Board Members Present: Casey Hopes (Carbon County), Jack Lytle (Daggett County), Greg Miles (Duchesne County), Brad Horrocks (Uintah County).
Board Members Absent: Garth (Tooter) Ogden (Sevier County), Lynn Sitterud (Emery County) and Willie Grayeyes (San Juan County).
Also, in attendance: Keith Heaton, Kristi Sharp, Doug Rasmussen, Brian Barton, Eric Johnson and Lenise Peterman.
Attended telephonically: Melissa Cano, Kelly Carter, Stan Holmes and Deeda Seed.
Others Present: Greg Todd, Kyle Robe, Bob Bach, Joel Yellowhorse, Joel Brown, Mark Michel and Gary Johnson. (Please notify staff at 801-712-7622 of any spelling corrections or if you were present and not listed.)

Public Meeting Participation Information:

Please click the link below to join the webinar:
https://jonesanddemille.zoom.us/j/86748043561

Or Join by Telephone:
1-253-215-8782 or
1-346-248-7799 or
1-669-900-6833

Webinar ID: 867 4804 3561
1. Welcome and Pledge of Allegiance (Casey Hopes)

Chairman Hope welcomed everyone to the meeting at 10:08 AM. He thanked everyone who traveled to join the meeting as several traveled a great distance to attend. He also recognized representatives from the following: Rio Grande, Drexal Hamilton, financial institution and Mike Lee’s office. He then led the Pledge of Allegiance.

2. Public Comment (Casey Hopes)

Public comment was accepted verbally, during the meeting, telephonically by Zoom, and by electronic written submission at lpeterman@7county.utah.gov. Electronic written comments will be 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 Schnee who gave instructions on how to participate verbally and by Zoom. She indicated the following wished to make public comment: Deeda Seed and Stan Holmes.

Deed Seed thanked the Coalition for taking public comments and indicated she had a few questions related to the Unita Basin Railway project. She indicated her questions were on behalf of the public. The first question was what is the business case for the railway? With oil as a boom or bust resource and as time marches on, it will be on the bust side of things, and feels the public really doesn’t understand the business case. Is this going to be a viable endeavor from an economic standpoint? Investors are not currently interested in funding new refineries as it is clear future growth is not going to be tied to fossil fuels. Have contracts been signed with a few oil producers in the Basin saying they will use the railway? What commitments have been made? She indicated they had no sense of where any of that stands. The last we heard from Finley Resources was they did not have contracts in place for their planned expanded production so where does all of it stand? And speaking of Finley Resources, Mr. Finley described an expanded business model based on trucking and not rail. He was discussing 100,000 barrels a day being trucked from the Basin to load out facilities in Price. How does that fit into all of this? And what commitments have been made to help his stated plan of increasing production by 100,000 barrels a day and trucking it down US 191 and 9 Mile Canyon? As an avid listener to your meetings, I have heard you discuss road projects related to helping Mr. Finley with his plan including widening of US 191 and paving Gate Canyon at the top of 9 Mile Canyon. Where do those plans fit in and where is the money coming from for that? And finally, she shared she felt there was a pretty significant risk with the Unita Basin Railway should it be built that it will end up becoming a stranded asset and because there are public dollars connected to this project it should be something which concerns all Utah taxpayers. She concluded with a thank you. Chairman Hopes thanked Ms. Seed for her comments.

Melissa Schnee than introduced Stan Holmes and indicated he had the floor. Stan Holmes thanked the Commission for taking his public comment. He indicated today’s agenda did not include the line item regarding the Satellite Port Report or Transportation logistics hub report which had been given by Commissioner Ogden. He asked if that was an oversight and that
hopefully there would be an update given on where things stand with the potential satellite ports in Carbon and Emery counties. In the last session there were comments, at least from Carbon County that it was in a holding position regarding satellite port plans moving forward waiting for studies to be completed for a better directive or direction from the Inland Port Authority. He was wondering what the status of that is now and was the study being referenced a study by Colliers was given through the RFP that was looking at Salina and other potential satellite ports? Or is that a separate study that the SCIC Commissioners are waiting on? He concluded those were his two questions and expressed appreciation of the opportunity to provide a public comment.

