water a month chemicals going into the ground and the oldest aging infrastructure in Stevensville then we have to make a choice and I think that it is very important, all we have been doing is playing catchup. The water and sewer rate increased last August we were just playing catchup. That is all that we were doing, and now we have a capital asset fund so that we can start fixing our leaks and building our grant to do a new storage tank and it is all going to cost. I really think that the town should think about building for its future, along with Cindy Brown right now there are a lot of people asking if there is a way to lower the rates, we have to do something. My only answer to them is you have a choice in Stevensville we can buckle down and live with the current rate and build for the future, fix our leaks and put a storage tank in, keep our employees trained and moving forward or we can just have green lawns, that is the choice of the town. We want to build for the future or look good for the people that are here. Any questions from the public for Bobbie?

Pat Groniger: kind of funny that I hear on the streets, and it has to be true if you hear it on the street. There are a lot of threats, accusations, concerns about this and that, the bottom line is no one person is going to fix it, not one of us can fix it, but there is a way to understand it, inflation, cost of living, health, labor decisions. Green grass, neat paint it. It is a tough situation, and it all lies on you folks, and you sir and this team. They are not lying to you. Some of these questions could have been asked two days ago, two years ago, two years ago, you are a newcomer here. The thing is look on your own don't listen to nobody who don't understand it, I am telling you they are full of it, you deal with a lot of people all of the time. . Our police force, maintenance, parks, sewer everyone is doing the best that they can, I watch them, and I know them personally. We have heard this before, have we not sir. It is a record that just keep on going, it is about the money, expansion, cost of living, growth, people have babies, and they want to raise them in Stevensville. You do what you can the best that you can. If the rates were going to be raised so be it, the fact is if you want to drink the water pay the bill. You don't want to drink the water don't come to Stevensville. This guy right here will know if the functions drop. (referring to Sean Doyle) We have had a fight as to what town is first, if you have don't have the guts to come to this meeting don't run your mouth cause you folks do what you got to do. I hear though the grape vine it is hearsay, but I am going to say it, that there is going to be a lot of people being fired from the Town of Stevensville, I am not an attorney, that

is a class action lawsuit, yes. I am not an attorney, quit threatening people, quit holding crap over peoples heads, stay at the meeting, listen to meeting, you people are awesome, you put up with shit, you listen. If you get the council meeting minutes a couple of days earlier, read it, don't read it here, research them at home. Do your homework, get out of the seat and let someone else do it, or stay in the seat and help fix it as a team. I consider you a friend, all of you folks. All I am saying is all these questions are great all these answers are great. Wake up and get along, don't listen to some knuckle head that is saying I am going to fix that, I am going to fix that. If it can't be fixed by the professionals who does he think he is or she, it is team work not an individual, team work. If you do not have a team you know what you got.

Mayor Michalson: thank you Pat, anybody else.

Bobbie Shular: here is a point that I wanted to make earlier, and thank you for saying what you did, and it brought it back to my mind. When we were talking about whether we are talking about a town a water and sewer district it is classified as a non-profit business. When we say non-profit they get stuck on the word non-profit many people assume non-profit means that the account has to zero out, when we are talking about for-profit business the objective is for profit they are building their profits in their accounts and their business. When we are talking about the non-profit business the agenda is to sustain ability and that is what this system is working on and one of the reasons why I complimented your team, you have a great team, and they understand sustainability. Sustainability means that you have enough money in the bank to make the repairs, and you do not have to take out a loan to do the repair, and it means that you are setting money aside for the future. In this case you have older infrastructure and your team is starting to address that issue and trying to get ahead of that tissue before it results in no service because that pipe has failed and can no longer deliver that water or sewer.

Melissa Bailey: what is the end goal in site and what is our plan for what we are saving up for. Is it replacement if just fix it? is there any plan to be replacing the water system, like when you are in high school and you are saving up for your first car and you have a little rubber ducky thing and how do we know if we are getting closer.

