The Overthrust Industrial Association
A Public/Private Partnership

History and Case Study

Commissioned by
Chevron
Chevron U.S.A. Inc.
# OVERTHRUST INDUSTRIAL ASSOCIATION: HISTORY AND CASE STUDY

## Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chapter I: Introduction</td>
<td>I-1</td>
</tr>
<tr>
<td>Chapter II: The Setting</td>
<td></td>
</tr>
<tr>
<td>The Overthrust Belt</td>
<td>II-1</td>
</tr>
<tr>
<td>The West</td>
<td>II-2</td>
</tr>
<tr>
<td>Wyoming</td>
<td>II-3</td>
</tr>
<tr>
<td>The Evanston Area</td>
<td>II-4</td>
</tr>
<tr>
<td>The &quot;Quality of Life&quot;</td>
<td>II-8</td>
</tr>
<tr>
<td>Figure II-1 - Map of Overthrust Belt</td>
<td>II-1a</td>
</tr>
<tr>
<td>Figure II-2 - Uinta County Employment Dist.</td>
<td>II-5</td>
</tr>
<tr>
<td>Figure II-3 - Uinta County Employment 1970, 77</td>
<td>II-5</td>
</tr>
<tr>
<td>Figure II-4 - Uinta County Population</td>
<td>II-6</td>
</tr>
<tr>
<td>Figure II-5 - Age Comparision, Uinta Cnty v. U.S.</td>
<td>II-7</td>
</tr>
<tr>
<td>Chapter III: The Pre-OIA Situation</td>
<td></td>
</tr>
<tr>
<td>The Warning Signs</td>
<td>III-1</td>
</tr>
<tr>
<td>The Evanston Area: 1979</td>
<td>III-3</td>
</tr>
<tr>
<td>The Companies</td>
<td>III-6</td>
</tr>
<tr>
<td>The Pre-boom Politics of Development</td>
<td>III-8</td>
</tr>
<tr>
<td>Reflections</td>
<td>III-10</td>
</tr>
<tr>
<td>Figure III-1 - Population Projections, Uinta County 1977-80</td>
<td>III-2</td>
</tr>
<tr>
<td>Chapter IV: The OIA</td>
<td></td>
</tr>
<tr>
<td>The First Steps</td>
<td>IV-1</td>
</tr>
<tr>
<td>Formation of the Overthrust Industrial Association</td>
<td>IV-3</td>
</tr>
<tr>
<td>Phase One: July 1980 - May 1981</td>
<td>IV-7</td>
</tr>
<tr>
<td>Chapter V: Phase Two: Solutions</td>
<td></td>
</tr>
<tr>
<td>Structure</td>
<td>V-1</td>
</tr>
<tr>
<td>The Monitoring Program</td>
<td>V-3</td>
</tr>
<tr>
<td>Solutions</td>
<td>V-4</td>
</tr>
<tr>
<td>Figure V-1 - Monitoring Program Descriptive Flow Chart</td>
<td>V-3</td>
</tr>
<tr>
<td>Table V-1 - Socioeconomic Assessment and Mitigation Program</td>
<td>V-6</td>
</tr>
<tr>
<td>Chapter VI: Perspectives</td>
<td></td>
</tr>
<tr>
<td>Goals of the Community Advisory Committees</td>
<td>VI-1</td>
</tr>
<tr>
<td>Quality of Life Indicators</td>
<td>VI-4</td>
</tr>
<tr>
<td>Perspectives</td>
<td>VI-7</td>
</tr>
<tr>
<td>Selected References</td>
<td></td>
</tr>
</tbody>
</table>
Appendices

Appendix A: Articles of Incorporation
Appendix B: OIA Bylaws
Appendix C: List of OIA members
Appendix D: Letter of Determination, U.S. Internal Revenue Service
Appendix E: Examples of announcement news coverage
Appendix F: Description of the Oil and Gas Simulation Model
Appendix G: Uinta County Herald Editorial about Community Advisory Committee meetings
Appendix H: List of members of the Technical Assistance Team
Appendix I: Summary paper describing the problems and solution objectives identified by the Community Advisory Committees
Appendix J: Original OIA internal mitigation budget
Appendix K: Cooperative Wildlife Program compromise agreement
CHAPTER I: INTRODUCTION

This case study and history is about the Overthrust Industrial Association, the "OIA" as it was commonly known. It is a qualitative review of energy development and people...of industry timetables and environmental concerns...of public sector requirements and private sector needs...of politics and cooperation. It is an overview analysis of an unique experiment in public/private partnerships. It is based on interviews with local officials and residents conducted throughout the OIA's existence and in 1987 and 1988. It also is based on the records of the OIA, which are housed in the American Heritage Center of the University of Wyoming in Laramie.

The OIA was part of an important phase in the history of the West. It was the early 1980's, the height of what historians call the "urbanization of the West". It was a period of rapid industrial development. Gold, copper, oil, gas, silver, oil shale, uranium and coal areas were in boom conditions. The U.S. Defense Department was considering the "racetrack" deployment mode for the MX Missile, a massive construction effort. The front range of Colorado (Denver, Ft. Collins, Colorado Springs, Pueblo) was becoming a mega-city, and rural communities throughout the West were becoming cities.

The OIA was formed late in the development of the West, in a period when the environmental and "quality of life" sensitivities of politicians, citizen activists and the media had been sharpened by both good and bad experiences. It was an organization of "rich" natural resource developers and the focal point of media and political attention. Whether it worked or did not work, the OIA was to be a model.

This historical review traces the early life of oil and gas exploration and development in the resource rich Overthrust Belt formation of Southwestern Wyoming, Southeastern Idaho and Northeastern Utah. It summarizes the facts of the situation and records the impressions of the principal players. While the case history provides a summary of the general facts, it focuses on the political perspectives and actions of the two major players: 1) An industry faced with a need to develop energy resources in the wake of an oil embargo and dramatically rising energy prices; and 2) local governments faced with the demands of rapidly growing populations on inadequate local infrastructures. It is the unique history of a level of government that still works and a degree of public/private cooperation that can be found only in local politics.

The OIA provided services in nine counties and three states. However, while this study generally describes most OIA programs, it concentrates on the center of Overthrust activity: The City of Evanston and Uinta County, Wyoming.
The study presents its discussion in five parts:

Chapter II describes the setting and the pre-boom days.

Chapter III discusses the complex impact situation which prompted formation of the OIA.

Chapter IV discusses the formation of the OIA and reviews the joint problem-solving process which was the heart of the public/private partnership.

Chapter V presents the substantive solutions developed by the OIA and local governments.

Chapter VI presents a 1988 perspective on the OIA experience.

This case study finds failures as well as successes. Yet, in 1988, five years after the OIA began its gradual phase-down, the case study finds an almost unanimous opinion from both industry and local government that the OIA was an experiment that worked.
CHAPTER II: THE SETTING

The Overthrust Belt

The Overthrust Belt is a complex geologic formation 40-50 miles wide extending from Alaska to Mexico. It was formed by the collision of two giant land masses, a collision so powerful that the rock and earth of one lifted and slid over the other. As the surface of one land mass was buried, vegetation and sediment were trapped at depths up to 25,000 feet. Eventually, the decomposing sediment became oil and gas, billions of barrels of oil and trillions of cubic feet of natural gas.

Uinta County, Wyoming, and the Evanston area represent just a small portion of the Overthrust Belt. Yet, geologists had known since natural oil seeps lubricated the wheels of wagons on the Oregon Trail that this region held great potential as an energy resource. But finding oil and gas in the very deep and complex formations of the Overthrust was difficult, and expensive. In fact, more than 500 unsuccessful wells had been drilled in the Evanston area prior to 1975.

It was not until the mid-70's that rapidly rising oil prices and new computer technologies gave geologists the money and tools to find Overthrust oil and gas. In 1975, the first major discovery was made by Ft. Worth based American Quasar in the Pineview Field southwest of Evanston.

Figure II-1 is a map of the Overthrust Belt with Uinta County and the Evanston area, in which the OIA operated, highlighted. The Pineview discovery is indicated as is the pattern of discoveries which occurred over the period of 1975 through 1979.

The discoveries in the Evanston Overthrust yielded several fields of "giant" proportion by industry standards. In fact, by 1980 industry was estimating discovered reserves in the region at 10 trillion cubic feet of gas and 900 million barrels of oil. Preliminary estimates by the U.S. Geological Survey set the undiscovered recoverable hydrocarbon resource of the Idaho, Wyoming, Utah Overthrust at 7.5 billion barrels of oil and 30 trillion cubic feet of gas. This was the largest onshore domestic discovery, outside Alaska, since the days of the Texas oil rush.
The West

The West is an area well accustomed to the booms and busts associated with natural resource development. Yet, the Overthrust discoveries came at a time unique even for the West, a time of unprecedented economic growth and unprecedented concern for the environment. Colorado's then Governor Richard Lamm summarized the political contradictions of the 1970's West in a quote from his 1983 book, The Angry West:

"...the early 1970s brought a transformation in the western attitude. Skepticism about uncontrolled growth rooted and environmental consciousness began to spread. Slowly at first, then with a rush, 'quality of life' issues gained dominance. ...yesterday's ethic of 'growth at any price' changed to a mood of skepticism and caution."

This highly charged political atmosphere was the result of regional, national and international political events as well as a unique demographic change in the U.S.

Internationally, the production and price controls of a then powerful Organization of Petroleum Exporting Countries (OPEC) had sent oil and gas prices skyrocketing, making exploration for and development of relatively expensive domestic energy resources economic.

On the national front, President Carter proposed in 1979 a $142 billion program to increase domestic production of energy. The centerpiece of the plan was a program designed to encourage what some would call crash development of synthetic fuels.

These "synfuels" plants were giants and most were proposed for the West. Exxon's $5 billion Colony Oil Shale Project alone was projected to bring more than 7,000 workers and a population of nearly 25,000 to a sparsely populated area of Colorado less than 90 miles from the scenic ski area of Aspen. Chevron, Union, Mobil, Tosco and other energy companies also proposed giant shale projects. Hampshire Energy's coal liquefaction plant near Gillette, Wyoming, was to employ 3,600, the Intermountain Power Project 3,500 near Delta, Utah, and the Uintah Basin Synfuels Plant more than 9,800 at a site south of Vernal, Utah.

Energy projects were not the only mega-projects confronting the West. In 1980 the Defense Department announced that the MX Missile, using a "racedtrack" basing mode, would be constructed in Nevada and Utah. The giant construction project projected a peak work force of more than 17,000 workers.

At the same time as the Western economic picture was brightening, the economies of eastern and rust belt (industrial Midwestern) states were in near recession. Horace Greeley's advice to "go west" became the cornerstone of economic survival for many in the East and Midwest.

Yet, beyond the economic lure of the West, a change in the demographics of the area was occurring. Eastern baby boomers were discovering the "Rocky Mountain High" of John Denver's 1973 song and were flocking to the pristine sunny West by the thousands.
These national and international trends set the stage. But several specific regional events became the foundation of a new political attitude which greeted the first Overthrust discovery in 1975.

In the early 1970's, massive coal and power plant construction in the nearby city of Rock Springs and in Gillette in the opposite corner of the state brought thousands of workers to communities totally unprepared to handle the accompanying impacts. Crime and law enforcement problems attributed to construction impacts, brought national media attention and two stories on the CBS program, "60 Minutes." In the glare of the media spotlight a new term, "socioeconomic impacts," became the catchword of the energy boom.

As the media focused public attention on the problems of rapid industrial and population growth, a strong environmental movement began to grow. More than 50 new regional environmental groups emerged in the Rocky Mountain area and gained significant political support, sometimes in unusual political alliances with local agricultural interests. Colorado turned down the 1976 Olympics. The Kaiparowits Power Plant in the Four Corners area of Southeast Utah was stopped.

"Regional commissions" such as the Four Corners Commission were attempting to define their roles in Western development and the Federal Government was providing a steady flow of money to these and other associations of government to study the potential socioeconomic impacts of major energy, defense and mineral projects.

Finally, in the wake of Watergate and in the midst of a growing western environmental movement, the Democrats captured every governors' office in the normally Republican Rocky Mountain West. Moreover, among the governors were outspoken mavericks, like Dick Lamm, and softspoken critics like Wyoming's Ed Herschler who were not hesitant to take on the federal government or the energy companies. These governors hired bright, aggressive, environmentally oriented staff, many entering government service from the best public administration schools the eastern ivy leagues could offer. These staffs focused on using textbook approaches to protect the environment and to develop creative solutions to projected infrastructure and finance problems. Those creative solutions often put states on collision courses with energy developers.

Wyoming

Since it was settled by mountain men, ranchers and others willing to endure the sometimes harrowing and always hard trip across the plains, Wyoming has been a fiercely independent state. Basically conservative, Wyoming was the first state to grant that "liberal" right of women's suffrage. Though strongly pro-business, Wyoming took to heart the lesson of Gillette and Rock Springs and passed in 1975 two pieces of legislation designed to control and mitigate the environmental and socioeconomic impacts of large industrial developments.

The Wyoming Industrial Siting and Development Act was intended to provide the State with the regulatory leverage to force large industrial developments to consider the effects of rapid growth and the demands of large in-migrant populations on local infrastructure before the construction work forces arrived. The Act established an Industrial Siting Council, appointed by the Governor, to make final
decisions regarding the granting of an Industrial Siting Permit. Such a permit was required of all projects larger than a certain size specified in the Act. Generally, any project costing more than $50 million in 1975 dollars was covered. Oil and gas processing facilities, however, were originally exempted from the Industrial Siting Act.

The second key piece of legislation was the coal impact tax. Enacted in 1975, the law placed a two percent tax on coal production. The tax was to end when the collected tax totalled approximately $160 million. These funds originally were to be used only for communities with socioeconomic impacts directly related to coal development. However, use of the fund later was extended to communities who were only indirectly impacted by this development. The Wyoming Farm Loan Board was designated to administer the funds and played a pivotal role in the success of the Evanston mitigation effort.

Wyoming had three advantages over other states and regions in the late 70's. The first was the breadth of their programs. The State understood impacts and had the programs in place to deal with rapid growth. Second, the State had developed an impact financing method which directed funds (e.g., coal tax, mineral lease royalties, permanent mineral trust fund monies, severance taxes) as efficiently as government possibly can, to those impacted areas that presented a good case for them. Finally, Wyoming was flexible. Perhaps because of its small size, perhaps because of the simple common sense of its people, Wyoming could cut through much of the bureaucracy that crippled the impact efforts of other states.

Therefore, though oil and gas facilities were not covered by the primary state impact mitigation law, Wyoming was prepared at the onset of Overthrust development to participate in the development and implementation of an impact management program.

The Evanston Area

Economics

Evanston, the center of Overthrust oil and gas activity, was born in 1869 a railroad community, one of a family of supply and service communities established every 100 miles throughout Southern Wyoming by Union Pacific to service the transcontinental railroad. Evanston's early economic history was dominated by the railroad, as an extensive complex of facilities, including a roundhouse, repair shop and one of the area's first passenger stations were constructed.

Yet, the subsequent history of Evanston and surrounding towns finds government, coal mining, ranching, other mineral development (e.g., soda ash/trona) transportation, tourism and a small amount of oil and gas development all playing important roles in the local economy. Figure II-2 describes the 1970 economy of Evanston through its work force employment.
The years immediately preceding the first Overthrust discovery found Evanston a quiet, close-knit railroad retirement community which also served as a small but growing regional center for a primarily agricultural based local economy and a stopover point for travellers on Interstate 80. The Wyoming Women's Prison and State Hospital provided a steady base of public sector employment. Figure II-3 describes employment distribution in Uinta County in 1977 with a comparison to 1970.

* Farm-Farming; Ag Sv-Agricultural Services; Mng-Mining; Cnst-Construction; Mfg-Manufacturing; TCPU-Transportation, Communications, and Public Utilities; Wh Td-Wholesale Trade; Rt Td-Retail Trade; FIRE-Finance, Insurance, and Real Estate; Svc-Services; Govt-Government
Though in the early 1970's, the Evanston area was benefiting from the general economic upturn in the West, Uinta County lagged behind the rest of Wyoming, falling to the position of fourth poorest county in the State in the pre-oil years. Uinta County's 1978 assessed valuation was just $38,607,317. The county budget was just over $2 million and Evanston's budget had just reached $1.4 million.

Demographics

Neither the numbers nor substance of the Evanston area population had changed much between 1930 and 1970. Figure II-4 shows a Uinta County population varying between 6500 and 7600 for more than 40 years, declining in the 60's along with employment, as Union Pacific began to phase out its Evanston operations. As a percentage of state population, Uinta County fell by more than 50 percent during these years.

FIGURE II-4

In the early 70's, increased economic activity in adjacent Sweetwater County (Rock Springs/Green River) caused population growth in the eastern part of Uinta County. Yet, the Evanston area population remained close to previous levels. The State projected Uinta County's population would grow only minimally during the late 70's and 80's.

Ethnic composition of the area was fairly typical of the Rocky Mountain West, with a dominant northern European population and non-white populations far below national averages. Less than 100 miles from Salt Lake City, Uinta County was predominantly Mormon, with more than 45 percent of the local population belonging to the Church of Jesus Christ of Latter Day Saints.

The pre-oil age of Uinta County's population was young, reflecting the large average family size of the Mormon community, and old, reflecting the large retiree community. What was missing were young adults from ages 20-39, as is demonstrated by Figure II-5, which compares the age of the pre-oil Evanston population with that of the United States. The primary reason for the low number of young adults was the lack of
economic opportunity in the region. Though many young people wanted to stay, jobs were too scarce and pay was too low to keep them.

FIGURE II-5

The Politics

The pre-oil politics of the Evanston area were local politics, reflecting the geographic and media isolation of Uinta County, its rural economy and lifestyle.

According to DRG interviews (March, 1980) with long time residents, Evanston was a community that knew itself. Neighbors knew each other. Residents knew what to expect from a trip downtown. Local officials knew their role and what to expect from their constituents the next day and the next year. Improving the quality of life was a political objective, yet maintaining the local lifestyle and providing economic opportunities for the young were more practical, understandable and consuming goals for area residents.

In a traditional political sense, the area was not complex. Uinta County residents, whether Republican or Democrat, were conservative and generally pro-business. The local political structure focused on the Mormon church for many social and human service needs and on local government for most other things.

Though county commissioners and mayors received small monthly stipends, pay was insignificant and all local positions had to be considered essentially voluntary. The most powerful political position in the County was that of county commissioner. The relative power of mayors and councils depended on the city. Evanston, as the largest community in the area, was politically powerful and its Mayor and Council figured prominently in political decisions.

Local politicians guarded their power and, though they were extremely accessible and kept very close to their constituents, they were protective of their decision-making authority. The County Commissioners were fiscally conservative, reflecting the characteristics of their constituents.
For news, political and other, Evanston was tied far more closely to neighboring Utah and Salt Lake City, than to Wyoming. Evanston had a semi-weekly local paper, and the Salt Lake Tribune, according to many residents, was read more frequently in the pre-oil days than Wyoming's only state-wide paper, the Casper Star Tribune. Television, almost non-existent before a local translator station was installed in the mid-70's, was Salt Lake television and carried little news of Evanston and Wyoming. Local news came first from the grapevine and second from the local radio station and newspaper.

Relationships among the various local government entities were good in the days before oil development because of the informality of local politics and because roles were well defined and boundaries seldom crossed. Constituents were generally pleased with the performance of their local politicians. When local officials were turned out of office, the reason had more to do with campaign styles and personalities than issues of government management.

