



SEVEN COUNTY INFRASTRUCTURE COALITION
SPECIAL MEETING MINUTES

January 4, 2021 at 9:30 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, Kelly Carter, Doug Rasmussen, Kristi Sharp, Heather Hoyt, Brad Haslem, and Melissa Cano.

Attended telephonically: All

Absent:

Others Present: Darrell Fordham, Lionel Trepanier, Ann Harvey, Stan Holmes, Raphael Cordray (Please notify staff at 435-219-1362 of any spelling corrections or if you were present and not listed.)

NOTE: Due to the Coronavirus, the information to electronically connect and participate in the meeting was as follows:

Join Zoom Meeting

<https://jonesanddemillezoom.us/j/95584955187>

Meeting ID: 95584955187

Dial by your location

+1 346 248 7799 US (Houston)
+1 669 900 6833 US (San Jose)
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- 1. Welcome and introduction** (Lynn Sitterud)
- 2. Discussion and consideration concerning the amendment of the Coalition's rules and regulations for notice of budget hearing to conform to Utah Code and related matters.**

At the suggestion of Director McKee time was turned over to attorney Eric Johnson for an explanation prior to the start of the hearing. During the November 13th meeting of the Coalition

there was action taken on the tentative budget and a public hearing was called for December 18th of 2020. The notice that was given was published once in the paper and on the public notice website, each at least 7 days in advance. The public hearing was held and action was taken on the final budget after the public hearing on December 18, 2020.

Mr. Johnson continued that the Coalition’s rules and regulations, as they have been formulated, show that notice for the budget hearing should be given in the paper twice, once each week for two consecutive weeks with the notice posted at least 10 days in advance of the public hearing. However, the law only mandates one publication in the paper at least 7 days in advance. The first action item on today’s agenda is to change that rule concerning hearings on the budget and to have it conform to the State law. We will be making it retroactive to November 13, 2020 which will make the notice under our rules and regulations comply with the State law, allowing publication in the paper one time, at least 7 days in advance, and to be posted on the public notice website at least 7 days in advance. Doing this will apply to the way notice was given for the December 18th meeting.

For this meeting, we complied with the old rules and regulations requiring 2 weeks of publication and the first publication was at least 10 days in advance and the notice was posted on the public notice website at least 10 days in advance.

Director McKee took over addressing the Chairman stating that today we are doing as Mr. Johnson is suggesting and will approve Resolution 2021-01-04A amending the Coalitions rules and regulations. Our rules and regulations were above and beyond what was needed and required in the Utah State code. This will conform our rules and regulations to the State code.

Motion to approve Resolution No. 2021-01-04A amending the Coalition’s rules and regulations for notice of budget hearing to conform to Utah Code and related matters was made by Commissioner Miles, seconded by Commissioner Ogden.

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 ___

Approved 7-0-0 absent

3. Public hearing to consider public comment and the adoption of the final 2021 final budget and related matters.

Motion to enter into public hearing was made by Commissioner Grayeyes, seconded by Commissioner Hopes.

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 ___

Approved 7-0-0 absent

Time was turned over to Melissa Cano to provide instruction on how to participate in the hearing. Melissa stated that there were 4 individuals who had signed up to give comment. Each individual would have 5 minutes to provide that comment.

First commentor was **Stan Holmes** of Salt Lake City. He started by saying he wanted to draw the board's attention to the item listed as "Distributed Logistics Planning Phase 2" in the 2021 budget. It's also been listed as "Regional Transportation Hub Study" and has been affiliated or aligned with the Satellite Ports Development Project in Utah. His question is the budget line item is \$100,000. He was wondering where that money was coming from? Is it coming from the CIB? Is it coming from the Utah Inland Port Authority? Is it coming from the Legislature? There is a question mark on that. And he is also wondering why not at least half of the funds are coming from Sevier County for which half of the contract is dedicated, specifically the Salina facilities?

The other question he had is when this project was first outlined in the initial RFP dated March 18, 2020, the total budget was \$50,000, so why has the budget amount now doubled that amount to \$100,000. Is this the final amount? Does this \$100,000 include the Phase 1 costs along with the Phase 2 costs? How will SCIC handle any cost overruns by Colliers International and any other parties involved in this particular project?

Another question he had is who holds the SCIC accountable for projects like this? Is it the State Treasurer with any oversight capacity? Finally, he was just wondering where the public comments given today, and have been given in the past, where will they be posted and easily accessible to the general public?

That concluded his comments.

