



Utah Transit Authority

Board of Trustees

MEETING MINUTES - Final

669 West 200 South
Salt Lake City, UT 84101

Wednesday, May 10, 2023

9:00 AM

FrontLines Headquarters

Present: Chair Carlton Christensen
Trustee Beth Holbrook
Trustee Jeff Acerson

Also attending were UTA staff and interested community members.

1. Call to Order and Opening Remarks

Chair Carlton Christensen welcomed attendees and called the meeting to order at 9:00 a.m.

2. Pledge of Allegiance

Attendees recited the Pledge of Allegiance.

3. Safety First Minute

Kim Shanklin, UTA Chief People Officer, delivered a brief safety message.

4. Public Comment

In-Person/Virtual Comment

In person comment was given by Rone Tempest, who represented the Greater Avenues Community Council (GACC). Mr. Tempest said the GACC is requesting a curfew on pre-dawn and late-night buses on route 209 in The Avenues in Salt Lake City. Mr. Tempest referenced a video he had produced to capture sound issues and ridership on route 209 in The Avenues and asked for the link to be shared with the board. Mr. Tempest said he believes the sound issues are caused by the grade of the hills in The Avenues. He concluded by inviting UTA to attend a meeting on June 7, 2023, where mitigation can be proposed.

Online Comment

No online comment was received.

5. Consent

a. Approval of April 26, 2023 Board Meeting Minutes

A motion was made by Trustee Holbrook, and seconded by Trustee Acerson, to approve the consent agenda. The motion carried by a unanimous vote.

6. Oath of Office

a. Oath of Office: Treasurer and Officer of the Board - Viola Miller

The oath of office was administered to Viola Miller.

Following the oath, Ms. Miller made a few remarks on her new role with the agency.

7. Reports**a. Executive Director's Report**

- **Team Award - Facilities Management Group**
- **FTA Rail Vehicle Replacement Program - Funding Selection**

FTA Rail Vehicle Replacement Program - Funding Selection

Jay Fox, UTA Executive Director, reported the agency recently received notice of a \$60 million grant award for rail vehicle replacement from the Federal Transit Administration (FTA). The grant will fund vehicle improvements that make the TRAX system fully accessible with level boarding for all riders. Mr. Fox thanked staff and Utah's federal delegation, and specifically Senator Mitt Romney, for their work in securing the grant.

Team Award - Facilities Management Group

Mr. Fox was joined by Cherryl Beveridge, UTA Chief Operating Officer, and Kevin Anderson, UTA Director of Maintenance Support. Mr. Fox indicated today is World Facilities Management Day. He recognized the facilities team for its work during an exceptionally challenging winter. He reported FrontRunner was 90% on time during the winter, which was due in large measure to facilities employees' work in keeping sidewalks and platforms clear.

Mr. Anderson thanked his team for their efforts during inclement weather, during natural disasters, and in their everyday responsibilities.

b. Investment Report - First Quarter 2023

Viola Miller, UTA Chief Financial Officer, was joined by Rob Lamph, UTA Assistant Treasurer. Mr. Lamph delivered the first quarter 2023 investment report. As of March 31, 2023, the combined yield for UTA's accounts was 3.991%. The agency's investments were underperforming against the federal funds rate benchmark but trending upward overall. Mr. Lamph concluded by stating growth trends are slowing.

Discussion ensued. Mr. Lamph said Chandler (UTA's investment portfolio manager) is following a strategy to take advantage of current return rates while planning for a potential recession.

c. 2022 Annual Transit-Oriented Communities and Real Estate Inventory Report

Paul Drake, UTA Director of Real Estate & Transit-Oriented Development, summarized the agency's real estate inventory, which consists of 2,378 acres of land, 824 parcels of

property, and 3,190 licenses or leases. He also discussed active transit-oriented development (TOD) projects and key statistics related to TOD, such as:

- Completed or under construction: 14 development phases
- Residential: 1,702 dwelling units (126 affordable)
- Office: 570,000 square feet
- Retail/commercial: 50,000 square feet
- Hotel: 192 rooms
- Private investment: \$537 million
- UTA capital investment: \$45.7 million
- UTA return on investment: \$49.2 million

He concluded by reviewing progress on station area planning efforts.

Discussion ensued. Questions on build-out rates for UTA-owned TOD property and surplus properties were posed by the board and answered by Mr. Drake.

8. Resolutions

a. R2023-05-01 - Resolution Approving Amendment Two to the Terms and Conditions of Employment for Executive Director Jay Fox

Chair Christensen summarized the resolution, which 1) extends the employment of Mr. Fox to January 9, 2027, 2) adjusts the effective date for potential compensation increases to be consistent with the date of pay raises for other UTA administrative employees, and 3) authorizes a 4% merit increase effective January 10, 2023, recognizing Mr. Fox's 2022 performance.

