

Utah Inland Port Authority Board | 2018

Utah Inland Port Authority Board Meeting Minutes

August 29, 2018 • 4:00 p.m. – 6:00 p.m.
Salt Lake Community College Westpointe Center
1060 North Flyer Way, Room 102
Salt Lake City, UT 84116

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

Board Members Absent:

Others participating in meeting and staff: Christopher Pieper, Ruedigar Matthes, Shane Marshall, Helen Peters, Jake Young

Others in attendance: Lance Bullen, Randall Gordon, Dean Dinas, John Phayer Jr., D Jacobs, Ned Hacker, Scott Hess, Bruce Palenske, Ann O’Connell, Neal Pollard, Trish Hull, Thom Carter, Steve Prakopis, Nick Tabet, Lynn Skidmore, R. Christopher Swaner, Darrin Mann, Crystal Hulbert, John Birkinshaw, Richard Holman, Rodger Mitchell, Jodi Pearson, Tom Huckin, Christiane Huckin, Lisa Wilson, Tammy Hunsaker, Nigel Swaby, Matt Sibul, Amy McMinn, Patrick Mullen, Caroline Page, Better Bangerter, David Scheer, Rhonda Devereaux, Hamid Akbari, Chuck Praus, Jake Serago, J Vasic, Robyn Adamson, Karla Busenbark, Irmgard Pohle, Ashley Soltysiak, Danny Walz, D Owen, Mrs. Webb, Jessica Reimer, Kathy Van Dame, Marlene Jennings, Mr. Alvarez, Jason Seten, Deeda Seed, Chase Thomas, Dennis Bangerter

Welcome

Chairperson Miller welcomed all to the second meeting of the Utah Inland Port Authority. He noted the use of microphones for recording purposes only. He thanked the board members for their attendance and thanked Stuart Clason and the Salt Lake County Economic Development staff for arranging the logistics of the meeting. He thanked the Salt Lake Community College Westpointe Center management and staff for hosting the meeting. He thanked the members of the public for their attendance and thanked the Westpointe Community Council for their support. He turned the time over to Vice Chairperson James Rogers to make some remarks, as Vice Chairperson Rogers represents this district on the Salt Lake City Council.

Vice Chairperson Rogers welcomes everyone to Salt Lake City District 1. He enumerated some of the assets of District 1 and suggested that holding a meeting in the area is a sign of the efforts toward transparency. He thanked Westpointe Community Council, Westside Coalition, and members of community who are here.

Approval of Minutes

Chairperson Miller entertains a motion to approve the minutes.

Motion:

Michael Jensen moved that the board approve the minutes for last meeting.

Stuart Clason seconded the motion.

Motion was approved unanimously.

Discussion:

Vice Chairperson Rogers, chair of the Executive Director Search Subcommittee, gives the report on the subcommittee’s meeting on August 15. He notes the important nature of the subcommittee’s task and states that it is not feasible for the subcommittee to meet the timeline that has been set forth, especially in a transparent process. He notes two different options for moving forward. First, the Board could issue a Request for Proposals (RFP) for a firm to conduct the search process. Second, the State has a process whereby the Board could select three to four recruiting firms to streamline the process. The board needs to decide which option it would like to pursue in the search for an executive director. Discussion ensued on which procurement process would be most appropriate.

Motion:

Carlos Braceras moves that Executive Director Search subcommittee be authorized to work with State Human Resources to identify three search firms and request proposals from them and bring back a recommendation to the Board on which firm should be hired.

Tooter Ogden seconded the motion.

Motion was approved unanimously.

Discussion:

Chairperson Miller, chair of the Business Plan and Budget subcommittee, provided the report on the subcommittee's meeting on August 16. The first question addressed by the subcommittee was the deadline of the budget per the statute. The legislation passed during interim session states that the deadline for the budget is as feasible as possible. The budget does require public notice, public hearing, and that the state auditor prescribe the forms and categories. Requirements for the budget as outlined by the State Auditor's office are: the budget be adopted prior to any funds being expended; that the budget be sent to the State Auditor's office within 30 days of adoption; a three-year budget is required after the first year. The Board can determine the form of the budget within these requirements.

