SEVEN COUNTY INFRASTRUCTURE COALITION
MEETING MINUTES
October 10 at 10:00 a.m.
Carbon County Commission Chambers (Anchor Location + Electronic)
751 East 100 North
Price, Utah 84501
(801) 712-7622

Board Members Present: Casey Hopes (Carbon County), Lynn Sitterud (Emery County), Greg Jensen (Sevier County) virtual, Brad Horrocks (Uintah County), Silvia Stubbs (San Juan County), Greg Miles (Duchesne County), and Jack Lytle (Daggett County).
Also in attendance: Keith Heaton, Brian Barton, Jon Stearmer, Stacey Herpel, Mike Hawley, Daniel Hawley, Melanie Sasser, Doug Rasmussen Michael Peterson and Aaqib Syed
Attended telephonically: Kelly Carter, Melissa Cano, Travis Campbell
Others Present: (Please notify staff at 385-337-0033 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 (Greg Miles)

Chairman Miles welcomed everyone to the meeting at 10:00 AM. All board members were present with Commissioner Jensen attending virtually. Chairman Miles had everyone in attendance introduce themselves and then led the Pledge of Allegiance. He then moved to the second agenda item.

2. Public Comment (Greg Miles)

Public comment was accepted verbally, during the meeting, telephonically by Zoom, and by electronic written submission at stacey@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. Chairman Hopes then turned time over to Melissa Cano for those wishing to make public comments electronically.

Having no comments online and seeing no comments in the Commission Room, Chairman Miles moved to the next item on the agenda.

3. Approval of Meeting Minutes for August 8, 2024 (Greg Miles)

Chairman Miles inquired about changes or updates to the minutes, there being none, requested a motion.

Motion to approve August 8, 2024 meeting minutes made by Commissioner Hopes and seconded by Commissioner Sitterud.

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

Approval of Meeting Minutes for September 12, 2024 (Greg Miles)

Chairman Miles inquired about changes or updates to the minutes, there being none, requested a motion.

Motion to approve September 12, 2024 meeting minutes made by Commissioner Hopes and seconded by Commissioner Sitterud.

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

Chairman Miles then moved to the next agenda item.

4. Valor Infrastructure (Aaqib Syed)

Chairman Miles turned the time over to Aaqib Syed from Valor Infrastructure who proceeded with brief introductions of himself and what Valor Infrastructure is about and how they plan to enter into Utah.

Mr. Syed stated that their specific real estate acquisition plan to enter Utah will be discussed in closed session and stated that if any of the Commissioners had any questions for him he would be happy to answer them at this time. Mr.Syed thanked the coalition for allowing him to come and talk to the board again.

Chairman Miles thanked Mr. Syed for attending the meeting today and the board looks forward to what he has to present later. With no additional comments moved on to the next agenda item.

5. Lafayette Energy Corp (Michael Peterson)

Chairman Miles turned the time over to Michael Peterson for the introduction and presentation of the Lafayette Energy Corp. Mr. Peterson thanked the coalition for inviting him today and gave a brief background and introduction of himself and how he got into the field of oil and gas.

Mr. Peterson then gave a description of the type of oil and gas prospects that Lafayette Energy Corp is doing which is tar sands. They have reworked the leases and have been working with the government here in Utah to change how tar sands is differentiated from normal oil. The way they are looking at doing the tar sands here in Utah is the right way to reduce any environmental issues. This is the first opportunity to be able to do it over many years because of the way that Utah has handled the permits for oil and gas. So we are actually going to develop the tar sands as you would an oil field. They are going to be drilling wells and dropping heaters. They are going to be melting the bitumen and pulling it up, which leaves no sulfur

Mr. Peterson stated that he has three people on his board, one is a financial expert, one is an oil and gas expert, and then another financial expert. Mr. Peterson stated that the project he would like to present to the board today is that Lafayette Energy Corp. is an oil and gas company focused on the development and production of oil from the largest tar sand formation in the United States. In the asphalt ridge sandstone reservoirs in the Uinta Basin in Utah. The Utah Geological Society estimates that this tar sand deposit contains more than 14 to 15 billion barrels of oil in one place. Sewell, an independent third party, issued a resource report that estimated that each 240 acre section upon development would generate 1.7 billion in cash flow. Lafayette has 12 of those 240 acre sections.

