SEVEN COUNTY INFRASTRUCTURE COALITION
MEETING MINUTES
September 19, 2019 at 10:00 a.m.
Carbon County Commission Chambers
751 East 100 North
Price, Utah
(435) 219-1362

Board Members Present: Casey Hopes (Carbon County), Jack Lytle (Daggett County), Greg Miles (Duchesne County), Willie Grayeyes (San Juan County), Garth (Tooter) Ogden (Sevier County), and Brad Horrocks (Uintah County)
Also, in attendance: Mike McKee, Eric Johnson, Brian Barton, Michael Hawley, Doug Rasmussen, Kristi Sharp, Mark Hemphill, Kevin Keller, Hank Stevens, and Heather Hoyt
Attended telephonically: N/A
Absent: Lynn Sitterud
Others Present: Commissioner Greg Todd (Duchesne County), Andrew Kurdish, Tammy Champo, Melissa Cano, Pamela Juliano, Troy Ostler, John Thompson, Loren Lamoreaux, Reed Page, Greg Page, Sylvia Wilkins

1. Welcome/Pledge of Allegiance (Brad Horrocks)

2. Public Comment (Brad Horrocks)

Comments of Darrell Fordham: Representative for Argyle Wilderness Preservation Alliance. Mr. Fordham expressed increasing concern about this project and the ever-changing narrative. He recapped his concerns as follows:
- Early on it was stated that the rail project would provide up to 27,000 new jobs in the Uinta Basin. Recently, on the rail website, the numbers were revised to around 400 jobs.
- Also, the claim was made that the railway would take heavy tanker trucks off Hwy 40, reducing road maintenance and increasing road safety. Recently, the public relations team has said that the project will not reduce heavy truck traffic on Hwy 40.
- A few meetings ago Director McKee stated that Drexel Hamilton stated that the project would need 80,000 barrels of oil to be viable. Now, recently, that number had changed to 130,000 barrels of oil that would be required.
- When talking about pollution, the Coalition has said that locomotives are more efficient than heavy trucks, but this ignores the fact that oil and gas production will have to be
increased over 260% just to support the project and make the rail feasible. This will dramatically increase pollution in the Uinta Basin.
- It is also now claimed that there will be more short distance trucking jobs hauling crude to the rail. This will also increase pollution and traffic. You can’t increase production this much and ignore the negative impacts and consequences.
- As of right now, public mineral lease monies are funding this project. The stated legislative purpose for mineral lease money is to reduce the impact on communities from mineral extraction. This project is going to tax local infrastructure, dramatically increase pollution and have negative effects on our local communities, all things that will increase the impact.
- One final thought, why aren’t private landowners being given the same deal and ownership opportunities that the Ute Tribe is being offered? Thank you.

Comments of Andrew Kurish: Mr. Kurish addressed his transparency concerns with the board in general and the Uinta Basin Rail Project in particular. He first learned about the project this past February. Initially he was leaning in a supportive direction. But the secrecy around the project and the avoidance of the public has been extremely concerning. Four of the last six board meetings were either rescheduled, relocated, or both. Why so much secrecy? If this is truly a project to benefit the community, then get the community on board – this includes individuals and not just the elected officials. Thank you.

3. Approval of August 8, 2019 Minutes

There were two minor corrections identified by Commissioner Hopes. The first line of Item 6. in the minutes “your” should be “you”. In Item 8., at the bottom of page 4. “Safety Transportation Board” should be “Surface Transportation Board”. Those changes will be made.

Motion to approve August 8, 2019 meeting minutes by Commissioner Hopes, seconded by Commissioner Miles. Unanimously approved 6-0-1 absent.

4. Discussion and consideration of contract with Jon Stearmer.
Executive Director McKee began by explaining that he had signed a contract with Jon Stearmer for him to provide expertise concerning a new route right-of-way in the Emma Park area. He is bringing the contract before the board for ratification. He next turned the time over to the attorney Eric Johnson who proceeded to ask board members if they had any questions.

Commissioner Hopes began by asking what the contract accomplished? Is Mr. Stearmer going to do environmental work? The Director explained that he would be evaluating ownership among other things along this new right-of-way. The way the contract works is that Mr. Stearment will do the work, provide the information to Venable, but the Coalition will oversee the contract and pay the bill. Commissioner Hopes then asked how sure we were that this could be done for the not to exceed $10,000 amount stated in the contract? The Director stated that the only thing that could push the contract over that amount would be if there were endangered species found, like Sage Grouse, then they would have the expense of working out mitigation.
Commissioner Miles asked if this was going to exceed the amount set aside for legal expenses? The Director stated that it would not and that within the rail budget there was a line item for specialty legal.

