



**Report of the Meeting
of the
Board of Trustees of the Utah Transit Authority (UTA)
held at UTA FrontLines Headquarters located at
669 West 200 South, Salt Lake City, Utah
June 28, 2017**

Board Members Present:

Robert McKinley, Chair	Babs De Lay
Sherrie Hall Everett, Vice Chair	Charles Henderson
Jeff Acerson	Dannie McConkie
Cortland Ashton	Bret Millburn
Greg Bell	Brent Taylor
Necia Christensen	Troy Walker

Board Members Excused/Not in Attendance: Karen Cronin and Jeff Hawker

Also attending were members of UTA staff, as well as interested citizens and media representatives.

Welcome and Call to Order. Chair McKinley welcomed attendees and called the meeting to order at 1:33 p.m. with ten voting board members present. Chair McKinley announced that today's meeting is the first live-streamed board meeting. He commended UTA's communications and information systems teams on completing the year-long live-streaming project. The board and meeting attendees then recited the Pledge of Allegiance.

Safety Minute. Chair McKinley yielded the floor to Dave Goeres, UTA Chief Safety, Security & Technology Officer, for a brief safety message.

Item(s) for Consent. Consent items consisted of the following:

- Approval of May 24, 2017 Meeting Report
- March/April 2017 Financial Reports and Dashboard

A motion to approve the consent agenda was made by Trustee De Lay and seconded by Trustee Millburn. The motion carried by unanimous consent.

Trustee Walker joined the meeting at 1:41 p.m.

General Public Comment Period. Public comment was given by George Chapman, representing the Utah Transit Riders Union.

President/CEO Report. Jerry Benson, UTA President/CEO, delivered a report on the following topics:

- Announcement to double track a segment of the S-Line from 300 East to 500 East
- Launch of Volunteer Driver Program pilot in Davis and Weber counties
- Completion of organizational standards audits for quality, environmental, and safety
- Grant award for positive train control on the commuter rail system

Trustee De Lay requested a monthly ridership update compared to goals. Trustee Millburn asked for information on property values along the S-Line corridor prior to construction compared with property values now that the S-Line is in operation.

Trustee Henderson joined the meeting at 1:57 p.m.

Presentations/Informational Items.

Benchmark Survey Report. Nichol Bourdeaux, UTA Vice President of External Affairs & Constituent Services, introduced Andrea Packer, UTA Communications Director, who delivered a presentation on UTA's annual benchmark survey, which is performed to gauge overall public perceptions of the organization. Throughout the presentation questions were posed by the board and answered by staff, Kjersten Adams from Dan Jones & Associates (the firm that conducted the survey), and Bob Henrie from R&R Partners (UTA's advertising agency). Trustee De Lay asked that questions be included in future surveys about awareness of ski service, fares, vanpool services, carpool services, and partner services like GREENbike. Ms. Packer responded that the current survey includes data for some of these services, but not all, and noted Trustee De Lay's suggestions. Trustee Taylor asked Ms. Adams to explain discrepancies between this survey conducted for the agency and a separate survey on UTA conducted for Utah

Policy by Dan Jones & Associates “within a few weeks of each other.” His questions were answered by Mr. Henrie and Ms. Adams. Mr. Henrie remarked that the specific results Trustee Taylor referenced were not a true comparison, with UTA’s survey measuring overall impression and Utah Policy’s survey measuring perceived performance. Ms. Adams said that the polling audiences were different, with UTA’s audience being residents along the Wasatch Front and Utah Policy’s audience being the entire state. She added that the Utah Policy audience was an audience of registered voters. Trustee Taylor suggested including some likely voting polling in UTA’s future surveys. Chair McKinley clarified that the UTA survey and the Utah Policy survey were conducted a year apart and added that UTA completed substantive reforms during the course of that year.

Operations Planning: Bus/Rail Presentation. Todd Provost, UTA Vice President of Operations, Capital & Assets, gave a presentation on bus and rail operations. He covered topics such as how service is managed, special event planning, continuous improvement efforts, and employee engagement. Trustee Ashton asked about advertising for special event service. Mr. Provost responded with a general explanation of UTA’s overall promotional efforts and Ms. Packer provided a detailed example of work that is done with the University of Utah to promote ticket-as-fare. Trustee Ashton then asked about the capacity of FrontRunner on snow days. Mr. Provost remarked that there is capacity on snow days for additional commuter rail trains as well as riders who are willing to stand.

