

Missoula Board of County Commissioners

PUBLIC MEETING MINUTES COVER SHEET



THURSDAY, FEBRUARY 11, 2021 – 2 PM

Virtual Meeting – Microsoft Teams

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Time stamps (in green) correspond to meeting recording above. Please click to the time stamps listed to view a particular item in the meeting.

ATTENDANCE:

Commissioners Present:

Chair Strohmaier
Commissioner Slotnick
Commissioner Vero

Staff Present:

Violet Plummer, Administrative Assistant, Commissioners' Office
Kyla Lehnerz, Administrative Assistant, Commissioners' Office
Matt Heimel, Planner, Community and Planning Services
Tim Worley, Senior Planner, Community and Planning Services
Emmie Bristow, Community Engagement Coordinator, Communications
John Hart, Attorney II-Civil Division, County Attorney's Office
Diana Maneta, Sustainability Program Manager, Community and Planning Services
Jennie Dixon, Planner, Community and Planning Services

1. **CALL TO ORDER** *[Time stamp – 00:05]*
2. **LAND ACKNOWLEDGEMENT** *[Time stamp – 01:52]*
Missoula County acknowledges that this event takes place in the aboriginal territories of the Salish and Kalispel people.
3. **PLEDGE OF ALLEGIANCE** *[Time stamp – 02:05]*
4. **PUBLIC ANNOUNCEMENTS**
 - a. [Proclamation: Missing and Murdered Indigenous Women](#) *[Time stamp – 02:53]*
5. **PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA** *[Time stamp – 04:54]*
[None]
6. [CURRENT CLAIMS LIST](#) *[Time stamp – 05:34]*
Claims received as of January 28, 2021 to February 3, 2021 by the Commissioners' Office total \$883,202.86.

7. HEARINGS

a. **Anderson Family Transfer** [Time stamp – 06:19]

Matt Heimel, Planner, Community and Planning Services

Commissioner Slotnick made the motion that [the Missoula Board of County Commissioners] approve [the Anderson] family transfer.

Commissioner Vero seconded.

[Motion passed 3-0]

[Letter 2021-055 Mailed to: Darold P. Anderson]

b. **Ponderosa Heights Phase 2A Adjustment** [Time stamp – 18:49]

Matt Heimel, Planner, Community and Planning Services

Commissioner Vero made the motion that the request to adjust the Ponderosa Heights Phase 2A Final Plat and Covenants be approved, based on the findings of fact in the staff report, and subject to the recommended conditions of approval.

Commissioner Slotnick seconded.

[Motion passed 3-0.]

[Letter 2021-059 Mailed to: Shane and Kelly Hart]

c. **Cryptocurrency Mining – Zoning Amendment** [Time stamp – 28:20]

Diana Maneta, Sustainability Program Manager, Community and Planning Services
Jennie Dixon, Planner, Community and Planning Services

Commissioner Slotnick made the motion that the Missoula County Zoning Regulations be amended to add two new definitions – cryptocurrency mining and renewable energy – and to create a zoning overlay in Section 5.05 regulating cryptocurrency mining; and, apply the cryptocurrency mining overlay district countywide in the unincorporated areas of the county.

Commissioner Vero seconded.

[Motion passed 3-0.]

[Resolution 2021-016. Book: 1049 Page: 861]

8. **OTHER BUSINESS** [Time stamp – 1:28:40]

[None]

9. **ADJOURN**

Chair Strohmaier – Called the meeting to adjourn at 3:29 p.m.

BCC Public Meeting February 11, 2021 – Transcription

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[00:00:05] So I would like to call to order today is Thursday, February 11th, meeting of the Missoula Board of County Commissioners. And by way of just a little bit of housekeeping, Violet had already mentioned, if you're calling in on the phone and want to speak hit star six on your phone, that should unmute you, which would be good. If you want to speak otherwise, please do keep your phones and computers muted. Otherwise, if you're wanting to offer public comment, either during the portion of the meeting where we're offering public comment and management items, or if you're wanting to comment on our three public hearing items today, please limit your comments to three minutes or less. Be as succinct as possible. Try not to repeat comments that other folks have already offered. And also the way that public hearings will happen is that and I'll go over this again in a little bit, but we'll start with a staff report followed by if it's an item that has an applicant, the applicant or applicants representative will offer testimony or they have the opportunity.

[00:01:17] If they so choose, then we'll open it up to the general public for comment and then we'll close the public hearing and move into questions and discussion among the commissioners.

[00:01:30] Also, if you are offering public comment, please be respectful of others.

[00:01:40] This is a public meeting and we want to make sure that we are all hearing one another and being respectful of one another in the way that embodies the golden rule. So without further ado, we begin all of our meetings with a land acknowledgement.

[00:01:57] And that is to say, Missoula County acknowledges that this event takes place in the Aboriginal territories at the Salish and Kalispell. People, please join me now, if you can, for the Pledge of Allegiance. And Violet, if you could display the American flag, that would be great. And there it is.

[00:02:18] I pledge allegiance to the flag of the United States of America and to the republic for which it stands, one nation under God, indivisible, with liberty and justice and justice for all.

[00:02:40] All right. Thank you for that. It's always a challenge trying to recite anything in stereo with all of us at the same time there, but and today for public announcements, we have one proclamation, and this is for missing and murdered indigenous women. And Commissioner Varro, would you like to read this for us?

[00:03:06] Yes.

[00:03:10] Whereas Missoula County joins with Canada to heighten awareness in Montana, the Great Plains region and the United States for murdered and missing indigenous women, and whereas there is not a comprehensive estimate of indigenous women who are missing and murdered in the United States. But many factors contribute to the crisis, such as fear, stigma, legal barriers, racism, sexism and the devastating levels of violence in the US. And whereas nearly half of all Native American women in the United States have been raped, beaten or stalked by an intimate partner, and whereas native women are two point five times more likely to experience sexual assault and one in three will be raped in her lifetime, and whereas Native Americans are four times more likely to go missing in Montana than others, and whereas a native woman is more likely to die by homicide than by illness, intentional homicide is a third leading cause of death for native females between the ages of 10 and twenty four. And on some reservations, native women and girls are murdered and more than 10 times the national average. And whereas for more than 20 years there have been awareness raising efforts in Canada on Valentine's Day and murdered and missing Indigenous Women Awareness Day seek to build support by increasing awareness in the United States.

Now are four within the Missoula County Board of County Commissioners do hereby proclaim Sunday, February 14th, twenty twenty one as murdered and missing Indigenous Women Awareness Day.

[00:04:44] Thanks, Juanita. Are there any other public announcements either by the commission or by staff?

[00:04:52] Ok, see, none is there any public comment on items not on today's agenda? And if you're here to speak to one of the three public hearing items, you can save your comments for them. Then if there's anything else that you'd like to speak to, now is your chance. And if you're on a computer, please use the raised hand function and I'll call you on call on you in the order in which your name comes up if you're on the phone. I would also like to invite any of you if you have public comment on non agenda items to do so at this time. OK, see, none of our current claims list for Missoula County and these would be claims received as of January twenty eight, twenty twenty one through February 3rd, twenty twenty one by the commissioner's office, total eight hundred and eighty three thousand two hundred and two dollars and eighty six cents.

[00:05:52] And as we are so off to say in these meetings, if you are interested in more details as far as what those claims amount to go to the electronic agenda for today's meeting, click on the current claims list hyperlink and you can drill down to see everything that adds up to that. Eight hundred thousand and some change. As I mentioned before, we have three public hearings today and we will begin by opening the first public hearing. This is on the proposed Anderson family transfer. Matt Hymel, planner with Community Planning Services, will present this report.

[00:06:33] Good afternoon, commissioners Matt Hymel here with caps, so in this first hearing for your consideration is a request from Darrell Anderson to the family transfer exemption. And I'll share my screen so we can see a brief presentation.