A motion was made by Trustee Acerson, and seconded by Trustee Holbrook, that this resolution be approved. The motion carried by the following vote:

Aye: Chair Christensen, Trustee Holbrook, and Trustee Acerson

9. Contracts, Disbursements and Grants

a. Contract: Camera System Overhaul for TRAX and FrontRunner (Dell Marketing L.P.)

Cody Steffensen, UTA Video Security Technician, requested the board approve a \$3,197,021.50 contract with Dell Marketing L.P. for video surveillance hardware on TRAX and FrontRunner vehicles.

Discussion ensued. Questions on installation plans, live feed potential, and completion timeline were posed by the board and answered by Mr. Steffensen.

A motion was made by Trustee Holbrook, and seconded by Trustee Acerson, that this contract be approved. The motion carried by a unanimous vote.

b. Contract: UTA Headquarters and Salt Lake Central Redevelopment Design Services (Skidmore, Owings & Merrill LLP. "SOM")

Mr. Drake was joined by Sean Murphy, UTA Transit-Oriented Development Project Manager. Mr. Murphy requested the board approve a \$999,900 limited scope contract with Skidmore, Owings & Merrill LLP (SOM) for design efforts for the redevelopment of the Salt Lake Central Station, including a new mixed-use structure for UTA's headquarters. The contract covers the first 10% of the design work, including programming and conceptual design renderings.

Discussion ensued during which the board expressed support for moving forward with this endeavor as outlined.

A motion was made by Trustee Acerson, and seconded by Trustee Holbrook, that this contract be approved. The motion carried by a unanimous vote.

c. Change Order: On-Call Infrastructure Maintenance Contract Task Order #23-106 - 450 East Direct Fixation Double Crossover Procurement (Stacy and Witbeck, Inc)

Jared Scarbrough, UTA Director of Capital Construction, was joined by Kyle Stockley, UTA Manager of Capital Vehicles. Mr. Stockley requested the board approve a \$1,670,773 change order to the contract with Stacy and Witbeck, Inc to procure a direct fixation double crossover needed for state of good repair work on the TRAX alignment at 450 East. The total contract value, including the change order, is \$28,116,305.

Discussion ensued. Questions on state of good repair work and construction terminology were posed by the board and answered by staff.

A motion was made by Trustee Holbrook, and seconded by Trustee Acerson, that this change order be approved. The motion carried by a unanimous vote.

d. Pre-Procurements

- **Bi-Level Commuter Rail Vehicles**
- **Bi-Level Commuter Rail Car Overhaul**
- **Rail Vehicle Cleaning Services**
- **Clearfield FrontRunner Station Trail**
- **E-Voucher Phase 2**
- **Park & Ride Design Services**
- **UVX Design Services**

Troy Hamilton, UTA Procurement Manager, was joined by Mr. Stockley; Ben Adams, UTA Manager of Commuter Rail Vehicle Maintenance; Billy Patterson, UTA Assistant Manager of Commuter Rail Vehicle Maintenance; and Travis Colledge, UTA Project Manager III. Mr. Hamilton indicated the agency intends to procure the goods and/or services listed on the meeting agenda.

Discussion ensued. Questions on the bi-level commuter rail vehicle procurement type,

bi-level commuter rail vehicle ages (UTA-owned and new procurement), firms anticipated to bid on the cleaning services contract, inclusion of microbial cleaning services in the cleaning services contract, and asphalt installation at the Clearfield FrontRunner Station were posed by the board and answered by staff.

10. Budget and Other Approvals**a. TBA2023-05-01 - 2022 Carryover Report Adjusting 2023 Expenditure Authority**

Mary DeLoretto, UTA Chief Capital Services Officer, was joined by Ms. Miller, and Daniel Hofer, UTA Director of Capital Assets & Project Controls. Mr. Hofer reported the agency underspent its approved 2022 budget authority by approximately \$129.3 million. He requested the board approve a technical budget adjustment authorizing the carryforward of \$54.3 million from the 2022 budget authority to complete delivery of 2022 projects and support delivery of the 2023 capital budget. He indicated the remaining \$75 million will be reprogrammed, eliminated, or addressed in the 2024-2028 Five-Year Capital Plan.

A motion was made by Trustee Acerson, and seconded by Trustee Holbrook, that this technical budget adjustment be approved. The motion carried by a unanimous vote.

Chair Christensen called for a break at 10:25 a.m.

The meeting reconvened at 10:34 a.m.

