

# UTA Board of Trustees Meeting

October 23, 2019



# Call to Order and Opening Remarks



# Pledge of Allegiance



# Safety First Minute



**If there is a train near, don't give in to fear,  
just remember that the trains cannot steer.**



**U T A**   
SAFETY & SECURITY

**October 2019**



# Public Comment Period



# Public Comment Guidelines

- Each comment will be limited to two minutes per citizen or five minutes per group representative
- No handouts allowed



# Approval of October 9, 2019 Board Meeting Minutes



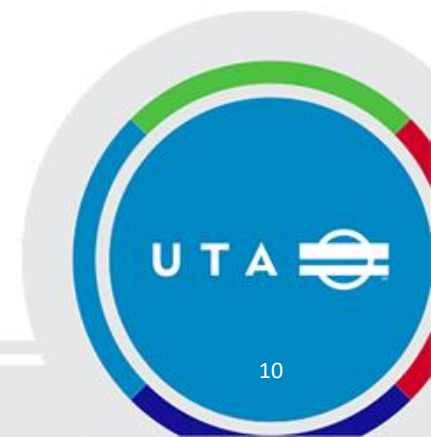


# Recommended Action (by acclamation)

Motion to approve



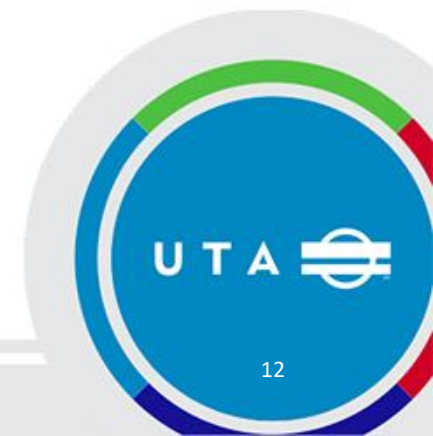
# Agency Report



**THANK YOU:  
Trooper Ruben Correa and  
Operator Riley Nelson**

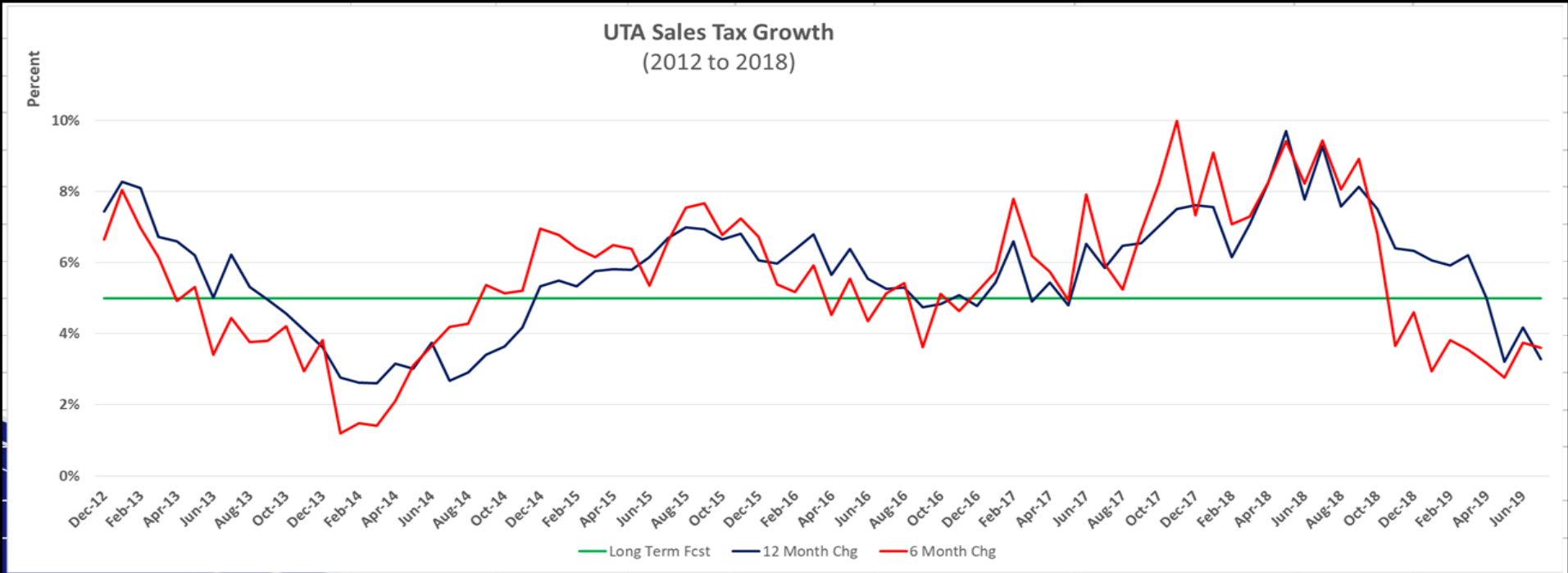


# Financial Report – September 2019



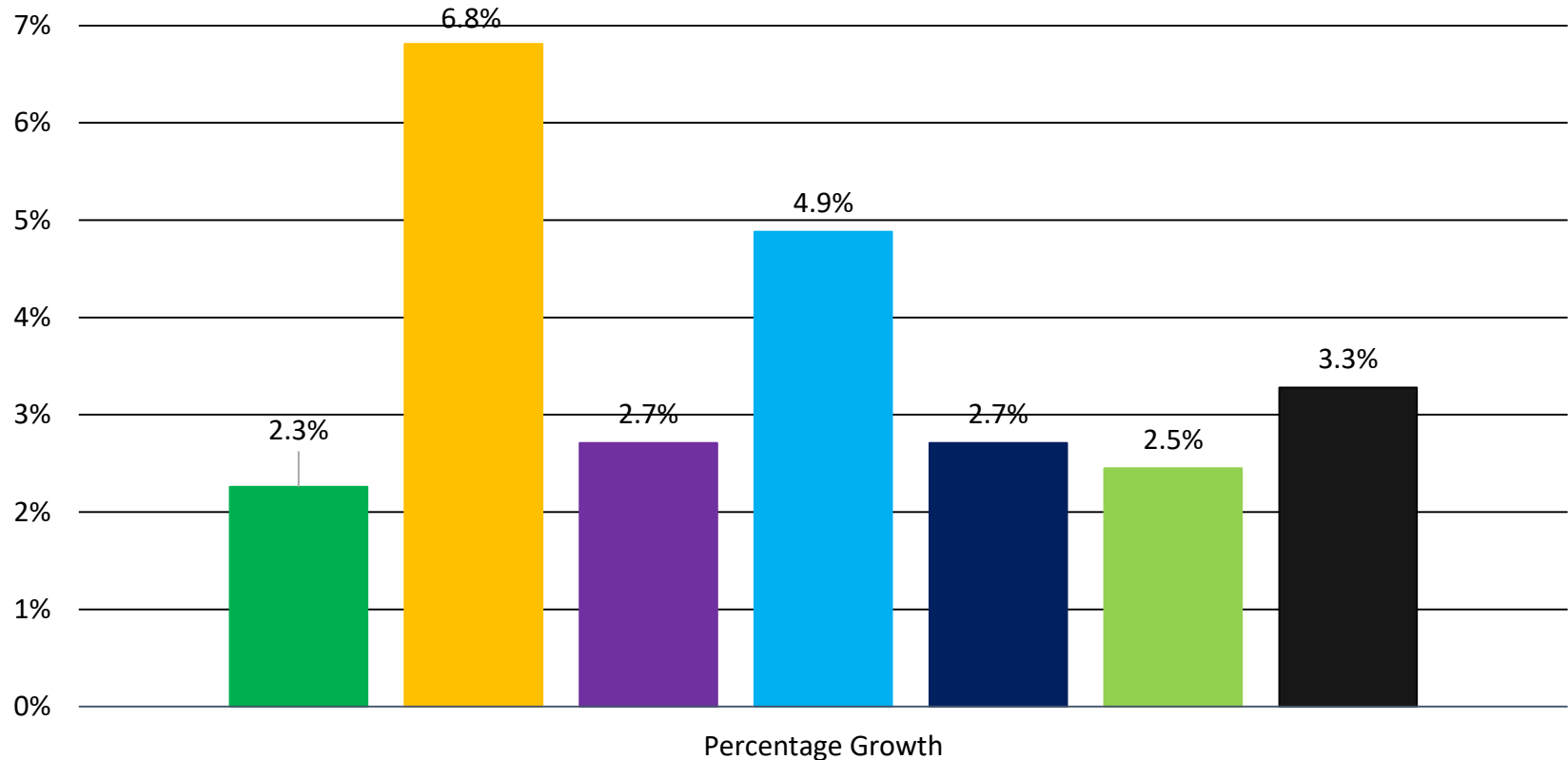
# September 2019 Dashboard

Financial Metrics	Fav/ (Unfav)				Fav/ (Unfav)			