[00:06:53] Just want to make sure that you can you can all see this. Yes, OK, great.

[00:07:01] So Darrell Anderson proposes to use the family transfer exemption in the Montana subdivision plan, an act that's a division made outside of subdivisions for a single gift or sale to each member of the landowners immediate family. So in this case, a parcel will be transferred to his adult son, Pat Anderson. And the subject property is at two one seven four nine five Weinzwieg. All right, so a subject property is about nine point sixty five acres, it's between Lolo and Florence, located east of Highway ninety three south and on the northwest corner of Chief Looking-Glass Road and five homes Weinzwieg.

[00:07:44] The property is zoned it's within zoning district thirty one and located within an area described in the local of regional planning from 12 to so the minimum lot size for single family residential use in zoning district.

[00:07:58] Thirty one is four and a half acres.

[00:08:01] And the local regional plan recommends a density of about one dwelling in four or five acres in a rural residential land use area.

[00:08:10] So the proposed ban, the transfer would be zoning compliance and the proposal is close to meeting the five five acre recommended density for the growth policy, the property. So you can see it was close to the bitter river. The property itself is outside of floodplain. Chief Looking Glass Road is subject to inundation and the one hundred year flood. However, again, the property itself is not located in a flood hazard area. The proposed transfer would result in a total of two tracts. The existing nine point six five acre contract would remain as tract to land. That would be reduced to four point seven acres an area. And the property to be transferred to the playmate's son, Pat Anderson, will be four point ninety five acres of tract one on the vacant south, half of the property that would have direct access to either five Weinzwieg or Chief Looking-Glass Road.

[00:09:07] Each house would have a individual septic and well through sanitation review with the Environmental Health Department.

[00:09:15] So any request to utilize an exemption for the Montana Subdivision and Platen Act needs to be reviewed to determine that it is to determine whether it is an invasion of subdivision review and that it meets the intent of the

exemption that is being requested. And in this case and staff review, we did know one exemption criteria that that was triggered, and that is whether the proposed division is incompatible with the growth policy.

[00:09:43] So in this case, the proposed division will split the property into two tracks that are four point seventy four point nine five acres in area, and that just slightly exceeds the density recommended by the growth policy, which is one point five acres. However, that one criteria in itself does not represent a total invasion of subdivision review. So perhaps that have to conclude that the proposed family transfer is compliant with the family transfer reservation criteria and that there is no intent to evade subdivision review. So that I do have some questions for, I believe, the applicant's representative who is on the call with us today.

[00:10:25] Is the.

[00:10:30] I am, in fact, I have I got five questions for family transfer, plain and simple.

[00:10:39] And Matt, before we get going, could we please identify who's speaking?

[00:10:48] I've Angela Patrick, Benefactor's son of derald, Paul Anderson.

[00:10:56] Thanks, Pat. Go ahead, Matt.

[00:11:01] Ok, did the owner purchase the property with the intent of dividing it?

[00:11:09] I mean, no, I'm not dividing it.

[00:11:16] Not with the intent to divide it, I want I want to live on it.

[00:11:23] And just to be clear, these these questions are intended for the claimant. We appreciate, Pat, you answering them.

[00:11:31] So I do understand that, A, that Steven amnot or someone with Eli and Associates is on the call as well as a representative.

[00:11:40] And my dad could he could come, but he had broken back. And he is elderly and he's the only one there and it's just me and him. So it's just hard for him to move around.

[00:11:51] I mean, it's hard even with his walker to move. Now he's back down there, so it's difficult for him.

[00:11:58] So so I guess, is the is the applicant's representative, though, empowered to speak on behalf of the applicant?

[00:12:10] Or do we need some sort of I'm sorry, go ahead.

[00:12:18] So if I understand today with this first question, you you'd be answering the question from the point of view of your dad, did he buy this land with the intent of subdividing it?

[00:12:29] No, he just bought it for. I grew up at six feet, like sixty eight or sixty nine.

[00:12:38] You get on with your next one. So. So hang on just a second.

[00:12:41] So this would be a question either for Matt or John Hart. What do we need to have some. It's and I totally get it.

[00:12:53] Mr. Anderson, as far as your father not being able to be with us today, but it's somewhat out of the ordinary that we would have the individual who would be the recipient of a family transfer to be speaking for the the applicant to sign a document from my dad, even just so we can so we can do this.

[00:13:20] Because if I take him dinner every night, even though it's one of those type of deals. Sure. I mean, and he's a retired retired postal valuate. You know, that light gone on. I do all of his shopping.

[00:13:33] Yeah. Thanks, Mr. Anderson. Matt or John Hart, do we have that on file?

[00:13:41] I'm I'm checking now this while I check about to note that Section eight eight one five of our regulations allows the claimant or their agents to speak on their behalf at a hearing.

[00:13:54] That's why I felt that we had not certified, I thought, and given to these guys because my dad couldn't be here.

[00:14:01] So not right now.

[00:14:04] And I'm sorry, who is who is the masked man in the blue mask next to you, Mr. Anderson.

[00:14:10] All right, Steven, have an agent, OK?

[00:14:14] Are you in power then to speak on behalf of the claimant today?

[00:14:19] Yes.

[00:14:21] Ok, that's what we need to clear up. Thank you. Sorry for the confusion there then, Matt, I guess.

[00:14:27] Do you need to ask a.

[00:14:29] The gentleman who just spoke that first question, so I need to make sure let me let me start again, I'll ask to Steve, because we do have listed as the Klayman's agent on our application, just wanted to clear that up in the first place before we get into it.

[00:14:46] Yeah, you go. Go ahead again, Matt.

[00:14:51] Ok, so again, question one, two, five. Did the claimant purchase the property with the intent of dividing it?

[00:15:00] No, he did not. Thank you.

[00:15:04] Question two of five, did the claimant or his Trent, does the claimant or his transferees intend to transfer the property within the next year?

[00:15:15] No, no, no.

[00:15:18] The sun out here is living on the property right now in a fifth wheel trailer, and he intends to start building as soon as this is approved. And he currently is operating a lavender farm on that property.

[00:15:35] If you go to Big Sky Lavender dotcom, that's my farm and you'll see all my lavender products there. And I got frozen pipes now, but I got to be here, so.

[00:15:47] Yeah. Thank you. All right.

[00:15:52] My third question has the claimants, to your knowledge, talk to anyone at the county about going through a subdivision review?

[00:15:58] No, I have not. Oh, no.

[00:16:04] Steven Abdisalam, once you're here. No.

[00:16:08] Ok.

[00:16:12] My fourth question, will the property be developed?

[00:16:16] Yes, Pat is going to do a house there.

[00:16:24] All right, thank you and my final question, will the recipient of the property be residing on the property? Yes. OK, well, commissioners, that concludes my questions and presentation are available for any further questions, if you have any.

[00:16:41] Thank you. Either Steve or Mr. Anderson or anything else that you'd like to add at this time.

[00:16:47] Well, no, we're good.

[00:16:51] Ok, well, since this is a public hearing, I don't know if the many people who are in attendance here are here for this or something else, but we'll give them a chance. Is there anyone who would like to offer public comment on this proposed family transfer?

[00:17:08] Ok, CNN will close the public hearing questions or discussion by the commission.

[00:17:14] So, Deb, if I understand it right, judging from the sound of the voice of the gentleman who's the transferee, he is well beyond primary school and he's an adult.

[00:17:25] That is always good for these family transferal. It's much easier.

[00:17:29] And if I understood our colleague Matt Hymel correctly, this is compatible with the underlying growth policy and it's also zoning compliant, which means this this family transfer has effectively scored a hat trick on three layers of compliance and should sail across the finish line. I'm trying to speak in as many cliches as I can this afternoon just to keep myself up. It's great to see it's just such a slam dunk. See, I did it again.

