**Lockwood TEDD\_Utilities Working Group\_01-12-15**

So Steve this isn’t concrete as I understand it with that boundary?

Yes, that’s true.

So are there any restrictions as far as zoning, ag land, anything?

We talked a little bit, Janet, you and Lynnette have to keep me a little on track here, yes, we haven’t created a boundary yet. We’ve created a concept area that we thought could be developed into an industrial space. But the TEDD is likely to bigger than that concept area that we’ve been putting out as a map. So over the next couple of days we will get input that will help us start to draw that proposed boundary.

And I just want to add to the boundary question. Boundary will be based on input from the public but also from you because when we start talking about infrastructure and where there is infrastructure gaps, it may be smart to include pieces that we haven’t thought about including just because of locating infrastructure and just you know, things about where roads are and.

And sometimes there’s a piece that simply can’t be served for some reason by the infrastructure and if that’s the case we need to know that as well so will leave that out but the one thing in terms of the zoning question, any of the zoning is ok, but it does have to be zoned. And as we discovered just a little bit ago, that some of the areas we were looking at as conceptually possibly going to be in it are not zoned.

Oh, is that right? Is there some that Woody, some of that ag land? Specifically Seiferds(SP?) property, the fields up there

MANY COMMENTS AT ONCE – COULD NOT PICK THEM ALL UP AT THIS POINT

Well, I think Seiferd’s property was ag, and I think he went for the new buildings put there, I think he went and got it zoned change just for that area.

But he’s considering other ag properties in that area. So what do they do to be included?

So if you wanted to know, this area right here is not zoned.

I think Pacific sits right about in here. So this area up here is not zoned. This stuff here is zoned. So these owners if they want to be in it will have to get on the ball with us and ask for zoning changes.

So is that up to who to contact the property owners?

Well we’ll do our public meetings tonight and then again tomorrow. To the extent that these particular ones don’t show up, when we draw that boundary, that proposed boundary, we’ll send out another notice to all property owners so they will have a chance to come in. If we still don’t hear from them, then we’ll have to reach out to them. We would do that as part of our process. So other questions on how TEDD works, our industrial park feasibility analysis, or any other process kinds of questions. Yes sir.

If you could outline real quick how a TEDD works. I think as I understand it is it’s an incremental tax from development that goes to the district. Is that basically what’s going on?

Yea.

Instead of a downton urban renewal district you’re creating an industrial district essentially. Manufacturing. The TEDD is targeted economic development.

How many years does that go on?

It’s authorized for 15 years. If anytime during that 15 year period you want to borrow against through the sale of a bond, and say, we’re going to have this much incremental income, based on that we can sell a bond for X number of dollars. You can extend the life of the district until you retire the bond. But the legislature says never more than a total of 40 years. So it’s 15 plus 25. And you have to issue the bonds, I mean you know, you can’t extend it in year 11, or excuse me near 16 or 18, you have to do it all within that first 15 years.

And then, are there districts that would not participate even though there within, for example schools. Would the schools also forgo that revenue?

The school forgoes that revenue

Defers it

We like to say defer, in its income they wouldn’t have gotten without the development but then if and any, there’s a couple things about the school district. If there’s actually a school building in district, which wouldn’t be the case here, you make grants to the school for various improvements. Typically though because you’re having this kind of development occurring inside the TEDD, you’re creating more job opportunities, more people come into the area, more kids go to school and the school gets a higher allocation of state funds based on the increasing number of students. And also there is increase of value outside the district so your concentrating your development here but more homes are built outside the district and businesses happen. So typically what happens is that the tax based on the entire community continues to go up. And it’s just that new part that the schools don’t realize that increment until the district sunsets.

Well it’s not reimbursed to them, they don’t get it for 15 or 40 years

That’s correct. You can, in any year of tax increment district, they can do what they call a remittance. They can actually give money back to all the taxing jurisdictions if they don’t, for some reason if they have excess money and they don’t, if they haven’t committed to anything.

Who’s in control of TEDD? Who says, ok, you get money, you don’t.

The County Commissioners. You can sometimes establish an advisory board that works, you know, says here are some priorities or staff people who can set up programs, here is how we decide how we are going to spend the money. It has to be some process, some criteria. And often the County Commissioners will either have a committee or a staff person that’s assigned to it and then brings it to them for their approval.

Other questions?

When you develop this property, developing it at a county level, brings me to mind this new Cenex station, they didn’t have to put in sidewalks, they didn’t have to makes significant improvements that we really need now and how is that going to development going to proceed. We can’t be developed at the level that the county requires we need to have this better or it’s going to come back and be a problem for the community.

That’s a good question and I, you know there’s kind of different tiers what your zoning regulations require, you know. The TEDD in itself doesn’t have the power to make people put in sidewalks or, but it can set up criteria to say if your going to have this money, you could establish criteria that say, you have to make these minimum improvements, you have to do the sidewalks or landscaping. You could require that as a condition of providing funding assistance for public infrastructure. But you can’t, you can’t, it doesn’t have a regulatory authority. A TEDD doesn’t in itself. It’s all based on the financing of infrastructure that supports those industries.

My concern is because the county has pretty lax rules, that we can have the ‘anything goes’ kind of things happening. The water and sewer department doesn’t want that, the fire department really doesn’t want that.

But the county, and I hope I’m not speaking out of turn, can by the application of the TEDD funds, as I understand it, they can use those funds to add infrastructure like sidewalks and

Absolutely.

Curbs and things like that. So then I think that falls upon us, I know your on the last meeting with the Candy Miller(?), when something like this comes up, as an example and I will look at Voo(?). If Voo was to build a building in there and he approaches this particular industrial park as one of this locations, as part of the TEDD, the county can say, well we’re going to put sidewalks in in front of his building using the TEDD money, is that right?

That’s exactly right.

And that would come from us. We would say, look, we want him in here, that’s all well and good, he’s going to get some money out of it, we want you to build some infrastructure needs like a bigger sewer line or water line or curbs, wider streets, any or all of the above. And the TEDD money as I understand it, can be used for that because it’s within the boundaries of the TEDD.

And that’s really what it’s for. It’s for putting that infrastructure in.

Although we would tell you it’s all prioritized and some things will reach the top and some things won’t reach the top.

The key to that with the county is to have an advisory committee to provide that input whether it’s us, the fire department, the pedestrian safety committee, all of those come together and have representatives on a committee to advise so that we get a connection from Lockwood to the new park on the other side of the bypass where there is pedestrian, bicycle, I mean we need to have a way to move people from there not only by vehicles but safely walking or biking so pedestrian would be a consideration of that too especially on the main part of the bypass. So it think its key that there should be some type of advisory committee that the Commissioners should have even though their the final authority, but for input from this community, since this community has kind of developed haphazardly over the last 50 to 60 years and we now deal with all of those consequences. This is a good chance, and organized chance be there, be heard, and make things happen.

I think it’s an excellent idea.

Make sure we write that down.

