



SEVEN COUNTY INFRASTRUCTURE COALITION  
MEETING MINUTES

April 17, 2020 at 10:00 a.m.

Electronic Meeting

(435) 219-1362

**Board Members Present:** Casey Hopes (Carbon County), Jack Lytle (Daggett County), Greg Miles (Duchesne County), Lynn Sitterud (Emery 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, Mike Hawley, Doug Rasmussen, Kristi Sharp, Heather Hoyt, Melissa Cano, Kevin Keller, Pam Juliano.

**Attended telephonically:** All

**Absent:** None

**Others Present:** Commissioner Irene Hansen, Commissioner Bart Haslem, Keith Heaton, Candace Powers, Gayle Gardner, Bret Reynolds, Kelly Carter, Mack McDonald, John Thompson, Cali Bulmash, Deeda Seed, Andrew Kurish, Ryan Beam, Aidan Garrity, Sarah Stock, Rebecca Harden, Stan Holmes, Darrell Fordham, Jared Whear, Tena Rohr, Jill Merritt, Raphael Cordray, Monica Hilding, Hank Johnson (Please notify staff at 435-219-1362 of any spelling corrections.)

**NOTE: Due to the Coronavirus, dial-in participation was offered. Dial-in numbers were as follows:**

Join Zoom Meeting

<https://zoom.us/j/8341916232>

Meeting ID: 834 191 6232

One tap mobile

+13462487799,,8341916232# US (Houston)

+16699006833,,8341916232# US (San Jose)

Dial by your location

+1 346 248 7799 US (Houston)

+1 669 900 6833 US (San Jose)

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Meeting ID: 834 191 6232

## 1. **Welcome** (Brad Horrocks)

Commissioner Horrocks welcomed all in attendance.

## 2. **Public Comment** (Brad Horrocks)

Commissioner Horrocks informed those on the call that public comment would be accepted in writing, by email, at [7countyutah@gmail.com](mailto:7countyutah@gmail.com). The public questioned not having prior knowledge of this change. Time was turned over to the Seven County Coalition attorney, Eric Johnson, who stated that this was not a public hearing, but a public meeting, and accordingly public comment was by invitation or discretionary. There were two comments received by email. A complete copy of each emailed comment has been retained. The following is a synopsis of the comments received:

*Sarah Stock* – Ms. Stock questioned whether the Book Cliffs Highway project would be completed, in light of the Corona Virus. Her belief was that the Grand County Council would not agree to transfer essential rights-of-way and that there was strong opposition to the project in Grand County. In her opinion, all of the money spent on this project was a waste and she requested that Seven County Coalition stop pursuing this project.

*Darrell Fordham* – Mr. Fordham stated, in his comments, that he was frustrated that there was no prior notice that public comment would only be accepted in writing. He raised questions about the rail project related to the Corona Virus outbreak and associated downturn in oil prices.

Complete copies of comments from Ms. Stock and Mr. Fordham are on file and can be viewed upon request.

## 3. **Approval of March 20, 2020 Minutes**

**Motion to approve March 20, 2020 meeting minutes** by Commissioner Ogden, seconded by Commissioner Sitterud. Unanimously approved. 7-0-0 absent.

## 4. **Report on San Rafael Research Lab.**

Commissioner Sitterud reported that not a lot had changed since last month. Last month he had reported that the State Legislature had not funded the project for 2020, so the (coal) machine has been finished and is ready to run, but will sit idle waiting for a contract. Through the help of Andrew Fry at BYU they have been able to join with some other companies and participated in submitting a federal grant application for some possible work for the coal machine. They expect to hear the outcome of the grant some time mid-to-late summer. If funded, they will start work in the fall. They are hoping to start work on the nuclear building soon. In fact, later in the meeting the board will be asked to consider and approve a contract with a contractor to perform work at the Research Center.

Commissioner Ogden asked if they had gotten the contract with Alpha Tech?

Commissioner Sitterud stated that they were working on a contract with a company in

England for the coal combustion machine and the contract with Alpha Tech is still being worked on for the nuclear side.

