

UTA Board of Trustees Meeting

December 12, 2018



Call to Order and Opening Remarks



Pledge of Allegiance



Safety First Minute



Light up your tree – not your home.



UTA 
SAFETY & SECURITY

December 2018



**Approval of
November 28, 2018
Board Meeting Report**



Recommended Action (by acclamation)

Motion to approve



Public Comment Period



Public Comment Guidelines

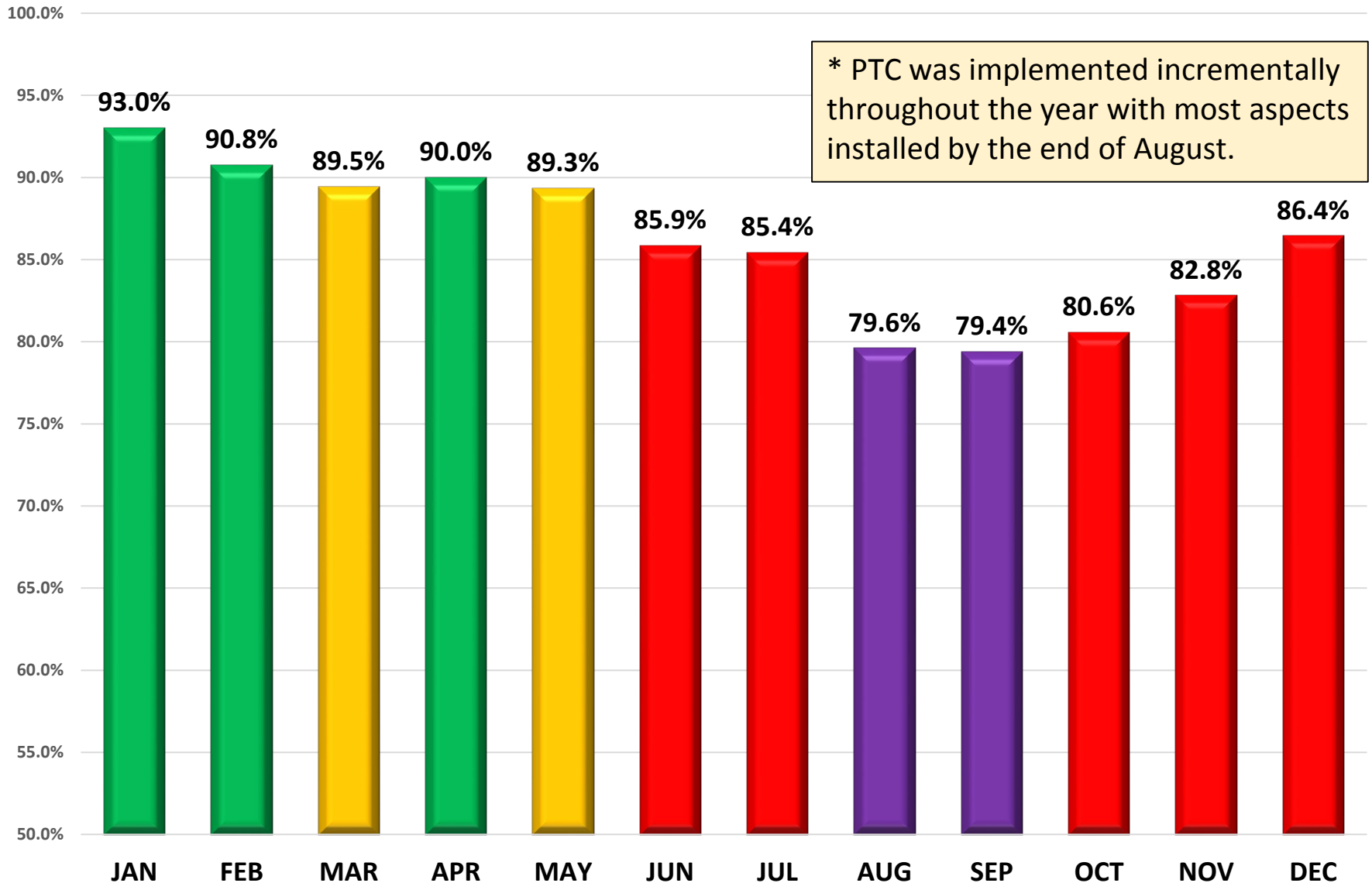
- Each comment will be limited to two minutes per citizen or five minutes per group representative
- No handouts allowed



Agency Report



FrontRunner 2018 Monthly Reliability



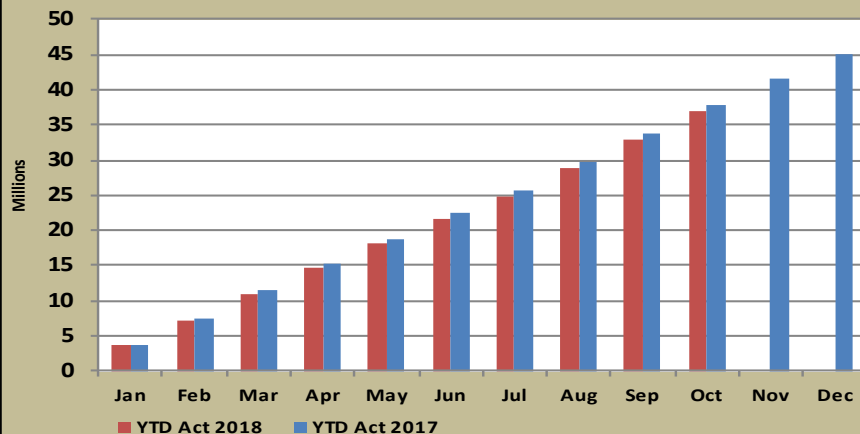
October 2018 Financial Report



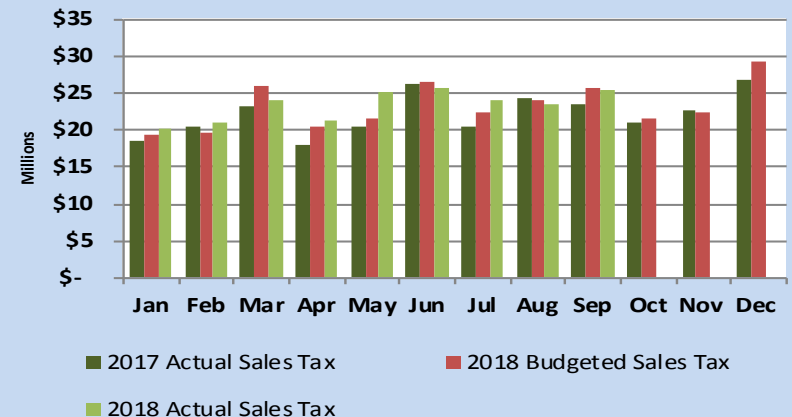
October 2018 Dashboard

Financial Metrics	Fav/ (Unfav)				Fav/ (Unfav)			
	Oct Actual	Oct Budget	(Unfav)	%	YTD Actual	YTD Budget	(Unfav)	%
Sales Tax (Septembet '18 mm \$)	\$ 25.4	\$ 25.7	\$ (0.26)	● -1.0%	\$ 210.2	\$ 205.6	\$ 4.63	● 2.3%
Fare Revenue (mm)	\$ 5.4	\$ 4.4	\$ 1.01	● 22.8%	\$ 43.1	\$ 40.6	\$ 2.54	● 6.3%
Operating Exp (mm)	\$ 23.9	\$ 23.5	\$ (0.36)	● -1.5%	\$ 224.3	\$ 230.8	\$ 6.56	● 2.8%
Investment Per Rider (IPR)	\$ 4.45	\$ 5.13	\$ 0.68	● 13.3%	\$ 4.89	\$ 5.13	\$ 0.24	● 4.7%
IPR adj for fuel price	\$ 4.42	\$ 5.13	\$ 0.71	● 13.8%	\$ 4.86	\$ 5.13	\$ 0.27	● 5.3%
UTA Diesel Price (\$/gal)	\$ 2.66	\$ 2.20	\$ (0.46)	● -20.7%	\$ 2.42	\$ 2.20	\$ (0.22)	● -10.2%
Operating Metrics	Oct Actual	Oct-17	F/ (UF)	%	YTD Actual	YTD 2017	F/ (UF)	%
Ridership (mm)	4.19	4.01	0.2	● 4.5%	37.04	37.84	(0.8)	● -2.1%
Alternative Fuels	\$/gal				YTD Actual			
CNG Pri CE (Bus Diesel Equiv rtl)	\$ 1.18	Revenue Development (m\$)			\$ 37.33			
Debt Service	Oct Actual	Oct-17	Var	%	YTD Actual	YTD 2017	Var	%
Debt Service (net mm)	\$ 8.61	\$ 7.96	\$ (0.65)	● -8.2%	\$ 95.82	\$ 85.11	\$ (10.71)	● -12.6%