11. Discussion Items**a. Escrow Substitution for the 2019 and 2021 Defeased Bond Escrows**

Troy Bingham, UTA Comptroller, was joined by Ms. Miller and Brian Baker with Zions Bank Public Finance. Mr. Baker briefed the board on the opportunity to utilize an escrow substitution to produce savings for the agency between \$400,000-\$500,000 and described the steps required to complete the substitution.

Discussion ensued. Questions on escrow requirements, determination process, State and Local Government Series (SLGS) non-marketable Treasury securities, federal debt ceiling impacts, State Bonding Commission requirements, bond selection for the transaction, and substitution parameters were posed by the board and answered by Mr. Bingham and Mr. Baker.

b. Bond Tender of Certain Taxable and Tax-Exempt Debt to Produce Debt Service Savings

Mr. Bingham was again joined by Ms. Miller and Mr. Baker. Mr. Baker explained the mechanics of a bond tender and said executing a bond tender of \$262.709 million on UTA's subordinated 2016, senior 2019B, and senior 2020B bonds would allow for a present value savings up to \$30.285 million. He also outlined the steps necessary for

transaction completion and reviewed indicative tender results.

Discussion ensued. Questions on call features, impact of current market interest rates, impact of federal interest rates, taxability of premiums to bondholders, transaction parameters, frequency of bond tender transactions, transaction withdrawal options, transaction timing, and impact on UTA's overall debt structure were posed by the board and answered by Mr. Bingham and Mr. Baker.

The trustees indicated their support but requested information about similar transactions with national transit agencies be shared in the presentation to the UTA Local Advisory Council (LAC).

c. Draft Capital Budget Amendment #2 and Revision to 2023-2027 Capital Plan

Ms. DeLoretto was joined by Ms. Miller, Ms. Shanklin, and Mr. Hofer. Mr. Hofer reviewed a draft capital budget amendment that modifies the 2023-2027 Five-Year Capital Plan to:

- Include two new projects (workforce/enterprise asset management and operator restrooms throughout the system)
- Modify several project budgets in the plan to absorb new project additions
- Move 2024 planned expenditures for the Transportation Investment Generating Economic Recovery (TIGER) program of projects in to the 2023 budget
- Increase 2023 budget authority by \$6.663 million

Discussion ensued. Questions on workforce management components, sewer line at Warm Springs, bus overhaul scope, and Jordan River Building 2 remodel were posed by the board and answered by staff.

d. Draft Operating Budget Amendment #1 - Bargaining Contract and Administrative Market Rate Compensation Adjustments

Brad Armstrong, UTA Director of Budget & Financial Strategy, was joined by Ms. Miller. Mr. Armstrong outlined a draft operating budget amendment that will:

- Increase budget expenses by \$7.74 million to adjust for additional wage and benefit expenses associated with the ratified collective bargaining agreement (CBA) with the Amalgamated Transit Union (ATU)
- Increase budget expenses by \$1.01 million to adjust for the impact of compensation changes to select administrative positions to reflect current labor market conditions
- Record changes to budget categories reflecting position moves between departments (no associated net increase)

Discussion ensued. The board recommended providing more detail on the CBA wage increases and information on the associated union vote in the presentation to the LAC.

e. Davis-Salt Lake City Community Connector Update

Patti Garver, UTA Manager of Environmental & Grant Services, was joined by Nichol Bourdeaux, UTA Chief Planning & Engagement Officer, and Alex Beim, UTA Manager of Long-Range Strategic Planning. Ms. Garver described the Davis-Salt Lake City Community Connector, which is a 26-mile Bus Rapid Transit (BRT) line that will carry approximately 5,800 riders per day and run from the FrontRunner Farmington Station to the University of Utah at Research Park. The project, which has an estimated capital cost of \$75 million, is not yet fully funded and is currently in the midst of the locally preferred alternative (LPA) approval process.

Discussion ensued. Questions on station aesthetics, station standards, and route alignment were posed by the board and answered by staff.

The board suggested including historical context on the project, station standards, and a reference to the Transit Transportation Investment Fund (TTIF) as potential funding source in the presentation to the LAC.

12. Other Business

- a. Next Meeting: Wednesday, May 24th, 2023 at 9:00 a.m.

13. Adjourn

A motion was made by Trustee Holbrook, and seconded by Trustee Acerson, to adjourn the meeting. The motion carried by a unanimous vote and the meeting adjourned at 11:45 a.m.

Transcribed by Cathie Griffiths
Executive Assistant to the Board Chair
Utah Transit Authority

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/830933.html> for entire content. Meeting materials, along with a time-stamped video recording, are also accessible at https://rideuta.granicus.com/player/clip/228?view_id=1&redirect=true&h=ea2e9becc2e4bf9727db3a468c65a9e.

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

Approved Date:

DocuSigned by:



Carlton J. Christensen
Chair, Board of Trustees