

Regular Meeting of the
Board of Trustees of the Utah Transit Authority



Wednesday, November 4, 2020, 9:00 a.m.

Remote Electronic Meeting – No Anchor Location – Live-Stream at
https://www.youtube.com/results?search_query=utaride

NOTICE OF SPECIAL MEETING CIRCUMSTANCES DUE TO COVID-19 PANDEMIC:

In keeping with recommendations of Federal, State, and Local authorities to limit public gatherings in order to control the continuing spread of COVID-19, and in accordance with the Utah Open and Public Meetings Act, specifically Utah Code § 52-4-207(4), the UTA Board of Trustees will make the following adjustments to our normal meeting procedures.

- All members of the Board of Trustees and meeting presenters will participate electronically via phone or video conference.
- **Public Comment** will not be taken during the meeting but may be submitted through the means listed below. Comments submitted before 4:00 p.m. on Tuesday, November 3rd, will be distributed to board members prior to the meeting:
 - online at <https://www.rideuta.com/Board-of-Trustees>
 - via email at boardoftrustees@rideuta.com
 - by telephone at 801-743-3882 option 5 (801-RideUTA option 5) – specify that your comment is for the board meeting.
- Meeting proceedings may be viewed remotely through YouTube live-streaming.
https://www.youtube.com/results?search_query=utaride

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| 1. Call to Order and Opening Remarks | Chair Carlton Christensen |
| 2. Safety First Minute | Ronald Kendall |
| 3. Consent <ul style="list-style-type: none">a. Approval of September 30, 2020 Budget Work Session Meeting Minutesb. Approval of October 1, 2020 Budget Work Session Meeting Minutesc. Approval of October 2, 2020 Budget Work Session Meeting Minutesd. Approval of October 8, 2020 Budget Work Session Meeting Minutese. Approval of October 28, 2020 Board Meeting Minutes | Chair Carlton Christensen |
| 4. Agency Report <ul style="list-style-type: none">a. UTA Ski Bus Outreach Effortsb. Bond Refundingc. 2021 Budget Hearing and Open House | Carolyn Gonot |
| 5. Financial Report – September 2020 | Brad Armstrong |

Website: <https://www.rideuta.com/Board-of-Trustees>

Live Streaming: https://www.youtube.com/results?search_query=utaride

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- 6. Investment Report – Third Quarter 2020** **Emily Diaz**
- 7. Resolutions**
- a. R2020-11-01 Resolution Approving the Third Amendment of the Authority’s 2020 Budget **Mary DeLoretto,
Troy Bingham**
 - b. R2020-11-02 Resolution Modifying the Authority’s Organizational Structure **Carolyn Gonot,
Kim Ulibarri**
 - c. R2020-11-03 Resolution Ratifying the Adoption of the Tentative 2021 Budget **Carolyn Gonot, Bill Greene**
- 8. Contracts, Disbursements and Grants**
- a. Contract: External Financial Auditor (Crowe, LLP) **Troy Bingham**
 - b. Contract: Light Rail Communications System Replacement (Woojin IS America, Inc) **Eddy Cumins, Kyle Stockley**
- 9. Discussion Items**
- a. Midvalley Connector Capital Project with Funding Plan **Mary DeLoretto**
 - b. Wattsmart UTA Energy Plan **Dan Locke**
- 10. Other Business** **Chair Carlton Christensen**
- a. Next Meeting: November 11, 2020 at 9:00 a.m.
- 11. Adjourn** **Chair Carlton Christensen**

Special Accommodation: Information related to this meeting is available in alternate format upon request by contacting calldredge@rideuta.com or (801) 287-3536. Request for accommodations should be made at least two business days in advance of the scheduled meeting.

**UTAH TRANSIT AUTHORITY
ELECTRONIC BOARD MEETING DETERMINATION**

Consistent with provisions of the Utah Open and Public Meetings Act, specifically UTAH CODE § 52-4-207(4), and acting in my capacity as the Chair of the Board of Trustees ("Board") of the Utah Transit Authority ("UTA"), I hereby make the following written determinations in support of my decision to hold and convene electronic meetings of the UTA Board without a physical anchor location:

1. Conducting Board and Board Committee meetings with an anchor location that is physically accessible for members of the public to attend in person presents a substantial risk to the health and safety of those who may be present at the anchor location.
2. This determination is based upon the following facts, among others:
 - a. The COVID-19 pandemic is ongoing and significant and continued community, person-to-person virus transmission continues to occur in the state of Utah; and
 - b. Federal, state, and local health authorities have adopted guidelines for the general public and businesses which encourage institutions and individuals to take precautions, including limiting in-person interactions and recommending increased virtual interactions.

This written determination takes effect on October 7, 2020, and is effective until midnight on November 6, 2020, (no more than 30 days after the effective date of this Declaration) and may be re-issued by future written determinations of the Chair of the Board at that or any other appropriate time.

Dated this 30 day of September, 2020.



Carlton Christensen Chair of the Board of Trustees



MEMORANDUM TO THE BOARD

TO: Utah Transit Authority Board of Trustees
FROM: Jana Ostler, Board Manager

BOARD MEETING DATE: November 4, 2020

SUBJECT:	Approval of September 30, 2020 Budget Work Session Meeting Minutes
AGENDA ITEM TYPE:	Consent
RECOMMENDATION:	Approve the minutes of the September 30, 2020 Budget Work Session
BACKGROUND:	A budget work session of the UTA Board of Trustees was held on Wednesday, September 30, 2020 at 9:00 a.m. at UTA Headquarters. Minutes from the meeting summarize the discussion that took place. A full audio recording of the meeting is available on the Utah Public Notice Website .
ATTACHMENTS:	1) 2020-09-30_BOT_Budget Work Session_Minutes_unapproved



Minutes of the Budget Work Session
of the
Board of Trustees of the Utah Transit Authority
Wednesday, September 30, 2020, 9:00 a.m. – 5:00 p.m.
Utah Transit Authority Headquarters
669 West 200 South, Salt Lake City, Utah
Golden Spike Conference Rooms

Board Members Participating:

Carlton Christensen, Chair
Beth Holbrook
Kent Millington

Also participating were members of UTA staff.

Call to Order and Opening Remarks. Chair Christensen welcomed attendees and called the meeting to order at 9:05 a.m. He also welcomed Jeff Acerson of the Local Advisory Council.

Safety First Minute. Chair Christensen provided a brief safety message on the upcoming Halloween holiday.

2021 Budget Process Introduction and Overview. Carolyn Gonot, UTA Executive Director, thanked staff and gave a 2020 recap covering:

- COVID 19 recovery task force efforts
- Positive train control
- Safety management system
- Two bond refundings
- Collection of 4th quarter sales tax
- Restructuring of fares
- Collective bargaining agreement
- Additional employee development programs

Ms. Gonot reported that 13 of the 24 goals for 2020 have been achieved, noting that others are in progress or have been delayed due to the pandemic. Ms. Gonot reported on proposed 2021

goals covering three main areas: service, people, and stewardship. Ms. Gonot also reported on potential budget challenges and opportunities, which included COVID-19 uncertainties, capitol program delivery, stabilization vs. expansion, and escalating costs. Ms. Gonot proposed budget strategies moving forward.

Questions regarding 2020 goals, employee accomplishments and recognition, future telecommuting plans, proposed fare revenue decrease, and future projects such as asset management were posed by the board and answered by Ms. Gonot. Discussion ensued.

Chair Christensen commended Ms. Gonot for her work on centralizing some of the general budgets.

Bill Greene, UTA Chief Financial Officer, gave a breakdown of the 2020 budget and comparison with the 2019 budget. Mr. Greene also gave a breakdown of the proposed 2021 budget with key assumptions. A comparison of 2020 and 2021 budgets was then presented.

Chief Operations Officer – 2021 Draft Budget Presentation and Discussion Chief Financial Officer.

COO Operating Budget. Eddy Cumins, UTA Chief Operations Officer, introduced the Operations Office's FTE structure and presented the total budget. A breakdown of the budget was given by department and category and compared to 2020's budget, noting an increase in parts and contingency. Mr. Cumins reported on the proposed 2021 budget changes which include reduced miles and hours. Mr. Cumins noted that operational savings will be moved to the service restoration fund and pandemic supplies are being budgeted for, along with rail cleaning. The Light Rail Maintenance parts budget is being increased. Labor costs for the light rail overhaul project were operationalized. A net decrease of 38 FTE will occur due to reduced service levels.

Mr. Cumins identified key initiatives including identifying essential service routes, implementation of Rail Maintenance Apprenticeship programs, providing effective and efficient service, ensuring a safe and secure system, finalizing commuter rail replacement, and establishing an asset management committee to ensure alignment between long range plans, state of good repair priorities, and financial forecasts.

Questions regarding the frequency of the rail schedule, attrition in the business units, timelines for routes, and if the office had enough staff to cover the work were posed by the board and answered by Mr. Cumins. Discussion ensued.

Timpanogos Bus. Mary DeLaMare-Schaefer, UTA Regional General Manager of Timpanogos Business Unit, introduced the Timpanogos Business Unit's FTE structure and presented the total budget. A breakdown of the budget was given by department and category and compared to 2020's budget. 2021 budget changes were noted

including a reduction in miles and hours, projected net decrease in service changes, and a net decrease of 4 FTE.

Ms. DeLaMare-Schaefer reported that key initiatives are the central corridor transit project with environmental study, an increase in employee involvement and training, and service recovery plans, including future studies and implementation. The areas of focus are the Point of the Mountain/Central Corridor Coordination, South Utah County Transit Study, and Saratoga Springs/Eagle Mountain Study.

Questions regarding range of service in Utah County, retention of employees, growth in Utah County, and possible need to acquire property were asked by the board. Ms. DeLaMare-Schaefer responded and discussion ensued.

Chair Christensen called for a 10 minute break.

Mt. Ogden Bus. Andres Colman, UTA Regional General Manager of Mt. Ogden Business Unit, introduced the Mt. Ogden Business Unit's FTE structure and presented the total budget. A breakdown of the budget was given by department and category and compared to 2020's budget. 2021 budget changes include an increase in the services budget, reduction in miles and hours, and a net decrease of 5 FTE. The proposed 2021 budget is below the 2020 budget.

Mr. Colman reported that key initiatives for 2021 are continued COVID-19 recovery efforts, the Ogden/WSU Bus Rapid Transit (BRT) opening, service recovery plan and implementation, safe and reliable service, and a focus on customer service.

The board asked about the utilities budget, services, life span of vehicles, facility needs, fringe benefits, Ogden/WSU BRT, and staffing. Staff responded and discussion ensued.

Trustee Holbrook thanked Mr. Colman for his focus on the mental health of employees.

Special Services. Ben Adams, UTA Acting Special Services General Manager, introduced the Special Services' FTE structure and presented the total budget. A breakdown of the budget was given by department and category and compared to 2020's budget. 2021 budget changes include increases in the vanpool and rideshare budget due to increased vanpool insurance, increased contracted Paratransit, projected reduction in miles and hours, and a net decrease of 3 FTE.

Mr. Adams reported that the budget for fuel has increased, but overall, the Special Services budget is less than in 2020. Key initiatives for 2021 include exploring Vanpool insurance options, implementation of transportation plan for people with disabilities and seniors, perform cost analysis to determine if Paratransit can be insourced, and purchasing and implementation of Trapeze Eligibility Management software.

Questions regarding paratransit headquarters, Tooele options and ridership, transportation options, hours worked by employees, contracted paratransit services,

methods for planning service and meeting needs, and software costs were asked by the board. Mr. Adams responded and discussion ensued.

Chair Christensen called for a recess at 12:00 p.m.

Chair Christensen reconvened the meeting at 2:16pm.

Light Rail. Cheryl Beveridge, UTA Acting Light Rail General Manager, introduced the Light Rail FTE structure and presented the total budget. Ms. Beveridge gave a breakdown of the proposed budget by department and category and compared it to the 2020 budget, noting that rail maintenance and sustainability are budgeted to be higher and fuel costs are estimated to be lower. Ms. Beveridge reported that 2021 changes in the budget consist of reduced hours, transferring funding from capital budget for overhaul project labor, increased services for cleaning, increased maintenance budget for parts, and a net decrease of 4 FTE.

Ms. Beveridge indicated that the 2021 key initiatives include supporting the airport setup, completing the Light Rail seat replacement project, beginning the Light Rail Maintenance Apprenticeship Program, continuing the 200 South and 400 West curves improvement, continuing the Light Rail overhaul program, minimizing weather related delays, and investigating the use of HVAC UV lights.

Questions regarding sustainability and operations, changes in maintenance and attrition, light rail seat replacement, administrative staff numbers, overhauling vs. replacing vehicles, special events anticipated in 2021, cost of UV lighting, air quality testing, apprenticeship program launch date, and whether related delays were posed by the board and answered by staff. Discussion ensued.

Salt Lake Bus. Lorin Simpson, UTA Regional General Manager of the Salt Lake Business Unit, introduced the Salt Lake Business Unit's FTE structure and presented the total budget. A breakdown of the budget was given by department and category and compared to 2020's budget. Mr. Simpson reported that administration and maintenance show a decrease in the 2021 budget, while operations shows an increase, including the services category. Two corrections in inadequately funded line items have been made which creates the service budget increase, the first with Smart Drive, the second with maintenance. Fuel shows a decrease in the upcoming budget. Changes in the 2021 budget will be reduced miles and hours, a net decrease of 7.5 FTE, and an increased budget for Smart Drive. Key initiatives are continued COVID-19 recovery,

implementation of supervisor development, service recovery plan, finishing the Meadowbrook maintenance building, electric buses, and the airport TRAX bus bridge.

Questions regarding operator rotation schedules, long term cost of bus vs. rail, electric bus charging, air circulation and filtration systems, and work force attrition were posed by the board and answered by staff. Discussion ensued.

Commuter Rail. Bruce Cardon, UTA Commuter Rail General Manager, introduced the Commuter Rail Service Unit's FTE structure and presented the total budget. A breakdown of the budget was given by department and category and compared to 2020's budget. The 2021 budget shows a \$1.5 million proposed reduction, noting that capitalized costs and fuel costs are down. Changes in the budget for 2021 are reduced miles and hours, increased services for cleaning, and a net decrease of 15 FTE.

Key initiatives are to continue locomotive overhaul, establish a long-term car replacement plan, begin the Commuter Rail Maintenance Apprenticeship Program, Vineyard Station Implementation, investigate the use of HVAC UV lights, and support future FrontRunner objectives. Ms. Gonot pointed out that this includes Warm Springs yard.

Questions regarding ridership, fuel efficiency, COVID-19 changes in services, vehicle overhaul schedule, and air quality and pollution output of vehicles were posed by the board and answered by Mr. Cardon.

Chair Christensen called a 10 minute break at 3:43pm.

Chair Christensen reconvened the meeting at 3:56pm.

Asset Management. David Hancock, UTA Director of Asset Management, introduced the Asset Management Service Unit's FTE structure and presented the total budget. A breakdown of the budget was given by department and category and compared to 2020's budget. Mr. Hancock and Mr. Cumins outlined the 2021 Budget changes which include increased Maintenance of Way (MOW) parts budget to account for increased maintenance on TRAX and FrontRunner. Changes also include 1 additional FTE to maintain increased number of bus stops and moving systems engineering team from MOW to State of Good Repair (SGR) to consolidate the SGR project management team. Mr. Hancock also addressed power surges on commuter rail. Discussion with the board and staff ensued.

Mr. Hancock reported that key initiatives include developing SGR metrics, implementing MOW apprenticeship training program, implementing electronic tracking of facilities and MOW inspections, developing long-term replacement strategy for SD100 and SD160 light rail fleets, developing plan to right size MOW, facilities, and body shop to keep up with expanded needs, and updating TAM plan and policies.

Questions regarding electrical bills, electronic tracking, and MOW planning stages were posed by the board and answered by staff.

Public Safety. Chief Fred Ross, UTA Chief of Police, introduced Public Safety's FTE structure and presented the total budget. A breakdown of the budget was given by department and category and compared to 2020's budget. Changes in the 2021 budget include moving a temporary part time office specialist to a permanent part time position, transferring the Emergency Management position and program from Safety, and budget adjustments between expense line items. Key initiatives include keeping the system safe and secure and engaging in positive interactions, encouraging increased ridership through collaborative enforcement strategies, training and employee development, focusing on enhancing organizational diversity, and strengthening connections to the community and passengers.

The Board asked questions on interagency communications systems, helping communities, and recruiting challenges. Chief Ross responded and discussion ensued.

Chief Ross closed by saying that his staff who serve with him are very solid and committed to the quality of UTA.

Mr. Cumins expressed thanks to his staff for their work on a difficult budget process.

Ms. Gonot commented on the Operations Division running tight and suggested paying attention to the MOW department which is a tight area.

Adjourn. A motion to adjourn the meeting was made by Trustee Millington and seconded by Trustee Holbrook. The meeting adjourned at 4:36pm.

Transcribed by Stephanie Withers
Executive Assistant to the Board
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This document is not intended to serve as a full transcript as additional discussion may have taken place; please refer to the meeting materials, audio, or video located at <https://www.utah.gov/pmn/sitemap/notice/631325.html> for entire content.

This document along with the digital recording constitute the official minutes of this meeting.

Approved Date:

Carlton J. Christensen
Chair, Board of Trustees

UNAPPROVED



MEMORANDUM TO THE BOARD

TO: Utah Transit Authority Board of Trustees
FROM: Jana Ostler, Board Manager

BOARD MEETING DATE: November 4, 2020

SUBJECT:	Approval of October 1, 2020 Budget Work Session Meeting Minutes
AGENDA ITEM TYPE:	Consent
RECOMMENDATION:	Approve the minutes of the October 1, 2020 Budget Work Session
BACKGROUND:	A budget work session of the UTA Board of Trustees was held on Thursday, October 1, 2020 at 10:00 a.m. at UTA Headquarters. Minutes from the meeting summarize the discussion that took place. A full audio recording of the meeting is available on the Utah Public Notice Website .
ATTACHMENTS:	1) 2020-10-01_BOT_Budget Work Session_Minutes_unapproved



Minutes of the Budget Work Session
of the
Board of Trustees of the Utah Transit Authority
Thursday, October 1, 2020, 10:00 a.m. – 4:00 p.m.
Utah Transit Authority Headquarters
669 West 200 South, Salt Lake City, Utah
Golden Spike Conference Rooms

Board Members Participating:

Carlton Christensen, Chair
Beth Holbrook
Kent Millington

Also participating were members of UTA staff.

Call to Order and Opening Remarks. Chair Christensen welcomed attendees and called the meeting to order at 10:04am.

Safety First Minute. Sheldon Shaw, UTA Safety and Security Director, provided a brief safety message on suicide prevention.

Executive Director – 2021 Draft Budget Presentation and Discussion.

Executive Director Operating Budget & Legal Services. Carolyn Gonot, UTA Executive Director, introduced the Office of the Executive Director's FTE structure and presented the total budget. A breakdown of the budget was given by department and category and compared to 2020's budget. Information Services shows an increase which was discussed later on the agenda. Changes in the budget include combining corporate support and executive director cost centers, transferring risk compliance officer from Civil Rights to Executive Director, transferring Motivosity to Total Rewards, increasing wages and fringe for structure adjustments, increasing contingency due to COVID-19 uncertainties, and reducing APTA onetime 2020 expense for hosting.

Chair Christensen asked about contingencies. Ms. Gonot responded. Discussion ensued with staff. Clarity was given on the FTE numbers. Further questions were presented to David Wilkins, Assistant Attorney General, who responded.

Information Technology. Dan Harmuth, UTA Director of Information Technology, introduced the Information Technology unit's FTE structure and presented the total budget. A breakdown of the budget was given by department and compared to 2020's budget. No budget increases were made, but monies were reallocated within the budget. Mr. Harmuth gave a breakdown of the budget by category and compared to 2020's budget, noting that the fringe budget will need adjustments. It was reported that the changes in the 2021 budget include centralizing hardware and software, consolidating software related to Contract Services, centralizing computer hardware, increasing cellular lines, and decreases in Contract Services.

Mr. Harmuth identified that key initiatives include system re-write and new hardware, fares systems strategy, network assessment and firewalls for security, Office 365 deployment and Exchange email migration, assuming computer hardware SOGR from business units, expanding and improving FrontRunner WiFi coverage, and multi-factor authentication and VPN switch over.

The board asked questions on the Enterprise Systems budget, estimates on PCs, and the TMS program and tablets on buses. Mr. Harmuth responded. Discussion ensued.

Ms. Gonot noted the change within IT and commended Mr. Harmuth and his team. Ms. Gonot also asked about the steering committee. Discussion ensued.

Safety and Security. Mr. Shaw introduced the Safety and Security FTE structure and presented the total budget. A breakdown of the budget was given by department and category and compared to 2020's budget, noting that additional hours have been assigned to projects. Mr. Shaw reported that the changes in the 2021 budget include adding incident bio clean up to contract services, transferring of one FTE, and moving the Emergency Management Program to the Public Safety budget.

Mr. Shaw identified that key initiatives include developing and implementing a system of safety plan, continuing emphasis on training by adopting a trafficking in persons awareness program, adding a new facility security vehicle, and extending the Milestone video retention to 30 days.

Chair Christensen asked about Milestone video and patrol cars. Mr. Shaw responded. Discussion ensued with staff.

Operations Analysis and Solutions. Jonathan Yip, UTA Senior Manager of Operations Analysis and Solutions (OAS), introduced the OAS unit's FTE structure, noting a change made with no increase of funds, but using reallocated monies. A breakdown of the budget was given by department and compared to 2020's budget, noting that increases include new FTEs and adding the use of a professional consulting service. A breakdown of the budget was also given by category and compared to 2020's budget summarizing

reallocated funds. Mr. Yip reported that the changes in the 2021 budget include an addition of one business intelligence analyst, an addition of one technical business analyst, and adding professional consulting service.

Mr. Yip identified that key initiatives include ensuring compliance with FTA/State reporting requirements for ridership and service data, delivering accurate and actionable data solutions and insights, achieving high return on investments in technology investment, and improving mission critical business systems client experience.

Chair Christensen asked questions on the skill set that is needed for a new hire and the return on investments and working with IT. Mr. Yip responded. Discussion ensued. Trustee Millington commended the work being done.

Civil Rights and Compliance. Kenya Fail, UTA Manager of Civil Rights Compliance, introduced the Civil Rights and Compliance unit's FTE structure, noting a new FTE that had been filled. A breakdown of the budget was given by category and compared to 2020's budget. Ms. Fail reported that the changes in the 2021 budget include a decrease due to the transfer of the Risk Compliance Officer FTE to the Executive Director's budget, an increase in services for ASL interpretation/translation services, and an increase in services for consultant support of Paratransit eligibility process.

Ms. Fail identified that key initiatives include proactively maintaining compliance with local and federal Civil Rights requirements, providing technical advice to clients regarding civil rights compliance, reviewing and updating policies and standard operating procedures (SOPs) related to Title VI, DBE, ADA, and EEO, partnering with other departments to develop and modify automated data and analytics, identifying employee training opportunities that foster inclusion and compliance, and increasing community engagement.

Trustee Holbrook asked questions about inclusion efforts and training opportunities. Ms. Fail responded. Discussion ensued with staff and board. Trustee Millington asked about the fairness of salaries being paid to women managers and recruiting minorities. Ms. Fail responded. Discussion with the board and staff ensued.

Chair Christensen called for a break at 11:40am.

Chair Christensen reconvened the meeting at 12:33pm.

Chief Communications and Marketing Officer – 2021 Draft Budget Presentation and Discussion.

CCMO Operating Budget. Nichol Bourdeaux, UTA Chief Officer of Communications and Marketing, introduced the Office of Communications and Marketing unit's FTE structure

and presented the total budget. A breakdown of the overall budget was given by department and category and compared to 2020's budget, noting that monies were reallocated within the budget structure. Ms. Bourdeaux reported that the changes in the 2021 budget include the majority of line items being reduced, added funds to the dues and memberships line item.

Ms. Bourdeaux identified that key initiatives include completing an RFP for on demand services and technology, building strong community outreach, and continuing to strengthen relationships and implementing programs that help build access to opportunities for low income and underserved communities.

The board had questions on revenue and public engagement. Ms. Bourdeaux responded. Discussion with staff ensued.

Communications. Andrea Packer, UTA Director of Public Relations and Marketing, introduced the Public Relations and Marketing unit's FTE structure. A breakdown of the budget was given by category and compared to 2020's budget, noting an increase in the services area for the website. It was reported that the changes in the 2021 budget include website enhancements.

Ms. Packer identified that the key initiatives include website design, developing and implementing a communication and messaging strategy to successfully emerge from COVID-19 and rebuild ridership, and implementing improved analytics and reporting of social media.

The board asked about purchasing passes through the website, the use of a consultant, cohesive communication efforts, and increased ridership. Ms. Packer responded. Discussion ensued.

Customer Experience. GJ LaBonty, UTA Manager of Customer Experience, introduced the Customer Experience unit and its FTE structure. A breakdown of the budget was given by category and compared to 2020's budget, noting that all of their projects are funded out of the five-year plan. It was reported that the changes in the 2021 budget are impacted by a onetime expense in the 2019 budget that was used for the On Board Survey.

Mr. LaBonty identified that key initiatives include developing comprehensive rider and trip profiles, continuing implementation of the bus stop master plan, implementation of

digital bus stop signage, revising General Transit Feed Specification feed to enhance customer experience, on board announcement SOP to start including messages during service interruptions. Key initiatives include discussing the rolling out the bus interior signage program and completing the art inspection and inventory.

The board had questions on the onboard announcements and consistency, and interior signage. Mr. LaBonty responded. Discussion ensued.

Customer Service. Cindy Medford, UTA Manager of Customer Service, introduced the Customer Service unit's FTE structure. A breakdown of the budget was given by category and compared to 2020's budget, noting an increase in wages and new software for operations. It was reported that the changes in the 2021 budget include reallocating staffing resources to improve customer experience without adding additional FTEs. The overall budget is reduced and reallocated to support community engagement and communications initiatives.

Ms. Medford identified that key initiatives include continuing Full Circle Response, continuing enhancing the service alerts program, improving the lost and found process, and implementing additional innovations and technology tools for communication with customers.

The board asked questions on working remotely, software for receiving feedback, and customer calls. Ms. Medford responded. Discussion with the board ensued.

Innovative Mobility Solutions. Jaron Robertson, UTA Director of Innovative Mobility Solutions, introduced the Innovative Mobility Solutions unit's FTE structure. A breakdown of the budget was given by category and compared to 2020's budget, noting a neutral budget with the only increase being in wages. It was reported that the changes in the 2021 budget include research, development, and implementation of new pilot programs and service, and innovative grant matches. There will be a decrease as the microtransit pilot startup costs from 2020 will not be needed in 2021.

Mr. Robertson identified that key initiatives include on demand service system analysis and pilot implementation, rapid response customer support pilot, AV shuttle phase 2 pilot grant exploration, connected and autonomous vehicle systems coordination research, and customer access and fare payment systems research.

The board asked questions on the fare payment systems research and the AV shuttle phase 2. Mr. Robertson responded. Discussion ensued.

Community Engagement. Megan Waters, UTA Manager of Community Engagement, introduced the Community Engagement unit's FTE structure. It is a newly formed unit in 2020 so some adjustments are being made for 2021. A breakdown of the budget was given by category and compared to 2020's budget. It was reported that the changes in the 2021 budget include services technology, a decrease in services contract, an increase in the community events line item, an increase in the services line item, and an increase in the media expense line item.

Ms. Waters identified that key initiatives include updating the public input policy, supporting public input opportunities, building, maintaining, and strengthening partnerships with community, and coordinating school based and community-based transit engagement.

The board had questions on free passes for youth, UTA displays at civic activities, coordinating with government relations, public input, and if staffing is adequate. Ms. Waters responded. Discussion ensued.

Chair Christensen called a ten-minute break at 2:13pm.

Chair Christensen reconvened meeting at 2:25pm.

Chief People Officer – 2021 Draft Budget Presentation and Discussion.

CPO Operating Budget. Kim Ulibarri, UTA Chief People Officer, introduced the People Office's FTE structure and presented the total budget. A breakdown of the budget was given by department and category and compared to 2020's budget, noting an overall reduction in the budget based on the levels of hiring bus operators. The office is FTE neutral.

Ms. Ulibarri identified that the key initiatives in the 2021 budget include developing phase 2 of UTA's succession plan and implementing training, partnering with rail maintenance groups on design of apprenticeship programs, rolling out updated UTA Way, implementing updated people management philosophy, promoting enhanced health and wellness programs, developing employee value proposition, and improving employee communications systems.

Ms. Ulibarri introduced the People Office Administration FTE structure. A breakdown of the administration budget was given by category and compared to 2020's budget. It was reported that the changes in the 2021 administration budget include moving compensation position from total rewards to Chief People Officer, reduced centralized budget for vacation accrual to decentralized fringe budget, and repurposed bus operator trainee wages to rail maintenance apprenticeship program.

Ms. Ulibarri identified that key initiatives include transitioning additional departments to Laserfiche, reviewing policies, reviewing compensation system, advance data analytics focused on predicting behaviors, partnering with communications for improved frontline employee communications, and conducting assessment of UTA's inclusiveness.

The board asked about new hires, employee self-serve to change their information and the inclusivity assessment. Ms. Ulibarri responded. Discussion ensued.

HR / Labor. Rich Murray, UTA HR and Labor Relations Director, introduced the HR and Labor Relations unit's FTE structure. Mr. Murray gave a breakdown of the budget by category and compared to 2020's budget, noting that small changes were made for arbitration. It was reported that the changes in the 2021 budget include replacing one business partner FTE for one specialist FTE and reducing CBA negotiations funding and repurposed into professional services.

Mr. Murray identified that key initiatives include completing phase 2 of UTA's succession plan, implementing updated people management philosophy, and updating labor agreements to reflect rail maintenance apprenticeship programs.

Chair Christensen asked about specialists, business partners, and insurance contracts. Staff responded. Discussion ensued.

Culture and Talent Development. Alisha Garret, UTA Culture and Talent Development Director, introduced the Culture and Talent Development unit's FTE structure. A breakdown of the budget was given by category and compared to 2020's budget, noting a decrease due to operator wages. It was reported that the changes in the 2021 budget include reduced operator trainee wages and benefits and repurposing funds to employee programs.

Ms. Garret identified that key initiatives include leading rollout of monthly UTA Way highlights, launching frontline employee career coaching program, launching the leadership pathways tier 3, conducting employee engagement survey providing training expertise and project management for creation and implementation of rail maintenance apprenticeship program, and training operators and maintenance employees.

The board asked questions about manager training and how an employee is nominated for training. Ms. Garret responded.

Talent Acquisition and Workforce Planning. Greg Gerber, UTA Talent Acquisition and Workforce Planning Director, introduced the Talent Acquisition and Workforce Planning unit's FTE structure. Mr. Gerber gave a breakdown of the budget by category and compared to 2020's budget, noting that it is cost neutral. It was reported that the changes in the 2021 budget include repurposing recruiting funds to the development of employment brand and the employee value proposition project.

Mr. Gerber identified that key initiatives include designing and implementing improved employment branding, focusing on creating a diverse and inclusive candidate pool, ensuring sufficient operator and maintenance staffing, implementing identified efficiencies to recruiting and the new hire process, and implementing changes to onboarding process to provide an improved experience for new employees.

The board asked questions on competitive environments, ensuring sufficient maintenance staffing, and full cycle recruiter. Staff responded and discussion ensued.

Total Rewards. Jacob Gomez, UTA Total Rewards Manager, introduced the Total Reward unit's FTE structure. A breakdown of the budget was given by category and compared to 2020's budget, noting a reallocation from the Executive Directors budget. It was reported that the changes in the 2021 budget include moving funding for Motivosity from Executive Director's budget, occupational health testing, compensation software transferred, compensation surveys transferred, employee anniversary increasing in cost, and GBS benefits consulting fee being added.

Mr. Gomez identified that key initiatives include continuing to develop a long term healthcare strategy, expanding and continuing rewards focused education programs, deploying the employee self service module for benefits, and completing applicable policy evaluations.

Chair Christensen asked questions on the prescription program, providers, and health insurance coverage. Staff responded and discussion ensued.

Adjourn. Trustee Holbrook made a motion to adjourn, Trustee Millington gave a second. The meeting was adjourned by motion at 3:20pm.

Transcribed by Stephanie Withers
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This document is not intended to serve as a full transcript as additional discussion may have taken place; please refer to the meeting materials, audio, or video located at <https://www.utah.gov/pmn/sitemap/notice/631327.html> for entire content.

This document along with the digital recording constitute the official minutes of this meeting.

Approved Date:

Carlton J. Christensen
Chair, Board of Trustees



MEMORANDUM TO THE BOARD

TO: Utah Transit Authority Board of Trustees
FROM: Jana Ostler, Board Manager

BOARD MEETING DATE: November 4, 2020

SUBJECT:	Approval of October 2, 2020 Budget Work Session Meeting Minutes
AGENDA ITEM TYPE:	Consent
RECOMMENDATION:	Approve the minutes of the October 2, 2020 Budget Work Session
BACKGROUND:	A budget work session of the UTA Board of Trustees was held on Friday, October 2, 2020 at 10:00 a.m. at UTA Headquarters. Minutes from the meeting summarize the discussion that took place. A full audio recording of the meeting is available on the Utah Public Notice Website .
ATTACHMENTS:	1) 2020-10-02_BOT_Budget Work Session_Minutes_unapproved



Minutes of the Budget Work Session
of the
Board of Trustees of the Utah Transit Authority
Friday, October 2, 2020, 10:00 a.m. – 4:00 p.m.
Utah Transit Authority Headquarters
669 West 200 South, Salt Lake City, Utah
Golden Spike Conference Rooms

Board Members Participating:

Carlton Christensen, Chair
Beth Holbrook
Kent Millington

Also participating were members of UTA staff.

Call to Order and Opening Remarks. Chair Christensen welcomed attendees and called the meeting to order at 10:01am.

Safety First Minute. Trustee Millington provided a brief safety message on following speed limits while driving.

Chief Finance Officer – 2021 Draft Budget Presentation and Discussion.

CFO Operating Budget. Bill Greene, UTA Chief Finance Officer, introduced the Finance Organization's FTE structure and presented the total budget. A breakdown of the budget was given by department and compared to 2020's budget, noting that the budget has been repurposed to use as efficiently as possible. Mr. Greene gave a breakdown of the budget by category and compared to 2020's budget. It was reported that the changes in the 2021 budget include increasing contractual services which includes re-keying of bus cash fare boxes, increasing contractual services for technology, enhancing TVM maintenance, and transferring financial services administrator and associated costs to Farebox services.

Mr. Greene identified that key initiatives include implementing additional cash controls for Farebox services and evaluating technology in supply chain buyer area.

Chair Christensen asked about external auditing. Staff responded.

Farebox Services. Emily Diaz, UTA Financial Services Administrator and Farebox Manager, introduced the Farebox unit's FTE structure. A breakdown of the budget was given by category and compared to 2020's budget, noting an increase due to the re-keying of the cash boxes. It was reported that the changes in the 2021 budget include planning for increase in expenses for re-keying of fare boxes and modernizing fare box solutions for paratransit and FLEX buses.

Ms. Diaz identified that key initiatives include continuing to implement and address outstanding findings of the RSM Farebox Service Audit and fully integrating fare box assets in JDE.

The board asked questions about the timeline of re-keying and security. Ms. Diaz responded. Discussion ensued with board and staff.

Supply Chain. Todd Mills, UTA Senior Manager of Supply Chain, introduced the Supply Chain unit's FTE structure. Mr. Mills gave a breakdown of the budget by category and compared to 2020's budget. It was reported that the changes in the 2021 budget include increasing contractual services to improve technology and streamlining the requisition to purchase order process at UTA and increasing freight charges for centralizing the UPS/FedEx in response to A/P internal audit findings.

Mr. Mills identified that key initiatives include exploring technologies and third-party services to improve the bidding process by vendors and centralizing freight charges to the warehouse to provide better management and oversight of charges.

The board had questions on COVID-19 supplies, the requisition system, purchasing, and inventory. Mr. Mills responded. Discussion with staff ensued.

Risk Management / Insurance. David Pitcher, UTA Manager of Claims and Insurance, introduced the Claims and Insurance unit's FTE structure. Mr. Pitcher gave a breakdown of the budget by category and compared to 2020's budget. It was reported that the changes in the 2021 budget include increasing premiums and an overall net budget change. Key initiatives include developing an insurance portfolio handbook and developing a catastrophic loss protocol.

The board asked questions about moderating, traffic claims, paperless claims, working with the AG's Office, and property losses. Mr. Pitcher responded. Discussion ensued.

Fares. Monica Morton, UTA Director of Fares, introduced the Fares unit's FTE structure. A breakdown of the budget was given by department and category and compared to

2020's budget, noting a decrease in TVM maintenance. It was reported that the changes in the 2021 budget include enhancing TVM maintenance with a contracted vendor.

Ms. Morton identified that key initiatives include evaluating base fare rates and reviewing pricing parameters for pass programs.

The board had questions on business responses to telecommuting and ridership and TVM Maintenance. Ms. Morton responded. Discussion ensued.

Accounting. Troy Bingham, UTA Comptroller, introduced Accounting's FTE structure. A breakdown of the budget was given by category and compared to 2020's budget. It was reported that the changes in the 2021 budget include shifting cost for paper/envelopes and postage to banking fees and higher charges for a new audit contract.

Mr. Bingham identified that key initiatives include enhancing current JDE functionality and resolving remaining outstanding internal audit findings and federal monitoring comments.

The board asked questions about JDE. Mr. Bingham responded. Discussion ensued.

Budget and Financial Analysis. Brad Armstrong, UTA Senior Manager for Budget and Financial Analysis, introduced the Budget and Financial Analysis unit's FTE structure. A breakdown of the budget was given by category and compared to 2020's budget. It was reported that there are no substantive changes in the budget.

Mr. Armstrong identified that key initiatives include updating the transit financial plan forecast and updating the financial equity model.

The board asked questions about the flexibility of the Budget and Financial Analysis' system and the financial plan forecasting. Mr. Armstrong responded.

Chair Christensen called for a break at 11:08am.

Chair Christensen reconvened the meeting at 11:23am.

Board of Trustees Office – 2021 Draft Budget Presentation and Discussion. Chair Christensen introduced the FTE structure of the Board staff.

Board Governance. Annette Royle, UTA Director of Board Governance, introduced the Board Office FTE structure and presented the total budget. A breakdown of the budget was given by department and category and compared to 2020's budget, noting a shift of monies to IT, but otherwise being relatively flat. It was reported that the changes in the 2021 budget include moving Salesforce to the IT budget.

Ms. Royle identified that key initiatives include a strategic plan; board management software; transparent, accountable, and accessible governance; stakeholder

relationships and collaboration; and agency leadership that engages employees and builds customer confidence.

Chair Christensen commented on the function of the staff.

Internal Audit. Ron Ellis, UTA Director of Internal Audit, introduced the Internal Audit unit's FTE structure. A breakdown of the budget was given by category and compared to 2020's budget, noting the services budget which is held in contingency for possible external audits. It was reported that the changes in the 2021 budget include the technology contract services moving to IT's budget, IDEA software analytics acquisition moved to IT, and contingency for unexpected investigation.

Mr. Ellis identified that key initiatives include updating risk analysis with key management personnel, ongoing ethics program, focusing on technology assisted risk-based auditing with acquisition of IDEA, and co-sourcing to supplement in-house talent.

The board asked questions regarding the audit plan schedule and appropriate staffing levels, software, and ability to conduct internal audits. Mr. Ellis responded. Discussion with the board ensued.

Government Relations. Shule Bishop, Director of Government Relations, introduced the Government Relations unit's FTE structure. A breakdown of the budget was given by category and compared to 2020's budget, noting the changes in contracts. It was reported that the changes in the 2021 budget include an increase in services contracts and a decrease in computer supplies.

Mr. Bishop identified that key initiatives include support from the Utah State Legislature for FrontRunner double track and capital investment grant for the Ogden BRT project.

The board asked about contracts, work with legislators, the upcoming legislative session, and upcoming outreach. Mr. Bishop responded. Discussion with the board ensued.

Chair Christensen called a recess at 11:54am.

Chair Christensen reconvened the meeting at 12:49pm.

Chief Service Development Officer – 2021 Draft Budget Presentation and Discussion.

CSDO Operating Budget. Mary DeLoretto, UTA Chief Service Development Officer, introduced the Office of Service Development's FTE structure and presented the total budget, noting that planning is the largest portion of the budget. A breakdown of the budget was given by department and compared to 2020's budget. A breakdown was also given of the budget by category and compared to 2020's budget, noting wages and

fringe create the largest portion by category. It was reported that the changes in the 2021 budget include a slight decrease from 2020, an increase in the fringe benefit costs, and an increase for professional and technical services.

Ms. DeLoretto identified that key initiatives include maintaining and enhancing partnerships with local and state entities, preparing a regional transit market analysis for the Point of the Mountain/Central Corridor project, evaluating future bus fleet options, revisiting the capital program development process, supporting Salt Lake County's project to place air quality monitors on the batteries of electric buses, developing new financial modeling tools, and developing a ten year forecast of capital needs to improve safety and regulatory compliance.

The board asked about hydrogen usage in future fleets and air quality monitors. Staff responded and discussion ensued.

Capital Development. Manjeet Ranu, UTA Capitol Development Director, introduced the Capital Development unit's FTE structure. A breakdown of the budget was given by category and compared to 2020's budget, noting the additional offsets in capital costs. It was reported that the changes in the 2021 budget include adding one FTE, funding for updates to technical design standards, the Warm Springs seismic study, and additional allocation of staff project time.

Mr. Ranu identified key initiatives include initiating a multi-step program to identify a strategy to grow the capacity of FrontRunner, receiving an interim authorization and small starts grant agreement for the Oden-Weber BRT, Commencing federal environmental review for the Point of the Mountain and Central Corridor transit corridors, completing a feasibility study for rail extensions, and articulating a comprehensive strategy for prioritizing pursuit of federal funding opportunities.

Chair Christensen asked questions about capital costs. Staff responded. Discussion with staff and board ensued.

Real Estate. Paul Drake, UTA Director of Real Estate and Transit Oriented Development (TOD), introduced the Real Estate unit's FTE structure. A breakdown of the budget was given by category and compared to 2020's budget, noting the decrease due to changes in leases. It was reported that the changes in the 2021 budget include a decrease for the airport welcome center lease, maintenance for South Jordan garages moving to the

Facilities budget, an increase in maintenance obligations for Garfield Spur, and an increase in additional professional services.

Mr. Drake identified that key initiatives include collaborating with cities to complete station area plans, furthering implementation of TOD sites, continuing design for new administrative office, acquiring corridor for upcoming capital projects, developing policy to improve access to transit network, establishing a ten year strategy for TOD projects and revenue, and refining a tool to determine readiness of TOD sites.

The board asked about TOD resources, a TOD fund, working with facilities, surplus properties, and processes for department record keeping. Staff responded. Discussion ensued.

Service Planning. Laura Hanson, UTA Director of Office Planning, introduced the Service Planning unit's FTE structure. A breakdown of the budget was given by category and compared to 2020's budget, noting that services decreased due to using inhouse resources. A decrease is also seen on supplies due to software costing less than was anticipated. It was reported that the changes in the 2021 budget include decreases due to the result of fewer and less expensive consulting contracts.

Ms. Hanson identified that key initiatives include beginning implementation for the UTA five year service plan, developing a long range plan to increase agency alignment in decision making, leveraging resources through the joint projects committee, completing the South Utah County transit analysis. Ms. Hanson continued with key initiatives discussing completing the future of Light Rail study, updating the market segmentation analysis, and supporting UDOT, WFRC, and MAG in conducting the Decennial Household Travel Survey.

The board asked questions on the South Utah County transit analysis, the Decennial Household Travel Survey, long range decision making, and TODs and applications within communities. Staff responded. Discussion ensued.

The board went over general questions and thoughts they had from the budget presentations including:

- Adequate Personnel Resources
- State of Good Repair
- COVID Precautions
- Detailed summary year-over-year budget

- Budget category for non-departmental expenses
- Other clarifying topics

Discussion with staff ensued.

Adjourn. Trustee Holbrook motioned for the meeting to adjourn, with a send from Trustee Millington. The meeting was adjourned unanimously at 2:15pm.

Transcribed by Stephanie Withers
Executive Assistant to the Board
Utah Transit Authority
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This document is not intended to serve as a full transcript as additional discussion may have taken place; please refer to the meeting materials, audio, or video located at <https://www.utah.gov/pmn/sitemap/notice/631333.html> for entire content.

This document along with the digital recording constitute the official minutes of this meeting.

Approved Date:

Carlton J. Christensen
Chair, Board of Trustees



MEMORANDUM TO THE BOARD

TO: Utah Transit Authority Board of Trustees
FROM: Jana Ostler, Board Manager

BOARD MEETING DATE: November 4, 2020

SUBJECT:	Approval of October 8, 2020 Budget Work Session Meeting Minutes
AGENDA ITEM TYPE:	Consent
RECOMMENDATION:	Approve the minutes of the October 8, 2020 Budget Work Session
BACKGROUND:	A budget work session of the UTA Board of Trustees was held on Thursday, October 8, 2020 at 1:00 p.m. at UTA Headquarters. Minutes from the meeting summarize the discussion that took place. A full audio recording of the meeting is available on the Utah Public Notice Website .
ATTACHMENTS:	1) 2020-10-08_BOT_Budget Work Session_Minutes_unapproved



Minutes of the Budget Work Session
of the
Board of Trustees of the Utah Transit Authority
Thursday, October 8, 2020, 1:00 p.m. – 4:00 p.m.
Utah Transit Authority Headquarters
669 West 200 South, Salt Lake City, Utah
Golden Spike Conference Rooms

Board Members Participating:

Carlton Christensen, Chair
Beth Holbrook
Kent Millington

Also participating were members of UTA staff.

Call to Order and Opening Remarks. Chair Christensen welcomed attendees and called the meeting to order at 1:03pm.

Safety First Minute. Trustee Holbrook provided a brief safety message on preparedness.

2020 Draft Budget-Follow up Discussion. Carolyn Gonot, UTA Executive Director, turned the time over to Bill Greene, UTA CFO.

Modal Metrics. Mr. Greene reported the total system ridership for the years of 2018, 2019, and 2020, noting service hours and miles and fuel type for each mode. Mr. Greene compared operating expenses from the 2020 budget to the 2021 budget.

The board asked questions about Vanpool ridership, CARES funding, light rail seats, and bond ratings. Staff responded.

Sources and Uses 5-year Overview. Mr. Greene gave a summary of revenues and expenses, fares, CARES Act funding, service reserve, bonding, and policy. A summary of the TFP was presented to the board, noting the CARES Act revenue. An explanation of rolled up year-over-year variances was given. Stewardship of resources was discussed.

The board asked questions on debt, principle, capital sources, grant opportunities, and fare changes. Mr. Greene will gather the requested information. Discussion ensued with the board and staff.

Fare Collection System Funding & Timeline. Ms. Gonot introduced Dan Harmuth, UTA IT Director. Mr. Harmuth introduced the options for a long-term collection system: keeping current custom EFC-X back office system, replace EFC-X with vendor-hosted system, or replace EFC-X with vendor-hosted complete system. A timeline on strategy, technology, finance, and customer experience was identified, noting a pilot program. Mr. Harmuth presented the budgeted cost involved for the program.

The board asked questions on the timeline, RFPs, ridership, and cost. Staff responded. Discussion ensued. Chair Christensen emphasized the importance of innovation and focusing on customer experience, noting the role that reliable Wi-Fi could play in improving customer satisfaction.

Resource Topics. Alisha Garrett, UTA Director of Culture and Talent Development, gave a summary on resources. The Chief Operating Office Administration requires no changes. Community Engagement is shifting resources within their current budget and FTE structure. Real Estate & TOD will be doing an evaluation to assess a one-time expense need that will be fit into the current budget. Asset Management and MOW are recommending an increase in FTE resources.

Ms. Garrett turned the time over to Dave Hancock, UTA Director of Asset Management. Mr. Hancock presented the Asset Management FTE structure and noted the budget and SGR Project costs for 2021. Proposed resource adjustments include an increase in FTEs, an increase in contract services, and an allowance for new structure adjustments and apprenticeship programs to come to fruition before making further changes.

The board asked questions on OCS, FTE positions, Form B, employee turnovers, and source of funding. Staff responded and discussion ensued.

Other Discussion Items. Ms. Garrett addressed previous questions from the board concerning COVID-19 and UV lights, noting that the project will be funded in the budget. Air filters are being tested and yielding positive results. UV light usage options are being pursued. Mr. Greene noted that the UV lights are eligible within the CARES Act funding.

Ms. Garret addressed other follow-up items, noting an establishment of a budget category for non-departmental expenses, best practices for telecommuting are being reviewed for continued telecommuting in the future, and digital and technologic business solutions are already approved in budget where they make sense.

The board asked questions on air filters, cost of digital contract services, and telecommuting practices. Staff responded and discussion ensued.

Adjourn. Trustee Holbrook motioned for the meeting to adjourn. With a send from Trustee Millington, the meeting was adjourned unanimously at 2:15pm.

Transcribed by Stephanie Withers
Executive Assistant to the Board
Utah Transit Authority
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This document is not intended to serve as a full transcript as additional discussion may have taken place; please refer to the meeting materials, audio, or video located at <https://www.utah.gov/pmn/sitemap/notice/633025.html> for entire content.

This document along with the digital recording constitute the official minutes of this meeting.

Approved Date:

Carlton J. Christensen
Chair, Board of Trustees

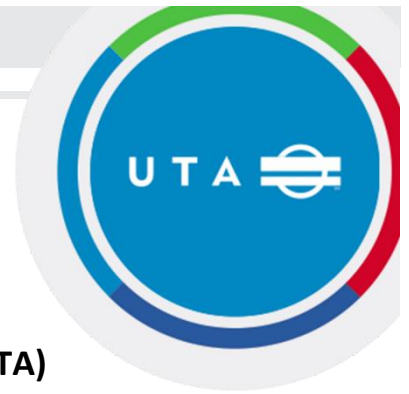


MEMORANDUM TO THE BOARD

TO: Utah Transit Authority Board of Trustees
FROM: Jana Ostler, Board Manager

BOARD MEETING DATE: November 4, 2020

SUBJECT:	Approval of October 28, 2020 Board Meeting Minutes
AGENDA ITEM TYPE:	Consent
RECOMMENDATION:	Approve the minutes of the October 28, 2020 Board of Trustees meeting
BACKGROUND:	A regular meeting of the UTA Board of Trustees was held electronically and broadcast live on YouTube on Wednesday, October 28, 2020 at 9:00 a.m. Minutes from the meeting document the actions of the Board and summarize the discussion that took place in the meeting. A full audio recording of the meeting is available on the Utah Public Notice Website and video feed is available on You Tube at https://www.youtube.com/results?search_query=utaride
ATTACHMENTS:	1) 2020-10-28_BOT_Minutes_unapproved



**Minutes of the Meeting
of the
Board of Trustees of the Utah Transit Authority (UTA)
held remotely via phone or video conference
and broadcast live for the public via YouTube
October 28, 2020**

Board Members Participating:

Carlton Christensen, Chair
Beth Holbrook
Kent Millington

Also participating were members of UTA staff.

Call to Order and Opening Remarks. Chair Christensen welcomed attendees and called the meeting to order at 9:01 a.m. He then yielded the floor to Jana Ostler, UTA Board Manager, who read the electronic board meeting determination into the record as required by statute. The complete electronic board meeting determination is included as Appendix A to these minutes.

Chair Christensen mentioned today's meeting will be adjourned in memory of Brett Gunnuscio, UTA Electromechanic Helper, who passed away earlier this month.

Public Comment. It was noted that online comment received for the meeting was distributed to the board prior to the meeting and will be included as Appendix B to these minutes.

Safety First Minute. Ron Kendell, UTA Video Security Administrator, provided a brief safety message.

Consent Agenda. The consent agenda was comprised of:

- a. Approval of October 21, 2020 Board Meeting Minutes
- b. Fare Agreement: Pass Purchase and Administration Agreement – Amendment #1 (Start Date Postponed) (Church of Jesus Christ of Latter-Day Saints)

A motion to approve the consent agenda was made by Trustee Millington and seconded by Trustee Holbrook. The motion carried unanimously.

Agency Report.

Election Day Free Fare Update. Carolyn Gonot, UTA Executive Director, mentioned the agency is making all transit services, including paratransit and microtransit services, free to the public on election day (November 3, 2020).

Brief discussion ensued. A question on public outreach efforts related to the free fare was posed by the board and answered by Ms. Gonot.

Rail Trespass and Suicide Prevention Safety, Research, and Demonstration Grant. Ms. Gonot was joined by Tina Bartholomew, UTA Safety Administrator, and Ron Kendell, UTA Video Security Administrator. Mr. Kendell spoke about a Safety, Research, and Demonstration Grant recently awarded to UTA by the Federal Transit Administration in the amount of \$244,000 for radar and camera surveillance equipment and other measures designed to prevent rail corridor trespass and suicide.

Discussion ensued. Questions on the pervasiveness of proactive safety measures in the transit industry and coordination with Union Pacific Railroad were posed by the board and answered by staff.

Point of the Mountain Transit Study. Ms. Gonot noted the survey portion of the study is complete and the survey report is posted on both the study and UTA websites.

Bond Refinancing. Ms. Gonot was joined by Troy Bingham, UTA Comptroller. Mr. Bingham spoke about the bond refinancing process and indicated final pricing would be set by close of business today (October 28, 2020), with an anticipated sale on November 12, 2020.

Pension Committee Report. Trustee Millington reported on the pension committee meeting held on October 20, 2020 and said the committee plans to release a request for proposal (RFP) on actuarial services in the near future. They also agreed to use a 6.75 percent growth projection and changed the composition of the committee from nine to five members.

Resolutions.

R2020-10-04 Resolution Giving Special Tribute, Due Honor, and Recognition to UTA Trustee J. Kent Millington. Chair Christensen and Trustee Holbrook read the resolution and expressed appreciation to Trustee Millington for the dedicated and collaborative work he did during his tenure as a trustee for the agency.

A motion to approve R2020-10-04 was made by Trustee Holbrook and seconded by Chair Christensen. The motion carried with aye votes from Trustee Holbrook and Chair Christensen. Trustee Millington abstained.

R2020-10-05 Resolution Approving the Awarding of Complimentary Lifetime Transit Passes for Members of the Board of Trustees upon Completion of Their Initial Term.

Chair Christensen explained the resolution, which recognizes trustees for their public service by offering a complimentary lifetime transit pass to the trustee and one other person of the trustee's choosing.

A motion to approve R2020-10-05 was made by Trustee Holbrook and seconded by Chair Christensen. The motion carried with aye votes from Trustee Holbrook and Chair Christensen. Trustee Millington abstained.

Contracts, Disbursement, and Grants.

Contract: UTA Employee Holiday Gift Cards (Harmons). Todd Mills, UTA Sr. Supply Chain Manager, requested the board approve a contract with Harmons to provide gift cards valued at \$125 each to UTA employees in appreciation for their hard work and dedication throughout the year.

A motion to approve the contract was made by Trustee Millington and seconded by Trustee Holbrook. The motion carried unanimously.

Contract: State and Local External Government Relations Services (Hunter and Company Communications). Shule Bishop, UTA Government Relations Director, asked the board to approve a contract with Hunter and Company Communications for lobbying services. The contract has an initial term of three years, with two one-year options, and a total contract value (including options) of \$228,000.

A motion to approve the contract was made by Trustee Holbrook and seconded by Trustee Millington. The motion carried unanimously.

Contract: Federal External Government Relations Services (Barker Leavitt). Mr. Bishop requested the board approve a contract with Barker Leavitt for federal lobbying services. The contract has an initial term of three years, with two one-year options, and a total contract value (including options) of \$767,779.27.

A motion to approve the contract was made by Trustee Millington and seconded by Trustee Holbrook. The motion carried unanimously.

Contract: Federal External Government Relations Services (Cardinal Infrastructure).

Mr. Bishop asked the board to approve a contract with Cardinal Infrastructure for federal lobbying services. The contract has an initial term of three years, with two one-year options, and a total contract value (including options) of \$792,000.

A motion to approve the contract was made by Trustee Millington and seconded by Trustee Holbrook. The motion carried unanimously.

Discussion Items.

2020 Budget Amendment #3. Mary DeLoretto, UTA Chief Service Development Officer, reviewed proposed updates to the 2020 budget. She indicated staff is requesting capital contingency funds be reallocated as follows:

	Stations and Platform Rehab	Rail Replacement Work	Light Rail Rehab/Overhaul	Sharp-Tintic Rail Consolidation	Contingency
2020 Budget	\$125,000	\$459,000	\$10,610,565	\$700,000	\$968,000
Proposed Changes	\$233,000	\$200,000	\$180,000	\$300,000	(\$913,000)
Totals	\$358,000	\$659,353	\$10,790,565	\$1,000,000	\$55,000

Ms. DeLoretto said staff would also like to make the following project revisions and carry forward remaining funds to the 2021 capital budget:

Project	2020 Budget	Revised 2020 Budget	Carryforward Budget to 2021
Tooele Bus Facility	\$1,267,751	\$300,000	\$967,751
Clearfield FR Station Trail	\$1,769,817	\$30,000	\$1,739,817
Operator Shack at Univ Med EOL	\$215,000	\$40,000	\$175,000
Provo-Orem BRT	\$5,210,967	\$2,200,000	\$3,010,967
Sandy Parking Structure	\$5,904,174	\$1,700,000	\$4,204,174
MOW Building	\$350,000	\$0	\$350,000
New FLHQ Space Planning	\$75,000	\$40,000	\$45,000
Light Rail Seat Replacement	\$4,154,000	\$0	\$4,154,000
5310 Ogden/Layton Funds	\$121,374	\$61,374	\$60,000
Passenger Info Improvements	\$1,459,743	\$0	\$1,459,743
Total	\$20,527,826	\$4,271,374	\$16,166,452

Discussion ensued. Questions on the potential for other capital needs in 2020 and adjustments to timelines for project completion were posed by the board and answered by staff. It was mentioned the total for the new FLHQ space planning would be revised to \$85,000 before formal board approval is requested.

Chair Christensen suggested staff review and clarify allocations for the Sharp-Tintic rail consolidation.

Draft 2021-25 Five-Year Capital Plan Revisions. Ms. DeLoretto discussed proposed updates to the 2021-25 Five-Year Capital Plan, including carrying forward requests for ten projects, adding one new project, redistributing funds for two projects, and changing budgeted amounts for two projects.

Projects proposed to be carried forward are as follows:

Project	Sept 16 2021 Budget	Revised 2021 Budget	Variance 2021	Sept 16 5-Year Plan 2021-2025	Revised 5-Year Plan 2021-2025	Variance 5-Year Plan 2021-2025
Tooele Bus Facility	\$0	\$967,751	\$967,751	\$0	\$967,751	\$967,751
Clearfield FR Station Trail		1,739,817	1,739,817		1,739,817	1,739,817
Operator Shack at Univ Med EOL		175,000	175,000		175,000	175,000
Provo-Orem BRT		3,010,967	3,010,967		3,010,967	3,010,967
Sandy Parking Structure		4,204,174	4,204,174		4,204,174	4,204,174
MOW Building		350,000	350,000		350,000	350,000
New FLHQ Space Planning		45,000	45,000		45,000	45,000
Light Rail Seat Replacement		4,154,000	4,154,000		4,154,000	4,154,000
5310 Ogden/Layton Funds		60,000	60,000		60,000	60,000
Passenger Info Improvements		1,459,743	1,459,743		1,459,743	1,459,743
Subtotal	\$0	\$16,166,452	\$16,166,452	\$0	\$16,166,452	\$16,166,452

Projects with budget revisions include:

Project	Sept 16 2021 Budget	Revised 2021 Budget	Variance 2021	Sept 16 5-Year Plan 2021-2025	Revised 5-Year Plan 2021-2025	Variance 5-Year Plan 2021-2025
Suicide Prevention	\$0	\$280,000	\$280,000	\$0	\$280,000	\$280,000
Rail Rehab/ Replacement	7,450,000	7,250,000	(200,000)	15,775,000	15,575,000	(200,000)
20 Electric Buses - VW	14,200,000		(14,200,000)	27,079,240	27,079,240	
Stray Current Mitigation	700,000	525,000	(175,000)	2,500,000	2,500,000	
Midvalley BRT	27,905,000	3,000,000	(24,905,000)	44,483,000	79,200,000	34,717,000
Subtotal	\$50,255,000	\$11,055,000	(\$39,200,000)	\$89,837,240	\$124,634,240	\$34,797,000
TOTAL CHANGES	\$50,255,000	\$27,221,452	(\$23,033,548)	\$89,837,240	\$140,800,692	\$50,963,452

Impacts to the budget for each of the five years included in the plan are:

Year	Total Budget		Total UTA Expenditures	
	Sept 16 Budget	Revised Budget	Sept 16 Budget	Revised Budget
2021	\$278,652,000	\$255,619,000	\$144,714,000	\$146,078,000
2022	\$226,971,000	\$230,138,000	\$118,649,000	\$120,412,000
2023	\$126,886,000	\$187,990,000	\$94,172,000	\$98,237,000
2024	\$223,713,000	\$233,576,000	\$126,317,000	\$126,180,000
2025	\$105,570,000	\$105,432,000	\$99,233,000	\$99,096,000
Total	\$961,792,000	\$1,012,755,000	\$583,086,000	\$590,002,000

Ms. DeLoretto noted the first year of the 2021-25 Five-Year Capital Plan is incorporated in the tentative 2021 budget.

Discussion ensued. A question on the Mid-Valley project adjustment was posed by the board and answered by staff.

UDOT Central Corridor Transit Study Update. Manjeet Ranu, UTA Director of Capital Projects, was joined by Mary DeLaMare-Schaefer, UTA Regional General Manager – Timpanogos Business Unit, and Eric Rasband with the Utah Department of Transportation (UDOT). Mr. Rasband provided an overview of the Central Corridor Transit Study and reviewed the study schedule. He then outlined the locally preferred alternative, summarized public feedback, and reviewed next steps for both the study and the project.

Discussion ensued during which the board expressed support for the findings of the study.

At 10:31 a.m., Chair Christensen requested Trustee Holbrook assume the role of chair in the meeting. He then left the meeting to participate in a teleconference related to UTA's bond refunding.

Trustee Holbrook called for a recess at 10:35 a.m.

The meeting resumed at 10:57 a.m. with Chair Christensen directing the agenda.

Tentative 2021 Budget. Alisha Garrett, UTA Director of Culture & Talent Development, was joined by Troy Bingham, UTA Comptroller. Ms. Garrett highlighted key strategies, assumptions, and significant changes included in the budget. She then reviewed a new organizational structure contemplated in the budget and provided detail on the operating and capital budgets.

Discussion ensued during which Ms. Gonot provided more detail on the organizational structure adjustments. A question on how the organizational change will impact the budget was posed by the board and answered by staff.

Other Business.

Next Meeting: The next meeting of the board will be on Wednesday, November 4, 2020 at 9:00 a.m.

Adjournment. The meeting was adjourned by motion in memory of Brett Gunnuscio at 11:22 a.m.

Transcribed by Cathie Griffiths
Executive Assistant to the Board Chair
Utah Transit Authority
cgriffiths@rideuta.com
801.237.1945

This document is not intended to serve as a full transcript as additional discussion may have taken place; please refer to the meeting materials, audio, or video located at <https://www.utah.gov/pmn/sitemap/notice/636877.html> for entire content.

This document along with the digital recording constitute the official minutes of this meeting.

Approved Date:

Carlton J. Christensen
Chair, Board of Trustees

UNAPPROVED

Appendix A

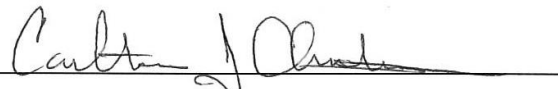
UTAH TRANSIT AUTHORITY ELECTRONIC BOARD MEETING DETERMINATION

Consistent with provisions of the Utah Open and Public Meetings Act, specifically UTAH CODE § 52-4-207(4), and acting in my capacity as the Chair of the Board of Trustees ("Board") of the Utah Transit Authority ("UTA"), I hereby make the following written determinations in support of my decision to hold and convene electronic meetings of the UTA Board without a physical anchor location:

1. Conducting Board and Board Committee meetings with an anchor location that is physically accessible for members of the public to attend in person presents a substantial risk to the health and safety of those who may be present at the anchor location.
2. This determination is based upon the following facts, among others:
 - a. The COVID-19 pandemic is ongoing and significant and continued community, person-to-person virus transmission continues to occur in the state of Utah; and
 - b. Federal, state, and local health authorities have adopted guidelines for the general public and businesses which encourage institutions and individuals to take precautions, including limiting in-person interactions and recommending increased virtual interactions.

This written determination takes effect on October 7, 2020, and is effective until midnight on November 6, 2020, (no more than 30 days after the effective date of this Declaration) and may be re-issued by future written determinations of the Chair of the Board at that or any other appropriate time.

Dated this 30 day of September, 2020.



Carlton Christensen Chair of the Board of Trustees

Appendix B

Online Public Comment
to the
Board of Trustees of the Utah Transit Authority (UTA)
Board Meeting

Received on October 27, 2020 from George Chapman:

comments to Board of Trustees Oct 28 meeting

Proposal to increase ridership on buses

Despite a significant increase in bus span of service, ridership on buses is still less than 50%. I urge UTA to use some of the \$187 million that the CARES Act gave you (\$87 million spending this year) to market the bus service. I suggest using the funding to test a \$1 fare through the end of the year for buses (since rail ridership increases are limited by parking lots and ticket machine throughput). I further recommend that UTA adjust all marketing to advertise the \$1 fare, encourage citizens to try the new expanded bus service to midnight on many routes and to remember that studies show that wearing a mask on mass transit eliminates most COVID 19 potential. This would be an important and national story if it succeeds. It is a test for just 2 months to see if ridership on buses exhibits a different fare elasticity compared to rail. Without this test, UTA and mass transit ridership may continue to be at a 50% level for years. Such a test can provide direction on how to increase ridership which will be a significant discussion at next year's Legislative session.

On the items in the meeting agenda: The Clearfield Trail should be lower priority than appropriate funding for the parking which is always full. The \$5 million parking structure in Sandy should not be paid for by UTA but by an assessment district. The Midvalley BRT, since it now receives FTA funding, requires an EIS.