UTA Ridership Trends

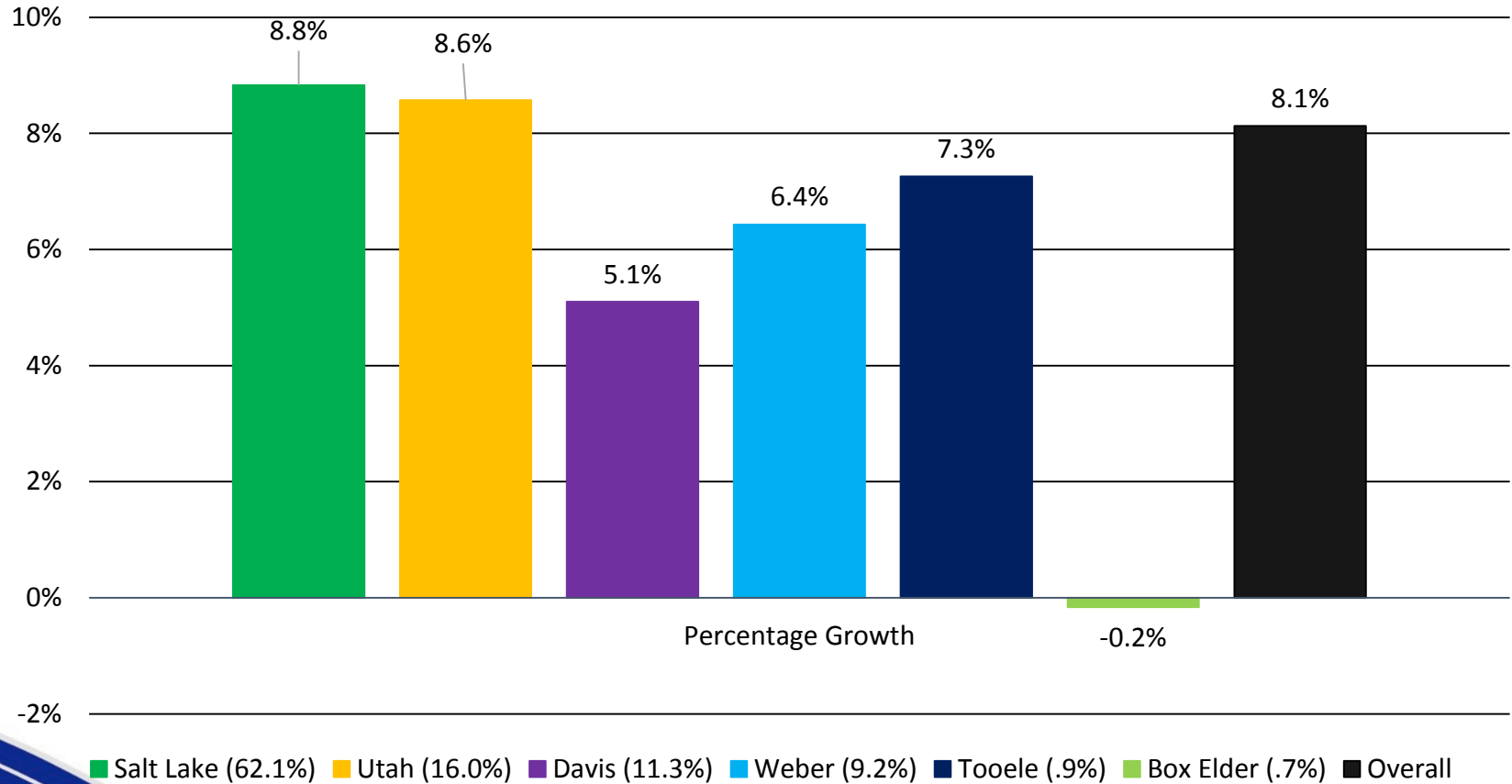


UTA Sales Tax Trends

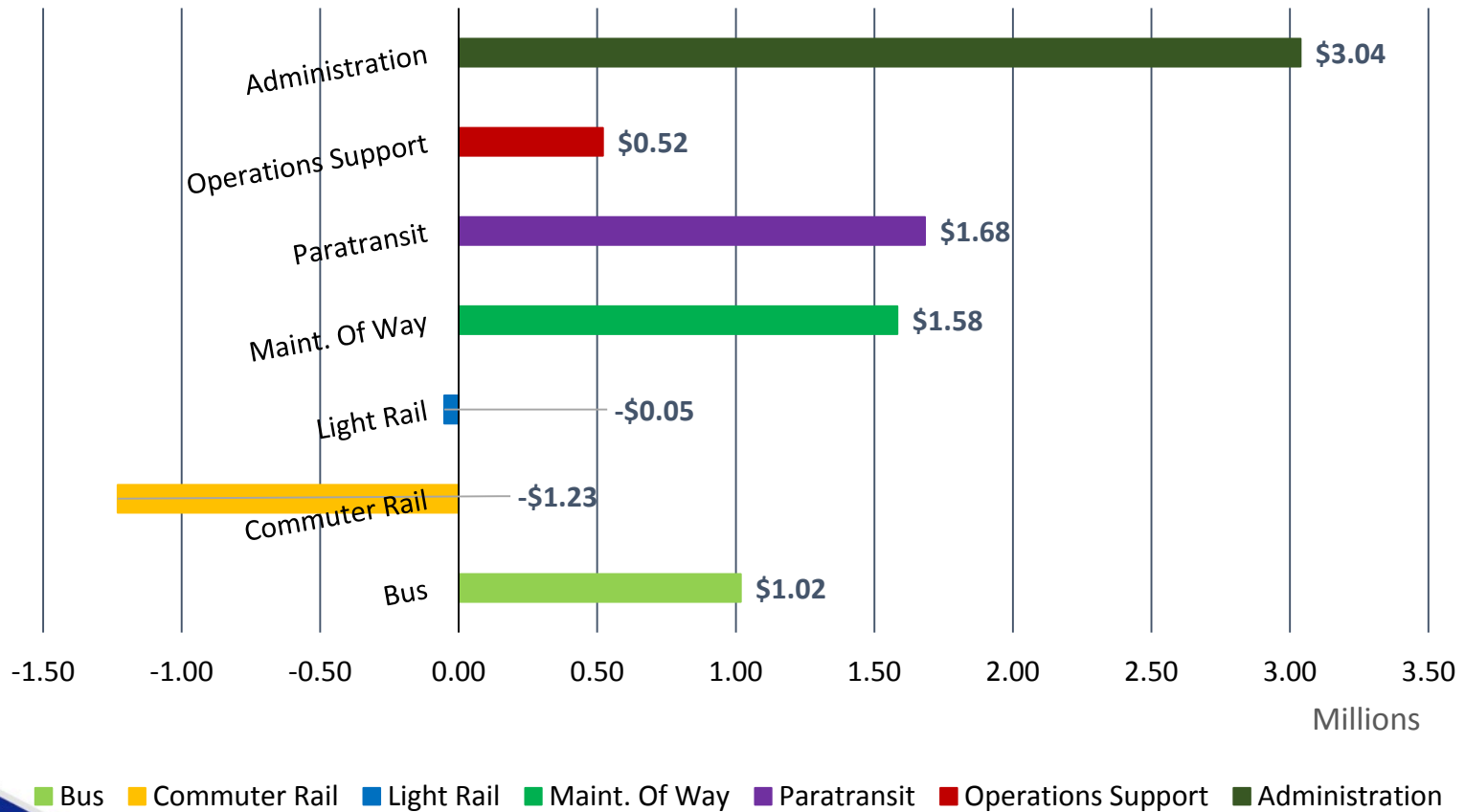


Sales Tax Collections

(2018 over 2017 for 12 months ended November 30)

