

Utah Inland Port Authority Board 2022

DRAFT MEETING MINUTES

Utah Inland Port Authority Board Meeting Minutes
Tuesday, April 4, 2023
1:30 pm
Building Zone Industries
1233 S Old Highway 91, Kanarraville, UT, 84742

Board Members Present: Miles Hansen, Abby Osborne, Mike Schultz, Jerry Stevenson, Ryan Starks

Non-Voting Board Members Present: Victoria Petro-Eschler

Board Members Absent: none

UIPA Staff: Ben Hart, Benn Buys, Larry Shepherd, Taneesa Wright, Lynne Mayer, Allen Evans, Chad Whitlock, Amy Brown Coffin, Mona Smith, Scott Wolford, Carol Watson, Max Ivory, Stephen Smith, Diana Gardner, Dain Maher

Others in Attendance: Lyndon Ricks, Todd Hauber, Lynne McKenna, Brice Wallace, Michael Jessop, Katie Pappas, Heather Dove, Brett Palmer, Val Stewart, Brett Behling, James Barlow, Alexa Keller, Andrew Scott, Gerald Heath, Steve Erickson, Lucas Little, RayJay Barlow, Stan Holmes, Gabrielle Costello, Vili Lolohea, Malin Moench, Nick Tarbet, Brett Behling, Suzanne Stewart, Melinda McIlwaine, Monica Hilding, Teri Durfee, Gary Hanneman, Wayne Cushing, Nicole Rosenberg, Jon Whittaker, David Bennett, Leia Larsen, Brian Moench, Joan Gregory, Deeda Seed, Tussy King, Brian McBride, Lynn de Freitas, Danny Stewart, Evan Vickers, Paul Cozzens, Mike Bleak, Marilyn Wood, Garth Green, James Barlow, Stephanie Pack, Phillip Hoskins, Ryan Obrey

1. **Welcome**

Jerry Stevenson welcomed the board members, staff and public to this Utah Inland Port Authority Board Meeting.

2. **Closed Session**

The board voted to move into a closed session meeting held at 1:40 pm at 1233 S Old Highway 91, Kanarraville, UT, 84742 for the purpose of “Strategy sessions to discuss pending or reasonably imminent litigation, strategy sessions to discuss the purchase, exchange, or lease of real property since public discussion would disclose the appraisal or estimated value of the property under consideration or prevent the public body from completing the transaction on the best possible terms” as described in Section 52-4-205 of Utah Code and sections 52-4-204 of the Open and Public meetings act. As stated in the meeting agenda, this session was held specifically for a discussion related to real property acquisition, including remediation, in the jurisdictional area.

Board member Osborne made a motion to move into closed session. Board member Starks seconded the motion. A roll call vote was taken, and the motion passed with a unanimous vote of board members present.

Roll Call Vote:

Jerry Stevenson – yes

Ryan Starks – yes

Abby Osborne – yes

Mike Schultz – Not present for vote

Miles Hansen – Not present for vote

3. Motion to Reconvene Public Meeting.

Board member Osborne made a motion to reconvene the public meeting. Board member Schultz seconded the motion.

A roll call vote was taken, and the motion passed with a unanimous vote of board members.

Roll Call Vote:

Jerry Stevenson – yes

Ryan Starks – yes

Abby Osborne – yes

Mike Schultz – yes

Miles Hansen – yes

The closed session began at 1:40 pm and concluded at 2:05 pm.

4. Approval of Minutes, February 27, 2023 Board Meeting

Board member Osborne moved to approve the minutes from the February 27, 2023 board meeting. Board member Starks seconded the motion. The motion was approved unanimously.

Roll Call Vote:

Jerry Stevenson – yes

Ryan Starks – yes

Abby Osborne – yes

Mike Schultz – yes

Miles Hansen – yes

5. Executive Director Report

UIPA Executive Director Ben Hart provided an executive director report and provided updates on the following items:

a. First Rural Inland Port Project - Thanks to those hosting us. The action here today is a milestone pivot of UIPA to work of community empowerment. We are working with other communities and will bring several more similar projects during the coming months.

b. UIPA is awarding contracts for rail and logistics expertise to CPCS and Savage Services.

c. Takeaways from attendance at American Association of Port Authorities conference in DC: States, like ours, with a statewide logistics focus are few and far between. This should position Utah well in global trade in coming years. UIPA's combination of logistics and economic growth is potent and moving Utah ahead of other states. We are excited for the future.

