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The Changing Community/Industry Relationship In Resource-Oriented Boom

Towns: A Case Study of the Overthrust Industrial Association

by

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(ABSTRACT)

A typical boom/bust cycle of community development has accompanied natural resource exploitation throughout the growth of the United States. These resource-oriented boom towns provide an opportunity for an evaluation of a changing community/industry relationship. The origins and evolution of the public and private sector relationship was examined in resource boom towns of the past. A case study was conducted of the Overthrust Industrial Association (OIA), based in Denver, Colorado. This case study provided insight into a potentially improved community/industry relationship occurring in the Overthrust Belt boom towns of Wyoming, Utah, and Idaho.

Compared to the public/private relationship in resource-oriented boom towns of the past, the relationship occurring in these Overthrust Belt boom towns demonstrated an improvement with well-planned communities resulting. The improvements in the community/industry relationship have occurred because of a public/private partnership approach to urban planning. This partnership approach was the outcome of a delicate balance between community and industry control. The implications of this part-

nership approach to urban planning and alternative growth management techniques were also examined.

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PREFACE

It is the existence of a generally adversary relationship between the public and private sectors which has sparked my interest in this topic. The nature of and reason for the existence of such an adversary public/private relationship has been for several years of special interest to me. But, I found that in order to closely examine this relationship which characterizes so many situations, I would have to select a specific situation for review. The changing community/industry relationship in resource-oriented boom towns seemed a natural. Not only could I follow the public/private sector relationships historically but, the topic of boom towns and resources was of importance as energy companies in the early 1980's began exploring America's resource frontier, the western states. In addition, I had discovered an organization which appeared to be striving for what I consider an ideal: An approach of cooperation and coordination between the public and private sectors. Therefore, I am specifically reviewing the Overthrust Industrial Association (OIA) in an effort to determine if a positive public/private sector partnership approach to development is possible or if the conflict which has characterized development of the past is inevitable as the nature of society? It is my intention to answer this question.

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CHAPTER I

INTRODUCTION

Overview

Boom towns are a recurrent phenomena in American history. A typical boom/bust cycle of community development has accompanied natural resource exploitation throughout the growth of the United States. The energy development of the early 1980's in Wyoming, Utah and Idaho, for example, resulted in boom towns much in the same way as the California gold rush of 1849. The resources sought have changed primarily from precious metals to energy related minerals such as oil and natural gas. No longer are small groups of individuals or independent companies exploiting the resources, but instead large corporations composed of thousands of employees. The impact of large resource development projects on existing communities may result in what is known as a boom town.

Quite often a resource, such as silver or natural gas, and the potential gain from their extraction attracts a large number of people. The westward movement which characterized America's growth resulted in part from a search for profit. The remote resource frontiers and their potential fortunes have acquired a fictional air of elegance. Most fortune seekers discover the reality of the remote locations soon after their arrival.

For the most part, resource exploitation occurs in isolated locations. Before the advent of modern highways and automobiles, boom town workers lived primarily in or near the mining settlement. While individual mobility has increased, most workers still live in or near the impacted area. This great influx of population into generally remote and sparsely populated areas creates tremendous strains on any existing community. Today water and sewer facilities, roads, and police and fire protection are often inadequate for the new level of population. The workers may bring their families thus creating a sudden burden on the existing school facilities. Boom towns result from this sudden influx of population.

In the past, the isolation of the resource area as well as the transportation and service inadequacy often created a necessity for a "company town" in order to attract potential employees to the boom town. Company towns result when one company owns and controls the impacted community. If at all possible, however, most companies would avoid owning and operating a town. Even today, most companies prefer not to operate a town. Circumstances no longer dictate their need. Today it is unlikely that just one independent company will begin a mining operation in an area. Instead, several corporations related to an industry are likely to impact a larger area. The impact of each company is intermixed with another, dispersed and difficult to identify. Because local governments are generally already in operation and developers are usually available to respond to a housing demand, there is no need for a company town. The many functions provided by company towns in the past are already in existence or are soon provided by the public or private sectors. Company towns are less likely to result when the current energy development occurs

because they are not essential for the survival of the company's employees.

As in many other situations, boom towns are often characterized by an adversary public and private sector relationship.¹ Mineral extraction is bound to result in irreversible physical, social, environmental and economic changes to a community. The existing community is often weary of these changes.

The existence or extent of the conflict between community and industry in past boom towns was related to the phase of development in the characteristic boom/bust cycle. Historically, the beginning of the resource boom was characterized by a friendly community/industry relationship. Conflict between the two sectors emerged as the community reached the peak of growth in the boom/bust cycle.² Today, awareness of the boom impacts by both community and industry has increased. Community apprehension begins before the boom. Often the community is immediately suspicious of the industry. Federal law and often state law reflect this increased concern for impacted areas. Frequently Environmental and Socioeconomic Impact Statements are required.

Many industries today prefer indirectly assisting the community they are impacting rather than the "company town" approach. For the company, indirect community assistance is more cost effective than the management

¹ Larson, Robert C., "Growth as a Metropolitan Issues" in Management and Control of Growth, Volume III. Ed. Randall W. Scott. Washington, D.C.: The Urban Land Institute, 1975, pp. 484-486.

² Landis, Paul, Three Iron Mining Towns. Ann Arbor, Michigan: Edwards Brothers, Inc., 1938, pp. 27-42.

of a company town. Since local governments are already in operation, at least at the county level, industry no longer gives the company town option quite as much consideration. In the past when a company began operation in an isolated and previously uninhabited region, the company operation of a town emerged for the imposition of social and physical order as well as the importation of necessary food and supplies to support a population.

Indirect community assistance from industry seems to be increasing. This indirect assistance often takes the form of grants for public facility improvement in order that a community might better accommodate the sudden growing population. An increase in this impact funding from industry has many implications for community planning. The community, with aid from industry, has better control of its destiny. Boom town growth management is not an easy task. Community input into the future of an areas, if not actually helping reduce the problems associated with sudden growth, increases the overall public understanding of these problems. The community can consider its future and begin planning to reduce the possibility of the feared ghost town syndrome; the bust of the typical boom/bust cycle. The increase in impact funding from industry may help alleviate the adversary public/private sector relationship which has characterized boom towns as industry extends an attitude of cooperation and coordination in managing sudden population growth.

Hypothesis

One example of a potentially improved community/industry relationship is occurring in the Overthrust oil and gas belt of southwest Wyoming, northeast Utah and southeast Idaho.³ This geological formation is host to the Overthrust Industrial Association (OIA). The OIA was formed to help communities cope with the sudden growth caused by the oil and natural gas development of its members. The Association is composed of 36 industrial companies engaged in energy related development in this particular section of the Overthrust Belt as oil and gas exploration escalates in the region. Through a detailed examination of the actions of the Association and its relationship with the impacted communities it may become clear whether the increase of indirect aid from industry to the community is likely to foster a climate for cooperation and coordination between the public and private sectors; what shall be referred to as a public/private partnership. I hypothesize that: Compared to the public/private sector relationship in the mining-related boom towns of the past, current plans and proposals in Overthrust Belt boom towns of Wyoming, Utah and Idaho demonstrate an improvement with well-planned communities resulting. The improvement has occurred because of the

³ The Overthrust Belt is a geological formation formed when land masses collided and one land mass was forced upward and slid over the surface of another. This belt is approximately 45 miles wide stretching from Alaska to Mexico, through Canada, Idaho, Montana, Wyoming, Utah, Nevada and Arizona. U.S. Geological Survey estimates for the Overthrust Belt of Idaho, Utah and Wyoming indicate undiscovered oil amounting to 7.5 billion barrels and natural gas at 30 trillion cubic feet.

public/private sector partnership approach to planning which has developed.

Rationale

Today, America's energy resources are of vital importance. The key to fueling America's future lies in our resource frontier. Just as important is the proper planning and management of these frontiers. Particularly at the local level, the implications for planning are immense. An awareness of the present public/private sector relationship in resource-based boom towns could enlighten planners and policy makers to new and improved means of coping with growth.

The historical examination of resource-oriented boom towns offers potential for insight into the origins and evolution of the American planning process. Analyses of historic boom towns are available yet few systematically examine the public/private sector relationship in order that a comparison might be made between past and present boom town growth management. Remote, resource-based boom towns have not received a great deal of coverage in the literature. These settlements are usually located in isolated regions of the country, they are unlikely to achieve significant size or status and many become ghost towns not long after the boom.⁴ Often the efforts of the public and/or private sectors to handle growth in historic boom towns are indirectly referred to, particularly

⁴ Alanen, Arnold R., "The Planning of Company Communities in the Lake Superior Mining Region" in the Journal of the American Planning Association. Volume 45, Number 3, July 1979, p. 257.

if the community was not owned and operated by one company. Literature on current resource boom town management is slowly becoming available. For the most part, documentation has taken the form of newspaper and journal articles as well as corporate publications.

Methodology

The methodology of this study included library research to review the public and private sector relationship in America's resource boom towns of the past and the present. It would be beyond the scope of this work to examine the hundreds of resource-oriented boom towns which have occurred throughout America's past. Furthermore, documentation of the community/industry relationship in these towns is often lacking. This relationship in many cases is not directly addressed. Therefore, in an effort to define and focus the analysis, this study examines specifically several mining-related boom towns throughout the history of America as well as several mineral resource boom towns existing today. Company towns were not directly addressed due to the fact that these settlements, dominated and controlled by one company, afford little opportunity to examine an emerging public/private sector relationship. It has been assumed that these findings typify the community/industry relationship occurring in boom towns in similar stages of development and of similar time periods.

A case study of the Overthrust Industrial Association (OIA), based in Denver, Colorado, was also conducted. The case study involved continued correspondence with the OIA and related energy companies, limited interviewing of OIA representatives, a review of newspaper articles and

corporate publications as well as an analysis of available OIA reports. Finally, the possible implications of such an association for future community planning are examined. Various alternative methods for the management and control of growth are reviewed.

The basic outline of the study includes an historic overview of resource-oriented boom towns reviewing the historic development of the community/industry relationship in these boom towns and how and why it has changed. The study will also include a case study of the Overthrust Industrial Association (OIA) examining the role of OIA as well as the implications joint public and private sector boom town management may well have for future boom towns. This study concludes with an evaluation of the public and private sector relationship in boom towns and an examination of the future role for growth management in urban planning methodology.

CHAPTER II

PAST PUBLIC AND PRIVATE SECTOR ROLES IN RESOURCE-ORIENTED BOOM TOWNS

Early Mining Settlements

The hope and search for mineral wealth which has characterized American's growth existed among the colonial settlers. Most royal charters which accompanied the colonial settlers reflected this desire and included clauses which reserved any potential mines and established the rental fee at one fifth of the ore.⁵ While the colonial settlers were disappointed soon after their arrival finding fishing, trading and farming as the only apparent resources, the desire for mineral wealth continued.

The first recorded mining operation appears to be an iron mine which opened at Fallen Creek, Virginia, near the James River, in 1622. Mines and related blast-furnaces were apparently common in the colonies during the 1700's but few appear to have had a boom town affect.⁶

⁵ Shinn, Charles H., Mining Camps. New York, New York: Alfred A. Knopf, 1948, p. 36.

⁶ Shinn, Charles H., pp. 36-37.

Gold Mining and the Movement Westward

The southern states produced numerous well-known gold camps throughout the late 1700's and early 1800's. These miners worked their claims according to existing county laws. The camps that were established were temporary in nature and, therefore, afford little opportunity for the examination of the public and private sector relationships. Furthermore, there was, for the most part, no great influx of population into these temporary camps: Few boom towns occurred. The miners seldom stayed in any one place for long. Their methods for extraction were primitive and destructive to the environment. Once a pocket of gold was discovered, the mine was stripped and soon abandoned.⁷ With the discovery of gold in California in 1848 many of the miners moved west to make their fortunes.

It was the discovery of gold in California which resulted in the opening of the western frontier. A mass migration to California occurred in 1849. It has been estimated that 80,000 people from the eastern half of the country entered California that year. In the four years following the 1848 discovery, California's population rose by 209,000. Aside from the movement of people within the United States, immigrants from throughout the world came to make their fortunes.⁸ America's frontier had begun to develop.

⁷ Shinn, Charles., pp. 38-39.

⁸ Reps, John W., Cities of the American West. Princeton, New Jersey: Princeton University Press, 1979, p. 199.

By the mid 1800's, generally no community/industry relationship existed in these resource-oriented boom towns. The community was the industry. Often prospectors worked alone or in small groups. These early prospectors searched for gold in streams, panning by hand or with hydraulic devices when gold could not be easily panned. The hydraulic devices used a force of water on the gold-bearing soil. Both panning and the larger-scale hydraulic placer methods were purely physical efforts.⁹ If a man did work under the direction of another it was considered a temporary position. Once the worker had enough money to go out on his own, he would do so. Each man looked after his own interests. The spirit of the individual was strong.