Next was **Lionel Trepanier** of the Tar Sands Resistance. He said it's a very serious matter this adoption of a budget. It's covered both by statutes and rules, and the budget must be adopted pursuant to the statutes and rules. Particularly, the Interlocal Cooperation Act under which the

SCIC is organized which allows that the governing board will manage and direct the business affairs of the interlocal entity. And, he wanted to bring to the attention of the board members today that they have gone astray. This is regarding the budget and an illegal action that occurred this morning, and that was the SCIC governing board, and he is reading from the Interlocal Governmental Act, specifically 11-13-402 in the statute, and there it specifically states “the board may exercise a power or perform a function as provided in the Interlocal Agreement.” The Interlocal Agreement has something to say about amending the Interlocal Agreement. Like today the board took an action to supposedly, and that was an illegal action I am bringing to your attention, what that is subject to review and that action supposedly changed the procedure for adopting a budget by this body.

Well, amendments are covered in the Interlocal Agreement under Section 1.5. This is the SCIC operating rules which were adopted on January 8, 2016. In there, in Section 1.5 specifically, it requires that any amendment to these operating regulations and bylaws, that a notice of proposed amendment shall be posted at its offices and two other public places within the Coalition at least 14 days prior to said board meeting. So, the board can't at just one board meeting up and change the rules. No, the very rules under which the board operates must have, under statute, say the board cannot change the rules willy nilly. A change to the rules must be published or must be made notice of the proposed amendment at least 14 days before the meeting at which these amendments are to be adopted. So, today's rule change allowing the budget to be adopted on 1 weeks' notice, instead of 2 weeks' notice, is not proper. Now, that's very important because the board's rules, unlike what your attorney presented today, the board's rules don't state that it's published twice in a newspaper at least 10 days before the hearing. That's not what the rule requires. The rule very explicitly requires that the notice be published once a week for 2 consecutive weeks and published on the public notice website at least 10 days in advance and published at the SCIC's business office. So, the attempt to paste the 10 days onto the requirement for once a week for 2 consecutive weeks, which has a meaning in the law, which courts have determined what 2 consecutive weeks are. You will not be surprised that 2 consecutive weeks are 14 days and once a week for 2 consecutive weeks is not what the SCIC did in this instance, for this hearing which was to publish that notice in the Deseret News on the 24th and the 29th, a Thursday and a Tuesday. Clearly the SCIC did not publish notice once a week for 2 consecutive weeks.

Well, now, he wanted to address a matter of his concern that the SCIC provide for public participation and comment on the tentative 2021 budget as the law requires before spending any monies contained in the 2021 budget. And, he says it is wrong right now what the SCIC is doing by creating confusion as to the status of the SCIC's 2021 budget as per Utah Statute 11-13-515, again this is from the Interlocal Act regarding budgets in effect for a budget year.

Now, he has to jump forward to some other of his critiques concerning this budget hearing. Now, the budget, the law, and the rules require that the public have an opportunity to comment on the budget. Nowhere was a 2-minute or 5-minute limit mentioned. 5-minutes is too small for a budget this large with so few commentators. The SCIC is deliberately violating 11-13-510. The public hearing on the tentative budget which requires and mandates that the public be provided an

opportunity to be heard and that doesn't say you can just shut that down after 5 minutes. There is too much money and there is too much business being conducted in the dark to shed a significant enough light in 5 minutes on what the SCIC is doing here. Because the SCIC is required under the Intercooperation Act, under Part 4 Section 404, that the governing body shall adopt rules of order and procedure to govern public meetings of the governing body and they are, number 2, to conduct public meetings in accordance with the rules of order and the procedures described in Subsection 3b1. (Mr. Trepanier is notified that his time is up) so the SCIC is required to adopt rules and the SCIC is required to follow those rules. The SCIC is thumbing its nose at the Utah taxpayers while the application of these rules in this instance because the SCIC has failed repeatedly failed to provide proper public notice of their budget hearing in the instant case this may have a harsh result.

Next was **Daryl Fordham**. He first stated that he appreciated the opportunity to make some additional comments on the budget. He has several concerns. Once being with the size and scope of this budget there has been very little discussion among the board members that has taken place in a public forum which causes him a lot of concern, not only with the budget but with the way that the SCIC conducts business in general having very little deliberation or discussion that is available to the public. As an interlocal government entity these discussions should be held in public meetings. They shouldn't be held behind closed doors, as is being done which he finds highly inappropriate.

