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3.11 Socioeconomic Conditions

This section provides a description of the existing population and economy of the Permit Area and nearby regions within 50 miles (80 kilometers [km]) of the Permit Area, which includes the potentially affected communities of Rawlins, Sinclair, Bairoil, and other outlying towns in Carbon and Sweetwater Counties, Wyoming.

3.11.1 Demographics

[Table 3.11-1](#) presents the demographic information for Sweetwater and Carbon Counties and [Figure 3.11-1](#) shows the population centers within a 50-mile (80-km) radius from the center of the Permit Area. The information for Jeffrey City is from the 2000 census, and may not reflect the current condition. As seen in the figure, the Project is located in a remote area in the Great Divide Basin, with Bairoil being the closest town to the Permit Area. There are no population centers within two miles of the Permit Area.

[Table 3.11-2](#) shows the population distribution by race for the environmental justice analysis, which is discussed in detail in **Section 4.11**. Minority populations within the study area, will not be disproportionately affected.

3.11.1.1 Sweetwater County

As shown in [Table 3.11-1](#), the Sweetwater County population in 2000 was 37,613 people, down (-3.1 percent) from 38,823 in 1990. According to US Census Bureau estimates, the population of Sweetwater County increased slightly (0.4 percent) between 2000 and 2004 (US Census Bureau, 2005a).

According to the 2000 Census, Sweetwater County had a population density of 3.6 people per square mile and 89.1 percent (33,512 people) of the population lived in urban clusters. Of the 4,101 rural residents, only 416 (10.1 percent of rural residents, 1.1 percent of county residents) resided on farms. Bairoil is the community in Sweetwater County nearest to the Permit Area.

In January 2006, the Sweetwater Economic Development Association (SWEDA) estimated the population of several communities, including Bairoil and Wamsutter, using Pacific Power electrical hook-ups (SWEDA, 2006) in order to get a more accurate estimate of the current population. For Bairoil, including incorporated and unincorporated areas, the estimated population was 162 and 643 people, respectively, based on 2.57 persons per household. Conversations with the Bairoil Mayor and Police Chief indicate that the population is currently 97 people. Bairoil is an example of an oil

and gas boom-and-bust town. The population of Bairoil was estimated around 240 people in the 1980s and early 1990s. Subsequently, with the rise and fall of oil and gas prices and the sale of oil properties to Merit Energy Company, many people have moved from Bairoil. Amoco Production Company once required all employees who worked in Bairoil to live in the town.

3.11.1.2 Carbon County

As shown in [Table 3.11-1](#), the Carbon County population declined by 6.1 percent between 1990 and 2000. the Carbon County population declined by 6.1 percent between 1990 and 2000. The Wyoming census population estimates for 2005 show that Carbon County continues to decline in population. However, recent economic activity related to pipeline and construction projects has caused the transient population to grow. The actual number of residents in Carbon County may be higher than the estimated 2005 population of 15,331 people.

Rawlins and Sinclair are the Carbon County communities that are most likely to be affected by the Project. As summarized in [Table 3.11-1](#), growth in Rawlins is on the upswing. The population of Rawlins has increased by 1.4 percent from 2000 to 2005 to a population estimate of 8,658 people. The estimated 2005 population in Sinclair was 406 people. Population forecasts for Sweetwater and Carbon Counties are shown in [Table 3.11-3](#).

3.11.2 Economic Trends and Characteristics

The economy in Carbon and Sweetwater Counties has historically depended on industrialized activities, including mining, oil and gas development, power generation, related services, and agricultural activity, including grazing and farmland. Recently, the service and trade sectors have become increasingly important in providing services to the growing population. Many of the service sector jobs are directly and indirectly associated with oil and gas development. Employment growth has fluctuated in some sectors of the economy since 1990 due to the recession from 2001 to 2003. However, recent activity in the past two to three years shows significant increases in oil and gas development and production, which will be reflected in the mining and service sectors.