Many prospectors gathered near rich strikes and formed mining camps. These mining camps consisted of clusters of tents, cabins and other shelters.¹⁰ Because primarily every man worked for himself and no form of official government existed, the public and private sectors were generally indistinguishable. In these early western mining camps, the public and private sectors relationship cannot be examined except at the evolutionary stage.

These mining camps are characterized as lawless, disorderly and dangerous places. However, this image is not entirely true. The public sector as we recognize it today, composed of governmental bodies and the citizens, was beginning to emerge in these settings of isolation. Many

⁹ Jensen, Vernon H., Heritage of Conflict. New York, New York: Greenwood Press, Publishers, 1968, p. 4.

¹⁰ Reys, John W., p. 199.

mining camps quickly organized to establish regulations for mining and simple laws for human conduct.¹¹ These attempts and achievements in self-government in regions previously lacking any government demonstrate the desire by many individuals for formal rules and regulations to guide their lives. An example of such a camp organization and adoption of rules is the Dubuque, Iowa lead miners in 1830. The miners unanimously elected to live under the Illinois code with several specific mining-related additions. To demonstrate the seriousness of the rule, in 1834, the miners tried, condemned and eventually executed a man for murder.¹² The imposition of law and order illustrates the emergence of a public sector in mining camps.

The California gold rush resulted in a flood of prospectors on the western frontier. Many of the unsuccessful California fortune seekers quickly responded to reports of riches in the western mountains rather than returning to the East empty handed. This backwash was the beginning of a boom era for the western mountain states.

Fifteen years after the California gold rush began, Montana's gold mining rush began. Community control resulted in the organization of a town government by the citizens at Last Chance Gulch in 1864. The new town of Helena elected commissioners with the responsibility of surveying and regulating the physical development of the new town. The community had taken the initiative to direct and regulate the growth of the mining

¹¹ Shinn, Charles H., pp. 42-44.

¹² Shinn, Charles H., p. 43.

settlement.¹³ In areas lacking formal government, it was not unusual for miners to organize and regulate mining as well as everyday conduct. These attempts to guide community development were often initiated by the citizenry and carried out by newly elected officials. A public sector was forming and demonstrating a concern for what was often rapid community growth on the western frontier.

Valuable Ores, the Search for the Mother Lode and the Emerging Industrialism

It was not the public sector which always took the initiative to guide community development in these early mining settlements. The emerging private sector often influenced the direction or extent of community growth. As the nature of mining changed so did the composition of this private sector work force. Industrialism and its affects on mining resulted in the exposure of a two class private sector.

Early gold mining involved the physical effort of individuals. Everyone did the same general type of work. The men toiled together and in that sense they were equals. However, this soon changed. The miners, as they panned for gold in the streams, were aware that the gold did have a source from which bits of the valuable metal were originating. The search for the mother lode, the source, was a desirable pursuit. Regardless of whether the mining was for gold, silver, lead or another, once

¹³ Reps, John W., "Bonanza Towns: Urban Planning on the Western Mining Frontier" in Ralph E. Ehrenberg's (ed.) Pattern and Process. Washington, D.C.: Howard University Press, 1975, p. 286.

a vein was discovered and followed to the lode, mining took on a new meaning with new characteristics. It was industrialization which was sweeping the nation and allowed the entrance into the earth in search of the mother lode. Underground laboring created a new situation which required technology, manpower and a considerable investment.

Leadville, Colorado's boom in the 1870's demonstrates the effects of this change in western mining. The Leadville area initially attracted prospectors with a potential gold fortune. However, Leadville did not become famous for its gold. Most gold prospectors left Leadville for more fruitful areas only to return in 1875 when silver and lead were found to be abundant.¹⁴

In Leadville's history, Horace A. W. Tabor is a prominent figure responsible for a great deal of the development of the community. His rise to fame coincided with the semblance of two classes in the private sector. Tabor was unlucky in his early years as a prospector. He and his first wife, in order to survive in the harsh mountains, boarded miners and eventually went into business selling mining supplies. When the 1875 Leadville silver and lead boom occurred, they and their supply store followed the other fortune seekers to the growing town.

Tabor was a friendly, generous man. He often grubstaked prospectors, giving them materials and supplies in order that they might search for wealth in exchange for a part of the potential claim. Tabor had not benefitted from any of his early grubstake deals. His first discovery associated with a grubstaking venture brought Tabor great wealth. Tabor

¹⁴ Jensen, Vernon H. , p. 20.

became part owner of what was soon to be a very productive mining operation. Lead and silver mining brought a new lifestyle to Tabor and his wife as well as a new type of life to Leadville.

Lead and silver mining changed the previous way of life in Leadville through the establishment of a distinct working class. In order to be profitable, the mining in Leadville required large-scale underground operations and smelters.¹⁵ Large-scale mining operations were facilitated by industrialism. The industrialization of the mining camp resulted in changes to the town and its social composition.

The emerging upper class of Leadville was influential in dealing with sudden changes to the growing town. Leadville organized a town government in 1878 and Horace Tabor was elected first mayor. Leadville was a boom town with 5,000 new residents in 1878. By the end of 1879, the population was estimated at between 15,000 and 18,000. While the new government did order a survey of the town, it was Mr. Tabor who made major contributions to the health, safety and welfare of the rapidly growing community. Tabor paid the salaries of the town's firemen out of his own pocket. The Tabor Light Cavalry patrolled the streets keeping order. He established the Improvement Association which was practically a Chamber of Commerce. He built the Tabor Opera House and donated it to Leadville.¹⁶ Tabor made his fortune from silver in the Leadville mines and gave part of his fortune back to the growing community. His aid to the community was not limited

¹⁵ Jensen, Vernon, H. , p. 21.

¹⁶ Karsner, David, Silver Dollar. New York, New York: Crown Publishers, 1963.

to his time as mayor. In Leadville, the initiative of the private sector was influential in community development and the management of growth.

The philanthropic actions of Horace Tabor were not entirely for the benefit of the public welfare. Tabor had tasted the power of a political office and had his eye on a senate position. His actions were designed to promote his name and booster his image.¹⁷ Regardless of his intent, the effect on the community and its ability to handle the impact of a great influx of population was substantial. During his first year as mayor, Tabor was a hero in Leadville. Although he had acquired a great deal of money, Tabor was always out among the miners. It had not been long since he too was a miner rather than a mine-owner. He talked the language of the miners. In this early stage of a resource-oriented boom town, the industry was the community. It was difficult to distinguish the two sectors. The initial community/industry relationship, though the industry was dominated by a few prominent individuals, was positive.

Tabor's overwhelming good name did not last long once the social composition of the town began to change. In addition to a great influx of population, a distinct working class was forming. Men who had not known "Tabor in the days when he was an easy touch, when he had helped countless destitute miners" now composed the majority of the mine workers and the citizens of the town.¹⁸ "No longer did miners hail him by his first name as he walked down the street. He was an employer and 'capitalist' while the miners felt themselves underpaid and unjustly treated. The truth is

¹⁷ Karsner, David.

¹⁸ Jensen, Vernon H., p. 23.

that industrialism had settled down in the mining industry."¹⁹ While Tabor did make considerable contributions to the community, new citizens to Leadville did not respect him.

The new social composition of Leadville and its distinct working class which resulted from the new "industrialism" were at the root of the increasing community dislike for men such as Horace Tabor, the representatives of industry. Earlier mining efforts had involved individual claims and physical exertion by all. Although occasionally a man might find himself working for another, this was a temporary experience. Generally, all miners had previously been of the same class. Men who now worked for the large-scale mining operations of Tabor and others like him, often had only recently been out mining for themselves. These men no longer felt that it was must a matter of time before they would go back on their own. A sense of entrapment engulfed the new working class. These employees were the community and therefore, the community/industry relationship began to assume the mounting hostility.

As a result of this dissatisfaction, in early 1879 the first Colorado hard-rock miners unions was formed. It was not until May of 1880 that "the union took action to increase wages a dollar a day and to make eight hours the standard day throughout the camp."²⁰ A strike began at a Horace Tabor mine, Chrysolite mine, owned by Tabor and Marshall Field. The emerging industrialism encountered problems almost immediately as the dissatisfaction of the mine employees resulted in labor unrest. The

¹⁹ Jensen, Vernon H. , p. 23.

²⁰ Jensen, Vernon H. , p. 22.

community/industry relationship as reflected in the employee/employer relationships in resource-oriented boom towns was no longer positive.

Summary

Initially in the early mining settlements, the evolving community/industry relationship was of a friendly nature. Mining camps were temporary settlements existing until the exhaustion of mineral deposits. "In pioneer times there had been but one class of men in the camps, and it was composed of miners who owned an interest in a mine property even while they swung a pick or wielded a shovel, and they expected, one day soon, to join the ranks of those described as magnates and to adopt the symbols of magnates, who wore square-cut plug hats, carried gold-headed canes, and smoked cigars that cost ten cents straight."²¹ Those who owned part interest in a mine worked in peaceful coexistence with men who were not fortunate enough yet to possess interest in a claim. The new mining industry, through prominent individuals, often aided the community as it encountered sudden growth thereby encouraging friendly community/industry relations.

This initial friendly atmosphere between the community and the mining industry of the West did not endure the demands of industrialism. "Small outfits were disappearing into big corporations operated by absentee

²¹ Holbrook, Stewart H., The Rocky Mountain Revolution. New York, New York: Henry Holt and Company, 1956, p. 35.

owners."²² Even Horace Tabor remained in Leadville only a few years after the discovery of his wealth. Mine owners naturally expressed a concern for profit and they were not accessible to the miners in order to better understand their complaints. Advancing technology in mine operations further separated the owners and the miners. Not only did the new technology require a considerable investment which tended to encourage a permanence to the settlement but, the number of skilled men required was reduced with the introduction of advanced technology such as compressed-air drills.²³ The new technology was often not understood as well by the miners as it was by the resident mine manager. A technical education barrier contributed to the growing distance separating the owners and the miners. The more bitter miners "described their condition as that of slaves chained to the Wage System."²⁴ Generally, the miners' increasing dissatisfaction with the evolving industrial situation resulted in the formation of labor unions and labor unrest. Unions of hardrock miners were organized as early as 1863. The first being in Virginia City, Nevada in response to the changing situation previously described.²⁵ The community/industry relationship as reflected in the employee/employer relationship of resource-oriented boom towns, at a time when the employee was indeed the community, was unable to remain of a friendly nature as industrialism produced seemingly irreversible changes to the community.

²² Holbrook, Stewart H., p. 34.

²³ Holbrook, Stewart H., p. 36.

²⁴ Holbrook, Stewart H., p. 35.

²⁵ Holbrook, Stewart H., p. 35.

Mining Settlements as Growing Communities

The public sector had not yet emerged as an important force in many early mining settlements located in remote areas. These one industry community, which were not controlled by the company, left town development to the new residents. Initially few amenities were available to the workers and residents and few were expected.

Once industrialization emerged it often encouraged increasingly permanent settlements and the composition of the community changed. Families and support services established themselves in the area. These people brought with them expectations for a civilized environment. As the boom towns grew, families and support services became an important stabilizing force in the community. They also became the new power base. Suddenly the mining industry was no longer the dominant force. Officials were elected which often carried the views of the new citizenry. With town development, order was imposed and attempts were made to create more comfortable and attractive surroundings.

The Michigan Copper District

As pioneer settlements became permanent communities. the non-mining population increased. "Wherever miners went, farmers and shopkeepers and lawyers and all the other multitudinous creators of a modern civilization

followed them..."²⁶ To follow the miners, these support groups ventured to isolated, desolate locations. Meanwhile, as technology influenced the methods of mineral extraction large scale operations began to replace the miner who got lucky and employed a few men at a claim. Companies that employed many were emerging.

In a study of the Michigan Copper District, William Gates examines the cycles of industry, growth and decline.²⁷ Investors from Boston and the eastern states financed the copper mining boom of northern Michigan beginning in the mid-1800's.²⁸ Initially the copper industry created a seasonal demand for labor which attracted a predominately single, male community. Many companies were forced to go into the housing business, at the very least. These first settlers for the most part lived in boarding houses which were often kept by an agent of the company.²⁹

As the Copper District expanded, and the population increased, the character of the community changed greatly. Several of these mining camps survived and "outgrew their boom-town dance-hall days."³⁰ Permanent settlements were evolving, many in the Copper District were company owned and operated.

²⁶ Paul, Rodman W., Mining Frontiers of the Far West 1848-1880. New York, New York: Holt, Rinehart and Winston, 1963, p. viii.