With no further discussion, there was a:

**Motion to ratify the contract with Jon Stearmer, for up to $10,000, by passing Resolution 2019-09A.** The motion was made by Commissioner Ogden, seconded by Commissioner Miles. Unanimously approved 6-0-1 absent.

5. **Consideration and authorization of travel for board members to attend the next “MSR and Advanced Reactor Working Group” meeting in Washington, D.C. on September 24 and 25, 2019.**

Time was turned over to attorney Eric Johnson. The Coalition has been invited to two different conferences dealing with Molten Salt. The first one is in Washington, D.C., next week. The second one is in Oakridge, Tennessee. Commissioner Sitterud has requested that we attend these conferences. If I had to choose for the board to attend just one, then the Oakridge, Tennessee would probably be the priority. The one is D.C. has a follow up conference in December we could attend if everyone thinks the one next week is too soon.

Commissioner Hopes asked who might attend? Mr. Johnson stated that the Resolution states that up to three board members could attend.

Commissioner Lytle asked if the Coalition would be presenting at these conferences? Mr. Johnson stated that the one next week was too soon, but there was a chance they could present at the December conference. He stressed that these conferences were a great way to get the word out about their Research Lab.

Commissioner Lytle followed up asking if there was any idea of the expense to attend these? What should we set the spending limit at? Mr. Johnson said they had not estimated expenses as of yet.

Commissioner Horrocks requested that Director McKee coordinate the participants and the travel and that everyone try to keep the expenses to a minimum. Director McKee stated that there was grant money for the Research Lab and these conferences are where you go to get information, get the word out, and help build the project.

**Motion to approve Resolution 2019-09B approving travel for “MSR and Advanced Reactor Working Group” in Washington, D.C. on September 24 and 25, 2019** was made by Commissioner Lytle, seconded by Commissioner Miles. Unanimously approved 6-0-1 absent.

No further discussion needed on this item.

Motion to approve Resolution 2019-09C approving travel for “MSR Workshop” in Oakridge, Tennessee on October 2 and 3, 2019 was made by Commissioner Miles, seconded by Commissioner Ogden. Unanimously approved 6-0-1 absent.

7. Consideration and authorization to amend the Coalition’s preferred route alignment to the Whitmore Park route.

Director McKee led out in this discussion. He stated that initially they sent three routes to the Surface Transportation Board for consideration. There have been several public scoping meetings. Everyone has listened and seriously considered the public’s comments. The engineers have reviewed the various options and issues. They have identified and we will be sending the Surface Transportation Board a new preferred alignment.

Kevin Keller, with HDR, and Brian Barton an engineer with Jones and DeMille projected maps of the new preferred alignment, the Whitmore Park route. As part of the scoping process it has been concluded that the Craig, Colorado route should be removed. The important elements of this new route are:

- It will remove the Craig, Colorado route from consideration. Going into another State with the rail increases the number of agencies reviewing the project which increases the cost. So, being able to eliminate this route would be helpful. The Colorado BLM and other state/federal agencies support this route being removed. The Surface Transportation Board concurs and this route in no longer being considered.
- Indian Canyon and Wells Draw routes will move forward and continue to be considered for impact analysis. The Surface Transportation Board has received a lot of public comment on these two routes.
- The result of these decisions is the addition of a new preferred route, the Whitmore Park alignment. Whitmore Park has some common elements with Indian Canyon and Wells Draw, but there are 3 unique differences:
  1. This new route will run along the Emma Park Road. Jon Steamer was brought on board to identify ownership and land rights along this road. In 1962, the Bureau of Land Management (BLM) granted a portion of this road to the State of Utah. There has been some confusion as to who has ownership of which parts and who maintains the road. Commissioner Hopes quickly stated that Carbon County maintains the road but has no ownership interest!! If we are able to take advantage of that prior BLM decision and any other disturbance can be avoided, it will save money. So, the goal would be to stay within that existing Emma Park Road right-of-way, avoiding any other disturbance in the area.

Minutes of September 19, 2019
2. With the Indian Canyon route, we would have a hard time getting around some difficult terrain and we would impact several private properties. So, after listening to public comment we have found a way to bypass those properties.

3. In an area to the north, called the Mini Ranch Area, the original Indian Canyon alignment would have cut through many of these properties. With this new alignment we are able to stay south of many of these properties.

All three of these differences make up the Whitmore Park Alignment. So, the Surface Transportation Board will now have four possibilities to consider – a no build option, the original Indian Canyon and Wells Draw Routes, then the new Whitmore Park alternative.

There will be around 20 fewer property owners impacted by the Whitmore Park alternative.

