

UIPA Authority Infrastructure Bank Loan Approval Committee

APPROVED MEETING MINUTES

Authority Infrastructure Bank
Loan Approval Committee Meeting Minutes
Tuesday, April 25, 2023
Utah State Capitol, Room 445

Committee Members Present: Steve Allred, Jonathan Ellis, Duncan Evans, Kirt Slaugh

Committee Members Absent:

UIPA Staff: Ben Hart, Benn Buys, Amy Brown Coffin, Richard Monsen, Lynne Mayer, Carol Watson

Others in Attendance: Ryan Obray, Lyndon Ricks

1. Welcome

Benn Buys, UIPA Deputy Director and Chief Financial Officer, welcomed the group to this first meeting of the UIPA Authority Infrastructure Bank Loan Approval Committee.

2. Oath of Office

Committee members, Steve Allred, Jonathan Ellis, Duncan Evans, and Kirt Slaugh took their oath of office, administered by Carol Watson, notary.

3. Election of Committee Chair

Committee member Kirt Slaugh nominated Steve Allred as committee chair. Duncan Evans seconded the nomination. The vote in favor of Steve Allred being named chair of the committee was unanimous.

4. Authority Infrastructure Bank Policy Overview

Amy Brown Coffin, UIPA Chief Compliance Officer, presented the UIPA Board Policy and state statutes governing the AIB Loan Approval Committee and its actions in loan approval. She discussed the loan approval criteria with the board.

5. Consideration of Loan Application for BZI Steel

Ben Buys discussed the need for a transloading facility in the Iron Springs Project Area, as outlined in the project area plan approved by the UIPA board. He noted that the consideration of this loan by this committee is the first step in a three step process. The committee can recommend approval of the loan, which must also be approved by the UIPA board and the Utah legislature's Executive Appropriations Committee. The loan will be used for necessary public infrastructure within the project area. This request is for a \$10 million loan, with the first three years deferred and then a 15 year repayment period.

Ryan Obray, Project Executive for Commerce Crossroads, spoke of the desire to have the transload facility operational this summer. He provided some history of rail in Iron County and the desire to again provide



UTAH INLAND
PORT AUTHORITY

transloading capability to his company, BZI Steel, and other companies in the region. Benn Buys provided information on the company's financials showing it has the liquidity and the revenue to support loan repayment. he discussed the use of tax increment in UIPA project areas for public infrastructure.

Motion:

Committee member Kirt Slaugh moved that the Loan Approval Committee recommend the Utah Inland Port Authority approve an infrastructure loan from the inland port authority revolving loan fund of \$10 million to BZI Steel/Five Star Holdings with terms of the loan being 15 years beyond the deferral period at 3.5 percent interest rate. The three year deferral period would include capitalized interest to the principal. The contract shall specify that BZI allows rail access to other local companies as a qualification to receiving these state funds. Any contracts awarded or tax increment be in compliance with state procurement law. Duncan Evans seconded the motion. The motion carried unanimously.

6. Adjourn

Duncan Evans moved that the committee adjourn the meeting. Jonathan Ellis seconded the motion. Committee Chair Allred adjourned the meeting.

Committee Chair, Steve Allred