	Aug Actual	Aug Budget		%	YTD Actual	YTD Budget		%
Sales Tax (July '19 mm \$)	\$ 28.1	\$ 26.1	\$ 2.03	● 7.8%	\$ 171.8	\$ 168.7	\$ 3.09	● 1.8%
Fare Revenue (mm)	\$ 4.5	\$ 4.6	\$ (0.11)	● -2.4%	\$ 39.7	\$ 40.0	\$ (0.29)	● -0.7%
Operating Exp (mm)	\$ 23.5	\$ 24.8	\$ 1.31	● 5.3%	\$ 210.8	\$ 220.0	\$ 9.18	● 4.2%
Subsidy Per Rider (SPR)	\$ 4.63	\$ 5.50	\$ 0.87	● 15.8%	\$ 5.21	\$ 5.50	\$ 0.29	● 5.3%
UTA Diesel Price (\$/gal)	\$ 2.13	\$ 2.50	\$ 0.37	● 15.0%	\$ 2.04	\$ 2.50	\$ 0.46	● 18.3%
Operating Metrics	Aug Actual	Aug-18	F/ (UF)	%	YTD Actual	YTD 2018	F/ (UF)	%
Ridership (mm)	4.10	4.04	0.1	● 1.5%	32.85	32.85	(0.0)	● 0.0%
Alternative Fuels	CNG Price (Diesel Gal Equiv)		\$ 1.85					



# Sales Tax Collections

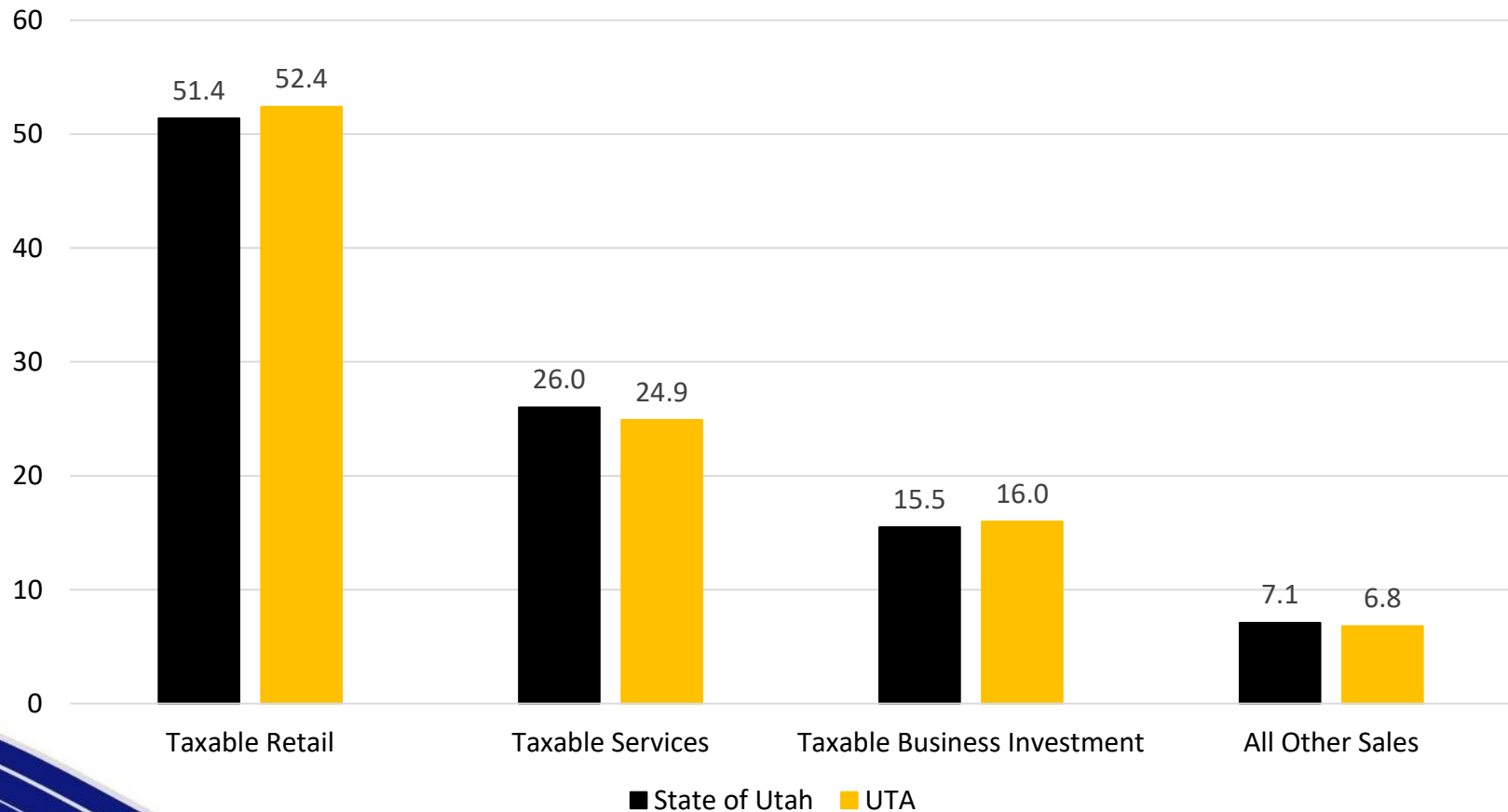
(2019 over 2018 for 12 months ended September 30)



■ Salt Lake (61.5%) ■ Utah (16.4%) ■ Davis (11.3%) ■ Weber (9.2%) ■ Tooele (0.9%) ■ Box Elder (.7%) ■ Overall