Chairman Hopes expressed thanks to Stan as well. This concluded Zoom participants wanting to make comment.

Time was then turned over to any participants in the room wishing to make public comment by Chairman Hopes. Having none, the Chairman moved forward with the next agenda item.

3. Approval of Meeting Minutes for June 9, 2022. (Casey Hopes)

Motion to approve June 9, 2022 meeting minutes as presented with corrections by Commissioner Miles, seconded by Commissioner Lytle.

Chairman Hopes called for a vote to approve the minutes. The motion passed unanimously.

Commissioner Horrocks asked if any other commissioners were attending via Zoom. Chairman Hopes indicated they were not and excused Commissioner Grayeyes, Commission Sitterud and Commissioner Ogden from the meeting.

4. Report on the Uinta Basin Rail Project. (Casey Hopes)

Commissioner Miles indicated this report should be included in agenda item six. Chairman Hopes accepted the recommendation and indicated the Uinta Basin Rail Project report would be added to agenda item six and moved to the next agenda item.

5. Report on the San Rafael Research Center. (Casey Hopes)

Chairman Hopes indicated Commissioner Sitterud was unavailable but he was aware the facility was waiting on an EDA grant for coal reliant communities and hoped for an update at the August meeting. Everything else appears to be progressing and asked Eric Johnson to speak. Eric Johnson spoke about the visit to Idaho National Lab and the tour of the facilities where they are researching molten salt and other things. The visit was very informative for the team, the one thing it clarified was what we have been planning and working towards is 100% on target. The equipment is being set up at the lab as quick as it arrives and it will be ready for work before the summer is out. Chairman Hopes thanked him for the update. Brian Barton with Jones and DeMille added the contract work BHI is doing for the county is wrapping up with final punch list items and contract close out. He indicated we were getting close and is excited about the opportunity to go to work like Eric Johnson described. Chairman Hopes indicated his excitement about the progress that has been made and the contracts that are starting to roll in because of it and thanked everyone for the hard work. Commissioner Miles asked if there were any other projects going on outside of the building as most projects seem to be related to the interior. Brian
Barton responded there were no imminent projects planned for the exterior of the building. Everything has been interior as it relates to coal combustion facility and lab facility. He did indicate site improvements would probably take place in future phases but the focus of the county and Coalition has been on making sure those facilities are able to test and provide research. Chairman Hopes called for any other questions, there being none, moved on to the next agenda item.

6. **Mark Michel - Co Founder and Managing Partner Drexel Hamilton Infrastructure Partners (DHIP).** (Keith Heaton)

Chairman Hopes then requested Executive Director Heaton introduce Mark Michel. Executive Director Heaton indicated his appreciation of Mark Michel making the effort to be here today to provide an update in person. It has been some time with COVID and the nature of the project but there have been some recent activities and Executive Director Heaton indicated he was eager to hear what Mr. Michel has to say. Executive Director Heaton indicated Mr. Michel had Bob Bach with Rio Grande Rail with him as well as others and asked if they would all like to come forward to participate in the update as the Coalition would like to hear what you all have to say.

