



SEVEN COUNTY INFRASTRUCTURE COALITION
MEETING MINUTES

December 14, 2018 at 10:00 a.m.
751 E. Main, Price, UT 84501
(435) 636-3214

Present: Jae Potter, Phil Lyman (arrived late), Ken Burdick, Brad Horrocks, Jack Lytle (arrived late) & Lynn Sitterud

Also in attendance: Mike McKee, Eric Johnson, Doug Rasmussen, Kristi Sharp, Brian Barton, Michael Hawley

Absent: Ken May

Attended telephonically: N/A

1. Welcome / Pledge of Allegiance (Jae Potter)
2. Meeting Minutes of November 9, 2018 meeting (Jae Potter)

Motion to approve November 9, 2018 meeting minutes by Commissioner Horrocks, seconded by Commissioner Sitterud. Unanimously approved 4-0-3.

3. Public Comment (Jae Potter)

No comments from public.

4. Finance Director Report and approval of Expenses (Smuin, Rich & Marsing)

The following invoices were presented for approval.

SEVEN COUNTY INFRASTRUCTURE COALITION
 Financials
 December 14, 2018 at 10:00 a.m.
 751 E. Main, Price, UT 84501
 (435)636-3214

Vendor	Invoice #	Amount	Description	Grant
CIWCO Engineering, Inc	2018492	24,513.76	1-20 Transportation Corridor - Engineering	Book Cliffs Transportation Corridor
ETJ Law	1422	1,260.00	URR/RRS - Legal Services	General
ETJ Law	1423	35,175.00	Utah Rail Line - Legal Services	General
ETJ Law	1424	5,774.17	Legal Services	General
Smuin, Rich & Marsing	38697	1,950.00	Consulting Per Contract - Nov 2018	General
Mike McKee	Nov 1, 2018 - Dec 6, 2018	330.73	Director's Travel/Expenses	General
Mike McKee	Nov 1, 2018 - Dec 6, 2018	858.40	Director's Travel/Expenses	Utah Basin Railway Project - Administrative
Sunrise Engineering	0095261	16,558.92	Daggett and Utah County Trails Master Plan - Engineering	Daggett County Master Trails Plan
Jones & Demille	0119282	1,638.75	Engineering, Planning, Coordination	General
Jones & Demille	0119283	1,333.15	Leiford Bench Utilities - Engineering	General
Jones & Demille	0119298	28,365.68	Utah Rail Line - Engineering	General
Jones & Demille	0119299	18,176.75	Utah Rail Line - Engineering	Utah Basin Railway Project - Program Management
Jones & Demille	0119285	1,110.00	Engineering	Book Cliffs Transportation Corridor
Marc T. Eckels	SCIC 12-4-2018	1,281.10	Crude Oil Consultant	General
Marc T. Eckels	SCIC 12-4-2018	1,595.82	Crude Oil Consultant	Utah Basin Railway Project - Administrative
Utah Media Group	101231779-11092018	361.25	RFQ - Rail Legal Services	Utah Basin Railway Project - Administrative
Utah Media Group	101232334-11132018	405.00	RFQ - Rail Legal Services	Utah Basin Railway Project - Administrative
Utah Media Group	101232989-11202018	87.50	Public Hearing - Budget	General
Utah Media Group	10123240-11212018	31.25	RFQ - Rail NEPA Process Services	Utah Basin Railway Project - Administrative
Total Payment				
Approval		\$ 140,807.23		

Financial statement report provided by Doug Rasmussen. No questions or comments from the Board. Doug also commented that the CIB said the Coalition is doing a great job detailing expenses by funding category.

Motion to approve December Financials by Commissioner Sitterud, seconded by Commissioner Burdick. Unanimously approved 4-0-3.

SEVEN COUNTY INFRASTRUCTURE COALITION VOTING:

Carbon	Board Member	Yea X	No ___
Daggett	Board Member	Yea ___	No ABSENT
Duchesne	Board Member	Yea X	No ___
Emery	Board Member	Yea X	No ___
San Juan	Board Member	Yea ___	No ABSENT
Sevier	Board Member	Yea ___	No ABSENT
Uintah	Board Member	Yea X	No ___

Motion to accept Balance Sheet & Profit & Loss statement by Commissioner Horrocks, seconded by Commissioner Burdick. Unanimously approved 4-0-3.

Commissioner Lyman arrived at 10:29 a.m.