[00:17:59] And I know Daryl has to get going, get back to his frozen pipes so that it's better than I need to get going on that for sure, stressing me out.

[00:18:10] I never live in a perfect world until now, but if I was forced to do it, I think I think I can help you with this.

[00:18:19] I'll make a motion that we approve this family transfer and I don't mind any further discussion on the motion.

[00:18:26] See. No, no. In favor.

[00:18:29] I think their brother. Yeah. Go fix those pipes. Thank you. Have a good day. Thank you. As usual, thanks for your good work, Matt.

[00:18:40] Thank you.

[00:18:42] Matt, your work is not done, the work of a planner at CAPS is never done.

[00:18:48] So our next public hearing, which I'll open with the sound of a train horn in the background, there is Ponderosa Heights, phase two, a adjustment map.

[00:19:02] All right, Commissioners Matt Hymel, again with CAFS, and I'll go ahead and share my screen again, I have another PowerPoint to show today. So if you're your consideration in this hearing is a request from Shannon Kelly with Ponderosa Heights Apartments LLC to adjust the final plan and covenant's for Ponderosa Heights Phase two A and this request is pursued to Section six point seven of the Missoula County subdivision regulations for adjustments to final plann and related reported documents.

[00:19:43] So that proposal and the three lots of that are subject to this request, one of seven one away and one of nine Ponderosa Heights Phase two are highlighted in red on the screen. And the proposal will be to modify the no build zone as shown on the final plan and to amend the description of the no build zone in the recorded covenant's. And these combined lots total about one point eleven acres. There you go. So the applicant proposes to modify the no fly zone on the south portion of the three lots for a reduction from sixty feet to thirty four feet. And in addition, the applicant also proposes to amend the covenants to allow for the construction of carports and that modified builds on area and the area for this adjustment. The area highlighted in red is currently developed with parking any retaining wall to serve the apartments on the same lots. So that parking area is located within the current zone again and building permits, land use and zoning compliance permits were approved for the apartment complex and the associated parking area and the retaining wall in twenty sixteen that was was approved given the zoning that at the time and the retaining wall was sent through engineering review and it was all approved.

[00:21:12] However, no structures such as a car were approved and carports are specifically called out as being prohibited in the current no build zone and covenant language. So some additional history in this has to do with the zoning. So today we are talking about an adjustment to the plan and covenants, an aspect related to the subdivision review. However, the no build zone is also referenced in the North Lolas six point one three zoning district. Now, there is no zoning decision or proposal today. That aspect has all been handled from August through October of this past year. So there were two variances approved by the Board of Adjustment to allow for construction of carports from a very specific reference in the zoning regulations. However, the plan still shows no build zone. The covenants still referenced habitable zone and describe it as not allowing car parts parts. So the. Variances were not enough, so before today is the adjustment to the plan, and the covenant's history is a little complicated to explain. So if there is any explanation or questions that you will have, I'm happy to explain that. Otherwise I can keep moving out of the presentation and show what the adjustments would be.

[00:22:38] Any questions right now or she'll just continue? Continue. Please continue.

[00:22:45] Ok, OK, so here is a view of the current subdivision platform, Ponderosa Heights, phase two. This is not the entire plan. It's just an excerpt showing that this area so we're between Bridgeway and Pinyon Way. The slope is going down from Bridgeway, which is above these lots. And you can see that there was that 60 foot wide, no build zone highlighted in the red area. This is one of the exhibits that the applicant proposes to record. You can see that two red ovals highlighted where the biltong will be reduced to thirty four feet, amended by reference to this document showing the asphalt parking area as well.

[00:23:31] On the top of the screen, you can see the existing covenant language and then on the bottom, how the applicant proposes to change the covenant language.

[00:23:39] And essentially they're proposing to add a paragraph that specifically allows carports in the reduced area of the no fly zone. And there is a condition of approval, a recommended condition of approval that will get to in just a moment regarding this covenant change. So here I have the general conclusions of law from Section six point seven point four, the subdivision regulations in the staff report, you'll find on the findings of fact and explanation for each of these condition, conclusions of law and in general, a any adjustment to filed Platt elements or related documents needs to be found consistent with these conclusions and staff review. We found that this request was consistent with the regulations and so we are recommending approval with two conditions of approval. The recommended conditions are shown on the screen here, the first condition is really just to clarify and clean up some of the language and the covenants, add some more specific reference to the board of adjustment process and the dates. And then the second condition of approval is straight out of the subdivision regulations, saying that any of these altered documents need to be recorded within 60 days of approval. So if approved today, the deadline to record all of these documents would be Monday, April 12th.

[00:25:11] So that concludes my presentation, if there's any questions for me, I'm happy to take those, and I think that the applicant is also on the call today.

[00:25:18] Yeah, let's hold our questions just for the moment and move to the applicant or the applicants representative.

[00:25:25] Yes, I'm here. This is Kelly Hart.

[00:25:28] Hi, Kelly, is there anything that you'd like to share?

[00:25:33] Well, I just wanted to say that the in order to put the parking lot there in the first place, we had to mitigate that hill twenty six feet back, so into the no build down and then put that retaining wall. And as Matt said, that was all approved by the county back in 16. And the parking lot has been there since two thousand seventeen. All we would like to do is just put a carport over those parking lots for our tenants, helps us with snow removal, and also makes us a more desirable place to live for our tenants.

[00:26:14] So that's kind of where we are. OK, thank you.

[00:26:18] And if you want to hang around, there might be some questions for you here in a second. But before we do, let's open this up for take some public comment. Is there anyone here who would like to comment if you're either on the computer or on the phone?

[00:26:35] Ok, see, none close the public hearing on that. Any questions, Commissioners Varro and Zlotnick?

[00:26:45] I don't have any. Seems like we're like Moussa and cleaning up something that's already been in process.

[00:26:57] My my only my only comment would be to say that it seems that if the cause for the no build zone, the slope has been mitigated five years ago, there's no longer a slope there that it and now there's a parking lot there. The no build idea doesn't really make sense, given that it's already been covered in pavement and this is just putting a carport on top. Seems like a minor deal and I hope we can go forward with it.

[00:27:26] Yeah, it seems reasonable to me also, Matt, are these two conditions in front of us here, the recommended motions?

[00:27:37] I'll go to the motion just a moment. Oh, OK. That was just a teaser. That's less text to read. I think it's your turn one.

[00:27:46] Ok, I'm going to motion that the request to adjust the Ponderosa Heights phase to a final plot and covenant's be approved based on findings of fact in the staff report and subject to the recommended conditions of approval.

[00:28:00] What do you think, Josh, and I'll second that. OK. Any any further discussion on this motion seem not all in favor of.

[00:28:10] Thank you, our. OK, thanks, Mazhari, thank you. Thanks, Matt. Thanks, Matt. Thank you. Sure thing.

[00:28:20] Our third and final public hearing today is related to a proposed zoning amendment related to cryptocurrency mining, and we'll begin with the staff report from either Diana Minetta or Jenny Dixon or both.

[00:28:38] Thank you, commissioners. My name is Diana Minetta, sustainability program manager in Caps for Missoula County, and I will be presenting jointly with my colleague, Jenny Dickson. Let me just share my screen here. Here we go.

[00:29:03] All right.

[00:29:06] Are you seeing that? Yes, yes, yes, yes.

[00:29:11] All right, before we jump into the proposed zoning regulations, Jenny and I thought it would be helpful to start with a little bit of background. I'm going to try to be relatively brief here, recognizing that the commissioners have heard most of this before, but also recognizing that it's been several months since we discussed it and that we have a number of members of the public in the meeting as well. So to understand what cryptocurrency mining is, we first have to consider what a cryptocurrency is.