²⁷ Gates, William B., Jr., Michigan Copper and Boston Dollars. Cambridge, Massachusetts: Harvard University Press, 1951.

²⁸ Alanen, Arnold R., p. 261.

²⁹ Gates, William B., Jr., p. 103.

³⁰ Gates, William B., Jr., p. 92.

The same company concerns that often resulted in company controlled towns, also resulted in other forms of concessions to the employees. In order to attract workers to isolated areas, companies often built schools, churches, hospitals, houses, shops and theaters. The actions are often referred to as paternalistic. In many cases, it was simply good for the business. The companies in some cases provided benefits other than physical amenities. In Michigan an Employees' Aid Fund was established in 1877 by Calumet and Hecla Copper Company. The Fund provided sick, death and disability benefits to employees from contributions by employees and the company. Although this is not an uncommon concept today, it "represented and extremely advanced conception of company responsibility" at the time.³¹

The actions of the Michigan Copper District companies were based on paternalistic principles which influenced the lives of every community resident. This paternalistic view so prominent in the Copper District resulted in dissatisfaction and bitterness towards the companies. The community/industry relationship was poor due to the dominance by industry.

The Mesabi Iron Range

Often a company not interested in controlling and operating a town would purchase the mineral rights to an area leaving the surface rights to the public. This was the case in many Mesabi Iron Range communities

³¹ Gates, William B., Jr., p. 109.

located in a remote area of Minnesota on the shores of the Great Lakes. The mining companies were interested in the iron ore. The surface rights were controlled by the citizens.

In an examination of three Mesabi Range communities, Paul Landis traces the development of the communities from primitive societies.³² From his study of Eveleth, Hibbing and Virginia, Minnesota, further insight into community/industry relationships are available.

The Mesabi Range towns were boom towns. During the pioneer days of these boom towns conflict was absent between the industrial group and labor or the public. "The mining industry was considered the foundation of life in the area and company rights were seldom challenged."³³ Most individuals that ventured to these remote areas for employment realized they were going to a mining settlement and expected little more. Friendly relations existed between the mining company and community.

The first village president of Hibbing cooperated with the mining companies. "The townspeople were led to feel that they owed their existence to the mining companies and must, therefore, keep their good will."³⁴ In 1894 a strike was encouraged by outside agitators. The miners and the community offered little support for a strike. "Business men in the towns threatened to withhold credit from the strikers if they con-

³² Landis, Paul H., Three Iron Mining Towns. Ann Arbor, Michigan: Edwards Brothers, Inc., 1938.

³³ Landis, Paul H., p. 32.

³⁴ Landis, Paul H., p. 37.

tinued to oppose the mining companies."³⁵ These friendly community/industry relations continued until about 1910.

Monetary support for the Mesabi Range iron ore production was different from that of the Michigan Copper District. The Copper District had a steady flow of financing from the eastern states.³⁶ The original investors in the Mesabi Range did not have that type of support. Many of the independent mining companies in Minnesota were destroyed by the national financial panic of 1893 when the value of iron ore declined.³⁷ These smaller companies of the Mesabi Range were taken over by a few large firms.

The large corporations which took over iron ore production in Minnesota around 1900 brought with them new theories of "welfare capitalism."³⁸ "Company sponsored welfare programs, proponents pointed out, did not smack of the old paternalism whereby an employer exercised virtually complete control over the lives of workers, but rather, reportedly emphasized management's cooperative role in helping, assisting, and encouraging workers to improve and benefit their own condition."³⁹ Some examples of the humanitarian efforts of the companies included the employment of social workers to distribute aid, the establishment of pensions, the beautification of company homes, and the provision for a

³⁵ Landis, Paul H., p. 32.

³⁶ Alanen, Arnold R., p. 261.

³⁷ Alanen, Arnold R., p. 264.

³⁸ Alanen, Arnold R., p. 264.

³⁹ Alanen, Arnold R., p. 264.

mutual welfare committee to keep in close touch with employees.⁴⁰ This view of company responsibility is similar to that which James Allen has labelled "enlightened paternalism."⁴¹

By the early 1900's, these three communities had developed beyond the frontier society stage to that of permanent existence.⁴² The non-mining population in the towns continued to increase. This non-mining public "fought against the vulgar elements in community life, and eventually succeeded in bringing about the eradication of pioneer vices and in increasing local conveniences."⁴³ A noticeable conflict between the communities and the industry originated from the close proximity of the mining operation to the community. The non-mining population found the mining operation, particularly the blasting, offensive. Community residents found only absentee capitalists to forward their complaints to. This conflict between the community and the mining industry continued to gather momentum.

Although the large corporations mining in the Mesabi Range practiced a limited paternalism, community satisfaction was increasingly distant. The growing non-mining population included wives and children of industry employees, shopkeepers, other service industry employees and their families. Continued economic growth and community improvement was vital to

⁴⁰ Landis, Paul H. , pp. 112-113.

⁴¹ Allen, James B. , The Company Town in the American West. Norman, Oklahoma: University of Oklahoma Press, 1966, p. 54.

⁴² Landis, Paul H. , p. 32.

⁴³ Landis, Paul H. , p. 33.

the non-mining population in order that the many new businesses and support services would prosper. This same group that had demanded moral reform, developed increasing desires for comforts, luxuries and community enrichment.

The public and the mining industry soon began a struggle for the economic benefits of iron ore mining. "In 1908 .. the Virginia Commercial Club called attention to the fact that the city then had between 9,000 and 10,000 residents, yet had no public parks, no playgrounds, few trees, few lawns, and no flower gardens."⁴⁴ In the name of increased public improvements and respectability these communities turned next to exploit the mining industry through excessive taxation. "Reform groups and political classes within the public became integrated against the common foe, absentee capitalists."⁴⁵ The new populations desire for extensive public improvements continued to erode what had been a friendly community/industry relationships.

In 1913, the Hibbing Commercial Club decided that the best way to increase trade and bring people to Hibbing was to make the village the best one on the Range. The next day City Council planned for extensive public improvements primarily with paving and lighting.⁴⁶ However, during that same year, the Lake Superior Tax Association was formed by thirty-one mining companies. "Its aim was to secure more reasonable expenditures

⁴⁴ Landis, Paul H. , p. 35.

⁴⁵ Landis, Paul H. , p. 35.

⁴⁶ Landis, Paul H. , p. 38.

for municipal improvements."⁴⁷ In the community/industry struggle for economic benefits, the primary weapon used by the communities was taxation. Through taxation, the public could acquire relief for labor, subsidies for struggling businesses, necessary conveniences and even luxuries.⁴⁸ The Lake Superior Tax Association was interested in public improvements but encouraged an economically pursuit of these improvements.

The three Mesabi Range communities continued to practice extremes in municipal spending. The spending extravagances had become "incorporated in the mores of the community and in the habits and tastes of the citizenry."⁴⁹ Virginia had fostered a more conservative policy than Hibbing or Eveleth. In Virginia the mining industry paid approximately 70 percent of the taxes. In Hibbing and Eveleth about 95 percent had been paid by mining companies.⁵⁰

In 1915, a bill was introduced in the Minnesota legislature calling for a per capita limitation of \$25.00 per year for municipal expenditures in cities of greater than 5,000 population. In Hibbing, expenditures for municipal purposes were at \$100.00 per capita. An average per capita expenditure for 140 towns was at \$5.35 annually.⁵¹ In 1921, for Hibbing, "the following programs, services, and facilities constituted but a por-

⁴⁷ Landis, Paul H., p. 38.

⁴⁸ Landis, Paul H., p. 111.

⁴⁹ Landis, Paul H., p. 79.

⁵⁰ Landis, Paul H., p. 85.

⁵¹ Landis, Paul H., p. 88.

tion of the community's total public works agenda; a municipal heating plant, modern water and sewage treatment systems, street lights, surfaced streets and alleys, parks and playgrounds, a municipal greenhouse, a city band, a day nursery, a professional baseball team, skating and curling rinks, a massive municipal auditorium and a school system considered to be one of the finest in the nation."⁵² In 1921 state laws were enacted with per capita expenditure limitations. The matter of public expenditures was a major contributing factor towards an emerging adversary relationship between these communities and the iron ore industry.

Summary

These case studies indicate that many factors contributed to the state of the community/industry relationship in resource-oriented boom towns. The stage of community development, the attitude of community leaders and the philosophy of the company are all vital determinants. One sign of the increasing permanence of a boom town was the growth of the non-mining population. This new citizenry often became the new power base. An expanding public often demanded more comfortable surroundings from the dominant industry. The company's policies would determine the extent of paternalism and the method by which the company provided services to an often isolated community.

Company philosophies differed drastically. On one extreme there were companies such as those in the Michigan Copper District whose actions

⁵² Alanen, Arnold R., p. 269.

represented strong paternalism. The companies provided housing, built schools, churches and shops, and offered benefits to its employees. Other companies chose to support the community in different ways. In Hanna, Wyoming the coal mining industry contributed to community funds for social events, built a school and later sold it to the school district, and provided a community recreation hall and lodge which were leased to private parties.⁵³ In the Mesabi Iron Range the approach concentrated on even less company involvement. Company policies encouraged employees to help themselves.

In communities where there was excessive company involvement, the community often experienced unrest. The industry domination suffocated the community and the community/industry relationship reflected this dissatisfaction. In communities where the company did not get as involved, the community provided for its needs through industry taxation for the provision of public improvements. In these cases, the community/industry relationship again mirrored conflict as the economic limit of community demands were determined. A delicate balance between community and industry control is essential for a respectable community/industry relationship.

⁵³ Allen, James B., p. 55.

CHAPTER III

A CASE STUDY OF THE OVERTHRUST INDUSTRIAL ASSOCIATION

Resource-Oriented Boom Towns of the 1980s

The extent of company involvement in resource-oriented boom towns of the past has varied depending on the philosophy of the company. Regardless of the degree of paternalism in company policies, a lack of communication between the community and the industry has contributed to a poor community/industry relationship. The company "planning policies developed in executive suites far removed from the region sought to impose corporate standards for efficiency, health, morality, and behavior upon employees; few attempts were made, however, to incorporate the views and expressions of the very people for whom planning efforts were intended."⁵⁴ In addition, the community often gave little consideration to the fiscal limitations of the resource company. As a result of this failure to communicate, major confrontations and misunderstandings often developed between community and industry.

Today a variety of factors have contributed to the changing circumstances in which community and industry meet. "Few mines are so isolated today that workers cannot commute from nearby noncompany settlements."⁵⁵

⁵⁴ Alanen, Arnold R., p. 273.

⁵⁵ Allen, James B., p. 69.

The automobile has greatly reduced the perceived remoteness of many locations and thereby lessened any perceived company obligation to provide services to employees. The company is no longer "forced to satisfy all the requirements of the citizens simply due to the remote locations of the townsites."⁵⁶

Because communities are generally in existence at or near proposed industry locations, community apprehension to industry siting begins early. The community is generally aware of the potential boom town impacts. In a March 19, 1981 Rocky Mountain News article, these boom town impacts were summarized in three (3) areas: "Social disruption, shortfalls in public facilities and services and failures of the markets for labor, private capital, housing, goods and services and public capital."⁵⁷ Community leaders recognize that often the locality lacks the tax base and infrastructure needed to handle a rapid population growth. Apprehension to a nearby industrial siting may be further antagonized as long time residents feel threatened with an intrusion on their way of life.

The ability of the community to handle the addition of a larger industrial complex, employing hundreds, varies from one community to another. The size of the existing population, the infrastructure in place and the resources available to the community to mitigate the impacts are

⁵⁶ Sheffield, David E., "Town Planning by Industry in the United States," Unpublished Master's thesis, Department of Regional Planning, Cornell University, 1961, p. 57.

⁵⁷ Rounds, Michael, "Scholar: Energy Industry Can't Afford 'Boom Towns,'" Rocky Mountain News, March 19, 1981.

all vital determinants.⁵⁸ Because the small towns and cities located within the semi-arid, rural Rocky Mountain area are widely spaced and sparsely populated, they seem to be particularly vulnerable to the typical boom town problems.⁵⁹ These communities are dependent on any resources available to help mitigate the industry siting impacts.

An immediate source of aid to the impacted community today is federal and state government programs. In 1978, for example, Congress established the Energy Impacted Area Development Assistance Program specifically to aid in the mitigation of energy related growth. This program "provides grants to states, local governments, and councils of governments for both the development of growth management and housing plans and the development and acquisition of sites for housing and public facilities."⁶⁰ Other forms of federal government aid are available as well for specific problem areas. The state governments also make available aid programs and revenue bonds. Some states supplement aid program funds with severance taxes and other boom-related taxes associated with industrial siting requirements. In addition, the federal government is required to return one-half of all revenues collected from Federal mineral leases to the state in which the leased lands were located.

