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THIS WEEK

GOED board members uneasy about public funding for SLC hotel

A report commissioned by Salt Lake City and Salt Lake County will assess a preliminary financing model for a hotel near the Salt Palace (pictured) with 800 to 1,000 rooms to attract larger conventions. Photo by Adam Barker, courtesy of Visit Salt Lake.

By Brice Wallace
The Enterprise

A consultant's financial analysis about a possible convention center hotel in Salt Lake City is pending, but two members of the Governor's Office of Economic Development (GOED) board recently expressed trepidation about having a large amount of public involvement in any such project.

Salt Lake County and Salt Lake City are spending $50,000 for a report from Strategic Advisory Group about having a hotel of 800 to 1,000 rooms adjoining or within a block of the Salt Palace as a way of attracting larger conventions to the city.

During a discussion of the matter at the board's October meeting, members Jake Boyer and Brent Brown expressed concern about public money being used to construct the hotel. Boyer, whose development company owns the Hyatt Place Hotel, said he could favor public funding but only to the same extent as other downtown projects that have been publicly financed.

"The difficulty is this is a $300 million hotel and they're looking for a $100 million check from the public, so [it's] a third of the cost for this hotel to work," Boyer said. "It seems like that's not a level playing field."

He said room rates and occupancy would suffer for area hotels on nights when conventions are not in town. "It's a simple supply-demand equation," he said. "If you flood the market with a thousand rooms, all the other hotels throughout the market have to adjust [their] rate. … We're concerned about what it might do to occupancy in the downtown, especially with those [hotel development companies] that have invested their own private dollars."

Brown, a car dealership owner, likened the project to Salt Lake City saying it would become the car-buying capital of the western U.S. and the government would build a dealership four to five times bigger than others in the state. "I would really struggle with that concept," he said.

Brown added that he wants to see more-concrete evidence about how much additional convention business would come to Salt Lake City if the hotel were built. "So far, what I've heard sounds almost like 'if you build it, they will come.' That works in a Hollywood movie but not always in reality," he said.

GOED's executive director, Spencer Eccles, acknowledged that the hotel matter is "an emotionally charged" issue, especially regarding the role of government and that role's possible ramifications on the private sector. He urged caution, saying the consultant's report will determine the next steps of the process.

Leaders of the Salt Lake

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Energy alliance: Utah's huge oil and gas potential being by 'choked' by feds

By Brice Wallace
The Enterprise

Utah's huge potential for growth in the oil and natural gas extraction industries the next few years is being "choked" by the federal government, according to an official with the Western Energy Alliance.

Testifying at last week's meeting of the legislature's Natural Resources, Agriculture and Environment Interim Committee, Kathleen Sgamma, vice president of government and public affairs for the trade group Western Energy Alliance, said economic and job growth is being thwarted by federal government policies and regulation.

Sgamma said a study released last year indicated that by 2020, the West could produce enough oil and natural gas to "significantly replace" imports from several foreign countries combined. "So that's pretty significant, replacing unfriendly sources of oil," she said.

The potential exists for investments to double to $58 billion annually throughout the region, which could mean 5,700 new jobs in Utah. Another study has an even a higher figure, "provided that the federal government cooperates," she added. And Utah's severance taxes could grow by $104 million by 2020.

Currently, Utah's 15,000 workers in the oil and natural gas industries produce the equivalent of $4.3 billion annually.

But federal government action and, in some cases, inac-

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Dunkin' Donuts to return to Utah; 16 restaurants planned

A subsidiary of Murray-based Sizzling Platter LLC has inked an agreement to open 16 Dunkin' Donuts outlets by 2018.

Dunkin' Donuts, a national chain of coffee and baked goods shops, is poised to re-enter the Utah market.

The firm has signed a multi-unit store development agreement with Sizzling Donuts LLC for 16 new eateries in the Salt Lake City area. The first is expected to open next year, with the remaining 15 set to launch by 2018.

Murray-based restaurant management company Sizzling Platter LLC, which operates Little Caesars, Hoppers Grill and Brew Pub, Red Robin Gourmet Burgers, Ruby River Steakhouse and Sizzler Family Steakhouse locations in the region, formed subsidiary Sizzling Donuts LLC in February, when it signed its first multi-unit agreement with Dunkin' Donuts to develop 19 restaurants in Denver and El Paso.

The typical Dunkin' Donuts site is a one-quarter to two acres with a building measuring between 1,200 and 2,500 square feet with a drive-through, high visibility and easy ingress and egress. There should be a residential population of 15,000 within a three-minute drive and 25,000 within a five-minute drive. Dunkin' Donuts

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Chamber have said a convention hotel would generate more local and state taxes from out-of-state delegates and bring more business to Utah restaurants, entertainment venues, transportation companies and retail stores, and ultimately result in guests spilling over to other hotels. However, those leaders oppose using government credit or local tax dollars to finance the hotel's construction. They support a convention center hotel with financing that is privately led, and with the hotel being devoted to a public purpose consistent with financing used for other significant privately led projects in Salt Lake. The chamber also opposes using transient room taxes to help finance the hotel.

"Pretty much all the studies say that a hotel like this would be successful," Jason Mathis, executive vice president of the Salt Lake Chamber and executive director of the Downtown Alliance, told the GOED board. "There has never been a study that said this would not bring more conventions to our community and it would be a net positive for our community."

Salt Lake County has about 17,000 hotel rooms, with downtown accounting for 4,000 to 7,000 of that total, depending on how "downtown" is defined.

Mathis said one study indicated that a convention hotel would cause existing hotels to experience occupancy rates decreases of 1 to 2 percent and daily room rate declines of $4 to $5, but those dips would last only a couple of years before rising. Currently average occupancy is nearly 70 percent, he said.

About two dozen cities have convention "anchor" hotels, with various financing mechanisms, he said. One was built in Baltimore completely with public money but drew the wrath of area hoteliers when it lowered its rates during the recession and the other hotels had to do the same in order to compete. A nonprofit organization built one in Denver, but hoteliers there like it because it helped meet an established need for more rooms.

Mathis said four private entities are interested in developing the Salt Lake City hotel but added that the chamber insists that the hotel be managed by a national hotel brand that would allow Visit Salt Lake to book its rooms two years out.

He suggested that the GOED board could issue a statement on the matter or at least be involved in and learn more about the process. "We think this project has legs," Mathis said. "We think it has merit, but we want to be really thoughtful and careful how we proceed."

The hotel is perceived as a way for Salt Lake City to retain the twice-a-year Outdoor Retailer trade show. Mathis said the facility would allow the city to compete against San Antonio, Seattle and Denver for larger conventions, rather than against Albuquerque and Boise, with the area gaining $90 million in direct convention spending.

"Right now, we've got a great convention center [but] it sits empty half the time because we don't have enough convention-quality rooms adjacent to it to keep it full," Mathis said.

Meeting planners hail Salt Lake City's attributes but would prefer having convention attendees booked at three to five hotels rather than having to negotiate contracts with 20 and having to arrange transportation to and from the Salt Palace, he said.

"The size of the hotels that we have in Salt Lake right now aren't really big enough to host the size of the conventions that make it worth the while of commission-based salespeople at a national level working to book business," Mathis said. "So if they have a chance to bring in somebody to the San Francisco Marriott and the Salt Lake Marriott, they're always going to look at projects that will go to the San Francisco Marriott because it's four times larger and their commission will be four times greater."

Mathis described Salt Lake City as "well equipped" and with a convention industry "ready to explode."

"You think about the proximity to the mountains, the beauty of this community, what we're doing right now with 'Downtown Rising,' with City Creek Center, with the Gateway, all the things happening in our community, and great access and an airport that's going to have a TRAX line going to it that will open up in the spring, we're really poised for success and we really do feel that this project is the next thing that will really take us to the next level."

GOED board chairman Mel Lavitt expressed frustration about the matter, which has been studied for several years.

"I think probably everyone in this room can agree that the long-term effects if we have the right rooms and the right convention center, we will do more business," Lavitt said. "The problem is to get across that chasm to get there. This thing has been going on so long. I don't understand why this wasn't settled three or four years ago …."

DONUTS

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offers flexible concepts for any real estate format, including free-standing restaurants, end caps, in-line sites, gas and convenience, travel plazas, universities, as well as other retail environments.

Founded in 1950 and based in Canton, Mass., Dunkin' Donuts offers an all-day menu including iced coffee, flavored coffees, lattes, frozen drinks, muffins, bagels and breakfast sandwiches. Dunkin' Donuts has earned the No. 1 ranking for customer loyalty in the coffee category by Brand Keys for six years running. The company has more than 10,000 restaurants in 32 countries worldwide and had global franchisee-reported sales of approximately $6.4 billion last year.

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Athleta women's apparel chain to open at City Creek Center

Athleta's Salt Lake City store will be the firm's first in Utah and 34th overall.

Athleta, a brand of Gap Inc., will open its 34th store at City Creek Center in mid-November, part of its plan to have 50 stores nationwide by the end of 2013.

"It's been in the works for a while," said Sarah Andrus, senior marketing communications manager for Athleta, based in Petaluma, Calif. Although an opening date has not been decided, the store will be comparable in size to other Athleta stores, which are 2,000 to 4,000 square feet.

The Salt Lake store is part of Athleta's expansion after 14 years as a catalog-only business. After being acquired by Gap in 2008, Athleta moved into online offerings and has opened brick-and-mortar stores the past two years. The store's hallmark is offering women's fitness apparel that balances performance and style.

"We offer everything from apparel to accessories for high-performance sports to more casual lifestyle activities, so from running and training and triathlons to yoga and hiking and everyday apparel she can wear to and from her activities," Andrus said.

Andrus acknowledged that the $31 billion women's sportswear has "a lot of players in the market."

"Where we differ is our products are designed by women athletes, wear-tested and really I guess the best way to say it is that we make sure it functions well for women by making sure we'd wear it ourselves. We're also very particular in using technical fabrics and we're focused on unique, stylish designs. We want to make sure it looks good but it also performs very well as well and includes all the details that only women would know that we would want, such as reflective designs on flicker points and hidden pockets and locking zippers and thumb holes — things like that that we really care about."

The typical Athleta customer tends to be affluent and educated and someone who adds a workout to her daily schedule, Andrus said.

The City Creek Center store will be the company's first in Utah.

Utah Work/Life awards presented to 20 companies

The Utah Department of Workforce Services has selected the winners of the 2012 Utah Work/Life Awards, presented in three size categories: Micro, Medium and Large. Recognized nationwide for the rigorous evaluation and application process, the Utah Work/Life Award is Utah's premier workplace excellence award.