The "Quality of Life"

In most places, the "Quality of Life" is an elusive, intangible concept that few can define. Yet, Uinta County residents seemed to know exactly what they wanted from their town. Though there was certainly no formal measurement, residents seemed to define quality of life by the following informal criteria:

Community size

Compared to areas of equal physical size in most other states, the population of Uinta County was and still is small. Yet, size is relative and Evanston, with its population of 4,462, was the 14th largest city in Wyoming in 1970. That was about right for many residents then, particularly retirees. Others, especially businessmen and community leaders, wanted to attract new population and the economic growth that comes with it. But nearly all residents preferred reasonable growth which would allow community infrastructure and social institutions to grow comfortably with the population. And all residents wanted the newcomers to reflect their own political, religious and moral values.

Comfort

A number of factors defined the comfort level of local residents in the pre-oil days. Recognizing most of the people on the street during a visit to town was a key factor. A nearly complete lack of fear about crime was another. Few people locked their doors in the Evanston of the early 70's. Feeling in control of their lives was a third factor. Rapid change of any kind bothered many local residents as it does most people.

Economic well being

A low cost of living and modest wants kept most Uinta County residents reasonably comfortable in pre-oil days. Maintaining the existing standard of living was important, as was enough economic growth to provide some improvement and to allow their children to stay in the area when they joined the work force.
Opportunity for the young

Keeping the young in Uinta County was a critical priority for most residents. This need created a heightened sensitivity to the quality of local education, human services for youth and economic opportunity for young adults.

Environmental quality

The rugged beauty of Uinta County, its wildlife, its clean air and its generally high environmental quality were among the basic reasons local residents lived in this area of somewhat limited economic opportunity. The pre-oil population had a unique sensitivity to and appreciation of the environment which lasted throughout the boom.

Recreation opportunities

Recreation was a key indicator of the local quality of life. Uinta County never lacked outdoor recreation opportunities. Hunting, fishing, camping, skiing and nearly all other outdoor sports were as far as the Uinta Mountains, barely a half hour south of Evanston. Yet, pre-oil Uinta County lacked facilities for indoor and team sports and opportunities for cultural events.
CHAPTER THREE: THE PRE-OIA SITUATION

The Warning Signs

The Evanston oil and gas boom had no clear beginning. That was one of the problems. It was an "oil boom." It was typically unpredictable and it surprised Evanston, Uinta County and even the oil companies.

Though significant oil and gas resources were first discovered in 1975, no announcements were made. They were quiet for one simple reason--competition. Though not necessarily apparent with the first discoveries, it soon became clear that the potential for the Overthrust reserves was immense. No one could guess how big, but a race began for leases and land positions that saw royalty percentages and bonus payments bid to unprecedented levels. For those who got there first, keeping quiet about their finds meant millions, perhaps billions of dollars.

Most local officials remember the first signs of uncontrollable growth appearing in late 1978, three years after the first discoveries. Yet, the growth actually began in late 1975 and 1976. Though the companies were quiet about their finds, the oil patch is small and it was not long before most companies learned something significant had been found. Oil service companies, particularly seismic firms and drilling firms, began locating employees in Evanston in mid 1976, causing the county population to rise more than 30 percent between 1976 and 1977.

Though dramatic, this jump was felt more by motel and other business owners than by local officials because demands on services and infrastructure had not yet reached crisis proportions. Past unused capacity was being absorbed and long stagnant businesses were growing comfortably, so at this point the growth was welcomed and constituents were not unhappy.

Leasing and seismic work were the most important activities for the companies in most of 1976, 1977 and 1978 and population growth leveled out for a year or so after the 1976-77 spurt. Yet, as important company decisions to drill and later to develop were made, drilling and other activity began to skyrocket. Oil and gas service companies began to flock to Uinta County in droves. In 1970, the Evanston Yellow Pages did not even have a oil and gas service company section. By 1980, the oil and gas section of the phone book, at 50 pages, was more than twice the size of the entire Evanston white pages.

Government statistics and projections were not of significant help to local officials for several reasons. First, early projections (Figure III-1) did not anticipate the growth which occurred. Second, as statistics always do, they lagged behind reality. Third, though Wyoming statistical models were more sensitive to the State's economy than those of national agencies, even these suffered a weakness typical of such models. They are more accurate over larger economies than small local economies. They project change based on long-term historical trends and so have difficulty projecting or even measuring the unique and rapid changes of a development like the Overthrust.
Fourth, though by special manipulation they could indicate general trends, (e.g., after the fact, they indicated a population jump from 1976 to 1977), they could not indicate the real size of these jumps, or the timing within a year, particularly where those jumps were caused by temporary workers or the unemployed looking for work.

Finally, the elected officials of Evanston and Uinta County were not full-time professionals and the city/county staffs, though professional, were small and overworked toward the end of the 70's. No one had the time to carefully analyze data from diverse sources to find what trends the data did show. Therefore, the growth of 1976-78, while noticed, was not in any way considered to portend the rapidly approaching crisis situation.

As the Summer of 1978 wore into Fall, local officials began to see early warnings that perhaps the growth they were enjoying might be different. These early signs included:

- Changes in the "feel" of the town. Translated, this meant more strangers, greater activity and a sense of something unusual and perhaps unsettling happening.

- Increased visibility of resident oil and gas employees in local organizations and at local meetings.

- Rapidly rising land prices.

- An excitement on the part of the more aggressive local businessmen (e.g., motel operators, developers, bar owners, apartment owners, real estate agents) that they might "get rich quick".

- An increase in city traffic and regular traffic jams at the railroad underpass which separated the north side of Evanston from the south side.

- Extreme demands on local services, including:
Significantly increased work loads on city/county staff.

Dramatic rises in human service case loads.

Increased wear on city streets caused primarily by large truck traffic.

Significant increases in participation in all recreation programs.

Tenfold increases in subdivision and building permit applications.

City council meetings that stretched until 1:00, 2:00 or 3:00 in the morning.

Heavy demands on local facilities:

Overcrowding of schools.

Demands on sewer and water treatment in excess of capacity.

Increased use of all public buildings.

Increases in police activity and changes in crime patterns:

Increased police calls.

Changes in crime types from traffic violations and occasional burglaries to more serious crimes (e.g., bar fights, drug sales, prostitution)

An anxiety on the part of many local officials and residents that while the economic growth was good, the logistical problems of accommodating the attendant population growth were becoming overwhelming.

Significant increases in constituent complaints.

Not all warning signs occurred at once and the severity increased quickly in some cases and gradually in others. But, by early 1979 local officials had seen enough to be clearly concerned about their ability to accommodate the growth.

The Evanston Area: 1979

The beginning of 1979 saw Uinta County with about 41 percent more people than it had when the first Overthrust discovery was made just a few years earlier. More importantly, the pace of growth in Evanston and throughout the County was quickening.

Evanston's facilities, services and management systems were designed for the smaller relatively undemanding population of 1970. Overcrowding was a problem, but more critically, Evanston was not prepared for the very special social problems that accompanied the type of new population coming to the area.
Facilities/Services/Management Systems/Finances

Evanston and Uinta County were well managed and handled the demands of their pre-boom populations effectively. However, as they entered 1979 both Evanston and Uinta County faced serious problems in four areas:

- Facilities size, availability and condition;
- Adequacy of services;
- Adequacy of management systems; and
- Financing of new facilities/services.

The primary sources of revenue for the City and the County were property taxes, retail sales taxes, user fees, fines, State-shared revenues (e.g., sales, cigarette, gasoline) and a variety of federal and state categorical grants and revenue sharing. For both entities, the primary sources, sales taxes, user fees and property taxes, had about paid for pre-boom services and infrastructure. Grants from the Wyoming Farm Loan Board and the Governor's Office of Highway Assistance helped fund some new facilities growth.

Assessed valuation in the City of Evanston had grown from about $5.6 million in 1975 to a little under $8.2 million in 1978. Sales tax revenues grew by more than 300 percent between 1975 and 1979 (reflecting the adoption of an optional 1% additional sales tax in 1976).

Though growing, neither Evanston nor Uinta County were rich, or even well off. They were still among the poorest regions of the State. Because the population in other parts of Wyoming had grown significantly during the 70's, a special census conducted in 1978 found Evanston's share of the State's population had fallen. This significantly reduced Evanston's share of the state sales tax, an important part of the City budget.

Local management systems adequate, according to early interviews, for the pre-boom period needed expansion and improvement. Most particularly, local officials felt systems related to budgeting, planning, building inspection and human services, needed upgrading to handle the demands of a boom period. Local regulations, (e.g., curb and gutter and storm drainage requirements, building regulations and zoning ordinances) also demanded immediate attention.

The Local Political Structure

The pre-oil political structure worked well for residents in the pre-oil days. But as 1979 dawned, signs of stress from the weight of changes wrought by explosive growth, began to show.

In 1979, Evanston had a strong mayor/council form of government. The Mayor employed an administrative assistant who functioned as a de facto city manager. But most of the daily decisions of running municipal government were left to the Mayor, who, though earning only $450/month from the job, devoted nearly 75 percent of his working day to city matters. The Evanston City Council had not changed much in composition since the pre-oil days. Local staff was relatively
stable. City council meetings, held Wednesday evenings, had been short congenial sessions in the pre-oil days, but by 1979 had become marathons stretching into the early dawn hours.

Counties in Wyoming are governed and managed by a board of three county commissioners. The position of county commissioner represents one of the most powerful political offices in the state. Commissioners have full responsibility for county budgets and policies. Though the county public works directors can wield significant power, there are no county administrative officers or managers. County Commissioners are the daily managers of county business. In a state, like Wyoming, that is flexible and lacks bureaucratic encumbrances this makes for a position with both political and practical power. As guardians of the county budget and permitting processes for the areas of oil and gas development, and as representatives of the county as a whole, the Uinta County Commissioners became the focal point for contact with the companies throughout the Overthrust development.

The Local Political Atmosphere

The physical warning signs of impending unmanageable growth were significant, but they paled in comparison to the signs of political problems facing local elected officials in 1979.

For nearly a century, local politics in the Evanston area had been relatively uncomplicated. With the exception of specific emergencies, issues moved at a manageable pace. Constituent concerns focused on governmental problems only when a specific problem visibly affected their daily existence. Perhaps most important, local government institutions and part-time local elected officials could understand and manage the city and county systems of pre-oil Uinta County.

The rapid changes in population size and demographics of the late 70's presented political problems of a scope and complexity which were clearly beyond the ability of local governments to manage. For example, roads designed for the loads of a small rural town crumbled under the weight of large trucks, creating a massive "pothole" problem. This issue, though seemingly minor, can be one of the most visible and politically troublesome for officials in any municipality. Traffic came to a standstill at the "Evanston underpass", the one route under the Union Pacific Railroad tracks which divided the north side of Evanston from the south side. Transients, new oil and gas workers and those looking for work in this "economic promised land" created new demands on existing human service agencies and needs for new programs.

The sum of these problems created a previously unknown political tension between local residents and local officials, a tension which manifested itself in several ways. First, as local facilities (particularly schools) reached capacity residents began to express concern, among themselves and eventually to local officials, that new facilities were needed. Second, city, county and school district staff forced to handle rapidly increasing work loads, began to pressure officials to hire more staff, increase space and improve management systems.
Third, community activists, especially human service providers, social service volunteers and board members of local groups, began asking local officials to consider additional allocations of money to allow old programs to be expanded and new programs to be offered. Terms like "citizen participation" and "citizen involvement" began to be used regularly at local meetings.

Fourth, as the problems of rapid growth outpaced the management and fiscal resources of local governments, and as a story-hungry press made even the slightest problem seem devastatingly severe, residents became frustrated. Long used to responsive elected officials who could solve problems quickly, constituents began to blame these same individuals for problems far beyond their control. Citizen groups began to criticize, privately and publicly, those officials who themselves were frustrated at their inability to solve the problems of their community.

The Companies

The period of 1975-80 were heady times for the oil and gas industry. Oil and gas prices were rising to levels never before imagined by even the most optimistic company managers. Fear of Middle East instability promised to keep prices high, and some economists were projecting $100 per barrel oil by the turn of the century. The Overthrust development was a "gold rush" in every sense of the word, a factor which would prove key to the eventual success of the OIA in raising funds for local community development.

Politically, there were three primary company players in the early days of Overthrust oil and gas development: Amoco, Chevron and Champlin. Of these, Amoco or Standard Oil of Indiana as it then was called, was perhaps the largest and earliest player in the Overthrust. Amoco, a long-time developer of Wyoming oil and gas resources, had established its position in the early to mid-70's, before the first discoveries. Champlin (now called Union Pacific Resources) was a player because of its own oil and gas activities but primarily because of its joint venture status with Amoco.

The Overthrust resources were of major importance to Amoco, a U.S. company whose long time business strategy was to become the major holder among the giant oil and gas companies of domestic oil and gas reserves.

Chevron, also a long time Wyoming company, had obtained its Overthrust position through quick recognition of Overthrust potential and an aggressive lease acquisition program. Chevron, a company with a significant interest in Aramco (the joint government/private company developing Middle Eastern reserves), was eager to build its own domestic reserves.

During the first years of Overthrust development, the major companies knew Evanston primarily as the launching point for their exploration activities. The town, with its central location, transportation facilities and residential capacity, was a natural location for local offices, supply yards, fabrication areas and employee housing. As indicated in Figure II-1, three of the most promising fields, Anschutz Ranch, Whitney Canyon and Carter Creek, were immediately to the north and south of Evanston.
Amoco, Chevron and Champlin and most other companies met with local officials in the early days of Overthrust development. Yet, much of the communications was confined to discussions handled by local managers and occasional visits by Denver managers or public affairs staff. In the hectic, ultra competitive days of 1976, 77 and 78, the companies were focussed primarily on issues directly related to the exploration for and early development of their $30+ per barrel commodity.

As 1979 began, however, warning signs of impending problems appeared. National media coverage of the area was overwhelmingly negative. Local managers began to report the significant concerns of local officials. Reports "assessing" the companies for socioeconomic costs began circulating and legislative initiatives, which would include socioeconomic mitigation payments as part of the permitting for oil and gas projects, took hold. Citizen and environmental groups started weighing the options they might have for slowing development.

By mid-1979, the companies began to feel local pressure and to realize that attracting good employees to the Evanston area might require actions to solve growth related problems. Each company began to consider ways of dealing with growth problems and yet, their initial approach would depend on their internal structures which differed significantly.

Amoco focused contacts with local governments through operating management, particularly local district office and plant managers. This gave Amoco a good sensitivity to local concerns because these managers lived in their host communities. However, it also was difficult for local operating engineers, who were expert oil developers but inexperienced in socioeconomic issues, to understand how to solve complex public administration problems.

Chevron also utilized on-site managers for local public affairs but, relied far more on their staff of professionals in Denver for daily public affairs management and local government relations. This gave Chevron an increased understanding of how to implement solutions with local governments. But, it still did not help the company to know what those solutions should be.

Champlin, a far smaller company than either Amoco or Chevron, relied on their local personnel officers and Denver management for government relations activities and primarily followed Amoco's lead in relations with the Evanston area.

All three major Overthrust developers did understand that their work forces needed to be housed and otherwise accommodated in their host communities. All had strong commitments to do so in whatever way was cost efficient and worked best for the communities. However, corporate philosophies about the best way to manage their work forces differed depending upon the past experiences of the managers in charge. Chevron, for example, felt that a company should build necessary temporary housing (e.g., "single status" camps, temporary mobile home parks for construction management, direct housing purchases). The Amoco manager in charge was strongly opposed to "company towns" and felt existing housing should be used and the local housing market stimulated. Both philosophies were correct but neither could work by itself and knowing the best combination was difficult.
It also is important to note that the late 70's was a period of growing corporate awareness as to the importance of working with local communities. The companies developing the Overthrust were committed, philosophically, to providing some type of assistance and, because money was available in these days of high oil prices, they were not unwilling to spend the money required to meet community needs.

The Pre-boom Politics of Development

Though the environmental ethic was at its height in the West in the late 70's, Overthrust oil and gas development fell through some key cracks in the regulatory structure. It did so precisely for the same reasons the eventual impacts were so difficult to manage. The industry was decentralized and oil and gas development occurred not according to some grand plan based on a relatively good understanding of reserves (because oil and gas reserves are extremely difficult to assess) but, as discoveries were made.

The processing facilities of Chevron at Carter Creek were on land managed by the Bureau of Land Management (BLM). Amoco's Whitney Canyon facility was on private land, but its linear facilities (e.g., sulfur haul routes) had to pass over or through BLM managed land. The BLM required the Whitney Canyon and Carter Creek facilities to prepare an Environmental Assessment (EA), but determined impacts were not significant enough to require a full Environmental Impact Statement (EIS). The EA adequately covered environmental impacts but did not consider socioeconomic impacts in detail.

Formal local controls on oil and gas development were tenuous at best, though the companies were committed to follow, not test, all local requirements.

Uinta County had asked for help throughout the initial Overthrust development, but many of the requests had been for minor assistance. For the most part, these requests had been met. Oil and gas industry equipment and personnel built local ballfields and parks and provided scrap materials to county public works projects.

In mid-1979, Amoco addressed the Uinta County Commission, explaining generally their plans to build a gas processing plant, but for competitive reasons and probably because they did not know, Amoco did not fully define its size.

As the level of development increased in late 1979 and early 1980 and as impacts worsened significantly, the Uinta County Commissioners began asking for more information and more significant impact assistance.

The response, local government leaders felt, was slow. The reasons were several, but a lack of money or willingness to mitigate were not among them. In the heady oil development days of the late 70's, money was available for legitimate purposes and the companies were not hesitant to spend it to move their projects forward on schedule. The real reasons included a lack of understanding by the counties about how to reach upper level corporate managements, the natural slowness of corporate bureaucracies and a general caution on the part of the companies in dealing with complex problems they did not fully understand.
Whatever the reasons, communications broke down at the most critical time for local communities and the companies. In early 1980, Uinta County began hunting for ways to get the attention of corporate managements.

The vehicles they chose were three. First, Uinta County enacted a building moratorium directed specifically at the proposed Whitney Canyon and Carter Creek gas processing plants. The county conditional use permits were the legal vehicles for delaying construction, though the legality of the action was questionable. Second, Uinta County threatened to support a National Wildlife Federation call for a Regional Environmental Impact Statement, an action which could have delayed construction of the Chevron plant and certain linear facilities related to the Amoco facility.

Third, the Commissioners asked Uinta County State Senator Hight Proffit and State Representative Ron Micheli to introduce legislation deleting the exemption for gas processing facilities from the Wyoming Industrial Siting Act.

These actions got the attention of the companies and a meeting between Amoco and the Uinta County Commission Chairman and the Administrative Assistant to Evanston's Mayor was set. The County representatives did not understand fully what to request and the company officials, not fully understanding the true plight of Uinta County, were apprehensive of any request. The result was a $5 million request for some specific needs and other unspecified purposes. Amoco suggested a willingness to prepay taxes but balked at providing grants or other help. Soon after, the request was extended also to Chevron.

Local communities now had the attention of the companies, but not necessarily their trust. Even though key local officials, particularly the Uinta County Commissioners, attempted to assure the companies otherwise, the companies were concerned that the mitigation process might very well become an extortion process.