Commissioner Ogden asked if the new route will have tunnels? Mr. Keller responded that there will be two small tunnels, but nothing like the main tunnel proposed on the Indian Canyon line. Commissioner Ogden further asked if the Craig Route was abandoned would there be funding previously allocated for the Craig Route to transfer to this new route? Director McKee responded that this will get them closer to their original budget because the Craig Route was going to add some unanticipated expenses to the project, if it was chosen.

Brian Barton (Engineer) stated that they were in the process of re-evaluating the budgets now that the Craig Route was removed and the Whitmore Park Route soon to be added. The project is still within budget.

Commissioner Hopes asked when they could begin to share this good news with their constituents? Director McKee informed everyone that later that same day he had a scheduled call with the Surface Transportation Board at which time the Whitmore Park Route will be added and the routes formalized.

Commissioner Lytle took the floor and addressed the public. He stated that he wanted everyone to know that some of the meeting changes have been due to other meetings they have been required to attend. The Board represents seven distinct counties. He went on to say that he was sure it was easy for people to make assumptions as to secrecy when they were not involved in the day to day operations. But, some of the changes are just practical decisions made to assure the most board members are available for meetings. Things often arise at the last moment. In direct response to comments made, he wanted the public to know there was absolutely no intent to deceive or have secrecy. As a board, they are very available. He wanted the public to know that the board appreciated them even though they might not always like what they have to say. The public has a right and a responsibility to make sure they are transparent. There are lots of moving parts with this rail project and changes happen fast.

Commissioner Miles stated he was pleased that this new Whitmore Park Route would greatly decrease the number of landowners impacted by this project. This past week a property owner asked him if they were really reducing the number of property owners impacted or if they were just changing the route and making it someone else’s problem? Mr. Keller, with HDR, responded that HDR did look at that and they have worked very hard to keep the new alignment
between two properties so it doesn’t impact any one property owner more than another. It’s the best they can do for now. As they get more data, they will be able to reevaluate. Property owners will be welcome to provide public comment all the way through this project. If this is determined to be the preferred alternative it will be highly scrutinized.

Commissioner Lytle asked if the engineers had the land status map they could project for everyone to look at? Mike Hawley an Engineer from Jones and DeMille posted the land status map and showed the public that this new route involved Bureau of Land Management (BLM), State Institutional Trust Lands Administration (SITLA), and some private owners. Much of the private property represents one land owner.

Commissioner Miles spoke to the motion and stated that sometimes the wheels of government turn slowly and it appears that they are not listening or considering public concerns. This new alternative shows that we do care. He wanted to express appreciation to the team as a whole who have worked diligently to find a better solution and a better route to fit our needs. But it does come with a cost. There is a drastic cost difference between the alignments. We want to find the best route.

Commissioner Grayeyes asked if there were any changes to the Tribal portion of the project? The engineers stated that there was no change. The ratio of private to public lands has probably changed but the Tribal portion has remained the same.

**Motion to approve Resolution 2019-09D approving the Whitmore Park Route as the Coalition’s preferred alignment** was made by Commissioner Lytle, seconded by Commissioner Miles. Unanimously approved 6-0-1 absent.

8. **Update and report on the Uinta Basin Railway Project**

Commissioner Horrocks began by saying that he had a ton of notes and information from the Energy Summit. He noted that the team that put that on had done a great job. There was a great response from everyone he spoke with. There were a lot of people from out of the area and out of State.

Last week they met with Senator Lee and asked for a letter of support for the project. The team that made the presentation to the Senator did a great job. Senator Lee was very excited and enthusiastic about the project. Commissioner Horrocks noted that everything seemed to be going well with the Tribe, also. SITLA had been calling him at least once a week and is very positive about the rail project and what it will do for the school children of Utah. He noted that he was asked to come and speak to a 7th grade class at the Jr. High in Vernal. Out of 20 children, 15 of them were knowledgeable about the rail project. One said his father worked for a trucking company and they were glad at the prospect of the work.

The time was turned to Director McKee who stated that it was a challenge but they were working to keep everything coordinated locally, at the State level, and even in Washington, D.C. Since
the last meeting, a small group of them have met with key officials in Washington, D.C.. The relationships they built during the trip were very important.

Commissioner Miles then mentioned that the meetings were excellent and he got educated concerning a few things. Most of the Washington officials seemed to be familiar with the project. It was reassuring to hear that their message had gotten through to the Washington offices, particularly with the Forest Service who had received information from the local Utah offices. It was great that other meeting opportunities came up while they were there so they didn’t have to make another trip in the future.