3.11.2.1 Employment Sectors and Industry Income

In 2003, the mining sector employment (including oil and gas) was not disclosed for Sweetwater County, but represented 1.9 percent of the 9,580-person workforce in Carbon County. Besides retail trade, other important sectors in Sweetwater County included

services (21 percent) and government (17 percent). In Carbon County, services represented 28 percent, retail represented 12 percent and government represented 23 percent of the total employment. Many of the employment sectors have shown growth during the 13-year period between 1990 and 2003 for the counties included within the study area. Much of the increase in employment in the mining and service sectors has been filled by workers who have moved into the area either from other parts of Wyoming or from outside of the State of Wyoming. For every direct mining sector job created, additional service jobs are also created. Jobs in the mining and related gas service sectors are competing for workers in the lower paying jobs. Many government, retail, and other service workers are leaving the lower paying jobs to work in the mining sector. All cities and towns are having a hard time finding minimum-wage workers or workers for the lower paying jobs, including police, sheriff, and public works departments (Allen, D. Business Development Specialist, City of Rawlins. Personal communication. March, 2006).

Wyoming's mining and minerals sector contributes more to Gross State Product (GSP) than any other sector of the economy (Coupal et al., 2003). Minerals (including oil and gas) accounted for 23.7 percent of Wyoming's GSP, or over \$4.5 billion in 2000, and supported approximately 19,387 full-time wage earners, or 5.9 percent of Wyoming's employment base (US Bureau of Economic Analysis, 2003a). In 2000, government-led industry income provided 23.4 percent of income, followed by services (20.0 percent), retail trade (9.3 percent), construction (8.5 percent), and transportation, communication, and public utilities (8.3 percent). In real terms, based on Year-2000 dollars, for the 20-year period (1980 to 2000), the Wyoming industry income fell in farm, mining, oil and gas, construction, transportation, communication, public utilities, wholesale trade, and retail trade. The most industry-income growth occurred in non-farm agricultural services (156.4 percent; 4.8 percent average annual growth) and government (27.5 percent; 1.2 percent average annual growth) (US Bureau of Economic Analysis, 2003a).

In 2004, figures were not available in the mining, utilities, and wholesale trade sectors for Sweetwater County. The sectors contributing the most to the Sweetwater County economy included government (13 percent), manufacturing (eight percent), construction (seven percent), and retail trade, transportation, and warehousing (five percent). The only sector showing a decline in income generation from 2001 to 2004 was manufacturing.

In 2004, Carbon County's income generated by the government sector led other industries (20 percent of the total). Total mineral extractions provided three percent of the industry income. Transportation and warehousing (six percent) and retail trade (four percent) were also important sectors in income generation. Data from 2004 were not available for construction and manufacturing, which generated substantial income in 2001. Over the three year study period (2001 through 2004), slight losses occurred in total mining and transportation and warehousing.

3.11.2.2 Labor

Both labor force and employment have increased in Sweetwater and Carbon Counties from 1990 to 2004, as seen in [Table 3.11-4](#). Labor force statistics reflect employment by residence, unlike employment by sector statistics, which reflect employment by work location. The State of Wyoming labor force increased from 236,043 to 284,538 laborers, a 20.5 percent increase throughout the period (Wyoming Department of Employment, Research, and Planning, 2005).

The labor force in Sweetwater County increased from 20,354 to 22,732 laborers, an 11.7 percent increase from 1990 to 2005. In recent years, the unemployment rate throughout the region may have fluctuated due to seasonal employment. The months with highest unemployment are typically December through March. The average annual unemployment rate in 2005 in Sweetwater County was 3.0 percent, compared to 5.3 percent in 1990 and 4.0 percent in 2000.

From 1990 to 2004, Carbon County showed a decrease in the labor force (8,825 to 7,841 laborers) of 11.2 percent compared to an 11 percent increase in Sweetwater County ([Table 3.11-4](#)). The most recent unemployment rate in Carbon County was 4.0 percent in 2005, compared to 5.2 percent in 1990 and 4.2 percent in 2000.