[00:29:41] A cryptocurrency is a digital currency that's maintained using something called a block by block chain is a distributed ledger ledger, meaning a list of transactions and distributed meaning. It's held and maintained not by a central entity like a government or a bank, but by many people or entities who may be located anywhere in the world. And maybe anonymous bitcoin was the first cryptocurrency and remains the most widely used. But today there are many other cryptocurrency that have been developed as well. So when you buy something with Bitcoin, your transaction is grouped together with a bunch of other recent transactions, something called a block.

[00:30:17] That block is sent out to all the participants who are involved in maintaining the block chain, and those participants compete to solve complex mathematical puzzles associated with the block. There are no tricks to solving these puzzles. It's just a matter of using lots with lots of computational capacity, kind of like random number generator. Whoever solved the puzzle first gets to add that next block of transactions to Fortune and is rewarded with newly newly issued units of Bitcoin or whatever the cryptocurrency may be. That reward is their motivation for doing this. This process is called mining because it's how new currency enters into circulation. In the early years of Bitcoin, mining was something people did on their home computers. But over time, as the price of bitcoin increased, mining got more lucrative and more competitive and people started doing it on a larger scale using lots and lots of computers and specialized computers were developed that do nothing except for online cryptocurrency. So essentially we've seen the centralization of mining into these large operations. So in a physical sense, a large cryptocurrency mining operation like what you see on the screen here is that thousands or tens of thousands of specialized computers that were built specifically for this purpose and run twenty four hours a day. And the operation also often includes cooling equipment to prevent the computers from overheating.

[00:31:40] One important note I want to make about terminology from the mining process I just described is technically known as proof of work. It's important to know that while all cryptocurrency is used block chains, they don't all use the same type of block chain and in particular they don't all use proof of work based fluctuations, the ones that don't don't involve this mining process.

[00:32:03] So it's important to know that you can have cryptocurrency and you can have more generally without having cryptocurrency mining operations, the type of activity that occurs there and the level of energy consumption that is involved.

[00:32:19] Speaking of energy consumption, at its core, that proof of work process is really a competition to perform these calculations that I mentioned as rapidly as possible, literally proving that you're putting work into the system in the form of computational capacity and electricity use. So by design, it's very energy intensive. If you look globally at the energy involved, this is just for Bitcoin crypto currencies and this is estimates from the University of Cambridge at how much energy is used by Bitcoin mining globally.

[00:32:57] Current estimates are more than one hundred terawatt hours of electricity per year.

[00:33:02] That number doesn't mean anything to most people on the face of it. But if you compare it to other uses, it's actually more electricity than is used by many entire countries currently about equivalent to the Netherlands or Argentina. This graph, the three the three lines show the range of uncertainty here. So we're looking at anywhere from 40 terawatt hours up to potentially what is that? Two hundred and eighty two hundred and seventy terawatt hours. It's currently at an all time high because it roughly tracks the price of Bitcoin, which is also currently at an all time high, over forty thousand dollars as of today for the. So why are we talking about this in Missoula County, the cryptocurrency mining industry has shown quite a lot of interest in Montana over the past few years. There's no database available. We don't have complete information on where these facilities are located. But from news reports, we can gather that there have been at least three or four of these large operations in the state, possibly more certainly the potential for many more, as I've shared with the commissioners before, when when the county started looking into this topic back in twenty eighteen, we talked to Northwestern Energy and we're told that the utility had received inquiries from dozens of cryptocurrency mining firms that were interested in moving into the state and that if all those projects were developed, it would add up to up to one thousand megawatts of new electrical load in the state.

[00:34:28] That was versus that the total load across Montana and Northwestern Energy Service territory at the time of about sixteen hundred megawatts of sixteen hundred existing up to one thousand knew. Of course, no one expected all of those projects to come to fruition. But even a small fraction of them would have amounted to really

an unprecedented increase in electrical load in the state. The most recent among these headlines that I put up on the screen here relates to Hardin. It appears that a cryptocurrency mining firm has purchased the hardened coal fired power plant to keep it operating and use it to mine cryptocurrency. And I will note that in terms of Missoula County at the time that the interim zoning regulations were adopted in twenty nineteen, there was one large cryptocurrency mining operation in the county which has since gone out of business. And why that why this industry is interested in Montana, primarily low electricity rates and a cool climate which helps reduce those cooling costs in other parts of the country and the world would have seen a lot of this activity include eastern Washington, northern New, upstate New York, Canada, China, Russia, Republic of Georgia, Iceland, Sweden, other countries.

[00:35:42] And I am going to turn it over to Jenny.

[00:35:47] Thank you for the record. My name is Jenny Dickson, planner with Community and Planning Services, and I'm just going to take you through a few slides that will describe the history of this issue in Missoula County as far as the regulatory approach. I'm also going to describe the zoning and what the planning board action was on this and show you the locations where the current zoning would allow for cryptocurrency mining to do.

[00:36:18] Want to also note that I'd like to incorporate all of the materials from the past commissioner hearings into the record for this issue, because, as Diana mentioned, we do want to be mindful of your time and everybody's time here on the call. I want to present relevant information at this time, but the past information has also provided us with the basis for moving forward. So just a little bit of a description of the time as as we have moved through this for the last several years, we began to take notice of potential impacts of cryptocurrency mining in twenty eighteen, held several hearings in twenty eighteen and then ultimately in twenty nineteen. The County Commission adopted interim zoning on April 4th. Twenty nineteen, recognizing an emergency situation that obligated the commission to take action to address that emergency. And at that time we we had been doing research and continued our research and published a study in late I think in mid to late twenty nineteen documenting the the potential impacts and potential solutions regulatory solutions in Missoula County.

[00:37:47] A year later, in April of twenty twenty, that interim zoning was extended for one additional year and at the expiration of that on April 3rd, twenty twenty one, the commission has the option to simply let that expire and not address it further or adopt permanent zoning. And that is where we're at today. We had a public hearing at the planning board on January 19 after meeting all legal notice requirements, as well as reaching out in other ways that that weren't statutorily required to make sure that as many people as possible were aware of this hearing.

[00:38:31] And so before you is a recommendation from staff to adopt the cryptocurrency mining zoning regulations along with two new definitions, and apply those regulations county wide outside of the unincorporated portions of Missoula County, would you take it to the next slide, please, on the basis for the county's action on this starts in our 2016 growth policy? There are several guiding principles. One is listed here to strive to make decisions that are environmentally sound, fiscally responsible and supportive of healthy communities over the long term.

[00:39:11] In addition, the staff report outlines several others. I'll just touch on to that again. Provide the basis for your action that local government decision making should consider the impacts of and adaptation to climate change and policy and regulatory decisions. Third, economic measures should focus on long term economic development that is fiscally responsible and does not unduly compromise quality of life for the natural environment.

[00:39:40] And finally, objective four point one in the growth policy is to reduce Missoula County's contribution to climate change. And later on in this presentation, Diana will be addressing that. More specifically, as I mentioned, we have developed a proposed zoning as interim zoning and the proposed zoning as permanent zoning has not changed, but for too slight changes that were a result of public comment. Diana, would you mind taking it to the next slide, please? So the proposed zoning is attached in the packet for the commissioners as Attachment A, the highlights of that zoning regulation is to apply countywide, an overlay zone that would allow cryptocurrency mining under certain conditions. Those conditions are you must be zoned a light or a heavy industrial zoning district. And once you are located in an industrial district, you are either a conditional or special use, which means that you must comply with some design standards and performance standards, such as noise mitigation and design standards that might lessen visual impact like landscaping or screenings and minimizing outdoor storage. That type of thing. The third condition that we the zoning would impose on cryptocurrency mining is that e waste must be disposed of with a dequeue licensed recycler.