#### **5. Report on the Satellite Transportation Hub.**

Commissioner Ogden reported that they had sent out an advertisement (request for proposals) for the Satellite Hub. There were two companies which responded. After reviewing the proposals, they felt that the two companies had geared their response more toward the railroad. Consequently, they are sending out another Request for Proposals (RFP) hoping to find companies with better experience and more expertise in analyzing the whole project and not just the rail line. Otherwise, the project is moving slowly.

Commissioner Hopes commented that he supported the decision to re-issue the RFP as he thought they needed more companies to choose from.

Executive Director McKee stated that they were hoping to receive more proposals and that they may invite some companies to apply this time around. As a result of the decision to re-issue the RFP, item No. 11 on the agenda will be tabled.

#### **6. Report on the Uinta Basin Railway Project.**

Commissioner Miles stated that there is still a lot of work going on behind the scenes. The private partners are working hard. The rail project is not dead. He pointed out that they need to continue to plan on the cloudy days. They know that the oil potential will come back as people need oil in their everyday lives.

Commissioner Horrocks thanked Commissioner Miles and stated that he is still very optimistic about the project and there is a great team working on it. Commissioner Ogden asked if they were still on schedule? Executive Director McKee stated he would cover that in his report.

#### **7. Executive Director's Report**

Executive Director McKee began by reminding the board that during the prior week he had sent them a Forest Service 299 right-of-way signed application to review. Also, he sent a signed Cost Recovery Agreement. He would like to make these signed documents part of the record.

Brian Barton, with Jones & DeMille, put these documents up on a screen so that those participating with Zoom video could see them. The Cost Recovery Agreement was signed by Executive Director McKee and Kristy Groves with the Forest Service. The estimate of services represented in the agreement is about \$166,000 (\$166,491.88). He reminded them that they, as a board, had previously approved his signing both of these documents. Both of these documents are attached to prior resolutions and hereby made a part of the permanent record.

Next, he wanted to address Commissioner Ogden's question as concerns the timeliness of the rail schedule. As the board is aware, there is a pretty aggressive schedule for the rail project. The goal was to have this portion completed by the end of the year. The Surface Transportation Board has let us know that they might not make that target. We are not sure how much longer they might need but expect a couple of months. Everything is being done on our end to keep to this aggressive schedule, but this might be out of our control. We are still hopeful that we might have the Certificate to Construct by the end of the year.

Executive Director McKee turned the time over to Melissa Cano to talk about communications. Melissa reported that they have done a draft review on the updated website. The goal is to update information and make the website more user friendly. They are hoping to have it ready to go in the next two weeks. The current website will stay active until the updated one is ready to go live. She also wanted to mention that they are working with the County Seat TV to make some video promotions and segments. This media will be used to update the public on the rail project. She stated that they want to assure the public that the rail is happening and moving forward.

Time was turned back to Executive Director McKee. He wanted to address questions some in the public have raised concerning the price of oil. The questions have concerned the price of oil and how that might impact the project. Can the project move forward with the low cost of oil?

He wanted everyone to know that the Coalition is still moving forward with the NEPA, the environmental, to get that completed. And, they are working hard to stay on schedule. There is the commercialization piece of the project that is being done by Drexel Hamilton and Rio Grande Pacific. Director McKee has had conversations with Mark Michel (Drexel Hamilton) and Mr. Michel believes the \$20 a barrel oil prices are short-term. They are continuing to move forward with the project as well. There is a lot of work being done on the rail, including work on a Sage Grouse Mitigation Plan.

Time was turned over to Kevin Keller (HDR) who stated that as to the rail project there is a lot of activity, a lot of coordination between federal agencies, and not just with the Surface Transportation Board but with the Fish and Wildlife Service, the Bureau of Land Management, the Army Corp of Engineers, the EPA, the Bureau of Indian Affairs and all of the Utah State agencies. Recently, they have been looking at mitigation possibilities with water resource mitigation, Sage Grouse, and other threatened and endangered species. All of these discussions are ongoing. They are next looking at some of the permitting that might be required with various State and Federal agencies.

Executive Director McKee finished his report by addressing the Eastern Regional Connection Project, the road going down to Grand County. There is an updated application that has been turned in. They are expecting to hear back from the BLM

within a couple of weeks. Once they hear back from them and they have a successful application he expects the project to pick up.

