

GOEO Board Meeting | 2025

PROTECTED BY 63G-2-305(35)

Board Meeting Minutes

January 8, 2026 • 10:00 a.m. – 12:00 p.m. MST

Governor's Office of Economic Opportunity
60 E South Temple, Suite 300
Salt Lake City, UT 84111

Members Present: Clint Morris, Brigham Tomco, Jeremy Andrus, Judd Cook, Jesse Turley & Vic Hockett

Members Excused: Geri Gamber & Carine Clark

Staff: **GOEO:** Todd Jenson, Jen Wakeland, Marcus Hardy, Iman Nazarinia, Aspen Orton, Tara Rosander, Lance Soffe, Kelly Akins, Liesl Limburg, Kamron Dalton, Aaron Price, Bo Wood, Camille Densley, Britany Rich, Lori Haslem, Colette Cox, Michael Hall & Sherry Stevens

Visitors: **MCM Engineering II, Inc.:** Byron Black, Won Hee Park & David Johnson
IRRX: Mark Michel, Ivan Varela, Travis Clemins & Travis Campbell
Nuovo Film Festival: Scott Anderson & Dan Hemmert
Public: Jenn Blum, Jeff Johnson, Derek Mellus, Mariah Mellus, Leah Christine Muir & Christina Martin

Welcome:

Jesse Turley welcomes the Incentives Committee.

MOTION

Jesse Turley invites comments or corrections to the previously distributed minutes of the December 11, 2025, Incentives Committee meeting. No corrections were offered and with no objection from the Incentives Committee, the minutes were adopted by unanimous consent.

MCM Engineering II, Inc.

Jen Wakeland introduced the first incentive for MCM Engineering, which was presented by Byron Black, the company's Chief Operating Officer. Jen Wakeland stated that MCM Engineering is looking to bring a substantial number of jobs and capital expenditure to Enoch, Utah, in Iron County. She noted that this kind of growth in the community is very exciting and that the project has the potential to "game change things" for the region, the state of Utah as a whole, and plays a role in "Operation Gigawatt".

Byron Black, COO of MCM Engineering, reported that the company has been proudly based in Enoch since 2009. Since 2022, they have been a part of LS Electric America, a subsidiary of the publicly traded global company LS Electric Company, headquartered in South Korea. Over the past four years, MCM has grown from 46 to 89 Utah-based employees, including graduates of Southern Utah University (SUU) and other Utah schools, and has doubled revenue and quadrupled profits. MCM manufactures "engineered to order switchgear systems that power critical infrastructure in the US". MCM is committed to supporting Utah's "Operation Gigawatt"

and meeting the rapidly growing electricity demand driven by AI data centers and national security priorities.

MCM Engineering is seeking support for Project Iron Hive, their vision for an advanced manufacturing campus in Enoch. This project represents a potential \$160 million investment and the creation of 250 high-quality jobs over the next 10 years. If realized, Project Iron Hive would add four football fields of manufacturing space and could generate "tens of millions in state revenue". With the board's support, MCM Engineering can move forward with this expansion and help attract additional LS Electric manufacturing opportunities, such as transformer production, to Utah

David Johnson from Iron County expressed excitement for what MCM is doing, highlighting the creation of a significant number of new jobs and a significant increase in capital expenditure (capex) square footage. He noted the great benefit of the direct pipeline MCM Engineering has with Southern Utah University, which helps keep engineers trained and working locally. An "unintended benefit" of MCM Engineering's expansion, through its parent company LS Electric, is that while Rocky Mountain Power has seen project stagnation due to 18 to 36-month waits for transformers and other electrical components, LS Electric is working with Rocky Mountain Power to supply their own equipment, which could reduce the wait down to three months. This could help alleviate supply chain timeline gridlock and benefit manufacturing statewide.

Brigham Tomco asked how much training MCM would need to provide to existing employees for the new jobs, and if there are schools in the region producing the necessary skill sets. Byron Black responded that Southern Utah University (SUU) is a great asset. Of the 40 alumni hired from SUU over the last 15 years, about 30 have been engineers, and roughly 70% of those engineers are still with the company. He considers SUU's engineering technology program an excellent fit. He also mentioned touring Southwest Tech's electrical wiring program and expressed excitement about its potential to produce "technically capable people" for their panel building operation.

Vic Hockett added to Brigham's question by congratulating Mr. Black on the presentation and the company's footprint in Enoch. Vic highlighted Southwest Tech's welding program as another "shining gem" and suggested a partnership to create a steady pipeline for multiple aspects of the company's needs. David Johnson added that Southwest Tech helps lead the "Custom Fit program," which manufacturers in the area are aware of and use thoroughly.

