

# Utah Inland Port Authority Board | 2018

## Utah Inland Port Authority Board Meeting Minutes

October 25, 2018 • 4:00 p.m. – 6:00 p.m.

Utah State Capitol

House Building, Room 320

Salt Lake City, UT 84114

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**Board Members Present:** Derek Miller D. Gregg Buxton, Stuart Clason, Lara Fritts, Ben Hart, Michael Jensen, Garth “Tooter” Ogden, James Rogers, Francis Gibson, Nicole Cottle

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**Board Members Absent:** Carlos Braceras,

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**Others participating in meeting and staff:** Christopher Pieper, Ruedigar Matthes, Jennifer Bruno, Nick Tarbet

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### Welcome

Chairperson Derek Miller welcomed all to the third meeting of the Utah Inland Port Authority. Board Member Clason took a moment of personal privilege to request the Board perform the pledge of allegiance.

### Pledge of Allegiance

Board Member Clason leads the pledge of allegiance. Chair Derek Miller indicates all future meetings will include the pledge.

### Approval of Minutes

Chairperson Derek Miller entertained a motion to approve the minutes.

### Motion:

A motion was made that the Board approve the minutes for last meeting.

Vice Chair Rogers seconds but with a change that Derek Miller was in attendance by phone at the prior meeting.

Motion was approved unanimously.

### Discussion:

Chairperson Miller discussed the depth of information on the budget items, mentioning that information was listed when available but for items that lack clarity the funds have been added to a reserve fund. Rather than guessing and allocating expenditures upon budget adoption the Board will come back when needed to act on Budget amendments to appropriate more exact costs.

Chairperson Miller stated that public comments would be kept to three minutes per comment and invited public comment on the budget.

### Public Comment on Budget:

The following members of the public in attendance offered public comments on the budget:

Dorothy Pappas Owen, resident. (budget is more understandable and professional, easier to understand and took the public seriously, innovative that the Board came up with the reserve fund, distinguish between ongoing budget and in reserve budget, include money for a telephone).

Aldo Tavares, resident (recommended that public hearings be held after each item, add specific items under community engagement in reserve fund).

Bradley Hook, resident (looking forward to the port, highlighted the benefits of community engagement)

Tammy Long, resident (objects the entire budget, wishes the Board to be dissolved based on the process of adopting the legislation).

Roger Miller, resident (referenced a billboard listing property for sale and offering a lease for a port, Chairperson Miller responded that they are aware of any such sign).

### Discussion:

Chairperson Miller responded to the question from Dorothy Owen regarding the distinction between personnel costs in the reserve budget versus the allocated budget. He noted that the costs in the reserve budget are for unknown personnel costs, and that in the footnotes there is a description of the \$100,000 in personnel costs to go towards an interim director to assist the Board and technical committees.

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Chairperson Miller responded to the question of funding for community engagement that it is important to the Board and that once in place, staff support to organize and prepare community engagement such as public meetings, focus groups, media platforms, surveys.

Chairperson Miller opened discussion and welcomed any motions to close the public comment on the budget.

**Motion:**

Vice Chair Rogers moved to adopt the budget.

The motion was seconded.

The motion was approved unanimously.

**Public Comment:**

The following members of the public in attendance offered public comments:

Marlene Jennings, resident (Tax Increment from the Port to Education).

Kathy VanDamme, resident (Statement of Work, perform baseline analysis also include a highly detailed inventory of current emissions, air quality baseline for that area, enables cap and trad of emissions, baseline analysis is too general)

David Sheer, resident (approves business plan draft, lacks reference to public participation process, needs public input for better buy-in and overall success of the port)

Steve Erickson, Utah Audubon Council (encouraged to see interest in net-zero impact port, additional funding needed because DEQ not equipped to conduct full environmental analysis and compliance, other agencies needed ex: DNR, UDOT, Army Corp. of Engineers)

Greg Schultz, Magna Metro Township (Council approved CRA of Magna for the Port and working on overlay expected to be available in November, referenced a letter distributed to Board that Magna Metro township would like to be on Advisory Committee)

Terry Marasco, Utah Moms for Clean Air (Referenced quote that there is not enough water, need a baseline inventory to guarantee water will be available to projects, will help mitigate risks for investors)

Chairperson Miller read a card from a gentleman who left early requesting Budget Amendments done by the Board there be a public hearing and noted that this is already legally required.