Chair McKinley indicated the next item on the agenda was a Clearfield property decision and that his law firm has done some work for Stadler Rail (Stadler), one of the potential parties in the contemplated Clearfield transaction. He further stated that he had no personal involvement with his firm’s work for Stadler and no financial interest in it. He recused himself from discussion and voting on the matter and asked Vice Chair Everett to assume control of the meeting.

Resolution: R2017-06-01: Resolution to Conditionally: 1) Remove Property from TOD Designation; 2) Declare Property as Surplus; 3) Set Conditions for Possible Conveyance of Property; and 4) Describe Parameters for Purchase and Sale Agreement to Clearfield City.

Presentation of Item. Vice Chair Everett summarized the history of the UTA property located at Clearfield Station and the current proposal. Robert Biles, UTA Vice President of Finance, explained the need for a second resolution on the conditional approval of the property disposition. Paul Drake, UTA Senior Manager of Real Estate and Transit-

Oriented Development, outlined the details of the terms that would be effected with passage of the resolution.

Clearfield Mayor Mark Shepherd addressed the board and expressed support for the transaction and passing the resolution.

Mr. Drake distributed a summary of a third appraisal on the property and spoke about infrastructure needs at the site.

Discussion ensued. Trustee Taylor asked why there was a disparity between the first, second, and third appraisals on the infrastructure costs. Mr. Drake said infrastructure costs were not included in the first appraisal, a flat 20 percent of the property value was included for infrastructure costs in the second appraisal, and engineering projections from the Stadler site designs were used to inform the infrastructure costs for a lift station and forced sewer main in the third appraisal. Trustee Taylor then asked if the Community Development and Renewal Agency (CDRA) was asked to pay infrastructure costs. Mr. Drake responded in the negative and explained that the purpose of the appraisal was simply to establish a valuation of the land. Trustee Taylor asked about the five-year term of the 60 percent lease option. Mr. Drake replied that generally options are not that long, and that, according to conversations with appraisers, there is no industry standard for valuing an option but explained that the calculation was negotiated with Clearfield City based on the time and nature of what UTA was conceding in the transaction. Mr. Drake stated that a sale of this property in five years would be at future market value. Trustee Christensen asked whether the lift station being installed at the site would be for Stadler only or for the entire site. Mr. Drake responded that it would be for the entire site. Trustee Walker asked how the sizing of the lift station was determined without knowing the future density on the property. Mr. Drake replied that the sizing for the lift station was based on assumptions of the density of future occupancy and added that UTA will ensure the design of the lift station will accommodate future capacity. Trustee Bell asked about the conditions of the contract between UTA and Clearfield City regarding the property if the sale to Stadler is not completed. Mr. Drake responded that if the transaction between Clearfield City and Stadler does not occur, UTA has the right within the first two years to purchase the property back from the city. Mr. Blakesley added that Clearfield City intends to do a combined closing with UTA and Stadler on the property transaction, which would make any issues associated with the city's sale to Stadler unlikely. Trustee Henderson asked if costs for the lift station would be passed on to Thackeray Garn (a developer that owns a portion of the site). Mr. Drake replied that Thackeray Garn will not be charged because

it has installed its own facilities. Trustee Taylor asked if the [high-density] zoning on UTA's remnant parcels is guaranteed and if a development agreement has been pursued with the city. Mayor Shepherd responded in the negative regarding both the zoning and development agreement. Adam Lenhard, Clearfield City Manager, explained the city's process and stated that the council cannot act on a zoning request until a land use application has been completed. He said no application has been received by the city for this property. He then stated that Clearfield intends to put the station area plan into its general plan and will guarantee that through an already-drafted memorandum of understanding (MOU). Mr. Blakesley stated that the proposed MOU contains three requirements: 1) the creation of a station area plan jointly funded by UTA and Clearfield City, 2) the completion of a design process with the stated outcome of the process to be achieving maximum densities on the site, and 3) the inclusion by the city of the outcome of the process in its general plan with the general plan being referenced for any zoning change requests. Trustee Walker asked if the city would consider creating an overlay zone on its own. Mayor Shepherd responded that inclusion of the station area plan in the general plan should be sufficient. Trustee Taylor opined that a development agreement needs to be in place before the contemplated transaction is completed. Mayor Shepherd replied that no station area plan exists and since it is currently unknown what will be built on the site in the future, it does not make sense to rezone the property at the present time.