These feelings of distrust were heightened by several events:

- Rumors of a report soon to be published by the Lincoln-Uinta Association of Governments (LUAG) which would "assess" the companies more than $100 million in direct mitigation payments;

- Experiences of other companies with communities in oil shale, coal and power development areas;

- The lack of any overall plan by local governments for managing impacts. The companies could not see how their mitigation expenditures would fit into a general mitigation program nor could they see how others benefiting from oil development would be contributing;

- The refusal of the state to accept prepaid taxes (which turned out to be unconstitutional) as a substitute for mitigation payments;

- Direct assistance requests from local and/or state service providers. The companies felt there was no coordination of requests; and,
Exacerbating the difficult political position in which the companies found themselves were tight development schedules demanded by the astronomically high exploration and drilling costs of the Overthrust, and a worsening public relations situation characterized by a barrage of news articles pronouncing Evanston a "disaster" and another "Rock Springs". Of the nearly 700 articles published in the national and international press during the last three months of 1979 and first three months of 1980, all but six were highly critical.

Neither the companies nor local governments escaped this criticism and local constituents, feeling helpless, began to turn on the elected representatives that had served them well before the boom.

**Reflections**

Bureaucracies seldom move unless threatened. That is true of local governments and private companies. In the crisis days of late 1979, Evanston and Uinta County were overtaken by growth problems that were almost impossible to predict, difficult to understand and nearly impossible to manage. The warning signs were present earlier, but somehow the sense of urgency was not. So in late 1979, local governments found themselves not in the midst of a budding crisis but in the midst of a real, in-progress crisis.

Should local governments have been more aggressive about contacting the companies and urging solutions earlier? Should the companies have volunteered help earlier. In hindsight the answers to both questions obviously are yes. But there were complicating factors. First, the complexities of the Overthrust geology and the massive costs associated with wells 10,000 feet or deeper made it difficult to accurately project reserves and processing needs. Very simply, the companies did not know how big their facilities would have to be. Nor did they have construction schedules established until mid to late 1979.

Second, for the major processing facilities, the companies did not project work forces well, underestimating final manpower requirements by as much as fifty percent in some cases. Contrary to what some thought, this was not a conspiracy by the companies but was due to the size and complexity of the facilities and the uncertain demands Wyoming's unpredictable weather would place on project construction. It also was a product of the same type of optimism that propels governments at all levels to underestimate in the initial stages the size and costs of their programs.

Third, no one could project the complexity of the problems that would face the Evanston area. Most local officials understood that new capital facilities would be needed (e.g., a new courthouse, a new overpass to eliminate bottlenecks at the rail lines, a new recreation center, new schools). But no one knew or could have predicted the proper size for these facilities. More important, however, no one could possibly have projected the complexity of the social problems or the unique solutions required to mitigate them.

Fourth, neither the companies or local officials really knew how to deal with each other. Companies were slow, required well documented support for all requests and needed several levels of approval before they would open corporate coffers. Local governments interpreted this
as stalling. The companies interpreted the inability of resource-limited local governments to build detailed documentation for their requests as an indication that their requests might be unjustified. They viewed threats by local governments as attempts at extortion. Unfortunately, but not uniquely, a crisis was necessary to force the close working relationship required to solve community problems.

Could solutions, whether voluntarily developed or imposed by regulatory agency, have been achieved earlier? Possibly, but probably not more than three to four months earlier. The information and company plans were not there before this time. Neither were the combination of personalities or the motivation to come together to solve the problems.

Did it take local government threats to move the companies? An important tenet of the OIA was that it was a voluntary organization providing an alternative to solutions imposed by government edict. It is true that once the companies understood the severity of the problems facing Evanston, they moved quickly to develop, fund and implement solutions which were more effective than what government would have required through the regulatory process. Yet, it did take a threatened shutdown of the plant construction plans to get company attention just as it took a full blown crisis to move local government to seek such a solution.

Could better communications between local governments and industry in late 1979 have hastened solutions and avoided the political confrontations which occurred in late 1979 and early 1980? The answer is yes but, by late 1979 the crisis had so surprised everyone and was so advanced there is a question as to whether more effective communications were possible. In retrospect, it is doubtful that the process leading to the formation of the OIA could have been advanced by more than two or three months under the best of circumstances.
CHAPTER IV: THE OIA

The First Steps

Faced with large mitigation requests by local government and critical project development schedules, the regional management of Amoco, Chevron and Champlin knew a process had to be created which would result in a mitigation program acceptable to local governments and their own company management. In late February of 1980, Amoco decided to seek consultant help in determining their options. Because the problem was perceived as a political one, they sought a political consultant. Through Exxon, they were directed to a company called Denver Research Group (DRG).

Amoco instructed DRG to prepare a study with three objectives:

- Assess the political and public relations situation in the area and region;
- Assess the reality and scope of impact problems in Evanston; and
- Suggest a course of action for Amoco which would alleviate political problems and allow timely construction of the Whitney Canyon plant.

Just as the study was commissioned, the Uinta County Commissioners asked Amoco for a $5 million payment to mitigate immediate socioeconomic problems. The County indicated more requests would be forthcoming. DRG, therefore, was instructed also to review the validity of the County requests and suggest an appropriate amount to alleviate immediate problems.

Ten days later, a report was presented to Amoco. It concluded that the problems in Evanston were real and severe and that the political problems facing Amoco would continue unless some immediate assistance was provided and a long term mitigation effort developed. However, DRG felt the $5 million request was too great, particularly given the lack of a local mitigation plan. The study provided a short-term game plan:

Step One: Bring the other companies involved in Overthrust development, notably Chevron and Champlin, into the process.

Step Two: Provide immediate assistance of approximately $1 million to alleviate severe school overcrowding and to bolster police, fire, health and human services. Use the $1 million to open lines of communications with local officials so that cost-effective mitigation programs could be developed.

Step Three: Undertake a full study to provide some reasonable estimate of growth, assess the true extent of impact problems and to provide the basis of a well planned, cost-effective and comprehensive mitigation program.

Step Four: Address local political problems and alleviate some pressure on local officials by bringing key Evanston area opinion leaders into the process of developing a mitigation plan.
Step Five: Undertake an aggressive communications program to address company political problems locally, regionally and nationally.

Shortly after Amoco reviewed the program, the company asked Chevron and Champlin also to review study recommendations and to participate in a broader effort to address their problems. Both companies quickly agreed and at a mid-March 1980 meeting in Amoco's downtown Denver offices the three major Overthrust oil and gas developers decided to proceed with the program defined in the study.

Chevron, however, offered a twist to the recommendations of the DRG study and suggested a formal industry association, with Amoco, Chevron and Champlin as the founding members. Chevron also recommended that the other Overthrust companies could be recruited to provide additional assistance. The company felt that the problems of the Overthrust could be addressed effectively only by an aggressive effort supported by all of industry.

At this same meeting, the companies agreed Chevron and Amoco would split the recommended $1 million dollar payment and that each company would meet with the local Commissioners to determine how best their dollars should be spent. Champlin would contribute to the $1 million through the formal organization of its partnership with Amoco. It was agreed that further assistance would be promised to local officials but would await the completion of a formal impact management plan.

In mid April, 1980, after meetings with local officials, Amoco and Chevron presented the initial $1 million (due to last minute negotiations, the final amount was $1,007,000) to Evanston and Uinta County. Use of the funds was for the following:

- $700,000 to build 12 temporary classrooms at Evanston's overcrowded high school;
- $100,000 from Amoco to the Uinta County sheriff;
- $65,000 from Chevron to Evanston's police department;
- $100,000 from Chevron to the Uinta County Hospital for various equipment purchases and to begin a physician recruitment drive;
- $37,000 from Chevron to Uinta County for the purchase of an ambulance; and
- $5,000 to the Uinta County Mental Health Center.
Formation of the Overthrust Industrial Association

Early Steps

As Chevron and Amoco were presenting emergency mitigation funds, they asked DRG to develop a proposal covering program development and an organization/funding structure for the new industrial association. They also gave DRG permission to travel to Evanston to review key issues with local leaders.

In April and May, 1980, DRG met with key local, regional and state officials to inform them about the formation of the OIA and to seek their opinions about its structure and substance. As a result of these meetings, several points about the direction of OIA programs and the group's structure and funding mechanisms became clear:

- The OIA needed to provide local leaders data on the whole of expected Overthrust growth, including information on the size and schedules of specific projects, production levels, expected tax revenue flows (and timing), the demographics of work forces and special needs of in-migrant workers. New projections of employment and total population, accurate for the unique Overthrust situation, were desperately needed.

- The OIA needed to develop a mechanism to provide the best available technical assistance to local leaders.

- The OIA program would need to include an extensive two-way communications component, providing information to local communities and allowing full local input.

- OIA programs would need to emanate from the local level. The companies could work with local officials to modify programs in order to ensure cost efficiency, but the basic program definitions would have to come from local officials and residents.

- The OIA would need to develop a mechanism for involving local residents directly in program development and operations. Though the primary focus would be through elected officials, the population at large and, particularly, key opinion leaders would have to be able to participate directly in OIA activities.

- Local officials recognized that the significant taxes from oil and gas production would fund programs over the long term. However, they needed interim financing of a type that would not bankrupt the communities if an oil bust should occur in the future. They also recognized that industry grants should be only part of a larger funding effort including local, state and federal funds and user fees. They recognized the need for effective management and the implementation of new controls and procedures appropriate to their larger budget sizes.

- State leaders would need to be kept informed and generally involved, but it was clear that as long as local constituents were kept happy, state involvement in aspects other than funding would probably be minimal.
The OIA funding structure should involve other oil and gas companies and the area service/supply industry.

The OIA would need the capability of addressing environmental issues separately from general impact issues.

Purpose

As a result of these interviews, the founding companies decided that the industrial association should have several formal purposes, which were reflected in the Articles of Incorporation of the group, filed on June 24, 1980 (See Appendix A):

- To assist local communities in planning for energy-related growth until increased tax revenues from industrial development are realized.
- To help government units meet interim demands for increased public services arising from unusual growth and development.
- To inform and educate the public about the development of the Overthrust Belt.
- To perform studies and collect data necessary for the community to make informed decisions about its future.

Philosophy

Before its formation, the OIA board adopted an internal statement of philosophy which would guide OIA decisions and actions. The key tenets of that philosophy were:

1. Growth should pay its own way.

2. The companies should pay their fair share of legitimate mitigation costs.

3. OIA funds should be used efficiently, where no other tax supported funding sources could be used. In essence, they would be "funds of last resort."

4. Consistent with Point 2, company funds should be leveraged to the maximum possible extent. This would allow local communities to receive the greatest benefit from company contributions, at the least cost to the companies. The target was to raise $10 in non-company funds for each OIA mitigation dollar.

5. Mitigation programs should be legitimate and directly related to the massive growth occurring as a result of Overthrust oil and gas development. However, no effort should be wasted on assigning blame to a specific company or to fighting with local governments over the details of a program. If the communities could show the impact was legitimate (e.g., a need rather than a want), generally related to oil and gas development, cost-effective and sufficiently leveraged, the OIA would contribute.
6. Industry should assist cities and counties gain access to massive industry tax revenues at the front-end of a growth cycle—when funds are really needed.

7. Assisting local governments improve their own management should be a priority. Over and above any other programs, the OIA should provide significant contributions for "technical assistance" to help local governments improve staff and management skills.

8. Local governments and organizations, with technical assistance, should be the leaders in determining and implementing mitigation programs.

9. The OIA should fund no mitigation programs that local governments are not capable of maintaining after the OIA shuts down.

Duration

Prior to formation, a key decision of the founding members was to strictly limit the life of the OIA. The reasons for this decision were several. First, the companies did not want the OIA to take the place of legitimate and long-term community business associations, such as the Evanston Chamber of Commerce. The companies felt that a permanent OIA would isolate the oil and gas industry and take from the local chambers a major source of revenue and political support.

Second, the companies intended the OIA to be a temporary organization designed to assist local governments manage a severe but temporary population impact caused specifically by oil and gas growth. Having the OIA become a permanent "Big Brother" to Evanston area governments was considered to be undesirable for many reasons.

Finally, while the companies intended OIA activities to help improve their public image in the area and region, they were extremely sensitive to local impressions that the group was simply a public relations front. A permanent OIA whose later functions could only be as a "p.r." group, in the opinion particularly of Chevron, would only contribute to local skepticism.

An initial life of about 26 months was set for the OIA. That eventually was extended to about 48 months.

Structure

The founding companies decided the association would be a corporation, incorporated in the State of Wyoming. Initially, the OIA was to be governed by a nine member board of directors (See Appendix B for a copy of the bylaws). Board seats were apportioned based on how much a company contributed. Each company contributing $25,000 was allowed a board seat. Lessor contributors collectively were provided one board seat. A list of OIA members is provided in Appendix C.

There was considerable discussion in the early OIA days about whether to hire an executive director and base the individual in Evanston. Indeed, in the announcement of the OIA, the directors put this as a
priority for the first phase of OIA activity. There was precedent for such a position in the Southwest Wyoming Industrial Association based in Sweetwater County (Rock Springs).

Eventually, the decision was made not to hire a director. The reasoning rested on the very firm decision of the founding companies that the OIA would phase out after the impact mitigation program was complete. It was felt establishing a full-time paid executive director might provide a signal that the OIA was to be permanent.

Tax Status

The issue of tax status was complex and expensive to address. The OIA originally sought organization under Section 501(c)(3) of the U.S. tax code. This is the classification of public charities. It carries with it full tax exemption for the group and allows donors to deduct contributions to the organization. After more than 18 months and several thousand dollars in legal fees, the IRS approved the 501(c)(3) status (See Appendix D). However, in its second year, the OIA applied and received approval for a change to private rather than public foundation status. This was the result of the massive contributions made by the founding members, which exceeded the minimum percentage of non-primary contributor support necessary to maintain 501(c)(3) status.

Consistent with its early decision to become a public charity, the board decided that administrative and fund raising cost ratios would be kept to a percentage (about 10 percent) reflective of the best managed charities. By the time the OIA was dissolved, administrative costs over the life of the organization averaged less than five percent.

The Early Program

The OIA program was to proceed in two steps. The first was to be a data gathering effort which, with a budget of approximately $234,000, would attempt to accomplish the following:

- Complete a full socioeconomic study including the development of detailed projections about employment, population and facility/service demands;
- Undertake a communications program to disseminate information about the project schedules, work force sizes, employee demographics and other pertinent data;
- Complete in-depth interviews with community activists, opinion leaders, residents, project employees and non-project related in-migrants to determine concerns, demographic characteristics and needs;
- Develop an employee awareness program to alert project employees to local issues and concerns and to educate about local needs;
- Provide general contributions for emergency purposes while the overall mitigation program was being developed; and
- Complete a detailed and comprehensive mitigation plan which would fully define all programs to alleviate Overthrust impacts.
Announcement of the Formation

On July 2, 1980, the formation of the Overthrust Industrial Association was announced in a news conference in Evanston, Wyoming. In addition to local media, local elected and appointed officials were invited. Preceding the announcement, the Governors of Wyoming, Utah and Idaho were briefed. After the announcement, OIA officials visited media in Salt Lake, Rock Springs, Casper and Denver. Audio feeds were distributed to radio stations throughout the Rocky Mountain West. Samples of print coverage are provided in Appendix E.

Phase One: July, 1980 -- May, 1981

The Objectives

The first phase of OIA activities was, for the companies, the most complex and difficult and was certainly the most critical to the success of the eventual mitigation plan. To implement the broad goals of Phase One and lay the groundwork for the eventual successful implementation of the mitigation plan, several objectives had to be achieved:

Objective One: Identify a consultant that could design and implement the socioeconomic research plan that would form the basis for the mitigation program.

Because the success of the mitigation program hinged on the best possible analysis of a highly complex situation, identifying and recruiting a good research consulting firm became a key task of Phase One.

Objective Two: Develop a research plan.

To identify current facility and service inadequacies and to help local governments define future needs accurately, not only did new projections have to be developed, but new economic and demographic modelling systems had to be created. The expenditures based economic modelling systems in use at the time (and currently in use in many areas) required highly detailed data about project related expenditures. The systems required breakdowns of dollars spent locally, regionally and "out-of-the-area." The companies could not supply such data with any accuracy because they did not keep expenditures information in this way. Additionally, the expenditures systems could provide only average annual population numbers, a fatal weakness in an impact situation where an understanding of the quarterly employment population peaks and valleys was critical to a cost-efficient mitigation program.

Objective Three: Broaden the base of OIA funding support.

For numerous reasons, not the least of which was maintaining a favorable tax status, the OIA needed to broaden its base of funding support. This required the recruitment of new members from among the growing population of oil and gas service companies with local offices.
showed that expenditure of the funds would not be cost-effective and the funds set aside for transient housing eventually were transferred to more cost-effective human service programs.

Interview questions were specific to the group or individual interviewed. Questions for local leaders focused on impact issues, community needs and concerns. Questions for project employees, non-oil in-migrants and squatters/transients concentrated on determining demographics, employment, housing needs and preferences and human service needs. Results of the interviews were compiled and analyzed but were never published separately. Rather, they were used to allow OIA consultants to better understand impact issues and needs and to recommend mitigation programs.

The Communications Program

Beyond providing local officials and residents with information on issues, growth projections and oil and gas development, the OIA communications program sought to eliminate barriers between the oil and gas industry and local residents and to encourage participation in mitigation efforts. To achieve these objectives, a several part communications effort was created:

OIA Local Telephone

Upon formation, the OIA contracted for a special telephone line which would be a local call for area residents but which would ring in the Denver offices of DRG. Over the first two years of OIA existence, DRG received an average of 125 calls each week on this special line.

Local Meeting Attendance

OIA board members and consultants committed early in Phase One to attend all key local meetings, including regular meetings of the Evanston City Council, Human Services Confederation and County Commissioners. At some meetings briefings and updates on project activity were given but, at most, OIA representatives simply listened to the discussions and answered questions when queried. The attendance itself indicated a strong commitment to the area and was a key factor in the building of a new trust between the companies and local officials.

Governors Briefings

State support, both political and fiscal, was critical to the success of the mitigation program. Therefore, beginning even before the public announcement of the OIA formation, board members began meeting with Governor Herschler of Wyoming, Governor Matheson of Utah and Governor Evans of Idaho and/or their staffs. The meetings briefed staff and/or the Governors on project schedules, progress of the OIA, local needs and concerns and other issues. The companies answered questions and listened as the Governors or their aides detailed their concerns and their advice for the OIA.

Soon after the OIA was formed, the Governors established the Overthrust Governors Commission (OGC) to deal with the companies and impact
problems as a unified group. Three meetings of the OGC were held over the life of the OIA. These informal gatherings included the Governors, local officials and local opinion leaders and focussed on wide ranging discussions of state and local impact related problems.

Media Briefings

The OIA kept a high profile with local and regional media. The media effort concentrated on:

- Providing regular briefing materials to local, state and regional media;
- Semi-monthly telephone briefings during the first 24 months of OIA existence;
- Bi-monthly visits to key local and regional media;
- News conferences announcing project related news, OIA events, grants and other newsworthy events;
- Complete media accessibility to OIA officers; and
- Timely mailings of new OIA studies and materials.

Public Meetings

All Evanston OIA meetings were open to the public. Additionally, the OIA held several public meetings during Phase One and during the implementation of the mitigation plan to involve residents directly in the program. More than 700 local residents attended one or more meetings over the life of the OIA.

Progress Reports

The OIA prepared, at the request of local governments, formal reports on the progress of the mitigation plan. These reports were mailed by the OIA to its mailing list, and by local governments to their constituents. The reports also were distributed through the local Chamber of Commerce, local businesses and city halls.

Overthrust News

The OIA began distributing a newsletter to local residents in early 1981. The newsletter, called the Overthrust News, contained general information about the oil and gas industry and the region, and specific data about project schedules and work forces, drilling activity, people, mitigation programs, studies, population demographics and community projects. Facts and figures from each of the OIA Monitoring Reports were published in the newsletter. The Overthrust News profiled key leaders and contained columns by and information from elected officials, environmentalists and local activists. Local residents had complete access to the newsletter, which was published ten times during the life of the OIA.

