

Working Meeting of the
PLANNING & DEVELOPMENT COMMITTEE
Of the Board of Trustees of the Utah Transit Authority
Meeting Minutes
October 14, 2015

Meeting Attendees:

Board Members:

Trustee Charles Henderson, Chair
Trustee Keith Bartholomew
Trustee Necia Christensen
Trustee Sheldon Killpack
Trustee Justin Allen
Trustee Matthew Bell
Board Chair H. David Burton
Trustee Dannie R. McConkie
Trustee Michael Romero
Trustee Chris Sloan

Staff Available for Comment:

Jerry Benson, Interim President/ CEO
Jayne Blakesley, General Counsel
Bob Biles, Vice-President/ Chief Financial Officer
Andrea Packer, Chief Communication Officer
Steve Meyer, Chief Development Officer
Matt Sibul, Chief Planning Officer
Sheldon Shaw, Acting Chief Safety and Security Officer
Clair Fiet, Chief Technology Officer
Erika Shubin, Manager of Public Relations and Marketing
Isaac Clarke, Auditor
Danyce Steck, Comptroller
Dave Kallas, Senior Advisor to the GM
Brad Armstrong, Manager, Financial Plan-Analysis
Stan DeJong, Manager, Financial Plan-Grants Dev
G.J. LaBonty, Mgr-Long Range Strategic Planning
Hal Johnson, Mgr, Project Dev-Systems Plan
Christopher Chesnut, Manager of Service Planning
Alma Haskell, Grants and Contracts Administrator
Cathie Griffiths, Assistant to President-CEO
Rebecca Cruz, Board of Trustees Administrator
Guests: Andrew Gimperline, WFRC
Ned Hacker, WFRC

Meeting Report by: Jana Evans, Office Administrator
jevans@rideuta.com 801 237-1901

Welcome

Chairman Henderson welcomed committee members and guests and called the meeting of the Planning and Development Committee to order at 2:34 p.m. Trustee Christensen deputized Board Members in attendance with voting rights.

- **Safety First Minute:** Sheldon Shaw, Chief Safety Officer, presented the October safety poster, “The door to Safety swings on the hinges of common sense”. He also shared that over 80% of workplace accidents are caused by unsafe acts, not unsafe conditions.
- **Action Items:**
 - a. **Approve September 9, 2015 Meeting Report** **Charles Henderson**
Trustee McConkie made the motion that the September 9, 2015 meeting minutes be accepted as written. Trustee Christensen seconded the motion and it passed unanimously.
 - b. **Executive Request Regarding Performance Bonus** **Jerry Benson**
 - Jerry Benson, Interim President/ CEO, read a letter from the UTA Executive team to the Board of Trustees. The letter thanked the Board for its leadership and direction. The letter further declined the executive staff 2015 and 2016 incentive pay and asked instead that the funds be redirected toward

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service improvements.

- Chairman Burton stated that while the amount may not be significant, it says a lot about the leadership and integrity of the Executive staff.
- The committee members expressed their agreement with Chairman Burton.
- Trustee Allen suggested that the Board undertake a discussion on the incentive bonus in general at some point in the future.

c. **Board Goal Discussion Part II**

Matt Sibul/ GJ LaBonty

- Matt Sibul, Chief Planning Officer, introduced a review of the annual Board retreat starting with the updated schedule.
- He recapped the retreat as discussed in detail at last month's committee meeting. The retreat themes and topics were reviewed by comment quantity.
- The proposed 2016 goals were described as four core goals 1) Improve Public Trust and Accountability; 2) Increase Ridership; 3) Minimize Investment Per Rider (IPR); and 4) Aggressively Pursue Revenue Development. The three strategic goals were identified as 1) TOD: Think Beyond UTA Property; 2) Leverage Technology in Fares; and 3) First/Last Mile Implementation.
- The proposed core goals were reviewed along with their objectives, measures and example strategies.
- The Public Trust and Accountability goal was discussed in greater detail including the possibility of expanding the annual Benchmark Survey effort and, once the public input has been analyzed, develop strategies to respond to the public. Also discussed was the "real time" aspect of social media and UTA's response. Trustee Killpack stated that he saw a lot of educational opportunity with this goal.
- The Investment per Rider proposed goal was presented and discussed. Chair Burton raised a question about favorable fuel prices possibly impacting this figure.
- The revenue development proposed goal was shown along with the methodology used to arrive at this goal.
- Board member questions regarding the sale of real property were answered by Steve Meyer, Chief Development Officer.
- The Strategic Goals that have been proposed for 2016 were also reviewed.
- Discussion took place on the measurements of all goals in some detail.
- Chair Burton asked about UTA involvement in the GreenBike program. Andrew Gimperline, WFRC, stated that a partnership between UTA and other shareholders, could be used to expand the GREENbike program through the region.
- GJ LaBonty, Mgr-Long Range Strategic Planning, discussed the Core goal of Ridership, and the statistical model that was developed by an intern that UTA hired this summer. This young man researched an extensive list of factors over a period of the past ten years to develop a list of factors which proved the most significant in effecting ridership numbers. Those significant factors are gasoline price, population, employment, centerline track miles, fare price, revenue miles per 1,000 population.
- The factors of fare price and revenue miles per 1,000 population were deemed to be the ones that UTA had the most control over.
- Based on the equation that was developed and improvements that have been seen since the August change day, staff recommends an actionable and achievable ridership goal of 2.5% for 2016.