Executive Director Heaton indicated after the report he would like to move to a question/answer session by the Board of Mr. Michel. Chairman Hopes indicated that was acceptable and invited everyone to sit where microphones were available. Eric Johnson asked for an introduction of the parties and indicated there were a number of things Mr. Michel would like to address regarding pending litigation which would be presented in executive session. Mr. Michel thanked the Coalition for the invitation and indicated we have had a tremendous amount of progress in the last six months with the receipt of permits from the Surface Transportation Board and the ability to move this project forward on the commercial and financing side. It has been really productive over the past five or six months coming out of the issuance of those permits. We have gained a lot of traction. He referenced one of the comments made during the public comment portion of the meeting talking about the cyclical nature of this industry and of this type of commodity. He indicated it has become very apparent given everything going on across the world and general instability around the planet there is a real need for a stable supply and increased reliability of clean energy opportunities such that the Unita Basin Rail project provides. We are blessed, particularly the state of Utah, to have the geological fortitude and opportunity to be sitting on such resources. In discussions with refiners and market users, they are looking for opportunities which are not the traditional sources and uses with crude oil. They are looking at lubricants, cosmetics, petrochemical use, plastics which wrap around your iPhone, your spatula as well as lubricants for the blades used in wind farms for example. Metal on metal needs this type of oil and the market has responded and it has been a wonderful opportunity to be an American developer to bring this product to market. This project will help satisfy the security needs of our allies in Europe and Asia as well as providing for the energy needs of the American consumer. We have been very pleased with the response we have gotten in the market. Our team is very excited to be a part of this project and it has been a very important project to the national security of this country. Chairman Hopes then called for questions. Commissioner Miles indicated we should have the signed agreement from the Forest Service which is the final permit required soon. A letter went out to objectors this week and he takes that as a sign that it will be signed
soon. Commissioner Lytle indicated in the CIB meeting there were questions about the finance side of the contract and the State Treasurer representative was asking when and how which Commissioner Lytle didn’t have the details at that time with him to respond. He asked Mr. Michel how he would answer those questions by the Treasurer. Mr. Michel indicated they have engaged a financial institution to put together a holistic project finance package to fully finance the project based on its various needs. So, under the contract Drexal Hamilton has with the Seven County Coalition, therefore the state, we will be making payment on $27.9 million dollars CIB granted once we begin construction. Once the Forest Service permit comes through, we can put forth the finance package to the market. We anticipate hitting the market in the November/December timeframe of this year as we have to go through the issuance of the debt and securitization but the financial institution is very confident as three different law firms have given us feedback as far as meeting IRS code and so on. Chairman Hopes indicated his update probably provided some of the public comment questions posed earlier in the meeting and thanked Mr. Michel for that as well. This closed this agenda item.

7. Executive Directors Report. (Keith Heaton)

Chairman Hopes then turned the time over to Executive Director Heaton for his report to the Board. Executive Director Heaton thanked the Board as well as Mr. Michel for providing his report. Executive Director Heaton echoed his support that the global demands for the products found in Utah are broad and deep and are growing day by day. We can do much good in this world if we can get these products to market and be in a better place both environmentally and economically. Executive Director Heaton indicated the Salt Lake City Tribune had published an article indicating what Commissioner Miles said earlier about objectors being provided letters so the expectation of a signed permit would be forthcoming. He then provided an update about the different activities he has been working on to the Board.

Executive Director Heaton met with the AFL-CIO and gave a presentation on the activities of the Infrastructure Coalition. He was a keynote speaker along with Jack Hedge of the Inland Port which was very productive. The majority of the time was spent answering questions with the take aways being as we enter into contracts with the private sector for construction and other activities, they want us to remember American workers and we will encourage support of that with all we work with along with apprenticeship and training programs. Utah has been blessed with a good workforce in our rural areas with highly skilled workers and those that are interested in those skills and trades. We want to make sure we encourage our partners to work with them in our contracts.

Executive Director Heaton also participated in the Utah Advance Materials and Manufacturing Initiative (UAMMI) meeting held at the Sheraton in downtown Salt Lake. It was a very technical meeting with a dozen different scientists talking about what is happening with the coal to carbon fiber arena. Progress is continuing and his personal take away is that there is still some work to do on this front. Getting at the material which meets the technical qualifications with the price points the market wants is close but not quite there. We continue to be very supportive of this effort as it is very important to a number of our member counties with vast opportunities.
Executive Director Heaton was able to meet with the new Community Impact Board Chairman Curtis Wells. This was meeting set up by Commissioner Horrocks and Executive Director Heaton expressed his thanks to him. It was a very good meeting with Chairman Wells expressing his support of the concept of the Infrastructure Coalition and the projects we are doing. Chairman Wells offered his support moving forward. Executive Director Heaton also indicated we presented our annual report to CIB with Commissioner Lytle there representing the Board. Commissioner Todd was also in attendance there as he is here today and sits on that Board as well. Senator Winterton was there as well and spoke favorable of this organization as well. The presentation went well and appreciated Jones & DeMille and Kristi Sharp from Smuin, Rich & Marsing in helping to prepare the presentation. We did receive verbal confirmation of the CIB’s members support of where we are at and where we are going. Their partnership is critically important to our organization.