The Overthrust News was the most popular communications effort of the
OIA, primarily because of the extensive and substantive information which it contained. Developers and local businessmen used it as a planning tool. Local governments used the data to respond to constituent queries and to update planning documents. By the final issue, written or telephone requests for the Overthrust News added nearly 4,000 names to the original mailing list of 400.

Other Materials

The communications effort produced numerous other materials during the life of the OIA, including nearly 100 news release and stories, several brochures, slide shows, a video tape history of the OIA, a photograph library and a number of special briefing papers for local governments and others.

General Local Contacts

The discussion of general local contacts is placed under the review of the communications program primarily because this is where the budget for these activities was found. These contacts, however, relate more to the OIA's general relationship with local officials and residents. To truly understand local needs and issues and to generate the trust which was so critical to the success of the mitigation effort, OIA board members and consultants had to make a commitment to local contacts that was greater than a simple business relationship. Personal relationships also had to be developed. To create trust, local officials needed to know not just the business person but the human person as well. This is not unusual in U.S. communities but is particularly important in Wyoming and other states of the rural Rocky Mountain Region.

Consequently, the board made a strong commitment to make OIA board members and consultants available to more than simple business events. Attendance at and participation in county fairs, barbecues, community fund raising programs and other social events became an important part of the OIA program. Board members who took the time to become personally involved with these events and the people, eventually became the most credible spokesmen and negotiators for the OIA.

The Socioeconomic Study

As has been indicated several times in this case study, local communities as well as the Overthrust companies needed basic data and direction for the mitigation effort. Employment and population projections which took account of the unique characteristics of the Overthrust situation simply did not exist. Neither did accurate up-to-date assessments of local facilities/services capacities. No mitigation plan, let alone an effective one, could be prepared without this data. Consequently, one of the first tasks for the OIA was to identify a qualified consultant to prepare a baseline socioeconomic study and projections of oil and gas related growth.

Selection of a Consultant

Proposals were solicited from about 25 local, regional and national firms (including several university affiliated groups) that indicated some expertise in economic, public administration and/or socioeconomic
issues. Two rounds of interviews were held and eventually a group out of Boulder, Colorado, called Briscoe, Maphis, Murray and Lamont (BMML) was selected.

The Research Plan

The first OIA socioeconomic study was developed in a three stage process. The first stage of the study identified issues of concern through a formal review with all levels of Evanston and Uinta County elected officials and staff. The second stage was a detailed analysis of the existing condition of Evanston's and Uinta County's facilities, services and financial resources (e.g., revenues, expenses, budgets). The third part of the study was the development of a new model for analyzing: 1) oil and gas production and the tax revenues associated with such production; 2) current employment and population effects associated with the Overthrust development; and, 3) future employment and population and associated effects on the facilities, services and fiscal conditions of Evanston and Uinta County. BMML proposed to use the model to develop 10 year projections for employment/population and 5 year projections for facilities, services and fiscal condition.

The Study Products

Three products resulted from the BMML work. The first was a listing of and commentary on the problems and issues facing Evanston and Uinta County. This document, completed in November, 1980, was not released because the OIA board was concerned that making it public would only increase the frustration and lower the morale of local residents, and exacerbate an already difficult political position for local governments. The analyses were used by OIA board members to assess the politics and real problems of the area and to support later requests to corporate managements for funds.

The second product was a model, named for the OIA the "Oil and Gas Simulation Model" (OGSIM). OGSIM was designed to simulate the entire process of oil and gas development, including exploration, wellfield development, construction of plants and facilities and production and processing. The system was driven by estimates of potential discovered reserves and integrated the best judgements of operating company managements, service/supply firm managers and the consultants analyzing the entire set of data. A more complete description of OGSIM is found in Appendix F.

It should be noted that though OGSIM is described here in its entirety, the model actually was developed in two stages. The first, the results of which were published in the initial OIA socioeconomic study, was an early, more basic version of the OGSIM designed to provide early projections on a tight time schedule. This early version of the model then was refined and improved in a subsequent contract, the results of which were published in the OIA Monitoring Series described in the next section of this case study.

Once reasonable employment projections were available, BMML used them to develop, in conjunction with various models, 10-year (later expanded to 12-year) population projections.

The third product of the Phase One BMML contract was a report which
provided: 1) The employment and population projections developed by BMML and the State; 2) a detailed analysis of existing facilities and services; 3) a "fiscal profile" of Evanston area units of government; and, 4) a discussion of public policy alternatives in the management of Overthrust growth. This report was provided to local governments in January, 1981, and eventually released to the public at the first Community Advisory Committee meeting (see next section).

The Community Advisory Committees

The results of the BMML study, additional DRG interviews and the political judgements of DRG and OIA Board members provided strong support for the conclusion that the OIA needed to involve the public more closely in the development of the mitigation plan. Therefore, in mid-January, 1981, the OIA proposed to local leaders that several Community Advisory Committees be formed to gather input for the mitigation plan from local citizen activists, opinion leaders and the public in general.

Reaction to the proposal by key elected officials, particularly the County Commissioners, was skeptical at best. Though never stated, there appeared to be some feeling that the Committees were a criticism of their performance. They also felt that the OIA was meddling in local affairs. Finally, they were concerned that the Advisory Committees could develop "wish list" programs beyond the capacity of local governments or the companies to implement. They felt the Committees would build expectations that would be impossible to fulfill.

The OIA understood these concerns and agreed with the last two. The OIA agreed to change the format of the meetings to avoid asking for specific solutions and focus instead on objectives and general parameters for solving impact problems.

However, OIA board members and consultants felt the political situation was so explosive that the mitigation plan could not succeed without the committees as a constructive release for public frustrations. The OIA also was worried that without this release there would be a major house cleaning at the next election. The companies felt the existing officials were responsible and effective and considered continuity in local leadership to be of critical importance. Therefore, despite open and vocal criticism and the inherent political risks, the OIA board voted to go ahead with the advisory committee process.

To avoid the potential for charges that the OIA controlled the meetings, a grant of $25,000 was made to Western Wyoming Community College (WWCC) in nearby Rock Springs to coordinate the committee project. The WWCC team, lead by the Dean of Academic Affairs, hired an Evanston human services activist to recruit local participation and coordinate the logistics.

The WWCC team proposed six committees:

- Physical services/land use (planning, water, sewer, capital facilities, municipal finance);
- Education;

IV-14
Recreation/cultural enrichment;
- Health/hospitals;
- Housing; and
- Human Services/law enforcement.

An Environmental Advisory Committee also was proposed, but DRG and the Western Wyoming Community College team recommended it meet separately.

The objectives established for the committees by the WWCC team were:

- To involve the entire community in assisting elected officials plan for and manage Overthrust growth;
- To prioritize the impact related problems and issues facing Uinta County and its communities;
- To obtain ideas and suggestions from community leaders and the general public about the solutions to these problems;
- To serve as a vehicle through which local community leaders could have access to the best available technical assistance; and,
- To guide the OIA and local governments as they implemented the impact mitigation program.

WWCC proposed that the Committees meet three times. The first meeting would present the results of the OIA socioeconomic study. The second meeting would focus on problem identification. The final meeting, a full-day Saturday event, would concentrate on developing objectives for solving impact problems. The public was invited through formal invitations, newspaper and radio ads and posters placed throughout the County.

More than 500 people attended the first meeting, at which BMML presented and discussed their study and its conclusions. WWCC then led a discussion of Advisory Committee goals and structure and future Committee meetings.

Thanks to effective organization by WWCC, a substantive and popular presentation by BMML and the WWCC discussion of future activities, which gave residents a sense that they could overcome impact problems, public and media reaction were overwhelmingly favorable. The Uinta County Herald reflected the general response in an editorial written by the publisher after the first meeting:

"There's no limit to what can be accomplished by a citizenry that is aroused and working together to provide the support needed by the legally elected officers to do their job. I'll be [at the next advisory committee meeting]: how about you?" (See Appendix G for the full text)

This response encouraged full involvement by even the most reluctant elected officials and ensured that public participation would remain
high.

For the second and third meetings, the WWCC team recruited the best technical experts available in the region in disciplines related to the topics covered by the respective Committees. The experts, 26 in total, were trained in the procedures to be used with the Committees in a special session held the day before the second meeting. Two technical assistants led each Committee. The rest provided commentary as needed to one or more of the Committees. A full list of technical experts is included as Appendix H.

The Committees produced six reports which provided prioritized listings of the most important problems facing the area and objectives for solving each problem. A full listing of problems and objectives can be found in Appendix I.

The Environmental Advisory Committee

A seventh Advisory Committee focussed on environmental issues and met separately from the Evanston committees. The reason for separate meetings was that this committee covered unique topics of broad interest across the Overthrust region and included groups and individuals from throughout Wyoming:

- Wyoming Outdoor Council;
- Wyoming Wildlife Federation;
- Defenders of Wildlife;
- Friends of the Earth; and
- Ducks Unlimited.

The Environmental Advisory Committee met several times in Evanston and Rock Springs during the period between September, 1980, and May, 1981. Beyond the formal meetings, communications between committee groups and DRG were almost constant during this period. Environmental and conservation groups were highly concerned with the extent and speed of Overthrust development. They did not trust the Bureau of Land Management (BLM) to adequately protect resources, particularly wildlife, and there was growing concern about the route of a proposed railroad to haul the sulfur by-product of Chevron and Amoco's gas processing facilities.

The issues formally raised by the environmental advisory group were significant but for the most part manageable. They included:

- The sulfur haul routes should not go through environmentally sensitive areas;
- Oil and gas industry employees were poaching game and generally not respecting local environmental laws and ethics;
- Workers were speeding on the rural dirt roads servicing the major construction sites, causing dust and disturbing wildlife;
- Too many roads were being built to service oil drilling sites; and
"We are quite pleased with this effort. This proves that developers and conservationists can work together for the benefit of wildlife, the economy and the environment."

More about the products and conduct of the Cooperative Wildlife Program is provided in Chapter Five of this case study.

The Mitigation Plan

The Community Advisory Committees identified the problems and provided objectives for their solution. These inputs, combined with the extensive interview process, the DRG research and the BMML analyses created the basis for a mitigation plan.

However, as discussed earlier, a "chicken and egg" problem confronted the OIA. A formal mitigation plan could not be prepared without the full involvement of Evanston officials and the Uinta County Commissioners. Yet, OIA participation in the development of specific mitigation programs required monetary commitments from corporate managements. Such commitments could not be provided unless corporate headquarters saw detailed and comprehensive mitigation budgets in advance of local negotiations.

The solution was an internal mitigation budget (see Appendix J), developed which would provide the necessary detail to allow corporate approval but be flexible enough to allow modification during the development and implementation of locally created mitigation programs.

For example, the initial mitigation budget contained a category for physical services programs (e.g., the purchase of city road maintenance equipment or the construction of capital facilities). The amount allocated to the entire budget item was $7,036,917. The descriptions of the programs under this category were fairly specific (e.g., "hire 3 road maintenance staff"). However, as long as the amounts expended under the general categories were generally as proposed, specific purposes were allowed to change without additional corporate approvals.

This flexibility was critical to the credibility of local OIA representatives, who could not be effective if local officials felt corporate headquarters were controlling daily growth management decisions.

A second problem in the development of the plan was the need to estimate leverage factors. This required detailed projections of the portions of a mitigation program that could be funded from non-corporate sources (e.g., local tax base, county allocations, state grants, federal grants). These projections represented a significant risk to OIA board members and consultants. Not only were there no outside funding commitments when the budget was presented to corporate headquarters, but no one outside the companies had even been approached with more than a very general concept. Yet, the budget presented to corporate managements projected that about $10 could be raised for every dollar of direct corporate contributions.

A third problem facing the OIA board was how to present the mitigation program to local governments and the public. Though the process was conducted carefully to avoid unrealistic expectations, the community advisory committee program did raise expectations that the companies would be announcing a comprehensive mitigation plan. The companies did
by local governments during the mitigation process. In fact, the company loan guarantees, though offered in the case of Uinta County's new hospital, were never used.

Once approved, the companies did not transfer funds to the OIA as originally planned (in eight equal payments). Instead, at the urging of corporate financial departments, funds were paid as they were expended by the OIA. This allowed the companies to keep use of the money until the last possible moment. DRG estimated that over the life of the OIA, this saved the companies nearly $1,500,000.

Announcement of the Mitigation Program

The mitigation program was finally approved by corporate managements in early June, 1981, and announced to the public June 22. The announcement was made at a public meeting in the Evanston High School auditorium. Though the general public was invited, all participants on the Community Advisory Committees also were mailed special invitations. More than 500 local residents attended the meeting.

The program centered around a detailed description by then OIA President Owen Murphy of OIA mitigation commitments, and was intended as a direct response to the issues raised by the advisory committees. In his announcement speech, Murphy promised a mitigation program which would bring more than $100,000,000 in benefits to the Evanston area.

Yet, Murphy's speech was not simply an announcement of an "attention getting" aid program. The speech specifically defined the parameters of the program, which had been worked out earlier with local governments, including:

- The types of aid the companies would offer to and seek for the community;
- The structure under which the mitigation program would operate;
- The evaluation process which would be used to judge mitigation funding requests from local agencies;
- The supporting data which would be required from agencies requesting funds;
- The limitations on funding; and
- Thirty-five specific mitigation programs which would be initiated immediately.

The structure which Murphy defined in his speech will be discussed fully in the next Chapter. However, the key component of this structure was to be an Impact Coordinating Committee, the first members of which were announced and introduced during Murphy's speech.

Reaction to the announcement was extremely favorable. Advisory Committee members saw the mitigation plan as a direct result of their work and saw their specific recommendations incorporated into the early programs. This feeling was critical to creating a political atmosphere which would allow the mitigation program to move forward.
Media response also was excellent and the Governors of the Overthrust states, though adopting a wait-and-see attitude, praised the effort. Perhaps the most important result of the announcement was that local officials and residents could finally see, after nearly a year of studies and planning, solid commitments to program implementation.
CHAPTER V: PHASE TWO--SOLUTIONS

Structure

Local officials wanted to control the process of determining and implementing mitigation programs. They wanted control for several reasons. First, they felt they were the elected representatives of the people and, therefore, had a responsibility to control such decisions. Second, they felt they knew best how to solve local problems, though they did acknowledge and support the concept of technical assistance. Third, though a significant trust had been established, they maintained a healthy skepticism of industry intentions. Finally, on a purely political level, they wanted to be seen by their constituents as the leaders of the mitigation effort.

The companies agreed that local government should control the mitigation process, not only for the reasons outlined above, but also because they wanted local officials, not the companies, to be the ones saying no to the wish list requests which inevitably would be made. Yet, the companies would be spending a significant amount of their shareholders' money for mitigation programs and therefore did want to be part of the structure which would oversee implementation of the mitigation program.

For these reasons, and to allow full public input into the process, a public/private partnership structure was formed to manage implementation of the mitigation program. The basic component of this structure was the Impact Coordinating Committee (ICC). These committees, which were formalized in the primary counties (e.g. Uinta, Lincoln) receiving OIA funds, had the following composition:

- Two members from the OIA;
- All three county commissioners from the affected county;
- The mayor of each city participating in a mitigation program;
- A representative of the Governor's office;
- A representative of the Federal Regional Council (an inter-agency council which, among other responsibilities, coordinated Federal response to socioeconomic issues related to natural resource development. The FRC was dissolved during the early Reagan years and its responsibilities returned to the individual Federal agencies); and
- Other members as specially designated by the ICC.

Serving as special counselors to the ICC were the members of the technical assistance team and representatives of the finance departments of Amoco and Chevron. The company financial department representatives assisted in the complex financing packages for capital facilities and provided local government members assistance on other financing issues. Amoco assigned a key manager in its finance department. Chevron assigned the Assistant Treasurer of Standard Oil of California.
The specific responsibilities of the Uinta County Impact Coordinating Committee were:

- To review mitigation proposals brought to the ICC from community organizations to validate need and cost-efficiency;
- To develop other mitigation programs necessary to meet the objectives defined by the community advisory committees;
- To complete all legal and financial details of the Uinta County portion of the mitigation program; and
- To continually review and evaluate the management and progress of all funded mitigation programs.

With the assistance of DRG, the ICC also governed the technical assistance program.

The ICC met on an as needed basis, though frequent informal meetings of local government and industry members occurred between formal ICC meetings. All ICC meetings were held in Evanston. However, on several occasions ICC members and selected community leaders traveled to Denver at OIA expense to brief the full OIA board and to review the progress of the mitigation effort.

The ICC's were formal organizations defined in the OIA bylaws but operated on a relatively informal basis. All meetings were open to the public and generally included a meal and social gathering.

At the meetings, mitigation programs would be reviewed and evaluated based on the criteria discussed earlier. Proposals could be presented by any recognized community organization or governmental agency.

The ICC's required significant documentation for each mitigation proposal. The questions which had to be answered satisfactorily for a program to be funded were:

- Does the program fulfill a valid community need?
- Is the need related to growth caused by Overthrust oil and gas development?
- Is the program cost-effective?
- Will the program be needed after the 20 month period of OIA financing? If so, from where will come the funds to sustain it after OIA funds run out? If a long-term commitment of county funds are required after OIA funding, can the county afford it?
- Is the program properly leveraged? That is, does it make the most effective use of all sources of funding?
- If OIA grant monies are requested are those funds of last resort?
Complete written proposals were required to be part of each grant request. While the specific documentation required for each program varied, all the above questions had to be answered to the satisfaction of the ICC before a program would be approved.

It was not uncommon for the ICC to ask a group presenting a proposal to make changes in the program in order to improve efficiency or general management. The ICC would usually assign a member of the technical assistance team to assist in the rewrite. Proposals could be resubmitted to the next ICC meeting or approved outside a formal meeting if the revised request, in the judgement of the ICC Chairman, adequately addressed the concerns which prompted the revision.

The Monitoring Program

The only predictable characteristic of Overthrust growth was its unpredictability. Therefore, the OIA established a comprehensive program to monitor Overthrust development, employment and population growth. The program, coordinated by DRG and conducted by BMMK, produced reports on these key indicators approximately every 8 months during the life of the OIA. The monitoring system functioned as defined in Figure V-1 below:

FIGURE V-1

The Monitoring Program used regular updates of the Oil and Gas Simulation Model to produce estimates and projections of oil and gas development, employment, residency, population, school age children, housing stock and local tax revenues. These data then were used for local planning purposes and to adjust mitigation efforts and were provided to local developers and businessmen for their planning activities.
Solutions

As indicated, the mitigation effort focused on meeting the objectives defined by the Community Advisory Committees. This section describes mitigation programs as they related to specific advisory committee objectives. However, two general mitigation activities were particularly important and bear special mention.

Technical Assistance

A key tenet of the OIA philosophy was the company desire to help local governments help themselves by providing communities access to the best technical assistance in the Rocky Mountain Region. For the community advisory committee meetings, a group of more than 25 technical assistants were assembled to assist in the identification of problems and the development of solution objectives. These Technical Assistance Team (TAT) were so effective and community response was so overwhelmingly positive, the OIA eventually spent nearly $1 million on various technical assistance programs in areas from planning to fiscal management. See Appendix H for a list of TAT members.

