



SEVEN COUNTY INFRASTRUCTURE COALITION  
MEETING MINUTES

February 21, 2020 at 1:00 p.m.  
Carbon County Commission Chambers  
751 East 100 North, Price, UT  
(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, Andrew Browning, Melissa Cano, and Kevin Keller.

**Attended telephonically:**

**Absent:**

**Others Present:** Commissioner Bart Haslem, Commissioner Greg Todd, Troy Ostler, Ted Johnston, Stan Holmes, Ocean Patel, Roy Patel, Lee Stanhope, Jane Doe, Ingrid Griffee, Rae Batney, Ken Kraus, Deeda Seed, Joe Holdon, Chris Braynir, Larry Dead, Tracey Bushman, R. King, J. Schmidt, Cari Moore, Tess Carson, Brooke Larsen, Andrew Kurish, Diego Carroll, Ryan Beam, Jill Merritt, Cheryl Meier, Gaylen Stewart, Skip McDonnell, Alair Emory, Michele Pasker, Mack McDonald, Ken Kohler, Pegasus Blaise, Erwin McPherson, Jr., Jeff Cochran, James Dixon, Keith Heaton, Gayle Gardner, Pamela Sjostrom, Lindsay Beebe, Craig Provost, Monica Hilding, Garrett McMullin, Heather Dorrell, Jonny Vasic, Reed Page, Seth Common, Reed Allen, Bonnie Bowman, Kevin Leecaster, Darrell Fordham, Leroy Anderson, Ari Grace

**1. Welcome** (Brad Horrocks)

Commissioner Horrocks welcomed all in attendance. The Pledge of Allegiance was recited.

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

*Darrell Fordham* – Mr. Fordham stated that he represented himself and the Argyle Canyon Wilderness Preservation Alliance. He believes that Seven County’s mission statement contradicts the role of government. The mission statement says, in part, it is to “plan infrastructure corridors, procure funding, permit, design, secure rights-of-way and own such facilities”. He would propose that government’s role is to do the people’s business not to own and profit from projects that are paid for by the public’s money and that compete with private industry. Millions of dollars of public money are being spent on projects like the Uinta Basin

Railway and Seep Ridge Road. These are projects that will benefit private fossil fuel energy companies. This is not the role of government. Rather than listening to the public and making decisions based on public comment, he proposes that the board makes deliberations in secret, behind closed doors, and perpetuates an adversarial relationship with the public, especially anyone who opposes these projects. He stated that they feel like legal counsel has been rude to them. They are not paid to be at these meetings. They had hoped that their voices and concerns might be taken seriously. When they are negatively impacted by these projects their only recourse is to use their own money to fight in court. He stated that Seven County gets to defend its case using public money. They feel like the truth has been withheld from the public and their concerns have been ignored. They feel like the Seven County Board should be ashamed.

*Leroy Anderson* – Mr. Anderson introduced himself as a retired Salt Lake City physician. He stated he is an advocate for clean air. His wife suffers from a chronic pulmonary condition. Her health deteriorates with poor air quality. He sees discussions being made that are going to increase the amount of traffic, in terms of semis, burning coal, and the amount of fracking statewide. He sees these decisions as impacting his wife's health and thousands of others with vulnerable health conditions. His is a plea for this board to consider clean air and health as they make the important decisions they are about to make.

*Ari Grace* – She began by thanking the board for allowing them to come and talk. She stated that she is 17 years old and a striker up at the Capitol every Friday for climate justice. Discussions about phasing out fossil fuels are widespread. It seems like here it is completely ignored. The science is clear that phasing out fossil fuels is essential to preventing a 1.5-degree Celsius additional warming. Fossil fuels have broken communities and are tearing them apart by increasing pollution, causing cancer, drying up rivers and other things. These are destroying communities around the globe. You cannot step over and talk over people in rural communities. The money you have control over should go to assist those negatively impacted by the transition to clean energy (like truck drivers, miners, etc.). We need infrastructure for change to be built around the needs and wants of those to be impacted. You thwart this progress when you continue to give money to the fossil fuel industry. The lives of future generations are being eaten away at. But she believes in our State. She believes they are making changes and getting better. A long-term climate plan has just been made which means if we are to honor it, no more money can be spent on the fossil fuel industry. The time for a just transition is now and this board has the means to make it happen. Thank you.