To answer a question from the public comment, we have not heard any updates to the satellite port in the last month since Commissioner Ogden reported in the previous meeting. Jack Hedge also did not indicate any updates when we were together at the AFL-CIO presentation so we can’t update if no new information is available to provide. Interest is certainly still there in pursuit of a satellite port given the congestion and air quality and some of the other issues along the Wasatch front it only makes sense to get things closer to market at gateway locations is a more efficient way of doing things. We will continue to report as new things happen.

Upcoming activities include a Tuesday meeting in Price for possible projects they are working on as it pertains to air quality and industry and a Thursday meeting in Duchesne County with a gas and mining conference. We have been invited to present and Commissioner Miles is expected to be in attendance as others from this group may be as well. In our next meeting we will have the Western States and Tribal Nations represented by Andrew Browning in attendance. This concluded Executive Director Heaton’s report. Chairman Hopes then asked for questions from the Board.

Commissioner Lytle did offer a comment that he was approached by a Beaver County Commissioner expressing interest in pursuing membership in the Seven County Infrastructure Coalition. They are certainly in the energy world whether that is solar, geothermal or wind and they certainly have infrastructure things that go along with those. Another thing, as Commissioner Lytle is sitting as the Utah Association of County Councils and Commissions chair and asked if the chairs as well as the director are able to present to that group as well in September. Chairman Hopes indicated it would be a good idea to provide an update to the rest of the councils and commissioners regarding what has been accomplished and the goals and direction. He thanked Commissioner Lytle for the opportunity. Commissioner Lytle went on to highlight the collaboration and conversations with this Board and how it should serve as a model for the state and how things can get done. Commissioner Horrocks indicated it was very important to keep our story out in front and it’s important to do so otherwise different stories may come up which are not to our benefit. Chairman Hopes stated that was a great point and that we do care about the environment, the future of our kids and the sustainability of these projects and that there is a plan to make those things happen for all our projects. Commissioner Miles
added since the topic was presented by Commissioner Lytle about Beaver County that there is a need to circle back to Sanpete County as well and even Grand County. Executive Director Heaton then asked to update the Board on this topic and that we are continuing efforts and Commissioner Ogden has been in touch with Commissioner Bartholomew who sits on CIB. And we are continuing to pursue those opportunities with CIB Chairman Wells also expressing interest as well. To conclude the conversations Executive Director Heaton expressed a need for the organization to look strategically at the next five to ten years at where we see ourselves and what is the appropriate size of this organization. As we continue to find success the organization becomes very appealing to other entities and we need to make sure we are moving in a direction we want to move in. Chairman Hopes called for final comments. Commissioner Horrocks indicated to Executive Director Heaton that we should keep this on the forefront as we move forward. Chairman Hopes indicated current participants were there because of their ties to energy, the commonality of what is occurring our communities and maybe other regions fit better for an infrastructure purpose such as tourism or other challenges. All agreed it’s a good conversation to have. Chairman Hopes asked for any further comments, there being none moved on to the next agenda item.

8. Discussion, consideration and approval of Resolution 2022-07A to submit an application to the Division of Water Quality requesting the pass through legislative funding from the Utah Navajo water settlement for planning purposes. (Keith Heaton)

Chairman Hopes called on Executive Director Heaton to lead this agenda item. Executive Director Heaton indicated his predecessor and this Board worked hard on this effort to secure Legislative funding for the Navajo Nation in conjunction with the water settlement of last month, the Division of Water Quality requires we go through the formality of providing an application and presenting it to their Board. It is just a formality as it is legislative money being passed through. With the assistance of Jones & DeMille the application is ready to be submitted tomorrow for consideration. Chairman Hopes then called for discussion of the agenda item. Commissioner Horrocks stated as we take on these projects what type of costs are involved for Seven County as far as a pass through. Is there any means of recovery in our costs for this effort? Chairman Hopes responded the funding was going through Seven County to perform some high-level planning and getting the project to a certain level. He then asked Brian Barton respond and he indicated this was a great question and really this $400,000 the legislature approved was given to the Coalition so the Coalition could cover its’ expenses as the study is completed. He went on to explain the purpose of the study to take a look at the master plan put together in 2010 – 2011 which became the basis for the Utah Navajo water settlement funding that was recently approved by the federal government as part of the infrastructure bill. What this study does, based on discussions with San Juan County and local Navajo chapters, is to update the old master plan as it would not reflect today’s costs and so on. It’s a matter of taking a look at those seven Utah Navajo Chapters and updating the capital improvement lists and identifying the most efficient way to spend that money. The Division of Drinking Water would have some level of oversight as they would be involved as the pass through entity for the funding. All of the Coalition bills would be paid by the grant from the legislature. Commissioner Horrocks commented that
Meeting Minutes July 8, 2022