5. Public Hearing on 2019 Budget (Smuin Rich Marsing)

Commissioner Potter opened the public hearing at 10:31 a.m. Executive Director McKee noted that the 2019 Budget is \$60,407,500.00, which is the same value as the preliminary budget proposed in the November meeting. Commissioner Potter noted that not all funds in the budget will be expended in 2019, but all planned project expenses are included for transparency and are the project costs as currently anticipated. No public comment. The public hearing was closed at 10:33 a.m.

Motion to close the public hearing by Commissioner Horrocks, seconded by Commissioner Lyman. Unanimously approved 5-0-2.

6. Resolution approving 2019 Budget (Smuin Rich Marsing)

Resolution No. 2018-12A.

Motion to approve by Commissioner Lyman, seconded by Commissioner Sitterud. Unanimously approved 5-0-2.

7. Resolution approving PTIF account updates (Smuin Rich Marsing)

Doug Rasmussen noted that changes are needed to the list of authorized individuals for the Coalition in regards to the PTIF account. At a minimum, an organization must have two individuals authorized to make changes to the account. Individuals included in this authorization update are Doug Rasmussen, Kristi Sharp & Mike McKee.

Motion to approve by Commissioner Horrocks, seconded by Commissioner Burdick. Unanimously approved 5-0-2.

8. Resolution approving RFQ for Auditor (Smuin Rich Marsing)

Resolution No. 2018-12B. Doug Rasmussen indicated a need for Auditor selection to perform the 2018 fiscal year audit. Smuin, Rich & Marsing had previously performed the annual audits, however, they now are in the position of Finance Director/Treasurer and there is a need to release an RFQ for Auditor services. Eric Johnson recommended that a brief notice of the RFQ be published in the newspaper pointing potential respondents to the Coalition's website for the full RFQ for cost saving purposes. The notice will also be posted to the Utah Public Notice Website.

Motion to approve by Commissioner Horrocks, seconded by Commissioner Lyman. Unanimously approved 5-0-2.

9. Resolution approving RFQ for Finance Director (Mike McKee)

Resolution No. 2018-12C. There was some discussion as to what should be in the RFQ. The Board indicated they would like to see a fixed monthly amount.

Motion to approve by Commissioner Horrocks, seconded by Commissioner Burdick. Unanimously approved 5-0-2.

Commissioner Lytle joined the meeting at 10:48 a.m.

10. Resolution approving 2019 Annual Meeting Schedule (Mike McKee)

Resolution No. 2018-12D to approve monthly meetings to be held on the 2nd Friday of each month at 10:00 a.m. in the regular meeting place of the Coalition in the Carbon County building, except as noted. It was proposed to move the January meeting date to January 10th at 10:00 a.m. in Price due to the CIB meeting being held on the 2nd Friday in January.

Motion to approve by Commissioner Burdick, seconded by Commissioner Horrocks. Unanimously approved 6-0-1.

11. Resolution approving Amendment to Interlocal Agreement revising who can be appointed to Coalition Board (Mike McKee)

The amendment proposed change from elected officials to those who are: 1) residents of the county, and 2) registered voters who are appointed to the Coalition Board by their respective county. Commissioner Lyman asked that we consider the unintended consequences.

Motion to approve by Commissioner Horrocks, seconded by Commissioner Lyman. Approved 5-1-1.

12. Executive Director Report (Mike McKee)

Rail:

HDR has started work. Met with the tribe & their legal counsel and the tribe is drafting a resolution. They seem very interested in the rail project & think they can be helpful to progress it forward.

Met with the following this week in D.C.: Senator Mike Lee; Representative Bishop; Cody Stewart (Majority to lands); STB (Surface Transportation Board) – which went very well & the STD requested another meeting in January; and, Build America Bureau - regarding federal financing. The STD is the regulating body for rail, like FERC for pipelines. TIGER grant of \$3,000,000 was denied due to delays before the CIB. The rail project was not yet in the NEPA process.

Executive Director McKee introduced Skye from the CIB. She participated in the 3rd party NEPA interviews and provided valuable input.

Thorium Research Lab:

Executive Director McKee had discussions with Senator Hinkins last week. The Coalition is seeking \$10M appropriation to build the lab. Mike also expressed great appreciation to Emery County and all their work to progress this project forward.

Seep Ridge Road:

Progressing well. Ready for EIS. Plan of development is almost ready and needs to coordinate on rail.

CPACE Initiative (Shawna Cuan):

SB273 2017 Senator Adams. This initiative provides financing for energy improvements on new or existing buildings for a duration of up to 30 years. There are three options offered for financing.

