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Local Advisory Council Leadership  
Utah Transit Authority  
669 West 200 South  
Salt Lake City, Utah 84101

Dear LAC Leadership Team,

I have been asked to provide a legal opinion concerning the interpretation of the statutory duty given to the Local Advisory Council (LAC) to set compensation for the Board of Trustees. (UCA 17b-2A-808.2(4)(a)). One interpretation is that in order to set compensation for the Board members, the LAC must act in a supervisory capacity by establishing performance goals and then measuring performance against those goals. This interpretation is understandable if the focus is placed on the individual performance of Board members. However, the Attorney General's Office believes this interpretation is incorrect. It would require the LAC to act outside the scope of its authority as an "advisory" body. The LAC's central role is to "consult with" and "advise" the Board of Trustees "regarding the operation and management of the public transit district". Nowhere in law or rule is the LAC given any type of supervisory authority over the Board members. The misconception regarding this "supervisory" interpretation is that it focuses on the compensation of the individuals who are serving as Trustees instead of the position of Trustee.

The Attorney General's Office believes the statute must be interpreted as giving the LAC the duty to set compensation for the Board member position, not individual Board members. Just as any organization sets compensation for various positions within the organization without focusing on the individuals who occupy the position, the legislature has directed the LAC to set compensation for the "position" of Trustee. Therefore, the only interpretation which is in harmony with the entire rest of the Public Transit District Act statute is that the LAC is charged with setting compensation for the position of trustee without focusing on the performance of individual members. In this light, I believe the compensation approach advocated by LAC leadership which involves setting compensation at a set amount and then tying any adjustment to the State annual COLA meets the intent of the legislature and is in harmony with the statute. It also contains the added benefit of pegging adjustments to a COLA which is outside the control of UTA or the Board of Trustees. Subject to the proviso set in statute that the salary for the trustee position may not exceed \$150,000, the approach advocated by LAC leadership is legally sufficient.

This legal opinion is not meant to detract from the LAC's vital statutory role to review, approve, and recommend for final adoption (or not) virtually every significant action taken by UTA regarding service plans, capital development plans, and transit-oriented development (TOD) plans. In addition, the LAC is given the responsibility to consult with the Board of Trustees on the annual budget, bond issuance, acquisitions, disposition of property for TOD development, investment of UTA funds, as well as internal audits and audit findings. The importance of the LAC's role in ensuring UTA is moving forward in the best possible direction cannot be overstated.

Please let me know if you need additional clarification or guidance.

Yours Truly,

Michael Bell  
Assistant Attorney General