

# Welcome, we will begin momentarily.



#### AGENDA

Wednesday, May 27, 2020 • 4:00 PM

Remote Meeting via Zoom: https://us02web.zoom.us/webinar/register/WN\_qDTwGhRaRziA16EoUx-JxQ

Procedural

Welcome: James Rogers, Chair	Procedural
1. Approval of Minutes from October 17, 2019	Action
Oath of Office     Steve Prokopis, Magna City Council     Michele Pasker, Notary	Procedural
3. Executive Director Report Jack C. Hedge, Executive Director	Informational
4. DRAFT Budget  Presentation on DRAFT FY 2021 budget for discussion and consideration. Adoption in June meeting Jill Flygare, Chief Operating Officer	Informational
5. Strategic Business Plan  Presentation on DRAFT FY2020-FY2024  Strategic Business Plan  Jack C. Hedge, Executive Director, UIPA  Donald Ludlow, Vice President, CPCS  Camille Wu, CPCS	Informational
6. Public Comments	Procedural
7. Upcoming meeting dates	Procedural
8. Adjourn	Procedural

9. Tentative Closed Session

The Board may consider a motion to enter into Closed Session. A closed meeting described under Section 52-4-205 may be held for specific purposes including, but not limited to:

- a. discussion of the character, professional competence, or physical or mental health of an individual;
- b. strategy sessions to discuss collective bargaining;
- c. strategy sessions to discuss pending or reasonably imminent litigation;
- d. strategy sessions to discuss the purchase, exchange, or lease of real property, including any form of a water right or water shares, if public discussion of the transaction would:
  - (i) disclose the appraisal or estimated value of the property under consideration; or
  - (ii) prevent the public body from completing the transaction on the best possible terms;
- d. strategy sessions to discuss the purchase, exchange, or lease of real property, including any form of a water right or water shares, if public discussion of the transaction would:
- e. strategy sessions to discuss the sale of real property, including any form of a water right or water shares, if:
  - (i) public discussion of the transaction would:
    - (A) disclose the appraisal or estimated value of the property under consideration; or
    - (B) prevent the public body from completing the transaction on the best possible terms;
  - (ii) the public body previously gave public notice that the property would be offered for sale; and
  - (iii) the terms of the sale are publicly disclosed before the public body approves the sale;
- f. discussion regarding deployment of security personnel, devices, or systems; and
- g. Investigative proceedings regarding allegations of criminal misconduct.



#### Utah Inland Port Authority Board **2019**

#### PENDING MEETING MINUTES - NOT YET APPROVED

#### **Utah Inland Port Authority Board Meeting Minutes**

October 17, 2019 • 4:00 p.m Utah State Capitol – House Building, Committee Room 30

350 North State Street Salt Lake City, UT 84114

Board Members Present: Francis Gibson, Nicole Cottle, D. Gregg Buxton, Carlos Braceras, James Rogers, Blake Thomas, Derek Miller, Ben Hart, Michael Jensen, Garth "Tooter" Ogden, Valerie Wilde
Board Members Absent: N/A

Staff: Jill Flygare, Taneesa Wright

Others in attendance: Nick Tarbet, Lyndon Ricks, Paul Morris, Ginger Chinn, Thomas Wadsworth, Brittany Manookin,

Maura Carabello, and members of the public

#### A. Welcome

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

Reminded the board, staff and public of the Rules of Decorum

#### Approval of Previous Meeting Minutes:

Board Member Rogers moved to approve the minutes of the June 5, 2019 board meeting. Board Member Gibson seconded the motion.

The motion was approved unanimously.

#### B. Action Item - Oath of Office

Welcome of new board member Valerie Wilde as appointed by the chair of the airport authority per statue.

Swearing in of Valerie Wilde performed by Michele Pasker.

#### C. Action Item - Leadership Elections

Board member Gibson moved to elect James Rogers as Chair and Nicole Cottle as Vice Chair.

Board member Ogden seconded the motion.

The motion was approved unanimously.

#### D. Public Hearing

Chairman Rogers reviewed the Rules of Decorum, copies of which were made available to participants as they arrived.