Commissioner Lytle stated that they were fortunate that they, as Commissioners, needed to be in Washington, at the same time, for a National Association of Counties meeting. It worked in their favor, he believed, that they were there to brief officials and it wasn’t an “ask” trip. One person he met with said they usually barely scratch the surface understanding projects, but this one they had received a lot of info and had a much deeper understanding. Commissioner Lytle stated that he was grateful for everyone who had helped them through this process and was grateful for those who came to be supportive on the trip.

9. Discussion and consideration of the San Rafael Research Lab

The time was turned over to Eric Johnson who stated that it was his understanding that the coal combustion equipment had been reassembled. In addition, there had been meetings to determine what would be required for the Molten Salt project. The facility is not connected to a sewage treatment plant, it is just on a septic system. So, they will have to recapture all of the water and test it before it is disposed of. Also, they are working on required State licensing.

Commissioner Miles asked whether there was going to have to be an upgrade to the wastewater system? Mr. Johnson said initially they will just design a tank, recapture the water, and test it. If it is within limits it can just go into the septic system. If not, it will have to be hauled off for proper disposal.

10. Consideration and authorization of a contract with the State Energy Office allowing the Coalition to receive $1 Million for the San Rafael Research Lab.

This process has been going on for a while. Lots of work has gone in to it and Senator Hinkins has been a champion helping to get this funding. The Legislature allocated a million dollars for the Lab. The funds are coming to the Coalition through the Office of Energy. They have worked hard to get the contract to us. Attorney Eric Johnson stated that it was a standard pass through contract much like they currently have with the CIB. Funds would come back to them on a reimbursement basis.

Motion to approve Resolution 2019-09E by Commissioner Grayeyes, seconded by Commissioner Miles. Unanimously approved 6-0-1 absent.
11. Executive Director’s Report.

The time was turned over to Executive Director McKee who stated that he had just recently had a good meeting with the State BLM letting them know about the proposed Whitmore Park Route. He mentioned that he had a really good team with him for the presentation and he would need to get back with them to let them know that the new route had been approved. There is an additional meeting set up with UDOT (Utah Department of Transportation) and if the date selected does not work for involved board members then they will reschedule the meeting for October. This meeting will be about the Emma Park Road and how to coordinate with various agencies. Director McKee thanked the board members for all of the time and work they have put into this project.

He next asked to address the Seep Ridge Road Project. He noted that Troy Ostler, the engineer working on that project, was present and asked him to report on the project’s status. Mr. Ostler stated that he had just previously met with the BLM in Moab. It had taken a while to get the meeting as they had a new Director and wanted to wait for her to arrive. The meeting was in reference to their right-of-way application. Mr. Ostler stated that the BLM had given him access to their data base and requested he compile a list of all the rights-of-way along the proposed route. His office has begun to work on that and he anticipates it will take about two weeks.

Once this work is complete, he will schedule another meeting, including Executive Director Mike McKee, to talk about project coordination.

Commissioner Miles asked if there was money in the budget for this additional work. Mr. Ostler replied that this had been anticipated and there was money allocated in the budget to cover it.

Director McKee took another minute and asked Commissioner Grayeyes to introduce the gentlemen with him at the meeting. Commissioner Grayeyes recognized Hank Stevens the President of Navajo Mountain. Mr. Stevens spoke briefly and recognized Loren Lamoreaux with the Utah Commission Authority who was traveling with him.

Commissioner Grayeyes wanted to thank the Coalition’s attorney, Eric Johnson, for his trip south to take a tour of the Navajo Mountain area.

12. Discussion and consideration of changes to the MOU between Drexel Hamilton, Rio Grande Pacific, and Seven County Coalition.

The time was turned over to attorney Eric Johnson. The original MOU talks about acquisition of rights-of-ways and states that they will be purchased by the Coalition. We need to make some clarifications in that memorandum because Drexel Hamilton would like to initially purchase the rights-of-way in their name, and then transfer them over to the Coalition. We are in agreement with that, so the Coalition will do the ground work prior to purchasing. Then, Drexel Hamilton
will make the purchase. This will assure a clean distinction between the use of public and private funds.

The original MOU was not a full public-private partnership. It was a right to investigate performing the partnership. It was an opportunity to look at commercializing the railroad. In the original MOU, it stated that it was anticipated that there would be additional agreements. We are supposed to enter into those additional agreements by June 1st of next year (2020). If those are not in place by that time, then those property rights will be transferred to the Coalition, but the Coalition would have to reimburse Drexel Hamilton for their out of pocket expenses.

If the board is comfortable with this then he’d ask them to authorize making these MOU changes. Director McKee added that he’d like to see the board authorize himself and the two Co-Chairs to sign the revised MOU once the changes were made.