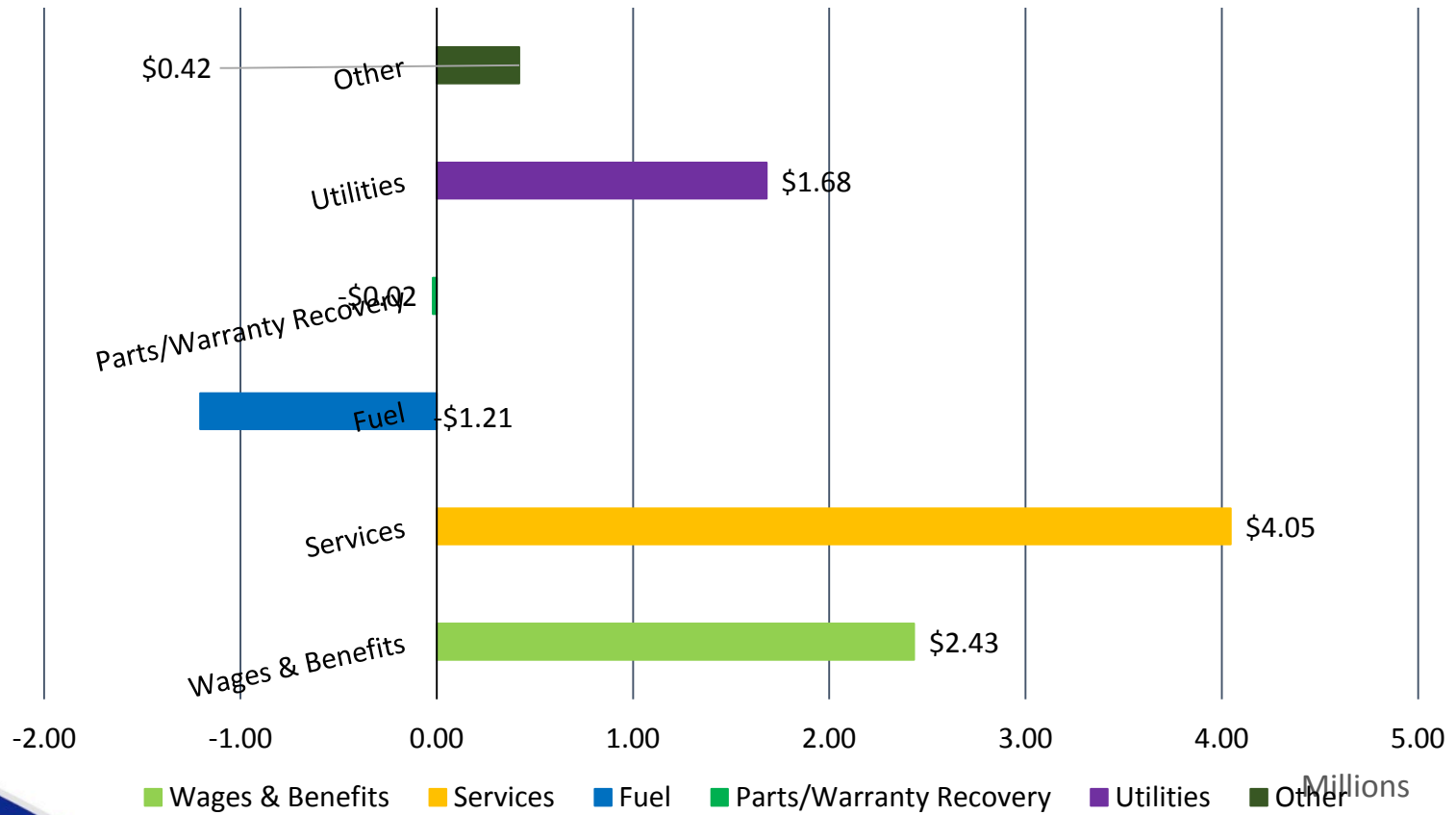


YTD 2018 Expense Thru October 31 Variance by Mode



YTD 2018 Expense Thru October 31

Variance by Type



Recommended Action (by acclamation)

Motion to accept



R2018-12-01: Resolution Ratifying the Adoption of the 2019 Budget



2019 Final Operating and Capital Budgets

December 12, 2018



Operating Revenue Changes from Tentative 2019 Budget

Tentative 2019 budget	\$454,242,000
Full, rather than partial, year for Salt Lake City service agreement	1,485,000
SB128 increase in revenue from motor vehicle registration to sales tax from UDOT	507,000
Salt Lake County operating support for S-Line (3 years)	500,000
Estimate revenue from vehicle and equipment disposal	<u>20,000</u>
Final 2019 operating revenue budget	<u>\$456,754,000</u>

2019 Budget – Operating Revenue

	2019 Tentative Budget	2019 Final Budget	Change
Sales Tax	\$311,796,000	\$311,796,000	\$ 0
Federal Preventative Maintenance	66,188,000	66,188,000	0
Passenger	53,420,000	53,420,000	0
Advertising	2,467,000	2,467,000	0
Interest Income	8,582,000	8,582,000	0
Salt Lake City	3,871,000	5,356,000	1,485,000
Salt Lake County	0	500,000	500,000
Utah County	2,500,000	2,500,000	0
Motor Vehicle Registration/UDOT	1,893,000	2,400,000	507,000
Other Revenues	<u>3,525,000</u>	<u>3,545,000</u>	<u>20,000</u>
Total Operating Revenue	<u>\$454,242,000</u>	<u>\$456,754,000</u>	<u>\$2,512,000</u>

Operating Expense Changes from Tentative 2019 Budget

Tentative 2019 budget	\$454,242,000
Full, rather than partial, year for Salt Lake City service agreement - operations	1,360,000
Full, rather than partial, year for Salt Lake City service agreement - bus leases	125,000
Increased contribution to early debt retirement reserve	537,216
Increase in leasing costs for 2018 leases	316,961
Increase in information technology budget	243,507
Increase in Passport-related fees	54,000
Estimated additional expense - vehicle and equipment disposal	19,500
Personnel cost reductions	<u>(144,184)</u>
Final 2019 operating expense budget	<u>\$456,754,000</u>

2019 Budget – Operating Expenses

Operations	2019 Tentative Budget	2019 Final Budget	Change
Bus	\$104,577,000	\$102,107,000	(\$2,470,000)
Commuter Rail	29,064,000	29,064,000	0
Light Rail	49,906,000	49,906,000	0
Paratransit	23,353,000	22,918,000	(435,000)
Rideshare/Vanpool	3,221,000	3,221,000	0
Operations Support	48,716,000	48,097,000	(619,000)
General & Admin.	33,582,000	33,689,000	107,000
Salt Lake City Service	0	4,950,000	4,950,000
Salt Lake County Service	<u>11,479,000</u>	<u>11,479,000</u>	<u>0</u>
Total Operations Expense	<u>\$303,898,000</u>	<u>\$305,431,000</u>	<u>\$ 1,533,000</u>



2019 Budget – Operating Expense

	2019 Tentative Budget	2019 Final Budget	Change
Total Operations Budget	\$303,898,000	\$305,431,000	\$1,533,000
Non-Operating	6,083,000	6,083,000	0
Principal & Interest	119,141,755	119,584,000	442,245
Contribution to Operating Reserves	1,921,000	1,921,000	0
Contribution to Early Debt Retirement	<u>23,198,245</u>	<u>23,735,000</u>	<u>536,755</u>
Total Operating Expense	<u>\$454,242,000</u>	<u>\$456,754,000</u>	<u>\$2,512,000</u>

Capital Revenue Changes from Tentative 2019 Budget

Tentative 2019 budget	\$125,403,000
New federal grant for Depot District facility	11,000,000
Increase UTA funding for light rail overhaul (\$4.3 million), TPSS (\$.5 million), and TC1 timekeeping upgrade (\$.5 million)	5,326,000
Projects added - UTA funding \$.15 million, local partners, \$.9 million, and state contribution \$.25 million	1,300,000
Reallocation of 2018 bond funds (\$2.76 million) from red light enforcement to interlocking projects, decreased UTA funding same amount	0
Elimination of duplicate projects – UTA funding, \$.1 million, grants, \$.95 million, and local partners \$.6 million	<u>(1,650,000)</u>
Final 2019 capital revenue budget	<u>\$141,379,000</u>

2019 Budget – Capital Revenue

	2019 Tentative Budget	2019 Final Budget	Change
UTA funding	\$ 43,928,000	\$ 46,552,000	\$ 2,624,000
Grants	39,989,000	50,031,000	10,042,000
Local partner contributions	10,709,000	11,009,000	300,000
State contribution	4,427,000	4,677,000	250,000
2018 bond proceeds	16,260,000	19,020,000	2,760,000
Leasing	<u>10,090,000</u>	<u>10,090,000</u>	<u>0</u>
Total capital revenue	<u>\$125,403,000</u>	<u>\$141,379,000</u>	<u>\$15,976,000</u>

