

# UTA Board of Trustees Meeting

April 29, 2020



# Call to Order and Opening Remarks



# Public Comment

Due to the format of the meeting, no in-person comment will be taken

Public comment was solicited prior to the meeting through alternate means, including email, telephone, and the UTA website

All comments received were distributed to the board before the meeting and will be attached as an appendix to the meeting minutes



# Safety First Minute



# Consent Agenda

- a. Approval of April 15, 2020 Board Meeting Minutes



# Recommended Action (by acclamation)

Motion to approve



# Agency Report

- a. Service Choices Update



# Government Relations Report





# Pension Committee Report



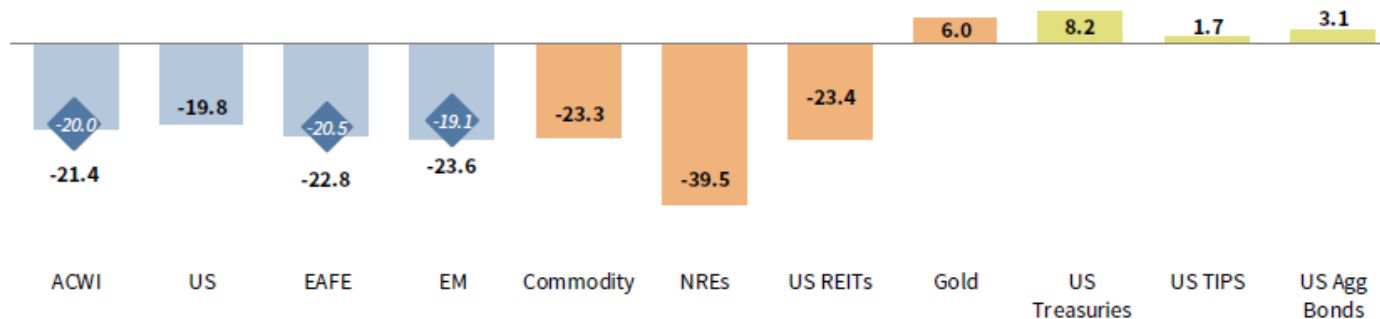
## Risk assets plunged in Q1

ACWI suffers its worst quarter since late 2008; higher beta credit suffers from limited liquidity and rising downgrade concerns

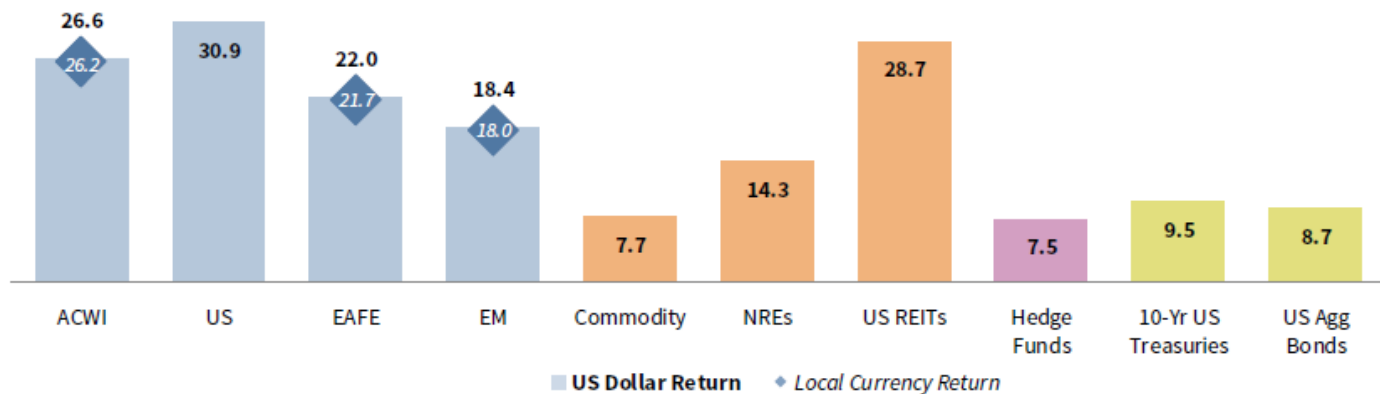
### GLOBAL ASSET CLASS PERFORMANCE

As of March 31, 2020 • US Dollar

#### QTD Returns (%)



#### CY 2019 Returns (%)



Sources: Bloomberg Index Services Limited, Bloomberg L.P., FTSE International Limited, Intercontinental Exchange, Inc., MSCI Inc., National Association of Real Estate Investment Trusts, and Thomson Reuters Datastream. MSCI data provided as is without any express or implied warranties.