6. Approval of Resolution 2023-02, Appointing Benn Buys as UIPA Treasurer

Board chair Hansen moved to approve Resolution 2023-02 as presented. Board member Schultz seconded the motion.

A roll call vote was taken, and the motion carried with a unanimous vote of board members.

Roll Call Vote:

Jerry Stevenson – yes
Ryan Starks – yes
Abby Osborne – yes
Mike Schultz – yes
Miles Hansen – yes

7. Budget Update

UIPA Deputy Director, CFO, and Treasurer Benn Buys provided a budget update. He highlighted some changes from the General Fund Expenditures - Operating Budget previously approved by the board in the office lease, office buildout, and office supplies amounts. In the Capital Fund Expenditures - Capital Budget he noted differences due to refocus of UIPA activities away from building a port facility that have reduced year-to-date expenditures and an increase in tax differential amount that will result in a higher amount paid to Salt Lake City for housing affordability.

8. Logistics Plan Update

UIPA Chief Operating and Logistics Strategy Officer Chad Whitlock spoke of challenges impacting supply chains on three levels, global, national and local. He discussed the role the UIPA can play in statewide logistics planning over the next 5 years.

A formalized logistics strategy will be brought back to the board in the coming months.

9. Northwest Quadrant Project Area Plan Amendments

UIPA Director of Business Development Stephen Smith presented amendments to the Northwest Quadrant Project Area Plan, intended to make the master plan consistent with other project area plans. It is expected that the project area plan will be regularly amended and updated. The amendments presented add a recruitment and incentives strategy and expand the industries of focus to include clean technologies, environmental technology, Great Salt Lake preservation research and technology and more. Also included are purposes and intent, area boundaries, project area budget, the Northwest Quadrant Sustainability Action Study, and project area performance indicators.

These proposed amendments will be brought to the board for adoption at the next board meeting.

10. New Policy Presentations

UIPA Chief Compliance Officer Amy Brown Coffin introduced three UIPA policies for future board consideration:

BP-14 - Board Governance Policy

Policy to ensure board action is consistent with law and board policies

BP-15 - Code of Conduct

Policy guiding expectations, practices, behavior, and conflicts of interest for UIPA

BP-16 PID Policy

Policy for creation and governance of Public Infrastructure Districts

Amy also presented proposed revisions to the Crossroads PID Governing Document.

11. Approval of Resolution 2023-04, Amending the Crossroads PID Governing Document and Appointing Two Additional Trustees

Board member Osborne moved to approve Resolution 2023-04 as presented. Board chair Hansen seconded the motion.

A roll call vote was taken, and the motion carried with a unanimous vote of board members.

Roll Call Vote:

Jerry Stevenson – yes

Ryan Starks – yes
Abby Osborne – yes
Miles Hansen – yes
Mike Schultz – absent for this vote

12. Policy Presentations

UIPA Chief Compliance Officer Amy Brown Coffin reviewed two UIPA policies for board consideration following the public comment period:

BP-04 - Project Area & Property Tax Differential

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

BP-13 - Authority Infrastructure Bank (AIB)

Policy governing the AIB for investment in infrastructure projects

13. Public Comment

Board member Stevenson opened up the public comment period and welcomed those both in person and online to join the queue. No in-person comments were made. Virtual public comments received included opposition to public financial support to private business in the Iron Springs Project Area, possible harm to habitat for the Utah Prairie Dog, opposition to the shipping of coal and agricultural products from the proposed port facility, encouraging local rather than global economic activity, potential hazardous material shipping, consideration of off-site environmental impacts from port activities, reducing atmospheric greenhouse gasses, questioning UIPA contract for rail and logistics consulting services with company that is a rail provider in Iron Springs project area, questioning business case for Iron Springs project area, suggestion that UIPA code of conduct policy is missing core value of transparency, and questioning public purpose of Iron Springs project area.

14. Approval of Board Policies BP-04, and BP-13

Board member Starks moved to approve policies BP-04 Project Area & Property Tax Differential Policy, and BP-13 Authority Infrastructure Bank (AIB) Policy as presented. Board chair Hansen seconded the motion. A roll call vote was taken, and the motion carried with a unanimous vote of board members present.