*Stan Holmes* – Mr. Holmes stated that he is a volunteer board member with the Utah Chapter of the Sierra Club. Sierra Club supports a livable future through reduced greenhouse gas emissions that are causing climate change. Fossil fuels, coal, oil and gas, are the primary culprits. They are enemies of a sustainable future. The Sierra Club supports a just transition for rural Utah communities depending on fossil fuels. They want to see a lifeline to a sustainable economy not another set of life support give-a-ways for companies like Wolverine Coal and the Uinta Basin Railway Project. They support initiatives like the Coal Country Strike Team and the Utah Road Map to provide pathways forward for rural Utah and for all of Utah. They oppose fossil fuel welfare subsidies that the SCIC and the CIB support directly or indirectly from their individual County Commissions to the SCIC to the CIB and to the Inland Port Authority. Specifically, they oppose the \$53 million dollars set aside to help Wolverine Coal get more coal to the West Coast.

They oppose \$30,000 for Sevier County's feasibility study that will likely favor Wolverine Coal. They oppose the \$500,000 for a lawsuit to sue Richmond, California for protecting its citizens. They oppose the \$28 million dollars for a new railroad to increase oil, gas and ozone production in the Uintah Basin and thousands more dollars pending before the legislature for new tax breaks for oil and gas mining. He would urge the Commissioners to take action as individuals and as County Commissioner to put Utah on a fresh track to a sustainable future. Thank you for this time.

- 3. Natural Gas Presentation by Andrew Browning** – Executive Director McKee introduced Andrew Browning who had flown in from Colorado to address this board. He came to talk about the Western States Rural Natural Gas Initiative formed between the Colorado Energy Office, the Utah Governor's Office of Energy Development and the Ute Indian Tribe. They are working to analyze and get a better understanding of the Piceance and Uintah Basins and how they might fit into global gas markets. The report they have just produced identifies policy and how these might participate in supplying Asian markets which are trying to reduce coal and increase Liquid Natural Gas (LNG). The study was released in April of 2019. One need identified was to build an education platform for the public, policy makers and officials to better understand the potential role they can play in the use of Rockies Natural Gas to replace Asian coal, particularly in China and India. The plan laid out how to communicate these benefits and build a framework for Western States to advocate on these issues. The Colorado School of Mines has estimated Rocky Mountain gas at 437 trillion cubic feet. Currently, there are underutilized natural gas pipelines and processing capacities. There is the possibility to avoid the congested Panama Canal and transport gas through Coos Bay, Oregon which would allow transit to Tokyo in 9 days.

The Rocky Mountain producers are at an advantage to supply these Asian markets as they look to phase out coal. They are working on the Jordan Cove Project which would take gas from the Rockies and Canadian Basins. They are looking to build a 220-mile Pacific Interconnector Pipeline to export 6 million tons of LNG a year. They have sent a delegation to Oregon to educate people about the project and they are working to get other states to join the coalition. They have recently added the State of Baja, Mexico and New Mexico. They are looking, also, at other export opportunities.

Executive Director McKee asked Andrew Browning if he had said there were 437 trillion cubic feet of gas from the Rockies? Andrew confirmed that number. Executive Director McKee went on to say that the use of that much gas (to replace coal) would surely go a long way to clean up air globally. Andrew confirmed that thought and added that all of the efforts in the U.S. to clean up emissions is dwarfed by the coal fired energy in China and India. He went on to say that they are adding 3 to 5% per year and are completely overwhelmed. LNG imports to replace coal would have a significant impact.

#### **4. Approval of January 17, 2020 Minutes**

**Motion to approve January 17, 2020 meeting minutes** by Commissioner Lytle, seconded by Commissioner Ogden. Unanimously approved. 7-0-0 absent.