Western States Rural NG Initiative Update (Jordan Clark):

Executive Director McKee indicated that the 2019 budget includes Phase 2 for this project. Jordan Clark, Governor's Office of Energy, that a detailed update will be provided in January once the study is released. Jordan also indicated that the 2019 Governor's Energy Summit will be held on May 25th.

Other:

The CIB contract on rail needs to be negotiated. Original proposal is not acceptable.

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13. Resolution approving Parameters for Natural Gas Revenue Bonds or Lease Revenue Bonds for Main Natural Gas Line to Green River and calling a public hearing (Eric Johnson / Mike McCandless)

Resolution No. 2018-12F. 514 connections potential. Study previously provided 42% savings on other sources like propane. The city of Green River is financing the distribution portion of this project.

Motion to table by Commissioner Lyman, seconded by Commissioner Lytle.
Unanimously approved 6-0-1.

14. Resolution ratifying NDAs with Flibe Energy (thorium) and with L&P Logistics (rail) (Eric Johnson)

Resolution No. 2018-12G. Executive Director McKee indicated both NDA's have been signed and there are no concerns with the agreements.

Motion to approve by Commissioner Lytle, seconded by Commissioner Burdick.
Unanimously approved 6-0-1.

15. Monthly Infrastructure Report/Study Update (Jones and DeMille)

Brian Barton indicated that much effort is going in to the rail project. RFPs for freight planning and operations & maintenance will be forthcoming to rapidly move forward. Jones and DeMille is creating a critical path schedule to meet December 2020 deadline for regulatory approval, which enables the rail to be operational by 2023.

16. Resolution approving Rail Legal Counsel (regulatory) (Eric Johnson)

Eric Johnson indicated a preliminary RFQ was released in the spring of this year and we received four responses. An updated RFQ was recently released and we received two responses, from Venable and GKGLaw (Tom Wilcox). Venable's costs were estimated between \$1.5M to \$1.8M, of which the costs are mainly driven by STB requirements. GKGLaw's costs were estimated at \$250K, which indicated a lack of clear understanding of the scope of this effort. Commissioner Lytle inquired if that fits within the 2019 budget, and Executive Director McKee confirmed that it does. Venable's RFQ response was strongest and we recommend Venable to be selected as Legal counsel for Rail Regulatory. Resolution No. 2018-12H.

Motion to approve by Commissioner Lyman, seconded by Commissioner Sitterud.
Unanimously approved 6-0-1.

17. Resolution approving Rail STB Third Party Consultant (Mike McKee)

Executive Director McKee indicated we received three RFQ responses from VHP, Burns & McDonald & ICF. The selection committee included Skye from the CIB, Mike McKee, and Brian Barton, Jenna Jorgensen & Mike Hawley from Jones and DeMille. All firms were interviewed. The selection committee recommends ICF. Resolution No. 2018-12I.

Motion to approve by Commissioner Burdick, seconded by Commissioner Sitterud. Unanimously approved 6-0-1.

18. Closed (executive) session pursuant to §52-4-205 (Eric Johnson)

No closed session was needed.

19. Resolution approving creation of Rail Subcommittee for selecting rail route & various other project details (Mike McKee)

Resolution No. 2018-12J. The subcommittee will include: Executive Director, Attorney, Jones and DeMille, and commissioners from Daggett, Duchesne & Uintah counties.

Motion to approve by Commissioner Lyman, seconded by Commissioner Horrocks. Unanimously approved 6-0-1.

20. Presentation to outgoing Board Members (Mike McKee)

Executive Director McKee thanked both Jae Potter (Carbon County) and Ken Burdick (Duchesne County) for their tremendous efforts over the past few years on the Coalition Board. Everyone has enjoyed Ken Burdick's great sense of humor. And Jae Potter provided tremendous leadership to advance so many projects. Both commissioners were presented with a recognition award for their dedicated service.

21. Motion to adjourn (Jae Potter)

Motion to adjourn by Commissioner Lytle. Adjourned by acclamation.

Motion to approve December 14, 2018 meeting minutes by Commissioner Miles,
seconded by Commissioner Hopes.

SEVEN COUNTY INFRASTRUCTURE COALITION VOTING:

Carbon	Board Member	Yea <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Daggett	Board Member	Yea <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Duchesne	Board Member	Yea <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Emery	Board Member	Yea <input checked="" type="checkbox"/>	No <input type="checkbox"/>
San Juan	Board Member	Yea <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Sevier	Board Member	Yea <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Uintah	Board Member	Yea <input checked="" type="checkbox"/>	No <input type="checkbox"/>

absent
Co-Chair Phil Lyman

[Signature]
Co-Chair

ATTEST:
[Signature]
Eric Johnson

