



## **No simple solution to Oil Patch housing crunch**

By AMY DALRYMPLE – May 7, 2012

WILLISTON, N.D. - Some Oil Patch man camps, with rows of dormitory rooms and cabins, are becoming larger than many North Dakota cities.

While some see the camps as an answer to the tremendous housing shortage created by the oil boom in northwest North Dakota, many communities have put the brakes on allowing new man camps.

"We thought that they were a solution when it started," said Williams County Commissioner Dan Kalil. "But then it got to be such a land rush that it just got way out of hand."

Williams County, with Williston as the county seat, has approved 9,600 temporary housing beds. But now it has implemented a moratorium on new temporary housing facilities.

But many say the crew camps – particularly the larger camps that are professionally run – are a necessary solution to the housing shortage, which in turn is contributing to a workforce shortage.

Jeff Zarling, president of Williston business development firm DAWA Solutions Group, said he thinks the man-camp moratorium is having negative consequences.

Companies are buying single-family houses and crowding several workers in them, or putting up RVs in a disorganized fashion, Zarling said.

"So instead of having these guys in a well-organized crew camp, we have them in a frat house," Zarling said. "Instead of having an organized solution, we have created chaos."

RVs are scattered throughout the community and Williston officials are getting complaints about people dumping their sewage on the ground.

Mountrail County also adopted a man-camp moratorium because the county didn't have the ability to provide water and septic services, or adequate emergency response to the camps, said Donald Longmuir, zoning administrator.

"We need the workers, we just have to be able to provide for them in a safe manner," Longmuir said.

Other communities have followed suit with similar moratoriums.

Vicky Steiner, executive director of the North Dakota Association of Oil and Gas Counties, said the closed camps run safe, clean and secure operations. Most have zero tolerance for alcohol or other rule violations.

“They’re very strict,” Steiner said. “You have less control if they were in apartments in your city.”

Terry Legions, assistant camp manager of the Target Logistics Bear Paw Lodge in Williston, said residents are typically only at the camp to eat and sleep. During their weeks off, the companies that arrange the housing require the workers to leave the camp so other workers can use those rooms, Legions said.

Many residents spend their time at the lodge working out in the fitness center, watching TV or using the Internet, Legions said. Some workers who can’t make it to church hold Bible studies in the lodge’s conference rooms, she said.

Security is tight, with a checkpoint that keeps out people who don’t belong at the camp.

Roger Thomas, division manager for Burke Construction Group, which runs the Burke Lodge temporary housing facility in Williston, said the 224-bed camp is “remarkably quiet.”

On a typical night, the lodge may have a few guys in the business center using their computers while they do laundry, Thomas said. Overnight guests are not allowed, and residents have to agree to a list of rules, including quiet hours that begin at 10 p.m.

“The purpose of our camp is to provide a place for workers to get a good night’s sleep so they can be productive in their jobs,” Thomas said. “That’s what 99 percent of our guys use our facility for.”

Williams County modified its moratorium to allow existing camps with 200 beds or more to apply for expansions.

The county also is considering making an exception for temporary housing for utility workers. Thomas, who has worked with Williams County officials on developing policies for man camps, said it’s the camps with clusters of 10 to 20 people that create more issues.

“They aren’t taking care of their waste, they aren’t taking care of remediating the site, they aren’t doing things properly,” Thomas said. “On a larger camp ... all of those owners have the same attitude that we have. They are here to do a good business, and they’re here to do things right.”

There are more mega-camps on the way. The Capital Lodge in Tioga already houses 1,200 beds and is expanding to accommodate 2,500, plus a swimming pool and other amenities.

Crews will break ground this week on the 3,100-bed Pioneer Lodge & Commons near Watford City.

Each community will be larger than the population of Casselton, which was the North Dakota’s 19th largest city in the 2010 Census.

Target Logistics has 3,700 beds in the Bakken, with its largest facilities in Tioga and Williston and an expansion under way in Stanley.

Target Logistics has its own wastewater treatment plant at the Tioga lodge, and hauls sewage there from its other facilities. The plant processes 180,000 gallons of sewage per day and sells the water to hydraulic fracturing companies, said Travis Kelley, regional vice president.

The Pioneer Lodge, 1½ miles outside of Watford City, will look more like a hotel and can be converted into apartments or office space after it's no longer needed, said Sonny Alford of Morgan Chase Management.

Watford City denied a request to provide city services to the lodge. The lodge plans to construct its own wastewater treatment facility, Alford said.

While the professionally-run camps may be the best, not everybody looking to cash in on a man camp has the same level of expertise.

The Williams County Planning and Zoning Board was receiving 20 to 25 man-camp applications per meeting when it adopted its moratorium, said Tate Cymbaluk, a Williston city commissioner who also sits on the county planning board.

Many proposals were not from companies in the temporary housing business, but from people looking to make a profit, Cymbaluk said.

"They thought it's cheap, it's quick. They can drop it in the middle of a field and start collecting money," Cymbaluk said. "It sounds good, but there's a little more to it."

Camps that allow individuals to rent a room, rather than contracting through companies, also raise concerns for officials, Cymbaluk said.

The North Dakota Association of Oil and Gas Counties is working with communities to establish best practices for crew camps. The second event will be held this week in Minot.

Steiner said it's difficult for communities to strike a balance of how much of the housing demand is temporary and how much is permanent.

"The crew camp is a good solution in the meantime while we figure out what that balance is," Steiner said.

Zarling said if communities overbuild permanent housing, they could be left with depressed property values after temporary workers leave the area.

"We'll look like Detroit where they're demolishing houses that are vacant," he said.

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