Mr. Peterson stated that when people think of tar sands they think of the huge scar to the environment that was left in Canada with the trail ponds and the consumption of a lot of water. What we are doing here is a completely different type of project. We are drilling into the tar sands, primarily so we do not have a large mark on the environment. In a small area like this we can put as many as seven wells in a very minimal spacing by using directional drilling. So the footprint is much lower. Secondarily, we do not use any water or consume any water in this process. So there are no waste products of any kind. In the end we only bring up the oil and some excess water, which we intend to use for agricultural purposes. The primary product is an asphalt binder. We produce it directly on the site and sell it and it is considered commercial grade.

Mr. Peterson stated that most heavy oil sells at a significant discount as $10.00 to $15.00 off. The asphalt binder is sold to the local market here that can take as much as is produced. There is an estimated 50,000 barrels a day demand for it. Currently they are being bought in Canada and it comes down on rail and has to be reheated. LaFayette trucks can reach their storage facility in Tooele, Utah in just a few hours, so it will still be hot coming from our process here. We have a significant economic and commercial advantage over the Canadian tar sands.The reserves that we have here are the largest producible ones in the United States. LaFayette is going to extract this in two different zones. One zone is the rimrock and the second zone is the fault rated sandstone resin. Both of these have between 100 and 130 feet maximum pay and it varies with a minimum of about 70 feet. We have done a 3D survey and have identified where all of the tar sands are in place here.

Mr. Peterson stated that he has put together a board that is talented and experienced in understanding tar sands, heavy oil and how to process it, which is going to be the key to their success. They have spent over $15 million to acquire the acreage, perform 3D size, make drill test cores, lobby to change how oil tar sands are differentiated here in Utah just so that we can have the opportunity to do what no one else has done. Each drill will cost about $700 to $1000 and we expect to produce about 40 barrels of oil per day over 20 plus years. Mr. Peterson stated that they are excited about this new project and we appreciate the board for allowing us to come and introduce ourselves and our project.

Chairman Miles thanked Mr. Peterson for attending and asked if there were any questions for Mr. Peterson. Seeing none at this time Chairman Miles moved to the next item on the agenda.

6. Greendale Recreation (Jack Lytle & Keith Heaton)

Chairman Miles turned the time over to Commissioner Lytle and Director Heaton for updates on the Greendale Recreation Project. Commissioner Lytle thanked the commission and turned the time over to Director Heaton.

Director Heaton thanked Commissioner Lytle and stated that they are waiting on the private sector for financial assistance before moving forward.

Jon Stearmer stated that they are waiting on the private partners to provide feedback on the financial contract. They hope to have preliminary feedback within the next week and half so we can move forward in the next month. At this time they will forego any motions regarding the Greendale Agreement.

Commissioner Hopes asked what the fee is to submit the plan to the Forest Service?

Brian Barton responded that the application fee to the Forest Service was $100.00.

Director Heaton stated that the private partner has investors, but are waiting for the application to be submitted to the Forest Service. Director Heaton stated that the board will need a motion to approve the Master Plan for the Forest Service.

Chairman Miles asked if there was any further discussion or questions about the Greendale Recreation Project. Seeing no further discussion or questions at this time Chairman Miles requested a motion to approve the Master Plan for the Forest Service.

Motion to approve the Master Plan of the Greendale Recreation Project for the Forest Service made by Commissioner Lytle and seconded by Commissioner Horrocks.

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

Chairman Miles asked if there were any additional comments or questions, being none he moved on to the next agenda item.