I wrote that down

Part of the public record of our discussions.

That’s right. That’s an excellent, Woody, right, that we want to make sure that, that’s exactly why you would want to have an advisory committee to address those things. So you’re not doing it as a regulatory measure but part of what we’re saying to these businesses is your tax dollars is going to pay for the infrastructure that is going to make this more attractive area. I was talking to the TV folks right after our Commission meeting, this enables us to have development occur in the way that makes sense for our communities to be good neighbors. So rather with a stick, we are doing it with a carrot providing incentives to make those – DIDN’T GET LAS COUPLE OF WORDS HERE, INTERRUPTION –

So have the other TEDD’s in the state, have they used this community involvement?

Yes, and we’ve been involved in, without getting too much into detail, TIF has been around since 1974. It was primarily for urban renewal. And then over the years there was a number of different types of districts; industrial, aeronautics, technology. In 2013 the state legislature said urban renewal or TEDD. So we’ve only had two years of the TEDD but they are very much like the old industrial districts. So we’ve been involved in several of them, of a little less than half the districts across the state that have been created we’ve had some hand in. Those have all had big public processes. The one that is most similar to what you’re talking about is at Bonner. We’ve done both an industrial district there and we just finished a TEDD there and it’s almost verbatim of what Nancy just brought up about how do we make sure we have nice pedestrian access and that it looks good in the community and that we address some of these concerns. That was addressed in the plan, it was addressed by the planning board, and the County Commissioners so it was re-inforced and through their advisory board and there looking to do some of those things. So the answer to your question is that yes, there is precedent for doing it this way and I really encourage you to in turn encourage the County Commissioners to create an advisory committee. I think it’s a good way to make sure that the local community’s interest and the interest of the county are well represented.

Do you have a question?

Two. First of all Janet, maybe you want to clarify that, are you saying that the TEDD can establish development requirements for properties within the TEDD or do we need to clarify that TEDD monies can only be used for infrastructure in the public right of way? I think some of the concern is about…

MANY TALKING AT ONCE – COULD NOT DECIPHER ALL COMMENTS HERE

OK. The first question, you can have, TIF is a tool, it has certain requirements of the kinds of things you can use it for including program management. If the property owners in that district decided that they wanted to have some kind of, you know, discussion about how sidewalks or other things were, they wanted to create some, you could use some kind of local, couldn’t you some local agreement among those property owners to create some development standards?

Sure.

Yes. But TIF in itself doesn’t provide for regulatory, I mean you could have

Well.

In an urban renewal district you can use TIF money to enforce design codes for example or a historic preservation ordinance or something of that nature. But what we’re talking about is primarily providing, addressing instead of through a regulatory process, providing the funds to install sidewalks, street trees

Privately?

Public, not on private land, public right of way.

Any other questions?

Well it’s back to the zoning because then once the TEDD is created what zoning restrictions would need to be abided by within the TEDD. Is it planned development that a lot of COULDN’T HEAR THE REST OF HIS COMMENT HERE

Zoning, simply what the TEDD says is zoning, at the time it’s established, has to be in accordance with the growth policy. What would be the driver was if a company wanted to go into the area, and they needed to have some whatever, let’s go back to, a company wanted to go into the area and they said we’d like to have some TEDD money to help us do some bridge funding or something, not funding a bridge but, anyway, do something, we wanted a grant for something out of the TEDD money. The question would be to them, how much value added are you doing, how many employees are you doing, and if they were retail, so they would be no value added industrial development with very low paying job, at that point the TEDD would say, no we’re not going to give you any money because that’s not the kind of development we want to have in this district. You couldn’t stop them but you don’t necessarily have to pay anything to help them.

Janet, If they chose.

They can but again, the primary purpose of the grant that she’s talking about is the public infrastructure support.

Whatever that is you would just

MANY TALKING AT ONCE – MAY HAVE MISSED SOME COMMENTS HERE

You would have to show that the beneficiaries of that infrastructure were the secondary value added businesses. If you have a program, a loan program, and you were loaning money for private infrastructure, which you can do, again the loans would be for businesses that were adding value rather than those that were not. But going back to you, you can do any kind of zoning in a TEDD that you can do anywhere else as long as it’s in accordance with the growth policy but, and if it’s for the purposes of the TEDD. You wouldn’t want to encourage residential development or other non-industry related activities through zoning as a tool to achieve that.

Ok. Thanks.

Janet if it’s ok with you, I’m going to move us on to the topic of infrastructure. And Woody I apologize. We should have maybe done a round of introductions.

Yea, let’s do that.

There may be some folks who are new to our discussion. So for those who don’t know I’m Steve Arveschoug, Executive Director for BSED. Now will just go around the room.

John Steely, I’m the Lockwood Fire Chief

Woody Woods from the Lockwood Water and Sewer District

Jerry Ellis, Yellowstone Valley Cooperative Electrical Major Venture Operations (?)

Lynnette Wyndamaker (SP?) Planning Consultant

Nancy Belk(SP?), Water and Sewer District

Carl Peters, Lockwood Water and Sewer District

Debbie Singer, Northwestern Energy

Sarah Hudson, BSED

Dan Belk ????

Evelyn ?, Yellowstone County News

Tony Reed, Lockwood Water and Sewer District, Assistant Manager

Lu Fong, Private Development in Commerce Park

Travis Copper, KLJ

Carl Jackson, KLJ. We worked with BSED on the feasibility analysis and since then Lu has asked us to do some due diligence on their project.

Janet Cornish(SP?), Community Development Service of Montana and with Lynnette are under contract with BSED

Jeanne Larsen, BSED

So I think the place to start would be we would like to hear from all the utilities represented here. And Woody since we are at your shop, I think we ought to start with you.

I think that one thing that does need to be said I think is that the Board is conducive to moving forward to look at being able to supply services to the Trailhead Commerce area or the TEDD area, whatever the boundary becomes. There are some hurdles that we have to go through. You know, our agreement with the City, we’ll need to work with them on that. The other thing being is that our utilities basically end at Johnson Lane and the North Frontage Road so we would need to extend utilities from that point. We’d also need to look at, once we know the capacities of what the area is as to our line sizes, especially on the waste water side, whether we would need to increase those or add. Other improvements that might need to happening at our main lift station down by the river. As another segment of that we’re working with Exxon to provide waste water services between them and the city so we’re looking at what their volume’s going to be. They are a very high volume waste water person. They can be between 1 to 2 million gallons a day. Our reserve capacity with the city is 2 million gallons a day at peak flow so we have to look at how to handle them. But they will be negotiating with the city for a separate reserve capacity. We would just be the conduit to transport the waste water to them. So we’ll be looking at them for possible upsizing and what that entails just as we would with Trailhead Commerce. We’re also working with some private developers that want Old Hardin Road, for a new 30 to 40 acre tract that are going to have requirements for new water and sewer. We do need another feed point to the other side of the North Frontage Road coming from Old Hardin Road. That is part of the master plan that we are now doing with our engineers over the next 10 to 12 months. So we will need as soon as possible numbers from Trailhead Commerce to be able to plug into that. We’ve tasked them as looking at that as part of the master plan so as we move forward we’ll need that information so that, especially when you start looking at cost, for infrastructure cost and what effect it’s going to have on the operations, maintenance, continuing on with employees, future employees to service the area. Those are things that we need to take into consideration of our master planning study over the next 10 to 12 months.

