



UTAH INLAND PORT AUTHORITY

November 30, 2020

Utah State Legislature
Executive Appropriations Committee
Senator Jerry W. Stevenson, Senate Chair Representative
Bradley G. Last, House Chair

Esteemed Executive Appropriations Committee Chairs and Members:

On behalf of the Utah Inland Port Authority ("UIPA" or "Authority") board, we respectfully submit a report of the activities of the UIPA as required by the Utah Inland Port Authority Act (the "Act") found in Utah Code Ann. § 11-58-101 et. seq. (see specifically § 11-58-803(3)). The following report includes information regarding how funds were spent, updates on the strategic business plan, and a general-purpose report on how UIPA is achieving its purpose set forth in the Act.

The UIPA was appropriated \$1,000,000 in FY 2020 and had \$1,401,948 carry forward from FY 2019 (i.e., July 1, 2019 through June 30, 2020) and \$2,250,000 in FY 2021. The funding was intended for operations of the Authority. The Authority received \$1,929,532 in property tax differential in FY 2020. Of that, \$171,736.60 was paid to Salt Lake City for affordable housing (§ 11-58-601(6)(b).) Expenditures by UIPA in FY 2020 were made pursuant to agreements for legal services (including litigation), strategic business planning, communications, and community engagement all of which providers were selected by the board through a competitive process pursuant to publicly issued requests for proposal in FY 2019. UIPA also spent funds for personnel and related operational expenses. A copy of the FY 2020 (as amended) and 2021 approved budgets are included with this report. Monies were spent in accordance with such approved budget amounts. The Authority has made significant progress with various partners on environmental sustainability strategies, to date, these efforts have not yet required the expenditure of any funds.

The UIPA board has made critical advancements in moving the organization forward including; releasing the strategic business plan, increasing public participation, monitoring performance measures and success, securing multiple agreements, adapting a regional approach to state-wide initiatives and establishing a Utah Inland Port Authority Community Advisor Council.

The Authority's five-year strategic business plan was released in May 2020, positioning Utah as a global leader in logistics. At the forefront of the plan, developing a trade and logistics hub; advancing sustainable and smart supply chains; to be a responsible steward of the environment and local communities; and effectively manage UIPA resources were unveiled as UIPA objectives for FY 2020-2024.

The UIPA has made it a principled priority to hold open Board meetings with the intention of increased public participation and engagement. Meetings were held quarterly in CY2020, however, due to the world-wide pandemic the March meeting was moved to May and all meetings have been held virtually (May 27, June 22nd, September 16th, December 2nd). In September, following the adoption of the Strategic Business Plan, the Board began a series of internal measurements aimed at performance indications and prevailing trends. These are divided into two groups: operational measures and

strategic measures.

Organizational measures:

- Web Query responses: The current percentage of closed queries is 100%. This metric measures the time a query is received through the website until the sender receives a response. The staff additionally review trending topics to meet client needs.
- Media reporting and interest areas: From June through August the UIPA had 30 media stories published which the trending subjects were: Strategic Business Plan, Air quality and Dominion Energy agreement. From September to December 2020, there were 12 media stories with the trending subjects were Satellite Ports, and Partnerships.
- Finances: The YTD 2021 Fiscal Year expenditures are well within budget range for the first quarters following the budget adoption. To date, the UIPA has expended \$429,987.00 which represented a 20% total YTD spend.
- Qualitative Business Development: Quarterly trends are presented quarterly to guide staff direction. The trends represented are: Mapping of businesses in the jurisdiction, Cold Chain company analysis and Trucking contacts & warehouse analysis as it relates to vacant to occupied.
- Strategic Program Progress: The Strategic measures track individual project schedules, there are currently 16 long term projects identified; 6 underway with substantial reports completed and tracking green in their scheduled work. Two additional are in the scoping phase and the remaining all fall into mid and long-term work spaced in the coming three years. The overall ranked status of the strategic initiatives is green, meaning they are on track and budget per project plan.

The Utah Inland Port Authority executed agreements with the following entities:

Rocky Mountain Power:

UIPA and Rocky Mountain Power signed a cooperative agreement to implement strategies that use the best available technology to mitigate environmental impacts from logistics and goods movement facilities, development and uses within the Authority jurisdictional area and in Project Areas around the State, while promoting and optimizing logistics and goods movement to support the economy of the State and the United States. Goals Include:

- The feasibility and cost-effectiveness of 100% of electric energy from renewable resources, such as solar panels and other sources of clean electricity generation.
- The feasibility and cost-effectiveness of electrifying logistics, including charging stations for electric vehicles such as short haul, regional and long-haul trucks, off road and refrigerated cargo.