Particularly effective were the following TAT programs:

- Fiscal management seminars and training by Jim Murray and Bill Lamont of BMML.
- General assistance to human service providers by Judith Olsen and Marty Uhlman of the University of Wyoming. The results of their assistance will be described more fully under the human services portion of the next section. However, one of their most important successes was the help given human service providers in the structuring and presentation of human service related mitigation proposals placed before the ICC. Their efforts were credited with securing for human service agencies perhaps as much as 40 percent more assistance than was originally allocated in the OIA budgets and the fostering of a new appreciation for human service needs by county officials.
- Assistance in the preparation of grant requests for non-industry funds by all technical assistants.

The technical assistance program was among the most effective of the OIA efforts. With the exception of the capital facilities program, it probably provided Evanston with the greatest long-term benefits. Working entirely at the request of local government officials, technical assistants completed a new master plan, helped install new financial systems, developed downtown revitalization plans and built local human services capacities and county understanding of the need for them.

The Capital Facilities Program

The Evanston capital facilities program represented the best example of OIA fund leveraging. When the Overthrust boom began, Evanston's capital facilities and infrastructure were severely inadequate. The County Courthouse was the oldest in the state and was overcrowded before the boom began. The hospital was outdated. The sewer system was discharging raw sewage into the Bear River in violation of EPA
rules and the water system was inadequate. There was no indoor recreation facility in a town where winter could last 8 months. Other facilities simply could not handle the additional population influx.

The state-of-the-art facilities constructed under the ICC program are among the finest in the Rocky Mountain Region. However, the financing rather than the buildings themselves was the most creative aspect of the program.

At the outset of the mitigation planning process, the ICC and the OIA were concerned that Evanston not go the way of other communities and borrow heavily to finance capital projects. Though no one expected a bust, the Uinta County Commissioners and the OIA board wanted to be sure that Evanston and Uinta County would not face financial problems if a bust and the attendant lower tax revenues did come. So they agreed that bonding would not be a financing option for any other than school facilities. They decided to attempt financing of a $40 million program through grants, user fee commitments, forgivable state loans and other creative sources which would not place a future burden on the community.

The financing program which was developed by the ICC and, specifically, Uinta County Commissioner John Fanos, turned out to be very much a "package". The OIA agreed to provide approximately $4,000,000, or 10 percent of the cost. Commissioner Fanos felt that if given freedom to allocate those funds, he could secure state funds for several facilities and direct user fees and secure forgivable or very low interest state loans for other parts. DRG felt it could assist local government in raising federal funds and the companies also agreed to prepay certain user fees (e.g., sewer and water taps) to provide additional "financing."

One example of how the "package" approach worked is found with the recreation center and the Evanston public safety building. The State of Wyoming through its highly effective Farm Loan Board program (a state program of impact aid funded by coal tax monies) could provide grants for several facilities, if local governments matched those funds adequately with non-state monies. Yet, the Farm Loan Board, though recognizing the need for a recreation center, was prohibited from contributing to projects of this type. However, the Farm Loan Board had considerable latitude in funding allowed projects. The ICC had considered providing a $500,000 grant from OIA funds to the public safety building. However, when the total package was negotiated, it was decided the Farm Loan Board would fully fund the public safety building if the ICC would use the $500,000 OIA grant as additional funding of the recreation center to which the State could not contribute.

The Mitigation Program

Table V-1 summarizes the mitigation program and expenditures of the OIA/Uinta County/Evanston public/private partnership. The programs defined in Table V-1 were specifically discussed and reviewed by the Impact Coordinating Committee as solutions to the problems identified by the Community Advisory Committees. The programs presented here represent only joint mitigation programs. The many additional mitigation programs funded and managed solely by a single entity of government are not presented in Table V-1.
### TABLE V-1

OVERTHROW INDUSTRIAL ASSOCIATION/UINTA COUNTY/EVANSTON PUBLIC PRIVATE PARTNERSHIP

**MITIGATION PROGRAMS AND SOURCES OF FINANCING**

**GENERAL MANAGEMENT PROGRAMS**

<table>
<thead>
<tr>
<th>Mitigation Program</th>
<th>OIA</th>
<th>Evanston</th>
<th>Uinta County</th>
<th>State of Wyoming</th>
<th>U.S. Gov't</th>
<th>Future Taxes &amp; User Fees</th>
<th>Other</th>
<th>Total</th>
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<tbody>
<tr>
<td>Study of local finances</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$5,000</td>
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<tr>
<td>Management information systems</td>
<td></td>
<td>Computer</td>
<td>Purchase</td>
<td></td>
<td></td>
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<td>$237,000</td>
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<tr>
<td>Temporary city administrator</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$50,000</td>
</tr>
<tr>
<td>Executive search for city employees</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$5,000</td>
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<tr>
<td>Communications systems study</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$30,000</td>
</tr>
<tr>
<td>Permanent city manager (salary subsidy)</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$55,000</td>
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<td>City growth management workshop</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td>$10,000</td>
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Mitigation Programs and Sources of Financing:

PUBLIC WORKS

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<thead>
<tr>
<th>Mitigation Program</th>
<th>OIA</th>
<th>Evanston</th>
<th>Uinta County</th>
<th>State of Wyoming</th>
<th>U.S. Gov't</th>
<th>Future Taxes &amp; User Fees</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Old Evanston sewer system upgraded</td>
<td>$30,000</td>
<td>$274,000</td>
<td></td>
<td>FLB Grant</td>
<td>$78,000</td>
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<td>$382,000</td>
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<tr>
<td>Twin Ridge water storage and fire flow system developed</td>
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<td>$125,000</td>
<td>$500,000</td>
<td>Developers</td>
<td>$285,000</td>
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<td>$985,000</td>
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<tr>
<td>Improved city water distribution system</td>
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<td></td>
<td>$200,000/year</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$200,000</td>
</tr>
<tr>
<td>Water meters installed, user and tap fees, Rate Studies increased 2</td>
<td>$60,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td>$60,000</td>
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<tr>
<td>Storm drainage system constructed</td>
<td>$100,000</td>
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<td>$250,000</td>
<td>$4,200,000</td>
<td>$200,000</td>
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<td>Developer Charges</td>
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<td>Maintenance equipment purchased 3</td>
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<td></td>
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<td></td>
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<td>$292,000</td>
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<tr>
<td>Subsidy of county surveyor salary</td>
<td>$95,000</td>
<td>$100,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$195,000</td>
</tr>
<tr>
<td>Various donations of scrap, equipment time, manpower</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Various companies</td>
<td>$220,000</td>
</tr>
</tbody>
</table>

1. This was a temporary upgrade of the old Evanston sewer system to prevent release into the Bear River during peak flow periods until the new sewer system could be built (see capital facilities chart).

2. Rate studies were needed to upgrade enterprise utility systems to a point where users would indeed pay all costs as required by the law.

3. Street sweeper, water truck, grader.

General notes: The county agreed to take over responsibility for the landfill and fire protection and assisted with the airport, thereby relieving the City of significant costs.
1. OIA Technical Assistance Team developed housing strategy study which defined options for solving the Evanston housing crisis.

2. Chevron and Amoco participated in a $15 million housing development, open to the public, which originally was designed to include 409 single and multi-family units. The OIA encouraged "Southridge Park" but Amoco and Chevron chose to develop the project outside of the OIA with their in-house real estate divisions. Though permitting agencies encouraged direct company involvement in the construction of single family housing, most local builders opposed it. In hindsight, it is probably true that the local private market can provide sufficient single family detached housing for most growth situations, though in some isolated cases this may not always be the case. Southridge was never completely built out due to the energy bust which occurred in the years after 1983.

3. Chevron and Amoco provided construction camps for their employees totaling over 3200 single status units. The camps, though controversial, provided nearly as much housing as was available at the time in the entire city of Evanston and kept area housing prices at much lower levels than if the camps were not built.

4. Chevron and Amoco provided 459 mobile home units for their employees and provided financial support to employees living in hotels and other temporary units.

5. The Evanston Housing Authority constructed 56 units of elderly housing.

6. The Evanston Housing Authority constructed 56 units of low cost housing.

7. In hindsight, Evanston feels more building inspectors should have been hired sooner.
Mitigation Programs and Sources of Financing:

**EDUCATION**

---

<table>
<thead>
<tr>
<th>Mitigation Program</th>
<th>OIA</th>
<th>Evanston</th>
<th>Uinta County</th>
<th>State of Wyoming</th>
<th>U.S. Gov't</th>
<th>Future Taxes &amp; User Fees</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchased new buses and temporary classrooms</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$700,000</td>
</tr>
<tr>
<td>Established adult education programs</td>
<td>$10,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$10,000</td>
</tr>
<tr>
<td>New schools constructed, new programs developed, additional teachers hired</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Over $47 million funded, 95 percent from oil and gas development</td>
<td></td>
<td>$47,000,000</td>
</tr>
</tbody>
</table>

General notes: Amoco and Chevron provided $700,000 in early cash grants to Evanston School District #1 to alleviate extreme overcrowding in the High School and to allow purchase of new buses. Beyond these early contributions, the provision of school age children estimates, technical assistance and some smaller contributions, the OIA did not provide significant funds to the School District. The primary reason was that the District encompassed the massive oil and gas developments of eastern Uinta County. Assessed valuation was projected to be nearly $1 billion within a few years, and the bonding capacity of the District would allow financing of school needs. Very simply, the District did not need OIA help and funds could be used more effectively for needs, such as human services, which could not tap the oil and gas tax base early.

New school facilities: North Evanston Elementary School - capacity 550
- Davis Middle School - capacity 850
- Uinta Meadows Elementary School - capacity 775
- Bus Maintenance Facility - 20,000 square feet
- Renovation of old high school - 18,000 square feet of administrative space
- New high school
Mitigation Programs and Sources of Financing:

RECREATION

<table>
<thead>
<tr>
<th>Mitigation Program</th>
<th>OIA</th>
<th>Evanston</th>
<th>Uinta County</th>
<th>State of Wyoming</th>
<th>U.S. Gov't</th>
<th>Future Taxes &amp; User Fees</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constructed recreation center¹</td>
<td>$1,500,000</td>
<td>$2,725,000</td>
<td>$275,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$4,500,000</td>
</tr>
<tr>
<td>Developed softball fields</td>
<td>$50,000</td>
<td>$50,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$100,000</td>
</tr>
<tr>
<td>Formed arts council²</td>
<td>$15,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$15,000</td>
</tr>
<tr>
<td>Developed parks</td>
<td>$40,000</td>
<td>$90,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$130,000</td>
</tr>
<tr>
<td>Formed recreation district³</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1 mill levied by school dist. ($500,000/yr)</td>
</tr>
<tr>
<td>Developed recreation plan as part of city comprehensive plan</td>
<td>$88,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$88,000</td>
</tr>
</tbody>
</table>

1. The recreation center was a 58,000 sq ft facility which included three gymnasiums, six racquetball courts, a swimming pool, a wading pool, hot tubs, a shooting range, dance and community meeting rooms, a weight room, locker rooms and steam rooms. The recreation center was reduced in size over initial proposals, though one more basketball court might also have been cut. The Center, though utilized extremely heavily in boom days, lost usage as population dropped in the post-boom period. A recreation district, formed in 1986 to tap the oil and gas tax base, has maintained adequate funding for the center.

2. Funding the Arts Council was among the most cost efficient expenditures made by the OIA, in terms of the numbers of events held and people served. A completely volunteer group, the Council served more than 50,000 people (including repeat clients), according to OIA estimates, with the initial $15,000 grant.

3. The recreation district was critical to continued funding of the recreation function because it allowed most of the county base to be tapped. However, this was only one of several management improvements initiated with funds from the OIA public/private partnership. Additionally, a recreation advisory board was established. As currently organized five of the nine Board members are appointed by the School Board and the remaining four members are appointed by the City Council.
Mitigation Programs and Sources of Financing:

### HUMAN SERVICES

<table>
<thead>
<tr>
<th>Mitigation Program</th>
<th>OIA</th>
<th>Evanston</th>
<th>Uinta County</th>
<th>State of Wyoming</th>
<th>State of U.S. Gov't</th>
<th>Future Taxes &amp; User Fees</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restructuring of human services organization and on-going technical assistance</td>
<td>$80,470</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$80,470</td>
</tr>
<tr>
<td>Workshops on human services issues</td>
<td>$2,500</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$2,500</td>
</tr>
<tr>
<td>Hired Human Services Coordinator</td>
<td>$50,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$90,000</td>
</tr>
<tr>
<td>Hired counselor and secretary for alcohol rehabilitation</td>
<td>$50,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$90,000</td>
</tr>
<tr>
<td>Hired human services secretary</td>
<td>$14,400</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$34,400</td>
</tr>
<tr>
<td>Developed human services plan</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>In county budget</td>
</tr>
<tr>
<td>Encouraged public discussion of issues</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$15,000</td>
</tr>
<tr>
<td>Constructed safehouse</td>
<td>$80,000</td>
<td>$6,590</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$57,094</td>
</tr>
<tr>
<td>Human services directory published</td>
<td>$3,500</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$3,500</td>
</tr>
<tr>
<td>Hired youth services coordinator</td>
<td>$33,000</td>
<td></td>
<td>In-kind donations</td>
<td>$25,000</td>
<td></td>
<td></td>
<td></td>
<td>$84,000</td>
</tr>
<tr>
<td>Hired youth treatment specialist</td>
<td>$58,500</td>
<td></td>
<td></td>
<td>$35,000/yr. continued funding</td>
<td></td>
<td>$26,000/yr.</td>
<td></td>
<td>$119,500</td>
</tr>
</tbody>
</table>
1. With technical assistance provided by the OIA, a Human Services Community Board, one of only two in Wyoming, was established in Uinta County in March, 1982. The County Commissioner appointed Board provides the County with planning, budgeting and program evaluation for all publicly operated human service agencies in the County. The Human Services Coordinator, a County employee, acts as a staff person to the Board and to the County Commissioners. Agency funding requests are submitted to the Coordinator for review and comment. The Coordinator sends the budget requests to the Community Board along with recommendations regarding funding levels. After reviewing the budgets and meeting with agency heads, the Community Board in conjunction with the Human Services Coordinator develops a final human services budget. This budget is then submitted to the County Commissioners as a single line item. Each agency contracts with the Board to provide services and the Board is responsible for evaluation of the programs. According to local providers, the Community Board has improved communications and cooperation among County agencies, which has resulted in improved program delivery, management practices and planning. County recognition of the importance of human services and County confidence in the Board structure caused the County to raise the status of the Board to the level of a County "Department of Human Services." Uinta County today spends about $500,000 annually on human services.

General Notes: The Community Board established several programs to further meet the objectives as identified by the Community Advisory Committees including the following: A 24-hour hotline for victims of sexual assault and family violence; a Youth Services Board to address youth-related issues; and, two Child Protection Teams to assist with the problems of child abuse.
**Mitigation Programs and Sources of Financing:**

**HEALTH AND HOSPITALS**

<table>
<thead>
<tr>
<th>Mitigation Program</th>
<th>OIA</th>
<th>Evanston</th>
<th>Uinta County</th>
<th>State of Wyoming</th>
<th>U.S. Gov't</th>
<th>Future Taxes &amp; User Fees</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constructed new hospital(^1)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Lutheran Homes &amp; $10,300,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Hospital funds &amp; private donations $10,050,000</td>
</tr>
<tr>
<td>Increased staff, improved programs &amp; equipment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>In hospital budget</td>
</tr>
<tr>
<td>Conducted needs assessment(^2)</td>
<td>$1,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$1,000</td>
</tr>
<tr>
<td>Purchased new ambulance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$37,000</td>
</tr>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$37,000</td>
</tr>
<tr>
<td>Purchased new equipment for hospital</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$100,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$100,000</td>
</tr>
<tr>
<td>Initiated new health programs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>In county budget</td>
</tr>
<tr>
<td>Expanded mental health services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$5,000</td>
</tr>
<tr>
<td>Prepared emergency/disaster plan</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$30,000</td>
</tr>
</tbody>
</table>

1. The Uinta County Hospital was one of the more frustrating issues with which the ICC had to deal. The original hospital was clearly inadequate for local needs, and the ICC and OIA were committed to providing assistance in the construction of a new hospital. However, the hospital was owned and operated by the Lutheran Home and Hospital Society (LHHS), a group which operated independently of County control. As with most proposed capital facilities, the first proposal was for a size too large to be supported by even the most optimistic growth projections. Yet, the ICC could never achieve a compromise with LHHS, as it did with other groups. The ICC did offer to provide a grant of $250,000 to the building fund (far below the $1 million requested), but eventually withdrew an offer for 7% company backed letter-of-credit financing when the Society refused to reduce the size and cost of the facility to supportable levels. Since interest rates were well above 16% at the time, this financing offer would have saved LHHS an estimated $2 million in interest costs over the life of the loan. Eventually, LHHS was forced to sell the facility at a discount because it was sized too large to be supported.

2. The other critical health care problem facing Evanston was a lack of physicians, particularly in the specialties. This was almost an impossibility to solve, primarily because many Evanston residents travelled to medical centers in nearby Salt Lake City for specialist and most non-emergency care. This reduced significantly the economic base for new physicians.
Mitigation Programs and Sources of Financing:

**LAW ENFORCEMENT**

<table>
<thead>
<tr>
<th>Mitigation Program</th>
<th>OIA</th>
<th>Evanston</th>
<th>Uinta County</th>
<th>State of Wyoming</th>
<th>U.S. Gov't</th>
<th>Future Taxes &amp; User Fees</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased Staffing</td>
<td>$65,000</td>
<td>In city budget</td>
<td>In county budget</td>
<td></td>
<td></td>
<td></td>
<td>$100,000</td>
<td>$165,000</td>
</tr>
<tr>
<td>Purchased mobile crime lab</td>
<td>$18,597</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$18,597</td>
</tr>
<tr>
<td>Three police cars/ donation to crime watch program</td>
<td>$24,221</td>
<td>$52,000</td>
<td>$30,000</td>
<td>$30,000</td>
<td></td>
<td></td>
<td></td>
<td>$76,221</td>
</tr>
<tr>
<td>Established communications center</td>
<td>$60,213</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$98,213</td>
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<tr>
<td>Purchased miscellaneous equipment</td>
<td>$500</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$500</td>
</tr>
</tbody>
</table>
Mitigation Programs and Sources of Financing:

COOPERATIVE WILDLIFE PROGRAM

<table>
<thead>
<tr>
<th>Mitigation Program</th>
<th>OIA</th>
<th>Evanston</th>
<th>Uinta County</th>
<th>State of Wyoming</th>
<th>U.S. Gov't</th>
<th>Future Taxes &amp; User Fees</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conducted environ-</td>
<td>$40,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$40,000</td>
</tr>
<tr>
<td>mental awareness</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>training</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provided enforcement assistance</td>
<td>$160,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$160,000</td>
</tr>
<tr>
<td>Conducted wildlife study</td>
<td>$500,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$500,000</td>
</tr>
</tbody>
</table>

General Notes: As described in Chapter IV, through the Environmental Advisory Committee, the OIA agreed to fund a "Cooperative Wildlife Program" (CWP). The CWP had an approved budget of $1 million (although not all of the budget was spent).

Environmental Awareness Training

This was a two-hour course to be given to all oil and gas workers, and to the public. The course was developed under a $40,000 OIA grant by the University of Idaho.

Enforcement Assistance

To fund improved enforcement of wildlife laws in Wyoming, Utah and Idaho, $160,000 was set aside for grants to game and fish departments.

Wildlife Study

This study had a budget of $800,000 and was intended to provide new information about wildlife resources, wildlife habitat and the effects of oil and gas development on both. However, as indicated above, only $500,000 of the original budget of $800,000 was expended for this program.