[00:41:24] And the fourth is that renewable energy. The operation must use new renewable energy that is either purchased or developed and offsets one hundred percent of the electrical consumption of the cryptocurrency mining operation. We also are proposing to add two new definitions. One is a definition of cryptocurrency mining and the second is a definition of renewable energy. Those two minor changes that I mentioned, one as to the definition of cryptocurrency mining. And it's merely a few words, a phrase to clarify that initial concept that Diana mentioned, that we are talking about proof of work block chain so as to not apply this zoning regulation to cryptocurrency mining that does not involve the end generate these these impacts that we've identified. Secondly, a change recommended from a citizen to enhance the language and the intent statement. And you will see that there is an attachment, a the planning board, as I mentioned, had a public hearing on January 19. They recommended seven to two to adopt the zoning and the new definitions as recommended by staff and apply countywide.

[00:42:53] Diana, would you maybe take that to the next slide? And I just wanted to show you on a map here where those industrial zones currently exist. This is a you can see from the inset is a small kind of central area of the Missoula Valley. And the industrial zones are shown in the peach color, kind of a peach salmon color up near the airport and around the airport in that area. And then also near I don't know if you can see it, but near reserve and Mouallem, that little bump out of that. Vertical line, that's Reserve Street, and then it doesn't show, but down towards Lullo under the ninety three for Highway ninety three is a very small industrial zone site that's already developed on the east side of the highway.

[00:43:48] That doesn't mean that people could not request to zone industrial in order to meet these requirements of the zoning. It does mean, however, in that situation where they would ask to zone to an industrial zone, one of the requirements or one of the criteria for reviewing a rezoning request is compliance or substantial compliance with the growth policy and the land use element. So that is to ensure that these are located in appropriate locations. The impacts that we identified, that the zoning addresses, as I mentioned, is the E waste and and particularly also noise that has been identified in many situations to be caused by the cooling equipment that these facilities often require and then also the high energy impacts of cryptocurrency operations.

[00:44:48] And I think with that, I will turn it back over to Diana to finish up the explanations.

[00:44:56] Hey, Jenny, real quick, I'm sorry, back to that slide. I'm a little color blind, so in the eastern edge of the county, are those all?

[00:45:06] Industrial or others do so over by the two hundred, which would be the Bonnar Mill site, that is also a peach color under that two hundred right at the right side of the screen.

[00:45:20] Yeah. And then the odd square in the middle of the egg open resource to the north and west of that. What is that?

[00:45:32] There you go, I just I think I think that's that's a pretty I think voting district that yeah, that is hard to tell, but that is not an industrial but then down what would be like, I want to say kind of in the Bretz RV Roseburg area, lot between the interstate and Broadway. Yes, right. There is is Piech down south about that. A little bit at the intersection of Reserve and Moland. Yep. Right there. And then up over to the west around the airport which the airport is blue, that light blue color and then the pitch around that. Primarily, the the locations of industrial currently and as I mentioned, a tiny little piece done under the ninety three towards the low low.

[00:46:23] Great, thank you for you bet, moving the cursor around.

[00:46:29] I didn't realize that everyone could see my first no for future reference. All right, thank you very much, Jenny. I want to talk a little bit about the renewable energy condition, because it's an important part of these proposed zoning regulations. To put that condition in context. It's important to mention Missoula County's commitments to addressing climate change in Missoula County. We're already experiencing the impacts of climate change, and those impacts are only forecast to accelerate in the coming years. They include hotter, drier summers, warmer, wetter winters and springs, reduced snowpack earlier spring runoff, and as a result, more flooding, a longer wildfire season and more wildfires smoke, all of which have major repercussions for health and safety, not to mention our economy and our natural environment. As a result, Missoula County has committed to addressing

climate change in its twenty sixteen growth policy and is taking numerous steps to do so, including working toward a goal of carbon neutrality in county government operations by twenty thirty five, a goal of one hundred percent clean electricity for the community as a whole by 2030, as well as the Climate Ready Missoula plan that was developed with the city of Missoula and climate smart Missoula to prepare for and adapt to the local impacts of climate change that I just read.

[00:47:53] So that's the context in which I want to talk about the renewable energy condition. Here's the language of the condition that a cryptocurrency mining operation must develop or purchase sufficient new renewable energy to offset one hundred percent of the electricity consumed by the operation. Users must establish that their actions will introduce new renewable energy onto the electrical grid beyond what would have been developed otherwise. The key thing to understand here is the distinction between new renewable energy and existing renewable energy. So why is this an important distinction? I want to first be very clear again that requiring the use of new versus existing renewable energy is not a judgment about the relative value of new versus existing renewable energy. We're very fortunate to have existing renewable energy resources that we do have in the state of Montana. On average, the electricity that we use is already 60 percent clean, 60 percent renewable, mostly due to hydropower, as well as some wind and a little bit of solar. And that's a great starting point. But given the urgency of addressing climate change that I just described, we have to go further and we have made the commitment to go further. So what happens when a new large energy user comes into the state and buys power from one of our existing renewable energy resources, assuming that that renewable energy was previously being used by another customer or other customers, whether they were in state or out of state, whether they were residential or commercial or industrial, when that new large energy user comes in, some of those others will be shifted onto another source of electricity, whether they know it or not.

[00:49:35] And that other source might well not be renewable. It might well be coal or natural gas. So back in twenty nineteen, when we were first developing the proposed interim zoning regulations, at that time, we struggled with how to reconcile the extremely high energy consumption of this industry with the county's commitments and the imperative to address climate change. And what we came up with is this condition that new or expanded cryptocurrency mining is fine as long as it brings new renewable energy onto the grid with it. As well as meeting the other conditions that Jenny described, we also identified several potential pathways that a cryptocurrency mining operation could pursue to meet the requirement. I won't go into the details of those now. I have done that at previous hearings and I would be happy to go into it if there are questions about specifically how that requirement could be met.

[00:50:29] And with that, I'm going to turn it back over to thing, so we've provided the motion here, this is the motion that the planning board acted on.

[00:50:37] The testimony at the planning board did revolve around the renewable energy component of the zoning, as well as questions about can the energy conservation concept be applied more broadly and is it reasonable to apply it to a single type of industry? And I do want to just touch on that before setting you loose with the motion and taking testimony. The point that I made a planning board and I'll give you several examples about industries that are specifically regulated through state law or zoning, which I explained to the planning board, is essentially the purpose of one of the main purposes of zoning. We have laws that are specific to agriculture, mining, guest ranches, tourist homes, pawn shops. That is precisely what zoning is for, to address impacts of specific industries and mitigate those impacts to protect public health and safety and welfare. So if you read that, if you were able to find that section in the planning board minutes, I wanted to just address that briefly. I would also note for you that your planning or your excuse me, your packet of materials contained approximately, I think, a 10 or 12 comment letters. And since that time, we have received an additional 19 comment letters that we have forwarded to you over the week as we have received them. And I'm told you are in receipt of those. And so that will conclude our presentation and provide for you here the recommended motion from staff as well as planning board to adopt the zoning and apply it countywide.

[00:52:40] Thank you. Thank you, Jenny and Diana.

[00:52:47] So why don't we go ahead and open it up for public comment? And the way we're going to do this is let's take comment from those who are on their computers first.

[00:52:57] And if you would like to use the raised hand function, I will then call on you once we've exhausted everyone and we're giving you one bite at the apple here. So once everyone's had a chance to speak on their computer, I will call through the list of phone numbers that we have.

[00:53:16] I will read off the last four digits of your number. If you want to comment, do so.

[00:53:22] If I am greeted by silence, I will take that as an indication that you do not want to speak. And again, please keep your comments brief. You star six on your phone to yourself. And with that.