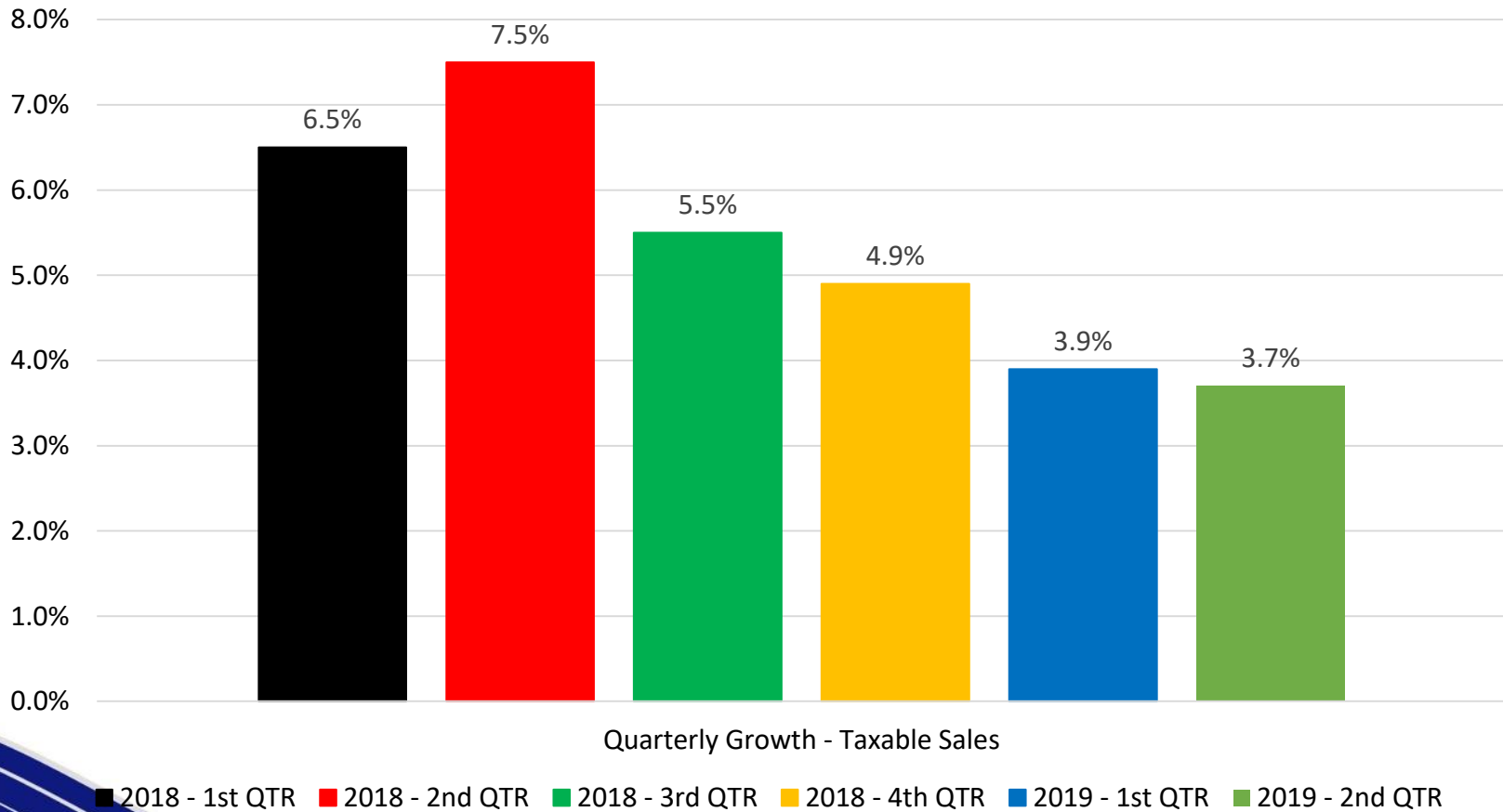
# Taxable Sales by Supersectors

Percentage of Total Taxable Sales – 2<sup>nd</sup> Quarter 2019



Source: Utah Tax Commission

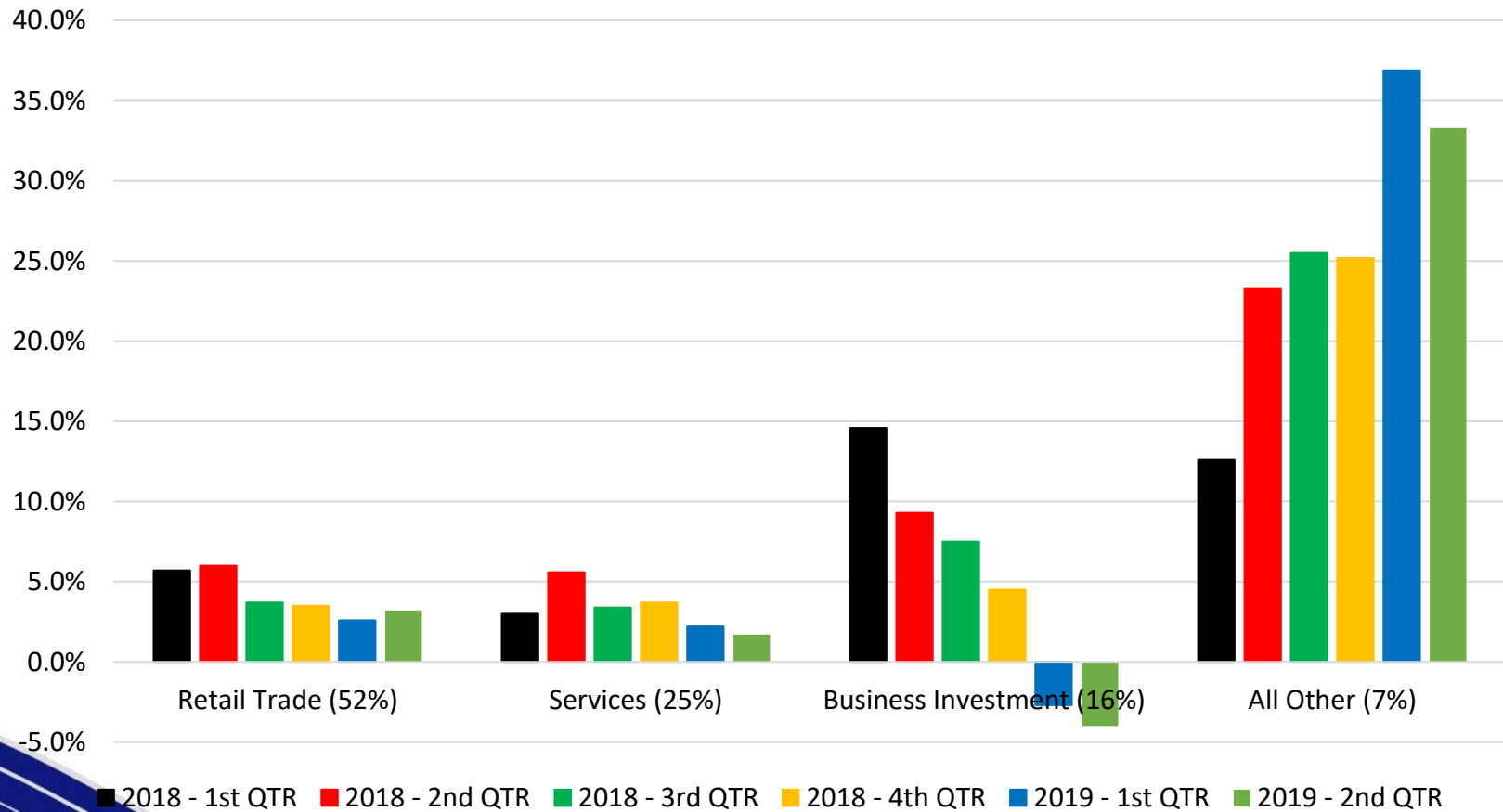
# UTA's Quarterly Taxable Sales Growth – Year Over Year