Trustee Christensen made the motion that the Resolution adopting Goals for 2016 be forwarded to the Board as modified today. Trustee Killpack seconded the motion and it passed unanimously.

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a. **Submission of Tentative Budget for Approval**

Bob Biles

- Mr. Benson shared a few budget highlights. He stated that staff would be presenting a balanced budget for 2016. Mr. Benson further stated that some of the unrestricted reserves that UTA has developed would be used to provide further operations improvements as intended.
- Bob Biles, Chief Finance Officer, presented the 2016 Tentative Budget. He stated that no referendum funds have been assumed in this budget.
- Actions related to the 2016 goals were shown as they pertain to budget.
- Assumptions for revenue were shown and discussed including sales tax increase of 4.75%, passenger revenue growth of 2.3%.
- Expense assumptions were shown including wages, benefits, fuel at \$3.00/gallon, electricity cost growth of 2.2%.
- Service change assumptions were shown. Also shown was the fares report including continuing the existing FAREPAY promotion thru 2016 and advancing the general fare policy.
- Key features of the 2016 Operating Budget including expand mobility management, maintain strong reserve levels, fund pension system at 2033 full funding rate, and look for opportunities in private/public partnerships.
- Mr. Biles showed and described the budget in further detail. Revenue numbers were shown as a projected growth factor of 3.7% over all.
- The capital budget was described including several technology initiatives which are the most important to our customers. The State of Good Repair items proposed for 2016 were identified.
- The proposed Transit Systems Initiatives and Studies were shown and discussed. Board member questions were answered with regard to specific studies.
- The Capital Expense budget numbers were shown, as well as the Capital Revenues. The estimated reserves were shown to be approximately \$75M over the required amount of \$105M.
- Questions were answered about reserves and investments.
- The budget policy checklist was shown to include: meet all bond covenants and debt obligations, maintain a working capital, establish adequate cash reserves for debt service funds and reserves, etc.
- The 2016 Budget summary was shared. Steps going forward were described including approval of tentative budget at the October 28 Board meeting.

Trustee Killpack made the motion that the resolution adopting the tentative 2016 budget be forwarded to the full Board with a recommendation of approval. Trustee Christensen seconded the motion and it passed unanimously.

Trustee Christensen made the motion that the committee go into closed session. Trustee Killpack seconded the motion and it passed unanimously.

● **Closed Session Items:**

- a. Strategy Session to Discuss On-going and/or Potential Litigation and any other attorney/ client privileged communication.
- b. Strategy Session to Discuss Purchase, Exchange or Lease of Real Property when Public Discussion would Prevent the Public Body from Completing the Transaction on the Best Possible Terms.

● **Action Taken Regarding Matters Discussed in Closed Session**

● **Information Items:**

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- a. **Local Option Update** **Dave Kallas**
- Ballots have been mailed out for everyone for the upcoming election.
 - The coalition is running ads and staff outreach through open houses and meetings was described by Andrea Packer, Chief Communications Officer.
- b. **Review of August Goal Dashboard** **Matt Sibul**
- Mr. Sibul displayed the Planning and Development dashboard showing all green.
- e. **Liaison, Conference and External Committee Reports** **Charles Henderson/ Jerry Benson**
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6. **Input for November Committee Meeting Agenda** **Charles Henderson**
- d. Approval of October 14, 2015 Meeting Minutes Charles Henderson
 - e. State of Good Repair Report
 - f. TOD Update Paul Drake/ Steve Meyer
 - g. Adding a car to FrontRunner Trains Assessment
 - h. Provo / Orem BRT Update Grey Turner
 - i. Liaison, Conference and External Committee Reports Charles Henderson
7. **Update Handouts** **Charles Henderson**
8. **Other Business** **Charles Henderson**
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9. **Adjourn** **Charles Henderson**
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- Trustee Sloan made the motion that the meeting be adjourned at 4:48 p.m. Trustee Christensen seconded the motion and it passed unanimously.