The success of Work/Life Award-winning companies shows up in many forms, including improved productivity, innovation, customer and employee relations, retention, and recruitment. Awards will be presented at a luncheon at the Utah State Capitol Rotunda on Oct. 25 in Salt Lake City. The celebration is open to the public and any interested companies are encouraged to attend. To register or for more information, call the Work/Life Award Team at (801) 468-0049 or visit jobs.utah.gov.

Winners in the Large Category were 1-800 CONTACTS Inc., Automated Data Processing Inc., Canyons Resort, Nicholas & Co. Inc., Mountain America Credit Union and South Davis Community Hospital.

Winners in the Medium Category were Ace Disposal CyberSource, Futura Industries, Cicero Group, DigiCert Inc., Equitable Life & Casualty Insurance Co., Software Technology Group, Tanner LLC and Cirque Corporation.

Winners in the Micro Category were Utah Foster Care Foundation, Mantyla McReynolds, Digital Financial Group, Utah Clean Energy and Brainstorm Inc.

Rene Johnson is new president of NAWBO Utah

The Utah chapter of the National Association of Women Business Owners (NAWBO) has elected Rene Johnson, owner of The Power Zone Coach, as its new president. She replaces MaryPat Kavanagh, owner of Strategic Results Marketing, who moves into the chairman of the board position.

Being added to the nonprofit's board of directors are Janice Boes, Amber Dixon, Shannon Parisi, Annette Pieper, and Sabina Zunguze. Boes is the owner of Premier Corporate Events and Pierpont Place. Dixon is marketing director for Intermountain Financial Group and owner of Amber Gold Marketing. Parisi is co-owner of Salt Lake Chiropractic. Pieper is owner of Vision 2 Reality Training. Zunguze owns Beautiful Options USA, doing business as A Gift to Africa.

Three parcels of real estate in downtown Salt Lake City are for sale by the municipality, which has declared them surplus. Acquired as part of a project to construct a new public safety building (artist's rendering, above) the parcels consist of the former American Title Co. building at 330 E. 400 S., the former Barnes Bank building at 431 S. 300 E. and the former Celtic Bank building at 338 E. 400 S. They will be sold for fair market value. The parcels were recently rezoned to Transit Station Area Urban Center, so any new development would have to comply with underlying regulations. City documents suggest the properties could be developed as a mixed use project, including commercial and residential components of at least 50 or more dwelling units per acre. Capital Asset Management has issued an RFP for the project and is currently reviewing proposals. Mike Akerlow is project manager at the city. The new public safety building is under construction at approximately 435 S. 300 E.

New Balance buys S. Temple commercial building

The former Felt Buchorn building at 445 E. South Temple in downtown Salt Lake City has been sold to New Balance Salt Lake, a national retailer of athletic shoes and apparel currently located in Sugar House.

"This is the perfect building for us. We have runners and walkers going past our window every day," said Scott Spurrier, president of New Balance Salt Lake.

The structure measures approximately 7,400 square feet.

New Balance Salt Lake is scheduled to open the third week of November and will have a grand opening Dec. 6-7. New Balance Salt Lake specializes in shoes, clothing and equipment for running, walking, aerobics and a variety of other activities.

New Balance Salt Lake was represented in the transaction by Mountain West Retail/investment retail specialist Scott Brady. The seller was represented by Jon Wright of Internet Properties. Brady said New Balance's lease was up on their current space "and they were looking to own their real estate. They wanted a location that would let them draw runners from downtown and in the Avenues. This is an ideal location to meet that goal."

ENERGY

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tion, are stemming the possible growth, she said. In western states, natural gas production is up 26 percent on private and state land but down 4 percent on federal lands. Oil production is up 54 percent on state and private lands but only 26 percent on public lands.

"We in the industry have to laugh quite a bit at last night's [presidential] debate and certain other information coming out of the [Obama] administration," Sgamma said. "We really believe that the huge increase in oil and natural gas production across the nation has come in spite of the federal government, not because of it."

Sgamma described oil and natural gas as being among the most heavily regulated industries, with a "great" safety record, a reduced footprint the past 15 to 20 years, and with efforts to cut air emissions and protect water resources. But she stressed a need for the balancing of regulation with economic and job growth.

The federal government, she contended, has added regulations for operators seeking extraction on federal lands. On private and state lands, a lease can be obtained and a company can be operating in six to 18 months. On federal lands, operators are lucky to be working anytime within the 10-year lease time frame.

"And that's not because the operators are choosing not to operate on their leases," she said. "It's because the federal process takes so long, and that's why production today is the result of policies that took place at least three to five years ago, often 10 years ago."

And even with a lease, operators have to wait for the feds to complete environmental analyses of projects. Additional levels of analysis "have choked down leases," she said, adding that master leasing plans also are putting more areas off-limits. "So that's more energy being locked up by the federal government on top of lots of other administrative processes that are already in place — designations that already lock away quite a bit of resource."

Sgamma said that in Utah, companies have proposed projects over a 10- to 15-year time frame that could create 62,400 jobs and have a $12.7 billion annual economic impact, but all are in the environmental analysis phase. Projects that have been delayed three years or more have at stake 30,975 jobs and $6.3 billion in economic activity. "And the federal government is just choosing not to move forward with those projects," she said.

A lengthy permitting process and possible new rules on hydraulic fracturing are not helping the situation, she said. "All of these things combine to disadvantage federal-land states like Utah compared to other parts of the country. And that just means that investment and job creation goes elsewhere, because there are plenty of other areas in the country" with less public land. "It's cheaper to operate there and with natural gas prices where they are, it's becoming so the public lands policies add so much cost that that investment is going elsewhere."

The solution, she said, is to "peel back" the bureaucracy layers and put more control of energy matters in the hands of states. She said Mitt Romney's energy plan would do just that. "What we really think needs to happen is true delegation to the states so they can do that balancing act between environmental protection and economic and job growth that the federal government has not been able to do," Sgamma said.

"We think that the state needs to help with that balance. Obviously, the federal government is focused on just whatever is in front of them. If it's protecting the sage grouse, if it's protecting a cactus, they're going to put in whatever restrictions they want, they're going to try to pressure the states into putting in the restrictions they want, whereas the state has that balancing act down better."

Without more control, states are subjected to "so much uncertainty" from the federal government, she said. In some cases, states work on energy issues and produce great plans, but if the federal government says they are not good enough "then all that hard work is for naught," Sgamma said.

• Industry Briefs •

BANKING

• **Mountain America Credit Union** has named **Anne Sorensen** manager of its new Clinton branch. A 20-year veteran of the banking industry, Sorensen has been with Mountain America for more than 14 years, including 12 as manager of Mountain America's Ogden branch.

CONSTRUCTION

• **MHTN Architects**, Salt Lake City, announced several recent staff accolades. **Michael T. Buell**, FSMPS, CPSM is the first and only Certified Professional Services Marketer in Utah to earn the designation of "SMPS Fellow." The Fellows of the Society for Marketing Professional Services represent the highest level of experience and leadership in marketing within the design and building industry. Buell is the marketing director of MHTN Architects. **Skyler Rubel**, AIA, has been promoted to co-director of K-12 educational design. He has over 34 years of architectural experience with Utah school districts. **David Daining,** AIA, LEED AP, NCARB, has been named director of health care. The focus of his 27-year career is to assist clients in enhancing the health care experience and creating comforting and compelling spaces that are highly functional and effective.

EDUCATION/TRAINING

• The **Utah Educational Savings Plan**, Utah's official nonprofit 529 college savings program, received a **Gold Analyst Rating** from **Morningstar Inc.** The rating is the highest given by Morningstar, a leading provider of independent investment research. Only four 529 plans out of the 64 analyzed achieved the honor.

HEALTH CARE

• The **Cedar City Office of Economic Development** has begun groundwork to establish the **Southern Utah College of Osteopathic Medicine** (SUCOM) in Cedar City. SUCOM is envisioned to create high-value jobs in southern Utah, attract additional resources and research and develop rural health care opportunities. The move to form SUCOM is a joint effort of community leaders, business leaders, educators, health professionals and interested individuals and students. The Cedar City Office of Economic Development is consulting with Colorado-based Rocky Vista University's College of Osteopathic Medicine, which had its first class graduate this year. The college is affiliated with several Utah hospital systems that provide clinical education for some of its Utah students. Rocky Vista University has established an early-acceptance agreement with Southern Utah University that channels qualified SUU students into the Colorado school for their first two years of medical training. Also, in conjunction with the Southern Utah Area Health Education Center, Rocky Vista has established clinical placement offices in Cedar City and St. George for training third- and fourth-year medical students.

• **Physician Group of Utah** has opened **Davis Urgent Care** at 124 S. Fairfield Road in Layton. The facility is the company's first urgent care clinic and will treat severe cold or flu symptoms; sprains and strains; high fevers; headaches; sore throats and sinus infections; broken bones, cuts and scratches; allergies and asthma; open wounds and suturing and other urgent conditions. Walk-ins are welcome and no appointment is required.

• Eye surgeon **Dr. Robert J. Cionni, M.D.**, of **The Eye Institute of Utah** is providing the **iStent Trabecular Micro-Bypass Stent** as a treatment option to reduce eye pressure for patients with both cataracts and glaucoma. He is the first doctor in Utah to perform the procedure. The iStent is FDA-approved for use in conjunction with cataract surgery to reduce eye pressure in adult patients with mild-to-moderate open-angle glaucoma currently being treated with glaucoma medicine. In clinical trials, the iStent has been shown to safely reduce eye pressure, which is the primary cause of open-angle glaucoma.

INSURANCE

• Sandy-based **InfiniTeam Insurance**, an independent insurance brokerage that specializes in business, workers compensation, bonding and personal insurance products, has hired **Randy Curtis, Jon Roquiero, Jen Gardner** and **Christi Maughan.** Curtis is personal lines department manager, with 10 years of experience as an owner/agent in home, auto, life and commercial insurance. Roquiero is a commercial lines agent, bringing over four years experience in the insurance industry. Joining as a personal lines account manager, Gardner brings nine years of experience in the insurance industry to InfiniTeam. With over five years of administrative experience, Maughan joins InfiniTeam as assistant account manager.

LAW

• Attorney **Paul T. Moxley** of the law firm of **Parsons Kinghorn Harris**, Salt Lake City, has been nominated to the **American Bar Association**'s Board of Governors. Moxley is a graduate of Utah State University and the University of Kansas School of Law. He is former president of the Utah State Bar, president of the National Conference of Bar Presidents, and was selected by the Utah State Bar for 2009 as the Outstanding Lawyer of the Year. He is a member of the Alta Town Council, and his law practice focuses on complex civil litigation and white collar crime.