Source: Utah Tax Commission

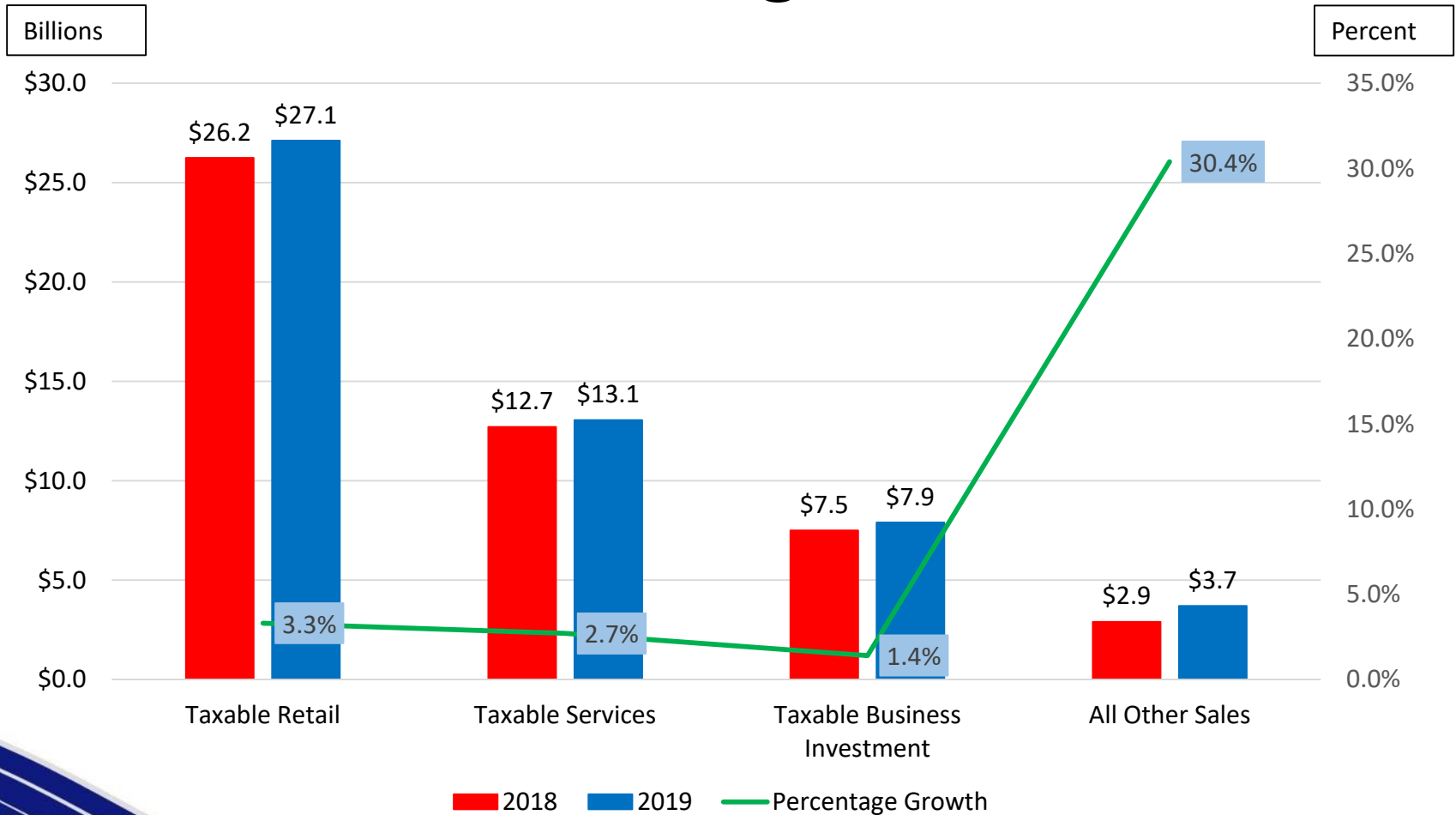


# UTA's Quarterly Taxable Sales Growth Year Over Year by Supersectors



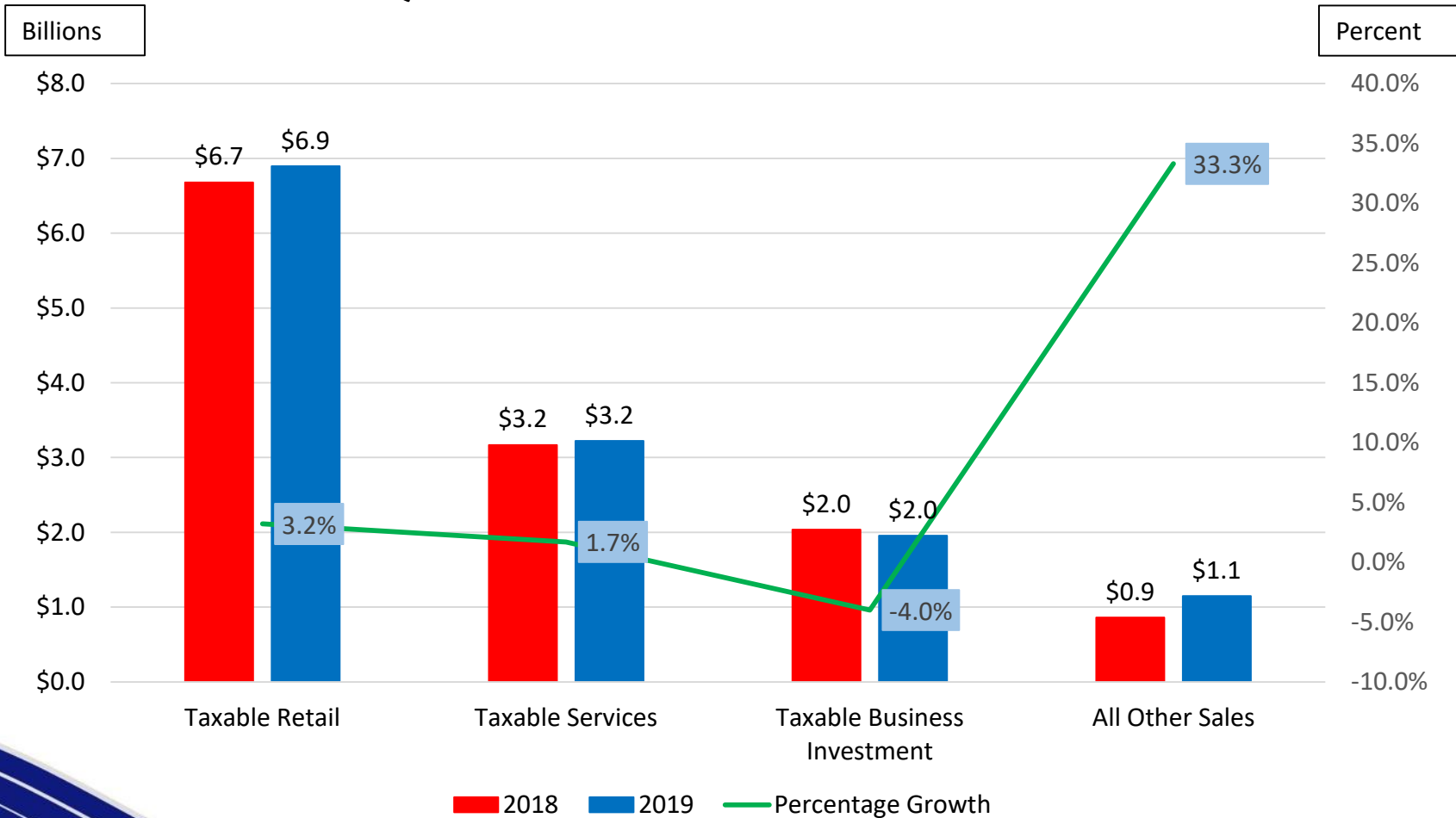
Source: Utah Tax Commission

# UTA Taxable Sales Growth for Twelve Month Period Ending June 30



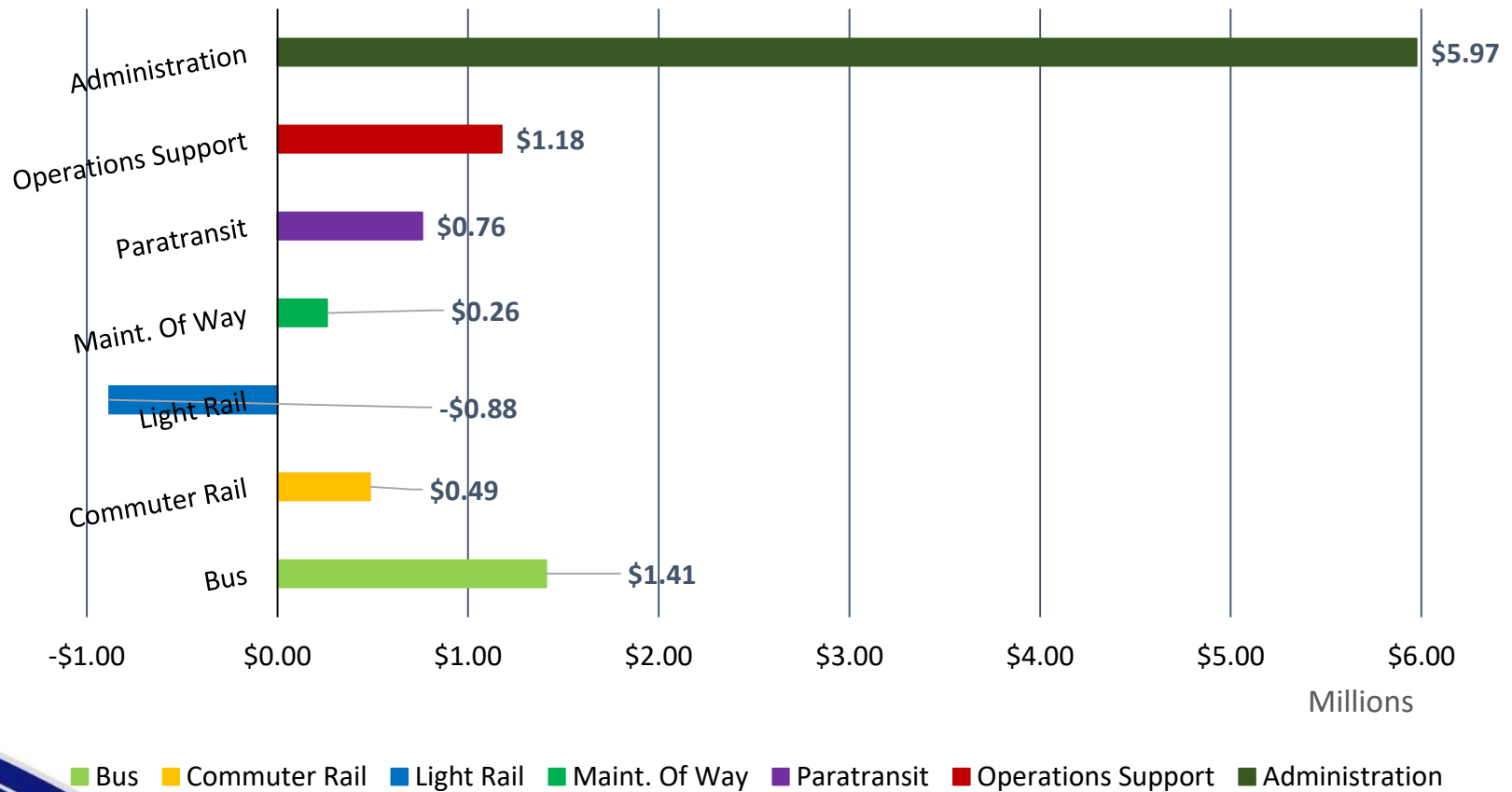
Source: Utah Tax Commission

# UTA Taxable Sales Growth for Second Quarter 2019 and 2018

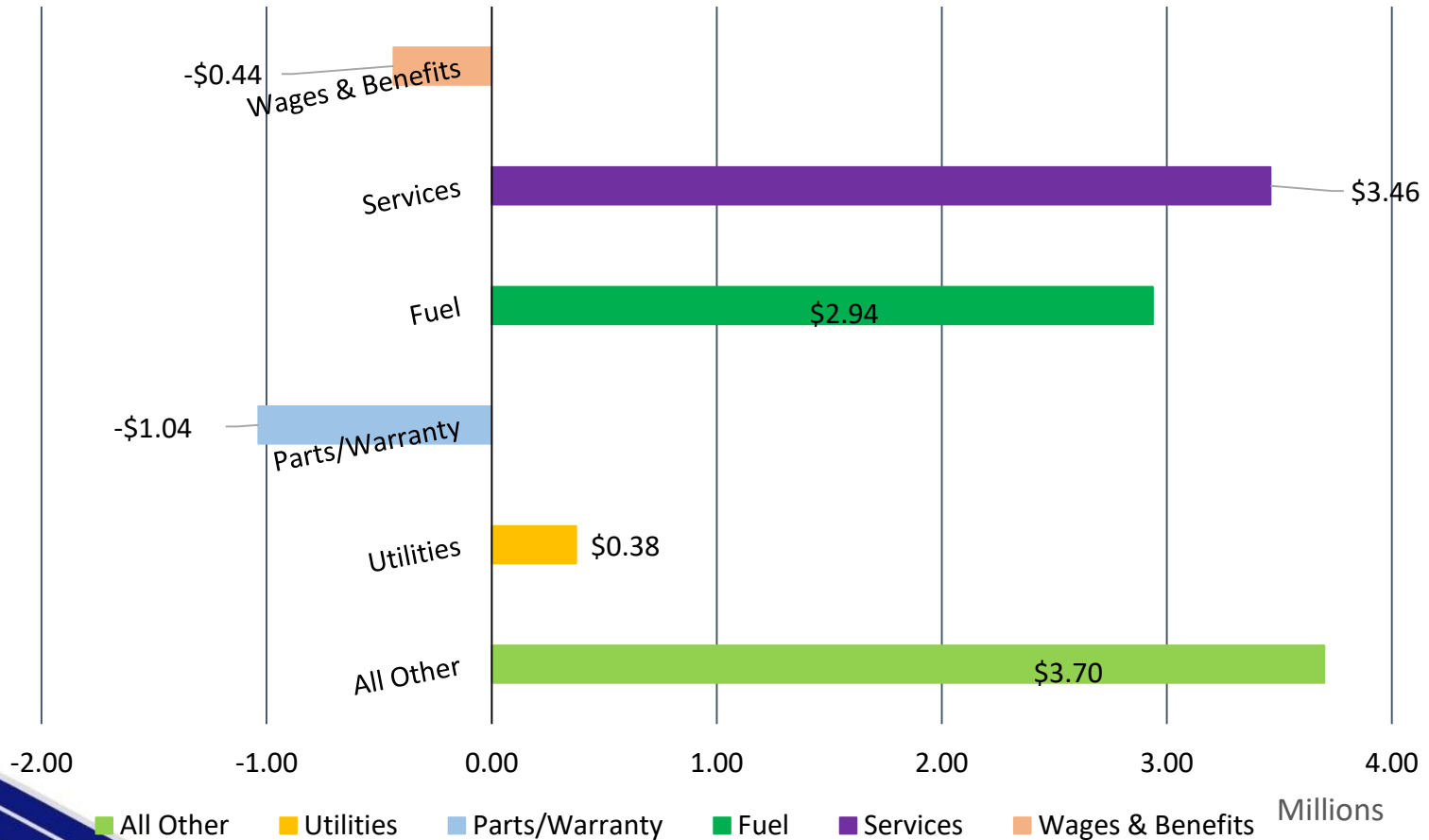


Source: Utah Tax Commission

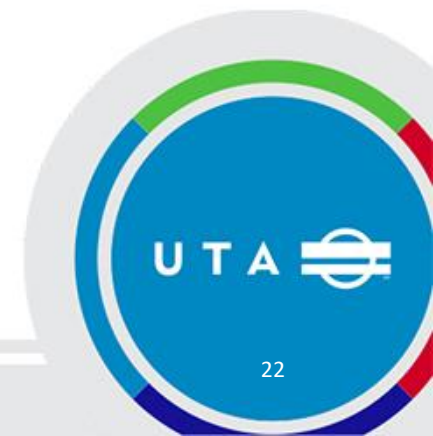
# YTD 2019 Expense Thru September 30 Variance by Mode



# YTD 2019 Expense Thru September 30 Variance by Type



# Third Quarter 2019 Investment Report



**Utah Transit Authority**  
**Investment Portfolio**  
**September 30, 2019**

Investment	CUSIP	Amount Invested	Purchase Date	Maturity	Yield to Maturity	Annual Earnings
No current Investments		\$ -				

Zions Capital Advisors		\$ 28,410,088.53			2.637%	\$ 749,174
Zions Bank		\$ 12,158,853.39			1.850%	\$ 224,939
Public Treasurer's Investment Fund		\$ 163,681,069.89			2.566%	\$ 4,199,707
<b>Total Investments</b>		<b>\$ 204,250,011.81</b>			<b>2.533%</b>	<b>\$ 5,173,820</b>

**Rates as of Last Trading Day of**

	<u>July</u>	<u>August</u>	<u>September</u>
Zions Capital Advisors	2.489%	2.477%	2.637%