The CWP was to be developed and managed by a committee composed of:

- One representative of the Wyoming Governor's office;
- One representative of the Utah Governor's office;
- One representative of the Idaho Governor's office;
- Two OIA representatives;
- One member from the Wyoming Wildlife Federation;
One member from Utah Wildlife Federation;

One representative of the BLM; and

One member each from the game and fish departments of Wyoming, Utah and Idaho.

The CMP was to proceed in three phases, the first consisting of the development of the Employee Awareness Training, the funding of enforcement assistance, and a $200,000 literature search to gather in one place and assess the current body of knowledge on Overthrust wildlife resources. The literature search would define the scope and direction of the second stage, which would consist of original research and analysis. In the third phase, the managing committee would use existing and new data to formulate wildlife management recommendations to assist state agencies manage Overthrust impacts.

The study proceeded smoothly through the first phase. The second phase also began smoothly and three research studies were commissioned. However, as the phase two studies were completed and Overthrust development subsided with the oil crash, the Wildlife Federation and other environmentalists seemed to lose interest in the study. Chevron found itself as the lone advocate of continuing the program and, therefore, decided to suggest a compromise end to the CMP. The Chevron proposal was to take $100,000 from the remaining budget and establish an endowment, to be called the "Overthrust Wildlife Trust," which would fund scientific research primarily relating to wildlife habitat improvement projects in the areas impacted by Overthrust oil and gas development. The proposed agreement is included as Appendix K. Due to the inability of the Wildlife Federation to reach internal agreement on the compromise, the document was never signed and the Cooperative Wildlife Program was discontinued.
CHAPTER VI: PERSPECTIVES

The Overthrust boom caused problems. The growth was difficult to manage and local governments in the Evanston area faced tough challenges. Yet, it was a boom, a period of unrivaled economic growth in Evanston. People made money and, through the OIA/local government mitigation program and the tax dollars oil development brought, Uinta County and Evanston were able to undertake an unprecedented revitalization and expansion of facilities and programs. Today, Evanston residents enjoy an indoor recreation center unmatched in the Rocky Mountain Region. The County conducts its business in one of the finest, most aesthetically pleasing, efficient courthouses in the nation. Children attending Evanston schools enjoy state-of-the-art educational facilities. Curricula are innovative and teachers salaries are competitive, thereby attracting talent from throughout the region.

Perhaps most important, the fiscal tightness of the Uinta County Commissioners demanded that all non-school facilities be funded without high interest debt. So Evanston is enjoying these facilities without wondering how the bills will be paid. And that's important, because the oil boom did not last.

In the years since the OIA completed its program, oil prices have plummeted to less than half their 1980 levels. Oil rigs which once saw not a day of down-time, now sit idle throughout the Rocky Mountain West. Evanston's once booming oil and gas service/supply industry has dwindled to less than a third of its 1980 size.

Local residents who once complained about growth, traffic and change, now longingly talk about the exciting days of the early 80's, when business was booming and local citizens pulled together to gain back control of their community and successfully meet the challenges of growth. As the bust has hit Uinta County the boom has taken on an entirely different complexion. What is remembered for the most part is the excitement and challenge of a unique period in Evanston's history.

The OIA, the Community Advisory Committees, the Impact Coordinating Committees and all the parts of the program have been the beneficiaries of this evolving attitude because local residents five years later feel the effort was a success; in fact, a model for how such programs should always be accomplished.

While success is tough to accurately measure, the OIA effort probably is best judged against the goals established by the Community Advisory Committees and against the quality of life indicators which local residents and officials identified in the first OIA interviews.

Goals of the Community Advisory Committees

The specific objectives of the Community Advisory Committees are defined in Appendix I. Generally, the primary objectives identified by these Committees can be summarized by the following four goals:

   Goal 1: Upgrade existing capital facilities and add new facilities to ease overcrowding, improve efficiency and build capacity to serve an increased population.

   Goal 2: Provide increased recreational opportunities and…
Goal 2: Expand local services, particularly those related to human and social service needs, to accommodate the new population.

Goal 3: Improve local management systems and skills to allow more effective management of the community.

Goal 4: Finance capital facilities/services upgrades and expansions in a way which will not place a burden on taxpayers in the event of an oil slowdown.

Many of the programs undertaken with OIA assistance or by local communities as a result of the objectives identified by the Community Advisory Committees or OIA technical assistance, are listed in Table V-1. In January, 1988, Chevron held a series of evaluation sessions in Evanston, asking many of the same individuals who led and participated in the original Committees to evaluate whether their Committee goals had been met. The following points summarize the accomplishments of the OIA mitigation effort and the results of these sessions.

Capital Facilities

The overwhelming consensus of the 1988 sessions was that capital facilities needs had been met and that the final sizes of the facilities (some reduced by the ICC over original requests) were appropriate, with the exception of some oversizing of the recreation center. The following facilities were part of the OIA package:

- County courthouse (renovated and expanded);
- Human services center (new);
- Library (new);
- Recreation center (new);
- Public safety building (new);
- Public works building (new);
- Sewer treatment facility (new);
- Human services safe house (new);
- Day care center (new);
- Senior citizen/low income housing (new);
- Water system improvements; and
- County hospital (new).
Services

Services were expanded dramatically during the OIA period. The OIA public/private partnership assisted and partially funded an expansion of general county services (e.g., building inspection, road maintenance, planning). However, the activities considered most important by session participants, and by many local officials, were those related to human services. Among the human service programs initiated were:

- Hiring of a human services coordinator;
- Establishment of a day care center;
- Expansion of crisis intervention programs and the construction of a safe house;
- Expansion of mental health programs;
- Creation of a Department of Youth Services, hiring of a youth counselor and development of youth programs;
- Expansion of drug programs;
- Expansion of senior citizen programs;
- Expansion of crime prevention activities; and
- Establishment of programs for the developmentally disabled.

Perhaps most important, according to those interviewed, was a complete restructuring of county management of human service delivery (see Chapter V, Table V-I footnotes under the Human Services section for full discussion). This restructuring was initiated by local providers with assistance from the Technical Assistance Team. Session participants considered the creation of a County Department of Human Services governed by a Human Services Board to be the single activity which most increased the responsiveness and cost efficiency of human services delivery in the area.

Management Systems

Technical assistance activities of the OIA allowed a significant general improvement in local government management systems, according to the results of the 1988 sessions. New budget planning and tracking systems were mentioned as highly important. Development of expanded computer capacity also was considered important. User fee and utility (e.g., water) rate analyses were considered essential to ensuring that growth would pay its own way. However, initial technical assistance in determining which new systems would be required for an expanded and more complex population was mentioned as most critical.

One management area in which the participants indicated more emphasis should have been placed was building inspection. In the early days of Overthrust development, residential and commercial construction was booming. A significantly understaffed inspection
department simply could not keep pace. Construction practices which would not slip through the cracks today, were allowed then. According to workshop participants, today Evanston is still bearing the costs of these oversights.

A second area of concern, though not directly stated at the sessions, related to the extensive nature and long duration of the technical assistance program. While the overall program was given high marks and called essential by all, some participants suggested it may have overstepped proper bounds in specific cases and that some programs may have lasted too long.

The primary example offered related to Evanston city management. Initially, the OIA funded a city manager position for Evanston. When the manager later was fired, the OIA provided an interim manager from the Technical Assistance Team. While the individual technical assistant was well respected by local leaders, the close identification of this person with the public/private partnership may have caused friction which would not have been present if an individual had been selected without OIA assistance.

A second example may or may not be valid and relates to the structural changes suggested by the Team, particularly the adoption of a city manager form of government. Evanston tried the structure, but was not comfortable with it, according to session participants. The City switched back to the pre-OIA structure and those interviewed felt it was working well.

Finances

The financing of new and expanded impact programs was considered highly successful by all participants at the 1988 sessions. At its end, the OIA had succeeded in generating more than $15 dollars for every dollar of direct industry grants. Facilities in Evanston and Uinta County were financed without debt and most facilities were sized such that operations and maintenance is affordable under current budgets, even in the face of the oil slowdown.

Structurally, many of the suggestions of the Technical Assistance Team have been implemented. Utility rates and user fees were increased to cover costs. Certain city functions were transferred to the County, where the massive tax base created by oil and gas development could be tapped. Special districts (e.g., recreation) were created also to allow certain city functions to tap the oil and gas tax base. Today, both the city and county are solvent despite nearly a fifty percent decreased in assessed valuation over the past three years.

Quality of Life Indicators

Community size and values

The populations of Evanston and Uinta County have doubled as a result of the boom. Yet, the County population is still small enough for people to know their neighbors. The increased size has brought with it a measure of economic vitality and diversity that has dampened the impacts of the energy bust. However, session
participants had little comment either way about how the new size of their community has affected the quality of life. No one seemed to want the Evanston of the 1960's, and the predominant comment on size related to increased services and facilities and the increased economic opportunity which growth has brought. Participants did say that newcomers during the early growth did not reflect the same values as long time residents and this was viewed as a negative. As the boom diminished, however, so apparently did this problem.

Some environmentalists and wildlife conservationists expressed concern about the increased use for formerly wild lands, but none could cite specific decreases in the amount of wildlife as the result of increased population or industrial development. Overall, Evanston seems to have grown accustomed, if not totally adjusted, to its new size.

**Comfort**

Evanston has become once again "comfortable" according to session participants. Those remembering back to boom days cite an uneasiness about the town during the height of oil growth. Yet, surprisingly, the objectivity which time brings has generated questions as to whether this uneasiness was a negative or a simply a reflection of the excitement of the times. Since 1984, crime has diminished in severity and frequency. These symptoms of the boom, which were clearly negative, apparently have not left long lasting scars. A better equipped, better financed police department and expanded human services, both a response to problems during the boom, have served the community well in recent, more normal times.

Another comfort factor, feeling in control of their own destiny, has actually benefited from the boom, according to session participants. Local residents are very proud of what they accomplished during the boom. They are proud of their community and its facilities, services and management systems. Others said they had visited or read about other boom communities in the West and felt these communities had not accomplished as much.

Many considered the Community Advisory Committee meetings as the turning point in local attitudes. "The [advisory committee] meetings gave us the confidence and tools to take on the boom," said one resident. "We pulled together and turned problems to challenges and challenges to opportunities." Community response to the boom, the financing packages which left debt manageable and a community spirit during the bust appear to have left Evanston feeling it can handle whatever comes along.

**Economic well being**

Economic well being was always an important issue but the bust of the mid-80's has heightened Evanston's appreciation of economics as a contributor to the quality of life. Even in the bust, the local economy is significantly stronger as a result of the boom. However, a major negative of the boom/bust was that many local businessmen were treated to a windfall economic opportunity only to see it disappear as quickly as it appeared. This has caused discontent and unhappiness and in some cases has left local businesses worse off than if the boom had not occurred. The OIA did try to minimize this
problem by providing more pessimistic projections at the height of the boom and warning about a bust. Training sessions in boom management for small businesses were provided and a downtown revitalization consultant was part of the Technical Assistance Team. But all these activities could not fully shield many local businesses.

Opportunity for the young

The boom, local efforts at revitalizing the downtown, diminished but continuing oil and gas activity and the strengthening of Evanston's role as a regional trade center have all provided additional economic opportunity for the youth of Uinta County. However, the local economy is still not large enough to provide a level of opportunity acceptable to area residents.

Environmental quality

Whenever there is industrial development, environmental quality will suffer. The key is to keep impacts temporary and/or at an absolute minimum. Some session participants and others are concerned that once uninhabited areas are now used by more people. Yet, few point to specific long lasting problems except where a particular area they might have used for hunting or other outdoor recreation has been disturbed. Most feel the environmental protection efforts of industry and the OIA were adequate or good. Several were concerned about the outcome of Cooperative Wildlife Program, considered a model in itself. However, all felt the OIA had followed through and that the collapse of the Wildlife Program was out of its hands.

Recreation opportunities

Recreation opportunities were enhanced by the boom. Wilderness opportunities have always been significant. The boom did not change that. Where most residents feel the improvement came was in indoor recreation and park/ballfield opportunities. Most feel that one of the most significant contributions the OIA made was the construction of the Evanston Recreation Center. "The rec center gave those of us who do not ski or are not brave enough to jog in -20 degree weather the opportunity for physical exercise and recreation during our long winter," said one interviewee. "We feel recreational opportunities have increased significantly."

Facilities/Services

Increased revenues, the OIA programs, better management techniques and more enlightened attitudes on the part of local residents and local governments have all led to vastly improved local facilities and services. Human service expenditures increased from $2.50 per resident in 1978 to more than $25 dollars per resident in 1986. New recreation facilities, greater recreation expenditures, a new sewer treatment plant, new library, new courthouse, new water treatment capacity, several new schools, increased school spending, improved educational opportunity, new public safety facilities, better training for local police, more innovative public safety programs and many other general improvements in local facilities and services have left Evanston and Uinta County able to serve current residents and future populations far better than before the boom.
Perspectives

Were the programs of the OIA and local governments able to let local residents turn challenges to opportunities? That question will be debated far into the future. However, by the most important measures of all (local pride, local perceptions of the post boom quality of life and government sensitivity to the human needs of its constituents) Evanston and Uinta County with the help of a unique public/private partnership with the oil and gas industry seem to have accomplished just that.

The failures, fortunately, seem to have been more than balanced by the successes of the OIA. Most importantly, what failures did occur appear to have resulted from a strong desire to assist in making Evanston the model for boomtown management.

What would the OIA have done the same what might have been done differently? Below are some examples:

- The OIA should have begun earlier, though accomplishing an earlier start would have been difficult at the time. A more compressed study period may have been possible, though at most three months could have been gained. New models and impact management systems needed to be developed, this simply required time. Some have suggested a regulatory approach might have hastened aid. However, this is probably not correct simply because the companies did not know their own plans much before the OIA was formed. About the most a regulatory approach could have achieved would have been to significantly increase project costs and delay a minor part of the growth until permits were prepared. Yet, the growth which would have been delayed (e.g., plant construction work forces) was not the primary problem for the area because many people came to the area when the plants were announced, not when construction began. Earlier technical assistance and earlier funding for positions such as building inspectors would have helped.

- The highly qualified Technical Assistance Team was key to the OIA success. That should be repeated, though the duration of such a team perhaps should be limited. In the case of the OIA, the Team probably accomplished its most effective work in the first year after formation. The OIA Team was together more than two years.

- Encouraging public participation in the development of the mitigation program was critical, though highly controversial at the time. Whether a system such as the community advisory committees should be used again, however, is something which should be determined on a case-by-case basis. This approach is most effective in politically tense situations where local government leaders are fiscally conservative and responsible and where local officials and residents are genuinely interested in solving impacts so that growth can move forward. This approach would not be effective in a no-growth area.

- The extensive communications program of the OIA also was critical to the success of the public/private partnership and to the building of public pride in the process. It should be repeated.
Could the OIA be duplicated in other areas of rapid oil and gas development? The answer depends on the situation. Certain unique circumstances in the OIA situation contributed heavily to its success:

- Responsible, innovative local officials whose "political agendas" were primarily the best interests of the community.

- Progressive company officials who were willing to try new solutions and to work in a somewhat unstructured situation, where success depended upon not assessing blame or adhering to rigid policies.

- Responsible community organizations who avoided "wish lists" and were willing to compromise.

- A good combination of consultants and technical assistants.

- The extreme flexibility of the State of Wyoming in its impact financing programs and in its general approach to cooperation with local communities. Closely associated was the general willingness to fully support nearly all ICC decisions.

- A boom period in which corporate managements as well as host states and local governments were not hesitant to commit to the expenditures necessary to insure program success.

- A good "chemistry" among all the participants, whether from the public or private sectors, and a lack of any egos so dominant as to prevent common decisions. This factor was the key element in development of the trust which allowed the public/private partnership to work. Unfortunately, finding this element in any group activity as large as the OIA partnership is rare.

One objective of compiling the OIA History and Case Study is to make it available as a reference for other communities, businesses, governmental entities and organizations that may face major socioeconomic impacts from some future development activity. While it is improbable that there will be another development that would be a mirror of the Overthrust case, the OIA experience can nevertheless be of value. For example, the OIA process could be modified and used as a guide with less implementation time. Further, the OIA lessons could be of benefit in similar situations. Perhaps the primary lesson to be learned from the OIA experience is that when creativity, trust, and a desire to solve, not simply debate problems, is present among the participants the chances for success are greatly enhanced.
Selected References


CERTIFICATE OF INCORPORATION
OF
OVERTHRUST INDUSTRIAL ASSOCIATION, INC.

The undersigned natural persons, being more than 21 years of age and otherwise duly qualified, recognizing the need for joint community and industry action to deal with social, economic and other problems facing governmental entities in the Overthrust Area in the coming years, hereby establish a corporation pursuant to the laws of Wyoming governing non-profit corporations.

FIRST: The name of the corporation is Overthrust Industrial Association, Inc.

SECOND: The corporation shall have perpetual existence.

THIRD: (a) The general purpose for which the corporation is formed and incorporated is to assist government in its responsibility to maintain the social welfare and the quality of life in the Overthrust Belt. For purposes of this Certificate, the Overthrust Belt shall include Unita and Lincoln Counties in Wyoming, Rich and Summit Counties in Utah and such other areas as the Board of Directors may from time to time determine. Specific purposes include assisting in planning for and securing funding for the erection and maintenance of public buildings and payment of public expenses until increased tax revenues from industrial development are such purposes shall be carried out as deemed ap-
propriate by the Board of Directors to assist the subject governmental units in meeting interim demands for increased public services arising from unusual economic growth and development. Other purposes include advising and assisting local governmental units, informing and educating the public, performing studies and making evaluations, obtaining funds, lending, granting or otherwise making available such funds for the foregoing purposes and establishing other corporations or organizations to assist in such purposes.

(b) In carrying out the above purposes, the corporation shall have those powers expressly provided by law and particularly in Section 17-6-103, Wyoming Statutes, as now existing and as hereafter amended (except the power to borrow money and issue notes, bonds or other obligations) and the power to do all things properly incidental to such purposes, and in addition thereto shall have the following express powers:

(i) To receive gifts, bequests or other conveyances of any property, real, personal or mixed; to sell, convey and dispose of the same; to encumber such property when deemed necessary; and to use the proceeds thereof as may be determined by the Board of Directors.

(ii) To lend money for its corporate purposes, invest and reinvest its funds, and take and hold real and personal property as security for the payment of funds sold or invested, including the right to invest and
reinvest its funds in shares of stock of other corporations if the investment is authorized by law.

(c) No part of the net earnings of the corporation shall inure to the benefit of or be distributable to its members, trustees, directors or officers. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provisions of these Articles, the corporation shall not carry on any other activities not permitted to be carried on (i) by a corporation exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code of 1954 as amended (or the corresponding provisions of any future United States Internal Revenue law); or (ii) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1954 as amended (or the corresponding provisions of any future United States Internal Revenue law).

FOURTH: (a) The internal affairs of the corporation shall be governed by Bylaws which shall be adopted by the directors of the corporation and which may from time to time be amended by the Board of Directors.

(b) The Board of Directors shall have full power to conduct the internal affairs of the corporation including the authority to amend this Certificate of Incorporation.
ration. The Board of Directors shall further have the power to admit members, establish terms and qualifications for members and establish dues to be paid by members.

(c) The corporation may have such members as the Board of Directors may from time to time admit. Each member shall have one vote for the purpose of electing directors except as otherwise limited or expanded by the By-laws of the corporation. Without limiting the foregoing, the By-laws may allocate additional votes to members in proportion to the aggregate contributions made to the corporation by such members.

