



SEVEN COUNTY INFRASTRUCTURE COALITION
MEETING MINUTES

August 20, 2021 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), Lynn Sitterud (Emery County), Willie Grayeyes (San Juan County), Tooter Ogden (Sevier County) by Zoom, and Brad Horrocks (Uintah County)

Also, in attendance: Mike McKee, Eric Johnson, Mike Hawley, Kristi Sharp, and Heather Hoyt

Attended telephonically: Melissa Cano, Kelly Carter, Bret Reynolds, Kyle Robe, Keith Heaton, John Krueger, Ross McClintock, Lionel Trepanier, Deeda Seed, Elise and Jerry, Gaylen Stewart, Noah Miterko, and Roy Patel

Absent: Greg Miles (Duchesne County)

Others Present: Commissioner Bart Haslem, Joel Yellowhorse, Mark Hemphill, and Troy Ostler (Please notify staff at 435-219-1362 of any spelling corrections or if you were present and not listed.)

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

Join Zoom Meeting

<https://jonesanddemillezoom.us/j/81812623532>

Meeting ID: 818 1262 3532

Dial by your location

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1. **Welcome, Introduction and Pledge of Allegiance** (Casey Hopes)
2. **Public Comment** (Casey Hopes)

Public comment was accepted verbally, during the meeting, telephonically by Zoom, and by electronic written submission at hhoyt@7county.utah.gov. Electronic written comments are forwarded to the Board Members. All comments are summarized in the meeting minutes. A complete copy of any written comments submitted may be requested at the email address provided herein.

Time was turned over to Melissa Cano who gave instructions on how to participate verbally and by Zoom.

Lionel Trepanier of Utah Tar Sands Resistance began by wishing everyone good morning and thanking the board. He stated that he believed funds were being misused for the rail project, especially when many rural counties faced infrastructure needs. He referenced an August 15th Salt Lake Tribune editorial which began with the quote “where there is no vision the people perish, Proverbs 20:18.” The editorial goes on to state that climate change is real. In that light, the Uinta Basin Railway is a really bad idea. Lionel proposed that money going for the rail should be used to clean up the mess left after mining and drilling. The article further stated that Utah needed new leadership. The kind that would face facts. The kind that would focus on solar, wind, geothermal, cleaner renewable sources of power. This train track should actually serve the people of Southeast Utah. The State motto is “industry”. That means innovation and creativity. It means looking at old problems in new ways. It’s time for bold, creative people to stand up and the SCIC to stand down. He thanked the board for the opportunity to bring them this message.

For the August 20, 2021 meeting, there were no other comments made or submitted. No written comments were received.

3. Approval of Meeting Minutes for the July 16, 2021 meeting. (Casey Hopes)

Correction comments were submitted prior to the meeting by Commissioner Miles, were read, noted, and will be made prior to the minutes being posted.

Motion to approve the July 16, 2021 minutes, as corrected, was made by Commissioner Ogden, seconded by Commissioner Horrocks.

Chairman Hopes called for a vote. The motion passed unanimously.

4. Report on San Rafael Research Lab

Commissioner Sitterud began by saying that contractors are now at work on the Molten Salt Lab. They have trenched for utilities and are now filling the trenches with concrete. On the coal side, they have a P.O. (purchase order) from Drax out of England. They should start the 2nd week in September. They have received other requests for testing quotes so the coal side should stay busy.

That concluded the report on the San Rafael Research Lab.

5. Report on Satellite Transportation Hub

Commissioner Ogden stated that they are working with Tooele County. They are looking at a proposed area for a satellite port. This satellite port would help alleviate some of the congestion in Salt Lake City.

That concluded the report on the Satellite Transportation Hub.

6. Report on Uinta Basin Railway Project

Commissioner Horrocks deferred to Executive Director McKee and his Executive Director's Report to speak about the railway project.

That concluded the report on the Uinta Basin Railway Project.