Public Treasurer's Investment Fund	2.827%	2.688%	2.566%
Benchmark Return*	2.400%	2.130%	2.040%

\*Benchmark Return is the highest of either the 3 Month T Bill rate or the Fed Funds rate.

**Investments Purchased**  
**July 1 through September 30, 2019**

Investment	CUSIP	Amount Invested	Purchase Date	Maturity	Yield to Maturity	Annual Earnings
No purchases this quarter						

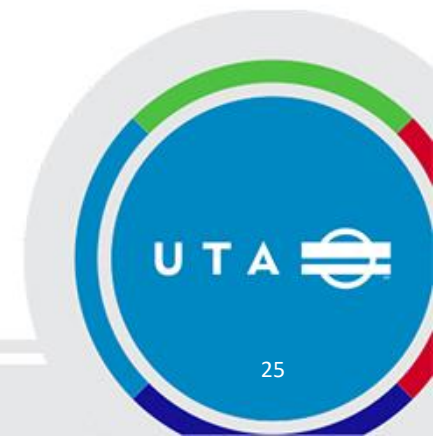
**Investments Sold**  
**July 1 through September 30, 2019**

Investment	CUSIP	Amount Invested	Date Sold	Sale Amount	Interest Earned	Gain
FAMCA 1.800%	3132X0WX5	\$ 4,952,250.00	8/29/2019	\$ 5,037,150.00	\$ 23,000.00	\$ 71,764.61
FHLB 2.030%	3130ACS96	\$ 4,982,373.61	9/4/2019	\$ 3,586,603.61	\$ 18,157.22	\$ 69,040.76
FFCB 2.08%	3133EHM91	\$ 4,992,900.00	9/5/2019	\$ 5,115,986.11	\$ 26,577.78	\$ 82,727.62
FFCB 2.08%	3133EHM91	\$ 4,987,466.67	9/5/2019	\$ 5,115,986.11	\$ 26,577.78	\$ 87,695.27
FHLB 2.000%	313380GJ0	\$ 5,015,494.44	9/6/2019	\$ 5,070,240.00	\$ 25,555.56	\$ 66,518.87
FHLB 2.000%	313380GJ0	\$ 5,011,255.56	9/6/2019	\$ 5,070,240.00	\$ 25,555.56	\$ 68,248.16
FHLB 2.000%	313380GJ0	\$ 5,011,405.56	9/6/2019	\$ 5,070,240.00	\$ 25,555.56	\$ 68,299.24
FHLB 2.000%	313380GJ0	\$ 5,008,311.11	9/6/2019	\$ 5,070,240.00	\$ 25,555.56	\$ 70,345.22
		\$ 39,961,456.95				\$ 584,639.75



