

Utah Inland Port Authority Board 2024

DRAFT MEETING MINUTES

Utah Inland Port Authority Board Meeting Minutes
Wednesday March 26, 2024
3:00 pm
Utah State Capitol, Room 445
350 State Street, Salt Lake City, UT 84103

Board Members Present: Ryan Starks, Abby Osborne, Jerry Stevenson, Jonathan Freedman, Jefferson Moss

Non-Voting Board Members Present: Bill Wyatt, Joel Ferry

Board Members Absent: Victoria Petro

UIPA Staff: Ben Hart, Benn Buys, Larry Shepherd, Lynne Mayer, Stephen Smith, Carol Watson, Max Ivory, Mona Smith, Scott Wolford, Danny Stewart, Kaitlin Felsted, Allen Evans, Stephanie Pack, Diana Gardner, Jenna Draper, Amy Brown Coffin

Others in Attendance: Donald Ludlow, Brook McCarrick, James King, Maria Mamaril, Benj Becker, Madison Weber, Joan Gregory, Shannon Bond, Katie Pappas, Brett Behling, Jackie Larson, Adam Daly, Aaron Wade, Jen Wakeland, Patricia Becnel, Liz Rideout, Melissa Early, Brice Wallace, James Westwater, Andy Hulka, Eric Oberhart, Matt Smock, Taylor Stevens, Jaime Hernandez, Heather Dove, Brooke Larsen, Jen Hart, Leia Larsen, Deeda Seed, Taylor Timmerman, Charles Akerlow, Teri Durfee

1. **Welcome**

UIPA Board Vice Chair, Abby Osborne, welcomed the board members, staff and public to this Utah Inland Port Authority Board Meeting.

2. **Oath of Office - New Board Member**

Joel Ferry was sworn in as a new, non-voting member of the Utah Inland Port Authority Board of Directors. Carol Watson, Notary, administered the oath.

3. **Approval of Minutes, January 10, 2024 Board Meeting**

Board member Stevenson moved to approve the minutes from the January 10, 2024 board meeting. Board member Moss seconded the motion. The motion was approved unanimously.

4. **Executive Director Report**

UIPA Executive Director Ben Hart provided an executive director's report, sharing an update on activities within project areas around the state. He announced open houses that are part of the ongoing logistics strategy planning that will be held in Cedar City (April 17) and the Northwest Quadrant (April 18). He introduced new hire Jenna Draper, who will serve as an Associate Vice President for Regional Project Area Development in the central part of the state. He announced that the Weber County project area plan and budget would be before the board for approval at the board's May 2024 meeting. Danny Stewart, Associate Vice President for Regional Project Area Development, shared an update on items of interest in the Mineral Mountains Project Area. In light of challenges from cutbacks at Smithfield Foods Hog Production there is positive economic activity in the UIPA project area in Beaver County. In Beaver, Unitech Manufacturing is expanding and bringing 50 new jobs. In Milford the Fervo Energy is leasing the Smithfield rail loop to bring in carloads of sand for the geothermal project. Some of the former Smithfield workers are involved in transportation and movement of materials for the geothermal projects in the county.

5. **Presentation: Statewide Logistics Strategy development update**

Donald Ludlow, Vice President for CPCS, provided an update on the logistics and infrastructure strategy plan under development. He discussed the importance of logistics to industries, communities, and the public sector within the State of Utah. He provided information on the data they are collecting on the logistics needs, issues, and opportunities in the state. He spoke of continued statewide population growth and rapid industrial development directly impacting logistics in the Northwest Quadrant of Salt Lake County, which he called the state's center of logistics gravity. He discussed Utah's logistics and freight network and the state's position in North American and global trade. Utah's strengths are its connection to trade partners and its competitive, safe, and stable business climate, while the CPCS study has identified housing affordability and infrastructure congestion to be threats to be aware of. He highlighted the need for UIPA to lead with a strong vision for Utah's logistics system to optimize and coordinate future logistics development. Stakeholders and data analysis identify possibilities including potential to build on Utah's existing advanced manufacturing clusters and increasing rail-served manufacturing, while also noting challenges in current market factors towards warehouse/distribution, increasing land prices, lack of worker support amenities and truck parking, and environmental concerns.

6. **Budget Update**

UIPA Deputy Director, CFO, and Treasurer Benn Buys provided a budget update. He summarized expenses and payments to this point in the current fiscal year.

7. **Presentation: Financial Services Contracts**

Benn Buys, UIPA Deputy Director and Chief Financial Officer, explained the need for UIPA to separate from the State of Utah financial systems, requiring the need for contracts for financial statement preparation, a financial accounting system, and payroll processing. UIPA's cost to commercial vendors for these financial services is roughly \$21,000 compared to the \$1.7 million annual cost of staying on the state financial system.