Capital Expense Changes from Tentative 2019 Budget

Tentative 2019 budget	\$125,403,000
Federal grant for Depot District facility	11,000,000
Increase light rail overhaul (\$4.3 million), TPSS (\$.5 million), and TC1 timekeeping upgrade (\$.5 million)	5,326,000
Projects added - U of U hub (\$.4 million), Sharp/Tintic rail (\$.1 million), and Point of the Mountain alternatives (\$.8 million)	1,300,000
Reallocation of 2018 bond funds from red light enforcement to interlocking projects	0
Elimination of duplicate projects (replacement buses and SW Salt Lake County study)	<u>(1,650,000)</u>
Final 2019 capital expense budget	<u>\$141,379,000</u>

2019 Budget – Capital Expense

	2019 Tentative Budget	2019 Final Budget	Change
Provo-Orem TRIP	\$ 2,500,000	\$ 2,500,000	\$ 0
Airport station relocation	2,650,000	2,650,000	0
State of good repair	42,478,000	46,754,000	4,276,000
Other capital projects	<u>77,775,000</u>	<u>89,475,000</u>	<u>11,700,000</u>
Total capital expense	<u>\$125,403,000</u>	<u>\$141,379,000</u>	<u>\$15,976,000</u>

2019 Budget – Debt Service

Purpose	2019 Tentative Budget	2019 Final Budget	Change
Interest	\$102,185,007	\$102,185,007	\$ 0
Interest subsidy (Build America bonds)	<u>(8,841,869)</u>	<u>(8,841,869)</u>	<u>0</u>
Net interest	93,343,138	93,343,138	0
Principal	<u>17,500,000</u>	<u>17,500,000</u>	<u>0</u>
Total bond principal and interest	110,843,138	110,843,138	0
Leasing payments	7,951,467	8,268,428	316,961
Salt Lake City buses	281,000	406,000	125,000
Bond expenses	<u>66,150</u>	<u>66,150</u>	<u>0</u>
Total 2019 debt service	<u>\$119,141,755</u>	<u>\$119,583,716</u>	<u>\$441,961</u>

Questions?



Recommended Action (by roll call)

Motion to approve R2018-12-01:
Resolution Ratifying the Adoption of the 2019 Budget



R2018-12-02: Resolution Giving Notice and Setting Regular Meeting Dates for Calendar Year 2019



Recommended Action (by roll call)

Motion to approve R2018-12-02:

Resolution Giving Notice and Setting Regular Meeting Dates for
Calendar Year 2019



R2018-12-03: Resolution Approving and Authorizing the Execution of the Authority's Amended Transit Agency Safety Plan



Recommended Action (by roll call)

Motion to approve R2018-12-03:

Resolution Approving and Authorizing the Execution of the Authority's
Amended Transit Agency Safety Plan



R2018-12-04: Resolution Granting Contract and Expenditure Authority



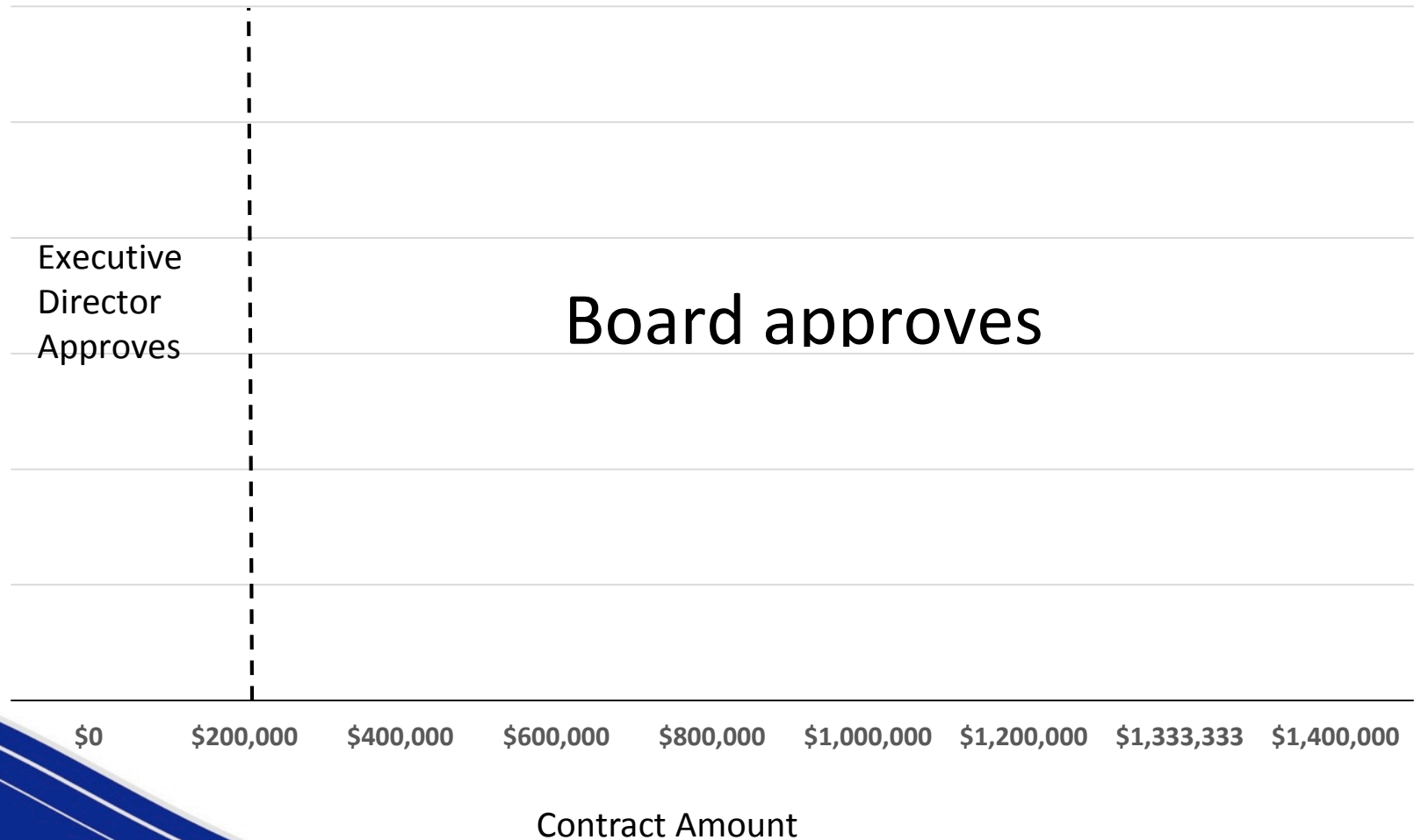
Resolution Provisions

- New contracts approvals/reviews
- Change orders approvals/reviews
- Disbursements approvals/reviews
- Other provisions

New Contracts

New Contract	Executive Director	Board
Equal to or less than \$200,000	Approves	No Action Required
Over \$200,000	Prepares Information	Approves
Emergency	Approves and Reports to Board	Reviews

New Contracts Approval Levels



Change Orders

Change Order	Executive Director	Board
Total contract with change order does not exceed \$200,000	Approves	No Action Required
Total contract exceeds \$200,000 and change order is: 1) under 15% of total contract <u>or</u> 2) \$200,000 (whichever is lower)	Approves	No Action Required
Total contract value of \$200,000 & over and change order is: 1) Over 15% or 2) \$200,000 or over (lower of the two)	Prepares Information	Approves
Emergency	Approves and Reports to Board	Reviews

Change Order Approval Levels -



Disbursements

Disbursement	Executive Director	Board
Vendors on Exhibit A	Approves	Vendor List Approval
Previously approved contracts	Approves	If over \$200,000 Reported as Information Item
All Other (equal to or less than \$200,000)	Approves	No Action Required
All Other (over \$200,000)	Prepares Information	Approves
Emergency	Approves and Reports to Board	Reviews

Exhibit A

Disbursements Approved for Certain Vendors

Vendor	Purpose	Frequency	Range
Alliant Risk Insurance	Insurance	Annually	\$1,500,000 to \$3,000,000
Cambridge Associates	Pension contributions	Bi-weekly	\$800,000 to \$1,000,000
Vantagepoint	457 contributions – employee	Bi-weekly	\$300,000 to \$700,000
Mutual of America	457 contributions - employee	Bi-weekly	\$200,000 to \$400,000
Vantagepoint	457 contributions – employer	Annually	\$800,000 to \$1,000,000
Mutual of America	457 contributions - employer	Annually	\$500,000 to \$700,000
Select Health	Health insurance	Monthly	\$800,000 to \$1,200,000
PEHP	Health insurance	Monthly	\$200,000 to \$400,000
UTA/Joint Insurance Trust	Health insurance	Monthly	\$1,400,000 to \$2,000,000
Utah State Tax	Employee payroll taxes	Monthly	\$500,000 to \$900,000
IRS	Employee payroll taxes	Bi-weekly	\$1,200,000 to \$1,500,000
Rocky Mountain Power	Electricity	Monthly	\$200,000 to \$800,000
Zions Bank	Bond principal and interest	Monthly	\$9,000,000 to \$10,500,000
Banc of America	Lease payments – revenue service vehicles	Monthly	\$200,000 to \$800,000
Wells Fargo	Procurement card payment	Monthly	\$200,000 to \$2,000,000

Other Provisions

- Supersedes Resolution R2018-05-09
- Prohibits artificial division of contracts, change orders, or disbursements to circumvent Board review and approval.