**Discussion:**

The Board discussed the draft business plan and statement of work. Chairperson Miller expressed high level of interest in a public process, noting it is not included in the statement of work because it will be done outside of the consultant work on economic analysis. He also acknowledged public feedback on the website to include light pollution in the environmental impact assessment and clarification that the baseline will include an inventory. He noted this was the second time the Board has looked at the statement of work and that comments from Board and public were incorporated to improve the plan.

Board Member Gibson encouraged the recipient of the RFP to visit with current owners and learn the scope of work that has already been done including pump stations and pipe lines and see that there are certain investments already taking place for infrastructure in the area. Vice Chair Rogers thanked Board members for incorporating changes from the community.

**Motion:**

Chairperson Miller made a motion to add language to conduct an air quality inventory analysis, incorporating light pollution in the environmental assessment then called for a motion to adopt the draft business plan.

**Discussion:**

Chairperson Miller said if approved today the RFP would be released soon. Board Members Gibson and Fritts recommended that the timeline for accepting RFP responses be at least 60 days.

**Motion:**

Board Member Gibson made a motion to adopt the work plan with a response time for feedback for requests in 60 days.

Vice Chair Rogers seconded the motion.

**Discussion**

Board Member Fritts made a friendly amendment to begin the timeline for accepting the responses on January 15 because the holidays will delay submissions. Board Member Gibson accepted the friendly amendment to the motion.

**Motion:**

Vice Chair Rogers seconded the amended motion.

The motion was approved unanimously.

**Discussion:**

Chairperson Miller turned the discussion over to Vice Chair Rogers to report on the RFP to find an Executive Director. One response was received by a firm recommended Board Member Braceras and SLC Airport. The committee feels confident about using this firm. Chairperson Miller cautioned the Board about not talking about the competency of the firm so as not to need to go into an executive session. The proposal remains confidential because it is proprietary information until it is accepted and contracted by the Board.

**Motion:**

Board Member Jensen made a motion to move forward with response to the RFP.

Board Member Fritts seconded the motion.

**Discussion to the motion:**

Chairperson Miller expressed a high degree of confidence about this firm based on their hiring of the SLC director.

Lara Fritts encourages Board members not to rush this process because the right person is critical and hopes the firm has the necessary time and bandwidth to accomplish this task.

The motion passed unanimously.

**Discussion**

The Board held a discussion on the draft Board Transparency Policies and Procedures. Chairperson Miller began a discussion noting it was the second time the transparency policies are being discussed, he turned the time over to Vice Chair Rogers who then turned the time over Jennifer Bruno, Deputy Director for the Salt Lake City Council and Council staff member Nick Tarbet. Jennifer provided an outline of the City Council's best practices for Council Meetings, noting the agenda is a useful tool for transparency and the benefits of how the policies regarding transparency establish expectations and practices for the Board, staff, and the public at Board meetings.

Chairperson Miller referenced a discussion of the draft and that additional recommendations had been received and incorporated. Board Member Hart Complimented Council Staff and Vice Chair Rogers for compiling the rules of decorum which he finds to be very good.

Vice Chair Rogers highlighted the questions for consideration in the proposal and asked how other Board members feel about the time limits set. Board members deliberated the amount of time allowed for public comment and the rules around signs based on practices of different entities including Ogden City, Salt Lake City, and Salt Lake County.

**Motion:**

Vice Chair Rogers made a motion like to approve the proposed rules of decorum and public hearing policy.

Board Member Lara Fritts made a friendly amendment to add into the policy the time limit of three minutes for public comment. Vice Chair Rogers accepted the amendment to the motion.

The motion passed unanimously.

**Discussion:**

Board Member Nicole Cottle gave a presentation on the Request for Proposals process for acquiring legal counsel. There will be a 30-day timeframe for responses. Commissioner Jensen and Representative Gibson commented that they agreed that the timeline was reasonable.