7. Uinta Basin Railway Update (Brad Horrocks & Greg Miles)

Chairman Miles turned the time over to Director Heaton for updates on the Uintah Basin Railway Project. Director Heaton thanked the commission and stated that they do not have much to add at this time other than we are preparing items in relation to the Supreme Court ventures.

Chairman Miles asked if there were any additional comments or questions, being none he moved on to the next agenda item.

8. Utah San Rafael Research Lab (Lynn Sitterud)

Chairman Miles turned the time over to Commissioner Sitterud for the Utah San Rafael Research Lab. Commissioner Sitterud stated that the agreement with the state was that they took over operations as of July 1st. However, they did not take complete ownership until the new building was completed. The only thing left in the building was a small change in drainage and finishing the doors. The doors should be finished next week and the drainage should be done so we can hand over the building to the state next week.

Chairman Miles congratulated Commissioner Sitterud on a job well done and seeing the project all the way through. Chairman Miles shared his appreciation for Commissioner Sitterud on what he has accomplished.

The board recognized Commissioner Sitterud and stated that at Utah Summit this year there were many great things mentioned about Commissioner Sitterud and the work he has done and was one of the top nominees for being the Commissioner of the year for The Governor's Office.

Chairman Miles thanked Commissioner Sitterud for the update and all the work he has done and mentioned that this was a legacy project that will keep lasting after everyone is gone. Chairman Miles asked for any questions or further discussion, there being none moved on to the next agenda item.

9. Report on San Juan County Projects (Sylvia Stubbs)

Chairman Miles then turned the time over to Commissioner Stubbs for an update on the multiple projects in San Juan County. Commissioner Stubbs expressed her appreciation for Jones and DeMille for all the work they are doing with the San Juan Water Project on the reservation. Commissioner Stubbs recognized that this is not an easy task and appreciates their time and effort in gaining the trust of the people on the reservation.

Commissioner Stubbs stated that on October 17, 2024 there is an Energy and Fuel Tour coming into Blanding with the Department of Gas, Oil, and Mining.

Commissioner Stubbs stated that they are working on the curriculum for the youth in minerals that are being produced in San Juan County. They were able to secure a $50,000 grant from UAMMI for the 4H Program.

Commissioner Stubbs stated that they are having the Utah Association of Manufacturing come to the new USU Campus October 22, 2024 in Blanding.

Chairman Miles thanked Commissioner Stubbs for the San Juan County project updates and asked if there were any more comments or questions. Chairman Miles then moved to the next agenda item.

10. Executive Director Report (Keith Heaton)

Chairman Miles turned time over to Executive Director Heaton for the director's report. Director Heaton thanked everyone for attending today and expressed his appreciation for all the work that everyone is doing. Director Heaton also expressed his thoughts and prayers for those that have been affected by the hurricane in Florida and all the changes happening in our world like hurricanes, wildfires and other things going on. Director Heaton stated that he has family in those areas and appreciates those thoughts and prayers. Director Heaton also stated that he talked to Mark Michel in Florida, who lives in the Orlando area, and they had a sleepless night with those winds and rain, there is a lot of nervousness, but from what he has heard most people have came out of it better than expected and everyone is doing well. Director Heaton also expressed his appreciation for Commissioner Hope's hospitality in this beautiful facility and it is an honor and privilege for us to be able to use it.

Director Heaton stated that the conference season is winding down and he understands how hectic it has been for everyone's schedules and from all the traveling everyone has done from one end of the state to the other, how much he has appreciated their support.

Director Heaton stated that one of the things that came out of a conference a couple of weeks ago is something the governor is calling Operation Gigawatt. He does not have the specifics, but the state has been approached by several of these data centers that do artificial intelligence and one center has requested to locate to the state that would use 1.4 gigawatts. The state of Wyoming uses 800 megawatts, a little more than half of what one facility will need. This is such an awesome amount of power and energy that is needed to fuel the future that we are in the midst of building and Utah is well positioned to accomplish this. We appreciate our guests from Valor Infrastructure and Lafayette for being here and addressing our energy needs.