Recommended Action (by roll call)

Motion to approve R2018-12-04 :

Resolution Granting Contract and Expenditure Authority
with an amendment to Exhibit A to include Alliant as the risk insurance
provider



Contracts, Disbursements & Change Orders



Contract: Onboard Video Security System (SmartDrive)

- Description and Purpose:
 - Contract award for onboard video security surveillance for buses
- Total Contract:
 - \$1,439,880



Recommended Action (by roll call)

Motion to approve



Contract: Insurance Brokerage Services (Alliant Insurance Services)

- Description and Purpose:
 - Insurance brokerage contract for commercial insurance
- Total Contract:
 - \$349,750



Recommended Action (by roll call)

Motion to approve



Contract: Fifteen-Passenger Rideshare Vans (Larry H. Miller)

- Description and Purpose:
 - Replacement vans for the Rideshare program
- Total Contract:
 - \$1,176,951



Recommended Action (by roll call)

Motion to approve



Contract: Applicant Tracking System (JobVite)

- Description and Purpose:
 - Applicant tracking software to replace the current system
- Total Contract:
 - \$386,275



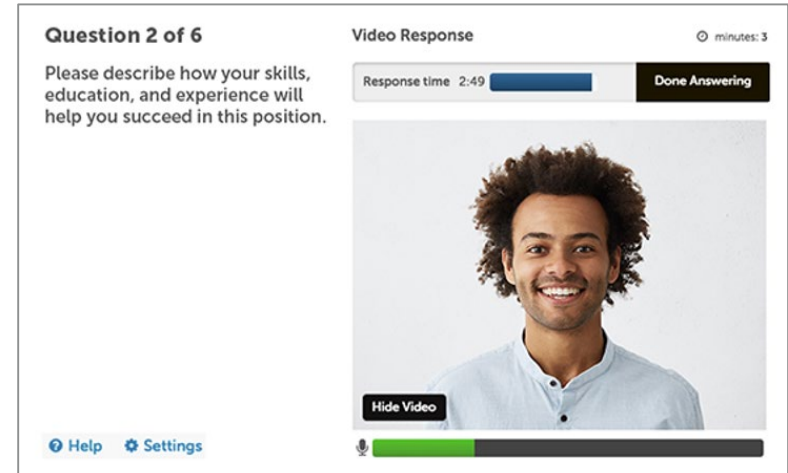
Recommended Action (by roll call)

Motion to approve



Change Order: Video Interviewing Software (HireVue)

- Description and Purpose:
 - Software that enables UTA to interview candidates remotely via the Internet
- Change Order Amount:
 - \$151,350
- Total Contract:
 - \$234,725



Recommended Action (by roll call)

Motion to approve



Revenue Contract: Ski Bus Pass Agreement (Snowbird)

- Description and Purpose:
 - 2018-2019 winter ski bus agreement with Snowbird Resort
- Total Contract:
 - (\$220,000)



Recommended Action (by roll call)

Motion to approve



Disbursement: Light Rail Vehicle Parts Inventory (Siemens)

- Description and Purpose:
 - Parts purchased to maintain the light rail vehicles
- Total Disbursement:
 - \$386,658



Recommended Action (by roll call)

Motion to approve



Pre-Procurements

- a. Depot District Hazardous Materials Management



Closed Session

- a. Discussion of the character, professional competence, or physical or mental health of an individual



Recommended Action (by acclamation)

Motion to go into closed session



Open Session



R2018-12-05: Resolution Authorizing Action on Terms of Employment of Interim Executive Director



Recommended Action (by roll call)

Motion to approve R2018-12-05:

Resolution Authorizing Action on Terms of Employment of Interim
Executive Director



Discussion Items



Recruitment of Executive Director



Salt Lake City Interlocal Agreement for Transit Master Plan Implementation

UTAH TRANSIT AUTHORITY



— Salt Lake City —
**TRANSIT
MASTER
PLAN**



Key Considerations

- How to structure the agreement: balancing flexibility with specificity, the big picture with details
- How to accommodate context: SLC's larger Funding our Future effort, UTA's internal and external stakeholders
- How to create an ILA that will serve as a regional model
- How to coordinate varied annual cycles
 - SLC: July 1 – June 30
 - UTA: January 1 – December 31
 - Service "Change Day": August – August
 - FTA: October – October
- How to factor in administrative costs (still under negotiation)



City 2018-2019 Budget

Element of Transit MP	Budget	Description
Service Improvements	\$2,475,000	Begin Phase 1 service increases on 200 S, 900 S and 2100 S
Trips to Transit Pilot Program	\$700,000	On-demand shared ride services for low-density residential neighborhoods
Trips to Work Pilot Program	\$250,000	Establish public-private transportation management associations in low-density business districts
Transit pass analysis	\$30,000	Working with Hive, GreenBike, and stakeholders to optimize affordability
Branding and outreach	\$250,000	Ensure that the system is highly visible, legible, and easy to use
City Staff	\$50,000	Assist with Plan implementation activities, studies, evaluation, etc.
Capital Improvements	\$1,139,000	Bus stops, corridor improvements, first-last mile connections, facilities
Bus Procurement	\$406,000	
TOTAL	\$5,300,000	