Notes: All returns are total returns; total return data for all MSCI indexes are net of dividend taxes. Asset classes represented by: MSCI AC World Index (ACWI), MSCI US Index (US), MSCI EAFE Index (EAFE), MSCI Emerging Markets Index (EM), Bloomberg Commodity Total Return Index (Commodity), market cap-weighted Datastream Developed Energy Index and Datastream Developed Basic Resources Index blend (NREs), FTSE® NAREIT All Equity REITs Index (US REITs), Gold Bullion Spot Price (Gold), Bloomberg Barclays US Treasury Index (US Treasuries), Bloomberg Barclays US TIPS Index (US TIPS), Bloomberg Barclays US Aggregate Bond Index (US Agg Bonds), and Bloomberg Barclays Long-Term Government/Credit (Long Gov/Credit), respectively.



# Benefits of diversification

As of March 31, 2020

## THE BENEFITS OF DIVERSIFICATION: GLOBAL AND US INDEXES

2008-20 • US Dollar

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Strategy	2010-19 10-Year AACR	2010-19 Ann Std Dev	Sharpe Ratio
5.2%	78.5%	29.1%	8.3%	19.7%	43.3%	28.0%	5.7%	31.7%	37.3%	0.0%	36.4%	3.1%	US Large-Cap Growth	15.2%	13.2	1.16
-28.9%	37.2%	27.9%	7.8%	18.2%	34.5%	13.5%	2.8%	17.3%	30.2%	-1.5%	28.7%	-14.1%	US Small-Cap Growth	13.0%	17.7	0.74
-35.6%	34.5%	24.5%	2.6%	18.1%	33.5%	13.0%	0.5%	11.8%	25.0%	-4.0%	28.5%	-22.8%	Public Real Estate	12.6%	14.8	0.85
-36.8%	31.8%	18.9%	0.4%	17.5%	32.5%	6.0%	-0.8%	11.3%	22.2%	-8.3%	26.5%	-23.3%	US Large-Cap Value	11.8%	12.7	0.93
-37.7%	28.0%	16.8%	-2.9%	17.3%	22.8%	5.6%	-1.4%	11.2%	13.7%	-9.3%	22.4%	-23.4%	US Small-Cap Value	10.6%	16.8	0.63
-38.4%	20.6%	16.7%	-5.5%	15.3%	2.9%	4.2%	-3.8%	8.6%	8.7%	-11.2%	22.0%	-23.6%	Non-US Dev Mkts	5.5%	14.6	0.38
-38.5%	19.7%	15.5%	-12.1%	14.6%	-2.0%	-2.2%	-7.5%	7.1%	7.8%	-12.9%	18.4%	-25.8%	US Bonds	3.7%	2.9	1.30
-43.4%	18.9%	7.8%	-13.3%	4.2%	-2.6%	-4.9%	-14.9%	2.6%	3.5%	-13.8%	8.7%	-26.7%	Emerging Mkts	3.7%	17.2	0.21
-53.3%	5.9%	6.5%	-18.4%	-1.1%	-9.5%	-17.0%	-24.7%	1.0%	1.7%	-14.6%	7.7%	-35.7%	Commodities	-4.7%	13.6	-0.35

### Spread of Returns Between Highest- and Lowest-Performing Strategies within a Given Period

Percentage Points

58.6	72.6	22.5	26.7	20.8	52.8	45.0	30.3	30.7	35.6	14.6	28.7	38.8	20.0
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Sources: Bloomberg Index Services Limited, Bloomberg L.P., Frank Russell Company, FTSE International Limited, MSCI Inc., National Association of Real Estate Investment Trusts, and Thomson Reuters Datastream. MSCI data provided "as is" without any express or implied warranties.