The community, in order to benefit from whatever governmental aid is available, must have the knowledge, expertise and staff to initiate a fund

⁵⁸ U.S. General Accounting Office., Mitigation Socioeconomic Impacts of Energy Development. Washington, D.C.: Government Printing Office, 1982, p. 12.

⁵⁹ U.S. General Accounting Office, pp. 16-17.

⁶⁰ U.S. General Accounting Office, pp. 12-13.

request, grant application or prepare a plan for the area. Local revenue needed to prepare for a significant population increase is generally not available when needed. This lag of several years between when revenues are actually needed and when they become available often forces the localities to band together in regional organizations for planning assistance.

In some instances the tax revenue generated may be in a different jurisdiction than the one feeling the impact of a new development. A small city may feel the burden of a rapid population increase yet the new industry is most likely located outside the city's taxing jurisdiction.⁶¹ This merely complicates the problems while increasing the localities dependence on outside aid programs.

In an effort to control and direct the impacts of a large industrial development, several states and some localities have enacted legislation requiring the industry to provide them with their development plans. In Utah, legislation has been passed "which requires major developers (any developer whose proposed facility will employ more than 500 people or will cause the local population to increase by more than 5 percent) to file an impact mitigation plan at least 90 days prior to the start of construction."⁶² Montana, North and South Dakota all have similar laws providing for advance planning and site-specific project information by requiring permit applicants to file a 10 year long-range plan and obtain a certificate before beginning construction. Wyoming enacted the Indus-

⁶¹ U.S. General Accounting Office, pp. 28-29.

⁶² U.S. General Accounting Office, p. 21.

trial Development Information and Siting Act in 1975. It requires the submittal of a permit application by the industry which must contain plans for mitigating adverse impacts and must be approved prior to construction. Some local jurisdictions also have held local required permits hostage until the new company ensures that they will mitigate their impacts in areas such as schools, housing, police and fire protection.⁶³ An early knowledge of a company's development plan does aid in the preparation of an impact management strategy to assist in the control of rapid growth.

The impacting industry is a definite source of aid for the rapidly growing community whether as required by law or as an offering of good will by the company. Although, total dependence on industry assistance is strongly discouraged. A local government training manual prepared in 1980 encourages the community to establish a framework for planning before asking for industry assistance and warns that industrial assistance does add to the costs of the project planned by the energy development company.⁶⁴ This manual advocates an "Impact Team" concept requiring "a unified effort among the local community and its leaders, state and local government agencies, and the energy development companies" to resolve the growth problems.⁶⁵

⁶³ U.S. General Accounting Office, pp. 21-22.

⁶⁴ Missouri River Basin Commission and the U.S. Geological Survey's Resource and Land Investigations Program. "Mitigating the Impacts of Coal/Energy Development in the Western States." Unpublished Workshop Training Manual, June 1980, pp. E-2 and E-3.

⁶⁵ Missouri River Basin Commission and the U.S. Geological Survey's Resource and Land Investigations Program, p. E-3.

The team approach to resolving problems related to rapid population growth is a relatively new concept. Many energy companies are reluctant to finance, build or operate community facilities because of their experience with or knowledge of unfavorable "company town" escapades in the past. Local governments too have been educated by prior experiences. Community leaders have learned to respect their independent decision-making ability and often do not care to become in any way dependent on an industry for the financial stability of the community. With these community and industry attitudes it is fitting that a team approach to boom town growth management emerge.

The Overthrust Belt of southwest Wyoming, northeast Utah and southeast Idaho is host to an organization attempting to avoid the community/industry problems of past resource-oriented boom towns. In what would seem to be a dramatic departure from previous approaches, the Overthrust Industrial Association is advocating this team or partnership approach to growth management. The organization, composed of several energy companies impacting a tri-state area, encourages the incorporation of citizen participation while working with the community as it adjusts to rapid growth.

The Overthrust Industrial Association

An increase in oil activity for the Western Overthrust Belt brought an increase in economic activity for local communities beginning in the mid-1970's. Drilling activities and discoveries increased employment opportunities in Uinta and Lincoln counties, Wyoming, and Summit and Rich

counties, Utah. Construction of gas-processing plants and pipelines in this area further increased employment and the strain on local communities. The challenge of providing services to a rapidly increasing population worried both the existing communities and the energy companies.

The City of Evanston, Wyoming, county seat of Uinta County, became the center of this growth. In 1970, Evanston's official population was 4,462. The 1981 estimate was at 7,500.⁶⁶ The Uinta County population increased from 7,101 in 1970 to an estimated 17,825 in 1981.⁶⁷ Growth management was a concern of the local governments and the energy companies. The local governments had not yet truly recognized an increase in tax revenue which could help them provide the additional, increasingly necessary, services. Several energy companies began responding to these needs. For example, "anticipating the inability of the local housing market to handle the needs of the workers constructing the Whitney Canyon and Carter Creek gas-processing facilities, Amoco and Chevron U.S.A. Inc. had mobile construction camps built to house nearly all these workers."⁶⁸ These camps which included dining and entertainment facilities, operated on their own water and sewer systems.

In 1979, as Amoco was preparing for construction of the Whitney Canyon gas-processing plant, the Uinta County Commissioners voted in favor of a resolution requiring an additional permit for major construction. Murray

⁶⁶ "Whirlwind," Amoco Torch, Volume 9, Number 3, May/June 1981, p. 25.

⁶⁷ Briscoe, Maphis, Murray and Lamant, Incorporated, "Socio-Economic Study, Uinta Study Area," Unpublished report prepared for the Overthrust Industrial Association, February 1981, pp. 6-26.

⁶⁸ "Whirlwind," Amoco Torch, p. 27.

Roney, Amoco Production Company's western division production manager, received company approval for a proposal to provide Evanston with \$500,000 to be used until increased tax revenues became available. A meeting was arranged between the company and the County Commissioners; the meeting was a success. The Commission accepted the \$500,000 offer and all parties agreed that more needed to be done to mitigate the impacts of growth and more companies needed to become involved.⁶⁹

Gas-processing plants were not required under Wyoming's Industrial Siting Act to provide aid for mitigating growth related problems. However, recognizing the need, Amoco Production Company contributed the \$500,000 for a new school and new equipment for the police force. Chevron, shortly thereafter, agreed to match Amoco's contribution.

A consultant firm, Denver Research Group, was hired to help resolve the growth problems. The consultant agreed with the Uinta County Commissioners that an organization was needed to provide information and aid to the community.⁷⁰ The founding members of the new organization, the Overthrust Industrial Association (OIA), were Amoco Production Co., Chevron U.S.A. Inc. and Champlin Petroleum Company. These companies together have invested more than one-half billion dollars on the construction of gas-processing plants in southwestern Wyoming. A certificate of incorporation for the Association was filed in June of

⁶⁹ Feehery, John, "Once Upon a Time in Wyoming," Amoco Torch, Volume 13, Number 1, January/February 1985, pp. 18-20.

⁷⁰ Feehery, John, p. 20.

1980.⁷¹ "'We are unique,' said Amoco's Bob Bizal, in announcing the group's formation, 'because we want ... not to hide the symptoms of growth-related problems, but to solve the underlying causes.'"⁷² The founding members approached 70 other energy firms requesting their support and 33 agreed to join adding \$450,000 to fund interim programs.⁷³ The notion of companies banding together is not entirely new, yet the approach this organization advocates is unusual. The OIA wants to "help with the Communities' 'front-end costs' of growth, because it wants to demonstrate it is a good neighbor to the communities and to help make them good places for employees to live."⁷⁴

Murray Roney, OIA founding president, "believes that energy companies should fulfill a responsibility to their host communities, without dictating growth policies to local officials."⁷⁵ The objectives of the OIA reflect this belief:

1. To assist local communities in planning for energy-related growth before increased tax revenues from industrial development are realized.

⁷¹ "Coping with the Boom in the Overthrust Belt," Casper Star-Tribune, June 27, 1980.

⁷² Garreau, Joel, The Nine Nations of North America. New York, New York: Avon Books, 1981, p. 299.

⁷³ Feehery, John, p. 20.

⁷⁴ "Group Contributes \$3 million to offset Oil Boom Problems," Rock Springs Rocket-Miner, September 25, 1981.

⁷⁵ Overthrust News, Periodical published by the Overthrust Industrial Association, Issue 1, January-February 1981, p. 4.

2. To assist governmental units in meeting interim demands for increased public services arising from unusual growth and development.
3. To inform and educate the public and community leaders about the type and scope of development occurring in the Overthrust Belt.
4. To perform studies and collect data necessary for the community to make informed decisions about its future.⁷⁶

The efforts of the OIA are governed by a board of directors. The OIA was organized in two major phases. The first phase included the completion of a "socio-economic study designed to identify key issues facing the communities" and "working with local communities to prioritize issues and develop solutions for growth-related problems."⁷⁷ The final step of the first phase involved the development of a joint mitigation plan with the aid of local elected officials.⁷⁸ The second organizational phase was designed to implement mitigation strategies. Association representatives have indicated that the Association will not be a permanent organization. According to Amoco representative Robert Bizal, "our role is that of a

⁷⁶ Overthrust News, Issue 1, p. 4.

⁷⁷ Overthrust News, Issue 1, p. 4.

⁷⁸ "Whirlwind," Amoco Torch, p. 28.

catalyst, providing assistance as growth occurs and as the tax base of these communities develops."⁷⁹

The Overthrust Industrial Association began immediately to implement phase one activities. Beyond membership expansion, an initial activity was the creation of a newsletter, the Overthrust News. The newsletter began as a bi-monthly information source for citizens, community leaders and the media. Regular news features included OIA member company production statistics, explanations of oil and gas activities, updates on OIA activities, a question and answer section, and guest editorials. This newsletter was instrumental in informing and educating the public and community leaders, a key objective of the OIA.

Another phase one activity, the completion of a comprehensive socio-economic study, was completed in early 1981. The firm of Briscoe, Maphis, Murray and Lamont, Inc. of Boulder, Colorado prepared the study for the OIA. The study was "designed to assess the impacts of oil and gas development in the Uinta County area and provide a basis for oil industry programs to mitigate growth-related problems."⁸⁰ Uinta County, Wyoming and its county seat, the City of Evanston, were identified as the major impact area resulting from oil and gas development. A preliminary analysis was also completed for Kemmerer, Wyoming (the county seat of Lincoln County) located at the northern border of Uinta County because of spillover impacts and some direct impacts from exploration activities.

⁷⁹ Ferguson, George, "Oil Companies Join to Aid Overthrust Communities," Deseret News, June 27-28, 1980.

⁸⁰ Overthrust News, Issue 1, p. 12.

The socio-economic study discusses elements of the energy impact and examines specific impact issues as identified in community interviews and meetings. Current conditions data and projections for employment, population and revenue are all presented and discussed. The report concludes with an analysis of local government policies. The completion of this detailed study was essential in order to develop a general mitigation plan.

Another item vital to the creation of a mitigation assistance plan, according to OIA's goal to assist the community in managing their own future effectively, was the incorporation of community concerns. The formation of six community advisory committees was announced by the OIA in late January of 1981. According to Charles McLean, president of the Denver Research Group, the consultant firm assisting the OIA, the community advisory committees were established "to further identify the issues and establish priorities for solving them. These committees have told us what issues are most important to the citizens of Evanston and Uinta County."⁸¹

The committees were sponsored by the OIA in conjunction with Western Wyoming College, City and County governments, Lincoln-Uinta Association of Governments, the Evanston Chamber of Commerce and the League of Women Voters.⁸² The OIA provided a grant of \$25,000 to Western Wyoming College for the funding of a full-time coordinator for the community advisory

⁸¹ "Whirlwind," Amoco Torch, p. 28.

⁸² Overthrust News, Periodical published by the Overthrust Industrial Association, Issue 2, March-April 1981, p. 11.

committees and to pay any costs associated with the public meetings. Julie Lehman was appointed as Committee Coordinator.⁸³

Each of the six committees examined issues from the following areas: housing, education, physical services/land use, recreational/cultural affairs, human services, and health services. All local residents were invited to attend the meetings. Over a two month period, approximately 350 residents participated.⁸⁴

This public involvement process proved very effective for identifying community concerns. Each community advisory committee identified problems, prioritized them and then developed objectives for solving the problems. The committees determined general objectives for solving the problems leaving the detail of specific programs to be defined through negotiation between community leaders and company officials.