Future Phases

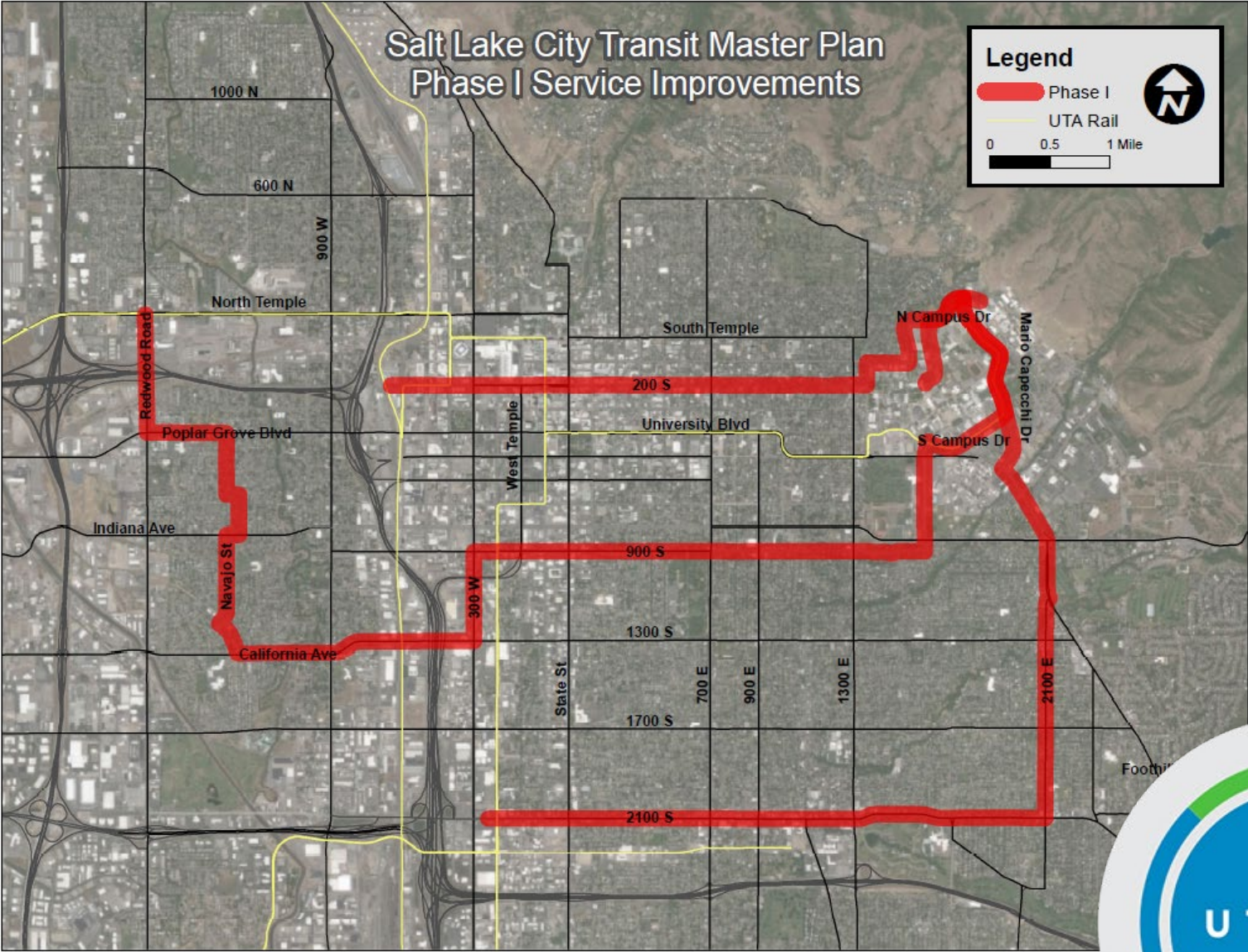
Element of Transit MP	2018	2019	Future	Future
Service Improvements	\$2,475,000	\$4,850,000	\$9,025,000	\$12,755,000
Trips to Transit Pilot Program	\$700,000	\$1,200,000	\$900,000	\$900,000
Trips to Work Pilot Program	\$250,000	\$100,000	\$100,000	\$100,000
Transit pass analysis	\$30,000	\$300,000	\$300,000	\$300,000
Branding and outreach	\$250,000	\$100,000	\$100,000	\$100,000
City Staff	\$50,000	\$100,000	\$200,000	\$300,000
Capital Improvements	\$1,139,000	\$944,000	\$900,000	\$4,000,000
Bus Procurement	\$406,000	\$406,000	\$900,000	\$1,400,000
TOTAL	\$5,300,000	\$8,000,000	\$12,425,000	\$19,855,000

