



Utah Transit Authority

Board of Trustees

MEETING MINUTES - Draft

669 West 200 South
Salt Lake City, UT 84101

Monday, September 11, 2023

11:00 AM

FrontLines Headquarters

Budget Work Session

Present: Chair Carlton Christensen
Trustee Beth Holbrook
Trustee Jeff Acerson

Also in attendance were UTA staff members.

1. Call to Order and Opening Remarks

Chair Christensen welcomed attendees and called the meeting to order at 11:09 a.m. He announced this is an in-person meeting with audio recording and no live video stream. A full audio recording will be made available within three days.

2. Safety First Minute

Felila Toleafoa - UTA Executive Assistant to Executive Director, delivered a brief safety message.

3. Discussion Items

a. 2024 Budget Overview

Presenters: Jay Fox, UTA Executive Director and Viola Miller, UTA Chief Financial Officer.

Mr. Fox outlined the agenda for the budget work session. He summarized some of the agency's 2023 key highlights and accomplishments with an accompanying video.

Mr. Fox talked about the direction of the agency for 2024, the key initiatives, and how these have been aligned with the agency's strategic plan and priorities. He referred to a number of initiatives for the 2024 budget and proposed new positions be added to provide the necessary support and resources needed by each department.

Mr. Fox turned the time over to Viola Miller, UTA Chief Financial Officer, to talk about the 2024 budget request process and the needs of each department. She mentioned each department will outline their budgets during the course of the presentation.

Ms. Miller reemphasized Mr. Fox's comment regarding the budget process aligning with initiatives centered around the strategic plan priorities in addition to systems improvement and resource needs to meet the needs of the agency.

Ms. Miller's presentation included a summary of the 2024 agency requests, operating expenses and revenues, and graphs highlighting diesel price trends and sales tax growth. A 2024 tentative budget overview provided with comparisons of the 2023 budget and proposed 2024 budget was presented. This included the operating budget with expenses by mode, office, category, FTE, and a final summary of the proposed 2024 operating budget changes.

Discussion ensued. Several questions were posed by the board and answered by staff. Topics included:

- Funding sources (capital versus operational costs)
- Diesel prices and energy costs
- Parts and supply chain issues
- Options on fuel hedging
- Sales Tax growth
- Employee headcount versus FTE

Recommendations and requests from the Trustees relating to the 2024 Budget Overview are as follows:

- Research into the possibility of Fuel hedging.
- FTE versus headcount. Number of employees the agency has.
- Report on why operations shows a 24.5 reduction in FTE in 2024.
- Further details on the 2023 one-time expenses and 2023 carry forward items

A recess was called at 12:09 p.m. with the meeting reconvening at 12:19 p.m.

b. Chief Capital Services Officer Budget

Presenters: Mary DeLoretto, UTA Chief Advisor to the Executive Director; Dave Hancock, UTA Chief Capital Services Officer; Dan Hofer, UTA Director - Capital Assets & Project Controls; Jared Scarbrough, UTA Director of Capital Construction; Paul Drake, UTA Director of Real Estate & TOD.

Ms. DeLoretto opened the presentation on the Capital Services Officer Budget and summarized Delivery on 2023 Commitments. Other members of the Capital Services team provided project information and associated budgets on their areas of expertise. The presentations included delivery on 2023 commitments, 2024 base budget services, capital services program analysis, 2024 strategic alignment activities, capital investments, and the 2024 proposed operating budgets for each department.

Discussions ensued and several questions were posed by the board and answered by staff. Topics of inquiry included:

- Fleet Management Plan (FMAP) for Non-Revenue Vehicles.
- Procurement of Revenue Vehicles in relation to the UDOT partnership.
- Station Area Plans - coordination, compliance, assistance.
- Central HQ Building - operational plan during an emergency event.
- Opportunities for synergy with long-term projects.
- Bus stop cost efficiencies.
- Capital construction, development, and centralized maintenance.
- Utility cost increases.
- Various project questions and clarifications.

Recommendations and requests from the Trustees relating to the 2024 Capital Services Officer Budget Review included:

- Station Area Plans - which cities need assistance from the MPOs with their plans.
- Explanation of Utilities increase in 2024.

A recess was called at 1:20 p.m. with the meeting reconvening at 1:30 p.m.

c. Chief Planning and Engagement Officer Budget

Presenters: Nichol Bourdeaux, UTA Chief Planning & Engagement Officer; Megan Waters, UTA Community Engagement Director; Cindy Medford, UTA Manager of Customer Service; Hal Johnson, UTA Acting Director - Innovative Mobility Solutions; Russ Fox, UTA Director of Planning.

Ms. Bourdeaux introduced herself and the members of her team who will be presenting the Planning and Engagement 2024 budget. She summarized delivery on 2023 commitments and referenced a dashboard created by the Planning & Engagement team which aligns with the strategic initiatives and targets for the department. This dashboard is available to the public.

Mr. Russ Fox referenced increased ridership and stated In June 2023, ridership numbers on fixed bus routes surpassed 2019 ridership. Discussion ensued including identifying trends, high ridership areas, capacity levels, and how UTA can meet the increased demand. Chair Christensen requested this be a topic at a future board meeting.