MEMORANDUM TO THE BOARD

TO: Utah Transit Authority Board of Trustees
FROM: Carolyn Gonot, Executive Director
PRESENTER(S): Carolyn Gonot, Executive Director

BOARD MEETING DATE: November 4, 2020

SUBJECT:	Agency Report
AGENDA ITEM TYPE:	Report
RECOMMENDATION:	Informational report for discussion
DISCUSSION:	<p>Carolyn Gonot, UTA Executive Director will report on recent activities of the agency and other items of interest.</p> <ul style="list-style-type: none">- UTA Ski Bus Outreach Efforts- Bond Refunding- 2021 Budget Hearing and Open House



MEMORANDUM TO THE BOARD

TO: Utah Transit Authority Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: William C. Greene, Chief Financial Officer
PRESENTER(S): Brad Armstrong, Senior Manager Budget & Financial Analysis

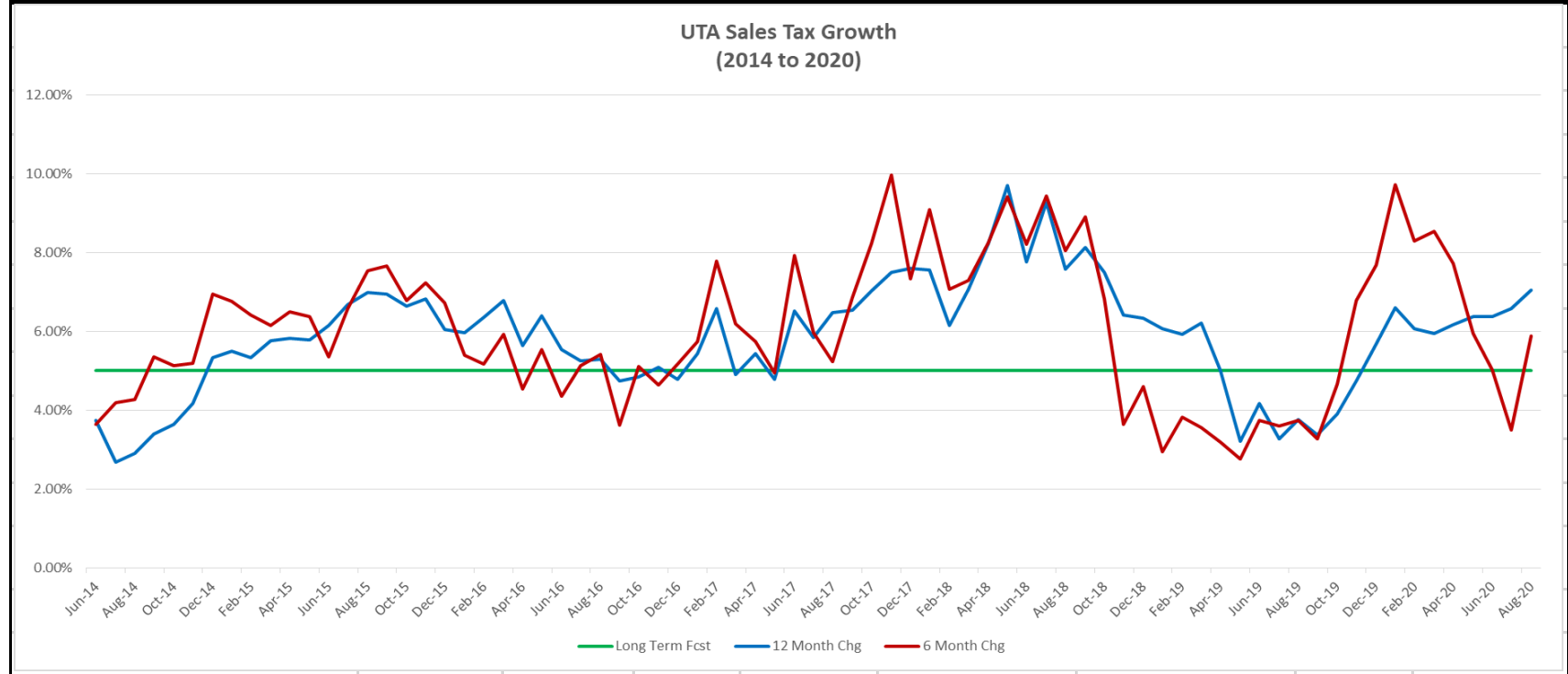
BOARD MEETING DATE: November 4, 2020

SUBJECT:	Financial Report – September 2020
AGENDA ITEM TYPE:	Report
RECOMMENDATION:	Informational report for discussion
BACKGROUND:	The Board of Trustees Policy No. 2.1, Financial Management, directs the Chief Financial Officer to present monthly financial statements stating the Authority’s financial position, revenues, and expense to the Board of Trustees as soon as practical with monthly and year-to-date budget versus actual report to be included in the monthly financial report. The September 2020 Monthly Financial Statements have been prepared in accordance with the Financial Management Policy and are being presented to the Board. Also provided, is the monthly Board Dashboard which summarizes key information from the September Monthly Financial Statements.
DISCUSSION:	At the November 4 meeting, the Senior Manager Budget and Financial Analysis will review the Board Dashboard key items, passenger revenues, sales tax collections, CARES Act funding amounts, and operating expense variances and receive questions from the Board of Trustees.
ATTACHMENTS:	<ul style="list-style-type: none">• September 2020 Board Dashboard• September 2020 Monthly Financial Statements

UTA Board Dashboard

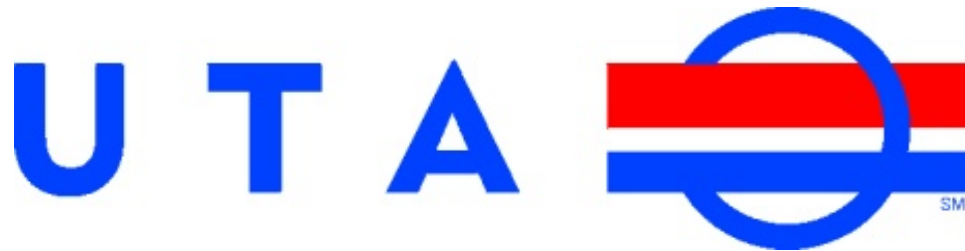
September 2020

Financial Metrics	Fav/ (Unfav)				Fav/ (Unfav)			
	Sept Actual	Sept Budget		%	YTD Actual	YTD Budget		%
Sales Tax (August '20 mm \$)	\$ 29.4	\$ 29.8	\$ (0.37)	-1.2%	\$ 227.3	\$ 225.3	\$ 2.00	0.9%
Fare Revenue (mm)	\$ 2.7	\$ 4.6	\$ (1.86)	-40.8%	\$ 25.9	\$ 40.8	\$ (14.91)	-36.6%
Operating Exp (mm)	\$ 23.2	\$ 25.7	\$ 2.53	9.8%	\$ 211.0	\$ 233.4	\$ 22.43	9.6%
Subsidy Per Rider (SPR)	\$ 11.62	\$ 5.88	\$ (5.74)	-97.6%	\$ 9.89	\$ 5.88	\$ (4.01)	-68.2%
UTA Diesel Price (\$/gal)	\$ 1.39	\$ 2.50	\$ 1.11	44.3%	\$ 1.45	\$ 2.50	\$ 1.05	42.1%
Operating Metrics	Sept Actual	Sep-19	F/(UF)	%	YTD Actual	YTD 2019	F/(UF)	%
Ridership (mm)	1.76	4.10	(2.3)	-57.0%	18.73	32.85	(14.1)	-43.0%
Alternative Fuels	CNG Price (Diesel Gal Equiv)		\$ 1.32					



Utah Transit Authority
Financial Statement
(Unaudited)

September 30, 2020



KEY ITEM REPORT
(UNAUDITED)
As of September 30, 2020

EXHIBIT 1-1

	2020 YTD ACTUAL	2020 YTD BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)	% FAVORABLE (UNFAVORABLE)
1 Sales Tax	\$ 264,941,624	\$ 258,714,944	\$ 6,226,680	2%
2 Passenger Revenue	25,874,504	40,780,093	(14,905,589)	-37%
3 Other Revenue	124,587,909	66,819,730	57,768,179	86%
4 Total Revenue	415,404,037	366,314,767	49,089,270	13%
5 Net Operating Expenses	(211,020,266)	(233,445,827)	22,425,561	10%
Net Operating Income (Loss)	204,383,771	132,868,939	71,514,832	54%
6 Debt Service	109,274,670	105,396,939	(3,877,731)	-4%
7 Other Non-Operating Expenses	3,504,186	4,846,817	1,342,631	28%
8 Sale of Assets	1,680,701	-	(1,680,701)	
9 Contribution to Capital Reserves	\$ 89,924,214	\$ 22,625,183	\$ 67,299,031	297%
10 Amortization	(1,124,609)			
11 Depreciation	98,185,894			
12 Total Non-cash Items	\$ 97,061,285			

GOALS

RIDERSHIP

2019 Actual	September 2020	September 2019	Difference	2020 YTD	2019 YTD	Difference
13 44,239,223	1,764,766	4,101,267	-2,336,501	18,729,255	32,852,274	-14,123,019

OPERATING SUBSIDY PER RIDER -

	SPR
14 Net Operating Expense	\$ 211,020,266
15 Less: Passenger Revenue	- (25,874,504)
16 Subtotal	185,145,762
17 Divided by: Ridership	÷ 18,729,255
18 Subsidy per Rider	<u>\$ 9.89</u>

SUMMARY FINANCIAL DATA
(UNAUDITED)

EXHIBIT 1-2

As of September 30, 2020

BALANCE SHEET

	<u>9/30/2020</u>	<u>9/30/2019</u>
CURRENT ASSETS		
1 Cash	\$ 13,874,938	\$ 10,886,722
2 Investments (Unrestricted)	162,531,138	74,226,891
3 Investments (Restricted)	180,586,912	129,571,731
4 Receivables	78,418,312	67,582,359
5 Receivables - Federal Grants	20,429,582	47,779,106
6 Inventories	36,495,088	35,845,873
7 Prepaid Expenses	2,959,201	3,357,308
8 TOTAL CURRENT ASSETS	<u>\$ 495,295,171</u>	<u>\$ 369,249,990</u>
9 Property, Plant & Equipment (Net)	2,886,902,604	3,016,564,480
10 Other Assets	150,900,736	145,200,140
11 TOTAL ASSETS	<u>\$ 3,533,098,511</u>	<u>\$ 3,531,014,610</u>
12 Current Liabilities	56,138,921	48,092,071
13 Other Liabilities	41,106,564	35,624,841
14 Net Pension Liability	103,864,839	131,548,114
15 Outstanding Debt	2,449,051,404	2,401,187,619
16 Equity	882,936,783	914,561,965
17 TOTAL LIABILITIES & EQUITY	<u>\$ 3,533,098,511</u>	<u>\$ 3,531,014,610</u>

RESTRICTED AND DESIGNATED CASH AND CASH EQUIVALENTS RECONCILIATION

RESTRICTED RESERVES		
18 Debt Service Reserves	3,827,428	39,020,060
19 2010/2015 Bond DSR Proceeds	21,411,383	
20 2018 Bond Proceeds	22,191,341	30,675,350
21 2019 Bond Proceeds	69,889,481	
22 Debt Service Interest Payable	36,105,134	31,345,981
23 Risk Contingency Fund	8,007,449	7,884,155
24 Box Elder County ROW (sales tax)	7,001,358	7,493,869
25 Joint Insurance Trust	7,845,862	6,336,834
26 Davis County Escrow	1,149,702	1,221,753
27 SL County Escrow	207,861	-
28 Amounts held in escrow	2,949,913	5,593,729
29 TOTAL RESTRICTED RESERVES	<u>\$ 180,586,912</u>	<u>\$ 129,571,731</u>
DESIGNATED GENERAL AND CAPITAL RESERVES		
30 General Reserves	\$ 57,600,000	\$ -
31 Service Sustainability Reserves	9,600,000	9,166,000
32 Capital Reserve	33,750,000	10,700,000
33 Debt Reduction Reserve	30,000,000	65,247,613
34 TOTAL DESIGNATED GENERAL AND CAPITAL RESERVES	<u>\$ 130,950,000</u>	<u>\$ 85,113,613</u>
35 TOTAL RESTRICTED AND DESIGNATED CASH AND EQUIVALENTS	<u>\$ 311,536,912</u>	<u>\$ 214,685,344</u>

SUMMARY FINANCIAL DATA
(UNAUDITED)

EXHIBIT 1-3

As of September 30, 2020

REVENUE & EXPENSES

	ACTUAL Sep-20	ACTUAL Sep-19	YTD 2020	YTD 2019
REVENUE				
1 Passenger Revenue	\$ 2,693,719	\$ 4,462,293	\$ 25,874,504	\$ 39,724,902
2 Advertising Revenue	208,333	204,167	1,875,000	1,837,500
3 Investment Revenue	154,323	1,152,722	2,788,870	5,177,887
4 Sales Tax	44,054,514	32,223,078	264,941,624	229,420,214
5 Other Revenue	2,948,615	767,362	7,802,502	10,996,726
6 Fed Operations/Preventative Maint.	15,817,147	5,185,254	112,121,537	48,127,292
7 TOTAL REVENUE	\$ 65,876,651	\$ 43,994,876	\$ 415,404,037	\$ 335,284,521
OPERATING EXPENSE				
8 Bus Service	\$ 8,580,445	\$ 8,469,752	\$ 76,867,123	\$ 76,700,013
9 Commuter Rail	1,756,122	1,982,144	15,902,252	17,933,591
10 Light Rail	3,046,774	3,335,836	26,333,418	28,130,977
11 Maintenance of Way	1,067,038	1,661,386	13,246,416	13,334,262
12 Paratransit Service	1,937,909	1,860,541	16,779,340	16,737,945
13 RideShare/Van Pool Services	306,579	318,727	2,375,581	2,352,987
14 Operations Support	4,098,068	3,774,657	35,875,736	35,219,058
15 Administration	2,406,399	2,058,633	23,640,400	20,390,632
16 TOTAL OPERATING EXPENSE	\$ 23,199,334	\$ 23,461,676	\$ 211,020,266	\$ 210,799,465
17 NET OPERATING INCOME (LOSS)	\$ 42,677,317	\$ 20,533,200	\$ 204,383,771	\$ 124,485,056
NON-OPERATING EXPENSE (REVENUE)				
18 Planning & Development	\$ 431,689	\$ 456,093	\$ 3,504,186	\$ 3,543,868
19 Bond Principal	623,334	166,667	29,329,999	14,698,242
20 Bond Interest	7,464,389	7,892,473	70,667,677	71,424,875
21 Bond Interest UTCT	166,223	166,223	1,493,435	1,496,007
22 Bond Cost of Issuance/Fees	4,400	4,500	1,103,850	72,325
23 Lease Cost	695,772	756,059	6,679,709	5,982,399
24 Sale of Assets	(455,031)	(35,161)	1,680,701	(379,540)
25 TOTAL NON-OPERATING EXPENSE	\$ 8,930,776	\$ 9,240,631	\$ 114,459,557	\$ 96,838,176
26 CONTRIBUTION TO CAPITAL RESERVES	\$ 33,746,541	\$ 11,292,569	\$ 89,924,214	\$ 27,646,880
OTHER EXPENSES (NON-CASH)				
27 Bond Premium/Discount Amortization	(385,186)	(1,285,887)	(4,837,682)	(11,572,983)
28 Bond Refunding Cost Amortization	274,239	682,153	3,104,887	6,139,382
29 Future Revenue Cost Amortization	67,577	67,577	608,186	608,186
30 Depreciation	9,422,065	11,819,160	98,185,894	108,244,984
31 NET OTHER EXPENSES (NON-CASH)	\$ 9,378,695	\$ 11,283,003	\$ 97,061,285	\$ 103,419,569

ACTUAL REPORT
(UNAUDITED)
As of September 30, 2020

EXHIBIT 1-4

CURRENT MONTH

	ACTUAL	BUDGET	VARIANCE	%
	Sep-20	Sep-20	FAVORABLE (UNFAVORABLE)	FAVORABLE (UNFAVORABLE)
REVENUE				
1 Passenger Revenue	\$ 2,693,719	\$ 4,550,000	\$ (1,856,281)	-41%
2 Advertising Revenue	208,333	209,154	(821)	0%
3 Investment Revenue	154,323	659,195	(504,872)	-77%
4 Sales Tax	44,054,514	31,091,416	12,963,098	42%
5 Other Revenue	2,948,615	740,437	2,208,178	298%
6 Fed Operations/Preventative Maint.	15,817,147	5,782,448	10,034,699	174%
7 TOTAL REVENUE	\$ 65,876,651	\$ 43,032,650	\$ 22,844,001	53%
OPERATING EXPENSE				
8 Bus Service	\$ 8,580,445	\$ 8,976,791	\$ 396,346	4%
9 Commuter Rail	1,756,122	2,161,455	405,333	19%
10 Light Rail	3,046,774	3,170,059	123,285	4%
11 Maintenance of Way	1,067,038	1,607,046	540,008	34%
12 Paratransit Service	1,937,909	2,068,956	131,047	6%
13 RideShare/Van Pool Services	306,579	274,840	(31,739)	-12%
14 Operations Support	4,098,068	4,188,463	90,395	2%
15 Administration	2,406,399	3,280,335	873,936	27%
16 TOTAL OPERATING EXPENSE	\$ 23,199,334	\$ 25,727,945	\$ 2,528,611	10%
17 NET OPERATING INCOME (LOSS)	\$ 42,677,317	\$ 17,304,704	\$ 25,372,613	147%
NON-OPERATING EXPENSE (REVENUE)				
18 Planning & Development	\$ 431,689	\$ 550,822	\$ 119,133	22%
19 Bond Principal	623,334	36,667	(586,667)	-1600%
20 Bond Interest	7,464,389	7,647,695	183,306	2%
21 Bond Interest UTCT		166,776	166,776	
22 Bond Cost of Issuance/Fees	4,400	4,500	100	2%
23 Lease Cost	695,772	790,300	94,528	12%
24 Sale of Assets	(455,031)	-	455,031	
25 TOTAL NON-OPERATING EXPENSE	\$ 8,764,553	\$ 9,196,760	\$ 432,207	5%
26 CONTRIBUTION TO CAPITAL RESERVES	\$ 33,912,764	\$ 8,107,944	\$ 25,804,820	-318%
OTHER EXPENSES (NON-CASH)				
27 Bond Premium/Discount Amortization	(385,186)			
28 Bond Refunding Cost Amortization	274,239			
29 Future Revenue Cost Amortization	67,577			
30 Depreciation	9,422,065			
31 NET OTHER EXPENSES (NON-CASH)	\$ 9,378,695			

BUDGET TO ACTUAL REPORT
(UNAUDITED)

EXHIBIT 1-5

As of September 30, 2020

YEAR TO DATE

	ACTUAL Sep-20	BUDGET Sep-20	VARIANCE FAVORABLE (UNFAVORABLE)	% FAVORABLE (UNFAVORABLE)
REVENUE				
1 Passenger Revenue	\$ 25,874,504	\$ 40,780,093	\$ (14,905,589)	-37%
2 Advertising Revenue	1,875,000	1,882,386	(7,386)	0%
3 Investment Revenue	2,788,870	5,252,225	(2,463,355)	-47%
4 Sales Tax	264,941,624	258,714,944	6,226,680	2%
5 Other Revenue	7,802,502	9,151,913	(1,349,411)	-15%
6 Fed Operations/Preventative Maint.	112,121,537	50,533,206	61,588,331	122%
7 TOTAL REVENUE	\$ 415,404,037	\$ 366,314,767	\$ 49,089,270	13%
OPERATING EXPENSE				
8 Bus Service	\$ 76,867,123	\$ 81,735,568	\$ 4,868,445	6%
9 Commuter Rail	15,902,252	19,548,483	3,646,231	19%
10 Light Rail	26,333,418	28,578,250	2,244,832	8%
11 Maintenance of Way	13,246,416	14,044,256	797,840	6%
12 Paratransit Service	16,779,340	18,635,554	1,856,214	10%
13 RideShare/Van Pool Services	2,375,581	2,473,568	97,987	4%
14 Operations Support	35,875,736	37,763,703	1,887,967	5%
15 Administration	23,640,400	30,666,446	7,026,046	23%
16 TOTAL OPERATING EXPENSE	\$ 211,020,266	\$ 233,445,827	\$ 22,425,561	10%
17 NET OPERATING INCOME (LOSS)	\$ 204,383,771	\$ 132,868,939	\$ 71,514,832	54%
NON-OPERATING EXPENSE (REVENUE)				
18 Planning & Development	\$ 3,504,186	\$ 4,846,817	\$ 1,342,631	28%
19 Bond Principal	29,329,999	25,810,000	(3,519,999)	-14%
20 Bond Interest	70,667,677	70,882,468	214,791	0%
21 Bond Interest UTCT	1,493,435	1,544,974	51,539	3%
22 Bond Cost of Issuance/Fees	1,103,850	46,800	(1,057,050)	-2259%
23 Lease Cost	6,679,709	7,112,698	432,989	6%
24 Sale of Assets	1,680,701	-	(1,680,701)	
25 TOTAL NON-OPERATING EXPENSE	\$ 114,459,557	\$ 110,196,956	\$ (4,262,601)	-4%
26 CONTRIBUTION TO CAPITAL RESERVES	\$ 89,924,214	\$ 22,671,983	\$ 67,252,231	-297%
OTHER EXPENSES (NON-CASH)				
27 Bond Premium/Discount Amortization	(4,837,682)			
28 Bond Refunding Cost Amortization	3,104,887			
29 Future Revenue Cost Amortization	608,186			
30 Depreciation	98,185,894			
31 NET OTHER EXPENSES (NON-CASH)	\$ 97,061,285			

BUDGET TO ACTUAL REPORT
(UNAUDITED)

EXHIBIT 1-5A

As of September 30, 2020

YEAR TO DATE

	ACTUAL	BUDGET	VARIANCE	%
	Sep-20	Sep-20	FAVORABLE (UNFAVORABLE)	FAVORABLE (UNFAVORABLE)
OPERATING EXPENSE				
1 Board of Trustees	\$ 1,794,814	\$ 2,110,211	\$ 315,397	15%
2 Chief Communications and Marketing Officer	6,485,746	7,994,674	1,508,928	19%
3 Chief Finance Officer	8,852,119	9,976,595	1,124,476	11%
4 Chief Operating Officer	173,260,159	187,353,314	14,093,155	8%
5 Chief People Officer	4,813,573	6,056,115	1,242,542	21%
6 Chief Service Development Officer	4,335,111	5,648,195	1,313,084	23%
7 Executive Director	14,982,930	19,153,540	4,170,610	22%
8 TOTAL OPERATING EXPENSE	<u>\$ 214,524,452</u>	<u>\$ 238,292,645</u>	<u>\$ 23,768,193</u>	10%
9 Total Operating Expense (Exhibit 1-5, line 16)	211,020,266	233,445,827		
10 Planning & Development (Exhibit 1-5, line 18)	<u>3,504,186</u>	<u>4,846,817</u>		
11 TOTAL EXHIBIT 1-5	<u>214,524,452</u>	<u>238,292,645</u>		

CAPITAL PROJECTS
(UNAUDITED)
As of September 30, 2020

EXHIBIT 1-6

	2020 ACTUAL	ANNUAL BUDGET	PERCENT
EXPENSES			
1 REVENUE AND NON-REVENUE VEHICLES	\$ 7,508,155	\$ 34,827,260	21.6%
2 INFORMATION TECHNOLOGY	2,065,688	10,410,812	19.8%
3 FACILITIES, MAINTENANCE & ADMIN. EQUIP.	753,184	3,617,041	20.8%
4 CAPITAL PROJECTS	12,437,234	86,526,635	14.4%
5 AIRPORT STATION RELOCATION	4,573,904	11,000,000	41.6%
6 STATE OF GOOD REPAIR	14,832,585	26,112,394	56.8%
7 DEPOT DISTRICT	6,141,802	25,000,000	24.6%
8 OGDEN/WEBER STATE BRT	5,109,656	15,250,000	33.5%
9 TIGER	3,676,000	11,116,270	33.1%
10 TOTAL	<u>\$ 57,098,208</u>	<u>\$ 223,860,412</u>	25.5%
REVENUES			
11 GRANT	\$ 10,414,021	\$ 65,041,579	16.0%
12 STATE CONTRIBUTION	1,728,425	9,050,000	19.1%
13 LEASES (PAID TO DATE)	3,822,052	32,890,628	11.6%
14 BONDS	11,128,339	32,859,530	33.9%
15 LOCAL PARTNERS	988,817	21,136,839	4.7%
16 UTA FUNDING	29,016,554	62,881,836	46.1%
17 TOTAL	<u>\$ 57,098,208</u>	<u>\$ 223,860,412</u>	25.5%

FAREBOX RECOVERY & SPR
(UNAUDITED)

EXHIBIT 1-7

As of September 30, 2020

BY SERVICE

	CURRENT MONTH		YEAR TO DATE	
	Sep-20	Sep-19	2020	2019
UTA				
Fully Allocated Costs	23,199,332	23,461,676	211,020,265	210,799,465
Passenger Farebox Revenue	2,693,719	4,462,293	25,874,504	39,725,129
Passengers	1,764,766	4,101,267	18,729,255	32,852,274
Farebox Recovery Ratio	11.6%	19.0%	12.3%	18.8%
Actual Subsidy per Rider	\$11.62	\$4.63	\$9.89	\$5.21
BUS SERVICE				
Fully Allocated Costs	11,417,280	10,991,578	102,849,236	102,662,219
Passenger Farebox Revenue	1,194,498	1,672,900	11,712,315	15,071,193
Passengers	979,705	1,887,205	9,545,545	15,141,955
Farebox Recovery Ratio	10.5%	15.2%	11.4%	14.7%
Actual Subsidy per Rider	\$10.43	\$4.94	\$9.55	\$5.78
LIGHT RAIL SERVICE				
Fully Allocated Costs	6,163,531	6,686,470	57,468,298	57,992,129
Passenger Farebox Revenue	578,749	1,265,878	6,721,825	10,795,386
Passengers	580,462	1,583,176	6,606,658	12,428,481
Farebox Recovery Ratio	9.4%	18.9%	11.7%	18.6%
Actual Subsidy per Rider	\$9.62	\$3.42	\$7.68	\$3.80
COMMUTER RAIL SERVICE				
Fully Allocated Costs	2,995,176	3,262,293	28,083,827	27,908,503
Passenger Farebox Revenue	432,768	849,233	4,344,131	7,813,260
Passengers	129,948	472,473	1,676,139	3,851,815
Farebox Recovery Ratio	14.4%	26.0%	15.5%	28.0%
Actual Subsidy per Rider	\$19.72	\$5.11	\$14.16	\$5.22
PARATRANSIT				
Fully Allocated Costs	2,112,684	2,014,022	18,413,984	18,276,269
Passenger Farebox Revenue	233,618	334,719	484,797	3,102,925
Passengers	32,170	69,843	324,031	601,298
Farebox Recovery Ratio	11.1%	16.6%	2.6%	17.0%
Actual Subsidy per Rider	\$58.41	\$24.04	\$55.33	\$25.23
RIDESHARE				
Fully Allocated Costs	510,661	507,313	4,204,919	3,960,345
Passenger Farebox Revenue	254,087	339,562	2,611,436	2,942,365
Passengers	42,481	88,570	576,882	828,725
Farebox Recovery Ratio	49.8%	66.9%	62.1%	74.3%
Actual Subsidy per Rider	\$6.04	\$1.89	\$2.76	\$1.23

FAREBOX RECOVERY & SPR
(UNAUDITED)
As of September 30, 2020

EXHIBIT 1-8

BY TYPE

	CURRENT MONTH		YEAR TO DATE	
	Sep-20	Sep-19	2020	2019
FULLY ALLOCATED COSTS				
Bus Service	\$11,417,280	\$10,991,578	\$102,849,236	\$102,662,219
Light Rail Service	\$6,163,531	\$6,686,470	\$57,468,298	\$57,992,129
Commuter Rail Service	\$2,995,176	\$3,262,293	\$28,083,827	\$27,908,503
Paratransit	\$2,112,684	\$2,014,022	\$18,413,984	\$18,276,269
Rideshare	\$510,661	\$507,313	\$4,204,919	\$3,960,345
UTA	\$23,199,332	\$23,461,676	\$211,020,265	\$210,799,465
PASSENGER FAREBOX REVENUE				
Bus Service	\$1,194,498	\$1,672,900	\$11,712,315	\$15,071,193
Light Rail Service	\$578,749	\$1,265,878	\$6,721,825	\$10,795,386
Commuter Rail Service	\$432,768	\$849,233	\$4,344,131	\$7,813,260
Paratransit	\$233,618	\$334,719	\$484,797	\$3,102,925
Rideshare	\$254,087	\$339,562	\$2,611,436	\$2,942,365
UTA	\$2,693,719	\$4,462,293	\$25,874,504	\$39,725,129
PASSENGERS				
Bus Service	979,705	1,887,205	9,545,545	15,141,955
Light Rail Service	580,462	1,583,176	6,606,658	12,428,481
Commuter Rail Service	129,948	472,473	1,676,139	3,851,815
Paratransit	32,170	69,843	324,031	601,298
Rideshare	42,481	88,570	576,882	828,725
UTA	1,764,766	4,101,267	18,729,255	32,852,274
FAREBOX RECOVERY RATIO				
Bus Service	10.5%	15.2%	11.4%	14.7%
Light Rail Service	9.4%	18.9%	11.7%	18.6%
Commuter Rail Service	14.4%	26.0%	15.5%	28.0%
Paratransit	11.1%	16.6%	2.6%	17.0%
Rideshare	49.8%	66.9%	62.1%	74.3%
UTA	11.6%	19.0%	12.3%	18.8%
ACTUAL SUBSIDY PER RIDER				
Bus Service	\$10.43	\$4.94	\$9.55	\$5.78
Light Rail Service	\$9.62	\$3.42	\$7.68	\$3.80
Commuter Rail Service	\$19.72	\$5.11	\$14.16	\$5.22
Paratransit	\$58.41	\$24.04	\$55.33	\$25.23
Rideshare	\$6.04	\$1.89	\$2.76	\$1.23
UTA	\$11.62	\$4.63	\$9.89	\$5.21

SUMMARY OF ACCOUNTS RECEIVABLE
(UNAUDITED)

EXHIBIT 1-9

As of September 30, 2020

<u>Classification</u>	<u>Total</u>	<u>Current</u>	<u>31-60 Days</u>	<u>61-90 Days</u>	<u>90-120 Days</u>	<u>Over 120 Days</u>
1 Federal Government ¹	\$ 20,429,582	\$ 20,429,582	\$ -	\$ -	\$ -	\$ -
2 Local Contributions ²	67,100,406	67,100,406	-	-	-	-
3 Warranty Recovery	681,400	681,400	-	-	-	-
4 Product Sales and Development	1,214,682	1,225,150	10,133	(56,085)	2,136	33,348
5 Pass Sales	105,034	(28,982)	466	(422)	(2,129)	136,101
6 Property Management	65,256	26,108	826	11,002	-	27,320
7 Vanpool/Rideshare	148,523	20,909	1,743	33,593	975	91,303
8 Capital Development Agreements	5,956,953	3,599,676	(90,154)	1,735,224	355,924	356,283
9 Mobility Management	100	-	-	-	-	100
10 Paratransit	11,250	11,250	-	-	-	-
11 Other ³	3,134,708	3,134,708	-	-	-	-
12 Total	\$ 98,847,894	\$ 96,200,207	\$ (76,986)	\$ 1,723,312	\$ 356,906	\$ 644,455

Percentage Due by Aging

13 Federal Government ¹	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
14 Local Contributions ²	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
15 Warranty Recovery	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
16 Product Sales and Development	100.9%	0.8%	-4.6%	0.2%	2.7%	
17 Pass Sales	-27.6%	0.4%	-0.4%	-2.0%	129.6%	
18 Property Management	40.0%	1.3%	16.9%	0.0%	41.9%	
19 Vanpool/Rideshare	14.1%	1.2%	22.6%	0.7%	61.5%	
20 Capital Development Agreements	60.4%	-1.5%	29.1%	6.0%	6.0%	
21 Mobility Management	0.0%	0.0%	0.0%	0.0%	100.0%	
22 Paratransit	100.0%	0.0%	0.0%	0.0%	0.0%	
23 Other	100.0%	0.0%	0.0%	0.0%	0.0%	
24 Total	97.3%	-0.1%	1.7%	0.4%	0.7%	

¹ Federal preventive maintenance funds, federal RideShare funds, and federal interest subsidies for Build America Bonds

² Estimated sales tax to be distributed upon collection by the Utah State Tax Commission

³ Build American Bond Tax Credits

SUMMARY OF APPROVED DISBURSEMENTS OVER \$200,000
 FROM SEPTEMBER 1, 2020 THROUGH SEPTEMBER 30, 2020
 (UNAUDITED)

EXHIBIT 1-10

<u>Contract # and Description</u>	<u>Contract Date</u>	<u>Vendor</u>	<u>Check #</u>	<u>Date</u>	<u>Check Total</u>
ITEM#9(e) SETTLEMENT AGREEMENT	8/5/2020	JEFFS, JEFFS, AND NAYLOR, LC	355085	9/2/2020	380,000.00
		SHI INTERNATIONAL CORP	884783	9/2/2020	208,873.13
18-2741 DEPOT DISTRICT TECHNOLOGY CENTER	8/23/2018	BIG D CONSTRUCTION	884784	9/2/2020	1,325,981.47
18-2398TP TIGER GRANT CONSTUCTION CONTRACT	4/11/2018	GRANITE CONSTRUCTION COMPANY	355156	9/9/2020	696,977.81
15-13831BM DIESEL AND UNLEADED FUEL	12/31/2025	KELLERSTRASS OIL	884822	9/9/2020	231,444.56
14-1109TH ADA PARATRANSIT AND ROUTE DEVIATION	9/1/2014	MV PUBLIC TRANSPORTATION	884823	9/9/2020	262,524.34
PO#16438 DRIVER BARRIERS	9/9/2020	GILLIG CORPORATION	884824	9/9/2020	262,800.00
UT13-064GL PROJECT MGMT SERVICES	3/3/2014	WSP USA	884825	9/9/2020	356,214.37
R2020-04-02		ALLIANT INSURANCE SERVICES	884826	9/9/2020	1,170,558.45
R2020-04-02		UTAH LOCAL GOVERNMENTS TRUST	355283	9/16/2020	405,024.71
18-2398TP TIGER GRANT CONSTUCTION CONTRACT	4/11/2018	GRANITE CONSTRUCTION COMPANY	355285	9/16/2020	696,977.81
R2020-04-02		ALLIANT INSURANCE SERVICES	884873	9/16/2020	1,725,466.06
R2020-04-02		ROCKY MOUNTAIN POWER	355386	9/23/2020	329,478.38
18-02925BM OGDEN - WSU BRT FINAL DESIGN	8/1/2019	JACOBS ENGINEERING	355387	9/23/2020	348,639.11
18-02925BM OGDEN - WSU BRT FINAL DESIGN	8/1/2019	JACOBS ENGINEERING	355525	9/30/2020	417,292.72
18-2398TP TIGER GRANT CONSTUCTION CONTRACT	4/11/2018	GRANITE CONSTRUCTION COMPANY	355526	9/30/2020	492,494.68
18-2398TP TIGER GRANT CONSTUCTION CONTRACT	4/11/2018	GRANITE CONSTRUCTION COMPANY	355527	9/30/2020	908,888.24
19-03057TP PROVO IMC CUSTOMER SRVC AND POLICE BLDG	12/20/2019	PAULSEN CONSTRUCTION, INC.	355582	9/30/2020	232,375.70
R2020-04-02		SIEMENS MOBILITY, INC.	884970	9/30/2020	241,050.00
UT13-064GL PROJECT MGMT SERVICES	3/3/2014	WSP USA	884971	9/30/2020	483,223.21
16-1846TP ON-CALL MAINTENANCE	10/7/2016	STACEY AND WITBECK, INC.	884972	9/30/2020	1,903,198.16



MEMORANDUM TO THE BOARD

TO: Utah Transit Authority Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Bill Greene, Chief Financial Officer and Treasurer
PRESENTER(S): Emily Diaz, Financial Services Administrator

BOARD MEETING DATE: November 4, 2020

SUBJECT:	Investment Report – Third Quarter 2020
AGENDA ITEM TYPE:	Report
RECOMMENDATION:	Informational report for discussion
BACKGROUND:	<p>The Board of Trustees Policy No. 2.1, Financial Management, authorizes the Treasurer to manage the investment of all non-retirement Authority funds in compliance with applicable laws and requires the Chief Financial Officer to prepare and present to the Board a summary of investments, investment activity, and investment performance compared to benchmarks as soon as practical after the end of each calendar quarter. The Third Quarter 2020 Investment Report has been prepared in accordance with the Financial Management Policy and is being presented to the Board.</p>
DISCUSSION:	<p>As of September 30, the benchmark return (3-month T-bill) was 0.100%. Investment returns at the PTIF (0.553%) and Zions Capital Advisors (1.016%) exceeded the benchmark return. Investment returns on the overnight account at Zions Bank (0.090%) were below the benchmark return. The blended portfolio return of 0.553% exceeded the benchmark rate by 45 basis points (0.453%).</p> <p>All investments are in accordance with the Money Management Act. Staff will provide a presentation.</p>
ATTACHMENTS:	1. Third Quarter 2020 Investment Report

Utah Transit Authority

Investment Portfolio

September 30, 2020

Investment	CUSIP	Amount Invested	Purchase Date	Maturity	Yield to Maturity	Annual Earnings
No current Investments		\$ -				
Zions Capital Advisors		\$ 29,248,445.87			1.016%	\$ 297,164
Zions Bank		\$ 19,571,982.69			0.090%	\$ 17,615
Public Treasurer's Investment Fund		\$ 301,846,498.44			0.553%	\$ 1,669,211
Total Investments		<u>\$ 350,666,927.00</u>				<u>\$ 1,983,990</u>

Rates as of Last Trading Day of

	July	August	September
Zions Capital Advisors	1.217%	1.146%	1.016%
Public Treasurer's Investment Fund	0.740%	0.530%	0.553%
Benchmark Return*	0.090%	0.110%	0.100%

*Benchmark Return is the highest of either the 3 Month T Bill rate or the Fed Funds rate.

Investments Purchased July 1 through September 30, 2020

Investment	CUSIP	Amount Invested	Purchase Date	Maturity	Yield to Maturity	Annual Earnings
No purchases this quarter						

Investments Sold July 1 through September 30, 2020

Investment	CUSIP	Amount Invested	Date Sold	Sale Amount	Interest Earned	Gain
No sales this quarter						
		\$ -				\$ -



MEMORANDUM TO THE BOARD

TO: Utah Transit Authority Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Bill Greene, Chief Financial Officer
PRESENTER(S): Mary DeLoretto, Chief Service Development Officer

BOARD MEETING DATE: November 4, 2020

SUBJECT:	Resolution R2020-11-01 Approving the Third Amendment to the Authority's 2020 Budget
AGENDA ITEM TYPE:	Resolution
RECOMMENDATION:	Adopt Resolution 2020-11-01 approving an amendment to the Agency's 2020 Capital Budget
BACKGROUND:	In accordance with Board of Trustee Policy Number 2.1, Financial Management, the Board of Trustees may amend or supplement the budget at any time after its adoption. A resolution is required for a budget amendment. In its meeting of October 28, 2020, the Board of Trustees reviewed the proposed budget amendment.
DISCUSSION:	<p>This proposed amendment includes two categories of amendment requests:</p> <ol style="list-style-type: none">1. <u>Reallocation of funds to specific project budgets</u> for four Capital projects in the Authority's approved 2020 budget. The funds requested would be transferred from the 2020 Capital Contingency budget.2. <u>Reduction of funds</u> for 10 projects that have been delayed in 2020 and will be incorporated into the proposed 2021 Capital Budget. <p><u>Increases to Project Budgets</u></p> <p>The Stations and Platforms Rehab and Replacement project is budgeted at \$125,000 in the 2020 adopted budget. This proposal would add to the scope of the station rehab work that was not anticipated when the initial budget request was made. Wayside power will be relocated from east of the University Avenue bridge to the platform at the Provo FrontRunner station. This will allow the train conductors to connect train cars waiting at the station to a wayside power source and eliminate the need to run the Head End Power (HEP) engine. This station is at the end of the line and incurs the longest dwell/idle times. This proposal will reduce diesel fuel consumption and reduce noise and emissions at the station. The additional budget needed for this task will be \$233,000. Funding for this project will come from the Capital Contingency budget.</p>

The **Rail Replacement Work** approved project budget for 2020 is \$459,353. An additional \$200,000 is requested to be added to the budget in order to widen the gauge in the curves at the Jordan River Service Center yard track. All curves with a radius of less than 200’ will be widened to meet current UTA design criteria. This project is currently in the proposed 2021 Capital budget but moving it forward will allow quicker closeout of a corrective action plan that is in place due to multiple derails that have occurred at the yard. Funding for this project will come from the Capital Contingency budget. The 2021 Capital budget for the Rail Replacement Work project will be reduced by a corresponding \$200,000.

The **Light Rail Vehicle Rehab/Overhaul** project budget for 2020 is \$10,610,565. An additional \$180,000 is requested to purchase and install UV-light air disinfecting technology on all light rail vehicles. This effort is in response to the COVID-19 health concerns. Funding for this project will come from the Capital Contingency budget.

The **Sharp-Tintic Rail Consolidation** project budget for 2020 is \$700,000, which includes \$40K of UTA funds, and the remaining \$660K is from grant and local partner contributions. An additional \$9.5M has been programmed in the proposed 5-Year Capital plan, with \$5.6M of that being dedicated grant funds and local partner contributions, leaving a \$3.9M shortfall in the programmed amount. The project partners – UTA, Utah Department of Transportation, Mountainland Association of Governments, Spanish Fork City, and Springville City – are looking for additional grant opportunities to fill in this gap. Prior to expending any federal grant funds, which would need to be reimbursed if the project is not ultimately completed, the project team would like to advance the project design. By moving \$300K of UTA funds into the project budget, along with the local partner contributions, there would be enough funds to advance the project design and get the project “shovel ready”. This would put the project in a good position to be selected to receive future federal funds.

Changes to the 2020 Capital budget for these four projects are summarized below:

	Stations and Platform Rehab	Rail Replacement Work	Light Rail Rehab/Overhaul	Sharp-Tintic Rail Consolidation	Contingency
2020 Budget	\$125,000	\$459,353	\$10,610,565	\$700,000	\$968,000
Proposed Changes	\$233,000	\$200,000	\$180,000	\$300,000	(\$913,000)
Totals	\$358,000	\$659,353	\$10,790,565	\$1,000,000	\$55,000

2020 Expense Reductions to be moved to 2021 Capital Budget proposal

Tooele Bus Facility - \$967,751 carryforward

Upgrade of building that was purchased to house Tooele County Bus Operations

Clearfield FR Station Trail - \$1,739,817 carryforward

Construct a trail at the Clearfield FrontRunner station that connects the D&RGW rail trail to the station platform

Operator Shack at the University Medical Center EOL - \$175,000 carryforward

Install a pre-manufactured restroom/operator room at the end-of-line TRAX station on the Red Line

Provo-Orem BRT - \$3,010,967 carryforward

Funding to close out the remaining elements of the UVX project, including outstanding right-of-way issues, punch list items, and internal labor costs

Sandy Parking Structure - \$4,204,174 carryforward

Construct a shared parking garage at the Sandy Civic Center TRAX station with UTA's development partner

MOW Building - \$350,000 carryforward

Upgrade portions of OK Manufacturing building in order facilitate movement of the Maintenance Of Way equipment and material that were originally housed in Clearfield to a permanent storage location

New FLHQ Space Planning - \$45,000 carryforward

This project will determine UTA's office space requirements and optimal configuration for an anticipated new office facility. The budget for this project has increased by \$10,000.

Light Rail Seat Replacement- \$4,154,000 carryforward

Replace the fabric-covered seats on all light rail vehicles with vinyl seats to help eliminate biohazard transmission in response to COVID-19 concerns.

5310 Ogden/Layton Funds - \$60,000 carryforward

This project allocates FTA 5310 project funding to eligible sub-recipients for transportation projects that support seniors and people with disabilities

Passenger Info Improvements - \$1,459,743 carryforward – This project includes installation of digital signage at bus stops and on bus vehicles

CARRYFORWARD SUMMARY

Project Code	Project Name	2020 Budget	Revised 2020 Budget	Carryforward Budget to 2021
MSP081	Tooele Bus Facility	\$1,267,751	\$300,000	\$967,751
MSP208	Clearfield FR Station Trail	\$1,769,817	\$30,000	\$1,739,817
MSP231	Operator Shack at Univ Med EOL	\$215,000	\$40,000	\$175,000
MSP096	Provo-Orem BRT	\$5,210,967	\$2,200,000	\$3,010,967
MSP186	Sandy Parking Structure	\$5,904,174	\$1,700,000	\$4,204,174
MSP191	MOW Building	\$350,000	\$0	\$350,000
MSP244	New FLHQ Space Planning	\$75,000	\$40,000	\$45,000
MSP247	Light Rail Seat Replacement	\$4,154,000	\$0	\$4,154,000
MSP175	5310 Ogden/Layton Funds	\$121,374	\$61,374	\$60,000
ICI185	Passenger Info Improvements	\$1,459,743	\$0	\$1,459,743

Budget Amendment Number 3 would incorporate all the proposed capital budget changes in both categories as outlined above.

ALTERNATIVES:

The Board of Trustees may choose not to proceed with Budget Amendment Number 3, four projects would not be completed this year and 10 projects would not have the necessary budget authority to begin or continue planned work in 2021.

FISCAL IMPACT:

1. Increases to the project budgets for four Capital projects in the Authority's approved 2020 budget. The budget requests will be funded out of the 2020 Capital Contingency budget. The 2021 Capital budget request for the Rail Replacement Work budget will be reduced by \$200,000 since that work would be completed in 2020 instead of 2021 as originally scheduled. There is no increase to the overall 2020 Capital budget, and there is a \$200,000 reduction to the 2021 budget plan. There is currently \$968,000 in the Capital Contingency budget. After the proposed reallocations, the remaining Capital Contingency budget will be \$55,000.
2. 2020 Expense Reductions to be moved to 2021 Capital Budget proposal for 10 projects results in a net \$10,000 increase to the five-year capital program due to an increase in the FLHQ space planning project. The carryforward will be incorporated in the Tentative 2021 Capital Budget Request.

ATTACHMENTS:

- 1) Resolution R2020-11-01

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE UTAH TRANSIT
AUTHORITY APPROVING THE THIRD AMENDMENT
OF THE AUTHORITY'S 2020 BUDGET**

R2020-11-01

November 4, 2020

WHEREAS, the Utah Transit Authority (the "Authority") is a large 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, the Board of Trustees of the Authority is charged by the State of Utah with the responsibility to establish the Authority's annual budget; and

WHEREAS, the Board of Trustees adopted the Authority's 2020 Budget on December 18, 2019 in Resolution R2019-12-05; and

WHEREAS, the Board of Trustees may amend the Authority's budget to accommodate changes to its total budget or changes in the function or purpose of budgeted funds; and

WHEREAS, the Board of Trustees adopted on February 26, 2020 a First Amendment to the Budget in Resolution R2020-02-04, and on June 3, 2020 a Second Amendment to the Budget in Resolution R2020-06-01; and

WHEREAS, the Authority would like to reallocate and reduce funds within the 2020 Capital Budget due to changes that have occurred; and

WHEREAS, the Authority would like to reallocate funds from the Capital Contingency Budget to provide for increases in the project budgets for four (4) Capital Projects, which are: rehabilitation and refurbishment of stations and platforms, rail replacement work, light rail vehicle rehabilitation and overhaul, and Sharp-Tintic Rail consolidation; and

WHEREAS, the Authority would like to reduce funds within the Capital Budget to reduce expenses on ten (10) 2020 projects which have been delayed and will be incorporated into the proposed 2021Capital Budget; and

WHEREAS, these reallocation and reduction changes necessitate an amendment of the Authority's 2020 Budget; and

WHEREAS, the Board of Trustees desires to amend the Authority's 2020 Budget as set forth in Exhibit A.

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

1. That the Board of Trustees hereby adopts the Third Amendment of the Authority's 2020 Budget attached as Exhibit A.
2. That the Board formally ratifies actions taken by the Authority, including those taken by the Executive Director, staff, and counsel that are necessary or appropriate to give effect to this Resolution.
3. That the corporate seal be attached hereto.

Approved and adopted this 4th day of November 2020.

Carlton Christensen, Chair
Board of Trustees

ATTEST:

Secretary of the Authority

(Corporate Seal)

Approved As To Form:

DocuSigned by:
David Wilkins
5E3257E1CF024B9...
Legal Counsel

Exhibit A

(Third Amendment of the Authority's 2020 Budget)

UTAH TRANSIT AUTHORITY
2020 Capital Budget Amendment #3
November 4, 2020

Exhibit A

	Budget Amendment #3					
	2020 Budget					2020 Budget After
	After Amendment 2	Project Reductions	FR & LR SGR Projects	Project Increase	Reallocations	Amendment 3
Funding Sources						
1 UTA Current Year Funding	\$ 42,932,000					42,932,000
2 Transfer from Operations	\$ 19,065,000	(16,156,452)				2,908,548
3 2018 and 2019 Bond Proceeds	\$ 32,859,500					32,859,500
4 Grants	\$ 65,041,630					65,041,630
5 Local Partner Contributions	\$ 21,136,870					21,136,870
6 State Contribution	\$ 9,050,000					9,050,000
7 Leasing	\$ 33,125,400					33,125,400
8 Total Funding Sources	<u>223,210,400</u>	<u>(16,156,452)</u>	-	-	-	<u>207,053,948</u>
Expense						
9 Depot District	25,000,000					25,000,000
10 Ogden/Weber BRT	15,250,000					15,250,000
11 Airport Station Relocation	11,000,000					11,000,000
12 Provo-Orem TRIP	5,211,000					5,211,000
13 State of Good Repair	74,967,500	(4,154,000)	613,000			71,426,500
14 Other Capital Projects	90,813,900	(12,002,452)		300,000		79,111,448
15 Other Capital Projects - Contingency	968,000				(913,000)	55,000
16 Total Expense	<u>\$ 223,210,400</u>	<u>\$ (16,156,452)</u>	<u>\$ 613,000</u>	<u>\$ 300,000</u>	<u>\$ (913,000)</u>	<u>\$ 207,053,948</u>



MEMORANDUM TO THE BOARD

TO: Utah Transit Authority Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Kim Ulibarri, Chief People Officer
PRESENTER(S): Carolyn Gonot, Executive Director
Kim Ulibarri, Chief People Officer

BOARD MEETING DATE: November 4, 2020

SUBJECT:	Resolution R2020-11-02 Modifying the Authority's Organizational Structure
AGENDA ITEM TYPE:	Resolution
RECOMMENDATION:	Approve resolution R2020-11-02 modifying the Authority's Organizational Structure and establishing chief offices of Operations, Planning and Engagement, Finance, People, Service Development, and Enterprise Strategy.
BACKGROUND:	In 2019, prior to the hiring UTA's current Executive Director, the Board approved the existing organizational structure. Based on the strategic initiatives to meet UTA's mission, the Executive Director is proposing an organization structure that elevates the work of key functions to effectively support the needs of our employees, customers, and the community.
DISCUSSION:	<p>The Executive Director has developed an organizational structure that would strengthen UTA's ability to perform at the level necessary to achieve the objectives set by the Board and Executive Director. These changes strategically group departments together for improved customer focus and community engagement, while also providing a better balance between our internal and external focus areas. This structure positions UTA to be efficient and nimble by promoting agency-wide synergy and increasing the ability to effectively work together. These proactive adjustments position UTA to meet the future needs of the agency, our customers, and the community.</p> <p>The proposed structure changes are as follows:</p> <ul style="list-style-type: none">• The Chief of Communications and Marketing will become the Chief of Planning and Engagement. The Planning Department will join this office. Community Engagement, Customer Experience, Innovative Mobility Solutions, and Customer Service will also be housed under the Planning and Engagement Office. The restructured division would:<ul style="list-style-type: none">○ Provide stronger, more proactive engagement activities within our communities,

	<ul style="list-style-type: none"> ○ Improve customer experience, system connectivity, and mobility options, and, ○ Expand and enhance our partnerships with local jurisdictions, regional agencies and our stakeholders. <ul style="list-style-type: none"> ● A new chief officer position, Chief of Enterprise Strategy, will be created. The Office of Enterprise Strategy will oversee the departments of Policy & Risk, Information Technology, Operations Analysis & Solutions, and Culture & Continuous Improvement. The Chief and departments in the new division would: <ul style="list-style-type: none"> ○ Conceptualize, formulate and coordinate executable strategies to carry out and further UTA’s organizational mission and values, ○ Create a data user-friendly culture to assure day-to-day activities align and support UTA’s initiatives, ○ Provide unique business insight and technological vision to drive innovation and support transparency and accountability, ○ Reviews UTA policies and practices to ensure compliance with all relevant federal, state and local laws, policies and regulations, and, ○ Develop and carry out the agency’s enterprise risk management program. ● The Public Relations & Marketing Department will report directly to the Executive Director to provide a strong focus on communications. ● The Civil Rights Department will move under the People Office. The EEO Program elements of the Civil Rights office will continue to be directly responsible to the Executive Director.
ALTERNATIVES:	<p>UTA could continue with the current structure. Current chief officers could take different departments and move the work forward. However, this blending of Continuous Improvement, Enterprise Risk, broader organizational strategy/culture, Policies, and big data will elevate the focus and drive change more quickly, efficiently, and effectively.</p>
FISCAL IMPACT:	<p>All costs associated with the proposed structure are included in the proposed Tentative Budget.</p>
ATTACHMENTS:	<p>1) Resolution R2020-11-02</p>

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE UTAH TRANSIT
AUTHORITY MODIFYING THE AUTHORITY'S ORGANIZATIONAL STRUCTURE**

R2020-11-02

November 4, 2020

WHEREAS, the Utah Transit Authority (the "Authority") is a large 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 ("Act");

WHEREAS, the Board of Trustees ("Board") established an organizational structure to provide for the administration of the Authority on March 20, 2019 in Resolution 2019-03-02; and

WHEREAS, the Board desires to modify the organizational structure established by Resolution 2019-03-02 to provide for the effective and efficient administration of the Authority; and

WHEREAS, the Board desires to establish an organization structure that empowers the Executive Director to make organizational adjustments below the Chief Officer level, in order to obtain organizational flexibility.

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

1. That the Board hereby adopts the Organizational Structure establishing Chief Offices of: Operations, Planning and Engagement, Finance, People, Service Development, and Enterprise Strategy as set forth in Exhibit A to provide for the administration of the Authority.
2. That Resolution 2019-03-02 is hereby superseded.
3. That the Board formally ratifies actions taken by the Authority, including those taken by the Executive Director, staff, and counsel that are necessary or appropriate to give effect to this Resolution.
4. That the corporate seal be attached hereto.

Approved and adopted this 11th day of November 2020.

Carlton Christensen, Chair
Board of Trustees

ATTEST:

Secretary of the Authority

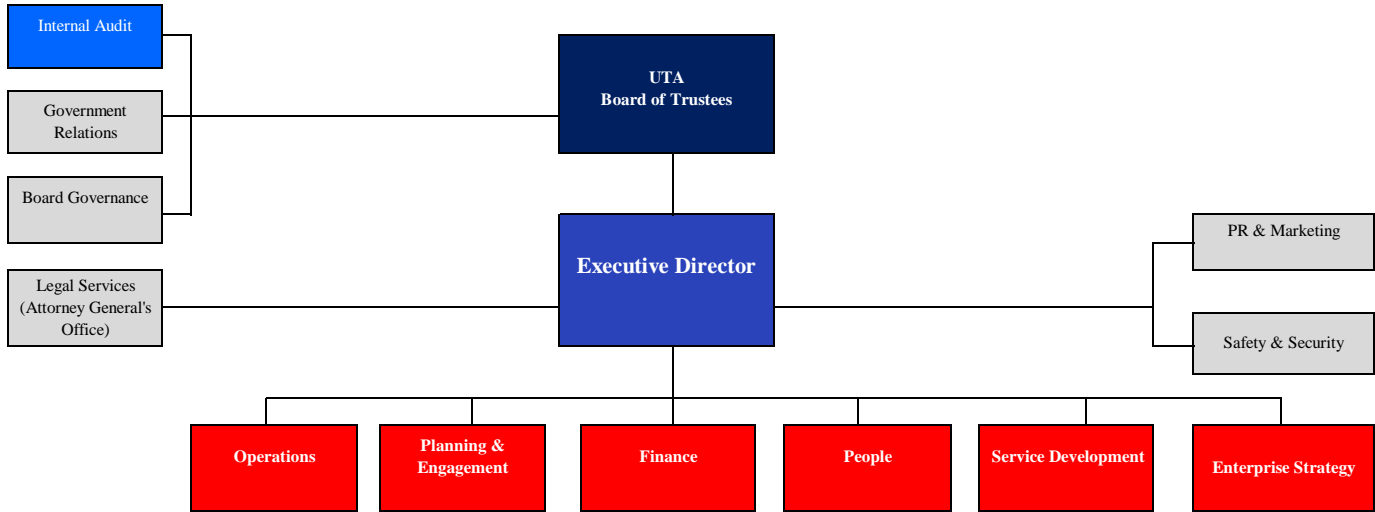
(Corporate Seal)

Approved As To Form:

DocuSigned by:
David Wilkins
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Legal Counsel

Exhibit A
(Organizational Chart of Chief Offices)

Organizational Chart





MEMORANDUM TO THE BOARD

TO: Utah Transit Authority Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Bill Greene, Chief Financial Officer
PRESENTER(S): Bill Greene, Chief Financial Officer

BOARD MEETING DATE: November 4, 2020

SUBJECT:	R2020-11-03 Resolution Ratifying the Adoption of the Tentative 2021 Budget
AGENDA ITEM TYPE:	Resolution
RECOMMENDATION:	Approve R2020-11-03
BACKGROUND:	Each year, the Board establishes a tentative budget for the next year and sets a public hearing at which interested parties may comment upon the tentative budget.
DISCUSSION:	<p>On October 28, 2020, the Board of Trustees heard a presentation on the 2021 Tentative Budget. The focus of the requested action is the resolution that provides for the adoption of the 2021 tentative budget and sets a public hearing for November 11, 2020 at 6 p.m. at the Golden Spike Rooms of the Frontline Headquarters Building at 669 West 200 South in Salt Lake City.</p> <p>Upon approval, the 2021 Tentative Budget will be mailed to the governor’s office, mayors, commissioners, metropolitan planning organizations, and others. It will also be made available to the public on UTA’s website and will be open for comment throughout the public comment period. The 30-day public comment period will conclude on December 11, 2020 with all comments provide to the Trustees.</p> <p>On November 18, 2020, the Local Advisory Council will be given the opportunity to review the 2021 Tentative Budget and provide their advice to the Board of Trustees.</p> <p>The 2021 Final Budget will be reviewed at the December 9, 2020 Board of Trustees meeting with adoption scheduled for the December 16, 2020 Board of Trustees meeting.</p> <p>The detail of the 2021 Tentative Budget is provided in Exhibit A of the resolution.</p>
ALTERNATIVES:	Under the Utah Code Section 17B-1-702 there are certain actions which must be taken in a certain sequence. A large transit district must provide those to whom it sends the tentative budget, 15 days to return a signed signature sheet. If an entity does not return the signature sheet by then, a large transit district must contact those entities which haven’t responded and advise them of the date of the public hearing. If this resolution is

	not adopted today, the public hearing date would have to be set approximately 3 weeks after the 2021 Tentative Budget resolution is adopted.
FISCAL IMPACT:	Approving the 2021 Tentative Budget is a crucial step. Should there be a delay in adopting the 2021 Final Budget until 2021, the 2021 Tentative Budget allows the agency to continue its operations until the 2021 Final Budget is approved.
ATTACHMENTS:	<ol style="list-style-type: none">1. Resolution 2020-11-032. 2021 Budget Public Hearing Notice3. 2021 Tentative Budget Document

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE UTAH TRANSIT
AUTHORITY RATIFYING THE ADOPTION OF THE TENTATIVE 2021 BUDGET**

R2020-11-03

November 4, 2020

WHEREAS, the Utah Transit Authority (the "Authority") is a large 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, the Board of Trustees (the "Board") of the Authority is charged by the State of Utah to complete a budget process and establish an annual budget of the Authority; and

WHEREAS, as part of that budget process, the Board must approve a tentative budget, provide notice for a public hearing, and provide copies of that budget and notice to interested persons and to those entities identified by Utah Statute; and

WHEREAS, the Board has reviewed the tentative budget as proposed by the Authority staff, and believes that the tentative budget reasonably fulfills the needs of the Authority and is in keeping with its responsibility for fiscal conservancy; and

WHEREAS, the Board of Trustees desires to establish management and operating goals that are in keeping with the Board's philosophy to provide leadership and governance to the Authority.

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

1. That the Board hereby ratifies the adoption of the Authority's Tentative 2021 Budget, a copy of which is attached to this Resolution as Exhibit A.
2. That the Authority will hold a public hearing on the Tentative 2021 Budget on November 11, 2020, at 6:00 p.m. at the Golden Spike Rooms of the Frontline Headquarters Building at 669 West 200 South in Salt Lake City, Utah.
3. That the Authority will provide to the chief administrative officers and executive bodies of each municipality and unincorporated county area within the district of the Authority; to the offices of the Governor and the Legislature; and to persons and entities who in writing request a copy:
 - a) a copy of the Tentative 2021 Budget for examination and comment;
 - b) notice of the date, time and place of the budget hearing; and
 - c) a signature page that comports with the requirements of UTAH CODE § 17B-1-702, *et seq.*

4. That the Authority, in accordance with Utah Code § 17B-2a-808.1(2), will consult with the Local Advisory Council at their November 18, 2020 meeting on the Tentative 2021 Budget.
5. That this Resolution stay in full force and effect until superseded by further action of the Board.
6. That the Board hereby ratifies any and all actions taken by the Authority, including those taken by the Executive Director and staff, that are necessary to give effect to this Resolution.
7. That the corporate seal be attached hereto.

Approved and Adopted this 4th day of November 2020.

Carlton Christensen, Chair
Board of Trustees

ATTEST:

Secretary of the Authority

(Corporate Seal)

Approved As To Form:

DocuSigned by:
David Wilkins
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Legal Counsel

Exhibit A
(2021 Tentative Budget)

**UTAH TRANSIT AUTHORITY
2021 TENTATIVE OPERATING BUDGET
October 30, 2020**

Exhibit A-1

<u>Revenue</u>	2021 Tentative Budget
1 Sales Tax	\$ 364,100,000
2 Federal Preventative Maintenance	70,500,000
3 Passenger Revenue	32,000,000
4 Advertising	1,363,000
5 Investment Income	4,649,000
6 Other Revenues	10,788,000
7 CARES Act Funding	<u>101,000,000</u>
8 Total Revenue	<u><u>584,400,000</u></u>
<u>Operating Expense</u>	
9 Bus	107,925,104
10 Commuter Rail	28,920,873
11 Light Rail	55,404,928
12 Paratransit Service	24,111,761
13 Rideshare/Vanpool	3,644,685
14 Operations Support	53,454,084
15 Administration	40,112,853
16 Planning/Capital Support	<u>6,393,224</u>
17 Non-Departmental	<u>6,562,491</u>
18 Total Operating Expense	<u><u>326,530,003</u></u>
<u>Debt Service, Contribution to Reserves, and Transfer to Capital</u>	
19 Principal and Interest	143,775,000
20 Contribution to Early Debt Retirement Reserve	-
21 Contribution to Reserves	114,094,997
22 Transfer to Capital	<u>-</u>
23 Total Debt Service and Reserves	<u>257,869,997</u>
24 Total Expense	<u><u>\$ 584,400,000</u></u>

**UTAH TRANSIT AUTHORITY
2021 TENTATIVE CAPITAL BUDGET - SUMMARY
October 30, 2020**

Exhibit A-1

<u>Funding Sources</u>	2021 Tentative Budget
25 UTA Current Year Funding	\$ 128,073,000
26 Grants	75,793,000
27 Local Partner Contributions	24,533,000
28 State Contribution	9,214,000
29 Leasing	<u>18,006,000</u>
30 Total Funding Sources	<u><u>255,619,000</u></u>
<u>Expense</u>	
31 Depot District	32,400,000
32 Ogden/Weber BRT	52,581,000
33 Airport Station Relocation	7,000,000
34 State of Good Repair	78,738,000
35 Other Capital Projects	<u>84,900,000</u>
36 Total Expense	<u><u>\$ 255,619,000</u></u>

**UTAH TRANSIT AUTHORITY
2021 TENTATIVE OPERATING BUDGET
October 30, 2020**

Exhibit A-2

		Tentative 2021 Budget	
<u>Revenue</u>			
1	Sales Tax	\$ 364,100,000	
2	Federal Preventative Maintenance	70,500,000	
3	Passenger Revenue	32,000,000	
4	Advertising	1,363,000	
5	Investment Income	4,649,000	
6	Other Revenues	10,788,000	
7	CARES Act Funding	101,000,000	
8	Total Revenue	\$ 584,400,000	
9	<u>Operating Expense</u>		<u>FTE</u>
10	Board of Trustees	\$ 2,720,074	13.5
11	Executive Director	7,890,971	37.5
12	Operations	252,598,361	2,225.7
13	Finance	13,863,537	105.1
14	Service Development	4,439,940	32.0
15	Planning & Engagement	10,649,039	71.5
16	Enterprise Strategy	19,880,699	104.0
17	People	7,924,891	58.2
18	Non-Departmental	6,562,491	-
19	Total Operations	326,530,003	2,647.5
20	Debt Service	143,775,000	
21	Contribution to Reserves	114,094,997	
22	Transfer to Capital Budget	\$ -	
23	Total Tentative 2020 Operating Budget	584,400,000	2,647.5

NOTICE OF PUBLIC HEARING AND COMMENT PERIOD

UTAH TRANSIT AUTHORITY

RE: UTA Tentative Budget 2021. UTA is holding a public hearing to receive input on its 2021 Tentative Budget.

Public Hearing Date & Format:

There will be a public hearing held on **Wednesday, November 11 at 6pm** at UTA's downtown Salt Lake City office at 669 West 200 South. COVID-19 precautions will be in place – masks are required and social distancing of six feet will be observed at all times.

Prior to the public hearing, from 5:30 to 6:00 p.m., UTA will hold a Public Budget Open House to allow the public to review and discuss the budget with UTA representatives. During this time, in addition to having specific questions answered, the public may submit written comments to UTA. At 6:00 p.m., as part of a specially scheduled UTA board meeting, individuals may provide verbal comment directly to UTA's Board of Trustees.

