

Working Meeting of the Executive Committee

Wednesday, September 13, 2017, 4:00-5:00 p.m.

Frontlines Headquarters, 669 West 200 South, Golden Spike Rooms, Salt Lake City

Members of the public are invited to attend all committee meetings, and public comment may be taken at the discretion of the committee chair. If public comment is not taken at the committee meeting, the public will be able to review and provide comment via www.rideuta.com on all action items prior to the next full Board of Trustees meeting. If public comment is taken at the committee meeting, in order to be considerate of time and the agenda, comments will be limited to 2 minutes per individual, or 5 minutes for a spokesperson designated to represent a group.

Members:

Robert McKinley, Chair

Sherrie Hall Everett, Co-Vice Chair

Jeff Hawker, Co-Vice Chair (excused)

Jeff Acerson

Bret Millburn

Greg Bell

Troy Walker

Charles Henderson

Agenda

1. **Safety First Minute** **Dave Goeres**, Chief Safety,
Security & Technology Officer
2. **Executive Consent Agenda** **Robert McKinley**, Chair
 - a. [Approval of May 15, 2017 Meeting Report](#)
3. **Informational Items** **Robert McKinley**
 - a. none
4. **Items for Discussion** **Robert McKinley**
 - a. [R2017-09-02 – Amended Asset Management Plan](#) Jerry Benson
 - b. [R2017-09-03 - Amended Employee 457 Deferred Compensation](#) Jerry Benson
5. **Board Meeting Agenda Approval** **Robert McKinley**
6. **Closed Session**
 - a. Discussion of the Purchase, Exchange, Lease or Sale of Real Property when Public Discussion would Prevent the Authority from Completing the Transaction on the Best Possible Terms.
 - b. Strategy Session to Discuss the Character, Professional Competence, Physical or Mental Health of an Individual.
 - c. Strategy Session to Discuss Collective Bargaining.
 - d. Strategy Session to Discuss Pending or Reasonably Imminent Litigation.
7. **Action Taken Regarding Matters Discussed in Closed Session** **Robert McKinley**