Notes: US large-cap style represents the performance of the Russell 1000® style indexes. US small-cap style represents the performance of the Russell 2000® style indexes. Non-US Dev Mkts represents the performance of the MSCI Europe, Australasia, and Far East (EAFE) Index. Emerging Mkts represents the performance of the MSCI Emerging Markets Index. US Bonds represents the performance of the Bloomberg Barclays US Aggregate Bond Index. Public Real Estate represents the performance of the FTSE® NAREIT All Equity REITs Index. Commodities represents the performance of the Bloomberg Commodity Total Return Index. Total return data for all MSCI indexes are net of dividend taxes. Data for 2020 as of March 31.

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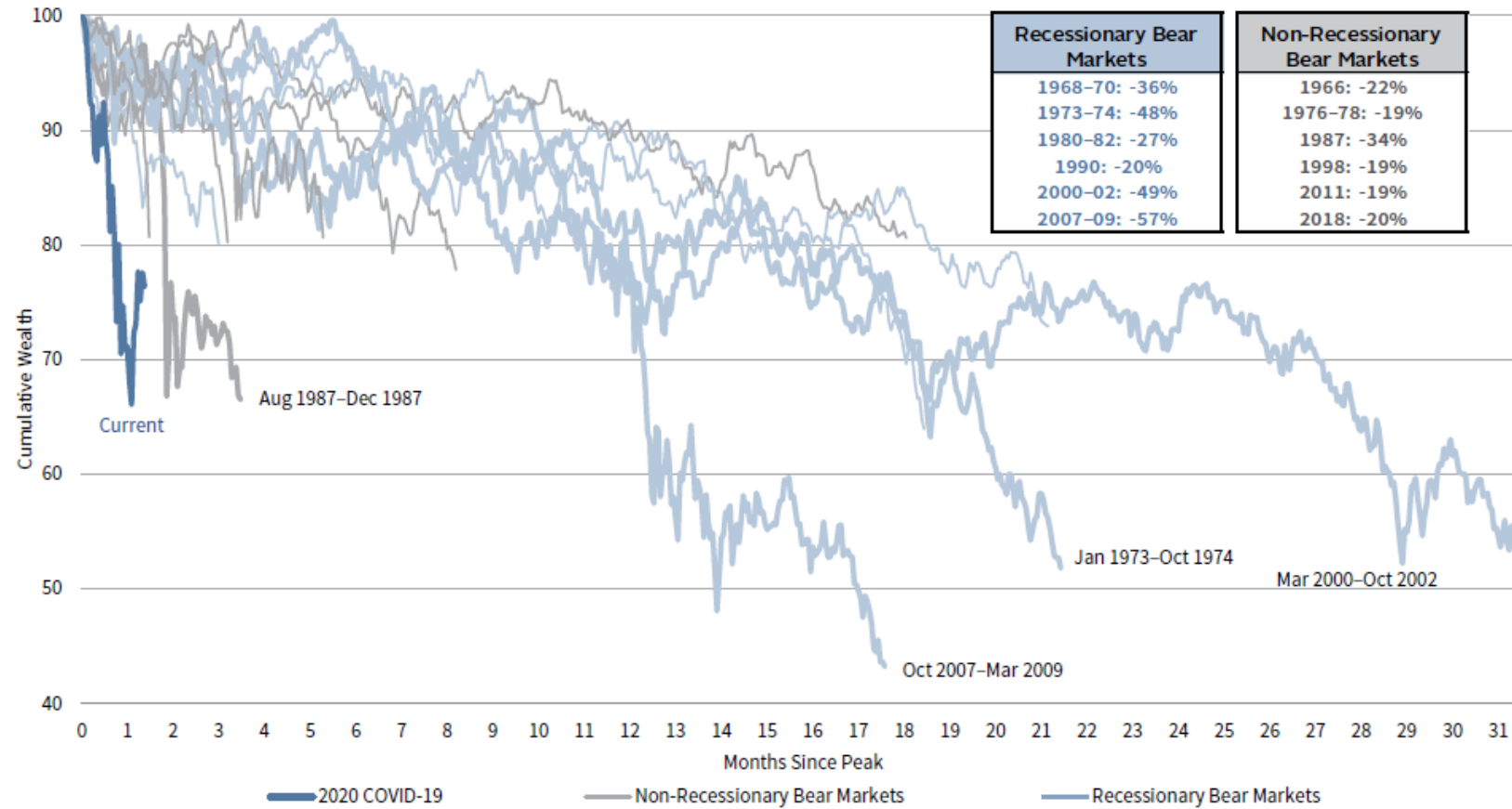