To assure full participation at the hearing, accommodations for effective communication such as sign language interpreters, printed materials in alternative formats, or a language interpreter for non-English speaking participants, must be requested at least two (2) working days prior to the date of the scheduled event. Requests for ADA accommodations should be directed to UTA ADA Compliance Officer at callredge@rideuta.com or 801-287-3536, or dial 711 to make a relay call for deaf or hearing impaired persons. To request a language interpreter, please contact 801-287-2290.

Public Comments:

In addition to the hearing, the tentative budget will be available for public review and comment from **November 11, 2020 – December 11, 2020**. During the 30-day comment period the public can submit comments via email, online, mail, or phone. Information on the 2021 Tentative Budget may be found at www.rideuta.com/budget or viewed in person at UTA Headquarters, 669 W 200 S, Salt Lake City, UT.

Comments must be received, postmarked or electronically submitted to UTA through one of the following methods by **5 p.m. on December 11, 2020** to be considered as part of the public comment record.

- **Email:** hearingofficer@rideuta.com
- **Phone:** 801-743-3882
- **Mailing:** Utah Transit Authority, C/O Megan Waters, 669 W 200 S, Salt Lake City, UT 84101
- **Website:** www.rideuta.com/budget

Virtual Open House:

A virtual public open house will be held for informational purposes on **Tuesday, November 10 from 6pm-7pm** and members of the public are welcome to register to participate:

https://us02web.zoom.us/webinar/register/WN_krZe5_RTM2yOgnabmFgHw

Utah Transit Authority

Tentative Budget Document 2021



Message from Executive Director



The 2021 UTA operating budget and the five-year capital plan reflect UTA's response to the COVID-19 pandemic and provide essential transit services to support the regional recovery. I am extremely proud of our employees who have risen to the challenge of these difficult times and deliver critical service for those that rely on transit most. I thank the front-line operators, maintenance workers and support staff that demonstrate incredible commitment, ingenuity and dedication to our customers and the ongoing care of our system.

In April 2020, UTA took decisive action to cut our service levels in half as ridership dropped 70 percent systemwide. The modified service plan focused on providing core service while prioritizing the health and safety of employees and customers. In August 2020, armed with ridership and performance data, feedback from our customers and stakeholders, and forecasts for regional economic conditions, we worked with the Board of Trustees to develop a plan to restore service levels to 91 percent of pre-pandemic levels. The service adjustments were tailored to reflect the emerging travel needs of our customers and accommodate social distancing. We also designed the current service plan to provide flexibility with capacity that will support the regional recovery.


In 2020, the federal government allocated \$187 million in federal relief funding through a CARES Act grant to buffer revenue losses and sustain transit agencies' ability to provide essential transit service. UTA used these grant funds in 2020 to support operating costs and offset revenue losses. We will continue to use the CARES Act grant funds through 2021 to support the 2021 operating and capital budgets and provide for the long-term viability of the system.

The budget includes \$327 million in operating expenses and \$256 million of capital investment to fund the provision of safe, convenient, reliable service and targeted investments in our infrastructure. The budget leverages federal and local contributions from our partners that make up nearly one-half of the capital program. UTA also utilizes about \$70 million received from the Federal Transit Administration each year for preventive maintenance of the revenue vehicle fleet and system infrastructure.

The \$256 million in the 2021 capital budget and the \$1 billion five-year plan focuses on systemwide safety and reliability and our ongoing commitment to maintaining a state of good repair for our revenue vehicles, infrastructure, and supporting systems. The capital plan also:

- Funds the new Depot District facility to meet the future needs of the system
- Completes the Ogden-Weber State bus rapid transit (BRT) line providing regional connectivity
- Outlines the potential future construction of the proposed Mid-valley and Davis-Salt Lake City bus rapid transit (BRT) lines
- Completes the \$23 million relocation of the Airport TRAX station as part of the \$4 billion renovation at the Salt Lake City International Airport





Backstopped by the incredibly resilient Utah economy and infusion of CARES Act funds, the 2021 Budget sustains the service plan adopted in August and supports the region’s economic recovery as the pandemic subsides. We will continue to work closely with our regional partners, elected officials, and customers to emerge from these difficult times with energy and optimism for the future of the system.

Together with our employees, the Board of Trustees, and our community partners, we look forward to continuing to provide our customers, safe, reliable, and convenient transit service for the region.



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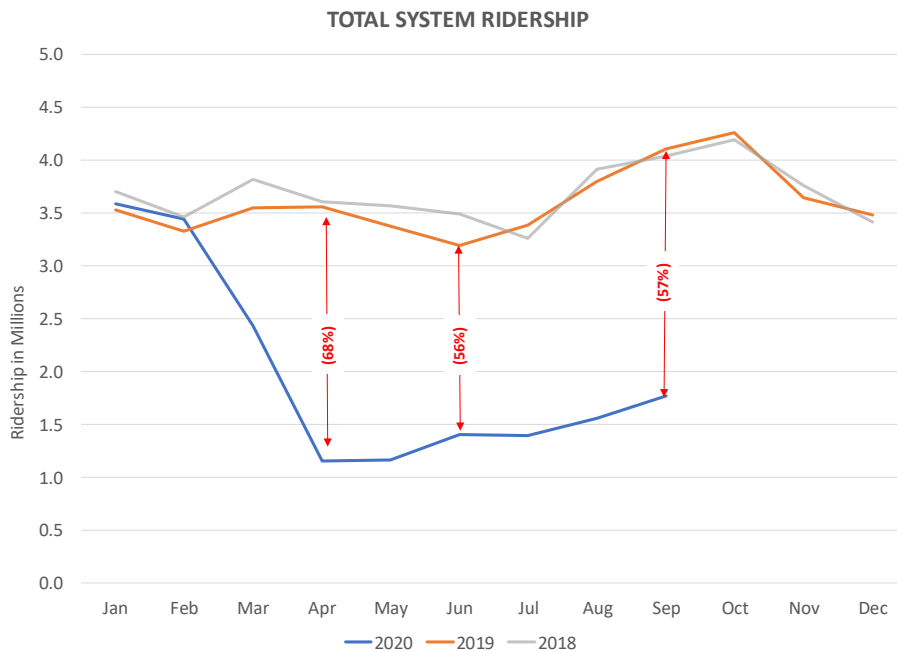
2021 Tentative Budget Overview

The Utah Transit Authority's 2021 Budget was developed in an environment of historic economic uncertainty. The Operating budget reflects current national, state and regional economic projections and UTA's service and operating plans in response to the COVID-19 pandemic. It also allows the agency to provide safe, secure and reliable service while maintaining the capacity and capability to respond to the evolving needs of our

customers and the communities we serve.

On April 5, 2020, in order to limit the spread of the COVID-19 virus, keep customers and employees safe, respond to dramatic losses in ridership and fares, and react to projected steep reductions in sales tax revenues, UTA enacted service changes that:

- Reduced trip frequencies and span of service on bus, TRAX and FrontRunner service
- Suspended some commuter bus routes
- Ended Saturday FrontRunner service early



With these service changes and in addition to regular daily vehicle and station cleaning, UTA also implemented additional disinfecting and social distancing measures to keep riders and employees safe, including:

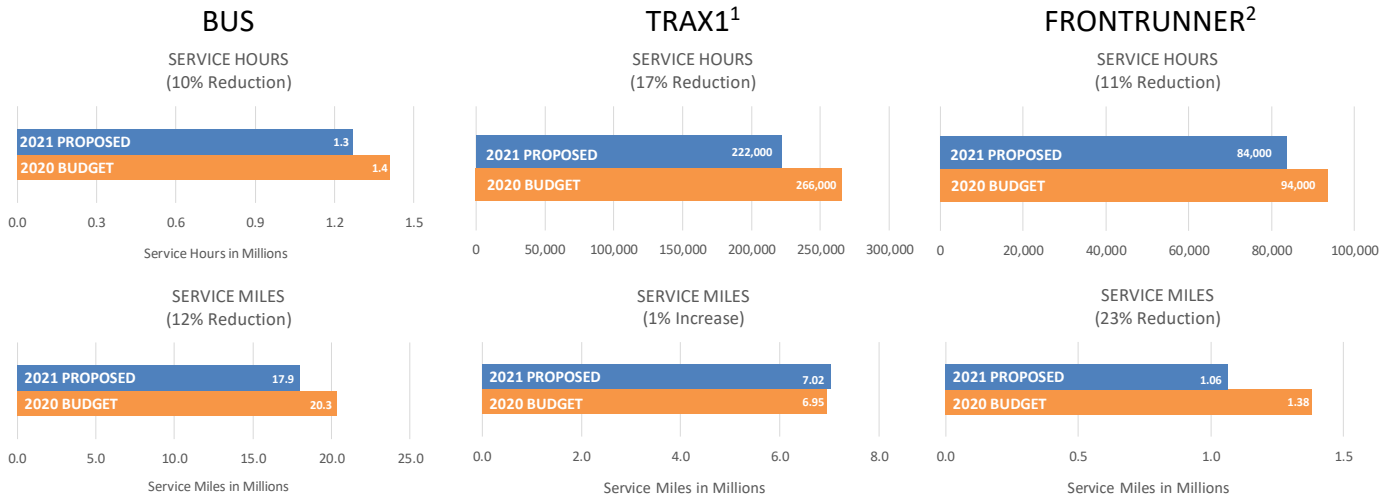
- Daily disinfecting of vehicles, stations and facilities
- Providing hand sanitizer to Bus Operators
- Discontinued the practice of having bus operators and Transit Police officers handling passes and conducting visual fare inspections only
- To support social distancing guidelines, UTA moved the yellow passenger line back on buses to provide six feet between operators and riders
- Posted signs on buses advising riders to board through the rear doors
- Allowing passengers who utilize the ramps or require ADA assistance to board through the front door



For more information on UTA’s comprehensive response to the COVID-19 pandemic visit our website at www.rideuta.com/recovery

Four months later, on August 23, 2020 as a result of increasing ridership numbers, public feedback, and changes regarding COVID policies, much of the service that was changed or reduced in April was restored, or even improved, beyond pre-COVID levels. As a result of the August changes, UTA service levels were restored to about 91% of what it was before the pandemic.

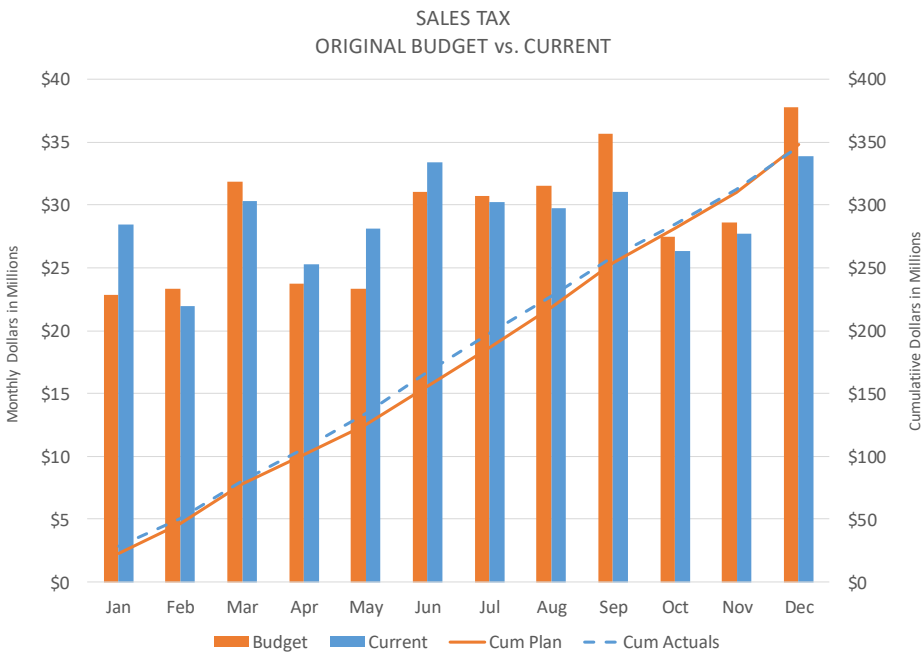
The 2021 budget request assumes continuation of the service levels implemented on August 23, 2020.



¹ TRAX service miles based on train car miles. In order to effect social distancing, UTA added cars to the operating trainsets, thereby increasing the service miles.

² In response to ridership decreases on FrontRunner, UTA reduced the number of cars in operating trainsets, thereby reducing the service miles.





SALES TAX

“Utah’s economy ranks as the best of any state. At a time when COVID-19 has sent unemployment soaring into the double digits across much of the country, Utah’s monthly jobless rate stands at 5.1%, less than half the 11.1% national unemployment rate for June.

Even before the coronavirus hit American shores, economic conditions in Utah were far stronger than they were in most of the country. From the first quarter in 2015 through the first quarter in 2020, Utah’s economy grew at an annual rate of 3.4%, compared to the 1.9% national GDP

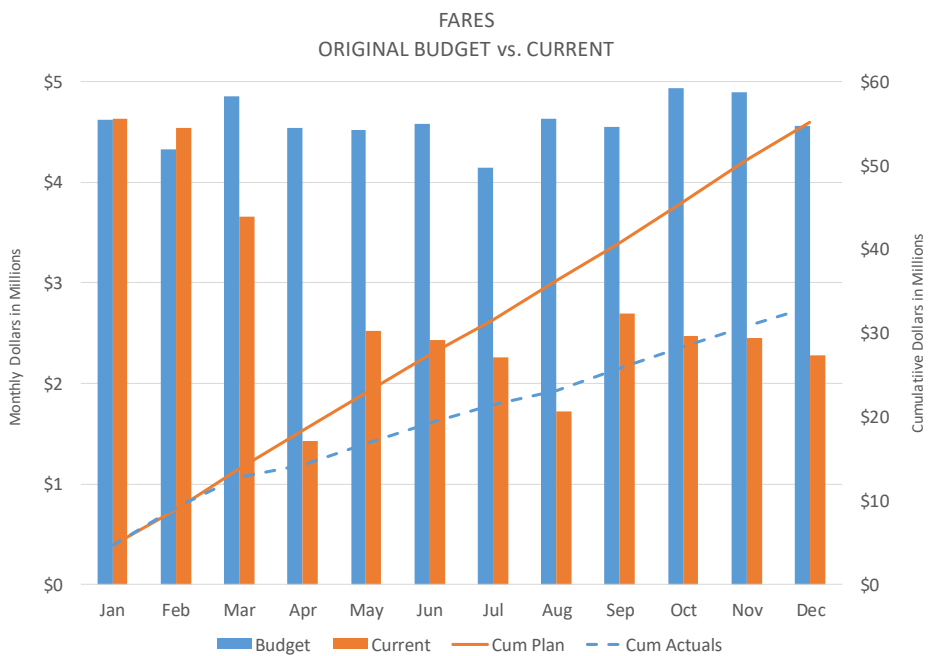
growth rate. Utah is one of only seven states with a poverty rate below 10%.”³

The economy in the UTA service area has been strong during the COVID-19 pandemic. Through July 2020, sales tax receipts that comprise over 60 percent of UTA’s operating revenues are about 13 percent or \$20 million higher than for the same period in 2019.

Sales tax assumptions supporting the 2021 budget request were developed based on 2020 actuals and projections from the Governor’s Office of Management and Budget. Sales taxes for 2021 are assumed to increase five percent over 2020 projections - \$364 million.

³From 24/7 Wall Street August 25, 2020
<https://247wallst.com/special-report/2020/08/25/the-states-with-the-best-and-worst-economies-4/2/>





PASSENGER REVENUES

2020 fares are projected to be about \$22 million lower than the adopted 2020 budget for fares.

The 2021 projection for fares is about \$1.5 million lower than the current forecast for 2020 fares - \$32 million. This is the result of projecting current lower fare revenues over 12 months. The 2020 projection includes three months of pre-COVID fare collections

CARES ACT FUNDING

On Friday, March 27, 2020, President Trump signed the Coronavirus Aid, Relief, and Economic Security (CARES) Act into law. FTA allocated \$25 billion to recipients of urbanized area and rural area formula funds. Funding is provided at a 100-percent federal share, with no local match required, and is available to support capital, operating, and other expenses generally eligible under those programs to prevent, prepare for, and respond to COVID-19. Operating expenses incurred beginning on January 20, 2020 are also eligible, including operating expenses to maintain transit services as well as paying for administrative leave for transit personnel due to reduced operations during an emergency.

UTA acted quickly and secured a grant for \$187.2 million to support ongoing operating, maintenance and capital costs. Based on current projections, UTA will be reimbursed by FTA for approximately \$87 million in 2020 and will exhaust the remaining \$100 million in grant funds in 2021.

This funding has been a lifeline for UTA and has allowed the agency to offset losses in fare revenues, avoid layoffs and retain operators and other vital staff necessary to support current levels of service with social distancing and position UTA for service restoration as the pandemic recedes.





- **Operating Expense Projections**

- 91% of Pre-COVID Service Levels
- \$6.5 million is proposed in this budget to fund emerging needs as the region continues to react to and recover from the pandemic
- Increase of 12 FTE for service employees to support additional cleaning, sanitizing, and disinfecting protocols

- **Capital Expenditures**

- Includes \$32.4 million of construction costs for the Depot District maintenance facility
- \$52.6 million for the Ogden/Weber State University BRT (assumes FTA funding)
- \$7.0 million for the Airport TRAX station relocation
- \$16 million for information technology improvements and state of good repair
- Applies \$23.6 million toward rail maintenance infrastructure investment in a state of good repair
- Other capital is directed toward first/last mile projects throughout the service area, double tracking a portion commuter rail in northern Utah County, addition of end of line facilities, bus stop improvements, TRAX seat replacements and wayfinding improvements



2021 Tentative Budget Key Assumptions and Sources and Uses

Early in the 2021 budget process, staff began identifying key assumptions that would assist in the development of the 2021 budget. Initial assumptions from June were re-evaluated in August and presented to the Board of Trustees and the Local Advisory Council in September and October for their review. The key assumptions and rationale for the assumptions are provided below.

SOURCES

Sales Tax Revenues - \$364.1 million:

Budget assumes a five percent increase over 2020 projected sales tax collections. The estimate is informed by long-term trends in sales tax growth and State of Utah 2020 and 2021 tax growth projections from the Governor's Office of Management and Budget.

Fares – \$32.0 million:

Slow ridership recovery and resulting lower fare collections due to ongoing COVID-19 impacts are projected in 2021. The budget assumes a four percent reduction in fare revenue from projected 2020 levels. The 2021 budget reflects lower anticipated first quarter collections in 2021 as compared to 2020. The budget of \$32 million reflects a 42 percent reduction in fare revenues from pre-pandemic 2019 levels.

Federal Operating Revenue – \$70.5 million

The budget assumes a slight increase (four percent) over 2020 levels for the federal formula driven programs, that fund preventive maintenance of UTA's revenue vehicles and its facilities.

Other Operating Revenue - \$16.8 million:

Other Operating Revenue is budgeted to decline somewhat from projected 2020 budget Other Revenue. This drop is primarily driven by lower advertising revenues and investment earnings driven by the economic impact of COVID-19.

CARES Act Funding - \$101 million:

UTA received \$187.2 million in FTA Section 5307 CARES Act Funds. It is anticipated that UTA will spend \$86.2 million of these grant funds in 2020. The 2021 budget programs the remaining \$101 million for support of operating and capital programs. UTA will draw down all grant funds in 2021.

Federal and Local Capital Revenue - \$75.8 million:

The budget assumes \$75.8 million in existing or anticipated federal and local grants for 2021.

- \$42.5 million for Ogden BRT
- \$9.9 million for UTA Depot District maintenance facility
- \$5.2 million for Tiger grants for "Last Mile" transportation projects
- Balance of amount spread among many smaller projects



USES

Debt Service - \$143.8 million:

Includes \$39.2 million in principal and \$96.6 million in interest and includes the estimated debt service associated with the April 2020 refinancing of the 2012 bonds. This budget also reflects the ongoing offset of \$8.9 million from the federal interest subsidy related to the Build America Bonds issued in 2012.

Estimate payment to Utah County under the 2018 interlocal agreement for principal and interest on the UVX BRT is \$6.9 million.

Capital Leases - \$9.9 million:

The budget assumes \$9.9 million in lease payments for revenue vehicles and Salt Lake City service vehicles.

Employee Compensation and Benefits - \$233.6 million:

The 2021 budget reflects a one percent increase over the 2020 budget. The 2021 budget includes a 2.64 percent increase for salaries and wages and 3.87 percent for benefits. This is consistent with the terms of the recently ratified ATU bargaining agreement.

Fuel - \$15.9 million:

Fuel is budgeted 22 percent or \$4.4 million lower than 2020. Approximately \$3 million (68 percent) of this reduction is related to lower consumption and \$1.4 million is due to updated assumptions for 2021 fuel costs. The 2021 budget assumes \$2.25/gallon for diesel (\$2.50 in 2020) and \$2.15/gallon for gasoline (\$2.34 in 2020). There is no change in the assumptions for CNG.

Utilities - \$12 million:

Includes electricity and propulsion power. No rate changes are expected for 2021 with consumption expected to remain steady.

Parts - \$20.7 million:

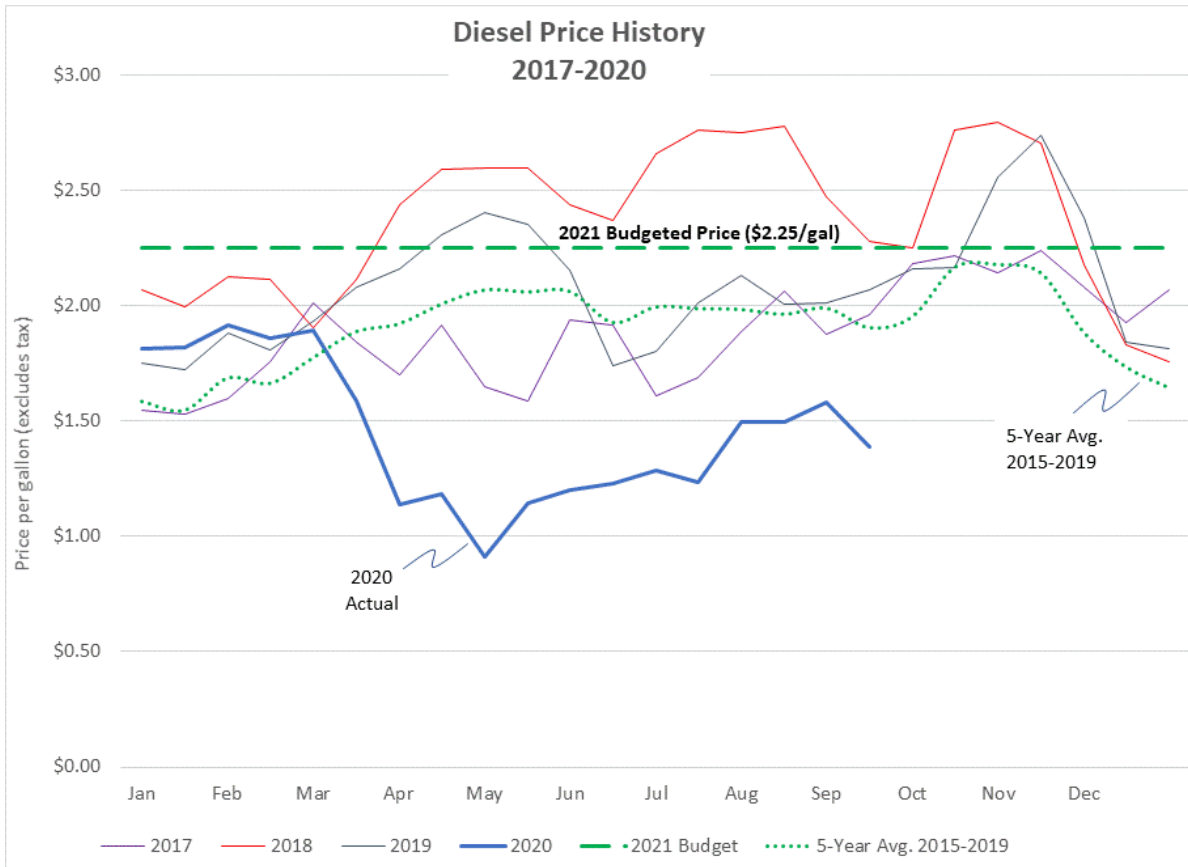
2021 budget reflects a \$1 million (five percent) increase over 2020 budget primarily due to increases in light rail parts and pandemic supplies.

Other O&M Costs - \$22.2 million

This 2021 budgeted amount represents a \$5 million (27 percent) increase over 2020 levels. The increase is attributable to the creation of a non-departmental cost center to fund emerging needs as the region continues to react to and recover from the pandemic.

State of Good Repair – \$61.6 million: In accordance with national efforts to bring all transit systems into a state of good repair, UTA has allocated \$61.6 million of its capital budget toward vehicle replacements, technology replacements and upgrades, facility maintenance, rail vehicle overhauls, and rail system replacements.





Revenues

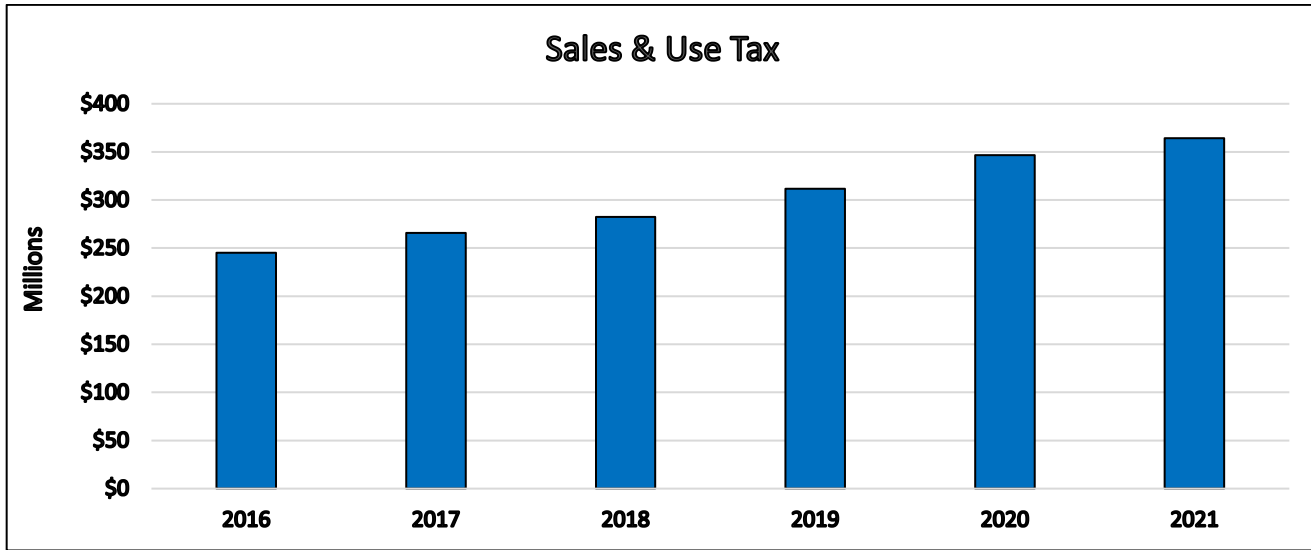
Source: Sales and Use Tax

The largest operating source of revenue for the Authority is a local sales tax, which is imposed by the individual jurisdictions within the service area of the Authority. In July 2019, the Salt Lake County Council and the Utah County Commission approved increasing their tax rate by 0.25 percent with 0.10 percent dedicated to UTA. Accordingly, the 2020 budget reflects a full year of collections from these sales taxes.

UTA’s sales tax is applied by each jurisdiction within the service area to gross taxable sales within the service district. From 2004 through 2019, gross taxable sales have grown by an average of 6.9%. Although year over year sales tax growth is 6.6% through July 2021 collections, UTA is assuming average tax growth for 2021 will be 5.0%. Based on these assumptions and actual tax collections through July, UTA is projecting 2021 sales tax collections to be \$364 million.

Year	2016	2017	2018	2019	2020*	2021*
Sales Tax	\$227,703,000	\$245,008,000	\$265,770,00	\$298,640,000	\$346,751,00	\$364,088,000

*Budget/Projected



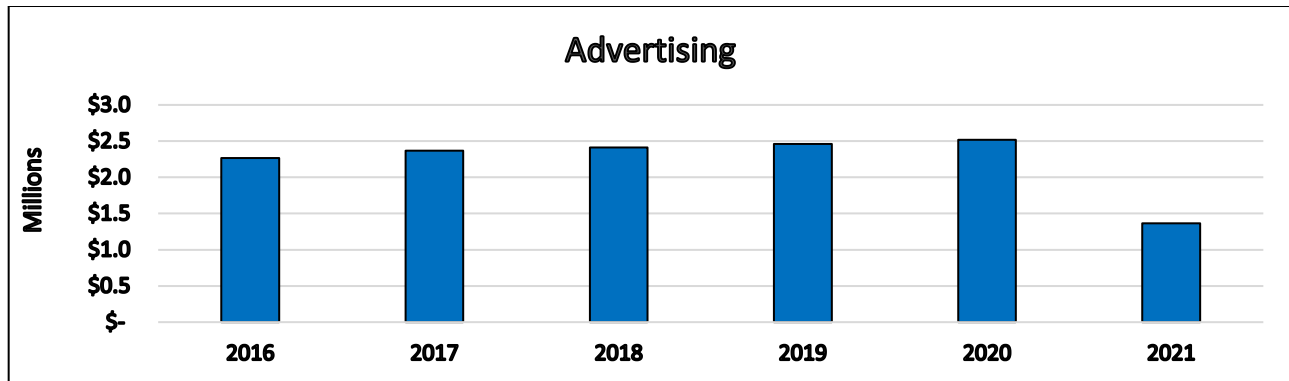
Revenues (continued)

Source: Advertising

Advertising revenues for the Authority comes from the lease of exterior space on the sides and rear of the bus and light rail vehicles. The compound annual growth rate for advertising over the last four years has been somewhat flat. For 2021 advertising is projected to produce \$1.36 million, a decrease due to the economic conditions related to the impact of COVID-19.

Year	2016	2017	2018	2019	2020*	2021*
Advertising	\$2,267,000	\$2,367,000	\$2,413,000	\$2,463,000	\$2,517,000	\$1,363,000

* Budget/Projected



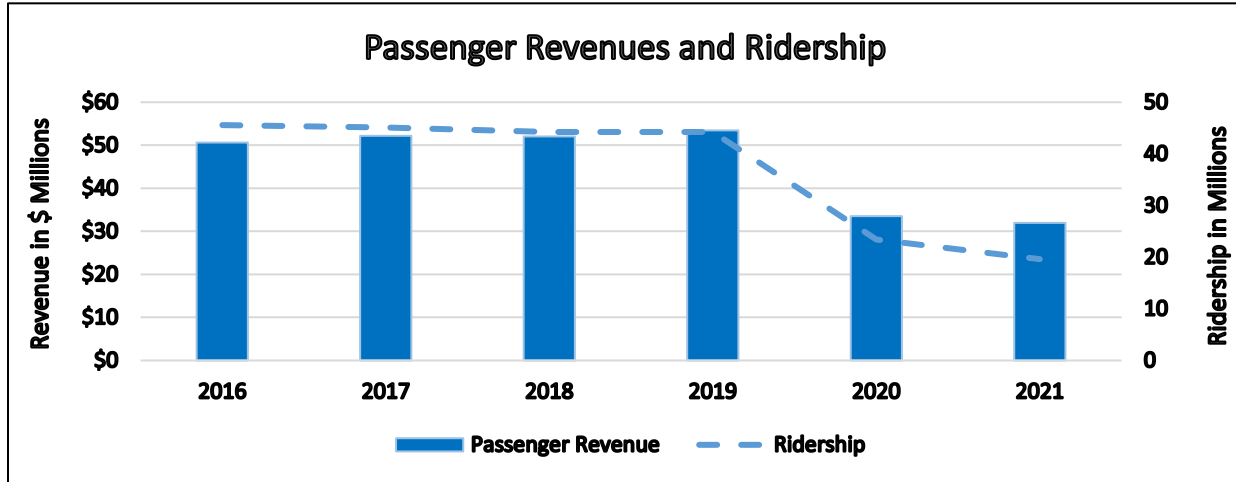
Source: Passenger Revenue

Since 2013, the Authority's base fare has been \$2.50. Fares range from \$1.25 for senior citizens to \$5.50 for premium express service. Although ridership has declined since 2015, the average revenue per ride has increased from \$1.12 to \$1.18. Additional service in Salt Lake City and Salt Lake County, a micro-transit pilot in Southwest Salt Lake County, and continued population and employment growth, will all contribute to an increase in passenger revenues. Due to the current economic conditions and impacts of COVID-19, UTA's projected 2020 passenger revenues are \$33.5 million with 2021 being projected at \$32 million.

Year	2016	2017	2018	2019	2020*	2021*
Passenger Revenue	\$50,624,000	\$52,159,000	\$52,052,000	\$52,649,000	\$33,511,000	\$31,979,000
Ridership*	45,572,702	45,119,782	44,216,695	44,239,223	23,436,211	19,611,896

* Budget/Projected



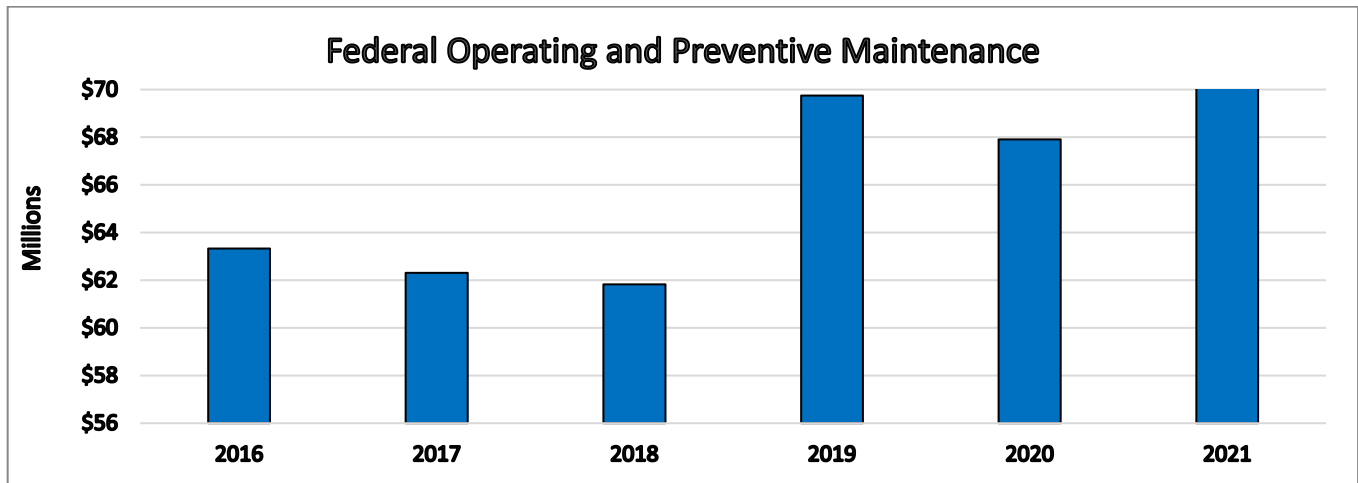


Source: Federal Operating and Preventive Maintenance Revenue Grants

In 2016 the Transportation Bill, Fixing Americas’ Surface Transportation (FAST) was approved by Congress. FAST allows the Authority to use formula funds for preventive maintenance. These formula funds may be used to cover up to 80% of preventive maintenance costs. After operating additional TRAX lines/extensions for 7 years UTA qualified for additional formula funds.

Year	2016	2017	2018	2019	2020*	2021*
Operating Grants	\$63,335,000	\$62,314,000	\$61,821,000	\$69,746,000	\$67,911,000	\$70,507,000

* Budget/Projected

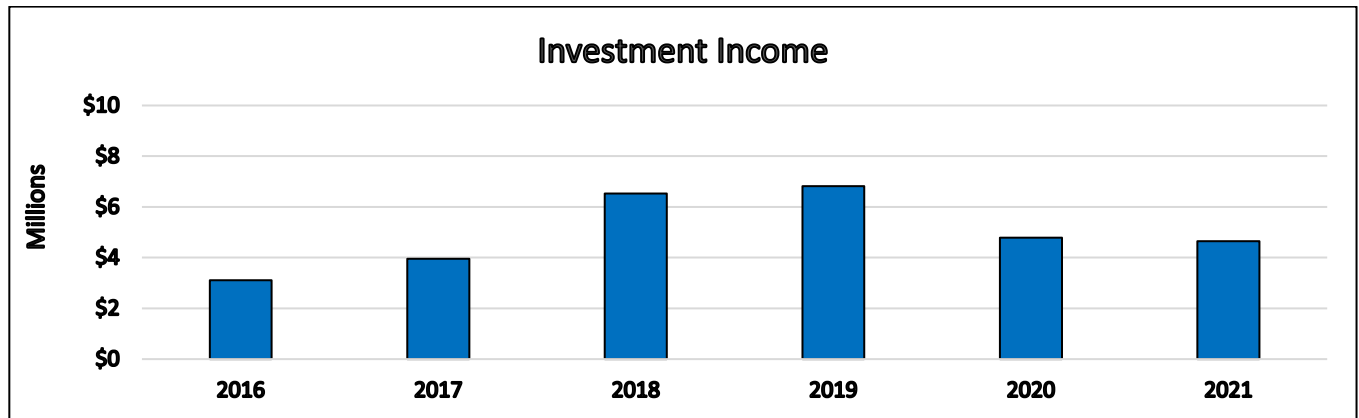


Source: Investment Income

Interest income consists of interest earned on invested operating funds not yet expended and funds held for future capital expenditures. Some of the Authority's funds are invested with the Public Treasurers Investment Fund managed by the State Treasurer's office; others are placed in investments that can yield a higher interest but are still secure.

Interest rates have fallen below the 2020 projection of 3.55%. An approximate rate of 2.95% is applied to projected reserve accounts in the 2020 Transit Development Plan. Due to the current economic conditions and impacts of COVID-19, UTA's projected 2020 investment revenues are \$4.79 million with 2021 being projected at \$4.65 million.

Year	2016	2017	2018	2019	2020*	2021*
Investment Income	\$3,108,000	\$3,955,000	\$6,526,000	\$6,822,000	\$4,794,000	\$4,649,000

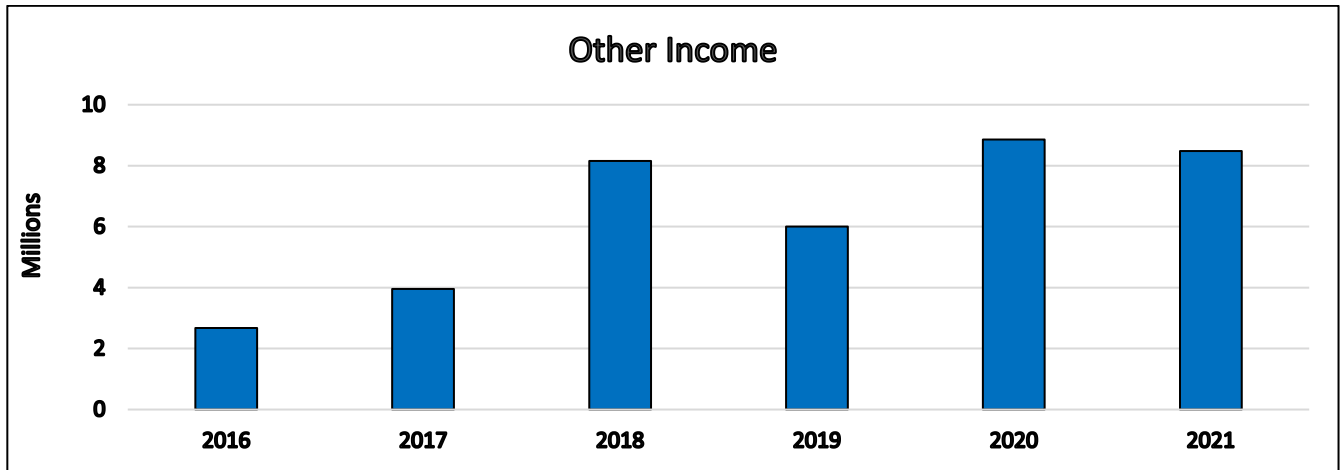


Source: Other Income

Other income for 2021 consists of \$4.3 million from Salt Lake City for enhanced bus service, \$0.5 million from Salt Lake County for enhanced transit services, a \$2.1 million sales tax distribution from the Utah Department of Transportation, \$1.1 million from property fees, and \$0.3 million from transit-oriented development revenues.

Year	2016	2017	2018	2019	2020*	2021*
Other Income	\$3,108,000	\$3,954,000	\$8,156,000	\$6,001,000	\$8,858,000	\$10,663,000

* Budget

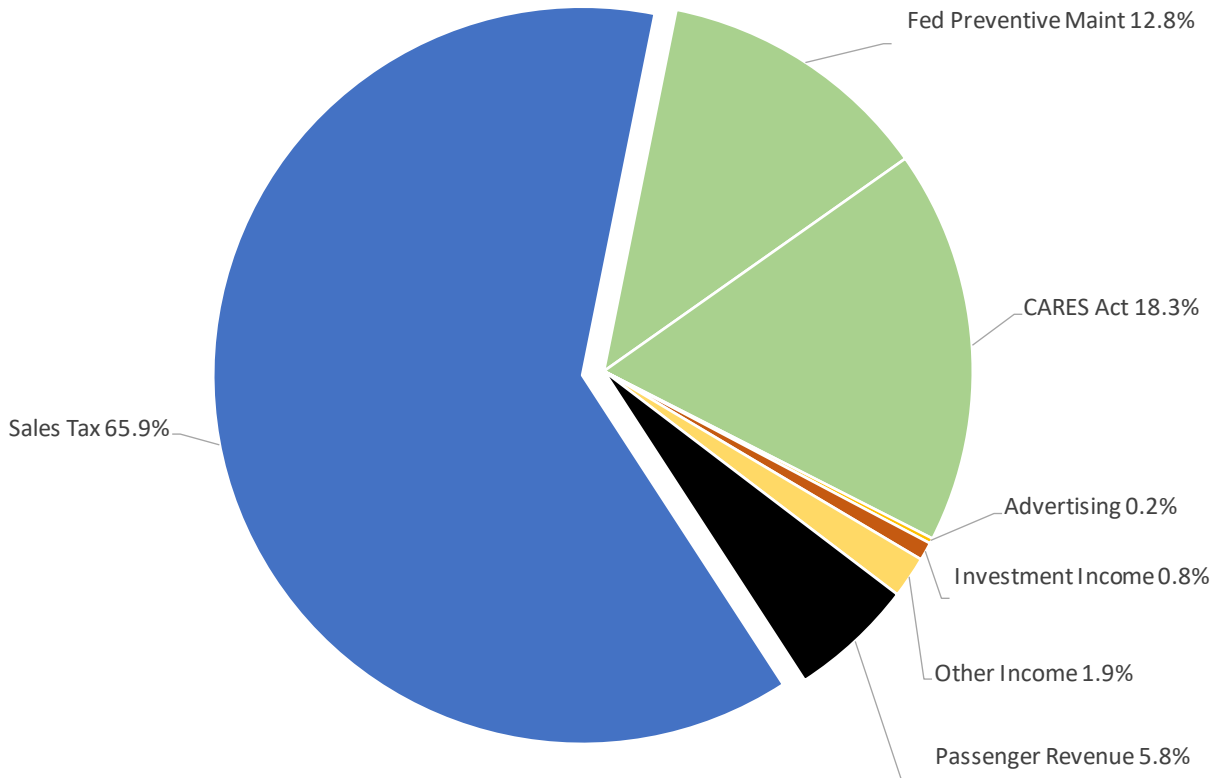


2021 OPERATING REVENUES

UTA reports as a single enterprise fund and all revenues are deposited in the UTA Operating Fund. Within this enterprise fund, UTA maintains two budgets – one for operations and one for capital. Transfers from the enterprise fund to the Capital program are made as necessary to support investment in the system.

Sales tax revenue at \$364.1 million, or 66% of total revenues, represents the largest funding source for the 2021 budget. CARES Act funding totals \$101 million, Federal preventive maintenance totals \$70.5 million, and passenger revenues total \$32.0 million. Other revenues include, in order of magnitude, investment income, local support, advertising, and other fees.

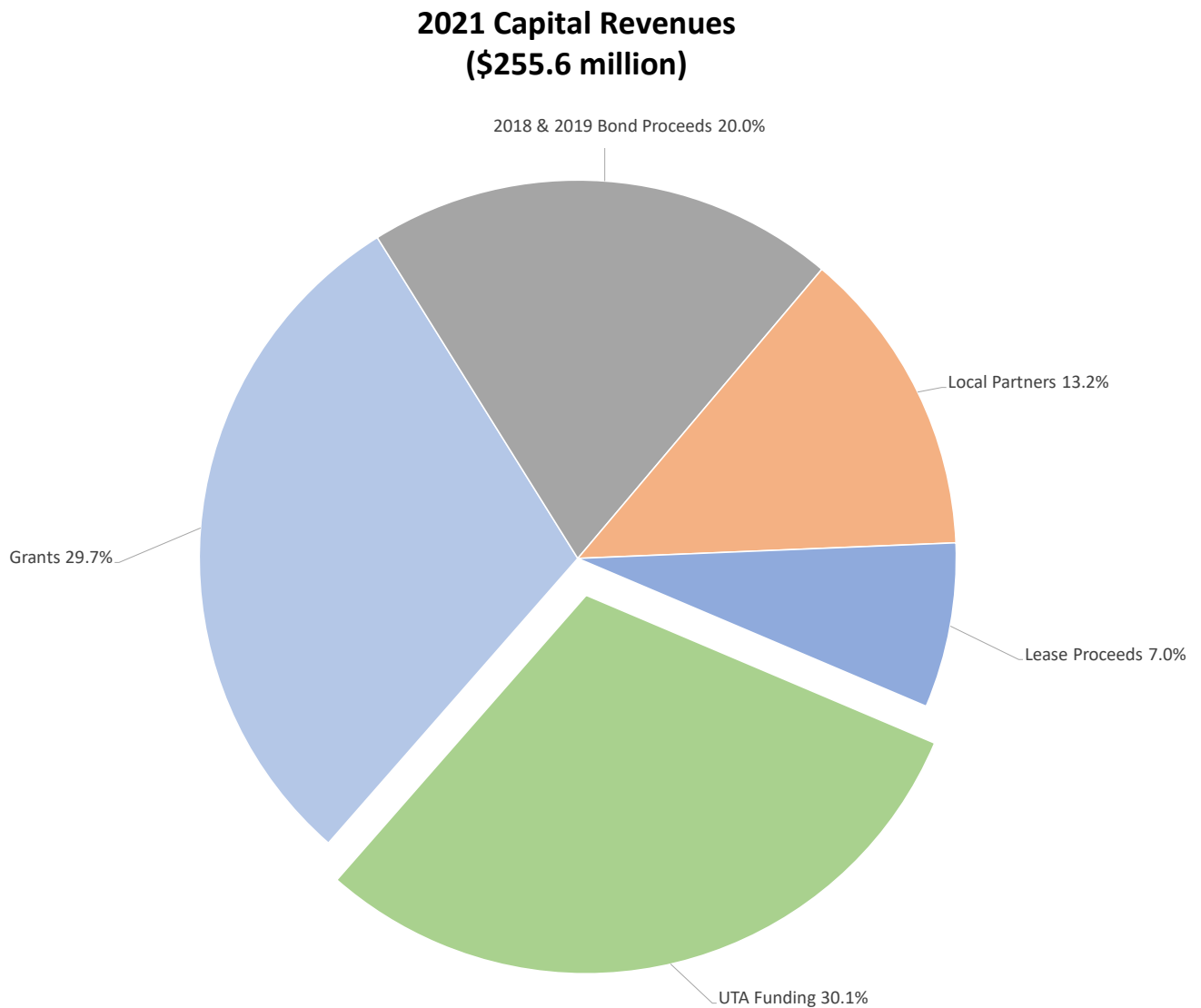
**2021 Operating Revenues
(\$584.4 million)**



CAPITAL REVENUES

2021 Capital grants are anticipated to provide \$75.8 million with local partners and the State of Utah providing \$33.7 million. Lease proceeds are estimated at \$18 million. Bonds issued in 2018 and 2019 provide \$51.2 million of proceeds that will be used in 2021.

There is also a transfer of \$76.8 million in UTA revenues from UTA's Operating Fund to support the 2021 Capital Program.



2021 Capital Budget Funding Sources

Utah Transit Authority 2021 Tentative Capital Budget		2021 Capital
Funding Sources		
UTA Funding		\$ 128,073,000
Grants		75,793,000
Local Partner Contribution		24,533,000
Leasing		18,006,000
State Contribution		9,214,000
		\$ 255,619,000
Capital Uses		
Ogden/Weber State University BRT		\$ 52,581,000
Depot District Bus Maintenance Facility		32,400,000
Airport TRAX Station Relocation		7,000,000
State of Good Repair Projects - Light rail overhaul, bus replacement, rail locomotive engine rebuilds, rail replacement, facility maintenance, bus engine replacements, bus validator replacement, passenger information signs, and safety enhancements		78,738,000
Other Capital Projects - First/last mile improvements, Box Elder right-of-way, Northern Utah County double track, bus stop improvements, wayfinding, and end-of-line facilities.		84,900,000
Total Capital Uses		\$ 255,619,000



2021 Debt Service Detail

2021 Debt Service (000's)	Amounts	Totals
Interest on Bonds	\$ 96,629	
Interest Subsidy (Build America Bonds)	(8,870)	
Net Interest	87,759	
Principal on Bonds	39,165	
Net Bond Principal and Interest		126,924
Lease Payments on Revenue Service Vehicles	9,406	
Principal and Interest to Utah County	6,949	
Salt Lake City Bus Lease	497	16,852
Total 2021 Debt Service		<u>\$ 143,775</u>

UTA continues to look for opportunities to refund bonds when possible in the future. The net present value saving from the 2019, 2020, and 2020B refundings is approximately \$20.3 million. These refundings also unrestricted debt reserve funds, changed principal payments, and restructured the debt to lower maximum annual debt service in 2029 through 2039.

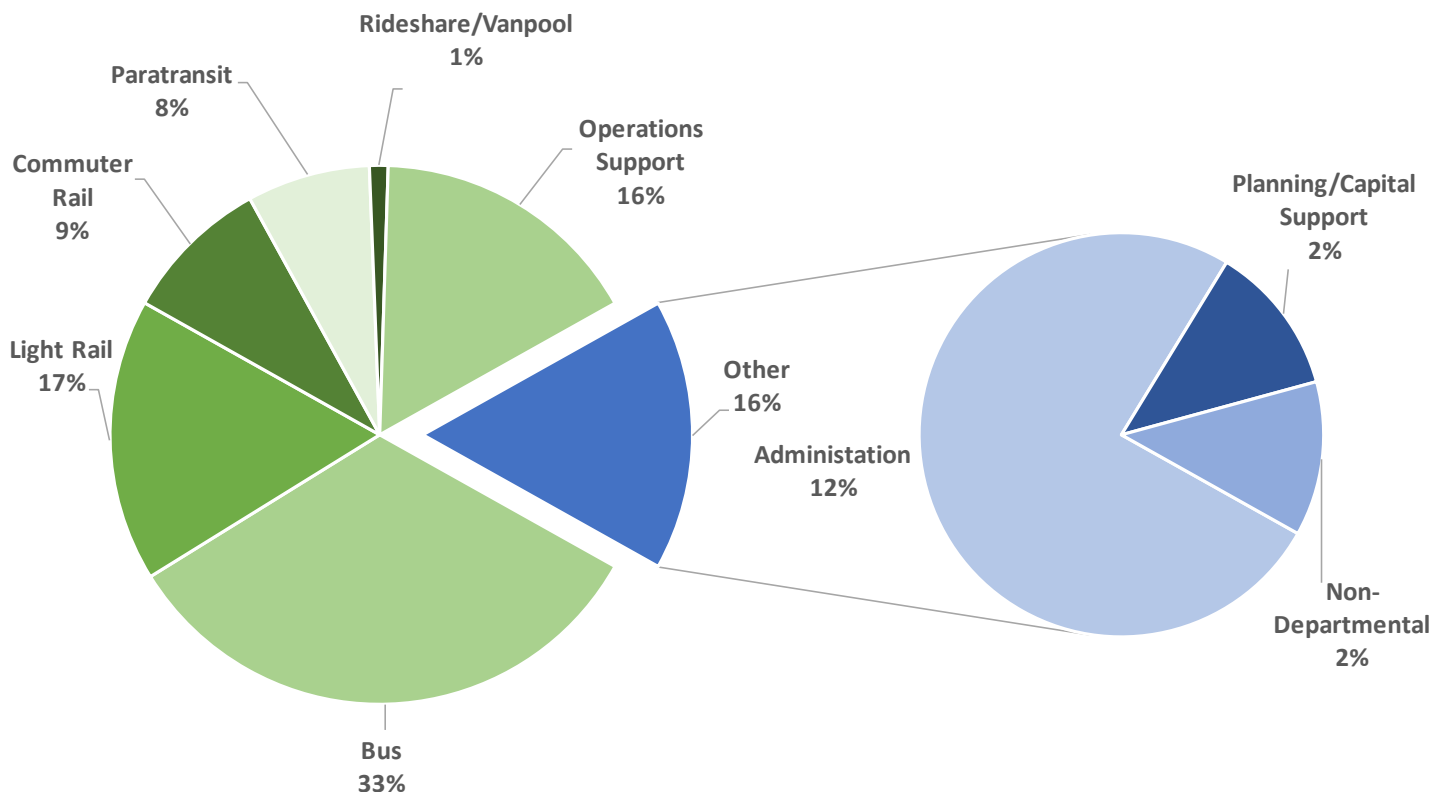


2021 TENTATIVE OPERATING BUDGET

The 2021 Tentative Operating Budget includes over \$273 million for operations and maintenance of the system, or 84 percent of the 2021 budget request. These functions are represented in the green shaded segments in the graph below.

The other functions (blue segments comprising 16 percent) include Administration, Planning/Capital Support and \$6.5 million set aside to fund emerging needs as UTA and the region react to and recover from the pandemic. Administration includes executive leadership and support, human capital management, payroll, accounting, purchasing and other finance functions, service development, information technology, strategic planning, continuous improvement, data management, and other functions that support the delivery of service.

**2021 Tentative Operating Budget
(\$326.5 million)**



2021 Tentative Operations Budget: Expense Projections

	FY 2020 Budget	FY 2021 Budget	Change
Bus	\$108,868,992	\$107,925,104	\$(943,888)
Light Rail	52,208,951	55,404,928	3,195,977
Commuter Rail	30,711,342	28,920,873	(1,790,469)
Paratransit	24,887,147	24,111,761	(775,386)
Rideshare/Vanpool	3,298,190	3,644,685	346,495
Operations Support	50,353,076	53,454,084	3,101,008
Administration	38,081,502	40,112,853	2,031,351
Planning/Capital Support ¹	6,443,876	6,393,224	(50,652)
Non-Departmental ²	1,632,924	6,562,491	4,929,567
Total Division	\$316,486,000	\$326,530,000	\$10,044,000

The operations portion of the 2021 Tentative Budget totals \$326.5 million (before allocation of \$11.4 million of expense to capital projects and \$3.6 million from Salt Lake County's 4th quarter revenues to specific line items in 2021). The table above shows the allocation of the operations portion of the budget by line item. Almost 72% of the operations budget is dedicated to labor and fringe costs. Together with fuel & lubricants (4.9%), parts, net of warranty recovery (6.4%), and services (6.0%), those four items comprise 92% of the total operations budget.

1. Planning/Capital Support is comprised of Planning, Capital Development & Real Estate
2. Non-Departmental contains funds for emerging needs as the region continues to react to and recover from the pandemic

KEY ELEMENTS:

- Service Adjustment: In 2021 UTA is planning to operate 91% of pre-COVID levels of service
 - In August 2020, UTA reintroduced a significant amount of service to the system. Service levels were determined based on ridership trends and projections, input from our riders, and a focus on supporting essential workers and key areas across our system as the state of Utah began easing restrictions and returning businesses and schools/universities.
 - \$6.5 million is proposed in this budget to fund emerging needs as the region continues to react to and recover from the pandemic.
- Operations Support & Administration
 - Information Technology projects: Net increase of \$1.5M for equipment replacement and upgrades
 - Increased training and support expense for Rail Maintenance Apprenticeship programs
 - Increased contract services for additional Maintenance systems support of \$1.5M
 - Repurposed and restructured within current staffing levels to maximize efficiency
- FTE Changes: 52.5 FTE decrease
 - **Operations:**
 - Decrease overall of 33 FTE (primarily driven by fewer operators due to reduced service levels)
 - Increase in Asset Management of 7 FTE
 - Increase in Bus Maintenance of 12 FTE
 - **Administrative:**
 - Decrease of 17.5 FTE for operator trainees in Talent Development
 - Increase of 2 FTE in Operations Analysis & Solutions
 - Increase of 1 FTE in Talent Development
 - Increase of 1 FTE in Enterprise Strategy

2021 CAPITAL BUDGET PROJECT SUMMARY

2021 Capital Projects	Project Amount
Information Technology Projects	\$ 16,060,000
Safety & Security Projects	1,046,000
Revenue Service Vehicles	22,558,619
Vehicles - Rehab/Repair	12,798,645
Facilities Maintenance Projects	2,650,000
Rail Maintenance Projects	23,625,000
Ogden/Weber State University BRT	52,580,513
Depot District	32,400,124
TIGER Program of Projects	13,170,900
Northern Utah County Double Track	9,000,000
Airport Station Relocation	7,000,000
Sandy Parking Structure	4,204,174
Light Rail Seat Replacement	4,154,000
Provo-Orem BRT	3,010,967
5600 West 4500 South End of Line	3,000,000
Fort Union End of Line	3,000,000
Mid-Valley Connector	3,000,000
Meadowbrook Expansion	2,600,000
Bus Stop Signage - SL County	2,500,000
FrontRunner Double Tracking	2,500,000
Point of Mountain Study	2,500,000
Positive Train Control	2,500,000
Sharp-Tintic Rail Connection	2,309,867
650 South Station	2,000,000
Clearfield FR Station Trail	1,739,817
Warm Springs Upgrades	1,738,000
Central Corridor Transit	1,500,000
Passenger Information Improvements	1,459,743
Other Capital Projects	19,012,416
Total Capital Expenditure Budget	\$ 255,618,785

Sources & Uses

Summary of TFP (\$,000's)		Forecast 2021	Forecast 2022	Forecast 2023	Forecast 2024	Forecast 2025
A	Beginning Balance	\$ 352,121	\$ 338,205	\$ 345,479	\$ 299,196	\$ 242,167
	Revenue					
	Sales Tax	364,088	382,292	401,407	421,477	442,551
	Federal ¹	171,507	71,212	73,903	74,642	75,388
	Passenger	31,979	36,033	40,700	46,183	52,649
	Other Revenues	16,834	19,123	19,382	20,217	18,462
B	Total Revenues	\$ 584,408	\$ 508,660	\$ 535,392	\$ 562,518	\$ 589,050
C	Total Operating Expenses	\$ 326,530	\$ 354,179	\$ 365,688	\$ 377,571	\$ 389,840
D	Net Available	\$ 609,999	\$ 492,686	\$ 515,184	\$ 484,144	\$ 441,377
E	Capital Sources	\$ 127,599	\$ 242,784	\$ 142,303	\$ 162,195	\$ 54,537
F	Capital Uses	255,619	230,138	187,990	233,576	105,432
G	Debt Service	\$ 143,775	\$ 159,852	\$ 171,925	\$ 176,720	\$ 185,667
H	Net Change (Sources less Uses)	\$ (13,917)	\$ 7,275	\$ (47,908)	\$ (63,153)	\$ (37,353)
I	Ending Balance	\$ 338,205	\$ 345,479	\$ 297,572	\$ 236,043	\$ 204,814
J	Required Reserves	\$ 154,723	\$ 158,870	\$ 160,596	\$ 162,379	\$ 164,219
K	Unrestricted Cash Balance	\$ 183,482	\$ 186,610	\$ 138,600	\$ 79,788	\$ 39,135
	D = A + B - C					
	I = D + E - F - G					
	Footnote: ¹ CARES Act Funding 2021 \$101 million					



Financial Structure

Accounting Method

UTA reports as a single enterprise fund and uses the accrual method of accounting. Under this method, revenues are recognized when they are earned and expenses are recognized when they are incurred.

Department /Fund Relationship

Within the enterprise fund, UTA maintains two budgets – one for operations and one for capital. Within the operations budget, expenses are tracked by type of service mode (bus, light rail, commuter rail, paratransit, or rideshare/vanpool) as well as operations support, administrative, non-operating, and debt service.

Departments within operations and operations support by type of service are:

Bus	Light Rail	Commuter Rail	Paratransit	Rideshare Vanpool
Mt. Ogden Operations	Light Rail Operations	Commuter Rail Operations	Paratransit Operations	Van Pools
Mt. Ogden Maintenance	Light Rail Maintenance	Commuter Rail Maintenance	Paratransit Maintenance	Rideshare Administration
Mt. Ogden Administration	Light Rail Jordan River Maintenance	Commuter Rail Administration	Special Service Administration	
Timpanogos Operations	Light Rail Administration	Maintenance of Way Systems	Mobility Management	
Timpanogos Maintenance	Rail Fleet Sustainability	Maintenance of Way Infrastructure		
Timpanogos Administration	Maintenance of Way Systems			
Meadowbrook Operations	Maintenance of Way Infrastructure			
Meadowbrook Maintenance				
Meadowbrook Administration				
Central Maintenance				
Integrated Service Planning				
Transit Communications Center				

Departments within the Operations Support, Administrative, and Non-operating classifications are provided on the following page.



Operations Support	Administrative	Non-operating
Support Maintenance	Product Development & Sales	Capital Projects & Development
Fleet Engineering	Fares	Planning
Asset Management - State of Good Repair	Risk Management	Real Estate
Vehicle Disposal	Technology Security	Service Development
Facilities	Communications & Deployment	
Ticket Vending Machine Maintenance	Applications Support	
Radio & Rail Communications	Application Development	
Supply Chain - Purchasing	Network Support	
Supply Chain - Warehousing	Quality Assurance	
Farebox Service	Accounting	
Fare Strategy & Operations	Finance	
Customer Service	Intermodal Center - SLC	
Public Safety	Intermodal Center - Ogden	
Operations Analysis & Solutions	Budget & Financial Analysis	
Data Quality & Ridership	Innovative Mobility Services	
Safety & Security	Government Relations	
Bus Communications	Public Relations & Marketing	
Talent Development	Planning & Engagement	
	Board of Trustees	
	Total Rewards	
	People Office	
	Human Resources and Labor Relations	
	Workforce Planning	
	Operations Office	
	Internal Audit	
	Executive Director	
	Legal	
	Civil Rights	
	Corporate Support	
	Customer Experience	
	Enterprise Strategy	

Within the capital budget, expenses are tracked by discrete projects, Safety & Security, State of Good Repair (capital maintenance to the transit infrastructure), and Information Technology. More detail about capital investments are provided in the Capital and Debt section.

Basis of Budgeting

Budgeting is based upon the accrual basis with these exceptions:

- UTA budgets capital expense rather than depreciation expense
- UTA does not budget for change in actuarial estimates for the pension
- In addition to bond interest expense, UTA budgets annual bond principal payments
- The annual budget excludes amortization of bond issuance premiums and discount



Financial Information and Policies

Basis of Accounting

The Authority reports as a single enterprise fund and uses the accrual method of accounting. Under this method, revenues are recognized when they are earned, and expenses are recognized when they are incurred.

Standards for Reporting Purposes

The financial statements of the Authority have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by GASB.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts or revenues and expenses during the reporting period. Actual results could differ from those estimates.

Federal Planning Assistance and Preventive Maintenance Grants

Federal planning assistance grants received from the Federal Transit Administration (FTA) and preventive maintenance grants are recognized as revenue and receivable during the period in which the related expenses are incurred and eligibility requirements are met. The current reauthorizations act, Fix America's Surface Transportation (FAST), allows for the replacement and repair of aging infrastructure.

Federal Grants for Capital Expenses

The U.S. Department of Transportation, through contracts between the Authority and the FTA, provides federal funds of 35% to 93% of the cost of property and equipment acquired by the Authority through federal grants. Grant funds for capital expenses are earned and recorded as capital contribution revenue when the capital expenses are made and eligibility requirements are met.

Contributions from Other Governments (Sales Tax)

As approved by the voters or county governing bodies, sales tax for transit is collected to provide the Authority with funds for mass transit purposes. Funds are utilized for operations and for the local share of capital expenses. Sales tax revenues are accrued as a revenue and receivable for the month in which the sales take place. The Authority does not have taxing authority in any jurisdiction; therefore this revenue is considered a contribution from another government.



Approved Local Option Sales Tax:

Salt Lake County	0.7875%
Davis County	0.6500%
Weber County	0.6500%
Box Elder County	0.5500%
Utah County	0.6260%
Tooele County	0.4000%

Budgetary and Accounting Controls

The Authority's annual budgets are approved by the Board of Trustees, as provided for by law. Operating and non- operating revenues and expenses are budgeted on the accrual basis except for depreciation, pension actuarial expenses, bond principal payments, and amortization of bond issuance premiums and discounts. Capital expenses and grant reimbursements are budgeted on a project basis. Multi-year projects are approved in whole, but are budgeted based on estimated annual expenses and revenues.

The Authority adopts its annual budget in December of the preceding year.



UTA BOARD OF TRUSTEES BYLAWS

ARTICLE VII – CONDUCTING BUSINESS

Section 1 **Resolutions, Orders and Ordinance – Vote Recorded**

Each and every formal action by the Board and Advisory Council shall be taken by the passage of a resolution, order or ordinance by the Board or Advisory Council. Resolutions and ordinances shall be by roll call vote with each affirmative and negative vote recorded. Proposed resolutions and ordinances shall be forwarded to each Trustee and Member by electronic means at least twenty-four hours before the ordinance is presented for adoption. All resolutions and ordinances passed by the Board and Advisory Council shall be authenticated as soon as practicable after their passage by the signature of the applicable Chair and attested to by the Board Secretary or Advisory Council, Second Vice-Chair, and kept in the official records of the Authority. A record of meetings of the Board and Advisory Council shall be made and retained as provided by law.

Section 2 **Adoption and Amendment of Bylaws**

These Bylaws may be adopted and amended by an affirmative vote by a majority of the Board after consultation with the Advisory Council.

Section 3 **Fiscal Year**

The fiscal year of the Authority shall commence on January 1 and end December 31 of each calendar year.

Section 4 **Principal Place of Business**

The principal place of business for the Authority, and the location of all offices and departments, shall be determined from time to time by the Board. The Board Secretary shall publish the location of the principal place of business in the Government Entity Database maintained by the Division of Corporations of the State of Utah.