7. Executive Directors Report

Director McKee began by announcing that the Uinta Basin Railway final EIS (Environmental Impact Statement) was released on August 6th. That was a significant milestone for this project. There has been a tremendous amount of work, time, and effort that has gone in to preparing this. He wanted to thank everyone, including the private party (Mark Hemphill). He also wanted to recognize the CIB (Community Impact Board) which has put a tremendous amount of resources into this project. There will be a "cooling off period" into September after which the EIS will be finalized. The 106 Permit is signed and, that too, has been an accomplishment.

Once all of this takes place the Surface Transportation Board (STB) will meet to consider the EIS in order to grant the license. As a reminder, the STB has previously given authorization on the transportation routes. There are still a variety of permits that need to be finalized. The hope is that all of this will be wrapped up by the end of the year.

Next, Director McKee discussed the Navajo Nation project. He noted that they met with President Adams, from the Senate, Senator Ron Winterton, Senator David Hinkins and Representative Scott Chew. Previously, this board had discussed possible funding for the Navajo Nation Transportation Project. The board was hoping to receive \$1 Million dollars from the State Legislature to help. They received positive feedback during the meeting on the possibility of that happening. There is a lot of federal transportation money soon to become available, but there is also a lot of need so they left feeling positive about the possibility of this funding.

Next, time was turned over to Commissioner Horrocks to talk about the Eastern Utah Regional Connection Project. As you may remember the board had agreed to complete the EIS for this road. Commissioner Horrocks stated that he, and some of the other board members, wanted to feel more confident about the State's support for the project. So, while meeting with the Senate President and others, he brought up this road project and was totally amazed at the amount of support. They were all totally behind it. He was told that everyone from the Governor on down wanted to see this road completed. He came away believing they understood the need for this to be a State of Utah project once the EIS was complete.

Director McKee said that he would contact the Moab BLM office and get this EIS moving forward again.

Commissioner Grayeyes added, concerning the Navajo Transportation Project, that he is waiting on the final alignment after which he will issue an RFP to move the project forward. This is required by Federal and Tribal law. In the end, if it's approved, they will probably have to use Eminent Domain. The Tribe has the authority to do so.

This concluded the Executive Directors Report.

8. Uinta Basin Railway budget status discussion.

Director McKee stated that what he is trying to do is keep the board updated and informed as they move toward finalizing the budget. The good news is that the budget continues to be in very good shape. The longer it takes to finish this project the more expense is incurred.

Initially, they had hoped to wrap this up by the end of June and here we are in August looking ahead to September. Now, we are hoping to wrap up by the end of December. But it is looking like there are more than enough funds to make it to the end.

Time was turned over to Mike Hawley with Jones and DeMille to discuss the approved railway budget. Mike began by saying they have been working closely with Kristi Sharp at Smuin, Rich and Marsing. They found a discrepancy between their numbers. The difference was found and Mike was pleased to report that Kristi was right!! He has made the necessary adjustments on his end and their numbers agree.

Mike Hawley continued that they were tasked to be able to keep the team assembled and working through the end of December, 2021. This should cover the final EIS, approved permits, and the final decision from the Surface Transportation Board, moving toward licensure. As they've gone through the budget, they have moved funds from line items where they were no longer needed into line items where they will be needed in the future. They have more than enough money to make it through December and will still have more contingency than when the project started! Currently, there is approximately \$1,890,000 in the contingency fund.

Director McKee noted that the contract with HDR was to end August 31st but there is still work for them through the end of December, 2021. Later in this agenda the board will vote on whether to extend HDR's contract through the end of December. There is no additional money involved. They will still be working within their original budget.

Commissioner Ogden, participating by ZOOM, asked for one more verification that the rail project was within budget (which it is) and Commissioner Horrocks recognized the amount of excellent work done by one and all to get to this point. Commissioner Hopes concurred with those remarks.

9. Engineers Report

Mike Hawley began by excusing Brian Barton who was taking some family time. He continued that Director McKee has already done updates for several of the projects and the board has also

received their monthly report by email (also posted on the website). Unless there are additional questions, he did not have a lot more to add. They are continually evaluating and prioritizing potential new projects. This seems to be a very effective planning tool they are using.