FIFTH: The corporation, in addition to other powers, may enter into agreements with any person, partnership, firm, corporation or institution, public or private, relating to the physical plants (including real property or any interest therein) and appurtenant or necessary incidentals and improvements of the Overthrust Belt.

SIXTH: Upon the dissolution of the corporation, the Board of Directors shall, after paying or making provision for the payment of all the liabilities of the corporation, dispose of all the assets of the corporation exclusively for the purposes of the corporation, or distribute such assets to such other organization or organizations organized and operated exclusively for charitable, educational, religious, scientific or such other purposes as shall at that time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1954 as
amended (or the corresponding provisions of any future United States Internal Revenue law). Any such assets not so disposed of may be disposed of by a court of general jurisdiction over the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations as such court shall determine in accordance with the intent of the foregoing.

SEVENTH: The address of the initial registered office and the name of the initial registered agent of the corporation at such address shall be as follows: C T Corporation System, 1720 Carey Avenue, Cheyenne, Wyoming 82001.

EIGHTH: The corporation shall have not less than three nor more than nine directors, the initial number of directors of the corporation shall be three and the names and addresses of the initial directors shall be the following:

A.M. Roney
8 Cottonwood Lane
Littleton, Colorado 80121

Robert L. Gordon
620 Ironwood Street
Green River, Wyoming 82935

Owen F. Murphy
480 South Marion Parkway
Denver, Colorado 80209

NINTH: The corporation shall have no authority to issue capital stock of any kind.

TENTH: The name and address of the incorporator is:

A.M. Roney
8 Cottonwood Lane
Littleton, Colorado 80121
IN TESTIMONY WHEREOF, I have hereunto set my hand this ___ day of June, 1980.

[Signature]

A.M. Roney

STATE OF COLORADO
    } ss.
CITY AND COUNTY OF DENVER
    }

I do hereby certify that A.M. Roney, who is personally known to me to be the same person described herein, and who executed the foregoing Certificate of Incorporation, personally appeared before me this day and acknowledged that he signed, sealed and delivered the same as his free and voluntary act and deed.

Witness my hand and official seal this 25th day of June, 1980.

My commission expires: [Signature]

Notary Public
AMENDED BYLAWS
OF
OVERTHRUST INDUSTRIAL ASSOCIATION, INC.

ARTICLE I

Offices

The principal office of the corporation shall be located in Uinta County, Wyoming. The corporation may have such other offices, either within or outside Wyoming, as the board of directors may designate or as the business of the corporation may require from time to time.

ARTICLE II

Members

Section 1. Membership. A Member shall be a corporation validly organized and existing under the laws of its domicile state, territory or country and elected to Membership by the board of directors based on the criteria which the board of directors may establish from time to time, specifically including the proposed Member's ability to provide financial or other valued assistance to further the purposes of the corporation.

Section 2. Voting. Members shall have voting rights and such voting rights shall be limited to the election of directors and such other matters as may be required under Wyoming law. Each Member shall have at least one vote on all voting matters and such additional votes as the board of directors may allocate from time to time.

Section 3. Resignation and Removals. A Member may resign at any time by giving written notice to the board of directors of the corporation. The board of directors may remove from membership any Member when in its sole discretion it believes such removal would be in the best interests of the corporation.
ARTICLE III

Members Meetings

Section 1. Annual Meetings. The annual meeting of the Members shall be held in the afternoon on the first Tuesday of the month of March in each year, beginning with the year 1981, for the purpose of electing directors and for the trans- action of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holi- day, such meeting shall be held on the next succeeding business day. If the election of directors shall not be held on the day designated herein for any annual meeting of the Members, or at any adjournment thereof, the board of directors shall cause the election to be held at a special meeting of the Members as soon thereafter as conveniently may be.

Section 2. Special Meetings. Special meetings of the Members for any permitted purposes, unless otherwise prescribed by statute, may be called by the president or by the board of directors and shall be called by the president at the request of the holders of at least 10 percent of the Members' votes.

Section 3. Place of Meeting. The board of directors may designate any place within or outside Wyoming as the place for any annual meeting or for any special meeting called by the board of directors. If no designation is made, the place of the meeting shall be the registered office of the corporation in Wyoming.

Section 4. Notice of Meeting. Written or printed notice stating the place, day and hour of the meeting, and in case of a special meeting, the purposes for which the meeting is called, shall be delivered not less than ten nor more than fifty days before the date of the meeting, either personally or by mail, by or at the direction of the president, or the secre- tary, or the officer or persons calling the meeting, to each Member. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the Mem- ber at its address as it appears on the books of the corpora- tion, with postage thereon prepaid.

Section 5. Quorum. The presence at the meeting, in person or by proxy, of the holders of a majority of the Mem- bers' votes shall constitute a quorum. If less than a majority are so represented, the vote of the holders of a majority of the Members' votes so represented may adjourn the meeting from time to time without further notice. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meet- ing as originally notified. The Members present at a duly or-
ganized meeting may continue to transact business until ad-
journment, notwithstanding the withdrawal of enough Members to
leave less than a quorum.

If a quorum is present, the affirmative vote of the
holders of a majority of the Members' votes represented at the
meeting and entitled to vote on the subject matter shall be the
act of the Members, unless the vote of a greater number or vot-
ning by classes is required by law or the articles of incorpora-
tion.

Section 6. Proxies. At all meetings of Members, a
Member entitled to vote may vote by proxy executed in writing
by the Member or its duly authorized attorney-in-fact. Such
proxy shall be filed with the secretary of the corporation be-
fore or at the time of the meeting. No proxy shall be valid
after eleven months from the date of its execution, unless
otherwise provided in the proxy.

Section 7. Informal Action by Members. Any action
required to be taken at a meeting of the Members, or any other
action which may be taken at a meeting of the Members, may be
taken without a meeting if a consent in writing, setting forth
the action so taken, shall be signed by all of the Members en-
titled to vote with respect to the subject matter thereof.
Such consent shall have the same force and effect as a unani-
ous vote of the Members and may be stated as such in any arti-
cles or document filed with the Secretary of State of Wyoming
under the Wyoming Nonprofit Corporation Act.

ARTICLE IV

Assessments

The corporation shall have no authority to assess Mem-
ers or to require any Member to make any other payment except
with the prior written consent of all Members.

ARTICLE V

Board of Directors

Section 1. General Powers. The business and affairs
of the corporation shall be managed by its board of directors,
except as otherwise provided in the Wyoming Nonprofit Corpora-
tion Act or the articles of incorporation. The board of direc-
tors shall specifically have the authority to amend these by-
laws and amend the articles of incorporation without any vote or
other action by any of the Members, except that no amendment to
Article IV of these bylaws shall be effective unless all Mem-
ers consent to such amendment. The board shall further
the Board of Directors. All community financing programs arranged by the OIA shall be suggested, developed and implemented through the appropriate ICC.

Section 3. Composition. The composition of each ICC shall be composed of those individuals who will provide the most beneficial public, governmental and private involvement to further the purpose of the corporation. The composition of ICCs shall, unless otherwise directed by the Board of Directors, be as follows:

| Number | County Commissioners | 3 |
|        | Mayors of Affected Cities | 1 or more (variable) |
|        | State Planning Coordinator | 1 |
|        | Federal Government | 1 |
|        | Industry | 2 |

Section 4. Implementation. After the mitigation plans and programs have been funded, each ICC shall implement those portions of the plans and programs for which it is responsible, and evaluate the funding progress.

Section 5. Termination. Each ICC shall be terminated after the mitigation plans and programs have been completed and the Board of Directors determines that there is no further need for the existence of such ICC.

I, the undersigned secretary of Overthrust Industrial Association, Inc., hereby certify that these are the Bylaws of such association as adopted and in effect on July ____ , 1980 and as amended effective June 7, 1982.

Secretary
OIA MEMBERSHIP

Amoco Production Company
Anderson/Myers Drilling Company
Anschutz
NL Industries
  NL Acme Tool
  NL Atlas Bradford
  NL Baroid
  NL McCullough
  NL Shaffer
  NL Sperry-Sun
  NL Treating Chemicals
  NL Well Service
Bethlehem Steel
Bovaird Supply
Brinkerhoff/Signal
Burns Drilling
Champlin Petroleum
  (Now called Union Pacific Resources)
Chevron U.S.A. Inc.
Cities Service Company
Dowell, Division of Dow Chemical U.S.A.
Dresser Industries
El Paso Natural Gas Company
Exeter
Exxon
Flint Engineering
Fluids Control
Getty Oil
Halliburton
Wellex
IMCO Services
Halliburton Services
Otis Engineering
B.J. Hughes
InterNorth
  Northern Liquid Fuels Co.
  Northern Natural Gas Co.
  Northern Natural Resources Co.
R.L. Manning
Mapco Pipeline
Mitchem Inc.
Mountain Fuel Supply
Natural Gas Pipeline of America
Noble Drilling Corporation
Northwest Pipeline Corporation
Oil Field/Leed Rental
Overthrust Gas Products Venture
Parker Drilling Company
R & A Testing
Schlumberger
Vierson & Cochran
Wilson Supply Company
Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code.

We have further determined that you are not a private foundation within the meaning of section 509(a) of the Code, because you are an organization described in section 509(a)(1) and 170(b)(1)(A)(vi).

If your sources of support, or your purposes, character, or method of operation change, please let your key district know so that office can consider the effect of the change on your exempt status and foundation status. Also, you should inform your key District Director of all changes in your name or address.

Generally, you are not liable for social security (FICA) taxes unless you file a waiver of exemption certificate as provided in the Federal Insurance Contributions Act. If you have paid FICA taxes without filing the waiver, you should contact your key District Director. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Since you are not a private foundation, you are not subject to the excise taxes under Chapter 42 of the Code. However, you are not automatically exempt from other Federal excise taxes. If you have questions about excise, employment, or other Federal taxes, contact any Internal Revenue Service office.

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

The box checked in the heading of this letter shows whether you must file Form 990, Return of Organization Exempt from Income Tax. If Yes is checked, you
You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T. In this letter, we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

We are informing your key District Director of this action. Because this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,

[Signature]

J.E. Griffith
Chief, Rulings Section
Exempt Organizations Technical Branch

Form M-4280 (Rev. 5-77)
Gas treatment companies announce

‘Overthrust Industrial Association’

The formation of the “Overthrust Industrial Association” was announced this week by representatives of Amoco Production Co., Chevron U.S.A. Inc., and Champlin Petroleum Company. The Certificate of Incorporation, which was filed June 24 with the Wyoming Secretary of State, lists among the purposes of the Association:
- to assist government in the responsibility to maintain the quality of life in the Overthrust area;
- to assist local communities in planning for energy-related growth before increased tax revenues from industrial development are realized;
- to assist governmental units in meeting interim demands for increased public services arising from unusual economic growth and development;
- to inform and educate the public (about development in the Overthrust Belt); and
- to perform studies and make evaluations.

Initially, the Overthrust Industrial Association will be governed by a three-member board of directors: George J. Ross, Division Operations Superintendent, Amoco Production Company; Owen F. Murphy, Public Affairs Manager, Chevron U.S.A. Inc.; and Robert L. Gordon, Employee Relations District Representative, Champlin Petroleum Co.

Membership in the Association will be open to all businesses impacting the Overthrust area and willing to participate actively in the mitigation of socio-economic issues.

In announcing the formation of the Association, Owen Murphy of Chevron underscored the unique nature of the organization, “The Overthrust Industrial Association is intended to serve as a model of cooperation between industry and the community to solve the problems related to rapid economic and population growth.”

Robert Bial, Western Area Director, Amoco Public and Government Affairs, stated that, “The Overthrust Industrial Association will not be merely a funding organization...we want to be good neighbors and of benefit to the community by providing expertise and resources to solve the underlying problems related to growth...to insure that the Evanston and other area communities of the 80’s will be as desirable as the Evanston of past years.”

Gordon of Champlin indicated that the association will not be a permanent organization, “Our role is that of catalyst, providing assistance as growth occurs and as the tax base of the community develops.”

Amoco, Chevron and Champlin, all major oil developers in the Overthrust Belt, will be investing more than one-half billion dollars ($500,000,000) on plant construction alone over the next five years. The companies are constructing major gas processing facilities at Whitney Canyon and Carter Creek in Uinta County, Wyoming.
Oil companies join to aid Overthrust communities

Evanston, Wyo. — Amoco Production Co. and Champlin Petroleum Co. spearheaded an Overthrust Industrial Association here Thursday to assist the communities of the oil-impacted Overthrust Belt in dealing with the effects of a rapidly growing population.

Chevron USA Inc. is expected to join the association upon approval of the company's directors. Approval is expected soon.

Although the immediate intent of the association is to deal with the intense socio-economic impact that the Overthrust discoveries have dealt Evanston, officials said communities in Uinta and Lincoln counties, Wyoming, and Summit and Rich counties, Utah, will also receive attention.

The wheels have been set in motion, but it will take some time before the association is completely organized to where it can operate efficiently, explained Robert B. Bizal, western area director of public and government affairs for Amoco. "The board of directors will immediately solicit input from the officials of impacted communities and react accordingly," he said.

Initial directors are: A. Murray Roney, production manager, Amoco; Owen F. Murphy, public affairs manager, Chevron, and Robert L. Gordon, employee relations district representative, Champlin.

The initial amount which these companies will contribute toward the association has not been set. Bizal said he thinks it will be in the neighborhood of $200,000.

Bizal said the Denver Research Group, Charles McLean and Jeff Thatcher, principals, are the consultants who will be assisting in the organization and implementation of the project.

"We are all aware that there have been significant oil discoveries in the Overthrust Belt and drilling activity is expected to continue for some time. The companies will invest more than $500 million in gas processing facilities alone," Bizal commented.

"Amoco's Whitney Canyon gas processing facility, which now is under construction 22 miles north of Evanston, will treat more than 250 million cubic feet per day of sour gas. It is known as natural gas. The Chevron facility, located at Carter Creek, will have a processing capacity of 150 million cubic feet per day.

"All of this means growth and economic prosperity for Evanston and surrounding communities in Wyoming and Utah. The people of Amoco, Chevron and Champlin understand that the benefits of economic prosperity can be balanced by the problems of rapid population growth.

"For many, growth means a secure job, a more stable financial future, and a better lifestyle. For others, particularly long-time residents, growth can be an intrusion on a lifestyle based upon..."
Owen F. Murphy, Robert L. Gordon and Robert B. Bizal display the logo of their oil-companies' association.

A love of solitude, a slow pace of living, and the beauty of this rugged frontier.

"We recognize our responsibility to those who wish to maintain the historical quality of life in this area, just as we recognize our responsibility to find and produce oil and gas for this energy-starved nation.

"We think both of these needs can be satisfied by a carefully planned, innovative program joining the resources of industry with the talents of the local communities to manage projected growth," Bizal said.

Bizal pointed out that the companies are taking a step not required by state or federal statute. "But we believe this step is our responsibility to our host communities. We hope this association and the activities it will undertake in the coming months will set an example for companies and communities throughout the nation who may be faced with large-scale industrial development."

"Bizal emphasized that this was not a "closed association" to Amoco, Chevron, and Champlin. "We hope others involved in Overthrust exploration and development will join us. We encourage it. But each member will be required to commit resources, monetary or in-kind, to the association, and, therefore, to the communities."

Bizal said the general purpose of the association is to assist local communities in maintaining the good quality of life which now exists.

The association's certificate of incorporation, filed last Friday with the Wyoming Secretary of State, lists these goals among the purposes:

- To assist local communities in planning for energy-related growth until increased tax revenues from industrial development are realized.
- To help government units meet interim demands for increased public services arising from unusual growth and development.
- To inform and educate the public about the development of the Overthrust Belt.
- To perform studies and collect data necessary for the community to make informed decisions about its future.

"It is important that we emphasize what the association will NOT do," said Bizal. "It will NOT tell local communities what to do. It will NOT be a source of unlimited, no-strings-attached money.

"We will seek the advice of local leaders and the general public. We will assist the community to identify resources available to help meet growth-related needs. We will establish a vehicle for cooperative action between energy companies and the local leaders and the general public to prevent and solve problems."

Bizal said, within the next three months, the association will open an office, probably in Evanston. We will begin a search for an executive director — one equipped to deal with the problems at hand. We will discuss the association and its long-term objectives with residents of the area communities. We will gather data to determine the impact of energy development and to find the means to mitigate this impact.

"Phase two will be to initiate the long-term activities of this association. The nature of these activities will depend upon local input and the data we gather during the next 90 days."

"The association will not exist forever. Our role is that of a catalyst, providing assistance as growth occurs and as the tax base of these communities develop. As these towns grow, so will their experience and ability to plan for and handle further growth. When this happens, our role will end."
3 Overthrust Firms Set Up Association

By PEGGY STRAIN
Denver Post Environment Writer

Three major oil developers have formed the Overthrust Industrial Association, a non-profit corporation founded to assist the communities undergoing rapid growth because of oil and gas development in the Overthrust Belt.

The oil firms, the Amoco Production Co., Chevron U.S.A., and the Champlin Petroleum Co., believe the association will become a model of industrial and community cooperation in solving the social and economic problems confronting towns such as Evanston, Wyo.

Because of rapid growth from oil and gas development, Evanston, the hub of Overthrust Belt growth, is facing massive problems. The town's growth rate is out of control, and millions of dollars are needed for capital improvements in the southwestern Wyoming town. Increased crime and mental health problems are among the social problems that have surfaced.

THE FORMATION of the association was announced Thursday at a news conference in Evanston by the companies, which earlier had been criticized sharply by officials and Wyoming residents for doing too little to assist the town with the growth problems the companies had helped create.

Robert Bival, western-area director of Amoco's public and government affairs, said the association won't merely be a source of funds. "We want to be good neighbors and of benefit to the community by providing expertise and resources to solve the underlying problems related to growth... to insure that the Evanston of the 80's will be as desirable as the Evanston of past years."

The companies said the association is intended to have the following responsibilities:

- To aid government in maintaining quality of life in the Overthrust Belt and help government meet demands for increased public services from rapid growth.
- To assist local communities in planning for energy-related growth before they obtain increased tax revenues because of industrial development.
- To inform and educate the public about Overthrust Belt development and perform studies and make evaluations.

The Overthrust Belt is an oil and gas-rich geologic formation 40 to 60 miles wide that runs through several western states from Canada to Mexico. The area contains millions of barrels of oil and trillions of cubic feet of natural gas and is important to the nation's effort to decrease its dependence on foreign oil.

The association will be governed by a board of directors from the three companies, which are investing more than one-half billion dollars on the construction of gas processing plants in southwestern Wyoming. Within the next three months, the association will open an office in the area and hire an executive director.
OIL & GAS DEVELOPMENT SIMULATION MODEL

INTRODUCTION

The OIA model projects key socioeconomic impacts of oil and gas development. The model is regional, cumulative and long-range. It is regional in that it reflects oil and gas resources in six counties and three states. It is cumulative in that it reflects the impacts of operators, contractors and sub-contractors in plant construction and operation, development and exploratory drilling, seismic survey, and four categories of oil and gas services. It is long-range in that it reflects not only currently-proposed projects, but also the development required to extract current estimates of potential discovered reserves and a scenario of future reserves.

DATA BASE

Oil and gas development in the Overthrust Belt is distinct from development in other parts of the country and from previous development in this part of the country. Part of the OIA model has involved the assembly of a data base on the specific characteristics of oil and gas development in the 6-county area and in its various resource fields and field groups. The resource subareas in the six counties are shown in Figure 3.2-A.

The system is developed through review and interpretation of Petroleum Information reports on drilling, production and leasing, and through review of the resulting data with industry officials. From this is assembled a "development history" of each well under development in the monitoring area and a "production history" of each producing well.

