



WASHINGTON COUNTY ECONOMIC DEVELOPMENT MEETING MINUTES

Wednesday, 8 July 2009 - 4:00 PM – Washington City Community Center

Executive Committee

Lowry Snow
Chairman
Traveller
Development

Mike Gardner
Chairman-Elect
Coral Canyon

Alan Gardner
Washington
County
Commissioner

Stephen Nadauld
President, Dixie
State College

Dan McArthur
Mayor, City of
St. George

Linda Baker
Workers
Compensation
Fund of Utah

Krista Black
Smart Hard Money

Mark Hendrickson
Henriksen/Butler
Design Group

Doug Watts
Watts
Construction Inc.

Carol Sapp
Southern Utah
Home Builders
Association

Director
Scott Hirschi

Members Present:

Gary Esplin (St. George City)
GaeLynn Froyd (Questar Gas)
Brett Brown (Questar Gas)
Kim Christensen (State Bank of Southern Utah)
Brandon Condie (State Bank of Southern Utah)
Alan Gardner (Washington County)
Gary Cahoon (Viracon)
Ray Rosenthal (Commerce CRG)
Steve Van Der Heyden (Washington City)
Mike Empey (Congressman Jim Matheson)
Marreen Casper (Senator Orrin Hatch)
Bryan Thiriot (Senator Robert Bennett)
Barbara Button (Southern Utah Home Builders Association)
Michael Gardner (SunCor Utah)
Mark Hendrickson (Henriksen-Butler)
Douglas Shaw (Hughes General Contractors)
Bob Nicholson (St. George City)
Jim Eardley (County Commission)
Roger Carter (Washington City)
Jim McGuire (Washington City)
Greg Robinson (University of Phoenix)

Jill Elliss (USTAR/SEED Dixie)
Tom Hirschi (Hurricane City)
Marc Mortensen (St. George City)
Richard Watts (Watts Construction)
Doug Watts (Watts Construction)
Steve Vance (Dixie Regional Medical Center)
Chris Peterson (Riverwoods Mill)
Landon Terry (NAI Utah South)
Spencer Davis (Mountain West SBF)
Dixie Bullock (SOS Staffing)
Debi Barmonde (SOS Staffing)
Josh Hall (Jacobsen Construction)
Keith Knowles (Walmart)
Don Ipson (DATS Trucking)
Cheryl Christensen (Law Offices of Bradley Harr)
Wally Ritchie (Santa Clara City)
Jon Walter (NAI Utah South)
Brigham Johnson (Wells Fargo)
Vardell Curtis (WC Board of Realtors)
Linda Baker (Workers Comp Fund)

Other: Scott Hirschi (WCEDC Director), Jana Carter (WCEDC Executive Assistant)

Guest:

John Wuehler (Dixie Component Systems)
Krista Black (JK Black Systems)
Darrin LeFevre (Toquerville City)
Lee Cabell (Horrocks Engineers)
Bill Hudson
Ro Wilkinson
Wendy Truman (Dixon, Truman & Fisher)
Ron Truman (Dixon, Truman & Fisher)
Ron Mayfield (Equity Real Estate)
DC Young
Tracy Ence (Ence Homes)
Justin Thompson (Ence Homes)
Lloyd Seely (Masterfit Windows)
Doug Buchi (SITLA)
Linda Mattson (Terra Title Co)

John Craft (Cherry Creek)
Dian Robinson (Cherry Creek)
Gene Sturzenegger (Biotech Security Group)
Mark Cox (Rocky Mountain Power)
Lorri Kocinski (SWFCU)
Darlene Carmona (Kelly Services)
Debbie Waggoner (RS Enterprises)
Kathy Nielsen (Tolbert & Nielsen Realty)
Lorin Nielsen (Tolbert & Nielsen Realty)
Ryan Stocks (Certified Insurance)
Steve Kemp (Coldwell Banker)
Jason Smith (Rosenberg Associates)
Jason Draper (Rosenberg Associates)
Lorri Burgess (Desert Canyons)
Eric Werny (Network Creators)

Roger Carter opened the meeting at 4:00 PM.

Welcome to Washington City and the Community Center

Roger Carter

Roger Carter introduced himself as the Washington City Manager and welcomed everyone to Washington City and to the Washington City Community Center. He stated that on July 1st Deseret News noted that Washington City was one of the fastest growing cities in Utah with the estimated population to be just under twenty thousand.