Section 5 **Budget**

The Authority shall prepare an annual budget for the consideration of the Board each year in compliance with applicable law. After analyzing the proposed budget and making any corrections or revisions that it may find necessary and consulting with the Advisory Council, the Board shall adopt a final annual budget prior to the end of each fiscal year.

Section 6 **Audit Reports**

A. Annual Audit - The Board shall cause an annual audit of the Authority's financial statements to be



conducted in accordance with general accepted auditing standards following the end of each fiscal year and in compliance with the Act. The audit shall be performed by an independent certified public accounting firm selected by the Board. The auditor shall provide a signed auditor's opinion as to the fair presentation of the financial position of the Authority and the results of Authority operations and changes in its financial position for the fiscal year ended. The audit shall be made available in compliance with the Act.

- B. Other Audits – In consultation with the Advisory Council, the Board may cause audits other than the annual audit to be made, which shall be made available in compliance with the Act.

Utah's Provisions Applicable to All Local Districts

17B-1-702 Local District to Submit Budgets

Except as provided in paragraph (a), within 30 days after it is approved by the board, and at least 30 days before the board adopts a final budget, the board of each local district with an annual budget of \$50,000 or more shall send a copy of its tentative budget and notice of the time and place for its budget hearing to 1) each of its constituent entities that has in writing requests a copy; and (2) to each of its customer agencies that has in writing requested a copy.

(a) Within 30 days after it is approved by the board, and at least 30 days before the board adopts a final budget, the board of trustees of a large public transit district as defined in Section 17B-2a-802 shall send a copy of its tentative budget and notice of the time and place for its budget hearing to 1) each of its constituent entities; 2) each of its customer agencies that has in writing requested a copy; 3) the governor; and 4) the Legislature.

The local district shall include with the tentative budget a signature sheet that includes 1) language that the constituent entity or customer agency received the tentative budget and has no objection to it; and 2) a place for the chairperson or other designee of the constituent entity or customer agency to sign.

Each constituent entity and each customer agency that receives the tentative budget shall review the tentative budget submitted by the district and either 1) sign the signature sheet and return it to the district; or 2) attend the budget hearing or other meeting scheduled by the district to discuss the objections to the proposed budget.

If any constituent entity or customer agency that received the tentative budget has not returned the signature sheet to the local district within 15 calendar days after the tentative budget was mailed, the local district shall send a written notice of the budget hearing to each constituent entity or customer agency that did not return a signature sheet and invite them to attend that hearing. If requested to do so by any constituent entity or customer agency, the local district shall schedule a meeting to discuss the



budget with the constituent entities and customer agencies. At the budget hearing, the local district board shall 1) explain its budget and answer any questions about it; 2) specifically address any questions or objections raised by the constituent entity, customer agency, or those attending the meeting; and 3) seek to resolve the objections.

Nothing in this part prevents a local district board from approving or implementing a budget over any or all constituent entity's or customer agency's protest, objections, or failure to respond.

Utah's Provisions Applicable to All Local District 17-B-1-1102 Limitation on Bonds

A public transit district may not issue general obligations bonds if the issuance of the bonds will cause the outstanding principal amount of all of the district's general obligation bonds to exceed the amount that results from multiplying the fair market value of the taxable property within the district, as determined under Section 11-14-301(3)(b) by 3%. Bonds or other obligations of a public transit district that are not general obligation bonds are not included in this limit.

Board of Trustees Policy No. 2.1 Financial Management – Key Budget Provisions July 31, 2019

A. Reserves

1. The Authority will maintain the following reserves:

- a. General operating reserves, including the risk reserve, funded at a level equal to at least twelve percent (12%) of the Authority's budgeted operating expense, excluding non-operating expense, to be used as a working capital account throughout the year. The Treasurer will manage the use of the funds in the general operating reserve.
- b. Service stabilization reserve funded at a level equal to three percent (3%) of the Authority's budgeted operating expense, excluding nonoperating expense, to be used to avoid service reductions at such times as the Authority faces a revenue shortfall or cost overrun due to extraordinary circumstances. The Board of Trustees must give its prior approval before funds in the service stabilization reserve are used.



c. Bond reserves funded at a level required by bond covenants to be used for the payment of debt service in the event that the Authority fails to make scheduled bond principal and interest payments. The Board of Trustees must give its prior approval before funds in the bond reserve are used.

d. Capital replacement reserve to reach a level equal to one percent (1%) of the property, facilities, and equipment cost as reported in the comprehensive annual financial report to be used for capital repair or replacement costs due to extraordinary circumstances. The Board of Trustees must give its prior approval before funds in the capital replacement reserve are used.

2. The Board of Trustees may establish other reserves and make additional contributions to existing reserves.
3. Reserve balances will be reported on the Authority's monthly financial statements.
4. Upon the use of any service stabilization, bond or capital replacement reserves, the Board of Trustees will, by resolution, establish a timeline for the full reimbursement of the reserves within 60 months after their first use and begin to restore reserves used no later than 24 months after their first use.

B. Grants

1. The allocation of anticipated formula fund grants will be determined during the annual budget process.

C. Long-term Financial Planning

1. The Executive Director will develop a long-term (20 years or longer) financial plan incorporating the Board of Trustees' strategic plan, identifying the Authority's long-term financial challenges and proposed solutions based upon reasonable projections of revenue and expense including operations and maintenance, reasonably anticipated new funding programs, capital expansion, maintenance of a state of good repair of existing assets, asset replacement, and debt issuance. The Executive Director will update the long-term financial plan three times a year.
2. The Board of Trustees will review the long-term financial plan annually and report it to the State Bonding Commission.

D. Budgeting

1. As provided for in the Authority's Bylaws, the Authority will prepare an annual budget and the Board of Trustees, after consultation with the Advisory Council, will approve the budget.
2. The Board of Trustees may amend or supplement the budget at any time after its adoption.
3. The Executive Director may make administrative adjustments to an adopted budget without Board of Trustee approval as long as those changes will not have a significant policy impact or affect budgeted year-end fund balances.



E. Capital

1. The Executive Director will develop a five-year capital plan and update it every year for inclusion in the annual budget process discussions and approvals. The five-year capital plan will be fiscally constrained and will maintain all assets at a state of good repair to protect the Authority's capital investment and minimize future maintenance and replacement costs.

Budget Process

This section describes the process for preparing, reviewing, and adopting the budget for the coming fiscal year. It also includes procedures for amending the budget after adoption and the process used in developing the capital budget. A budget calendar for the budgeted year 2021 is included at the end of this section.

Budget Process: The Executive Director and Chief Financial Officer, with the advice and counsel of the Board of Trustees and the Local Advisory Council, prepare a preliminary budget for the ensuing year including operation, maintenance, administration expenses, debt service, and capital expenditures.

The yearly process starts in Spring with the Authority's Executive Team and staff assessing likely growth estimates for revenues, operating expenses, and capital projects. Budget priorities are discussed and a preliminary five-year capital plan is developed. Changes in assumptions are incorporated into the long-term financial plan model and operating and capital budget targets are developed by early July. After a preliminary budget outlook is reviewed with the Board of Trustees, the Executive Director develops and distributes budget preparation instructions for Authority staff.

A draft five-year capital plan is completed and reviewed with the Board of Trustees and the Local Advisory Council in September. The first year of the capital plan, which includes specific capital projects and the funding available through outside funding such as grants, local partners, state funding, and financing are included in the next year's capital budget.

By late August each Chief Officer submits an operating budget which is at or below the budget target for their departments and which supports the Board of Trustees' budget priorities. The Executive Team reviews the operating budgets and makes any adjustments it deems necessary. Preliminary budgets are reviewed with the Board of Trustees in September. Any modifications to the budget are completed by early October.

In November, the Executive Director presents the 2021 tentative budget to the Board of Trustees for their review and approval. Once the tentative budget is approved by the Board of Trustees, it is sent to the Governor's Office, State Legislature and Local Governments and a 30-day comment period, which includes a



public hearing, is established. In early December, the Executive prepares and presents the 2021 Final Budget to the Board of Trustees for its review and approval.

Adoption of Annual Budget: Before the first day of each fiscal year, the Board shall adopt the annual budget by a vote of a quorum of the total Board. If, for any reason, the Board has not adopted the annual budget on or before the first day of January of any fiscal year, the preliminary budget for such year shall be in effect for such fiscal year until the annual budget is adopted.

Please refer to the 2021 UTA Budget Preparation Schedule at the end of this section.

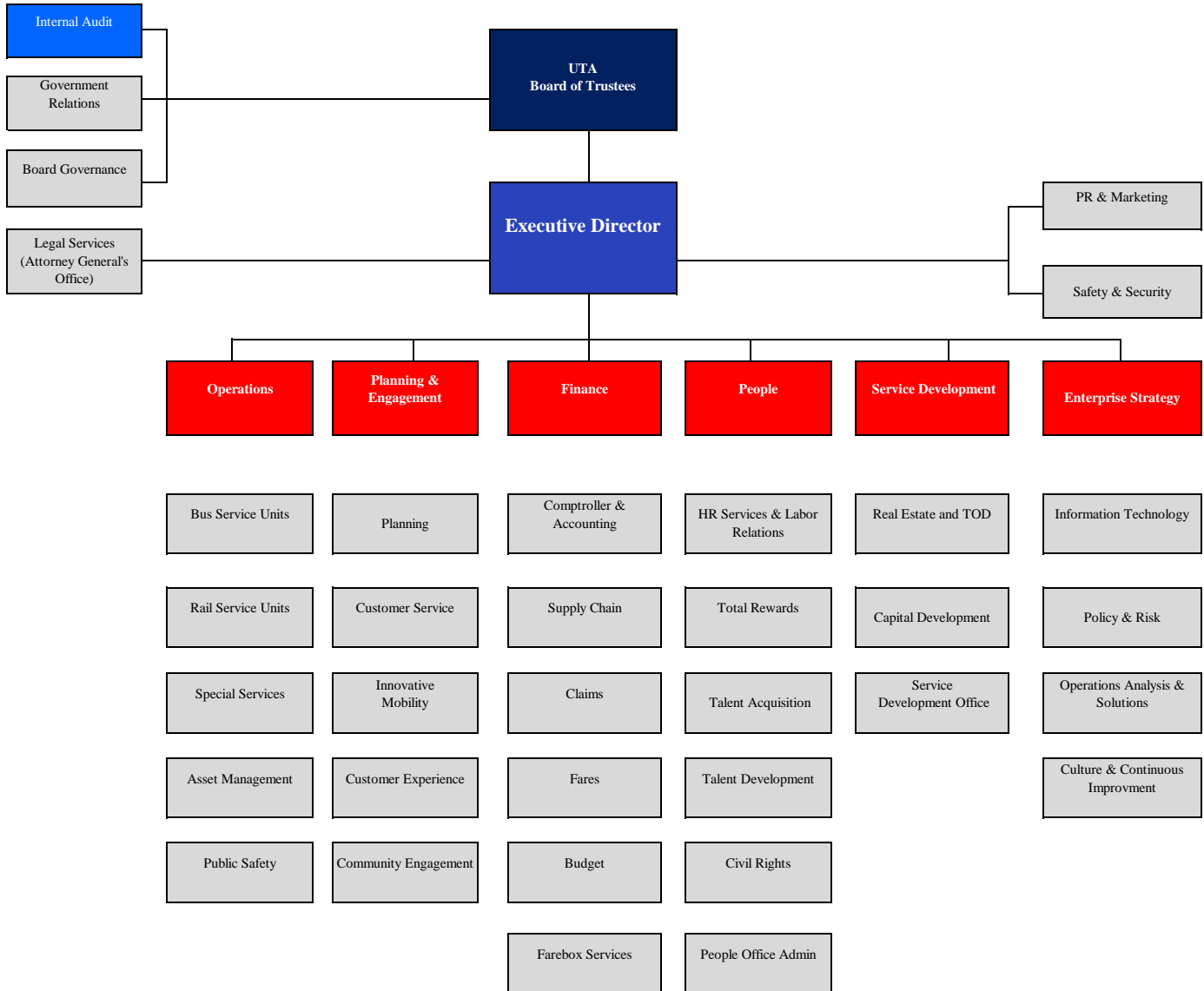


Annual Budget Schedule:

<u>Task</u>	<u>Completion Date</u>
Executive Director prepares and distributes budget preparation memo based upon Board of Trustee's budget priorities and available funding per the long-term financial model	July 13, 2020
Draft Budgets due from Executive Team. (Executive Team will notify their direct reports of earlier submission dates before this time to allow for executive review).	August 28, 2020
Executive team evaluates 2021 operating and capital budget submittals	Sept. 4, 2020
Preliminary 2021 operating and capital budgets reviewed with the Board of Trustees	Sept 28 to Oct 2, 2020
Final adjustments to 2021 budget	Oct. 2, 2020
2021 Tentative Budget provided to Board of Trustees	Oct. 28, 2020
Board of Trustees reviews 2021 Tentative Budget	Nov. 4, 2020
Budget Review and Comment Period	Nov. 11 to Dec. 11, 2020
Board of Trustees holds public hearing on 2021 Budget	Nov. 11, 2020
Board of Trustees considers approval of the 2021 Final Budget	Dec. 16, 2020
Staff submits Final Budget to State Auditor	Dec. 31, 2020
Staff prepares, prints, and distributes 2021 Budget Document to the Board of Trustees, Operating Departments and interested parties	Dec. 31, 2020



Organizational Chart



2021 Tentative Operating Budget

2021 UTA Operating Budget by Mode

	FY 2020 Budget	FY 2021 Budget	Change
Bus	\$108,868,992	\$107,925,104	\$(943,888)
Light Rail	52,208,951	55,404,928	3,195,977
Commuter Rail	30,711,342	28,920,873	(1,790,469)
Paratransit	24,887,147	24,111,761	(775,386)
Rideshare/Vanpool	3,298,190	3,644,685	346,495
Operations Support	50,353,076	53,454,084	3,101,008
Administration	38,081,502	40,112,853	2,031,351
Planning/Capital Support ¹	6,443,876	6,393,224	(50,652)
Non-Departmental ²	1,632,924	6,562,491	4,929,567
Total Division	\$316,486,000	\$326,530,000	\$10,044,000

2020 and 2021 Proposed Budget by Office

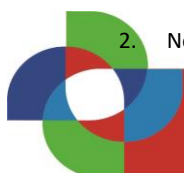
	FY 2020 Budget	FY 2021 Budget	Change
Board	\$2,786,780	\$2,720,074	\$(66,706)
Executive Director	7,911,851	7,890,971	(20,880)
Operations	249,647,850	252,598,361	2,950,511
Finance	13,289,788	13,863,537	573,749
Service Development	4,310,543	4,439,940	129,397
Planning & Engagement	10,967,764	10,649,039	(318,725)
Enterprise Strategy	17,059,501	19,880,699	2,821,198
People	8,879,000	7,924,891	(954,109)
Non-Departmental ²	1,632,924	6,562,491	4,929,567
Total Division	\$316,486,000	\$326,530,000	\$10,044,000

The 2021 Operating Budget was designed with the following strategies:

- Primary Goal: Maintain Fiscal Responsibility
- Maintain August 2020 baseline service levels
- Centralize budgets to improve clarity, ownership, and overall understanding of current state
- Repurpose funds between offices and departments to improve budget alignment with annual initiatives and support current and future agency needs.

1. Planning/Capital Support is comprised of Planning, Capital Development & Real Estate

2. Non-Departmental contains funds for emerging needs as the region continues to react to and recover from the pandemic



2021 UTA Operating Budget Expenses by Category

	FY2020 Budget	FY 2021 Budget	% Change
Wages	\$157,322,390	\$158,310,407	0.6%
Fringe	73,460,319	75,251,668	2.4%
Services	27,511,998	31,470,240	14.4%
Fuel	20,281,070	15,874,843	(21.7)%
Parts	19,734,825	20,694,821	4.9%
Utilities	11,977,462	12,025,731	0.4%
Other O&M	17,452,984	22,233,919	27.4%
Capitalized Costs	(11,255,047)	(9,331,626)	17.1%
Total Budget	\$316,486,000	\$326,530,000	3.2%

Key Budget Changes:

- Decrease in fuel due to lower price per gallon and reduced service levels
- Increase in wages and fringe benefits
- Increase in Contract Services for additional cleaning services in Rail and Trax as well as increase maintenance support for UTA's infrastructure
- Increase in Information Technology for critical state of good repair and technology projects
- Increase non departmental by \$6.5 million to fund emerging needs as the region continues to react to and recover from the pandemic



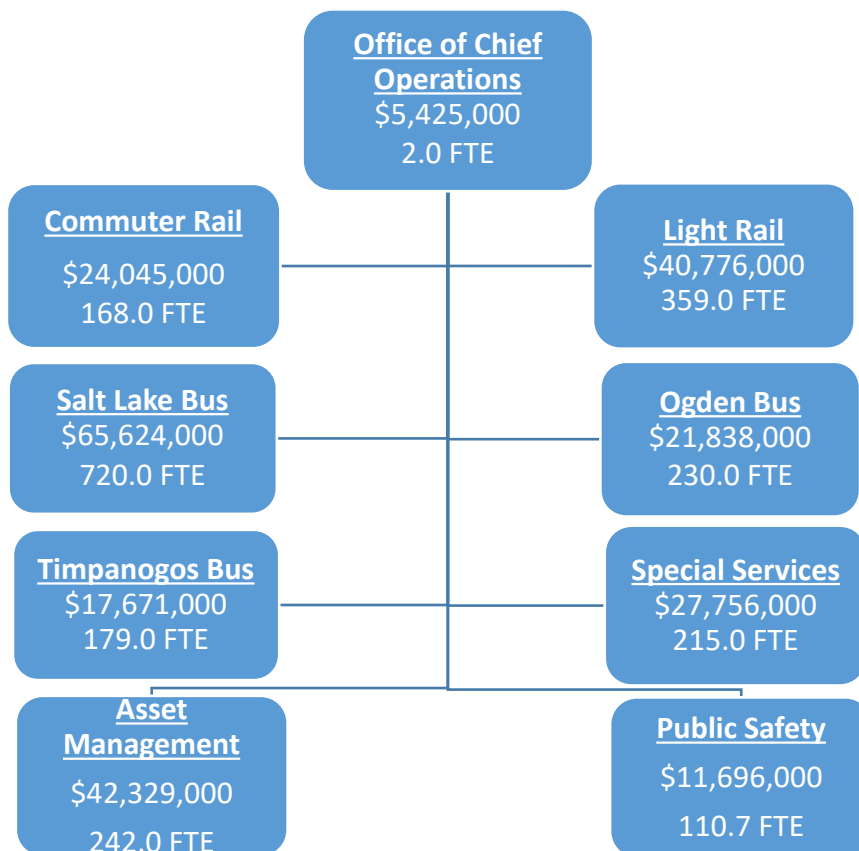
UTA FTE Summary: 2020 Budget and 2021 Proposed Budget

	2020 Budget	2021 Proposed	Change
Board	14.0	13.5	(0.5)
Executive Director	39.5	37.5	(2.0)
Operations	2,258.7	2,225.7	(33.0)
Finance	109.0	105.1	(3.9)
Service Development	31.0	32.0	1.0
Planning & Engagement	71.5	71.5	0.0
Enterprise Strategy	97.5	104.0	6.5
People	79.7	58.2	(21.5)
Totals	2,700.9	2,647.5	(53.4)



2021 Operating Budget by Office, Cost Center, Category & FTE

Operations



The Operations Office is comprised of six service units spread out across our system as well as our Public Safety Department and Asset Management (Engineering & Support Maintenance).

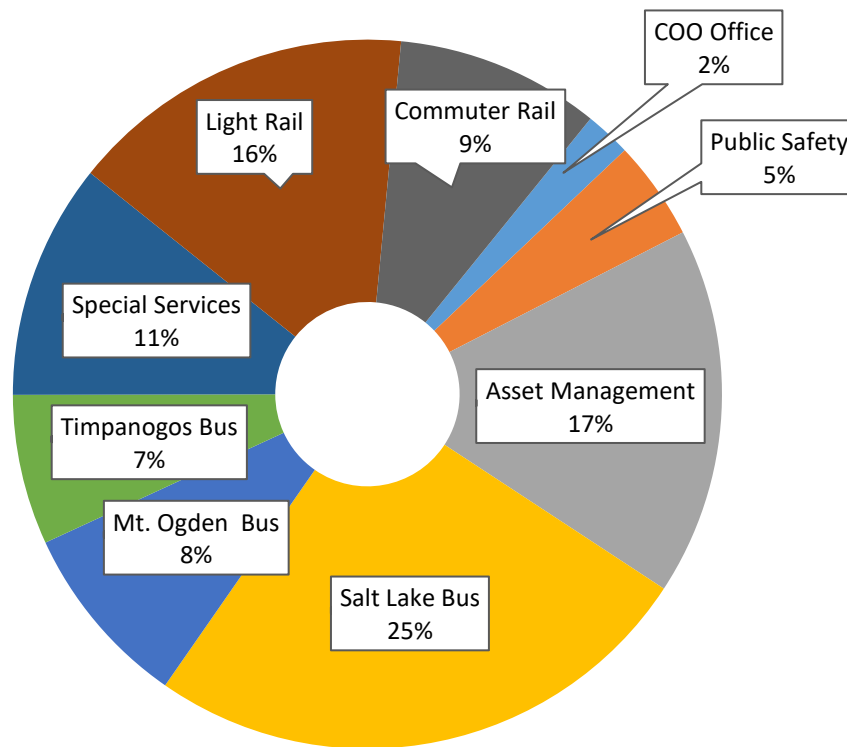
UTA Operations provides the following to make the UTA System work:

- *Service Operations.* Operate buses, light rail, commuter rail, vanpool, and paratransit services across the UTA service area in a safe and efficient manner.
- *Maintenance Services.* Maintain the buses, rail cars and rail right of way to allow the safe and comfortable operation of services to UTA’s customers.
- *Operations Planning.* Operations planners partner with the service planners on designing and operationalizing the service plan in a way that aligns with our focus areas of Service, People and Stewardship.
- *Public Safety.* UTA has an internal police department focused on keeping our community, our riders and our employees safe. Our police also engage in community service and support our local authorities.



2021 Proposed Operations Budget

Expenses: \$257.2M



Key Budget Changes:

- Reduced miles and hours
- Increase non-departmental by \$4.4 million to fund emerging needs
- Increased rail cleaning contract \$334K
- Increased Light Rail Maintenance parts budget \$1.3M
- Operationalized Light Rail overhaul labor cost \$3M
- Increased MOW overtime due to RWIC responsibilities \$170K
- Net Decrease in FTE 33 due to reduced service levels



2021 Proposed Operations Budget Expenses by Department

Category	2020 Amended Budget	2021 Proposed Budget	Change FY20 – FY21
COO Office	\$11,698,488	\$12,558,068	\$859,580
Asset Management	39,504,307	42,329,442	2,825,134
Salt Lake Bus	65,516,696	65,624,238	107,542
Mt. Ogden Bus	22,404,996	21,838,431	(566,565)
Timpanogos Bus	18,239,979	17,671,215	(568,764)
Special Services	28,185,337	27,756,446	(428,891)
Light Rail	38,092,266	40,775,968	2,683,702
Commuter Rail	26,005,780	24,044,553	(1,961,227)
Non-Departmental	132,446	4,562,491	4,430,045
Totals	\$249,780,296	\$257,160,852	\$7,380,556

Key Initiatives:

- Partner with Service Planning to identify and enhance essential service routes
- Begin implementation of Rail Maintenance Apprenticeship programs
- Navigate new normal (maintain situational awareness, monitor performance, and adjust as required)
- Provide efficient and effective service in regards to ridership, cost, and reliability and minimizing service interruptions (KPI's)
- Ensure safe and secure system with emphasis on avoidable accidents and police presence (KPI's)
- Finalize Commuter Rail replacement/rehab plan and develop long-term replacement strategy for SD100 and SD160 light rail fleets
- Initiate an Asset Management Committee to ensure alignment between long range plans, state of good repair priorities, and financial forecast



2021 Proposed Operations Budget Expenses by Category

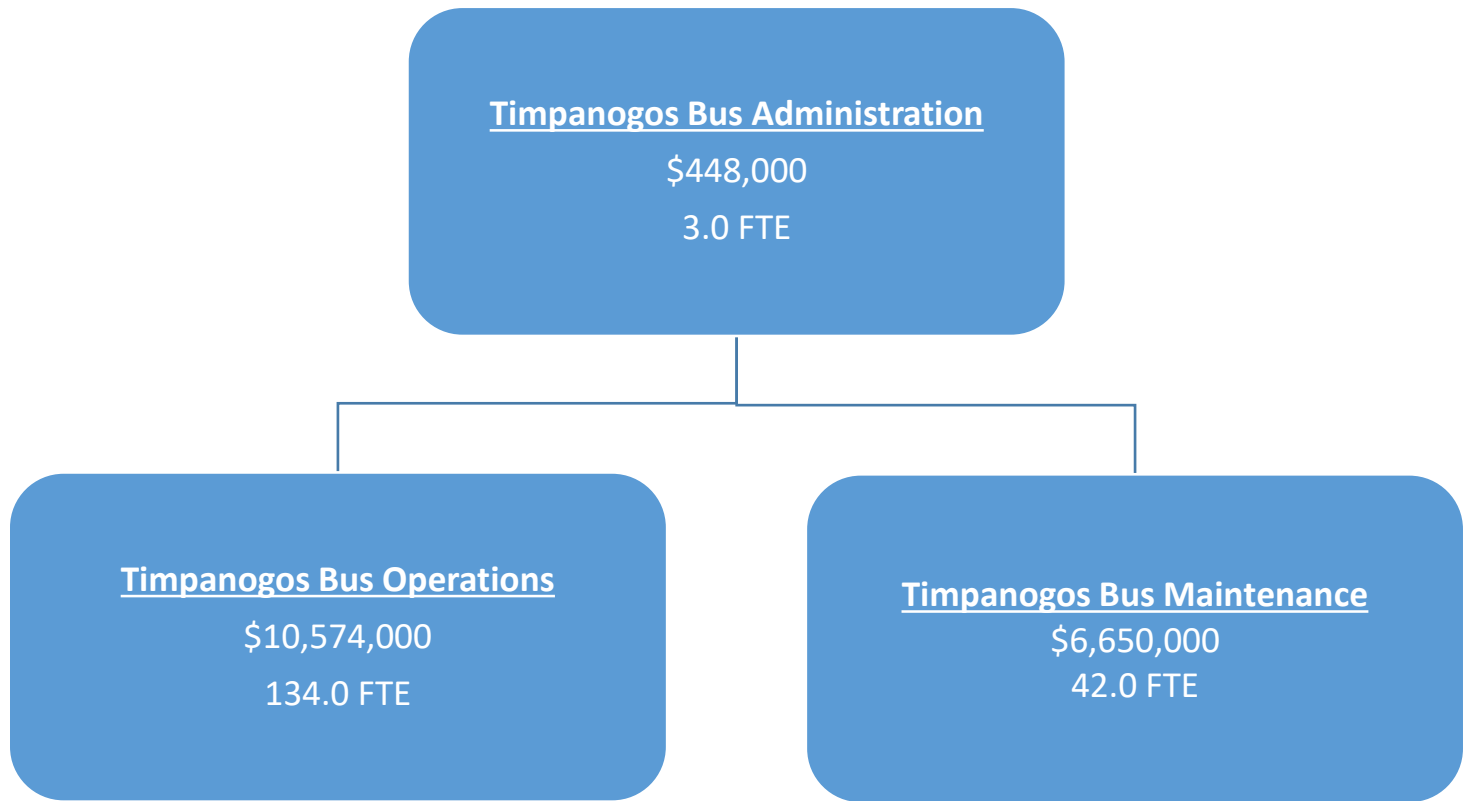
Category	2020 Amended Budget	2021 Proposed Budget	Change FY20 – FY21
Wages	\$127,105,830	\$127,882,484	0.6%
Fringe	60,775,635	62,516,781	2.9%
Services	12,542,532	14,570,675	16.2%
Fuel	20,214,325	15,813,103	(21.8)%
Parts	19,472,143	20,442,354	5.0%
Utilities	11,172,180	11,162,053	(0.1)%
Non-Departmental	145,446	4,562,491	3,036.9%
Capitalized Costs	(10,496,754)	(8,427,602)	19.7%
Other O&M	8,848,958	8,638,513	(2.4)%
Totals	\$249,780,296	\$257,160,852	3.0%

Operations FTE Summary: 2020 Budget and 2021 Proposed Budget

	2020 Budget	2021 Proposed	Change	Reason
COO Office	2.0	2.0	0.0	
Public Safety	109.7	110.7	1.0	
Asset Management	234.0	242.0	8.0	
Salt Lake Bus	727.5	720.0	(7.5)	
Mt. Ogden Bus	235.0	230.0	(5.0)	
Timpanogos Bus	183.0	179.0	(4.0)	
Special Services	219.0	215.0	(4.0)	
Light Rail	365.0	359.0	(6.0)	
Commuter Rail	183.5	168.0	(15.5)	
Totals	2,258.7	2,225.7	(33.0)	



Timpanogos Service Unit



2021 Proposed Timpanogos Operating Budget Expenses by Department

Category	2020 Amended Budget	2021 Proposed Budget	Change FY20 – FY21
Timp Administration	\$439,560	\$447,693	\$8,133
Timp Operations	10,762,272	10,573,829	(188,443)
Timp Maintenance	7,038,147	6,649,693	(388,454)
Totals	\$18,239,979	\$17,671,215	\$(568,764)

2021 Proposed Timpanogos Operating Budget Expenses by Category

Category	2020 Amended Budget	2021 Proposed Budget	Change FY20 – FY21
Wages	\$9,791,460	\$9,799,692	0.1%
Fringe	4,866,576	4,817,377	(1.0)%
Services	107,370	131,495	22.5%
Fuel	2,189,260	1,738,621	(20.6)%
Parts	700,719	651,495	(7.0)%
Utilities	190,261	158,202	(16.9)%
Other O&M	394,333	374,333	(5.1)%
Totals	\$18,239,979	\$17,671,215	(3.1)%



Timpanogos FTE Summary: 2020 Budget and 2021 Proposed Budget

	2020 Budget	2021 Proposed	Change	Reason
Timp Administration	3.0	3.0	0.0	
Timp Operations	140.0	134.0	(6.0)	
Timp Maintenance	40.0	42.0	2.0	
Totals	183.0	179.0	(4.0)	Reduced service

Key Budget Changes:

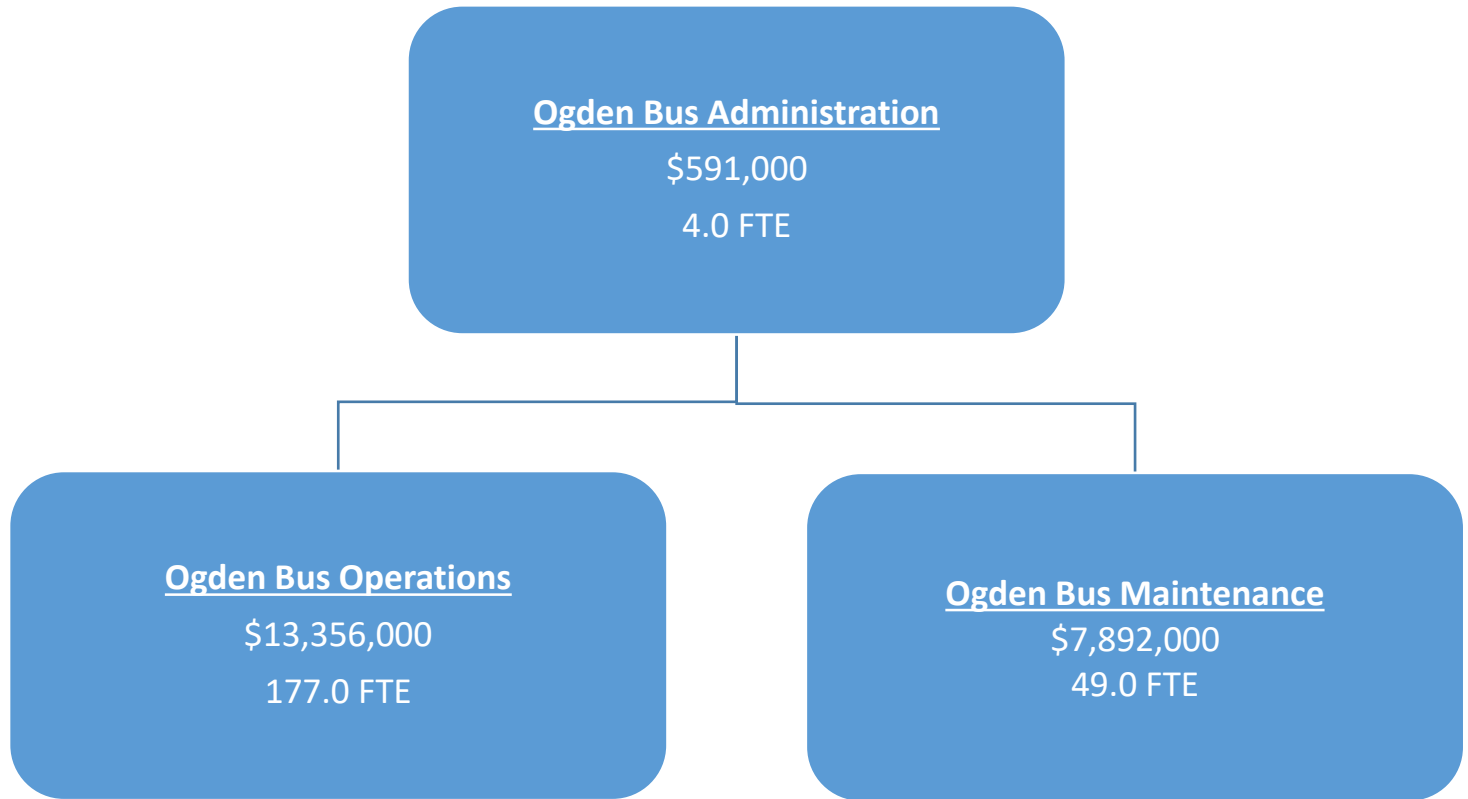
- Reduced Miles & Hours
 - 199K fewer miles
 - 19.5K fewer hours
- Net Decrease in 4 FTE

Key Initiatives:

- Central corridor Transit Project/Environmental Study
 - Bus Rapid Transit - Lehi to Provo
- Increased employee involvement and training
- Partner with CSDO on service recovery plans, future studies and implementation
 - Point of the Mountain/Central Corridor Coordination
 - South Utah County Transit Study
 - Saratoga Springs/Eagle Mountain Study



Ogden Service Unit



2021 Proposed Mt. Ogden Operating Budget Expenses by Department

Category	2020 Amended Budget	2021 Proposed Budget	Change FY20 – FY21
Ogden Administration	\$487,002	\$590,920	\$103,918
Ogden Operations	13,532,596	13,355,563	(177,033)
Ogden Maintenance	8,385,398	7,891,948	(493,450)
Totals	\$22,404,996	\$21,838,431	\$(566,565)

2021 Proposed Mt. Ogden Operating Budget Expenses by Category

Category	2020 Amended Budget	2021 Proposed Budget	Change FY20 – FY21
Wages	\$12,299,788	\$12,201,833	(0.8)%
Fringe	5,855,352	6,115,681	4.4%
Services	186,000	212,050	14.0%
Fuel	2,624,713	2,029,256	(22.7)%
Parts	749,325	652,875	(12.9)%
Utilities	14,000	12,700	(9.3)%
Other O&M	675,818	614,036	(8.9)%
Totals	\$22,404,996	\$21,838,431	(2.5)%



Mt. Ogden FTE Summary: 2020 Budget and 2021 Proposed Budget

	2020 Budget	2021 Proposed	Change	Reason
Ogden Administration	3.0	4.0	1.0	
Ogden Operations	185.0	177.0	(8.0)	
Ogden Maintenance	47.0	49.0	2.0	
Totals	235.0	230.0	(5.0)	Reduced Service

Key Budget Changes:

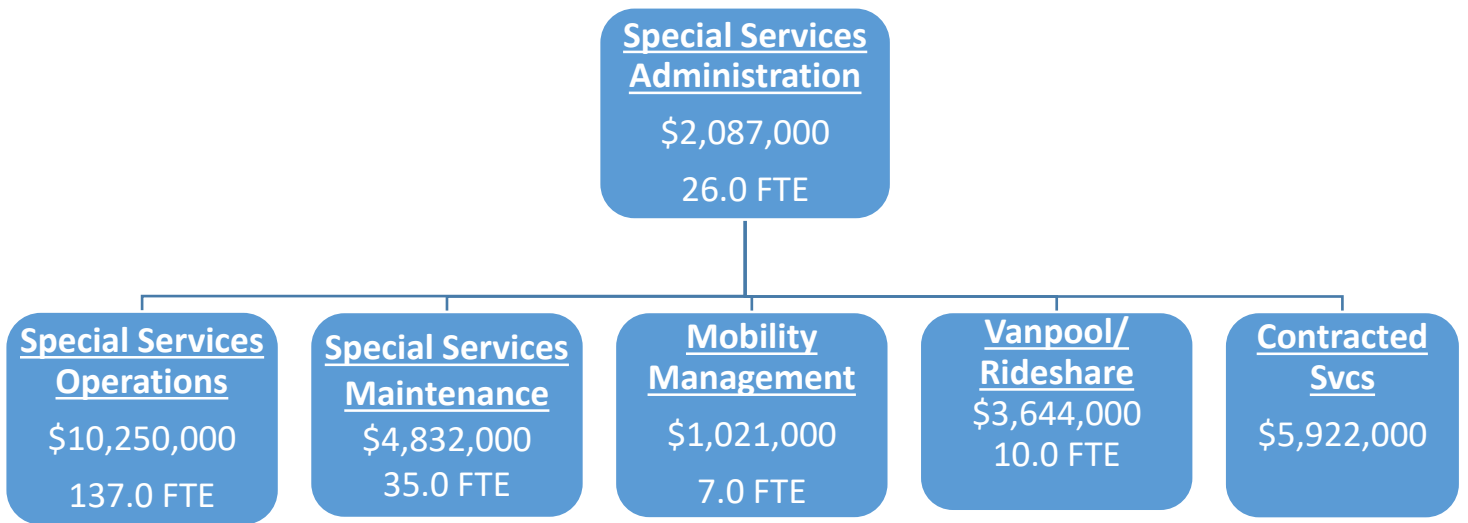
- Reduced Miles & Hours
 - 756K fewer miles
 - 25 K fewer hours
- Net Decrease in 5 FTE

Key Initiatives:

- Continue Covid-19 recovery efforts
- Prepare for Ogden/WSU BRT opening
- Partner with Service Planning on service recovery plan and implementation
- Meet all COO KPI's providing efficient, safe, and reliable service
- Renew focus on customer service and employee engagement to help restore customer confidence



Special Services Service Unit



2021 Proposed Special Services Operating Budget Expenses by Department

Category	2020 Amended Budget	2021 Proposed Budget	Change FY20 – FY21
Special Svcs Administration	\$2,034,964	\$2,087,229	\$52,265
Special Svcs Operations	10,728,252	10,250,052	(478,200)
Special Svcs Maintenance	5,199,707	4,832,223	(367,484)
Vanpool/Rideshare	3,298,190	3,644,685	346,495
Mobility Management	1,276,863	1,020,616	(256,247)
Contracted Services	5,647,361	5,921,641	274,280
Totals	\$28,185,337	\$27,756,446	\$(428,891)

2021 Proposed Special Services Operating Budget Expenses by Category

Category	2020 Amended Budget	2021 Proposed Budget	Change FY20 – FY21
Wages	\$11,486,900	\$11,292,000	(1.7)%
Fringe	5,790,708	5,714,587	(1.3)%
Services	6,684,703	6,526,537	(2.4)%
Fuel	2,209,988	2,228,769	0.8%
Parts	357,697	325,504	(9.0)%
Supplies	129,447	114,976	(11.2)%
Other O&M	1,525,894	1,554,073	1.8%
Totals	\$28,185,337	\$27,756,446	(1.5)%



Special Services FTE Summary

2020 Budget and 2021 Proposed Budget

	2020 Budget	2021 Proposed	Change	Reason
Special Services Administration	26.0	26.0	0.0	
Special Services Operations	142.0	137.0	(5.0)	
Special Services Maintenance	34.0	35.0	1.0	
Vanpool/Rideshare	10.0	10.0	0.0	
Mobility Management	7.0	7.0	0.0	
Totals	219.0	215.0	(4.0)	Reduced Service

Key Budget Changes:

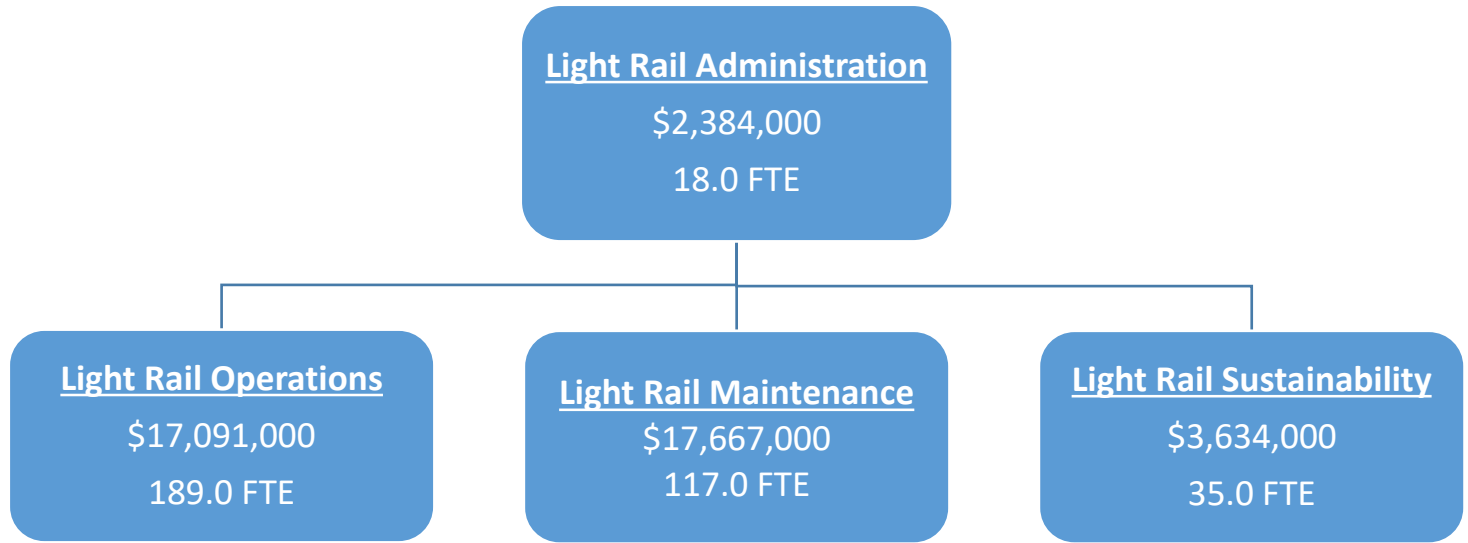
- Reduced Miles & Hours
 - 536K fewer miles
 - 21.5K fewer hours
- Net Decrease in 3 FTE
- Increase Vanpool insurance \$183K
- Increase Paratransit contract services \$575K

Key Initiatives:

- Explore Vanpool insurance alternatives
- Implement comprehensive transportation plan for people with disabilities and seniors
- Perform cost analysis and determine feasibility of insourcing Paratransit operations in the Northern/Southern service areas
- Purchase and implement Trapeze Mobility Management Software



Light Rail Service Unit



2021 Proposed Light Rail Operating Budget Expenses by Department

Category	2020 Amended Budget	2021 Proposed Budget	Change FY20 – FY21
Light Rail Administration	\$2,668,795	\$2,384,438	\$(284,357)
Light Rail Operations	17,440,820	17,090,669	(350,151)
Light Rail Maintenance	17,272,992	17,666,812	393,820
Light Rail Sustainability	709,659	3,634,049	2,924,390
Totals	\$38,092,266	\$40,775,968	\$2,683,702

2021 Proposed Light Rail Operating Budget Expenses by Category

Category	2020 Amended Budget	2021 Proposed Budget	Change FY20 – FY21
Wages	\$23,426,894	\$22,740,839	(2.9)%
Fringe	10,731,372	10,856,491	1.2%
Services	1,294,855	1,377,972	6.4%
Fuel	117,064	66,910	(42.8)%
Parts	9,851,253	11,209,830	13.8%
Supplies	917,872	763,635	(16.8)%
Capitalized Costs	(8,849,145)	(6,773,450)	23.5%
Other O&M	602,101	533,741	(11.4)%
Totals	\$38,092,266	\$40,775,968	7.0%



Light Rail FTE Summary: 2020 Budget and 2021 Proposed Budget

	2020 Budget	2021 Proposed	Change	Reason
Light Rail Administrative	20.0	18.0	(2.0)	
Light Rail Operations	193.0	189.0	(4.0)	
Light Rail Maintenance	117.0	117.0	0.0	
Rail Sustainability	35.0	35.0	0.0	
Totals	365.0	359.0	(6.0)	Reduced Service

Key Budget Changes:

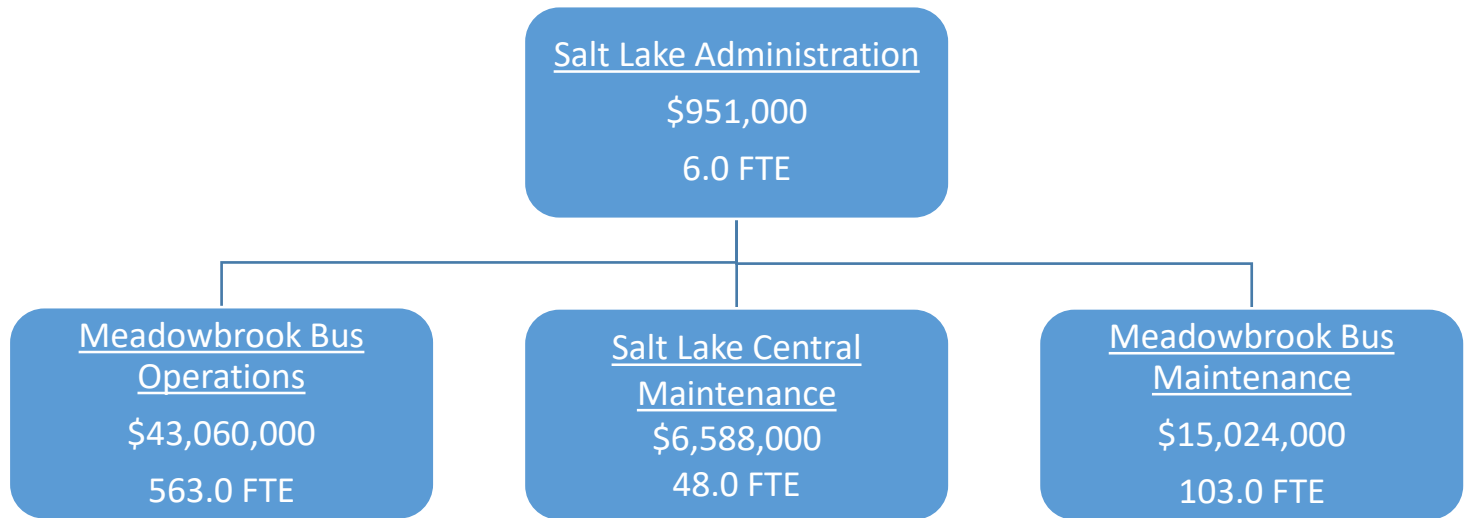
- Reduced Hours
 - 44K fewer hours
- Net Decrease in 6 FTE
- Operationalized overhaul labor budget—transferred funding from capital \$3M
- Increased services contract budget for enhanced cleaning \$200K
- Increased Maintenance parts budget \$1.3M

Key Initiatives:

- Support airport start up
- Complete Light Rail seat replacement project
- Begin implementation of Light Rail Maintenance Apprenticeship Program
- Initiate campaign to improve 200 S & 400 W Curves
- GPS activated noise (wheel squeal) mitigation system- Future plans for system-wide sensor design
- Continue Light Rail overhaul program
- Conduct campaigns to minimize weather-related delays
- Investigate use of HVAC UV lights and pursue funding source



Salt Lake Service Unit



2021 Proposed Salt Lake Operating Budget Expenses by Department

Category	2020 Amended Budget	2021 Proposed Budget	Change FY20 – FY21
Salt Lake Administration	\$1,071,699	\$950,796	\$(120,903)
Salt Lake Operations	41,831,952	43,060,256	1,228,304
Salt Lake Maintenance	22,613,045	21,613,186	(999,859)
Totals	\$65,516,696	\$65,624,238	\$107,542

2021 Proposed Salt Lake Operating Budget Expenses by Category

Category	2020 Amended Budget	2021 Proposed Budget	Change FY20 – FY21
Wages	\$36,869,224	\$37,454,487	1.6%
Fringe	18,116,528	19,157,588	5.7%
Services	366,387	521,288	42.3%
Fuel	5,985,192	4,732,408	(20.9)%
Parts	2,367,080	2,066,882	(12.7)%
Supplies	513,364	472,626	(7.9)%
Other O&M	1,298,921	1,218,959	(6.2)%
Totals	\$65,516,696	\$65,624,238	0.2%



Salt Lake FTE Summary: 2020 Budget and 2021 Proposed Budget

	2020 Budget	2021 Proposed	Change	Reason
Salt Lake Administration	7.0	6.0	(1.0)	
Salt Lake Operations	577.0	563.0	(14.0)	
Salt Lake Maintenance	143.5	151.0	7.5	
Totals	727.5	720.0	(7.5)	Reduced Service

Key Budget Changes:

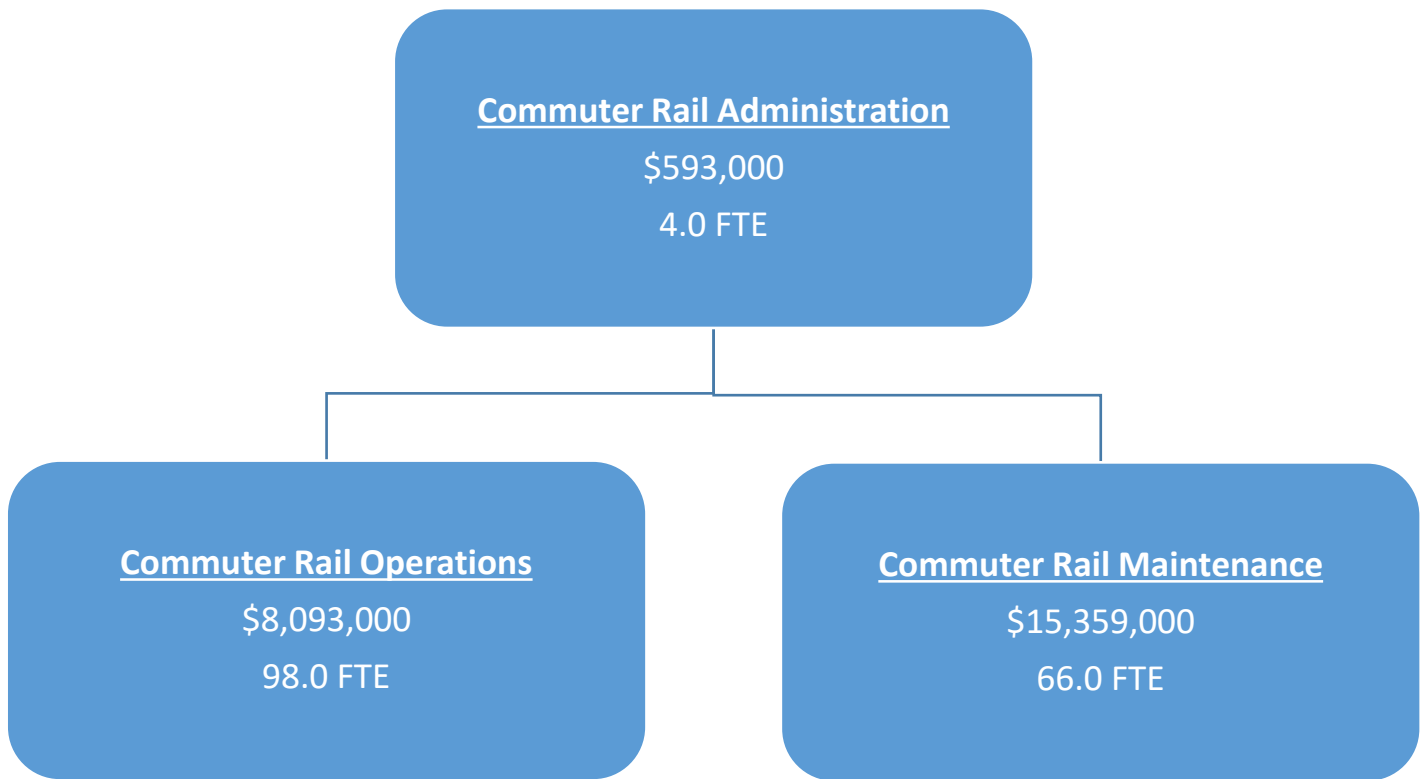
- Reduced Miles and Hours
 - 756K fewer miles
 - 25K fewer hours
- Net Decrease in 7.5FTE
- Increase Contract Services \$115K for Camera System

Key Initiatives:

- Continue Covid-19 Recovery
- Implement Supervisor development/training – succession planning
- Partner with Service Planning on service recovery plan and implementation
- Complete Meadowbrook Maintenance Bldg (three bay expansion)
- Electric buses
- Continue to fine tune electric bus processes in preparation for additional buses
- Airport TRAX bus bridge



Commuter Rail Service Unit



2021 Proposed Commuter Rail Operating Budget Expenses by Department

Category	2020 Amended Budget	2021 Proposed Budget	Change FY20 – FY21
Com. Rail Administration	\$633,252	\$592,870	\$(40,382)
Com. Rail Operations	8,486,175	8,092,897	(393,278)
Com. Rail Maintenance	16,886,353	15,358,786	(1,527,567)
Totals	\$26,005,780	\$24,044,553	\$(1,961,227)

2021 Proposed Commuter Rail Operating Budget Expenses by Category

Category	2020 Amended Budget	2021 Proposed Budget	Change FY20 – FY21
Wages	\$10,527,301	\$10,164,208	(3.4)%
Fringe	4,554,576	4,632,927	1.7%
Services	619,039	755,679	22.1%
Fuel	6,583,013	4,533,989	(31.1)%
Parts	3,702,080	3,670,264	(0.9)%
Supplies	465,217	480,203	3.2%
Capitalized Costs	(635,609)	(444,152)	30.1%
Other O&M	190,163	251,435	32.2%
Totals	\$26,005,780	\$24,044,553	(7.5)%



Commuter Rail FTE Summary: 2020 Budget and 2021 Proposed Budget

	2020 Budget	2021 Proposed	Change	Reason
Com. Rail Administrative	5.0	4.0	(1.0)	
Com. Rail Operations	113.5	98.0	(15.5)	
Com. Rail Maintenance	65.0	66.0	1.0	
Totals	183.5	168.0	(15.5)	Reduced Service

Key Budget Changes:

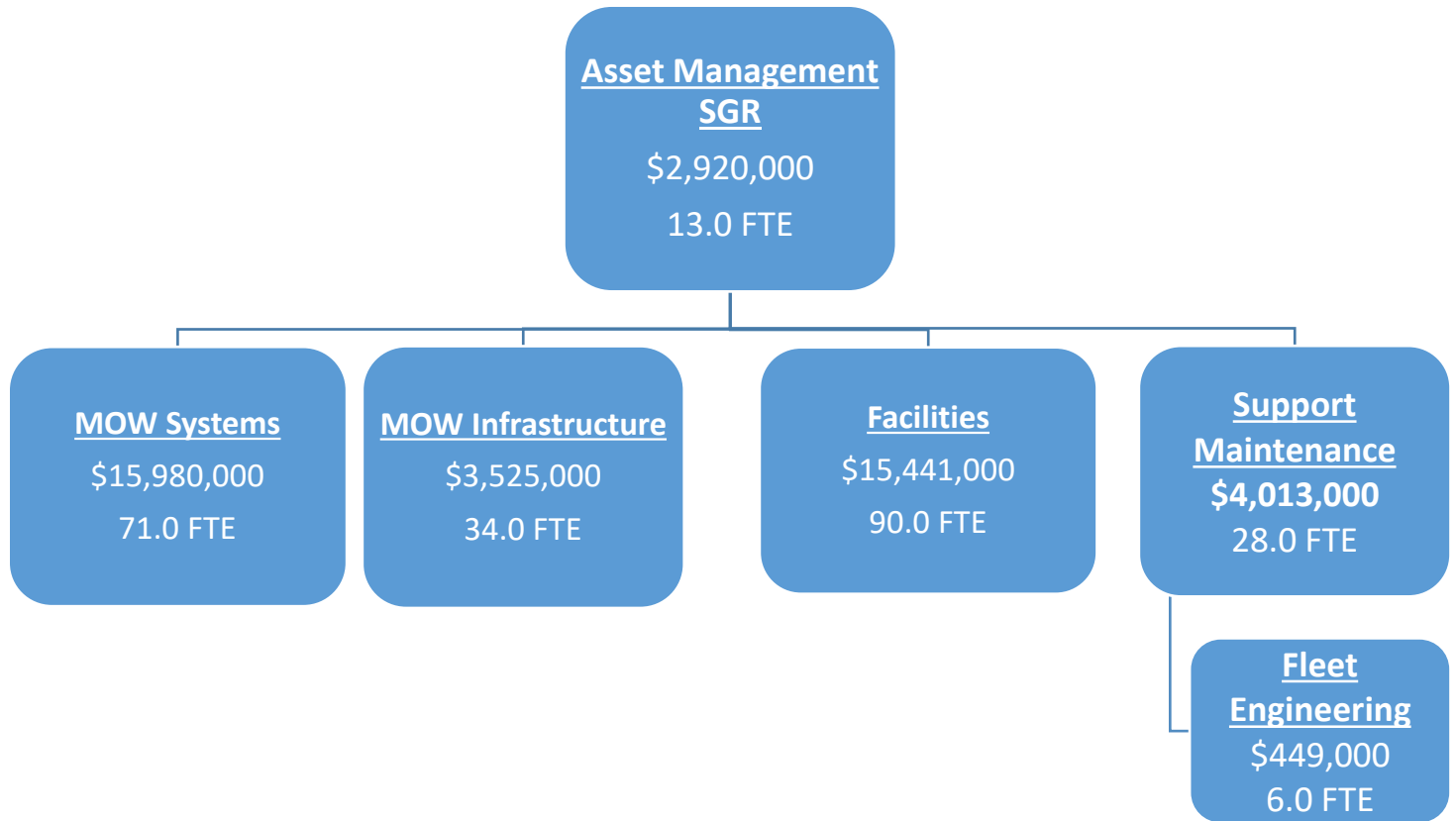
- Reduced Miles and Hours
 - 317K fewer miles
 - 10K fewer hours
- Net Decrease in 15 FTE
- Increase Contract Services \$134K for enhanced cleaning

Key Initiatives:

- Continue locomotive overhaul
- Complete four locomotives annually
- Establish long-term car replacement/overhaul program plan
- Begin implementation of CR Maintenance Apprenticeship Program
- Vineyard Station Implementation
- Implementing use of HVAC UV lights
- Support Future of FrontRunner Objectives



Asset Management Service Unit



2021 Proposed Asset Management Operating Budget Expenses by Department

Category	2020 Amended Budget	2021 Proposed Budget	Change FY20 – FY21
Support Maintenance	\$3,890,934	\$4,013,619	\$122,685
Fleet Engineering	437,290	448,565	11,275
Asset Management- SGR	1,125,924	2,920,552	1,794,628
Facilities	15,227,913	15,441,426	213,513
MOW - Systems	15,538,974	15,979,880	440,905
MOW - Infrastructure	3,283,272	3,525,400	242,128
Totals	\$39,504,307	\$42,329,442	\$2,825,134

2021 Proposed Asset Management Operating Budget Expenses by Category

Category	2020 Amended Budget	2021 Proposed Budget	Change FY20 – FY21
Wages	\$15,495,343	\$16,639,133	7.4%
Fringe	7,247,239	7,613,599	5.1%
Services	3,058,850	4,815,534	57.4%
Parts	1,876,200	2,002,692	6.7%
Supplies	1,303,490	733,250	(43.7)%
Utilities	10,827,830	10,773,069	(0.5)%
Capitalized Costs	(1,012,000)	(1,210,000)	19.6%
Other O&M	707,355	962,165	36.0%
Totals	\$39,504,307	\$42,329,442	7.2%



Asset Management FTE Summary: 2020 Budget and 2021 Proposed Budget

	2020 Budget	2021 Proposed	Change	Reason
Support Maintenance	27.00	28.00	1.0	
Fleet Engineering	6.00	6.00	0.0	
Asset Mgt SGR	8.00	13.00	5.0	Support SGR/Maintenance
Facilities	89.00	90.00	1.0	Bus Stop Support
MOW Systems	71.00	71.00	1.0	Vineyard
MOW Infrastructure	33.00	34.00	1.0	
Totals	234.00	242.00	8.0	SGR/Maintenance

Key Budget Changes:

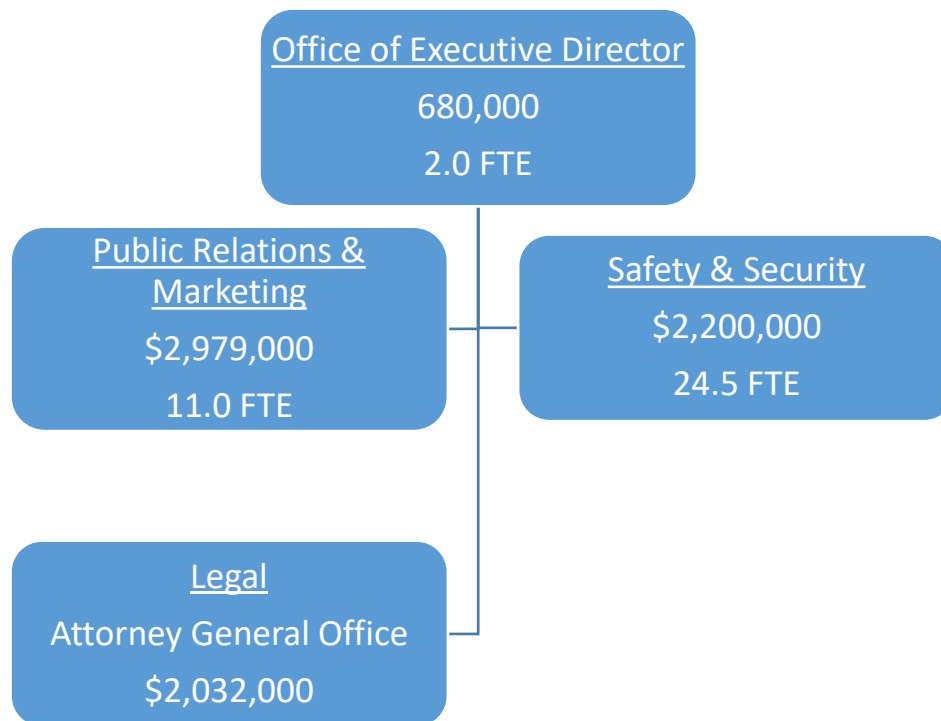
- Increased MOW parts \$100K for increased maintenance on FrontRunner and Trax
- Increased 6 FTE
- Increased contract services \$1.5M for additional maintenance and state of good repair support
- Moved systems engineering team from MOW to SGR to consolidate SGR project management team. Neutral impact

Key Initiatives:

- Develop SGR metrics to track budget needs, backlog, and completed projects
- Begin implementation of MOW apprenticeship training program
- Implement electronic tracking of facilities and MOW inspections, preventative maintenance activities, and repair activities
- Develop long-term replacement strategy for SD100 and SD160 light rail fleets
- Develop plan to right size MOW, Facilities, and Body Shop to keep up with expanded needs
- Update TAM plan and TAM policies within UTA for a coordinated asset management approach



Executive Director



The Executive Director focuses internally on running the day to day organization. The Executive Director sets the annual strategies, initiatives and goals for the Agency and partners with each Executive Office to fulfill UTA's mission.

UTA Executive Office provides the following to make the UTA System work:

- Executive Director. Provides leadership and daily management to UTA's workforce.
- In addition to the six chief offices, the Executive Director also oversees the following departments:
 - *Safety & Security*. Focused on UTA wide safety and security practices and regulations are met.
 - *Legal*. Works directly with our inhouse representation from the Attorney General's Office.
 - *Public Relations and Marketing*. Coordinates, directs and implements public relations and marketing of our products and services as well as internal communications.



2021 Executive Director Operating Budget Expenses by Division

	FY 2020 Budget	FY 2021 Budget	Change
Executive Director	\$930,234	\$680,432	\$(249,802)
Legal	2,004,880	2,031,752	26,872
Public Relations & Mktg	2,877,952	2,978,779	100,827
Safety & Security	2,098,785	2,200,008	101,223
Total Division	\$7,911,851	\$7,890,971	\$(20,880)

2021 Executive Director Operating Budget Expenses by Category

	FY 2020 Budget	FY 2021 Budget	% Change
Wages	\$2,516,016	\$2,599,152	3.3%
Fringe	956,820	994,857	4.0%
Services	3,094,080	3,351,700	8.3%
Media	605,000	605,000	0.0%
Other O&M	739,935	340,262	(54.0)%
Total Group	\$7,911,851	\$7,890,971	(0.3)%

Also, under the purview of the Executive Director is the non-departmental cost center which has \$2 million proposed in this budget to fund emerging needs as the region continues to react to and recover from the pandemic.

