

Building Bakken Infrastructure:

The New Normal



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By Jason Spiess

In May of 2012, Dickinson Mayor Dennis Johnson appeared on Building the Bakken Radio and took pride in explaining how the city was debt free. Chalk it up to years of conservative balancing, smart saving and savvy spending. One year later, Johnson addressed the North Dakota oil and gas producing counties, alerting them that the city had gone from debt-free to overburdened in one year.

Since then, record oil productions, billions in state spending dollars and nomadic workers impacted by low oil prices have shifted the market and, therefore, projects and communities. Over the last two years, communities have continued to evolve and develop new cultures and landscapes.

“Dickinson, today, is in a slightly different place than it was a year ago. We use that as our comparison, our measuring stick,” says Shawn Kessel, Dickinson city administrator. “It is a slower pace, our economic activity has slowed. There are a lot of people within the city who are thankful for that; others are not. So, we are adjusting to a new normal.” The new normal is impacting residents, apartments, retail, and commerce, according to Kessel.

1 *Construction is underway on Dickinson Hills Shopping Center, an 85-acre retail, commercial, office and multi-family development situated on the Dickinson Business Loop and I-94, across from the \$100-plus million St. Joseph Hospital and the new \$40-plus million Sanford Health clinic.*

2 *Dakota Prairie Refining, completed in May 2015, is the first new refinery to be built in the U.S. in over 30 years.*

3 *Breaking ground at the site of the Sakakawea Medical Center, which, upon its expected completion this fall, will replace the one that was built 45 years ago.*



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“We dealt with one percent unemployment for many years in a row. You go from a high wage environment with lots of turnover,” says Kessel. “People had the ability to move between jobs on a whim and, oftentimes, make more money every time they did that.”

This mass behavior can have serious economic and social impacts on local communities. How communities adjust and prepare to go from debt-free to millions-in-the-hole is easy and done quite a bit. Vicky Steiner, executive

director of the North Dakota Association of Oil & Gas Producing Counties (NDAOGPC), sees first-hand how groups working together can become more efficient and intelligent when developing infrastructure.

“The Upper Great Plains Transportation study was the first time I think people really started to understand what was happening and the rate of change,” says Steiner.

She explains how the speed can impact the local communities over both the short- and long-term.