Mr. Carter informed the attendees of how the Washington City Community Center came to be and stated that the 110 thousand square foot building was built with something for everyone to bring the community together. The community center has the largest leisure pool in the state, was named “Best Alternative Delivery” by Intermountain Contractor and also named “Best Design in the Nation” by Gerflor Architectural. He stated his appreciation for Watts Construction, their architect, Mark Wilson, and for the support that Washington County citizens have given to the community center.

Introduction of Subject and Presenters

Scott Hirschi

Scott Hirschi, the WCEDC Director, excused Lowry Snow, the WCEDC Chairman, for he is out of the country. Mr. Hirschi introduced the theme of the meeting, “The St. George Replacement Airport” and stated his excitement to be able to hear from presenters who know the facts about the replacement airport project.

Mr. Hirschi stated that the WCEDC members had received earlier in the week a notice about a new provision in the American Recovery and Reinvestment Act that allows for some bonding that should prove to be very helpful to our local economy. He stated that all the facts are not known yet and he will keep the council informed as the program moves forward.

Update Construction of the Replacement Airport

Gary Esplin

Gary Esplin introduced himself as the St. George City Manager. He finds it interesting that there is any debate about the new replacement airport since it has been in the planning process for 25+ years. He presented facts on the old airport and the new airport:

Old Airport

- The runway is 6500 feet long
- The airport sits on 274 acres and is not expandable
- There is no opportunity for any industry or commercial activities around the airport

- There is no opportunity for commercial jet service
- It does not meet current FAA safety regulations
- It does not have up-to-date approaches
- The existing property can only be used for airport purposes unless there is another airport to replace it
- The current property is under contract for sale once the new airport is open
- There is limited access to the site

New Airport

- The runway is 9300 feet long (1.8 miles) long and can be expanded to 11,500 feet
- The site is 1200 acres
- It will meet all FAA safety regulations
- The construction is providing hundreds of jobs in this difficult economic environment
- It will accommodate regional jet aircraft and even 737's intermittently
- Land access is provided through the interchange and new southern corridor
- There is more room for general aviation
- It is completely expandable to meet future growth needs
- Thousands of acres around the airport are designated for economic development activities
- Opportunities for other destinations and other airlines, if and when the market dictates
- Great time to build because of low construction and material costs. Bids are coming in below 2007 estimates
- A new modern terminal building will be constructed
- \$160,000,000 to \$170,000,000 to construct the new airport
- It is anticipated that no local taxes will be used to construct this airport

Mr. Esplin gave his opinion that SkyWest provides the best service that a community this size could have in the entire country. He clarified that the City of St. George and SkyWest are partners, but the City will market the new airport to other airlines if the market dictates. The City had a study done of airline passengers from the five county and Mesquite City area, identifying every reservation, where they flew to, how much they paid, and how long they were gone. That marketing study will be used to discuss with Sky West other possible markets and to interest other airlines in serving our airport.

Mr. Esplin clarified that the new replacement airport was never intended to be an international airport and stated the fact that the FAA would never fund an international airport 100 miles away from an existing international airport (McCarren). It has always been considered a replacement airport and the reason the City received the primary funding is because the old airport does not meet FAA safety regulations. The funding covers the 20 year planning period and will fund improvements necessary to meet those projections. The 20 year plan includes expanding the airport around the terminal and laying the runway thick enough to accommodate 737's so no reconstruction will be needed in the future.

The contract for the terminal has been issued and construction is moving forward. The federal government has awarded the City of St. George a \$125,000,000 grant, the largest grant ever given to a community this size. That funding comes from airport user fees, not federal income taxes, and will be available from now until the year 2016. If the funds were not used here, they will go to another airport. The old airport land has been sold to Anderson Development for \$44,000,000. Those funds will be received when the move into the new airport is complete. Anderson Development has put down \$1,000,000 in non-refundable earnest money for the purchase. The property was advertised and sold at a public auction. Two other two bids were received; \$20,000,000 and \$26,000,000.

Mr. Esplin talked about vision. He stated that since Sky West discontinued its service to Los Angeles, some have expressed the opinion that the City should not build the replacement airport. He finds that attitude very short-sighted. Esplin stated that the City should plan for the future by providing an airport that will serve the community for the next 20 years and beyond. He stated that if our past planners didn't plan ahead for water, sewer, roads or growth, where would we be today. If the federal money for the southern corridor does not come to St. George, then it will go somewhere else. The vision for this airport has always been for the future and to help encourage economic development activities to diversify our local economy. What better way to provide that opportunity without costing the City anything.