Commissioner Ogden asked, concerning the Utah Navajo Water Settlement Planning project, where the money was coming from to do the work? Director McKee responded that there was an agreement signed (but not yet funded) to provide some money for this along with approximately 81,000 ac.ft. of water. It's going to take some high-level planning to move this project along. And, then, in the federal infrastructure bill, waiting to be passed, there is money allocated to the Navajo Nation for this water project.

Commissioner Grayeyes added that right now the State of Utah Water Settlement Agreement has been passed by the Senate and they are waiting for it to be passed in the House. As to the federal funds, this is a separate allocation specifically for the Navajo Nation. The State of Utah has also committed \$8 Million dollars to this project.

Commissioner Ogden asked about the Navajo Mountain Transportation Plan if the funding for that was coming through the legislature also? Director McKee confirmed that funding had been requested. He added that the board had already authorized some funds for this transportation planning project which, when completed, would lead into the high-level planning which hopefully will be funded by the legislature.

This concluded the Engineers Report.

10. Discussion and consideration of an agreement with Uinta Basin Railway regarding Forest Service Application SF-299

Director McKee reminded the board that in the past they had submitted an application to the Forest Service for a right-of-way. During that process, they signed a contract with Uinta Basin Railway to be co-applicants on the application. It has since been determined that the Coalition should be the sole applicant and the Uinta Basin Railway should be the "Agent". We now need authorization from the board to move forward with this application showing the Coalition as the applicant and the Uinta Basin Railway as the "Agent". It's important that we get this application turned in.

Motion to approve Resolution 2021-08A approving an agreement with Uinta Basin Railway regarding Forest Service Application SF-299 was made by Commissioner Grayeyes, seconded by Commissioner Horrocks.

Chairman Hopes called for a vote. The motion passed unanimously.

11. Discussion and consideration of extending the time for Task Orders 6 and 11 with HDR to December 31, 2021.

Director McKee previously brought this item up earlier in the meeting. This simply extends the contract with HDR from August 31, 2021 to December 31, 2021. A special thanks to HDR as they have agreed to extent this contract with no additional charge to the Coalition.

Motion to approve Resolution 2021-08B approving an agreement with Uinta Basin Railway regarding Forest Service Application SF-299 was made by Commissioner Lytle, seconded by Commissioner Grayeyes.

Chairman Hopes called for a vote. The motion passed unanimously.

12. Discussion and consideration of authorizing an extension to the Coalition’s Independent Contractor Agreement with Heather Hoyt to April 2023.

Time was turned over to Eric Johnson, the Coalition’s attorney. He began by saying that back in 2017 there was an open RFP to provide administrative services to the Coalition. As a result, the Coalition entered into an Independent Contractor Agreement with Heather Hoyt. That contract was for 3 years with an option to extend for 3 years. We have been operating under that original agreement and are officially extending for the additional 3 years which will end in April, 2023.

Motion to approve Resolution 2021-08C authorizing an extension to the Coalition’s Independent Contractor Agreement with Heather Hoyt to April 2023 was made by Commissioner Horrocks, seconded by Commissioner Sitterud.

Chairman Hopes called for a vote. The motion passed unanimously.

13. Presentation of the Transportation Study by Colliers International.

Time was turned over to Commissioner Ogden who stated that they are at the end of this project with Colliers International. He turned time over to Ross McClintock with Colliers who began and then recognized John Krueger who worked on the final report. Both were participating by phone. Mr. Krueger helped to reorganize data so the finalized product was clearer. They believed the Coalition would be pleased with the final outcome.

Time was turned over to John Krueger who began by thanking the board for the opportunity Colliers had had to work with them. He believed this was a good competitiveness study on Sevier County and on the Salina Industrial Park. In considering various technical industries there is opportunity for job creation. He offered that they believe the concepts contained in the report can be replicated around the Seven County region. They believed this would allow economic development and allow civic leaders to attract new businesses to the region.