Commissioner Hopes asked if that meant the rest of the board would not see the revised MOU but would count on the others to make the decision? Commissioner Horrocks stated that was correct but suggested the final MOU could be circulated by email for everyone to take a look at prior to signing.

Commissioner Hopes stated that he would prefer for the whole board to have an opportunity to review the finalized MOU before it is signed. He further stated that he would be comfortable, today, to pass the resolution pending the full board reviewing the changes by email or whatever method was appropriate. He made a motion to pass Resolution 2019-09F subject to board approval through email confirmation followed by signature of the Co-Chairs.

Commissioner Ogden questioned whether the property would be owned by Drexel Hamilton?

Attorney Eric Johnson stated that Drexel Hamilton would acquire initial rights but would then transfer them to the Coalition. Commissioners Ogden and Miles both asked if that meant, in the end, the Coalition would own the rights-of-way? Attorney Johnson responded that if Drexel Hamilton was still involved in it then the rights-of-way would be transferred without cost to the Coalition. If they are not involved then the Coalition would have to reimburse them their expenses.

Commissioner Ogden asked why they might not be involved? He thought they were the supporters of the project? Attorney Johnson stated that from the beginning the original MOU was not a formal public-private partnership agreement. It was a preliminary agreement to allow them to investigate the possibilities. So, even though this all looks promising, those final agreements are not in place as of yet. From the beginning it said they had until June 1, 2020 to get the additional agreements in place. We still believe this is going to happen, but in the contract we have to leave the door open just I case it doesn’t happen.
Commissioner Hopes asked if the rights-of-way are transferred to the Coalition, 20 to 30 years from now if this rail is abandoned, then who is responsible for the reclamation? That needs to be addressed because our counties cannot afford such an expense.

Commissioner Lytle added that it might be addressed through some sort of Escrow Account with money being set aside for reclamation. Commissioner Hopes stated that possibly there could just be a bond with the operator putting up the cash.

Director McKee stated that those were all good points and as the project moved forward there would probably be several conditions that have to be addressed.

Commissioner Ogden asked how the remaining contracts were looking for 2020? He stated that he hated to see the Coalition going through all of this work only to not end up with contracts. Attorney Johnson said that from the beginning it was anticipated that these next contracts would not occur until after the first of the year and everything looked to be on schedule.

Commissioner Horrocks asked Attorney Johnson to restate the motion that had been made by Commissioner Hopes:

Motion to approve Resolution 2019-09F, Amendment No. 1 of the MOU with Drexel Hamilton, Rio Grande Pacific and Seven County Coalition, in substantially final form with approval of the board via email confirmation and signatures by the Co-Chairs and Director McKee, was made by Commissioner Hopes, seconded by Commissioner Lytle. Unanimously approved 6-0-1 absent.

13. Discussion and consideration of a spoke for the proposed Inland Port to be located in Sevier County.

Time was turned over to Commissioner Ogden. He is proposing a satellite (not a Spoke) for the Inland Port. The one for Sevier County would be unique because they don’t have a railroad, like the other counties, they would have a trucking hub. Their coal would probably not go to the Port, but they have salt and various other resources in the county. So, his question to the board was, could the Coalition consider adding this to the project list?

Brian Barton (Engineer) weighted in that this was a great idea. They would take this into the Coalition’s Project Ranking Matrix and see how it comes out, just like they would be doing with the Navajo Mountain Project.

Director McKee would like to put this on the agenda for the next meeting, after the engineers have a chance to assess it. Commissioner Lytle stated that since this was on the agenda as discussion and consideration, he would like to make a motion so its on the record that the board wanted to move forward to assess this project and see where it would rank on the matrix. He felt it was important, since Sevier County is not directly impacted by the rail, that the Coalition show support for their project.
It was asked if Commissioner Ogden had had any discussions with the director of the Inland Port? He stated that he sits on that board and had discussions with the director. He is very supportive of us trying to do this and supportive of creating projects out of the Salt Lake area. It would be a win-win for everyone involved.

Commissioner Lytle made the motion to support going forward with this project because there would be some expenses as it moved forward and he wanted the board to be on the record as supporting this. A second was made by Commissioner Hopes and the board unanimously approved.

As a follow-up, Commissioner Lytle asked if the board had considered the rail being involved in the Inland Port Project? Commissioner Ogden stated that he had discussed this with Commissioner Hopes who had been exploring the possibility for Carbon County. There have been some discussions. Commissioner Lytle stated that it might be premature but he could see it as a fit in the future. Commissioner Horrocks stated that this was the purpose of the Coalition to help make things happen for our counties and the Board members needed to be there to support each other.