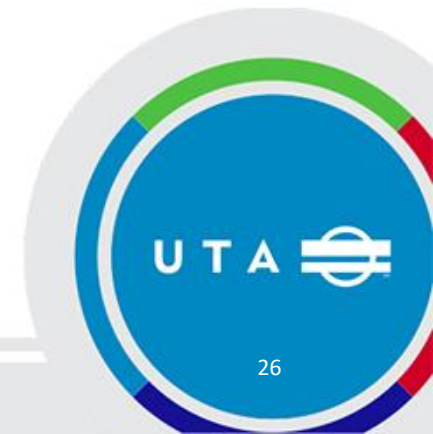


# Contracts, Disbursements, and Grants



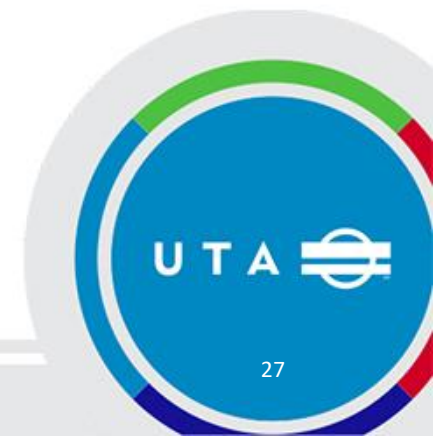
# Change Order: Bus Shelter Extension (Brasco International Inc.)

- Description and purpose:
  - Placement of shelters at bus stops with demonstrated high boarding activity in accordance with UTA's five-year capital improvement program
  - Exercise one-year option on a three-year contract authorized in 2016
- Change order total:
  - \$702,102
- Contract total:
  - \$1,560,592



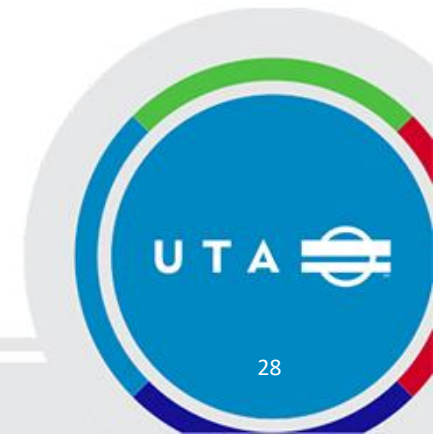
# Recommended Action (by acclamation)

Motion to approve change order:  
Bus Shelter Extension (Brasco International Inc.)



# Change Order: Paratransit/Flex Route Cutaway Vehicles (Lewis Bus Group)

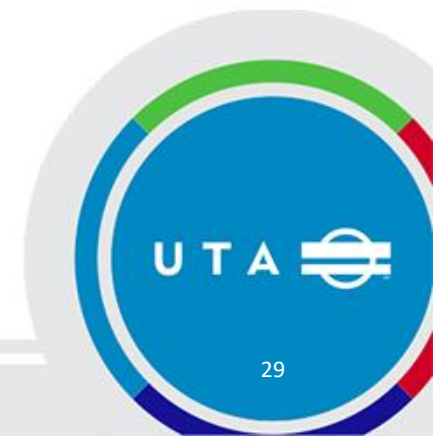
- Description and purpose:
  - Replacement of 25 paratransit/flex route vehicles
- Change order total:
  - \$2,041,822.14
- Contract total:
  - \$11,292,159.36



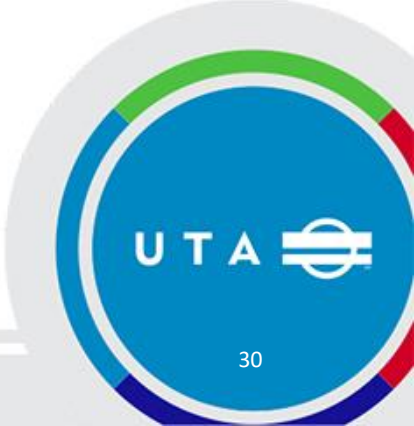
# Recommended Action (by acclamation)

Motion to approve change order:

Paratransit/Flex Route Cutaway Vehicles (Lewis Bus Group)



# Pre-Procurement: Forty-Five Foot Commuter Buses



# Discussion Items



# Agency 2020 Tentative Budget





# Changes from September Draft Operating Expense Budget to Tentative 2020 Operating Expense Budget (in millions)

	September Budget Draft	Tentative 2020 Budget	Change
Operating	\$310.5	\$311.6	\$1.1
Non-Operating	5.6	5.8	0.2
Debt Service	136.4	135.5	(0.9)
Contribution to Reserves	19.8	19.7	(0.1)
Contribution to Capital	<u>18.6</u>	<u>18.4</u>	<u>(0.2)</u>
Total Operating Budget	<u>\$490.9</u>	<u>\$491.0</u>	<u>\$0.1</u>



# Summary of Operating Expense Changes

- Government Relations – Services - \$214K
- Board Coordination – Software - \$89K
- Added three FTE in Commuter Rail Maintenance - \$251K
- Added one FTE in Civil Rights - \$110K
- Reduce Legal Budget (outside legal services) – (\$300K)
- Salt Lake Operations changes - \$76K
- Salt Lake Maintenance changes - \$73K
- Updated 2020 Wages and benefits
- Updated debt service to reflect 2019 bonds



# Changes from September Draft Operating Revenues Budget to Tentative 2020 Operating Revenues Budget (in millions)

	September Budget Draft	Tentative 2020 Budget	Change
Sales Tax	\$346.6	\$346.7	\$0.1
Fed. Preventative Maint.	67.9	67.9	0.0
Passenger Revenues	55.0	55.2	0.2
Investment Income	7.8	7.6	(0.2)
Advertising	2.5	2.5	0.0
All Other	<u>11.1</u>	<u>11.1</u>	<u>0.0</u>
Total Operating Budget	<u>\$490.9</u>	<u>\$491.0</u>	<u>\$0.1</u>



# Changes from September Draft Capital Expense Budget to Tentative 2020 Capital Expense Budget (in millions)

	September Budget Draft	Tentative 2020 Budget	Change
Depot District	\$40.9	\$40.9	\$0.0
Ogden/WSU BRT	28.2	28.2	0.0
Airport TRAX Station	13.0	13.0	0.0
State of Good Repair	59.9	59.9	0.0
Other Capital Projects	<u>48.5</u>	<u>48.5</u>	<u>0.0</u>
Total Capital Expense Budget	<u>\$190.5</u>	<u>\$190.5</u>	<u>\$0.0</u>



# Changes from September Draft Capital Revenue Budget to Tentative 2020 Capital Revenue Budget (in millions)

	September Budget Draft	Tentative 2020 Budget	Change
Grants	\$39.4	\$39.4	\$0.0
Bond Proceeds (18 - Airport and 19)	41.1	61.6	20.5
Leasing	31.3	31.3	0.0
Local Partners	13.4	13.4	0.0
State Contribution (Vineyard)	11.2	3.7	(7.5)
UTA Funding (18 Bonds – Airport)	<u>54.2</u>	<u>41.2</u>	<u>(13.0)</u>
Total Capital Revenue Budget	<u>\$190.5</u>	<u>\$190.5</u>	<u>\$0.0</u>



# Changes from September Draft FTE Summary to Tentative 2020 FTE Summary

	September Budget Draft	Tentative 2020 Budget	Change
Operations*	2,252.7	2,258.7	6.0
Service Development	45.5	45.5	0.0
Finance (from Legal)	104.5	105.5	1.0
People Office	74.7	74.7	0.0
Communications & Marketing	69.0	69.0	0.0
Executive Director	130.0	130.0	0.0
Board	<u>14.0</u>	<u>14.0</u>	<u>0.0</u>
Total	<u>2,690.4</u>	<u>2,697.4</u>	<u>7.0</u>

\* Commuter Rail Maint. (3) and Salt Lake Bus (3).

