



Utah officials seemed to have jumped on a couple of Trump administration themes: "America First" and the funding of "shovel-ready" infrastructure projects. The 2017 Utah Legislature took significant steps to fund the development of large-scale infrastructure with an acceleration of the state gas tax, bonding authority increases and the authorization of public/private partnerships. This year, the Governor's Office of Energy Development is also implementing a new high-cost infrastructure tax credit which, over a 20-year period, would allow a credit of up to 50 percent of the cost of infrastructure construction. At Utah's coal mines, while the credit would not extend to major purchases such as long-wall mining equipment, it could apply to the linear infrastructure associated with the project, such as roads, rail spurs and transmission lines.

## Infrastructure development: Utah takes a page from Trump policies

The Utah State Legislature has joined with the Trump administration to help facilitate large-scale infrastructure development. On Feb. 28, Pres. Trump asked Congress to approve a \$1 trillion investment in infrastructure, financed through both public and private capital to create millions of new jobs. The president also struck a decidedly "America First" theme by promoting the use of American-made steel and products in these projects.

Previously, the president took executive action to lift regulatory obstacles and help streamline environmental permitting for large-scale infrastructure projects. This theme was echoed once again on March 16 in Trump's "America First" budget blueprint for fiscal year 2018.

Following the lead of Pres. Trump, just two days before the end of its 2017 session, the Utah Legislature authorized \$1 billion in general obligation bonds. Under SB277, sponsored by Sen. Wayne Harper, R-Taylorsville, these bonds may finance state or local highway construction, reconstruction, transportation facilities or multi-modal transportation projects.

Funding for transportation projects was further supported by early implementation of a statewide motor fuel tax increase. The tax is calibrated to increase with the wholesale fuel price, under SB276, sponsored by Sen. Kevin Van Tassell, R-Vernal. Finally, SB197(S3) provides a sales and use tax exemption on inputs for refineries that produce Tier 3 fuels, a cleaner-burning motor fuel.

Similar to the president's "America First" policy, the Utah Legislature enacted several measures to keep jobs local. Joint resolution SJR2 was passed to encourage the Salt Lake City Department of Airports to substantially employ Utah workers for its \$2.6 billion airport terminal redevelopment project. The Governor's Office of Economic Development is directed by SB164, "Utah First Economic Development Amendments," to promote employment of Utah workers, goods and business.



Finally, the Trump administration is seeking to jump-start project construction. Pres. Trump took action on Jan. 24 to streamline the permitting of high-priority infrastructure projects. Only four days following his inauguration, an executive order was issued by the president titled, "Expediting Environmental Reviews and Approvals for High Priority Infrastructure Projects." By the terms of the order, the chairman of the White House Council on Environmental Quality (CEQ) determines whether a project qualifies as a high-priority infrastructure project. The CEQ is to respond within 30 days to a request for project designation from a state or federal agency or governor. The selection of a project is based on broad criteria, including its importance to the general welfare, value to the nation, environmental benefits and such other factors as the chairman deems relevant. The types of high-priority projects listed by the order include those to improve the U.S. electric grid and telecommunica-

tions systems, repairs and upgrade to critical port facilities, airports, pipelines, bridges and highways.

The first two high-priority projects were directly designated by the president rather than by CEQ. A presidential memorandum, issued Jan. 24, designated the controversial North Dakota Access Pipeline and the Keystone XL Pipeline, which had been blocked by the previous administration. Designation cleared the way for final approval for these two significant crude oil projects. On February 8, the North Dakota Access Project received a key permit from the Army Corps of Engineers.

A third presidential memorandum, also issued on Jan. 24, directs the secretary of commerce to develop a plan to require that new and retrofitted pipelines use U.S. steel, iron and products in their construction. Although the memorandum is broadly based to cover products manufactured in the United States, the National Mining Association has petitioned the secretary to extend this policy to require the use of minerals mined in this country. Notably, this policy has been somewhat difficult to fully implement. On March 3, the administration confirmed that the Keystone Pipeline was grandfathered from the "America First" policy.

Prior to inauguration, the Trump administration transition team identified some 50 potential projects totaling some \$137 billion for designation as high-priority infrastructure. To date, only one high-priority infrastructure project affecting Utah has been identified for environmental streamlining. The TransWest Express Transmission

Line Project is proposed to connect wind energy produced in Wyoming and routes through Utah to the desert Southwest region. Due to the large amount of public land involved in the transmission right of way, the high-priority infrastructure designation should help to expedite permitting.

The Utah governor's office is also working on additional requests which include construction of a unit-train capacity rail line to service an "inland" port from Salt Lake City's NorthWest Quadrant; a new liquefied natural gas facility located in Utah and network of natural gas pipelines connecting to export facilities in Coos Bay, Oregon; an oil pipeline project to transport Uintah Basin's waxy crude from Duchesne to Carbon County and the Gateway South Transmission Project to extend a high-voltage transmission line from southeastern Wyoming to Mona.