Proposed Motion

The Governor's Office of Economic Opportunity Incentives Committee recommends MCM Engineering II, Inc. for a REDTIF post-performance refundable tax incentive. This incentive is not to exceed 10 years and a 30% reduction in state tax paid on new state tax revenue above the baseline established for the preceding 12 months. New state revenue is projected to be \$12,202,785 over 10 years.

Judd Cook made the motion, Brigham Tomco seconded the motion, and it passed with unanimous consent.

Integrated Rail and Resources Incorporated (IRRX)

Kelly explained that Integrated Rail and Resources Acquisition Corp. (IRX) is a special purpose acquisition company (SPAC) founded in 2021, initially focused on North American railroad and

bulk commodity sectors. In late 2024, IRRX entered an agreement with Tar Sands Holding 2 LLC to repurpose the Crown Asphalt Ridge Oil Sands Processing Plant near Vernal, Utah. The company intends to transform the facility from an asphalt operation into a refinery capable of processing Uinta Basin waxy crude oil into high-value petroleum products like diesel and gasoline. The project is planned to begin in 2025 in Uintah County, with a capital expenditure (CAPEX) of over \$87 million, and plans to add 40 new jobs at an average annual salary wage of over \$112,000.

Mark Michel, Chairman of the company, reported that since speaking with the board on December 12th, the company has "de-SPACked" and closed on the asset in Vernal. The company is no longer a SPAC but is now Integrated Rail and Resources Incorporated and is a publicly traded refining, rail, and infrastructure company on the New York Stock Exchange.

Phase 1 of the plan involves using 2026 for engineering and construction to transition the facility from an asphalt/bitumen/tar sands processing unit into a traditional refinery that processes yellow wax and black wax crude oil. IRRX is in a joint venture (JV) with Shell, which will be the exclusive market for buying their crude and selling refined products back to them for the national market. Following the facility coming online in probably December 2026, they plan to move into Phase 2, which involves a further expansion to build out an additional 35,000 to 50,000 barrels a day. The company anticipates expanding the employment footprint past 40 employees, potentially putting a "two to three x multiple" on the workforce estimate. IRRX is looking to become one of the largest refining operations in Utah, centered in the Uinta Basin.

IRRX is also involved with the Uinta Basin Railway development, which will bring in economic activity such as data centers, additional power production, and mining/minerals opportunities to the area. The company is working with the White House and state leadership on development that is in the national interest.

Jeremy Andrus asked about the legislative focus on refineries and gasoline taxes in the current session, and whether that would impact IRRX's plans. Mark Michel responded that refining a barrel of oil produces many different products, including gasoline, diesel, and vacuum gas oil (VGO), and the high-value VGO may be marketed outside Utah or used by other Utah refineries as an intermediate feedstock. He does not expect legislative changes to affect their commercial viability as long as they are treated similarly to other refineries in PAD 4 (Utah, Montana). He pointed out a robust demand signal for refined products in premium markets like California, Nevada, and Arizona, especially with California losing refining capacity. He suggested that the legislature should give advantages to local residents and alleviate taxes where possible to make Utah competitive.

Vic Hockett asked if IRRX would be able to use the current workforce through upskilling or reskilling, or if a wholesale new workforce would be needed for the new operations. Mark Michel stated that during 2026, specific refining jobs will require experienced professionals to be brought in. The plan is to work with the local education system to train the local workforce, who will work alongside these professionals in a "journeyman" approach. This approach ensures the local workforce is trained to take over and train future employees for expansion opportunities. Ivan Varela (COO) added that they look forward to using the skill sets from the Uinta Basin College (welders, electrical, upstream training). He believes the Uinta Basin skill set is transferable to refining and plans to roll out a training program to help staff acquire the refining skill set needed to become "nationally qualified refinery operators".

Proposed Motion

The Governor's Office of Economic Opportunity Incentives Committee recommends Integrated Rail and Resources Incorporated (IRRX) for a REDTIF post-performance refundable tax incentive. This incentive is not to exceed 6 years and a 50% reduction in state tax paid on new state tax revenue. New state revenue is projected to be \$2,739,985 over 6 years.

Vic Hockett made the motion, Clint Morris seconded the motion, and it passed with unanimous consent.

Nuovo Film Festival Incorporated

Lance Soffe introduced the Industrial Assistance Account (IAA) grant for Novo Film Festival Incorporated. Lance explained that with the Sundance Film Festival departing, Utah is at a crossroads in its creative economy. Novo presented a forward-thinking approach to keep Utah relevant in the film space, building on Utah's legacy while embracing where the industry is heading. Their proposal positions Utah as the center for next-generation storytelling through AI-enabled filmmaking labs, the nation's first AI-supported sound stage, university partnerships, and investment pipelines. Supporting Novo will give Utah's film ecosystem tools no other state is offering.