8. Other Business

Robert McKinley

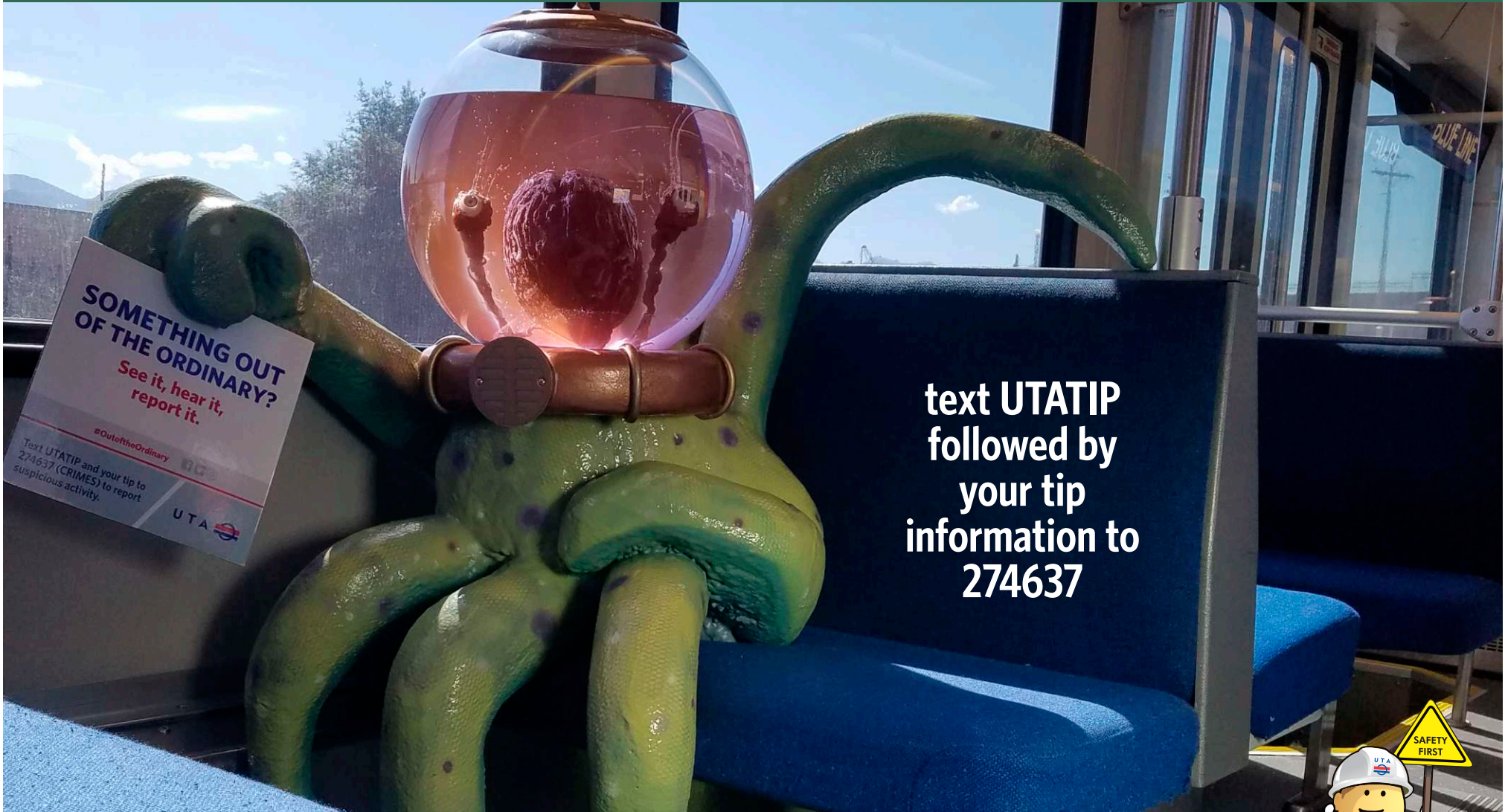
- a. Liaison, Conference & External Committees
- b. Next Committee Meeting

9. Adjourn

Robert McKinley

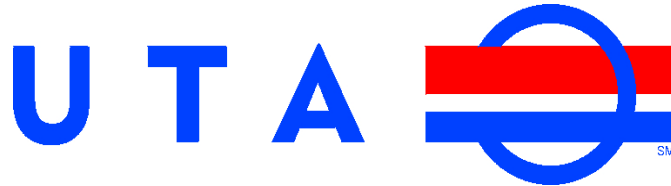
See Something Out Of The Ordinary

Call 801-287-EYES (3937) to report suspicious activity



UTAH TRANSIT AUTHORITY BOARD OF TRUSTEES
Agenda Item Coversheet

DATE:	September 13, 2017
CONTACT PERSON:	Robert McKinley, Chair
SUBJECT:	Minutes of the Executive Committee
BACKGROUND:	The minutes are being distributed to the committee for review and approval.
ALTERNATIVES:	<ul style="list-style-type: none">• Approve as presented• Amend and approve• No action
EXHIBITS:	<ul style="list-style-type: none">• 05-15-17 EXC Meeting Report



Minutes of the Executive Committee (EXC) Meeting
of the Board of Trustees of the Utah Transit Authority (UTA)
Monday, May 15, 2017
FrontLines Headquarters, 669 West 200 South, Salt Lake City, UT

EXC Members Attending:

Robert McKinley, Chair

Sherrie Hall Everett, Vice Chair

Jeff Acerson

Greg Bell

Charles Henderson

Bret Millburn

Excused/Not in Attendance: Jeff Hawker, Troy Walker

Other Board Members in Attendance: Necia Christensen

Chair McKinley called the meeting to order at 12:12 p.m. with five committee members present. Trustee Christensen was also in attendance.

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

Executive Consent Agenda.

1. Approval of April 19, 2017 Meeting Report.
 - a. A motion to approve the consent agenda was made by Trustee Acerson and seconded by Vice Chair Everett. The motion carried by unanimous consent with five aye votes.

