

## Utah Inland Port Authority Board 2023

### APPROVED MEETING MINUTES

Utah Inland Port Authority Board Meeting Minutes  
Friday June 23, 2023  
9:00 am  
Utah State Capitol, Room 445  
350 State Street, Salt Lake City, UT 84103

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

Non-Voting Board Members Present: Victoria Petro  
Board Members Absent: none

UIPA Staff: Ben Hart, Benn Buys, Larry Shepherd, Taneesa Wright, Lynne Mayer, Mona Smith, Scott Wolford, Stephen Smith, Diana Gardner, Allen Evans, Carol Watson,

Others in Attendance: Lyndon Ricks, Joan Gregory, Carolyn Erickson, Alexa Wilson, Marla Kennedy, Steve Van Maren, Malin Moench, Noemi Molina, Brice Wallace, Billy Hesterman, LaVarr Webb, Monica Hilding, Shannon Bond, Kate Bradshaw, Lauren Griffith

#### 1. **Welcome**

UIPA Board Chair, Miles Hansen, welcomed the board members, staff and public to this Utah Inland Port Authority Board Meeting.

#### 2. **Presentation of Professional Services Contracts**

Benn Buys, UIPA Deputy Director, presented information concerning two professional services contracts. The logistics study contract was sent out as an RFP and a contract was awarded to CPCS Transcom. The cost of the one year study is \$1,534,326 and that is the amount the staff is asking the board to approve in this meeting. The second item is a continuation of the communications contract with BWP Communications. BWP has been operating on a 6-month contract and this action today would extend that contract for an additional 2 years at a cost of \$250,000. BWP is on a state purchasing cooperative contract and UIPA is receiving state pricing under this contract.

#### 3. **Presentation of Stadler Rail Agreement Amendments**

Ben Hart, UIPA Executive Director, and Benn Buys, UIPA Deputy Director, presented information on the amended and restated agreement between the Utah Inland Port Authority and Stadler Rail. A principal purpose of this contract is to provide rail access south of I-80. UIPA is leasing the land with rail that can provide access to new developments west of the Stadler property. This amended agreement reclassifies a \$8 million of the lease payment to existing improvements reimbursement. \$2.1 million that was previously agreed upon for land purchase will be added to the \$4.2 million third rail installation reimbursement cost and other improvements, bringing the total for those costs to \$6.3 million. As part of this agreement, UIPA would receive a \$2.1 million credit toward property purchase cost, should the UIPA Board pursue a

purchase in the future. The amended contract allows for a \$1.6 million extension to get to the Copper Crossing development. Total costs payable in FY 2024 under the agreement is \$7.9 million. that amount is in the FY 2024 UIPA budget approved by the board in May. The contract provides \$2.5 million for electric train testing some time in the future. The amended contract clarifies direction and limits total long-term liability for UIPA and removes further obligations under the previous contract.

**4. Presentation of Resolution 2023-05 Authorizing Purchase of Property from SITLA**

Ben Hart, UIPA Executive Director, and Benn Buys, UIPA Deputy Director, presented information on the purchase of the former Salt Lake City landfill site from SITLA. This resolution authorizes the UIPA Executive Director to enter into negotiations for an agreement to purchase the property and allows staff to proceed with pre-acquisition environmental work.

**5. Public Comment**

As directed by Board Chair Hansen, Benn Buys opened up the public comment period and welcomed those both in person and online to join the queue. Comments made include appreciation for the port's opportunities for community involvement, transparency, and movement toward sustainability; strengthening of UIPA's code of conduct, continuation of existing landfill remediation plans, questions about UIPA purchase of SITLA property.

In response to comments about the landfill purchase, board members and staff clarified that under UIPA ownership, remediation plans already in place would continue and remediation could be accomplished more quickly. UIPA plans for full remediation of the site rather than a phased approach, and UIPA would be in a position to steer development on the property toward more strategic and beneficial uses than the warehouse/distribution that is prevalent in the area.