I have a couple of questions. You mentioned the agreement with the City, can you elaborate on that?

We have a waste water agreement with the City that we negotiated prior to being able to send waste water to them. Originally we had an agreement with them and over many years that’s unsetted so we had to go back and renegotiate that easement, or that agreement and we have a set volume that we can send to them on that agreement so we would have to get the City involved to see about enlarging that agreement for what that service are would be.

Woody can I impose on you, can you come to this map. I’m going to give you two colored pens. This one’s water, this one’s waste, you can guess which one is which.

Draw a legion would you

As long as the blue one’s water

Yes, that’s what I meant, the blue one’s water. Help us understand in the context of Trailhead, where things end

Sure. This is Trailhead, right here

Ok

Basically our ten inch water main ends right here. It serves the Town Pump

Place your initials next to that so we know who’s

Our major water is on this side so we extend from our main feed here with the idea of at some point that could continue on down into this frontage road and as you look at that TEDD boundary, we would ask that you look at that area to include into it. And I think Mr. Seifert is interested in having that

So put a dotted line

MANY COMMENTS AT ONCE – COULD NOT DECIPHER ALL OF THEM

I’ll put my initials here.

Ok

And, where’s your lift stations?

MANY COMMENTS AT ONCE – COULD NOT DECIPHER ALL OF THEM

You want water or sewer?

MANY COMMENTS AT ONCE – COULD NOT DECIPHER ALL OF THEM

That is our lift station and you’ve got the appropriate color brown

That’s why I gave it to him

There are two possible connection points for the waste water. One could be here. The other one could be here in Johnson Lane for any services coming from here because I don’t see any other way other than lift station and forced main to get over to this point. I have some small drawings that you can take with you that show these in detail in this area.

So Woody that could run to Colson Road from here?

It could run to Colson or it could run down Johnson Lane because

The Johnson Lane is a loop into the Trailhead Commerce, right?

So would your water have to loop and how?

Well we’re looking at another feed point across here

I see

Because right now we have no way to feed this area here. We had a break here at Jim’s Sewer Construction and that caused monumental problems over here. We had to bypass and feed put in temporary water to get here. So we need another feed point in here somewhere. And we are talking to these people presently that have this piece about trying to find another feed point across.

Ok. So I’m specially challenged. What is the relationship of your sewer and water district to the concept area for Lockwood?

Johnson Road, Janet

Here’s Johnson Lane right here

Here’s Colson where you drove down today, all the way down to Pacific. So it’s basically up here off of our map

Our service areas the dotted line, correct?

So this is outside of your service area.

It is

So, ask a question totally out of ignorance, is there any way to expand the district to include

MANY COMMENTS AT ONCE – COULD NOT DECIPHER ALL OF THEM

You have to go before the City Council to do that.

For waste water.

For waste water, ok. I see, so when you’re asking about increasing, you’re increasing the geography, you’re actually making your district larger

MANY COMMENTS AT ONCE – COULD NOT DECIPHER ALL OF THEM

And they want to for waste water increase the amount of their agreement with the city, the volume

Ok.

So what is your water capacity to serve this? Are you able to supply

MANY COMMENTS AT ONCE – COULD NOT DECIPHER ALL OF THEM

We have over a 3 million gallon pump

It would tax your water supply

It would tax the water supply.

We have to make additions to it.

Ok.

So based on the size of the district concept area, do we have those maps around Steve?

Let me add a little something, in talking about contracting with the City, do we, we had some real struggles working with the cities ??? the waste water contract. Just so you know it hasn’t always been good

RUSTLING PAPER – COULD NOT DECIPHER ALL COMMENTS HERE

I don’t know how to put it, they were not easy to work with

It’s not a given

The original was good, in 98, the original contract, they came back when we had to revise that contract when it expired and it was a different City Council. What I’ve noted is this new City Council is very receptive to extending sewer services outside their limits.

MANY COMMENTS AT ONCE – COULD NOT DECIPHER ALL OF THEM

Yea, it might not be a big deal but I can’t guarantee, depending on the individuals on the City Council, how they will perceive wanting to get bigger. They, that one, it was several years where we were just, you go those meetings and it was not pleasant.

Carl, would you talk with Dave Mumford on what it might take to an agreement with the City?

I mean, what does that look like from the City of Billings point of view? Can you tell me that?

Well, we talked more about location and logistics and not necessarily the agreement

Can you share that with me, I mean the logistics would be in the agreement

Well, yea, what Woody just drew would basically be in line with what we’ve described as being a logical INTERRUPTION - DIDN’T GET LAST WORDS

So we would extend here then?

I spoke with David Mumford, the Public Works Director, on Friday and yea, for, at this point, and at this level of planning, he said, yea, that would be the logical assumption for people working on the TEDD, for developers to build infrastructure, that’s what makes sense right now.

Ok

But I guess, isn’t, you mentioned that the sewer agreement between Lockwood and the City, isn’t there, their kind of one and the same though because part of your policy is that you provide either both or none.

We provide, yea, not either or, both.

Right and so for this TEDD, for the developments to work, you need both water and sewer.

So when it comes to a statement of infrastructure deficiency, when it comes to water and sewer, would you say then that you have maxed your two million gallons of water a day on your waste water?

I would say that during high usage we can run almost in a full extended day of 24 hours in the summer but we still have plant capability to expand to.

I think that was mostly probably during the drought but if that should ever happen again, we would be at our limits.

So if I understand this, you’re talking about the capacity that Sarah just mentioned Tony was talking about, you’re talking about the limit within your existing jurisdiction, your district. So I would ask the question too, at this point in time, the ability to serve the TEDD is beyond what you currently have available? Do you need that additional capacity from the City before you could serve the TEDD?

We will not get capacity from the City. If you’re talking about water. Water is ours. Waste water is the only capacity we send to them.

So, ok, so I guess what I’m asking, do we need to, in terms of water and sewer, for each one, what do you need, things about talking about on the map, would it be a fair statement to say that currently the proposed TEDD is not served by either water or sewers.

It’s not served by water or sewer at this time. To serve it though we would have to plant expansion.

You would have to have plant expansion

We would have to at least plan for plant expansion.

Ok

And we have the capability to expand our plant. It was designed with two filters and with a third filter. Part of our master planning process is to look at that third filter.

This is the water treatment plant

Yes, we have no treatment facilities for sewer.

Ok. So you send all your sewer to the City.

We send our best product to the City.

So would it be fair to say, on the water side you would have to expand the existing water treatment plant

Yes

And on the sewer side you would have to expand your agreement with the City.