[00:53:37] We will move into public comment, Jason Von.

[00:53:44] And you can turn your camera on if you like. Yep, there you are.

[00:53:48] Can you hear me OK? Yes, we can go right ahead.

[00:53:52] Ok, so how many you know me previously as a site manager of Spokane and hyperbolic hyperbolic ended up going bankrupt in large part because the zoning that was put into place along with the Bitcoin having that happened last May, which reduced hyperbolic income by half because millions were lost on an expansion that we couldn't complete due to the emergency zoning, hyperlexia and have the reserves to sustain the cut and revenue and ultimately led to the bankruptcy. This ended up being my family of six, losing a six figure job here in Missoula, Montana. That was pretty substantial for me. I've been in Bitcoin. I've been involved in Bitcoin personally since twenty, fourteen, twenty seventeen. So I have a lot of experience in the ecosystem and likely much more comprehensive understanding about Bitcoin than most people present in these meetings. Some of the biggest complaints I hear locally are that Bitcoin mining exists for the sole purpose of creating wealth for the owners of mining operations, that they only employ a small number of people and basically produce nothing of socially redeeming value and consume excessive amounts of energy. Those are main complaints I hear. I'll comment on those concerns. First off, Bitcoin mining uses to validate transactions and secure the network globally for millions of users. Yes, it is true that the owners of Bitcoin data centers create wealth from this, just as any business creates wealth for its owners investors, bitcoin is no different. It provides a service to all users of the network across the entire planet. Second, mining operations only employ a small number of people.

[00:55:30] Well, the number of employees to any business is dependent on the efficiency which could be operated. Bank buildings have tens of thousands of square feet per building, running lights and computers 24 hours a day and only employ a handful of people as well. What's important is the quality and pay of those jobs, as well as the non-direct employees, its contractors, architects, designers, engineers, etc.. Third, they produce nothing of socially redeeming value. Josh, I saw you raise your hands and share this on at the March 20 hearing when you heard that. But this couldn't be farther from the truth. Since its release in two thousand nine, Bitcoin's value has continued to grow at an average of two hundred plus percent every year over the last decade. There are tens, possibly hundreds of millions of users of Bitcoin globally used Bitcoin as a store of value to help protect their wealth against fiat currencies that continue to print trillions of dollars, debasing the value of the dollars pushing countries closer and closer to hyperinflation. This has happened in countries like Venezuela, Argentina, Nigeria, Zimbabwe, just a few. It's very easy for us to sit here in the comfort of our first world country and be blind to the plight of Third World countries with extreme economic issues around the world. It's estimated that one point seven billion unbankable human bitcoin gives these financial refugees an opportunity to participate in a worldwide commerce. Fourth, the excessive energy usage argument is based on individual opinion. You don't believe in Bitcoin futures and you likely think it's excessive.

[00:56:58] It does use a lot of energy, but excessive is an opinion. If you believe in Bitcoin, they may not consider excessive. But all that said, I don't disagree with most of the zoning proposals. I feel they are all fair. With exception to the new renewable energy aspect. It's too cost prohibitive to expect any new business to have to help build out the expensive energy production to run a business. I think an amendment to the zoning should be that cryptocurrency mining has to purchase one hundred percent renewable energy, but it should not have to be new, just like hyperbola. At the March 20 20 hearings, Jenny mentioned that the intent was to make it permanent regardless, but that you were good to wait because of the expense, not notification to everybody. They said that they would wait until the following year and include it with the new county zoning overlay that has been in the works so the county could save money not having to so they could send it out on one mail notification to everybody at once. You do this today,

you're going to have to pay twice for that. So why force it now at great expense when you could just add this in to the zoning overlay that you guys are working on? One last thing. Just because Bitcoin is not important to you, you don't believe in it doesn't give you the right to take away its importance or belief to other people. So I appreciate you guys for your time.

[00:58:20] Thank you, Mr. Von Cristero.

[00:58:29] Chris, your muted.

[00:58:33] All right, how's that? That's perfect. Go right ahead. All right.

[00:58:38] Hi, I'm Cristero. I'm the chair of the city of Missoula's climate and energy team. We were established a number of years ago through the the carbon reduction goals that the city of Missoula established and had been working along this time with through the city council and other city entities to to work toward the city's 100 percent clean electricity goal and our twenty twenty five reduction of carbon or carbon neutrality goal. Some would ask why? What would a city entity be involved in a county measure here? And what I would say is, you know, there has been a lot of efforts between the city and the county of late, like I'm 100 percent clean electricity to to share some of this load on on reducing greenhouse gases and and better meeting the goals of the city in the county together. So as a result of that, our team came together, reviewed the regulation, the proposed change in the rules, and put together a resolution to to the county in support of the cryptocurrency mining regulation, specifically the requirement to develop or purchase sufficient new renewable energy or offset 100 percent of the electricity consumed to meet this consumption and so forth and so on.

[01:00:12] Specifically, we note in our resolution that we have this 100 percent clean electricity goal jointly between the city and the county, and we've got a carbon neutrality goal. And also we know that the city has been working on energy and climate change issues for a number of years.

[01:00:31] So that that going down and some information about how much energy cryptocurrency mining uses, our resolution says therefore be resolved that the Missoula Energy and Climate Team hereby supports the adoption and implementation of the proposed February twenty twenty one cryptocurrency mining regulations. But further, we want the the council to consider, including an item three, a requirement to include an offset for the electricity consumed from the upstream manufacturer of hardware components required for cryptocurrency mining. As we know, these specialized computers run very intensively, very hot, use a lot of electricity. But because of the nature of their heavy use and also the constant update on their processing units and whatnot, there's a huge changeover in these components. And so there's a constant movement of new CPUs and related equipment into these systems. And so if you're looking at setting one of these up and then just looking at the electricity that's used for the mining itself, you're missing a big energy consumption element to this. And so it was just a question to consider that. And I see we've we've added a part about the downstream end and the recycling of some of this electronic waste. And so we ask you to consider that. But basically, that's that's what we have for you today. And I appreciate your time. If you have any questions, I'm willing to entertain those at this point.

[01:02:09] Thank you, mr. Amy Sunberg.

[01:02:18] Hello, can you hear me?

[01:02:20] Yeah. UNcreated.

[01:02:24] Yeah, thank you, thank you for this presentation and for hearing from the public, Amy Sjöberg, the director of Climate Smart Missoula. Thank you, folks, on the commission. Noami, we come smart works very closely with the county and the city to find ways to meet our goals of 100 percent clean electricity and addressing climate change. So just really briefly, I've commented before, I just want to once again come in in support of these regulations, making them permanent. Given the ever deepening climate crisis, the extremely high energy demands of cryptocurrency mining requires regulations to ensure that new or expanded operations are powered by new additional renewable sources. And as you guys have have heard and you know, this additionality is key. It is feasible to do this. There are expert resources to assist with this procurement. If someone chose to do that in 2021, even more businesses, governments and other entities here in Montana, around the country and around the world are

committing to 100 percent fossil fuel free energy, recognizing that meeting these goals requires new additional clean electricity and it is ever more incumbent upon us to address climate change.

[01:03:40] So we support the commission in making these regulations permanent. Thank you. Thank you. Miss Sillerman, L.A. Times.

[01:03:56] Can you hear me? Yes.

