

**SEVEN COUNTY INFRASTRUCTURE COALITION
MEETING MINUTES**

October 11, 2018 at 1:30 p.m.
152 E. 100 N., Vernal, UT 84078

Present: Jae Potter, Brad Horrocks, Lynn Sitterud & Greg Todd

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

Absent: Phil Lyman, Jack Lytle, Ken May

Attended telephonically: N/A

1. Welcome / Pledge of Allegiance (Jae Potter)
2. Meeting Minutes of September 14, 2018 meeting (Jae Potter)

Motion to approve September 14, 2018 minutes by Commissioner Horrocks, seconded by Commissioner Todd. Unanimously approved 4-0-3 absent.

3. Public Comment (Jae Potter)

No comments from public.

4. Finance Director Report and approval of Expenses (Smuin, Rich & Marsing)
The following invoices were presented for approval.

October 11, 2018

Vendor	Invoice #	Amount	Description	Grant
CIVCO Engineering, Inc	2018409	40,186.66	I-70 Transportation Corridor - Engineering	Book Cliffs Transportation Corridor
ETJ Law	1395	2,447.42	Legal Services	General
ETJ Law	1397	1,435.00	Utilities - Legal Services	General
ETJ Law	1398	14,512.58	Uinta Rail Line - Legal Services	General
Smuin, Rich & Marsing	38424	1,950.00	Consulting Per Contract - Sept 2018	General
Mike McKee	Sep 6 - Oct 3, 2018	192.80	Director's Travel/Expenses	General
Jones & Demille	0118931	7,403.75	Engineering, Planning, Coordination	General
Jones & Demille	0118932	7,994.44	Leland Bench Utilities - Engineering	General
Jones & Demille	0118933	13,640.78	Uinta Rail Line - Engineering	General
Marc T. Eckels	SCIC 10-3-2018	3,675.00	Crude Oil Consultant	General
Total Payment Approval		\$ 93,438.43		

Doug highlighted Kristi Sharp's diligent efforts with the CIB on reimbursements. Mike McKee offered his thanks for the Smuin Rich Marsing team efforts in obtaining timely reimbursements from the CIB. Mike McKee also asked to review the profit and loss summary prior to the monthly meetings with Doug. Brad Horrocks noted that Mike McKee is doing a great job with all the travel he does on so little expenses. Thanks!

Commissioner Horrocks confirmed the dollar amount of \$93,438.43 and then made a Motion to approve, seconded by Commissioner Sitterud. Unanimously approved 4-0-3 absent.

Commissioner Horrocks exited the meeting at this point.

5. Executive Director Report (Mike McKee)

Rail Study Update:

The Coalition's Rail application will be heard in the CIB's November 8th meeting in Moab.

Leland Bench:

Discussions with Uintah Water Conservancy District and Ouray Park Improvement District on coordinating Green River water rights..

Thorium Energy Center of Excellence:

A meeting will be held next week at the Governor's office regarding getting this project in the legislative budget.

Eastern Connector Road:

Moving forward and legislative appropriation was received.

Western States Rural National Gas Initiative:

Bergen Eskildsen, of the Governor's Office of Energy Development, provided an update. He indicated that they are working on opening markets for local natural gas.

Commissioner Potter asked if there is a timeframe. No known timeframe at this time.

Both Duchesne and Uintah Counties also contributed.

6. Public Hearing on Rail CIB Application for \$27,900,000 (Mike McKee)

Mike McKee provided background that the Coalition previously applied for \$30,000,000 for Rail. This application revises the value to \$27,900,000, to be utilized over a 2 year timeframe. The Coalition is on the CIB's agenda for the November 8th meeting regarding this application. Eric Johnson provided further background that several studies were done by HDR and R.L. Banks with routes to Colorado. Both studies indicated the Rail is viable, however, not at a rate of return that would entice private industry. Therefore, it would be appropriate for a public body to proceed with the Rail project for the public good. Eric Johnson indicated that a meeting was held with the Build America Bureau earlier this year. The Coalition will seek federal funding for the Rail project, which is estimated at \$1.4B and the Coalition qualifies for an interest rate of approximately 1.7%, half of the current federal interest rate, which would be locked in at the start of construction of the project. The Build America Bureau that administers the federal funding also indicated that \$35B in funding has been set aside for rail projects such as this.

