

Board of the Governor's Office of Economic Opportunity

60 East South Temple, Suit 300 Salt Lake City, Utah 84111

Electronic participation: [https://utah-](https://utah-gov.zoom.us/j/82783200577?pwd=uqb9GVIm2D3z9b28oYf30vc9exo2aA.1)

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Meeting ID: 827 8320 0577 Passcode: 1Z.J6b%\$ --- One tap mobile

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July 11th, 2024 • 10:00 a.m.– 11:00 a.m.

AGENDA

Welcome Carine Clark

Motion to approve Meeting Minutes GOEO Board

a. June 21st, 2024

EDTIF Incentives Jesse Turley

The Board will meet with company representatives and vote to approve EDTIF/REDTIF, and other incentives, for proposed projects in Utah. Three companies are seeking approval this month. One company operates in the manufacturing industry, one operates in the life science industry, and one operates in the mining industry.

Economic Development Zones.....Daniel Royal

The Board will vote to approve the creation of economic development zones (ED Zones), for the following companies:

1. MasterControl Solutions, Inc.
2. Pepperidge Farm, Inc.

Incentives Update Daniel Royal

GOEO Update..... Jim Grover

Adjourn Meeting

2024 GOEO Board Meeting Dates

Jan 11, 2024 10:00 AM	May 9, 2024 10:00 AM	Sep 12, 2024 10:00 AM
Feb 8, 2024 10:00 AM	Jun 13, 2024 10:00 AM	Oct 10, 2024 10:00 AM
Mar 14, 2024 10:00 AM	Jul 11, 2024 10:00 AM	Nov 14, 2024 10:00 AM
Apr 11, 2024 10:00 AM	Aug 8, 2024 10:00 AM	Dec 12, 2024 10:00 AM

In accordance with the Americans with Disabilities Act, individuals requiring special accommodation during this meeting should notify Tanner Anderson at 801-588-9456 prior to the meeting.

GOEO BOARD EXECUTIVE SUMMARY

Precision Hermetic Technology

July 11, 2024

Project Highlights

Timeline:	2024
Target Industry:	Advanced Manufacturing
Location:	
County:	Weber County
County Class:	2
Capital Investment:	\$19,700,000
Jobs:	210
Average Wage:	\$69,500

Company Overview

PHT manufactures high reliability interconnect products for extreme environments. We are a recognized leader for extreme performance in many mission-critical applications, primarily in the Aerospace and Defense sectors. Moreover, our company holds numerous certifications, including ISO-9000, AS-9100, ITAR, JCP (Defense Logistics Agency), and NIST-800 (USG cybersecurity registration). Additionally, we count many prime defense contractors among our valued customers.

Incentives Committee Recommendation

Total amount of EDTIF, post-performance refundable tax credit:	\$2,015,029
The amount represents the following percentage of new state revenues:	25%
Number of years that incentive is approved for:	10 Years

Jobs & Revenue

Full time jobs over project lifetime: 210

New State Wages & Revenue:

New State Wages over 10 years:	\$88,564,648
New State Revenue over 10 years:	\$8,060,118
Withholding over 10 years:	\$3,088,692

Proposed Motion

The Governor's Office of Economic Opportunity Board recommends Precision Hermetic Technology for an EDTIF post-performance refundable tax incentive. This incentive is not to exceed a 25% reduction in state tax paid for 10 years on new state

tax revenue above the baseline established for the preceding 12 months. New state revenue is projected to be \$8,060,118 over 10 years.

- Total EDTIF incentive not to exceed \$2,015,029 EDTIF post-performance refundable tax credit.
- Annual EDTIF incentive amount based on 25% of qualified new incremental state tax revenues generated and receipted in the previous calendar year.
- Total incentive not to exceed 25% of qualified new incremental state tax revenues over 10 years with a contractual recapture provision for any excess funds paid to the company.
- Must meet new qualified employment projections, employee headcount at the stated 110 % wage criteria at 50% for each project year.
- Annual total project average salary of new employees (not each new position, this is an aggregate annual number) to be at least 110 % the county average wage each excluding company contributed health insurance.
- Must commit to keep operation in Utah for the length of the incentive period, 10 years.
- Incentives are site specific and subject to local incentive participation.
- Local incentive proposal must be presented and approved by the GOEO Incentives Committee in order for the company to be eligible for the incentive.
- Only new state revenue and new jobs created after the GOEO Board final approval date are eligible for this incentive.

GOEO BOARD EXECUTIVE SUMMARY

Edwards Lifesciences Corporation

July 11, 2024

Project Highlights

Timeline:	2024
Target Industry:	Life Science
Location:	
County:	Salt Lake County
County Class:	1
Capital Investment:	\$34,800,000
Jobs:	560
Average Wage:	\$113,303

Company Overview

We are the global leader in patient-focused medical innovations for structural heart disease and critical care monitoring. Driven by a passion to help patients, we partner with the world's leading clinicians and researchers and invest in research and development to transform care for those impacted by structural heart disease or who require hemodynamic monitoring during surgery or in intensive care. We conduct operations worldwide and are managed in the following geographical regions: United States, Europe, Japan, and Rest of World. Our products are categorized into the following areas: Transcatheter Aortic Valve Replacement ("TAVR"), Transcatheter Mitral and Tricuspid Therapies ("TMTT"), Surgical Structural Heart ("Surgical"), and Critical Care.