[01:03:59] All right. Yeah, I'm Elliot Thompson. I'm here to represent the Montana chapter of the Sierra Club as a member and a volunteer. And I'd like to thank staff and the county commission for all the work you guys have put into this process so far. And it's been quite a lot. The Montana chapter, the Sierra Club strongly supports the permanent adoption of the proposed cryptocurrency mining zoning regulations. We firmly believe if the county staff have approached these regulations responsibly and take an appropriate amount of time to adequately assess the environmental and health impacts of cryptocurrency mining, we'll take into consideration business interests. This multi-year process has been transparent and thorough, and the resulting zoning regulations reflect both the values of Missoula County residents and the aspirations enshrined in the commitments made by the Board of County Commissioners and the joint one hundred percent clean electricity resolution. It's clear that cryptocurrency mining consumes an enormous amount of energy that threatens to exacerbate our climate crisis while providing little to no public benefit return. This first in the nation zoning regulation demonstrates a thoughtful regulatory approach that can help spur renewable energy development while still allowing economic development. We also strongly support the inclusion of a mandate to recycle and responsibly dispose of the waste to protect the environment and encourage a sustainable economy. So just urge you to support the recommendation of staff and adopt these proposed cryptocurrency regulations. Thank you.

[01:05:33] Thank you, Mr. Thompson. Remits and.

[01:05:40] Hello, so my name is Gary Mattsson, I'm a resident of Miltown, and my written comment is part of the Hurring. I wanted to add a couple brief thoughts. First, I've heard statements that the initial interim zoning regulation of April twenty nineteen was inappropriate because there was no emergency present. In fact, an emergency was present then and remains with us today. It's not a red lights and siren emergency, nor a pandemic emergency, but is more stealthy and longer lasting. The relatively slow pace of human induced climate change marches forward at a steady pace. Each day we fail to act on emergency worsens the eventual outcome. It is understandable that industrial entrepreneurs focus their attention on the important financial challenges they face and are less mindful of climate change. Consequences is the true and proper role of government to step in on behalf of citizens and deal with the impacts that are harmful to our community. Second, I've heard a concern that the cryptocurrency industry is being unfairly targeted among other industries president and our current president or county man. As Jenny said, there are some specific examples, but I believe it's of utmost important to recognize that unlike other industry industries, cryptocurrency mining takes from us more than it gives back. In my opinion, it is a parasitic industry creating wealth for its owners by utilizing their socio economic infrastructure created through the work of generations of local residents. It offers a very few jobs and no useful product. Is abundantly fair to require this industry to provide its own renewable electric power instead of taking it from the limited resource the rest of us share. I thank the commissioners for taking action on making permanent the zoning regulation for cryptocurrency operations in Missoula County. And I thank the county staff and others for their research and contributions to very regulation. Thank you, Commissioners.

[01:07:58] Thank you, Mr. Mattsson. We do have a couple of phone callers. I'll give you the chance if you want to speak. We have one number ending in the digits. Seven, eight, nine, nine. Did you want to testify at all?

[01:08:15] Ok, how about the number four four eight eight?

[01:08:25] Ok, is there anyone from the public who has not commented but who would like to?

[01:08:37] Ok, see, now I'll close the public hearing and open it up to the commission for questions one process question Jenny Jason Vaughn, reference the two different mailings. Can you talk a bit about that? Why now? Could we combine the mailings?

[01:09:05] Sure, absolutely.

[01:09:09] The plan for the county zoning regulation update was that we would likely have those regulations before you at this time. However, due to a lot of things we all are experiencing called a pandemic has made that timing not coincide with a cryptocurrency mining. So we were initially thinking that we could do the notice for this issue and the county zoning code update at the same time on the same postcard, because the county zoning update has taken longer than we were planning on. We recognized that we needed to get this addressed before the interim zoning expired on April 3rd of this year. We are going to have to do another postcard mailing. We did one for the cryptocurrency. This issue in we were attempting a late December, early January postcard. And we will have to do another mailing for the county zoning code update that is not a requirement actually of state law. It is in our county zoning regulations. And I would mention that in our code update, one of our goals is to match state law as much as we can and be consistent. So at the when and if and when the code is adopted, planned on later this year, hopefully by the end of this year, that requirement for county wide notification is that we'll just refer back to state law, which does not require postcard notification, but not taking action today in no way saves the county any money that money has been spent.

[01:11:08] Thank you so much. Thanks, Dave. Sorry to jump in there. So, Jenny, I just want to get clarity. So were you saying were it not for that pandemic?

[01:11:20] The zoning, the county wide zoning project would be dead, would have been done, coincidentally, our time wise with with this action, that was a major contributing factor.

[01:11:35] But also we had the departure of staff, if you might recall, that there's the county zoning code was a team effort. And about a year and a half ago when we were just starting this project, the second half of the team that I was working on the zoning code with left county employee, and we did not replace that person. And so I have not been able to keep the project on track for adoption by the end of twenty twenty. It did. And we're confident we are very confident in adoption by the or at least action by the commission by the end of twenty, twenty one. But it was a number of factors that affected the delay in the county zoning code. I would also mention that the county zoning code is going to incorporate cryptocurrency mining zoning regulations, but those are only going to apply in the planning area where we are, the jurisdictional area where we're looking to apply zoning. These regulations need to be in place outside of that area for the rest of the county where the new zoning code regulations will not apply.

[01:12:44] So I guess just to push that point just a little further, Jenny, so as we are overhauling our zoning regulations in general, is the even just from a formatting standpoint, it is what we are adopting today going to be congruent with the rest of the regulations, or will it stand out like a sore thumb or need to be modified in some manner during that process?

[01:13:13] The plan is what is in the new proposal. The new zoning code draft will be that we will replicate that and over the next year we come in to come into new information that might change that the formatting might be a little different because the new code is just very different kind of a format, but the substance of it will remain the same.

[01:13:42] Ok, it's expected to remain the same. Yeah, thanks.

[01:13:48] I got another question.

[01:13:49] So one of the members of the public mentioned the idea of regulating, essentially trying to regulate upstream manufacturing or are components that are related to the cryptocurrency mining operations that we're contemplating here today. Correct me if I'm wrong, but I don't I don't think that we have any regulatory authority. And in that manner, am I am I correct?

[01:14:27] I would not I would not be able to envision how to accomplish that. I think it does kind of touch on some concepts that we talk about early on in the discussions of the energy impacts of this industry and others. We did look at and try to gather information about other industries that might also be high energy consumptive users. And first of all, didn't really see a way to implement an across the board regulation, nor did we see the need for for that because of the significant difference in energy consumption of other industries versus this industry. So I don't see how we would be able to do that. But I might defer to Diana if she has any ideas, other ideas.

[01:15:24] Diana?

[01:15:26] I don't have a definitive answer to that. I think it's an interesting question. I think there would be a lot of challenges involved with gathering data in terms of the idea that the purchase or use of that equipment as well as its upstream impacts. So that would be probably just one thing to note in terms of the county's regulatory authority. I'm not in a position to answer that either. It wasn't something that we investigated as these were developed.

[01:15:59] Dave Yeah. So, Diana, it's a quick question for you. But before I ask my question, I want to thank you for your really succinct and clear explanation of Bitcoin after personally having gone on a multiple double digit our deep dive in podcast on Bitcoin with the attempt of understanding it. I really appreciate your five minute description. Thanks for that. So my question, I do believe but I want to make sure I got it right that you said a Bitcoin mining operation in Hardin had decided to purchase a coal fired power plant in order to run their operation to get that right.

[01:16:43] According to media reports, yes, I don't have any inside information on that project, but but media reports indicate that a cryptocurrency mining firm purchased that power plant and is running it or intends to run it solely for the purpose of mining cryptocurrency.

[01:16:58] Great, thanks. Which which if that can happen, it's hard to say that one example kind of is now generalisable, but it's at least proof of concept that a Bitcoin operation could purchase its own energy source and run itself financially.

[01:17:16] It would pencil out, especially given, from what I understand, it's cheaper now to create new solar or wind power than it is to create new coal power. Is that correct?

