



Minutes of the Four Hundred and Fourteenth Meeting
Of the Utah Transit Authority Board of Trustees

The Four Hundred and Fourteenth meeting of the Board of Trustees of the Utah Transit Authority was held on July 30, 2008, in the Board Room of the Meadowbrook Facility located at 3600 South 700 West, Salt Lake City, Utah.

Members of the Board of Trustees in attendance:

Larry Ellertson, President	Robert A. Hunter
Justin Y. Allen	P. Bret Millburn
Michelle Baguley	J. Kent Millington
Keith Bartholomew	Frederick W. Oates
Christopher R. Bleak	Michael Romero
Burtis Bills	
Necia Christensen	Absent:
Orrin T. Colby, Jr.	Gregory Hughes
J. Stephen Curtis	Gregory Simonsen, Vice
Terry C. Diehl	President
Charles Henderson	

Also in attendance were John English, General Manager and CEO; Bruce Jones, General Counsel; Celeste Burningham, Corporate Office Specialist, as well as interested citizens, UTA staff and media representatives.

Welcome – President Ellertson called the meeting to order at 2:42 p.m. and welcomed those in attendance. He excused Vice President Simonsen and stated that Vice President Simonsen had been sworn in as the Vice President at the Executive Committee Meeting.

Swearing In Of Board Officers and New Board Members.

- President Larry Ellertson. Mrs. Huntsman did the swearing in of President Ellertson.
- New Board Members. Mrs. Huntsman did the swearing in of the new Board Members: Justin Y. Allen, Christopher R. Bleak, J. Stephen Curtis, and P. Bret Millburn.

President Ellertson thanked the Board for their service and stated that he looked forward to serving in the capacity of President. He welcomed the new Board Members.

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Introduction of New Union Officers

President Ellertson introduced the new Amalgamated Transit Union Officials: Rodd Dunn, President; Doug Sappy, Vice President; and Jim Allgier, Secretary/Treasurer.

Mr. Dunn stated that he has been with UTA for 14 years and he discussed some of his past experiences. He stated that whatever challenges face UTA management and the Union, he looked forward to working together to solve them.

Mr. Sappy thanked the Board for inviting the Union Officials to the Board meeting. He enjoys his work at UTA and looks forward to the next three years serving as the Vice President.

Mr. Allgier thanked the Board for the opportunity to meet them. He stated that he has been with UTA for 30 years and through that time he has seen a lot of change. He stated that UTA truly has developed into a mass transit system and he looks forward to the many changes to come.

President Ellertson thanked the Union Officers for coming and introducing themselves to the Board.

Resolutions

- Resolution of the Board of Trustees of the Utah Transit Authority Amending the Executive Limitations Policy No. 2.1.6 Regarding Naming of Authority Rail Stations, Facilities, and Branding of Service.

Trustee Baguley stated that this Resolution was brought to the attention of the Internal/External Committee by staff that had concerns about customers being able to navigate the system as the system grows. This Resolution addresses this concern by allowing the primary name of each station in the system to be named by the coordinates where the station is located. She stated that the Committee would like to move this forward but would also like to look further into different ideas that might create a unique opportunity for UTA and the naming of certain stations.

Trustee Baguley made a motion to approve the Resolution. Trustee Bills seconded the motion.

Trustee Bartholomew stated that when changing existing policy he would like to see a redline version of the changes.

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President Ellertson clarified that both coordinates would be used when identifying the station

Trustee Bartholomew clarified that there would be a secondary name that would still keep the historical and cultural significance of the area surrounding the station.

The motion passed unanimously with 16 voting members present.

- Resolution of the Board of Trustees of the Utah Transit Authority Adopting Actions Related to A Remarketing Agreement.

Trustee Colby stated that this Resolution is designed to save money and facilitate processes. He stated that Lehman Brothers has been the marketing agent that has been used in the past but that they are going out of business and have not been performing well. He stated that staff has been researching and found that Goldman Sachs is the company they would like to move forward with. He stated that this Resolution would allow staff to proceed with that and allow them in the future to be able to change the location of UTA funds more quickly, saving potential loses in interest earning.