Comments from the public and board members were made.

#### E. Board and Executive Director Discussion Items

Board Chair Rogers introduced Executive Director, Jack Hedge, who gave an update on the following items:

- 1) Global logistics for the next generation
- 2) Envision Utah Phase 1 Report
- 3) Business Plan Update
- 4) Policy Updates/Mission & Vision
- 5) Green Supply Chain

Comments, questions and discussion from board were considered.

Adjournment - Board Chair Rogers



# Steve Prokopis Magna City Council



### Jack C. Hedge

Utah Inland Port Authority Executive Director



Adopted Budget Form for:

Name: Utah Inland Port Authority

**Utah Inland Port Authority** 

30-Jun-20 Fiscal Year Ended:

7. Upload completed budgets to reporting.auditor.utah.gov. Choose Option 1

#### **Basic Form Instructions**

- 1. As required by Utah statutes, budget forms submitted must 6. If you have questions about the form, call Jeremy Walker at (801) 538-1040, present a balanced budget, meaning budgeted expenditures or send an email to jeremywalker@utah.gov. must equal budgeted revenues.
- 2. If prior year surplus amounts are to be appropriated in this (Upload a budget, financial statement, impact fee, or other document), and logbudget, the amount is to be presented as a source of revenue in or register. Choose Option 1 again and follow the instructions. If you have in the budget. Also, any budgeted increase in a fund balance any questions related to the uploading of your document, please contact our must be presented as an expenditure within the appropriate office at 801-538-1025 or stateauditor@utah.gov. budget.
- 3. A copy of the final budget should be sent to the State Auditor's Office within 30 days of adoption.
- 4. Please report amounts rounded to the nearest dollar.

Definitions: Current Budget Year: The budget year in which the Utah Inland Port Authority is currently operating. Ensuing Budget Year: The next upcoming budget year, also known as the "incoming" budget year.

Part I General Fund Revenues  Source of Revenue  (a)	Prior Year Actual Revenue (b)	Current Year Estimate (C)	Ensuing Year Approved Budget Appropriation (d)
Taxes			
Property Tax Differential - Current	0	1,392,548	1,392,548
Prior Years' Property Tax Differential - Delinquen	0	0	0
Sales and Use Tax (Point of Sale)	0	0	0
Other (specify):			
Intergovernmental Revenue			
Legislative Appropriation	1,975,000	1,000,000	1,000,000
Other (specify):			
Miscellaneous Revenue			
Interest Earnings	0	0	0
Intermodal Facility Operations Revenue			
Sale of Property			
Sales of Materials and Supplies			
Sales of Bonds			
Other Financing - Capital Lease Obligations		•	•
Other (Specify):			

Contributions and Transfers			
Loan From:			
Beg. General Fund Bal. to be Appropriated	0	1,401,948	1,401,948
TOTAL REVENUES	1,975,000	3,794,496	3,794,496

ame Utah Inland Port Authority Fiscal Year Ended 2020			
Part II General Fund Expenditures			
Expenditure (a)	Prior Year Actual Exp. (b)	Current Year Estimate (c)	Ensuing Year Approved Budget Appropriation (d)
Operating Expenses			
Personnel	4,903	551,383	825,000
Travel	1,062	11,985	15,000
Lease	0	112,240	140,000
Legal fees	172,000	284,873	350,000
Supplies & Other Materials	3,161	54,756	59,000
Insurance	5,295	0	5,295
Consulting Fees and Professional Services	386,631	723,356	800,049
Other (Specify):			
Inland Port Development Activities			
Acquistion of Property	0	0	0
Site Improvements or Preparation Costs	0	0	C
Publicly Owned Infrastructure and Improvements	0	0	(
Intermodal Facility Privilege Tax	0	0	(
Tax Differential Payments (not included above)	0	452,578	452,578
Development Fund (unexpended)		939,970	939,970
Debt Service			
Principal and Interest			0
Other (Specify):			
Miscellaneous			
Other (Specify):		-	
Budgeted Increase in Fund Balance	1,401,948	663,355	207,604
TOTAL EXPENDITURES	1,975,000	3,794,496	3,794,496



Adopted Budget Form for:

Name: Utah Inland Port Authority

**Utah Inland Port Authority** 

30-Jun-21 Fiscal Year Ended:

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#### **Basic Form Instructions**

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- 3. A copy of the final budget should be sent to the State
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- 4. Please report amounts rounded to the nearest dollar.