Overall, the 2017 Utah Legislature has taken significant steps to fund the development of large-scale infrastructure, including acceleration of the state gas tax, bonding authority increases to an unprecedented \$1 billion and authorization of public/private partnerships. This year, the Governor's Office of Energy Development is also implementing a new high-cost infrastructure tax credit which, over a 20-year period, would allow a credit of up to 50 percent of the cost of infrastructure construction. Utah code defines the credit to include new industrial, mining, manufacturing and agriculture activities in Utah that involve new investment of \$50 million where the

# METAL MINES

Listed Alphabetically



List Development Laneace Gregersen | laneace@slenterprise.com

Mine Name	Commodity	District	County	Owner	Progress
Big Hill	Copper	East Tintic	Utah-Juab	Kennecott Exploration Co.	Five deep holes completed and property dropped
Bingham	Copper-Gold Molybdenum	Bingham	Salt Lake	Kennecott Utah Copper Co.	Ongoing deep, near mine
Blair Project	Silver-Gold	Antelope Range	Iron	Silver Peak Exploration-Tuvera Exploration Inc.	State section acquired and unpatented claims staked
Bromide Basin	Gold-Copper	Henry Mountain	Garfield	Bromide Mining LLC	Large block of claims
Burgin	Lead-Silver	East Tintic	Utah	Chief Consolidated Mining Co.	NI 43-101* completed (Tietz and others, 2011)
Cave Mine	Polymetallic	Bradshaw	Beaver	Grand Central Silver Mines	Two holes totaling over 1,300 feet completed
Deer Trail	Polymetallic	Mount Baldy	Piute	Western Pacific Resources Corp.	NI 43-101* and underground drilling completed
Drum Mountain	Polymetallic	Drum Mountains	Juab	Freeport-McMoRan Exploration Corp.	Drilled two deep (>2,000 ft.) core Millard holes completed
Dutch Mountain	Gold-Silver	Gold Hill	Tooele	Newmont USA Ltd.	Staked over 1,500 unpatented claims and began drilling
East Canyon	Polymetallic	Lucin	Box Elder	Tuvera Exploration Inc.	NI 43-101* completed
Goldstrike	Gold-Silver	Goldstrike	Washington	Pilot Gold Inc.	Pilot Gold drilled 18 holes and major plans for 2016
Hidden Treasure	Polymetallic	Ophir	Tooele	Kennecott Utah Copper Co.	Ongoing deep exploration drilling
Iron Mountain	Iron	Iron Springs	Iron	CML Metals Corp.	Iron ore mine closed in late 2014 due to low prices
Jumbo	Gold-Silver	Gold Springs	Iron	TriMetals Mining Inc.	14 new holes and NI 43-101* PEA** completed
Kiewit	Gold-Silver	Gold Hill	Tooele	Desert Hawk Gold Corp.	Small open pit — heap leach in production
Kings Canyon	Gold	Kings Canyon	Millard	Pine Cliff Energy Ltd.	NI 43-101* completed
Little Bingham	Copper	West Tintic	Juab	Cerberus Venture LLC	Property retained
Lisbon Valley Copper	Copper	Lisbon Valley	San Juan	Lisbon Valley Mining Co. LLC	Operating copper mine with ongoing exploration
Milford Copper	Copper-Silver	Rocky Range	Beaver	CS Mining LLC	Open-pit copper mines and agitation leach SX-EW
North Lucin	Gold-Silver	Lucin	Box Elder	Newmont USA Ltd.	Large block of 300 claims and drilling continued
Straight Fork	Gold	White Rock	Box Elder	Newmont USA Ltd.	Property dropped
Speedway	Gold	Silver Island	Tooele	Emu NL-Genesis Gold Corp.	One core hole completed and property dropped
Sunshine	Gold	Mercur	Tooele	Priority Minerals Ltd.	Acquired land position and drilled several holes
SWT Porphyry	Copper	Southwest Tintic	Juab	Freeport-McMoRan Exploration Corp.	Freeport purchased the property from Quatterra
Thompson Knoll	Polymetallic	Kings Canyon	Millard	Inland Explorations Ltd.	NI 43-101* completed
TUG	Gold-Silver	Tecoma	Box Elder	West Kirkland Mining Inc.	NI 43-101* and PEA** completed
West Desert	Polymetallic	Fish Springs	Juab	InZinc Mining Ltd.	NI 43-101* and PEA** (Crypto) completed (Nilsson, 2010)
Wildcat	Gold-Silver	Drum Mountains	Juab	TroyMet Exploration-Renaissance Gold Inc.	Acquired by TroyMet and exploration underway



\*An NI 43-101 is a Canadian National Instrument technical report prepared to a codified set of rules for the public reporting of mineral exploration and development data on properties operated by companies listed on Canadian stock exchanges. \*\*A PEA is a preliminary economic assessment. All rights reserved. Copyright 2017 by Enterprise Newspaper Group. The Enterprise strives for accuracy in its list publications. If you see errors or omissions in this list, please contact us at lists@slenterprise.com

## DRAGOO

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cost of infrastructure is greater than 10 percent of the total project cost or \$10 million.

For instance, as to new large coal

mines, while the credit would not extend to major purchases such as long-wall mining equipment, it could apply to the linear infrastructure associated with the project, such as roads, rail spurs and transmission lines. Further, these legislative changes and tax incentives appear to be “in sync”

with the president’s high-priority infrastructure policies. This combination of state and federal policies may allow Utah to realize the Trump administration’s promise to help fund “shovel-ready” infrastructure or at least streamline the permitting process for these projects.

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