Given the data base for each well in development or production, it is then possible to analyze the data to yield information on the specific characteristics of oil and gas development and production in the monitoring area, e.g.:

- Well development activity at selected points in time;
- Well development time requirements;
- Drilling success rates;
- Average production rates.
The analyses feed into various aspects of the model (e.g., the development simulation and employment models). The key application, however, is in the identification of relationships between the oil and gas development in the field and employment in oil and gas service industries (well site preparation, drilling services, completion services, production services). These relationships require associations between drill service employment and wells being drilled, or between production service employment and wells in production -- relationships which will change as resource fields mature.

The system incorporated the following information:

- A survey of plant managers of over 60 oil and gas service firms regarding their current employment, the specific nature of their services, and the relationship of their services to current well site preparation, well development, well completion, and well production in the 6-county monitoring area.

- A survey of key staff persons in over 50 firms to determine their current employment, the location of current work (as distinct from the location of the firm offices), and the household characteristics and place of residence of current employees.

- Discussions with numerous industry officials regarding current proposals for development of gas processing plants, pipelines, field gathering systems, and other facilities such as nitrogen injection and gas dehydration plants. The discussions covered the capacity of the contemplated facilities, the likely location, the construction schedule, various contingencies and other relevant data.

- Discussions with numerous industry officials regarding the nature of oil and gas development -- e.g., the likely rates of resource recovery of the resource from various geological formations in the 6-county monitoring area, the minimum economic size and typical service areas of various types of gas processing facilities, the mix of gas, oil and liquids likely to be recovered from various resource fields, etc.

- Analysis results from the monitoring data base regarding average well development time requirements, success rates, and production rates.
- A monitoring of the current population by community in Lincoln and Uinta Counties, which estimated local populations as of June, 1982, in standard housing types. This was conducted by the Lincoln-Uinta Association of Governments (LUAG) staff and is programmed to occur at least on an annual basis using new building permits as the basis for the estimate.

- Information on the size of various residential communities within commuting distance of the 6-county monitoring area, the capacities of their public systems, and their distance from each current and potential area of oil and gas development.

OIL & GAS EMPLOYMENT

There are good reasons why reliable estimates of future oil and gas basic employment have proved difficult for state and local agencies to obtain:

- The industry is complex and fragmented, involving many oil and gas companies, numerous drill companies, and pipeline developers and operators, contractors for special facilities such as gas plants and sulfur pipelines and terminals, and scores of firms providing various supplies and services essential to oil and gas development.

- Inherent in the oil and gas industry is a high degree of uncertainty. Wells may or may not be productive, may produce various combinations of oil and gas in various quantities, and may or may not maintain their initial level of production. The gas may be sweet or sour (sour gas containing varying concentrations of hydrogen sulfide), and may yield various types and quantities of natural gas liquids.

- Drilling uncertainties are enveloped by another set of uncertainties. The total "discovered potential reserve" may change, and in fact, has been revised upward several times in recent years. The portion of the total resource which may be recovered has not been determined by experience or geological analysis. This portion may depend on the degree to which "enhanced recovery" techniques are employed in the Overthrust Belt.
Those close to the oil and gas industry understand its uncertainties, complexities and fragmentation. However, these may be difficult for a person whose energy development experience is mainly coal or trona to fully comprehend.

- A coal resource developer, for example, can identify the amount and character of the resource, and the amount that can be extracted with a given investment of capital and manpower.

Such estimates are much less certain in the case of oil and gas, even with today's more sophisticated seismic surveys and analyses.

- Most of the basic employment associated with a coal resource development is hired and managed by a single major investor.

In the case of oil and gas, basic employment is spread among several major and minor operators, a constantly changing list of drilling and seismic survey contractors, and scores of oil and gas service firms, many with no more than 5 or 10 employees.

- A coal resource development has a rather clearly defined transition between a construction phase and an operations phase.

Oil and gas development involves several activities, each of which is sequenced over time in loose relationship to one other, making the resulting phasing of construction to operation particularly complex.

The oil and gas development simulation model is an assembly of insights of industry officials regarding the basic constraints and relationships among potential discovered reserves, gas processing plants, other plants and facilities, development and exploratory drilling, well completions, and producing wells.

The simulation model is "driven" by estimates of potential discovered reserves -- current estimates (by field or field group) and a reasonable scenario regarding the effects of seismic and exploratory well development in expanding current estimates. The current estimates for the 6-county monitoring area are 25 trillion cubic feet of
gas and 1.4 billion barrels of oil. Of the 25 trillion cubic feet of gas, 15 trillion are in the Overthrust Belt, the remainder in the Moxa Arch formation, which extends from southwestern Sublette County south along the boundary of Sweetwater County with Lincoln and Uinta Counties. Of the 15 trillion cubic feet of gas in the Overthrust Belt, 8 trillion are currently estimated to be sour gas. The current scenario for 1985 is that seismic and exploratory well development will have expanded current estimates from 25 to 29 trillion cubic feet of gas in the 6-county study area.

All of the above estimates are subject to revision based on industry review. Given revised estimates of current reserves, or a revised scenario regarding future reserves, the simulation model can be rerun, yielding revised projections of future employment, population, and tax base.

Given estimates of reserves, the oil and gas simulation model estimates the oil and gas development necessary to accomplish the recovery, processing and transportation to interstate markets. This development includes:

- Gas processing plants;
- Other plants (e.g., nitrogen injection, gas dehydration);
- Sulfur transportation and terminals;
- Field gathering system;
- Interstate pipelines;
- Development well drilling (and subsequent infill well development);
- Well completions; and
- An expanding inventory of producing wells.

While space does not permit an exhaustive listing, key oil and gas developments presently incorporated into the simulation model are listed in Appendix A. These developments reflect industry's development intentions and schedules, as of October, 1982. The developments are subject to revision in scale, location, or scheduling, based on further industry exploration, detailed planning and economic evaluation. As more definitive proposals become available, the simulation model can be rerun, yielding revised projections of future employment, population, and local tax base. This is an industry or state government decision dependent on the ability to fund such a run.
Mel-o Tones And Discords

By Mel Baldwin

This fat printer was amazed at the size of the crowd that was present for the first three meetings of the community advisory committees Wednesday night at the Evanston High School. And, it was such a representative group from every part of the county.

I've been to a lot of public meetings in my life, and I must admit that more often than not they're not all that great. I've sat through Press Association meetings that were apparently designed to test your endurance, and church meetings, club meetings, city council meetings, Chamber of Commerce meetings, school board meetings, etc., that were really awful — not just the normal everyday awful, but the real thing. It's like they were designed to test the back of the lap for its toughness.

But Wednesday's meeting wasn't like that at all. It was long, but interesting. Best of all, it was well planned and those participating were prepared. I have to tip my battered printer's bonnet to Julie Lehman. She isn't as good looking as me, but she certainly did a bang-up job in organizing the meeting.

If all those who attended the first meeting are serious and intend to support the project, nothing but good can come of it. There should be some definite and very relevant decisions made as to what the major problems are and how the citizens feel about them. And there should be enough public support generated to give both city and county officials the confidence to take action where it is needed.

As I quickly scanned the list of committee members, I felt that they were all qualified to furnish meaningful input. Spouse is a member of the Health and Hospital Care committee and I think she was an outstanding choice. I'm not a member of any committee, and that's also a wise choice.

Next Wednesday we'll see how many citizens were just curious at the first meeting, and how many actually intend to help.

There's no limit to what can be accomplished by a citizenry that is aroused and working together to provide the support needed by the legally elected officers to do their job.

I'll be there next Wednesday; how about you?

Just a rumor — there's no limit to how good you can do if you don't care who gets the credit.
## Technical Assistance Team Members and Technical Advisors to the Community Advisory Committees

<table>
<thead>
<tr>
<th>Committee</th>
<th>Name</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>OIA Coordinator</td>
<td>Charles M. McLean</td>
<td>President, Denver Research Group</td>
</tr>
<tr>
<td>Community Services</td>
<td>Judith Olson, Ph.D.</td>
<td>Research Anthropologist/Human Services expert</td>
</tr>
<tr>
<td></td>
<td>Julie Uhlman, Ph.D.</td>
<td>Community Psychologist/Human Services expert</td>
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<tr>
<td></td>
<td>Joseph Davenport, Ph.D.</td>
<td>Associate Professor of Sociology, Univ. of Wyoming</td>
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<td></td>
<td>Stanley Torvik</td>
<td>Director, Wyoming Department of Health &amp; Social Services</td>
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<tr>
<td></td>
<td>Frederick Lund</td>
<td>Administrator, Planning and Administration, State of Wyoming</td>
</tr>
<tr>
<td></td>
<td>George Blankenship</td>
<td>Senior Associate, Denver Research Group</td>
</tr>
<tr>
<td>Education</td>
<td>Myron Basin, Ed.D.</td>
<td>Department Head, College of Education, University of Wyoming</td>
</tr>
<tr>
<td></td>
<td>Frank Prevedel</td>
<td>Ass't Superintendent for Curriculum: Sweetwater County, Wyoming, School District #1</td>
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<tr>
<td></td>
<td>J.O. Reed</td>
<td>Superintendent of Schools, Campbell County Wyoming, School District #1</td>
</tr>
<tr>
<td>Department</td>
<td>Name</td>
<td>Position</td>
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<tr>
<td>Health Services</td>
<td>James Baucher</td>
<td>Optometrist, Univ. of Wyoming</td>
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<tr>
<td></td>
<td>Lawrence Cohen, M.D.</td>
<td>Administrator, Wyoming Division of Health &amp; Medical Services</td>
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<tr>
<td>Housing</td>
<td>John Galleotos</td>
<td>Director, Cheyenne, Wyoming Housing Authority</td>
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<tr>
<td></td>
<td>William Lamont</td>
<td>Principal, Briscoe, Maphis, Murray &amp; Lamont, Planning</td>
</tr>
<tr>
<td>Physical Services/Land Use/Banking</td>
<td>Michael Enzi</td>
<td>Mayor of Gillette, Wyoming</td>
</tr>
<tr>
<td></td>
<td>George Stahla</td>
<td>Real Estate Officer, 1st Security Bank, Rock Springs, Wyoming</td>
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<td></td>
<td>Richard Unger</td>
<td>Rock Springs, Wyoming City Planner</td>
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<td></td>
<td>James Murray</td>
<td>Principal, Briscoe, Maphis, Murray &amp; Lamont, Finance</td>
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<td></td>
<td>Andy Briscoe</td>
<td>Principal, Briscoe, Maphis, Murray &amp; Lamont, Public Works</td>
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<tr>
<td></td>
<td>George Bell</td>
<td>Assistant Chief Engineer Planning and Administration, Wyoming Department of Highways</td>
</tr>
<tr>
<td>Recreation/Cultural Affairs</td>
<td>Steve Smith</td>
<td>Director, Wyoming Council on Arts</td>
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<tr>
<td></td>
<td>David Tebaldi</td>
<td>Executive Director, Wyoming Council for the Humanities</td>
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<tr>
<td></td>
<td>Donald Warder</td>
<td>Department Head, Recreation and Parks, Univ. of Wyoming</td>
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<tr>
<td>General</td>
<td>Joseph Evans</td>
<td>Chief of State Planning, Wyoming Department of Economic Planning and Development</td>
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<tr>
<td>Jack Wharburton</td>
<td>Deputy Commissioner of Public Lands, State of Wyoming</td>
<td></td>
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<tr>
<td>Phil Riddle</td>
<td>District Warden, Rock Springs District, Wyoming Game &amp; Fish Department</td>
<td></td>
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<tr>
<td>David Kathka</td>
<td>Dean of Academic Affairs, Western Wyoming Community College, Rock Springs, Wyoming</td>
<td></td>
</tr>
<tr>
<td>Issue</td>
<td>Task</td>
<td>Total Cost (3 years)</td>
</tr>
<tr>
<td>---------------</td>
<td>----------------------------------------------------------------------</td>
<td>----------------------</td>
</tr>
<tr>
<td>Health</td>
<td>' Build new hospital</td>
<td>10,000,000</td>
</tr>
<tr>
<td></td>
<td>' Provide housing for allied health professionals (nurses, paramedics, etc.)</td>
<td>See Housing</td>
</tr>
<tr>
<td></td>
<td>' Improve wages of allied health professionals</td>
<td>150,000</td>
</tr>
<tr>
<td></td>
<td>' Build alcohol detoxification center</td>
<td>250,000</td>
</tr>
<tr>
<td>Education</td>
<td>' New classrooms (temporary)</td>
<td>600,000</td>
</tr>
<tr>
<td></td>
<td>' New classrooms (permanent)</td>
<td>10,000,000</td>
</tr>
<tr>
<td></td>
<td>' Improve quality of education</td>
<td>See Technical</td>
</tr>
<tr>
<td></td>
<td>' Undertake long-range planning</td>
<td>See Technical</td>
</tr>
<tr>
<td></td>
<td>' Raise teacher wages</td>
<td>1,250,000</td>
</tr>
<tr>
<td></td>
<td>' Provide teacher housing</td>
<td>See Housing</td>
</tr>
<tr>
<td></td>
<td>' Provide equipment</td>
<td>1,000,000</td>
</tr>
<tr>
<td></td>
<td>' Require land dedication</td>
<td>(4,000,000 savings)2</td>
</tr>
<tr>
<td>Housing</td>
<td>' Provide 20 temporary housing units (for city/county employees--teachers, police, nurses, etc.)</td>
<td>1,200,000</td>
</tr>
<tr>
<td>Issue</td>
<td>Task</td>
<td>Total Cost (3 years)</td>
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<tr>
<td>-------</td>
<td>----------------------------------------------------------------------</td>
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</tr>
<tr>
<td>Housing</td>
<td>Establish non-profit housing corporation for construction loans and mortgages for 50 units</td>
<td>53,500,000</td>
</tr>
<tr>
<td></td>
<td>Eliminate roadside camping</td>
<td>250,000</td>
</tr>
<tr>
<td></td>
<td>Provide low-income housing</td>
<td>20,000,000</td>
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<tr>
<td></td>
<td>Enforce building standards (3 city inspectors)</td>
<td>270,000</td>
</tr>
<tr>
<td>Physical Services</td>
<td>Revise city subdivision standards</td>
<td>15,000</td>
</tr>
<tr>
<td></td>
<td>Upgrade city building and fire inspection</td>
<td>50,000</td>
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<tr>
<td></td>
<td>Prepare city street-design standards manual (consultant)</td>
<td>10,000</td>
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<tr>
<td></td>
<td>Prepare city drainage ordinances and stormwater master plan (consultant)</td>
<td>35,000</td>
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<tr>
<td></td>
<td>Commission city water and sewer rate study and master plans (consultant)</td>
<td>75,000</td>
</tr>
<tr>
<td></td>
<td>Commission city solid waste management and rate study (consultant)</td>
<td>40,000</td>
</tr>
<tr>
<td>Issue</td>
<td>Task</td>
<td>Total Cost (3 years)</td>
</tr>
<tr>
<td>-------</td>
<td>---------------------------------------------------------------------</td>
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</tr>
<tr>
<td>Physical services: cont.</td>
<td>Revise county subdivision and building inspection program (consultant)</td>
<td>50,000</td>
</tr>
<tr>
<td></td>
<td>Hire three county building inspectors (grant to county)</td>
<td>270,000</td>
</tr>
<tr>
<td></td>
<td>Transfer appropriate city services to county who can afford to bear these costs</td>
<td>(1,200,000 savings for city)</td>
</tr>
<tr>
<td></td>
<td>Build needed capital facilities</td>
<td>30,400,000</td>
</tr>
<tr>
<td></td>
<td>Acquire two ten wheel dump trucks and water truck (city)</td>
<td>180,000</td>
</tr>
<tr>
<td></td>
<td>Develop city master plan (consultant)</td>
<td>50,000</td>
</tr>
<tr>
<td></td>
<td>Develop county land use plan</td>
<td>50,000</td>
</tr>
<tr>
<td></td>
<td>Hire one road inspector (city)</td>
<td>75,000</td>
</tr>
<tr>
<td></td>
<td>Acquire road repair equipment (consultant)</td>
<td>5,000,000</td>
</tr>
<tr>
<td></td>
<td>Hire 3 road repair staff</td>
<td>180,000</td>
</tr>
<tr>
<td></td>
<td>Develop road repair plan and financial projection (consultant)</td>
<td>40,000</td>
</tr>
</tbody>
</table>
OVERTHRUST WILDLIFE TRUST

This Agreement made this 31st day of January, 1986 by and between the Overthrust Industrial Association, hereinafter referred to as the Grantor, and the Wyoming Wildlife Federation, the Wyoming Game & Fish Department, the Bureau of Land Management and the Utah Division of Wildlife Resources, Individual Trustees, and First Wyoming Bank/Evanston, a banking corporation organized under the laws of the State of Wyoming, Corporate Trustees, hereinafter collectively referred to as the Trustees.

WITNESSETH:

WHEREAS, the Grantor desires to establish a trust for the educational and scientific uses and purposes hereinafter provided and to make contributions to it and to complete its obligation under the Cooperative Wildlife Program adopted by Grantor's resolution in 1981; and

WHEREAS, simultaneously with the execution of this agreement, the Grantor has transferred, assigned and delivered to the Trustees One Hundred Thousand Dollars ($100,000), which, together with any other property which may hereafter be transferred, assigned and delivered to the Trustees from any other source, shall be held and administered exclusively for the uses and purposes and subject to the provisions hereinafter set forth.

NOW, THEREFORE, in consideration of the premises and of the mutual promises and covenants hereinafter to be made, the Grantor and the Trustees do hereby covenant and agree as follows:

ARTICLE I

The name of the Trust shall be the "Overthrust Wildlife Trust" and so far as practicable, the Trustees shall conduct the activities of the Trust in that name.

-1-
Resignations, removals, appointments, and acceptances of the Trustees shall be in writing, and such writings shall be noted upon or kept attached to executed originals of this trust agreement.

Any person or corporation so appointed as a trustee shall have and may exercise the same rights and powers, and shall be charged with the same duties, as if he was named herein as a Trustee.

ARTICLE XII

Each Trustee, officer, and agent shall be liable only for his or its own acts or omissions in actual bad faith, and no trustee shall be liable for the acts or omissions of any other trustee or of an officer, agent, or employee selected with reasonable care.

ARTICLE XIII

No bond or other security shall be required of any trustee hereunder for the faithful performance of his duties.

ARTICLE XIV

This agreement is irrevocable, provided, however, that it may be amended at any time and from time to time by the Grantor, with the unanimous consent of the Individual Trustees. Any such amendment shall be by written instrument signed by the Grantor and delivered to the Trustees. In no event shall the Trust estate or any part thereof or of the income therefrom revert to the Grantor, its successors or assigns.

ARTICLE XV

No one dealing with this Trust or with the Trustees or any of them need inquire concerning the validity of any act of the Trustees, or need see to the application of anything paid or transferred to or upon the order of the Trustees.
ARTICLE XVI

This agreement and the trust hereby created shall be construed, regulated, and administered under the laws of the State of Wyoming.

IN WITNESS WHEREOF, the Grantor and the Individual Trustees have hereunto set their hands and seals, and the corporate Trustee has caused its corporate seal to be hereunto affixed and these presents to be signed by its duly authorized officers, the day and year first above written.

Wyoming Wildlife Federation

Bureau of Land Management

Wyoming Game and Fish Department

Utah State Division of Wildlife Resources

Overthrust Industrial Association

ATTEST:

FIRST WYOMING BANK/EVANSTON

Secretary

By President

Corporate Trustee