• **Jonathan H. Love, S. Lauren Reber** (formerly Lauren Gibbs) and **Amy A. Lombardo** have joined the Salt Lake City law firm of **Parsons Behle & Latimer** as associates. Love is a member of the litigation department in the firm's Salt Lake City office and concentrates his practice on litigation, antitrust and intellectual property litigation. He received his J.D. degree in 2012 from Brigham Young University, where he graduated with honors. He received his bachelor's degree in economics from the University of Utah in 2007. Love was admitted to the Utah State Bar in 2012. Reber is a member of the litigation department in the Salt Lake City office and concentrates her practice on litigation, real estate, corporate transactions and environmental law. She received her J.D. degree in 2012 from Brigham Young University, where she graduated with honors. She received a bachelor's degree, cum laude, from Westminster College in 2006. She was admitted to the Utah State Bar in 2012. Lombardo joins the litigation department in the firm's Boise office, where she concentrates her practice on litigation, including trials and appeals, insurance and product liability litigation. She received her J.D. degree from George Mason University School of Law. She graduated with a bachelor's degree, magna cum laude,

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from Boise State University. She is admitted in Idaho, Virginia, and Washington, D.C.

• Six **Stoel Rives** attorneys have been named **2013 Salt Lake City Lawyers of the Year** by The Best Lawyers in America. Only a single lawyer in each practice area and in each community surveyed is selected as a Lawyer of the Year. Best Lawyers compiles lists of outstanding attorneys by conducting peer-review surveys in which thousands of lawyers confidentially evaluate their peers. The awardees are **John A. Anderson,** 2013 Salt Lake City Personal Injury Litigation–Defendants Lawyer of the Year; **Kenneth B. Black**, 2013 Salt Lake City Intellectual Property Lawyer of the Year; **Matthew M. Durham,** 2013 Salt Lake City Labor & Employment Lawyer of the Year; **David J. Jordan,** 2013 Salt Lake City Litigation-Antitrust Lawyer of the Year; **Danny C. Kelly,** 2013 Salt Lake City Bankruptcy and Creditor Debtor Rights Lawyer of the Year; and **James F. Wood,** 013 Salt Lake City Trusts and Estates Lawyer of the Year.

MEDIA/MARKETING/PR

• **The Summit Group Communications** (TSG), a Salt Lake City advertising and public relations firm, has **added a new media buyer** based out of Atlanta and been named as **agency of record for AAA Utah**. TSG now has outposts in Utah, Florida, Georgia, Virginia, North Carolina, South Carolina, Michigan and Tennessee. TSG will assist with the strategy, planning and execution of AAA Utah's media buying, creative, interactive and public relations activities. TSG now has 75 employees and works in more than 65 markets across the nation.

NATURAL RESOURCES

• The **American Gas Association** has elected **Ronald W. Jibson,** chairman, president and CEO of Salt Lake City-based **Questar Corp.**, as chairman of the board for 2013. Jibson joined Questar Gas (formerly Mountain Fuel Supply Co.) as a design engineer in 1980 and held various engineering and administrative positions. He served as senior vice president of Questar Gas and Questar Corp. from March 2008 to June 2010. He served as executive vice president of Questar Gas Co. from March 2008 to September 2008.

RETAIL

•**Spring Mobile**, a Utah-based retailer of AT&T wireless phones, recently acquired **Bluewire Inc.,** a 10-store AT&T exclusive wireless dealer with locations in Wyoming and Montana. The acquisition marks Spring Mobile's entrance into the Montana market with three new locations and a new Wyoming region was created for their seven new locations in the state. This brings the company's total store count to 95 across 10 states.

• The **R.C. Willey home** furnishings and electronics chain will host a **Technology Night** where store associates will provide interactive training on the most recent tech trends, from Windows 8 to Google TV to dual-mode gaming. All six Utah R.C. Willey locations will take part in the event Oct. 24 from 6 to 8 p.m.

• With construction on schedule and tenant leases being signed daily, **Outlets at Traverse Mountain** in Lehi is on track to open Phase 1 with over 40 stores across 225,000 square feet on Nov. 16. The **official store roster to date** includes the new-to-market retailers Le Creuset (cookware), GoLite (high-end outdoor apparel and gear) and Under Armour (sports clothing). Additional confirmed tenants are Banana Republic Factory Store, Calvin Klein, Carter's Babies & Kids, Chico's, Children's Place, Clarks Bostonian Outlet, Coach, Columbia Sportswear, Famous Footwear Outlet, G.H. Bass, Gap Outlet, Gold Toe, Gymboree Outlet, IZOD, J Crew Factory, Johnny Rockets, Journeys, Kitchen Collection, Lane Bryant, Levi's Outlet Store, Loft Outlet, Maurices, Men's Wearhouse Outlet, Michael Kors, Nike Factory Store, OshKosh B'Gosh, Perfumania, Polo Ralph Lauren Factory Store, Pro Image Sports, Rocky Mountain Chocolate Factory, Samsonite Company Store, Skechers, Tommy Hilfiger, Ultra Diamond, Van Heusen, Vans Outlet, Wilsons Leather and Zumiez. Outlets at Traverse Ridge is a development of Craig Realty Group, based in Newport Beach, Calif.

TRANSPORTATION

• The **Utah Department of Transportation** (UDOT) marked a significant milestone Oct. 15 as the **largest section of Mountain View Corridor** (MVC) opened to the public two months ahead of schedule. Hundreds of cyclists turned out to enjoy seven new miles of MVC, which features striped bike lanes and multi-use trails from Porter Rockwell Boulevard at 16000 South to Old Bingham Highway. The new roadway also features UDOT's first radar-activated bike turn signal that allows cyclists to turn left onto MVC from Redwood Road.

Utah on the Rise

Demand for new education facilities continues to build

As a result of the downturn in the economy the dramatic decline in nonresidential construction has many contractors shifting their focus from privately funded jobs to institutional projects such as schools and education related projects. As sales volumes of many privately held companies shrank dramatically, projects related to the education arena kept pace because of demand and remaining funds in the budgets of the public sectors coffers partly due to the 2009 American Recovery and Reinvestment Act. But with diminished public sector coffers, where does that leave us in terms of financing our education demands from a facilities standpoint?


Chris Hipwell

Construction spending had declined from $16.4 billion in 2009 to $12.2 billion in 2011, with more than 56 percent of the spending during that time period spent on new construction. This year saw an even steeper decline to its lowest levels since 2003. The result: states and districts simply have to make do with existing facilities. According to *School Planning and Management*, U.S. school construction averaged more than $20 billion annually prior to the recession. This year saw a decline in that average with a new low of construction spending dropping to $10 billion. Half of what it used to be.

Has the need gone away? We all know the answer to that question. According to the National Center for Education Statistics (NCES) the number of school-age children continued to climb 8 percent annually from 1995 to 2008. The dilemma is that there is limited funding for new school construction on a national basis. For example, the state of Illinois just slashed $161 million in aid for schools in its 2013 budget.

In 2000 higher education construction spending broke the $7 billion barrier, according to statistical reporting from *College Planning & Management*. Through 2003 construction spending continued to climb, reaching an $11 billion benchmark with a healthy portion going toward classrooms and residence halls. By 2004 construction spending reached $13 billion and then continued to escalate to $15 billion in 2006. As our U.S. economic troubles deepened, endowments of colleges and universities were compromised and, as a direct result, construction spending saw a decline, and in 2009 we once again saw $11 billion in spending, where it has hovered for the past two years. While the demand for new construction for education related facilities has not diminished, it appears that smaller projects in existing buildings, including renovations, upgrades and overhauling of systems, will be the norm for construction spending nationwide this year.

According to the Bureau of Business and Economic Research at University of Utah, in 2008 Utah spent $34 million on private education related construction. In 2010 spending capped at $54 million, and currently total educational and school construction spending has dropped significantly to $4 million in 2012. This information is gleaned from building permit data gathering.

Outlook

Associated Builders and Contractors chief economist Anirban Basu believes that one exception to the trend of reduced financing and construction of education facilities is charter schools. According to Basu, "because these bonds often are associated with relatively high yields (3.41 percentage points more than top-rated general obligation bonds over a recent period) they are enticing to market participants at a time when many other assets are yielding only slightly above 0 percent." Basu acknowledges that charter school bonds are riskier than general obligations bonds, but Moody's Investors Service reported that bond offerings of $30 million or more accounted for nearly 12 percent of all charter school bond sales last year.

Public-private partnerships are also being utilized for funding and construction sources. For example, at Montclair University in New Jersey, a private developer funded, constructed and manages a $211 million campus residence complex. The university paid nothing for the project but also collects nothing for rent, therefore generating no additional revenue from the project.

Even as education spending continues to remain flat, the demand will continue to build. With a rise in general population, student enrollments will continue to climb. Between 2012 and 2020, enrollment in U.S. public elementary and secondary schools will rise 6.1 percent, according to NCES projections. This should translate into more construction spending for the nonresidential construction industry, boosting the economic recovery in many if not most parts of the nation. Much hinges on our current economic climate and how quickly the new (or current) administration can rein in a sluggish economy and create job growth to stimulate our recovery. Population growth and the rising number of school-age children illustrates that the need is real. The missing element is funding.

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Small Business Financing

Considering switching banks? Do it the right way

It's not easy and it's rarely painless, yet at some point in every company's life cycle there comes a point when the thought of changing banks becomes a topic of deliberation.

Whether you're dissatisfied with your current financial institution, offered new time-saving products or features or presented with a cost savings that cannot be ignored, the reasons to consider a switch are many. Unfortunately many companies are swayed too easily before all of the risks involved with changing banks are considered. This can leave business owners in sometimes devastating situations that could easily have been avoided.

Thomas Karren

Before you make a change, here are some key points to consider that will help make your transition as smooth and seamless as possible:

Make sure all of your needs are addressed. Lost in the shuffle of a fancy, well-presented proposal or a slick new product demonstration can be the fact that although a new bank may offer you something your current bank does not, they may not offer you everything you need. Make sure you take the time to compare apples to apples and confirm with the new bank that all products and services that you currently need and use are available to you before ever making a change.

Make sure all transactions are accounted for. Take some time to reconcile your accounts before closure. Closing an account too soon can result in returned check fees and other charges that will make your life miserable. Making sure all outstanding items have been paid and all automatic transactions have been moved will help to avoid unneeded hassles and headaches. Your checks, card swipes, wires and ACHs — both incoming and outgoing — all need to be accounted for so that none are lost in limbo.