UTAH TRANSIT AUTHORITY



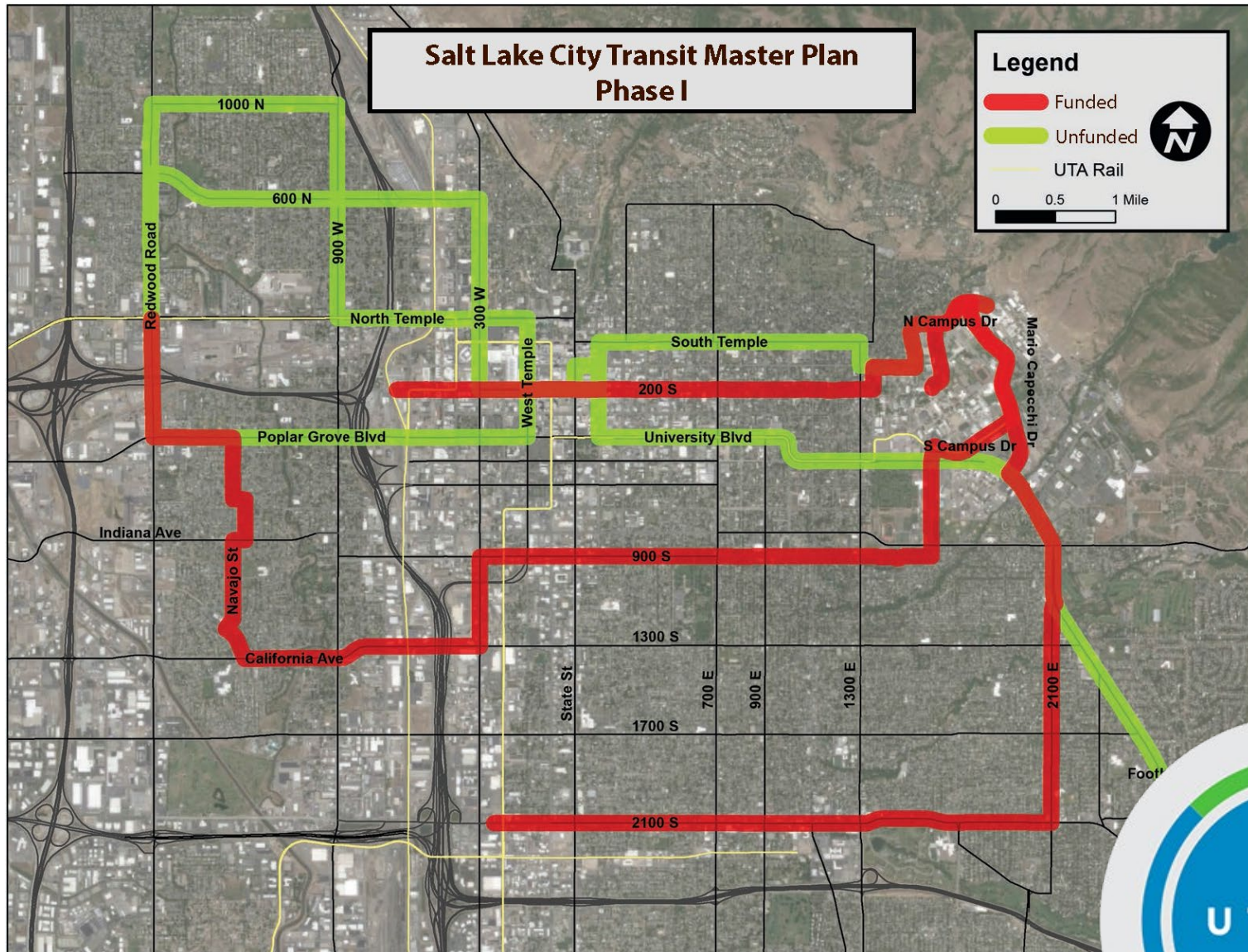
2019 Service Increases

UTAH TRANSIT AUTHORITY

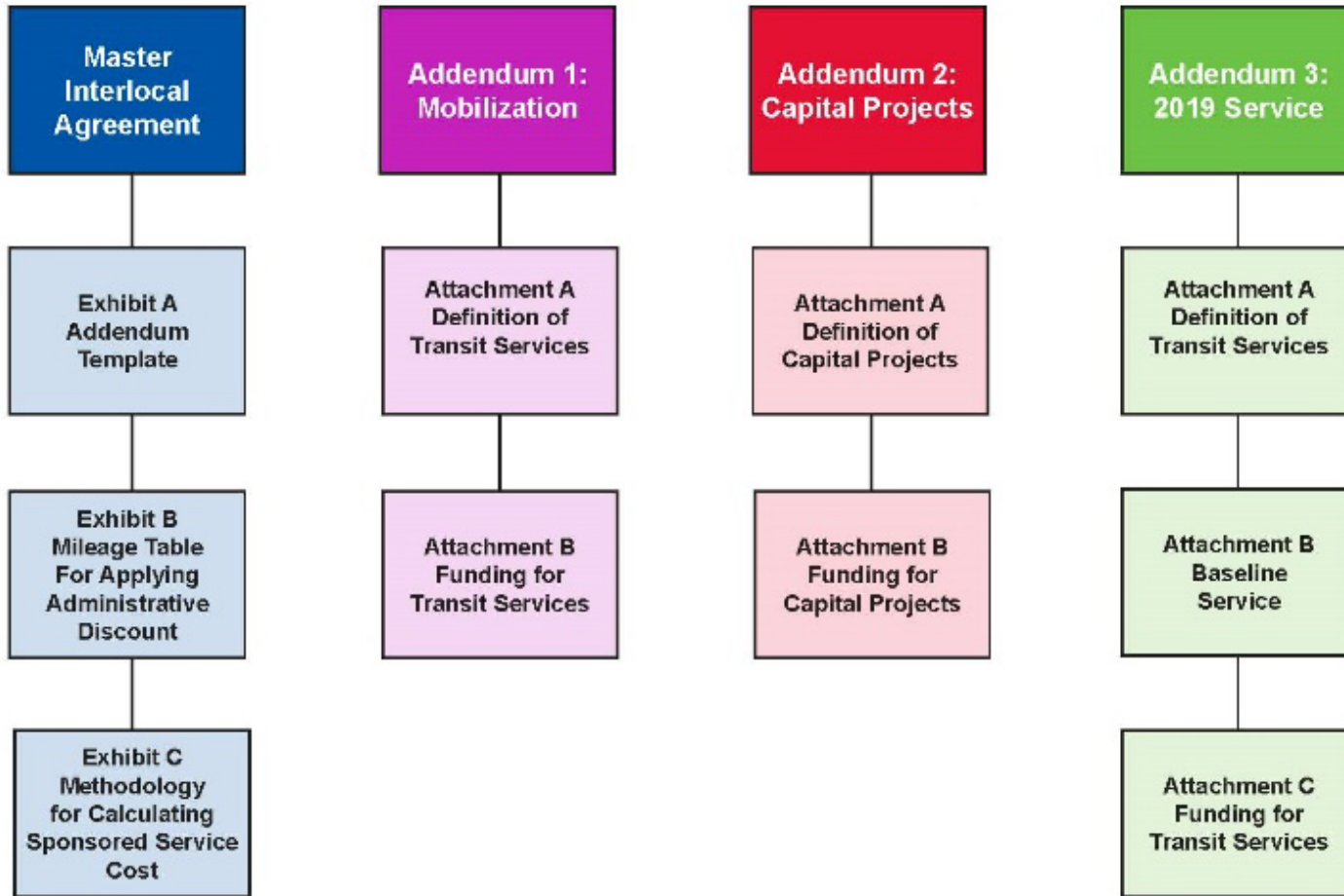


Unfunded Future Service Increases

UTAH TRANSIT AUTHORITY



Agreement Structure



Master Agreement

- Recitals: What we are doing
 - We share an interest in public transit
 - We developed the Transit Master Plan together
 - We share an intent to implement the Plan
- Section 1: How we are doing it (intent language)
 - Reinvest in the system
 - Regional & local service are interdependent
 - Permanence & stability are priorities
 - Data & public input drive the plan's implementation
 - Accountability & transparency are critical
 - Sustainability goals have been added here



Master Agreement

- Section 2: How we will work together
 - Cooperation & good faith
 - Open exchange of information
 - Technical decision-making rather than by committee
 - UTA Planning Director & SLC Transportation Director (or designees)
- Section 3: FTN Routes
 - How “baseline” service is defined
 - What is operating today
 - Adjusted for 1) ridership and 2) likely ridership
 - Fiscally constrained
 - City funds for ILA-described routes, not to be used elsewhere



Master Agreement

- Section 4: UTA Responsibilities for FTN routes
 - Everything UTA does for existing service today
- Section 5: Service cost calculation
 - Calculated by service miles being added
 - National Transit Database as foundation
 - Annual adjustments for inflation, fuel & paratransit
 - Pro rata share of increase in overhead
 - Additional vehicles needed for new service



Master Agreement

SPONSORED SERVICE COST CALCULATOR - SLC TMP Implementation

VARIABLE VALUES

	Most recent NTD Cost per Revenue Mile, Bus Service (1)
	Annual escalator rate (2)
	Number of Years since NTD report

	Negotiated Administrative Discount (3)
	Sponsored Revenue Miles

#DIV/0!	Sponsored Paratransit Service rate (4)
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	Fuel Cost per Gallon (Service Year Budgeted Cost)
	Fuel Efficiency, Miles per Gallon (adjust per vehicle type)

	Sponsored Vehicle Lease Costs
	Sponsored Vehicles

(1) NTD Cost per Revenue Mile has been adjusted to exclude fuel expense but does include approximately 2% for capital maintenance (e.g. engine replacement, etc).

(2) The annual escalator is a calculated average of the PCE CPI over a twenty year period.

(3) UTA will discount the administrative charges in proportion to the scale of the service increase in revenue miles.

SPONSORED SERVICE COST

\$ - Most recent NTD Cost Per Mile - Bus Service

\$ - NDT rate Adjusted to Service Year Costs

\$ - Discounted NTD Adjusted to Service Year Costs
0 Sponsored Revenue Miles

\$ - Total Mileage Cost, Without Fuel, Annual

#DIV/0! Add Paratransit Service
#DIV/0! Total Annual Operating Costs without fuel

\$ - Fuel Cost per Gallon
0.0 Bus Miles per Gallon
0 Sponsored Revenue Miles

#DIV/0! Total Fuel Cost

\$ - Per Vehicle Principal + 4% Interest Rate, Annual
0 Vehicles needed for sponsored service

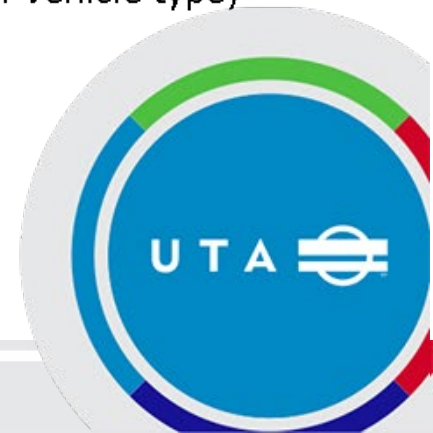
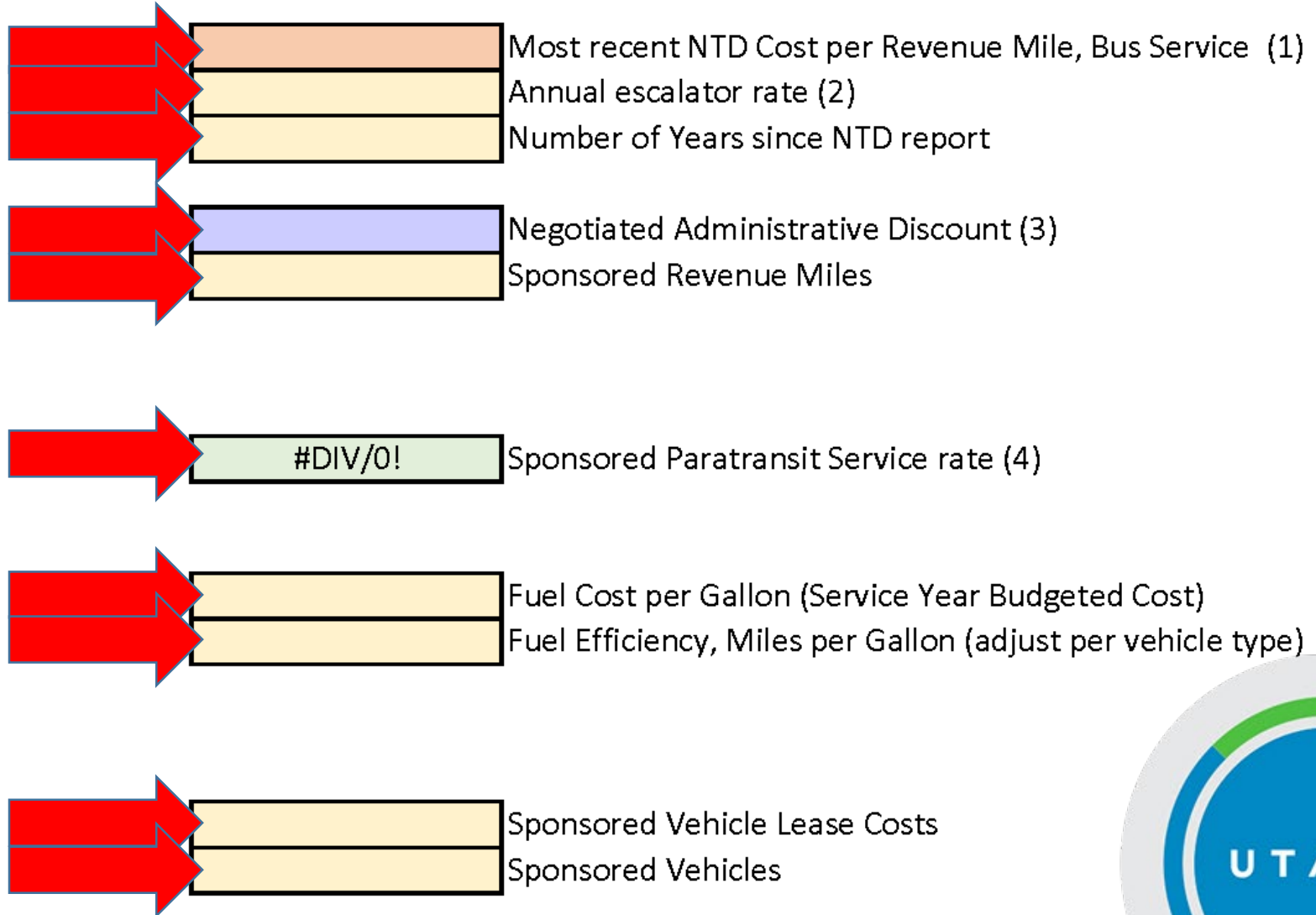
\$ - Total Annual Vehicle Cost for Sponsored Service

