



UTAH INLAND
PORT AUTHORITY

Utah Inland Port Authority Board 2022

APPROVED MEETING MINUTES

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



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Project Executive for Commerce Crossroads Ryan Obray 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

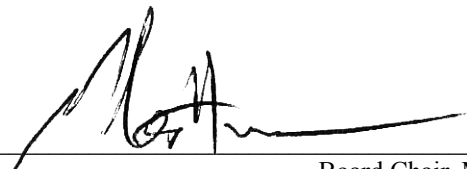
Ryan Starks – yes

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.



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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.

Kyle Roerink
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Great Basin Water Network
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Steve Erickson
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Great Basin Water Network
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May 8, 2023

Dear Ms. Coffin,

With reference to the Draft UIPA Code of Conduct v.3-1 that was recently made an agenda item for the May 11 UIPA Board meeting, I have proposed revisions to the Conflict Statement to be signed by Board members, and revisions to “Section XVII. Staff Member Conflicts of Interest.” Each proposed revised section, together with explanations for the revisions proposed, is attached. Both proposed revised sections are in “track changes” format. For that reason, I did not file them in the public comment form on the UIPA website, since that website doesn’t accept attachments, and I was concerned that the track changes markings would be lost if they were pasted directly into the public comment format.

While the Draft Code of Conduct is commendable in most respects, I believe that I have identified several instances where there are significant gaps in the Code that should be filled, and offer suggestions for filling them. These suggestions reflect my 20 years experience as the chief ethics officer for an independent federal regulatory agency. There are additional revisions that I would propose to make the UIPA Code as comprehensive as the Rules of Ethics of the Federal Office of Government Ethics, but in view of the short lead between now and May 11, I decided to make my proposals as simple as possible.

Sincerely,

Malin Moench
6067 Holladay, UT 84121
703-946-7102

PROPOSED REVISIONS TO UIPA DRAFT CODE OF CONDUCT v3-1

SECTION “XVII. Staff Member Conflicts of Interest”

XVII. Staff Member Conflicts of Interest

This policy, in reference to DHRM rule R477-9-3, Conflict of Interest, is intended to ensure employees do not participate in outside activities that interfere with their performance, conflict with the interests of UIPA or the State of Utah, or give reasons for criticism nor suspicion of conflicting interests or duties. We must avoid all real and potential conflicts between our personal interests and those of the UIPA.

We are all expected to act in the best interests of the UIPA and to exercise sound judgment when working on the UIPA’s behalf. This means that UIPA decisions should be made free from any conflict of interest. Even the appearance of a conflict can damage your or the UIPA’s reputation. Ensuring that UIPA decisions are made free from any actual or apparent conflict



of interest is every staff member's responsibility. Conflict-free decision making is essential to protect the UIPA's reputation and credibility and ensure that the UIPA meets its legal and statutory obligations. Whatever your part in the decision-making process, you are required to be honest and forthcoming. If you believe that a contract or transaction to which UIPA is a party presents an actual or apparent conflict of interest on the part of any of the parties involved, you should notify the Director of Compliance immediately upon learning of the actual or apparent conflict.

A "conflict of interest" can occur when outside activities or personal interests conflict or appear to conflict with our responsibility to the UIPA or when we use (or could use) our position with the UIPA or information we have acquired during employment in a way that creates a conflict between our personal interests and the interests of the UIPA.

UIPA staff members are required to promptly disclose all conflicts and potential conflicts of interest to management. These conflicts include outside employment, outside board participation, employment of close relatives, involvement with third parties who stand to benefit directly and financially from UIPA-sponsored development projects, and financial investment in project areas. Conflicts and potential conflicts to be avoided include those in which staff may become involved inadvertently, due to either business or personal relationships with contractors, vendors (including sub-contractors of vendors), partners, business associates of the UIPA, or with other employees. Many real and potential conflicts of interest can be resolved.

Please remember that these guidelines also apply to members of your "Immediate Family," which includes spouses, domestic partners, parents, children, siblings, grandparents, grandchildren, inlaws, step-relatives, aunts, uncles, and other significant relationships.

EXPLANATION OF PROPOSED REVISIONS TO SECTION "XVII. Staff Member Conflicts of Interest" IN UIPA'S DRAFT CODE OF CONDUCT v3-1



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The proposed expansion of paragraph 2 of this section is modeled upon a similar provision that is already incorporated in current paragraph 2 of the subsection “Financial Statements” within section “XVIII. Book and Records.” There, the current provision on “Financial Statements” expresses the principle that protecting UIPA’s financial integrity applies broadly to the entire UIPA staff and that duty includes a duty to speak when any staff member has reason to believe that a financial statement may be erroneous, misleading, or not in accordance with generally accepted accounting principles.

It is equally important to instruct staff members that the principle that actual or apparent conflicts of interest in decision making should be avoided applies broadly to the entire UIPA staff, and that duty includes a duty to speak in a timely fashion when any staff member has reason to believe that a contract or transaction involves an actual or apparent conflict on the part of any party to a UIPA-sponsored transaction.