Incentives Committee Recommendation

Total amount of EDTIF, post-performance refundable tax credit:	\$8,094,310
The amount represents the following percentage of new state revenues:	25%
Number of years that incentive is approved for:	15 Years

Jobs & Revenue

Full time jobs over project lifetime: 560

New State Wages & Revenue:

New State Wages over 15 years:	\$576,228,290
New State Revenue over 15 years:	\$32,377,241
Withholding over 15 years:	\$20,095,962

Proposed Motion

The Governor's Office of Economic Opportunity board recommends Edwards Lifesciences Corporation for an EDTIF post-performance refundable tax incentive. This incentive is not to exceed a 25% reduction in state tax paid for 15 years on new state tax revenue above the baseline established for the preceding 12 months. New state revenue is projected to be \$32,377,241 over 15 years.

- Total EDTIF incentive not to exceed \$8,094,310 EDTIF post- performance refundable tax credit.
- Annual EDTIF incentive amount based on 25% of qualified new incremental state tax revenues generated and receipted in the previous calendar year.
- Total incentive not to exceed 25% of qualified new incremental state tax revenues over 15 years with a contractual recapture provision for any excess funds paid to the company.
- Must meet new qualified employment projections, employee headcount at the stated 110% wage criteria at 50% for each project year.
- Annual total project average salary of new employees (not each new position, this is an aggregate annual number) to be at least 110% the county average wage each excluding company contributed health insurance.
- Must commit to keep operation in Utah for the length of the incentive period, 15 years.
- Incentives are site specific and subject to local incentive participation.
- Local incentive proposal must be presented and approved by the GOEO Incentives Committee in order for the company to be eligible for the incentive.
- Only new state revenue and new jobs created after the GOEO Board final approval date are eligible for this incentive.

GOEO BOARD EXECUTIVE SUMMARY

Wolverine Fuels

July 11, 2024

Project Highlights

Timeline:	2024
Target Industry:	Mining
Location:	
County:	Emery County
County Class:	5
Capital Investment:	\$286,000,000
Jobs:	347
Average Wage:	\$84,768

Company Overview

Wolverine fuels is a medium sized Utah business employing over 1,000 people directly and contributing approximately \$220m to state and federal revenues per annum via payroll taxes, excise taxes, property tax payments, sales & use taxes and other contributions. This estimate last prepared c. 2022 also excludes new upcoming contributions from our Fossil Rock development, the “project”. The company estimates that it supports around 3,000 jobs indirectly across its support industries, vendors and suppliers, many of which are based in rural Utah. The Company’s book of business is stable predominantly supplying PacifiCorp power which in turn creates electricity from Wolverine Fuels’ high BTU, low sulfur product. The Company has long term multi-year contracts with its customers including PacifiCorp to the extent that the Fossil Rock mine will need to be re-opened to supply the state’s electricity base-load needs. Some customers have the ability to switch to natural gas so Wolverine Fuels competes with other fuel supplies and also coal sources and there are other coal producers in the Uintah basin. Historically, given the quality specifications of Wolverine’s product, it has been able to blend with coal produced by other producers to create a saleable product which has enabled supply to utilities and industrial customers in Utah and abroad. This has promoted competition and efficiency and is valuable business for Wolverine, other coal producers and ultimately customers of the product, the majority of which are in the state of Utah. With the Fossil Rock development, Wolverine will grow its FTE county by approximately 385 employees. These will be high-paying roles in rural Utah. These incremental staff will be employed in Emery County but will come to work from a variety of different locations, predominantly in rural Utah.

Incentives Committee Recommendation

Total amount of EDTIF, post-performance refundable tax credit:	\$8,908,261
The amount represents the following percentage of new state revenues:	50%
Number of years that incentive is approved for:	5 Years

Jobs & Revenue

Full time jobs over project lifetime: 347

New State Wages & Revenue:

New State Wages over 10 years:	\$334,661,911
New State Revenue over 10 years:	\$55,148,558
Withholding over 10 years:	\$11,671,334