Commissioner Horrocks re-joined the meeting at this point in time.

Motion to go into Public Hearing by Commissioner Todd, seconded by Commissioner Horrocks. Unanimously approved 4-0-3 absent.

Public comment:

Scott Hagman asked how Colorado feels about this project.

Mike McKee stated that meetings have been held with leaders and commissioners in Craig and Rifle Colorado, as well as a meeting with Kathleen Stacks of the Colorado Governor's Office of Energy. All of the Colorado participants seemed excited. Mr. McKee indicated that Ms. Stacks sent a letter to all government agencies in Colorado, to which no objections were received.

Brad Horrocks indicated overwhelming support from industry.

Motion to close Public Hearing by Commissioner Todd, seconded by Commissioner Horrocks. Unanimously approved 4-0-3 absent.

7. Resolution 2018-10A Approving Cody Deeter as Municipal Advisor for Utilities for Lube Oil Refinery (Mike McKee)

Discussion of agenda item #6 was postponed until Commissioner Horrocks could re-join the meeting. The Coalition Board proceeded to introduce the background and purpose of agenda item #7, the Public Hearing (see more below).

Mike McKee indicated his confidence in Cody Deeter as well-suited for this project. In order for the Board of Water Resources to fund the water utility for the Lube Oil Refinery, they require the entity to fund 15%. Mike McKee indicated the Coalition is in a position to meet the Board's requirements. Approving this resolution includes approving Mike McKee to sign the agreement with Mr. Deeter.

Motion to approve by Commissioner Horrocks, seconded by Commissioner Todd. Unanimously approved 4-0-3 absent.

8. Resolution 2018-10B Approving CIB Rail application (Mike McKee)

Motion to approve by Commissioner Todd, seconded by Commissioner Horrocks. Unanimously approved 4-0-3 absent.

9. Finalizing Rail Planning Selection Committee (Mike McKee)

Selection Committee will include: Executive Director, Engineer, Attorney, Uintah, Duchesne & Sevier county commissioners.

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

Additional information on the utilities for Lube Oil Refinery.

11. Legal report on Rail (Eric Johnson)

Prior practice of CIB and prior position of the Attorney General's office indicate that the

CIB can fund the rail project from general CIB funds and not draw on Throughput funds.

12. Closed (executive) Session for (**potential real estate acquisition**, trade secret related to procurement, **personnel competency**) pursuant to §52-4-205 (Eric Johnson)

Motion to enter closed session at 2:52 p.m. by Commissioner Sitterud, seconded by Commissioner Todd. Unanimously approved 4-0-3 absent.

Motion to re-enter open session by Commissioner Sitterud, seconded by Commissioner Horrocks. Roll call vote and unanimously approved 4-0-3 absent.

13. Motion to adjourn (Jae Potter)

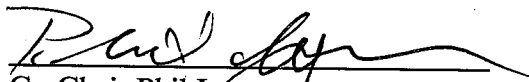
Motion to adjourn by Commissioner Horrocks, seconded by Commissioner Sitterud.
Adjourned by acclamation.

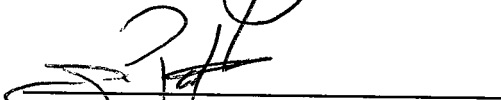
Motion to approve meeting minutes by Commissioner Horricks, seconded by Commissioner Burdick.

missed last mtg

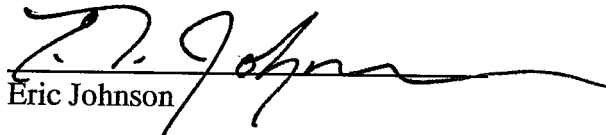
SEVEN COUNTY INFRASTRUCTURE COALITION VOTING:

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


Co-Chair Phil Lyman


Co-Chair Jae Potter

ATTEST:


Eric Johnson