We’d have to work with the City to expand the boundary.

So on the City side it’s more programmatic and on the water side it’s physical.

Right.

But the City would charge for that processing of sewer.

Yea, we pay.

So you pay, your members of your district then pay for those services.

Right.

That’s helpful.

Do you need any other input from water and sewer? Any other lines on the map?

I have a question, so Woody you and I have talked about how when we’re talking about treatment or when we’re talking about water, we’re talking about two different conversations. You’re almost at max from the treatment standpoint without some type of expansion, but you and I had a conversation about getting water in general to service your community, is that still an issue for you?

For future water?

Yea

Yea, we’re still working on that for future water rights. That’s part of our master plan process too.

I think we have some options there. Some we maybe haven’t explored. I mean this is all going to be a work in process for us. We going to have to ???TEDD

Yes, and the kinds of activities you’re talking about that would be directed toward serving it would be eligible for TEDD funding.

Right

Let me put it in simple terms, ok. We have 5 to 6 million dollars in reserve. We have $14 million in capital improvements programs that we have to do to maintain what we have and fix a lot of old 4 inch mains, 6 inch mains, so even though we have that amount in reserve all that does is help us with our capacity to either borrow money to fix what we have and move forward. It does not give us the ability to move out and build lines to service whether it’s this TEDD or any other development within the community.

Got it. When we were saying what you need for the sewer verses what you need for the water, you said for the sewer it’s getting additional service from the City but you also mentioned lift stations.

We’re talking about lift stations within the TEDD area.

Ok. I got you.

Within that development to be able to get to our mains to process to the City.

So we do have some capital improvements to be made in the TEDD. We need lift stations in the TEDD and then we need increased capacity through the City system.

On this map, would you put a start next to where you think the lift stations going to be?

Oh, I have no idea what their plan would be.

MANY COMMENTS AT ONCE – COULD NOT DECIPHER ALL OF THEM

We just need to look at the points that I marked as the points they could tie into would make the most logical sense and the most economical sense to tie into what we have.

Ok. And so, you might have already answered this but I didn’t write it down if you did, the water supply lines to that Johnson point and the sewer lines going that way, are there sizes that need to be increased on those?

We would need to look at what their flows are. And that was one of the things I mentioned, whether it was waste water or water, we would need to look at what their requirements would be not only for water supply, potable water, but for discharge. We know that discharge isn’t as great a supply of water for a number of reasons because they irrigate and water lawns in the summer. The return is less on the waste water side.

What we run into quite often in the downtown areas is we have collapsing clay pipes, all that sort of stuff.

That’s part of CIP program, to go into as a district we have bought into other reserves and we have a 20 year CIP that we are redoing now. We’re redoing it for several reasons; because now, we do have sewer, we made assumptions in 2005 with and without sewer. Now we have sewer. It’s a reality. Things are really going to change. This is a big change so we need to look at all the players and what we have to do. But our master plan does identify the size of lines we are going to need in the areas and so far the size of lines we have for transmission lines, we’re in good shape. This could change it. We might have to upsize a transmission line.

So were kind of thinking in two stages. For this first statement of infrastructure deficiency we need to explain that currently there isn’t sewer and water services to this area. When we get to the comprehensive development plan we’ll start talking about some of the concerns that Nancy raised and also what are some of the specific fixes. So we’re kind of, the statement of infrastructure deficiency where were identifying the lack of infrastructure essentially. So we’re going to build on the over time so as we move forward we’ll be back to ask more questions and refine this as we go forward.

I’m going to move us along, Fire Chief, oh, yes, Fong.

So if all things be a go for the timing of the construction of these lines, what’s your best vision? Could we tie it into when the DOT comes in to redo the roads and the new bypass, you guys come in right ahead? What’s your vision? Because essentially it will be your line building it out.

It will depend, a lot of it depends on the layout too whether or not we need to be in DOT right away or cross it. You know like Johnson Lane on the loop back to the Frontage Road where we need to tie across. We may not have to have anything in the bypass itself. It may be with the crossing roads that we can have our mains, our distribution mains and services in there.

I have one more thing.

Ok, go ahead

The nice thing is that the sewer is new. It’s new so you don’t have old infrastructure to deal with. It’s all new stuff.

And I think we figured out Woody, what we’re about a mile away from your site?

Yes, that’s right.

So that’s a great thing.

It’s a great thing. It’s a good thing and it sounds like you have some capacity.

MANY COMMENTS AT ONCE – COULD NOT DECIPHER ALL OF THEM

We did go into this, Woody, that main lift station has got another area

MANY COMMENTS AT ONCE – COULD NOT DECIPHER ALL OF THEM

We can expand the lift station that we have there. The caveat of that though

That’s the one that pumps it across the river

If Exxon comes on it at the Trailhead they may have to provide that pump and then we may have to look at expansion from that point.

I’m really going to I know, we’re going to have a chance to loop back in touch with you so I kind of want to move on to the next service provider. I’ve given the chief a red marker.