## **8. Engineers Report.**

Brian Barton reported that the rail project had already been adequately covered. He went on to say how much they appreciated the team of consultants and all of their hard work in moving this project forward. As far as the work on the Navajo Mountain Transportation Plan, the past month has been slow due to some COVID19 issues the Navajo Nation has been dealing with. His firm continues to work on the Energy Research Center and they are using this time to plan, learn more, and project the project into the future. This project provides a great opportunity for Carbon and Emery Counties, as well as the whole State. In addition, they have met with their engineering team to evaluate the effectiveness of the Project Ranking Matrix. They have looked at other similar models and want to make sure they are providing the Coalition Board with the best project evaluation tool.

## **9. Discussion and consideration of authorizing the removal of the reference to \$10,000 from Resolution 2020-03A.**

Eric Johnson, attorney to the Coalition, began this discussion stating that this resolution clarifies the signature authority of the Executive Director. The resolution clarifies that he can sign contracts, certificates and other documents on behalf of the Coalition. The need for this came up when signing reimbursement agreements with the Forest Service. They have requested this clarification. This will apply to other areas as well. But it just clarifies that the Executive Director has the power to sign on behalf of the Coalition on projects the Coalition Board has already approved.

Commissioner Hopes asked if this is just for the railroad, Forest Service? Mr. Johnson stated that it is not specific to any one project. The clarification of the Director's signing authority is needed for other projects as well, such as the Energy Research Center.

Commissioner Horrocks mentioned that the Co-chairs are in communication with other Commissioners, as projects come up, after which the Executive Director needs to be able to sign and move projects forward.

Commissioner Hopes brought up that they had previously discussed language that made sure there was Co-chair approval or email approval of the full board before the Director signed documents. Did this get written into this?

Executive Director McKee stated that the resolution is in harmony with what had been previously discussed and adopted. The Co-chairs still give approval before any signing.

Commissioner Lytle stated that his assumption, with these projects, that Director McKee is already in close communication with the Commissioners involved in a project. He believed as long as the Co-Chairs and the various Commissioners are in communication, prior to signing, then this clarification is valuable.

**Resolution 2020-04A to approve and authorize the Executive Director to execute and sign contracts, applications, certificates, and other documents for and on behalf of the Coalition** was made by Commissioner Miles, seconded by Commissioner Ogden. Unanimously approved. 7-0-0.

Roll call vote, to make sure every electronic vote was counted, was as follows:

SEVEN COUNTY INFRASTRUCTURE COALITION VOTING:

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

**10. Discussion and consideration of a contract with CT Electric.**

Attorney Eric Johnson began the discussion stating that this is for building modifications at the Research Energy Center with C T Electric. Initially, some of the documentation stated ET Electric but that was incorrect, the company name is C T Electric. They have been working on the Combustion Building and now they will be helping with the Molten Salt Lab. The resolution commits the Coalition for \$5,000 a month, related to the Molten Salt Lab, for a period of 1 year. They will need to coordinate with the Office of Energy (through which there is currently a grant) to make sure the language in the contract conforms to their requirements. This resolution states and approves an amount greater than the \$5,000 a month for the Coalition. Time was turned over to Commissioner Sitterud.

Commissioner Sitterud stepped in, stated that the total contract was \$12,250 per month. This was initially advertised as a Request for Qualifications with all proper procedures being followed. This contract was negotiated with C T Electric after the end of the advertising period. The \$12,250 includes \$10,000 a month for labor, \$2,000 a month for equipment lease, which equipment will be leased from Emery County, and \$250 a month to cover the cost of fuel. So, Emery County will be covering \$5,000 a month and the Coalition will cover \$5,000 a month. Emery County will also cover the \$2,000 for equipment lease and the \$250 for fuel.

Commissioner Ogden asked, when looking at the monthly money commitment, was C T Electric out there every day? Commissioner Sitterud replied that he is managing the project and Scott (with C T Electric) is on site 40 hours a week. He is Commissioner Sitterud's

eyes and ears on the ground as well as providing hands-on work. The amount covers Scott and his credentials, as well as a laborer.

Director McKee stated how much he appreciated Emery County's efforts and work on this project. As appropriate, expenses will be reimbursed from various project grants.

**Resolution 2020-04B to approve and authorize the signing of a contract with C T Electric and the \$5,000 a month expenditure for the Coalition** was made by Commissioner Sitterud, seconded by Commissioner Hopes. Unanimously approved, 7-0-0 absent.