Director McKee mentioned, in response to public interest, this report has been posted on the Seven County website (scic-utah.org). Mr. Krueger gave the highlights of their findings by going through the Table of Contents. They compared this area with other similar areas around the United States. They also conducted a local Sevier County survey. They did an analysis of infrastructure – what was there and not there. Workforce was evaluated, one of the most important considerations. It can be the key factor in corporate relocations. Workforce is one of the Industrial Park’s weaknesses. Workers in the Salina area, with industrial experience, are being paid a higher wage than the national average. This is great for the workers receiving this wage but bad for a new employer seeking entry level industrial workers.

They included a community familiarization tour to help folks have a better feel for the area. What they found and suggested was looking for industries requiring a lower head count. Examples might be 3rd party logistic centers and automated robotic manufacturing. They gave suggestions on how to locate such companies. Another possibility they mentioned was data centers, along with tourism and equine industries. They gave examples of how to do marketing and outreach. There is a chapter discussing incentives. These can be a tie breaker for companies considering several locations. It costs a company an average of \$2 to \$10 Million dollars to relocate and incentives can help defray some of those costs. The name of the game is to reduce time, reduce costs, and increase profitability.

The Salina Industrial Park location allows a prospective business to reach a 2.4-to-3-million-person population within a 4-hour truck drive. That means they can potentially reach 2.5 to 3 million customers within a half day. A full day's truck drive can reach almost 39 million people. This is important data to know.

Director McKee recognized all of the work that John and Ross had put into this report. Colliers did an initial presentation a few months ago. There was additional data requested and they went back to the drawing board and really beefed up this report. Sevier County, Malcom Nash, and Commissioner Ogden have really put a lot of time into this as well.

Commissioner Ogden thanked everyone and noted that this report gave them some direction and an idea of what might be possible. When you look at what they are trying to do with the Inland Satellite Ports trucking is going to play a big part in that. He said that in Sevier County they don't have access to a rail spur, like some of the other counties, but do have an incredible opportunity to transport products by truck using these freeways.

Commissioner Horrocks added what a great report he thought this was outlining opportunities for Sevier County. He wanted Commissioner Ogden to know the board is behind him 100%.

Motion to approve Resolution 2021-08D accepting the Colliers International Transportation Study as presented was made by Commissioner Ogden, seconded by Commissioner Lytle.

Chairman Hopes called for a vote. The motion passed unanimously

14. Discussion and consideration of monthly expenses

Kristi Sharp with Smuin, Rich and Marsing first mentioned that she previously sent out the quarterly Detailed General Ledger as required by law. She asked the board members to please let her know if they did not receive it.

Next, she referred the board to the Payment Approval Sheet. She noted that one of the invoices had changed some as concerns the description of work performed but there were no changes to the numbers. She said the board should be looking at Revision No. 1 to the Payment Approval Sheet in the total amount of \$455,556.06. Kristi wanted to thank all of the vendors for being so patient and good to work with.

