

UTA Board of Trustees Meeting

February 6, 2019



Call to Order and Opening Remarks



Pledge of Allegiance



Safety First Minute



Turn off you vehicle's cruise control
so **YOU** are in control of your vehicle.



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
January 30, 2019
Board Meeting Minutes**



Recommended Action (by acclamation)

Motion to approve



Agency Report



Grants Update:

\$45.8M in 2018 Discretionary Grants

(Award Executed or Selected w/ Award Pending)



TIGER



CMAQ/STP/TAP:
Sandy TOD Parking,
Locomotive Overhaul,
Operations Support



Other Awards:
2018 FRA CRISI Grant for PTC
UT Developmental Disabilities Council,
American Dream, SL Out and About,
Homeland Security TSGP Funds



Electric Buses:
FTA LoNo with Park City
Rocky Mtn. Power STEP
UofU Match - 2017 LoNo



Depot District: Bus and Bus Facilities



Grants Update: Applied for \$77.35M in 2018 Still Pending Decision



Capital Investment
Grant Program - Small Starts
Ogden – WSU BRT 2020

\$49.75M



Electric Buses:
Utah State VW
Settlement Funds:
- UTA ap for 27 buses
- Ap. w/ Park City for
8 UTA buses

\$26.2M



E-Voucher Pilot
Software Project
FTA Opportunities:

- ICAM
- HSCR

\$1.4M

Grants Update: Upcoming Potential Grant Opportunities



Potential Request
\$5-15M



Total Available
\$40-60M

CMAQ/STP/TAP:
Ogden-WSU BRT, Bus Stop
Improvements, Transit Hubs

FTA 5339 (b) Bus and Bus Facilities



Potential Request
\$3-10M
Total Available
\$260M



FTA 5339 (c) Low/No Emission Vehicle Program: Electric Vehicles and Chargers



Potential Request
\$3-10M

Total Available
\$55M



Buses, Bus Stop Improvements or Major Bus Facilities

Potential Request
\$10-20M

Total Available
\$1.6B



BUILD Grants

Better Utilizing Investments to Leverage Development
Transportation Discretionary Grants Program

Double track Select
FrontRunner Areas,

Core Route
Implementation,

Or Other Major
Projects



Pre-Procurement Update



Discussion Items



Reserves and Debt Stabilization Fund





Reserve Funds Discussion

February 6, 2019

Reserve Fund Guidance (GFOA Best Practice)

- General Fund – Minimum 2 months operating revenue/expense
 - Other factors to consider:
 - How predictable are revenues?
 - How volatile are expenditures?
 - What is the perceived exposure to significant one-time outlays?
 - What is the potential impact on bond ratings?
 - Are some reserves committed or assigned to specific purposes?

Reserve Fund Guidance (GFOA Best Practice)

- Enterprise Funds – Working Capital – 90 day baseline with 45 day minimum
 - Other factors to consider:
 - Does the entity's cash cycle have significant variations?
 - Does revenue come from a concentration of large customers?
 - Does service demand vary during the year?
 - How much control is there over rates and revenues?
 - What is the age and condition of infrastructure assets?
 - What is the volatility of expenses?
 - What control is there over expenses?
 - Are separate reserve targets needed for operating and capital?

Reserve Policies Peer Transit Agencies

- TriMet (Portland) - 2.5 months operating expense
- RTD (Denver) – 3 months operating expense
- SCVT (San Jose) – 15% of operating expense
- Sound Transit (Seattle) – 2 months operating expense plus \$88 million emergency loss reserve plus \$300 million capital replacement
- RTA (Cleveland) – 1 month operating expense plus 10% fuel expense plus 25% of prior year accrual of compensated absences plus 10% of prior year health care costs plus \$5 million rolling stock replacement