Definitions: Current Budget Year: The budget year in which the Utah Inland Port Authority is currently operating. Ensuing Budget Year: The next upcoming budget year, also known as the "incoming" budget year.

Source of Revenue (a)	Prior Year Actual Revenue (b)	Current Year Estimate (c)	Ensuing Year Approved Budget Appropriation (d)
Taxes			
Property Tax Differential - Current	0	1,392,548	2,821,8
Prior Years' Property Tax Differential - Delinquer	0	0	
Sales and Use Tax (Point of Sale)	0	0	
Other (specify):			
Intergovernmental Revenue			
Legislative Appropriation	1,975,000	1,000,000	2,500,0
Other (specify):			
Miscellaneous Revenue			
Interest Earnings	0	0	
Intermodal Facility Operations Revenue			
Sale of Property			
Sales of Materials and Supplies			
Sales of Bonds			•
Other Financing - Capital Lease Obligations			
Other (Specify):			·

Contributions and Transfers			
Loan From:			
Beg. General Fund Bal. to be Appropriated	0	1,401,948	207,604
TOTAL REVENUES	1,975,000	3,794,496	5,529,461

Name Utah Inland Port Authority F	iscal Year Ended	2021	
Part II General Fund Expenditures			
Expenditure (a)	Prior Year Actual Exp. (b)	Current Year Estimate (c)	Ensuing Year Approved Budget Appropriation (d)
Operating Expenses			
Personnel	4.903	825,000	1,246,300
Travel	1.062	15,000	40.000
Lease	0	140,000	186,300
Legal fees	172,000	350,000	375,000
Supplies & Other Materials	3,161	59,000	60,000
Insurance	5,295	5,295	7,500
Consulting Fees and Professional Services	386,631	800,049	625,000
Other (Specify):			
Inland Port Development Activities			
Acquistion of Property	0	0	(
Site Improvements or Preparation Costs	0	0	(
Publicly Owned Infrastructure and Improvements	0	0	(
Intermodal Facility Privilege Tax	0	0	
Tax Differential Payments (not included above)	0	452,578	917,104
Development Fund (unexpended)		939,970	1,904,753
Debt Service			
Principal and Interest			(
Other (Specify):			
Miscellaneous			
Other (Specify):			
Budgeted Increase in Fund Balance	1,401,948	207,604	167,504
TOTAL EXPENDITURES	1,975,000	3,794,496	5,529,461



#### **ENVISION PUBLIC PROCESS**



#### **TOP PUBLIC CONCERNS**

Air Quality

Wetlands/Habitat

Traffic

Family Wage Jobs



#### **LOGISTICS 101**

#### Why Create an Inland Port Authority?

By creating the Port Authority - Utah has opened the way to become the *Crossroads of the World*. The Authority allows this state to not only benefit from, but to help influence and be a leader in the global economy.

So why is being a leader so important? The Port Authority enables Utah to bring the largest economic opportunities in the history of this state, without compromising our values, environment and lifestyle.

Finally, having one Authority looking at the entire logistics system provides stewardship, prosperity, equity and **opportunity throughout the entire state.** 

Almost every region in Utah is can be made ready for success. Logistic intensive enterprises tend to cluster along major transportation routes. There is no place in the U.S. where this is truer than the State of Utah.







#### **LOGISTICS 101**

#### What's an Inland Port?

An inland port is a logistics hub located 'inland'— often far from coastal ports—but with strong connectivity to one or more seaports through multiple transportation modes.

Inland ports facilitate goods movement across modes (between airplanes, trains, and trucks). They often rely on the Class I rail network to link international trade gateways in inland distribution hubs.