8. **Presentation: Resolution 2024-03 Requesting Admission to the Public Employees' Retirement System**

Benn Buys told the board that as UIPA separates from state financial systems, the passage of a board resolution is necessary to request continuing participation for staff in the retirement system for public employees. This involves no change in cost or

9. **Presentation: Lakeshore Learning Materials LLC/Mandana DC3 LLC Incentive Contract Clarification**

Benn Buys asked the board to approve a clarification in the incentives contract offered to Lakeshore Learning which would allow for payment on the contract to be made to Mandana DC2 LLC, the property developer which is a sister company to Lakeshore Learning Materials and under same ownership. Mandana will pay the property taxes and remittance of the tax incentive to them will be transferred to Lakeshore Learning Materials as intended.

10. **Policy Presentations**

Benn Buys discussed two UIPA policies that will be considered for annual review/approval at the board's next meeting.

BP-04 - Project Area & Property Tax Differential

Policy to ensure statutory compliance in project area creation and tax differential use.

BP-11 - Personnel

Policy on responsibilities and obligations of employment with UIPA.

Kaitlin Felsted presented two board policies for annual review/approval. In keeping with the board's practice of a two-meeting cycle for policy approval, these policies were presented in the last meeting prior to seeking board approval in this meeting.

BP-10 - Records Retention

Policy on record management, preservation, sharing, and disposal.

BP-12 - Segregation of Duties

Policy on dispersal of critical processes and transactions to prevent fraud and error.

11. **Presentation: Resolution 2024-04 Creating the Tooele Valley Public Infrastructure District**

Benn Buys discussed this resolution, first presented to the board in the January 2024 meeting and required for the creation of the TV PID. The PID will help fund public infrastructure and improvements (water, sewer, natural gas, roads, power) for 3.5 million square feet of rail-served industrial, manufacturing, warehousing, cold storage, and data centers.

12. **Presentation: Revised UIPA/Spanish Fork City Interlocal Agreement**

Benn Buys shared information about proposed amendments to the interlocal agreement with Spanish Fork City for the Verk Industrial Park. The changes concern the addition of land parcels in the project area and trigger dates for collection of tax increment of added parcels.

13. **Presentation: Resolution 2024-02 Trigger Resolution for the Verk Industrial Park Project Area**

Benn Buys presented this resolution setting the initial trigger date for collection of tax increment funds in the Spanish Fork project area.

14. **Public Comment**

Board Chair Osborne opened up the public comment period and invited those in the room to submit comment cards for an opportunity to speak. She reminded all that the port welcomes written public comment anytime via the UIPA website at <https://inlandportauthority.utah.gov/contact/>.

Comments made included concern over expansion of the Verk Industrial Park Project Area, the potential for wetlands degradation in project areas, and public taxation and environmental costs of development.

15. **Approval of Financial Services Contracts**

Board member Starks moved that the board approve Authority staff to contract with: Caselle Inc. for a five-year contract for financial software with total expected costs of \$60,000; Paylocity for a five-year contract for payroll services with total expected costs of \$20,000;

K&C, CPAs for a five-year contract for accounting services with total expected costs of \$35,000. Board member Freedman seconded the motion.

Vote:

Jonathan Freedman – yes

Jefferson Moss – yes

Jerry Stevenson – yes

Ryan Starks – yes

Abby Osborn – yes

16. Adoption of Resolution 2024-03, Requesting Admission to the Public Employees' Retirement System

Board member Stevenson moved to adopt Resolution 2024-03, Requesting Admission to the Public Employees' Retirement System. Board member Freedman seconded the motion.

Vote:

Jonathan Freedman – yes

Jefferson Moss – yes

Jerry Stevenson – yes

Ryan Starks – yes

Abby Osborn – yes

17. Approval of Lakeshore Learning Materials LLC/Mandana DC3 LLC Incentive Contract Clarification

Board member Stevenson moved to approve authority staff to pay the approved Lakeshore Learning Incentive of 60% of the assessed property tax to Mandana DC3 LLC. Board member Moss seconded the motion.

Vote:

Jonathan Freedman – yes

Jefferson Moss – yes

Jerry Stevenson – yes

Ryan Starks – yes

Abby Osborn – yes

18. Approval of Policies BP-10 and BP-12

Board member Freedman moved to approve policies BP-10 and BP-12 as presented. Board member Moss seconded the motion.

Vote:

Jonathan Freedman – yes

Jefferson Moss – yes

Jerry Stevenson – yes

Ryan Starks – yes

Abby Osborn – yes

19. Adoption of Resolution 2024-04, Creating Tooele Valley Public Infrastructure District

Board member Stevenson moved to adopt Resolution 2024-04, a resolution of the Board of Directors of the Utah Inland Port Authority providing for the creation of the TV Public Infrastructure District as an independent district; authorizing and approving a governing

document and interlocal agreement; appointing a board of trustees; authorizing other documents in connection therewith; and related matters. Board member Freedman seconded the motion.

Vote:

Jonathan Freedman – yes
Jefferson Moss – yes
Jerry Stevenson – yes
Ryan Starks – yes
Abby Osborn – yes

20. Approval of Revised UIPA/Spanish Fork City Interlocal Agreement

Board member Stevenson moved to approve Authority staff to sign amended interlocal agreement with Spanish Fork City authorizing the use of multiple trigger dates in the Verk project area. Board member Freedman seconded the motion.