Consider all of your options. If you've done your due diligence and have decided that the time is right, do yourself a favor and look at all available options first. Don't shortchange yourself and jump on the first offer presented to you. Talking with multiple banks may uncover additional opportunities that may otherwise have been missed. At the end of the day if you're going to make a move, make it count.

Be prepared. There is nothing easy about changing banks. New accounts, cards, checks, bill payments, treasury services — the list of things that need to be set up, ordered, received, etc. goes on and on and the experience can be very taxing for those who approach it the wrong way. Be prepared, and don't make any changes until you are sure the new account is ready to begin handling your business.

When it comes to banking services and their associated costs it's never a bad idea to look around and consider what the market has to offer. Though changing financial institutions may seem like a difficult undertaking, if you are prepared, if you approach it the right way and if you follow the advice above you will likely find the experience very worthwhile in the end.

Thomas Karren has been involved in commercial banking for 10 years, working as a small business banker, private banker and branch manager, among other positions. He has worked for Washington Mutual, Chase Bank and Zions Bank, and is currently the commercial banking supervisor for TAB Bank in Ogden.

Decisions, decisions — how good at them are you?

Decisions — either by you, your coworker, your boss, your family members or your customer — drive your success, your lifestyle and your attitude.

As you're contemplating what to do, or how to decide, there are stream-of-conscious thoughts that affect the final choice and the resulting outcome. Whether you're buying something, working on a project, parenting or making a sale, there are decisions you have to make that will determine the outcome. Your job is to make the best one, the right one.

Jeffrey Gitomer

Most people think decisions are made based on economics. The price. Most people are wrong. Decisions are made based on myriad elements, and price is only one of them. Perceived value is way more of a factor than price.

The majority of decisions you make are based on existing emotion and perception, combined with previous experience , unless you're in politics or corporate politics.

Those (political) decisions are made based on what's popular, what's likely to be approved, what's safe (nobody ever got fired for buying IBM) or what's politically expedient — and almost never based on what's best for the whole of the country or the company.

If you're willing to think deeper about the decision-making process for yourself, it may help you understand how others make their decisions. Especially if you're in sales and your income and career are based on the decisions of others. The easiest way to understand the situation and other people is to first understand yourself, and how you make decisions.

Regardless of the decision at hand — yes, no, put off, act, buy, don't buy, date or reject — the questions below will help your conscious and subconscious mind understand your decision-making process and help you understand the decision-making process of others.

Here are some of the thoughts that enter your mind as you make choices:

- What's the circumstance?
- What's the reason?
- What's the motive?
- What's the risk?
- What are the potential consequences?
- What are my fears?
- What's the reward?
- What's the real issue?
- What's the real barrier?
- What's the money?
- What's the perceived value?
- What's the measurable value?
- What's the social value?
- What's the objective?
- What is my desired result?
- What am I hoping for?
- What is the outcome likely to be?
- What if it isn't?
- Who gets hurt?
- Who benefits?
- What are the elements?
- What has been my past experience?
- What is my experience-based knowledge?
- Should I counsel anyone?
- Do I have to decide now?
- Is this temporary or permanent?
- Do I trust the other person?
- What's the deadline or the urgency?
- What is my gut telling me?

Keep in mind all decisions involve some sort of risk. Risk involves and creates fear. The greater the risk, the more measured, deliberate and collaborative the process. It's always a judgment call, and fear often interferes with sound judgment.

Important note: The decision to buy is made emotionally and justified logically. You make the decision and then defend it — sometimes to a fault.

The words "no brainer" have always bothered me in the decision-making process. When someone says, "It's a no brainer" to me, I become alarmed. What they're saying is, "Don't think about it, just do it." Not good. All decisions are "brainers."

To help you on the positive side of "decide," ask yourself:

- Am I doing what's best for myself or my company?
- Am I taking the high road?
- Am I choosing the best value?
- Am I at peace with myself?

On the negative side of "decide," ask yourself:

- Am I making an excuse to do it, even though I doubt the validity of it?
- Am I justifying it before the facts are gathered?
- Am I justifying it after the fact, and I knew it was a mistake?
- Am I procrastinating?
- Am I saying, "It's the lesser of two evils"?
- Am I only getting buy-in before the fact to mitigate blame?

Note well: Fear of loss is greater than desire to gain. Fear of being wrong is more powerful than risk of being right. Side note: Leaders emerge as they become fearless.

As you're trying to get others to decide on you and your product or service, keep top of mind how you make your decisions. The better you understand yourself, the more powerful you'll be at "getting a favorable decision."

If you'd like the list of thoughts that enter into the decision-making process, and a list of why people don't decide, go to www.gitomer.com, register if you're a first-time visitor, and enter the word DECISION in the GitBit box.

Jeffrey Gitomer is the author of *The Sales Bible, Customer Satisfaction is Worthless Customer Loyalty is Priceless, The Little Red Book of Selling, The Little Red Book of Sales Answers, The Little Black Book of Connections, The Little Gold Book of YES! Attitude, The Little Green Book of Getting Your Way, The Little Platinum Book of Cha-Ching, The Little Teal Book of Trust, The Little Book of Leadership, and Social BOOM!* His website, www.gitomer.com, will lead you to more information about training and seminars, or e-mail him personally at salesman@gitomer.com.

Making employers attractive to insurance companies in a changing marketplace

By Andy Knox, Jr. MWCA, CBWA

Like death, taxes and the Rolling Stones going on tour again, at least one other thing is certain in 2013 is that workers' compensation insurance costs will increase for employers. You can expect your workers' comp premium to rise simply because insurance companies have paid out more in claims than they have collected in premiums. To get the best deal, then, you must make yourself attractive to your insurance company before it starts setting rates. That way, you are in control of your insurance rates rather than the insurance company.

When setting rates, insurance companies look at the amount of risk that is inherent in your operations and the actions you have taken (and continue to take) to manage and control these risks. To make yourself attractive to your carrier, ask yourself these questions:

- Do I hire good employees who are focused on job safety?
- Do I have a safety program and continuously communicate with employees regarding job safety?
- Do I properly classify my employees?
- Do I have a strong return-to-work program?

Risk mitigation is a two-way street — your insurance company and agent should do their part, too. Insurance companies typically perform site inspections and offer safety recommendations. Some you may think reasonable and some you may not. Your insurance company may insist that you implement all of its recommendations, or it may agree with you that some do not have to be implemented. Just because the carrier agrees with you that some of its recommendations don't necessarily have to be implemented doesn't mean you are off the hook. If it keeps you as a customer, will the carrier increase your premium for not agreeing to implement all of its recommendations? Your agent may also sit on your safety committee and offer general advice using studies of areas such as ergonomics. He or she may suggest videotaping employees at their jobs for the purpose of identifying any safety problems and analyzing how they can boost their work performance by adjusting the ergonomics of their workstations.

Your insurance company should keep you informed as to how much specific injuries will cost you, as this cost often has a ripple effect. When an employee is hurt on the job, the primary cost is his or her medical bills, but there are also ancillary costs. Another employee must leave work to transport the injured person to the emergency room and wait there for him or her. Now you have two people away from their work. And if the injured person is unable to return to work for a period of time, you must find and train someone else to perform his or her job. All this effort equals lost production.

Understanding the experience modification factor is also critical, especially since 2013 will mark the first major change in the rating bureau's method of determining your experience modification factor. This change will further incentivize you to improve your loss experience, since the premium differences between those employers with good loss experiences and those with bad loss experiences will become even more drastic. The biggest impact on pricing will be for those employers with high-frequency, low-severity workers' comp claims.

A company with a 1.0 experience modification factor is simply average; you need to set a loftier goal for yourself. Although one large incident may cause your experience mod to rise, a frequency of lesser injuries, though deemed to be smaller individual expenses, will generate a higher experience mod and higher costs as you get penalized more for frequency. Incidents which are not your fault can still cost many dollars and your experience mod to rise. When this occurs, your insurance company works to collect the money they spent on your behalf. This is difficult and takes a great deal of time to collect from the party that caused the incident. But in the end, you can control a certain level of your workers' compensation costs in 2013 by implementing an active and caring safety committee with tunnel vision on job safety, plus knowing and understanding the effect of injuries on the experience modification factor and how they can affect your bottom line.

In short, you should do your part to mitigate risk and also expect a certain level of commitment from your insurance company and agent. For example, I advocate an annual training day and a safety orientation kickoff. When employees see that their employer is committed to their safety, this sense of commitment tends to trickle down to them — to everyone's benefit. You pay lower premiums, and they are safer on the job.

Andy Knox is vice president of Watson & Knox Inc. in Thomson, Ga., where he focuses on property and casualty lines with an emphasis on safety (OSHA) and workers compensation. He is one of 60 agents in the country who have obtained the Masters Workers' Compensation Advisor designation from the Institute of WorkComp Professionals. He can be reached at aknoxjr@watsonandknox.com.

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Oil from SAND

By Andrew Haley
The Enterprise

U.S. Oil Sands Inc. has moved closer to breaking ground on an ambitious project to extract oil from bitumen deposits in eastern Utah.

With a favorable decision in late August from Administrative Law Judge Sandra Allen, U.S. Oil Sands overcame a significant permitting obstacle to its proposed operations. Allen, appointed by the Division of Water Quality (DWQ), decided against two environmental groups, Living Rivers and Western Resource Advocates, which argued that U.S. Oil Sands' proposed Uintah County mine would contaminate groundwater.

"U.S. Oil Sands [is] not going to discharge [contaminants] into groundwater because the nearest ground water is 1,500 feet underground," said U.S. Oil Sands' lawyer, A. John Davis III.

"I think the administrative law judge's position was well taken and we certainly agree with it," he said.

With the ruling, Davis, who is a partner in the Salt Lake office of Holland and Hart, said U.S. Oil Sands will face a final hearing before the DWQ "followed by what I think will be a very brief hearing before the Division of Oil, Gas and Mining."

U.S. Oil Sands, a Calgary-based company, holds bitumen leases for over 32,000 acres of public land in Utah through a wholly owned U.S. subsidiary. According to the company, Utah possesses more than 50 percent of U.S. stocks of bitumen, also known as tar sands and oil sands. The company intends to develop its bitumen properties using a patented extraction process that utilizes a biodegradable, citrus-based solvent to wash oil from the sands in which it is found.

The words "tar sands," particularly when conjoined with "Canada," are a war cry for environmentalists, who point to ongoing, large-scale bitumen strip mining operations in Alberta as one of the most allegedly egregious examples of corporate greed and environmental degradation in recent memory. But U.S. Oil Sands' proposed Utah operation is vastly distinct in both technique and scale from the tar sands mining under way in Canada, said Barclay Cuthbert, the company's vice president of operations.

