



Approved August 17, 2010

**UDA Board Meeting – April 21, 2010**

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The Utah Defense Alliance Board Meeting was held on Wednesday, April 21, 2010, at 7:30 a.m. at the Weber Basin Water District Headquarters, Layton, Utah. President Peter Jenks conducted the meeting. On roll call, the following were found to be present and excused:

**Present**

Peter Jenks  
Gary Harter  
Ron Kusina  
Ken Warnick  
Tage Flint  
Rick Mayfield  
John Matthews  
Don Wood  
Steve Petersen  
Collette Mercier  
Mart Bushnell  
Ivan Flint  
Louenda Downs

Jan Zogmaister  
Colleen Johnson  
Steve Curtis  
Wilf Sommerkorn

**Visitors/Staff**

Sandy Kester  
Joan Hellstrom  
Ron Richins  
John Peterson  
Beverley Jacobs

**Excused**

Pat Condon

Jerry Stevenson  
Brad Dee  
Lane Beattie  
Ann Millner  
Charlie Precourt  
Steve Rush  
Kent Sulser  
Vickie McCall  
Dave Tanzi  
Mike Bouwhuis  
John Clay  
Dave Nydam  
Michael Jensen

**Approval of Minutes**

Commissioner Jan Zogmaister made a motion to accept the minutes for the UDA Board Meeting that was held on March 17, 2010. Commissioner Louenda Downs seconded the motion followed by a unanimous vote to accept the minutes as presented.

**Financial Report**

The Financial Reports were thoroughly reviewed. It was noted that three-fourths of the year had past and the budget is at 75%. Expenditures are on track with what was budgeted. The only notable item was that the cost of the audit was higher than was originally anticipated.

UDA has been paying SWDA \$20,000 for their annual fee. There was an additional \$1,000 paid this year as UDA sponsored the SWDA Convention in Utah. Currently, UDA has three (3) members serving on the SWDA Board. The members are Mart Bushnell, Ivan Flint and John Matthews. They will be attending the next SWDA Conference in May and will make a report at the next UDA Board Meeting.

In the past, UDA has received funding from the State through administering the Procurement contract. It is unknown what UDA will receive to administer the upcoming contract. The budget will be prepared in the near future.

UDA funds are currently deposited in the Bank of Utah where UDA is receiving the same rates as the State's PTIF account. In order to diversify, some funds will need to be moved to another banking institution. This has not happened as the Bank of Utah has the highest interest rates at this time, and with interest rates so low, it is hard to move funds to an account that will produce less interest.

Ron Kusina made a motion to accept the financial reports as presented. Commissioner Louenda Downs seconded the motion followed by a unanimous vote to accept the financial report.

### **Tooele Army Update**

The representatives from the Tooele Army Depot were unable to attend. This presentation will be re-scheduled for a future date. There are a lot of things that are currently happening there that UDA should be made aware of.

### **MIDA Update**

#### *- Falcon Hill*

There are no updates on the Falcon Hill project. MIDA is still waiting on the Air Force and the developers. As soon as a building starts, then work will begin on the roads and the gatehouse. At this point there is no set time frame.

Peter reported that the Utah Delegation has been working with General Hoffman to obtain the permission necessary to move forward with Falcon Hill. Hopefully the issues will be resolved in the next few weeks and construction will be able to begin.

#### *- Air Force Hotel*

The highest ranked developer and proposal for the Air Force Hotel has been selected by the Air Force, but that information has not yet been made public. It is anticipated that an announcement will be made in the next couple of weeks.

#### *- Utah Data Center (UDC)*

At this time, the UDC is consuming all the MIDA staff's time. Things are going very fast but well and the first three (3) submittals have already been submitted to NSA. The three (3) that have been submitted are the Draft Power Study, the Final Power Study and the Draft Sewer and Water.

On Tuesday, April 20<sup>th</sup>, a meeting with fifteen (15) key NSA people was held in the MIDA offices. On Monday, April 26<sup>th</sup>, MIDA will have meetings in the Maryland office. The whole project is scheduled for completion by July 2011.

### **Other Business**

Peter reported that the Congressional Delegation has been making a team effort on a number of issues:

#### **- NASA**

NASA is very complicated issue, and as everyone knows, there are a lot of politics involved. Given the President's proposals, Utah is in jeopardy of losing a lot of jobs which will also affect national security. It is estimated that 80% of the House and Senate don't understand the impact the proposed changes will make. Senator Bennett is heavily involved in the hearings regarding the proposals.