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

Commissioner Sitterud began by stating that at the last meeting he had reported that the natural gas was in, hooked up, and they were waiting for the substation switch gear. The switch gear arrived and that part of the electrical is complete. Over the past couple of days, Rocky Mountain Power has been installing power poles and connecting the power to the buildings. After this week the electrical and gas will be 100% ready to go. The cooling tower has arrived and is installed. The earthquake upgrades that had to be done to the Molten Salt Lab are complete. They are just about ready to begin constructing the actual labs in the buildings.

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

Commissioner Ogden reported that they are still in discussions with the Inland Port Authority Board about how these rural hubs might fit within the whole project. They are trying to create a plan that fits the whole state. There is recognition that these satellite hubs could help eliminate some additional traffic and air quality concerns for the Salt Lake City area. These satellite hubs would also help rural Utah counties to increase their economic base. So, at this point, everyone is still in discussion and planning.

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

Commissioner Miles reported that information was still being gathered and sent to the Surface Transportation Board for the draft EIS. Not a lot else to report at this time.

## **8. Discussion and approval of the Phase 2 contract with CIVCO for the Eastern Utah Regional Connection Project.**

Executive Director McKee began by reminding everyone that CIVCO had performed the work on Phase 1 of the Eastern Utah Regional Connection Project which was funded by the legislature. They are now ready to move on to Phase 2, with CIVCO, and need to get the contract authorized. He went on to inform the Board that there were a couple of changes from the draft they reviewed. The total amount of the contract is the same, \$3,200,000, but there is a little bit more added to the contingency. There was some legal work to be done on the draft MOU and that has been changed from \$25,000 to \$10,000. Then, under Task No. 3, where it talks about strategic communications, the contingency is changed from \$200,000 to \$475,000. Both CIVCO and Jones & DeMille are good with these changes.

**Motion to adopt Resolution 2020-02A approving the Phase 2 contract with CIVCO** with the understanding that the contingency can be used only after a recommendation from the Engineer of Record, and approved by the Executive Director, was made by Commissioner Lytle, seconded by Commissioner Ogden. Unanimously approved. 7-0-0 absent.

## **9. Discussion and consideration for a contract with the Forest Service for cost recovery on the Uinta Basin Railway Project.**

Executive Director McKee began by stating that he had recently met with the Forest Service. As the board is aware there is a cost to federal agencies for work they do processing data for the environmental. Their costs must be recovered. The Forest Service has estimated their cost recovery to be around \$166,491.88, although it should come in less than that. Today, the Executive Director is asking for authorization to sign the Forest Service contract so the work can begin. Unlike the BLM the Coalition will not be billed until the work is complete, but they are unable to begin until the contract is signed.

**Motion to sign Resolution 2020-02B authorizing the Executive Director to sign the cost recovery contract with the Forest Service** was made by Commissioner Miles, seconded by Commissioner Ogden. Unanimously approved. 7-0-0 absent.

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

Executive Director McKee informed the board that the work was completed on the State's Fraud and Risk Self-Assessment. Thank you to Doug Rasmussen, our accountant, for all of the work he and his team has done to submit this assessment. When we began the process, we were considered as high fraud risk by the State. After all of the modules were submitted, we ended up as a low fraud risk. This is a great accomplishment.

We received a letter from Governor Herbert letting us know that he supports the Eastern Utah Regional Connection Project. The State of Utah is excited to collaborate on the development of this road connecting the Seep Ridge Road to Interstate 70 close to Moab.

## **11. Engineers Report.**

Brian Barton reported that they are providing ongoing coordination with the Surface Transportation Board (Uinta Railway EIS). They've also been coordinating regional transportation planning with Commissioner Grayeyes and the Navajo Nation in southern Utah.

Commissioner Grayeyes stated that the President of the Navajo Nation, during his tenure, began building the vision for a regional transportation plan. Now, he has picked it up and is carrying it up the canyon!! Hopefully, this will soon be realized. This will open up tourism and economic development for this region. There are a lot of people who visit Page, Arizona and Monument Valley during the year. If a road can be opened up through this area, many of them will come and visit the beautiful, interesting canyons. This will be great for this area.