The question was asked what if Anderson Development does not purchase the old airport. Mr. Esplin reported that if the \$43,960,000 does not come in, then the City will delay building the extension of the Mall Drive bridge over the Virgin River and put that \$15,000,000 toward the airport. The City also has the option of separating and selling the land at the existing airport in parcels.

Update Construction of the Atkinville Interchange

Lee Cabell

Lee Cabell, P.E., Horrocks Engineering, reported that the Southern Parkway starts at mile post 2 on Interstate 15 and will run to the South of the replacement airport then wrap around the airport to the East and will eventually be completed past the Washington Dam Road, and on to connect with SR9. He stated that the Southern Parkway is basically a beltway around the southern part of St. George, Washington and Hurricane Cities.

The Southern Parkway will be almost 40 miles of road construction and UDOT has invested 130 million dollars to date., including the Atkinville Interchange and the first segment of the Southern Parkway which are both now complete.

The construction on the second segment has begun and it is anticipated to be completed by fall of 2010. The divided highway running from I15 to Interchange 6 will be four lanes, two lanes in each direction with no traffic lights. The highway segment from interchange 6 to interchange 7 will only be completed with two lanes, one lane in each direction with plans to expand in the future. He stated that if UDOT has more construction money they will continue constructing the

Southern Parkway from Interchange 6 through Washington and eventually connecting to Hurricane.

Lee reported that a transportation study was conducted to create a master plan between St. George City and Washington City for the roadway network so they will maintain common roadway standards, adhere to the Southern Parkway design, operation and environmental criteria, so they can find a common unified access management policy and so they can follow adopted land use and transportation plans.

Mr. Cabell summarized the land use plans for the airport vicinity, the South Mountain plan, Warner Valley plan to build 12,000 homes with 25% build-out by 2035, and the SITLA land use. These plans were designed to accommodate a fifteen year projection.

Land Use Planning East and North of Airport

Jim McGuire

Jim McGuire, Director of the Washington City Economic Development, stated that the study area for Washington City was the East and North areas of the airport or the South Washington area. The original amended general plan named the Red Hawk property, now named the South Mountain, was modified to be more compatible with the airport layout and will accommodate more park and recreational areas and have reserved land for future airport use.

The existing land use plan for the Warner Valley area will consist of low-density estates that will lead into the airport. The road 3650 South will go around the debris basin and connect to the Southern Parkway. This plan as approved in 2005 and will be amended as needed to accommodate additional interchanges and the details of those plans.

The Long Valley land use plan shows BLM open space and where the Southern Parkway ties into the Washington Dam road. Mr. McGuire showed future annexation boundary lines on the East and North sides of the airport. He hopes for more commercial and industrial usage around the interchanges and the airport.

Development Planning for Deseret Canyons

Jeff Morby

Jeff Morby, the broker of Holiday Realty and a consultant to Desert Canyons, presented their development plan. Desert Canyons is located along three miles of the Southern Parkway with access from interchanges 5, 6, and 7. The project is a 2600 acre master planned community with the Ft. Pierce Wash winding through the property.

To the south and the east of the Parkway, 1500 acres has been designated for dense residential properties consisting of 6300 residential units with the Arizona strip and the BLM Bear Claw Poppy Reserve as a backdrop. Two hundred sixty four acres will be mixed use to help preserve as much open space as possible, 118 acres will be used for industrial, and 329 acres will be

commercial centered around interchanges 5, 6, and 7. Five hundred acres will remain open space.

There will be 63 acres of parklands including multiple recreational opportunities and miles of trails throughout the open space with access to other St. George City trails. This project will be 20 to 30 years of development, and the planning process has not stopped because of the economy. The infrastructure development will be coordinated with the airport development and is expected to be in place within the next 18 months.

Next Meetings

- *SEED Dixie Techs Meeting, Friday, 14 August 2009 @ Noon, Health Science Building*
- *NO AUGUST EXECUTIVE COMMITTEE MEETING*
- *Executive Committee Meeting, Wednesday, 9 September 2009 @ 4:00 PM*
- *WCEDC Meeting, Wednesday, 7 October 2009 @ 4:00 PM*

Meeting Adjourned at 5:00 PM.