And I don’t know what I’m going to mark up. Please understand from the fire perspective things have changed considerably so I’ll speak first from the negative side and then the positive side. Anything that’s built within the Lockwood fire protection district area, it’s built according to a set of rules essentially and you’ve all discussed it kind of briefly here that follow codes but also follow the public perception of what’s required in that area. So to make this simple, and I know I just talked over myself, Billings has one set of rules, the County has another. I know that gets confusing for the general public but again, I’m going to pick on my friend Voo(Sp?) here. He built a building and he’s gone through this process so if I may, to give you an example, before he ever decided to build that building he had to sit down with a set of plans. He has an engineer that he pays a lot of money to too develop those plans. That engineering firm sits down with a number of other engineers and code enforcement people to make sure that all those plans meet the building code in that area. So in this case we’re talking about YC at the City of Billings. Now the reason I’m say that this is the negative part is, he’s already spent a lot of money and he hasn’t poured once ounce of concrete or dug one shovel full of dirt so you can imagine there’s always a significant investment there. The Fire Dept. comes in at that point because we review those plans. And so then we go through them and say you need to make these changes for the fire code. For us the more expensive part of this is the response in terms of fire or disaster. Let’s say if he has a fire he loses the ability to function. Now the other piece to this and I’ll go into it in detail a little bit later is the medical response side. So from an infrastructure point of view, number one we work with Woody’s people exclusively. To give you an example we’re working on the Bretts(SP?) thing right now. We don’t make a move until we know what he has for water capacity. So when I look at a set of plans and we’re looking at how big is Weaver(SP?) about a 25,000 square foot building, is that reasonable? So I look at a set of plans and say you have a 25,000 square foot building and it performs this type of function and you have this type of product in it and this many people, then I look at this man and say how much water can you supply? And that’s going to tell me that I have to either make him sprinkler it, or here’s another alternative hopefully various variances that allows him to do it more cost efficiently. That’s the expensive part, now we get to the pieces for fire. I look at this as a big response area so to me whether you make the zone larger or smaller, it’s fairly irrelevant. This is all part of the Lockwood fire area so you’re just adding pieces to our response. So from the fire side, once my water lines have been basically established and I know how much of volume of water I can get then the next thing I know is access and that fits two categories; one is his, where are the hydrants and how do I get that water and how much is there and then the next is the roads. And so what I’ve been primarily speaking to Steve and the BSED people about that for us the big concern is going to be roads. As you guys who went on the trip today saw, we were joking about pushing the bus, the roads right now are insufficient for our needs. I can guarantee you I would have stuck our fire truck on the roads we were on today because I have 750 gallons of water on every engine and they weigh 8 pounds per gallon, so do the math. Add that to an already large vehicle. The second thing is the width. You know again, the reason we look at Voo’s(SP?) operation is he brings a lot of truck traffic into our area, a good thing for our community. But for us, imagine putting one of his units and one of our units on the road at the same time. So if he’s doing a lot of volume in that regard, for us, we want to look at intersections, we want to look at the access points in and out. And I’m going to be hones here one of the things that’s transpired in the last 10 or 12 years with code enforcement is, depending upon the size of your facility and the type, I’m going to require two points of access. That can be very expensive folks. If he’s putting down, I’m not picking on you I know you’ve done this already I apologize so if you think of something speak up, if he’s putting down asphalt there’s an example verses concrete, adding another 200 feet of access road just so I can get a fire truck in there in case he has something, he will never use that access road but he has to pay for that asphalt and the grading for that access point. So when we’re looking at this obviously the access points are there in terms of larger response but as you start to look at the infrastructure needs on the TEDD piece that’s when will start coming into play and that’s why I mentioned the sidewalks. You’ll also want that water to go away when we have 11 inches melt and of course this man has to figure out how to get rid of it but I want it to go away as well. A perfect example right now is look at what we’re trying to drive through. I’ve places in Lockwood that my ambulance is getting stuck because the snow is there. So that, again, now to the medial side. The last piece of this and you’re going to hear this a bunches, fire and schools. We charge for our services through a taxation process, a feed process. The money, as I understand Janet, whatever were collecting now we would continue it’s over the next 15 years, the residual or the money that we start to increase from property value goes to the TEDD.

Correct

You all understand that. We understand that. We also understand that’s already been spoken of here today. The part that’s going to be more difficult, and I say this somewhat tongue in cheek, because I don’t know what businesses are going in there but the part that’s going to shared with this man is, if you add 150 homes over the next five years using that 2020 study that the college did that Voo(SP?) shared with us at our meeting this morning, if you added 150 homes in this area using the multiplier of 3 which is the supposed family now, you know I’m looking at adding that many people in terms of response. My strategic plan right now for every 100 citizens, I have three calls. So if that average goes up by that amount, you know looking at another 450 persons, good thing for the community, great because this process brought them here. None of us are going to complain about it but that TEDD money is not going to help the Fire Dept. in any way service those homes.

But the taxes those home buyers payers will.

Right where I was going Janet, that’s why they hired you.

Oh, sorry.

So before somebody says, oh you get nothing out of it I want you to understand I want you to understand two things. One is what she just said and the second is it also increases property value.

Absolutely.

So not only do I get the extra money I also get the increased property value which means I don’t have to raise my millage. That’s a good thing. So that’s why I wanted to get the negatives out of the way.

Can you come with us on that tour –LAUGHING – MAY NOT PICKED UP EVERY COMMENT HERE-

And then the last piece is, I don’t want you to lose sight of this, is that medical response is about 70%. So this isn’t a negative, it’s more of a positive response. I’m working on my strategic plan the same as Woody for the Lockwood fire protection district. Now I’m taking a completely different approach than we have in the past. So using that same 5 year increment, if I looked at 70% of my call volume being medical, the roads aren’t as big of a deal the access will be. The access will absolutely be paramount for us in terms of each one of these businesses. Because again using that business, again Voo’s(SP?) a great example, when he has so much truck traffic, I can get there but extracting the victim, putting them in an ambulance and getting to the hospital, that’s the bigger issue for us. So access in and out and once you add that new interchange, remember we talked about that this morning, once you add that, then I’m going to start looking at whatever you put in there in terms of traffic warrants. So you’ll see us asking for studies of how much traffic goes up and down Johnson Lane. How much goes up North Frontage Road? What’s this new interchange going to add? And all of those things are going to change my opinion of this because I now have to look at response times. So if I know at any given time at 5:00 in the afternoon it’s going to be busier because of the interchange, I have to plan for that. So at that point I’d be looking at an infrastructure by saying somewhere down the road maybe you want to build a fire station in that area. And maybe it’s just again, maybe I’m speaking out of turn here, you’re listening to someone with 40 years of experience who’s never learned his lesson yet, and I say that I’m not a staunch believer in tradition, maybe all we add is a station that houses an ambulance. It’s considerable cheaper, a lot less expensive but I do know that the TEDD can provide things like that, it can’t staff it, but we can look at doing that if that volume of traffic and volume of business does lead us to that and again I want you to realize that’s based on primarily medial response. As we move forward in time, that’s what we’re going to see.

The access roads, the building of the fire station or ambulance, you could also potentially, let’s say you could justify adding one more bay to your existing fire station if you could show that that bay serves that area. Fire hydrants I think, you know all of the things that would help address, and we always think of when we write growth policies for communities we talk about access, about water, and then you know, defensible space in the wild land fire, so also helping you perhaps help property owners in there making sure they are well situated in respect to fire as well so there is a number of ways that we can help.

One of the key things that he said though is we have to be able to supply the water to fight the fire

That’s correct.

Not just for people to drink. If he gets there he has to know he has water.

Absolutely.

We’ve changed our requirements on those hydrants, haven’t we?

The distance between hydrants now?

Well, it’s also going to help determine some of the businesses we get in there. If somebody comes in as an example, we always talk about this in Lockwood, 7 of the 10 largest hazardous material sites are within our community. Now I don’t say that to scare anybody, there all established. They have every safety mechanism they could employ in terms of building development but, as Woody’s pointed out, if someone came in here, and I always look at the upper out portion of this, if you’re going to build something 6 stories tall and fill it full of people, well if it’s an office building, my problems are that much because I can make you sprinkler it and then I only have to worry about the medical side. But if it’s going to be 6 stories tall and 5 of it is warehouse space, and you’re going to store 55 gallon drums of God knows what in there, different story. Now he and I are sitting down and I’m saying it wouldn’t matter how much sprinkler system you have. I don’t have the volume of water for you to put that thing out. I can’t put enough water on it to cool the thermal units to put it out. So what an awful thing that I have to say to a tenant or you would have to say, wow, we’d love to have you, you’re going to bring 250 jobs but we can’t supply your basic need to come in and build. And so again, we’ll work together on that piece but I don’t want you to lose sight of the fact, I’m a believer in the TEDD piece, because some of those things can be acquired with the TEDD money. If he has to go to a larger diameter, only Woody can determine whether he has enough volume of water to fill it. But you can say to the person, well, you need a 10 inch main or, I’m not speaking your language, I apologize, but we can help you with that. And so again that’s another one of the advantages to this, I don’t worry about that. I call my friend Woody and ask him you to tell me what part I have to worry about and he tells me whether it’s doable.