Brian Barton finished by saying they continue to work on the San Rafael Research Lab.

Executive Director McKee took a minute to recognize Kevin Keller with HDR and all of the work he has done to keep the environmental moving forward on the Uinta Basin Railway Project. He, also, recognized Melissa Cano and thanked her for the great job she did with public communications on this project and keeping the website updated.

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

Doug Rasmussen began by reviewing the payment approval chart for February in the amount of \$926,345.30. He pointed out one minor correction that needed to be made. The second expense up from the bottom of the chart, Emery County LBA for \$3,720.86, shows it being paid out of the General Grant. Actually, this will be paid out of the Energy Research Center Grant. This does not affect the total of the monthly expenses.

(Continued on next page.)

UNAPPROVED

**SEVEN COUNTY INFRASTRUCTURE COALITION PAYMENT APPROVAL**

**February 21, 2020 at 1:00 p.m.**

**1385 South State Street, Salt Lake City, UT 84115**

Vendor	Check #	Invoice #	Amount	Description	Grant
CIVCO Engineering, Inc	1602	2020102	11,147.50	I-70 Transportation Corridor - Engineering	Book Cliffs Transportation Corridor
Jones & Demille	1603	0121919	115.00	I-70 Transportation Corridor - Engineering	Book Cliffs Transportation Corridor
ETJ Law	1604	1590	350.00	I-70 Transportation Corridor - Legal	Book Cliffs Transportation Corridor
Smuin, Rich & Marsing	1605	41107	5,421.47	Consulting Per Contract - January 2020	General
Mike McKee	1606	Dec. 4 - Dec. 31, 2019	371.56	Director's Travel/Expenses	General
Heather Hoyt	1607	February 7, 2020	1,808.39	Office Supplies, Administrative Hours	General
Jones & Demille	1608	0121922	30,133.45	Engineering, Planning, Coordination	General
ETJ Law	1609	1594	3,192.25	Leland Bench Utilities - Legal and Travel	General
ETJ Law	1609	1595	3,368.23	General - Legal Services and Travel	General
HDR	1610	1200245298	175,000.00	Uinta Rail Line - Engineering	Uinta Basin Railway Project - Engineering Services - Phase 2
HDR	1610	1200245298	200,000.00	Uinta Rail Line - Engineering	Uinta Basin Railway Project - Baseline Environmental Services - Phase 2
HDR	1610	1200245299	49,000.00	Uinta Rail Line - Engineering	Uinta Basin Railway Project - Strategic Communication Services - Phase 2
HDR	1610	1200245336	5,520.00	Uinta Rail Line - Engineering	Uinta Basin Railway Project - O&M Planning - Phase 2
Jones & Demille	1611	0121921	128,390.00	Uinta Rail Line - Engineering	Uinta Basin Railway Project - Program Management Services - Phase 2
Jones & Demille	1611	0121921	185.00	Uinta Rail Line - Engineering	Uinta Basin Railway Project - Engineering Services - Phase 2
Jones & Demille	1611	0121921	59,840.00	Uinta Rail Line - Engineering	Uinta Basin Railway Project - Mapping Services - Phase 1
Jones & Demille	1611	0121921	19,400.00	Uinta Rail Line - Engineering	Uinta Basin Railway Project - Mapping Services - Phase 2
Venable LLP	1612	2188147	53,590.29	Uinta Rail Line - Legal Services	Uinta Basin Railway Project - Regulatory and Other Legal Services - Phase 2
ICF Jones & Stokes, Inc	1613	0144697	145,746.72	Uinta Rail Line - NEPA Consulting	Uinta Basin Railway Project - Baseline Environmental Services - Phase 2
ETJ Law	1614	1597	8,181.15	Uinta Rail Line - Legal Services and Travel	Uinta Basin Railway Project - Regulatory and Other Legal Services - Phase 2
ETJ Law	1615	1596	20,265.25	Molten Salt/Research Center Facility - Legal Services and Travel	Energy Research Center
ETJ Law	1616	1596	1,076.00	Molten Salt/Research Center Facility - Travel	General
Emery County - LBA	1617	12-19-208, 011720	3,270.86	Molten Salt/Research Center Facility - Utilities	Energy Research Center
Jonathan A. Stearmer	1618	02/18/2020	972.18	Uinta Rail Line - ROW Planning	Uinta Basin Railway Project - Right-of-Way Planning - Phase 2
<b>Total Payment Approval</b>			<b>\$ 926,345.30</b>		