From the results of the community advisory committee meetings, provided by the Overthrust Industrial Association, the major concerns of each committee can be identified. The housing advisory committee's primary concerns included insufficient reasonably priced housing for both temporary and permanent workers. They cited the lack of a general master plan to encourage housing in appropriate areas as a problem, as well as, the poor quality of housing and the poorly planned subdivisions and trailer courts. Committee objectives for solving these problems included the stimulation of general housing construction, the preparation of a com-

⁸³ Overthrust News, Issue 2, p. 15.

⁸⁴ Overthrust News, Periodical published by the Overthrust Industrial Association, Issue 3, p. 14.

prehensive master plan identifying areas suitable for growth, and development of improved local standards to ensure a better quality housing and better planned developments.

The advisory committee on education was concerned about the overcrowding of schools while new schools are under construction and in the future when new schools will be needed. The lack of programs to provide a quality education, low salaries for educators, and the need for school buses and other equipment were also addressed as problems. Objectives for solving these problems involved limiting school class size to 25 students or less, the provision of additional programs to improve the quality of education, and increasing pay for teachers or providing special benefits to compensate for the low pay.

The committee investigating problems with physical services/land use found problems in a multitude of areas. This advisory committee expressed concern about the impact of the demand from an increased population on fire protection, roads, sewer and water systems, and other capital facilities and equipment. This committee also addressed problems with local government policies and regulations including inadequate development regulations and policies to guide growth. The citizens with this committee felt that the area's growth was occurring in a way that would place a great burden on the local government's budget. A committee resolution called for adopting city policies requiring development to pay its own way. Further, the committee objectives addressed the need for a comprehensive plan for the area, revising development regulations for zoning, subdivisions, buildings, and road design, and providing the needed capital improvements with innovative financing methods. In the area of city

finances, the committee recognized that due to the location of the new industrial facilities in the county, in the immediate future city revenues would not be as strong as the county.

In the area of recreation/cultural affairs an advisory committee identified problems including a lack of indoor recreation, parks, adult education programs, and local cultural opportunities. This committee felt that local development regulations should require the dedication of parks and a plan should be prepared identifying future park locations. The committee suggested that the city needed a recreation center and that the city should encourage the private sector and non-profit groups to provide bowling alleys, movie theatres, and other recreation facilities. It was considered important that a local arts council be established in order to aid in promoting and attracting cultural events.

Human services concerns identified by a fifth advisory committee primarily addressed the staffing and space deficiencies of current agencies and programs. Also included in the problem prioritization was the dwindling federal funding and increasing need for improved alcohol treatment programs, youth programs, mental health programs, welfare programs, preventative programs, and day care. The advisory committee recommended the building of a human services center for all programs, incentives to retain existing staff, and the establishment of user fees to encourage self-sufficient programs. In some areas, such as day care, the committee suggested increased involvement by existing community organizations. This committee also addressed the needs of the Police and Sheriff's Department. Both included needs for new facilities, equipment, and officers.

The advisory committee on health identified important health service issues of concern to area residents. Of greatest importance, the committee noted the inadequacy of the current hospital facility and suggested that a new hospital be built. The committee also noted that the hospital management is unsatisfactory and should be improved. Further, a community concern indicated inadequate care by local physicians and it was recommended that the area actively recruit new physicians. Finally, it was determined that a new ambulance facility was needed and that the wages and housing for allied health professionals was not adequate.

The community advisory committees served an important function in aiding the identification of significant issues to local area residents. This public involvement process was "the heart of the Overthrust Industrial Association program" according to OIA President, Murray Roney.⁸⁵ By April of 1981, the advisory committees had developed their goals and objectives. The committees were an important part of the general needs assessment process. From these goals and objectives, local leaders and technical experts developed specific programs as part of the joint community/industry mitigation plan.

The joint impact mitigation program was made public in June of 1981 by Overthrust Industrial Association representatives. Estimates indicated benefits from the program of more than 100 million dollars to the impacted communities making it "the largest mitigation effort undertaken by the private sector for an existing community."⁸⁶ A variety of funding

⁸⁵ Overthrust News, Issue 2, p. 11.

⁸⁶ Overthrust News, Issue 3, p. 1.

sources were announced including: industry; local, state and federal governments; private foundations; and private enterprise.⁸⁷ Consistent with OIA objectives, it was agreed that OIA funds would be used as a last resort, after all other funding sources had been tapped. The OIA concentrated on providing seed funds and matching grants while also considering innovative financing tools. The joint community/industry mitigation program addressed concerns in all the major areas identified by the community advisory committees.

OIA President Owen Murphy announced the mitigation program and indicated that the plan tackled all the priority issues, both current and projected. Major points of the mitigation program include:

1. A technical assistance team to help build capabilities of local organizations to handle growth themselves. Technical assistance will be available in the areas of growth management, grantsmanship, municipal finance, human services, education, recreation, health, transportation and municipal services.
2. A monitoring program to computerize, in conjunction with the states, an oil and gas model which will project employment, population, housing needs, school needs and local revenues.
3. A financing program for capital facilities needed in the Evanston area.
4. An aggressive effort to stimulate reasonably-priced housing and assure the quality of existing housing.
5. Assistance in arranging for short-term rental housing for critical city, county and hospital employees.
6. Assistance in funding the initial salaries of city and county building inspectors.
7. Financial and staff assistance to the City of Evanston for street repair.
8. Funding for part-time traffic control officers for Evanston and Kemmerer this summer and next.
9. Technical assistance to develop an education master plan and otherwise improve the quality of educational programs.

⁸⁷ Overthrust News, Issue 3, p. 1.

10. Assist in arranging financing packages for temporary classrooms in Uinta County School Districts. More than \$700,000 already has been provided the Uinta School District No. 1 for temporary classrooms.
11. Training of current school staff to handle the unique educational problems which accompany rapid growth.
12. Help in arranging financing packages for needed transportation equipment for Uinta County School Districts.
13. Assistance in meeting human services staffing requirements, including such positions as:
 - a. Human services coordinator
 - b. Mental health psychologist
 - c. Alcohol rehabilitation counselor
 - d. Youth coordinator
 - e. Crisis intervention coordinator
14. Assistance in establishing a crisis intervention program which makes use of paid volunteers as counselors.
15. Assistance to Evanston for the establishment of a battered spouse and child shelter.
16. Assistance to the new hospital to build, as an adjacent unit, an alcohol detoxification center.
17. Assistance in arranging a financial package for the Evanston Child Development Center.
18. Assistance to the Evanston police and Uinta County Sheriff for some of the necessary law enforcement equipment and/or personnel.
19. Financial assistance for the Evanston Recreation Department to develop more parks.
20. Seed money to establish a cultural opportunities program for the County.
21. Creation of a community awareness program to help residents understand the activities undertaken by the OIA, local officials and volunteer organizations in managing the rapid growth ahead.**

The purpose of the joint impact mitigation program was to provide temporary relief to problems before the tax revenues from nearby oil and gas facilities were recognized. OIA representatives indicated that they expected the program to last about 20 months. During that time, the mechanics of the impact mitigation program were determined by Impact Coord-

** Overthrust News, Issue 3, p. 2.

dinating Committees composed of OIA officials and local, state and federal government representatives.

The Uinta and Lincoln County Impact Coordinating Committees made their first public announcement in late June of 1981. Presented at this meeting were more than \$6,700,000 in impact mitigation and community service programs. By March 1982, the Impact Coordinating Committees had met three times and announced nearly \$39 million in programs. The majority of the programs announced by the committees over a three year period and the funding contributions are outlined in Table 1. An examination of funding sources indicates a cooperative effort between the public and the private sectors.

Table 1: Total Committed Impact Funding, March 1982

Unita County:	OIA	City/County	State/Federal
Evanston Police: crime watch, vehicles	\$ 24,221	\$ 52,000	--
Evanston road plan	18,597	--	--
Evanston street sweeper and water truck	130,000	130,000	--
Evanston sewer expansion	30,000	274,000	78,000
Evanston parks	40,000	75,000	--
Evanston child care center	150,000 (no interest bank loan)	--	--
Evanston Public Safety Building	80,000	--	800,000 grant
Evanston Recreation Center	1,500,000	2,748,169	--
Evanston Sewer Treatment Facility	225,000	2,800,000	7,900,000 grant
Uinta County Library	500,000	1,000,000	--
Uinta County Memorial Hospital	250,000	8,550,000	--
Uinta County sheriff dispatch communications center	68,213	30,000	--
City/county surveyor and mechanic (3 years)	95,000 (1st 20 months)	--	--
Arts Council	15,000	--	--
Planning assistance (land use, master plan, water, sewer, transportation)	100,000	--	--
Human services coordinator (3 years)	50,000 (1st 20 months)	40,000	--
Alcohol rehabilitation counselor and secretary	50,000 (1st 20 months)	40,000	--
Human services center	550,000 loan	--	1,700,000
Uinta County Court House	500,000 loan	1,000,000	1,500,000
			500,000 grant
Lyman recreation program	15,000	50,000	--
Mountain View recreation program	10,800	50,000	--

Table 1: (Continued)

Mountain View Fire Department radio equipment	4,200	50,000	--
Lincoln County:	OIA	City/County	State
Planner for Diamondville/Kemmerer (for 18 months)	\$50,000	--	Technical Asst.
Population, employment and financial projections	60,000	--	Technical Asst.
County-wide master plan	65,000	--	Technical Asst.
"Turning-Point" crisis intervention center	30,000	50,000	--
Asst. public health nurse (part-time)	15,000	--	--
Deputy sheriff (1)	20,000	45,000	--
Emergency medical team expansion	25,000	--	--
North Lincoln Hospital	15,000	1,270,000 (in public contribution)	--
Summit County:	OIA	City/County	State/Federal
County planning	11,660	--	11,000
Rich County:	OIA	City/County	State/Federal
Water well	25,000	--	280,000
Bear Lake & Rich County:	OIA	City/County	State/Federal
Joint planning	23,340	--	50,000

Table 1: (Continued)

General:	OIA	City/County	State/Federal
Technical assistance	376,000	--	--
Population monitoring system	66,500	--	--
Cooperative Wildlife Program	1,000,000	--	--
	<hr/>	<hr/>	<hr/>
TOTAL	\$6,148,521	\$19,284,169	\$12,819,000

Source: Overthrust News. Periodical published by the Overthrust Industrial Association. Issue 4, March 1982, p. 2 and Issue 8, January 1984, pp. 1-3.

By August of 1983 population projections indicated that total oil and gas employment in the Lincoln and Uinta County area would peak by 1986.⁸⁹ The trend involved a shift from temporary construction and drill crews to permanent, though fewer, plant operation and production employees. Meanwhile, the tax base of the area continued to increase as the gas processing plants began operating. For example, Uinta County in 1981 received \$194 million from the oil and gas related portion of its tax base. The estimate for 1985 was \$820 million.⁹⁰ The local governments were approaching a time when they would no longer need assistance from the OIA; they will have the tax base to support themselves and their new growth.

The OIA continued to contribute to programs identified by the Impact Coordinating Committees during 1984. The Uinta County Impact Coordinating Committee approved funding requests from the Sexual Assault and Family Violence Task Force (\$80,000 grant), Uinta County Child Protection Team (\$33,333 for salary of youth coordinator), Uinta County Counseling Service (\$58,500 for salary of psychologist), Mountain View (\$10,000 grant for general human services funding), Evanston Police Reserves (\$500 for uniform items), Bridger Valley Child Development Center (\$10,000 grant for purchase of new site), and Evanston Housing Authority's senior citizens housing project (\$550,000 in grants and rent subsidies).⁹¹ The Impact

⁸⁹ Overthrust News, Periodical published by the Overthrust Industrial Association, Issue 7, August 1983, p. 1.

⁹⁰ Overthrust News, Issue 7, p. 4.

⁹¹ Overthrust News, Issue 6, p. 3 and Issue 7, p. 9.

Coordinating Committees were active in arranging funding from the OIA, the counties, cities, state and federal government for a multitude of joint impact mitigation programs.

The OIA's efforts expanded to surrounding counties in response to the indirect impacts from the oil and gas processing activities. Summit and Rich Counties in Utah and Bear Lake County in Idaho have benefitted from direct aid and technical assistance provided by the Overthrust Industrial Association. The efforts of the OIA to mitigate the impacts of their new facilities went beyond the areas of direct impact to address the spillover impacts on surrounding counties as well.

As the oil and gas activities of southwestern Wyoming moved from an exploratory stage to a production stage, OIA activities began to phase down. By the end of 1984, impact mitigation activities had concluded. However, according to new OIA President David Wight, the Overthrust Industrial Association will not disband.⁹² He indicated that the "Corporate Wildlife Program, designed to ensure the future of our region's important wildlife resources, will continue next year, as will the Overthrust News and some monitoring programs."⁹³ The Overthrust Industrial Association's function has become increasingly advisory and the individual companies have taken more prominent roles in local affairs.