	FY 2020 Budget	FY 2021 Budget	Change
Non-Departmental	1,500,478	2,000,000	33.3%



Executive Director FTE Summary: 2020 Budget and 2021 Proposed Budget

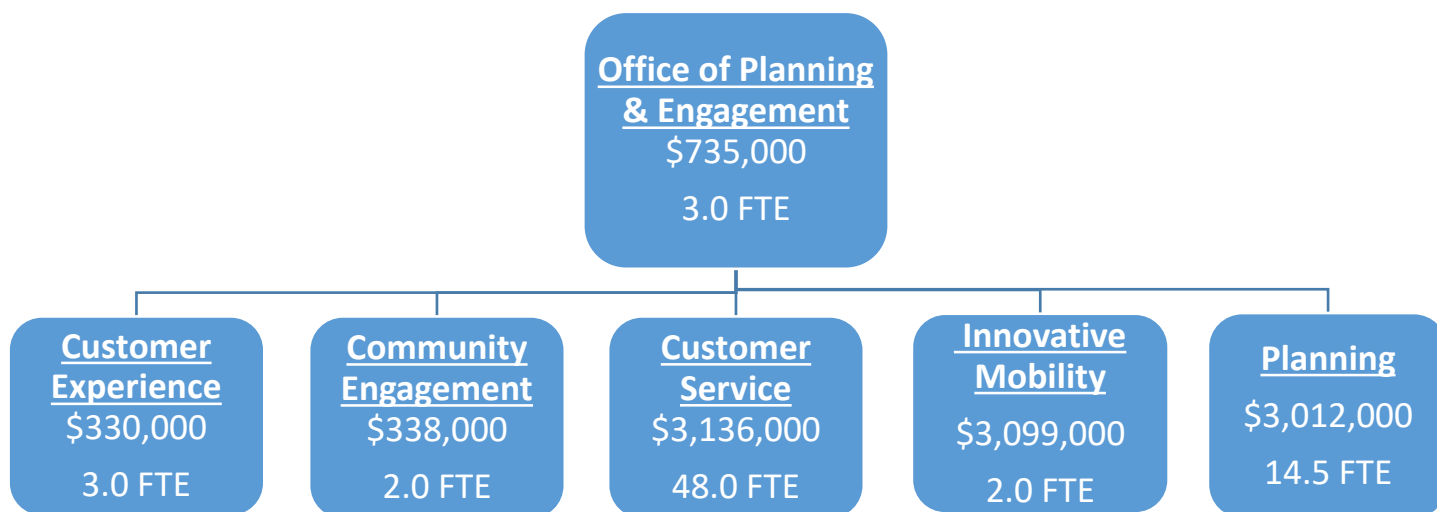
	2020 Budget	2021 Proposed	Change	Reason
Executive Director	2.0	2.0	0.0	
Legal	0.0	0.0	0.0	
Public Relations & Mktg	11.0	11.0	0.0	
Safety & Security	25.5	24.5	(1.0)	Transfer
Totals	38.5	37.5	(1.0)	

Key Budget Changes:

- Transfer Motivosity for Employee Recognition to Total Rewards (\$390K)
- Increase non-departmental due to COVID-19 uncertainties \$499,522
- Reduce APTA one-time 2020 expense by (\$20K) for hosting



Planning & Engagement



This Office supports UTA's planning and community engagement efforts focused on customer service, customer experience and providing innovative mobility solutions.

UTA Planning & Engagement provides the following to make the UTA System work:

- *Planning.* The Planning Department's role is to ensure that UTA is prepared to meet the needs of the future. This includes working with local governments, regional and state agencies to anticipate future growth and development and find the right transit solutions to meet those needs.
- *Customer Service.* The Customer Service teams provide information about UTA services, receive and process customer feedback, sell UTA fare media and handle the lost and found items found on public transit. We are responsible to ensure that customers can maneuver throughout the service areas with confidence in our service districts and service types.
- *Community Engagement.* This team serves as a trusted resource and a catalyst for effective partnerships with our riders, key stakeholders, and community. Act as a facilitator/access point for public hearings and community events/activities.
- *Customer Experience.* Evaluates our system focused on the impact ease of the customer journey. Partners with our service units to ensure consistency across our service area, optimizing our customer experience.
- *Innovative Mobility.* Dedicated to help shape the evolving transportation landscape for the riders and communities we serve by identifying opportunities and testing new ideas that can improve our transit service.



2021 Proposed Planning & Engagement Operating Budget Expenses by Department

Category	2020 Amended Budget	2021 Proposed Budget	Change FY20 – FY21
Chief Planning & Engagement	\$718,726	\$735,064	\$16,338
Service Planning	1,068,512	1,058,247	(10,265)
Planning	2,133,333	1,953,284	(180,049)
Community Engagement	255,120	337,773	82,653
Customer Experience	576,260	330,253	(246,007)
Customer Service	3,132,784	3,135,566	2,782
Innovative Mobility	3,083,029	3,098,852	15,823
Totals	\$10,967,764	\$10,649,039	\$(318,725)

2021 Proposed Planning & Engagement Operating Budget Expenses by Category

Category	2020 Amended Budget	2021 Proposed Budget	Change FY20 – FY21
Wages	\$3,920,176	\$4,007,008	2.2%
Fringe	1,834,752	1,783,533	(2.8)%
Services	4,587,938	4,279,548	(6.7)%
Supplies	319,646	224,840	(29.7)%
Other O&M	305,252	354,110	16.0%
Totals	\$10,967,764	\$10,649,039	(2.9)%



Planning & Engagement FTE Summary: 2020 Budget and 2021 Proposed Budget

	2020 Budget	2021 Proposed	Change	Reason
Planning & Engagement	3.0	3.0	0.0	
Service Planning	8.5	8.5	0.0	
Planning	6.0	6.0	0.0	
Community Engagement	2.0	2.0	0.0	
Customer Experience	3.0	3.0	0.0	
Customer Service	48.0	48.0	0.0	
Innovative Mobility	2.0	2.0	0.0	
Totals	71.5	71.5	0.0	

Key Budget Changes:

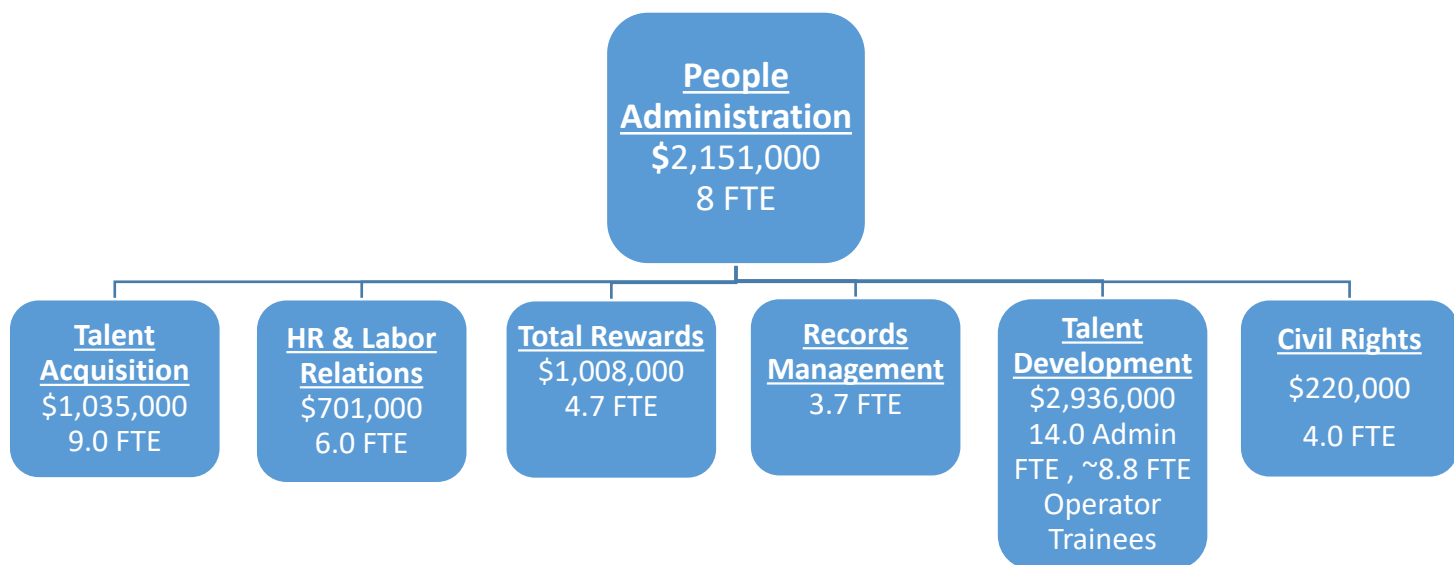
- FTE's remain unchanged
- Overall budget remained neutral
- Majority of line items reduced
- Added funds to the Dues and Memberships line item to enhance participation in chambers and community organizations: +\$25K

Key Initiatives:

- Complete RFP for on-demand services and innovative technology that can be used for key service integration
- Prepare a regional transit market analysis for the Point of the Mountain/Central Corridor project area
- Build strong community outreach programs with professional groups such as chambers, community agencies and private organizations that strengthen UTA's relationships in the community
- Continue to strengthen relationships and implement programs that help build access to opportunities for low income, transit-dependent and underserved communities



People



The People Office is focused on providing service to our employees through the entire employee life cycle from recruitment to retirement and ensures UTA's employees and leaders have what they need to succeed at accomplishing the Agencies objectives and goals.

UTA People office provides the following to make the UTA System work:

- *HR & Labor Relations:* From daily HR transactions to long-term talent goals, we collaborate with employees and leaders to fulfil the people portion of UTA's business strategies, using deliberate talent management and deployment.
- *Total Rewards:* Manages and administers employee programs such as health & wellness, retirement, and time off.
- *Talent Acquisition:* In partnership with hiring officials, the team analyzes current & future staffing needs and identifies effective strategies for sourcing, recruiting, and onboarding.
- *Talent Development:* An internal resource to UTA providing technical, professional, regulatory/compliance training and leadership development that support the UTA Way.
- *Records Management:* Oversees UTA's records and ensures the Agency is meeting its retention policies.
- *Compensation/Analytics:* Embedded within the People Office are also our Compensation Analyst and Strategic Analyst who focus on use data, best practices and benchmarking to ensure we have competitive and fair pay practices as well as use data for continuously improving our work and impact across the Agency.
- *Civil Rights:* Ensure UTA remains in compliance with all relevant civil rights laws, regulations, standards, and Executive Orders which prohibit discrimination or harassment of employees, applicants, or customers. This office also oversees our ADA & DBE teams.



2021 Proposed People Office Operating Budget Expenses by Department

Category	2020 Amended Budget	2021 Proposed Budget	Change FY20 – FY21
Chief People Officer	2,231,300	2,151,696	(79,604)
Talent Acquisition	1,020,702	1,034,769	14,067
Culture & Talent Development	3,368,384	2,445,506	(922,878)
HR Services & Labor Relations	746,005	701,305	(44,700)
Civil Rights	804,079	583,776	(220,303)
Total Rewards	708,530	1,007,839	299,309
Totals	\$8,879,000	\$7,924,891	\$(954,109)

2021 Proposed People Office Operating Budget Expenses by Category

Category	2020 Amended Budget	2021 Proposed Budget	Change FY20 – FY21
Wages	\$5,050,872	\$4,145,461	(17.9)%
Fringe	1,994,736	1,777,771	(10.9)%
Services	797,603	748,733	(6.1)%
Other O&M	1,035,789	1,252,926	21.0%
Totals	\$8,879,000	\$7,924,891	(10.7)%



People FTE Summary: 2020 Budget and 2021 Proposed Budget

	2020 Budget	2021 Proposed	Change	Reason
Chief People Officer	11.0	11.7	0.7	Transfer Comp Analyst
Talent Acquisition	9.0	9.0	0.0	
Culture & Talent Development	43.0	22.8	(20.2)	225 to 75 HC trainees
HR & LR	6.0	6.0	0.0	
Civil Rights	5.0	4.0	(1.0)	
Total Rewards	5.7	4.7	(1.0)	
Totals	79.7	58.2	(21.5)	

Key Budget Changes:

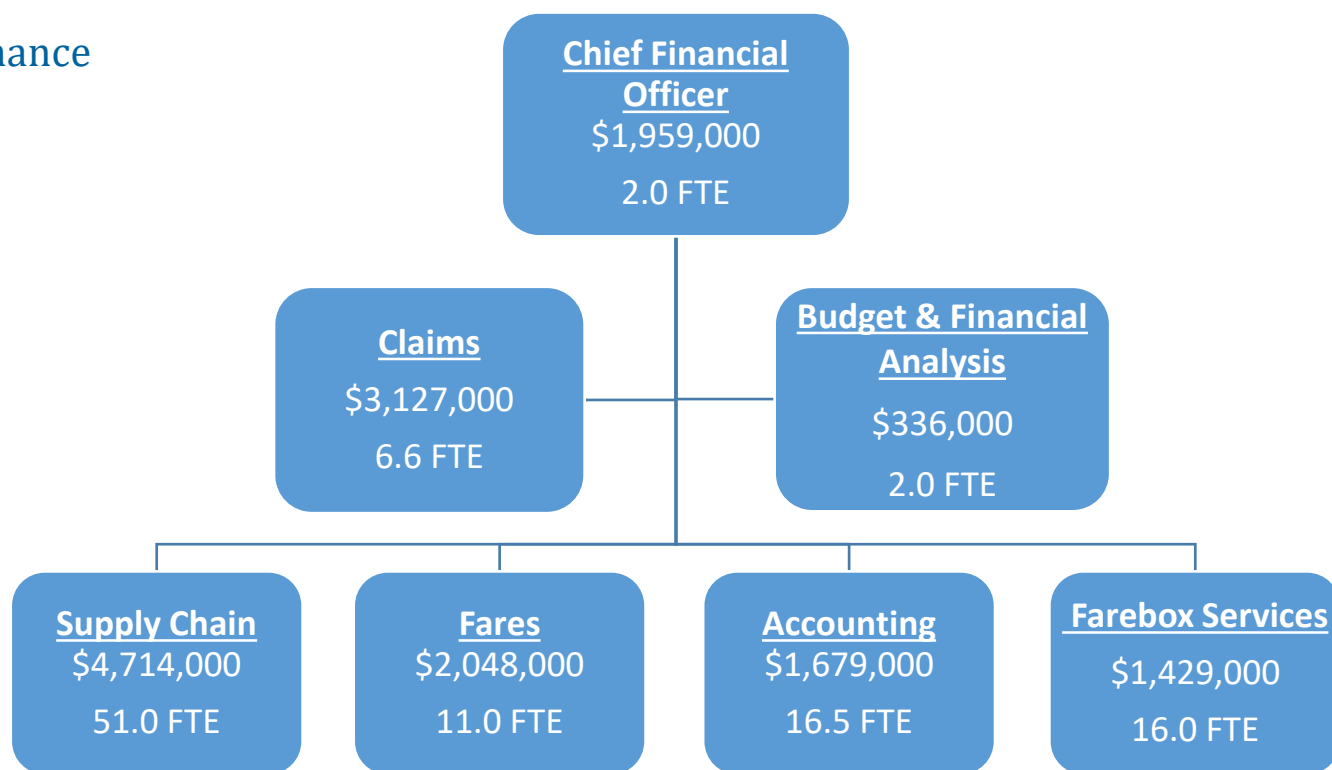
- Reduced \$400K from CPO centralized budget for vacation accrual to decentralized fringe budget throughout the organization
- Repurposed \$250K bus operator trainee wages to Rail Maintenance Apprenticeship Program
- Moved funding for Motivosity from Executive Director budget to Total Rewards - \$300K

Key Initiatives:

- Develop phase 2 of UTA's succession plan and implement training & development opportunities associated with phase 1
- Partner with Rail Maintenance groups to complete design of apprenticeship programs and implement first year modules
- Rollout updated "UTA Way" to include a focus on UTA's Inclusion and Belonging culture
- Implement updated People Management philosophy, to include new performance management tools to better support employee development
- Promote enhanced health and wellness programs to create better opportunities for participation and use of current services
- Develop Employee Value Proposition as an attraction and retention strategy
- Improve employee communications systems



Finance



Finance ensures UTA practices efficient, sound financial and resource management practices and oversees financial controls necessary to support the enterprise. Finance plans, allocates, and manages UTA's financial resources, leads financial risk management/mitigation, audit management, revenue collection, corporate investments, financial contract relationships, and pension fund and debt management.

UTA Finance office provides the following to make the UTA System work:

- *Budget and Financial Analysis.* Responsible for financial analysis, forecasting and planning, budget development, management, and monitoring/reporting on budget execution.
- *Accounting.* Manages payroll operations, accounts payable, accounts receivable, and financial reporting. Accounting is also the owner of the Enterprise Resource Planning system (ERP) – the financial system of record for the agency.
- *Fares.* Responsible for fare policy development, fare reporting and analysis, program administration of contract fares and all activities related to public fares including fare revenue collections and operations.
- *Supply Chain.* Supply Chain manages procurement, contracting, inventory, warranty claims, shipping & receiving, central warehouse operations and production control processes in support of TRAX, FrontRunner and all administrative functions.
- *Claims and Insurance.* Manages risk and exposure for the agency. The Department manages all UTA claims and insurance programs including property damage, workers compensation, Personal Injury Protection and oversees capital development project insurance programs.
- *Farebox Services.* Responsible for processes related to cash collection and processing including cash pick up, handling, reconciliation, and the reporting and tracking of cash. Farebox Services is also responsible for repairing, maintaining, and keeping all fare collection machines in proper working order and a state of good repair.



2021 Proposed Finance Operating Budget Expenses by Department

Category	2020 Amended Budget	2021 Proposed Budget	Change FY20 – FY21
Supply Chain	\$4,511,379	\$4,713,937	\$202,558
Claims & Insurance	3,064,210	3,127,160	62,950
Fares	2,151,227	2,048,060	(103,167)
Accounting	1,682,883	1,678,615	(4,268)
CFO	643,164	529,895	(113,269)
Farebox Services	906,622	1,429,381	522,759
Budget	330,303	336,489	6,186
Totals	\$13,289,788	\$13,863,537	\$573,749

2021 Proposed Finance Operating Budget Expenses by Category

Category	2020 Amended Budget	2021 Proposed Budget	Change FY20 – FY21
Wages	\$6,632,164	\$6,669,010	0.6%
Fringe	3,100,260	2,961,559	(4.5)%
Services	552,458	1,233,588	123.3%
Insurance	2,361,742	2,382,060	0.9%
Other O&M	643,164	617,320	(4.0)%
Totals	\$13,289,788	\$13,863,537	4.3%



Finance FTE Summary: 2020 Budget and 2021 Proposed Budget

	2020 Budget	2021 Proposed	Change	Reason
Supply Chain	51.0	51.0	0.0	
Claims & Insurance	6.6	6.6	0.0	
Fares	15.0	11.0	(4.0)	
Accounting	16.5	16.5	0.0	
CFO	3.0	2.0	(1.0)	
Farebox Services	15.0	16.0	1.0	
Budget & Financial Analysis	2.0	2.0	0.0	
Totals	109.0	105.0	(4.0)	Transfers

Key Budget Changes:

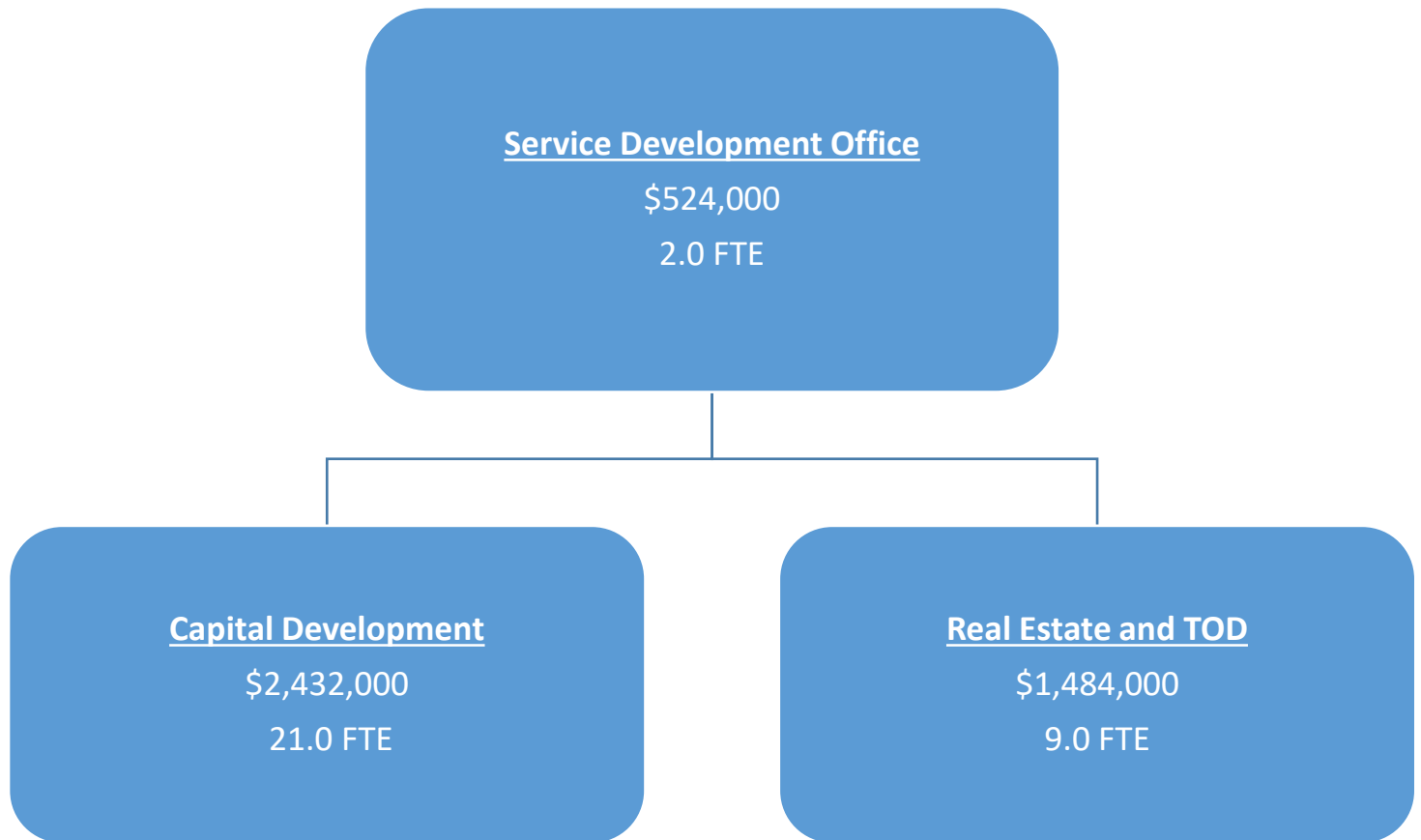
- Increase contractual services \$330K, proposal includes a re-keying of bus cash fare boxes to insure on going security
- Increase contractual services \$100K to improve technology capabilities and streamline requisition to purchase order process at UTA
- Enhance TVM Maintenance with a contracted vendor, shifted 3 FTE to MOW
- Transfer Financial Services Administrator and associated costs to Farebox Services

Key Initiatives:

- Implementing additional cash controls for Farebox Services and TVM Maintenance
- Evaluating technology in Supply Chain buyer area to streamline the bidding and proposal receipt process to reduce time between requisition and receipt of goods and services by departments



Service Development



This office oversees our capital work focused on safety, state of good repair, regulatory and service expansion needs.

UTA Service Development provides the following to make the UTA System work

- *Service Development.* Work to transition projects from the visioning and local planning provided by the Planning Department to the project implementation phase.
- *Project engineering.* Responsible for project design, design review, and project construction management.
- *Environmental, Grants, and Project Controls.* Provide support for all departments on grants development, project controls/reporting, and environmental issues.
- *Real Estate and Transit Oriented Development.* Facilitates the acquisition, lease, management, disposition, and development of all UTA real property. Responsible to protect UTA's real property while generating revenue and upholding UTA's principal objectives.



2021 Proposed Service Development Operating Budget Expenses by Department

Category	2020 Amended Budget	2021 Proposed Budget	Change FY20 – FY21
CSDO Office	\$376,020	\$523,572	\$147,552
Capital Development	2,429,761	2,432,312	2,551
Real Estate	1,504,762	1,484,056	(20,706)
Totals	\$4,310,543	\$4,439,940	\$129,397

2021 Proposed Service Development Operating Budget Expenses by Category

Category	2020 Amended Budget	2021 Proposed Budget	Change FY20 – FY21
Wages	\$2,722,668	\$2,873,676	5.5%
Fringe	1,110,120	1,179,793	6.3%
Services	718,050	850,400	18.4%
Leases	180,500	162,000	(10.2)%
Capitalized Cost	(585,293)	(807,024)	(37.9)%
Other O&M	164,498	181,095	10.1%
Totals	\$4,310,543	\$4,439,940	3.0%



Service Development FTE Summary: 2020 Budget and 2021 Proposed Budget

	2020 Budget	2021 Proposed	Change	Reason
CSDO Office	2.0	2.0	0.0	
Capital Development	20.0	21.0	1.0	Interns
Real Estate	9.0	9.0	0.0	
Totals	31.0	32.0	1.0	

Key Budget Changes:

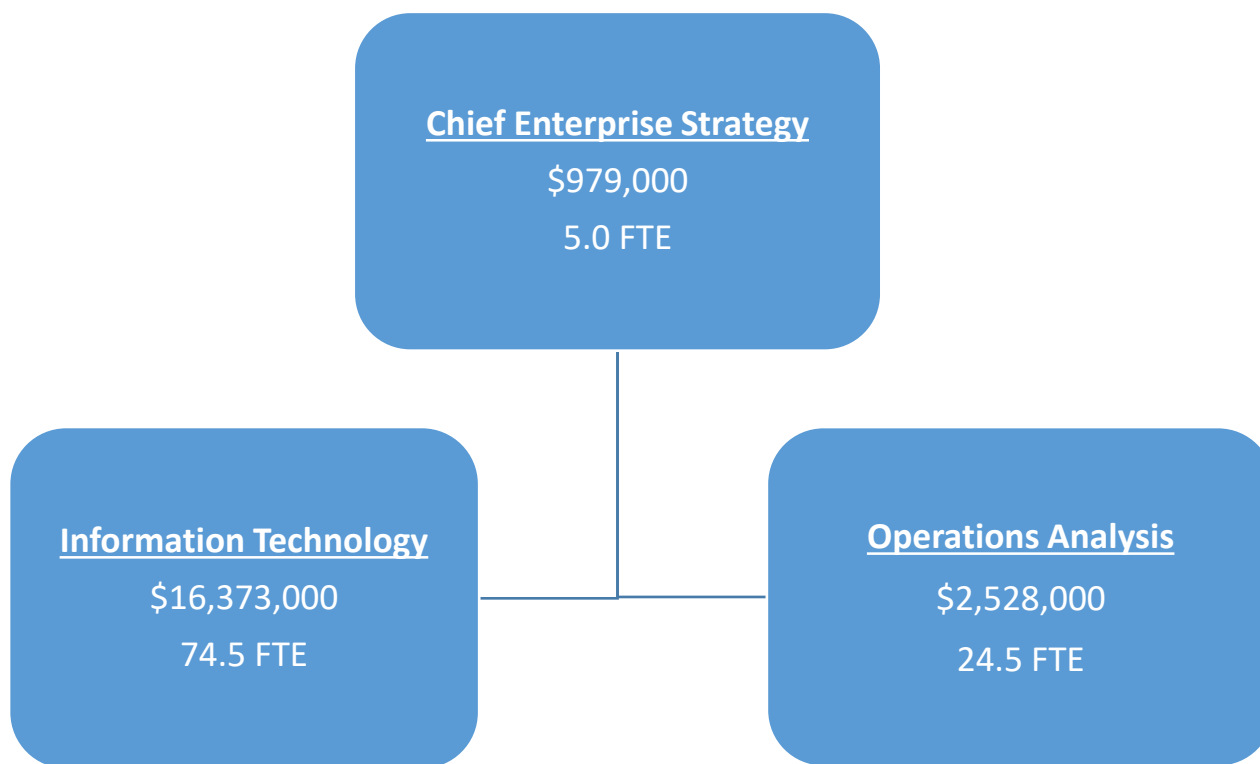
- The overall CSDO budget has gone down slightly between 2020 and 2021
- The increase in the CSDO office budget is due to an increase in fringe benefit costs, and an increase in funding (\$100K) for professional and technical services

Key Initiatives:

- Maintain and enhance partnerships with local and state entities in order to help guide transit decision-making efforts and advance transit projects, including transit-oriented development
- Evaluate future bus fleet options, considering different propulsion modes (diesel, electric, CNG)
- Revisit capital program development process in partnership with Finance office
- Support Salt Lake County's project to place air quality monitors on our battery electric buses
- Develop new financial modeling tools to support development of short and long term Operating and Capital financial plans, financial forecasting, and scenario development
- Develop a 10 year forecast of capital needs to improve safety and regulatory compliance, address SOGR, and implement system enhancements, expansion, and improvements



Enterprise Strategy



This Office brings together an Enterprise wide view of our critical systems that drive Agency performance.

UTA Enterprise Strategy office provides the following to make the UTA System work:

- *Culture & Continuous Improvement*: Oversees the design, development, and deployment of UTA's cultural initiatives and teach continuous improvement tools and concepts which support and align with UTA's culture model- the UTA Way.
- *Information Technology*: Provides ongoing support for and improvements to applications, data network needs, telephone communication, on-board technologies, radio communication, and administrative systems.
- *Operations Analysis & Solutions (OAS)*: OAS focuses on two critical areas: Promoting a data-driven culture and improving client experience in using technology tools to meet day to day business needs.
- *Risk & Policy*: This will be a new area of focus in 2021 to establish an Enterprise Risk Program to help UTA focus on managing and mitigating risk Agency wide. This office will also oversee our Policy committee which will enable a global view of our policies and ensure our polices support our long-term Agency strategies and goals.



2021 Proposed Enterprise Strategy Operating Budget Expenses by Department

Category	2020 Amended Budget	2021 Proposed Budget	Change FY20 – FY21
Chief Enterprise Strategy	\$0	\$978,905	\$978,905
Information Technology	14,834,406	16,373,414	1,539,008
Operations Analysis	\$2,225,095	\$2,528,380	\$303,285
Totals	\$17,059,501	\$19,880,699	\$2,821,198

2021 Proposed Enterprise Strategy Operating Budget Expenses by Category

Category	2020 Amended Budget	2021 Proposed Budget	Change FY20 – FY21
Wages	\$7,963,992	\$8,763,168	10.0%
Fringe	3,183,432	3,536,540	11.1%
Services	4,616,373	5,865,596	27.1%
Other O&M	1,295,704	1,715,395	32.4%
Totals	\$17,059,501	\$19,880,699	16.5%



Enterprise Strategy FTE Summary: 2020 Budget and 2021 Proposed Budget

	2020 Budget	2021 Proposed	Change	Reason
Chief Enterprise Strategy	0.0	5.0	5.0	
Information Systems	75.0	74.5	(0.5)	
Operations Analysis	22.5	24.5	2.0	Support Systems
Totals	97.5	104.0	6.5	Restructure

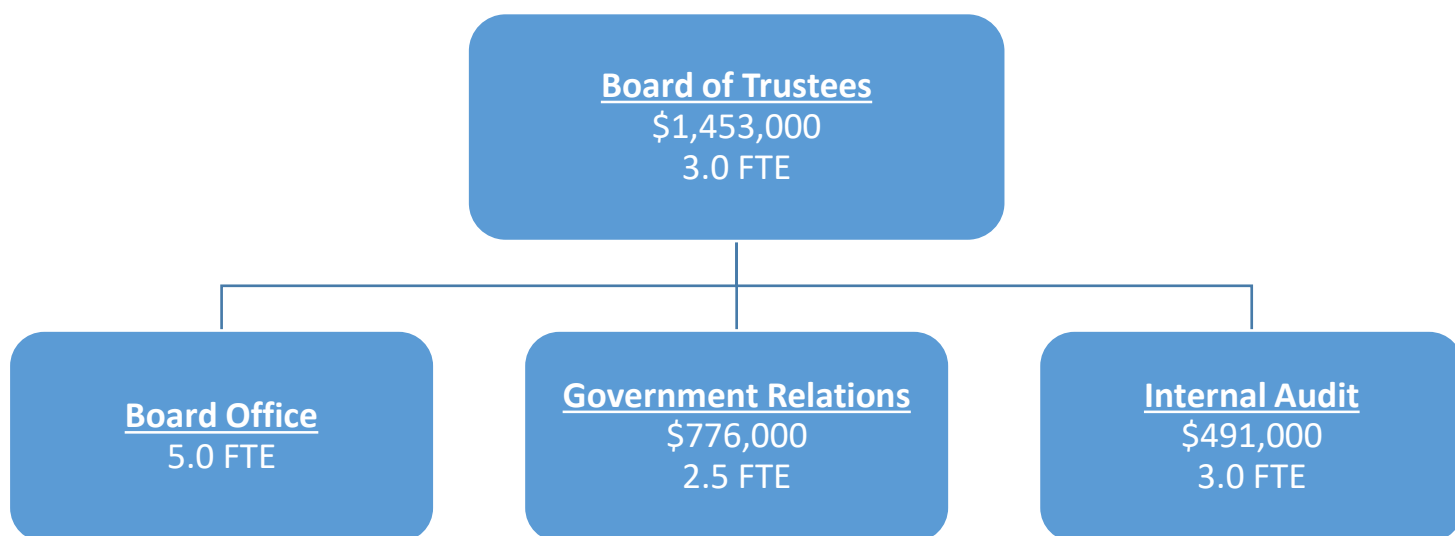
Key Budget Changes:

- Transfer headcount to reflect proposed organizational restructuring
- Increase FTE by 2 in Operations Analysis
- Increase Computer Hardware/Software due to equipment replacements and upgrades \$588K
- Consolidate oversight of UTA software programs and applications \$952K

Key Initiatives:

- Stand Up New Office
- UTA Rail Network Assessment and Firewalls added for security
- Office 365 Deployment & Exchange Email Migration to Office 365
- Assume Computer Hardware SoGR from Business Units
- Ensure compliance with FTA/State reporting requirements for ridership and service data
- Improve mission-critical business systems client experience
- Employee Engagement Survey
- UTA Way Rollout





The UTA Board of Trustees are appointed by the Governor to represent their respective counties. The Trustees work closely with our legislators, local governments, stakeholders and community members. They partner with the Executive Director in setting the vision and long-term priorities for the Agency.

The Board of Trustees Office provides the following to make the UTA System work:

- Board of Trustees. Provides leadership, fiscal oversight and support the Executive Director in the daily management of UTA's services.
- In addition to their external focus the Board of Trustees also oversees the following departments:
 - *Internal Audit.* The audit team plays a critical role in evaluating and improving UTA's system of governance, risk management, and controls. This is done primarily through execution of the annual internal audit plan, which is defined and approved by the Board of Trustees.
 - *Government Relations.* Engages externally with elected officials at a federal, state, and local level to inform, advocate and influence public policy that impacts UTA. They also collaborate and coordinate with partners and advocates on all three of these levels to promote the best interests of the organization.



2021 Proposed Board of Trustees Operating Budget Expenses by Department

Category	2020 Amended Budget	2021 Proposed Budget	Change FY20 – FY21
Internal Audit	\$488,576	\$490,888	\$2,312
Government Relations	770,448	776,436	5,988
Board of Trustees	1,527,756	1,452,750	(75,006)
Totals	\$2,786,780	\$2,720,074	\$(66,706)

2021 Proposed Board of Trustees Operating Budget Expenses by Category

Category	2020 Amended Budget	2021 Proposed Budget	Change FY20 – FY21
Wages	\$1,410,672	\$1,370,448	(2.9)%
Fringe	504,564	500,834	(0.7)%
Services	602,964	570,000	(5.5)%
Other O&M	268,580	278,792	3.8%
Totals	\$2,786,780	\$2,720,074	(2.4)%



Board of Trustees FTE Summary: 2020 Budget and 2021 Proposed Budget

	2020 Budget	2021 Proposed	Change	Reason
Board of Trustees	8.0	8.0	0.0	
Government Relations	3.0	2.5	(0.5)	Intern
Internal Audit	3.0	3.0	0.0	
Totals	14.0	13.5	(0.5)	

Key Budget Changes:

- Transfer Software contracts to IT

Key Initiatives:

- Strategic Plan
- Board Management Software
- Transparent, accountable and accessible governance
- Stakeholder relationships and collaboration for shared transit solutions
- Agency leadership that engages employees and continues to build customer confidence





MEMORANDUM TO THE BOARD

TO: Utah Transit Authority Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Bill Greene, Chief Financial Officer
PRESENTER(S): Troy Bingham, Comptroller

BOARD MEETING DATE: November 4, 2020

SUBJECT:		External Financial Auditors (Crowe, LLP)
AGENDA ITEM TYPE:	Expense Contract	
RECOMMENDATION:	Approve engagement of Crowe, LLP as Independent Auditors and authorize the Executive Director to execute the contract in the amount of \$474,050.	
BACKGROUND:	State law requires that the Authority cause an independent audit to be performed on an annual basis. The Authority also has a single audit of all federally funded programs administered by this agency as a requirement for continued funding eligibility. The Single Audit is mandatory for most local government including the Utah Transit Authority. Staff prepared a Request for Proposal with qualified audit firms. UTA received proposals from 5 audit firms.	
DISCUSSION:	A selection committee reviewed and rated each of the proposals based on each firm’s experience with governmental auditing, including transit agencies, qualification of staff, ability to deliver the agreed upon services, and cost. Crowe, LLP was determined to be the firm that scored highest overall. The audit committee has reviewed the selection process and recommended for approval Crowe LLP at their October 19 th meeting. Therefore, the selection committee recommends the engagement of Crowe, LLP as the independent auditor for the firm for an initial 3 year period with two (2) one year options to extend the agreement for a Contract period not to exceed 5 years.	
CONTRACT SUMMARY:	Contractor Name: Crowe, LLP	Contract Number: 20-03230AB
	Base Contract Effective Dates: November 4, 2020 through November 4, 2023	Extended Contract Dates: November 4, 2024 (1-year extension option) November 4, 2025 (1-year extension option)
	Existing Contract Value: NA	Amendment Amount: N/A

	New/Total Amount Contract Value: \$474,050	
	Procurement Method: Request for Proposal	Funding Sources: Local
ALTERNATIVES:	Should the Board not approve the selection of Crowe, LLP; the RFP process would need to start over.	
FISCAL IMPACT:	Ongoing expenses of approximately 90,000 to 95,000 per year for audit services. This amount is a required expenditure and is in the Accounting Budget.	
ATTACHMENTS:	<ol style="list-style-type: none"> 1) Contract 2) Engagement Letters 	



REQUEST FOR PROPOSALS

Part 4 – Professional Services Contract

UTA CONTRACT NO. 20-03230AB

Financial Audit Services

This Professional Services Agreement is entered into and made effective as of the date of last signature below (the “Effective Date”) by and between UTAH TRANSIT AUTHORITY, a public transit district organized under the laws of the State of Utah (“UTA”), and CROWE LLP, a Indiana based company (“Consultant”).

RECITALS

- A. UTA desires to hire professional services for Financial Audit Services
- B. On May 14, 2020, UTA issued Request for Proposal Package Number 20-03230 (“RFP”) encouraging interested parties to submit proposals to perform the services described in the RFP.
- C. Upon evaluation of the proposals submitted in response to the RFP, UTA selected Consultant as the preferred entity with whom to negotiate a contract to perform the Work.
- D. Consultant is qualified and willing to perform the Work as set forth in the Scope of Services.

AGREEMENT

NOW, THEREFORE, in accordance with the foregoing Recitals, which are incorporated herein by reference, and for and in consideration of the mutual covenants and agreements hereafter set forth, the mutual benefits to the parties to be derived herefrom, and for other valuable consideration, the receipt and sufficiency of which the parties acknowledge, it is hereby agreed as follows:

1. SERVICES TO BE PROVIDED

- a. Consultant shall perform all Work as set forth in the Scope of Services (Exhibit A) . Except for items (if any) which this Contract specifically states will be UTA-provided, Consultant shall furnish all the labor, material and incidentals necessary for the Work.
- b. Consultant shall perform all Work under this Contract in a professional manner, using at least that standard of care, skill and judgment which can reasonably be expected from similarly situated professionals.
- c. All Work shall conform to (American Institute of Certified Public Accountants) AICPA

professional standards. Both Consultant and UTA shall perform all Work in compliance with applicable laws, regulations, rules, ordinances, permit constraints and other legal requirements including, without limitation, those related to safety and environmental protection.

- d. Consultant shall furnish only qualified personnel and materials necessary for the performance of the Work.
- e. When performing Work on UTA property, Consultant shall comply with all UTA work site rules including, without limitation, those related to safety and environmental protection.

2. MANAGEMENT OF WORK

- a. Consultant's Project Manager will be the day-to-day contact person for Consultant and will be responsible for all Work, as well as the coordination of such Work with UTA.
- b. UTA's Project Manager will be the day-to-day contact person for UTA, and shall act as the liaison between UTA and Consultant with respect to the Work. UTA's Project Manager shall also coordinate any design reviews, approvals or other direction required from UTA with respect to the Work.

3. PROGRESS OF WORK

- a. Consultant shall prosecute the Work in a diligent and continuous manner and in accordance with all applicable notice to proceed, critical path schedule and completion date requirements set forth in (or developed and agreed by the parties in accordance with) the Scope of Services.
- b. Consultant shall conduct regular meetings to update UTA's Project Manager regarding the progress of the Work including, but not limited to, any unusual conditions or critical path schedule items that could affect or delay the Work. Such meetings shall be held at intervals mutually agreed to between the parties.
- c. Consultant shall deliver monthly progress reports and provide all Contract submittals and other deliverables as specified in the Scope of Services.
- d. Any other submittal reviews to be performed by UTA in accordance with the Scope of Services are for the sole benefit of UTA, and shall not relieve Consultant of its responsibility to comply with the Contract requirements.

4. PERIOD OF PERFORMANCE

This Contract shall commence as of the Effective Date. This Contract shall remain in full force and effect for an initial 3 year period expiring June 31, 2023. UTA may, at its sole election and in its sole discretion, extend the initial term for up to two (2) additional one-year option periods, for a total Contract period not to exceed five (5) years. Extension options may be exercised by UTA upon providing Consultant with notice of such election at least thirty (30) days prior to the expiration of the initial term or then-expiring option period (as applicable). This Contract may be further extended if the Consultant and UTA mutually agree to an extension evidenced in writing. The rights and obligations of UTA and Consultant under this Contract shall at all times be subject to and conditioned

upon the provisions of this Contract. The parties agree that the audit for each separate year shall constitute a separate and distinct engagement and does not constitute a continuing engagement, but each year will be governed by the terms and conditions of this agreement.

5. COMPENSATION

- a. For the performance of the Work, UTA shall pay Consultant on a monthly basis in accordance with the payments provisions described in the engagement letter.
- b. To the extent that Exhibit B or another provision of this Contract calls for any portion of the consideration to be paid on a cost-reimbursement basis, such costs shall only be reimbursable to the extent allowed under 2 CFR Part 200 Subpart E. Compliance with federal cost principles shall apply regardless of funding source for this Contract.
- c. To the extent that Exhibit B or another provision of this Contract calls for any portion of the consideration to be paid on a time and materials or labor hour basis, then Consultant must refer to the not-to-exceed amount, maximum Contract amount, Contract budget amount or similar designation (any of these generically referred to as the “Not to Exceed Amount”) specified in Exhibit B (as applicable). Unless and until UTA has notified Consultant by written instrument designated or indicated to be a Change Order that the Not to Exceed Amount has been increased (which notice shall specify a revised Not to Exceed Amount): (i) Consultant shall not be obligated to perform services or incur costs which would cause its total compensation under this Contract to exceed the Not to Exceed Amount; and (ii) UTA shall not be obligated to make payments which would cause the total compensation paid to Consultant to exceed the Not to Exceed Amount.
- d. UTA may withhold from payment any amounts reasonably reflecting: (ii) invoiced items that are not payable under this Contract;

6. INCORPORATED DOCUMENTS

a. The following documents constitute the Contract (“Contract”) and the order of precedence is as follows:

1. The terms and conditions of this Goods and Services Supply Agreement (including any exhibits and attachments hereto).
 2. Annual audit engagement letter with related terms and conditions and annual agreed-upon procedures NTD engagement letter.
 3. Consultant's Proposal including, without limitation, all federal certifications (as applicable);
 4. UTA's RFP including, without limitation, all attached or incorporated terms, conditions, federal clauses (as applicable), specifications and standards and other descriptions of the Goods and Services;
- b. The above-referenced documents are made as fully a part of the Contract as if hereto.

7. ORDER OF PRECEDENCE

The Order of Precedence for this contract is as follows:

- UTA Contract including all attachments
- UTA Terms and Conditions
- Annual audit engagement letter with related terms and conditions and annual agreed-upon procedures NTD engagement letter
- UTA Solicitation Terms
- Consultant's Bid or Proposal including proposed terms or conditions

Any consultant proposed term or condition which is in conflict with a UTA contract or solicitation term or condition will be deemed null and void.

8. RESERVED

9. CHANGES

- a. UTA's Project Manager or designee may, at any time, by written order designated or indicated to be a Change Order, propose changes in the Work including, but not limited to, changes:
 - A. In the Scope of Services;
 - B. In the method or manner of performance of the Work; or
 - C. In the schedule or completion dates applicable to the Work.

To the extent that any change in Work directed by UTA causes an actual and demonstrable impact to: (i) Consultant's cost of performing the work; or (ii) the time required for the Work, then (in either case) the Change Order shall include an equitable adjustment to this Contract to make Consultant whole with respect to the impacts of such change.

- b. A change in the Work may only be directed by UTA through a written Change Order or (alternatively) UTA's expressed, written authorization directing Consultant to proceed pending negotiation of a Change Order. Any changes to this Contract undertaken by Consultant without such written authority shall be at Consultant's sole risk. Consultant shall not be entitled to rely on any other manner or method of direction.
- c. Consultant shall also be entitled to an equitable adjustment to address the actual and demonstrable impacts of "constructive" changes in the Work if: (i) subsequent to the Effective Date of this Contract, there is a material change with respect to any requirement set forth in this Contract; or (ii) other conditions exist or actions are taken by UTA which materially modify the magnitude, character or complexity of the Work from what should have been reasonably assumed by Consultant based on the information included in (or referenced by) this Contract. In order to be eligible for equitable relief for "constructive" changes in Work, Consultant must give UTA's Project Manager or designee written notice stating:
 - A. The date, circumstances, and source of the change; and
 - B. That Consultant regards the identified item as a change in Work giving rise to an adjustment in this Contract.

Consultant must provide notice of a “constructive” change and assert its right to an equitable adjustment under this Section within ten (10) days after Consultant becomes aware (or reasonably should have become aware) of the facts and circumstances giving rise to the “constructive” change. Consultant’s failure to provide timely written notice as provided above shall constitute a waiver of Consultant’s rights with respect to such claim.

- d. As soon as practicable, but in no event longer than 30 days after providing notice, Consultant must provide UTA with information and documentation reasonably demonstrating the actual cost and schedule impacts associated with any change in Work. Equitable adjustments will be made via Change Order. Any dispute regarding the Consultant’s entitlement to an equitable adjustment (or the extent of any such equitable adjustment) shall be resolved in accordance with Article 21 of this Contract.
- e. No Change Order shall be valid until executed by both parties in written form.

10. CINING PROCEDURES

INVOI

- a. Consultant shall submit invoices monthly to UTA’s Project Manager for processing and payment in accordance with the engagement letter. Invoices shall be provided in the form specified by UTA. Reasonable supporting documentation demonstrating Consultant’s entitlement to the requested payment must be submitted with each invoice.
- b. UTA shall have the right to disapprove (and withhold from payment) specific line items of each invoice to address non-conforming Work or invoicing deficiencies. Approval by UTA shall not be unreasonably withheld. Payment for all invoice amounts not specifically disapproved by UTA shall be provided to Consultant within thirty (30) calendar days of invoice submittal.

11. OWNERSHIP OF WORK PRODUCT

All audit workpapers, assessments, notes and documentation prepared by the Consultant as a part of the overall audit process shall remain the exclusive ownership of the Consultant in accordance with AICPA Professional Standards.

12. USE OF SUBCONTRACTORS

- a. Consultant shall give advance written notification to UTA of any proposed subcontract (not indicated in Consultant’s Proposal) negotiated with respect to the Work. UTA shall have the right to approve all subcontractors, such approval not to be withheld unreasonably.
- b. No subsequent change, removal or substitution shall be made with respect to any such subcontractor without the prior written approval of UTA.
- c. Consultant shall be solely responsible for making payments to subcontractors, and such payments shall be made within thirty (30) days after Consultant receives corresponding payments from UTA.
- d. Consultant shall be responsible for and direct all Work performed by subcontractors.

- e. Consultant agrees that no subcontracts shall provide for payment on a cost-plus-percentage-of-cost basis. Consultant further agrees that all subcontracts shall comply with all applicable laws.

12. KEY PERSONNEL

Consultant shall provide the key personnel as indicated in Consultant's Proposal (or other applicable provisions of this Contract), and shall not change any of said key personnel without the express written consent of UTA.

13. SUSPENSION OF WORK

- a. UTA may, at any time, by written order to Consultant, require Consultant to suspend, delay, or interrupt all or any part of the Work called for by this Contract. Any such order shall be specifically identified as a "Suspension of Work Order" issued pursuant to this Article. Upon receipt of such an order, Consultant shall immediately comply with its terms and take reasonable steps to minimize the incurrence of further costs allocable to the Work covered by the order during the period of Work stoppage.
- b. If a Suspension of Work Order issued under this Article is canceled, Consultant shall resume Work as mutually agreed to in writing by the parties hereto.
- c. If a Suspension of Work Order is not canceled and the Work covered by such order is terminated for the convenience of UTA, reasonable costs incurred as a result of the Suspension of Work Order shall be considered in negotiating the termination settlement.
- d. If the Suspension of Work causes an increase in Consultant's cost or time to perform the Work, UTA's Project Manager or designee shall make an equitable adjustment to compensate Consultant for the additional costs or time, and modify this Contract by Change Order.

14. TERMINATION

a. FOR CONVENIENCE: UTA shall have the right to terminate the Contract at any time by providing written notice to Consultant. If the Contract is terminated for convenience, UTA shall pay Consultant: (i) in full for Goods delivered and Services fully performed prior to the effective date of termination; and (ii) an equitable amount to reflect costs incurred (including Contract close-out and subcontractor termination costs that cannot be reasonably mitigated) and profit on work-in-progress as of to the effective date of the termination notice. UTA shall not be responsible for anticipated profits based on the terminated portion of the Contract. Consultant shall promptly submit a termination claim to UTA. If Consultant has any property in its possession belonging to UTA, Consultant will account for the same, and dispose of it in the manner UTA directs.

b. FOR DEFAULT: If Consultant (a) becomes insolvent; (b) files a petition under any chapter of the bankruptcy laws or is the subject of an involuntary petition; (c) makes a general assignment for the benefit of its creditors; (d) has a receiver appointed; (e) should fail to make prompt payment to any subcontractors or suppliers; or (f) fails to comply with any of its material obligations under the Contract, UTA may, in its discretion, after first giving Consultant seven (7) business days written notice to cure such default:

1. Terminate the Contract (in whole or in part) for default and obtain the Goods and Services using other contractors or UTA's own forces,;

2. Pursue other remedies available under the Contract (regardless of whether the termination remedy is invoked); and/or
3. Except to the extent limited by the Contract, pursue other remedies available at law.

c. CONSULTANT'S POST TERMINATION OBLIGATIONS: Upon receipt of a termination notice as provided above, Consultant shall (i) immediately discontinue all work affected (unless the notice directs otherwise); Consultant shall also remit a final invoice for all services performed and expenses incurred in full accordance with the terms and conditions of the Contract up to the effective date of termination. Except as otherwise set forth in this Agreement, all rights and remedies provided in this Article are cumulative and not exclusive. If UTA terminates the Contract for any reason, Consultant shall remain available, for a period not exceeding 60 days, to UTA to respond to any questions or concerns that UTA may have regarding the Goods and Services furnished by Consultant prior to termination.

15. INFORMATION, RECORDS and REPORTS; AUDIT RIGHTS

Consultant shall also retain other books and records related to the performance, quality or management of this Contract and/or Consultant's compliance with this Contract. Records shall be retained by Consultant for a period of at least six (6) years after completion of the Work, or until any audit initiated within that six-year period has been completed (whichever is later), or as required by AICPA Professional Standards. Consultant agrees that it shall flow-down (as a matter of written contract) these records requirements to all subcontractors utilized in the performance of the Work at any tier.

16. FINDINGS CONFIDENTIAL

Any documents, reports, information, or other data and materials prepared or assembled by Consultant or subcontractors under this Contract are considered confidential information of the Consultant. Any documents reports, information, or other data and materials prepared or assembled by UTA under this Contract are considered confidential information of UTA.

- a. It is hereby agreed that the following information is not considered to be confidential:
 - A. Information already in the public domain;
 - B. Information disclosed to Consultant by a third party who is not under a confidentiality obligation;
- b. In the event the receiving party is required to disclose the disclosing party's Confidential Information pursuant to a valid order by a court or other governmental body or as otherwise required by law, prior to any such compelled disclosure, the receiving party will (i) to the extent legally permitted to do so, notify the disclosing party of the legal process, and allow the disclosing party to assert the privileged and confidential nature of the Confidential Information against the third party seeking disclosure and (ii) cooperate fully with the disclosing party in protecting against any such disclosure and/or obtaining a protective order narrowing the scope of such disclosure and/or use of the Confidential Information. In the event that such protection against disclosure is not obtained, the receiving party will be entitled to disclose the Confidential

Information, but only as and to the extent necessary to legally comply with such compelled disclosure.

17. PUBLIC INFORMATION.

Consultant acknowledges that the Contract and related materials (invoices, orders, etc.) will be public documents under the Utah Government Records Access and Management Act (GRAMA). Consultant's response to the solicitation for the Contract will also be a public document subject to GRAMA, except for legitimate trade secrets, so long as such trade secrets were properly designated in accordance with terms of the solicitation.

18. GENERAL INDEMNIFICATION

Consultant shall indemnify, hold harmless and defend UTA, its officers, trustees, agents, and employees (hereinafter collectively referred to as "Indemnitees") from and against all liabilities, claims, actions, damages, losses, and expenses including without limitation reasonable attorneys' fees and costs (hereinafter referred to collectively as "claims") related to bodily injury, including death, or loss or damage to tangible property caused, or alleged to be caused, in whole or in part, by the recklessness or willful misconduct of Consultant or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of the failure of such Consultant to conform to federal, state, and local laws and regulations, in connection with such third-party claim for bodily injury or loss or damage to tangible property. If an employee of Consultant, a subcontractor, anyone employed directly or indirectly by any of them or anyone for whose acts any of them may be liable brings a claim against UTA or another Indemnitee, Consultant's indemnity obligation set forth above will not be limited by any limitation on the amount of damages, compensation or benefits payable under any employee benefit acts, including workers' compensation or disability acts. The indemnity obligations of Consultant shall not apply to the extent that claims arise out of the sole negligence of UTA or the Indemnitees.

This section is not intended to conflict with auditor professional standards included in AICPA Professional Code of Conduct ET Section 100: Independence, Integrity, and Objectivity and ET Section 191: Ethics Rulings on Independence, Integrity and Objectivity, 102. Indemnification of a Client.

19. INSURANCE REQUIREMENTS

a. Consultant and subcontractors shall procure and maintain general comprehensive liability insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, employees or subcontractors.

b. The insurance requirements herein are minimum requirements for the Contract and in no way limit the indemnity covenants contained in the Contract. UTA in no way warrants that the minimum limits contained herein are sufficient to protect the Consultant from liabilities that might arise out of the performance of the work under the Contract by the Consultant, its agents, representatives, employees or subcontractors and Consultant is free to purchase additional insurance as may be determined necessary.

c. Consultant shall provide coverage with limits of liability not less than those stated

below. An excess liability policy or umbrella liability policy may be used to meet the minimum liability requirements, provided that the coverage is written on a “following form” basis.

i. Professional Liability insurance with the following limits and coverages:

Minimum Limits:

\$1,000,000 each claim

\$2,000,000 annual aggregate

Coverages:

1. Insured's interest in joint ventures
2. [Reserved]
3. Limited contractual liability
4. Retroactive date prior to date
5. Extended reporting period of 36 months

Coverage which meets or exceeds the minimum requirements will be maintained, purchased annually in full force and effect until 3 years past completion of the Work unless such coverage becomes unavailable to the market on a commercially reasonable basis, in which case Consultant will notify UTA. If UTA agrees that such coverage is not reasonably available in the commercial market, Consultant may elect not to provide such coverage.

ii. Automobile insurance covering owned, if any, non-owned, and hired automobile with limits not less than \$1,000,000 combined single limit of coverage. The policy shall be endorsed to include the following additional insured language: “The Utah Transit Authority shall be named as an additional insured.”

iii. Workers' Compensation insurance conforming to the appropriate states' statutory requirements covering all employees of Consultant, and any employees of its subcontractors, representatives, or agents as long as they are engaged in the work covered by this Contract or such subcontractors, representatives, or agents shall provide evidence of their own Worker's Compensation insurance. The policy shall also cover Employers Liability with limits no less than \$500,000 each accident, and each employee for disease.

d. Insurance limits indicated in this agreement are minimum limits. Larger limits may be indicated after Consultant's assessment of the exposure for this contract; for its own protection and the protection of UTA. Consultant's general comprehensive, automobile and umbrella insurance coverages only shall be primary insurance and non-contributory with respect to all other available sources.

e. The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. UTA is no way warrants that the minimum limits contained herein are sufficient to protect the Consultant from liabilities that might

arise out of the performance of the work under this contract by the Consultant, his agents, representatives, employees, or subcontractors and Consultant is free to purchase additional insurance as may be determined necessary.

g. Consultant shall furnish UTA with certificates of insurance (ACORD form or equivalent approved by UTA) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and any required endorsements are to be received and approved by UTA before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract or to provide evidence of renewal is a material breach of contract.

h. All certificates required by this Contract shall be emailed directly to Utah Transit Authority's insurance email address at insurancecerts@rideuta.com. The Utah Transit Authority project/contract number and project description shall be noted on the certificate of insurance. DO NOT SEND CERTIFICATES OF INSURANCE TO THE UTAH TRANSIT AUTHORITY'S CLAIMS AND INSURANCE DEPARTMENT.

i. UTA, as a self-insured governmental entity, shall not be required to provide insurance coverage for the risk of loss to UTA premises and improvements or equipment owned by UTA.

20. OTHER INDEMNITIES

RESERVED

21. INDEPENDENT CONTRACTOR

Consultant is an independent contractor and agrees that its personnel will not represent themselves as, nor claim to be, an officer or employee of UTA by reason of this Contract. Consultant is responsible to provide and pay the cost of all its employees' benefits.

22. PROHIBITED INTEREST

No member, officer, agent, or employee of UTA during his or her tenure or for one year thereafter shall have any interest, direct or indirect, including prospective employment by Consultant in this Contract or the proceeds thereof without specific written authorization by UTA.

23. CLAIMS/DISPUTE RESOLUTION

a. "Claim" means any disputes between UTA and the Consultant arising out of or relating to the Contract Documents including any disputed claims for Contract adjustments that cannot be resolved in accordance with the Change Order negotiation process set forth in Article 6. Claims must be made by written notice. The responsibility to substantiate claims rests with the party making the claim.

b. Unless otherwise directed by UTA in writing, Consultant shall proceed diligently with performance of the Work pending final resolution of a Claim, including litigation. UTA shall

continue to pay any undisputed payments related to such Claim.

c. The parties shall attempt to informally resolve all claims, counterclaims and other disputes through the escalation process described below. No party may bring a legal action to enforce any term of this Contract without first having exhausted such process.

d. The time schedule for escalation of disputes, including disputed requests for change order, shall be as follows:

Level of Authority	Time Limit
UTA's Project Manager Troy Bingham /Consultant's Project Manager Brad Schelle	Five calendar days
UTA's [SECOND LEVEL]/Consultant's [SECOND LEVEL]	Five calendar days
UTA's [THIRD LEVEL]/Consultant's [THIRD LEVEL]	Five calendar days

Unless otherwise directed by UTA's Project Manager, Consultant shall diligently continue performance under this Contract while matters in dispute are being resolved.

If the dispute cannot be resolved informally in accordance with the escalation procedures set forth above, than either party may commence formal mediation under the Juris Arbitration and Mediation (JAMS) process using a mutually agreed upon JAMS mediator. If resolution does not occur through Mediation, then legal action may be commenced in accordance the venue and governing law provisions of this contract.

24. GOVERNING LAW

This Contract shall be interpreted in accordance with the substantive and procedural laws of the State of Utah. Any litigation between the parties arising out of or relating to this Contract will be conducted exclusively in federal or state courts in the State of Utah and Consultant consents to the jurisdiction of such courts.

25. ASSIGNMENT OF CONTRACT

Either party shall not assign, sublet, sell, transfer, or otherwise dispose of any interest in this Contract without prior written approval of the other party, and any attempted transfer in violation of this restriction shall be void.

26. NONWAIVER

No failure or waiver or successive failures or waivers on the part of either party in the enforcement of any condition, covenant, or article of this Contract shall operate as a discharge of any such condition, covenant, or article nor render the same invalid, nor impair the right of either party to enforce the same in the event of any subsequent breaches by the other party.

27. NOTICES OR DEMANDS

a. Any formal notice or demand to be given by one party to the other shall be given in writing by one of the following methods: (i) hand delivered; (ii) deposited in the mail, properly stamped with the required postage; (iii) sent via registered or certified mail; or (iv) sent via recognized overnight courier service. All such notices shall be addressed as follows:

<u>If to UTA:</u>	<u>with a required copy to:</u>
Utah Transit Authority	Utah Transit Authority
ATTN: Amanda Burton	ATTN: Legal Counsel
669 West 200 South	669 West 200 South
<u>If to Consultant:</u>	
<u>Crowe LLP</u>	
<u>3815 River Crossing Parkway, suite 300</u>	
<u>Indianapolis, Indiana 46240-0977</u>	

- b. Any such notice shall be deemed to have been given, and shall be effective, on delivery to the notice address then applicable for the party to which the notice is directed; provided, however, that refusal to accept delivery of a notice or the inability to deliver a notice because of an address change which was not properly communicated shall not defeat or delay the giving of a notice. Either party may change the address at which such party desires to receive written notice by providing written notice of such change to any other party.
- c. Notwithstanding Section 23.1, the parties may, through mutual agreement, develop alternative communication protocols to address change notices, requests for information and similar categories of communications. Communications provided pursuant to such agreed means shall be recognized as valid notices under this Contract.

28. CONTRACT ADMINISTRATOR

UTA's Contract Administrator for this Contract is Amanda Burton, or designee. All questions and correspondence relating to the contractual aspects of this Contract should be directed to said Contract Administrator, or designee.

29. INSURANCE COVERAGE REQUIREMENTS FOR CONSULTANT EMPLOYEES

RESERVED

30. COSTS AND ATTORNEYS FEES

[Reserved]

31. NO THIRD PARTY BENEFICIARY

The parties enter into this Contract for the sole benefit of the parties, in exclusion of any third party, and no third party beneficiary is intended or created by the execution of this Contract.

32. FORCE MAJEURE

Except for payment obligations, neither party will be liable under this Agreement for any failure, or delay in performance, of its obligations hereunder, if performance is delayed or prevented by acts of God; fire; explosion; war; terrorism; earthquakes; riots; curtailment of air transportation; governmental laws, orders, or regulations; an epidemic; pandemic; public health-related orders or alerts issued by the US Centers for Disease Control, the World Health Organization, or other governmental-related entity (including, without limitation, “stay-at-home” or “shelter-in-place” orders); or other causes beyond such party’s reasonable control (each, a “Force Majeure Event”). The party whose performance is affected by such Force Majeure Event (“Impacted Party”) shall provide the other party (“Other Party”) prompt notice of such Force Majeure Event. During the pendency of any Force Majeure Event, the Impacted Party will work to cure the Force Majeure Event if or to the extent commercially reasonable. However, if (a) the Impacted Party reasonably determines that its performance would be commercially unreasonable, impracticable or impossible, or (b) the Force Majeure Event continues for thirty (30) consecutive days, either party may terminate this Agreement immediately without penalty.

33. SEVERABILITY

Any provision of this Contract prohibited or rendered unenforceable by operation of law shall be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Contract.

34. ENTIRE AGREEMENT

This Contract and the other documents set forth in Section 6 shall constitute the entire agreement and understanding of the parties with respect to the subject matter hereof, and shall supersede all offers, negotiations and other agreements with respect thereto. The terms of the Contract supersede any additional or conflicting terms or provisions that may be preprinted on Vendor’s work plans, cost estimate forms, receiving tickets, invoices, or any other related standard forms or documents of Vendor that may subsequently be used to implement, record, or invoice Goods and/or Services hereunder from time to time, even if such standard forms or documents have been signed or initialed by authorized representatives of UTA and the Consultant. The terms of the Contract prevail in any dispute between the terms of the Contract and the terms printed on any such standard forms or documents, and such standard forms or documents will not be considered written amendments of the Contract.

35. AMENDMENTS

Any amendment to this Contract must be in writing and executed by the authorized representatives of each party.

36. COUNTERPARTS

This Contract may be executed in any number of counterparts and by each of the parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument. Any signature page of the Contract may be detached from any counterpart and reattached to any other counterpart hereof. The electronic transmission of a signed original of the Contract or any counterpart hereof and the electronic retransmission of any signed copy hereof shall be the same as delivery of an original.

37. SURVIVAL

Provisions of this Contract intended by their nature and content to survive termination of this Contract shall so survive including, but not limited to, Articles 5, 7, 8, 10, 14, 15, 17, 18, 19, 20, 23, 29 and 30

IN WITNESS WHEREOF, the parties have made and executed this Contract as of the day, month and year of the last signature contained below.

UTAH TRANSIT AUTHORITY:

CROWE LLP

By _____
Name _____
Title _____

By Bradley T Schelle
Name Bradley T. Schelle
Title Managing Director

By _____
Name _____
Title _____

By _____
Name _____
Title _____

By _____

UTA Legal Counsel

Exhibit A:

UTA RFP 20-03230AB and Crowe LLP signed Engagement Letter

Exhibit B:

CROWE Pricing Agreement

Position	Base Year 2020-2021			2nd Year 2021-2022			3rd Year 2022-2023			4th Year 2023-2024 (option)			5th Year 2024-2025 (option)		
	Est Hour	Hourly Rate	Total	Est Hour	Hourly Rate	Total	Est Hour	Hourly Rate	Total	Est Hour	Hourly Rate	Total	Est Hour	Hourly Rate	Total
Partner	95	\$280.00	\$26,600.00	95	\$287.00	\$27,265.00	95	\$294.00	\$27,930.00	95	\$301.00	\$28,595.00	95	\$308.00	\$29,260.00
Manager	255	\$140.00	\$35,700.00	255	\$144.00	\$36,720.00	255	\$148.00	\$37,740.00	255	\$152.00	\$38,760.00	255	\$156.00	\$39,780.00
Accountant Junior Accountant	335	\$ 80.00	\$26,800.00	335	\$82.00	\$27,470.00	335	\$84.00	\$28,140.00	335	\$86.00	\$28,810.00	335	\$88.00	\$29,480.00
Clerical	20	\$50.00	\$1,000.00	20	\$50.00	\$1,000.00	20	\$50.00	\$1,000.00	20	\$50.00	\$1,000.00	20	\$50.00	\$1,000.00
Project Total	705		\$90,100.00	705		\$92,455.00	705		\$94,810.00	705		\$97,165.00	705		\$99,520.00



Crowe LLP
Independent Member Crowe Global

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September 3, 2020

Mr. Troy Bingham
Utah Transit Authority
669 West 200 South
Salt Lake City, Utah 84101

Dear Mr. Bingham:

This letter confirms the arrangements for Crowe LLP ("Crowe" or "us" or "we" or "our") to provide the professional services discussed in this letter to Utah Transit Authority ("you", "your" or "Client"). The attached Crowe Engagement Terms, and any other attachments thereto, are integral parts of this letter, and such terms are incorporated herein.