Proposed Motion

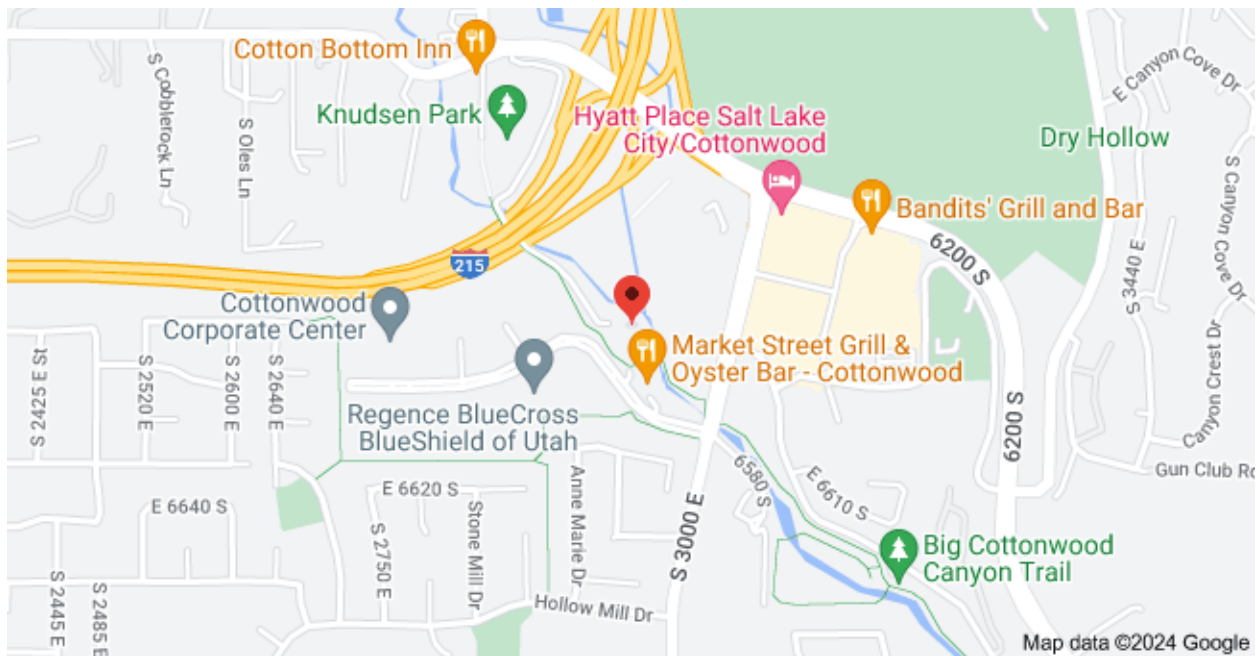
The Governor's Office of Economic Opportunity Board Committee recommends Wolverine Fuels, LLC for an EDTIF post-performance refundable tax incentive. This incentive is not to exceed 5 years and a 50% reduction in state tax paid on new state tax revenue above the baseline established for the preceding 12 months. New state revenue is projected to be \$17,816,522 over 5 years.

- Total EDTIF incentive not to exceed \$8,908,261 EDTIF post- performance refundable tax credit.
- Annual EDTIF incentive amount based on 50% of qualified new incremental state tax revenues generated and receipted in the previous calendar year.
- Total incentive not to exceed 50% of qualified new incremental state tax revenues over 5 years with a contractual recapture provision for any excess funds paid to the company.
- Must meet new qualified employment projections, employee headcount at the stated 100% wage criteria at 50% for each project year.
- Annual total project average salary of new employees (not each new position, this is an aggregate annual number) to be at least 100% the county average wage each excluding company contributed health insurance.
- Must commit to keep operation in Utah for the length of the incentive period, 5 years.
- Incentives are site specific and subject to local incentive participation.
- Local incentive proposal must be presented and approved by the GOEO Incentives Committee in order for the company to be eligible for the incentive.
- Only new state revenue and new jobs created after the GOEO Board final approval date are eligible for this incentive.

GOEO BOARD
ECONOMIC DEVELOPMENT ZONE
MASTERCONTROL SOLUTIONS, INC.
7/11/2024

ESTABLISH AN ECONOMIC DEVELOPMENT ZONE FOR THE PURPOSE OF SUPPORTING THE EXPANSION OF MASTERCONTROL SOLUTIONS, INC. AT 6350 SOUTH 3000 EAST, COTTONWOOD HEIGHTS, UT 84121

MOTION: APPROVE THE CREATION OF AN ECONOMIC DEVELOPMENT ZONE FOR COTTONWOOD HEIGHTS IN SUPPORT OF THEIR LETTER OF REQUEST DETAILING THE EXPANSION OF MASTERCONTROL SOLUTIONS, INC. AT 6350 SOUTH 3000 EAST, COTTONWOOD HEIGHTS, UT 84121



GOEO BOARD
ECONOMIC DEVELOPMENT ZONE
PEPPERIDGE FARM, INC.
7/11/2024

ESTABLISH AN ECONOMIC DEVELOPMENT ZONE FOR THE PURPOSE OF SUPPORTING THE EXPANSION OF PEPPERIDGE FARM, INC. AT 901 NORTH 200 WEST, RICHMOND, UT 84333

MOTION: APPROVE THE CREATION OF AN ECONOMIC DEVELOPMENT ZONE FOR RICHMOND IN SUPPORT OF THEIR LETTER OF REQUEST DETAILING THE EXPANSION OF PEPPERIDGE FARM, INC. AT 901 NORTH 200 WEST, RICHMOND, UT 84333