# The fastest bear market in history

It took just 16 trading days for the S&P 500 to close down more than 20% from its February 19 record high

## S&P 500 BEAR MARKETS

February 9, 1966 – March 31, 2020 • Rebased to 100 at Cycle Peak



Sources: NBER, Ned Davis Research, Standard & Poor's, and Thomson Reuters Datastream.

Notes: Recession-related bear markets are highlighted in light blue, occurring in 1968-70, 1973-74, 1980-82, 1990, 2000-02, and 2007-09. Recessions defined by NBER business cycle reference dates. Non-recession-related bear markets represented by gray lines, occurring in 1966, 1976-78, 1987, 1998, 2011, and 2018. Bear market defined as peak-to-trough drawdown of at least 19%. Current bear market trough occurred on March 23, 2020, and is updated through March 31, 2020, as the current cycle is ongoing.



## Historical Bull & Bear Equity Markets

### MAJOR PRICE REVERSALS IN THE MSCI ALL COUNTRY WORLD

As of April 17, 2020 • US Dollar

Bull Markets				Bear Markets			
Trough	Peak	Duration	Price Return (%)	Peak	Trough	Duration	Price Return (%)
Oct 05 1998	Mar 27 2000	17.7	61.6	Mar 27 2000	Sep 21 2001	17.8	-41.6
Sep 21 2001	Mar 19 2002	5.9	20.5	Mar 19 2002	Oct 09 2002	6.7	-31.1
Oct 09 2002	Oct 31 2007	60.7	152.3	Oct 31 2007	Oct 27 2008	11.9	-52.3
Oct 27 2008	Nov 04 2008	0.3	21.8	Nov 04 2008	Nov 20 2008	0.5	-23.4
Nov 20 2008	Jan 06 2009	1.5	23.8	Jan 06 2009	Mar 09 2009	2.0	-26.8
Mar 09 2009	May 02 2011	25.8	107.1	May 02 2011	Oct 04 2011	5.1	-23.9
Oct 04 2011	May 21 2015	43.5	62.7	May 21 2015	Feb 11 2016	8.7	-20.2
Feb 11 2016	Jan 26 2018	23.5	55.7	Jan 26 2018	Dec 25 2018	10.9	-20.8
Dec 25 2018	Feb 12 2020	13.6	33.3	Feb 12 2020	Mar 23 2020	1.3	-33.9
Mar 23 2020	Apr 17 2020	0.8	25.1				
<b>Median</b>		<b>20.6</b>	<b>49.3</b>	<b>Median</b>		<b>6.7</b>	<b>-25.8</b>



Source: Thomson Reuters Datastream

Notes: Data reflect 20% MSCI All Country World Price Index reversals. Highlighted are the last 10 bull markets and the last 9 bear markets. Median calculations are based on the 12 bull markets and the 12 bear markets since index inception in December 31, 1987. Duration is measured in months.



# Investment Report – First Quarter 2020



# Investments at 3/31/20

Institution	Amount	Yield
Zions Capital Advisors	\$28,541,843	2.190%
Zions Bank	12,287,951	0.270%
PTIF	272,944,142	1.663%
Totals	\$313,773,936	1.656%

There were no direct investments held by UTA during the quarter.

# Benchmark Comparisons

## First Quarter 2020

Institution	January	February	March
Zions Capital Advisors	2.247%	2.156%	2.190%
PTIF	2.201%	2.103%	1.663%
Benchmark Returns*	1.550%	1.580%	0.650%

\* Benchmark return is the higher of the 3-Month Treasury Bill or the Fed Funds rate.