**PROPOSED REVISIONS TO THE UIPA BOARD
MEMBER CONFLICT OF INTEREST STATEMENT
IN UIPA’S DRAFT CODE OF CONDUCT v3-1**

BP-15 Code of Conduct

XXIII. UIPA Board Member Conflict of Interest Statement

Pursuant to the Utah Inland Port Authority Act (Utah Code §
11-58-304)

I, -----, hereby declare the following:
(PLEASE INITIAL)



_____ I do not own real property, other than a personal residence, which I reside in, within a project area¹, whether or not the ownership interest is a recorded interest.

_____ My family members (parents, spouse, siblings, children, grandchildren) do not own an interest in real property, other than a personal residence in which the family member resides, located within a project area¹.

_____ I hereby agree that I will not, at any time during my service, or within three years after terminating my service, take any action to initiate, negotiate, or otherwise arrange for the acquisition of an interest in real property within the project area¹, if (i) the acquisition is in the personal capacity or in the capacity as an employee or officer of a private firm, private company, or other private entity; and (ii) the acquisition will enable the me to receive a direct financial benefit² as a result of the development of the project area¹.

_____ Neither I nor any of my family members (parents, spouse, siblings, children, grandchildren) own an interest in, are directly affiliated with, or are employees or officers of a private firm, private company, or other private entity that I reasonably believe is likely to: (i) participate in or receive a direct financial benefit² from the development of the authority jurisdictional land; or (ii) acquire an interest in or locate a facility within a project area¹.

_____ I hereby agree that I will not, at any time during my service, or within three years after terminating my service, take any action to initiate, negotiate, or otherwise arrange for acquiring an interest in a private firm, private company, or other private entity that I



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reasonably believe is likely to: (i) participate in or receive a direct financial benefit² from the development of the authority jurisdictional land; or (ii) acquire an interest in or locate a facility within a project area¹.

I declare under penalty of perjury that the foregoing is true and correct.

Date

Signature

¹ Project Area

(a) the authority jurisdictional land; or

(b) land outside the authority jurisdictional land, whether consisting of a single contiguous area or multiple noncontiguous areas, described in a project area plan or draft project area plan, where the development project set forth in the project area plan or draft project area plan takes place or is proposed to take place.

² Direct financial benefit

(i) means any form of financial benefit that accrues to an individual directly, including:

(A) compensation, commission, or any other form of a payment or increase of money; and

(B) an increase in the value of a business or property; and

(ii) does not include a financial benefit that accrues to the public generally



EXPLANATION OF SUGGESTED REVISIONS TO THE UIPA BOARD MEMBER CONFLICT OF INTEREST STATEMENT IN UIPA'S DRAFT CODE OF CONDUCT v3-1

The UIPA Board Member Conflict of Interest Statement does an adequate job of addressing and forbidding conflicts of interest that might exist at the time that the Board member signs the statement. However, it fails to address and forbid some conflicts that might arise subsequent to the Board member's signing.

Three of the four declarations contained in the current version of the Statement address conflicting interests in real property. Of the three declarations that address real property, two declare that the signer has no conflicts at the time of signing, while the third pledges not to acquire any conflicting interests in real property while serving on the Board. Missing is a pledge not to acquire an interest in real property within a jurisdictional area shortly after service on the Board terminates. Business opportunities within a jurisdictional area relating to real property may become apparent to a Board member while serving on the Board, due either to confidential information acquired during such service, or due to relationships formed with property owners, consultants, or staff while conducting Board business. If such information or relationships are capitalized on shortly after leaving the Board, it may constitute either a real or an apparent conflict with the Board member's duties while he was serving on the Board. This would undermine the legitimacy of UIPA.

Ethics rules that apply to federal employees provide a useful model here. Under those rules, an executive branch or independent agency employee who had input or influence over decisions that affect stakeholders must observe a "cooling off" period after he leaves service. During his "cooling off period," he may not commercially exploit relationships that he formed as a result of his duties while he served, and may not try to influence decisions made by his former agency on regulatory matters for which he had some responsibility while he was still an employee. The length of the cooling off period varies



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from one to two years, depending how directly the former employee was involved in the regulatory matter while he was in service. See [18 U.S. Code § 207 - Restrictions on Former Officers, Employees, and Elected Officials of the Executive And Legislative Branches](#).

The activities of the Board are different from the activities of the typical federal employee in important ways. For example, they focus heavily on procurement of real property, construction of logistics facilities, or on logistics service contracts. Accordingly, if an ex Board member were to try to exploit commercial opportunities discovered during his service on the Board through, for example, real estate development in the project area after leaving the Board, that attempt can be expected to have a gestation period of three years or more. The cooling off period needed to avoid the appearance of conflict with such an ex Board member's duties while he served on the Board, therefore, should be at least three years from the time that the Board member ended his service.

One of the four declarations in the current Statement affirms that, at the time of signing the declaration, the Board member does not have interests in "private entities" that might not be specifically engaged in real estate development, but that would "directly benefit" from development of jurisdictional land. As written, this declaration applies only to the Board member's interests as of the time of signing. It does not forbid acquiring such conflicting interests after signing, nor does it prohibit acquiring such conflicting interests shortly after terminating service on the Board. A cooling off period is needed here, as well. For the same reasons as stated above, the cooling off period should be a minimum of three years.