The last three shuttle flights have been scheduled for May, July and September.

#### **- F-35 Basing**

The Congressional Delegation received a generic response from their F-35 basing support letter. The response indicated that there would be an initial announcement of preferred basing within the EIS processing in late spring or early summer. Only those on the list will go through the EIS final process which will include community hearings. Early in 2011, the final basing announcement will be made.

Recently, there has been some negative press from El Mirage and Vermont regarding the F-35 noise issue. It is imperative that publicity stays positive in Utah.

The F-35 production has been delayed approximately two (2) years. Hill needs to be on guard so another squadron is not lost in all this. A perfect squadron would have two (2) F-35's and one (1) F-16 squadron.

#### **- Miscellaneous**

- Louenda Downs was congratulated on receiving the Athena Award from the Davis Chamber of Commerce.

- Louenda Downs and Jan Zogmaister were congratulated for their winning nominations in the caucus meetings.

- The Salt Lake Military Affairs Committee will be touring Dugway on May 4<sup>th</sup>.

- The Annual Dugway Elected Official Day has been slated for May 19<sup>th</sup>.

- Colonel King will be invited to make a Dugway briefing to the UDA Board about the things that are happening there.
- Tooele Army Depot has been receiving some unmanned systems for maintenance work.
- JLENS System – This is a missile defeat system that the Army has been working on for the past several years and may be visible from the north on I-80. This system consists of two (2) reo stat balloons that are used to look for and shoot missiles. This system will employ approximately 350 people by November.
- By the summer of 2011, approximately 500 to 600 employees will be employed who will be working on the unmanned systems. Currently, there are about 250 to 300 employees working in the Dugway/Tooele area.
- All military installations are working on energy goals. This is in an effort for each installation to become more energy efficient, and it will strengthen positions in case of a BRAC round. The main focus is on energy and grants.

Hill	- Solar
Camp Williams	- Wind turbines & geothermal
Dugway	- Geothermal capability
Tooele Army	- Wind & solar

- Tooele is currently exploring the possibility to do an EUL project, but they do not have the funds for the studies.
- Deseret Chemical update – The chemical weapons should be de-militarized by 2012. By 2015, the whole thing should be completed. They are trying to put a plan in place through CSIP that would allow Tooele to retain some of the equipment and revert the old depot to Tooele South. Projects are planned that would help employ the displaced employees. Tooele used to store 42% of the nation's chemicals. The other installation, Johnson's Island, is now totally gone.
- In an effort to save money, AFMC is closing their dining facilities.

### **Next Meeting**

The next UDA Board Meeting is scheduled for Wednesday, May 19, 2010.

Ron Kusina made a motion to adjourn. Louenda Downs seconded the motion followed by a unanimous vote to adjourn at 8:27 a.m.

# Utah Defense Alliance

## Statement of Changes in Financial Position 2009-10 Budget vs Actual

3/31/2010  
Percent of Year

	Annual Budget	2009-10 through Mar 31st	75.1%
<b>REVENUE (Source of Funds)</b>			
<b>Contract Revenue</b>			
GOED Contract #090596 (7/1/09-6/30/10)	1,000,000	750,000	75.0%
		-	
<b>Contributed support</b>			
In-Kind/Service Contributions	15,000	1,088	
		-	
<b>Interest Income</b>			
	12,000	6,456	53.8%
		-	
<b>Total Revenue</b>	<b>1,027,000</b>	<b>757,544</b>	<b>73.8%</b>
<b>EXPENSES (Use of Funds)</b>			
<b>Contracted Services</b>			
MIDA Contract	100,000	50,000	50.0%
Public Relations	10,000	3,708	37.1%
SWDA Support	20,000	21,000	105.0%
SWDA Travel	10,000	4,732	47.3%
<b>Special Projects</b>			
MIDA Setup			
Procurement Outreach	900,000	671,038	74.6%
<b>Contracted Studies</b>			
Baseline			
HAFB Workload			
Tooele Workload			
Workforce			
Other			
Future Projects	400,000	-	
<b>Total Contracted Services</b>	<b>1,440,000</b>	<b>750,478</b>	
<b>Operations</b>			
Air Force Week Support	-	395	
Equipment Depreciation (or purchase or ren	500	-	
Insurance	4,800	4,661	97.1%
Local Meetings / Conferences	2,500	917	36.7%
Memberships	1,500	552	36.8%
Out-of-Area Meetings / Conferences	30,000	8,534	28.4%
In-Kind Travel	15,000	-	
Postage, shipping, delivery	600	252	41.9%
Presentations	-	-	
Printing & copying	1,500	607	40.5%
Publications	1,000	-	
Rent - Office Space	7,500	5,598	74.6%
Research	-	-	
Supplies & Miscellaneous	2,000	1,183	59.2%
Telephone/Internet	200	37	18.4%
<b>UDA Staff Support</b>			
Financial Staff	4,800	3,600	75.0%
Legal & Professional	6,000	6,109	101.8%
Secretary/Administration	-	-	
In-Kind Services	-	-	
<b>Total Operations &amp; Staff Support</b>	<b>77,900</b>	<b>32,445</b>	<b>41.6%</b>
<b>Total Expenses</b>	<b>1,517,900</b>	<b>782,923</b>	
<b>Total Increase (Decrease)</b>	<b>(490,900)</b>	<b>(25,379)</b>	
<b>Prior Fund Balance</b>	<b>395,011</b>	<b>395,011</b>	
<b>Non-Government Fund Balance</b>	<b>195,602</b>	<b>195,602</b>	
<b>Ending Fund Balances</b>	<b>99,713</b>	<b>565,234</b>	<b>-</b>