Back to his comments from the last budget hearing. He sees millions and millions of dollars being spent by the SCIC, projects that benefit private industry, almost exclusively. Private industry from the Eastern Utah Regional Connection road to nowhere, that's now been canceled, to the Leland Bench Utilities, to the Uinta Basin Railway. There could be some debate on the San Raphael Energy Research Center but so far, he has seen very little to no public benefit from that project. It just seems to him that the SCIC is wasting millions and millions of dollars in planning all of these projects, essentially enriching yourselves as board members, as Mike McKee the Director, Eric Johnson the legal counsel, and simply funneling public money into the pockets of design firms such as Jones & DeMille, HDR, CIVCO and others. He finds it highly inappropriate in the way the SCIC conducts these hearings and your deliberations so forth and restricting time limits on public comment just further demonstrates that you don't feel accountable to the public. You view the public, those of us who voice our concerns, you view us as enemies, as your opposition. You know you work for us but you sure don't act like it and it's extremely frustrating. And, then for you to not even follow your own rules, change your rules illegally and make those changes retroactive? Again, highly inappropriate and, honestly, for an agency that can't even follow its own basic rules and then to have an almost \$25 million budget that you're controlling, I don't think you're qualified to be doing what you're doing. You certainly don't exhibit the competence that should be required to effectively manage and disperse these funds in the way that they're intended, and without impropriety. So, those are his concerns. Mr. Fordham thanked the board and stated that he appreciated the opportunity.

Time was next turned over to **Ann Harvey**. She began by saying, very briefly, it seems if you must establish and abide by rules and regulations the very idea of changing them retroactively is

completely ridiculous and illegal. The public should be able to rely on the Coalition abiding by its own rules and regulations. They are not optional guidelines. Secondly, it is so important that, as others have been saying, you have adequate public input and that you have transparency especially since you have received money from the Permanent Community Impact Fund way beyond the \$5 million usual limit and this was a big concern in the legislative audit in the report that came out in May. You should be bending over backwards to do things legally and transparently instead of breaking your own rules and saying that you can change them retroactively. Thank you.

Next was **Raphael Cordray** who began by thanking the board for the chance to speak. She is really concerned, of course, about this meeting as well. One thing is, on Zoom, she doesn't understand why you don't show the board. They are attending this meeting to see the board and all she can see is a screen of the Seven County Infrastructure Coalition which she doesn't need to see that. She needs to see the board. They should be able to see a gallery view. This blocks the public from actually being able to see if the board is even paying attention, which she doesn't feel the board is paying attention to them. That's why they have to keep bringing up all of the deficiencies of this board. This board should know they are sloppy and have irresponsible behavior. They are not worthy to have the stewardship of the public money. She looked at the Interlocal Registry for the Lt. Governor's Office and it is still not up to date. It doesn't list who is on this board. It doesn't comply with the rules for an Interlocal to be registered. Eric Johnson is a lazy lawyer. It's very offensive to her that in the budget the Coalition is paying all of these outsourced people to do things, like Jones & DeMille. You pay Jones & DeMille to do the GRAMA work but that should be done in house, in the State, and they don't even really care about the law or decide to read it. And, then you're paying Eric Johnson to try and interpret the law for you and the rules. He's not doing a good job. It's really upsetting. She is over the boiling point at how offensive and irresponsible this board is to allow this to go on. The budget is not in effect. You can't just retroactively change all your rules. You're piling up a bunch of sloppy work that is not respectable and cannot stand. The public deserves better and it starts with making the Zoom screen so the public can see the board. Please. That's her comment.

Comment from the number ending in 2371 was never able to participate. This ended the public comment session. Time was turned back over to Director McKee.

Director McKee requested that Doug Rasmussen, the Coalition accountant, go through the budget one more time. Mr. Rasmussen began by stating that the budget as presented shows total revenues of \$24,967,600 dollars coming from various sources. These monies are available and appropriated to be spent in 2021. There are also corresponding expenditures of \$24,967,600 in a variety of projects that have been reviewed and looked over by the board and Director McKee. These are for projects anticipated in 2021.

Director McKee addressed the Logistic Study Phase 1 stating that initially there was \$50,000 appropriated. The Collier contract ended up being around \$48,000 dollars. An annual budget is somewhat anticipatory. Not everything in the budget will end up happening. But, for planning

purposes \$100,000 was put into this budget for a Phase 2 project if it ends up being something the board decides to do, depending on the outcome of the original study.

Director McKee asked Heather Hoyt to discuss where the comments from this meeting would be found. She stated that for the public hearing she would try to record comments verbatim and once completed they would be in the budget hearing minutes and posted on the website.

Motion to exit public hearing was made by Commissioner Ogden, seconded by Commissioner Miles.

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 ___

Approved 7-0-0 absent

Motion to approve Resolution No. 2021-01-04B considering public comment and the adoption of the final 2021 final budget and related matters was made by Commissioner Miles, seconded by Commissioner Ogden.

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 ___

Approved 7-0-0 absent

4.. Motion to Adjourn

A motion to adjourn was made by Commissioner Miles seconded by Commissioner Ogden.

A motion to approve the January 4, 2020 special 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 6-0-1 absent

Co-Chair: Brad Horrocks

Co-Chair: Lynn Sitterud

(COALITION SEAL)

ATTEST:

Eric T. Johnson (Legal Counsel)