



Council Committee Memorandum

TO: Joint Council Committee
THROUGH: Tim Murray, City Administrator
Deanna Kuennen, CED Director
FROM: David Wanberg, City Planner
MEETING DATE: January 15, 2019
SUBJECT: Absolute Air Overview

Background:

Staff has been in conversations with Absolute Air, LLC for a number of months. Absolute Air, LLC is a conglomeration of five (5) Midwest distributors who have come together to develop an air separation plant. They have identified a Faribault site in the Northern Industrial Park as the proposed location to construct the facility. The proposed site is located just north of the former Renneberg Hardwoods site (now Faribault Foods site), as shown on the location map.



Location Map

Before moving forward, Absolute Air is seeking feedback from the City Council. While the site that they have identified is zoned

appropriately (I-2, Heavy Industrial Zoning), and the use has been determined to be a permitted use – there are a number of planning and zoning actions that are necessary.

- The proposed plant includes a 170-foot high distillation column. This column is essential to the operations – as it is where the air we breathe is cooled until it liquefies, and then distilled into nitrogen, oxygen, and argon. Once the gases are separated, they are then temporarily stored in tanks at the site until they are transferred into trucks and distributed to industrial users throughout the Midwest. The photograph below provides an example of a typical air separation plant.



Example of a Typical Air Separation Plant

- The site needs to be platted and a conditional use permit must be applied for to allow the 170-foot high distillation column to exceed the maximum allowable height of 65 feet in the I-2 District. Please note – for comparison purposes, the highest part of the Faribault Foods building is 107 feet tall and the stack at MMPA is 175 feet high, which is slightly higher than the proposed distillation column.

Representatives from Absolute Air, LLC will attend the Council work session and will provide the Council with more information about the operation of the proposed plant, anticipated capital investment, the customers that they serve, and its benefits to the community and local business and industries. City Staff will provide the Council with

additional information related to the City review and approval process. The Applicant intends to submit all required planning and zoning applications to the City in March. Presuming the Council approves the applications – construction for the air separator plant would begin in late spring, and the plant would be operational in late 2020.

The attached link is to a short video provided by the Applicant. The video provides information about what an air separation plant is, how it functions, and the typical customers that are served by the industrial gas products produced by the facility: [Click here to learn how Norco harvests the sky!](https://www.youtube.com/watch?v=ImDhFK2A1cQ&list=FLX84qS6ecyTylOmsx3NTv6Q) (https://www.youtube.com/watch?v=ImDhFK2A1cQ&list=FLX84qS6ecyTylOmsx3NTv6Q)

Request:

City Staff and the Applicant are requesting initial feedback from the Council on the proposed project.

Attachments:

Applicant PowerPoint presentation

ABSOLUTE AIR, LLC

JANUARY 2019 FARIBAULT COUNCIL MEETING

NED PONTIOUS, PRESIDENT

ANDY BRANDEL, ISG ENGINEERING



HISTORY OF ABSOLUTE AIR LLC

- CREATED IN JUNE 2018 AS A PARTNERSHIP WITH 5 LOCAL, WELL ESTABLISHED COMPANIES
- CREATED FOR THE INTENT TO BUILD A COMMON PRODUCTION PLANT TO SUPPLY THE FOLLOWING PRODUCTS FOR OUR CURRENT AND FUTURE CUSTOMERS
 - OXYGEN
 - NITROGEN
 - ARGON



PROJECT SPECIFICS

- INVESTMENT; \$32M
- THIS PLANT BENEFITS THE PARTNERS WITH A SECURE SUPPLY CHAIN FOR TODAY AND THE FUTURE.
- EMPLOYEES; 5 INITIALLY, WITH 20 WITHIN 3 YEARS AS WE RELOCATE DISTRIBUTION FLEET TO MN.
- THE TYPICAL LIFESPAN OF AN AIR SEPARATION PLANT IS 40 PLUS YEARS



ENVIRONMENTAL AND SAFETY DISCUSSION

- HEALTH AND SAFETY DISCUSSION;
 - SAFETY OF GASES DISCUSSION
 - DISCHARGE OF LIQUID AND GAS EFFLUENTS
 - CLOSED LOOP COOLING WATER SYSTEM, WITH 85 GPM OF COOLING WATER MAKEUP DISCHARGED TO SEWER
 - NOISE (COMPRESSORS, PUMPS, ETC) CONTAINED WITHIN BUILDING
 - PLANT RUNS 24/7.
 - TRUCKS TYPICALLY LOAD DURING THE DAY, HOWEVER ON OCCASION COULD LOAD OUT AT NIGHT
 - SECURITY; THIS PLANT IS A FDA VALIDATED FACILITY SO WILL BE FENCED AND LOCKED 24/7
- HEIGHT OF COLUMN; 170 FEET
- TRAFFIC CONCERNS; THIS PLANT WILL PRODUCE LIQUEFIED GASES WHICH WILL NECESSITATE APPROXIMATELY 15 TRACTOR TRAILER 'LOADOUTS' PER DAY.

PROJECT TIMELINE

- MARCH 2019 CITY SUBMITTAL (PRELIMINARY PLAT, FINAL PLAT, CUP)
- APRIL/MAY 2019 OBTAIN CITY APPROVALS
- MAY 2019 BEGIN SITE WORK
 - GRADING
 - FOUNDATIONS
 - ROADWAYS
- JUNE 2019 BEGIN BUILDING CONSTRUCTION
 - STEEL BUILDING SHELL TO BE COMPLETE END OF AUGUST 2019
- AUGUST 2019 BEGIN INTERNAL PIPING WORK
- JANUARY 2020 SET MAIN COLUMN
- JULY 2020 COMPLETE PIPING
- OCTOBER 2020 BEGIN PLANT COMMISSIONING
- NOVEMBER 2020 START SHIPPING LIQUID PRODUCTS

