



April 8, 2010

Dear Council Member:

The minutes from our March 9, 2010 CAC meeting are attached. The next CAC meeting will be on **TUESDAY, APRIL 13** beginning with dinner at 5:00 p.m. The meeting will run from 5:30 to 7:30 p.m.

Sincerely,

Ann L. Clancy, Ph.D.  
Meeting Facilitator

Meeting Location: ConocoPhillips Learning Center  
415 South 24<sup>th</sup> Street

CONOCOPHILLIPS BILLINGS REFINERY  
CITIZENS ADVISORY COUNCIL  
March 9, 2010

MEETING MINUTES

**Present:** Council members: Steve Arveschoug, Keith BearTusk, Nancy McCullough, Shirley McDermott, David McGinnis, Linda Pettengill, John Pulasky, Jim Ronquillo, Emily Schaffer, Connie Wardell, Richard Wilson, Ernie Woods,  
ConocoPhillips management: Steve Steach, Reed Marton  
Facilitator: Absent

**Absent:** Paul Dextras, Hillary Harris, Mark Hilbert, Gladys Stahl, Stella Ziegler

**Guests:** Bob Carr, Director of Community Resource Center, MSU-Billings  
John Walsh, Co-Director, Grants & Sponsored Programs, College of Professional Studies & Life Long Learning, MSU-Billings

AGENDA

- Welcome/Introductions
- Update on Workforce Diversity Plan at Billings Refinery
- What's Happening at Garfield School
- Neighborhood Eat & Meet Planning for 2010
- ConocoPhillips, US Refining & Billings Refinery Update
- Next CAC Meeting: April 13, 2010

WELCOME/INTRODUCTIONS

The meeting was held at Garfield School which is home to the Garfield Community Resource Center. Bob Carr and John Walsh were introduced and acted as hosts for the meeting. Bob works to promote workforce diversity through the Resource Center on behalf of MSU-Billings.

UPDATE ON WORKFORCE DIVERSITY PLAN FOR  
BILLINGS REFINERY

In introducing Tiffany Wilson, who was presenting an update to the CAC on ConocoPhillips workforce planning and development efforts, Steve Steach announced that she was advancing to a new HR Manager position at ConocoPhillips' San Francisco Refinery.

Highlights of Tiffany's presentation:

- ◆ The refinery has a motivated workforce with half of the absenteeism of the company. The attrition rate is also low.
- ◆ It is a big challenge to hire a diverse workforce in Billings.
- ◆ The refinery expects a wave of retirements in the next five years.

- ◆ Goals have been set within the refinery leadership to strengthen professional development, including supervisory training.
- ◆ Tiffany reviewed the scholarship program that the refinery has set up with the MSU-B College of Technology. The scholarship has a nominal value of \$9,500 to cover tuition and fees, but also brings with it a lab internship that pays \$25-31/hr, to assist the student with other living expenses.
- ◆ Tiffany reviewed the refinery's new Training group which will be developing training materials for professional development of Operators and Craftsmen, among other objectives.
- ◆ One of the refinery's challenges is filling specialized crafts such as instrument technicians, electricians and machinists. Historically, Operations personnel have bid into the mechanical crafts in the twilight of their careers and do not fully develop their skills before retirement. To address this challenge, qualifications testing has been strengthened in an effort to ensure an adequate baseline of knowledge.
- ◆ Eight (8) Operators and three (3) Craftsmen were hired last year.
- ◆ Tiffany reviewed workforce demographics, including hiring, promotions and transfers. The refinery's Affirmative Action Plan was also reviewed.
- ◆ The refinery projects the need for 35-60 new hires by 2014, primarily in the hourly workforce.
- ◆ Tiffany described ConocoPhillips' diversity focus areas. Trips were made to two high schools, in Lame Deer and Hardin, with Tiffany, Mike Hraban and two operators representing women and American Indian employees.