3.11.2.3 Personal Income

Income levels throughout the study area are diverse. The most recent estimate of per capita personal income was \$28,438 in Carbon County and \$34,656 in Sweetwater County in 2004. Median income in 2004 was \$40,750 in Carbon County and \$54,700 in Sweetwater County. These numbers are fairly consistent with the economic base of the area, which is mineral resource and agriculturally driven. The most recent poverty status statistics are from 2003 census data. These data showed a poverty rate of 11.8 percent in Carbon County and 8.6 percent in Sweetwater County (US Census Bureau, 2003a). Since the economic base of the study area is largely rural-agriculture and resource-extraction based, low income areas are dispersed within the study area.

3.11.3 Other Resources

3.11.3.1 Housing

The existing housing situation is difficult to characterize quantitatively with any degree of certainty since the status of the housing market and availability is changing constantly. The effect on housing demand from the oil and gas industry has had a significant impact on the availability and price of both owner-occupied and rental units. The housing situation is a major issue for the two-county region. Lack of affordable housing has contributed to social problems in the area and has created a transitory workforce that has little invested in the local communities. Because some of the LC ISR, LLC employees may reside in Casper, discussion of housing in Natrona County is included.

According to the Wyoming Housing Database Partnership (WHDP), there were seven out of 298 total rental units available for rent in Carbon County in July 2006, 24 out of 1,290 rental units available for rent in Sweetwater County, and 49 out of 3,118 rental units available for rent in Natrona County (WHDP, 2006). The vacancy rates were 2.4 percent in Carbon County, 1.9 percent in Sweetwater County, and 1.6 percent in Natrona County. The average rents are shown in [Table 3.11-5](#) for Carbon, Sweetwater, and Natrona Counties for 2005 and 2006 (WHDP, 2006). The average single-family sale price in 2005 was lowest in Carbon County (\$96,200) and highest in Sweetwater County (\$179,000). The average sales price in Natrona County was \$156,281 (WHDP, 2006). Some vacant units can be attributable to second-home growth in the State of Wyoming.

Sweetwater County

According to a November 4, 2005 Casper Star Tribune article, housing in Sweetwater County is inadequate for the current demand for two reasons: 1) housing in the Sweetwater County is not readily available; and 2) housing currently on the market is expensive (Gearino, 2005). To help meet the demand for new housing, the SWEDA has made housing development a priority for the county; it is anticipated that 500 new housing units will be constructed in Sweetwater County by next year (Gearino, 2005).

Temporary housing resources in Wamsutter include three mobile home parks. One has 26 spaces, the second has 70 spaces, and the third has 52 spaces. Most of these parks have units that are equipped to serve RVs. There has recently been a limited amount of subdivision activity and housing construction in Wamsutter. A local developer/mobile home park owner is in the process of applying for a permit to develop additional RV spaces (BLM, 2006).

Carbon County

According to the community Development Director for Rawlins, the housing market has become exceedingly tight in the past year. Sales prices have escalated by 25 percent in 2006 with sales prices ranging from \$200,000 to \$390,000. Very few homes are in the \$100,000 to \$130,000 range. Rawlins is proactively involved in bringing affordable owner-occupied and rental housing to Rawlins. Rawlins is currently working on a project with a developer to build 150 to 300 affordable units on a 50-acre parcel of infill land. Other development projects are also being discussed for long-term residential, commercial, and industrial development just outside of Rawlins (Allen, D. Business Development Specialist, City of Rawlins. Personal communication. March, 2007).

Temporary lodging is also being built. Two new motels have been built in the past year and two are slated for development in 2007. One-hundred-forty rooms have been added to the total of approximately 700 existing rooms (19 motels and four RV parks). Motels are at capacity, but with the two planned motels, temporary demand should be met. In addition to the estimated 900 motel rooms, approximately 450 campsites are available for RVs in the local area.

For longer-term housing, there are 18 mobile home parks with over 550 pads (Allen, D. Business Development Specialist, City of Rawlins. Personal communication. March, 2007), about half of which were vacant during the fall of 2005. The 2000 census listed 285 units in two- to four-unit housing structures in Rawlins and 467 units in structures with over five units (US Census Bureau, 2000b); there are rarely vacancies in these housing types. Although Rawlins has some vacant single-family houses, most of the affordable units are substandard and would require some rehabilitation to make them attractive to buyers (BLM, 2006).