Vote:

Jonathan Freedman – yes
Jefferson Moss – yes
Jerry Stevenson – yes
Ryan Starks – yes
Abby Osborn – yes

21. Adoption of Resolution 2024-02, Trigger Resolution for the Verk Industrial Park Project Area

Board member Stevenson moved to adopt Resolution 2024-02, setting trigger date for first collection of tax increment funds in the Spanish Fork Project Area. Board member Freedman seconded the motion.

Vote:

Jonathan Freedman – yes
Jefferson Moss – yes
Jerry Stevenson – yes
Ryan Starks – yes
Abby Osborn – yes

22. Closed Session

At 14:15 pm the board voted to move into a closed session meeting held in the Tooele County Council Chamber at 47 South Main Street, Tooele UT 84074 and via electronic meeting, for the purpose of a “strategy session to discuss the purchase, exchange, or lease of real property,” as allowed and described in Section 52-4-205 of Utah Code and sections 52-4-204 of the Open and Public meetings act. Board member Stevenson made a motion to move into closed session. Board member Moss seconded the motion.

Vote:

Jonathan Freedman – yes
Jefferson Moss – yes
Jerry Stevenson – yes
Ryan Starks – yes
Abby Osborn – yes

Closed session ended at 5:14 pm.

23. **Adjourn**

Board Chair Osborne adjourned the meeting immediately following the closed session.

Board Chair, Abby Osborne

Written Public Comments submitted during and after the meeting:

Martin Goaslind - Emigration Canyon - 3/26/2024

Weber County Inland Port Plan

As I grew up in Utah, I was always taught to be responsible and respectful of others and the environment. I'm just sickened to see plans to further degradate the Great Salt Lake by paving wetlands and wildlife habitat in Weber County. How could a comprehensive cost/benefit justify this? PLEASE, do not allow this short-sighted irresponsible plan to proceed. The GSL is so important to the environment and our overall well-being. The GSL is stressed right now; we just don't need more polluting, harmful, low benefit activities causing further struggle!!

Patricia Becnel - North Ogden - 3/26/2024

Weber Inland Port Proposal

I used to do a project with my students. They had to prove to a potential business or school that they would be successful and add benefit to the company. They were required to choose a position, and then look into examples from their past to show how they may behave in the future. I'd ask all of you to do the same thing. Can you prove to Utahns that the ports will be in our benefit and you have a business plan? We have not seen proof of either of these. A business plan and environmental studies which were required for SLC have not been done. No one has seen a business plan. How do we know you have the skills, data, and ability to pursue these multiple ports and create a plan that will benefit all Utahns rather than a few developers? I have seen no evidence that you will be successful, and I fear you will leave a trail of destruction to our wetlands, cultural sites, and irreparably damage the Great Salt Lake.

The US Fish and Wildlife Service issued a report on the importance of wetlands. We have lost 50% of them since 2009. We cannot afford to lose more or to damage them. You created a wetlands policy earlier that would not protect them, and I hope your new studies will actually be valuable and use reliable data and a thoughtful process. Actually, I think the only way to protect wetlands is to leave them alone, and I hope you would move your ports from wetland areas.

Wetlands are also vital to migratory birds, water filtration, air pollution and water purity. Only 1% of Utah is wetlands and we need to save them.

Other than wetlands and the multiple ports you have proposed in the Wasatch front, Id like to see you are taking, not just talking about, environmental policies. Donald who spoke today cited more truck traffic. Diesel trucks contribute to poor air quality and I understand your initial proposal was going to use more rail to avoid this. Though rail still pollutes, if done well, it could reduce the pollution from truck traffic.

I grew up in San Bernardino , Caloifornia. It was once a beautiful valley, much like ours here. However, with its active port, the air is a thick brown haze. Crime has increased. road repairs are costly and many people have been driven from their homes due to the port expansions.

I also live in Weber County. The area proposed for Weber County is much different now than it was when the land was zoned for industry. The Great Salt Lake was not in jeopardy. We did not appreciate the value of the wetlands. Wildlife species had not been lost to the degree they are now. Unfortunately, we did not appreciate the value of cultural artifacts and spaces. We know better now. With our new insights, a port in Weber County should not move forward. It will endanger the Great Salt Lake, destroy wetlands, threaten cultural areas and create dangerous levels of pollution and truck traffic.

You also noted there is not wide stakeholder support. True. We see no benefit for a Weber County port.

Already, there is the Amazon Warehouse not far from the proposed area. It has sat idle for 2- 3 years.

How can you tell us we need more industry?

I appreciate your promises to be transparent, to slow down the process , and to be environmentally careful. I have not seen it. I ask you please to uphold your promises to slow down, use data to guide you, think not only of the economic benefits but more broadly, the environmental dangers and Utah's reputation as a beautiful state with over 3.2% of our income coming because of our beautiful and natural landscapes.