**Utah Defense Alliance**  
**Statement of Financial Position**

	<u>3/31/10</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
America First CU	5,642.98
Bank of Utah	654,368.95
Zions Bank	250,071.93
<b>Total Checking/Savings</b>	<u>910,083.86</u>
<b>Total Current Assets</b>	910,083.86
<b>Equipment (Net)</b>	2,447.35
<b>TOTAL ASSETS</b>	<u><u>912,531.21</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Accounts Payable</b>	77,418.12
<b>State of Utah Funding Liability</b>	19,878.75
<b>Unearned Revenue on Current Contracts</b>	250,000.02
<b>Total Liabilities</b>	<u>347,296.89</u>
<b>Equity</b>	
Fund Balance	395,010.72
Non-Government Fund Balance	195,602.49
Net Increase / Decrease	-25,378.89
<b>Total Equity</b>	<u>565,234.32</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>912,531.21</u></u>

## Beverley Jacobs

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**From:** Beverley Jacobs [bjacobs@utahdefensealliance.com]  
**Sent:** Thursday, March 25, 2010 3:19 PM  
**To:** Ann Millner; Charlie Precourt; Christina DeVore; Collette Mercier; David Nydam; David Tanzi; Ivan Flint; Joan\_Hellstrom@bennett.senate.gov; John Clay; John Matthews; Kathy Gunn; Kent Sulser; Lane Beattie; Mart Bushnell; Michael J Bouwhuis; Michael Jensen; Pat Condon; Steve Petersen; Susan Smith; Toni.Martinez@ngc.com; Wilf Sommerkorn; Jim Sutton; John Peterson; Sandy Kester; Sherrie Mobley; Beverley Jacobs; Gary Harter; Jerry Stevenson; Ken Warnick; m.milligan@jnnursery.com; Paul Morris; Peter Jenks; Rick Mayfield; Ron Kusina; Ron Richins; Steve Rush; Tage Flint; Vickie McCall; Brad Dee; Colleen Johnson; 'Don Wood'; Louenda Downs; Sheldon Killpack; Steve Curtis; Zogmaister, Jan M.  
**Subject:** Clarification of UDA Audit

Ron has asked me to send the following information to you in response to the audit questions:

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Purpose: To further clarify unanswered questions to audit presented in Board Meeting on March 17, 2010

- A. FY 2009 was a full twelve (12) months vs. the FY 2008 audit period which was six (6) months
- B. GOED Procurement Contract FY 2009 was \$750,000 and \$75,000 was for UDA Administrative costs
- C. GOED Procurement Contract FY 2008 was \$1,000,000 and approximately \$70,000 carry over from the previous year
- D. Office Expense – The increase was due to approximately \$3,600 in additional rent in 2009 (12 months) and \$4,668 insurance payment in 2009 that was not paid in the 2008 6-month period

hope this helps! Should you have further questions, please call Ron Richins at (801)560-3364 (cell) or e-mail [richinsron@gmail.com](mailto:richinsron@gmail.com).

Thanks!  
Ron Richins

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