Chairperson Miller then reported on the funding that is available. There are two categories of funding that are available: \$475,000 one time for an economic development study that will form the business plan for the inland port; \$1.5M one time for startup costs, such as hiring an executive director and community engagement. The subcommittee thought it important to start the community engagement process now, especially so that the feedback can be incorporated into the business plan.

The third item Chairperson Miller reported on was the business plan, enumerating the elements that should be included in the business plan. The subcommittee recommended that they be authorized to proceed with an RFP to begin the process of hiring an entity to develop the business plan and the community engagement plan. They also recommended that they be authorized to develop a draft budget to bring back to the board.

Motion:

Tooter Ogden moves that the Business Plan and Budget subcommittee be authorized to proceed with an RFP to begin the process of hiring an entity to develop the business plan and the community engagement plan and to develop a draft budget to bring back to the board.

Lara Fritts seconded the motion.

Motion approved unanimously.

Discussion:

Ben Hart, chair of the Tax Differential subcommittee, provided the report of the subcommittee's meeting. Reports that there is little guidance in the legislation on how tax differential is to work. Notes similarities with State Statute 17c that defines tax increment uses. Determined that a lot of the modes in which tax differential will be used will be up to the executive director. Want to be responsive to deals, which include the deal with Stadler Rail, so will need to make some determinations before executive director is hired.

According to legislation, tax differential is one means of funding the administration of the board. Legislation allows for 2% of tax differential to be used on administration. This means that 2% of the differential must be big enough to carry on administration of the board. Recommend developing good processes for how tax differential is used. Want to use tax differential in ways that are very responsible and according to public processes.

Stuart Clason suggested that much of the process regarding incentives and investment in infrastructure development should be driven by the executive director. He also suggested that it would be best to move forward on the Stadler Rail deal before the executive director is in place. Chairperson Miller suggests that no final policy decisions on the use of tax differential should be put in place prior to an executive director being hired. Subcommittee has no recommendations to the board at this time.

Discussion:

Chairperson Miller moved to the next agenda item, which was a discussion of the open and public meetings standards for the subcommittees. Chairperson reminded everyone that at the previous meeting, the board adopted the Utah Open and Public Meetings Act as its standard for its meetings. This requires that full board adhere to the policy. That Open and Public Meetings Act exempts the subcommittee meetings from the requirements because there is not a quorum present and no decisions can be made. Since the last meeting, the question has arisen to whether the board should go above and beyond the legal requirement and open its subcommittee meetings to the public.

Chris Pieper outlines that there are specific reasons for which a meeting may be closed. The board then discussed whether or not the subcommittee meetings should adhere to the same standard as the full board meetings. Chairperson Miller recommends that the subcommittee meetings adhere to the open and public meetings act. The board discussed the point with input from legal counsel. Board members noted the desire for transparency, but expressed concerns over the practicality of opening the subcommittees to the public and the need to delineate a policy for the subcommittees if opening them to the public is the will of the board. Issues of public skepticism were raised.

Motion:

Ben Hart moved that the subcommittees refrain from meeting until the next meeting when legal counsel can provide an opinion as to the consequences of opening all subcommittee meetings to the public, that work that needs to be done by the subcommittees move forward, including the hiring of the executive director and moving forward with Stadler Rail negotiations, and that the Governor's Office of Economic Development (GOED) lead out on the Stadler Rail negotiations.

Discussion:

Before the motion was seconded, the board discussed the continued need for subcommittees to meet. Lara Fritts expressed concern over one entity being responsible for the Stadler Rail deal without a clear policy in place. Representative Gibson suggested dividing the motion into multiple motions.

Substitute Motion:

Representative Gibson moved that we follow the state law (Utah Open and Public Meetings Act) as it is now and to not set a new standard for subcommittee meetings as of a substitute motion.