Chief, I have a question for you.

Yes

Your new fire station that your building now on Johnson Lane, isn’t that a more direct route to this

That was the plan

MANY COMMENTS AT ONCE – COULD NOT DECIPHER ALL OF THEM

When they talked about the intersection, that was one of the reasons

MANY COMMENTS AT ONCE – COULD NOT DECIPHER ALL OF THEM

Yea, that’s going to cut your time.

So that’s up here on Johnson Lane

501. it’s also the great access to that

MANY COMMENTS AT ONCE – COULD NOT DECIPHER ALL OF THEM

We think in response times, our issue is going to be more traffic warrants at this point.

Lynnette had a question.

So this is not a district issue. You would serve this area no matter what. It’s not an expansion issue like the sewer and water district.

There will be a point when, you know again, as it gets built out, we’ll be looking, Woody and I will beat ourselves to death over this, we’ll have to look at staffing at some point.

Right but it’s not a jurisdiction ???

MANY COMMENTS AT ONCE – COULD NOT DECIPHER ALL OF THEM

Jurisdictional, no.

Ok

Both access and water.

Those are the two biggies for us. Water we would work with him. Access right now would probably be the focal point for the fire department. Because the buildings as I said, it won’t matter whether you have a TEDD whether you have an industrial park or not, every building that’s built, the plans will come through us. They do now and will continue to do that.

But the TEDD could at least on the public part of it, you know, maybe ???? into each individual property, but the TEDD could also be used to finance roads, access roads.

I understand ?? you’re the expert.

No I’m not saying there’s a question, I’m saying they can be used for that.

Oversizing

Or something, working cooperatively maybe there’s an SID for the individual roads to the properties and then the TEDD pays for the main roads.

Again, I’m only speaking of the public access piece, same with the sidewalks. The interior piece whatever they develop, we work on that through the plans.

Through the plans, that’s right

And that doesn’t change, it wouldn’t matter what you do here. The only thing that we would be able to do here is the public portions.

And you have a leverage…oh, I’m sorry go ahead

ISO rating, is this going to have any impact on your ISO rating?

Oh, it will in terms of the water, absolutely. Absolutely, as he add more water, we have a better chance of dropping that rate.

What is it right now?

It’s 94

So more water, possibility of better rate. Improve their insurance requirements.

I’m going to move us some, sorry

One last question. Do you have a ladder truck?

We do.

Ok. So that helps for those higher story buildings.

So far. If you build it bigger than 65 feet, I have to go buy a new one.

Ok.

Keep those under 62 Vu (SP?)

Ok let’s talk power. Will start with Western Valley and then will go down to you Debbie, ok.

We, I guess in terms of facilities, we serve Pacific, that’s our substation right there. What Marshall’s talking about today when he ?? into this, the line extended and it ends right here, our transmission line ends, right there, it goes back down to Colson, the interchange and then south crossed the interchange to our Lockwood substation right across from the Flying J. That’s the transmission line. We’ve always had a distribution line here for time memorial there’s always been a distribution line. They serve probably the majority of the things you see. The only reason we had to have a transmission line, 69,000 volt transmission line, was the motor that sits in that house is a 3,000 horsepower motor and I just can’t put that on a normal distribution facility. The majority of the rest of this is all served by the distribution line, it’s the lower line. If you look at it there’s a high line, 69,000, the lower line, 72,000 or 72,470(?) and that’s the facility that’s serving American Steel. Everything along that line, down through there. Linker(?) Trucking, the new Peterbilt are all being served by the distribution facility. So we have, unless there’s an industrial, that’s what’s going to, we’ve talked with Voo(?) before about this, the nature of the load is commercial, warehouses, office buildings, things of that nature, we’ve got capacity there now we don’t have an issue. If it’s another one of these, then we have an issue. If it becomes industrial then it becomes something more extensive. In terms of what Yellowstone Valley has done and is committing to doing when we had our discussions with Pacific is that we will be extending from this point here along, our distribution line runs all the way up here, jumps the river, goes across, goes up to our galley(?) substation which is up Highway 312. We’re going to overbuild that with 69,000 volts line again continuing that and have a second feed into here because right now this line goes down to a new delivery point we got with North Western Energy at, down at their Johnson Lane delivery. That meters at that one point, it meter both the load at the Lockwood substation which is across from the Flying J and it meters this load here. We will be at that time extending that 69,000 volt line up here, up to our own transmission facility by Shepherd and we’ll be able to serve facilities from this direction or North Western facilities, that direction. So it’s a redundancy we thought we needed to have as our loads continue to grow because right now it’s happened a couple of times, if North Western loses our feed it stops, it use to stop at Lockwood substation, it stops here now, we’re out of ??? until North Western fixes the problem which has happened occasionally but nothing that we couldn’t tolerate for a while but we need to have a second feed in there.

Jerry, just for my ignorance, do you generate power or do you just distribute?

Just distribute.

And so do you buy power from North Western?

We are part of a GNT (?), Central Montana Generation, coop and they purchase both from North Western. We get it mostly through Base and Electric.

Ok

We over cross the North Western side.

So did I follow you, even after you do this redundancy you mentioned here, you would still need something more to serve over here if it was industrial?

If it was industrial and we needed another substation over here, Voo(SP?) did you say 8 megawatts, someone said 8 megawatts this morning. Marshall, that’s what he said over here and that’s not nearly what their load is, there about half of that. But in terms of need out here based on your projections I thought I heard 6 megawatts, maybe its 6 megawatts. But whatever that is, the majority of that is probably going to be ???? building just like this, it’s not going to be a substation because of a 3,000 horsepower motor unless it turns into something different that your don’t foresee yet.

But if we’re talking about both sides, you know the entire area, which will include most of this if not more, what are we talking about?

Of which, some of it could be industrial.

It could be industrial. It’s supposed to be industrial, I mean, that’s the intent.

If that were the case, then we would have to tap this line, build a substation over here, it would be much more expensive. We would have a substation over here, we’d have a line switching system somewhere over here or it could be up here.

Would you need a substation on the other side too?

No, more than likely, we have a substation here and we have a substation down at Johnson Lane, it would be, those facilities are very easily capable of handling distribution loads except for the large industrial single point load.

Now you just deal with electricity not in natural gas.

Just electricity.

You’re natural gas.

MANY COMMENTS AT ONCE – COULD NOT DECIPHER ALL OF THEM

Who provides natural gas? MDU, there not here today. Ok

MANY COMMENTS AT ONCE – COULD NOT DECIPHER ALL OF THEM

So large industrial single point users would probably need another substation?

Essentially could, yea.