**Motion to approve the monthly expenses in the amount of \$926,345.30, including the change in the Emery County-LBA grant fund from General to Energy Research Center, was made by Commissioner Miles, seconded by Commissioner Grayeyes. 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 ___

Next, there were two payments made during the month of February that need to be ratified by the board. Attorney Eric Johnson stated that in January there had been a hearing before the Utah Records Committee brought by the Center for Biological Diversity. They had requested records from Seven County for which they were charged a \$250.00 records fee. They believed they should not have been charged for these records and the Utah Records Committee found in their favor. A check had to be cut to reimburse them the \$250.00.

**Motion to ratify this expense paid back to the Center for Biological Diversity** in the amount of \$250.00 was made by Commissioner Lytle, seconded by Commissioner Miles. Unanimously approved. 7-0-0 absent.

Mr. Rasmussen next directed the board to an expense for printer toner and office supplies in the amount of \$465.90 paid to Heather Hoyt, Staff to the Board, in advance allowing her to purchase these supplies.

**Motion to ratify this expense paid in advance to Heather Hoyt for toner and office supplies** in the amount of \$465.90 was made by Commissioner Lytle, seconded by Commissioner Miles. Unanimously approved. 7-0-0 absent.

Doug Rasmussen next directed the board to the financial reports to include the Balance Sheet, followed by the Profit and Loss sheet thru 12-31-2019. The Profit and Loss is also provided by class, showing individual operating revenue and expenses associated with the various funding sources. This is the end of the year and the audit will be based on these financials. There are still a couple of other 2019 invoices yet to come that will be added to these prior to the audit.

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

Mr. Rasmussen next took the board through 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.

Finally, he asked to board to look at the General Ledger Detail for the last quarter. This shows all of the expenditures by category for October, November, and December. Utah State Code requires this be provided to the board for its review quarterly.

**13. Motion to enter closed (executive) session pursuant to Section 59-1-404 for pending and reasonably imminent litigation, potential real estate acquisition, trade secrets related to procurement, and/or character and professional competency** was made by Commissioner Lytle, seconded by Commissioner Ogden.

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 ___

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

**14. Authorization for the Co-Chairs and Executive Director to sign a commercial agreement with Drexel Hamilton/Rio Grande Pacific.**

**Motion to table Resolution 2020-02C** made by Commissioner Miles, seconded by Commissioner Hopes. Unanimously approved. 7-0-0 absent.

**15. Authorization and consideration to retain professional services.**

The Coalition's attorney, Eric Johnson, took the lead on this discussion concerning pro forma financial modeling and rail operator procurement commercialization (Uinta Basin Railway Project). Initially, HDR was selected based on its RFQ response. L.R. Banks also responded. At that time, HDR was selected, but they now find themselves unable to follow through providing these services. So, this resolution is to approve requesting R. L Banks step in and perform these services, since they were a respondent to the original RFQ.

Executive Director McKee stated that he would like to broaden the request to include being able to utilize legal services for the pro forma modeling and rail operator procurement commercialization project.

Commissioner Lytle asked if broadening this was covered in the initial procurement documents. Both legal counsel, Eric Johnson, and accountant, Doug Rasmussen concurred that this was acceptable.

**Motion to approve Resolution 2020-02D requesting R. L Banks provide pro forma financial modeling and rail operator procurement commercialization services** was made by Commissioner Lytle, seconded by Commissioner Ogden. Unanimously approved. 7-0-0 absent.

**16. A motion to adjourn** was made by Commissioner Miles.

UNAPPROVED

A motion to approve the February 21, 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)