Further discussion ensued. Mr. Drake concluded by saying the process for developing UTA's remaining properties is in alignment with UTA's new TOD policy.

Public Input. Robert Biles, acting in his capacity as secretary of the board, indicated that no comments regarding the resolution were received online. In-person comment was given by George Chapman.

Board Discussion and Decision/Action. A request was made for a short break. Trustee Everett initially accepted a motion for a brief recess, but no recess was taken.

A motion to approve the resolution was made by Trustee Millburn and seconded by Trustee McConkie. Trustee Taylor stated he would not be voting in support of the motion for a number of reasons: the agency "gave away \$3.5 million in land" to settle a disagreement with Thackeray Garn regarding development of the site, there is no commitment from the city on zoning for UTA's remnant parcels on the site, the full appraisal report on the property is not yet available, and the most recent legislative audit on UTA raised concerns regarding the board's approval of contracts with missing

financial information and inadequate oversight. Trustee Millburn said he appreciates the robust discussion and tremendous amount of work that has been performed on this project. He added that the level of engagement “in the realm of transparency” on this property issue is apparent. Trustee Millburn said he respectfully disagrees with Trustee Taylor and opined that the board is doing what is in the best interest of the taxpayers by partnering with the communities it serves. Trustee Millburn stated the board did not “give away anything” with respect to the property that is now owned by Thackeray Garn. He explained that the board considered the value of what Thackeray Garn had invested in the property and weighed the risks of potential litigation and losing the community development agreement (CDA) before making a decision on the property disposition. He further remarked that there is value being received for the property in the current transaction. Trustee Millburn opined that UTA should move forward in good faith on the transaction for the benefit of the taxpayers of the State of Utah and Clearfield City. Vice Chair Everett observed that this project has undergone the most robust review of any project that has come before the board during her tenure. She said the process demonstrated a pattern of engagement to work through issues. Trustee Bell mentioned that the Clearfield Station property is excess property and was not originally purchased as a transit-oriented development (TOD) site. With regard to agreements in general, he opined that the board should operate on parameters but not details. He said he wants to know the main “points of the deal” (e.g., parameters on price, major terms, closing details, etc.) but let the executives manage the minutia. Trustee Bell said he does not need to see the entire appraisal for this transaction because he has the bottom line. He said that the timing and conditions are acceptable, but the zoning question on the remnant parcels of the site is an issue. He then expressed the need for a commitment from Clearfield City on the zoning issue and said he would not vote for the resolution unless the city provides some guarantees in that regard. Trustee Walker stated that he, too, would not vote for the resolution unless the city makes concessions on zoning. Trustee Bell asked to make a substitute motion. Vice Chair Everett requested Trustee Bell wait until the conclusion of the board discussion. Trustee Christensen said the resolution gives the board an opportunity to “back out” of the transaction if the terms are not met. Trustee Henderson opined that this project is not meeting all of his expectations for what a TOD should be and said he wants a zoning commitment from the city in writing. He added that as long as the board is informed throughout the transaction process, he is comfortable with moving forward. An amended motion to approve the resolution with the addition of a condition that a development agreement be established as to the zoning and use of the remainder parcels held by UTA or some other binding agreement obtained with counsel guaranteeing the conditions as much as is possible, was made by Trustee Bell and seconded by Trustee Walker. Vice Chair

Everett placed the amended motion for a vote. The amended motion carried by majority consent with seven aye votes from Trustees McConkie, Ashton, Everett, Henderson, Walker, Acerson, and Bell; four nay votes from Trustees Christensen, Taylor, Millburn, and De Lay; and one abstention from Chair McKinley. Trustee Millburn stated that he supports the project but his nay vote was made because he feels the original resolution was sufficient.

A motion to take a short break was made by Trustee De Lay and seconded by Trustee Christensen. The motion carried by unanimous consent and the board recessed its meeting at 4:13 p.m.

Trustee Bell left the meeting at 4:13 p.m.

The meeting resumed at 4:23 p.m.

Trustee Bell re-joined the meeting via telephone at 4:23 p.m.