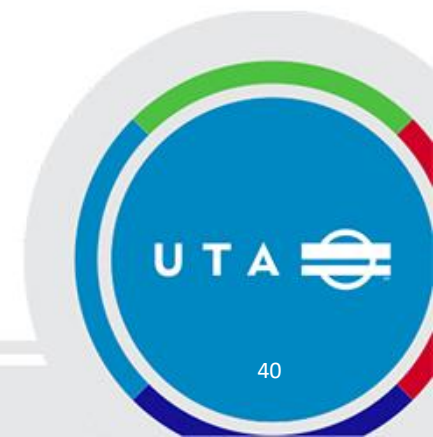


# Next Steps

- **October 30, 2019**
  - Approve Tentative Budget and Set Public Hearing
- **November 19, 2019**
  - Public Hearing
  - Local Advisory Council
- **December 11, 2019**
  - Final Budget Presented
- **December 18, 2019**
  - Approve Final Budget



# UTA Fare Policy Update





# PRESENTATION OUTLINE

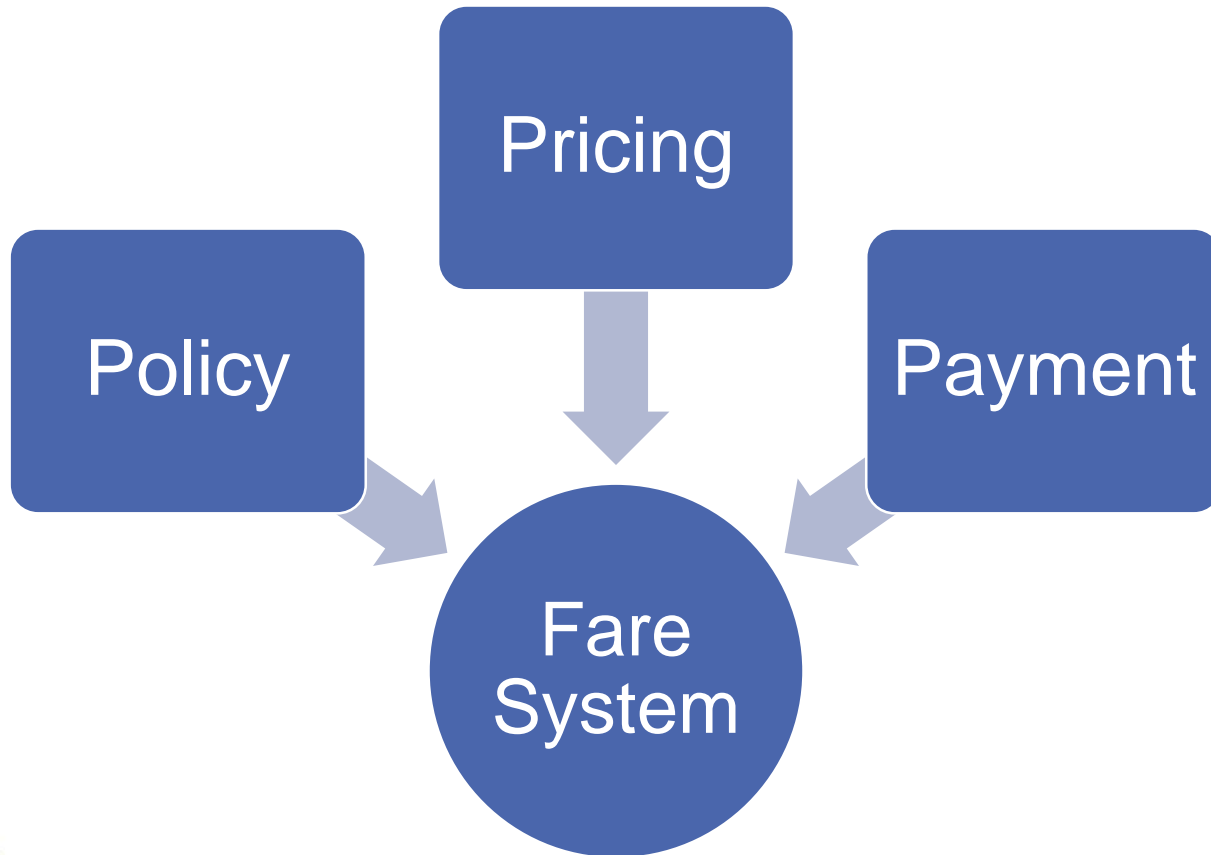
**1 – UTA Fare Policy**

**2 – Low Income Initiative**

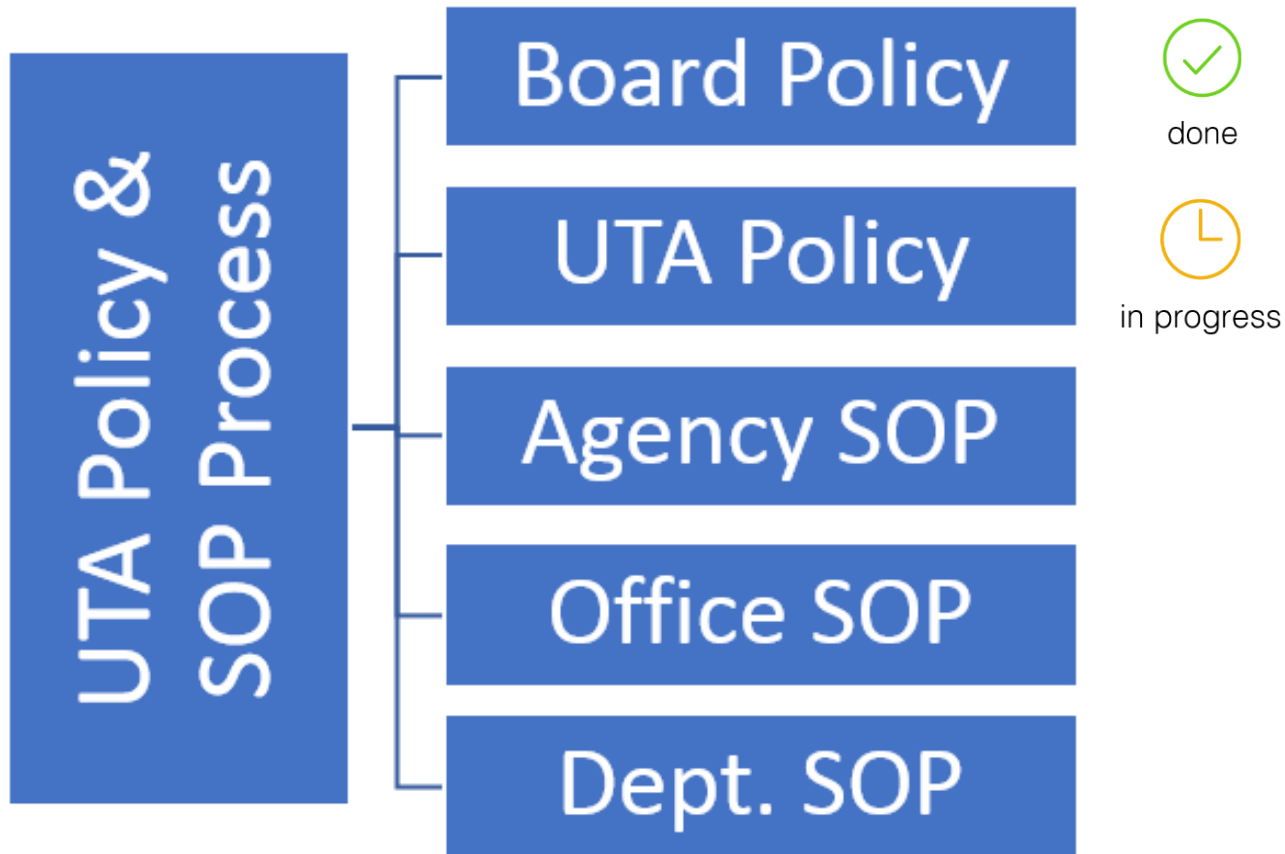
**3 – Cost of Collection Model**

# FARE SYSTEM

## Key Elements



# POLICY STRUCTURE



# POLICY FRAMEWORK

## Pricing

- Base Fare
- Adjustments
- Discounts
- Free Fare
- Special Pricing
- Transfers
- Comp. Passes