Dominion Energy:

UIPA and Dominion Energy signed a cooperative agreement to implement strategies that use the best available technology to mitigate environmental impacts from development and uses within the Authority jurisdictional area while promoting and optimizing logistics and goods movement to support the economy of the State and the United States. Goals Include:

- Committing to reduce air pollution and improving energy efficiency through the best available technology.
- Collaborating with Dominion Energy by harnessing emerging alternative fuels and innovative energy technologies while also enhancing the uptake of existing energy efficiency programs.

Magnum/Power Innovations:

UIPA, Magnum and Power Innovations signed a cooperative agreement to work together to advance solutions in the reduction of greenhouse gas emissions and forward the goals of a sustainable, greener and carbon-free future. Goals Include:

- Committing to accelerated power delivery to help maximize electrification for tenants in the Authority jurisdictional area and the ability to provide its users with onsite, cost-efficient renewable power supply.
- Committing to connecting users with renewable energy sources through deployment of GH2 pipeline backbone which enables a regional carbo-free generation and storage.
- Advancing the belief that clean energy as renewable power creates fundamentally new economic opportunities for production, movement and use of hydrogen and green hydrogen powered transportation, key to reducing air pollution impacts with the Authority jurisdictional area.

SecurSpace:

UIPA and SecurSpace signed a joint agreement to connect truck companies and drivers with secure parking and storage options. The collaboration with SecurSpace will allow drivers options to park in secure and safe locations with auxiliary plug-ins and take trucks out of neighborhoods, off the side of roads and the ability to shut down their engines. Goals Include:

- UIPA will place on its website a UIPA unique link to SecurSpace's website, allowing trucking firms and others to reserve parking and storage space.
- SecurSpace will monitor all Utah Contracts and meet with UIPA regularly to identify opportunities and gaps in the market.

Warehouse Exchange:

UIPA and Warehouse Exchange signed a joint agreement to match small and underserved users with owners of unused warehouse space. The matching of buyers and sellers happen in real time and allow for absorption of small (500-100,000 sq ft) spaces to be filled. Goals Include:

- Ongoing introductions to discuss possible transactions.
- Agreements between Warehouse Exchange and introduced parties may determine ownership rights to warehouse space.

QuayChain:

UIPA and QuayChain Technologies signed a letter of intent to work jointly on the development and operation of the 5G Intelligent Crossroads Lab (ICL). The ICL network will create a platform in which investments in the latest technological advances, including at present 5G and artificial intelligence, can be tested and deployed in Utah, making Utah the global logistics hub. Goals Include:

- UIPA and QuayChain anticipate that deployment and use of the Network will enable sustainable, intelligent movement of good and vehicles in ways that are less polluting and more environmentally friendly.
- Validate that UIPA as a state entity may successfully offer the communication services of the Network as a utility offering.

UIPA Community Advisory Council:

During the 2020 General Session, Senate Bill 112 (*Inland Port Amendments, Escamilla*) provided an opportunity for the Authority to establish a community enhancement program directed at collaborative efforts with the community in and around the Port Authority’s jurisdictional area of Salt Lake County.

On November 18, 2020 the Community Advisory Council (CAC), created to advise the executive director, met for the first time. With 15 members ranging from westside community groups, Utah Clean Air and entrepreneurs within the community, to individuals representing education, the workforce, and industry, the membership provides a depth and breadth of knowledge and expertise for open dialogue, and ideas. The first meeting honed in on the following topics:

- Education and workforce development
- Transportation
- Air quality
- Sustainability
- Job security

Regional Approach

The Authority has also embarked on a state-wide regional initiative. Working in collaboration with the Utah Association of Counties and the Association of Governments, UIPA is meeting with local officials and businesses; holding public meetings, and conducting due diligence in all four corners of the state. An asset map overlaid with cargo flow is also being assessed by multiple parties. Rest assured, opportunities exist for all 29 counties.

Thank you for your continued interest, oversight and support. We are grateful for the opportunity you have provided the UIPA board and executive team to serve the state of Utah. We are available to meet with the committee, either individually or collectively to address any questions or concerns you may have.

Respectively,



James Rogers
Utah Inland Port Authority Board, Chair



Nicole Cottle
Utah Inland Port Authority Board, Co-Chair