Director Heaton reminded everyone that written arguments from the opposition on the railway case are due next Friday. Also, the legislative session is coming up quickly and now is a time the board needs to start discussing any strategies or agenda items and will leave it to the co-chairs if this is something we want to add to next month's agenda. Director Heaton stated that we as a coalition can support your individual counties, please let him know what those items are and how we can help support you.

Director Heaton stated that there will be a number of moot court that take place for the upcoming Supreme Court Hearing. Several of those will probably be back in the Washington area, we are hoping to have one here. Our attendance is not mandatory, but if you would like to attend we do need to talk about travel expenses and how engaged we want to be in those. Knowing what the coalition's budget is and how we plan to allocate those expenses, which are separate from what we are spending on our legal team.

A question was asked if we would be able to attend the opposing teams moot hearings?

Jon Stearmer responded with no we are not able to attend their hearings, those are private.

Director Heaton stated that that is all that he has at this time and asked if there were any questions or discussion on any of those topics.

Chairman Miles then called for any additional questions for Director Heaton. Chairman Miles thanked Director Heaton and moved on to the next agenda item.

11. Strategic Communication Report (Melissa Cano)

Chairman Miles turned the time over to Melissa Cano for the strategic communications report. Ms. Cano stated that she did have something she wanted to share with the board and then will hand it over to Director Heaton to expand upon this if he feels it is appropriate.

Ms. Cano stated that they have been juggling multiple media requests on a larger scale than normal. So much so that they are planning a trip to Uintah Basin. Commissioner Hopes is aware of these requests and is first on the list for an interview and then Commissioner Miles. Ms. Cano stated that she will be reaching out to each of the board members later in November.

Ms. Cano stated that the details she will share is that the first one is at the end of October and has plans in place for the location and plan to do some work with Jones and DeMille and doing some of the engineering side and showcasing some things with Director Heaton. Ms. Cano stated that they have some big hits coming up to tell our side of the story prior to the court date in December.

Director Heaton stated that this is an exciting opportunity. The implications of this care are massive when it comes to the growth of this country. It is important that we tell our story, who we are, what we are, and why we are having the national media come into our backyard and see those things.

Chairman Miles asked if there were any questions or discussion from the board, seeing none he then moved on to the next agenda item.

12. Engineers Report (Jones & DeMille)

Chairman Miles turned the time over to Brian Barton with Jones & DeMille for the Engineers Report. Mr. Barton stated that there are some exciting things on the San Juan Water Project happening and will allow Dan Hawley to talk more on that topic. Mr. Barton stated that we have touched on several of the aspects that we have been involved in with Greendale and the railway. There is still some discussion on the Navajo Mountain Regional Transportation Plan coordination with the Utah Department of Transportation and understanding a significant gap in the cost estimate between what they are coming up with and what we have. This discussion will continue and the board will be updated as that is being worked out. Mr. Barton then handed the time over to Mr. Hawley.