AUDIT SERVICES

Our Responsibilities

We will audit and report on the financial statements of the Client for the year ending .

We will audit and report on the financial statements of the business-type activities, which collectively comprise the basic financial statements of the Client for the period(s) indicated.

In addition to our report on the financial statements, we plan to evaluate the presentation of the following supplementary information in relation to the financial statements as a whole, and to report on whether this supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

- Supplemental Schedules of Revenues, Expenses and Changes in Net Position – Budget and Actual
- Schedule of Expenditures of Federal Awards

In addition to our report on the financial statements, we also plan to perform specified procedures in order to describe in our report whether the following required supplementary information is presented in accordance with applicable guidelines. However, we will not express an opinion or provide any assurance on this information due to our limited procedures.

- Schedule of Changes in Net Pension Liability and Related Ratios
- Schedule of Required Employer Contributions
- Management's Discussion and Analysis

The objective of the audit is the expression of an opinion on the financial statements. We will plan and perform the audit in accordance with auditing standards generally accepted in the United States of America, the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards require that we obtain reasonable, rather than

absolute, assurance about whether the financial statements are free of material misstatement whether caused by error or fraud, and that we report on the Schedule of Expenditures of Federal Awards (as noted above), and on your compliance with laws and regulations and on its internal controls as required for a Single Audit. Because of inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with applicable standards. An audit is not designed to detect error or fraud that is immaterial to the financial statements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment including the assessment of the risks that the financial statements could be misstated by an amount we believe would influence the financial statement users. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

In making our risk assessments, we consider internal control relevant to the Client's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Client's internal control. However, we will communicate in writing to those charged with governance and management concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit. We will communicate to management other deficiencies in internal control identified during the audit that have not been communicated to management by other parties and that, in our professional judgment, are of sufficient importance to merit management's attention. We will also communicate certain matters related to the conduct of the audit to those charged with governance, including (1) fraud involving senior management, and fraud (whether caused by senior management or other employees) that causes a material misstatement of the financial statements, (2) illegal acts that come to our attention (unless they are clearly inconsequential) (3) disagreements with management and other significant difficulties encountered in performing the audit and (4) various matters related to the Client's accounting policies and financial statements. Our engagement is not designed to address legal or regulatory matters, which matters should be discussed by you with your legal counsel.

We expect to issue a written report upon completion of our audit of the Client's financial statements. Our report will be addressed to those charged with governance of the Client. Circumstances may arise in which it is necessary for us to modify our opinion, add an emphasis of matter or other matter paragraph, or withdraw from the engagement.

In addition to our report on the financial statements and supplemental information, we plan to issue the following reports:

- Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* — The purpose of this report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Client's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.
- Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance -- The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

- Independent Auditor's Report on Compliance on Internal Controls Over Compliance in Accordance with the State Compliance Audit Guide - The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control and compliance and the results of that testing based on the requirements of the State Compliance Audit Guide. Accordingly, this report is not suitable for any other purpose.
- Independent Auditor's Report on the Financial Statements of Utah Transit Authority Defined Benefit Pension Plan (Plan) – The purpose of this report is to express an opinion on the fair presentation, in all material respects, the respective fiduciary net position of the Plan as of December 31, 2020 and respective changes in fiduciary net position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

We will also perform tests of controls including testing underlying transactions, as required by the Uniform Guidance, to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each of your major federal awards programs. We will determine major programs in accordance with the Uniform Guidance. Our tests will be less in scope than would be necessary to render an opinion on these controls and, accordingly, no opinion will be expressed. We will inform you of any non-reportable conditions or other matters involving internal control, if any, as required by the Uniform Guidance.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will also perform tests of your compliance with applicable laws, regulations, contracts and grants. However, because of the concept of reasonable assurance and because we will not perform a detailed examination of all transactions, there is a risk that material errors, irregularities, or illegal acts, including fraud or defalcations, may exist and not be detected by us. However, the objective of our audit of compliance relative to the financial statements will not be to provide an opinion on overall compliance with such provisions, and we will not express such an opinion. We will advise you, however, of any matters of that nature that come to our attention, unless they are clearly inconsequential.

The Uniform Guidance requires that we plan and perform the audit to obtain reasonable assurance about whether you have complied with certain provisions of laws, regulations, contracts and grants. Our procedures will consist of the applicable procedures described in the United States Office of Management and Budget (OMB) Compliance Supplement for the types of compliance requirements that could have a direct and material effect on each of your major programs. The purpose of our audit will be to express an opinion on your compliance with requirements applicable to major Federal award programs. Because an audit is designed to provide reasonable assurance, but not absolute assurance, the audit is not designed to detect immaterial violations or instances of noncompliance.

Our audit and work product are intended for the benefit and use of the Client only. The audit will not be planned or conducted in contemplation of reliance by any other party or with respect to any specific transaction and is not intended to benefit or influence any other party. Therefore, items of possible interest to a third party may not be specifically addressed or matters may exist that could be assessed differently by a third party.

The working papers for this engagement are the property of Crowe and constitute confidential information.

However, we may be requested to make certain working papers available to your oversight agency or grantors pursuant to authority given to them by law, regulation, or contract. If requested, access to such working papers will be provided under the supervision of our personnel. Furthermore, upon request, we may provide photocopies of selected working papers to your oversight agency or grantors. The working papers for this engagement will be retained for a minimum of three years after the date our report is issued or for any additional period requested by the oversight agency or pass-through entity. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party contesting the audit finding for guidance prior to destroying the working papers.

There is no critical path schedule or completion date requirements as a part of this engagement.

Government Auditing Standards require that we provide you with a copy of our most recent peer review report, which accompanies this letter along with the related letter of comment and response thereto.

The Client's Responsibilities

The Client's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

The Client's management is also responsible for complying with applicable laws, regulations, contracts and grants and such responsibility extends to identifying the requirements and designing internal control policies and procedures to provide reasonable assurance that compliance is achieved. Additionally, as required by the Uniform Guidance, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings, which should be available for our review, and a corrective action plan.

Additionally, as required by the Uniform Guidance, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings, which should be available for our review, and a corrective action plan.

Management has the responsibility to adopt sound accounting policies, maintain an adequate and efficient accounting system, to safeguard assets, and to design and implement programs and controls to prevent and detect fraud. Management's judgments are typically based on its knowledge and experience about past and current events and its expected courses of action. Management's responsibility for financial reporting includes establishing a process to prepare the accounting estimates included in the financial statements and to devise policies to ensure that the Client complies with applicable laws and regulations.

Management is responsible for providing to us, on a timely basis, all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters. Management is also responsible for providing such other additional information we may request for the purpose of the audit, and unrestricted access to persons within the Client from whom we determine it necessary to obtain audit evidence. Additionally, those charged with governance are responsible for informing us of their views about the risks of fraud within the Client, and their knowledge of any fraud or suspected fraud affecting the Client.

Management is responsible for adjusting the financial statements to correct material misstatements related to accounts or disclosures. As part of our audit process, we will request from management written confirmation concerning representations made to us in connection with the audit, including that the effects of any uncorrected misstatements aggregated by us during the audit are immaterial, both individually and in the aggregate, to the financial statements, and to the Client's compliance with the requirements of its Federal programs. Management acknowledges the importance of management's representations and responses to our inquiries, and that they will be utilized as part of the evidential matter we will rely on in forming our opinion. Because of the importance of such information to our engagement, you agree to waive any claim against Crowe and its personnel for any liability and costs relating to or arising from any inaccuracy or incompleteness of information provided to us for purposes of this engagement.

Management is responsible for the preparation of the supplementary information identified above in accordance with the applicable criteria. As part of our audit process, we will request from management certain written representations regarding management's responsibilities in relation to the supplementary information presented, including but not limited to its fair presentation in accordance with the applicable criteria, the method of measurement and presentation and any significant assumptions or interpretations

underlying the supplementary information. In addition, it is management's responsibility to include the auditor's report on supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information. It is also management's responsibility to present the supplementary information with the audited financial statements or, if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by Client of the supplementary information and the auditor's report thereon.

Management is responsible for the preparation of the required supplementary information identified above in accordance with the applicable guidelines. We will request from management certain written representations regarding management's responsibilities in relation to the required supplementary information presented, including but not limited to whether it has been measured and presented in accordance with prescribed guidelines, the method of measurement and presentation and any significant assumptions or interpretations underlying the supplementary information.

At the conclusion of the engagement, it is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the designated federal clearinghouse and, if appropriate, to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of thirty days after receipt of the auditor's reports or nine months after the end of the audit period.

OTHER SERVICES

Data Collection Form input services

We will provide assistance in completing sections of the Data Collection Form (DCF) relative to its federal award programs pursuant to the requirements of Section §200.512 of the Uniform Guidance that are promulgated to be completed by the Client. While we may provide this data entry service and assist you in satisfying your electronic data communication requirements to the Federal Audit Clearinghouse, the completeness and accuracy of this information remains the responsibility of your management.

With respect to the above other services, we will perform the services in accordance with applicable professional standards. We, in our sole professional judgment, reserve the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities. In connection with performing the above other services, you agree to: assume all management responsibilities including making all management decisions; oversee the service by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services.

FEES

Our fees, inclusive of out-of-pocket expenses and certain internal technology charges, are outlined below. We will bill on a monthly basis according to the progress of the audit and our invoices are due and payable upon receipt. Invoices that are not paid within 30 days of receipt are subject to a monthly interest charge of one percent per month or the highest interest rate allowed by law, whichever is less, which we may elect to waive at our sole discretion, plus costs of collection including reasonable attorneys' fees. If any amounts invoiced remain unpaid 30 days after the invoice date, you agree that Crowe may, in its sole discretion, cease work until all such amounts are paid or terminate this engagement.

Description of Services	Fee Amount
Audit of Utah Transit Authority	\$90,100

The fees outlined above are based on certain assumptions. Those assumptions may be incorrect due to incomplete or inaccurate information provided, or circumstances may arise under which we must perform additional work, which in either case will require additional billings for our services. Examples of such circumstances include, but are not limited to:

- Changing service requirements
- New professional standards or regulatory requirements
- New financial statement disclosures
- Work caused due to the identification of, and management's correction of, inappropriate application of accounting pronouncements
- Erroneous or incomplete accounting records
- Evidence of material weakness or significant deficiencies in internal controls
- Substantial increases in the number of significant deficiencies in internal controls
- Regulatory examination matters
- Change in your organizational structure or size due to merger and acquisition activity or other events
- Change in your controls
- New or unusual transactions
- Agreed-upon level of preparation and assistance from your personnel not provided
- Numerous revisions to your information
- Lack of availability of appropriate Client personnel during fieldwork
- Additional audit procedures relating to the impact of COVID-19 on Client or additional regulatory requirements relating thereto.

Additionally, to accommodate requests to reschedule fieldwork without reasonable notice, additional billings for our services could be required, and our assigned staffing and ability to meet agreed upon deadlines could be impacted.

Due to such potential changes in circumstance, we reserve the right to revise our fees. However, if such a change in circumstances arises or if some other significant change occurs that causes our fees to exceed our estimate, we will advise management.

Our fees are exclusive of taxes or similar charges, as well as customs, duties or tariffs, imposed in respect of the Services, any work product or any license, all of which Client agrees to pay if applicable or if they become applicable (other than taxes imposed on Crowe's income generally), without deduction from any fees or expenses invoiced to Client by Crowe.

The Client and Crowe agree that the Client may periodically request Crowe to provide additional services for accounting and reporting advice regarding completed transactions and potential or proposed transactions. The fees for such additional services will be based on Crowe's hourly billing rates plus expenses or as mutually agreed upon between the Client and Crowe.

To facilitate Crowe's presence at Client's premises, Client will provide Crowe with internet access while on Client's premises. Crowe will access the internet using a secure virtual private network. Crowe will be responsible for all internet activity performed by its personnel while on Client's premises. In the event Client does not provide Crowe with internet access while on Client's premises, Client will reimburse Crowe for the cost of internet access through other means while on Client's site.

MISCELLANEOUS

For purposes of this Miscellaneous section, the Acceptance section below, and all of the Crowe Engagement Terms, "Client" will mean the entity(ies) defined in the first paragraph of this letter and will also include all related parents, subsidiaries, and affiliates of Client who may receive or claim reliance upon any Crowe deliverable.

Crowe will provide the services to Client under this Agreement as an independent contractor and not as Client's partner, agent, employee, or joint venturer under this Agreement. Neither Crowe nor Client will have any right, power or authority to bind the other party.

This engagement letter agreement (the "Agreement"), in combination with the professional services contract 20-03230, reflects the entire agreement between the parties relating to the services (or any reports, deliverables or other work product) covered by this Agreement. The engagement letter and any attachments (including without limitation the attached Crowe Engagement Terms) are to be construed as a single document, with the provisions of each section applicable throughout. This Agreement may not be amended or varied except by a written document signed by each party. It replaces and supersedes any other proposals, correspondence, agreements and understandings, whether written or oral, relating to the services covered by this letter, and each party agrees that in entering this Agreement, it has not relied on any oral or written representations, statements or other information not contained in or incorporated into this Agreement. Any non-disclosure or other confidentiality agreement is replaced and superseded by this Agreement. Each party shall remain obligated to the other party under all provisions of this Agreement that expressly or by their nature extend beyond and survive the expiration or termination of this Agreement. If any provision (in whole or in part) of this Agreement is found unenforceable or invalid, this will not affect the remainder of the provision or any other provisions in this Agreement, all of which will continue in effect as if the stricken portion had not been included. This Agreement may be executed in two or more actual, scanned, emailed, or electronically copied counterparts, each and all of which together are one and the same instrument. Accurate transmitted copies (transmitted copies are reproduced documents that are sent via mail, delivery, scanning, email, photocopy, facsimile or other process) of the executed Agreement or signature pages only (whether handwritten or electronic signature), will be considered and accepted by each party as documents equivalent to original documents and will be deemed valid, binding and enforceable by and against all parties. This Agreement must be construed, governed, and interpreted under the laws of the State of Utah, without regard for choice of law principles.

* * * * *

We are pleased to have this opportunity to serve you, and we look forward to a continuing relationship. If the terms of this letter and the attached Crowe Engagement Terms are acceptable to you, please sign below and return one copy of this letter at your earliest convenience. Please contact us with any questions or concerns.

(Signature Page Follows)

ACCEPTANCE

I have reviewed the arrangements outlined above and in the attached "Crowe Engagement Terms," and I accept on behalf of the Client the terms and conditions as stated. By signing below, I represent and warrant that I am authorized by Client to accept the terms and conditions as stated.

IN WITNESS WHEREOF, Client and Crowe have duly executed this engagement letter effective the date first written above.

Utah Transit Authority

Crowe LLP

Signature



Signature

Printed Name

Bradley T. Schelle

Printed Name

Title

Managing Director

Title

Date

September 3, 2020

Date

Crowe Engagement Terms

Crowe wants Client to understand the terms under which Crowe provides its services to Client and the basis under which Crowe determines its fees. These terms are part of the Agreement and apply to all services described in the Agreement as well as all other services provided to Client (collectively, the "Services"), unless and until a separate written agreement is executed by the parties for separate services. Any advice provided by Crowe is not intended to be, and is not, investment advice.

CLIENT'S ASSISTANCE – For Crowe to provide Services effectively and efficiently, Client agrees to provide Crowe timely with information requested and to make available to Crowe any personnel, systems, premises, records, or other information as reasonably requested by Crowe to perform the Services. Access to such personnel and information are key elements for Crowe's successful completion of Services and determination of fees. If for any reason this does not occur, a revised fee to reflect additional time or resources required by Crowe will be mutually agreed. Client agrees Crowe will have no responsibility for any delays related to a delay in providing such information to Crowe. Such information will be accurate and complete, and Client will inform Crowe of all significant tax, accounting and financial reporting matters of which Client is aware.

PROFESSIONAL STANDARDS – As a regulated professional services firm, Crowe must follow professional standards when applicable, including the Code of Professional Conduct of the American Institute of Certified Public Accountants ("AICPA"). Thus, if circumstances arise that, in Crowe's professional judgment, prevent it from completing the engagement, Crowe retains the right to take any course of action permitted by professional standards, including declining to express an opinion or issue other work product or terminating the engagement.

REPORTS – Any information, advice, recommendations or other content of any memoranda, reports, deliverables, work product, presentations, or other communications Crowe provides under this Agreement ("Reports"), other than Client's original information, are for Client's internal use only, consistent with the purpose of the Services. Client will not rely on any draft Report. Unless required by an audit or other attestation professional standard, Crowe will not be required to update any final Report for circumstances of which we become aware or events occurring after delivery.

CONFIDENTIALITY – Except as otherwise permitted by this Agreement or as agreed in writing, neither Crowe nor Client may disclose to third parties the contents of this Agreement or any information provided by or on behalf of the other that ought reasonably to be treated as confidential and/or proprietary. Client use of any Crowe work product will be limited to its stated purpose and to Client business use only. However, Client and Crowe each agree that either party may disclose such information to the extent that it: (i) is or becomes public other than through a breach of this Agreement, (ii) is subsequently received by the recipient from a third party who, to the recipient's knowledge, owes no obligation of confidentiality to the disclosing party with respect to that information, (iii) was known to the recipient at the time of disclosure or is thereafter created independently, (iv) is disclosed as necessary to enforce the recipient's rights under this Agreement, or (v) must be disclosed under applicable law, regulations, legal process or professional standards.

THIRD-PARTY PROVIDER – Crowe may use a third-party provider in providing Services to Client, which may require Crowe to share Client confidential information with the provider. If Crowe uses a third-party provider, Crowe will enter into a confidentiality agreement with the provider to require the provider to protect the confidentiality of Client's confidential information, and Crowe will be responsible to Client for maintaining its confidentiality. The limitations on Client's remedies, vis-à-vis Crowe, in this Agreement will also apply to any subcontractors.

CLIENT-REQUIRED CLOUD USAGE – If Client requests that Crowe access files, documents or other information in a cloud-based or web-accessed hosting service or other third-party system accessed via the internet, including, without limitation iCloud, Dropbox, Google Docs, Google Drive, a data room hosted by a third party, or a similar service or website (collectively, "Cloud Storage"), Client will confirm with any third parties assisting with or hosting the Cloud Storage that either such third party or Client (and not Crowe) is

responsible for complying with all applicable laws relating to the Cloud Storage and any information contained in the Cloud Storage, providing Crowe access to the information in the Cloud Storage, and protecting the information in the Cloud Storage from any unauthorized access, including without limitation unauthorized access to the information when in transit to or from the Cloud Storage. Client represents that it has authority to provide Crowe access to information in the Cloud Storage and that providing Crowe with such access complies with all applicable laws, regulations, and duties owed to third parties.

DATA PROTECTION – If Crowe holds or uses Client information that can be linked to specific individuals who are Client's customers ("Personal Data"), Crowe will treat it as confidential and comply with applicable US state and federal law and professional regulations (including, for financial institution clients, the objectives of the Interagency Guidelines Establishing Information Security Standards) in disclosing or using such information to carry out the Services. The parties acknowledge and understand that while Crowe is a service provider as defined by the California Consumer Privacy Act of 2018 and processes Client information pursuant to this Agreement, Crowe retains its independence as required by applicable law and professional standards for purposes of providing attest services and other services. Crowe will not (1) sell Personal Data to a third party, or (2) retain, use or disclose Personal Data for any purpose other than for (a) performing the Services and its obligations on this Agreement, (b) as otherwise set forth in this Agreement, (c) to detect security incidents and protect against fraud or illegal activity, (d) to enhance and develop our products and services, including through machine learning and other similar methods and (e) as necessary to comply with applicable law or professional standards. Crowe has implemented and will maintain physical, electronic and procedural safeguards reasonably designed to (i) protect the security, confidentiality and integrity of the Personal Data, (ii) prevent unauthorized access to or use of the Personal Data, and (iii) provide proper disposal of the Personal Data (collectively, the "Safeguards"). Client represents (i) that it has the authority to provide the Personal Data to Crowe in connection with the Services, (ii) that Client has processed and provided the Personal Data to Crowe in accordance with applicable law, and (iii) will limit the Personal Data provided to Crowe to Personal Data necessary to perform the Services. To provide the Services, Client may also need to provide Crowe with access to Personal Data consisting of protected health information, financial account numbers, Social Security or other government-issued identification numbers, or other data that, if disclosed without authorization, would trigger notification requirements under applicable law ("Restricted Personal Data"). In the event Client provides Crowe access to Restricted Personal Data, Client will consult with Crowe on appropriate measures (consistent with legal requirements and professional standards applicable to Crowe) to protect the Restricted Personal Data, such as: deleting or masking unnecessary information before making it available to Crowe, using encryption when transferring it to Crowe, or providing it to Crowe only during on-site review on Client's site. Client will provide Crowe with Restricted Personal Data only in accordance with mutually agreed protective measures. Otherwise, Client and Crowe agree each may use unencrypted electronic media to correspond or transmit information and such use will not in itself constitute a breach of any confidentiality obligations under this Agreement. Crowe will reasonably cooperate with Client in responding to or addressing any request from a consumer or data subject, a data privacy authority with jurisdiction, or the Client, as necessary to enable Client to comply with its obligations under applicable data protection laws and to the extent related to Personal Data. Client will reimburse Crowe for any out-of-pocket expenses and professional time (at Crowe's then-current hourly rates) incurred in connection with providing such cooperation. Client will provide prompt written notice to Crowe (with sufficient detailed instructions) of any request or other act that is required to be performed by Crowe. As appropriate, Crowe will promptly delete or procure the deletion of the Personal Data, after the cessation of any Services involving the processing of Client's Personal Data, or otherwise aggregate or de-identify the Personal Data in such a way as to reasonably prevent reidentification. Notwithstanding the forgoing, Crowe may retain a copy of the Personal Data as permitted by applicable law or professional standards, provided that such Personal Data remain subject to the terms of this Agreement. If Crowe uses a third-party provider, Crowe will include terms substantially similar to those set forth in this Data Protection Paragraph in an agreement with such provider.

GENERAL DATA PROTECTION REGULATION COMPLIANCE – If and to the extent that Client provides personal data to Crowe subject to the European Union General Data Protection Regulation ("GDPR"), then in addition to the requirements of the above Data Protection section, this section will apply to such personal data ("EU Personal Data"). The parties agree that for purposes of processing the EU Personal

Data, (a) Client will be the “Data Controller” as defined by the GDPR, meaning the organization that determines the purposes and means of processing the EU Personal Data; (b) Crowe will be the “Data Processor” as defined by GDPR, meaning the organization that processes the EU Personal Data on behalf of and under the instructions of the Data Controller; or (c) the parties will be classified as otherwise designated by a supervisory authority with jurisdiction. Client and Crowe each agree to comply with the GDPR requirements applicable to its respective role. Crowe has implemented and will maintain technical and organizational security safeguards reasonably designed to protect the security, confidentiality and integrity of the EU Personal Data. Client represents it has secured all required rights and authority, including consents and notices, to provide such EU Personal Data to Crowe, including without limitation authority to transfer such EU Personal Data to the U.S. or other applicable Country or otherwise make the EU Personal Data available to Crowe, for the duration of and purpose of Crowe providing the Services. The types of EU Personal Data to be processed include name, contact information, title, and other EU Personal Data that is transferred to Crowe in connection with the Services. The EU Personal Data relates to the data subject categories of individuals connected to Client, Client customers, Client vendors, and Client affiliates or subsidiaries (“Data Subjects”). Crowe will process the EU Personal Data for the following purpose: (x) to provide the Services in accordance with this Agreement, (y) to comply with other documented reasonable instructions provided by Client, and (z) to comply with applicable law. In the event of a Crowe breach incident in connection with EU Personal Data in the custody or control of Crowe, Crowe will promptly notify Client upon knowledge that a breach incident has occurred. Client has instructed Crowe not to contact any Data Subjects directly, unless required by applicable law. In the event that a supervisory authority with jurisdiction makes the determination that Crowe is a data controller, Client will reasonably cooperate with Crowe to enable Crowe to comply with its obligations under GDPR.

INTELLECTUAL PROPERTY - Any Deliverables, Works, Inventions, working papers, or other work product conceived, made or created by Crowe in rendering the Services under this Agreement (“Work Product”), and all intellectual property rights in such Work Product will be owned exclusively by Crowe. Further, Crowe will retain exclusive ownership or control of all intellectual property rights in any ideas, concepts, methodologies, data, software, designs, utilities, tools, models, techniques, systems, Reports, or other know-how that it develops, owns or licenses in connection with this Agreement (“Materials”). The foregoing ownership will be without any duty of accounting.

DATA USAGE AND AGGREGATIONS - Client hereby acknowledges and agrees that Crowe may, in its discretion, use any Client information or data provided to Crowe to improve Crowe services and Materials, including without limitation developing new Crowe services and software or other products. Client also agrees that Crowe may, in its discretion, aggregate Client content and data with content and data from other clients, other sources, or third parties (“Data Aggregations”) for purposes including, without limitation, product and service development, commercialization, industry benchmarking, or quality improvement initiatives. Prior to, and as a precondition for, disclosing Data Aggregations to other Crowe customers or prospects, Crowe will anonymize any Client data or information in a manner sufficient to prevent such other customer or prospect from identifying Client or individuals who are Client customers. All Data Aggregations will be the sole and exclusive property of Crowe.

LEGAL AND REGULATORY CHANGE – Crowe may periodically communicate to Client changes in laws, rules or regulations. However, Client has not engaged Crowe, and Crowe does not undertake an obligation, to advise Client of changes in (a) laws, rules, regulations, industry or market conditions, or (b) Client’s own business practices or other circumstances (except to the extent required by professional standards). The scope of Services and the fees for Services are based on current laws and regulations. If changes in laws or regulations change Client’s requirements or the scope of the Services, Crowe’s fees will be modified to a mutually agreed amount to reflect the changed level of Crowe’s effort.

PUBLICATION – Client agrees to obtain Crowe’s specific permission before using any Report or Crowe work product or Crowe’s firm’s name in a published document, and Client agrees to submit to Crowe copies of such documents to obtain Crowe’s permission before they are filed or published.

CLIENT REFERENCE – From time to time Crowe is requested by prospective clients to provide references for Crowe service offerings. Client agrees that Crowe may use Client’s name and generally

describe the nature of Crowe's engagement(s) with Client in marketing to prospects, and Crowe may also provide prospects with contact information for Client personnel familiar with Crowe's Services.

NO PUNITIVE OR CONSEQUENTIAL DAMAGES – Any liability of Crowe will not include any consequential, special, incidental, indirect, punitive, or exemplary damages or loss, nor any lost profits, goodwill, savings, or business opportunity, even if Crowe had reason to know of the possibility of such damages.

LIMIT OF LIABILITY – Except where it is judicially determined that Crowe performed its Services with recklessness or willful misconduct, Crowe's liability will not exceed fees paid by Client to Crowe for the portion of the work giving rise to liability. A claim for a return of fees paid is the exclusive remedy for any damages. This limit of liability will apply to the full extent allowed by law, regardless of the grounds or nature of any claim asserted, including, without limitation, to claims based on principles of contract, negligence or other tort, fiduciary duty, warranty, indemnity, statute or common law. This limit of liability will also apply after this Agreement.

NO TRANSFER OR ASSIGNMENT OF CLAIMS – No claim against Crowe, or any recovery from or against Crowe, may be sold, assigned or otherwise transferred, in whole or in part.

TIME LIMIT ON CLAIMS – In no event will any action against Crowe, arising from or relating to this engagement letter or the Services provided by Crowe relating to this engagement, be brought after the earlier of 1) two (2) years after the date on which occurred the act or omission alleged to have been the cause of the injury alleged; or 2) the expiration of the applicable statute of limitations or repose.

RESPONSE TO LEGAL PROCESS – If Crowe is requested by subpoena, request for information, or through some other legal process to produce documents or testimony pertaining to Client or Crowe's Services, and Crowe is not named as a party in the applicable proceeding, then Client will reimburse Crowe for its professional time, plus out-of-pocket expenses, as well as reasonable attorney fees, Crowe incurs in responding to such request.

MEDIATION – If a dispute arises, in whole or in part, out of or related to this engagement, or after the date of this agreement, between Client or any of Client's affiliates or principals and Crowe, and if the dispute cannot be settled through negotiation, Client and Crowe agree first to try, in good faith, to settle the dispute by mediation administered by the American Arbitration Association, under its mediation rules for professional accounting and related services disputes, before resorting to litigation or any other dispute-resolution procedure. The results of mediation will be binding only upon agreement of each party to be bound. Costs of any mediation will be shared equally by both parties. Any mediation will be held in Utah.

JURY TRIAL WAIVER – FOR ALL DISPUTES RELATING TO OR ARISING BETWEEN THE PARTIES, THE PARTIES AGREE TO WAIVE A TRIAL BY JURY TO FACILITATE JUDICIAL RESOLUTION AND TO SAVE TIME AND EXPENSE. EACH PARTY AGREES IT HAS HAD THE OPPORTUNITY TO HAVE ITS LEGAL COUNSEL REVIEW THIS WAIVER. THIS WAIVER IS IRREVOCABLE, MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING, AND APPLIES TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, OR MODIFICATIONS TO THIS AGREEMENT. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS WRITTEN CONSENT TO A BENCH TRIAL WITHOUT A JURY. HOWEVER, AND NOTWITHSTANDING THE FOREGOING, IF ANY COURT RULES OR FINDS THIS JURY TRIAL WAIVER TO BE UNENFORCEABLE AND INEFFECTIVE IN WAIVING A JURY, THEN ANY DISPUTE RELATING TO OR ARISING FROM THIS ENGAGEMENT OR THE PARTIES' RELATIONSHIP GENERALLY WILL BE RESOLVED BY ARBITRATION AS SET FORTH IN THE PARAGRAPH BELOW REGARDING "ARBITRATION."

ARBITRATION – If any court rules or finds that the JURY TRIAL WAIVER section is not enforceable, then any dispute between the parties relating to or arising from this Agreement or the parties' relationship generally will be settled by binding arbitration in Utah (or a location agreed in writing by the parties). Any issues concerning the extent to which any dispute is subject to arbitration, or concerning the applicability,

interpretation, or enforceability of any of this Section, will be governed by the Federal Arbitration Act and resolved by the arbitrator(s). The arbitration will be governed by the Federal Arbitration Act and resolved by the arbitrator(s). Regardless of the amount in controversy, the arbitration will be administered by JAMS, Inc. ("JAMS"), pursuant to its Streamlined Arbitration Rules & Procedures or such other rules or procedures as the parties may agree in writing. In the event of a conflict between those rules and this Agreement, this Agreement will control. The parties may alter each of these rules by written agreement. If a party has a basis for injunctive relief, this paragraph will not preclude a party seeking and obtaining injunctive relief in a court of proper jurisdiction. The parties will agree within a reasonable period of time after notice is made of initiating the arbitration process whether to use one or three arbitrators, and if the parties cannot agree within fifteen (15) business days, the parties will use a single arbitrator. In any event the arbitrator(s) must be retired federal judges or attorneys with at least 15 years commercial law experience and no arbitrator may be appointed unless he or she has agreed to these procedures. If the parties cannot agree upon arbitrator(s) within an additional fifteen (15) business days, the arbitrator(s) will be selected by JAMS. Discovery will be permitted only as authorized by the arbitrator(s), and as a rule, the arbitrator(s) will not permit discovery except upon a showing of substantial need by a party. To the extent the arbitrator(s) permit discovery as to liability, the arbitrator(s) will also permit discovery as to causation, reliance, and damages. The arbitrator(s) will not permit a party to take more than six depositions, and no depositions may exceed five hours. The arbitrator(s) will have no power to make an award inconsistent with this Agreement. The arbitrator(s) will rule on a summary basis where possible, including without limitation on a motion to dismiss basis or on a summary judgment basis. The arbitrator(s) may enter such prehearing orders as may be appropriate to ensure a fair hearing. The hearing will be held within one year of the initiation of arbitration, or less, and the hearing must be held on continuous business days until concluded. The hearing must be concluded within ten (10) business days absent written agreement by the parties to the contrary. The time limits in this section are not jurisdictional. The arbitrator(s) will apply substantive law and may award injunctive relief or any other remedy available from a judge. The arbitrator(s) may award attorney fees and costs to the prevailing party, and in the event of a split or partial award, the arbitrator(s) may award costs or attorney fees in an equitable manner. Any award by the arbitrator(s) will be accompanied by a reasoned opinion describing the basis of the award. Any prior agreement regarding arbitration entered by the parties is replaced and superseded by this agreement. The arbitration will be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1 et seq., and judgment upon the award rendered by the arbitrator(s) may be entered by any court having jurisdiction thereof. All aspects of the arbitration will be treated by the parties and the arbitrator(s) as confidential.

NON-SOLICITATION – Each party acknowledges that it has invested substantially in recruiting, training and developing the personnel who render services with respect to the material aspects of the engagement ("Key Personnel"). The parties acknowledge that Key Personnel have knowledge of trade secrets or confidential information of their employers that may be of substantial benefit to the other party. The parties acknowledge that each business would be materially harmed if the other party was able to directly employ Key Personnel. Therefore, the parties agree that during the period of this Agreement and for one (1) year after its expiration or termination, neither party will solicit Key Personnel of the other party for employment or hire the Key Personnel of the other party without that party's written consent unless hiring or engaging party pays to the other party a fee equal to the hired or engaged Key Personnel's compensation for the prior twelve-month period with the other party.

CROWE AND EQUAL OPPORTUNITY – Crowe abides by the principles of equal employment opportunity, including without limitation the requirements of 41 CFR 60-741.5(a) and 41 CFR 60-300.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status or disability. Crowe also abides by 29 CFR Part 471, Appendix A to Subpart A. The parties agree that the notice in this paragraph does not create any enforceable rights for any firm, organization, or individual.

CROWE GLOBAL NETWORK – Crowe LLP and its subsidiaries are independent members of Crowe Global, a Swiss organization. “Crowe” is the brand used by the Crowe Global network and its member firms, but it is not a worldwide partnership. Crowe Global and each of its members are separate and independent legal entities and do not obligate each other. Crowe LLP and its subsidiaries are not responsible or liable for any acts or omissions of Crowe Global or any other Crowe Global members, and Crowe LLP and its subsidiaries specifically disclaim any and all responsibility or liability for acts or omissions of Crowe Global or any other Crowe Global member. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Crowe LLP or any other member. Crowe Global and its other members are not responsible or liable for any acts or omissions of Crowe LLP and its subsidiaries and specifically disclaim any and all responsibility or liability for acts or omissions of Crowe LLP and its subsidiaries. Visit www.crowe.com/disclosure for more information about Crowe LLP, its subsidiaries, and Crowe Global.



Report on the Firm's System of Quality Control

December 5, 2019

To the Partners of Crowe LLP
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Crowe LLP (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended March 31, 2019. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; audits of employee benefit plans; audits performed under FDICIA; audits of broker-dealers; and examinations of service organizations [SOC 2 engagements].

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Crowe LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended March 31, 2019, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Crowe LLP has received a peer review rating of *pass*.

Cherry Bekaert LLP

Cherry Bekaert LLP

200 South 10th Street, Suite 900, Richmond, VA 23219 | P 804.673.5700 | cbh.com





American Institute of CPAs
220 Leigh Farm Road
Durham, NC 27707-8110

December 12, 2019

James Powers
Crowe LLP
225 W Wacker DR Ste 2600
Chicago, IL 60606-1228

Dear James Powers:

It is my pleasure to notify you that on December 12, 2019, the National Peer Review Committee accepted the report on the most recent System Review of your firm. The due date for your next review is September 30, 2022. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Thank you for your cooperation.

Sincerely,



Michael Fawley
Chair, National PRC
nprc@aicpa.org
+1.919.402.4502

National Peer Review Committee

cc: Samuel Johnson, Scot Ivey

Firm Number: 900010014904

Review Number: 564789



Crowe LLP
Independent Member Crowe Global

3815 River Crossing Parkway, Suite 300,
Indianapolis, IN 46240-0977
Tel 317-569-8989
Fax 317-706-2660
www.crowe.com

September 3, 2020

Utah Transit Authority
669 West 200 South
Salt Lake City, Utah 84101

Dear Troy:

This letter confirms the arrangements for Crowe LLP (“Crowe” or “us” or “we” or “our”) to provide the professional services discussed in this letter to Utah Transit Authority (“you”, “your” or “Client”). The attached Crowe Engagement Terms, and any other attachments thereto, are integral parts of this letter, and such terms are incorporated herein.

Crowe will apply agreed upon procedures, as discussed in Attachment A, in connection with Federal Transit Administration (FTA) standards on data reported to it in the Federal Funding Allocation Statistics Form of Client from information you provide. The procedures have been specified by FTA and will be agreed-upon by you.

We will apply procedures to the data contained in the Federal Funding Allocation Statistics form for the year ended December 31, 2020. Such procedures, which were specified by FTA in the Declarations section of the 2020 Policy Manual and agreed to by the Client will be applied to assist you in evaluating whether the Client complied with the standards described in the first paragraph of this letter and that the information included in the NTD report Federal Funding Allocation Statistics form for the year ended December 31, 2020, is presented in conformity with the requirements of the Uniform System of Accounts and Records and Reporting System; Final Rule, as specified in 49 CFR Part 630, Federal Register, January 15, 1993 and as presented in the 2020 Policy Manual.

PROFESSIONAL SERVICES

Our Responsibilities

The agreed-upon procedures will be performed in accordance with attestation standards established by the American Institute of Certified Public Accountants.

We have no obligation to perform any procedures beyond those agreed to by you and have been acknowledged to be appropriate for your purposes. We are not engaged to and will not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the FFA-10 form. Accordingly, we will not express such an opinion or conclusion. If we were to perform additional procedures, other matters might come to our attention that would be reported to you. We have no obligation to perform any procedures beyond those listed in Attachment A. It is understood that we will prepare a report reflecting our findings of the procedures outlined in Attachment A for use by you and . We make no representations as to the adequacy of these procedures for your or 's purposes. The sufficiency of these procedures is solely the responsibility of the management of the Client and the FTA.

If you decide that additional procedures are needed, we will discuss those with you. It is customary for us to document such revisions by an addendum to this letter. If you wish to add specified users of the report, we will require that you provide, at the conclusion of the engagement, written representation that you have obtained the specified users' agreement to the procedures and acknowledgement that the procedures performed are appropriate for their purposes.

The agreed-upon procedures do not contemplate obtaining the understanding of internal control or assessing control risk, tests of accounting records and responses to inquiries by obtaining corroborating evidential matter, and certain other procedures ordinarily performed during an examination. Thus, this engagement does not provide assurance that we will become aware of significant matters that would be disclosed in an examination. Client agrees not to rely on our engagement to disclose errors, fraud or illegal acts that may exist. However, we will inform you of any significant errors that may come to our attention. Our engagement will not enable us to address legal or regulatory matters or abuses of management discretion, which matters should be discussed by you with your legal counsel. You are also responsible for the accuracy and completeness of the information provided to Crowe for purposes of this engagement and for timely updating such information. Because of the importance of such information to our engagement, you agree to waive any claim against Crowe and its personnel for any liability and costs relating to or arising from any inaccuracy or incompleteness of information provided to us for purposes of this engagement.

Our procedures and work product are intended for the benefit and use of you and . This engagement will not be planned or conducted in contemplation of reliance by any other party or with respect to any specific transaction and is not intended to benefit or influence any other party. Therefore, items of possible interest to a third party may not be specifically addressed or matters may exist that could be assessed differently by a third party. The working papers for this engagement are the property of Crowe and constitute confidential information.

If, for any reason, we are unable to complete the agreed-upon procedures, we will not issue a report as a result of this engagement.

Client's Responsibilities

The agreed upon procedures are listed in Attachment A. You agree to the procedures included in Attachment A and acknowledge that the procedures are appropriate for the intended purpose of the engagement.

In addition to your use, other specified parties including , will be requested by you to agree to the procedures and acknowledge that the procedures performed are appropriate for their purposes.

You agree to provide a written representation letter at the conclusion of the engagement. Because of the importance of the written representations to this engagement, you agree to release Crowe and its personnel from any liability and costs relating to our services under this letter attributable to any misrepresentations by you, the engaging party.

The Client is responsible for providing to us, on a timely basis, all information of which you are aware that is relevant to this agreed-upon procedures engagement. The Client is also responsible for providing such other additional information we may request for the purpose of this engagement, and unrestricted access to persons within the Client from whom we determine it necessary to perform the agreed-upon procedures.

Other Matters

The Federal Transit Administration (FTA) has established the following standards with regard to the data reported to it in the Federal Funding Allocation Statistics form (FFA-10) of Utah Transit Authority's annual National Transit Database (NTD) report:

- A system is in place and maintained for recording data in accordance with NTD definitions. The correct data are being measured and no systematic errors exist.
- A system is in place to record data on a continuing basis, and the data gathering is an ongoing effort.
- Source documents are available to support the reported data and are maintained for FTA review and audit for a minimum of three years following FTA's receipt of the NTD report. The data are fully documented and securely stored.
- A system of internal controls is in place to ensure the data collection process is accurate and that the recording system and reported comments are not altered. Documents are reviewed and signed by a supervisor, as required.
- The data collection methods are those suggested by FTA or otherwise meet FTA requirements.
- The deadhead miles, computed as the difference between the reported total actual vehicle miles data and the reported total actual vehicle revenue miles (VRM) data, appear to be accurate.
- Data is consistent with prior reporting periods and other facts known about Utah Transit Authority's operations.

We have applied the procedures, as described in Attachment A, to the data contained in the accompanying FFA-10 for the fiscal year ending December 31, 2020. Such procedures, which were agreed to and specified by FTA in the Declarations section of the *2020 Policy Manual* and were agreed to by Utah Transit Authority, were applied to assist Utah Transit Authority in evaluating whether Utah Transit Authority complied with the standards described in the first paragraph of this part and that the information included in the NTD report FFA-10 for the fiscal year ending December 31, 2020 is presented in conformity with the requirements of the *Uniform System of Accounts (USOA) and Records and Reporting System; Final Rule*, as specified in 49 CFR Part 630, Federal Register, January 15, 1993 and as presented in the *2020 Policy Manual*. Utah Transit Authority's management is responsible for the FFA-10 and compliance with NTD requirements.

The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described in Attachment A either for the purpose for which this report has been requested or for any other purpose. This report is intended solely for your information and for FTA and should not be used by those who did not participate in determining the procedures.

The procedures in Attachment A were applied separately to each of the information systems used to develop the reported actual vehicle revenue miles (VRM), fixed guideway (FG), directional route miles (DRM), passenger miles traveled (PMT) and operating expenses (OE) of Utah Transit Authority for the fiscal year ending December 31, 2020 for each of the following modes:

- Commuter Bus – DO
- Commuter Rail – DO
- Demand Response – DO and PT
- Light Rail – DO
- Motor Bus – DO and PT
- Vanpool - DO

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the FFA-10 form. Accordingly, we do not express such an opinion or

conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. Also, we do not express an opinion on Utah Transit Authority's system of internal control taken as a whole.

In performing the procedures, no findings came to our attention that would be required to be reported to you regarding the information included in the NTD report on the FFA-10 Form for the fiscal year ending December 31, 2020. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. This report relates only to the information described above, and does not extend to Utah Transit Authority's financial statements taken as a whole, or the forms in Utah Transit Authority's NTD report other than the FFA-10 form, for any date or period.

There is no critical path schedule or completion date requirements as a part of this engagement.

This report is intended solely for the information and use of management of Utah Transit Authority and the FTA and is not intended to be and should not be used by anyone other than these specified parties.

MISCELLANEOUS

For purposes of this Miscellaneous section, the Acceptance section below, and all of the Crowe Engagement Terms, "Client" will mean the entity(ies) defined in the first paragraph of this letter and will also include all related parents, subsidiaries, and affiliates of Client who may receive or claim reliance upon any Crowe deliverable.

Crowe will provide the services to Client under this Agreement as an independent contractor and not as Client's partner, agent, employee, or joint venturer under this Agreement. Neither Crowe nor Client will have any right, power or authority to bind the other party.

This engagement letter agreement (the "Agreement") reflects the entire agreement between the parties relating to the services (or any reports, deliverables or other work product) covered by this Agreement. The engagement letter and any attachments (including without limitation the attached Crowe Engagement Terms) are to be construed as a single document, with the provisions of each section applicable throughout. This Agreement may not be amended or varied except by a written document signed by each party. It replaces and supersedes any other proposals, correspondence, agreements and understandings, whether written or oral, relating to the services covered by this letter, and each party agrees that in entering this Agreement, it has not relied on any oral or written representations, statements or other information not contained in or incorporated into this Agreement. Any non-disclosure or other confidentiality agreement is replaced and superseded by this Agreement. Each party shall remain obligated to the other party under all provisions of this Agreement that expressly or by their nature extend beyond and survive the expiration or termination of this Agreement. If any provision (in whole or in part) of this Agreement is found unenforceable or invalid, this will not affect the remainder of the provision or any other provisions in this Agreement, all of which will continue in effect as if the stricken portion had not been included. This Agreement may be executed in two or more actual, scanned, emailed, or electronically copied counterparts, each and all of which together are one and the same instrument. Accurate transmitted copies (transmitted copies are reproduced documents that are sent via mail, delivery, scanning, email, photocopy, facsimile or other process) of the executed Agreement or signature pages only (whether handwritten or electronic signature), will be considered and accepted by each party as documents equivalent to original documents and will be deemed valid, binding and enforceable by and against all parties. This Agreement must be construed, governed, and interpreted under the laws of the State of Utah, without regard for choice of law principles.

* * * * *

We are pleased to have this opportunity to serve you, and we look forward to a continuing relationship. If the terms of this letter and the attached Crowe Engagement Terms are acceptable to you, please sign

below and return one copy of this letter at your earliest convenience. Please contact us with any questions or concerns.

(Signature Page Follows)

ACCEPTANCE

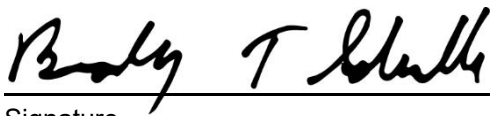
I have reviewed the arrangements outlined above and in the attached "Crowe Engagement Terms," and I accept on behalf of the Client the terms and conditions as stated. By signing below, I represent and warrant that I am authorized by Client to accept the terms and conditions as stated.

IN WITNESS WHEREOF, Client and Crowe have duly executed this engagement letter effective the date first written above.

Utah Transit Authority

Crowe LLP

Signature



Signature

Printed Name

Bradley Schelle

Printed Name

Title

Managing Director

Title

Date

September 3, 2020

Date

ATTACHMENT A – PROPOSED AGREED UPON PROCEDURES**FTA Suggested Procedures:**

- a. Obtain and read a copy of written system procedures for reporting and maintaining data in accordance with NTD requirements and definitions set forth in 49 CFR Part 630, Federal Register, dated January 15, 1993, and as presented in the 2020 Policy Manual. If there are no procedures available, discuss the procedures with the personnel assigned responsibility for supervising the NTD data preparation and maintenance.
- b. Discuss the procedures (written or informal) with the personnel assigned responsibility of supervising the preparation and maintenance of NTD data to determine:
 - The extent to which the transit agency followed the procedures on a continuous basis, and
 - Whether these transit personnel believe such procedures result in accumulation and reporting of data consistent with NTD definitions and requirements set forth in 49 CFR Part 630, Federal Register, dated January 15, 1993, and as presented in the 2020 Policy Manual.
- c. Ask these same personnel about the retention policy that the transit agency follows as to source documents supporting NTD data reported on the Federal Funding Allocation Statistics form.
- d. Based on a description of the transit agency's procedures from items (A) and (B) above, identify all the source documents that the transit agency must retain for a minimum of three years. For each type of source document, select three months out of the year and determine whether the document exists for each of these periods.
- e. Discuss the system of internal controls. Inquire whether separate individuals (independent of the individuals preparing source documents and posting data summaries) review the source documents and data summaries for completeness, accuracy, and reasonableness and how often these individuals perform such reviews.
- f. Select a random sample of three source documents and determine whether supervisors' signatures are present as required by the system of internal controls. If supervisors' signatures are not required, inquire how personnel document supervisors' reviews.
- g. Select a random sample of three source documents and determine whether supervisors' signatures are present as required by the system of internal controls. If supervisors' signatures are not required, inquire how personnel document supervisors' reviews.
- h. Discuss the procedure for accumulating and recording passenger miles traveled (PMT) data in accordance with NTD requirements with transit agency staff. Inquire whether the procedure is one of the methods specifically approved in the 2020 Policy Manual.
- i. Discuss with transit agency staff (the auditor may wish to list the titles of the persons interviewed) the transit agency's eligibility to conduct statistical sampling for PMT data every third year. Determine whether the transit agency meets NTD criteria that allow transit agencies to conduct statistical samples for accumulating PMT data every third year rather than annually. Specifically:
 - According to the 2010 Census, the public transit agency serves an UZA with a population less than 500,000.
 - The public transit agency directly operates fewer than 100 revenue vehicles in all modes in annual maximum revenue service (VOMS) (in any size UZA).
 - Service purchased from a seller is included in the transit agency's NTD report.

- For transit agencies that meet one of the above criteria, review the NTD documentation for the most recent mandatory sampling year and determine that statistical sampling was conducted and meets the 95 percent confidence and ± 10 percent precision requirements.
 - Determine how the transit agency estimated annual PMT for the current report year.
- j. Obtain a description of the sampling procedure for estimation of PMT data used by the transit agency. Obtain a copy of the transit agency's working papers or methodology used to select the actual sample of runs for recording PMT data. If the transit agency used average trip length, determine that the universe of runs was the sampling frame. Determine that the methodology used to select specific runs from the universe resulted in a random selection of runs. If the transit agency missed a selected sample run, determine that a replacement sample run was random. Determine that the transit agency followed the stated sampling procedure.
- k. Select a random sample of three source documents for accumulating PMT data and determine that the data are complete (all required data are recorded) and that the computations are accurate. Select a random sample of the accumulation periods and re-compute the accumulations for each of the selected periods. List the accumulation periods that were tested. Test the arithmetical accuracy of the summary.
- l. Discuss the procedures for systematic exclusion of charter, school bus, and other ineligible vehicle miles from the calculation of actual vehicle revenue miles with transit agency staff and determine that they follow the stated procedures. Select a random sample of three source documents used to record charter and school bus mileage and test the arithmetical accuracy of the computations.
- m. For actual vehicle revenue mile (VRM) data, document the collection and recording methodology and determine that deadhead miles are systematically excluded from the computation. This is accomplished as follows:
- If actual VRMs are calculated from schedules, document the procedures used to subtract missed trips. Select a random sample of three days that service is operated and re-compute the daily total of missed trips and missed VRMs. Test the arithmetical accuracy of the summary.
 - If actual VRMs are calculated from hubodometers, document the procedures used to calculate and subtract deadhead mileage. Select a random sample of three hubodometer readings and determine that the stated procedures for hubodometer deadhead mileage adjustments are applied as prescribed. Test the arithmetical accuracy of the summary of intermediate accumulations.
 - If actual VRMs are calculated from vehicle logs, select random samples of three vehicle logs and determine that the deadhead mileage has been correctly computed in accordance with FTA definitions.
- n. For rail modes, review the recording and accumulation sheets for actual VRMs and determine that locomotive miles are not included in the computation.
- o. If fixed guideway or High Intensity Bus directional route miles (FG or HIB DRM) are reported, interview the person responsible for maintaining and reporting the NTD data whether the operations meet FTA definition of fixed guideway (FG) or High Intensity Bus (HIB) in that the service is:
- Rail, trolleybus (TB), ferryboat (FB), or aerial tramway (TR) or Bus (MB) service operating over exclusive or controlled access rights-of-way (ROW), and
 - Bus (MB, CB, or RB) service operating over exclusive or controlled access rights-of-way (ROW), and
 - Access is restricted

- o Legitimate need for restricted access is demonstrated by peak period level of service D or worse on parallel adjacent highway, and
 - o Restricted access is enforced for freeways; priority lanes used by other high occupancy vehicles (HOV) (i.e., vanpools (VP), carpools) must demonstrate safe operation; and
 - o High Occupancy/Toll (HO/T) lanes meet FHWA requirements for traffic flow and use of toll revenues. The transit agency has provided the NTD a copy of the State's certification to the U.S. Secretary of Transportation stating that it has established a program for monitoring, assessing, and reporting on the operation of the HOV facility with HO/T lanes.
- p. Discuss the measurement of FG and HIB DRM with the person reporting NTD data and determine that the he or she computed mileage in accordance with FTA definitions of FG/HIB and DRM. Inquire of any service changes during the year that resulted in an increase or decrease in DRMs. If a service change resulted in a change in overall DRMs, re-compute the average monthly DRMs, and reconcile the total to the FG/HIB DRM reported on the Federal Funding Allocation Statistics form.
- q. Inquire if any temporary interruptions in transit service occurred during the report year. If these interruptions were due to maintenance or rehabilitation improvements to a FG segment(s), the following apply:
- Report DRMs for the segment(s) for the entire report year if the interruption is less than 12 months in duration. Report the months of operation on the FG/HIB segments form as 12. The transit agency should document the interruption.
 - If the improvements cause a service interruption on the FG/HIB DRMs lasting more than 12 months, the transit agency should contact its NTD validation analyst to discuss. FTA will make a determination on how to report the DRMs.
- r. Measure FG/HIB DRM from maps or by retracing route.
- s. Discuss whether other public transit agencies operate service over the same FG/HIB as the transit agency. If yes, determine that the transit agency coordinated with the other transit agency (or agencies) such that the DRMs for the segment of FG/HIB are reported only once to the NTD on the Federal Funding Allocation form. Each transit agency should report the actual VRM, PMT, and OE for the service operated over the same FG/HIB.
- t. Review the FG/HIB segments form. Discuss the Agency Revenue Service Start Date for any segments added in the 2020 report year with the persons reporting NTD data. This is the commencement date of revenue service for each FG/HIB segment. Determine that the date reported is the date that the agency began revenue service. This may be later than the Original Date of Revenue Service if the transit agency is not the original operator. If a segment was added for the 2020 report year, the Agency Revenue Service Date must occur within the transit agency's 2020 fiscal year. Segments are grouped by like characteristics. Note that for apportionment purposes, under the State of Good Repair (§5337) and Bus and Bus Facilities (§5339) programs, the 7-year age requirement for fixed guideway/High Intensity Busway segments is based on the report year when the segment is first reported by any NTD transit agency. This pertains to segments reported for the first time in the current report year. Even if a transit agency can document an Agency Revenue Service Start Date prior to the current NTD report year, FTA will only consider segments continuously reported to the NTD.
- u. Compare operating expenses with audited financial data after reconciling items are removed.
- v. If the transit agency purchases transportation services, interview the personnel reporting the NTD data on the amount of PT generated fare revenues. The PT fare revenues should equal the amount reported on the Contractual Relationship form.

- w. If the transit agency's report contains data for purchased transportation services and the procedures in this auditor's review were not applied to the purchased transportation services, obtain a copy of the IAS-FFA regarding data for the purchased transportation service. Attach a copy of the statement to the report. Note as a negative finding if the purchased transportation services were not included in this auditor's review, and the transit agency also does not have a separate Independent Auditor's Statement for the purchased transportation data.
- x. If the transit agency purchases transportation services, obtain a copy of the PT contract and determine that the contract specifies the public transportation services to be provided; the monetary consideration obligated by the transit agency or governmental unit contracting for the service; the period covered by the contract (and that this period overlaps the entire, or a portion of, the period covered by the transit agency's NTD report); and is signed by representatives of both parties to the contract. Interview the person responsible for retention of the executed contract, and determine that copies of the contracts are retained for three years.
- y. If the transit agency provides service in more than one UZA, or between an UZA and a non-UZA, inquire of the procedures for allocation of statistics between UZAs and non-UZAs. Obtain and review the FG segment worksheets, route maps, and urbanized area boundaries used for allocating the statistics, and determine that the stated procedure is followed and that the computations are correct.
- z. Compare the data reported on the Federal Funding Allocation Statistics Form to data from the prior report year and calculate the percentage change from the prior year to the current year. For actual VRM, PMT or OE data that have increased or decreased by more than 10 percent, or FG DRM data that have increased or decreased. Interview transit agency management regarding the specifics of operations that led to the increases or decreases in the data relative to the prior reporting period.
- aa. The auditor should document the specific procedures followed, documents reviewed, and tests performed in the work papers. The work papers should be available for FTA review for a minimum of three years following the NTD report year. The auditor may perform additional procedures, which are agreed to by the auditor and the transit agency, if desired. The auditor should clearly identify the additional procedures performed in a separate attachment to the statement as procedures that were agreed to by the transit agency and the auditor but not by FTA.

Crowe Engagement Terms

Crowe wants Client to understand the terms under which Crowe provides its services to Client and the basis under which Crowe determines its fees. These terms are part of the Agreement and apply to all services described in the Agreement as well as all other services provided to Client (collectively, the "Services"), unless and until a separate written agreement is executed by the parties for separate services. Any advice provided by Crowe is not intended to be, and is not, investment advice.

CLIENT'S ASSISTANCE – For Crowe to provide Services effectively and efficiently, Client agrees to provide Crowe timely with information requested and to make available to Crowe any personnel, systems, premises, records, or other information as reasonably requested by Crowe to perform the Services. Access to such personnel and information are key elements for Crowe's successful completion of Services and determination of fees. If for any reason this does not occur, a revised fee to reflect additional time or resources required by Crowe will be mutually agreed. Client agrees Crowe will have no responsibility for any delays related to a delay in providing such information to Crowe. Such information will be accurate and complete, and Client will inform Crowe of all significant tax, accounting and financial reporting matters of which Client is aware.

PROFESSIONAL STANDARDS – As a regulated professional services firm, Crowe must follow professional standards when applicable, including the Code of Professional Conduct of the American Institute of Certified Public Accountants ("AICPA"). Thus, if circumstances arise that, in Crowe's professional judgment, prevent it from completing the engagement, Crowe retains the right to take any course of action permitted by professional standards, including declining to express an opinion or issue other work product or terminating the engagement.

REPORTS – Any information, advice, recommendations or other content of any memoranda, reports, deliverables, work product, presentations, or other communications Crowe provides under this Agreement ("Reports"), other than Client's original information, are for Client's internal use only, consistent with the purpose of the Services. Client will not rely on any draft Report. Unless required by an audit or other attestation professional standard, Crowe will not be required to update any final Report for circumstances of which we become aware or events occurring after delivery.

CONFIDENTIALITY – Except as otherwise permitted by this Agreement or as agreed in writing, neither Crowe nor Client may disclose to third parties the contents of this Agreement or any information provided by or on behalf of the other that ought reasonably to be treated as confidential and/or proprietary. Client use of any Crowe work product will be limited to its stated purpose and to Client business use only. However, Client and Crowe each agree that either party may disclose such information to the extent that it: (i) is or becomes public other than through a breach of this Agreement, (ii) is subsequently received by the recipient from a third party who, to the recipient's knowledge, owes no obligation of confidentiality to the disclosing party with respect to that information, (iii) was known to the recipient at the time of disclosure or is thereafter created independently, (iv) is disclosed as necessary to enforce the recipient's rights under this Agreement, or (v) must be disclosed under applicable law, regulations, legal process or professional standards.

THIRD-PARTY PROVIDER – Crowe may use a third-party provider in providing Services to Client, which may require Crowe to share Client confidential information with the provider. If Crowe uses a third-party provider, Crowe will enter into a confidentiality agreement with the provider to require the provider to protect the confidentiality of Client's confidential information, and Crowe will be responsible to Client for maintaining its confidentiality. The limitations on Client's remedies, vis-à-vis Crowe, in this Agreement will also apply to any subcontractors.

CLIENT-REQUIRED CLOUD USAGE – If Client requests that Crowe access files, documents or other information in a cloud-based or web-accessed hosting service or other third-party system accessed via the internet, including, without limitation iCloud, Dropbox, Google Docs, Google Drive, a data room hosted by a third party, or a similar service or website (collectively, "Cloud Storage"), Client will confirm with any third parties assisting with or hosting the Cloud Storage that either such third party or Client (and not Crowe) is

responsible for complying with all applicable laws relating to the Cloud Storage and any information contained in the Cloud Storage, providing Crowe access to the information in the Cloud Storage, and protecting the information in the Cloud Storage from any unauthorized access, including without limitation unauthorized access to the information when in transit to or from the Cloud Storage. Client represents that it has authority to provide Crowe access to information in the Cloud Storage and that providing Crowe with such access complies with all applicable laws, regulations, and duties owed to third parties.

DATA PROTECTION – If Crowe holds or uses Client information that can be linked to specific individuals who are Client's customers ("Personal Data"), Crowe will treat it as confidential and comply with applicable US state and federal law and professional regulations (including, for financial institution clients, the objectives of the Interagency Guidelines Establishing Information Security Standards) in disclosing or using such information to carry out the Services. The parties acknowledge and understand that while Crowe is a service provider as defined by the California Consumer Privacy Act of 2018 and processes Client information pursuant to this Agreement, Crowe retains its independence as required by applicable law and professional standards for purposes of providing attest services and other services. Crowe will not (1) sell Personal Data to a third party, or (2) retain, use or disclose Personal Data for any purpose other than for (a) performing the Services and its obligations on this Agreement, (b) as otherwise set forth in this Agreement, (c) to detect security incidents and protect against fraud or illegal activity, (d) to enhance and develop our products and services, including through machine learning and other similar methods and (e) as necessary to comply with applicable law or professional standards. Crowe has implemented and will maintain physical, electronic and procedural safeguards reasonably designed to (i) protect the security, confidentiality and integrity of the Personal Data, (ii) prevent unauthorized access to or use of the Personal Data, and (iii) provide proper disposal of the Personal Data (collectively, the "Safeguards"). Client represents (i) that it has the authority to provide the Personal Data to Crowe in connection with the Services, (ii) that Client has processed and provided the Personal Data to Crowe in accordance with applicable law, and (iii) will limit the Personal Data provided to Crowe to Personal Data necessary to perform the Services. To provide the Services, Client may also need to provide Crowe with access to Personal Data consisting of protected health information, financial account numbers, Social Security or other government-issued identification numbers, or other data that, if disclosed without authorization, would trigger notification requirements under applicable law ("Restricted Personal Data"). In the event Client provides Crowe access to Restricted Personal Data, Client will consult with Crowe on appropriate measures (consistent with legal requirements and professional standards applicable to Crowe) to protect the Restricted Personal Data, such as: deleting or masking unnecessary information before making it available to Crowe, using encryption when transferring it to Crowe, or providing it to Crowe only during on-site review on Client's site. Client will provide Crowe with Restricted Personal Data only in accordance with mutually agreed protective measures. Otherwise, Client and Crowe agree each may use unencrypted electronic media to correspond or transmit information and such use will not in itself constitute a breach of any confidentiality obligations under this Agreement. Crowe will reasonably cooperate with Client in responding to or addressing any request from a consumer or data subject, a data privacy authority with jurisdiction, or the Client, as necessary to enable Client to comply with its obligations under applicable data protection laws and to the extent related to Personal Data. Client will reimburse Crowe for any out-of-pocket expenses and professional time (at Crowe's then-current hourly rates) incurred in connection with providing such cooperation. Client will provide prompt written notice to Crowe (with sufficient detailed instructions) of any request or other act that is required to be performed by Crowe. As appropriate, Crowe will promptly delete or procure the deletion of the Personal Data, after the cessation of any Services involving the processing of Client's Personal Data, or otherwise aggregate or de-identify the Personal Data in such a way as to reasonably prevent reidentification. Notwithstanding the forgoing, Crowe may retain a copy of the Personal Data as permitted by applicable law or professional standards, provided that such Personal Data remain subject to the terms of this Agreement. If Crowe uses a third-party provider, Crowe will include terms substantially similar to those set forth in this Data Protection Paragraph in an agreement with such provider.

GENERAL DATA PROTECTION REGULATION COMPLIANCE – If and to the extent that Client provides personal data to Crowe subject to the European Union General Data Protection Regulation ("GDPR"), then in addition to the requirements of the above Data Protection section, this section will apply to such personal data ("EU Personal Data"). The parties agree that for purposes of processing the EU Personal

Data, (a) Client will be the “Data Controller” as defined by the GDPR, meaning the organization that determines the purposes and means of processing the EU Personal Data; (b) Crowe will be the “Data Processor” as defined by GDPR, meaning the organization that processes the EU Personal Data on behalf of and under the instructions of the Data Controller; or (c) the parties will be classified as otherwise designated by a supervisory authority with jurisdiction. Client and Crowe each agree to comply with the GDPR requirements applicable to its respective role. Crowe has implemented and will maintain technical and organizational security safeguards reasonably designed to protect the security, confidentiality and integrity of the EU Personal Data. Client represents it has secured all required rights and authority, including consents and notices, to provide such EU Personal Data to Crowe, including without limitation authority to transfer such EU Personal Data to the U.S. or other applicable Country or otherwise make the EU Personal Data available to Crowe, for the duration of and purpose of Crowe providing the Services. The types of EU Personal Data to be processed include name, contact information, title, and other EU Personal Data that is transferred to Crowe in connection with the Services. The EU Personal Data relates to the data subject categories of individuals connected to Client, Client customers, Client vendors, and Client affiliates or subsidiaries (“Data Subjects”). Crowe will process the EU Personal Data for the following purpose: (x) to provide the Services in accordance with this Agreement, (y) to comply with other documented reasonable instructions provided by Client, and (z) to comply with applicable law. In the event of a Crowe breach incident in connection with EU Personal Data in the custody or control of Crowe, Crowe will promptly notify Client upon knowledge that a breach incident has occurred. Client has instructed Crowe not to contact any Data Subjects directly, unless required by applicable law. In the event that a supervisory authority with jurisdiction makes the determination that Crowe is a data controller, Client will reasonably cooperate with Crowe to enable Crowe to comply with its obligations under GDPR.

INTELLECTUAL PROPERTY - Any Deliverables, Works, Inventions, working papers, or other work product conceived, made or created by Crowe in rendering the Services under this Agreement (“Work Product”), and all intellectual property rights in such Work Product will be owned exclusively by Crowe. Further, Crowe will retain exclusive ownership or control of all intellectual property rights in any ideas, concepts, methodologies, data, software, designs, utilities, tools, models, techniques, systems, Reports, or other know-how that it develops, owns or licenses in connection with this Agreement (“Materials”). The foregoing ownership will be without any duty of accounting.