Informational Items.

1. Special Recognition of Kathy Fellows and Rachel Staheli.
 - a. Chair McKinley recognized two riders, Kathy Fellows and Rachel Staheli, who assisted in stopping a bus that began rolling as its operator was out of the vehicle working to resolve a mechanical issue. Ms. Fellows and Ms. Staheli were not present, but Chair McKinley asked that a framed certificate of appreciation be sent to each of them.
2. Notice of Contract with Danyce Steck.
 - a. Jayme Blakesley, UTA General Counsel, stated that Danyce Steck, UTA Comptroller, has left the agency to work for Murray City. UTA would like to employ Ms. Steck as a consultant to complete projects in process and assist with the new comptroller's transition for a period of no longer than six months and a limit of \$15,000.00. The matter was brought to the EXC because by policy there is a period of time following an employee's termination when that employee is prohibited from doing business with UTA and this would be an exception.

Trustee Henderson joined the meeting at 12:27 p.m.

Items for Discussion.

1. BP 4.1.10 – Code of Conduct Proposed Revision & Financial Disclosure Process.
 - a. Mr. Blakesley provided an overview of the disclosure policy and then yielded the floor to Riana De Villiers, UTA Chief Internal Auditor, for a presentation on the 2016 disclosure process. Ms. De Villiers explained the financial disclosure review that took place for employees and trustees in 2016 along with lessons learned. Ruth Hawe, UTA Senior Counsel, joined Ms. De Villiers to speak about proposed changes to the Board Financial Disclosure Form for the 2017 process. Ms. De Villier then outlined the 2017 financial disclosure process.

Throughout the presentation, questions were posed by the EXC and answered by staff. In response to a question regarding primary residences, Mr. Blakesley responded that primary residences were not considered as part of the disclosure review process.
2. Provo-Orem TRIP Property Report.
 - a. Robert Biles, UTA Vice President of Finance, stated that staff would like to provide an update to the board on property issues related to the Provo-Orem Transportation Improvement Project (TRIP).
3. Overview of the Board Workshop Pre-Work.
 - a. Trustee Henderson summarized the pre-work efforts related to the board workshop in June.
4. R2017-05-01 – Clearfield Conditional Agreements.
 - a. Mr. Biles summarized the Transit-Oriented Communities Committee meeting held on May 10 in Clearfield. He indicated action on the Clearfield property would be required by the board at its May meeting.

Board Meeting Agenda Approval.

1. BP 4.1.10 – Code of Conduct Proposed Revision and Financial Disclosure Process.
2. R2017-05-01 – Clearfield Conditional Agreements.
3. Provo-Orem TRIP Property Report.

A motion to forward items 1-3 to the board agenda was made by Trustee Bell and seconded by Trustee Henderson. The motion carried by unanimous consent.

Trustee Bell suggested it would be appropriate to review the process for putting items on the board agenda during the board workshop. Chair McKinley agreed.

Trustee Christensen indicated that the pension committee is working through its processes and will report formally to the board at a future time.

Closed Session. No closed session was held.

Action Taken Regarding Matters Discussed in Closed Session. No closed session was held.

June Committee Items for Consideration.

1. Chair McKinley listed the committees that would be meeting in June.
2. Chair McKinley mentioned that August is typically a slow time for the board and suggested forgoing the August meeting.

Other Business. No other business was discussed.

Adjourn. The meeting was adjourned at 1:05 p.m. by motion.