Cuthbert said the traditional tar sands mining ongoing in Canada differs in almost every way to the operation that U.S. Oil Sands is proposing in Utah. Most of the bitumen deposits being mined in Alberta are so far underground that they can be efficiently developed only by stripping away hundreds of feet of overburden, resulting in large open-pit mines, he said. Canadian tar sands mining employs variants of the Clark Hot Water Process, patented in 1926, which uses very hot water and mechanical mixing to separate the oil from the tar sands, he said.

One chief complaint of environmental groups is that Canadian tar sands oil production is highly inefficient, since vast amounts of oil are required to power the machinery that removes overburden and heats and mixes the slurry during separation. In addition to a large carbon footprint, Alberta tar sands mining is also allegedly to blame for contaminating tracts of Canadian wilderness with a hazardous byproduct of

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Industry giants pumping $1 billion in capital investments into increasing production of low-cost Uinta Basin oil

By Andrew Haley
The Enterprise

Several national oil giants are pumping $1 billion in capital investments into the state in an effort to increase production of a high-value, low-cost type of oil found in abundance in the Uinta Basin. The oil, black wax crude, is just that — black and, at room temperature, the consistency of candle wax. Unlike sweet light crude, which is of lighter color and much thinner consistency, black wax crude cannot be transported via pipeline, but must be shipped in specialized heated tanker trucks to refineries that possess the adequate machinery to break it down into gasoline and other commodities.

On both the supply and refining ends, black wax crude poses unique challenges to companies seeking to bring it to market. Drilling companies operating in the Uinta Basin must invest in the specialized trucks needed to transport the crude, which must be delivered to refineries relatively close by. The limits of existing transportation infrastructure and the geographic isolation of the Uinta Basin leave supply companies with no practical refining alternative than to deliver black wax crude to Salt Lake's refineries, which currently are unable to refine black wax crude in meaningful volumes.

On the refining end, Tesoro, HollyFrontier and Chevron, which operate three of the oil refineries along the I-15 corridor in Salt Lake City and Woods Cross, are in various stages of nearly $500 million worth of capital investment projects to increase black wax crude refining capacity at those refineries. Tesoro received an approval order from the state Department of Environmental Quality (DEQ) on Sept 13, meaning DEQ had reviewed and given the green light to the company's proposed $180 million upgrade and expansion. HollyFrontier is still in the initial stages of the permitting process of its $225 million capital project, according to vice president and Woods Cross refinery manager Lynn Keddington.

"What we're proposing to do is increase [refining capacity for] black wax and potentially yellow wax crudes from the Uinta Basin, and eventually double the refining capacity," Keddington said. "It's still under the permitting process. They came back with a series of questions. I would anticipate in the next month it would go to public comment."

He said he anticipated HollyFrontier would receive DEQ's permission to proceed "sometime after the first of the year, in January or February."

Greg Hardy, a spokesperson for Chevron, said Chevron is committed to $83 million in capital investments aimed at modernizing older equipment and meeting more stringent structural requirements. Unlike HollyFrontier and Tesoro, Chevron's upgrade is not specifically tied to increasing production capacity for waxy crudes, Hardy said. Nor is its refinery upgrade under the same urgency as Tesoro and HollyFrontier's expansions, which have both already made significant headway in the DEQ permitting process.

Stacee Adams, an environmental planning consultant for DEQ's office of planning and public affairs, said Chevron is not currently in any stage of the permitting process.

Concurrent capital investment at the three refineries has been reported as though the three projects are part of the same trend, when in fact the Tesoro and HollyFrontier projects are transformational while Chevron's is merely an upgrade. Both HollyFrontier and Tesoro are more than doubling their refining capacity for black wax crude, while Chevron's investment will not change the refinery's black wax crude production capacity.

"Ours is not an expansion. It is an upgrade. We will not be expanding our capacity," Hardy said.

According to Hardy, the upgrade will focus on installing new pumps and piping, a desalter, columns, and heat exchanges near where crude enters the refinery. Hardy said the Chevron refinery currently possesses the

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The HollyFrontier refinery in Woods Cross will begin increasing its capacity for black wax crude sometime after the first of the year.

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the separation process. Potential groundwater contamination was the central argument of Living Rivers' and Western Resource Advocates' complaint.

"The problem [with traditional oil sands mining] is the mixing of the hot water and sand is very vigorous. It creates a sludge, composed of very fine solids, oil and water, that sits in tailing ponds," Cuthbert said. "The tailing ponds get to be enormous. The old mines sit. Instead of recovering them, they turn them into tailing ponds, so you create these lakes with oil in them. If wildlife get in that, they'll die. Environmentally it is very challenging. And lots of water gets tied up in that because it has to be at a very large scale to be successful. Exxon's oil sands project produces 100,000 barrels per day. It is Exxon's largest project anywhere. Oil sands development in Canada is the largest industrial development in the world.

"We've got a brand new technology. Instead of mixing hot water vigorously, we mix a solvent and not so hot water and mix it gently. Because the process has small mechanical mixing, you don't get a sludge, so there's no tailing pond. Our byproducts are clean water, clean sand and clean oil. We don't require much water, because we reuse it as we go. It uses much less energy and you get clean products."

U.S. Oil Sands' initial development proposal is for a 213-acre site called the P.R. Spring mine. The bitumen deposits at P.R. Spring consist of oily sands that lie on the surface and reach depths of 150 feet. The site lies in the arid uplands of the Book Cliffs, east of the Green River, between I-70 and U.S. 40, about 10 miles from the Colorado border.

In a nutshell, U.S. Oil Sands will dig up the oily sand, wash the oil out of it, and put the sand back where it came from, Cuthbert said. Both the water and the biodegradable, orange-peel-based solvent will be brought to the site, reused on site, and removed on completion, he said. Cuthbert said it would take three years to return the site to its pre-mining condition, compared to 50 years for reclaiming Alberta tar sands mines.

"We reclaim as we go. At any one time, we'll probably only have 30 or 40 acres open. The operation is very straightforward. The extraction is very straightforward. The solvent is a bio-solvent. It comes from citrus. It's biodegradable. We recycle all our solvent, but if there's any trace left over, it's biodegradable," Cuthbert said.

Even if it weren't, the potential for contaminating area groundwater at the P.R. Spring mine site is nonexistent, Davis said; the only groundwater in the area lies more than 1,500 feet underground, beneath an impervious rock layer. Davis said Living Rivers and Western Resource Advocates had changed their reasoning multiple times over the course of the year-long hearing, ultimately arguing that damp sands would mobilize residual oil and contaminate aquifers, which he said was not only impossible but disingenuous, since oil is already present at the site, and if anything U.S. Oil Sands was making the site cleaner.

"My view is that it has become the poster child for all the alternative fuels. It's become this cause célèbre. What they're comparing it to is nasty — using tons of water, strip mining. It's nasty, and if that was going to be what happened in Northeast Utah it would be a disaster, but that's not what's going to happen," Davis said.

Cuthbert said he thought environmental opposition to the P.R. Spring mine was motivated less by the specific allegations made in the hearing than by an anti-oil agenda using the permitting process to delay and run up the costs of development.
"Environmental groups are against all oil. The better it is, the more they hate it. [People who say,] 'I don't want to develop it, but I do want to fill up my car' just made a choice to import it from Venezuela," Cuthbert said.

"People have a hard time imagining that an oil sands project won't just get bigger and bigger, but it won't. We have the smallest surface footprint, the smallest water footprint, and the smallest greenhouse gas footprint of any oil program. There is higher quality oil in Utah than in Canada. Most global heavy oil is high in sulfur, which means costly sulfur refining. If you don't have the sulfur [like in Utah] you save on costs and greenhouse gas. All in all, from the environmental side, there are a lot of benefits to Utah oil in Utah refineries."

If U.S. Oil Sands can overcome environmental opposition, the company stands to make a fortune. According to a 2007 paper by J. Wallace Gwynn of the Utah Geological Survey, "Utah's measured tar sand resource, though small in comparison to that of Canada, is the largest in the United States."

"Utah's tar sand deposits contain 14 to 15 billion barrels of measured oil in place, with an additional estimated resource of 23 to 28 billion barrels," the article states.

According to the U.S. Energy Information Administration, the United States had 25.2 billion barrels of proved reserves as of 2010. With as much oil in its bitumen deposits as the entire U.S. proved oil reserves, Utah could become one of the largest oil-producing states in the country, if companies like U.S. Oil Sands can figure out an economical solution to tar sands development. According to the Utah Division of Oil, Gas and Mining, Utah is currently ranked 11th in the country in crude oil production.

"This is a highly economic project. It's very economic at a small scale. You can spend a lot less money to do it [than in Alberta], and then it generates a lot of revenue, including for the royalty owner, [with] $2 million per year going into royalties," Cuthbert said.

According to Davis, the royalty owner of the P.R. Spring mine is the state of Utah's education fund.

"Utah's oil sands are large, quite a bit larger than the country's conventional reserves — 30 billion barrels," he said. "Unlike in Alberta, where over 80 percent is deeper than 300 feet, in Utah it's mostly shallow. You can get at it from the side of a hill. That's how they are up at P.R. Spring. If you can only get 10 percent out, that's 3 billion barrels. If you get $100 a barrel, that's $300 billion. We're not dreaming that big yet. We're talking about 2,000 barrels per day.

"So far we've invested about $25 million in leases, tests, development. We expect to invest an additional $30 million more in local construction, storage tanks, and surface structures mostly built in the Salt Lake area, so that $30 million will be driven into the local economy," Cuthbert said.

Cuthbert said the P.R. Spring mine would employ 25 full-time workers, with an additional "100 or more" hired during the

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Coal plentiful in Utah, but other factors could hike electricity rates

By Brice Wallace
The Enterprise

Utah has about 100 years of coal reserves but factors affecting that industry could result in higher electricity rates for Utahns, according to speakers at a recent Public Utilities and Technology Interim Committee meeting.

Among those factors are power generation companies switching to natural gas or renewable resources and stricter environmental regulations, speakers said. For example, the Intermountain Power Agency's Intermountain Power Project (IPP) near Delta currently has coal-fired generators, but one of its main customers, the city of Los Angeles, could pressure the agency to move away from coal and toward natural gas. IPP uses one-fourth of the coal mined in Utah.