⁹² Overthrust News, Periodical published by the Overthrust Industrial Association, Issue 8, January 1984, p. 8.

⁹³ Overthrust News, Issue 8, p. 8.

Summary

Today, resource-oriented boom towns differ greatly from the boom towns of the past. Generally a slowly growing community is in existence at or near the impacted site. Community concerns and uneasiness surface as soon as energy exploration activities are announced. The existing community may be reluctant to accept a change to an adopted way of life. Often public facilities become severally over-burdened by a sudden population influx. There is frequently a lag between the demand for and supply of new public facilities and new housing. The citizens do have many reasons to be concerned.

The Overthrust Industrial Association (OIA), formed in 1980, represents a new approach to growth management: a cooperative effort to mitigate the impacts of a sudden population growth. Composed of as many as 36 energy firms at one time impacting southwestern Wyoming, northeastern Utah and southwestern Idaho in oil and gas related activities, the OIA promoted an attitude of cooperation and coordination between the public and the private sectors in dealing with problems resulting from sudden growth. This cooperative approach was initiated by the private sector and was facilitated by a corporate willingness to provide information related to industry plans; information vital for developing socioeconomic projections for the community.

The motivation behind the organization of the OIA had several sources. First, local governments in the area were exercising some authority with regard to issuance of permits for the oil and gas producing facilities. In some cases, permits were being held hostage until some action viewed

favorably by elected officials occurred. In 1979 in Uinta County, Wyoming, prior to the creation of the OIA, the County Commissioners refused to issue an additional, required construction permit just as Amoco Production Company was preparing to begin construction of a new plant pending a discussion of community needs.⁹⁴ Initially Amoco offered financial assistance to the community in exchange for permission to begin construction. However, the oil and gas industry in the area recognized that they needed to protect themselves from what could become endless, unpredictable, costly delays imposed by the local governments and banded together to form the OIA. Local governments were discovering the power they had over the private sector and using that power for recognition of the adverse impacts they were about to incur from new development.

A second motivating factor behind the formation of the OIA involves the existing Wyoming law requiring impact mitigation for particular industrial developments. Wyoming's Industrial Development Information and Siting Act, enacted in 1975 requires "a detailed review of the social, economic and environmental impacts of industrial development in the State."⁹⁵ Gas processing plans such as those emerging around Evanston, Wyoming, were not subject to this legislative requirement until 1983. However, the OIA companies recognized that the law could very well include them and, by forming the OIA to provide assistance, they did exert more control over the extent of their impact mitigation efforts.

⁹⁴ Ritz, William R., "Wyo, Oil Boom Town Surprised by Amoco with \$500,000 Grant," Denver Post, April 19, 1981.

⁹⁵ U.S. General Accounting Office, p. 21.

The Industrial Siting Act requires the submittal of a "permit application which must contain plans and measures for mitigating adverse impacts and must be approved by the State industrial siting council prior to construction of any industrial facility."⁹⁶ In 1979, Amoco and Chevron's gas processing plants did not fall under the State's definition of an industrial facility and therefore was free from its requirements. However, in 1983 when Amoco proposed to construct the Anschutz Ranch East gas plant in Uinta County, they did fall under the revised State regulations. In reviewing Amoco's plans, "the Industrial Siting Council decided that no major requirements need to be imposed on Amoco Production Company to handle impact from its Anschutz Ranch East gas plant."⁹⁷ Evanston officials informed the Council that they had "no unmet needs," and therefore, "no financial aid packages were imposed on Amoco."⁹⁸ Although the concern that they too might soon be regulated by the Industrial Siting Act may have been a strong motivating force behind the creation of the OIA, with the organization the oil and gas companies were able to exercise greater control over the type and extent of impact aid provided to the local governments.

A third factor encouraging company involvement with impact mitigation involves employee productivity. Of primary concern to industry are problems of labor recruitment, turnover, and low worker output resulting

⁹⁶ U.S. General Accounting Office, p. 22.

⁹⁷ "Anschutz has No Special Needs," Casper Tribune, December 13, 1983.

⁹⁸ "Anschutz has No Special Needs," Casper Tribune, December 13, 1983.

from unsatisfactory living environments.⁹⁹ Most companies cannot afford to have these problems. They have enough difficulties enticing potential employees to what is often viewed as a remote location. Company aid to impacted communities may be viewed as an investment resulting in future financial gains from increased employee productivity.

It was also to the benefit of the community to cooperate with the OIA. Local officials were able to use some influence to coerce the oil and gas related companies to initially provide for community needs. Particularly in this situation where the companies were not required by law to provide impact funding, the communities were able to take advantage of the corporate willingness to help. With the slow rate of growth most of these communities were experiencing prior to the sudden, energy related growth of the early 1980's, very little had been done to upgrade existing public facilities. Most facilities in these communities, including roads and water and sewer services, were in a deteriorated state before the sudden population influx. Without the benefit of increased revenues immediately, the communities would be unable to restore existing facilities to meet the increasing demand. They had an exorbitant amount to gain and very little to lose from OIA support.

It was very much to the communities advantage to cooperate and participate actively in the OIA impact mitigation process. Only through active participation could they influence the future of their community. Full community involvement was a vital goal in the OIA approach. However, from an interview with an OIA consultant, the local officials generally

⁹⁹ Rounds, Michael, 1981.

opposed community involvement.¹⁰⁰ Not only were they apprehensive to the initial siting of the new industrial facility and the many changes and demands it would create, but they also then opposed the involvement of the community once the location was certain. Citizen involvement, however, served in a vital function in the OIA approach despite the initial apprehension of local officials. By involving the citizens, a sense of satisfaction from the participation and increased knowledge produced a community-wide positive result.

The communities in this region are no longer experiencing rapid growth. Just as quickly as the rapid growth struck the area. The rate of growth dropped dramatically. The bust of the boom/bust cycle occurred earlier than anticipated as oil and gas prices declined. However, these communities were able to work cooperatively with the energy companies during the early 1980's to manage the sudden growth in an innovative, public/private partnership method. When the next sudden population influx occurs, perhaps ten or twenty years from now, these communities may draw from their recent experiences in growth management and further fine tune the methods in order to satisfactorily manage growth.

The Overthrust Industrial Association (OIA) structure, approach and the setting from which it emerged all contributed to the resulting, positive community/industry relationship. The OIA structure provided a geographic flexibility essential for oil and gas related activities. New industrial facilities were being developed throughout the region. The

¹⁰⁰ Interview with Mr. Charles McLean, President, Denver Research Group, December 22, 1981.

low profile of the OIA enhanced the organizations ability to avoid conflict situations. The OIA did not act as a lobbying organization and the Association carefully avoided involvement in political issues. Never having to take a side on a controversial community issues was undoubtedly a carefully planned strategy. Most importantly, the structure and approach of the OIA allowed the organization to assist the community by informing and educating the public about industrial developments and their impacts without dictating growth management policies and to assist in providing for community determined interim demands resulting from the new developments. The situation from which OIA evolved contributed to the structure and approach of the organization and the resulting positive community response. This community/industry relationship produced an attitude of cooperation and coordination, from which both sectors benefitted, as the adverse impacts from new industrial developments were mitigated.

CHAPTER IV

EVALUATION OF THE CHANGING COMMUNITY/INDUSTRY RELATIONSHIP IN RESOURCE-ORIENTED BOOM TOWNS

Resource-oriented boom towns have changed with time. Because the settings from which the boom towns emerge have changed so have the community/industry relationships within the boom towns. In the past where companies have dominated local affairs, poor community/industry relationships have resulted. For example, in the Michigan Copper District, community aid and assistance was provided by the companies to the impacted community. The paternalistic actions of the company officials, however, occurred with no input or feedback from those receiving assistance and in effect smothered the growing and often isolated communities. In cases where the community has been unable to actively participate in the management of the community due to the seemingly well-meaning actions of the dominating industry, the relationship between the community and industry reflected this dissatisfaction.

Conversely, in resource-oriented boom towns where a company has had little or no interest in controlling or assisting in the operation of the town, an adversary relationship between the two sectors emerged. In the Mesabi Iron Range of Minnesota a struggle began between the communities and the companies for the economic benefits of the industry. Primarily through taxation, the communities began exploiting the industry to provide for excessive community improvements. The mining industry in the

area eventually organized in an attempt to encourage a reasonable pursuit of public improvements. An adversary relationship between the communities and the industry resulted in these situations from the excessive demands of the community on industry.

The community/industry relationship in a resource-oriented boom town is determined primarily by the attitude of the community, the philosophy of the impacting industry and the community's stage of development. Today, a community is usually in existence near the industrial site. The expectations of the citizens and local leaders are greater than in the past and the commitment by industry to community development has increased over the years. However, community expectations and industry commitment are often not at the same level. Through the process of negotiation between community and industry, today the adverse impacts from industrial development may be mitigated. In order for a community/industry relationship of respect to result, a delicate balance between community and industry control is essential.

A study of the Overthrust Industrial Association (OIA) afforded an opportunity to investigate the negotiation of adverse impacts from the siting of an industrial facility. Indeed, it is possible to have a resource-oriented boom town result from industrial development with a positive community/industry relationship prevailing. The OIA was able to avoid the problems of paternalistic company dominance and work together with the community to mitigate the adverse impacts from the sudden growth created by oil and natural gas related development in the area. It was a unique situation which resulted in this special community/industry relationship.

The Overthrust Industrial Association's stated objectives identified the intent of the organization. The OIA provided assistance in planning for growth and in meeting interim demands before increased tax revenues were realized. The organization informed the community about the industrial development occurring in the areas and assisted in providing information and data necessary to enable the community leaders to make educated decisions and meet the demands of the future. The OIA respected the existing way of life in the impacted area. They encouraged citizen involvement to help identify emerging problems. The OIA provided expertise and other human resources as well as financial assistance. While waiting for the community to become self-sufficient again, the OIA helped to plan public facilities and coordinate the monitoring of impacts.

The OIA worked with citizens and community leaders to negotiate the provision of impact aid. It is vital for the local community to be actively involved in finding solutions to growth induced problems affecting the community. "...People who live in rapid growing communities must solve their own problems. They can get valuable advice and assistance from planning consultants, industry, state and federal agencies and other sources but the actual solutions to rapid growth problems must come from the communities themselves."¹⁰¹ Not only does the community benefit but the impacting industry also benefits from community involvement in growth management because the area is perceived as a more desirable place to live.

¹⁰¹ "Rounds, Michael, "Dispelling Boomtown Myths," Rocky Mountain News, May 2, 1982.

Community involvement was an important consideration in the organization of the OIA. Through the creation of community advisory committees, citizens were given an opportunity to contribute to the future of their town. Evanston, Wyoming, for example, had the opportunity, with OIA assistance, for a detailed examination of the community including its assets, deficiencies, and potential for improvement. The citizens of Evanston, through their active participation, also had the satisfaction of providing input and feedback related to the city's future. Citizen participation is an essential element for a positive community/industry relationship in resource-oriented boom towns.

The siting of a large industrial facility can have a tremendous impact. Particularly if the facility locates in a sparsely populated area, one that had experienced a minimal population increase, the impact could be devastating. With today's heightened community and corporate awareness, adverse impacts resulting from the construction and operation of a large industrial facility may be lessened through a negotiation process between the community and the industry. The OIA experience demonstrated that the process of negotiation allows the two sectors to evaluate community needs while recognizing the financial and social limitations of both the municipality and the corporation. This recognition allows a relationship of respect to emerge between the two sectors and a partnership approach for managing growth to develop and mature.

Implications for Planning

A large-scale energy development creates many demands on a community. As soon as a company's intention to locate a facility are known, a community must begin proper planning in order to control and guide the impacts. Essential to community planning is a knowledge of the industry's energy development plans. The community must have employment projections with site development plans and timing in order to prepare and plan for the impacts of the development.

Advanced planning for a resource-oriented boom town is truly challenging. There are inherent problems with this type of energy industry. The extraction of energy resources involves exploration activities initially. The actual exploration rarely results in boom town impacts. Upon discovery, however, a company may move rapidly into an area. It is difficult to predict growth patterns because growth is dependent upon the results of exploration activities of many different companies. This rapid and unpredictable growth increases the difficulty of local community planning and impact mitigation activities between the public and private sectors. Often state involvement becomes essential.