Roll Call Vote:

Miles Hansen – yes
Jerry Stevenson – yes
Ryan Starks – yes
Abby Osborne – yes
Mike Schultz – yes

15. Introduction of Iron Springs Project Area Plan

UIPA Executive Director Ben Hart introduced the project area plan as a catalyst that will spur generational economic growth for the region. He thanked the local stakeholders in attendance and introduced those who will speak to the plan.

UIPA Vice President of Business Services Scott Wolford presented the Iron Springs Project Area Plan and Budget. The project area creation was approved via resolution from the Iron County Commission. Since the time this plan was previously presented to the board, a business recruitment strategy has been added and the environmental review finalized.

UIPA Director of Business Development Stephen Smith spoke to the recruitment strategy in the plan for bringing the right kind of new business to the area.

UIPA Environmental Engineer Simona Smith spoke to environmental justice considerations, emergent wetlands, tribal lands, habitat for the Utah Prairie Dog, and migratory bird habitat, for consideration as the project moves forward.

Vice President of Business Development for Savage Services Phillip Hoskins spoke about his company's participation in creating needed infrastructure that will drive economic growth in the region.

Project Executive for Commerce Crossroads Ryan O Bray detailed the need for rail access that led to the creation of Commerce Crossroads Logistics Park and partnership in this project area.
Iron County and Cedar City Director of Economic Development Danny Stewart provided some historical information on rail access to the community about 100 years ago and how rail access figures into the continuing economic growth of the region.

16. Approval of Resolution 2023-03, approving Iron Springs Project Area Plan

Board chair Hansen moved to approve the Iron Springs Project Area Plan as presented. Board member Starks seconded the motion.
Board member Stark spoke in support of the motion and committed his support in his role as executive director of the Utah Governor's Office of Economic Opportunity.
Board member Schultz congratulated those whose work led to the creation of this project area.

A roll call vote was taken, and the motion carried with a unanimous vote of board members present.

Roll Call Vote:

Miles Hansen – yes
Jerry Stevenson – yes
Ryan Starks – yes
Abby Osborne – yes
Mike Schultz – yes

17. Adjourn

Board member Stevenson adjourned the meeting.

Board Chair, Miles Hansen

Written Public Comments submitted after the meeting:

April 4, 2023
Ben Hart
Executive Director
Utah Inland Port Authority
RE: IRON SPRINGS INLAND PORT

Mr. Hart,
The Great Basin Water Network represents rural and urban communities in Utah and Nevada, working to protect groundwater resources from over-appropriation in the nation's two driest states. We are currently raising awareness about efforts by basins located in Beaver and Millard County.

We believe that there is a likely nexus between the Iron Springs Inland Port (ISIP) project and the Central Iron County Water Conservancy District's efforts to export at least 27,000 acre feet annually from Pine and Wah Wah Valleys.



UTAH INLAND
PORT AUTHORITY

We are very interested in the UIPA's efforts to galvanize the Iron Springs Inland Port project in a groundwater basin designated pursuant to Utah water law as a Critical Management Area. Therefore, we have one question: Where will the water come from to meet the demand you all project?

UIPA's Draft Project Area Plan mentions that no project can use more than 200,000 gallons per day (3/5ths of an acre foot) at the site and highlighted some very important considerations about Cedar Valley's groundwater supply.

But the draft does not detail estimated demand or the water rights that will serve ISIP. The draft's fails to outline if the site will be hooked up to an existing water supply, if new wells will be built, if existing water rights will be purchased, and a host of other scenarios -- leaving many wondering about the sustainability of ISIP.

UIPA undoubtedly knows that Cedar Valley is in a Critical Management Area that will be subject to a Groundwater Management Plan (GMP). Our supporters in Beaver and Millard County would like to know if UIPA considered how ISIP and its tenants would comply with the Cedar City Valley GMP set to take effect in 2035.

Considering that the Utah State Engineer approved a schedule of curtailments, we know that one of the most over-pumped basins in the state will soon be cutting back. But if we are to believe your revenue estimates, it seems like new uses will be coming to the valley -- unless the owners of the site and the tenants are working to acquire existing rights currently being put to beneficial use.

We would appreciate a detailed outline for how tenants at ISIP plan to beneficially use water resources at the site in a basin deemed a Critical Management Area by the Utah State Engineer.

Thank you for your consideration.

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