Mark Compton, president of the Utah Mining Association, said there are no moves afoot for IPP to switch to natural gas but the potential is there for it and other generators to do so. He said the industry believes is it important to start a discussion of the matter with legislators in order to keep the industry producing "despite all the outside pressures."

Last year, nearly 20 million tons of coal was mined in Utah, with a market value of $600 million. The industry had 1,748 direct employees with total wages of $132 million and total compensation of $155 million, or about $90,000 per worker.

"These outside forces from L.A. are potentially affecting a significant portion of Utah's coal industry," Compton said. "But given these significant, wide-ranging contributions of the coal industry to Utah's economy, it therefore is important that you consider the potential ramifications of a conversion to natural gas to the state of Utah's tax base, jobs, royalties coming to the state, as well as the potential higher cost of electricity to Utah customers."

Eighty-two percent of electricity generation in Utah comes from coal and Utah is tied with Idaho for the second-cheapest power rates in the country, trailing only Wyoming. Currently, the relative stability of coal prices helps keep Utah's power rates low, and that contributes to the state's reputation as being a site with a low cost of doing business, Compton said.

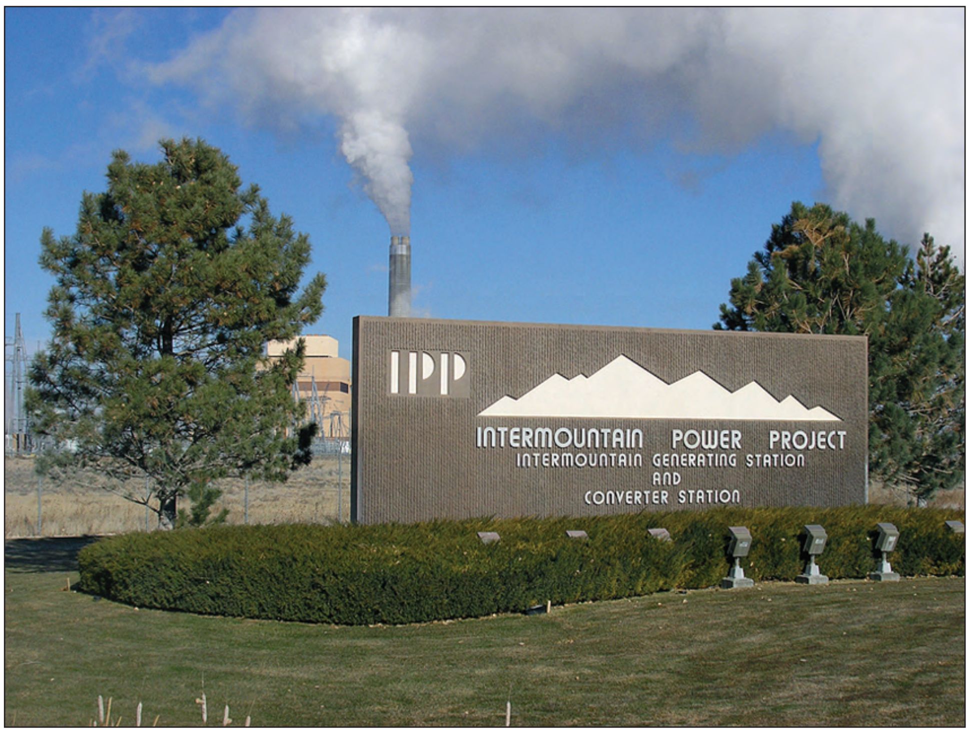
"Keep in mind that one of Utah's advantages to attracting businesses, manufacturing jobs and even technology jobs is our low cost of electricity. Cheap power lowers business costs and makes Utah more competitive. Therefore, beyond the immediate economic and fiscal ramifications of moving away from coal, we also must keep in mind the need to remain competitive on energy prices," he said.

Compton stressed that he was not attacking the Intermountain Power Agency, natural gas or renewable energy sources, but Utah needs to "maintain our energy advantages and competitiveness and at the same time maintain an industry as important to our state as the coal industry."

Last year, nearly 20 million tons of coal was mined in Utah, with a market value of $600 million. The industry had 1,748 direct employees with total wages of $132 million and total compensation of $155 million, or about $90,000 per worker. It also accounted for 4,700 jobs indirectly, $22 million in tax revenue royalties in state and federal lands (federal royalties are split with the state) and $4 million in local tax revenues.

"I live in Sanpete County," said Wes Sorensen, general manager of Arch Coal Inc.'s Skyline Mine. "There are very few high-paying jobs in Sanpete other than jobs associated with mining, and the same is true in Sevier County" and Carbon and Emery counties. If Utah produced 1 million fewer tons a year, it would result in 100 lost jobs "from places where there are not that many good jobs," he said.

Sen. Ralph Okerlund, R-Monroe, said that miners spending their earnings at local businesses results in an Arch Coal mine affecting 40 percent of the Sevier County economy.



The IPP plant in Delta currently utilizes coal, but one of its largest clients, the city of Los Angeles, could press for a shift toward natural gas.

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means to refine black wax crude and refines some that is delivered by truck from eastern Utah. He declined to elaborate on what percentage of Chevron's refining volume consists of black wax crude.

With their substantially larger capital investments, Tesoro and HollyFrontier are betting big on the future of Uinta Basin black wax crude. Both companies recently agreed to multi-year supply agreements with Newfield Exploration for a combined 38,000 barrels per day (bpd) of Uinta Basin black wax crude. Newfield, which has doubled its in-state extraction volume in the last few years, signed a 10-year, 20,000 bpd supply agreement with HollyFrontier in January 2012, and a seven-year, 18,000 bpd supply agreement with Tesoro in December 2011.

In April, the Associated Press reported that Newfield plans on investing $500 million, a full third of its 2012 operating budget, in its Uinta Basin drilling operations.

Tesoro and HollyFrontier are betting big on the future of Uinta Basin black wax crude. Both companies recently agreed to multi-year supply agreements with Newfield Exploration for a combined 38,000 barrels per day of Uinta Basin black wax crude.

The Uinta Basin is in the midst of an oil boom, and no company has been as successful as Newfield. According to figures from the Utah Division of Oil, Gas and Mining (DOGM), Newfield produced more crude oil in Utah in 2011 than the top four producers, Exxon, Inland, Texaco, and Mobil, produced in Utah in 2001 together.

According to DOGM's figures, Newfield produced 7,717,767 barrels in Utah last year, up from 7,317,226 barrels in 2010, 5,861,970 in 2009, and more than double the 3,401,371 barrels it produced in 2005, its first full year operating in the state. In 2004, Newfield purchased its Monument Butte oil field in Duchesne and Uintah counties from Inland Resources for $575 million. Since then, Newfield has led a vanguard of innovative, new oil exploration and production companies that have used cutting edge technologies and business acumen to unseat the stalwarts of the Utah oil industry and bring about the ongoing oil boom.

A decade ago, the top 10 oil producers in the state included such household names as Exxon, Chevron, BP and Texaco. In Utah, in 2002, Chevron produced 825,802 barrels, BP 632,706 barrels, and Texaco 631,532 barrels of crude. In the first five months of 2012, Newfield produced 3,473,871 barrels, with over 2,277,940 barrels, more than the 2002 Utah production volume of Chevron, Texaco and BP combined, coming from its Monument Butte field alone.

Newfield plans on drilling 180 new wells in its Monument Butte field this year, bringing the total number to 1,980 in the area. Though it is still committed to Monument Butte, the company is beginning to shift its operations north into the Central Basin area, where it acquired 70,000 acres in 2011. Thirty existing wells in the Central Basin have proven successful and Newfield plans on building 60 more there, with four of the company's seven operated rigs drilling in the Central Basin.

According to DOGM officials, the vast majority of the oil in the area where Newfield operates is either black wax or yellow wax crude. Like black wax crude, yellow wax crude is high in paraffin and requires specialized supply and refining solutions, though, like black wax crude, its component commodities are ultimately of higher quality than those derived from sweet light crude. With production booming, Newfield's bonanza is held in check only by the unique transportation and refining challenges of waxy crudes.

Meeting those challenges will ultimately prove profitable, according to Keddington. Because it is so difficult to transport and refine, black wax crude sells for less than sweet light crude, though the products refined from it sell at a premium. That means that for HollyFrontier and Tesoro, their 20,000 bpd and 18,000 bpd supply agreements, which go into effect in 2014 and 2013, respectively, guarantee a steady and abundant supply of a lower cost raw material it will ultimately manufacture into higher price goods.

SANDS

from page 12

construction phase. The mine would operate year-round. Workers at the mine would live in a mining camp operated by a camp outfit from Grand Junction, Colo., with food supplied from there and Vernal.

"Most of our operators will live in the camp. They'll work for a week then go home for a week. Most of the skills we're looking for are available locally. Vernal and Moab would be easy for people to work from. A significant part of this is service and support. If you have 40 guys living in a camp, you need to hire someone to feed them. [There are] mechanics and yearly overhauls. In any given year we expect to spend $20 million in support and service, and much of that is local," Cuthbert said.

U.S. Oil Sands expects to break ground next spring. After the spring runoff, large tanks and other infrastructure manufactured in Salt Lake would be transported to the remote site on skids. Though two hearings remain before its permit is officially approved by state agencies, Cuthbert said he expects to ultimately win an approval process that started in 2005.

"The $25 million we invested [is] because we are confident this will be approved. This recent win is one of many. We expect to be active out there in the spring. I have quiet confidence we'll continue to meet expectations and show people a better way to do stuff," Cuthbert said.

"We're always telling people, if you guys have a better solution, please let us know."

Study: every $1 invested in energy efficiency yields more than $2 in savings

Utility programs that save energy could create an economic windfall of $20 billion for six southwestern states, including Utah, according to a new study.

The study, "The $20 Billion Bonanza: Best Practice Utility Energy Efficiency Programs and Their Benefits for the Southwest," was released earlier this month by the Southwest Energy Efficiency Project (SWEEP), based in Colorado. The report shows that every dollar invested in energy efficiency programs returns more than two dollars in savings on business and household utility bills.

"By scaling up energy efficiency programs, utilities in the region can avoid spending tens of billions of dollars constructing and operating power plants," said Howard Geller, executive director of SWEEP and principal author of the report. "Helping households and businesses save energy is the lowest cost, cleanest and least risky resource available to utilities today."

According to the report, Utah should continue its progress in expanding energy efficiency programs by:

• Adopting energy savings goals. Utah's Public Service Commission (PSC) should act on a 2009 legislative resolution and adopt energy savings goals for PacifiCorp, the state's largest investor-owned utility, that increase over time.