UTA's Reserve Funds

<u>Board Reserves:</u>	<u>Balance as of December 31, 2018</u>	<u>Reason for Reserve</u>	<u>Authority for Reserve</u>
Service Stabilization Fund (5 % of budgeted operating expense)	\$13,916,046	Reserve to avoid service reductions at such times as the Authority faces a revenue shortfall or cost overrun due to extraordinary circumstances.	Executive Limitations Policy 2.1.8 October 22, 2008
Working Capital Reserve (9 1/3% of budgeted operating expense)	\$25,976,619	Set up to make sure we can meet cash flow needs, in case revenues/grant payments are delayed.	Executive Limitations Policy 2.3.3 May 21, 2014
Risk Contingency Fund	\$7,698,478	Reserve to support UTA's self insurance program.	Executive Limitations Policy 2.3.3 May 21, 2014
Fuel Reserve (Maximum of 30 cents per gallon)	\$1,915,000	Reserve available if actual per gallon diesel price exceeds the projected per gallon diesel price for the year.	Board Action December 17, 2014
Parts Reserve (Maximum of \$6 million)	\$3,000,000	Reserve available if actual parts expense exceeds the annual budgeted amount or for an unforeseen large parts expense.	Board Action December 17, 2014
Total Board Reserves	<u>\$52,506,143</u>		

\$52.6 million is 18.9%, or 69 days, of the 2018 operating budget. This falls with GFOA's best practice recommendations. All reserves comply with Board policy.

UTA's Reserve Funds

	Balance as of <u>December 31, 2018</u>	<u>Reason for Reserve</u>	<u>Authority for Reserve</u>
Debt Service Reserve Fund - Senior & Subordinate	\$39,761,461	For the payment of debt service in the event that UTA fails to make payments.	General Indenture, as amended

\$39.8 million is the amount required by the bond indentures; UTA is in compliance.

<u>Special Board Reserve:</u>	Balance as of <u>December 31, 2018</u>	<u>Reason for Reserve</u>	<u>Authority for Reserve</u>
Debt Service Reserve and Rate Stabilization Fund (funded through annual refunding savings)	\$47,384,438	May be used for early debt retirement, funding a new bond reserve, or for other uses as determined by UTA Board.	Board Ends Policy 1.2.6 January 22, 2014

\$47.4 million represents the refunding savings through 2018. The reserve complies with Board policy.