Ben Hart accepted the substitute motion.

Tooter Ogden seconded the motion.

Discussion:

Chris Pieper added a point of legal clarification that subcommittee meetings are not "exempt" from the Open and Public Meetings Act, but that these meetings do not rise to the level of a meeting, as defined by the legislation. Chairperson Miller stated that he had hoped for consensus on the issue, but that consensus may not be reached in this vote. He expressed hope that this board would continue to explore options, and reiterated that each member of the board is committed to transparency, regardless of the outcome of the vote today.

Motion:

Motion approved on a 9-2 vote.

Motion:

Stuart Clason moved that the Governor's Office of Economic Development carry out negotiations with Stadler Rail and bring any deal before the board prior to any decision being finalized.

James Rogers seconded the motion.

Discussion:

Ben Hart notes that the board needs to establish a base year and full project area before too long. James Rogers asks how the recently approved project area will interface with GOED's work moving forward. Lara Fritts adds that Salt Lake City has adopted the project area and signed agreements with Stadler Rail. She states that Salt Lake City is happy to turn the work over to GOED, but suggests that the subcommittee meet to discuss how this process will be handled.

Motion:

Stuart Clason clarified his motion to be that the board give the Governor's Office of Economic Development directive to finalize a tax differential agreement with Stadler Rail to complete the project and be prepared to present that agreement at the next board meeting for potential adoption.

As second, James Rogers accepted the clarification.

Motion approved 9-1.

Presentation:

Carlos Braceras introduced Shane Marshall, Deputy Director of Engineering and Operations at the Utah Department of Transportation (UDOT). Shane Marshall presented a story map on the projects that UDOT has underway that are in the inland port area.

Discussion:

James Rogers asked about traffic mitigation and transit options on the west side. Stuart Clason suggested that a discussion of transit and traffic mitigation would be a good potential topic for the next board meeting.

Presentation:

Stuart Clason introduced Helen Peters and Jake Young for the Salt Lake County Department of Regional Transportation, Housing, and Economic Development. Helen Peters presented on transportation projects that the county

is involved in that are within the inland port area. Jake Young presented on a regional planning effort that Salt Lake County is undertaking for the western bench of the county.

Public Comment:

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

Marlene Jennings, Westpointe Community resident. (Open and Public Meetings and transparency)
Mr. Alvarez, resident. (Transparency and open meetings)
Jason Seten, resident. (Trains and Rail yards)
Richard Holman, West Side Coalition. (Workforce, wages, and water)
Deeda Seed, Coalition for Port Reform. (Opening subcommittee meetings)
Ms. _____, resident. (Air quality and transparency)
Chase Thomas, Alliance for a Better Utah. (Open meetings and transparency)
David Scheer, Capitol Hill Neighborhood Council. (Thorough planning study and process)
Dean Dinas, resident and economic consultant. (Funding and Salt Lake City NWQ Master Plan integration)

Motion:

Michael Jensen moved that the board move public comment to the top of the agenda for future board meetings.

James Rogers seconded the motion.

Carlos Braceras submitted an amendment to the motion that when considering motions, the board hold discussion and allow for public comment regarding that motion prior to a vote being taken.

Discussion:

The board briefly discussed the need for time limits on comments if this motion is taken and clarified that the motion would first be discussed by the board, then would be open to brief public comment, then would be returned to the board for a vote.

Motion:

Chairperson Miller clarifies the motion to be that after discussion on each actionable item there would be a public comment period, the item would then be brought back to the board for a vote. If there are public comments that were not covered by the actionable items on the agenda, there will be time allotted at the end of the meeting for additional public comment.

Carlos Braceras, as the one who submitted the amended motion, accepts Chairperson Miller's proposal. Michael Jensen is amenable to the amendment as well, so long as there are parameters in place to keep comment to a manageable timeframe.

James Rogers seconded the motion.

Motion approved unanimously.

Motion:

Nicole Cottle moved that the meeting adjourn.

Stuart Clason seconded the motion.

Motion was approved unanimously.