provided him reassurance costs would be covered for this effort and this is a great project for us to take on. Commissioner Lytle asked if there was an agreement or MOU of any sort with the Navajo Tribe in our effort to go forward with this? Brian Barton indicated nothing was signed yet on this effort. Commissioner Lytle went on to ask if we are serving as their representative for the money, in other words are we doing it as Seven County in support of San Juan County who is a member? Commissioner Lytle indicated there are nuances in presenting as San Juan County or the Navajo Nation. Eric Johnson then inserted some points of information. The federal government has approved close to $200,000,000 for this with the state of Utah contributing close to $8,000,000 overall. We are asking for $400,000 for the initial planning but the thought was the state money, which is what this legislative appropriation is part of, needs to be overseen by a political subdivision of the state of Utah and the Coalition is that political subdivision. This is being done at the request of the state and San Juan County. Eric Johnson went on to state there would be an agreement similar to what happened with the Seep Ridge Road project. There will be an agreement between the Coalition and the Department of Environmental Quality and Division of Drinking Water. What this action does is approving us to present an application and prepare that agreement which will come back to the Board. Commissioner Lytle went on to express he is not antagonistic to the project he just wants to ensure everything is handled properly so as these things move forward, we are not making any errors in terms of relationships with the different entities. Eric Johnson indicated Commissioner Lytle was correct in that there could be several different political subdivisions involved and that it was decided that the Coalition take it up. Commissioner Lytle indicated that was his key point – who made the decision. Eric Johnson indicated that previous Executive Director Mike McKee spearheaded these activities and going into the legislature session last January, Executive Director McKee was the one personally involved in those discussions. Brian Barton indicated Senator Hinkins has been directly involved along with Representative Lyman and the Lieutenant Governor. Brian Barton also conveyed that Commissioner Grayeyes has been very involved throughout these discussions. Chairman Hopes asked if any agreements were necessary with San Juan County back to Seven County? Eric Johnson responded we could draft an agreement if they wanted one but did not think it was necessary. Eric Johnson went on with one other point of clarification that the term water quality was used but we really mean it to reflect drinking water. Commissioner Lytle asked the resolution be amended to reflect drinking water. He then asked what the approval process was and timeline with Executive Director Heaton responding the application was due today pending approval by the Board.

Motion to approve Resolution 2022-07A as properly amended was made by Commissioner Lytle with a second by Commissioner Horrocks. The motion passed unanimously.

9. Engineers Report. (Jones & DeMille)

Brian Barton already spoke to a number of efforts of the past month or so and indicated Executive Director Heaton did an excellent job at the CIB presentation the day before. It is always a great opportunity to talk through what is the most important information for the CIB and it went very well. As the presentation was coming together, a couple of numbers floated to
the top and were very interesting for the CIB Board. We have general funding of $750,000 from CIB for the year with a burn rate of $600,000 per year average so we are ahead of schedule of overall budget. It is important to note $6,000,000 has been gathered by the Coalition outside of CIB money. Executive Director Heaton voiced if you look at the $6,000,000 number and remove the rail project from the equation it is practically a 50-50 with CIB which is very good especially when you consider counties as the main contributors to the CIB. The partnership is doing very well and we have been able to hold up our end of things. Brian Barton added every effort is made to find innovate ways to fund projects. It is always such a dynamic situation when hearing of new projects to consider for the technical, administrative and other team members in selecting and funding projects. Chairman Hopes called for questions, there being none Chairman Hopes moved to the next agenda item.