Ms. Bourdeaux reviewed the 2024 Base Budget Services which included a breakdown of estimated miles and hours per mode for August 2024 change day and an annual delta highlighting the increase between 2023 and 2024. This identified the need for an additional 87 full-time operators to achieve the proposed increased service for August 2024 change day as part of the Five-Year Service Plan (5YSP).

Discussion ensued on the likelihood of obtaining the required number of operators to

meet the goals set in the 5YSP and proposed service changes for 2024 August change day. Prioritization of services including restoration of suspended services, ski service, increased frequency, new alignments, in addition to Title VI considerations, were discussed. The ability to meet these needs and priorities is dependent upon the hiring of operators.

Ms. Bourdeaux shared the 2024 Holiday Schedule and the planned services to be provided by mode during these holidays in addition to a 2024 community events schedule.

A Program Analysis identifying strengths, needs, opportunities, and challenges for the Planning and Engagement Team was presented by Ms. Bourdeaux. Additional information was provided on 2024 Strategic Alignment Activities and expected outcomes, expenses by department and category, and a summary of the overall 2024 proposed operating budget and FTEs and headcount changes.

Presentations and budgets for each area of the Planning and Engagement Office including Customer Experience, Mobility Services, Service Planning, and Strategic Planning were presented by Community Engagement staff.

Discussions ensued with several questions posed by the board and answered by staff. Topics of inquiry included:

- Workforce challenges and their impact on the 5YSP and August 2024 change day.
- Integration of the new fares system within the Transit App.
- Stakeholder message: “the Value of Transit” - highlighting the economic impact of transit.
- Electrification and rate schedules with Rocky Mountain Power and other municipal power providers.
- Transit Connection program (Rider Ambassadors), and collaboration and coordination with local cities and community agencies on services and resources.
- Implementation plan for Wayfinding.

Recommendations and requests from the Trustees relating to the Planning and Engagement Budget included:

- Add increased ridership as an agenda item at a future board meeting.
- Provide a plan including timeline for the integration of the new fares system within the Transit App.
- Provide a timeline for the Paratransit study with the University of Utah.

d. Executive Director Budget

Presenters: Jay Fox, UTA Executive Director; David Wilkins, Assistant Attorney General; Sheldon Shaw, UTA Director of Safety & Security.

Executive Director

Mr. Fox started his presentation by sharing delivery of projects and services against 2023 commitments. His highlight of the year was the NBA All-Star Week which he described as a magical experience for all involved. Another key focus area in 2023 was strategic planning and the mission-driven culture “One UTA.”

Mr. Fox’s presentation included 2023 commitments in process, 2024 base budget services, program analysis, 2024 strategic alignment activities, and 2024 proposed operating budgets.

Mr. Fox turned the time over to Mr. Wilkins, to present the Legal Services budget.

Legal Services

Mr. Wilkins addressed a question posed earlier in the meeting regarding fuel hedging. He noted some time ago the Board authorized the finance department to review fuel hedging options. The model determined previously was considered to be in violation of the State Money Management Act. That determination was further supported by the State Treasurer and their legal counsel.

Mr. Wilkins pointed out, since UTA is a sub-division of the state government, it is ineligible to be on the GSA contract. Chair Christensen asked if other options could be explored for fuel pricing and if the treasurer can provide some guidance. He suggested that UTA consider looking into a legislative solution.

Mr. Wilkins presented his 2024 proposed operating budget to the Board. The proposed budget represents a 2.6 percent decrease from 2023 due to less money being spent on outside legal counsel. He said the majority of UTA’s legal work can be handled in the Attorney General's office which presents a cost savings.

Discussions ensued and several questions were posed by the board and answered by staff. Topics of inquiry included:

- Fuel hedging.
- Tort Litigation performance metrics.
- In-house legal services versus outside counsel.

Safety and Security

Mr. Shaw presented his 2024 safety and security budget. He provided details on 2023 deliverables, base budget services, and the 2024 proposed operating budget. He mentioned the addition of two new FTE positions (video technicians) in his department this year.

Discussion ensued and several questions were posed by the board and answered by staff. Topics of inquiry included:

- Hearing conservation program.
- Employee safety education.
- Hepatitis B safety immunization program.

Recommendations and requests from the Trustees relating to the Executive Director Budget included:

- Follow up on alternative options for fuel hedging.
- A financial breakdown of the “services” category under the legal services budget including the amount paid to the Attorney General’s Office for legal services.

Ms. Miller provided some clarification on budget items and accounting changes from her introductory presentation which will be detailed in the agency's final budget. These items include:

- Movement of non-revenue vehicles consolidation.
- Transfers between chief officer budgets.
- Changes and accounting for interns.
- A central capital contingency budget.

4. Other Business

- a. Next Meeting: Budget Work Session - Tuesday, September 12, 2023 at 9:00 a.m.

5. Adjourn

The meeting adjourned at 3:55 p.m.

Transcribed by Hayley Mitchell
Executive Assistant to the Board
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 or audio located at <https://www.utah.gov/pmn/sitemap/notice/856817.html> for entire content. Meeting materials are also accessible at <https://rideuta.com/Board-of-Trustees/Meetings>.

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

Approved Date:

Carlton J. Christensen
Chair, Board of Trustees