Kelly read the motion for consideration: The Governor's Office of Economic Opportunity Board recommends Novo Film Festival Incorporated (NFFI) for an Industrial Assistance Account grant of \$2 million to operationalize key film ecosystem objectives through the establishment of specialized programming, workforce, and infrastructure.

Scott Anderson, engaged in the project, explained that after Sundance announced its move from Salt Lake City to Boulder, the governor tasked a group to come up with a replacement film festival. Instead of a replacement festival, they recommended establishing an ecosystem, the Novo Film Festival, Inc., to put Utah on the map for filmmaking, financing, technology, streaming, and screening. The goal is to bring significant business to Utah and empower local filmmakers.

The proposal is built on five pillars:

1. **Filmmaking Lab:** Establish a lab in Utah to teach new filmmakers to tell stories using technology and AI.
2. **Incentive Programs:** Enhance the state's incentive programs to be more competitive with states like Texas, Georgia, Louisiana, New Mexico, and New York.
3. **AI Sound Stage:** Create an AI sound stage with its dedicated database and power source at Convergence Hall at The Point. This would be the first of its kind in the U.S.. This technology would "democratize film making" by allowing a film like an Avenger film to be made in nine months for \$10 million, compared to three years and \$140–200 million.
4. **Harbor Fund:** Engage Harbor Fund, an international film funding organization, to move its operations to Utah permanently.
5. **Education and Workforce:** Work with Ushi to establish certificate programs at rural high schools, tech colleges, and universities to educate for film-making crafts (makeup, scenery, design, sound stage, editing). This would create a dedicated and trained local workforce.

They are requesting \$2 million in seed funding. Long-term funding will be provided by individuals, foundations, and corporations. The board includes Mark Burnett, Gordon Bowen, Jared Lyn Drifus, Jim Schwarz, Scott Anderson, Michael Mann, and an appointee by Jefferson Moss. They will establish an MOU with the Film Commission to ensure collaboration.

Jeremy Andrus asked for more detail on the governance structure, including who governs the board and the process for new members over time. Scott Anderson explained that the nonprofit organization (the listed board members) was set up to establish this ecosystem in partnership with state resources like Ushi and universities. The board will: establish and spin off the filmmaking labs; work with the legislature and film commission on enhanced incentives; work with the legislature and private donors to build the sound stage at Convergence Hall; negotiate with Harbor Fund to move operations to Utah permanently; and work with Ushi on certificate programs. After these initial goals, the nonprofit's focus will shift to fundraising to provide long-term support for these entities.

Proposed Motion

The Governor's Office of Economic Opportunity Incentives Committee recommends Nuovo Film Festival Incorporated (NFI) for an Industrial Assistance Account grant of \$2,000,000 to operationalize key film ecosystem objectives through establishment of specialised programming, workforce, and infrastructure.

Judd Cook made the motion, Jeremy Andrus seconded the motion, and it passed with unanimous consent.

Economic Development Zones (EDZs)

Kelly presented two Economic Development Zones (EDZs) for approval. She reminded the board that these companies have already received EDTIF or REDTIF awards and need their EDZs approved because they have established a physical address.

Kelly read the motion for both EDZs:

1. Approve the creation of an economic development zone for Draper in support of Red Tech Incorporated's expansion at 14671 Futureway in Draper, Utah 84020.
2. Approve the creation of an economic development zone for Clearfield in support of ACS Manufacturing LLC's expansion at 200 East 700 South, Clearfield, Utah 84015, and at 210 East 700 South, Clearfield, Utah 84105.

Clint Morris made the motion, Vic Hockett seconded the motion, and it passed with unanimous consent.

Incentive Data Update (Q2 2026)

Kelly presented an update on the state's incentives data, current as of December 31, 2025 (through Q2 of 2026). The data covers 11 companies total (six since the last update in October) and does not include the two companies approved today.

Data Summary:

- Jobs: Projected total of over 4,000 new jobs, with over 400 of those being rural.
- Capital Investment: Almost \$3 billion so far, with over \$181 million from rural projects.

- New State Revenue: \$55.4 million so far.
- New State Wages: \$4.65 billion.
- Average Wage Comparison: Average wages for all projects are well above the requirement of 110% for urban projects and 100% for rural projects compared to the average county wage.
- County Class: Of the 11 projects: five are in Class 1, two are in Class 2, and four are in Class 3. Kelly noted that IRRX, approved today, was a Class 4 project.

Vic asked if it would be possible to see the actual job additions and the percentage of approved funds that were actually captured by the companies, comparing the projections to the actuals. Kelly agreed that this was a great suggestion and would work with the compliance team to get post-contract results data, looking back a couple of years. She stated she would try to have that ready for the next data presentation update.

Meeting Adjourned