It is important for community leaders and decision-makers to understand that every company reacts differently to the idea of mitigating the adverse impacts of energy development. A variety of factors influence a corporation's willingness to contribute to the cost of local impact mitigation. Stanley A. West surveyed energy development company representatives and was able to outline the forces which enhance this willingness

to commit resources for impact mitigation. These factors are summarized below:

1. Substantial impact mitigation would be necessary because of the extreme adverse impacts resulting from the project. If projected population growth exceeds ten percent annually and without mitigation extraordinarily harmful effects could result, then companies are more likely to feel the responsibility.
2. Impact mitigation will result in improved worker productivity and lower turnover rates. A desirable setting is necessary to compete for experienced, efficient employees.
3. Delays in construction will increase costs. The threat of a law suit or other delays increases corporate willingness to alleviate adverse impacts.
4. Corporate executives view the facility as a pivotal element in the company's plans. If the company has made unrecoverable investments or if the company is expanding into a new area of investment, then the company is more likely to institute impact amelioration.
5. Some community opposition to a facility exists. A small or moderate amount of community opposition encourages companies to invest in impact mitigation. Extensive opposition can discourage a proposed project.
6. A high level of community resourcefulness exists. Demonstrations of community willingness to carry its share of the load increase corporate desires to provide assistance.

7. The prospects for successful mitigation are good. If mitigation efforts can provide aid when needed, then a company commitment is more likely.
8. The life cycle of the facility is projected to be several decades. Expected operation of a facility for more than twenty years is sufficient to encourage corporate investment in a desirable setting.
9. Local services and public facilities are not likely to provide assistance to meet impacts caused by their development rather than to provide for existing inadequacies in services or physical systems.
10. Discrimination by local government is not expected. Corporate representatives prefer to site new facilities in areas where the same legal standards apply to all business projects regardless of their size.¹⁰²

This insight into the many factors influencing corporate willingness to participate in impact mitigation activities provides the local community several opportunities to influence corporate decisions. Elected officials and local government decision-makers are in positions which allow them to take advantage of these opportunities. Local representatives should let the representatives of the new development know that the community recognizes the approaching changes resulting from the siting of the facility and that the community is concerned. One way to

¹⁰² West, Stanley A., "Opportunities for Company-Community Corporation in Mitigating Energy Facility Impacts," Report prepared for the U.S. Energy Research and Development Administration, Laboratory of Architecture and Planning, Massachusetts Institute of Technology, August 1977, pp. 14-19.

demonstrate community resourcefulness is to approach the company about impact mitigation while making it clear that the town is ready to carry its share but cannot provide all the necessary services until the new tax base has been realized. Local officials should stress that funding from governmental agencies will be the first source used. If applicable, local representatives should indicate the governments inability to extend services or physical systems to provide for the needs of the anticipated expanding citizenry. Should current service or system deficiencies exist, the impacted community should not expect the new company to be willing to provide for problems existing before they came into the area. Current service and system deficiencies should not be exploited by the community.

Most importantly, local representatives should emphasize an intention to treat all business projects equally. Local regulations should reflect this policy. The largest development project should not be expected to pay for all the newly created needs. The community should make it clear through policies and regulations that they are not biased against larger projects and seek impact mitigation from all new developments in a fair and equitable manner. Local governments must recognize the opportunities they face once a siting decision is definite and extend an attitude of cooperation and coordination in order to best provide for the needs of the old and the new citizenry. The local officials can take advantage of the many opportunities facing them when the siting of a new energy facility is announced by initiating impact mitigation discussions if state law does not require it.

Prior to initiating the mitigation of adverse impacts whether required by law or not, the community must develop the ability to deal with the impacts of community growth while understanding the limitations of the community for handling this growth. The community should adopt clear goals and objectives for its future. The foundation for planning should be in place before the private sector is approached for financial aid. In addition to initiating the mitigation process, local officials must have control over the decisions which will shape the communities future.

This approach to impact mitigation requires clear channels of communication between the energy development officials and community representatives. In order to have a unified effort, a partnership approach, a full understanding of the importance of good communications and its potential difficulty is essential. Communications between the industry and the community is necessary for the true impact of the development to be realized. The energy company must release its employment figures and projections, long range plans for expansion and other information which in today's competitive environment may not be generally available for public scrutiny.

Industry officials may be wary of releasing their true development intentions for fear of revealing too much to their competitors. This information, however, is vital to undertake population, economic, and social projections. These projection figures will be the basis for basic planning efforts. From these figures the extent of the impact of the new development can be estimated and efforts can proceed towards mitigating the adverse impacts.

Understanding the delicacy of these figures, local officials may be able to work with industry representatives to protect the information. Because the local government is unlikely to have the staff resources available to undertake a socio-economic study, it may be advisable to hire a private consultant, as the Overthrust Industrial Association did, to gather and evaluate the information on current conditions and to project the impact of the new population. This may satisfy the industry and the government that the study was prepared in an unbiased manner.

A partnership approach to meet the demands of a growing population is dependent upon communication between the two sectors. Not only must the impacting industry provide information but the local government should reveal current deficiencies and strengths regarding the operation of the local government. This information is important for an evaluation of existing conditions in order that the true impact of the population growth can be estimated.

It may be necessary to consider the introduction of regulations requiring the mitigation of adverse impacts from the energy development company if they are not already in place. Regulations can provide a means of preparing for the immediate demands created by a new industrial facility prior to the realization of an increased tax base. The Overthrust Industrial Association did act to mitigate the impacts of energy developments in this case study without being required to do so. However, there did loom the threat of an extension of Wyoming's regulations to include the type of facilities they were constructing. Because not all companies are as open and concerned as those involved with the Overthrust Industrial Association, it may be worthwhile to consider the benefits and

possible disadvantages of requirements for impact mitigation if such requirements are not already in place.

Should the enactment of state legislation which would require energy development companies to mitigate the adverse impacts from their development seem necessary, it would be desirable to involve the energy industry in the creation of those requirements. Through private sector involvement, regulations may be devised which satisfy both the public and the private sector. With industry input the two sectors may be able to devise regulations which have some degree of flexibility, permitting limited negotiations to occur, while allowing industry to project their probable mitigation expenses.

Alternative Growth Management Techniques

A variety of method exist for managing and controlling the rapid growth of resource-oriented boom towns. The Overthrust Industrial Association communities used several different methods. It was the threat of compliance with Wyoming's Industrial Siting Act and its requirements for impact mitigation aid however which forced these communities and the industries into an unusual partnership approach to growth management. The joint mitigation efforts demonstrated by the OIA and the communities of Southwestern Wyoming would be difficult to duplicate because of the unusual situation from which it emerged. But this experience offers insight into growth management issues and the variety of techniques available to communities to assist in the management and control of rapid growth.

Local government may exercise numerous techniques to aid in the mitigation of adverse impacts associated with rapid growth. This growth that the community hopes to manage and control is generally the result of a new industry or business locating in the area. As many new families move into an area growth pressures are exerted on the existing community facilities. Schools, transportations systems, fire and police protection, housing, and water and sewer systems are often strained and overburdened. Because, in many cases, the community will not benefit from the increased revenue associated with the growth until after the initial boom, it is imperative that some growth management strategy be in place to reduce the strain on existing public facilities. Various techniques are outlined below.

Local Development Regulations: Community leaders in resource-oriented boom towns should consider what facets of growth they wish to control. In general terms, they might be concerned about the quantity, timing, type, location, quality and/or cost of the growth and development.¹⁰³ A variety of guidance techniques are available. Several which may be useful to the remote communities of the western states are addressed below.

Local development regulations and building codes are perhaps the most basic of local controls. Building codes regulate construction activities and enable the community to exercise control over the quality, cost, and type of development. Zoning ordinances regulate the use of the land and

¹⁰³ Scott, Randall W., Management and Control of Growth, Volume I. Washington, D.C.: The Urban Land Institute, 1975, p. 9.

assist the community in controlling the quality, timing, type, location, and cost of development. Subdivision regulations also affect the quality, timing, type, and cost of development.

A local development ordinance including zoning and subdivision controls should be comprehensive. The zoning designation for each property should be coordinated with a local land use plan indicating the desired location and type of development for the entire community. The community goals and objectives for future development should be determined as a part of this process. With zoning and subdivision regulation, the general use, intensity of development, and standards for development are determined. Specific areas of environmental concern may be protected. The maximum number of housing units per acre may be established for different areas. Amenities may be required. Aesthetic controls are available. The direction of growth may be controlled.

Consider the proposed development of a large mobile home park. The building code will determine the minimum standards for construction and construction materials of the mobile home. Local zoning laws will determine in what areas of town the mobile home park may be developed. Zoning regulations may be used to limit the number of units permitted in the development (the density of development). Subdivision of the land may be required. The zoning ordinance will likely dictate the construction of necessary roadways and public utilities to local standards. Zoning and/or subdivision regulations may dictate the required recreation area and amenities provided. The zoning may prohibit development immediately adjacent to streams. The zoning may even control the appearance of the structures in the mobile home park perhaps requiring pitched roofs,

removal of the chassis, and placement on a foundation. These local development standards are a fundamental tool for the control of development. State enabling legislation will determine the limitations of control while the extent of control exerted will be determined by local policy makers.

Associated with these development regulations and the supporting land use plan, specific development limit lines may be imposed. If the community is concerned about their ability to provide urban services at a reasonable cost to the taxpayers, user fees may be imposed on a developer. User fees often effect the type and rate of facility usage. User fees may be prorated according to proximity to facilities such as sewage treatment. It is likely that the developer will transfer those costs to the consumer.

Related to user fees are timed development controls. The order and rate of development may be controlled by limiting the issuance of building permits to those areas adequately served by public facilities. Ramapo, New York's zoning ordinance, upheld by the Supreme Court, was tied to a long range capital improvements plan to control the rate of growth.¹⁰⁴

User fees, timed development controls, impact fees, adequate facilities ordinances, carrying capacity limitations (discovering the land's ecological limitations for development) and related local growth management techniques often do not achieve the objectives of the resource-oriented boom towns. So many of the traditional growth management methods

¹⁰⁴ Gallion, Arthur B., The Urban Pattern. New York, New York: De Van Nostrand Company, 1975, p. 479.

are used by communities intending to stop or severely slow growth. The boom towns of the west often wish to best accommodate growth. Often the question of growth vs. no growth is out of the hands of the local decision-maker if oil and gas exploration activities are occurring in the area. If the community does not attempt to accommodate and manage the growth, it will still occur. It may occur just outside the city limits yet still impact the community.

Because the local decision-makers in many boom towns want to accommodate the sudden growth and further the communities economic development, some decision-makers may fear that extensive local regulations will discourage local development. However, local regulations can achieve many of the town goals for quality development without adversely influencing the extent of development. Regulations which encourage administrative negotiations should be promoted. Various methods of incentive zoning may be incorporated.

The regulatory system in general, however, appears to promote adverse public and private sector relations. Regulations tend to imply dominant and subordinate roles. The dominant party, in this case the public officials, will create, dictate, alter and enforce specific rules and regulations. The subordinate private sector developer must attempt to comply with these regulations. This system with dominant and subordinate roles allows only limited negotiations to occur. Increased powers for negotiation and bargaining could allow the determination of the most cost-effective means of providing services, for example, with active participation by both sectors. Instead of promoting cooperation, the

system of regulation may encourage the private and public sectors to work against each other.

While fewer regulations could strengthen a negotiation process for determination of a cost-effective means of providing impact aid, regulations requiring impact mitigation may assist the energy company in the projection of their impact mitigation costs. With set regulations, the opportunities for hidden costs may be reduced. The existence of regulations requiring community assistance may reduce the number of cases where local governments try to bluff the industrial developers by holding required local permits hostage until favorable community aid actions occur. Local governments have or may enact laws providing them power over industry. Zoning and subdivision regulations, building codes and health codes are but a few of the regulations which may be useful for retarding or prohibiting construction of a new facility. Local government tactics to obtain impact aid are not always desirable. Companies do not want unknown costs from governmental delays or requirements.

State Regulations: Often large industrial facilities will locate outside the community they are likely to have the greatest impact on. This is generally a conscious effort by the industry to avoid both city and county taxes on what is often a multi-million dollar project. Furthermore, a great deal of land may be needed to operate the facility. Large acreages are often more readily available outside the city limits and land costs are likely to be less outside the city limits.

Because of this, local regulations may not have an impact on development activities other than those secondary activities associated with the siting of a large facility. For example, a natural gas processing

facility, employing hundreds, may locate outside of city limits. New housing and businesses, however, associated with the siting of the facility will likely locate inside the city. Regulations at the state level may have a greater impact on these large facilities which create the boom town effect.

State involvement in the management of growth provides a uniform control that cannot be achieved at a local level. Environmental concerns are at the root of many state land use regulations. Among existing state regulations, those regarding air and water pollution, coastal and wetland management, flood plain management, surface mining, power plant siting, and large development siting are not unusual. In the case of the Overthrust Industrial Association, Wyoming's Industrial Development and Siting Act resulted in the provision of mitigation aid to impacted communities. Utah, Montana, North Dakota, and South Dakota have similar laws requiring major developers to provide their development plans and file an impact mitigation plan prior to the start of construction.¹⁰⁵ These state permitting requirements offer uniform control while providing communities with knowledge of the industry plans and providing aid to impacted communities which they alone do not have the local authority to require.