# **Reserves Action – Authorization of Debt Reduction Reserve and Reallocation of Reserve Funds**



# Recommended Action (by acclamation)

Motion to authorize a debt reduction reserve account to be held by the Authority

Motion to authorize the Chief Financial Officer to reallocate UTA reserve funds from the proceeds of bond refunding as outlined in the meeting packet



# **Policy Approval - UTA Policy 1.1.11 - Ethics**



- Annual review of Ethics Policy
  - Last revision on May 29, 2019
- Incorporate ethics related policies into Ethics Policy:
  - Ethics Hotline Policy 1.33
  - Whistleblower Protection Policy 6.1.9
  - Anti-Fraud Policy 6.1.13
- Significant additions and changes to:
  - Reporting Conflicts of Interest
  - Gifts
  - Meals
  - Outside employment



- Publication of policy to employees
  - Formal communication
  - Learning Management System
  - In-person training



# Recommended Action (by acclamation)

Motion to approve



# Contracts, Disbursements, and Grants

- a. Contract: Computer-Aided Dispatch/Automatic Vehicle Location Sole Source Contract (Talrace, LLC)
- b. Contract: Light Rail SD100 Low-Voltage Power Supply Overhaul (LES Services Electro-Techno Inc.)
- c. Contract: New Design Bus Stop Signs (Intermountain Traffic Safety)
- d. Change Order: South Temple and Main Street Curve Replacement – On-Call Maintenance Task Order #102 (Stacy and Witbeck, Inc.)
- e. Revenue Contract: Volkswagen Eligible Mitigation Action Funding Agreement (Utah Department of Environmental Quality)



# Contracts, Disbursements, and Grants (continued)

- f. Revenue Contract: Professional Services Agreement – Design of 650 South Main Street TRAX Station (Redevelopment Agency of Sale Lake City)







# Contracts, Disbursements, and Grants (continued)

- g. Pre-Procurements
  - i. Police Vehicle Purchase
  - ii. SD160 Light Rail Vehicle Door Parts Purchase
  - iii. Light Rail Vehicle Seat Replacement
  - iv. Bus Plexiglass Barrier Purchase





# Contracts, Disbursements, and Grants (continued)

- g. Pre-Procurements
  - i. Police Vehicle Purchase
  - ii. SD160 Light Rail Vehicle Door Parts Purchase
  - iii. Light Rail Vehicle Seat Replacement
  - iv. Bus Plexiglass Barrier Purchase
  - v. Design for 650 South Main Street TRAX Station
  - vi. Provo to Santaquin Corridor Transit Options Analysis



# Contracts, Disbursements, and Grants (continued)

- h. Grant Application: USDOT Better Utilizing Investments to Leverage Development (BUILD) Grant Application for Future of FrontRunner First Steps: Double Tracking South Jordan to Draper

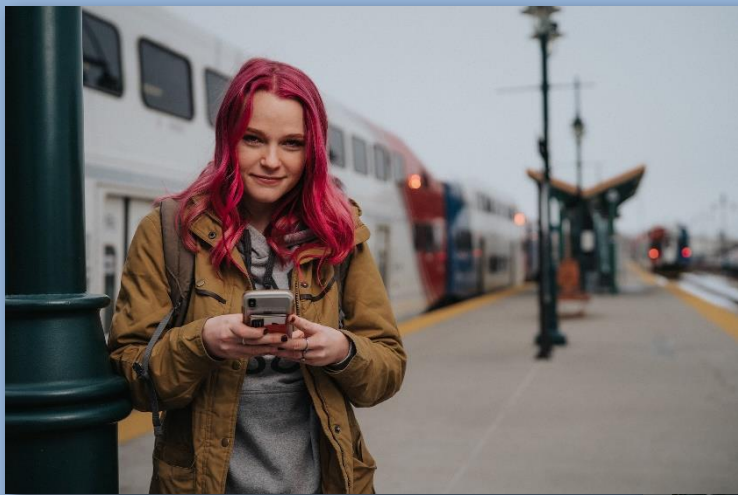


# Discussion Items



# UTA 2019 Onboard Survey Report





# 2019 Onboard Survey Summary Report

## Board of Trustees



# Background

- Title VI regulations (49 CFR part 21) require that *“passenger surveys shall be employed by transit providers on a schedule determined by the transit provider but no less than every five years.”*
- The primary purpose of these surveys is to allow UTA to develop a demographic profile comparing minority riders and non-minority riders, and trips taken by minority riders and non-minority riders
  - UTA also collects origin and destination data during this survey in order to support updates the regional travel demand model