## Payment

- Validation
- Enforcement
- Fare Media
- Fare Products

# PRICING POLICY CONSIDERATIONS

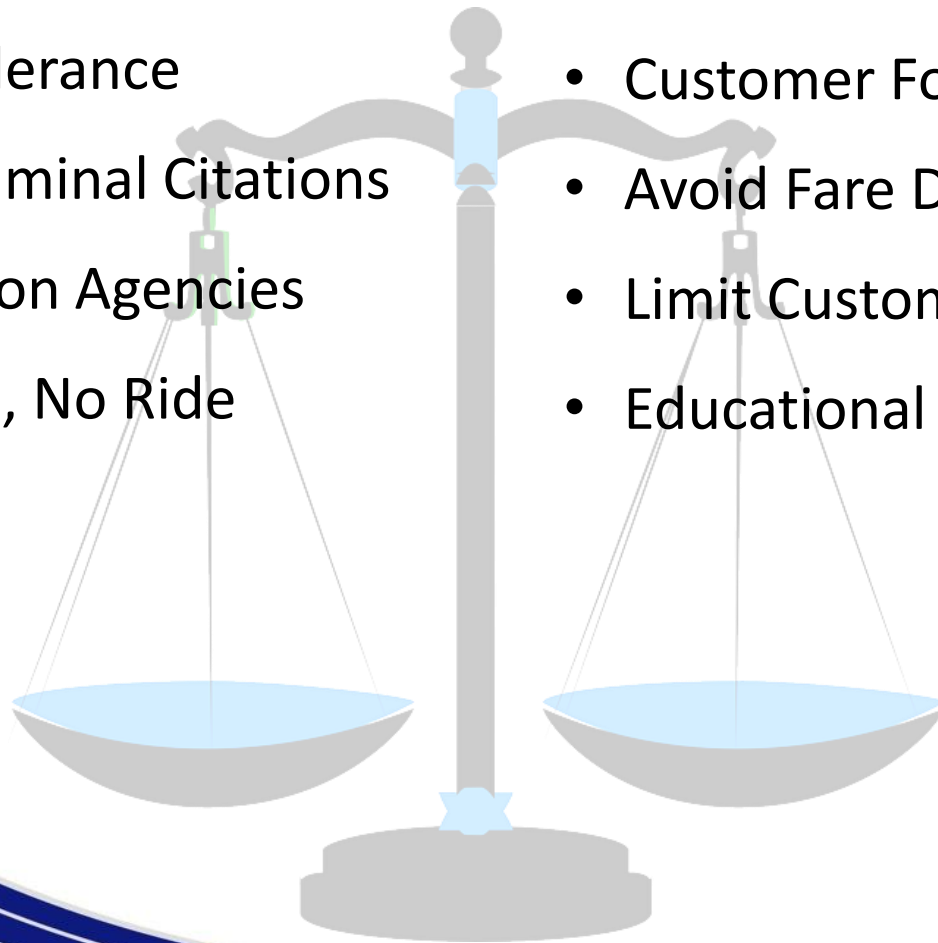
## Free & Reduced Fare Programs

GROUP	Ride Free		Participate in Reduced Fare Programs	
	Yes	No	Yes	No
Children( 5 years & Under)				
Youth (6 to 18 years)				
Agency employees, dependents				
Retirees				
Sworn Peace Officers				
Active Duty Military Members				
Certified ADA Paratransit Eligible				
Training (Elderly, Disabled, Refugee)				
Homeless				
Elderly				
Medicare Cardholders				
Disabled				
School Field Trips				
Personal Care Attendants				

# PAYMENT POLICY CONSIDERATIONS

## Fare Validation & Enforcement

- Zero Tolerance
- Civil/Criminal Citations
- Collection Agencies
- No Fare, No Ride
- Customer Focused Experience
- Avoid Fare Disputes
- Limit Customer Complaints
- Educational Opportunities



# PAYMENT POLICY CONSIDERATIONS

## Fare Products

Pricing	Product Type	Discount
Flat Fare (\$4.50)	One Way	Homeless (50%)
Station Based (\$0.60)	Multi Trip (Round Trip, 10 Trip)	Seniors/Disabled (50%)
Flat Fare (\$5.50)	Time Based (Day, Monthly)	Youth (25%)
Flat Fare (\$2.50)	Multi Rider (Group)	FAREPAY (20%, 40% Bus)
Flat Fare (\$1.25)		Free

**Equals = 60 Plus  
Combinations**

Mode	Media
Ski	Tokens
Park City	Paper Pass
Express Bus	TVM Paper Ticket
FrontRunner	Mobile Phone
TRAX/Streetcar	FAREPAY Card
Local Bus	Electronic Tap Card
Flex Route Deviation	Cash/Transfer
Microtransit	

# LOW INCOME

## Potential Working Group Contributors

### Congregation and Other Religious Organizations

- Church of Jesus Christ of Latter-day saints
- Catholic Community Centers

### Homeless Shelters

- The Road Home
- Shelter the Homeless
- The Lantern House
- Rescue Mission of Salt Lake



# LOW INCOME

## Potential Working Group Contributors

### Health Service Organizations

- Department of Workforce Services
- Department of Health

### Govt. Organizations

- Mountainland Associations of Governments (MAG)
- Wasatchfront Regional Council (WFRC)
- Salt Lake County

### School Districts

- Salt Lake School District
- Davis School District
- Weber School District

# LOW INCOME

## Potential Working Group Contributors

### Internal UTA

- Fares
- Customer Service
- Special Services
- Civil Rights
- Finance
- Community Relations/Marketing
- Innovative Mobility

# COST OF COLLECTION

## Progress Update

- Break down EFC into new categories

<b>OLD</b>	<b>NEW</b>
EFC	Contracts
	FAREPAY
	Mobile Ticket

# COST OF COLLECTION

- Split out credit and bank fees by category

<b>CATEGORIES</b>
Contracts
FAREPAY
Mobile Ticket
Bus Farebox
TVM
Pass Sales

# COST OF COLLECTION

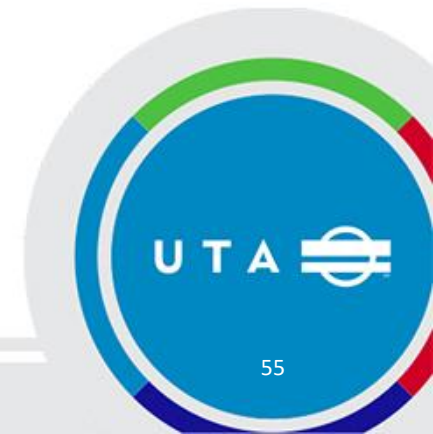
- Redistribute salary
- Build forward-looking model
- Add collection per \$1 revenue
- Allow for revenue shifts between categories

# NEXT STEPS (Q4 2019)

- Complete Draft UTA Fare Policy
- Present UTA Fare Policy for discussion
- Reach out to participants for low income group
- Finalize high level low income strategic plan
- Finalize cost of collection model
- Run cost of collection projections

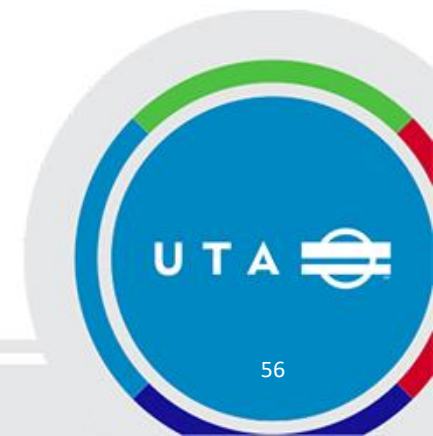
# Other Business

- a. Next meeting: October 30, 2019 at 9:00 a.m.



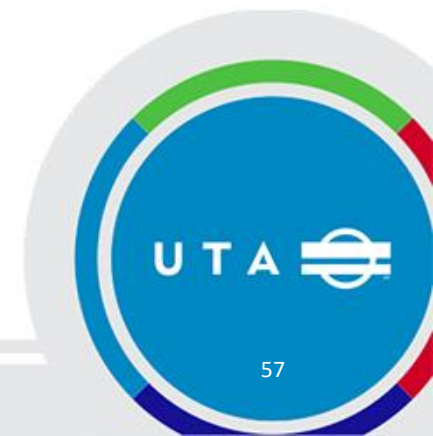
# Closed Session

- a. Strategy session to discuss pending or reasonably imminent litigation

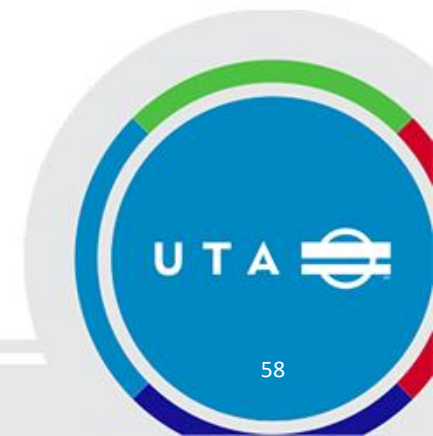




# Closed Session



# Open Session



# Adjourn