SEVEN COUNTY INFRASTRUCTURE COALITION PAYMENT APPROVAL					
August 20, 2021 at 10:00 a.m.					
Carbon County Commission Chambers					
751 East 100 North, Price, UT 84501					
Checks Currently Being Approved:					
Vendor		Invoice #	Amount	Description	Funding Source
VOIDED	1933				
Smuin, Rich & Marsing	1924	44684	4,111.30	Consulting Per Contract - July 2021	General Grant
Heather Hoyt	1925	August 10, 2021	902.97	Contract Labor/Office Supplies	General Grant
Mike McKee	1926	July 8-August 10, 2021	88.81	Director's Travel	General Grant
Jones & Demille	1927	0125508	19,440.23	Program Management and Engineering	General Grant
HDR	1928	1200363878	35,610.00	Uinta Rail Line - Engineering	Uinta Basin Railway Project Grant - Engineering Services - Phase 2
HDR	1928	1200363878	145,350.24	Uinta Rail Line - Engineering	Uinta Basin Railway Project Grant - Baseline Environmental Services - Phase 2
HDR	1928	1200363879	2,245.00	Uinta Rail Line - Engineering	Uinta Basin Railway Project Grant - Baseline Environmental Services - Phase 2
HDR	1928	1200364293	7,760.00	Uinta Rail Line - Engineering	Uinta Basin Railway Project Grant - Baseline Environmental Services - Phase 2
Jones & Demille	1929	0125513	57,400.00	Uinta Rail Line - Engineering	Uinta Basin Railway Project Grant - Program Management Services - Phase 2
Jones & Demille	1929	0125513	12,905.00	Uinta Rail Line - Engineering	Uinta Basin Railway Project Grant - Strategic Communications - Phase 2
ICF Jones & Stokes, Inc	1930	0156983	67,167.07	Uinta Rail Line - NEPA Consulting	Uinta Basin Railway Project Grant - Baseline Environmental Services - Phase 2
Venable LLP	1931	2377773	22,214.60	Uinta Rail Line - Legal Services	Uinta Basin Railway Project Grant - STB Regulatory and Other Legal Services - Phase 2
Emery County LBA	1932	7.20.21/7.06.21	230.85	Molten Salt/Research Center Facility - Utilities	Energy Research Center
Aycock, Miles & Associates	1934	37773	4,400.00	2020 Financial Audit	General Grant
Emery County LBA	1935	022521/032621/043021/052821/062521/073021	38,673.74	Molten Salt/Research Center Facility - Consulting Services	Energy Research Center
ETJ Law	1936	1904	12,075.00	General - Legal Services	General Grant
ETJ Law	1937	1906	175.00	Leland Bench Utilities - Legal Services	General Grant
ETJ Law	1938	1905	2,187.50	Uinta Rail Line - Legal Service	Uinta Basin Railway Project Grant - STB Regulatory and Other Legal Services - Phase 2
ETJ Law	1939	1908	8,575.00	CBD Rail Litigation	Uinta Basin Railway Project Grant - STB Regulatory and Other Legal Services - Phase 2
ETJ Law	1940	1907	14,043.75	Molten Salt/Research Center Facility - Legal Services	Energy Research Center Grant
Total Payment Approval			\$ 455,556.06		

Motion to approve the monthly expenses in the amount on \$455,556.06 was made by Commissioner Horrocks, seconded by Commissioner Grayeyes.

Commissioner Hopes called for a vote. The motion passed unanimously.

Kristi Sharp next referred the board to the Balance Sheet as of June 30, 2021 which showed the assets, liabilities, and equity, along with the Consolidated Profit and Loss and Individual Profit and Loss by Class for January thru June 30, 2021. The board had no further questions.

Motion to accept the financials as presented for the month ending June 30, 2021 was made by Commissioner Lytle, seconded by Commissioner Horrocks.

Chairman Hopes called for a vote. The motion passed unanimously.

And, finally, the board was directed to pages that represent each individual project since inception with a statement showing expenses for each project and the funds remaining. If the project has been closed it shows as being zeroed out. In addition, these pages show any other expenses right up to today's board meeting.

This concluded the financial reports.

15. Motion to enter closed (executive) session pursuant to Section 59-1-404 related to real estate acquisition, pending litigation, professional competency and trade secrets was made by Commissioner Grayeyes, seconded by Commissioner Horrocks at 11:30 a.m.

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

SEVEN COUNTY INFRASTRUCTURE COALITION VOTING:

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

Approved 6-0-1 absent

Motion to leave closed/executive session was made by Commissioner Grayeyes, seconded by Commissioner Lytle at approximately 1:41 p.m.

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

SEVEN COUNTY INFRASTRUCTURE COALITION VOTING:

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

Approved 6-0-1 absent

16. Motion to Adjourn

A motion to adjourn was made by Commissioner Sitterud.

A motion to approve the August 20, 2021 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 ___

Approved -0- absent

Co-Chair: Casey Hopes

Co-Chair: Greg Miles

(COALITION SEAL)

ATTEST:

Heather B. Hoyt