



Minutes of the Regular Meeting of the
Advisory Council of the Utah Transit Authority

Wednesday, Sept. 25, 2019, 1:00 p.m.
Utah Transit Authority (UTA) Headquarters
669 West 200 South, Salt Lake City, Utah
Golden Spike Conference Rooms

UTA Advisory Council Members Present:

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| Jeff Acerson | Julie Fullmer – via phone |
| Jacqueline Biskupski | Robert Hale |
| Leonard Call | Clint Smith |
| Erik Craythorne – via phone | Troy Walker |
| Karen Cronin | |

Also attending were members of UTA staff, as well as interested citizens and members of the media.

Welcome and Call to Order

Chair Acerson welcomed attendees and called the meeting to order at 1:01 p.m. with seven council members present, Member Fullmer and Member Craythorne joined via a conference call. Following Chair Acerson’s opening remarks, the advisory council and meeting attendees recited the Pledge of Allegiance.

Safety Minute

Chair Acerson yielded the floor to Lamount Worthy, UTA Video Security Administrator, for a brief safety message.

Public Comment Period

Andrew Jackson, Executive Director of Mountain Land Association of Governments (MAG), informed the council he wished to speak in regards to Item 8b, listed on the agenda as “Bond Refunding and New Money Issuance Opportunity and Proposed Fifth Amendment of the Authority’s 2019 Budget.” He advised that MAG is in support of reducing debt and pointed out one of the requirements of the interlocal agreement attached to resolution R2019-05-02 as exhibit A is the reduction of debt. He also thanked the Council for their consideration of Item 9 “Trustee Compensation Review.”

Approval of July 17, 2019 Advisory Council Meeting Minutes

A motion to approve the July 17, 2019 Advisory Council Meeting Minutes was made by Member Smith and seconded by Member Walker. The motion carried unanimously.

Board of Trustees Report

Carlton Christensen, UTA Board of Trustees Chair, informed the council of direction given to staff regarding the service choices study and advised that some scenarios will be brought before the council in the coming months. He then reviewed the status of the board’s stakeholder outreach, legislative report regarding UTA’s potential conversion to the Utah Retirement System, and study regarding UTA becoming a state agency. Chair Christensen reported that the board requested staff look at double

tracking around the new Vineyard station and the Bus Rapid Transit (BRT) line in Ogden when considering bonding opportunities, as both have shortfalls in their funding. Concluding, he gave a brief introduction of UTA's new Executive Director, Carolyn Gonot, and turned the time over to her.

Agency Report

Ms. Gonot provided the council with her work history and experience. She then informed the council of key data points that have been observed since the August Change Day for the different counties and advised more information will be given at the council's next meeting. Ms. Gonot summarized events of the Utah Valley Express (UVX) 1-Year Anniversary and provided its ridership statistics. She then reported on the Federal Transit Administration Triennial review which just concluded, on comments received during the exit interview, and on corrective actions. She noted overall it was a very successful review for UTA. Ms. Gonot also overviewed the 2020 Budget development and advised it will be presented to the council in November.

Budget Consultation

Mary DeLoretto, UTA Acting Chief Service Development Officer was joined by Eddy Cumins, UTA Chief Operating Officer.

Recommendation: AR2019-09-01 Resolution Recommending Adoption of the Proposed 2020-2024 Capital Plan. Ms. DeLoretto provided an overview of the proposed plan. She advised what is included, reasons to do a 5-year forecast, steps within the process, overall summary; as well as, a summary by project and year, of potential projects that are currently unfunded, and next steps for adoption of the plan. Questions regarding whether or not all new vehicles will be leased and what the criteria is for potential unfunded projects to be moved up in prioritization were posed by the council and answered by staff.

Member Call moved to approve resolution AR2019-09-01 recommending adoption of the proposed 2020-2024 Capital Plan. Member Walker seconded the motion and all voted in favor.

Information: 2020 Budget Assumptions Update. Bob Biles, UTA Chief Financial Officer, and Ms. Gonot outlined the 2020 budget assumptions. Together they provided an overview of the goals being: service improvements, favorable work environment, forward looking, state of good repair, capital projects, long-term financial sustainability and key budget changes. The Office of the Executive Director's organization chart was reviewed and a summary of the expenses and revenues within the operating and capital budgets was provided. Ms. Gonot and Mr. Biles also reviewed the full-time employee summary, as well as initiatives and challenges. Questions regarding the status of the legal transition to the Attorney General's office and projection for the Utah Valley University (UVU) pedestrian walkway were posed by the council and answered by staff.

Consultation: Bond Refunding and New Money Issuance Opportunity and Proposed Fifth Amendment of the Authority's 2019 Budget. Mr. Biles was joined by Brain Baker of Zions Public Finance, and Bob Kinney of Wells Fargo. Together they informed the council that interest rates are at historic lows, reviewed bond refunding/restructuring considerations, and discussed UTA's current debt service. They also provided a refunding/restructuring summary, debt service comparison plan, new money bond projections for the 5-year capital plan, cash flow comparison, net effect on annual debt service, recommendations and a calendar of events.

Additionally, staff advised that being able to leverage the bond savings is key to having a full funding grant plan which will allow specific projects to move forward. Staff also noted the 2019 budget would need to be amended in order to bring the bond sales forward now. Questions regarding whether staff has factored in new bonding through the year 2042, how new bonding will affect year 2037 and beyond, what the benefit is for refunding then restructuring the savings, going from tax free to taxed bonds, and what could disrupt the plan from going forward as presented were posed by the council and answered by staff and the consultants. Advisory Council members recommended moving forward with the bond refunding/restructuring and new money issuance as presented by Mr. Biles and the consultants.

Member Biskupski left the meeting at 2:29 p.m. and Salt Lake City alternate Jen McGrath filled in for her.

Trustee Compensation Review

Chair Acerson opened the review for discussion. The councilmembers provided a history for Member Smith. Discussion ensued. The council agreed there is a need to develop guidelines or a written policy for benchmarking of the trustees pay and determined this could be done by their next meeting. Members Cronin and Walker volunteered to complete this goal. There was also a suggestion to consider added compensation for the chair.

Member Walker moved to adjust the trustee's compensation to \$140k/yearly. Member Craythorne seconded the motion and all voted in favor.

Other Business

The next meeting of the advisory council will be November 20, 2019 at 1:00 p.m.

Adjournment

The meeting was adjourned at 3:12 p.m. with a motion by Member Walker, second by Member Call, and a unanimous vote in favor.

Transcribed by Angie Olsen
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This document is not intended to serve as a full transcript as additional discussion may have taken place; please refer to the meeting materials, audio, or video located at <https://www.utah.gov/pmn/sitemap/notice/560035.html> for entire content.

This document along with the digital recording constitute the official minutes of this meeting.