Mr. Blakesley clarified a point of order on the vote taken just prior to the brief recess. He said it was unclear whether Trustee Bell offered a substitute motion or an amended motion and board members were unclear whether they were voting to accept the amendment or voting to accept the amended motion.

A motion to approve the resolution according to the parameters with an added condition that prior to closing, UTA management obtain from Clearfield City a development agreement relative to protecting the zoning and uses of the remnant parcels retained by UTA that will not be subject to change and will be as permanent and binding as possible, was made by Trustee Bell and seconded by Trustee Walker. The motion carried by majority consent with seven aye votes from Trustees McConkie, Ashton, Everett, Henderson, Walker, Acerson, and Bell (via telephone); four nay votes from Trustees Christensen, Taylor, Millburn, and De Lay; and one abstention from Chair McKinley. Millburn restated his reason for voting no, saying that while he was pleased the project will move forward, he preferred the original resolution without any additional conditions. He opined that by passing the resolution with additional conditions, the agency could be limiting itself in the future at the site and in its community partnerships. Trustee Christensen said she voted no because a back-out clause was included in the original resolution.

Trustees Everett, Bell, and Acerson left the meeting at 4:30 p.m.

Chair McKinley resumed control of the meeting at 4:30 p.m.

Resolution: R2017-06-02: Resolution to Approve Title VI Equity Analysis Related to August Change Day.

Presentation of Item. Mr. Blakesley provided a brief summary of the purpose of the Title VI analysis. Mr. Provost then delivered a presentation on major service changes for August change day. Erika Shubin, UTA Public Hearing Officer, summarized public outreach on the changes. Andrew Gray, UTA Title VI Compliance Officer, explained the Title VI analyses performed in relation to the service changes. Throughout the presentation questions were posed by the board and answered by staff. Trustee Taylor requested that the presentation in the meeting packet match the version presented in the meeting.

Public Input. Mr. Biles stated that no comments on this resolution were received online. In-person comment was given by George Chapman, representing the Utah Transit Riders Union.

Board Discussion and Decision/Action. Discussion ensued. Questions were posed by the board and answered by staff.

A motion to approve the resolution was made by Trustee Christensen and seconded by Trustee Henderson. The motion carried by unanimous consent with nine aye votes.

Closed Session. Chair McKinley indicated there was a need for a closed session to discuss matters related to collective bargaining and pending litigation.

(Due to the conflict with the employment of Trustee Taylor's father at UTA in a bargaining unit capacity as a FrontRunner operator, Trustee Taylor recused himself from the collective bargaining segment of closed session.)

A motion to move into closed session was made by Trustee De Lay and seconded by Trustee McConkie. The motion carried by unanimous consent and the board moved into closed session at 5:04 p.m.

Vice Chair Everett re-joined the meeting at 5:04 p.m.

Open Session. A motion to return to open session was made by Trustee De Lay and seconded by Trustee Millburn. The motion carried by unanimous consent and the board returned to open session at 5:28 p.m. for the purpose of taking action on the collective bargaining agreement.

Action Taken Regarding Matters Discussed in Closed Session.

Action Items.

R2017-06-03: Collective Bargaining Agreement. A motion to approve the resolution was made by Trustee Walker and seconded by Trustee Christensen. The motion carried by majority consent with eight aye votes and one abstention from Trustee Taylor.

Trustees Ashton and Millburn left the meeting at 5:31 p.m.

Closed Session. A motion to return to closed session to discuss pending litigation was made by Trustee De Lay and seconded by Trustee McConkie. The motion carried by unanimous consent and the board returned to closed session at 5:31 p.m.

Trustee De Lay left the meeting during closed session at 5:43 p.m.

Open Session. A motion to return to open session was made by Trustee Henderson and seconded by Trustee McConkie. The motion carried by unanimous consent and the board returned to open session at 5:55 p.m.

Other Business. No other business was discussed.

Transportation Governance and Funding Task Force Update. This item was deferred to a future board meeting.

Adjournment. The meeting was adjourned at 5:57 p.m. by motion.

Transcribed by Cathie Griffiths
Assistant to the President/CEO
Utah Transit Authority
cgriffiths@rideuta.com
801.237.1945

[Video](#) and [audio](#) recordings of this meeting are posted online.