Trustee Colby made a motion to approve this Resolution. Trustee Baguley seconded the motion.

Trustee Bartholomew clarified that penalties would not be associated with UTA breaking the contract with Lehmans.

The motion passed unanimously with 16 voting members present.

- Resolution of the Board of Trustees of the Utah Transit Authority Adopting an Interlocal Cooperation Agreement with Utah County.

Trustee Diehl stated that this Resolution is to adopt an Interlocal Agreement with Utah County.

Bruce Jones stated that this agreement arises out of an idea that came from the Utah Department of Transportation (UDOT). He stated that UDOT and Utah County has asked UTA to essentially loan or transfer the funds that were to come to UTA through the sales tax up to \$60 million which would then be repaid back to UTA with interest. He stated that this money would assist Utah County in making important road improvements. He stated that this agreement has been approved by Utah County but not UDOT. He stated that if any party does not approve this or there are significant changes that need

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to be made the agreement will be held. He stated that he feels confident that all parties will approve the agreement. He stated that this agreement does allow for non-substantive changes to be made.

Trustee Millington stated that in his discussion with staff from UDOT, he found that UDOT was not ready to move forward with this agreement.

President Ellertson stated that the problems are being dealt with and that UDOT would be able to vote on this agreement.

Trustee Diehl made the motion to approve this Resolution. Trustee Oates seconded.

President Ellertson stated his conflict of interest being both a part of the Board of Trustees for UTA and a County Commissioner for Utah County.

Trustee Bartholomew stated his concern that if it took longer for the sales tax to accumulate to the stated amount to be given to Utah County it could have a negative effect on the finances for UTA.

Kenneth Montague stated that if the length of the time did extend, the consensus was that all parties would meet to discuss how to proceed. Mr. Montague stated that in the agreement it does allow for our bonding agent to have access to the money if something should happen. He stated that the payments being made to Utah County can stop.

President Ellertson stated that as the Utah County Commissioners were developing plans to be prepared for both Commuter Rail and the I-15 projects they planned to have more time before either project would be started in Utah County. He stated that the projects are coming sooner than anticipated and that Utah County needs to make some improvements in order to take full advantage of both projects.

Michael Allegra stated that staff had spent a lot of time negotiating the terms of the agreement and he feels that this is the best agreement and that it will not slow down the progress of UTA.

Mr. Jones stated that during the 2008 Legislative Session there was a statute adopted that outlines the process to follow in this agreement. He stated that with this process there will be little risk. He stated that this is a positive thing to assist in creating a transportation system that is all interconnected.

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Trustee Diehl stated that it is important to remember that UTA is just a part of the regional transportation and that all parties need to work together.

The motion passed unanimously with 16 voting members present.

- Resolution of the Board of Trustees of the Utah Transit Authority Providing for the Holding of and Amending Notice of Regular Meetings of the Board for Calendar Year 2008.

President Ellertson stated that as the Financial and Budgeting Calendar has come to the Boards attention it was seen that the Board meeting scheduled in November needed to be pushed back to allow appropriate time for the budgeting process. He stated that the new Board meeting date being proposed will be Monday, November 24, 2008. He stated that if the Resolution passes this will mean changes in the meeting dates for the Committees that month as well.

Trustee Bills made the motion to approve this Resolution. Trustee Romero seconded the motion.

The motion passed unanimously with 16 voting members present.

Trustee Bartholomew made a motion that the Board move to Closed Session. Trustee Diehl seconded the motion.

The motion passed unanimously with 16 voting members present. The Board moved to Closed Session at 3:26 p.m.

The Board moved back into Open Session at 3:34 p.m. on a motion by Trustee Bartholomew and a second by Trustee Oates.

Action Taken Regarding Matters Discussed in Closed Session.

Trustee Diehl made a motion to authorize the agency to purchase the property known as the Snap Lock property for the amount of \$378,000. Trustee Bartholomew seconded the motion.