Additionally, inland ports depend on other modes including:

- The highway networks
- An airport
- Customs clearance
- Retail and e-commerce warehousing and distribution
- Light manufacturing uses



#### **LOGISTICS 101**

#### What makes the Utah Inland Port different and better?

While the Utah Inland Port features all the key elements of other successful inland ports, it stands out in several distinct ways:

- Location: Utah is uniquely positioned and connected to the major gateway seaports of the U.S. West Coast.

  Utah is equidistance from the major seaports almost exactly halfway between these vital logistics hubs and the massive distribution markets of the Midwest
- Sustainability and Innovation: Utah's inland port begins with a focus on sustainable and smart logistics, development, and practices to put it at the forefront of innovation and attract capital and industry partners – attracting firms with a triple bottom line focused on people, planet, and profits.
- Holistic: Partnerships with local communities will provide holistic support through workforce development, afterschool/childcare, transit, and other key programs
- Statewide: Development of a statewide inland port system ensure efficiencies and value for both rural and urban communities

The Utah Inland Port is "the right thing because it will begin to protect the economic beachheads that we have now and need to develop in the future."

Former Utah Gov. Michael Leavitt,
 Utah Economic Outlook and Policy Summit – January 17, 2020



#### **BUSINESS PLAN FOCUS**

<b>SCENARIO 1:</b> Baseline	The NW Quadrant develops under the current zoning, plans, and market forces without intervention by UIPA.
<b>SCENARIO 2:</b> North of I-80 Land Purchase	UIPA acquires unentitled lands north of I-80 to remove from development.
SCENARIO 3: UIPA Current Capabilities	UIPA promotes sustainable and smart logistics solutions using tax differential funds with the aim of enhancing economic, environmental, and community outcomes.

Based on an unprecedented compilation of data and analysis the business plan is oriented to scenario 3, with recommendations moving towards scenario 4 where applicable.

The data indicates scenario 3 is the most effective path to address air quality, wetland/habitat impacts and traffic.



# What is the Strategic Business Plan?

The Strategic Business Plan will guide the Utah Inland Port Authority (UIPA)'s approach and strategies for promoting sustainable and smart logistics investment through partnerships, policies, and programs for FY2020-2024.



#### **UIPA STRATEGIC DIRECTION**

**Vision** Utah will be a leader in revolutionizing global logistics for the next generation.

**Mission** Promote sustainable and smart logistics investment through partnerships, policies, and programs.

**Strategy** Responsibly manage public resources to increase utilization of existing assets, repurpose outdated

assets, and develop new assets to enable improved statewide logistics.

**Value Proposition** Improve reliability, increase efficiency, and reduce costs in the statewide logistics system.

#### **UIPA OBJECTIVES**



Position Utah as the Leading Trade and Logistics Hub



Advance Sustainable and Smart Supply Chains



Be a Responsible Steward of the Environment and Local Communities



Effectively Manage UIPA Resources



#### **UIPA ROLES**



**Technical Expert** on logistics issues, needs, and opportunities across the state



**Sustainability and Innovation Leader** promoting innovative, equitable, and sustainable development solutions in the logistics sector statewide



**Facilitator of cross-cutting dialogue** among public, private, and NGO stakeholders for logistics solutions



**Financial Catalyst** for policies and programs related to strategic priorities



**Responsible Custodian** of public resources to ensure efficiency and effectiveness in operations





### 1 Position Utah as the Leading Trade and Logistics Hub

Utah has all the right ingredients to become a leading trade and logistics hub:

Diverse and Growing Economy

Supply Chain Networks

Trade Relationships

Geographic Location

Strong
Statewide
Logistics
System

#### **Strategies**

- Promote connectivity to drive economic competitiveness
- Enhance efficiency in the existing statewide logistics system
- Become an 'inland port of choice' for west coast seaports
- Maximize foreign trade zone opportunities
- Develop a complementary satellite inland port system



