I. ACTION

A. UTA Contract. Val Peterson explained he has met with UTA over the last 3-4 months working on a contract. UTA wanted the contract to be their standard rate minus 25%, with a yearly student pass approximately $400 a semester. Our students comprise 30% of the ridership of UTA on a daily basis. The contract reached at $627,000 per year which is about $40 per year for students. There is a cap at the end and each year UTA has a chance to look at numbers to provide the basis for cost. Vice President Peterson felt this was a reasonable compromise. Pass will be $40 for first year, $50 for second year and $70 for third year. Questions and comments:

- It appears the $40 pass will not cover all costs. It was explained students pay a general fee that generates $359,000 and the university pays $130,000, which along with pass purchases gives the final total.
- Does each student pay the fee even if they don’t get a pass? Yes, they receive the benefit by helping alleviate traffic issues.
- Do we pay the $2 fee for electronic card? No, because we don’t use their card service. This contract is for several universities. UVU uses the OneCard system.
- Ask if 5c applies to the yearly fee and shouldn’t there be a statement about this being a multi-year contract? This contract is for 2011-12 only and will be renewed.
- In 6b it says there is a cost cap for each year, but UTA reserves the right to adjust the contract based on number of trips. Does this mean there is no price protection? This year the per-trip cost was negotiated at $1.38 and next year at $1.57. As long as usage stays about the same, costs will not increase.
- Suggested taking the wording “sole discretion” out of 6c.
- If they change the base rate, does this impact the fare cap? The fare cap becomes key. The UTA board voted to increase the fares to $3 per rider, but we had already negotiated the rate, so this rate increase didn’t affect UVU.
- What is the comparison with other state institutions? This contract is for Weber, SLCC and UVU, so per trip amount is equivalent. The University of Utah will be paying approximately $3 million for their contract. SLCC will probably put a cap on amount of riders this year.
- UVU’s protection is not being liable for anything beyond the fare cap regardless of how many trips our students take. If we had a huge increase in ridership, there would be renegotiations for the following year “except in the event of fare cap being adjusted”.
- There is also a 30-day “out” clause. How would you give students back their money if it was discontinued? We have student names and could return the money, but don’t anticipate this happening.
- How is the money appropriated? Funds are put in an index for UTA, where we draw out the quarterly deposits to UTA for services.
- In 6l it was felt the 5% processing fee is excessive. UVU issues a check and does not pay the 5% charge.
- Has contract been viewed by an attorney? Yes, he is comfortable with the language, including the 30 day termination clause, but has issues with the fuel surcharge which has not been a negotiable item. UTA feels they need the protection based on fuel costs even though we tried to remove.
- How is contract amount determined? It is determined by number of pass holders, plus calculation of number of riders based on past year and year to come.
- What is the history of ridership? 92% of students use the local bus, 5% express service and 2% Trax.
• If this cost goes up significantly, what happens to the funds? That is the reason for the cost cap being in place for this year so we are not liable.
• Has the $6.88 student fee increased this year? No, the fee has been fixed from the inception of the program.
• Does UVU have an advertising plan to encourage more riders? UTA comes on campus on a regular basis to promote. There will be a transit station located on the site of the former Sinclair station. VP Peterson noted the biggest hurdle is the amount of time it takes to ride the bus and convenience for students.
• Is the advertising on the bus a separate arrangement? Yes, it is an advertising contract and is separate. Does UVU get any benefits? No, we pay separately for bus advertising.

Trustee Mortimer motioned for approval of the UTA 2011-14 contract for bus service. Trustee Shoemaker seconded. Voting was unanimous in the affirmative.

II. INFORMATION

A. Commencement Speaker. Trustees were reminded at the last meeting a committee was put together to help generate a list of potential commencement speakers to expedite approval at the September meeting. Trustee Mortimer was asked to head the committee.

Vice President Hale discussed the proposed change in format beginning with Commencement 2012. Commencement would be held on Thursday evening, April 26, with honorary degrees and commencement speaker at that time. Convocations would be held all day on Friday, April 27.

Trustee Lund motioned to hold a closed session to discuss items covered under the Open and Public meeting act. Trustee Hawkins seconded.