The following comments and suggestions were recorded as feedback on the refinery's workforce diversity plan:

- ◆ Suggestion to offer science fairs and high school "Lunch & Learn" meetings to promote opportunities in the energy industry.
- ◆ Recommendation to work through Gear Up (Gaining Early Awareness & Readiness for Undergraduate Programs), a federally funded grant program to keep minority students in school.
- ◆ Steve Arveschoug mentioned the Bridging Cultures Committee, sponsored by Big Sky EDA/EDC, a cross cultural group of business interests in Billings and the Crow Indian Reservation that meets quarterly to talk about mutual opportunities for workforce development. Steve encouraged ConocoPhillips to participate in the committee.
- ◆ Continued participation of the refinery in the Community Opportunity Fair, formerly known as the Opportunity Fiesta, was encouraged.

## WHAT'S HAPPENING AT GARFIELD SCHOOL

Jim Ronquillo introduced CAC members to the Garfield Community Resource Center. He explained that they have had limited success with career fairs leading to employment and are trying to make services available to support people in their efforts to find employment. The Center is trying to initiate a GED program, with help from the Chancellor of MSU-B. However, the primary incentive for completing a GED is having employment opportunities. To help attract school drop-outs, the Center has installed a number of computers that can be freely used.

Bob Carr, the Director of the Community Resource Center, went into more detail about the Center's services, explaining that the university is involved at Garfield because the Southside community had the need and funding was available to remodel three classrooms. Other actions being taken include:

- ◆ The HRDC (Human Resources Development Council) supports an employment program that offers full-time employment for up to four months. The program enabled one student to pay for tuition at MSU-B.
- ◆ The GED program started one month ago. Bob emphasized the importance of getting students into college. GED instructors are onsite Tuesdays (10 am – 12 pm) and Thursdays (6 – 8 pm). GED testing is offered on Wednesdays at the Lincoln Center.
- ◆ Job Services is at the Center each week to help with resumes, computer help and job seeking.
- ◆ HRDC and the United Way are offering free income tax assistance.

Unfortunately, transportation to the Resource Center as well as the Lincoln Center remains a barrier for many people. Connie Wardell requested a follow-up on workforce development at a future meeting.

## NEIGHBORHOOD EAT & MEET PLANNING FOR 2010

CAC members agreed on the following theme and location for the 2010 Neighborhood Eat & Meet:

**Theme:** Working Together to Educate our Youth.

**Location:** Hold the event at Garfield. Early ideas include displays, such as working equipment models from the College of Technology, and games and gifts in the gym.

**Tentative dates:** To avoid the MSU Board of Regents meeting, the group targeted September 14 or 21.

## CONOCOPHILLIPS, US REFINING & BILLINGS REFINERY UPDATE

Steve Steach provided an update on the US Refining business:

- ◆ He attended a Managers' meeting in Houston in February where a more upbeat message was delivered about the company's response to the recession and plans for further strengthening the business. Unfortunately, neither the CEO nor the Chief Economist of ConocoPhillips was able to attend. However, Marianne Kah, the Chief Economist, will be in Billings for an Energy Conference to be held May 2-5.
- ◆ ConocoPhillips replaced 141% of its crude oil reserves (>100% is viewed positively by Wall Street investors), at a cost that supports a profitable business.
- ◆ One of ConocoPhillips' previously announced plans to strengthen the company is to sell 10% of its underperforming assets. Steve learned that there is interest in the marketplace in some of the company's Syncrude operations (mining of oil-bearing sands), the Rex pipeline from Canada to the US, western Canadian gas and the Flying J business.

- ◆ Although the upstream end of the company is enjoying an improvement in business performance, Refining and Natural Gas operations are still operating in a very weak market.
- ◆ Refining has developed 69 Required Standards intended to keep refineries at a high standard of safety performance and operating effectiveness. The Billings Refinery will be audited by the corporation against these standards in 2011 and will be auditing themselves this year.

#### Next Meeting Agenda – April 13, 2010

- Welcome/Introductions/Announcements
- Team Report: Coke Drum Educational Opportunity
- Community Survey Report
- Neighborhood Eat & Meet Update
- Refinery & Transportation Updates
- Next meeting: May 11, 2010