DATA USAGE AND AGGREGATIONS - Client hereby acknowledges and agrees that Crowe may, in its discretion, use any Client information or data provided to Crowe to improve Crowe services and Materials, including without limitation developing new Crowe services and software or other products. Client also agrees that Crowe may, in its discretion, aggregate Client content and data with content and data from other clients, other sources, or third parties (“Data Aggregations”) for purposes including, without limitation, product and service development, commercialization, industry benchmarking, or quality improvement initiatives. Prior to, and as a precondition for, disclosing Data Aggregations to other Crowe customers or prospects, Crowe will anonymize any Client data or information in a manner sufficient to prevent such other customer or prospect from identifying Client or individuals who are Client customers. All Data Aggregations will be the sole and exclusive property of Crowe.

LEGAL AND REGULATORY CHANGE – Crowe may periodically communicate to Client changes in laws, rules or regulations. However, Client has not engaged Crowe, and Crowe does not undertake an obligation, to advise Client of changes in (a) laws, rules, regulations, industry or market conditions, or (b) Client’s own business practices or other circumstances (except to the extent required by professional standards). The scope of Services and the fees for Services are based on current laws and regulations. If changes in laws or regulations change Client’s requirements or the scope of the Services, Crowe’s fees will be modified to a mutually agreed amount to reflect the changed level of Crowe’s effort.

PUBLICATION – Client agrees to obtain Crowe’s specific permission before using any Report or Crowe work product or Crowe’s firm’s name in a published document, and Client agrees to submit to Crowe copies of such documents to obtain Crowe’s permission before they are filed or published.

CLIENT REFERENCE – From time to time Crowe is requested by prospective clients to provide references for Crowe service offerings. Client agrees that Crowe may use Client’s name and generally

describe the nature of Crowe's engagement(s) with Client in marketing to prospects, and Crowe may also provide prospects with contact information for Client personnel familiar with Crowe's Services.

NO PUNITIVE OR CONSEQUENTIAL DAMAGES – Any liability of Crowe will not include any consequential, special, incidental, indirect, punitive, or exemplary damages or loss, nor any lost profits, goodwill, savings, or business opportunity, even if Crowe had reason to know of the possibility of such damages.

LIMIT OF LIABILITY – Except where it is judicially determined that Crowe performed its Services with recklessness or willful misconduct, Crowe's liability will not exceed fees paid by Client to Crowe for the portion of the work giving rise to liability. A claim for a return of fees paid is the exclusive remedy for any damages. This limit of liability will apply to the full extent allowed by law, regardless of the grounds or nature of any claim asserted, including, without limitation, to claims based on principles of contract, negligence or other tort, fiduciary duty, warranty, indemnity, statute or common law. This limit of liability will also apply after this Agreement.

NO TRANSFER OR ASSIGNMENT OF CLAIMS – No claim against Crowe, or any recovery from or against Crowe, may be sold, assigned or otherwise transferred, in whole or in part.

TIME LIMIT ON CLAIMS – In no event will any action against Crowe, arising from or relating to this engagement letter or the Services provided by Crowe relating to this engagement, be brought after the earlier of 1) two (2) years after the date on which occurred the act or omission alleged to have been the cause of the injury alleged; or 2) the expiration of the applicable statute of limitations or repose.

RESPONSE TO LEGAL PROCESS – If Crowe is requested by subpoena, request for information, or through some other legal process to produce documents or testimony pertaining to Client or Crowe's Services, and Crowe is not named as a party in the applicable proceeding, then Client will reimburse Crowe for its professional time, plus out-of-pocket expenses, as well as reasonable attorney fees, Crowe incurs in responding to such request.

MEDIATION – If a dispute arises, in whole or in part, out of or related to this engagement, or after the date of this agreement, between Client or any of Client's affiliates or principals and Crowe, and if the dispute cannot be settled through negotiation, Client and Crowe agree first to try, in good faith, to settle the dispute by mediation administered by the American Arbitration Association, under its mediation rules for professional accounting and related services disputes, before resorting to litigation or any other dispute-resolution procedure. The results of mediation will be binding only upon agreement of each party to be bound. Costs of any mediation will be shared equally by both parties. Any mediation will be held in Utah.

JURY TRIAL WAIVER – FOR ALL DISPUTES RELATING TO OR ARISING BETWEEN THE PARTIES, THE PARTIES AGREE TO WAIVE A TRIAL BY JURY TO FACILITATE JUDICIAL RESOLUTION AND TO SAVE TIME AND EXPENSE. EACH PARTY AGREES IT HAS HAD THE OPPORTUNITY TO HAVE ITS LEGAL COUNSEL REVIEW THIS WAIVER. THIS WAIVER IS IRREVOCABLE, MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING, AND APPLIES TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, OR MODIFICATIONS TO THIS AGREEMENT. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS WRITTEN CONSENT TO A BENCH TRIAL WITHOUT A JURY. HOWEVER, AND NOTWITHSTANDING THE FOREGOING, IF ANY COURT RULES OR FINDS THIS JURY TRIAL WAIVER TO BE UNENFORCEABLE AND INEFFECTIVE IN WAIVING A JURY, THEN ANY DISPUTE RELATING TO OR ARISING FROM THIS ENGAGEMENT OR THE PARTIES' RELATIONSHIP GENERALLY WILL BE RESOLVED BY ARBITRATION AS SET FORTH IN THE PARAGRAPH BELOW REGARDING "ARBITRATION."

ARBITRATION – If any court rules or finds that the JURY TRIAL WAIVER section is not enforceable, then any dispute between the parties relating to or arising from this Agreement or the parties' relationship generally will be settled by binding arbitration in Utah (or a location agreed in writing by the parties). Any issues concerning the extent to which any dispute is subject to arbitration, or concerning the applicability,

interpretation, or enforceability of any of this Section, will be governed by the Federal Arbitration Act and resolved by the arbitrator(s). The arbitration will be governed by the Federal Arbitration Act and resolved by the arbitrator(s). Regardless of the amount in controversy, the arbitration will be administered by JAMS, Inc. ("JAMS"), pursuant to its Streamlined Arbitration Rules & Procedures or such other rules or procedures as the parties may agree in writing. In the event of a conflict between those rules and this Agreement, this Agreement will control. The parties may alter each of these rules by written agreement. If a party has a basis for injunctive relief, this paragraph will not preclude a party seeking and obtaining injunctive relief in a court of proper jurisdiction. The parties will agree within a reasonable period of time after notice is made of initiating the arbitration process whether to use one or three arbitrators, and if the parties cannot agree within fifteen (15) business days, the parties will use a single arbitrator. In any event the arbitrator(s) must be retired federal judges or attorneys with at least 15 years commercial law experience and no arbitrator may be appointed unless he or she has agreed to these procedures. If the parties cannot agree upon arbitrator(s) within an additional fifteen (15) business days, the arbitrator(s) will be selected by JAMS. Discovery will be permitted only as authorized by the arbitrator(s), and as a rule, the arbitrator(s) will not permit discovery except upon a showing of substantial need by a party. To the extent the arbitrator(s) permit discovery as to liability, the arbitrator(s) will also permit discovery as to causation, reliance, and damages. The arbitrator(s) will not permit a party to take more than six depositions, and no depositions may exceed five hours. The arbitrator(s) will have no power to make an award inconsistent with this Agreement. The arbitrator(s) will rule on a summary basis where possible, including without limitation on a motion to dismiss basis or on a summary judgment basis. The arbitrator(s) may enter such prehearing orders as may be appropriate to ensure a fair hearing. The hearing will be held within one year of the initiation of arbitration, or less, and the hearing must be held on continuous business days until concluded. The hearing must be concluded within ten (10) business days absent written agreement by the parties to the contrary. The time limits in this section are not jurisdictional. The arbitrator(s) will apply substantive law and may award injunctive relief or any other remedy available from a judge. The arbitrator(s) may award attorney fees and costs to the prevailing party, and in the event of a split or partial award, the arbitrator(s) may award costs or attorney fees in an equitable manner. Any award by the arbitrator(s) will be accompanied by a reasoned opinion describing the basis of the award. Any prior agreement regarding arbitration entered by the parties is replaced and superseded by this agreement. The arbitration will be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1 et seq., and judgment upon the award rendered by the arbitrator(s) may be entered by any court having jurisdiction thereof. All aspects of the arbitration will be treated by the parties and the arbitrator(s) as confidential.

NON-SOLICITATION – Each party acknowledges that it has invested substantially in recruiting, training and developing the personnel who render services with respect to the material aspects of the engagement ("Key Personnel"). The parties acknowledge that Key Personnel have knowledge of trade secrets or confidential information of their employers that may be of substantial benefit to the other party. The parties acknowledge that each business would be materially harmed if the other party was able to directly employ Key Personnel. Therefore, the parties agree that during the period of this Agreement and for one (1) year after its expiration or termination, neither party will solicit Key Personnel of the other party for employment or hire the Key Personnel of the other party without that party's written consent unless hiring or engaging party pays to the other party a fee equal to the hired or engaged Key Personnel's compensation for the prior twelve-month period with the other party.

CROWE AND EQUAL OPPORTUNITY – Crowe abides by the principles of equal employment opportunity, including without limitation the requirements of 41 CFR 60-741.5(a) and 41 CFR 60-300.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status or disability. Crowe also abides by 29 CFR Part 471, Appendix A to Subpart A. The parties agree that the notice in this paragraph does not create any enforceable rights for any firm, organization, or individual.

CROWE GLOBAL NETWORK – Crowe LLP and its subsidiaries are independent members of Crowe Global, a Swiss organization. “Crowe” is the brand used by the Crowe Global network and its member firms, but it is not a worldwide partnership. Crowe Global and each of its members are separate and independent legal entities and do not obligate each other. Crowe LLP and its subsidiaries are not responsible or liable for any acts or omissions of Crowe Global or any other Crowe Global members, and Crowe LLP and its subsidiaries specifically disclaim any and all responsibility or liability for acts or omissions of Crowe Global or any other Crowe Global member. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Crowe LLP or any other member. Crowe Global and its other members are not responsible or liable for any acts or omissions of Crowe LLP and its subsidiaries and specifically disclaim any and all responsibility or liability for acts or omissions of Crowe LLP and its subsidiaries. Visit www.crowe.com/disclosure for more information about Crowe LLP, its subsidiaries, and Crowe Global.



MEMORANDUM TO THE BOARD

TO: Utah Transit Authority Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Eddy Cumins, Chief Operating Officer
PRESENTER(S): Eddy Cumins, Chief Operating Officer
Kyle Stockley, Veh Overhaul & Bus Support Manager

BOARD MEETING DATE: November 4, 2020

SUBJECT:	Light Rail Communications System Replacement (Woojin IS America, Inc.)
AGENDA ITEM TYPE:	Expense Contract
RECOMMENDATION:	Approve contract and authorize Executive Director to execute contract and associated disbursements with Woojin IS America, Inc. to replace the communication systems on Light Rail Vehicles in the amount of \$2,947,477.00.
BACKGROUND:	UTA has 23-SD100 and 17-SD160 Siemens light rail vehicles in operation. These vehicles are approximately 20 years old. The technology used for the communications system has reached the end of useful life and is now obsolete. Additionally, when the vehicles are in the downtown area, operators must make manual announcements which has led to ADA issues.
DISCUSSION:	<p>UTA Staff is requesting approval of contract with Woojin IS America, Inc. to replace the communication system on 23-SD100 and 17-SD160 Light Rail Vehicles in the amount of \$2,947,477.00. The new system enables rail car to rail car communication allowing for manual and automatic announcements throughout the train system-wide.</p> <p>The system includes:</p> <ul style="list-style-type: none">• Operator’s communication control head• Public address system with manual and automatic announcement capability• Intercom system with cab to cab private communication and direct passenger communication• Upgraded interior and exterior LED signs• Automated announcement system to control both audio and visual communication. <p>The new system operates with the auxiliary and GPS systems. Additionally, the system will detect vehicle fault and maintenance issues. The system is engineered for a minimum of a 20 year life.</p> <p>Also, part of the upgrade is a mixed consist option. That will give UTA the opportunity to mix the SD100, SD160 and the S70 light rail vehicles which is not possible today. This will give the operations team the flexibility to improve efficiencies transporting customers.</p>

	<p>Installation of the first two car sets of each vehicle type will be performed by the vendor. This will be used to train employees. The remaining will be performed by UTA staff.</p> <p>It is anticipated this will be a 31 month project. This will spread out the annual cost and impact on operations by taking the vehicles out of service.</p> <p>The total contract amount is \$2,947,477.00.</p> <p>This contract will commence upon approval and expire on June 30, 2023.</p>	
CONTRACT SUMMARY:	Contractor Name: Woojin IS America, Inc.	Contract Number: 20-03255
	Base Contract Effective Dates: Upon approval -June 30, 2023	Extended Contract Dates: N/A
	Existing Contract Value: \$0	Amendment Amount: \$0
	New/Total Amount Contract Value: \$2,947,477.00	
	Procurement Method: RFP	Funding Sources: Local
ALTERNATIVES:	If we do not replace the communications system, we risk not being able to repair the system which would cause service interruptions and take trains out of service. It will also increase the number of ADA issues due to mistakes not calling out required announcements.	
FISCAL IMPACT:	The project is approved and will be covered by SGR040.	
ATTACHMENTS:	1) Contract	



GOODS AND SERVICES SUPPLY AGREEMENT

SD100/160 Communications System Replacement

THIS GOODS AND NON-PROFESSIONAL SERVICES SUPPLY AGREEMENT (“Contract”) is entered into and made effective as of the date of last signature below (“Effective Date”) by and between UTAH TRANSIT AUTHORITY, a public transit district organized under the laws of the State of Utah (“UTA”), and WOJIN IS AMERICA, INC. (the “Contractor”).

RECITALS

WHEREAS, on June 10, 2020, UTA received competitive proposals to provide new, modern, Ethernet-based communications system to be retrofitted to the SD100 and SD160 light rail fleets and (as applicable) all associated hardware, software, tools, installation services, commissioning and testing services, training and documentation (the “Goods and Services”) according to the terms, conditions and specifications prepared by UTA in 20-03255 (the “RFP”); and

WHEREAS, UTA wishes to procure the Goods and Services according to the terms, conditions and specifications listed in the RFP, including Base Contract, and Option 1 - Siemens S70 Compatibility (as subsequently amended through negotiation by the parties); and

WHEREAS, the Proposal dated June 9, 2020 proposal submitted by the Contractor in response to the RFP (“Contractor’s Proposal”) was deemed to be the most advantageous to UTA; and

WHEREAS, Contractor is willing to furnish the Goods and Services according to the terms, conditions and specifications of the Contract.

AGREEMENT

NOW, THEREFORE, in accordance with the foregoing Recitals, which are incorporated herein by reference, and for and in consideration of the mutual covenants and agreements hereafter set forth, the mutual benefits to the parties to be derived here from, and for other valuable consideration, the receipt and sufficiency of which the parties acknowledge, it is hereby agreed as follows:

1. GOOD AND SERVICES TO BE PROVIDED BY CONTRACTOR

Contractor hereby agrees to furnish and deliver the Goods and/or Services in accordance with the Contract as described in Exhibit A (Scope of Work), and Exhibit B (Price), including performing any installation, testing, commissioning, and other Services described in the Contract.

2. TERM

This Contract shall commence as of the Effective Date. The Contract shall remain in full force and effect until all Goods have been delivered and all Services have been performed in accordance with the Contract (as reasonably determined by UTA). Contractor shall deliver all Goods and perform all Services no later than

June 30, 2023. This guaranteed completion date may be extended if Contractor and UTA mutually agree to an extension evidenced by a written Change Order. The rights and obligations of UTA and Contractor under the Contract shall at all times be subject to and conditioned upon the provisions of the Contract.

3. COMPENSATION AND FEES

UTA shall pay Contractor in accordance with the payment milestones or other terms described in Exhibit B. If Exhibit B does not specify any milestones or other payment provisions, then payment shall be invoiced after the Goods have been delivered and the Services have been performed according to mutually acceptable structure. In no event shall advance payments be made.

4. INCORPORATED DOCUMENTS

a. The following documents hereinafter listed are hereby incorporated into the Contract by reference and made a part hereof:

1. The terms and conditions of this Goods and Services Supply Agreement (including any exhibits and attachments hereto).

2. UTA's RFP including, without limitation, all attached or incorporated terms, conditions, federal clauses (as applicable), drawings, plans, specifications and standards and other descriptions of the Goods and Services;

3. Contractor's Proposal including, without limitation, all applicable federal clauses and certifications as designated in the RFP and to this contract;

b. The above-referenced documents are made as fully a part of the Contract as if hereto attached or herein repeated. The Contract (including the documents listed above) constitute the complete contract between the parties.

5. ORDER OF PRECEDENCE

The Order of Precedence for this contract is as follows:

- UTA Contract including all attachments and appendices
- UTA Terms and Conditions
- UTA Solicitation Terms
- Contractor's Bid or Proposal including proposed terms or conditions

Any contractor proposed term or condition which is in conflict with a UTA contract or solicitation term or condition will be deemed null and void.

6. LAWS AND REGULATIONS

Contractor and any and all Goods and/or Services furnished under the Contract will comply fully with all applicable Federal and State laws and regulations, including those related to safety and environmental protection. Contractor shall also comply with all applicable licensure and certification requirements.

7. INSPECTION, DELIVERY AND TRANSFER OF TITLE

a. Upon UTA's request, UTA's representative shall be provided access to Contractor's facilities to obtain information on production progress and to make inspections during the manufacturing or assembly process. Contractor will make reasonable efforts to obtain, for UTA, access to subcontractor facilities for the purposes described above. If the specifications include pre-shipment inspection

requirements, Goods shall not be shipped until UTA or its designee has inspected the Goods, and authorized Contractor to proceed with the shipment.

b. Delivery of the Goods is a substantial and material consideration under the Contract. Unless otherwise specifically set forth in the pricing schedule: (i) Contractor shall be solely responsible for the delivery of the Goods FOB to the delivery point specified in the Contract (or otherwise designated by UTA) and all costs related thereto are included in the pricing; and (ii) Contractor shall retain all liabilities and risk of loss with respect to the Goods until the Goods are delivered to, and accepted by, UTA.

c. After delivery, the Goods shall be subject to inspection, testing and acceptance by UTA, including any testing or commissioning process described in the specifications. UTA shall have the right to reject any Goods or Services that are defective or do not conform to the specifications or other Contract requirements. Goods or Services rejected shall be replaced, repaired or re-performed so as to conform to the Contract (and to UTA's reasonable satisfaction). If Contractor is unable or refuses to correct such Goods within a time deemed reasonable by UTA, then UTA may cancel the order in whole or in part. Any inspection and testing performed by UTA shall be solely for the benefit of UTA. Neither UTA's inspection of the production processes, production progress and/or Goods or Services (nor its failure to inspect) shall relieve Contractor of its obligations to fulfill the requirements of the Contract, or be construed as acceptance by UTA.

d. Contractor warrants that title to all Goods covered by an invoice for payment will pass to UTA no later than the time of payment. Contractor further warrants that upon submittal of an invoice for payment, all Goods and/or Services for which invoices for payment have been previously issued and payments received from UTA shall be free and clear of liens, claims, security interests or encumbrances in favor of Contractor or any subcontractors, material suppliers, or other persons or entities making a claim by reason of having provided equipment, materials, and labor related to the equipment and/or work for which payment is being requested.

8. INVOICING PROCEDURES

a. Contractor shall submit invoices to UTA's Project Manager for processing and payment in accordance with Exhibit B. If Exhibit B does not specify invoice instructions, then Contractor shall invoice UTA after delivery of all Goods and satisfactory performance of all Services. Invoices shall be provided in the form specified by UTA. Reasonable supporting documentation including cost and pricing data demonstrating Contractor's entitlement to the requested payment must be submitted with each invoice.

b. UTA shall have the right to disapprove (and withhold from payment) specific line items of each invoice to address non-conforming Goods or Services. Approval by UTA shall not be unreasonably withheld. UTA shall also have the right to offset (against payments) amounts reasonably reflecting the value of any claim which UTA has against Contractor under the Contract after allowing the Contractor the opportunity to discuss and remedy the non-conformance. Payment for all invoice amounts not specifically disapproved or offset by UTA shall be provided to Contractor within thirty (30) calendar days of invoice submittal.

9. WARRANTY OF GOODS AND SERVICES

a. Contractor warrants that all Goods (including hardware, firmware, and/or software products that it licenses) and Services shall conform to the specifications, drawings, standards, samples, and other descriptions made a part of (or incorporated by reference into) the Contract. Contractor further warrants that all Goods and Services shall be of the quality specified, or of the best grade if no quality is specified, and, unless otherwise provided in the Contract, will be new, and free from defects in design, materials and workmanship.

b. Contractor warrants that all Goods and Services shall be in compliance with applicable federal, state, and local laws and regulations including, without limitation, those related to safety and

environmental protection.

c. At any time for a period of two (2) years from the date that each Goods have been installed and each Services have been performed in accordance with the Contract or two and a half (2.5) years from the date of delivery whichever occurs last, Contractor shall at its own expense promptly repair, replace and/or re-perform any Goods or Services that are defective or in any way fail to conform to the Contract requirements.

d. The warranty shall be tracked by serial number on a per unit basis. For the defects identified during warranty period, the Contractor shall submit the scope of corrective work to UTA for review and approval. The maximum time allowed to carry out such work shall not exceed 10 working days after the Contractor receives the failed unit(s).

e. When an identical failure of a particular component or, subsystem, product, part, apparatus, article, or other Material occurs within the applicable warranty period on 10% or more of the components furnished by the Contractor, then 100% of such item, including those with expired warranty, will be deemed to require an approved redesign, replacement, or adjustment under this warranty.

f. Such warranty actions will be termed a "fleet defect" and will be cured only by a field modification instruction (FMI) approved by UTA. The FMI must be organized to maximize configuration control, quality, safety, and speed of completion. The FMI program must also ensure that sufficient industrial engineering and Materials planning is available for each and every FMI to minimize downtime of the vehicles. The component or, subsystem, product, part, apparatus, article, or other Material affected by the FMI must have their warranty extended by one year from the date of completion of the FMI Work, or until the expiration of the previously effective warranty period, whichever is longer.

g. If Contractor fails to promptly make any repair, replacement or re-performance as required herein, UTA may conduct the necessary remedial work at Contractor's expense. Contractor cannot void the warranty for repair, replacement or re-performance performed under these circumstances. Provided that such repair, replacement or re-performance is conducted in a reasonable manner and with workmanship and care consistent with industry standards, Contractor shall reimburse UTA for the cost of any warranty repair, replacement or re-performance self-performed by UTA.

h. The foregoing warranties are not intended as a limitation, but are in addition to all other express warranties set forth in the Contract and such other warranties as are implied by law, custom, and usage of trade. Contractor (seller) acknowledges that all warranties granted to the buyer by the Uniform Commercial Code of the State of Utah apply to the Contract. Product liability disclaimers and/or warranty disclaimers from the seller are not applicable to the Contract unless otherwise specified and mutually agreed upon elsewhere in the Contract. In general, Contractor warrants that: (1) the Good will do what the salesperson said it would do, (2) the Good will live up to all specific claims that the manufacturer makes in their advertisements, (3) the Goods will be suitable for the ordinary purposes for which such items are used, (4) the Goods will be suitable for any special purposes that UTA has relied on Contractor's skill or judgment to consider when it advised UTA about the Good, (5) the Goods have been properly designed and manufactured, and (6) the Goods are free of significant defects or unusual problems about which UTA has not been warned. Nothing in this warranty will be construed to limit any rights or remedies UTA may otherwise have under the Contract.

10. OWNERSHIP OF DESIGNS, DRAWINGS, AND WORK PRODUCT

Any deliverables prepared or developed pursuant to the Contract including without limitation drawings, specifications, manuals, calculations, maps, sketches, designs, tracings, notes, reports, data, computer programs, models and samples, shall become the property of UTA when prepared, and, together with any documents or information furnished to Contractor and its employees or agents by UTA hereunder, shall be delivered to UTA upon request, and, in any event, upon termination or final acceptance

of the Goods and Services. UTA shall have full rights and privileges to use and reproduce said items. To the extent that any deliverables include or incorporate preexisting intellectual property of Contractor, Contractor hereby grants UTA a fully paid, perpetual license to use such intellectual property for UTA's operation, maintenance, modification, improvement and replacement of UTA's assets. The scope of the license shall be to the fullest extent necessary to accomplish those purposes, including the right to share same with UTA's contractors, agent, officers, directors, employees, joint owners, affiliates and consultants, but not to be shared with the Contractor's competitors either directly by UTA or through any party aforementioned.

11. GENERAL INDEMNIFICATION

Contractor shall indemnify, hold harmless and defend UTA, its officers, trustees, agents, and employees (hereinafter collectively referred to as "Indemnitees") from and against all liabilities, claims, actions, damages, losses, and expenses including without limitation reasonable attorneys' fees and costs (hereinafter referred to collectively as "claims") related to bodily injury, including death, or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of the failure of such Contractor to conform to federal, state, and local laws and regulations. If an employee of Contractor, a subcontractor, anyone employed directly or indirectly by any of them or anyone for whose acts any of them may be liable brings a claim against UTA, Contractor's indemnity obligation set forth above will not be limited by any limitation on the amount of damages, compensation or benefits payable under any employee benefit acts, including workers' compensation or disability acts. The indemnity obligations of Contractor shall not apply to the extent that claims arise out of the sole negligence of UTA or the Indemnitees.

12. INSURANCE REQUIREMENTS

a. Contractor and subcontractors shall procure and maintain until all of its obligations have been discharged (including satisfaction of all warranty periods under the Contract), insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.

b. The insurance requirements herein are minimum requirements for the Contract and in no way limit the indemnity covenants contained in the Contract. UTA in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under the Contract by the Contractor, its agents, representatives, employees or subcontractors and Contractor is free to purchase additional insurance as may be determined necessary.

c. Contractor shall provide coverage with limits of liability not less than those stated below. An excess liability policy or umbrella liability policy may be used to meet the minimum liability requirements provided that the coverage is written on a "following form" basis.

1. **Commercial General Liability – Occurrence Form** - Policy shall include bodily injury, property damage and broad form contractual liability coverage.

- General Aggregate \$2,000,000
- Products – Completed Operations Aggregate \$1,000,000
- Personal and Advertising Injury \$1,000,000
- Each Occurrence \$1,000,000

The policy shall be endorsed to include the following additional insured language: “Utah Transit Authority shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Contractor.”

2. **Automobile Liability** - Bodily Injury and Property Damage for any owned, hired, and non-owned vehicles used in the performance of the Contract.

Combined Single Limit (CSL)	\$2,000,000
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The policy shall be endorsed to include the following additional insured language: “Utah Transit Authority shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Contractor, including automobiles owned, leased, hired or borrowed by the Contractor.”

3. **Worker's Compensation and Employers' Liability**

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	\$100,000
Disease – Each Employee	\$100,000
Disease – Policy Limit	\$500,000

Policy shall contain a waiver of subrogation against UTA.

a. The policies shall include, or be endorsed to include, the following provisions:

1. On insurance policies where UTA is named as an additional insured, UTA shall be an additional insured to the full limits of liability purchased by the Contractor. Insurance limits indicated in the Contract are minimum limits. Larger limits may be indicated after the Contractor’s assessment of the exposure for the Contract; for its own protection and the protection of UTA.

2. The Contractor's insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.

b. Insurance is to be placed with insurers duly licensed or authorized to do business in the State of Utah and with an “A.M. Best” rating of not less than A-VII. UTA in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

c. Contractor shall furnish UTA with certificates of insurance (ACORD form or equivalent approved by UTA) as required by the Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

d. Contractors’ certificate(s) shall include all subcontractors as additional insureds under its policies or Contractor shall furnish to UTA separate certificates and endorsements for each subcontractor. All coverage for subcontractors shall be subject to the minimum requirements identified above.

e. The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. UTA in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the

performance of the work under this contract by the Contractor, his agents, representatives, employees, or subcontractors and Contractor is free to purchase additional insurance as may be determined necessary.

13. IP INDEMNIFICATION

a. Contractor shall protect, release, defend, indemnify and hold harmless UTA against and from any and all claims of any kind or nature whatsoever on account of infringement relating to Contractor's performance under the Contract. If notified promptly in writing and given authority, information and assistance, Contractor shall defend, or may settle at its expense, any suit or proceeding against UTA so far as based on a claimed infringement and Contractor shall pay all damages and costs awarded therein against UTA due to such breach. In case any Good or Service is in such suit held to constitute such an infringement or an injunction is filed that interferes with UTA's rights under the Contract, Contractor shall, at its expense and through mutual agreement between UTA and Contractor, either procure for UTA any necessary intellectual property rights, or modify Contractor's Goods and Services such that the claimed infringement is eliminated.

b. Contractor shall: (i) protect, release, defend, indemnify and hold harmless UTA against and from any and all liens or claims made or filed against UTA on account of any Goods or Services furnished by subcontractors of any tier; and (ii) keep UTA property free and clear of all liens or claims arising in conjunction with any Goods or Services furnished under the Contract by Contractor or its subcontractors of any tier. If any lien arising out of the Contract is filed in conjunction with any Goods or Services furnished under the Contract, Contractor, within ten (10) calendar days after receiving from UTA written notice of such lien, shall obtain a release of or otherwise satisfy such lien. If Contractor fails to do so, UTA may take such steps and make such expenditures as in its discretion it deems advisable to obtain a release of or otherwise satisfy any such lien or liens, and Contractor shall upon demand reimburse UTA for all costs incurred and expenditures made by UTA in obtaining such release or satisfaction. If any non-payment claim is made directly against UTA arising out of non-payment to any subcontractor, Contractor shall assume the defense of such claim within ten (10) calendar days after receiving from UTA written notice of such claim. If Contractor fails to do so, Contractor shall upon demand reimburse UTA for all costs incurred and expenditures made by UTA to satisfy such claim.

c. Contractor will defend, indemnify and hold UTA, its officers, agents and employees harmless from liability of any kind or nature, arising from Contractor's use of any copyrighted or un-copyrighted composition, trade secret, patented or un-patented invention, article or appliance furnished or used in the performance of the Contract.

14. INDEPENDENT CONTRACTOR

The parties agree that Contractor, in the carrying out of its duties hereunder, is an independent contractor and that neither Contractor nor any of its employees is or are agents, servants or employees of UTA. Neither Contractor nor any of Contractor's employees shall be eligible for any workers compensation insurance, pension, health coverage, or fringe benefits which apply to UTA's employees. Neither federal, state, nor local income tax nor payroll tax of any kind shall be withheld or paid by UTA on behalf of Contractor or the employees of Contractor. Contractor acknowledges that it shall be solely responsible for payment of all payrolls, income and other taxes generally applicable to independent contractors.

15. STANDARD OF CARE.

Contractor shall perform any Services to be provided under the Contract in a good and workmanlike manner, using at least that standard of care, skill and judgment which can reasonably be expected from similarly situated independent contractors (including, as applicable, professional standards of care).

16. USE OF SUBCONTRACTORS

a. Contractor shall give advance written notification to UTA of any proposed subcontract (not indicated in Contractor's Proposal) negotiated with respect to the Work. UTA shall have the right to approve all subcontractors, such approval not to be withheld unreasonably.

b. No subsequent change, removal or substitution shall be made with respect to any such subcontractor without the prior written approval of UTA.

c. Contractor shall be solely responsible for making payments to subcontractors, and such payments shall be made within thirty (30) days after Contractor receives corresponding payments from UTA.

d. Contractor shall be responsible for and direct all Work performed by subcontractors.

e. Contractor agrees that no subcontracts shall provide for payment on a cost-plus-percentage-of-cost basis. Contractor further agrees that all subcontracts shall comply with all applicable laws

17. CONTRACTOR SAFETY COMPLIANCE

UTA is an ISO 14001 for Environmental Management Systems, ISO 9001 Quality and Performance Management, and OSHAS 18001 safety systems Management Company. Contractor, including its employees, subcontractors, authorized agents, and representatives, shall comply with all UTA and industry safety standards, NATE, OSHA, EPA and all other State and Federal regulations, rules and guidelines pertaining to safety, environmental Management and will be solely responsible for any fines, citations or penalties it may receive or cause UTA to receive pursuant to this Contract. Each employee, contractor and subcontractor must be trained in UTA EMS and Safety Management principles. Contractor acknowledges that its Goods and Services might affect UTA's Environmental Management Systems obligations. A partial list of activities, products or Services deemed as have a potential EMS effect is available at the UTA website www.rideuta.com. Upon request by UTA, Contractor shall complete and return a *Contractor Activity Checklist*. If UTA determines that the Goods and/or Services under the Contract has the potential to impact the environment, UTA may require Contractor to submit additional environmental documents. Contractor shall provide one set of the appropriate safety data sheet(s) (SDS) and container label(s) upon delivery of a hazardous material to UTA

18. ASSIGNMENT OF CONTRACT

Contractor shall not assign any of its rights or responsibilities, nor delegate its obligations, under this Contract or any part hereof without the prior written consent of UTA, and any attempted transfer in violation of this restriction shall be void.

19. ENVIRONMENTAL RESPONSIBILITY

UTA is ISO 14001 Environmental Management System (EMS) certified. Contractor acknowledges that its Goods and/or Services might affect UTA's ability to maintain the obligation of the EMS. A partial list of activities, products or Services deemed as have a potential EMS effect is available at the UTA website www.rideuta.com. Upon request by UTA, Contractor shall complete and return a *Contractor Activity Checklist*. If UTA determines that the Goods and/or Services under the Contract has the potential to impact the environment, UTA may require Contractor to submit additional environmental documents. Contractor shall provide one set of the appropriate safety data sheet(s) (SDS) and container label(s) upon delivery of a hazardous material to UTA.

20. SUSPENSION OF WORK

a. UTA may, at any time, by written order to Contractor, require Contractor to suspend, delay, or interrupt all or any part of the Work called for by this Contract. Any such order shall be specifically identified as a "Suspension of Work Order" issued pursuant to this Article. Upon receipt of such an order, Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of further costs allocable to the Work covered by the order during the period of Work stoppage.

b. If a Suspension of Work Order issued under this Article is canceled, Contractor shall resume Work as mutually agreed to in writing by the parties hereto.

c. If a Suspension of Work Order is not canceled and the Work covered by such order is terminated for the convenience of UTA, reasonable costs incurred as a result of the Suspension of Work Order shall be considered in negotiating the termination settlement.

d. If the Suspension of Work causes an increase in Contractor's cost or time to perform the Work, UTA's Project Manager or designee shall make an equitable adjustment to compensate Contractor for the additional costs or time, and modify this Contract by Change Order.

21. TERMINATION FOR CONVENIENCE:

UTA shall have the right to terminate the Contract at any time by providing written notice to Contractor. If the Contract is terminated for convenience, UTA shall pay Contractor: (i) in full for Goods delivered and Services fully performed prior to the effective date of termination; and (ii) an equitable amount to reflect costs incurred (including Contract close-out and subcontractor termination costs that cannot be reasonably mitigated) and profit on work-in-progress as of to the effective date of the termination notice. UTA shall not be responsible for anticipated profits based on the terminated portion of the Contract. Contractor shall promptly submit a termination claim to UTA. If Contractor has any property in its possession belonging to UTA, Contractor will account for the same, and dispose of it in the manner UTA directs.

22. FOR DEFAULT:

If Contractor (a) becomes insolvent; (b) files a petition under any chapter of the bankruptcy laws or is the subject of an involuntary petition; (c) makes a general assignment for the benefit of its creditors; (d) has a receiver appointed; (e) should fail to make prompt payment to any subcontractors or suppliers; or (f) fails to comply with any of its material obligations under the Contract, UTA may, in its discretion, after first giving Contractor seven (7) days written notice to provide a plan to cure such default:

a. Terminate the Contract (in whole or in part) for default and obtain the Goods and Services using other contractors or UTA's own forces, in which event Contractor shall be liable for all incremental costs so incurred by UTA;

b. Pursue other remedies available under the Contract (regardless of whether the termination remedy is invoked); and/or

c. Except to the extent limited by the Contract, pursue other remedies available at law.

23. CONTRACTOR'S POST TERMINATION OBLIGATIONS:

Upon receipt of a termination notice as provided above, Contractor shall (i) immediately discontinue all work affected (unless the notice directs otherwise); and (ii) deliver to UTA all data, drawings and other deliverables, whether completed or in process. Contractor shall also remit a final invoice for all services performed and expenses incurred in full accordance with the terms and conditions of the Contract up to the effective date of termination. UTA shall calculate termination damages payable under the Contract, shall offset such damages against Contractor's final invoice, and shall invoice Contractor for any additional

amounts payable by Contractor (to the extent termination damages exceed the invoice). All rights and remedies provided in this Article are cumulative and not exclusive. If UTA terminates the Contract for any reason, Contractor shall remain available, for a period not exceeding 90 days, to UTA to respond to any questions or concerns that UTA may have regarding the Goods and Services furnished by Contractor prior to termination.

24. CHANGES

a. UTA's Project Manager or designee may, at any time, by written order designated or indicated to be a Change Order, direct changes in the Work including, but not limited to, changes:

1. In the Scope of Services;
2. In the method or manner of performance of the Work; or
3. In the schedule or completion dates applicable to the Work.

b. To the extent that any change in Work directed by UTA causes an actual and demonstrable impact to: (i) Contractor's cost of performing the work; or (ii) the time required for the Work, then (in either case) the Change Order shall include an equitable adjustment to this Contract to make Contractor whole with respect to the impacts of such change.

c. A change in the Work may only be directed by UTA through a written Change Order or (alternatively) UTA's expressed, written authorization directing Contractor to proceed pending negotiation of a Change Order. Any changes to this Contract undertaken by Contractor without such written authority shall be at Contractor's sole risk. Contractor shall not be entitled to rely on any other manner or method of direction.

d. Contractor shall also be entitled to an equitable adjustment to address the actual and demonstrable impacts of "constructive" changes in the Work if: (i) subsequent to the Effective Date of this Contract, there is a material change with respect to any requirement set forth in this Contract; or (ii) other conditions exist or actions are taken by UTA which materially modify the magnitude, character or complexity of the Work from what should have been reasonably assumed by Contractor based on the information included in (or referenced by) this Contract. In order to be eligible for equitable relief for "constructive" changes in Work, Contractor must give UTA's Project Manager or designee written notice stating:

1. The date, circumstances, and source of the change; and
2. That Contractor regards the identified item as a change in Work giving rise to an adjustment in this Contract.

Contractor must provide notice of a "constructive" change and assert its right to an equitable adjustment under this Section within ten (10) days after Contractor becomes aware (or reasonably should have become aware) of the facts and circumstances giving rise to the "constructive" change. Contractor's failure to provide timely written notice as provided above shall constitute a waiver of Contractor's rights with respect to such claim.

e. As soon as practicable, but in no event longer than 30 days after providing notice, Contractor must provide UTA with information and documentation reasonably demonstrating the actual cost and schedule impacts associated with any change in Work. Equitable adjustments will be made via Change Order. Any dispute regarding the Contractor's entitlement to an equitable adjustment (or the extent of any such equitable adjustment) shall be resolved in accordance with Article 20 of this Contract.

25. INFORMATION, RECORDS and REPORTS; AUDIT RIGHTS

Contractor shall retain all books, papers, documents, accounting records and other evidence to support any cost-based billings allowable under Exhibit B (or any other provision of the Contract). Such records shall include, without limitation, time sheets and other cost documentation related to the performance of labor services, as well as subcontracts, purchase orders, other contract documents, invoices, receipts or other documentation supporting non-labor costs. Contractor shall also retain other books and records related to the performance, quality or management of the Contract and/or Contractor's compliance with the Contract. Records shall be retained by Contractor for a period of at least six (6) years, or until any audit initiated within that six-year period has been completed (whichever is later). During this six-year period, such records shall be made available at all reasonable times for audit and inspection by UTA and other authorized auditing parties including, but not limited to, the Federal Transit Administration. Copies of requested records shall be furnished to UTA or designated audit parties upon request. Contractor agrees that it shall flow-down (as a matter of written contract) these records requirements to all subcontractors utilized in the performance of the Contract at any tier.

26. FINDINGS CONFIDENTIAL

a. Any documents, reports, information, or other data and materials available to or prepared or assembled by Contractor or subcontractors under this Contract are considered confidential and shall not be made available to any person, organization, or entity by Contractor without consent in writing from UTA.

b. It is hereby agreed that the following information is not considered to be confidential:

1. Information already in the public domain;
2. Information disclosed to Contractor by a third party who is not under a confidentiality obligation;
3. Information developed by or in the custody of Contractor before entering into this Contract;
4. Information developed by Contractor through its work with other clients; and
5. Information required to be disclosed by law or regulation including, but not limited to, subpoena, court order or administrative order.

27. PUBLIC INFORMATION.

Contractor acknowledges that the Contract and related materials (invoices, orders, etc.) will be public documents under the Utah Government Records Access and Management Act (GRAMA). Contractor's response to the solicitation for the Contract will also be a public document subject to GRAMA, except for legitimate trade secrets, so long as such trade secrets were properly designated in accordance with terms of the solicitation.

28. PROJECT MANAGER

UTA's Project Manager for the Contract is Kyle Stockley, or designee. All questions and correspondence relating to the technical aspects of the Contract should be directed to UTA's Project Manager at UTA offices located at 669 West 200 South, Salt Lake City, Utah 84101, office phone (801) 287-3048.

29. CONTRACT ADMINISTRATOR

UTA's Contract Administrator for the Contract is Jolene Higgins, or designee. All questions and correspondence relating to the contractual aspects of the Contract should be directed to UTA's Grants & Contracts Administrator at UTA offices located at 669 West 200 South, Salt Lake City, Utah 84101, office phone (801) 237-1925.

30. CONFLICT OF INTEREST

Contractor represents that it has not offered or given any gift or compensation prohibited by the laws of the State of Utah to any officer or employee of UTA to secure favorable treatment with respect to being awarded the Contract. No member, officer, or employee of UTA during their tenure or one year thereafter shall have any interest, direct or indirect, in the Contract or the proceeds thereof.

31. NOTICES OR DEMANDS

a. Any and all notices, demands or other communications required hereunder to be given by one party to the other shall be given in writing and may be electronically delivered , personally delivered, mailed by US Mail, postage prepaid, or sent by overnight courier service and addressed to such party as follows:

If to UTA:

Utah Transit Authority
ATTN: Grants & Contracts Administrator
669 West 200 South
Salt Lake City, UT 84101

If to Contractor:

Woojin Is America, Inc.
ATTN: Vice President and COO
5108 Azusa Canyon R.
Irwindale, CA 91706

b. Either party may change the address at which such party desires to receive written notice of such change to any other party. Any such notice shall be deemed to have been given, and shall be effective, on delivery to the notice address then applicable for the party to which the notice is directed; provided, however, that refusal to accept delivery of a notice or the inability to deliver a notice because of an address change which was not properly communicated shall not defeat or delay the giving of a notice.

32. CLAIMS/DISPUTE RESOLUTION

a. "Claim" means any disputes between UTA and the Contractor arising out of or relating to the Contract Documents including any disputed claims for Contract adjustments that cannot be resolved in accordance with the Change Order negotiation process set forth in Article 20. Claims must be made by written notice. The responsibility to substantiate claims rests with the party making the claim.

b. Unless otherwise directed by UTA in writing, Contractor shall proceed diligently with performance of the Work pending final resolution of a Claim, including litigation. UTA shall continue to pay any undisputed payments related to such Claim.

c. The parties shall attempt to informally resolve all claims, counterclaims and other disputes through the escalation process described below. No party may bring a legal action to enforce any term of this Contract without first having exhausted such process.

d. The time schedule for escalation of disputes, including disputed requests for change order, shall be as follows:

Level of Authority	Time Limit
UTA's Project Manager Kyle Stockley/Contractor's Project Manager Junsuk Jeong	Five calendar days

UTA's Chief Operating Officer, Eddy Cumins/Contractor's, Vice President and C.O.O, Joseph Kim	Five calendar days
UTA's Executive Director, Carolyn Gonot/Contractor's, President, Thomas J. Martin	Five calendar days

Unless otherwise directed by UTA's Project Manager, Contractor shall diligently continue performance under this Contract while matters in dispute are being resolved.

If the dispute cannot be resolved informally in accordance with the escalation procedures set forth above, then either party may commence formal mediation under the Juris Arbitration and Mediation (JAMS) process using a mutually agreed upon JAMS mediator. If resolution does not occur through Mediation, then legal action may be commenced in accordance the venue and governing law provisions of this contract.

33. GOVERNING LAW

The validity, interpretation and performance of the Contract shall be governed by the laws of the State of Utah, without regard to its law on the conflict of laws. Any dispute arising out of the Contract that cannot be solved to the mutual agreement of the parties shall be brought in a court of competent jurisdiction in Salt Lake County, State of Utah. Contractor consents to the jurisdiction of such courts.

34. COSTS AND ATTORNEY FEES.

If any party to this Agreement brings an action to enforce or defend its rights or obligations hereunder, the prevailing party shall be entitled to recover its costs and expenses, including mediation, arbitration, litigation, court costs and attorneys' fees, if any, incurred in connection with such suit, including on appeal.

35. SEVERABILITY

Any provision of the Contract prohibited or rendered unenforceable by operation of law shall be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions of the Contract.

36. AMENDMENTS

Any amendment to the Contract must be in writing and executed by the authorized representatives of each party.

37. FORCE MAJEURE

Neither party to the Contract will be held responsible for delay or default caused by fire, riot, acts of God and/or war which are beyond that party's reasonable control. UTA may terminate the Contract after determining such delay or default will reasonably prevent successful performance of the Contract.

38. NO THIRD PARTY BENEFICIARIES

The parties enter in to the Contract for the sole benefit of the parties, in exclusion of any third party, and no third party beneficiary is intended or created by the execution of the Contract.

39. ENTIRE AGREEMENT

This Contract shall constitute the entire agreement and understanding of the parties with respect to the subject matter hereof, and shall supersede all offers, negotiations and other agreements with respect thereto.

40. COUNTERPARTS

This Contract may be executed in any number of counterparts and by each of the parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument. Any signature page of the Contract may be detached from any counterpart and reattached to any other counterpart hereof. The electronic transmission of a signed original of the Contract or any counterpart hereof and the electronic retransmission of any signed copy hereof shall be the same as delivery of an original.

41. NONWAIVER

No failure or waiver or successive failures or waivers on the part of either party in the enforcement of any condition, covenant, or article of this Contract shall operate as a discharge of any such condition, covenant, or article nor render the same invalid, nor impair the right of either party to enforce the same in the event of any subsequent breaches by the other party.

42. INFORMATION, RECORDS and REPORTS; AUDIT RIGHTS

Contractor shall retain all books, papers, documents, accounting records and other evidence to support any cost-based billings allowable under Exhibit B (or any other provision of this Contract). Such records shall include, without limitation, time sheets and other cost documentation related to the performance of labor services, as well as subcontracts, purchase orders, other contract documents, invoices, receipts or other documentation supporting non-labor costs. Contractor shall also retain other books and records related to the performance, quality or management of this Contract and/or Contractor's compliance with this Contract. Records shall be retained by Contractor for a period of at least six (6) years after completion of the Work, or until any audit initiated within that six-year period has been completed (whichever is later). During this six-year period, such records shall be made available at all reasonable times for audit and inspection by UTA and other authorized auditing parties including, but not limited to, the Federal Transit Administration. Copies of requested records shall be furnished to UTA or designated audit parties upon request. Contractor agrees that it shall flow-down (as a matter of written contract) these records requirements to all subcontractors utilized in the performance of the Work at any tier.

43. SALES TAX EXEMPT

Purchases of certain materials are exempt from Utah sales tax. UTA will provide a sales tax exemption certificate to Contractor upon request. UTA will not pay Contractor for sales taxes for exempt purchases, and such taxes should not be included in Contractor's Application for Payment.

44. SURVIVAL

Provisions of this Contract intended by their nature and content to survive termination of this Contract shall so survive including, but not limited to, Articles 7, 9, 10, 11, 12, 13, 15, 17, 18, 19, 21, 23, 24, 25, 30, 31, 32, and 40.

IN WITNESS WHEREOF, the parties hereto have caused the Contract to be executed by officers duly authorized to execute the same as of the date of last signature below.

UTAH TRANSIT AUTHORITY:

WOJIN IS AMERICA, INC.

By _____ Date: _____
Carolyn M. Gonot
Executive Director

By _____ Date _____
Joseph Kim
Vice President & C.O.O.

BY _____ Date: _____
D. Eddy Cumins
Chief Operating Officer

Approved as to Form and Content

_____ Date: _____

Michael Bell
Assistant Attorney General
UTA Counsel

Reviewed & Recommended

Kyle Stockley
UTA Project Manage

Exhibit A – Scope of Work

1.01 System Overview

- A The vehicles currently have a Meister Electronics communications system installed.
- B UTA requires this work to provide reliable service for a minimum of 20 years without intermediate maintenance activity beyond routine inspection and preventative maintenance.
- C The new communications system shall include;
 - i Operator’s Communication Control Head;
 - ii Public Address System;
 - iii Intercom System;
 - iv Interior and Exterior Signs; and
 - v Automated Announcement System.
- D The Contractor shall integrate the systems and provide a clear and intuitive interface to the Operator.
- E The complete communications system design and arrangement, including all subcomponents, the integration of the different systems, the location of components and the maintenance access to each shall be subject to UTA review and acceptance.
- F All communications systems shall be powered from the dc low voltage distribution system. All communications equipment shall operate without failure within the entire voltage range of the Low Voltage System, from 17 Vdc to 29 Vdc.
- G The communications system shall be activated with the Vehicle auxiliary systems and de-activated when the Vehicle auxiliary systems are de-activated, except for the GPS receiver. The GPS receiver shall remain active whenever primary power is available on the Vehicle.
- H All communications systems described in this section shall be rated for continuous duty. Control and power circuits for all such equipment shall be isolated from the Vehicle structure and shall be rated to pass the insulation tests specified in Section 1.02.11.B.
- I An Ethernet based using an IEEE 1473, Communications Protocol Aboard Passenger Trains, Type E network shall be utilized. Alternate network architecture may be proposed for UTA’s consideration.
 - i The network shall contain redundant trainline connections to ensure high availability.
 - ii Discrete signals shall require UTA review and acceptance during the Preliminary Design Review meetings.

- J The system shall contain logic to detect system faults and to receive fault data from the message signs. A fault log shall be maintained in the control unit. Fault data shall be accessible locally via a UTA maintenance laptop running Windows 10 or later.
 - K An Ethernet based using an IEEE 1473, Communications Protocol Aboard Passenger Trains, Type E network shall be utilized to support the transmission of diagnostic, audio, video, and passenger information. The network shall contain redundant trainline connections to ensure high availability. Alternate network architecture may be proposed for UTA's consideration.
 - L The Contractor shall prepare a preliminary proposal on the communications system design and submit at least 21 calendar days prior to the Preliminary Design Review meeting (Section 1.03Bii).
 - M At least 21 calendar days prior to the Final Design Review meeting the Contractor shall submit a draft final design report. Within 30 calendar days after the conclusion of the Final Design Review meeting, the Contractor shall submit the final design package for UTA review and acceptance. (Section 1.03Biii)
 - N This work scope includes all actions required to have the retrofitted cars operate in consist with UTA's newer S70 Siemens light rail vehicles, which UTA has agreed to include as part of this Contract.
- 1.01.02 Existing Installation
- A The existing communications controller is mounted in the cab wall behind the B-car cab. It is mounted in a EuroCard 3U rack with cards 100mm X 160mm.
 - B Power to the unit is provided from the vehicle's low voltage power supply, 24 Vdc, through a 10A circuit breaker.
 - C Two twisted shielded pairs are used for the trainline signals. One pair for audio and one pair for data.
 - D A 24 Vdc signal is supplied to the communications controller indicating the train's auxiliaries have been energized.
 - E Determination of the master communications controller in a consist is via a 24Vdc signal from the active cab. All other controllers in the consist act as slaves once a master is determined.
- 1.02 Scope of Work**
- 1.02.01 **General**
- A The Contractor shall design, fabricate, and provide a modern Ethernet-based communications system as described in this RFP.
 - B The Contractor shall submit a work plan to UTA for review and approval prior to the start of work. The work plan shall include design review schedule and meetings, fabrication schedule, qualification test plans for the design verification and First Article Inspection of the first unit, and production test plans for all units. [CDRL-01]
 - C Installation of the new equipment and removal of the existing equipment shall provide for a pleasing aesthetic for passengers and Operators. In the event the new equipment does not completely cover the mounting cutout of the old equipment blanking panels or similar shall be coordinated with the vehicle interior. Installation will be reviewed and approved during the Preliminary Design Review (Section 1.03Bii).
 - D Installation of new components and wiring shall include providing all wire, cable, conduit, wireways, and hardware necessary for installation on the vehicle. Wire harness shall be prepared for installation wherever practical.
 - E Any non-commercially available tooling required for installation or maintenance of the system shall be provided to UTA in quantities of three.

- F The work shall be fully compliant with both 49 CFR Part 38 implementing the Americans with Disabilities Act (ADA) and this Specification where additional accessibility requirements are specified.

1.02.02 **Communication Control Head**

- A Each cab, two per vehicle, shall be provided with a Communications Control Head (CCH) to interface with the communications system on the vehicle or vehicle consists.
- B The new CCH shall replace the existing passenger information controller and CCH. The existing passenger information controller is 12.5 in (320 mm) wide by 5.6 in (142 mm) high by 2.2 in (56 mm) deep. The Contractor shall supply adapter plates for mounting the new CCH and/or covering residual openings in the console. Plates shall finished to match the existing console.
- C The CCH shall include the following functions:
 - i A gooseneck microphone (mounted separately from the CCH) or panel-mounted microphone as approved by UTA;
 - ii Mode or function switches with indicating lights (PA and Passenger Emergency Intercom);
 - iii PA mode selector switch (interior, exterior left, exterior right, or any combination thereof);
 - iv Intercom chime;
 - v Cab speaker, mounted independently in the Operator's cab;
 - vi Intercom speaker volume control;
 - vii Push-to-talk switch; and
 - viii An Automatic Announcement Control Panel (AACP) (may be integrated into CCH or mounted separately).
- D The microphone shall be usable for all intercom and PA modes and shall comply with the following requirements:
 - i It shall be of rugged, weatherproof construction and shall be designed and constructed for transportation applications
 - ii The microphone shall be tamper and vandal resistant
 - iii It shall employ a noise-canceling, close-talking style of dynamic microphone
 - iv The microphone cable shall be enclosed in the flexible gooseneck microphone mount, which shall be securely attached to the console. The mounting at the panel shall be secured from the interior of the Operator's console;
 - v The gooseneck length shall permit a seated Operator in the fifth female to ninety-fifth male percentile height range to speak into the microphone without leaving the normal operating position or losing sight of traffic in front of the vehicle
 - vi The microphone cable shall terminate at a circular connector on the back of the CCH
- E The public address system shall permit the Operator and the automatic announcement system to make announcements to passengers in all cars of a train. Whether the interior set of loudspeakers, the exterior set of loudspeakers, or both, are to be used for public announcements shall be determined by switches at the CCH of the controlling cab.
- F A push-to-talk (PTT) switch for use in all PA and intercom modes shall be provided in each CCH. Pressing the PTT switch shall also silence the local cab PA and intercom speakers.
 - i The PTT shall not be used as part of the two-way radio communications.

1.02.03 **Public Address System**

- A The Public Address (PA) System shall allow announcements to be made to all passengers in a train from the Operator's console, the automated announcement system, and UTA's Central Control

through the Train Radio.

- B The Public Address system shall incorporate a microphone input jack to permit the connection of exterior devices such as a CD player for broadcast through the PA system.
- C PA announcements originated by the Operator, either by voice announcement or routing the train radio through the PA system shall take precedence over messages from the automated announcement system. Audio input through the microphone jack shall have the lowest priority.
- D All PA announcements shall be preceded by a chime, to be accepted by UTA, to alert the passengers of the forthcoming PA announcement. The chime sound and volume shall be configurable via an UTA maintenance laptop.
- E The PA amplifier arrangement shall provide separate audio output, selectable by the CCH or automated announcement controller:
 - i Interior speakers;
 - ii Left Exterior Speakers; and
 - iii Right Exterior Speakers.
- F The PA System's output level shall be automatically set in accordance with the ambient noise level in each vehicle prior to activation of the system. The range of automatic adjustment shall be a minimum of 15 dB. The maximum output level shall be a minimum of 15 dB above the interior ambient noise level resulting from Vehicle operation at full speed. An output level of less than 15 dB above the ambient noise shall be programmable by UTA.
- G The control of external speakers shall be configurable to reduce volume at selected stations during selected hours, and to block automatic announcements when trains are located in storage yards.
- H For automatic announcements, exterior speakers shall be active on the side where the doors open for each station.
- I The eight interior speakers shall be replaced with new.
 - i Each speaker shall have a minimum continuous power rating of 5 W;
 - ii The response of the installed speakers from 300 Hz to 5KHz shall be no more than 7 dB down from its response at 1 kHz;
 - iii Speakers shall be provided with a perforated metal or plastic front grille for protection from dust, moisture and foreign objects;
 - iv Interior speakers shall be mounted in enclosures lined with sound absorbing material.
 - v The enclosures shall be provided with knockouts and seals for the dust-tight entrance of the speaker leads; and
 - vi The speakers shall be installed to blend with the existing interiors and subject to UTA review and approval.
- J The four, two per vehicle side, exterior speakers shall be replaced with new.
 - i Each speaker shall have a minimum continuous power rating of 15 W;
 - ii The response of the installed speakers from 300 Hz to 5 KHz shall be no more than 7 dB down from its response at 1 kHz;
 - iii The installation of the exterior speakers and speaker leads shall be waterproof; and
 - iv The speakers shall be installed to blend with the existing exterior finish and subject to UTA review and approval.

1.02.04 ***Cab-to-Cab Intercom***

- A The Contractor shall provide a cab-to-cab intercom system to enable private communication between any cabs in the train consist.

- B Activating the Cab-to-Cab Intercom in any cab shall cause the Cab-to-Cab Intercom indicator in all cabs to flash and cause a unique 1 second sound to be played on the cab speakers.
- C Operation, design, and configuration of the cab-to-cab intercom system shall be submitted to UTA for review and acceptance in the Preliminary Design Review.

1.02.05 ***Passenger Intercom Stations***

- A 2 passenger intercom units (PIU) per vehicle shall be provided for installation in the vehicle interior.
- B The PIU Station shall consist of a panel mounted enclosure with a stainless steel or anodized aluminum face which shall enclose a speaker, microphone, large 1.5 in (38 mm) in diameter recessed pushbutton switch and a status LED.
 - i The PIU shall be marked with graphics to identify the unit as an "Emergency Intercom" unit. The instructions shall read, "To Contact Driver Push Button Once".
 - ii PIUs shall be marked visually and in Braille and shall meet all applicable ADA requirements.
 - iii A removable car number plate shall be applied with tamper-proof screws to each unit.
- C The PIU Station shall also have a green LED incorporated on the face which shall be illuminated to indicate it is functioning and assist the visually impaired in locating the unit.
- D The PIU station shall be of splash-proof, vandal-resistant construction with components designed for severe transportation duty.
- E The microphone shall be provided with external filters to reduce background noise.
- F Operation of each PIU in a consist shall be verifiable via a self-test feature on the CCH.
- G The PIU speaker amplifier shall include ambient noise sensing and automatic level compensation.
- H Operation of the PIU station shall be as follows:
 - i When the PIU pushbutton switch is pressed;
 - a The request for communication with the Operator shall be latched until cleared by the Operator's action;
 - b The status LED on the PIU station shall begin flashing until the request has been answered by the Operator; and
 - c The Operator shall be alerted to the PIU request by a distinctive chime in the cab.
 - ii When the Operator acknowledges the PIU request;
 - a The status LED light on the PIU station shall illuminate steady ON; and
 - b Two-way conversation may begin without any further action by the passenger.
 - iii PIU calls shall be queued in a first-in first-out arrangement. Methods of queuing and answering PIU calls shall be subject to UTA review and acceptance; and
- I Communication between one PIU and another shall not be possible.

1.02.06 ***Automated Announcement System***

- A The Contractor shall provide additional equipment, which shall provide both visual and audio information. The Automatic Announcement System (AAS) for each car shall consist of three interior digital display signs as described in Section 1.02.07 and a solid state automated announcement system which utilizes the PA system as described in Section 1.02.03.
- B The automatic announcement and display system shall operate in conjunction with the exterior destination signs described in Section 1.02.08.
- C A control panel shall be provided in each cab on the cab console and within easy reach of a seated train operator, to allow the operator to control display and announcement of messages.

- i The control panel shall include an alphanumeric display that duplicates the message shown on the interior display signs.
- D The AAS shall function automatically, after the operator has entered the starting location, as the train proceeds from station to station.
 - i The AAS system shall provide for Operator overrides to change routes, initiate announcements, change active speaker locations, and manually reset or control the system.
- E The AAS system shall have the capability of displaying messages unique to each type and configuration of sign or display, so that they may be configured as next stop signs, destination signs, or both.
 - i The AAS system shall be able to trigger audio and visual announcements at any location based on position information derived from the on-board GPS system.
 - ii The AAS shall store all route information, all automatic station announcements in audio, graphic and text, in non-volatile memory.
- F The AAS non-volatile memory shall be large enough to store voice and text automatic station announcements for 100 stations, voice and text for 100 twenty-word special messages (minimum of 2 hours of audio, and 100 messages of 50 characters), and the priority assigned to each active message.
- G The system shall be capable of making audio announcements of 20 seconds, but shall have capacity up to 120 seconds duration and displaying a message on the visual displays:
 - i The station name when at a station or the next station name upon departure;
 - ii The side upon which doors will open;
 - iii Connection information; and
 - iv Relevant information about the station such as elevators out of service, points of interest, etc.
- H The AAS system shall provide for triggering of special messages, both audibly and visually, through the Operator's control panel. The Operator shall be able to assign a frequency for repetition of the special messages and the priority of the special message.
- I The AAS shall enable using a "Door Open" or "Door Closed command" as a triggering event for special announcements.
- J UTA will provide the Contractor with the initial audio files in mp3 coding format for installation in the AAS.
- K The Contractor shall include software to develop passenger information audio and visual announcements, graphics, and triggering points on a computer running the Windows 10 operating system. UTA shall be given a license for unlimited use of the software for the accepted purposes of this Contract and future updates to the software or operating system.
 - i The software shall provide the ability to tag the content developed so that the AAS may determine when and where it is to be played.
 - ii Repeat announcements shall be given a frequency and a priority.
 - iii Audio announcements shall be recorded and stored in mp3 audio coding format.
 - iv The software shall include a system simulator that allows UTA to simulate all routes showing where and what messages will be displayed on the signs and playing all audio messages.

1.02.07 ***Interior LED Announcement Signs***

- A The Contractor shall provide 2 single-sided Interior LED Announcement signs for mounting on the back of the cab wall.

- B The signs shall be fully compliant with the ADA signage requirements for character width, stroke-to-height ratio and ADA character separation.
 - i The Interior LED Announcement Signs shall be of a matrix design and be capable of full color display of the route lines. The signs shall display characters a minimum of 2 in (50 mm) tall, and readable from at least 30 ft (10 m).
 - ii The signs shall automatically adjust the brightness relative to the lighting in the passenger compartment for passenger comfort.
- C The signs shall be capable of displaying a minimum 2 rows of 25 characters. For messages exceeding 50 characters the sign shall have the ability to display segments of the message sequentially. The message display shall be pitched slightly downward to improve passengers' viewing angle and to reduce reflections from the ceiling.
- D Each message shall be displayed multiple times, with message display characteristics configurable per message.

1.02.08 ***Exterior LED Destination Signs***

- A The Contractor shall provide 1 Exterior Front LED Destination sign above the cab end of each vehicle, for a total of 2.
 - i The front destination signs shall be installed in the location of the existing signs and shall be installed to blend with the existing exterior.
- B The Contractor shall provide 2 Exterior Side LED Destination signs. One sign shall be mounted on the interior of each side of the vehicle in the position of the existing signs.
 - i The side destination sign be provided with an enclosure for mounting in the top portion of the window near the vehicle center and have a displayable area of a minimum of 36 in (914 mm) by 8.0 in (200 mm).
- C The destination signs shall be controlled by the AAS controller.
- D Graphics and lettering on the signs must be legible from a distance of not less than 150 ft (46 m) when illuminated by bright sunlight. The sign display shall be readable in direct sunlight or complete darkness.
 - i The horizontal readable viewing angle shall be a minimum of 120 degrees to half brightness.
 - ii Exterior signs shall be of LED matrix design capable of displaying variable sized characters up to 6.0 in (150 mm) tall.
 - iii Exterior signs shall be equipped with automatic brightness adjustment, based on ambient lighting.
- E The signs shall be fully compliant with the ADA signage requirements for character width, stroke-to-height ratio and ADA character separation.
- F The destination signs shall meet ADA requirements for color and contrast. The default shall be LED illuminated yellow characters against a black background with the capability of displaying full color throughout the active display area.
- G Exterior LED Destination Signs shall be of LED matrix design capable of displaying variable sized characters up to 6.0 in (150 mm) tall.

1.02.09 ***Global Positioning System***

- A The Contractor shall provide a global positioning system (GPS) receiver with antenna to determine the vehicle's location
- B The GPS system shall provide, at a minimum, time, date and physical vehicle location information whenever a valid signal is available.