3.11.3.2 Public Facilities and Services

Bairoil and Wamsutter are the two nearest towns in Sweetwater County to the Permit Area. Sweetwater County provides the typical county government services, including county assessor, county attorney, county commissioners, treasurer, road and bridge, engineering, planning, landfill, emergency management, health and human services, sheriff, search and rescue, parks and recreation, museum, libraries, and community arts center. Bairoil and Wamsutter provide similar municipal services, including administration, public works, police, fire, and parks and recreation services. The landfill is located in Wamsutter.

In Carbon County, the communities of Rawlins, Sinclair, and other outlying areas would potentially be affected by the Project. Carbon County provides the typical county

government services, including county assessor, county attorney, county commissioners, treasurer, road and bridge, planning, emergency management, public health, and sheriff.

Law Enforcement and Fire Protection

The Carbon County Sheriff has an office and 74 jail beds in Rawlins, a substation in Medicine Bow, a deputy in Baggs, and a part-time deputy in Saratoga. The sheriff's office has 17 patrol officers, 23 detention deputies, seven full-time and three part-time dispatchers, and 11 other employees. The sheriff covers a service area of 8,000 square miles. The sheriff's department is adequately staffed and will possibly add a patrol officer this year to handle the slight increase in calls caused by the increases in oil and gas activity in the area (Colson, J. Sheriff, Carbon County Sheriff's Office. Personal communication. March, 2007; Morris, M. Deputy Sheriff, Carbon County Sheriff's Office. Personal communication. March, 2007). Rawlins has a police department with one chief, two detectives, 12 patrol officers, and 19 additional staff employees. All law enforcement offices have 911 emergency telephone services. Fire protection is provided by Rawlins Fire Department, which has eight paid staff and 15 volunteers in the area. The fire department has two fire stations, a training center, five engines, a wildland engine, and a rescue truck.

Law enforcement near the Project Area is primarily provided by the Bairoil Police Department, which consists of a police chief, one sergeant, and one part-time police officer. The department provides law enforcement for Bairoil and the surrounding unincorporated area of the Sweetwater County Sheriff's Department. This area is 165 square miles and extends 20 miles west and 15 miles south of Bairoil. Fire protection is provided by the Bairoil Volunteer Fire Department, with a station in Bairoil.

Law enforcement in Wamsutter area is currently provided by the Sweetwater County Sheriff's Department; a deputy patrols the town daily. Two Wyoming Highway Patrol officers also live in Wamsutter. Wamsutter has positions for two part-time police officers, but the positions are currently vacant; and the town has not been able to hire officers for the positions (BLM, 2006). Emergency response services are provided by 15 volunteer emergency medical technicians (EMTs) operating one ambulance and ten volunteer firefighters operating two fire trucks.

The volunteer fire and ambulance services provide coverage to surrounding oil and gas operations, and both services may have difficulty responding to more than one emergency at the same time. BP America recently provided a \$68,000 grant toward the purchase of a new ambulance; other energy and pipeline companies have also contributed funds. Wamsutter has an ongoing effort to recruit new volunteers for both the fire and ambulance service.

Health Services

Medical services within Carbon County are provided by the Memorial Hospital in Rawlins, a 35-bed acute care facility served by a 24-hour ambulance service. The hospital has five physicians and 105 full-time equivalent employees. Rawlins also has a Public Health Department, Senior Citizens Center, the South Central Wyoming Health Care and Rehabilitation, Senior Citizens apartment complex, and various private health care providers. No medical care is available in either Bairoil or Wamsutter. Sweetwater County is served primarily by the Memorial Hospital of Sweetwater County in Rock Springs, which has 99 beds. The study area is served by Memorial Hospital in Rawlins.