Debbie, how about you.

Well my part is, North Western Energy System, we’re the transmission provider to Johnson Lane of which they jump off and so for us we look at, and we have a little map I’ll pass around later, so I’m not on this map I’m further down at Johnson Lane. That’s where are 69 KV ties in at Johnson Lane to Yellowstone Valley and then they take it from there to the last mile provider. But we have to look at now is that anytime a load over 1 megawatt, that’s over 1,000 KW, it isn’t that large, they have to go through a loader connection study. So if Yellowstone Valley gets a couple megawatt load in that location, they’d have to go back to North Western and ask us to study to see if we have capacity past Johnson Lane. So you have to just keep going up stream, so to speak, and look further to see if well does this transmission that North Western has that ties into Johnson Lane have capacity and that’s just exactly what happened with Pacific Steel is you guys applied on behalf of Pacific Steel but you were technically a customer to North Western because we didn’t serve Pacific Steel. We studied that to see if our transmission line to Johnson Lane could carry across our transmission system that kind of power to facilitate that. In that case I think it worked out all right. I think there was just a few little minor things that had to be adjusted. But if it was a really large load, you know, significant, another 8, 10 megawatts, our existing transmission line might have to be upgraded as well as his stuff from there on. So you just have to keep looking further upstream as the the next level of infrastructure have the capacity when it comes to really big loads. And far as substations, I deal with real large industrial customers for North Western and you get somebody like a 5 or 10 megawatts they’ll want their own sub, you know, if they’re smaller than that they’re probably ok. They need to have it right next door to their facility if it’s a fairly large industrial customer so at some point there will be subs built if you go after really large industrial.

Did you have to do that for Aspen Air?

They built their own sub. But they had to build their own designated sub. Yea, to meet the kind of load that they had. So you’ll see more substations if you really go after large industrial loads of several megawatts and those kinds of things. If it’s warehousing, office space, distribution, like you said, you know unless its refrigeration warehousing, where it adds up a little bit for refrigeration, but otherwise those are served off distribution levels services. But you start getting to the large industrial processing it’s a whole different ball game. And the lead times for everything. We have to have 6 months for our preliminary study, for the loaded connection study, just to get back to say whether we have to upgrade the line, and if you have to upgrade the line, now you have to do a full engineering study and you could be two years out before you could even get that transmission line.

Yea, but you could run that through really fast Debbie.

But just the infrastructure or sub stations, I deal with a lot of large customer infrastructures expansion of existing subs, we’ve had cases depending on the industries, depending on what’s going on at the time, 18 months to get the transformers that’s go on the sub stations if there custom ordered, custom sizing. So building a substation is probably 2 yeas minimum, really, I mean, you could maybe turnkey less than that but any large industrial customers, the lead time, if there really large loads, just expands

Do the industries, the private industries ever build their own substations?

Oh yea. They can do that themselves.

You still have to go with the capacity of the server.

MANY COMMENTS AT ONCE – COULD NOT DECIPHER ALL OF THEM

Yea, I know that. I’m just trying to see if, in terms of timing, but if

They may run into the same issues if it’s specialized transformers

MANY COMMENTS AT ONCE – COULD NOT DECIPHER ALL OF THEM

My minds going to where the developer builds a substation in the TIF district, and the district reimburses, and they borrow from, whatever, so that part of its handled through the TEDD and then you

MANY COMMENTS AT ONCE – COULD NOT DECIPHER ALL OF THEM

The only caveat is single point.

Yea, it’s really hard to justify it at single point. We’d want to build a substation that was for multiple

But there are instances for example, that’s building a substation only for their own use, your not going to do other customers out of it see because then your acting as a utility. That gets a little more squishy.

That gets a little more squishy.

We would probably stay away from that. If it was going to serve multiple tenants, there’s an opportunity there.

Yea. The ones I have, their building it for their own use. They can’t serve other customers out of the substation they built.

Debbie, do you have that green marker that I gave you?

I can give it back, yea, because I’m off the map. I have my own map.

I’m going to draw you off the map.

But here’s my little map down at Johnson Lane.

One thing I might add is, Debbie and I talked about this in the morning when we were on the back of the bus, is that the addition of this line from here, up into our own 69,000 volt, could change our delivery. We possibly, I don’t say we would, but we possibly would have the ability to move Pacific off of the Johnson Lane delivery and we have, once it gets up her it can go to south Huntley(??) or it can go down ??? Creek. So we have more capacity there, so it could change.

Jerry, do you have a timeline on this project?

We budgeted it for it in this work plan which we just implemented. Probably going to do the design on it this summer and hopefully will be building it this fall in the next year.

Jerry were there any estimates to how much power will be able to be supplied to this area with that addition?

You know it becomes a question of transformed capacity which can always be increased, our transmission wire size is 336 wire so it’s large. It’s the same thing when you get up here, it’s on the 336 system, it becomes passy? at the other end. We have 50 megawatts at ? Creek, we’ve got, we partially own with North Western ?, so we own 25 megawatts of that capacity. We have 50 capacity here. So it can always be increased on the transformers side. We won’t have issues with the thermal loading on the transmission line itself.

You said you have 50?

I’d say 50 megawatts. I’d say that’s easily doable.

And then just having dealt with industrial customers they will want redundant feeds from, either totally redundant which is really expensive that’s if they want a whole separate substation, but they’ll want the ability to have power come from two different directions. It’s almost automatic if you’re going to have an industrial process. They won’t want to what we call a radio(?) feed where there at the end of the line. It’s just not going to be something there interested in.

And we’ve always wanted to get a second feed in here on the transmission side not just for the industrial but we have residential customers who have Burger Kings, and houses, and everybody else that we need, if it goes out, we need to be able to ? from your side of the problems.

Who didn’t get a marker.

While we’re talking, I know we don’t have anyone here but, I’d like to, maybe between Voo(SP?) and Travis and Carl may answer this question, the other provider services that were hearing more and more in many of our districts about broadband services and wondered if there’s any infrastructure that

Century Link is over here.

Century Link is. Ok.

We were told because of our fire station, Charter will have fiber on Johnson Lane by mid March.

So that’s coming in.

We just had to tunnel under to get ready for it.

Voo(SP?) what are your thoughts on that?

Well, there was a question to our current IT, Charter Operations, and he says that although the fiber that’s coming out here is good, it’s almost at capacity so he’s worried about what the ? is going to look like, and all industrial users whether they got that support. So that raises a question, in his conversations that they may have to go all the way back to downtown and rerun that fiber with a larger size. I don’t know if that is true or not but he’s looking at it. And then what area that we’ve talked about is also this, the industrial concept(?) area, who’s going to want the ?, just like ? and power. ?where’s that ? going to come from. Once maybe the bypass appears then ???????????

