

**Lockwood TEDD Advisory Board Minutes**  
**Wednesday, February 19, 2020 – 2:30 pm**  
**Yellowstone Conference Room, 1<sup>st</sup> Floor – Granite Tower**

**Board Members Present:** Woody Woods, Terry Seiffert, Josh Starr, John Ostlund, Tim Miller, Nick Pancheau, Mike Ariztia,

**Board Member Absent:** Vu Pham, Pam Ask, Frosty Erben, Jason Heath

**Staff and Guests:** Steve Arveschoug (BSED), Dianne Lehm (BSED), Matt Corcoran (KLJ), Scott Walker (Planning), Tom Llewellyn, Tirza Asbell (NPRC), Kari Buechler (Millennium), Mark Toews (Millennium), Melanie Schwarz, (BSED), Thom MacLean (BSED)

**1. Welcome and Introductions**

Woody Woods called the meeting to order at 2:30.

**2. Approval of Agenda**

Mike Ariztia moved to approve the Agenda. Terry Seiffert seconded. Motion passed.

**3. Approval of Minutes**

Nick Pancheau moved to approve the minutes of the January 15 meeting. Terry Seiffert seconded. Motion passed.

**4. Old Business**

Updates

Thom MacLean provided updates since the last meeting:

- Most updates since the last meeting involve Agenda items – will discuss.
- We conducted a property owner update meeting on February 6 at Pacific Steel. It was fairly well attended. We reviewed the ongoing discussion with the City regarding sewer service. KLJ also reviewed options related to a package wastewater system to serve the TEDD area, as well as a new issue regarding floodplain mapping around the Bypass project
- There is one Advisory Board position open and recently posted by the County – to fill seat vacated by Vu Pham. This position represents a landowner in the TEDD boundary. An email has been sent to property owners.

## LWSD/City of Billings Sewer Agreement

The Board discussed the City Council work session from February 18<sup>th</sup> and its 6-5 vote to instruct staff to move forward with LWSD and TEDD area landowners to extend the sewer district boundary to include the TEDD study area with the condition that any landowners must sign “Waivers of the Right to Protest Annexation” upon connection to the expanded system.

It was emphasized that this is not an official action by the City as this was only a work session. The area property owners have expressed unwillingness to sign any waivers in exchange for the sewer service. The landowners do have other options, but it is important to wait until the City’s position is official before moving forward with those options. Right now, the City Council has instructed City Administrator Kukulski to move forward, working with Lockwood Water and Sewer District and the TEDD Advisory Board, to expand the LWSD sewer district boundary under the City’s conditions.

The City Council and, specifically, the Mayor raised some concerns at the work session that should be addressed – what is a “good and sufficient cause” for the City to disregard their guidelines/policy? Steve Arveschoug stated that BSED will draft a letter to the Mayor and Council addressing some of their concerns. Among the reasons to offer the City are: 1) the Wastewater Service Agreement is an existing contract that contemplated and anticipated expansion when it was executed; 2) the Industrial Park Feasibility Study in 2014 did not identify any location in or near Billings that met the need of a rail-served industrial park without patchwork industrial development on scattered available industrial parcels.

At this point, City Council has guided City Administrator Chris Kukulski to move forward with LWSD and the TEDD board to expand under the City’s conditions. Steve Arveschoug suggested that BSED develop a letter to City Council to ask them to reconsider based on the unique and facts that make the waivers unnecessary or impractical. John Ostlund moved to proceed this way. Terry Seiffert seconded. Motion passed.

## Package Wastewater System

Matt Corcoran of KLJ described the proposed package wastewater system that could be an alternative for wastewater treatment in the TEDD area. Their report is based on a 20-year build out of the TEDD. The system could be expanded at that time, if needed. This type of system could be run by a part-time operator.

The estimated cost of the system is \$5,790,000 for construction and approximately \$384,000 annually for operation and maintenance. Development costs of this type of system would result in some cost savings from the Infrastructure Master Plan for facilities that would be needed for wastewater treatment from the City, but not needed with the package system. The total cost savings would be around \$3,890,000, resulting in a net increase of a little under \$2 million compared to the Infrastructure Master Plan. The package wastewater system could be developed incrementally as businesses come on-line, while the force main system in the Infrastructure Master Plan would have to be completely developed before the first customer could hook into it.

Commissioner John Ostlund stated that we don't want to get too far into this package wastewater system discussion until we have a final answer from the City on the Wastewater Service Agreement. The plan all along has been to work in partnership with the City on this matter, and it is important to see this process through and try to make it work. If that does not happen, we can explore other option. The City Council has not taken official action on this matter yet.

#### Floodplain Discussion

Matt Corcoran discussed floodplain mapping in the TEDD area. The Montana Department of Transportation has applied for their Conditional Letter of Map Revision (CLOMR) for the Billings Bypass project utilizing the 1-dimensional model instead of the 2-dimensional model. Information for the 2-D model is available and would be beneficial for the landowners, the TEDD, and the County. However there are costs and time associated with gaining FEMA's acceptance of the 2-D model. Matt suggested that a coalition of property owners, the County, and MDT look into gaining acceptance of the 2-D model before the final Letter of Map Revision is completed after the Bypass is finished. The associated costs are substantial (\$475,000 - \$675,000 and over a year), but this model would raise the Base Flood Elevation by about two feet, removing about 200 acres from the floodplain and lowering fill requirements on an additional 150 acres of flood fringe. These changes together could result in an economic benefit of over \$20,000,000 for the property owners and the County. Based on the timeline of the Bypass project, we have about three to four years to get this 2-D model adopted.

#### **5. New Business**

None

#### **6. Public Comment**

None

#### **7. Adjourn**

Meeting adjourned at 3:20.

Next Meeting:                    March 18, 2020 – 2:30 – 3:30 – Yellowstone Conference  
Room, Granite Tower