• Removing disincentives. The PSC should separate electricity sales from utility fixed-cost recovery for PacifiCorp, just as it did for Questar Gas Co.

• Rewarding performance. The PSC should establish performance-based incentives that enable utility shareholders to earn a reasonable profit when the utility implements effective energy efficiency programs for its customers.

• Maximizing participation in electricity savings. Utah's utilities and PSC should fully fund all cost-effective energy programs.

• Involving all utilities. All utilities in Utah should provide robust energy efficiency programs to their customers.

Benefits cited if utilities were to implement best practice efficiency programs in Utah, according to the report, include:

• Saving households and businesses $1.7 billion net.

• Saving 3.2 billion gallons of water by 2020.

• Creating 3,100 Utah jobs.

• Fewer air emissions, resulting in improved public health.

• Saving enough electricity to power 590,000 homes.

• Reducing CO2 emissions by an amount equal to removing 470,000 cars from the road.

• Avoiding or closing three power plants.

The Bottom Line: Households and businesses in Utah can save $1.7 billion through greater commitment to energy efficiency.

Energy efficiency is the lowest-cost, cleanest, and least risky resource available to electric utilities in Utah. By implementing best practice energy efficiency programs, electric utilities in Utah would:

- Save their customers **$1.7 billion net**
- **Cut electricity use in 2020 by 20%** and peak demand by 18%
- **Avoid 3 large power plants**
- Save 6.2 billion kilowatt hours per year by 2020, equivalent to **the electricity use of 590,000 typical households**
- Support **3,100 new jobs** and boost retail sales
- Cut air pollution and **improve public health**
- Reduce CO_2 emissions by 2.4 million metric tons per year by 2020, equivalent to taking **470,000 passenger vehicles off the road**
- Reduce water consumption by **3.2 billion gallons** per year by 2020

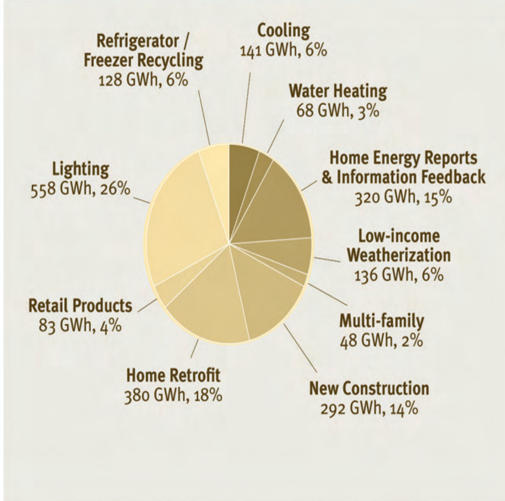
We'll Get There by Employing Best Practices

To reap the benefits listed above, Utah utilities should ramp up their energy efficiency funding significantly during 2013–2020.

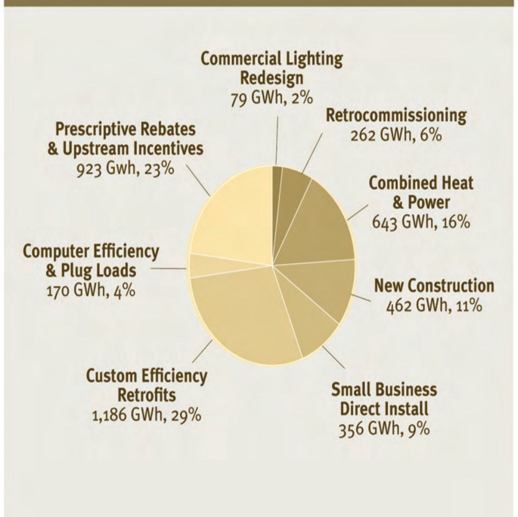
Best Practice utility energy efficiency programs include education, technical assistance and financial incentives for all customers.

Utilities should promote all cost-effective energy efficiency measures including energy-efficient lighting, appliances, air conditioning systems, electronic devices, control systems, building envelope retrofits and better performing new homes and commercial buildings.

TOTAL RESIDENTIAL ELECTRICITY SAVINGS IN 2020 BY PROGRAM (GWh)



TOTAL COMMERCIAL & INDUSTRIAL ELECTRICITY SAVINGS IN 2020 BY PROGRAM (GWh)



• Calendar •

• Oct. 22, 4-5 p.m.: **"Confessions of a Serial Entrepreneur,"** presented by Argosy University. Guest lecturer will be Alan E. Hall, of *The Seven C's of Hiring* and founder of Grow America, a national company that aligns the partners, mentors and capital that entrepreneurs need to create and grow tomorrow's companies. Location is Argosy's Draper campus, 121 Election Road, Suite 300. Free. To RSVP/reserve a spot, visit argosy.edu/speakerseries/slc.

• Oct. 22, 10:30 a.m.-3 p.m.: **International Summit,** presented by the Governor's Office of Economic Development, the World Trade Center Utah and the U.S. Small Business Administration. Presentations will focus on doing business in Asia, Europe, Latin America and the Middle East; small-business assistance from the U.S. Small Business Administration; and international export financing. Location is Salt Lake Marriott Downtown at City Creek, 75 S. West Temple, Salt Lake City. Cost is $20. Registration and more information are at www.business.utah.gov/ISUM.

• Oct. 23, 7:15 a.m.-3 p.m.: **Procurement Symposium,** presented by the Governor's Office of Economic Development. Participants will learn how to sell to the government and military. There will be breakout sessions on various government contracting topics, a reverse trade show to meet representatives from government agencies, large government prime contractors seeking subcontractors and various assistance resources. Location is the South Towne Expo Center in Sandy. Register at http://business.utah.gov/PTAChttp://business.utah.gov/PTAC.

• Oct. 24, 2-3 p.m.: **"Creative Recruiting Ideas"** webinar, posted by Webinar Masters of North Salt Lake. Jeanine Wilson, owner of Corporate Talent Advisors LLC, a full-service human resources consulting, training and recruiting company, will lead the webinar. Cost is $49. Details are at www.webinar-masters.com.

• Oct. 24, noon-1:30 p.m.: **"What Every Director Should Know About Doing Business Internationally,"** hosted by the Utah Chapter of the National Association of Corporate Directors. Lew Cramer, president and chief executive officer of World Trade Center Utah, will discuss the opportunities and benefits gained by cultivating an international outlook within an organization. Topics include directors' responsibility for international marketing strategy, international trade opportunities, Utah's support of international trade, international trade landmines, director resources for trade briefings, director liability for corporate missteps, privately held corporate director leading practices and the Foreign Corrupt Practices Act. Location is Grand America Hotel, 555 S. Main St., Salt Lake City. Cost is $40 for chapter members and $40 for non-members in advance, $10 more at the door. Registration is available at http://utah.nacdonline.org.

• Oct. 25, 8-10 a.m.: **"Business and Investment Opportunities in Turkey,"** hosted by World Trade Center Utah. Gurkan Suzer, commercial attaché with the Office of the Commercial Attaché of the Consulate General of Turkey in Los Angeles, will discuss Turkish business opportunities. Location is the Salt Lake Chamber, 175 E. 400 S., Salt Lake City. Free. Additional information is at www.wtcutah.com/events.

• Oct. 25, 4-6 p.m.: **Utah Technology Council Life Science Mixer.** Location is Sorenson Genomics, 2495 S. West Temple, Salt Lake City. Event is free for UTC members. Information is available at (801) 568-3500.

• Nov. 3, 6 p.m.: **107th Annual Utah Manufacturers Association (UMA) Awards and Installment Banquet.** Event will feature presentation of "Manufacturers of the Year" awards. Evening begins with 6 p.m. social, followed by dinner at 6:45 p.m. Location is Little America Hotel, 500 S. Main St., Salt Lake City. Cost is $195 per couple and $800 for a table. Registration is available at http://www.umaweb.org/custom_forms/uma_annual_banquet_registration.php. Each couple will receive the UMA's traditional "Utah Products Box." More information is available by calling Teresa Thomas at (801) 363-3885.

• Nov. 7, 10-11 a.m.: **"Conducting Internal Investigations into Employee Complaints"** webinar, posted by Webinar Masters of North Salt Lake. Presenter will be Jonathan K. Driggs, an attorney with more than 19 years of experience in employment law. Cost is $49. Registration is available at www.webinar-masters.com.

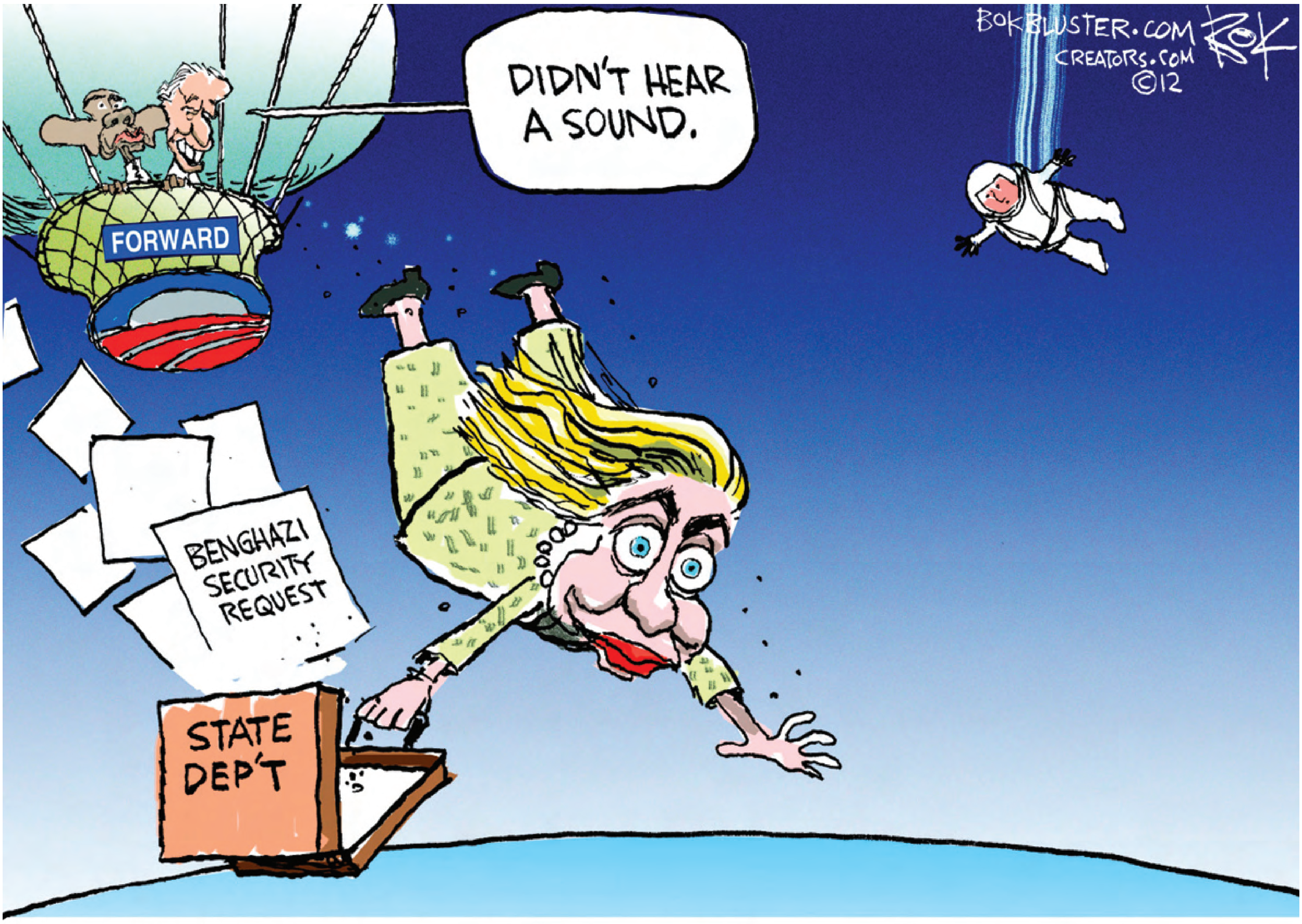
• Nov. 8, 10-11:30 a.m.: **Net Impact Professional Chapter Event.** The event will feature a tour and demonstration at Tear-A-Part Auto Recycling. Participants will learn what happens to unwanted vehicles, what auto recyclers are doing to improve their practices, and discuss research at Tear-A-Part about using mushrooms as a fungi that helps break down contaminants in soil. Location is Tear-A-Part, 652 S. Redwood Road, Salt Lake City. Register with Kirsten brinkerhoff at kirstenab@yahoo.com.