Roll call vote, to make sure every electronic vote was counted, was as follows:

SEVEN COUNTY INFRASTRUCTURE COALITION VOTING:

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

**11. Discussion and consideration to approve a contract for distributed logistic planning.**

This item was tabled.

**12. Discussion and consideration of allowing for documents to be signed in counterpart during this virus state of emergency.**

Time was turned over to attorney Eric Johnson who explained that, normally, when they are all meeting in person, at the end of the meeting, documents are signed with all signatures and the attestation appearing on the same page. Since we are not gathering, this is problematic. This resolution would authorize, during this time of emergency, for documents to be signed in counterparts, meaning that not all signatures may necessarily appear of the same page.

**Resolution 2020-04D to allow for documents to be signed in counterpart during this virus state of emergency** was made by Commissioner Lytle, seconded by Commissioner Ogden. Unanimously approved, 7-0-0 absent.

Roll call vote, to make sure every electronic vote was counted, was as follows:

SEVEN COUNTY INFRASTRUCTURE COALITION VOTING:

Carbon	Board Member	Yea X	No ___
Daggett	Board Member	Yes X	No ___

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

**13. Discussion and consideration of monthly expenses.**

Accountant Doug Rasmussen stated that they were presenting invoices in the amount of \$1,244,564.99 for approval. Director McKee asked him to provide a clarification on the Forest Service Recovery check. Mr. Rasmussen stated that they are requesting the full amount of \$166,491.88 be approved so they could expedite the payment to the Forest Service and keep this project moving forward.

Another item he wanted the board to be aware of was included in the Jones & DeMille invoice. In looking at the invoice the board would note a negative \$10,000 amount. That is merely the transfer of an amount from one budget category to another. Mike Hawley, from Jones & DeMille, explained that they had overbilled Phase 1 Mapping by \$10,000 and that amount was deducted and correctly represented as a billing on Phase 2 Mapping.

SEVEN COUNTY INFRASTRUCTURE COALITION PAYMENT APPROVAL					
April 17, 2020 at 10:00 a.m.					
Electronic Participation Only					
Vendor	Check #	Invoice #	Amount	Description	Grant
CIVCO Engineering, Inc	1643	2020181	8,770.00	I-70 Transportation Corridor - Engineering	Book Cliffs Transportation Corridor
Mike McKee	1644	Mar 7, 2020 - Apr 8, 2020	32.25	Director's Travel/Expenses	General
Smuin, Rich & Marsing	1645	41507	4,634.24	Consulting Per Contract - March 2020	General
Heather Hoyt	1646	April 6, 2020	690.00	Administrative Hours	General
Jones & Demille	1647	0122299	18,961.38	Program Management and Engineering	General
Jones & Demille	1647	0122300	9,227.20	Leland Bench Utilities - Engineering Services	General
Utah Media Group	1648	I01285852-03202020	37.50	RFP - Consultant for Distributed Logistics Facilities	General
HDR	1649	1200257640	245,000.00	Uinta Rail Line - Engineering	Uinta Basin Railway Project - Engineering Services - Phase 2
HDR	1649	1200257640	280,000.00	Uinta Rail Line - Engineering	Uinta Basin Railway Project - Baseline Environmental Services - Phase 2
HDR	1649	1200257641	49,000.00	Uinta Rail Line - Engineering	Uinta Basin Railway Project - Strategic Communication Services - Phase 2
HDR	1649	1200257444	5,520.00	Uinta Rail Line - Engineering	Uinta Basin Railway Project - O&M Planning - Phase 2
Jones & Demille	1650	0122298	66,785.00	Uinta Rail Line - Engineering	Uinta Basin Railway Project - Program Management Services - Phase 2
Jones & Demille	1650	0122298	-10,000.00	Uinta Rail Line - Engineering	Uinta Basin Railway Project - Mapping Services - Phase 1
Jones & Demille	1650	0122298	74,520.34	Uinta Rail Line - Engineering	Uinta Basin Railway Project - Mapping Services - Phase 2
Venable LLP	1651	2209676	68,406.09	Uinta Rail Line - Legal Services	Uinta Basin Railway Project - STB Regulatory and Other Legal Services - Phase 2
ICF Jones & Stokes, Inc	1652	0145990	186,491.12	Uinta Rail Line - NEPA Consulting	Uinta Basin Railway Project - Baseline Environmental Services - Phase 2
Mike McKee	1653	Mar 7, 2020 - Apr 8, 2020	1,597.72	Uinta Rail Line - Director's Travel	Uinta Basin Railway Project - Administrative - Phase 1
USDA Forest Service	1659	Estimation Sheet for Cost Recovery and/or Fee	166,491.88	Uinta Rail Line - Application Processing Fees	Uinta Basin Railway Project - Federal Agency Cost Recovery Fees - Phase 2
Emery County - LBA	1655	2-20-208, 02-20-208A, 03/18/20, 3/26/20	5,206.46	Molten Salt/Research Center Facility - Utilities	Energy Research Center
ETJ Law	1656	1626	2,642.15	General - Legal Services and Travel	General
ETJ Law	1656	1628	175.00	Leland Bench Utilities - Legal Services	General
ETJ Law	1657	1627	11,986.98	Uinta Rail Line - Legal Services and Travel	Uinta Basin Railway Project - STB Regulatory and Other Legal Services - Phase 2
ETJ Law	1658	1629	23,932.00	Molten Salt/Research Center Facility - Legal Services and Travel	Energy Research Center
Jonathan A. Stearmer	1660	4/16/2020	2,043.93	Uinta Rail Line - ROW Planning	Uinta Basin Railway Project - Right-of-Way Planning - Phase 2
R.L. Banks & Associates	1661	Invoice 2	9,913.75	Uinta Rail Line - Review of Financial Modeling and Commercialization	Uinta Basin Railway Project - Financial Advisory Services - Phase 2
R.L. Banks & Associates	1661	Invoice #1	12,500.00	Uinta Rail Line - Review of Financial Modeling and Commercialization	Uinta Basin Railway Project - Financial Advisory Services - Phase 2
<b>Total Payment Approval</b>			<b>\$ 1,244,564.99</b>		