Education

Sweetwater School District Number One serves Wamsutter. Wamsutter has one elementary school and one middle school with an enrollment of 42 students in the elementary school and 15 students in the middle school (Desert Elementary School, 2007). Carbon County School District Number One provides educational services to the Rawlins and Bairoil area. The total enrollment in the district is currently estimated at 1,727 students (2006). This enrollment has fluctuated over the years with a previous high enrollment of 2,420 students in 1991 and 2,076 students in 1997. There are currently three elementary schools in Rawlins, a middle school, and a high school. Bairoil and Sinclair have elementary schools (Wyoming Department of Education, 2006). Bairoil has one elementary school with five students. Rawlins has the Carbon County Higher Education Center, which provides continued and extended education courses on-line. Some school capacities are being met, and additional school capacity may be required if economic activity in the area brings in more families.

Utilities

Rawlins provides water, sewer, landfill, and recycling services for its residents and businesses. Rocky Mountain Power provides electric service to all areas, and KN Energy provides natural gas to the community. The infrastructure in Rawlins has a capacity for increased population, as well as commercial and industrial growth. Bairoil provides water service for residents and businesses. The landfill is located in Wamsutter, but has a transfer station in Bairoil.

Qwest is the local provider of telephone services. Long-distance carriers include ATT, MCI, Sprint, and others. Digital switching and fiber-optic systems are available. Local internet access is provided by Qwest and Bresnan.

Other

Other services in Carbon County include a public library, senior services, daycares, and recreation facilities, and services including a recreation center in Rawlins, golf courses, parks, ball fields, bike trails, and an airport. Other community services in Wamsutter consist of a town attorney and engineer, library, recreation center, and city park. Wamsutter is developing a new library and has identified a variety of street and infrastructure improvements (BLM, 2006). Although the transient drilling and field development population in Wamsutter can be substantial from time to time, their demands on local government facilities and services have generally been minor (Wyoming Business Council et al., 2002).

Transportation infrastructure is discussed in **Section 3.2** of this report.

3.11.3.3 Taxes and Revenues

Financial resources of the study area refer to government revenue sources from local and state taxes on the production of natural resources in Carbon and Sweetwater Counties. These statistics are useful in helping to determine the financial impacts of industrial development on the counties potentially affected. Both counties will directly benefit from the increased tax base provided by the Project. Both counties also could be financially impacted by secondary growth from residential development, increased retail sales, and increased demands on public services and facilities.

The minerals industry accounts for a substantial share of revenues to the state and to local governments in Wyoming. Produced minerals are classified as personal property, and mineral producers pay two types of taxes: 1) the county property (ad valorem-gross products) tax on production and 2) the state severance tax. Producers pay county property (ad valorem) taxes on plants, refineries, mining and well head equipment, pipelines, and other facilities used in the mineral production and transportation operations. A severance tax is an excise tax imposed on the present and continued privilege of removing, extracting, severing, or producing any mineral in Wyoming. Severance taxes are distributed according to Wyoming Statute (WS) 39-14-801. The Permanent Wyoming Mineral Trust Fund (PWMTF) is a fund that holds 25 percent of all severance taxes currently received by the State of Wyoming, functioning like a savings account. The fund balance was \$4.5 billion in December 2006 (Wyoming State Treasurer's Office, 2006).

Local and state government fiscal conditions that would be affected by development of the Project include: ad valorem property tax revenues of Sweetwater and Carbon Counties, Sweetwater County School District Number One, and certain special districts;

sales and use tax revenues of the state, county, and municipalities; state severance taxes; and state gross products tax.

Both Sweetwater and Carbon Counties show an increase in valuation from natural resources development (Coupal et al., 2003). It is believed that mineral revenues will continue to rise and that gas production, particularly, will drive future revenues higher for the foreseeable future. Wyoming Department of Revenue reports indicate that in 2002, natural gas production contributed the greatest proportion of taxable value to the state (34.8 percent), followed by residential land and improvements (18.5 percent), mining production (15.9 percent), and oil production (9.7 percent). In 2004, natural gas production continued to contribute the greatest proportion of taxable value to the state (38.5 percent), again followed by residential land and improvements (17.8 percent), mining production (15.4 percent), and oil production (9.1 percent).