Mr. Hawley stated that the information they have gathered for the Water Settlement Project has various entities down there. When they started looking at the project, they started with a concept in mind of meeting with the individual chapter leaders and when they looked closer at the project, we discovered that the Navajo Nations utilities for water are not run through the individual chapters, they are run by two units. One being the Eastern Unit and the other is the Western Unit. These are the headquarters for those outside of the state of Utah and down into Arizona and New Mexico. Mr. Hawley stated that when they met with them, they met with both the Indian Health Services, and the Naval Tribal Utility Authority. They sent over their water line locations and then the Indian Health Services is the one that sends over the home locations. When you look at the map you can see there are many homes that do not have connections to running water, and many of them do not even have connections to power. Some are storage units that they live in. Mr. Hawley stated that in many of these areas, water is not necessarily feasible to get to the individual homes because it has miles of piping that would have to be installed. Some of these projects that we looked at are truck haul water treatment plants. Pulling water out of the San Juan River, treating it or pulling up loadouts for water where they can come pick up the water, which many of them are doing currently. There are some areas that do not even have that type of access to water. Looking at this project it is proving to be difficult to get the water to a lot of these areas, but these alternatives were fleshed out as we met with NTUA and IHS and tried to find a broader regional project that could benefit more. In addition we are in the process of trying to wrap up an analysis of the individual chapters and could we loop lines further within the chapters before that water goes stagnant. We are currently looking at the proximity of Halchita and Mexican Hat. They currently truck in water every week and fill up the existing water tanks and that is how Halchita gets their water in their homes. It is costly for the Navajo Nation with Mexican Hat, which sits just on the north side of the San Juan River has a water treatment plant and a couple of different wells that pull water that supplies water to Mexican Hat. Mr. Hawley stated that they are looking to meet with state engineers and local leaders.Mexican Hat Special Service District wants to wait until mid November due to the tourist season. The operators who run the Mexican Hat Water Utility are also the main operators of the hotels and restaurants. Mr. Hawley stated that they are planning a meeting with them in November to talk about our concept of sending water from Mexican Hat that is already treated and where the SSD could sell that water wholesale. This can benefit both parties with supplying water and revenue. The other option is building a community in Halchita that we can pipe utilities to and make it a community on federal land, so we are trying to figure out how we can allow development in this area. Mr. Hawley says they hope to have some of these projects wrapped up in the next couple of months and it has been great working with them and building those relationships.

Mr. Barton stated that this is evidence of the really important things that the coalition does. The impact of these projects is life changing. The Coalition Board had the vision of doing something to help move this great water rights settlement, moving forward and putting it on the ground, the legislature helped out and provided the appropriation to be able to do things like this. This is just one example on the long list of projects that the coalition is involved in that has regional long lasting impact. Mr. Barton thanked the board for allowing Jones and DeMille to be a part of this and helping with these projects.

Chairman Miles thanked Jones & DeMille for their update and all the work they have been doing. Chairman Miles asked if there were any more questions about the Engineering Report. There being no further discussion, Chairman Miles moved on to the next agenda item.

13. Presentation, Approval and Adoption of Monthly Expenses. (Smuin, Rich & Marsing)

Chairman Miles turned the time over to Doug Rasmussen for the presentation, approval and adoption of monthly expenses. Mr. Rasmussen presented the financial information and requested payment approval today. He went on to request payment approval amounting to $101,714.29. If there is any discussion or review of any items included in the payment request today, he is happy to entertain or discuss those individual line items

SEVEN COUNTY INFRASTRUCTURE COALITION PAYMENT APPROVAL
October 10, 2024 at 10:00 am
751 East 100 North
Price, Utah 84501

Expenses Previously Approved by Board :

Vendor	Check #	Invoice #	Amount	Description	Grant
Keith Heaton - Payroll	Direct Deposit	10/15/24-12/31/24	41,542.62	Payroll/Admin	General Grant

Checks Currently Being Approved:

Vendor		Invoice #	Amount	Description	Funding Source
Smuin, Rich & Marsing	2493	49806	3,258.60	Consulting Per Contract	General Grant
Keith Heaton	2494	29	1,175.10	Director's Travel and Admin Expenses	General Grant
Stacey Herpel	2495	0924	112.00	Contract Labor	General Grant
Public Employees Health Program	2496	406387	1,668.74	Insurance Premiums - September	General Grant
Health Equity	2497	z53ek0a	2.10	HSA Administration fees - August	General Grant
Jones & DeMille	2498	0135539	1,906.25	Program Management and Engineering	General Grant
Jonathan A Stearmer	2499	9/30/2024	1,000.00	General - Legal Services	General Grant
Jonathan A Stearmer	2500	9/30/2024	3,150.00	Uinta Rail Line - Legal Service	Uinta Basin Railway Project Grant -STB Regulatory and Other Legal Services - Phase 2
Venable LLP (1/2 Invoice)	3000	2739526	29,166.50	Uinta Rail Line - Litigation Challenges to STB Decision	Uinta Basin Railway Project Grant -STB Regulatory and Other Legal Services - Phase 2
Jones & DeMille	3001	0135520	5,400.00	Uinta Rail Line - Engineering	Uinta Basin Railway Project Grant - Program Management Services - Phase 2
Jones & DeMille	3001	0135520	16,100.00	Uinta Rail Line - Engineering	Uinta Basin Railway Project Grant - Strategic Communications - Phase 2
Jones & DeMille	3002	0135540	30,000.00	Navajo Water Settlement - Engineering	Division of Drinking Water
Jones & DeMille	3003	0135519	7,500.00	Greendale Resort Planning - Engineering	Daggett County
Jonathan A Stearmer	3004	9/30/2024	1,275.00	Greendale Resort Planning - Legal Services	Daggett County
Total Payment Approval			**$ 101,714.29**		

Motion to approve expenses for October in the amount of $101,714.29 was made by Commissioner Hopes seconded by Commissioner Lytle.

Chairman Miles called for the vote. **The motion passed unanimously.**

Mr. Rasmussen then reviewed the balance sheet which was completed by September 30, 2024. It shows the total assets and liabilities of the Coalition with the second page showing profit and loss statements for January through September. We also have included a profit/loss by class which shows the funding and expenditures by project. We have detailed information for activity that has happened through September by project as well. He then asked if there were any questions regarding the financial information.

Motion to approve the financial report for August was made by Commissioner Sitterud seconded by Commissioner Hopes. Chairman Miles called for the vote. **The motion passed unanimously.**

Mr. Rasmussen, for information purposes only, reviewed the project sheet. This does not require any approval from the Coalition. Mr. Rasmussen stated that this concluded the financial update to the Coalition.

Chairman Miles thanked Smuin, Rich & Marsing for their work efforts and moved to the next item on the agenda to a closed session.

14. Motion for closed (executive) session pursuant to 52-4-205 (Litigation, personnel, real estate acquisition, &/or character/professional competency). (Greg Miles)

Chairman Miles then requested a motion for a closed session.

Motion to move into closed session for litigation was made by Commissioner Hopes seconded by Commissioner Sitterud.

Chairman Miles called for a roll call vote to move into closed session. Motion passed; closed session began at 11:54 AM.

SEVEN COUNTY INFRASTRUCTURE COALITION VOTING

Carbon Board Member	Yea _X_	No ___
Daggett Board Member	Yea _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 ___

Chairman Miles requested a motion to move back into open session and exit the closed session.

Motion to move out of closed session was made by Commissioner Sitterud with a second by Commissioner Hopes.

Chairman Miles called for a roll call vote with motion passing at 12:37 PM.

SEVEN COUNTY INFRASTRUCTURE COALITION VOTING:

Carbon Board Member	Yea _X_	No ___
Daggett Board Member	Yea _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 ___

15. Motion to Adjourn (Greg Miles)

A motion to adjourn was made by Commissioner Hopes at 12:40 PM.

A motion to approve the October 10, 2024 meeting minutes was made by Commissioner

__________________________, seconded by Commissioner ____________________________.

SEVEN COUNTY INFRASTRUCTURE COALITION VOTING:

Carbon Board Member Yes ___ No ___

Daggett Board Member Yes ___ No ___

Duchesne Board Member Yes ___ No ___

Emery Board Member Yes ___ No ___

San Juan Board Member Yes ___ No ___

Sevier Board Member Yes ___ No ___

Uintah Board Member Yes ___ No ___

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Co-Chair: Greg Miles

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Co-Chair: Casey Hopes

(COALITION SEAL)

ATTEST:

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Stacey Herpel