**Motion:**

Board Member Gibson made a motion to adopt the proposal for acquiring legal counsel.

**Discussion:**

Board Member Fritts asked if action was not listed on the agenda that day, Board Chair Miller noted that at the top of the agenda all items were noticed as scheduled for discussion with possible action.

**Motion:**

Council Member Jensen seconded the motion

The motion passed unanimously.

**Discussion:**

The Board discussed the proposal for a Technical Committee of experts. Chairperson Miller provided context for the technical committee starting with a core group including Utah Department of Transportation (UDOT), the Gardner Policy Institute, the Department of Environmental Quality (DEQ), and Wasatch Front Regional Council (WFRC) who would advise on economic, transportation, environmental issues, other perform scenario planning. He indicated there is not an expectation that the committee will not answer all the Board's questions but provide parameters around the issues and lay groundwork for the Board and the consultant.

Board Member Fritts requested that Salt Lake City's Departments of Sustainability, Economic Development, and the Division of Transportation be included on the committee. Board Chair Miller said Mayor Biskupski's Administration indicated staff would be interested in participating with the technical committee. Vice Chair Rogers referenced the public briefing in which Mayor Biskupski offered staff participation with this committee. Chairperson Miller referenced the expertise in Salt Lake City and past work would be beneficial for the committee. Chairperson Miller asked Board Member Fritts to make this request to the Mayor for the Board. Chairperson acknowledged this committee may grow or shrink as needed depended on the expertise that is needed. Board Member Gibson supported having Salt Lake City staff would be beneficial to provide information and expressed concern that if at some point the relationship with Salt Lake City thwarts the progress of the project that would slow the process down. Board Member Fritts said she would pass along the messages to the Mayor, then expressed concern that the committee is very heavy with representatives from the Public Sector and described the benefit of having industry experts from the private sector.

Chairperson Miller in his capacity as the author of the report suggested hiring an interim administrator to help guide this process will assist with composing the committee. Chair Miller said he is not opposed to adding private sector representatives but recommends the Board wait. Board Member Gibson expressed confidence that the members from the various public entities in the core group on the committee likely have the private sector experience or knowledge to inform decisions and warns that adding additional members might slow progress down. Board Member Fritts acknowledged Gibson's points and said that the purpose of adding those additional experts is to help identify the areas where the Board will have questions.

The Board discussed how the work of this committee differs from the business plan. Chairperson Miller explained the technical committee will lay groundwork on technical questions for the consultant to use. Board Member Gibson requested adding someone from the extraction industry to the committee. Board Member Fritts responded to Board Member Gibson's concerns regarding the relationship with Salt Lake City saying the Administration has always been supportive of the Inland Port and have done significant work in this area. Board Member Gibson emphasized he is concerned based on comments in the media and recognizes the work by City staff and the Salt Lake City Council. Board Chair Fritts clarifies she is not speaking for the Mayor but speaking for the staff she has worked with about

moving forward with the Inland Port. Vice Chair Rogers ended the discussion by saying that the Technical Committee can help identify issues and guide the business plan. Chairperson Miller asked Board Member Ogden on whether he had recommendations for representation from Rural Utah. There was a suggestion to include John Baza from DOGMA, and Stuart Clason suggested including SITLA which was also supported by Board Member Ogden.

**Motion:**

Vice Chair Rogers moved to begin the technical committee with UDOT, the Gardner Policy Institute, the Department of Environmental Quality, and Wasatch Front Regional Group, with Community Impact Board, DNR, and SITLA.

The motion was seconded by Board Member Gibson.

The motion passed unanimously.

**Discussion:**

Board Member Gibson asked about the timeline will be for reaching out to and convening the committee, which Chairperson Miller said would be his assignment prior to the next meeting. Board Member Fritts asked a clarifying question about what the committee will be working on, to which Vice Chair Rogers said the Board will help review current master plans and other important information to inform the work of the consultant.