**6. Approval of Resolution 2023-05 Authorizing Purchase of Property from SITLA**

Board member Schultz moved to approve Resolution 2023-05 as presented. Board member Stevenson seconded the motion.

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

Roll Call Vote:

Mike Schultz – yes

Jerry Stevenson – yes

Ryan Starks – yes

Abby Osborne – yes

Miles Hansen – yes

**7. Approval of Minutes, May 11, 2023 Board Meeting**

Board member Osborne moved to approve the minutes from the May 11, 2023 board meeting. Board member Stevenson seconded the motion. The motion was approved unanimously.

**8. Approval of Professional Services Contracts Spending**

Board member Ryan Starks moved to approve spending amounts under the professional services contracts as presented. Board member Stevenson seconded the motion.

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

Roll Call Vote:

Mike Schultz – yes

Jerry Stevenson – yes

Ryan Starks – yes

Abby Osborne – yes

Miles Hansen – yes

**9. Approval of Stadler Rail Agreement Amendments**

Board member Schultz moved to approve the revised Stadler Rail agreement as presented. Board member Stevenson seconded the motion.

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

Roll Call Vote:  
Mike Schultz – yes  
Jerry Stevenson – yes  
Ryan Starks – yes  
Abby Osborne – yes  
Miles Hansen – yes

**10. Adjourn**

Board Chair Hansen adjourned the meeting.



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Board Chair, Miles Hansen

**Written Public Comments submitted during and after the meeting:**

Malin Moench  
Submitted June 22, 2023

Just before the May 11, 2023 UIPA Board meeting I submitted the comment below via email. I had been hopeful that the changes I suggested to pages 10 and 15 would have been made to the UIPA CODE OF CONDUCT. However, a check of the approved posted policy (<https://inlandportauthority.utah.gov/wp-content/uploads/BP-15-Code-of-Conduct-Policy-v3.pdf>) shows that none of those suggested changes have been made. I request that these changes be given serious consideration by UIPA and that the updates suggested below be adopted.

NOTE: This comment form does not support track changes, so I have entered the recommended changes in ALL CAPS below. Following the SUGGESTED CHANGES is an EXPLANATION of each of these changes.

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PAGE 10 PROPOSED REVISIONS TO UIPA DRAFT CODE OF CONDUCT v3-1  
SECTION "XVII. Staff Member Conflicts of Interest"

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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, [REMOVE: CLOSE RELATIVE OR ] 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 [REMOVE: CONFLICTS IN WHICH YOU MAY BE] 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.

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EXPLANATION OF PROPOSED REVISIONS TO SECTION "XVII. Staff Member Conflicts of Interest" IN UIPA'S DRAFT CODE OF CONDUCT v3-1 [Page 10]

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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.

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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 area<sup>1</sup>, 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 area (1).

\_\_\_\_\_ 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 benefit<sup>2</sup> from the development of the authority jurisdictional land; or (ii) acquire an interest in or locate a facility within a project area (1).

\_\_\_\_\_ 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 area<sup>1</sup>, 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 benefit<sup>2</sup> as a result of the development of the project area (1).

\_\_\_\_\_ 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 REASONABLY BELIEVE IS LIKELY TO: (I) PARTICIPATE IN OR RECEIVE A DIRECT FINANCIAL BENEFIT<sup>2</sup> FROM THE DEVELOPMENT OF THE AUTHORITY JURISDICTIONAL LAND; OR (II) ACQUIRE AN INTEREST IN OR LOCATE A FACILITY WITHIN A PROJECT AREA<sup>1</sup>.

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

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EXPLANATION OF SUGGESTED REVISIONS TO THE UIPA BOARD MEMBER CONFLICT OF INTEREST STATEMENT IN UIPA'S DRAFT CODE OF CONDUCT v3-1 [Page 15]

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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 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 - <https://www.law.cornell.edu/uscode/text/18/207>.

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.

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