[01:17:28] On a kilowatt hour per kilowatt hour basis, yes, when you're looking at power that's available twenty four seven. And it becomes more complicated because that's solar and wind obviously are intermittent. So you would need some sort of batteries for energy storage to be part of that system. But the cost of storage are dropping rapidly as well. So there certainly are around the country, renewable energy plus storage projects that are coming in under the cost, for example, of new natural gas plants.

[01:18:00] We're hearing that makes me think that, yeah, I get it. It's it would be a big lift, but it is possible. So and to reiterate this, this zoning change does not say no Bitcoin mining in Missoula County. It says mind bitcoin in Missoula County, but do it in an industrial area and generate your own new renewable energy, which if the example in Hadan is real, makes it seem like a possible thing, at least in concept.

[01:18:28] They get that right.

[01:18:31] Correct. Yes, we do believe that it's possible. And we yeah, like I mentioned earlier, had identified several potential pathways by which a firm could obtain new build or obtain new renewable energy to meet the requirement. So not that it would be simple, it's not just a matter of checking a box. There would certainly be some serious legwork involved in getting that going. But I don't have reason to believe that it wouldn't be possible.

[01:18:58] And Dana, if if just speaking hypothetically, let's say there was a firm out there that wanted to do Bitcoin mining in Missoula County and was interested in following the rules and creating their own renewable energy, could we help facilitate that process?

[01:19:17] We have spoken we have received inquiries from a couple of different firms that we're considering coming into the county or starting up and wanted more information on the requirements. And so we certainly talked through those. We pointed them in the direction of an organization that helps corporations that want to source 100 percent new renewable, because something a lot of a lot of other corporations around the country are committed to have 100 percent clean electricity commitments and figure these things out. And there's organizations that exist for the purpose of helping them do that. So we certainly try and would be happy in the future to continue working with understanding it's a case by case basis in terms of how how firm might want to meet this requirement. And I guess as a side note, we are working currently as well with Northwestern energy to develop a green tariff, which would be one of those pathways. That's a way that a firm like this that we want to for Missoula County to be able to to source

clean electricity through that mechanism for residents and businesses in the county to do that. So that's another way by which we are indirectly working to provide another option for a cryptocurrency mining operation that wants to meet this requirement.

[01:20:33] Ok, thanks.

[01:20:34] And lastly, I just want to say I would say this to Mr. Bond. I heart goes out to you having lost a job. And I really hope that you've been able to turn your huge you have great skills and hopefully those skills have landed you in a new position. And my cheering on it, this was in no way meant to wish you or your family any ill. And I sure hope that you landed on your feet. I do also appreciate the effort towards to create a financial system for the global unbanked. And I would believe that the people who are behind things like Bitcoin, we're talking about some incredibly smart people. And if those folks could focus their efforts in those directions, I bet we could come up with some solution. And my somewhat cynical viewpoint is the reason we haven't is because there's not a lot of money in it. These are poor people, but this is just one of the global challenges we face right now attempting to deal with the people who are unbanked. So the last little bit I want to comment is this is all, as you guys have said, all consistent with the goals we three voted on that we would get to clean electricity by 20, 30.

[01:21:43] So this is a tough pill to swallow. I'm glad we're doing it. Lastly, a friend brought up to me yesterday somewhat cynically said, well, you know, you guys will do this. And those, you know, these firms will just move to Silverbush County where they can just do it there. So what good does it matter anyway? And my kind of two part answer to that is we have a moral responsibility, regardless of where we live, to address, as Mr. Mattsson pointed out, beyond the pandemic, the emergency of our era. And we can't say, well, we're not going to do anything about it because they're not doing anything about it anywhere else. That's the first part. There's a moral side. The second part is these are the levers we can pull. These are things we can do. So hopefully there will be an iterative process where we do our part and others do their part and these things stack one on another and eventually we get to address climate change in an actual factual way. So thanks.

[01:22:38] Thanks for that, Josh. Yes. I couldn't agree more. Missoula County is the the territory of our jurisdiction would that we would have authority to do other things in a broader geographic area.

[01:22:55] But that is not within our purview and in face of a vacuum of leadership at a greater geographical scale.

[01:23:04] We are doing what we can do. This is absolutely within our right to regulate uses through zoning. I think all of this could be taken as a bit of a cautionary tale years ago. And I think many of us first learned of cryptocurrency mining coming into Missoula County and not knowing virtually anything about this, certainly not realizing the grotesque amount of energy consumed by proof of work blocking it sounded perfectly reasonable as a green technology, high tech industry to welcome into our community and roll the red carpet out to. Well, the cautionary tale is that there was more than meets the eye.

[01:23:53] And and as we move forward into a future where we absolutely must recognize the dire straits that we are in from a climate change standpoint, it would behoove us to to certainly take a hard look at any new industries coming into our community and into our county.

[01:24:15] Any other. Questions or comments or we can certainly, Diana, if you wanted to flash up the emotion on the screen, we might be closing in on that point of being able to make emotion.

[01:24:28] Looks like there's someone initials B.C. with our hand and it's a B, we are going to make a slight exception to our typical procedure.

[01:24:40] And Mr. Caldwell, since you were in your role at the Bonheur Miltown Community Council, would you like to speak?

[01:24:50] Yeah, I. I was going to say anything, but you just asked for some of the comments and I didn't know who you were asking. So I one I want to point out that Jason Bourne, as the manager of Hyperbola, worked diligently to be a good citizen for Bonheur. He worked with us extensively with the noise problem that we had from the hyperbolic fans. And and I do wish him well going forward. The other thing I will say, simply because nobody else

brought it up in and Jason just did, is that we're changing the rules in the middle of his business. And that's come up a number of times. I would say that to me, it's similar to the insulation industry in that if we had an insulation company here and they were making insulation using asbestos, I'm pretty sure that we would step in the middle of that and stop it.

[01:25:58] If we have we have a responsibility to the public and to the community across the board. So we're talking about different issues, but similar response to the issues. The other thing is that no matter what business that you start, when you start a new business, there are unintended consequences. That most of us don't have the imagination to discover and account for the complications in advance. I wish we could, but we can't. And when they are exposed, we must mitigate them. So I'm in favor of going forward with this.

[01:26:37] Thank you. I couldn't go through a whole meeting and not say something.

[01:26:42] Well, I was I was wondering what you were doing asleep at the wheel out there. Well, since I offered one exception, is there anyone who has not spoken previously from the public who would like to at this time?

[01:27:01] Ok.

[01:27:03] See, none.

[01:27:07] Would anyone like to make a motion, Jenny, if you could throw that language up again, I'm happy to do it.

[01:27:14] Yeah, Diana will do that. That a bit bigger. There you go. Thanks.

[01:27:21] All right. I would move that the Missoula County zoning regulations be amended to add to new definitions, cryptocurrency, mining and renewable energy and to create a zoning overlay and Section five point five regulating cryptocurrency mining and apply the cryptocurrency mining overlay district countywide in the unincorporated areas of the county.

[01:27:43] And when the consequences and recognizing the crisis, the climate crisis before us, I second and this is something that we can do and I'm proud that we're going to do this any further discussion.

[01:27:57] And again, thank you, everyone out there for participating today and all of the previous meetings where we've taken this up.

[01:28:05] Thanks, everybody.

[01:28:07] Let's go ahead and vote. All in favor.

[01:28:12] All right, that passes unanimously, thank you, everyone, for participating in all of our public hearings today. Thank you to Jenny and Diana for your hard and diligent work over the years, literally years that we've been working on this particular issue.

[01:28:29] And thanks also to the incredible amount of public comment we received just within the last four hours.

[01:28:36] It's pretty impressive.

[01:28:40] Is there any other business to come before the commission today?

[01:28:46] Ok, see none. We will be adjourned. Stay warm, everyone.

[01:28:51] Thanks, David. Thank you. Thank you.