The motion passed unanimously with 16 voting members present.

Trustee Diehl made a motion to approve the purchase of the property known as the Cameron property for the amount of \$329,430.

Trustee Oates left the meeting at 3:36 p.m.

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Trustee Christensen seconded the motion.

Discussion took place on whether or not to identify specific dollar amounts when making motions to approve property purchases.

Trustee Diehl stated that the amounts should only be stated when staff has a contract in place for the specified amount.

The motion passed unanimously with 15 voting members present.

President's Report

- President Ellertson welcomed the new Board Members and stated that he looks forward to working with them. He stated that with the events taking place it is time to help the public see the positive influence transit can have. He thanked staff for their hard work.

General Manager's Report

- Property Compliance Report. Mr. English distributed the report and stated that this is a mandatory report. He discussed some of the details in the report and stated that this report assists in tracking all property and the uses for them.

Steve Hansen discussed the definition of a Transit Supportive Property. He stated that property defined as this is property that UTA is pursuing Transit Oriented Developments (TOD) opportunities with.

- Transit Surcharge. Mr. English stated that staff is currently going through the process to implement the second level surcharge of \$0.25 to begin on October 1, 2008. He stated that the conditions set forth in the surcharge policy have been met and the surcharge needs to be implemented. He stated that ridership has remained strong since the first surcharge and that he did not anticipate the second surcharge would have a negative effect on ridership either.

Trustee Bills stated his concern about the surcharge not responding fast enough to the market. Mr. English stated that the surcharges do not respond quickly to the market and that it only covers a part of the cost in the increase in fuel prices. He stated that staff is working to cut their budgets and finding ways to avoid cutting service.

Trustee Bartholomew stated that when he looks at the financials he does not see the negative impact that the rise in the cost of fuel is

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having on the budget at UTA. He stated he would like to have examples and the figures on the budget and the fuel costs.

Trustee Colby stated that the fuel price is an ongoing issue that is being reviewed monthly in the Finance and Operations Committee.

- FrontRunner South Groundbreaking. Mr. English stated that all the members of the Board have invitations to the groundbreaking event for the FrontRunner South. He stated that it will be on August 12 at 1:00 p.m.
- ADA Annual Celebration. Mr. English reported that the CAT Committee celebrated their annual I Choose to Use awards event. He stated that it was a great event and well attended.
- MAX BRT. Mr. English reported that the first BRT opened on July 14 and that it has been operating successfully since then.

General Counsel's Report

- Mr. Jones reported that he had two Notices of Claims /Complaints. He discussed some of the details of those claims.
- Mr. Jones reported that the Utah Supreme Court issued an opinion in the matter of Citizens for Responsible Transportation v. Draper. He stated that the opinion affirmed the decision of the District Court and that the Interlocal Agreement gave UTA the authority to construct a rail system in location determined to be the locally preferred alternative.
- He discussed other items that the General Counsel's Office is working on.

Other Business

Trustee Christensen reported that in the first week of November the Utah Association of Special Districts will be having its annual training meeting. She went over some of the items that will be discussed during the meeting and encouraged the Board Members to attend.

Trustee Christensen expressed her appreciation for the help that staff provided to the West Valley City sister city from Taiwan. She stated that the city officials came to learn more about the transit system that Utah has and that they were happy to be able to take a tour of UTA's facilities and to learn about the projects of which UTA is working.

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Trustee Hunter welcomed the new Board Members and congratulated President Ellertson on his new position.

President Ellertson had all Board Members introduce themselves.

Consent

- Approval of Financial Statements of May 31, 2008. The Financial Statements were approved by consent.
- Approval of Minutes of Board Meeting of June 25, 2008. The June Board Meeting Minutes were approved by consent.

Adjournment

Trustee Bill made a motion to adjourn. Trustee Romero seconded the motion. The motion passed unanimously with 15 voting members present.

The Board adjourned at 4:08 p.m.