Transcribed by Cathie Griffiths
Assistant to the President/CEO
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UTAH TRANSIT AUTHORITY BOARD OF TRUSTEES
Agenda Item Coversheet

DATE:	September 13, 2017
TITLE:	Amended Asset Management and 457 Deferred Compensation Plans
UTA EXECUTIVE/RESPONSIBLE STAFF MEMBER:	Kim Ulibarri, Chief People Officer
SUBJECT:	Changes associated with executive compensation
BACKGROUND:	<p>The final phase of implementing UTA’s executive compensation reforms requires the Agency to amend our 401(a) and 457 deferred compensation plan documents.</p> <p>This item is being presented to the Executive Committee of the Board to provide information on upcoming changes and to discuss additional action needed.</p>
ALTERNATIVES:	None presented
FINANCIAL IMPACT:	To be determined
LEGAL REVIEW:	Complete
EXHIBITS:	<ul style="list-style-type: none"> • Executive Committee Update • R2017-09-02 – Amended Asset Management Plan • R2017-09-03 – Amended 457 Plan

Final Changes - Executive Compensation:
401A/457 Deferred Compensation Plans

Purpose of Presentation:

Update the executive committee on the changes associated with Executive Compensation. Approve deferred compensation plan document updates associated with final changes.

2014 Legislative Audit Findings:

UTA Executive compensation package was generally higher than average market including “special benefits” such as cash bonuses, two types of deferred compensation retirement plans, and a car allowance.

Measures Taken to Date to Address Findings:

- Conducted total compensations study
- UTA Board set the market median for newly hired executive staff at 90 percent of the labor market median
- Eliminated executive bonuses

Upcoming Changes:

- Participation in the 401A deferred compensation plan terminated effective December 31, 2017.
- Elimination of transportation allowance effective January 2018.
- Elimination of employer deposited maximum contributions into the 457 deferred compensation plan for thirteen current participants, final deposit will be January 2018.
- Going forward five member executive team will receive an employer match of 7% into the 457 deferred compensation plan, if the employee contributes 3%.

Board Action Needed to Implement Deferred Compensation Changes:

Both the 401A and 457 deferred compensation programs are governed by plan documents adopted by the Board. In order to make adjustments to these benefits, the following plan document updates are required:

401 Plan- Update Amendment A of the plan document to:

- Accurately reflect those currently participating through December 31, 2017 (the titles were never updated to accommodate previous title changes). This change allows previous participants to keep their money in the plan.
- Reflect, effective January 1, 2018, the President/CEO as the only active participant in the plan.

457 Plan- Update the plan document to state:

- Those employees currently receiving the IRS maximum contribution will continue this benefit through January 2018, after which time that benefits will no longer be available.
- Effective January 2018, UTA Executives will receive a 7% contribution into the 457 each year if the executive contributes 3% of his/her salary.

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE UTAH TRANSIT
AUTHORITY ADOPTING AMENDED APPENDIX 1 TO THE UTAH TRANSIT
AUTHORITY ASSET MANAGEMENT PLAN AND TRUST AGREEMENT**

2017-09-02

September 27, 2017

WHEREAS, the Utah Transit Authority (the "Authority") is a public transit district organized under the laws of the State of Utah and was created to transact and exercise all of the powers provided for in the Utah Limited Purpose Local Government Entities - Local Districts Act and the Utah Public Transit District Act; and

WHEREAS, effective January 1, 1998, the Authority established the *Utah Transit Authority Asset Management Plan and Trust Agreement* (the "Plan") which Plan has been amended by an Amendment dated March 27, 2002; a Second Amendment to the Plan on September 30, 2002; a Third Amendment on February 26, 2003; a Fourth Amendment on May 28, 2003; a Fifth Amendment on November 19, 2003; a Sixth Amendment on December 15, 2004; a Seventh Amendment on November 23, 2005; and an Eighth Amendment on June 25, 2008; a Ninth Amendment on June 27, 2012; and

WHEREAS, effective July 30, 2014, the Authority restated the Plan and adopted the same; and

WHEREAS, the Board of Trustees desires to revise Appendix 1 of the restated Plan to modify the listing of Covered Employees of the Plan; and

WHEREAS, paragraph 2.06 of the Plan allows for such revision without amending the Plan documents.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Utah Transit Authority:

1. That the Board of Trustees hereby adopts revised Appendix 1 to the Utah Transit Authority Asset Management Plan and Trust Agreement as attached to this Resolution as Exhibit A, and directs the President/CEO to sign the revised Appendix 1.
2. That this Resolution stay in force and effect until rescinded, amended, or superseded by further action of the Board.
3. That the Board formally ratifies prior actions taken by the Authority, including those taken by the President/CEO, the V.P. of Finance, the Benefits Administrator, the General Counsel, and their staffs that were necessary or appropriate to manage the Plan.
4. That the corporate seal be attached hereto.