Capital Projects Implementation Process

UTAH TRANSIT AUTHORITY

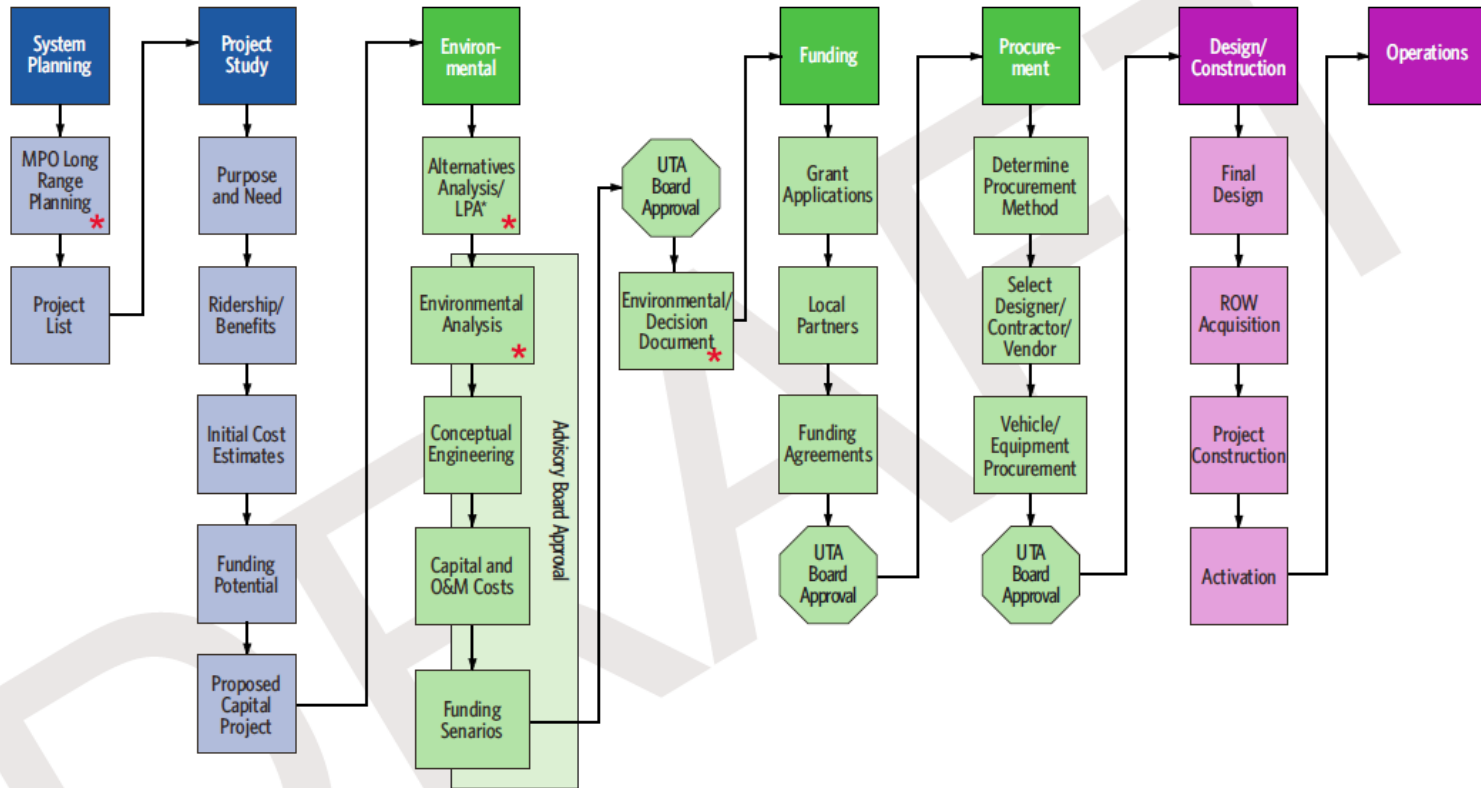


UTA Capital Development Project Implementation Process

Planning

Development

Implementation



* Community Engagement Opportunity

*LPA = Locally Preferred Alternative

Capital Budget Update

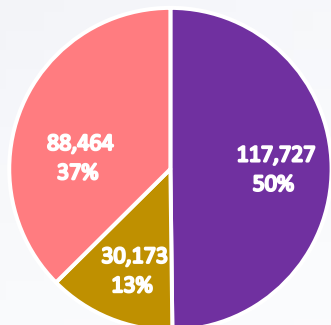
UTAH TRANSIT AUTHORITY



December 2018 Capital Dashboard

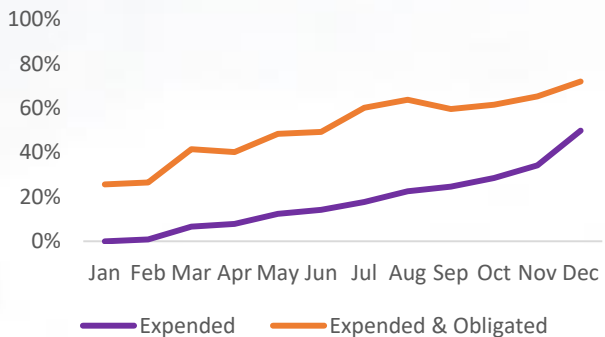
in thousands
2018

Expended, Obligated & Remaining Budget in Thousands

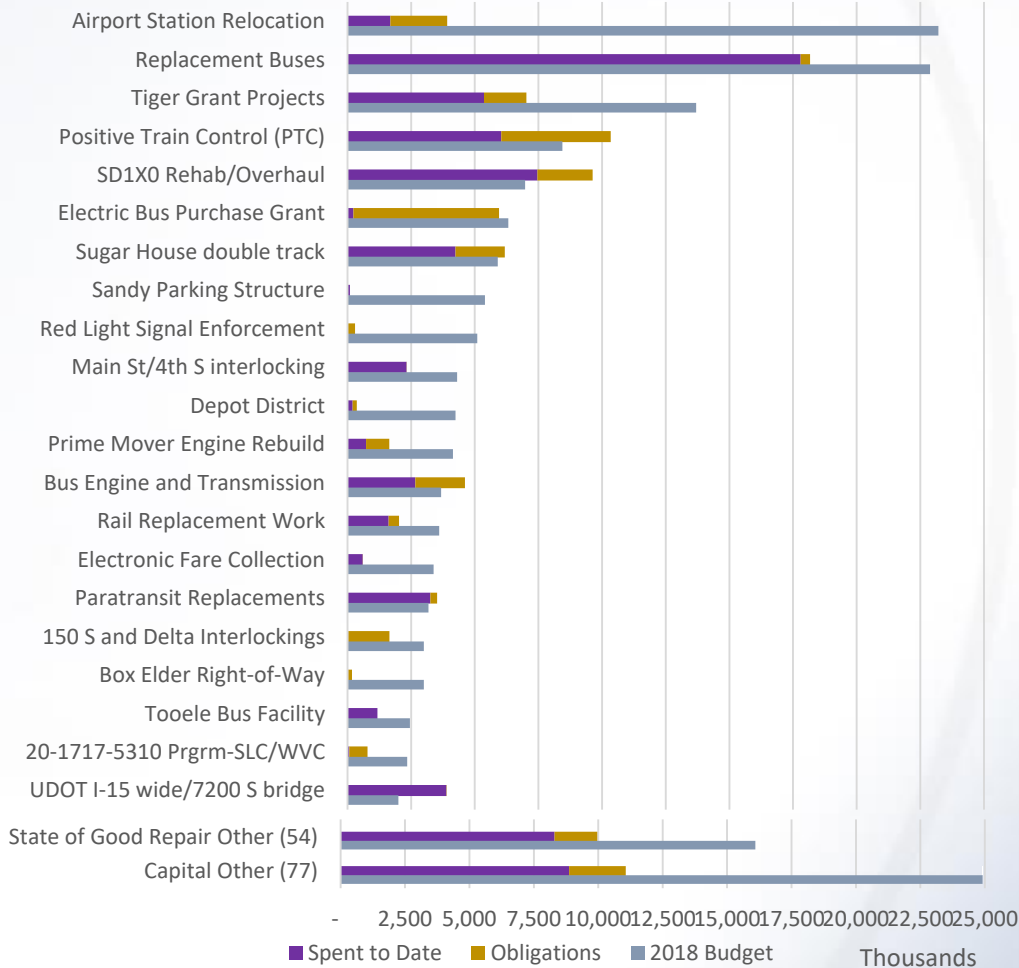


■ Expended ■ Obligations ■ Remaining Budget

% of Budget Expended & Obligated



Budget vs. Spent & Obligated



On Budget	On Schedule
Green	Green
Green	Green
Green	Green
Red	Green
Red	Green
Green	Green
Red	Green
Green	Green
Green	Green
Green	Green
Green	Green
Green	Green
Green	Green
Green	Green
Green	Green
Green	Green
Green	Green
Green	Green
Red	Green



Capital Budget Amendment Form

1. Project Details

Rectangular Snip

Date Submitted Date captured on form submission

Project Name:

Project #:

Project Manager:

2. Nature of Change and Cost Details

Nature of Change: Amendment Time Extension

Original Approved Amount: **Additional Amount Needed:** **Revised Total Project Cost:**

\$

\$

\$

Scheduled Start Date:
 

Scheduled End Date:
 

New Proposed End Date:
 

New Proposed Start Date:
 

3. Reason for Amendment

Please provide a reason why additional funds or a change in the timing of the project is required, as well as what actions are being taken to stay within budget.

4. Authorization

**Director of Capital
Projects**

CFO

Executive Director

Board

Submit

Other Business

- a. Next meeting: February 13, 2019 at 9:00 a.m.



Adjourn