**Discussion:**

Board Member Hart reviewed the Tax Differential deal with Stadler Rail, explaining the State's agreement will be based on those already adopted by Salt Lake City and Salt Lake County. The intent of the state is to adopt an agreement relatively soon but acknowledged the need for a master plan first. Board Member Hart said the Board will develop parameters and policies to guide decisions so that what the state is doing is in line with the City and the County. Chairperson Miller called on Board Member Clason to speak on this agreement, who offered to share the County's work in developing such agreements and that it would be beneficial to go brief the taxing entities involved.

**Motion:**

Board Member Clason made a motion to task the Governor's Office of Economic Development to bring a draft of the plan. The motion was seconded.

The motion passed unanimously.

**Discussion:**

Chris Pieper presented the concepts of project areas and tax differential. Mr. Pieper's understanding is that the idea is to use the plans to inform the projects to initiate the tax differential. The Board will approve a project area plan with 10 days' notice and a project area budget using tax value assessments prior to using tax differential. If the project area is comprised of entirely jurisdictional land than the budget can be included in the annual budget. The Tax differential budget allows the Board to contemplate how the tax differential allows for bonding and finance, administrative costs, and day to day work for the Port Authority.

Board Member Hart believes the Board needs to discuss whether to have one large project area or smaller areas. He believes based on feedback from a sponsor of the bill and keeping in mind the staff limitations that one project area best.

Board Member Fritts expressed concern over ambiguity in the language of the legislation regarding the timing of capturing tax differential and the need to clarify before acting on any plans for using the funding. Mr. Pieper said he would research the question. Chairperson Miller said that he had heard that concern as well and expressed interest in research on Board Member Fritts' question.

The Board held a discussion about the proposal to hire an interim administrator. Chairperson Miller would like the Board to consider the proposal for an interim director for 6 months or until an Executive Director is hired to: form and guide the technical committee, draft best practices for policies and procedures for tax differential and project areas and continue to work with projects under consideration and facilitate community engagement processes. Chairperson Miller suggested the Board make notice of the position on their website and a press release, collect resumes over 7-10 days, and task the chair to review top candidates based on agreed upon criteria then bring candidates back to the Board to make a final decision. Chairperson Miller outlined the hiring criteria to include experience and knowledge in scenarios in complex Economic Development projects, experience and knowledge for tax differential and policy and provided, knowledge on public engagement on projects that involve economic development and environmental impacts, knowledge of land and sea ports including planning of the port and environmental issues.

Board member Fritts supported idea but indicated she was not ready to take action due to this being the first time the Board had heard the proposal and wanted to understand better the full scope and mission of the position.

Board Member Gibson felt the mission and scope was clear, and that he doesn't believe the Board should limit the interim director candidates to only those who have all the expertise listed in the proposal as those are the full requirements for the actual Executive director. Board Members Gibson, Hart, and Ogden expressed a desire to hire an Executive Director quickly. Board Member Rogers said it is important for an interim director will help field calls and coordinate now.

Board Member Gibson expressed the need to also hire an administrator to assist the interim director and executive Director.

**Motion:**

Board Member Clason moved to adopt the proposal for hiring an interim director.

The motion was seconded by Board Member Cottle.

**Discussion:**

Chairperson Miller addressed Board Member Fritts concern about discussing the proposal in a formal capacity but not the first time discussing this proposed position conceptionally and that the tasks are something the Board has discussed numerous time but not substantively.

**Motion:**

Board Members Miller, Rogers, Cottle, Clason, Fritts, Gibson, Hart, and Ogden supported the motion. Board Member Fritts was opposed. The motion passed.

**Discussion:**

Chairperson Miller asked Board Member Hart to announce an opportunity for a non-Board sponsored visit in Oakland at Board members own expenses and email out the details to the Board.

Board Member Fritts announced plans for the Northwest Quadrant tour opportunity to learn about development and improvements to be made and has been made and discuss expectations around the prison development.

Chris Pieper announced that a legislative report will be due before November 30 to the Executive Appropriations Committee including an update on the progress of implementing the business plan and environmental sustainability plan and progress towards the policies and objectives outlined in the statute.

Chairperson Miller announced that staff support for the Inland Port Board has transitioned from Salt Lake County to the Salt Lake City Council staff and thanked the County staff member Rudy for his work.

**Motion**

Chairperson Miller mad a motion to adjourn the meeting which was seconded.