#### **Business Transportation Methods**



Air Cargo



Ocean Shipping



**Rail Operations** 



Truck Transportation

#### **Logistic Processes**











Business

#### Consumer Transportation Methods







Import / Export Management



**Customs Clearance** 



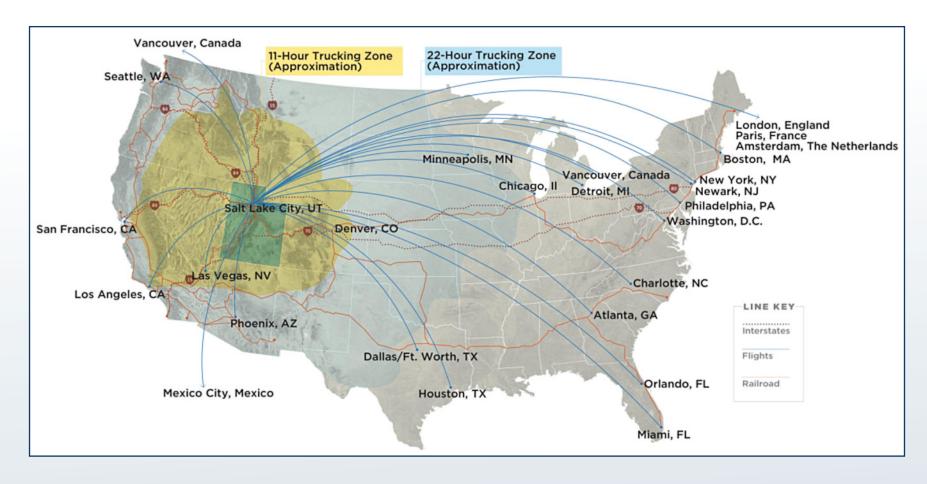
Data Management & Optimization



Insurance & Financial Services



### Utah is already well-positioned to be a leading trade and logistics hub.





#### Strategy 1: Promote Connectivity to Drive Economic Competitiveness Strategy 2: Enhance Efficiency in the Statewide Logistics System



Rail Accessibility



Roadway Connectivity



Truck Parking



Renewable Charging Infrastructure



**Public Transit** 



Sustainability Standards



**Business Attraction** 



Digital Infrastructure



Industrial-Capable Utilities



#### Strategy 3: Become an 'Inland Port of Choice' for West Coast seaports

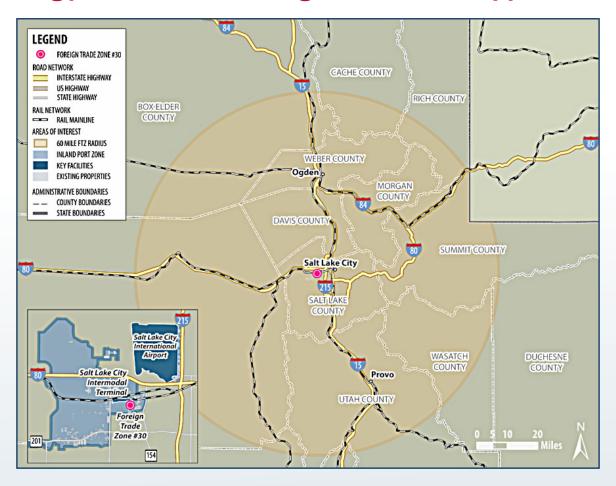
#### **Utah Railway Connections**



- ✓ Diversify Trade Gateways
- ✓ Reduce Transportation Costs
- Sustainable and **Smart Logistics**



#### **Strategy 4: Maximize Foreign Trade Zone Opportunities**

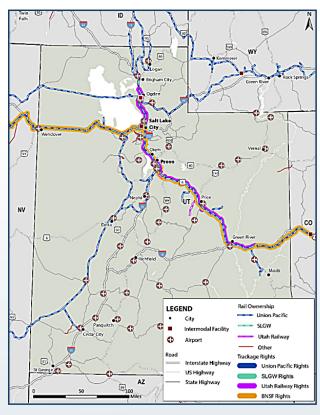


- ✓ Foreign Trade Zone Designation
- ✓ Foreign Trade Zone Certification Assistance
- Centralized Warehousing to Support Small Businesses



#### Strategy 5: Develop a complementary satellite inland port system

"Satellite ports" are a system of rural connections to facilitate efficient freight movement through the state.



