

Lockwood TEDD Advisory Board Minutes
Wednesday, November 13, 2019 – 2:30 pm
Yellowstone Conference Room, 1st Floor – Granite Tower

Board Members Present: Terry Seiffert, Pam Ask, John Ostlund, Tim Miller, Josh Starr, Nick Pancheau, Frosty Erben, Vu Pham, Mike Ariztia

Board Member Absent: Woody Woods, Kelly Wilson

Staff and Guests: Steve Arveschoug (BSED), Dianne Lehm (BSED), Matt Corcoran (KLJ), Becky Bey (KLJ), Matt Smith (KLJ), Scott Walker (Planning), Tom Llewellyn, John Staley (LFD), Jennifer Kondracki (Weave), Kevin Gustainis (Montana Peterbilt), Thom MacLean (BSED)

1. Welcome and Introductions

Terry Seiffert called the meeting to order at 2:30.

2. Approval of Agenda

Josh Starr moved to approve the Agenda. Pam Ask seconded. Motion passed.

3. Approval of Minutes

Tim Miller moved to approve the minutes of the September 18 meeting. Josh Starr seconded. Motion passed.

4. Old Business

Update of Strategic Plan by KLJ Engineering: The Board reviewed the Strategic Plan recently completed by KLJ. The plan outlined two priority short-term projects for infrastructure development in the TEDD:

- 1) Extension of Water and Sewer from Old Harden Road to Coulson Road prior to the beginning of construction on the DDI Johnson Lane interchange. The cost estimate for this project is \$765,687.
- 2) Extension of Road, Water, and Sewer from N Frontage Road north to Coulson Rd E. The cost estimate for this project is \$4,839,329.

Discussion concerned timing of Project 1. It is important to get this project in the ground as soon as possible. It will be much more cost effective to install prior to MDT's reconstruction of the Johnson Lane interchange.

Nick Pancheau moved to accept this strategic plan and forward it to the County Commissioners for their review and approval. Josh Starr seconded. Motion passed.

Update on discussions with City RE: Sewer Boundary: Kevin Gustainis of Montana Peterbilt noted an email he sent to City Administrator Chris Kukulski citing his concerns about the City's proposal of possible future annexation. Those concerns include additional tax burden, system development costs, and more burdensome regulation. He suggested that grandfathering could alleviate some of these concerns. Pam Ask noted that grandfathering may not pass to subsequent owners.

Steve Arveschoug discussed our continuing conversation with City Council members. They seem to hold a range of views on this issue. We had hoped to come to a resolution where we can give a joint recommendation to the Council with City Administrator Kukulski. We will continue our conversations with the City, and we will reach out to the newly elected City Council members to bring them up to speed on this issue. We will take this to the City Council in January 2020.

Chief Staley noted that City Administrator Kukulski has not spoken with the police or fire chiefs on future annexation and how those services could be provided.

Matt Corcoran of KLJ noted the expense the City could incur to provide various services to the TEDD area. To build the additional infrastructure to provide water, sewer, fire and police protection be very expensive. In addition, full build out of the TEDD would mean about five miles of roads in that area built to County standards. Installing storm drains and curb and gutters on those to bring them to City standards would also be very expensive. Matt offered some preliminary numbers on the water and sewer costs. Those costs would increase over the next 30 or so years before the City would annex. Matt was asked how much it would cost and how long it would take to develop these numbers more fully for presentation to the City Council. Matt suggested it would take a couple weeks and could get us an estimate of cost, noting that there are still some funds available under the current contract with KLJ if those could be used.

Steve Arveschoug asked Mike Ariztia about LWSD's ability to service the water needs of the area in the future. Mike said that the facility has been and can be expanded to provide capacity, but the limiting factor is their water rights. They are trying to obtain additional water rights. Another option could be purchase from the City under an agreement similar to the Wastewater Service Agreement if the City agreed. Tom Llewellyn suggested that LWSD look to Huntley for additional water rights, they have more than Billings and a lot they don't use.

Josh Starr stated that we have "heard no from the City, but not NO." He suggested we spend some money to have the engineers develop an analysis of the costs annexation in the future may pose for the City. Steve agreed that a economic impact study would be good but asked

how much longer we wait before we ask the City Council to make a decision. The City is looking to grow its tax base. He has expressed to the City that there are several other areas where BSED can partner with the City to incentivize development and enhance the tax base that make much more sense and will have a greater impact than the TEDD. Those areas include the Inner Belt Loop, the Westend Reservoir, and the Airport.

Matt Corcoran and Matt Smith of KLJ will work up a price for them to develop an analysis of the costs the City may incur if they were to annex the TEDD area.

5. New Business

None

6. Public Comment

None

7. Adjourn

Meeting adjourned at 3:45.

Next Meeting: December 18, 2019 – 2:30 – 3:30 – Yellowstone Conference
Room, Granite Tower