#DIV/0! TOTAL



Master Agreement

VARIABLE VALUES



Master Agreement

- Section 6: City responsibilities for FTN routes
 - Mobilization costs (only when service is **added**)
 - Vehicles lease costs
 - New annual service miles
 - Other costs
 - Subject to annual appropriation
 - Construction of bus stops/improvements
- Section 7: Invoicing & payment terms
- Section 8: Allows mid-year fuel cost adjustments **only if they change by more than 30% over 6 months**



Master Agreement

- Section 9: Other improvements
- Section 10: No supplantation of funds
- Section 11: Open financial records
- Section 12: Performance evaluation
 - Based on Transit Master Plan goals
 - Open data sharing
- Sections 13 – 30: Standard ILA inclusions



Addendum 1: Mobilization

JANUARY 1, 2019 – JUNE 30, 2019

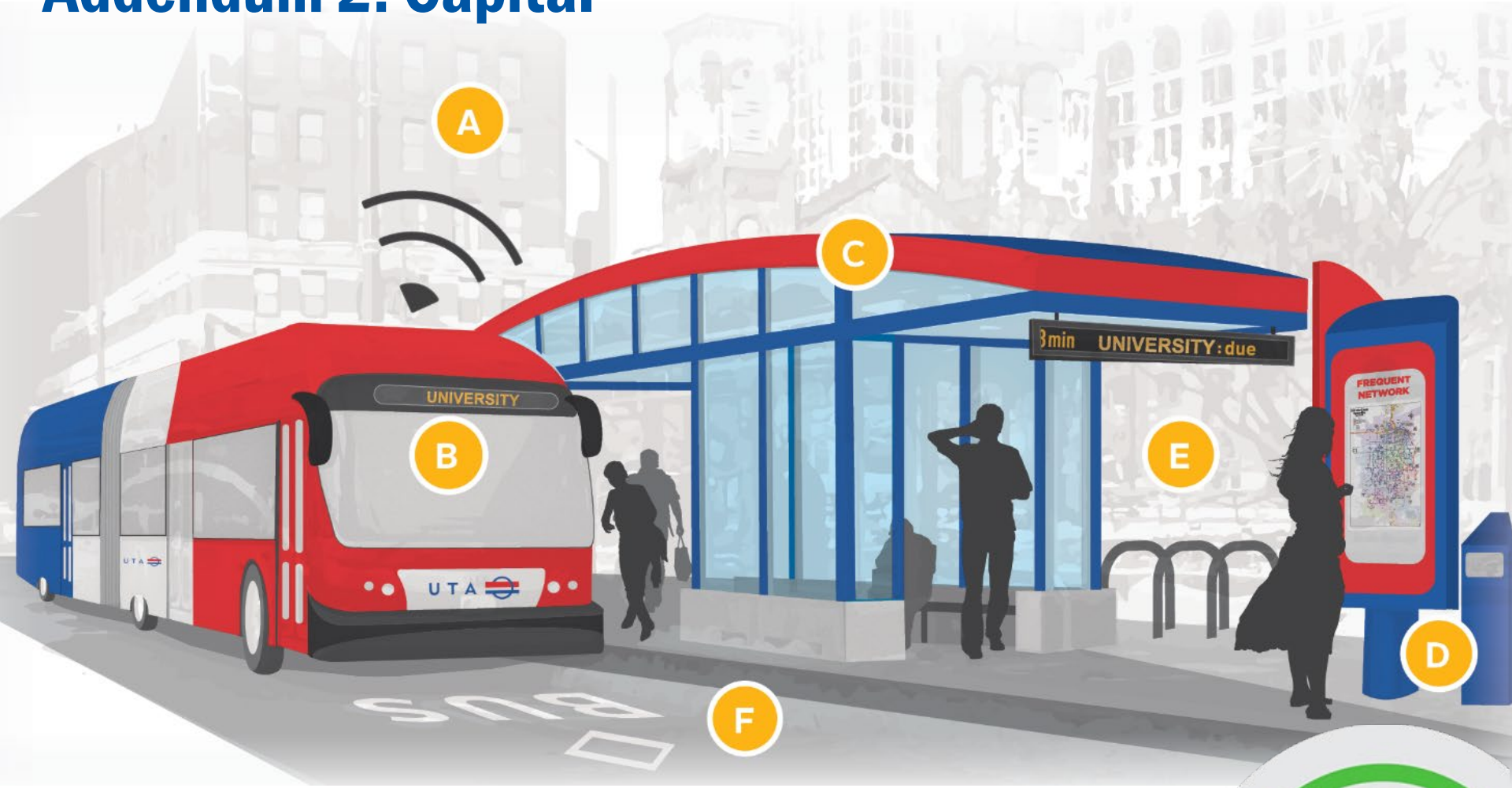
ADDENDUM No. 1 FUNDING FOR SERVICE MOBILIZATION

Mechanics	\$172,088.00
Fixed Service Supervisors	\$96,824.00
Operator Recruitment	\$65,000.00
TCC Dispatch	\$52,340.00
Operator Training	\$416,665.00
Operator Service	\$758,160.00
Paratransit Supervisors	\$27,664.00
Fuel/Parts/Maint	\$0
Administration	\$474,476.92
Vehicle Procurement	\$309,166.67
Total Mobilization Expenses	\$2,372,384.58

Administration includes: Legal, Service Planning, Operations Planning, Finance, Innovative Mobility Solutions, External Affairs, Marketing and Communications, etc.



Addendum 2: Capital



Addendum 3: Service

- Staff have already begun to plan for next budget year
- The addendum for service will need to be approved in tandem with the City's budget
- Additional corridors will require increased funding



Utah County Service Level Agreement

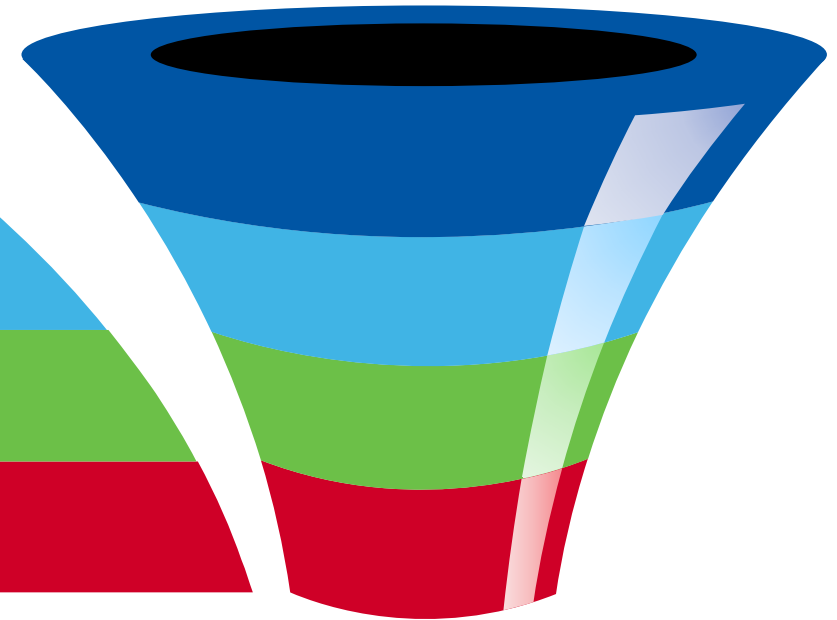
UTAH TRANSIT AUTHORITY



Utah County Service Level Agreement



Stakeholder Input



Other Business

- Next meeting: January 9, 2019 at 9:00 a.m.



Adjourn