APPROVED AND ADOPTED this 27th day of September, 2017.

Robert McKinley, Chair

ATTEST:

Robert K. Biles, Secretary

[SEAL]

CERTIFICATE

The undersigned duly qualified Chair of the Board of Trustees of the Utah Transit Authority certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Board held on the 27th day of September, 2017.

Robert McKinley, Chair

Robert K. Biles, Secretary

APPROVED AS TO FORM

Legal Counsel

EXHIBIT "A"

Amended Appendix 1
to the Utah Transit Authority
Asset Management Plan

**APPENDIX 1
TO THE UTAH TRANSIT AUTHORITY
ASSET MANAGEMENT PLAN**

Covered Employees, through December 31, 2017:

Current Executives

- Jerry Benson, President and CEO
- Dave Goeres, Chief Safety, Security, and Technology Officer
- Bob Biles, VP of Finance

Previous Executives & Current Regional General Managers

- Andrea Packer, Communications Director
- Steve Meyer, Director of Capital Projects
- Matt Sibul, Government Relations Director
- Bruce Cardon, Commuter Rail GM
- Eddy Cumins, Regional GM Mt. Ogden BU
- Lorin Simpson, Regional GM Salt Lake BU
- Cherryl Beveridge, Special Services GM

Covered Employees, from and after January 1, 2018:

- President and CEO

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE UTAH TRANSIT
AUTHORITY ADOPTING THE AMENDED UTAH TRANSIT AUTHORITY EMPLOYEE
457 DEFERRED COMPENSATION PLAN**

2017-09-03

September 27, 2017

WHEREAS, the Utah Transit Authority (the “Authority”) is a public transit district organized under the laws of the State of Utah and was created to transact and exercise all of the powers provided for in the Utah Limited Purpose Local Government Entities-Local Districts Act and the Utah Public Transit District Act; and

WHEREAS, it is the policy of the Board of Trustees (the “Board”) to attract and retain good people, and to reward continued service to the Authority in part through various retirement and deferred compensation plans; and

WHEREAS, the Board has previously adopted a prototype plan drafted by ICMA-RC as the Utah Transit Authority Employee 457 Deferred Compensation Plan (the “Plan”); and

WHEREAS, the Authority has adopted certain plan amendments; and

WHEREAS, the Board desires to make certain additional amendments to the Plan, and with such amendments, the Board believes that the Plan fairly and adequately expresses the intent of the Board.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Utah Transit Authority:

1. That the Board adopts the ICMA Retirement Corporation Prototype 457 Deferred Compensation Plan as the Utah Transit Authority Employee Deferred Compensation plan with the following amendments:
 - a. The Administrator of the Plan shall be the Pension Committee.
 - b. The Trustee of the Plan shall be the Pension Committee.
 - c. Other than as described in paragraphs d through f, below, if an Employee defers at least 2% of salary to the Plan during the period the employee is a plan participant, then the Employer shall deposit to the Plan \$2.00 for every \$3.00 deferred by the Employee, up to a maximum of 2% of the Employee’s Includible Compensation. Such deferred compensation shall be deposited at the beginning of the year following the end of the Plan year. If an Employee terminates or retires, the additional compensation will be deposited into their deferred account at the same time all final compensation payments are made.