Very few states provide statewide growth management policy or programs.¹⁰⁶ State involvement is important for the management of growth in

¹⁰⁵ U.S. General Accounting Office, p. 21.

¹⁰⁶ Patton, H. Milton, "Harbingers of State Growth Policies" in Management and Control of Growth, Volume III. Ed. Randall W. Scott. Washington, D.C.: The Urban Land Institute, 1975, p. 319.

resource-oriented boom towns because of the special circumstances of so many boom towns. These towns are often isolated and the energy development facility often locates outside the effected communities jurisdiction, thereby avoiding any efforts by the locality for control.

Statewide growth management control has implications for other communities as well. The state provides a regional perspective to growth issues. Many important development issues transcend local control boundaries such as environmental concerns, economic issues and transportation demands. State involvement in development controls offers uniform requirements combined with a regional understanding and knowledge of local issues. State and local growth management controls increase in importance as states and localities acquire a greater share of federal responsibilities.

State permit requirements for large industrial facilities are among the most important of current state activities which assist a community in coping with boom town effects of resource exploitation activities. State requirements, such as Wyoming's Industrial Development Information and Siting Act, which require impact mitigation plan approval prior to issuance of a necessary state permit ensure some impact mitigation activities to aid the communities in the area.

Other state level growth management activities are worthy of consideration. Many states now impose statewide building codes which establish a consistent minimum building standard for construction activities. This sort of statewide control provides standards for public safety.

Some states impose economic standards for development. Pennsylvania supports and assists depressed regions of the state through a development

policy which provides incentives to depressed areas which offer industrial land and buildings to companies willing to locate in the area.¹⁰⁷ This policy enables the state to offer low interest loans and monies to community development organizations which promote the availability of these industrial locations.

Energy resource states of the west do not have this same flexibility which would enable them to promote certain areas of the state for energy development. The location of the resource is going to dominate industry decisions to impact an area. State regulations are likely to have little impact on these decisions. This is the nature of energy development and the primary reason why growth management is difficult for resource-oriented boom towns.

Statewide attempts to manage growth for resource-oriented boom towns through environmental policy and/or regulation are unlikely to influence the boom town nature of oil and gas industry development. Substantial application fees may be considered by a state to help cover the cost of extensive site analysis to determine the environmental impacts. Statewide environmental protection allows all local governments in the state the benefit of sophisticated requirements and enforcement regardless of the localities ability to provide this. These environmental considerations are important but alone will likely only slow the site selection process and not assist in the management and control of the boom town growth.

¹⁰⁷ Patton, H. Milton, pp. 323-324.

Western states should consider amending their current legislation requiring impact mitigation plans from large industrial facilities to include a total carrying capacity policy. Carrying capacity has been defined as the ability of the natural and man-made systems of an area to support the demands of additional use.¹⁰⁸ Legislation such as Wyoming's Industrial Siting Act requires large industrial facilities to receive a state permit and provide a plan outlining their impact mitigation activities for the effected communities. This law reflects the carrying capacity policy. Existing man-made systems such as schools, roads, sewage disposal, and fire and police protection are evaluated and the impact of the increased population is assessed. The environmental impacts of the energy development on the natural system of land, water, and air should be evaluated as well. Carrying capacity policy at the state level provides uniform protection for the entire state. At the state level, legislation policy can be tailored to address the variety of developments likely in the different regions of the state.

Federal Regulations: The 1980's have been a time of declining federal responsibility. State and local governments have by necessity had to increase their shares of national responsibilities. In certain areas many believe state and local government should take a greater role. However, the current national policy goes to extremes, overburdening state and local governments with increased responsibility and declining federal aid.

¹⁰⁸ Godschalk, David R., "State Growth Management: A Carrying Capacity Policy" in Management and Control of Growth, Volume III. Ed. Randall W. Scott. Washington, D.C.: The Urban Land Institute, 1975, p. 330.

Federal involvement for the communities of the Overthrust Industrial Association was primarily in the form of government grants and loans. Because this country is so large and diverse, the role of the federal government should be minimal with regard to growth management policy. The focus of national involvement should be to provide broad goals and financial assistance to local and state government for community development issues. This assistance is vital and should continue.

Federal involvement in land use and growth management policy has been minimal. There is no comprehensive land use policy. Many federal programs have little impact on growth issues. Federal involvement should be limited to general social, economic and environmental issues, not land use controls. Energy conservation, the promotion of mass transit, clean air and water, and decent living conditions for all are broad goals the government should be supporting with federal policy. The federal government does have legitimate reasons to be involved with matters involving the health, safety, and welfare of all citizens.

Only in cases involving national issues should the federal government become involved at a local level beyond the role of providing financial assistance and establishing general policy. The Clean Air Act and the Water Pollution Control Act are both federal mandates which may have an impact on growth issues but are not related to land use controls. Several areas which impact land use and growth management but, where federal involvement may be appropriate include the location of federal installations, federal construction of public works (power plant or oil refinery siting), and the location of sites for the burial of hazardous wastes which few communities welcome.

The federal government does have a responsibility to protect the citizens. Federal involvement with land use controls should be, for the most part, a policy making involvement with the provision of aid to communities for the incorporation and accomplishment of those objectives at the state and local level. The majority of land use control powers should be delegated to the state and local level.

SUMMARY

Planning for the future of a resource-oriented boom town must occur quickly once the siting of an energy facility is announced. Therefore, it is important for the community to have in place a foundation for planning including the adoption of goals and objectives outlining the desired future of the community. Local officials have an obligation to approach the developer of a new facility to initiate impact mitigation discussions particularly if regulations are not in place to encourage the mitigation of adverse impacts from the new facility. With or without the existence of impact mitigation regulations, some flexibility should be provided to allow interaction and negotiation toward the mitigation of undesirable impacts to a level acceptable to both sectors. Negotiations between the public and the private sectors encourages a recognition of each sector's financial and social limitations. Negotiations allow for a balance of control resulting in a favorable community/industry relationship. Great opportunities abound for cooperation and coordination between the public and private sectors in an effort to mitigate the adverse impacts resulting from the siting of an energy development facility.

Both the community and the industry must become involved for this positive relationship and a desirable living environment to prevail.

CHAPTER V

CONCLUSION

Resource-oriented boom towns are the result of a rapid and often unpredictable population growth which occurs after a large resource development project is initiated. Because natural resource exploitation is financially speculative, the boom/bust cycle associated with these towns does still exist. A company and its employees often move rapidly into an area. Although companies today have advanced methods to determine the extent of the resource reserves, the market value of the resource is subject to change. A company, its employees and any associated business may leave an area just as quickly as they arrived, leaving behind a community with a suddenly depressed economy.

Yet resource-oriented boom towns are changing with time. The once perceived remoteness of many boom towns no longer exists. This is primarily the result of an increased mobility of the population due to the creation and success of the automobile. Other changes have occurred because increasingly there are fewer companies impacting an area. As a speculative industry with many recent technological advances, the energy business has become an expensive investment with a few larger companies competing.

Furthermore, resource-oriented boom towns are changing because it is increasingly unlikely that the boom town will be a new town. Most often there is already a community in existence at or near the site of indus-

trial development. With a community in existence, it is improbable that the industry will return to the company town concept. Because communities generally have been established before the energy industry impact, the community composed of both old and new residents, will have greater control over its destiny. The citizens have their elected officials to represent their views.

The existing community has a heightened awareness of the positive and negative impacts to be expected from a new energy development. The townspeople in today's boom town enjoy a certain standard of living, a lifestyle that did not exist in early western boom towns. Community apprehension begins soon after the siting of a new facility is announced as residents often perceive a threat to an existing way of life. Because of these inevitable community changes, an adversary relationship often exists between the energy industry and the community in these resource-oriented boom towns. Increasingly, local and state regulations are reflecting the concern over adverse impacts resulting from a new energy development. A variety of methods exist for managing and controlling the rapid growth of resource-oriented boom towns.

Whether as a result of the increase in regulations requiring industry to provide impact mitigation plans or coincidental to them, the energy industry has demonstrated a greater commitment to the community. The industry has recognized the impacts of energy developments and has proven an acceptance of some social and financial responsibility. The formation of the Overthrust Industrial Association is an example of this heightened energy industry consciousness.

The alleviation of an adversary relationship between the public and private sectors in a boom town situation requires more than industry providing assistance for those adverse impacts associated with the siting of a new facility. The public sector must reciprocate with an attitude of cooperation for a better relationship to result. Cooperation and coordination may be achieved by first improving communications between the community and the energy industry and secondly by allowing limited impact aid negotiations to occur between the two sectors.

Historically, poor communications between the public and private sectors has resulted in poor community/industry relationships. Only with clear channels of communication between the two sectors can the fiscal and social limitations of each party be recognized and better understood. Misunderstandings often result from a failure to communicate. A key to successful community/industry relationship is the involvement of the citizens. Through citizen participation techniques, the views and concerns of more community members may be incorporated into the impact mitigation plan. Not only does citizen participation provide an opportunity for input by citizens but also a chance for community and industry representatives to inform the public of the extent of the impact from the energy facility.

An attitude of cooperation and coordination between the two sectors can be strengthened by allowing community and industry representatives to participate in limited negotiations for the provision of impact aid. This impact aid should provide for community needs particularly those needs created by the new population. There are different types of impact aid. Funding is the most common. Because the local revenues necessary

to provide for increasing community needs are generally not available immediately after the siting of a new energy facility, impact funding can be a vital form of aid. In some cases, the new facility may locate outside the city's jurisdiction and increased revenues from property taxes may never be realized. Aid may take other forms including creative financing or technical expertise. Resource-oriented boom towns are often small communities which lack the expertise to predict and plan for an increasing population. Important to this negotiation of impact aid is that each sector take an active role and that the community feels it has its independence from industry.

Increasingly local and state governments are requiring impact funding or aid to help alleviate any adverse impacts resulting from a new development. In order to allow for communication and negotiations between the two sectors, these regulations must provide some degree of flexibility. There is a fundamental conflict of interest between the public and the private sectors. Regulations tend to reinforce the differences between public and private sector interests. Regulations requiring the mitigation of impacts from a new development do play an important role in providing for the general health, safety and welfare of the public. It is possible that regulations requiring the mitigation of adverse impacts uniformly apply to all new developments including business, industry, subdivisions of land and other housing projects.

This case study of the Overthrust Industrial Association demonstrated a situation with good communications and the flexibility of negotiation which resulted in an attitude of cooperation and coordination. The special circumstances which led to the creation of the Overthrust Industrial

Association and a positive community/industry relationship may not occur again. While circumstances may not allow an exact duplication of the organization, there is a great deal to be learned from the case study and the cooperative approach which ensued. Community/industry relationship in resource-oriented boom towns are changing. Industry has a greater commitment to the community and the citizens have an appreciation of the community's independence with increased expectations for improved surroundings.

In conclusion, compared to the public/private sector relationships in the resource-oriented boom towns of the past, the relationships occurring in the Overthrust Belt boom towns of Wyoming, Utah and Idaho demonstrate an improvement with well-planned communities resulting. The Overthrust Industrial Association initiated a comprehensive review of community needs. Citizens, community representatives and industry representatives were involved in the determination of need and provision of direct and indirect aid to mitigate adverse impacts from the siting of industrial facilities. Because of the involvement of these different groups, the resulting mitigation efforts were viewed positively and the resulting community improvements were perceived favorably by the majority of both old and new residents. Therefore, well-planned communities resulted. This improvement in the community/industry relationship has occurred because of the public/private sector partnership approach to planning. This partnership approach is the outcome of a delicate balance between community and industry control. A respectable community/industry relationship is possible if communication and the flexibility of negotiations are encouraged. If the independence of both the community and the

industry is respected, a positive community/industry relationship may prevail. By allowing opportunities for negotiations and communications during efforts to mitigate adverse impacts from the siting of a resource-related facility, a partnership approach to problem solving and a better community/industry relationship can result.

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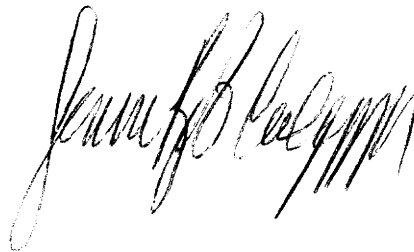
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A handwritten signature in cursive script, appearing to read "Jennie Bob Culpepper". The signature is written in dark ink and is positioned centrally below the typed text.