Source: Adapted from Utah Department of Transportation Freight Plan 2017

- Catalyze trade activities statewide through road, rail, and air
- ✓ Products that do not need to go through the Wasatch Front will instead be transferred through rural locations





#### 2 Advance Sustainable and Smart Supply Chains

Sustainable and smart supply chains generate long-term value creation for the state.



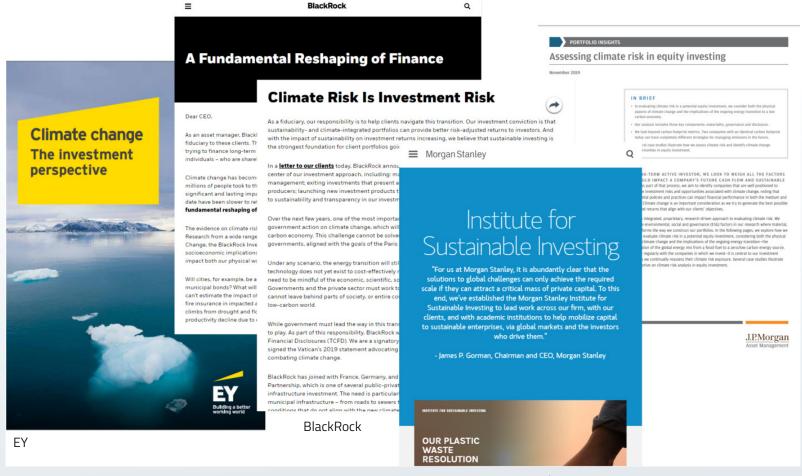
Image of LEED Silver Certified Nandina Distribution Center in Moreno Valley, CA. Source: Nandina Distribution Center Website Photos

#### **Strategies**

- Promote sustainable logistics investments
- Initiate sustainable development standards
- Promote sustainable industry practices
- Create jobs of the future
- Advance new technologies



### Global capital markets are increasingly recognizing that sustainable practices reduce risk.





#### **Strategy 1: Promote Sustainable Logistics Investments**

The logistics market is changing. Utah must position itself to enable the deployment of new technology investments in the state.





Zero Emission and Near-Zero Emission Fleet Truck and Rail Engines



Commercial Charging Infrastructure



**Eco-Driving Training and Education** 



Dynamic Vehicle Routing and Scheduling



#### Strategy 2: Initiate sustainable development standards

Asset management firms, real estate investment trusts, and commercial banks are increasingly investing in sustainable projects.



**Site Access Planning** to maximize trip efficiency



**Sustainability Certification** based on a performance-based certification process



Sustainable
Development Standards
for construction and
completed developments



**Clean Construction Equipment** for developments



**Truck Parking** availability and sustainable sites



#### Strategy 3: Promote sustainable industry practices

The investment community and supply chain partners increasingly see sustainable industry practices as key to long-term value creation.



Responsible Sourcing and Procurement



Energy Efficiency and Emission Standards





#### Strategy 4: Create Jobs of the Future Strategy 5: Advance New Technologies

Utah has the opportunity to start its inland port system with the best available technologies to attract business investment, innovations, and jobs of the future.



Workforce Development Programs



Blockchain Technology



**GPS Tracking System** 



Connected Infrastructure Systems



Connected Cargo-Handling Equipment



3-D Printing



Safety and Security



Autonomous and Driverless Vehicles





## 3 Be a Responsible Steward of the Environment and Local Communities

Sustainable management and protection of natural capital and ecosystem services is at the forefront of the inland port vision.



#### **Strategies**

- Improve traffic and congestion issues in the Wasatch Front.
- Enhance community livability.
- Coordinate protection of community areas.
- Coordinate protection of wildlife, habitat, and wetlands.