- d. The Employer shall deposit the Internal Revenue Service maximum contribution for those Current Executives and Previous Executives and Current Regional General Managers set forth on Attachment “A” hereto for each calendar year through the end of calendar year 2018, at which time such benefit shall cease. Such deposit shall be made at the beginning of the Plan year for that calendar year.
- e. For calendar year 2017 and 2018, provided that an individual described as a New Executive on Attachment “A” shall defer 3% of salary to the Plan, then the Employer shall deposit into the Plan 7% of the Includible Compensation for each New Executive (up to but not exceeding the Internal Revenue Service maximum contribution). Such deferred compensation shall be deposited at the beginning of the year following the end of the Plan year.
- f. Commencing January 1, 2019 and for each calendar year thereafter, if an individual described as an Executive (Restructure) (as set forth on Attachment “B” hereto) defers 3% of salary to the Plan during the period such Executive (Restructure) is a plan participant, then the Employer shall deposit to the Plan 7% of the Executive’s Includible Compensation (up to but not exceeding the Internal Revenue Service maximum contribution). Such deferred compensation shall be deposited at the beginning of the year following the end of the Plan year.
- g. Article II. Definitions. Section 2.09 Employee, of the Plan is amended to read:
“Section 2.09 Employee:
A. Each person who is a full-time employee, part-time employee or full-time temporary employee and who has successfully completed one year of service, excluding employees classified as an intern or part-time temporary employee, or
B. Each employee who is entitled to participate in the Plan pursuant to a Collective Bargaining Agreement and who has successfully completed one year of service.”
- h. Article II. Definitions. Section 2.10 Employer, is amended to read:
“Section 2.10 Employer: Utah Transit Authority, which is a political subdivision, agency, or instrumentality of the State of Utah, described in Section 457(e)(1)(A) of the Code.”
- i. Article VII. Benefits. Section 7.08 In-Service Distribution of Rollover Contributions is not adopted as part of the Plan.
- j. Article VIII. Loans to Participants is not adopted as part of the Plan.
- k. Article IX. Deemed IRAs is not adopted as part of the Plan.

- I. Appendix A. Article II. Pension Protection Act of 2006. Section 2.05 Distributions for Health and Long-Term Care Insurance for Public Safety Officers is not adopted as part of the Plan.
- m. Appendix B. The Heroes Earnings Assistance and Relief Tax Act of 2008 is adopted as part of the Plan.
2. That future amendments proposed by ICMA-RC to the Plan shall be considered for incorporation into the Plan by the Board on a case by case basis.
3. That this Resolution supersedes Resolution No. 2012-06-04 dated June 27, 2012, and shall stay in force and effect until rescinded, amended, or superseded by further action of the Board.
4. That the Board formally ratifies prior actions taken by the Authority, including those taken by the President/CEO, the V.P. of Finance, the Benefits Administrator, the General Counsel, and their staffs that were necessary or appropriate to manage the Plan.
5. That the corporate seal be attached hereto.

APPROVED AND ADOPTED this 27th day of September, 2017.

Robert McKinley, Chair

ATTEST:

Robert K. Biles, Secretary

[SEAL]

CERTIFICATE

The undersigned duly qualified Chair of the Board of Trustees of the Utah Transit Authority certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Board held on the 27th day of September, 2017.

Robert McKinley, Chair

Robert K. Biles, Secretary

APPROVED AS TO FORM

Legal Counsel

ATTACHMENT A

Current Executives

- Dave Goeres, Chief Safety, Security, and Technology Officer
- Bob Biles, VP of Finance

Previous Executives & Current Regional General Managers

- Andrea Packer, Communications Director
- Steve Meyer, Director of Capital Projects
- Matt Sibul, Government Relations Director
- Bruce Cardon, Commuter Rail GM
- Eddy Cumins, Regional GM Mt. Ogden BU
- Lorin Simpson, Regional GM Salt Lake BU
- Cherryl Beveridge, Special Services GM

New Executives

- Kim Ulibarri, Chief People Officer
- Todd Provost, VP of Operations, Capital and Assets
- Nichol Bourdeaux, VP of External Affairs
- Jayme Blakesley, General Counsel

ATTACHMENT B

Executives (Restructure)

- Chief Safety, Security, and Technology Officer
- VP of Finance
- VP of External Affairs
- VP of Operations, Capital and Assets
- Chief People Officer
- General Counsel