• Nov. 13-15, 5:30-8:30 p.m.: **Bi-annual seminar for young architects studying for the structural portion of the Architect Registration Examination,** hosted by BHB Engineers. Multiple engineers from BHB will present. Location is Big-D Construction, 404 W. 400 S., Salt Lake City. Free. Register by calling (801) 355-5656.

• Nov. 15, 8 a.m.-5 p.m.: **36th Annual American Express Women & Business Conference.** Gail Miller of the Larry H. Miller Group will be honored as the 2012 Salt Lake Chamber Athena Award recipient. Honored as Pathfinders will be Dr. Sarah George of the Natural History Museum of Utah, Debra Hoyt of Questar Corp., Dr. Vivian Lee of University of Utah Health Science, Dr. Susan Madsen of Utah Valley University and Molly Mazzolini of Infinite Scale. Location is the Little America Hotel, 500 S. Main St., Salt Lake City. Cost varies. For more information and to register, visit www.slchamber.com/womenandbusiness.

• Nov. 30, 6 p.m.: **Utah Technology Council Hall of Fame Dinner.** Keynote speaker will be Jeff Bezos, founder and CEO of Amazon.com. Being inducted into the hall of fame will be Josh James, founder, CEO and chairman of Domo; and Fred Lampropoulos, president, CEO and chairman of Merit Medical. Location is the Grand America Hotel, 555 S. Main St., Salt Lake City. Cost is $275 for council members, $400 for nonmembers. Tables can also be purchased. For more information and to register, visit www.utahtech.org.

• Dec. 6-7: **Summit Director & Officer Training Conference,** an annual forum dedicated to helping the boards of public, pre-IPO and private companies improve corporate governance and best practices. Conference presenters will include leading executives, corporate directors, policymakers, educators and experts from the legal and financial services industries. Location is the Montage Hotel, Deer Valley. Earlybird registration is $500. For more information and to register, summitconf.org.



FELIX BAUMGARTNER BECOMES SECOND HUMAN TO BREAK SOUND BARRIER

Why is America 'the sole bright spot' in the world economy?

Unemployment is still too high, income is still too low and the recovery is still much too slow, but the United States is faring considerably better than other developed nations against the threat of a renewed recession.


Joe Conason

Don't believe it? Maybe you should stop listening to the right-wing propaganda machine, which has been trash talking the U.S. recovery ever since Barack Obama's inauguration, and start paying attention to economic analysts who know what they're talking about — and provide hard data to back up their findings.

They provide a hard, factual, real-world context for our often-absurd political debate, especially as the presidential election approaches.

Every few months, a fresh report appears showing that the U.S. recovery is continuing and even strengthening, despite stagnation and austerity in Europe that drag down the entire global economy. Last June, the Organization for Economic Cooperation and Development noted that the U.S. recovery was gaining momentum, in contrast to its weak trading partners, despite continuing problems in housing and construction and its report praised the Obama administration's policy initiatives on employment, the budget and taxation.

Now the latest pronouncement comes from the *Financial Times*, the London-based business daily, and the Brookings Institution, a centrist Washington think-tank, which jointly declared that the U.S. remains "the brightest spot in the world economy."

Their assessment is based on a comprehensive worldwide report known as TIGER, or Tracking Indices for the Global Economic Recovery, which combines measurements of real economic activity, financial data and surveys of business and consumer confidence. Using advanced statistical methodology, TIGER illustrates the simultaneous movements of all kinds of numbers that tend to be measured very differently in various countries.

What those numbers tell us now was summed up by the *Financial Times* on its front page recently under the headline "US defies threat of global recession."

Within those few words lie a powerful argument against changing policies, and a presidential administration, that have kept us afloat in a whirlpool of drowning countries.

"The global economic recovery is on the ropes, battered by political conflicts within and across countries, lack of decisive policy actions, and governments' inability to tackle deep-seated problems, such as unsustainable public finances that are stifling growth," said Eswar Prasad, a Brookings senior fellow and creator of the TIGER index. "The U.S. economy remains the sole bright spot, with economic activity, employment and financial markets all showing unexpected although still modest strength."

It is sobering to realize how fragile our present progress may be, given the recessionary pressures around the world. Global demand remains too feeble to promote a strong and steady recovery overall, despite continuing efforts by the central banks in the U.S., Europe and Asia.

The TIGER data, compiled from the Group of 20 nations, shows worrisome deterioration. It was released on the eve of the annual meetings of the World Bank and the International Monetary Fund in Tokyo, where finance ministers and central bankers will discuss how to stimulate growth and forestall another recession.

The *Financial Times* also quoted leaked IMF data indicating that global growth projections for this year will be revised downward, from 3.4 percent to 3.3 percent, and for next year from 3.9 percent to 3.6 percent. But that is only another strong argument for the U.S. to avoid the same errors that have hobbled recovery abroad.

Favorable comparison with other nations doesn't provide jobs for the unemployed or save an over-mortgaged home from foreclosure, of course. But in a faltering world economy, America's relative growth and stability reinforce President Obama's argument that his policies are working far better than the alternative offered by Republican Mitt Romney.

And the incessant criticism by Romney loses credibility if the U.S. economy is truly outperforming the rest of the developed world — especially those nations pursuing the austerity policies advocated by Romney and his running mate, the budget-slashing Rep. Paul Ryan. Will we really do better by imitating the United Kingdom and other nations where those policies have already failed?

Joe Conason is the editor in chief of NationalMemo.com.

Random thoughts on the passing scene

Not since the days of slavery have there been so many people who feel entitled to what other people have produced as there are in the modern welfare state, whether in Western Europe or on this side of the Atlantic.

Economist Edward Lazear has cut through all of Barack Obama's claims about "creating jobs" with one plain and inescapable fact — "there hasn't been one day during the entire Obama presidency when as many Americans were working as on the day President Bush left office." Whatever number of jobs were created during the Obama administration, more have been lost.

How are children supposed to learn to act like adults, when so much of what they see on television shows adults acting like children?

The know-it-all smirks and condescending laughs of Vice President Joe Biden, when Congressman Paul Ryan was speaking during their debate, were a little much from an administration presiding over economic woes at home and disasters overseas — and being caught in lies about both. Like Barack Obama, Joe Biden has all the clever tricks of a politician and none of the wisdom of a statesman.


Thomas Sowell

If you truly believe in the brotherhood of man, then you must believe that blacks are just as capable of being racists as whites are.

One of the most foolish, and most dangerous, things one can do is to take love for granted, instead of nurturing it and safeguarding it as the prize jewel of one's life.

Whenever you hear people talking about "a living Constitution," almost invariably they are people who are in the process of slowly killing it by "interpreting" its restrictions on government out of existence.

Do either Barack Obama or his followers have any idea how many countries during the 20th century set out to "spread the wealth" — and ended up spreading poverty instead? At some point, you have to turn from rhetoric, theories and ideologies to facts.

I am so old that I can remember when liberals were liberal, instead of being intolerant of anything and anybody that is not politically correct.

Whatever happened to Julie Banderas of the Fox News Channel? She had brains, looks, wit and personality. Has she met with foul play? Or has some zillionaire married her and taken her off to his own private island?

The question to be asked of people in the media, and that they should ask themselves, should be: "Is your first loyalty to your audience or to your ideology?" The same question should be asked of educators, especially those who see themselves as "agents of social change," even though that is not the job description under which they have been hired and paid.

People who complain about "negative" campaign ads miss the point. It is perfectly legitimate to criticize your opponent. The question is whether the ads are about serious things that matter to the future of this country, and whether they are telling the truth or lying.

If you believe Barack Obama and others who oppose what they call "tax cuts for the rich," you might want to consider what the late Daniel Patrick Moynihan once said: "You are entitled to your own opinion, but not to your own facts." If you want to see some documented facts about tax rates and tax revenues, there is a box titled "Tax Cuts" on my web site (www.tsowell.com). Click on it.

In baseball, switch hitters are said to have an advantage. But the highest lifetime batting average by a switch hitter (.319 by Frankie Frisch) is more than 30 points lower than the highest batting average for either left-handed hitters or right-handed hitters. The highest batting average in a season by a switch hitter (.365 by Mickey Mantle) is more than 50 points lower.

If there is ever a Hall of Fame for confidence men, Charles Ponzi and Bernie Madoff will have to take a back seat to Barack Obama. Obama is the gold standard — or, perhaps more appropriately, the brass standard.

I have never known a word to become absolute dogma, without a speck of evidence, the way "diversity" has.

Thomas Sowell is a senior fellow at the Hoover Institution, Stanford University, Stanford, CA 94305.

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