10. **Discussion and consideration of ratifying invoices and checks requiring payment prior to the July 2022 Coalition board meeting and related matters of Resolution 2022-07B.** (Smuin, Rich & Marsing)

Chairman Hopes went on to present the process agreed upon in the previous Coalition meeting allowing Commissioner Miles, Executive Director Heaton and Chairman Hopes to review and approve invoices and check registry prior to this meeting. This preliminary review did happen and there were some questions with everything resolved and approved by the parties listed above. This information was also provided to all Board members at the conclusion of the process. He then inquired if there were any questions, there being none requested a motion.

**Motion to approve Resolution 2022-07B for payments amounting to $173,023.51** was made by Commissioner Lytle with a second by Commissioner Horrocks. The motion passed unanimously.

11. **Presentation, approval and adoption of monthly expenses.** (Smuin, Rich & Marsing)

Kristi Sharp provided financial statements to the Board which included two months when normally it would reflect one month so all statements are up to date with May and June included in this report. The balance sheet for May presented with total assets listed at $3,000,824.60, profit loss January through May is -$264.21 which are bank charges not reimbursed. Everything to date in 2022 has been reimbursed from the varying funding sources. She then asked if there were any questions regarding May. There being none she moved on to June. The June statement reflected total assets listed at $2,981,272.44. Profit loss of -$312.71. Kristi Sharp then asked if there were any questions regarding May or June financials of which there were none.
Motion to approve financial reports for May and June was made by Commissioner Miles, seconded by Commissioner Horrocks. Chairman Hopes called for the vote. The motion passed unanimously.

In addition, Kristi Sharp indicated the general ledge detail was sent out for the second quarter. She also sent out grant totals and details for current projects which was informational in nature.

12. Motion to enter closed (executive) session pursuant to Section 52-4-205 related to real estate acquisition, potential litigation, professional competency and trade secrets. (Casey Hopes)

Commissioner Lytle moved to go into closed session seconded by Commissioner Horrocks.

Chairman Hopes called for a Roll Call Vote to move to closed session with votes listed below:

Carbon County – Aye
San Juan County – Absent
Emery County – Absent
Sevier County – Absent
Daggett County – Aye
Uintah County – Aye
Duchesne County - Aye

**Motion to leave closed (executive) session and return to open meeting.**
Commissioner Lytle motioned to exit executive session with a second by Commissioner Miles.
Chairman Hopes called for a Roll Call Vote to move to open session with votes listed below:
Carbon County – Aye
San Juan County – Absent
Emery County – Absent
Sevier County – Absent
Daggett County – Aye
Uintah County – Aye
Duchesne County – Aye

16. **Motion to Adjourn** (Casey Hopes)
A motion to adjourn was made by Commissioner Lytle.
A motion to approve the July 8, 2022 meeting minutes was made by Commissioner ____________________________, seconded by Commissioner ____________________________.

SEVEN COUNTY INFRASTRUCTURE COALITION VOTING:

<table>
<thead>
<tr>
<th>County</th>
<th>Board Member</th>
<th>Yea</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carbon</td>
<td>Board Member</td>
<td>Yea</td>
<td>No</td>
</tr>
<tr>
<td>Daggett</td>
<td>Board Member</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Duchesne</td>
<td>Board Member</td>
<td>Yea</td>
<td>No</td>
</tr>
<tr>
<td>Emery</td>
<td>Board Member</td>
<td>Yea</td>
<td>No</td>
</tr>
<tr>
<td>San Juan</td>
<td>Board Member</td>
<td>Yea</td>
<td>No</td>
</tr>
<tr>
<td>Sevier</td>
<td>Board Member</td>
<td>Yea</td>
<td>No</td>
</tr>
<tr>
<td>Uintah</td>
<td>Board Member</td>
<td>Yea</td>
<td>No</td>
</tr>
</tbody>
</table>

__________________________________________
Co-Chair:  Greg Miles

__________________________________________
Co-Chair: Casey Hopes

(COALITION SEAL)

ATTEST:

__________________________________________
Lenise Peterman

Meeting Minutes July 8, 2022