### Strategy 1: Improve Traffic and Congestion Issues in the Wasatch Front

#### **Shift Cargo from Truck to Rail**

One single freight train replaces several hundred trucks, freeing up space on highways. Moving goods by rail instead of truck also lower greenhouse gas emissions by an average of 75 percent







#### Disperse Cargo Traffic From Wasatch Front

Statewide inland port system will be anchored by satellite facilities

**Incentivize Use of Smart, Clean Energy** 

Work with DEQ to expand Environmental Quality Monitoring Efforts







#### **Strategy 2: Enhance Community Livability**



Best Practice Noise and Visuals



Logistics Safety Campaigns



Air and Water Quality Monitoring



Affordable Housing



Flood Planning



Community Look and Feel



Maintain Water Quality



Childcare and Afterschool Programs

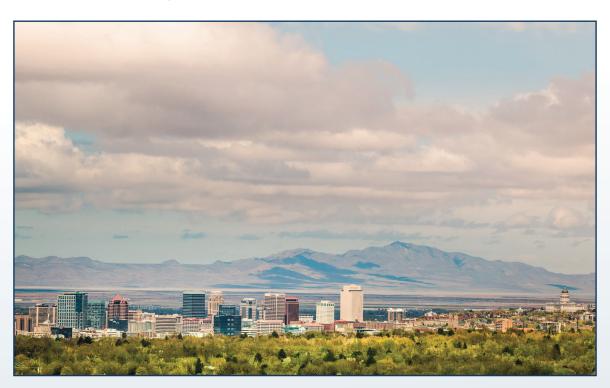


Emergency Protocols



#### **Strategy 3: Coordinate Protection of Community Areas**

Because UIPA has no land use authority, UIPA is reliant on municipalities to drive land use decisions.



- ✓ Site Planning
  ✓ Truck Routing
  ✓ Rail Access
- - Environmental Quality Monitoring



#### Strategy 4: Coordinate Protection of Wildlife, Habitat, and Wetlands

Great Salt Lake is one of North America's most important interior wetlands that serve as a nesting and migration stopover location for millions of birds.



Environmental Preservation



Water Collection



Building Standards



Dark Sky Lighting



Coordinate with Experts





### 4 Effectively Manage UIPA Resources

The UIPA will effectively manage resources through thoughtful approaches to governance, culture, organizational structure, staffing, and execution of UIPA's lines of business.

#### **Property Tax Differential Projections – UIPA Amount**

FY2020	FY2021	FY2022	FY2023	FY2024
\$939,970	\$1,904,753	\$2,894,883	\$3,910,903	\$4,953,366

After 10% Affordable Housing set-aside



#### **FOUR LINES OF BUSINESS:**

- 1 Infrastructure Development
- 2 Strategic Investments
- 3 Development Financing
- 4 Advisory Services



# Robust community outreach and engagement



#### **UIPA STRATEGIC BUSINESS PLAN KEY DATES**

#### **MAY 21**

Public release of strategic business plan and technical appendix Available at *inlandportauthority.utah.gov* 

#### **MAY 27**

UIPA Board of Directors Meeting
Present plan to Board of Directors
4:00pm; via ZOOM Webinar – Video platform
Log-on at https://us02web.zoom.us/webinar/register/WN\_qDTwGhRaRziA16EoUx-JxQ
or visit inlandportauthority.utah.gov

#### **MAY 21 – JUNE 22**

Board of Directors, stakeholders and public review period
Send comments to: *inlandportauthority.utah.gov/business-plan/*Or call 801-538-8950; or email Taneesa Wright, taneesawright@utah.gov
Public comment open through June 22

#### **JUNE 22**

4:00pm; via ZOOM Webinar – Video platform Board action scheduled for Strategic Business Plan



### Public Comment



- Next meeting June 22nd, 2020 4:00-6:00
- Moving to Quarterly Third Wednesday of the month
- Wednesday, September 16th, 2020 4:00-6:00
- Wednesday, December 2nd, 2020 4:00-6:00
- Wednesday, March 17, 2021 4:00-6:00
- Wednesday, June 16, 2021 4:00-6:00



#### TO SUBMIT COMMENT

# Visit inlandportauthority.utah. gov/business-plan/

or call **801-538-8950** 

or email Taneesa Wright, taneesawright@utah.gov