# Background

- Title VI regulations (49 CFR part 21) require at a minimum the following information be collected during the survey:
  - Race color
  - National origin
  - Language other than English spoken at home
  - English proficiency
  - Household income
  - Travel patterns, including origin and destination, routes used etc.
  - Fare usage by fare type
    - UTA collects an additional thirteen (13) rider profile variables

# Highlights from the survey

## Gender

- The current ridership breaks down at 60% male and 40% female. 2019 was the first onboard survey to offer an 'other' category as a choice for this question. For 2019, there were 0.30% of respondents who chose 'Other'

## Age

- The age profile of the largest % of riders remains 44 and under (77% in 2019)
  - 61% of our riders are under the age of 35

Age	2019
Under 18	5%
18-24	32%
25-34	24%
35-44	16%
45-54	10%
55-64	9%
65+	4%

# Highlights from the survey

## Race

- Since 2015 the race of our riders remains relatively consistent

## Income

- 50% of UTA riders earn less than \$40,000 per year

Race	2019 %	% Change between 2015 and 2019
American Indian or Alaskan Native	2%	0%
Asian	5%	2%
African American or Black	5%	0%
Hispanic/Latino	13%	1%
Hawaiian/Pacific Islander	2%	0%
White or Caucasian	73%	-2%

- Riders earning less than \$10,000 grew by 7% since 2015

# Highlights from the survey

## Vehicles per household

- Since 2015 there has been a decline of -2% in '0' car households while households with 4 or more vehicles has grown

Vehicles per household	2019 %	% Change between 2015 and 2019
4 or more vehicles	6%	1%
3 vehicles	11%	1%
2 vehicles	24%	-1%
1 vehicle	31%	0%
None	28%	-2%

## Did you have another another option

- 53% of riders have no other option for transportation. This population of riders has declined by 2% since 2015.

# Highlights from the survey

## Frequency of use

- Since 2015 the number of riders using the system 6 days/week has gone up 2%

## Transfers

- Since 2015 rider's trips with 2 or more transfers went up by 4%

Transfers	2019%	% Change between 2015 and 2019
0	72%	-18%
1	24%	12%
2	4%	4%
3 >	0%	0%

