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Castle Country Radio



San Juan County Commissioner Bruce Adams

Eastern Utah Coalition Meets

09/15/2014

An organizational meeting of the new Six or Seven County Coalition was held Friday at the Carbon County Fairgrounds Event Center. Carbon County joined the the coalition when the County Commission approved an interlocal cooperation agreement on July 2nd. Emery County Commissioners voted to sign on about three weeks later.

The newly formed "Seven County Infrastructure Coalition" would be comprised of the seven eastern Utah Counties, but Grand County is still undecided and will hold a public forum on Wednesday, September 17th to more fully discuss the issue and address questions and concerns.

The meeting in Price was attended by coalition board members, as well as local and state officials, and included a public hearing on what Co-Chair and San Juan County Commissioner, Bruce Adams called "two pots of money." The coalition has applied to the Community Impact Board for a \$5 million grant:

"The \$5 million allocation is to help us run this organization, help us with some of the immediate needs, to address some very immediate problems, and also to plan for the future."

Planning would involve mapping of rights of way in member counties to determine infrastructure needs, such as roads and pipelines to move extracted materials. There was no public input and a motion was passed to approve the acceptance of the allocation.

The other allocation of C-I-B money approved by the coalition board was in the amount of \$50 million, which would go toward a proposed short line railroad project. Plans call for building a line through Indian Canyon to transport crude oil from the Uintah Basin to the main rail lines in Carbon County.

Utah Transportation Commission Co-Chair Jeff Holt told the group that UDOT is working on the permitting process for the line, but

the Governor is firm in his position that the proposed rail line would not be a state public works project. The state is at 85% of its borrowing capacity now and this project would not go on the state's balance sheet.

Holt said other sources of funding may be available through the federal government. In the best case scenario, the coalition would get the Federal Government's long-term borrowing rate and would have 35 years past construction completion to pay it off. But the project could cost up to \$3 billion and the coalition would have to come up with as much as \$210 million as a down payment on the loan.

Holt said the funding may have to come in installments:

"The Community Impact Board bought into the concept when we made the presentations about all these projects including the railroad to them. And they said, well let's go ahead and set that 50 million aside and start thinking about how we're going to set more amounts aside to help fund, to help give you the capital base and go ahead and fund these projects."

State Senator Ralph Okerlund that raises the question of what happens to other rural projects around the state if the C-I-B is setting money aside for the rail line project. He said there would have to be some real good fiscal analysis of whether or not the project is going to be feasible.

Board members hope the rail line would prompt increased production in the Uintah Basin which would translate into increased freight fees for the rail road and help pay for the cost of the project.

Other business at the multiple-county infrastructure coalition meeting on Friday included approval of a memorandum of understanding with the Utah Department of Transportation and a request for proposals for engineering on the rail line project.



Uintah County Commissioner Mike McKee

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