I think we need to ask the question what Century Link is doing

MANY COMMENTS AT ONCE – COULD NOT DECIPHER ALL OF THEM

Century Link, right

MANY COMMENTS AT ONCE – COULD NOT DECIPHER ALL OF THEM

I heard him say it’s already here but I’d like to know based on

MANY COMMENTS AT ONCE – COULD NOT DECIPHER ALL OF THEM

And you know it’s also, different, ? you can extend that service to residential users, but the companies that are doing most of their business now online, huge T1 lines, and I don’t know what the latest technology is but there coming up now with these big fat wire project in the cities around the state. With whatever that being, is just really high capacity internet. That’s going to be with all the things we’ve been talking about, water, sewer, connectivity is one of the top things. You go to economic development conferences, connectivity usually rises to the top.

I have a question for energy before we get off the subject, are you running primarily underground lines now?

Well, that’s a little bit of a discussion we have to have with the developer. Obviously overheads cheaper, but underground primarily is what we’re running large industrial parks and subdivisions, usually at the request of the developer.

Then I was going to ask you, do you know if have an issue with the flood plain down there because of that? Do they have to be up above?

I don’t necessarily think they have to be up above

MANY COMMENTS AT ONCE – COULD NOT DECIPHER ALL OF THEM

I think some of the transformers and things like that would have to be above the elevations of the trenches

MANY COMMENTS AT ONCE – COULD NOT DECIPHER ALL OF THEM

Well, if we knew what the 100 year flood plain level was we could sure make those types of accommodations.

MANY COMMENTS AT ONCE – COULD NOT DECIPHER ALL OF THEM

The water table in that area is not very far down

Yea, I know but, we ran into that when we were drilling holes for ?

May I ask has anything been addressed as far as storm drainage? Now that we got all this snow, there’s going to be a whole lot of water going a whole lot of places. I don’t know who handles that.

I suspect the county doesn’t require anything other than swails?

A lot of that stuff will have to reviewed on site by site basis. SHUFFLING OF PAPERS – COULD NOT DECIPHER ALL THIS COMMENT - many of the sites that are coming in are going to have to provide some storm water management of some sort. That will be more part of the building construction.

MANY COMMENTS AT ONCE – COULD NOT DECIPHER ALL OF THEM

Debbie may I put you on the spot because I think your somewhere in the middle with the gas situation, in this area can you

Well, I’m not sure where their final point of gas services is as far as where they come out here. The other thing that concerns me about gas long term is large industrial users could have sometimes very large gas usage too. And Billings is constrained to some degree for NBU(?) use system so if you’re talking really large gas uses like that Quantum Energy that looked a refinery, I truly didn’t believe there would have been gas capacity to serve that. It would have been very difficult to do that because of the large uses that particular kind of industrial takes. Only because the major gas transmission system is coming here as well as to the basin then NBU(?) heads to the east and that is the same size pipe it has been forever and it has gotten so constraint that we actually provided gas connection out of the west where we have gas behind the sugar beet factory. We put in what we call a gate station for NBU(?) to start bringing gas from the west because they can no longer meet the growth of Billings with gas only coming from the east. So that’s the only thing long term, I mean if you’re talking really big industrial, somebody like a refinery that has large gas users, that’s where you start to get into trouble. Warehouses, every day stuff, I’m sure NBU(?) is going to tell you that they have adequate to provide distribution level.

But this, the intent of this, at least, it is industrial.

Well even industrials may or may not have large gas usage either.

That’s true.

I mean, if there doing something like refinery where you need the heat to boil a product and separate it, that’s a whole different.

MANY COMMENTS AT ONCE – COULD NOT DECIPHER ALL OF THEM

But you could have somebody like Aspen Air, there an industrial user of substantial size on our system, they don’t have a large gas usage.

Now, what do they produce?

There just basically extracting oxygen, nitrogen, from the air and creating bottled….but there a very large electrical user because the motors that it takes to extract that but they’re not doing heating so there not required to need large amounts of heat to separate. Because normal heat loads in an industrial, like for office buildings or the spaces is the big deal. It’s when you actually need the gas to do an industrial process.

I see.

Which happens if you’re doing petro(?) chemicals, if you’re doing different stuff like that.

Refineries, foundries

Yeah, I mean I look at our gas system, some of the largest gas users are the very large industrials who also use electricity but many of them have processes where their using the gas in industrial process to do something as well. But it doesn’t mean, they could be very large electric gas, industrial, but it doesn’t mean they’re large gas users. Other than for space heating or something like that, but again, so it’s not always given that you have to have large gas capacity but ? who he goes after for types of customers. Re? would be a tough one because of the large gas requirements.

So in terms of the large users, major power demands, major gas demands, do you have a sense about the inquiries you’ve been getting if people are more common low volume users or do you think there might be a need to serve these higher demand.

You know I actually gotten the whole gambit ??? when they looking down our way for awhile. There’s some other type of large heavy industrial users that are also interested. We’ve had some steel fabrications, Gusev(?) come talk to us, some steel providers that talked to us. We’ve had some manufacturing that seemed interested. Other than Quantum I haven’t seen that much heavy industrial that would utilize that much energy power for that much natural gas.

Any other questions that we, at this point.

No, I’m just I’m thinking there’s the range of electrical service, water, sewer, fire, police. What about, do you have any thoughts on that John? With respect to law enforcement.

There going to need access

Access also

Yes, primarily also. We use Yellowstone County Sherriff’s, I can’t truthfully speak for Sherriff Bender(SP?) but I know looking at what they do in conjunction with us, I would have to say the traffic warrants will be his biggest concern again it’s going to depend on the type of business, so in terms of that, no, it will primarily be access route.

At present, my group across the way uses a private security.

What we covered, and what I and Sarah might want to clarify this more, what I expect as we go through this process, we don’t know what the County Commissioners are ultimately going to decide that will, at this point we’ll work on identifying those deficiencies. I know that there’s going to be some cost estimates COUGHING – COULD NOT PICK UP A FEW WORDS HERE – the statement of infrastructure deficiency but as we move forward, if we move forward and we develop a plan for the area, I’d like to be able to make sure that this utility working group can contribute to the discussion. What we want to put in there, what we want to say. It doesn’t have to be real specific but, and you’ve given us a lot here but things that you’d like to see in that plan that would reinforce your needs and then enable this advisory committee and the Commission, to say, yes the plans says that developing access roads to the district is a top priority or establishing or adding to our capacity to provide certain water services and how you want us to word that. We really appreciate having that kind of input so we don’t want you to pick up the plan and say, what in the world did they say here. We want to make sure that what we present to the Commission in the end is what you’d like to see in terms of enabling the local government here to make those improvements with tax increment as they can.

MANY COMMENTS AT ONCE – COULD NOT DECIPHER ALL OF THEM

…talking, from electrical standpoint you almost need to have some scenarios that’s a dart you throw on this and say, 5 megawatts, 10 megawatts, or something that’s some disclaimers but for him to even figure out his infrastructure, if he wants to build a substation, at what point would he have to build a substation, or we might have to upgrade our transmission line, you really need some scenarios that 1:20:26

TRANSCRIPTION ENDS