Utah County Tourism and Tax Advisory Board Meeting
Thursday, February 9 2022 @ 2:00 pm
Via TeamsClick here to join the meeting

Board Members Present:
Kurt Christensen, Hyatt House PG/Provo
Chad Linebaugh, Sundance
Graydon Pearson, Hyatt Place Provo
Danny Wheeler, Utah Valley Convention Center
John Lenahan, Enterprise
Jared Kearns, UVU
John Garfield, Provo Marriott

County Representatives Present:
Brandon Gordon, Utah County Commissioner
Adam Beck, Utah County Attorney
Lisa Shepherd, Utah County Commission Office

Others Present:
Issac Paxman, Provo City
Michelle Kaufusi, Provo City Mayor
Dave Decker, Provo City Public Works Director
Brian Torgerson, Provo City Airport
Lee Adamson, Explore Utah Valley

2:00 p.m. Welcome Danny Wheeler welcomed the board together for the meeting and opened discussion up on the Provo Airport discussion.

2:00 p.m. Provo City Funding request for expansion of of Provo Airport
Project Funding Request: $10,000,000
Project Reviewer: Danny Wheeler

Chad Linebaugh stated that he is very supportive of the Provo Airport expansion project but asked the question how the large ask of $10 million would affect the TRCC finances. Kurt Christensen stated that in reviewing the budget, there is not ten million available for one year so the recommendation could be to spread over three years. Given the $8-9 million of TRCC funds available, this project would be allocating over 50% of the TRCC budget to this project over the next three years.

Having said all this, Kurt Christensen did mention that given the importance of this project to travel and tourism in Utah County, this is a project that we should certainly consider.

John Lenahan asked Kurt Christensen about rainy day fund availability. Kurt mentioned that there is a rainy day fund available but when you layer in all the other commitments that have been allocated over the last years and this doesn't provide a rainy day fund without considering the revenue from this year (2023) to fund the full project.

Danny Wheeler also mentioned that the TRCC and TRT revenue has increased quite a bit since he came on the board five or six years ago and he mentioned that it might be worth thinking about coming up with a dollar amount to set aside each year rather than one full year of funding being set aside as rainy day. This could free up additional funds for larger projects that could be game changers for tourism in the county.

Danny Wheeler stated that if you take into consideration the counties year to year obligations which include public works parks budget, convention center bond payment, Explore Utah Valley budget (tourism promotion spending by state statute), Spanish Fork Fairgrounds, Provo Ice Sheet, Thanksgiving Point, when these are summed up, it is $11 million dollars a year. So when you are talking about $22 million in TRCC revenue for a year, half of that is tied up with the above mentioned obligations.

Chad Linebaugh stated that the Provo Airport Project is still three years away from completion and perhaps county TRCC dollars could be the last in to help with the budget picture. Chad Linebaugh stated that he is fully supportive of funding the project.

Danny Wheeler stated that when the original Provo Airport request came before the TTAB board, the ask was $4.5 million, which was exactly 10% of the expected $45 million dollar project. This ask of $10 million for the expected expansion budget of $62 million is a higher ask percentage wise than last time. Danny wanted to point that out to the board.

Chad Linebaugh stated that is a good point but also reiterated that with a larger show of support on the TRCC funding, that this would help Provo City in their position of seeking funding from other sources.

Danny Wheeler asked Jared Kearns and John Lenahan about their thoughts. Jared Kearns stated that he is supportive of the project. John Lenahan stated that he is supportive of the project as well and recognized that it's a big ask, but is a big project and exciting for the county.

Danny Wheeler clarified that what he was hearing from the board was full support of the project but spread out over three years. Kurt Christensen asked if that was a formal motion? Danny Wheeler stated that as Chair, he shouldn't formally make a motion.

Chad Linebaugh made the motion to approve the full $10 million funding over the course of three years. Chad also asked about the, "last funds in" requirement before the final motion is made. John Lenahan agreed with the "last funds in" statement.

Chad Linebaugh restated his motion to approve the full $10 million funding over three years and contingent on city, state and federal funding being approved for the project as well. Danny Wheeler asked if there was a second? Jared Kearns seconded.

Danny Wheeler called for discussion on the motion. Issac Paxman provided information on the question that Chad Linebaugh had regarding the other funding sources for the project. Issac mentioned that the last airport contract language stated, payout upon completion of the project and didn't specify each funding source specifically and that motion language could potentially create an issue for Provo City.

Danny Wheeler asked if that meant payout upon completion as it was presented to the board? Issac clarified using the same terms as the last contract and that the attorney's will then go back and forth to clarify the language before approval. Danny clarified that the TTAB Board is just a recommending body and the city will work with the commission on the contract language.

Danny Wheeler reiterated the motion made by Chad Linebaugh for all board members who had joined the call recently. The motion from Chad Linebaugh is approval of the full $10 million ask over three years and divide the dollar amount up over three years. The motion also includes a last dollar in reimbursement upon completion of the project. Jared Kearns seconded the motion.

John Garfield asked if the recommendation to pay out yearly or if all funding is paid upon completion of the project?

Kurt Christensen stated that he appreciated that clarification because the thought seems to be to let the reserves build up over three years and payout at the end of the project. This clarification is important and asked Chad Linebaugh to clarify his position on the motion. **Chad Linebaugh stated that his motion was to allocate the funding over a three year period, but the payout would come at the completion of the project.** John Garfield, who joined the call late, asked Provo City if it is reasonable for Provo? Issac Paxman said that this will be tough but was supportive of the motion as stated and Provo would work with the commission on language as needed.

John Garfield stated that perhaps we could give up front $2.5 million and then payout the remainder at completion of the project? Danny Wheeler stated that he was supportive of the motion on the table and the commission could work with Provo City on the details of the payout. John Garfield clarified that the motion was payout yearly? **Chad Linebaugh restated that the motion was place funds in reserve and payout at the completion of the project but could add language to the motion that the commission could address early payout options if necessary but that the basis of the motion is to require completion of the project before the full $10 million is paid out.**

Danny Wheeler clarified understanding of the motion on the table. Asked for further questions before going to a vote. Danny Wheeler stated there is a motion by Chad Linebaugh, seconded by Jared Kearns. Asked the board to raise hand if supportive. Vote was unanimous. -- Yes Votes- Linebaugh, Kearns, Christensen, Wheeler, Lenahan, Garfield, Pearson.

Danny Wheeler thanked the board for joining and closed the meeting.

Meeting adjourned at 2:21 p.m.

2023 Meeting Dates
April 10 – Provo Marriott Hotel & Conference Center
June 5 – Utah Valley Convention Center
August 7 – Heirloom Group
October 2 – Sundance Mountain Resort
December 4 – Hyatt Place Provo