The information presented reflects invoices and expenses thru August 31, 2019. The total amount of invoices to approve for payment was $1,024,843.15.

Discussion on the expenses was as follows:

Doug Rasmussen, the accountant, began the discussion stating that they had carefully reviewed the expenses. Director McKee stated that he had reviewed them as well and that they had found a few small errors, resolved them, and otherwise they looked great. Commissioner Horrocks stated he had reviewed them as well and felt comfortable that they were ready to be approved.

Commissioner Miles extended his thanks to everyone involved in making this a better process. As Commissioners, they have such busy schedules that they appreciate their being timely and carefully reviewing them. He stated that he had gone through the financials and believed they were well prepared. He went on to say that unless there was further discussion, he was ready to make a motion to approve.
## SEVEN COUNTY INFRASTRUCTURE COALITION FINANCIALS

September 19, 2019 at 10:00 a.m.
751 East 100 North, Price, UT 84501

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<td>Uinta Basin Railway Project - Legal Services - Phase 1</td>
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<td>Uinta Basin Railway Project - Administrative - Phase 1</td>
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<td>115,315.92</td>
<td>Uinta Rail Line - NEPA Consulting</td>
<td>Uinta Basin Railway Project - Baseline Environmental Services - Phase 2</td>
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</table>

**Total Payment Approval**

$1,024,843.15

Minutes of September 19, 2019
**Motion to approve expenses** by Commissioner Miles, seconded by Commissioner Grayeyes. Unanimously approved 6-0-1 absent.

Roll call vote for expenses for payment was as follows:

SEVEN COUNTY INFRASTRUCTURE COALITION  VOTING:

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<th>Board Member</th>
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Doug Rasmussen then led the board in a discussion about the Financial Statements to include the Balance Sheet, Income Statement, and Profit and Loss Statement through July, 2019.

Mr. Rasmussen directed the board members to the Profit and Loss Statement and indicated that they would find information on each individual grant. This is information they provide on an ongoing basis.

**Motion to accept** the Balance Sheet and Income Statement was made by Commissioner Lytle, seconded by Commissioner Hopes. Unanimously approved 6-0-1 absent.

Mr. Rasmussen next directed the Commissioners to the Project Summary Sheets. These represent each grant project, the expenses, and the remaining balance. This is for your information and does not require a vote to approve.

Commissioner Ogden asked, in general, how were they doing with time on the various projects? Director McKee said concerning the rail project they were on schedule and expenditures were in line. Kevin Keller (HDR) stated that they are making pretty good progress for a project of this size and complexity. It was amazing to him how quickly the project was moving along.

Director McKee stated that he knew as they approved expenses each month that it seemed like a lot of money, and it was, but there were a lot of people working to accomplish this goal. Mr. Keller stated that, at times, there are as many as 20 people working for them on the project. Brian Barton stated that for them, any given day, there could be 10 to 12 people in the field.

Commissioner Grayeyes asked if there was a “sunset” on any of these project funds? Eric Johnson (Attorney) stated that for the CIB funds they had until sometime in 2021, but on the State Legislative funds there was no “sunset”.

Minutes of September 19, 2019
Commissioner Grayeyes also asked, over time, if there would be any inflation factor on the bids? Briand Barton stated that all of the contractors had assumed a multi-year project and the bids were fixed.

Commissioner Horrocks wanted everyone to know that the Commissioners involved in this rail project were attending at least 5 meetings a week, in addition to their regular Commission duties. He stated that at times it is a bit overwhelming and he really appreciated everyone’s willingness and participation.

Commissioner Lytle wanted to make sure everyone recognized that these meetings were administrative in nature and not decision making or policy making meetings. The purpose of the meetings were mostly to be informed and stay informed.

Commissioner Hopes reminded the board that last month he had been tasked with reviewing the financials. He wanted them to know that he had met with Kristi Sharp, with Smuin, Rich and Marsing, and reviewed the expenses from last January thru July. They performed several tests each month where they compared the checks written with the amount approved by the board. Everything lined up and looked great. They found no discrepancies.

15. Engineers Report

The time was turned over to Brian Barton, an engineer with Jones and DeMille, who stated that in addition to the rail project, which has already been addressed, there are other projects they have been working on. There was a meeting concerning the Navajo Mountain Road Project. They have great discussions and we now know a lot more about the project. The Matrix Analysis is almost complete and they should be able to report on this at the next meeting in October.

Also, in October at the meeting, they plan on giving an overview of the Inland Port Satellite Project for Sevier County. They might want to look at whether there is anything in San Juan County that could tie into the Inland Port Project.