**Motion to approve the monthly expenses in the amount of \$1,244,564.99, was made by Commissioner Grayeyes, seconded by Commissioner Miles. Unanimously approved. 7-0-0 absent.**

Roll call vote for expenses for payment was as follows:

SEVEN COUNTY INFRASTRUCTURE COALITION VOTING:

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

Doug Rasmussen next directed the board to the financial reports to include the Balance Sheet, followed by the Profit and Loss sheet thru 2-29-2020.

**Motion to accept the financials as presented** was made by Commissioner Lytle, seconded by Commissioner Ogden. Unanimously approved. 7-0-0 absent.

Mr. Rasmussen directed the board to the sheets depicting each grant project and how much had been spent and how much remained in each fund. This is solely for the board's information and does not require board approval.

Mr. Rasmussen went on to thank Commissioner Hopes for meeting with Kristi Sharp to review the monthly invoices. He, also, stated that the audit committee was in place and an independent CPA firm had been hired to conduct the annual audit. They are in the process of gathering information for the audit, but it has not begun as of yet. Once the audit is underway the audit committee will be convened to assist in this process.

**14. Motion to enter closed (executive) session pursuant to Section 59-1-404 related to real estate acquisition, potential litigation, professional competency and trade secrets** was made by Commissioner Lytle, seconded by Commissioner Hopes.

Roll call vote was as follows:

SEVEN COUNTY INFRASTRUCTURE COALITION VOTING:

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

**NOTE: Using a Zoom break out room the applicable board members and staff were transferred into a separate electronic location for closed session. The public remained at this electronic location. The board rejoined after closed session was complete.**

**Motion to leave closed/executive session** made by Commissioner Lytle, seconded by Commissioner Hopes. Unanimously approved. 7-0-0 absent.

**15. A motion to adjourn** was made by Commissioner Lytle.

UNAPPROVED

A motion to approve the April 17, 2020 meeting minutes was made by Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_.

SEVEN COUNTY INFRASTRUCTURE COALITION VOTING:

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

\_\_\_\_\_  
Co-Chair: Brad Horrocks

\_\_\_\_\_  
Co-Chair: Lynn Sitterud

**(COALITION SEAL)**

ATTEST:

\_\_\_\_\_  
Eric T. Johnson (Legal Counsel)