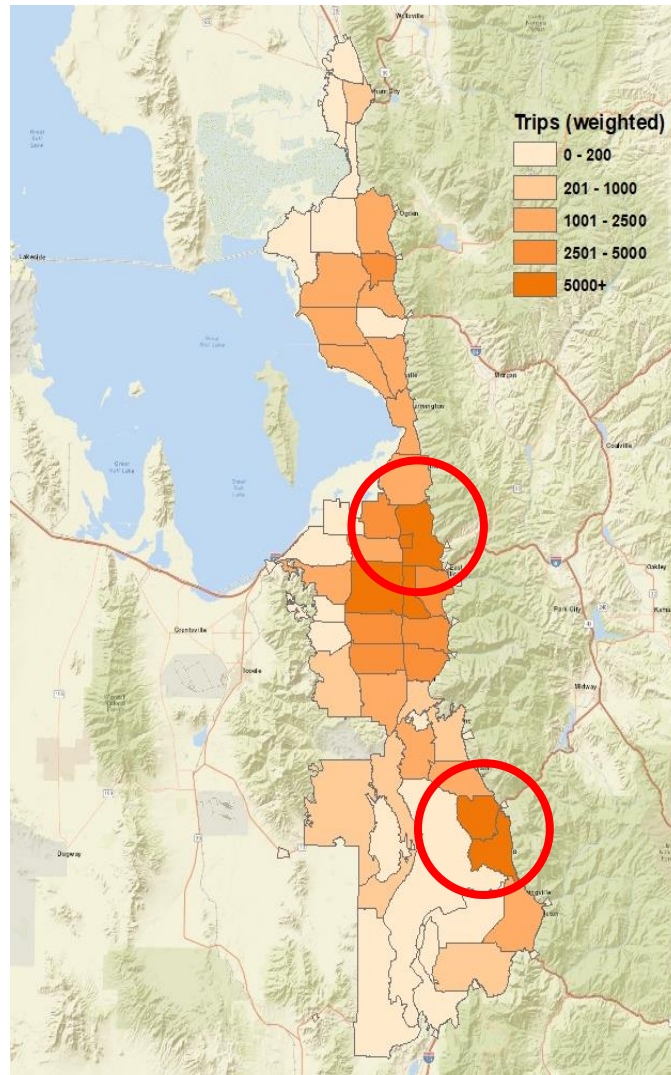
# Highlights from the survey

## Access & egress modes

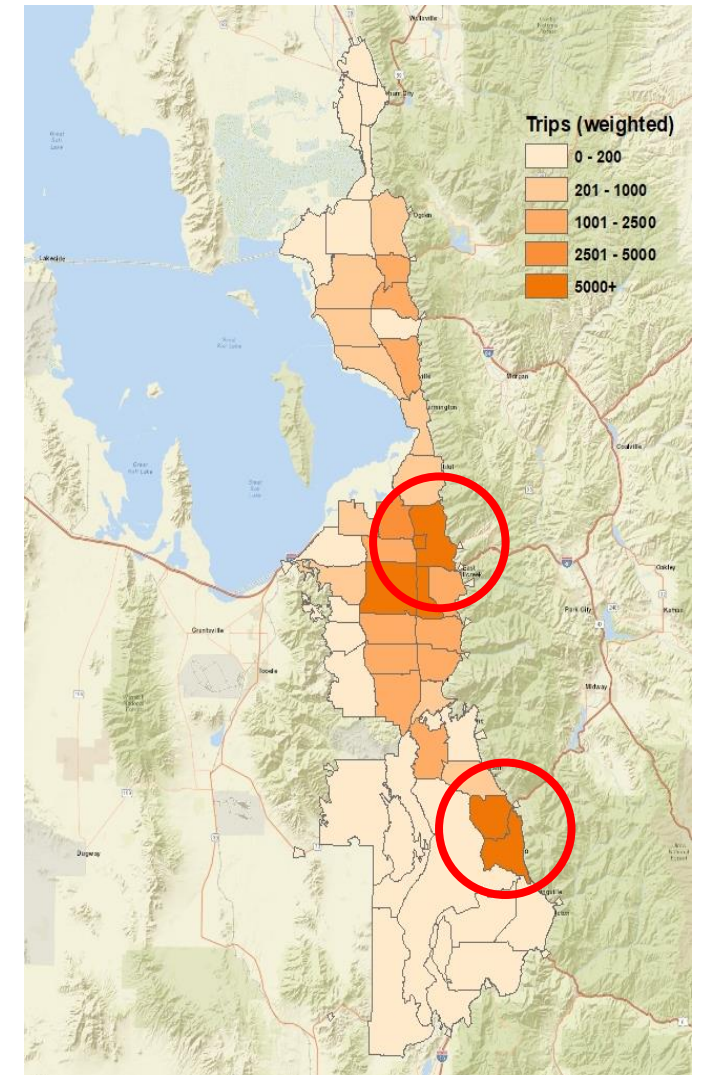
- The top four means of access and egress to the UTA system (in order of size) respectively account for 97% of all trips:
  - Walking (78%)
  - Drove alone and parked (9%)
  - Dropped off/picked up by someone (7%)
  - Personal bike (3%)
- Other modes have been added to the survey in the 2019 survey (i.e. scooters, bike sharing, Lyft, Uber, shuttles). They account for less than 1% of access/egress

# Highlights from the survey

Trip  
Production



Trip  
Attraction





# Highlights from the survey

*Thank you!*

# Other Business

- a. Next meeting on May 6, 2020 at 9:00 a.m.



# Closed Session

- a. Strategy Session to Discuss Pending or Reasonably Imminent Litigation



# Closed Session



# Open Session



**Adjourn**