As they work through the Matrix there will be certain sites that score higher than others and may seem as better options. That’s part of the evaluation process.

Brian turned the time over to Mike Hawley, another engineer from his firm, to discuss the Leland Bench Utilities Project. Mike reported that for both the gas and water there had been some refinement as concerns the cost to provide those services. There had also been work done to refine demands and peak services.

Commissioner Grayeyes said he’d like to mention another project that he had been thinking about. The project is a sanitation sewer line for a Navajo Mountain community. If possible, he’d like to have the engineers look at the design and help piece it together so he could go after public funding. Right now, he would estimate the sewer line would serve 100 residences, plus
the high school, the community school, the clinic, and the Housing Authority subdivision. He will send the engineers the rough drafts of the project.

Commissioner Grayeyes thanked the engineers for sending the contractors to look at their road project. They estimated that some repairs to improve the quality of the road might be $163,000. They would cut the rock bed and crush it to build up the road. But they ran into a problem. The contractor would need 50,000 to 60,000 gallons of water every 30 days. They exist in a dry country. Down the road is Lake Powell but that is another obstacle. It is visible water, established by the National Park Service, Bureau of Reclamation, BIA, along with the support of the Navajo Nation. But they can’t touch the water... not even a cup.

Mike Hawley again addressed the group adding an overview of their discussions. They drove the Navajo Mountain Road toward Oljato. There currently is not a road that goes all the way through. It stops at the High Ute Mesa. It was a really bad road and a really rough ride!! The road is sub-grade, rock, basically with no gravel on it. Contractors would have to come in, as mentioned by Commissioner Grayeyes, grind the rock into gravel and use that as the road base. That could then be graded and would be much more passable for those that use the road on a regular basis.

16. Board Training

Attorney Eric Johnson addressed the board concerning a couple of policies that needed to be reviewed. The first one was an Ethics Policy. There was a part of this policy that Commissioner Sitterud asked him to address. Specifically, Section 3.93, wherein the last sentence states, "the conflict of interest in this paragraph 3.93 may be waived by a majority vote of the board.

This ethics policy talks about a cool down period or period of separation after someone leaves the board before they can accept work for another county, one of the Seven County projects or another similar project.

The suggested cool off period is 24 months. Commission Sitterud brought this forward because he is very committed and involved with the San Raphel Research Lab and didn’t want to be prohibited from working with the project once he was no longer a Commissioner. The purpose of this review was to make sure the board understands the potential dilemma and is comfortable with its options.

Commissioner Horrocks stated that he had read the policy and understood that the board could make decisions on a case by case basis. Mr. Johnson stated that was correct. He also wanted the board to understand that their policy was above anything required by the State statute. The State statute does not require any cool down period. He went on to discuss other policies.

The State Auditor had suggested some policies they might want to adopt. The first was a Travel and Reimbursement Policy. It adds a maximum amount that can be spent on meals. The second is an Information and Technology Policy. The Coalition finally has a computer, something it has not had for the past 4 years and so this policy is needed. This policy basically states that you
have to abide by all the laws and that you are required to operate in accordance with Coalition Policies. And, finally, a new policy on Fraud Abuse. The thing that stands out with this policy is that we are required to have a phone number to serve as a fraud abuse hotline. The call-in number being suggested is the Carbon County Clerk/Auditor’s office. Mr. Johnson will contact the Carbon County Clerk/Auditor and see if this is possible. The number needs to go to someone with no direct ties to the Coalition. If and when they receive a complaint, they will contact the Executive Director. If he or she is involved in the complaint, then they will contact the Coalition Co-chairs. A full investigation then follows.

Commissioner Hopes stated that he thought the amount for meals on the Travel Policy was a little high. Board members conversed back and forth about how this is currently handled in each of their Counties. Discussion ended with a decision to follow the State rates, with the addition that all requests for reimbursement must have a receipt and should not exceed the State rates. The Commissioners would like more time to consider this policy (Section 3.9.3) and make a decision at a future meeting.

Motion to accept Resolution 2019-09G only approving Section 3.11, Information Technology, and Section 6.6, Fraud Abuse, then bringing back Section 3.9.3, Travel Reimbursement and Section 3.10 Employment was made by Commissioner Hopes, seconded by Commissioner Ogden. Unanimously approved 6-0-1 absent.

