

**Minutes of the Meeting of the Utah Privatization Policy Board**  
**Wednesday, June 23, 2004 10:00 a.m.**  
Room 3150 State Office Building  
Salt Lake City, Utah

**Attendees:**

Ramona Rudert, Senator Dan Eastman, Representative Brent Goodfellow, Senator Ron Allen, Ted Boyer, Bill Barton, Representative Loraine Pace, Jim Kesler, Douglas Richins

**Excused:**

Scott Carver, Commissioner Michael Cragun

**Absent:**

Norm Tarbox, Douglas Durbano, Liz Hawkins, Tanya Henrie

**Visitors**

Noall Knighton from Knighton Optical, Eric Knighton from Knighton Optical, Robin Riggs from Salt Lake Chamber, Katie Albright from Moran Eye Center, Kim Wirthlin from University of Utah, Wayne Imbresica from Moran Eye Center, John Morris from University of Utah, Brent Price from University of Utah, Randall Olson from University of Utah, Maxine Turner from Cuisine Unlimited

**Approval of Minutes:**

The meeting was conducted by board chair, Ramona Rudert. Following a motion by Senator Ron Allen the minutes of the May 2004 were unanimously approved.

**Presentation by Noall Knighton from Knighton Optical**

Mr. Knighton gave his presentation objecting to the University of Utah Moran Eye Center competing with the private sector by providing optometric service. He explained that six years ago he responded to a University RFP and was awarded a contract to lease space in the Moran Eye Center to provide an optical store. About 1 ½ years ago the Moran Eye Center chose to open their own competitive store in the same facility, resulting in a significant loss of business for Knighton. He indicated that the U of U Moran Eye Center also now operates seven optical stores throughout the area. Knighton suggests that these stores do not support an educational or academic research mission. He feels that the University should be prevented from competing with the private sector in the manufacturing of eye glasses. He further indicated that he has learned that the University plans on establishing their own lens production facility as well. Knighton, who operates 16 optical stores in Utah, believes that the University should not be competing with private industry. Attached to these minutes is a written summary of the issues presented by Mr. Knighton.

**Presentation by Dr. Randall Olson, Director of the Moran Eye Center**

Dr. Olson gave his presentation on his views about government competition dealing with the optical services. Dr. Olson also distributed a handout (also attached to the minutes) of the Moran Eye Center's annual cost of education. He indicated that the state only provides 7% (including tuition) of their funding, and that they are then tasked with the challenge of funding the balance. Offering optometric services provides a profit center for them. He agrees that Moran should not be in areas that are not part of their core competencies. However, he argues that optometric and lens production

is part of the mission of the Department of Ophthalmology and Visual Sciences, and a core element of what they should be doing. He reminded the board members that the Moran Eye Center is a net negative operation and that they need the income from the optometric services to survive.

Senator Ron Allen said that our universities are not now publicly funded institutions – they are partially publicly. The legislature has encouraged them to find ways of funding their programs outside of taxes and tuition.

**Presentation by Maxine Turner from Cuisine Unlimited**

Ms. Turner indicated that she was representing the catering association and discussed what they believe are challenges in providing catering at public venues. She indicated that at the present time there is not concern about unfair competition with private caterers. The group’s concerns center around institutions (ie. Red Butte Gardens) creating a “preferred vendor” list and the differences in catering requirements between various entities in state and local governments. Ms. Turner feels that there is no regulation. She feels that the state, county, and city should operate under the same guidelines. She would like the board to take a look at the requirements for guidelines for the various entities, and she recommends more openness for caterers to provide their services at the various venues.

**June 2004 Meeting**

The next meeting will be held on Wednesday, August 25, 2004

1. Discussion on unfair competition in optical services by the U of U’s Moran Eye Center
2. Decision on whether it is in the boards scope to discuss and implement the suggested changes affecting the catering industry