Mayor Michalson: we are just getting started as you know we just raised our rates last August and we are a year in now and we are in the process of building up our capital assets in water and sewer and we will be able to start fixing our leaks. The leak detection service came through, one of the leaks that they were working on was Spring Street, I mentioned the storage tank, and I am being told that costs between

three and four million dollars. No way to afford that, maybe a grant but I am sure that there will be a match. They have been talking for 30 years about a storage tank. I went all the way back to 2002 and it was part of our 2016 growth policy, and we have one of the oldest dying plants at the wastewater treatment plant. Like Steve said, we are on year 25 of a 20-year life span and we are in bad shape. We were so close to losing our sewer down there and thanks to passing the budget and getting Gina on it to get the SCADA system so we should be able to get a head of this. We still don't know where all of the leaks are at. We just did Mission Street last year, \$1.8 million dollars. That was federal money with a \$780,000 match.

Melissa Bailey: for future replacements or is it all going to current repairs.

Mayor Michalson: current and future.

Melissa Bailey: is there an account that we are not spending out of.

Mayor Michalson: that is what the capital asset account is about, pays for all of the ongoing and future repairs.

Melissa Bailey: so that is one piggy bank so to speak.

Mayor Michalson: yes. I would like to add that we have a water rights issue going on and the town has invested already \$124,000.00 in water rights that we have to have. We cannot grow as you know; we have a lawsuit over our heads called Burnt Fork Estates and it is because of water rights. We have to have our water rights to bring BFE on and that means more revenue as well.

Pat Groniger: are we raising the rates on those impact fees.

Mayor Michalson: that is a complicated thing, you have to do an impact fee study you have to have commissions and you have to have a study and that takes about a year. It has been about 20 years; it is very in-depth process.

Councilmember Brown: yes, Pat that is one of the things that I asked about when I started four years ago, and we need to look at our fees. They need to be looked out and need a game plan to get some of those fees increased.

Mayor Michalson: any other questions, this is the time, thank you Bobbie.

8. Board Reports

Councilmember Brown: Park Board, they are looking, and we gave them an okay to get some more information and bring it before the council on the community garden. They have some sponsors for the garden beds, and we will have to figure

out the water for the garden, it would cost the town for the water. Going to get some more information on sponsors for the park like an adopt a park. The most important will be the unveiling of the statue at Creamery Park.

9. Town Council Comments

Councilmember Bragg: I just had a thought about some rain collection barrels for the garden.

Councilmember Brown: since we have some new people coming to council meeting can we get the cash and actual reports we have some interested people.

10. Executive Report

Mayor Michalson: I will answer some questions that came up at the last meeting. Mission Street, low water pressure issues when we did that, drainage issues. We did a walk through and found nothing else. Spring Street, we think the paving may have done some shaking and the old water lines underneath. We just did a leak detection and there were some leaks, not a lot, a couple at Creekside

Stephen Lassiter: Creekside is fine we had just flushed hydrants, a couple on Pine and College.

Mayor Michalson: we think that the ones on College and Pine could be pretty big ones. Active leaks in need of repairs, yes the amount that we are leaking tells us that we have some leaks. Repairs no, we have to reschedule. Expected repairs and costs, no because we do not know the leaks and until we find them we will not know the cost. Was the leak on Spring Street an emergency repair, yes. Does the town of Stevensville require 24-hour notice to do a non-emergency repair that may interrupt utilities.

Stephen Lassiter: I am not sure about that.

Mayor Michalson: enter private properties, no. Will the shoulder damage be repaired by the end of the year.

Stephen Lassiter: yes, by next week.

Mayor Michalson: is the town of Stevensville in compliance of all audits, yes. I did a walkthrough of Berta's Farm with Council President Brown, Chief Boe, Sarah Urfer and Tom Orr, and I will say that it looks worse than it did before. The next step is Greg to file a motion to take to the judge, we think that we have enough gathered evidence to take to the judge. Of all the things of being a mayor it is the most distressing thing; it just keeps dragging on.

11. Adjournment

Councilmember Smith: make a motion.

Pat Groniger: I want to thank Chief Boe. Great asset to this town. Great guy gifted to have him.

Councilmember Brown: 2nd.

APPROVE:

A handwritten signature in blue ink, appearing to read "Bob Michalson", written over a horizontal line.

Bob Michalson, Mayor

ATTEST:

A handwritten signature in blue ink, appearing to read "Jenelle S. Berthoud", written over a horizontal line.

Jenelle S. Berthoud, Town Clerk