17. Consider and possibly approve amending Coalition Board Meeting Schedule.

Director McKee took the lead on this item. Initially, board meetings were held on the 1st Friday of the month. Then they were moved to the 2nd Friday to give everyone more time to prepare. Next, there were board members who wanted to move from Fridays to Thursdays. So, they moved to the 2nd Thursday, but there have consistently been conflicts with other meetings on this date. In addition, the board members are needing more and more time to review the invoices and financials. Our accountant, Doug Rasmussen, suggested we try the 3rd Thursday or Friday. This would potentially give board members up to 2 weeks to review invoices and financials. There would be no change in timely submitting invoices and receipts to the accountants but would give the board members extra time to make their review of the invoices and financials.

Commissioner Lytle asked that since there were only three meetings left in 2019, could the board just live with what they have and change in 2020? Commissioner Miles responded that in October the Utah Oil Gas and Mining meeting would be in Duchesne on the current meeting date, so that already would need to be changed. And Commissioner Hopes reminded everyone that on November 14th the annual UAC (Utah Association of Counties) meeting would be taking place. So, for those two months on the existing schedule there would not be a quorum without changing the date.

Director McKee mentioned that previously the fewest conflicts have come with Friday meetings. Commissioner Miles agreed and stated that there always seems to be something going on Thursdays.
Commissioner Horrocks went on to say that it seemed that consensus was that 3rd Fridays should be considered. It would be nice if there was a notification feature on the SCIC (Seven County) website so when meeting changes are made people could automatically be notified. Brian Barton, whose engineering firm oversees the website, said they would look into that possibility.

**Commissioner Miles made a motion to move the Coalition’s standard meeting date to the 3rd Friday of each month**, with the exception of November, 2019 which would need to be on the 2nd Friday, November 8th. Commissioner Lytle seconded the motion. Unanimously approved 6-0-1 absent.

18. **Motion for closed (executive) session pursuant to §52-4-205 (Litigation, personnel, real estate purchase, commercial info under §59-1-404).**

Attorney Johnson took a few minutes to talk to the board about a letter they received from the State concerning complaints filed against Seven County Infrastructure Coalition. The first complaint had to do with the meeting held in Provo (April, 2019 at the Utah Valley Convention Center). That was the meeting where the recorder had not recorded for some unknown reason and there was no audio from that meeting. As soon as we realized, we self-reported to the Utah State Archives. So, please note that we now have two recorders running during each meeting, hoping that never happens again. Another item mentioned in the complaint concerned the July 3, 2019 meeting. At that meeting, the invoices had to be reviewed early as the CIB had its year end and only gave the Coalition a couple of days to approve and cut checks for June, 2019. At that meeting, the board members felt they needed additional time to review the invoices before approving them, so they continued looking through them during closed session. After closed session, with no further discussion, the board approved the invoices and expenditures. The public made the assumption that there had been discussion during closed session about the invoices, which there had not been. But, none the less, it had that appearance. So, the State Review Committee is recommending that the board review the June invoices one more time and approve them again at the October meeting. Kristi Sharp (Smuin, Rich, and Marsing) will resend them to you for your review.

One final comment from the Review Committee concerned the language used when the Board goes into closed session. Currently, it is read that we are going into closed session for “litigation, personnel, real estate purchase, commercial info under §59-1-404.” They requested that instead of saying “personnel” that we use the exact code language and instead say “litigation, character and professional competence, real estate purchase, commercial info under §59-1-404.”

That being said, **Motion for closed (executive) session pursuant to §52-4-205 for purposes of litigation, character and professional competence, real estate purchase, and commercial information under §59-1-404 was made by Commissioner Hopes, seconded by Commissioner Lytle.**
Commissioner Lytle wanted to make sure this didn’t have anything to do with the lawsuits where he would need to recuse himself? Attorney Johnson stated it did not and they were fine to proceed.

Roll call vote for the closed session was as follows:

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19. **Motion to re-enter open session** was made at 1:29 p.m. by Commissioner Lytle, seconded by Commissioner Hopes. Unanimously approved 6-0-1 absent.

Roll call vote to re-enter open session is not required.

Prior to moving on, Doug Rasmussen (Accountant) referred the board to Tab 16 in their Board Books. Board members are required, annually, to do online trainings posted at the State Auditor’s website. He understood that some may have already done the trainings through their County positions and the trainings did not have to be duplicated, but they do have to be done. Kristi Sharp mentioned that she had a list of who had completed what trainings to far this year. Doug stated that he would email them each a list of required trainings. Commissioner Horrocks suggested everyone try to have these online trainings done by the October meeting.

20. **Motion to adjourn**

A **motion to adjourn** was made by Commissioner Miles by acclamation.
A motion to approve the September 19, 2019 meeting minutes was made by Commissioner Miles, seconded by Commissioner Lythe.

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Co-Chair: Brad Horrocks
Co-Chair: Lynn Sitterud

ATTEST:

Eric T. Johnson (Legal Counsel)