- i In the event of loss of GPS signal the AAS shall use dead reckoning to determine the vehicle location.
 - C The GPS receiver output shall be compliant with NMEA version 2 or higher.
 - D The GPS system shall have provisions for 4 additional spare ports for future communication interfaces and other system upgrades.
- 1.02.10 ***Fault Handling and Diagnostics***
- A The communication system shall implement appropriate fault isolation techniques, including self-tests at startup, continual diagnostics, and guided self-tests to provide this functionality.
 - B The controller shall incorporate event logs and diagnostic capabilities to enable the identification of faults to the Lowest Line Replaceable Unit (LLRU).
 - i Diagnostics shall be installed on UTA maintenance laptops and (PTUs) shall guide technicians with step by step procedures to isolate the faulted elements.
 - ii Downloading of fault recordings of events shall be downloadable for analysis off the vehicle.
 - C An Ethernet connection port for local portable test unit (PTU) connection shall be provided at the communications system controller.
 - i Software changes and configuration changes to the communications and automated announcement systems shall be permitted only through the PTU access port and be protected by password.
 - D UTA shall be given a license for unlimited use of all software for the accepted purposes of this Contract, including the controller, PTUs, and programming software. Licenses shall not be linked to specific hardware serial numbers. Future software updates shall be provided to UTA at no cost to UTA.
- 1.02.11 ***Test and Validation Requirements***
- A The Contractor shall demonstrate through a qualification test that all technical requirements included in this Specification and in the Contractor's own design are in compliance.
 - B Insulation resistance and dielectric tests shall be conducted to verify the state of insulation of all wiring of each voltage class.
 - i Minimum insulation resistance when all wiring is connected in parallel and all other classes are connected to ground shall be 2 megohms at 500 Vdc.
 - ii The dielectric test shall be conducted by applying the test voltage below for a period of 1.0 minute. The test is passed if there is no insulation breakdown or arcing with the test voltage at 2 times the circuit voltage plus 1000 Vac rms.
 - C The qualification test shall include the following: [CDRL-02, CDRL-03]
 - i Operator's Interface including any separate controls;
 - ii Train radio to PA announcement;
 - iii Cab-to-cab intercom;
 - iv Passenger Emergency Intercom (PEI) with queuing of multiple units;
 - v Passenger Information System including all route setting options and triggering of the automated system; and
 - vi GPS system, including spare outputs.
 - D All components shall be factory tested by the manufacturer prior to shipment. [CDRL-04, CDRL-05]
 - E After installation on the vehicle, the complete system shall be tested to ensure proper operation. [CDRL-06, CDRL-07]

1.02.12 ***Installation***

- A All installation work shall conform to the requirements of NFPA 70 for wiring and protection.
- B All metallic components shall be safety grounded to the carbody structure.
- C Wiring shall not use the carbody or any component for the return circuit path. The return circuits shall be isolated from the safety ground circuit. A 500V megger test between the return circuit and safety ground shall have a minimum of 2 MΩ.
- D The first two communications systems shall be installed and commissioned by the Contractor. The Contractor shall develop a procedure and train UTA technicians simultaneously with this installation work.
- E The following two carsets shall be installed and commissioned by UTA technicians with oversight by the Contractor's personnel.
- F The remaining units shall be installed and commissioned by UTA technicians with technical support from the Contractor as needed.
- G All the remaining equipment and materials for installation that are provided under this contract shall be delivered to UTA prior to the completion of the 4th carset.

1.02.13 ***System Configuration***

- A The Contractor shall be responsible for the initial configuration of the system. This shall include the uploading of all audible and visual announcements and their associated automatic triggers such that they can run in revenue service. UTA will provide the Contractor with the initial audio files in mp3 coding format for installation in the AAS.
- B UTA will provide a script of the required announcements and corresponding locations and will work with Contractor to ensure the system is configured correctly.

1.02.14 ***Documentation Requirements***

- A The Contractor shall edit the existing SD100 and SD160 Operator's manuals to detail operation of the new communications system. [CDRL-08]
- B The Contractor shall edit the existing SD100 and SD160 running and heavy repair manuals as required to reflect any changes made to the vehicles as the result of this retrofit.
 - i Removal and replacement of affected pages shall be acceptable.
 - ii The revised manuals shall be submitted to UTA for review and approval. [CDRL-09]
 - iii A searchable and editable electronic version of the new material developed by the Contractor shall be provided to UTA.
- C The Contractor shall edit the existing SD100 and SD160 illustrated parts catalog as required to reflect any changes made to the vehicles as the result of this overhaul program. The draft of the revised catalog shall be submitted to UTA for review and approval.
 - i Removal and replacement of affected pages shall be acceptable.
 - ii The revised catalog shall be submitted to UTA for review and approval. [CDRL-10]
 - iii A searchable and editable electronic version of the new material developed by the Contractor shall be provided to UTA.
- D The Contractor shall update the existing Integrated Schematics and Wire Lists in the same page format as the existing documents. [CDRL-11]
 - i All sheets with changes shall be redrawn in approved electronic media.
- E The Contractor shall supply General arrangement and assembly drawings. [CDRL-12]

- F All device interfaces shall be fully open and fully documented so as to permit network modifications and enhancements by UTA or other UTA-designated third parties without the need for additional or proprietary information.
 - i All necessary application and network specific source code and development system software shall be provided to UTA, as required, to enable UTA to make future system modifications without reliance on additional hardware, software or other information. This will permit future modifications and changes by UTA engineering staff.

1.02.15 ***Training Requirements***

- A The Contractor shall provide two training programs:
 - i Maintenance Personnel Training
 - ii UTA technicians shall be exposed to the depth of detail that is necessary for the performance of preventive, corrective, and overhaul maintenance operations for the new communications system.
 - iii System Administrator Training

UTA identified staff shall be exposed to the depth and detail that is necessary to program, configure or otherwise manage all audible and visual announcements.
- B Each training program shall include three classes of up to 15 UTA technicians and/or trainers at the UTA facilities.
- C Training sessions shall have a duration of one day for each class. The training shall be designed to be delivered by an instructor in the classroom and, when appropriate, in the shop using the actual equipment.
- D The training program shall include troubleshooting techniques to isolate the cause of any failure and minimize the time a vehicle is out of service.
- E The Contractor shall submit a training program outline and all training materials including “train the trainer” material for UTA review and approval a minimum of 15 working days prior to beginning of the training. [CDRL-13]
- F All training materials, such as training aids and lesson plans, shall become the property of UTA at the completion of the training program. UTA shall be authorized to reproduce the documentation and utilize as needed.
- G UTA reserves the right to videotape or record any and all of the training sessions and will have the right to use videotapes for future training sessions.

1.03 ***Program Management***

- A A management plan shall be prepared by the Contractor to demonstrate the capability and managerial approach to ensure that the new units are well designed, well built, and delivered on schedule. [CDRL-14]
 - i An organization chart shall be included that clearly identifies by name primary personnel assigned to this contract. The chart shall include the senior responsible executive, program manager, design engineers, manufacturing engineers, test engineers, material procurement managers, and quality assurance personnel.
 - ii A monthly progress report shall be submitted no later than 10 working days after the end of the reported month. Reports shall be based upon actual progress of the work, including any problems that have identified and material affecting the project schedule. [CDRL-15]
 - iii A project schedule, with all critical paths indicated, showing all major work tasks, all submittals, inspections, tests, and approvals required for this contract. This schedule shall be updated at least every month and submitted with the monthly report.

- B Program Review Meetings shall be held as required to review progress, respond to open action items, discuss design problems and issues, to witness tests and discuss their results, and to review fabrication and assembly status.
 - i A kick-off meeting shall be within 15 working days after NTP at a time and location designated by UTA for the purpose of discussing with the Contractor all essential matters pertaining to the successful completion of this Contract.
 - a Key personnel of the team shall be introduced.
 - b The Contractor shall propose for joint review the document numbering and control procedures to be used.
 - c The Contractor shall confirm that it is familiar with UTA's maintenance environment and safety requirements.
 - d UTA shall make available to the Contractor all maintenance documentation and maintenance manuals delivered in the original contract.
 - ii A Preliminary Design Review meeting shall be held within 60 working days of NTP at a time and location designated by UTA.
 - a The Contractor shall submit its approach to complying with all the major elements described in this specification.
 - b Concepts can be defined in the form of top level drawings, schematics, control/logic flow diagrams, outline drawings etc.
 - c Operational samples of interior announcement and exterior destination signs.
 - d Questions and issues concerning interfaces to existing systems on the vehicles are discussed.
 - e The implementation plan for retrofitting the vehicle at the UTA maintenance facility is discussed, including additional equipment that may be required.
 - f A preliminary design review package shall be submitted to UTA a minimum of 15 working days prior to the preliminary design review meeting. [CDRL-16]
 - g UTA may, at its sole discretion, elect to combine the preliminary design review meeting with the kick-off meeting.
 - iii A Final Design Review meeting shall be held prior to commencing production.
 - a The Contractor shall provide a final design review package that has been updated to reflect the final design features and functions a minimum of 15 working days prior to the final design review meeting. [CDRL-17]
 - b All open issues, action items and clarifications resulting from previous correspondence and design review meetings must be satisfactorily addressed and accepted by UTA prior to the design review meeting.
 - c UTA may, at its sole discretion, elect to combine the final design review meeting with the qualification test and/or First Article Inspection (FAI) of the first production unit.

1.04 Materials and Workmanship

- A The Contractor shall perform all work at their facilities in accordance with all Federal, State and Local regulatory requirements.
- B All materials shall meet the requirements of NFPA 130.
- C Standards for Material and Workmanship shall be as described in APTA-RT-LRT-GL-001-11, Guideline for Light Rail Vehicle Request for Proposals, Section 6, TS-19, except as modified by this specification.
 - i The Contractor shall pay particular attention to the allowable insulation on all wiring as necessary to meet flame, smoke and toxicity requirements. The use of PVC is strictly prohibited.

- D All Ethernet cable shall be CAT 6 and submitted for UTA approval.
- E The Contractor shall utilize terminals and connections identical to those currently installed on the vehicle to minimize the number of crimping tool types needed for all crimp connections.
- F Splicing, Taping and use of Butt Connectors shall not be allowed.

1.05 **Quality Requirements**

- A UTA shall have the right to inspect the Contractor's facility and production of the communications elements. UTA shall also have the right to witness any corrections or repairs performed on the communications system components.
- B The Contractor shall prepare and submit a Quality Assurance plan for UTA review and approval. [CDRL-18]
- C The Contractor shall notify UTA when work will be performed, and when the first unit assembly is ready and available for First Article of Inspection. Sufficient notice shall be provided to allow UTA to be present for the inspections. [CDRL-19]
- D The Contractor shall successfully complete a quality inspection and functional test each unit before the unit is returned to UTA.

1.06 **Quantity**

- A Base Contract price includes the following (see exhibit B);
 - i 40 carsets of communication systems to be installed on vehicles; and
 - ii Capital spare parts as specified below:
 - iii One complete communications system ready for installation;
 - iv Two carsets of individual components, except printed circuit cards;
 - v Three carsets of all printed circuit card
- B Siemens S70 Compatibility price includes the following (see exhibit B);
 - i. Run the SD100 and SD160 in mixed consists with the newer Siemens S70 light rail vehicles.
 - ii. The existing UTA S70 communications system components are connected via an Ethernet network local to each vehicle.
 - iii. Communications across the coupler between vehicles is via a non-redundant RS-485 interface to the local Ethernet network.
 - iv. Change the design of the system such that non-redundant RS-485 trainline in replacement of redundant Ethernet trainlines.

1.07 **Shipment**

- A The Contractor shall deliver units to UTA's Jordan River warehouse at 2264 S 900 W, Salt Lake City, 84119, unless otherwise advised by UTA.
- B Any damage incurred in shipping the units to UTA is the sole responsibility of the Contractor.

1.08 **Schedule**

- A The contractor shall provide a project schedule as detailed in section 1.03.

1.09 **Warranty**

- A Contractor warrants that all Goods (including hardware, firmware, and/or software products that it licenses) and Services shall conform to the specifications, drawings, standards, samples, and other descriptions made a part of (or incorporated by reference into) the Contract. Contractor further warrants that all Goods and Services shall be of the quality specified, or of the best grade if no quality

is specified, and, unless otherwise provided in the Contract, will be new, and free from defects in design, materials and workmanship.

- B Contractor warrants that all Goods and Services shall be in compliance with applicable federal, state, and local laws and regulations including, without limitation, those related to safety and environmental protection.
- C If Contractor fails to promptly make any repair, replacement or re-performance as required herein, UTA may conduct the necessary remedial work at Contractor's expense. Contractor cannot void the warranty for repair, replacement or re-performance performed under these circumstances. Provided that such repair, replacement or re-performance is conducted in a reasonable manner and with workmanship and care consistent with industry standards, Contractor shall reimburse UTA for the cost of any warranty repair, replacement or re-performance self-performed by UTA.
- D The foregoing warranties are not intended as a limitation, but are in addition to all other express warranties set forth in the Contract and such other warranties as are implied by law, custom, and usage of trade. Contractor (seller) acknowledges that all warranties granted to the buyer by the Uniform Commercial Code of the State of Utah apply to the Contract. Product liability disclaimers and/or warranty disclaimers from the seller are not applicable to the Contract unless otherwise specified and mutually agreed upon elsewhere in the Contract. In general, Contractor warrants that: (1) the Good will do what the salesperson said it would do, (2) the Good will live up to all specific claims that the manufacturer makes in their advertisements, (3) the Goods will be suitable for the ordinary purposes for which such items are used, (4) the Goods will be suitable for any special purposes that UTA has relied on Contractor's skill or judgment to consider when it advised UTA about the Good, (5) the Goods have been properly designed and manufactured, and (6) the Goods are free of significant defects or unusual problems about which UTA has not been warned. Nothing in this warranty will be construed to limit any rights or remedies UTA may otherwise have under the Contract.

1.10

Contract Deliverable Requirements List (CDRL)

CDRL Table		
CDRL#	Title	Reference
01	Contractor Work Plan	1.02.01B
02	System Qualification Test Procedure	1.02.11
03	System Qualification Test Report	1.02.11
04	Component Routine Test Procedure	1.02.11
05	Component Routine Test Report	1.02.11
06	Vehicle Routine Test Procedure	1.02.11
07	Vehicle Routine Test Report	1.02.11
08	Revised Operators Manuals	1.02.14
09	Revised Repair Manuals	1.02.14
10	Revised Parts Catalog	1.02.14

11	Integrated Schematics	1.02.14
12	Drawing Package	1.02.14
13	Training Program	1.02.15
14	Management Plan	1.03
15	Monthly Report	1.03
16	Preliminary Design Review	1.03
17	Final Design Review	1.03
18	Quality Assurance Plan	1.05
19	First Article Inspection	1.05

Exhibit B -Price

Item	Description	Price
1.	Base Contract	Not to Exceed Price (NTE) of \$2,767,738.00
2.	Siemens S70 Compatibility	Not to Exceed (NTE) Price of \$179,739.00

Total NTE \$2,947,477.00



MEMORANDUM TO THE BOARD

TO: Utah Transit Authority Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Mary DeLoretto, Chief Service Development Officer
PRESENTER(S): Mary DeLoretto, Chief Service Development Officer

BOARD MEETING DATE: November 4, 2020

SUBJECT:	Capital Development Plan for the Midvalley Connector Bus Rapid Transit Project
AGENDA ITEM TYPE:	Discussion
RECOMMENDATION:	Informational item for discussion
BACKGROUND:	<p>Per the UTA Board of Trustees Policy 3.3 Capital Development Project Implementation, new Capital Project Plans must be presented to the UTA Local Advisory Council (LAC) for approval, prior to approval by the UTA Board. The Capital Development plan for a project includes the locally preferred alternative (LPA), as well as the funding plan that identifies funding partners, grant opportunities, and other funding sources. The LPA must be adopted by the local communities and must be included in the applicable Metropolitan Planning Organization’s current long-range plan before being approved by UTA.</p> <p>The Midvalley Connector Bus Rapid Transit (BRT) project is a seven-mile BRT project that extends from the Murray Central station, to Salt Lake Community College, then to the West Valley TRAX station. The purpose of the Midvalley Connector is to provide a regional east-west connection to large employment, education and civic centers within the corridor, and to enhance the local economy by encouraging redevelopment and improving accessibility to existing and planned developments. The draft Capital Development Plan for the Midvalley Connector has been prepared and is ready to present to the UTA Board and LAC.</p>
DISCUSSION:	<p>In early 2019, while the Midvalley Connector project’s funding plan was still under development, the local project partners – Taylorsville City, West Valley City, and Murray City – each approved the LPA for the project. The project is also included in the Wasatch Front Regional Council WFRC Regional Transportation Plan.</p> <p>After local approval, the LPA was subsequently presented to the UTA Local Advisory Council on July 17, 2019 for their review and approval, with the intention of coming back to the council for approval of the full Capital Development plan once the funding plan</p>

	<p>was finalized. The UTA Board also approved the LPA at their July 31, 2019 board meeting.</p> <p>The funding plan for the Midvalley BRT project has now been developed and incorporated into the proposed Capital Development Plan, which also includes the previously approved LPA. The funding plan includes local, state and federal funding, totaling \$79.2M, and \$5M in donated right-of-way, to implement the \$84.2 million project.</p> <p>After input from the Board, the proposed plan will be presented to the UTA Local Advisory Council for their review and recommendation on November 18, 2020. It will then be brought back to the Board for their approval at a later date.</p>
ALTERNATIVES:	<p>If the Capital Development Plan is not approved, UTA would not advance the MidValley BRT Connector project into the federal funding program and funding already allocated could be lost and the project not completed.</p>
FISCAL IMPACT:	<p>The Midvalley BRT project is included in the proposed 5-year Capital Plan. The estimated project cost is \$84.2M, with the funds coming from a combination of State funds (TTIF), Federal Funds (Small Starts and STP), as well as local partner contributions, and \$5M in right-of-way donations.</p>
ATTACHMENTS:	<p>1. Midvalley BRT Draft Capital Development Plan</p>



Midvalley Connector

Project Plan

November 2020



Capital Development Project Plan

Project Type:	New transit corridor-bus rapid transit(BRT)					
Project Name:	Midvalley Connector					
Project Description:	BRT line with 14 stations from Murray Central Station (FrontRunner commuter rail transit and TRAX light rail transit) to the Salt Lake Community College (SLCC) Redwood Campus in Taylorsville to West Valley Central Station. Dedicated BRT lanes (1.4 miles) will be provided on 4700 South, between Redwood Road and Atherton Drive, comprising 20 percent of the seven-mile corridor. A new connector road will be constructed for an improved transit connection to the SLCC Redwood Campus. A multi-use path will be provided along 4500/4700 South, between Atherton Drive and Redwood Road.					
Capital Cost Estimate (YOES):	\$84.2 million (\$8.7M additional spent to date by project partners; ineligible as local matching funds); Costs to be finalized after final engineering					
Annual Operating and Maintenance Cost:	<ul style="list-style-type: none"> \$2.7M/year at 15-minute headways (similar to our current TRAX Schedule) \$3.7M/year at 10-minute headways 					
Funding Sources:	(\$ millions)	2021	2022	2023	2024	Total
	TTIF (committed)	\$1.8	\$12.0	\$9.0	\$0	\$22.8
	Local Funds (committed)	\$1.2	\$6.2	\$0	\$0	\$7.4
	In-kind ROW (committed)	\$0	\$1.8	\$3.2	\$0	\$5.0
	STP-WFRC (committed)	\$0	\$0	\$0	\$2.0	\$2.0
	Federal Small Starts Grant (uncommitted)	\$0	\$0	\$39.0	\$8.0	\$47.0
	TOTAL	\$3.0	\$20.0	\$51.2	\$10.0	\$84.2
Daily Ridership Forecast:	<ul style="list-style-type: none"> 2,200/3,100 (15-minute headways all day or 10-minute headways during peak hours, respectively) 					
Service Frequency:	<ul style="list-style-type: none"> 10 - 15 minutes in peak hours 					
Purpose, Need and Benefits:	<ul style="list-style-type: none"> Provide a local and regional connection for destinations from the Murray Central TRAX and FrontRunner station to the West Valley Central station Improve transit service frequency and visibility to attract riders Increase mobility and provide an alternative mode of transportation for future population and travel demand growth Enhance the local economy by encouraging redevelopment and improving accessibility to existing and planned developments Provide an efficient and direct transit connection from FrontRunner commuter rail and TRAX to local and regional destinations in the study area Increase accessibility and visibility that are currently limited due to a lack of direct transit service connections between the redevelopment areas in the region Provide increased transit service and alternative mobility options to meet the growing demand as the population in the area and SLCC student enrollment continues to grow 					

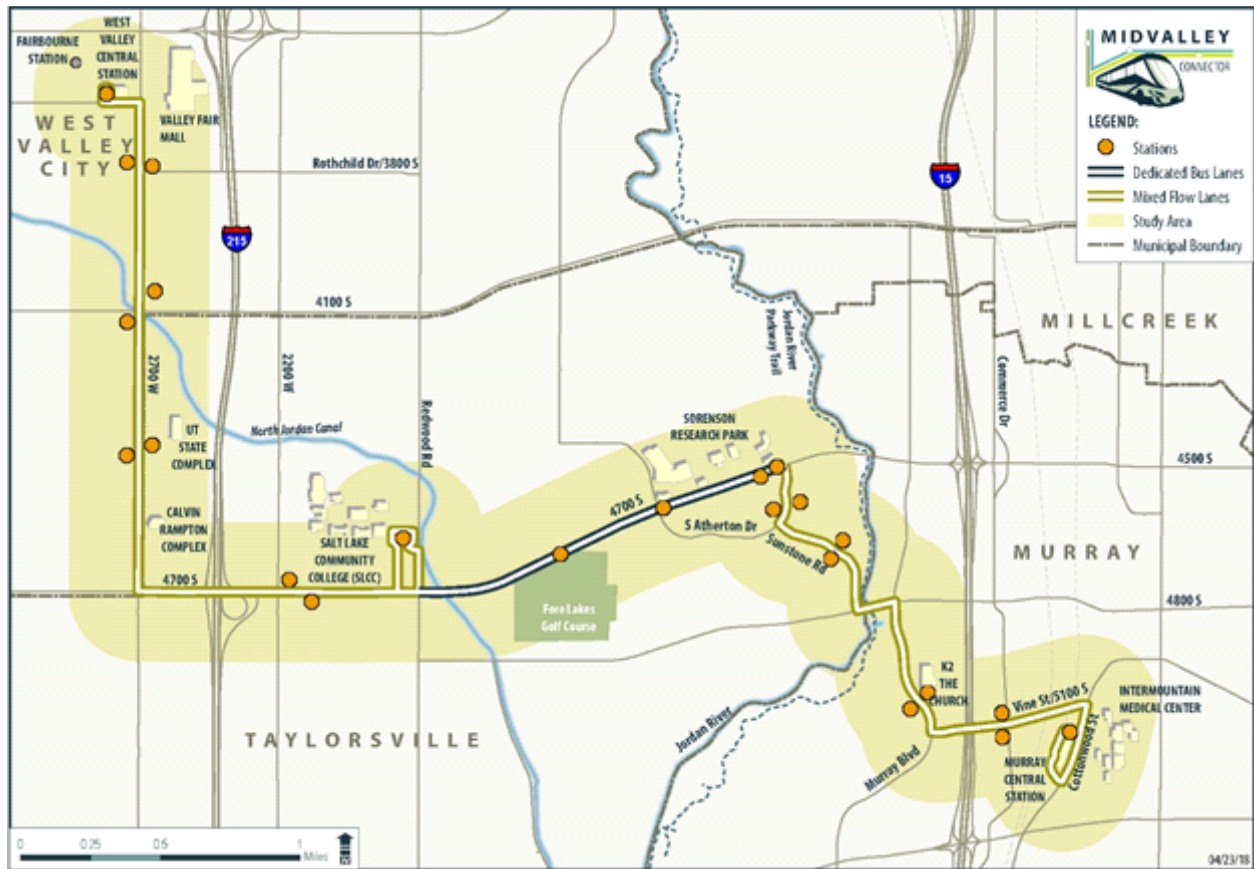


Key Project Impacts and Mitigations:	<ul style="list-style-type: none">• Construction impacts will be mitigated with standard practices, with particular emphasis on communications and efforts to minimize impacts on business access• Remaining property acquisitions for project right-of-way and temporary construction easements will follow state and federal law• A USACE permit (also 404) and Salt Lake County Flood Control Permit will be required for extension of the North Jordan Canal culvert.• Coordination with EPA, DEQ, and Murray City will be necessary for construction work within the Smelter Site Overlay District - a development permit may be required and handling of hazardous materials will comply with applicable regulations.
Applicable Planning Documents:	<ul style="list-style-type: none">• Proposed Five-year Capital Plan (UTA)• Regional Transportation Plan (WFRC)
Partners and Roles:	<ul style="list-style-type: none">• <u>UTA</u>: regional transit agency, design oversight, environmental review preparer, builder and operator• <u>UDOT</u>: state highway owner for portion of route• <u>Wasatch Front Regional Council</u>: federal and state regional planning agency and programming/oversight of Surface Transportation Program (STP) funds• <u>City of Taylorsville</u>: project lead during design; owner of local street for portion of route• <u>Salt Lake County</u>: funding partner• <u>Murray City</u>: owner of local streets for portion of route; oversight of environmental permitting at Murray Central Station• <u>West Valley City</u>: owner of local streets for portion of route and West Valley Station/Mobility Hub• <u>Salt Lake Community College</u>: owner of site for end of line station and access roads
Key Community and Stakeholder Input:	<ul style="list-style-type: none">• Written and in-person outreach activities were conducted• In general, the comments provided were answered or addressed with project design changes or impact mitigation
Environmental Review Type:	<ul style="list-style-type: none">• Environmental Study Report—completed and issued August 2019• Federal environmental document to be determined as federal funds will now be requested

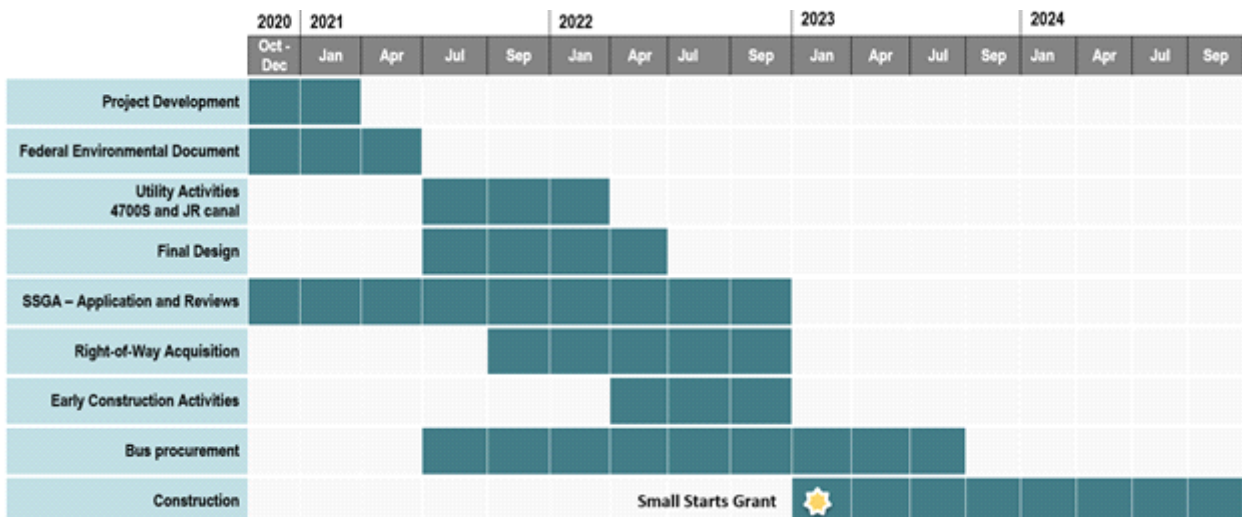


Process Summary:	<ul style="list-style-type: none">• Original Alternatives Analysis Report was completed in 2009• Initial planning for a portion of the current project concluded in 2013• Subsequent planning for the current, extended project concluded in 2019• The Locally Preferred Alternative (LPA) was adopted by the partner cities, the UTA Local Advisory Council, and the UTA Board of Trustees in 2019• Commencement of the federal project development process proposed to begin in late 2020
Construction Start Date Forecast:	<ul style="list-style-type: none">• Early 2021/mid 2022
Opening Date Forecast:	<ul style="list-style-type: none">• Mid 2024/late 2025
Advisory Council Recommendation and Date:	<ul style="list-style-type: none">• Requested: November 18, 2020
Board of Trustees Action and Date:	<ul style="list-style-type: none">• Anticipated: December 2020
Congressional Representative:	<ul style="list-style-type: none">• Congressman Ben McAdams/Congressional District 4
State Representative:	<ul style="list-style-type: none">• Karen Kwan, HD 34• Craig Hall, HD 33• Carol Spackman Moss, HD 37• Mark Wheatley, HD 35
State Senator:	<ul style="list-style-type: none">• Luz Escamilla, SD 1• Wayne Harper, SD 6• Karen Mayne, SD 5• Gene Davis, Sd3
Project Map and Illustrations:	<ul style="list-style-type: none">• Map of Locally Preferred Alternative• Proposed Project Schedule

Midvalley Connector BRT - Locally Preferred Alternative



Proposed Project Schedule





MEMORANDUM TO THE BOARD

TO: Utah Transit Authority Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Mary DeLoretto, Chief Service Development Officer
PRESENTER(S): Dan Locke, Environmental Compliance Administrator

BOARD MEETING DATE: November 4, 2020

SUBJECT:	Wattsmart UTA Energy Plan
AGENDA ITEM TYPE:	Discussion
RECOMMENDATION:	Informational report for discussion
BACKGROUND:	Utah Transit Authority (UTA) and Rocky Mountain Power (RMP) are continually making major investments in Utah's transportation and power infrastructure. Both entities are committed to using clean energy to power Utah's future and recognize the greater potential in collaborating to achieve mutual clean energy goals. UTA partnered with Rocky Mountain Power's Wattsmart Communities program to develop UTA's first energy action plan.
DISCUSSION:	<p>UTA's energy vision is to provide an integrated system of innovative and accessible public transportation services that use efficient and renewable energy systems and support the development of strong partnerships to contribute to a healthy environment for the people of the Wasatch Front.</p> <p>The Wattsmart UTA Energy Plan has four focus areas: energy efficiency, electric vehicles, electrical infrastructure, and grid resilience. Each area has a set of strategies intended to work toward the plan vision. The strategies include policies & programs, demonstration projects & research, capital, & real estate. Implementation of the plan has already begun because certain activities, such as upgrade to LED lighting, was already occurring at various UTA facilities.</p>
ALTERNATIVES:	If the Wattsmart plan is not implemented, UTA will miss opportunities to improve energy efficiencies and utilize renewable energy sources to contribute to a healthy environment along the Wasatch Front.
FISCAL IMPACT:	A net savings is expected from implementation of the plan. Funds from operating budgets at affected facilities would pay for up-front costs.
ATTACHMENTS:	1) Wattsmart UTA Energy Plan



Energy Action Plan



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Acknowledgements

A special thanks to the following individuals who helped develop this Energy Action Plan.

Utah Transit Authority's Energy Planning Team

Utah Transit Authority Energy Planning Team Leaders

- **Patti Garver**, Program Manager of Environmental, Grants & Project Controls
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- **Travis Jones**, Regional Business Manager
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- **Rohit Nair**, Grid Solutions Manager
- **Becca Stock**, Wattsmart Communities Facilitator

UTA

Energy Action Plan



About this Plan

In 2020 Utah Transit Authority (UTA) partnered with Rocky Mountain Power's Wattsmart Communities program to develop the organization's first energy action plan. This plan builds upon the Interagency Partnership Vision, which was developed between the two entities in order to accelerate the transition to clean energy. The goals and strategies outlined in this plan were developed collaboratively with technical experts from UTA and Rocky Mountain Power, laying the groundwork for a successful long-term partnership.

Our Energy Vision

Provide an integrated system of innovative and accessible public transportation services that use efficient and renewable energy systems and support the development of strong partnerships to contribute to a healthy environment for the people of the Wasatch Front.

Sustainability Energy Index

The Sustainable Energy Index was developed to reflect progress made on multiple energy-related fronts. The index combines multiple metrics into one score that reflects overall performance. UTA will strive to maintain the Sustainable Energy Index in the green showing that they are outperforming peer agencies.

2018 Baseline Score



Air Pollutants Avoided

Ratio of transit air pollutants emitted to avoided personal vehicle emissions



Greenhouse Gas Emissions Avoided

Ratio of transit GHG emissions to avoided personal vehicle emissions



Breakout

Building Efficiency

kbtu/ sq. ft.







Vehicle Efficiency

MMBtu/revenue miles



Strategy Summary

The UTA Energy Action Plan has four focus areas, each with a set of strategies intended to work toward the overarching plan vision. The following table lists the strategies included in the plan, organized by strategy type.

		Policies & Programs	Demonstration Projects & Research	Capital	Real Estate	
Energy Demand & Use	Energy Efficiency 	1-1: Continue LED lighting upgrades*				
		1-2: Continue installation of building automation systems*				
		1-3: Share best practices in energy efficiency				
		1-4: Refresh employee energy efficiency campaign				
		1-5: Optimize building use				
		1-6: Improve efficiency of snowmelt systems				
		1-7: Incorporate energy efficiency into grant funded electrification projects				
		1-8: Establish energy efficiency standards for new equipment				
	Electric Vehicles 	2-1: Develop vehicle charging schedules				
		2-2: Partner with other organizations to acquire electric buses				
		2-3: Promote benefits of electric buses to the public				
		2-4: Optimize the size of the white fleet				
		2-5: Evaluate the total cost of ownership when purchasing new vehicles				
		2-6: Pursue grant funding to replace white fleet vehicles with EVs and employee EV charging stations				
		2-7: Convert direct current (DC) drives in TRAX vehicles with alternating current (AC) drives*				
		2-8: Identify a location for a multiuse charging hub*				
Electrical Supply	Electrical Infrastructure 	3-1: Implement substation upgrades				
		3-2: Explore wayside storage systems at TRAX stations				
		3-3: Utilize a portable substation to improve system resiliency				
	Grid Resilience 	4-1: Increase participation in RMP Blue Sky program*				
		4-2: Organize tours of the Intermodal Hub and EVR Research Facility				
		4-3: Develop a bus charging algorithm				
		4-4: Research the intelligent integration of vehicles, the electric grid, and solar				
		4-5: Integrate on-site solar and microgrid technologies				
		4-6: Investigate rooftop solar opportunities*				

*RMP programs or incentives are available to support this strategy

1 Decide to Thrive: Energy Action Plan Background and Planning Process

Utah Transit Authority (UTA) and Rocky Mountain Power (RMP) are continually making major investments in Utah’s transportation and power infrastructure. Both entities are committed to using clean energy to power Utah’s future and recognize the greater potential in collaborating to achieve mutual clean energy goals. For these reasons, the two entities developed the Interagency Partnership Vision document, establishing a long-lasting partnership for working together to power Utah’s future.

To support the implementation of the Interagency Partnership Vision, UTA partnered with Rocky Mountain Power’s Wattsmart Communities program to develop the agency’s first energy action plan. Wattsmart Communities is Rocky Mountain Power’s newest program within the Wattsmart portfolio. This program broadens Rocky Mountain Power’s energy efficiency and renewable energy programs delivered to entire communities, or entities such as UTA, with the commitment to support the unique needs of the entity toward achieving its sustainable energy goals.

As part of the Wattsmart Communities energy-planning process, UTA stakeholders were identified and invited to participate on an Energy Planning Team for three planning workshops where their input on UTA priorities were gathered to help answer three essential questions (Figure 1): Where are we now? Where do we want to go? and How will we get there?



Figure 1: Wattsmart Communities Planning Process

Figure 2 highlights an interactive planning exercise to discuss team member roles and perspectives – with the intended result of having a well-informed and supported plan. The stakeholders will be essential in leading the strategies identified and in engaging the entire agency for the greatest impact.

Roles Mapping

		Preferred Project Role
Resource Investigator	Inquisitive nature, finds ideas to bring back to the team	Patti Jared
Teamworker	Helps team gel, identifies the work required and completes it on behalf of the team	Judy Dave Dan Grey
Coordinator	Focuses on team objectives, draws out team members, delegates work appropriately	Jared Dave Patti Grey
Plan/Idea Innovator	Creative, good at solving problems in unconventional ways	Hal Judy
Monitor/Evaluator	Provides a logical eye, impartial judgements, weighs team's options	Dan Kevin
Specialist	Brings in-depth knowledge of a key area to the team	Patti Kevin Lynn
Shaper	Provides drive and focus to ensure team keeps moving	Hal Dave Grey
Implementer	Plans workable strategy and carries it out efficiently	Hal Dave
Completer/Finisher	Polishes and scrutinizes work for errors, subjecting it to high quality control standards	Jared Hal

Figure 2: Roles Mapping Exercise from Workshop 1 Showing Participants Desired Role in the Energy Action Plan

Plan Organization

This plan follows the structure of the Interagency Partnership Vision that is organized around five *focus areas* to accelerate the transition to clean energy. The Energy Action Plan provides actionable goals, targets, and implementation strategies for each focus area. Figure 3 highlights the interrelationship between the plan focus areas. Through the *Energy Efficiency* and *Electric Vehicles* focus areas, this plan addresses energy demand and use at UTA through the smart and efficient use of energy in buildings, stations, and vehicles as well as the transition of diesel and other transportation fuels to electricity. The *Electrical Infrastructure* and *Grid Resilience* focus areas ensure this new electrical load is supplied by reliable clean electricity. The fifth focus area, *Research & Grants*, supports the other four focus areas by providing funding and innovation to advance initiatives.

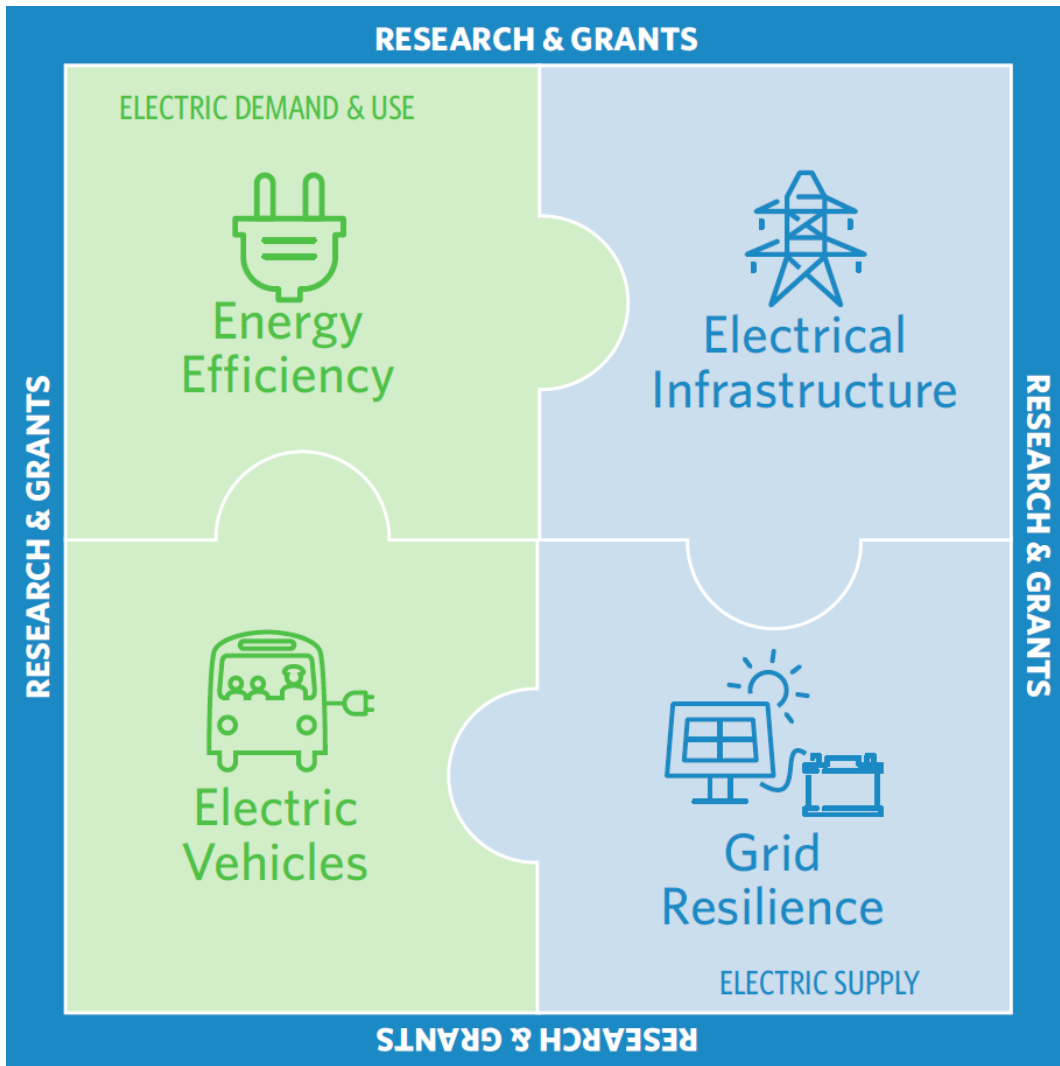


Figure 3: Interagency Agreement Focus Areas

The Energy Action Plan also fits into UTA’s larger sustainability initiatives by laying out sustainability goals specific to energy use across the agency. These goals will be incorporated as UTA refreshes its overarching sustainability plan.

2

Where Are We Now? Energy Baseline and Current Initiatives

The first step in the Wattsmart Communities planning process is to explore the agency's energy profile that provides a picture of UTA's current energy landscape. Wattsmart Communities facilitators analyzed and presented electric energy consumption data to illustrate the electricity baseline as a framework for developing the targets and actions in this plan. The energy profile illustrates historic stationary and transportation energy use, helps identify potential opportunities, and supports decision making during the planning process. Three years of data (2016-2018) were used for analysis, with 2018 established as the baseline against which to compare future progress toward the energy goal UTA set as part of the planning process. Data to support this analysis were supplied by RMP and UTA.

UTA's overall energy profile is illustrated below. Additional baseline data and existing initiatives specific to each focus area are presented in the respective section of the plan.

Energy Use Baseline

To get a better picture of overall energy use at UTA, stationary and transportation use were examined together as shown in 4. From this evaluation, we can clearly see that overall energy use is dominated by transportation energy, which is currently includes diesel fuel for buses and FrontRunner commuter rail; gasoline and diesel for white fleet vehicles; and electricity for the Trax line. Note that in this summary CNG use for buses is reported as part of diesel use as it is a relatively small percentage of overall fuel use. CNG use is broken out separately on the Electric Vehicle Dashboard. As part of its sustainable energy future, UTA is considering electrification of both buses and FrontRunner. This overall picture of the agency's energy use helps show that this transition would significantly increase the electrical use of the agency and highlights the importance of the interagency partnership.

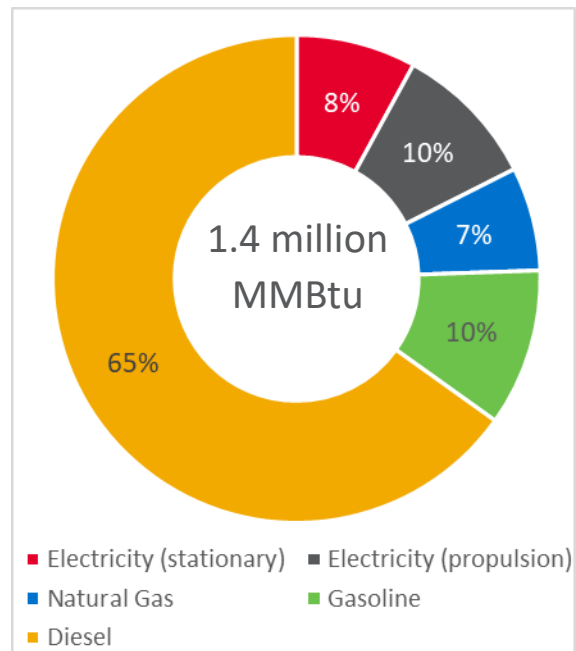


Figure 4: Total 2018 Baseline Energy Use (MMBtu)

The total cost of all fuels was also estimated, to help provide a baseline for capital investments that impact the agency’s energy use. RMP provided electricity cost for the buildings and stations within RMP service territory, which makes up approximately 97% of the total electricity use for the agency. The average unit cost of electricity from these data were used to estimate costs from the remaining electricity use. The estimated fuel costs for other fuel sources - with the exception of gasoline, which used a state-wide unit cost estimate (US Energy Information Administration, 2020) - were estimated based on unit costs provided by UTA. Since fuel costs were estimated based on unit costs, this data should only be used to understand relative proportions and order of magnitude of fuel costs. More detailed data should be used to inform decision making on specific capital investments. As shown in Figure 5,

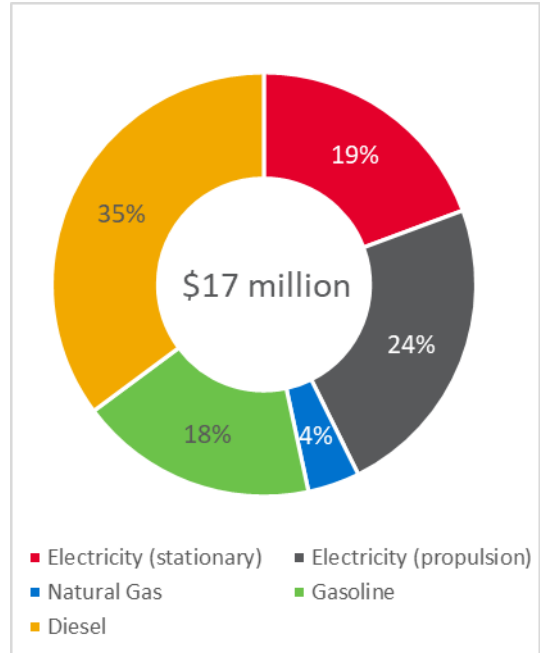


Figure 5: Estimated 2018 Baseline Energy Costs

electricity makes up a significant portion of total energy costs. This highlights the importance of working with RMP as buses and trains are electrified, to understand how the additional electricity load and timing of electricity use will impact utility costs. Electricity demand costs can significantly impact electricity costs, so controlling energy demand can be an effective strategy for managing utility costs. As transit agencies across the country have started to electrify, partnerships and coordination with local electric utilities have shown some early success with agreements that help the utility manage electric demand while also providing cost savings to the transit agency.

Finally, the environmental impacts of fuel choice were examined. UTA reported total organizational Greenhouse Gas (GHG) emissions through 2017 but did not report in 2018. The 2017 emissions are shown in 6. As with energy use, GHG emissions are dominated by mobile sources. This highlights the potential impact that electrification of bus and commuter rail could have on the organizational environmental impact, especially as RMP continues to reduce the carbon intensity of the electricity generation sources through the Energy Vision 2020 initiative.

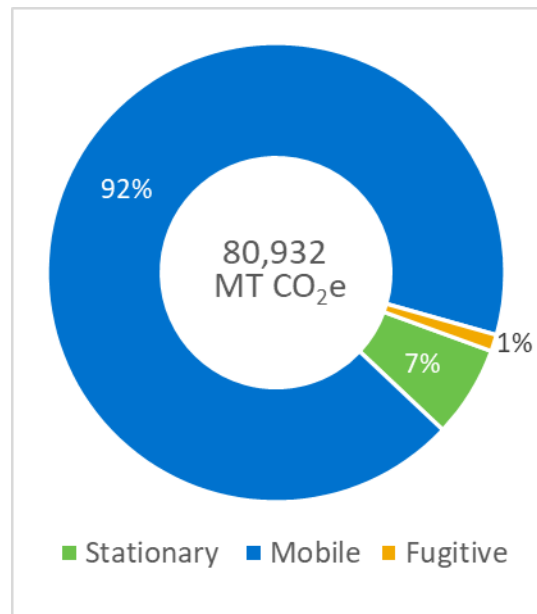


Figure 6: 2017 Baseline Greenhouse Gas Emissions

Along the Wasatch Front, local air quality is an especially important environmental issue, and UTA operations have a significant impact on local air pollutants. As such, UTA tracks the net impact of transit operations on criteria air pollutants. This analysis estimates expected air pollutants that would have been emitted if transit riders had driven personal vehicles and subtracts air pollutants emitted from transit vehicles - to get net air pollutant savings as shown in Figure 7.

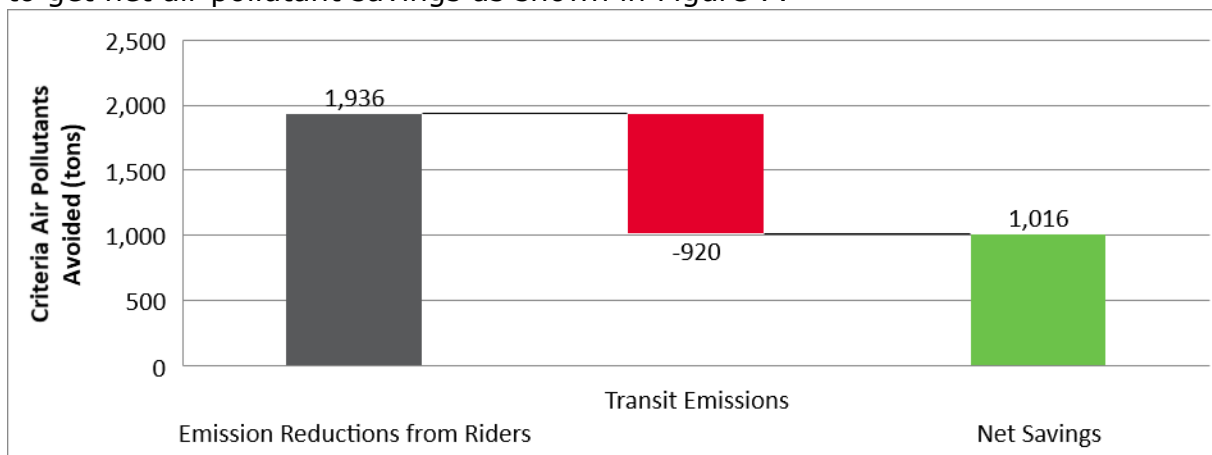


Figure 7: 2018 Criteria Air Pollutants Mitigated

This shows that UTA can reduce the total air pollutants emitted from transportation by more than half as compared the emissions that would have been produced if the riders chose to drive personal vehicles. As UTA replaces diesel buses and trains with alternative fuel options, air pollutants from transit vehicles will continue to decrease.

Related Plans

For this Energy Action Plan to have the greatest impact, it must fit into other planning efforts and initiatives currently underway at UTA. The current planning landscape was summarized by reviewing the most relevant agency and regional plans, which are summarized below, to provide a baseline on which to build the strategies and goals identified in this plan.

UTA 2040 Strategic Plan

This plan outlines the vision for the future of UTA. Energy-related objectives that are supported through the energy action plan include:

- Use groundbreaking technology and *data-driven* decision making to allocate resources in a way that improves UTA's products, service delivery, and passenger experience.
- Enhance *alliances* with regional corporate and nonprofit agencies, to achieve shared transportation goals and jointly lead out and identify new services and funding sources.
- Continue to create *long-range strategies* and *short-range pilot projects* for integrating evolving technology and alternative transportation options as a means of creating future mobility solutions.

Regional Transportation Plans

Other related plans that were considered during the planning process include the Wasatch Front Regional Council 2019-2050 Regional Transportation Plan and the MAG TransPlan50, which outline planned transit routes throughout UTA service territories. These planned route expansions present good opportunities to build out electric bus and rail infrastructure from the start, which is more cost effective than retrofitting existing infrastructure.

Current UTA Sustainability Initiatives

UTA has been working to advance sustainability within its organization through various internal and collaborative initiatives. Some key initiatives include:

- Clean Air Champion
- American Public Transportation Association Sustainability Commitment – Bronze Level
- International Union of Public Transportation - sustainability charter signatory
- Climate Registry reporting through 2017
- UTA Environmental Management System
- International Organization for Standardization (ISO) 14001:2015 participation

This plan aims to build on the successes of these programs, to continue advancing sustainable energy use at UTA. As shown in Figure 8, energy initiatives are just one of the metrics tracked as part of UTAs organizational sustainability efforts.

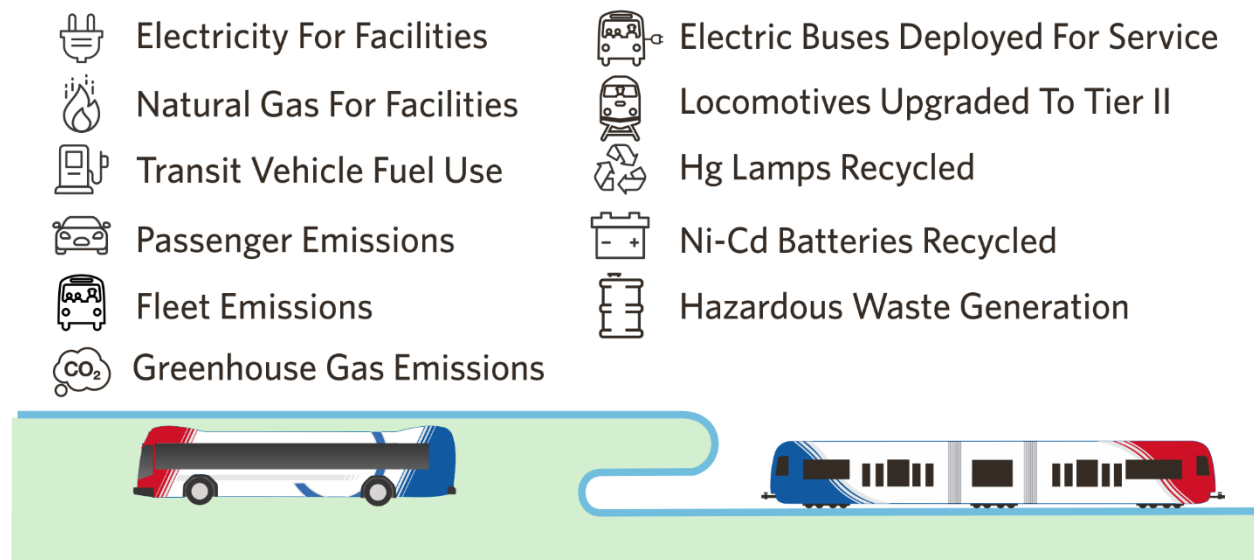


Figure 8: Sustainability Initiatives at UTA

3 Where Do We Want to Go? Energy Vision, Goal, and Focus Areas

Understanding UTA’s energy baseline and existing initiatives sets the stage for determining where UTA and RMP want to go on their shared clean energy journey. This section of the plan answers the question of Where to from here? with a vision statement, goal, and targets for each of the plan focus areas.

Energy Vision

An energy vision is an aspirational description that aligns with UTA’s core ideals and values to inspire work toward achieving its energy goals. UTA’s Energy Planning Team developed the following vision statement that aligns with UTA’s overall mission and vision to guide its energy future:

Provide an integrated system of innovative and accessible public transportation services that use efficient and renewable energy systems and support the development of strong partnerships to contribute to a healthy environment for the people of the Wasatch Front.

Based on feedback from the stakeholder group during workshop 1 (Figure 9), this vision statement was derived from UTA’s organizational vision statement. It was modified slightly to describe UTA’s energy future by incorporating a focus on renewable energy as well as highlighting the importance of partnerships in realizing this vision.

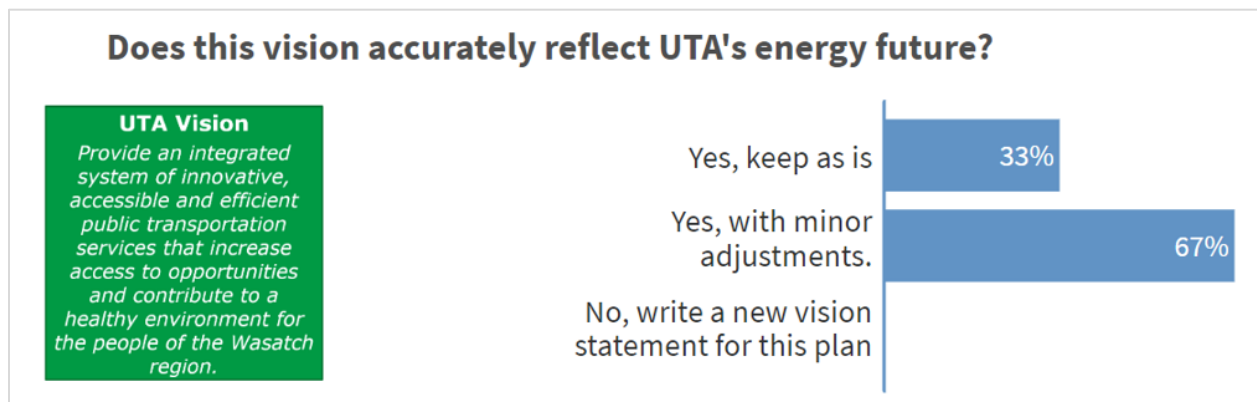


Figure 9: Energy Vision Poll Question

Energy Goal

To reflect progress being made on multiple fronts, while still providing a clear metric to share with UTA's stakeholders, the Energy Planning Team developed a Sustainable Energy Index. This approach combines multiple metrics into one score that reflects overall performance and can be easily communicated. The four metrics included are:

1. **Air Pollutants Avoided:** This is a ratio that shows the transit air pollutants emitted as compared to the air pollutants that would have been emitted if the passengers chose to drive personal vehicles. Strategies in the electric vehicle focus area will improve this metric.
2. **GHG Emissions Avoided:** This is a similar ratio to the first metric but looks at GHG emissions rather than local air pollutants. Strategies in the electric vehicle and grid resiliency focus areas will improve this metric.
3. **Building Energy Efficiency:** This metric is the average energy use per square foot of all the Agency's buildings. Strategies in the building energy efficiency focus area will improve this metric.
4. **Vehicle Fuel Efficiency:** This is the average fuel use per revenue mile for the Agency's vehicle fleet. Strategies in the electric vehicle focus area will improve this metric.

The organizational dashboard for the 2018 baseline is shown below.

2018 Baseline Score



Air Pollutants Avoided

Ratio of transit air pollutants emitted to avoided personal vehicle emissions



Breakout

Building Efficiency

kbtu/ sq. ft.



Greenhouse Gas Emissions Avoided

Ratio of transit GHG emissions to avoided personal vehicle emissions



Vehicle Efficiency

MMBtu/revenue miles



UTA will strive to maintain the Sustainable Energy Index in the green showing that they are outperforming peer agencies. See Appendix A: Sustainable Energy for additional details on the index.

Focus Areas

To make progress toward the ideals and values in this vision statement, the Energy Planning Team selected four focus areas from the Interagency Partnership Vision, designating the fifth as a cross-cutting theme. Focus area group interviews were conducted to help identify existing initiatives, targets, and potential strategies. These focus areas are listed in Table 1, along with information about interview participants.

Following the focus area group interviews, the Energy Planning Team finalized focus area targets and prioritized strategies. Strategies are categorized by strategy type as outlined below.

- **Policies & Programs** – Guidance for procurement, budgeting, and sustainable practices
- **Demonstration Projects & Research** – Studies, tours, demonstration projects, and other research activities
- **Capital** – Infrastructure improvements, vehicle purchases, and other capital investments
- **Real Estate** – Management of real estate assets and public-private partnership development opportunities

Focus area details are presented in the following section.

Focus Area	Expert Team
<p>Focus Area 1: Stationary Energy Efficiency</p>	<ul style="list-style-type: none"> • Dan Locke, UTA • Kevin Anderson, UTA • Clay Monroe, RMP • Becca Stock, Facilitator
<p>Focus Area 2: Electric Vehicles</p>	<ul style="list-style-type: none"> • Hal Johnson, UTA • Kyle Stockley, UTA • James Campbell, RMP • Becca Stock, Facilitator
<p>Focus Area 3: Electrical Infrastructure</p>	<ul style="list-style-type: none"> • David Osborne, UTA • Jared Scarbrough, UTA • Hal Johnson, UTA • Travis Jones, RMP • Judy Dorsey, Facilitator
<p>Focus Area 4: Grid Resilience</p>	<ul style="list-style-type: none"> • Dan Locke, UTA • David Osborne, UTA • Rohit Nair, RMP • Judy Dorsey, Facilitator
<p>Cross-cutting Theme: Research and Grants</p>	<ul style="list-style-type: none"> • Alma Haskell, UTA • Hal Johnson, UTA • Patti Garver, UTA • Tracy Young, UTA • James Campbell, RMP • Lynn Coppedge, Facilitator

Table 1: Focus Area Interview Participants



Focus Area 1: Stationary Energy Efficiency

The Stationary Energy Efficiency focus area addresses energy use from buildings and other stationary sources such as transit stops. Baseline data for this focus area and the agency's target are summarized in the Stationary Energy Efficiency Dashboard below.

Stationary Energy Efficiency Dashboard

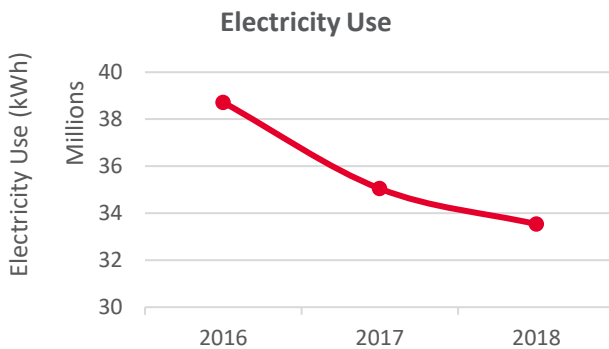
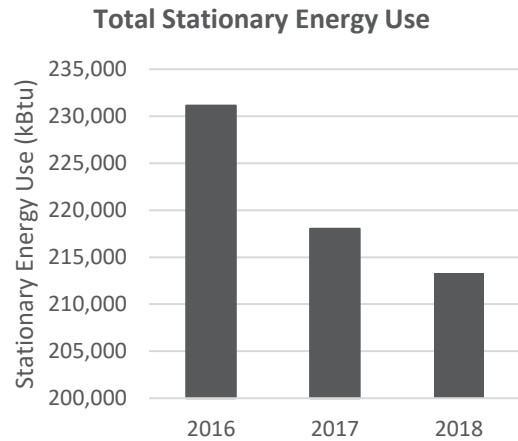
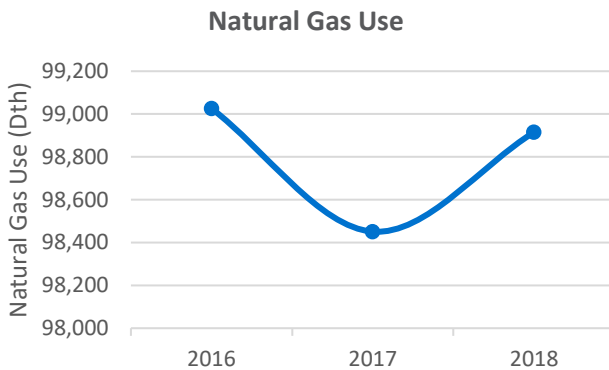
Key Takeaways:

1. Natural gas use fluctuated slightly, with a variation of less than 1%.
2. Electricity use steadily decreased, with overall reduction of 13%.
3. Overall trend of decreasing stationary energy use of about 4% per year.

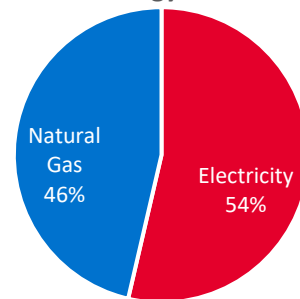
Target:

Continue the trend of decreasing stationary energy use by 4% per year over the next two years.

Data Baseline:



2018 Energy Breakout



Existing Initiatives:

- ✓ Ongoing effort to install LED lighting in buildings and parking lots
- ✓ Have installed building automation systems in many facilities.
- ✓ Parking lot and office lighting controls
- ✓ Snow melt controls to reduce demand

Research & Funding Opportunities:

- Funding programs
 - RMP Wattsmart energy efficiency incentive programs

Stationary Energy Efficiency Strategies

Strategies to improve energy efficiency in UTA buildings and transit stations are summarized in Table 2 by strategy type and followed by focus area implementation action plan and strategy descriptions.

Table 2: Energy Efficiency Strategies

	Policies & Programs	Demonstration Projects & Research	Capital	Real Estate
1-1: Continue LED lighting upgrades*				
1-2: Continue installation of building automation systems*				
1-3: Share best practices in energy efficiency				
1-4: Refresh employee energy efficiency campaign				
1-5: Optimize building use				
1-6: Improve efficiency of snowmelt systems				
1-7: Incorporate energy efficiency into grant funded electrification projects				
1-8: Establish energy efficiency standards for new equipment				

*RMP incentives are available

Stationary Energy Efficiency Implementation Action Plan

To guide implementation of strategies identified in this focus area, basic information such as leading department(s), timing considerations, and funding resources are outlined below.

Leading Department(s):

- Asset Management (Facilities Maintenance)
- Capital Projects & Development

Supporting Department(s)/Partner(s):

- Capital Projects & Development (Grants Management)
- Organizational Effectiveness
- Communications (Marketing/Public Relations)

Timing Considerations

- Reference five-year facilities budget (updated annually)
- Reference facilities master plan (updated every 2-5 years)

Grants, Incentives, and Other Resources

- RMP Wattsmart Business program equipment incentives including custom incentive opportunities for energy efficiency measures not included in typical measures incentives

Research Collaboration Opportunities

- Identification of grants that would allow a portion of vehicle electrification funding to be spent on energy efficiency measures
- Identification of grants for electrification and other building measures

Implementation Considerations

- Target largest energy users, starting with locomotive and light-rail maintenance shops and followed by bus garages

Strategy Descriptions

Each strategy for this focus area is described in more detail below.

1-1: Continue LED lighting upgrades*

Replace all lights in buildings, parking lots, and stations with energy efficient LED lighting to realize the benefits of LED installations, including reduced energy use and maintenance costs, short payback periods, and brighter lighting for safer areas.

1-2: Continue installation of building automation systems*

Transition to Alerton building automation systems (BAS), for UTA buildings and stations, that allow centralized control and scheduling (including holidays based on calendars). This strategy also includes BAS education for UTA employees.

- Pending funding request approval, BAS system installation planned in 2020

1-3: Share best practices in energy efficiency

Collaborate with peers, in the region or the transit industry, to learn and share best practices and available resources. Opportunities for peer learning and collaboration may be through formal organizations such as the [American Public Transportation Association \(APTA\) Sustainability Committee](#) or through informal collaboration with regional or other transit agencies. UTA is collaborating with on other fronts such as vehicle electrification.

1-4: Refresh employee energy efficiency campaign

Develop educational materials and activities to encourage employees to save energy, including turning off lights, appropriate temperature settings, closing overhead doors, reducing the use of personal appliances, and implementing computer sleep settings. These communications will be designed to not only reduce building energy use, but also build a culture of sustainability throughout the agency.

1-5: Optimize building use

Explore moving employees from very-low-occupancy buildings to other facilities and closing the very-low-occupancy buildings to reduce energy costs and other operational expenses. Target buildings may include:

- Public Safety
- Clearfield Auto Transfer
- Fire Station
- Meadowbrook (main office)

1-6: Improve efficiency of snowmelt systems*

Continue to improve controls for snowmelt systems at stations, to maximize effectiveness and minimize energy use. Strategies may include zoning, moisture sensors, and investigating hydronic systems fed by high-efficiency heat pumps.

1-7: Incorporate energy efficiency into grant funded electrification projects

This strategy explores opportunities to reserve portions of electrification grant funds for energy efficiency, unless limited by the grant requirements.

1-8: Establish energy efficiency standards for new equipment*




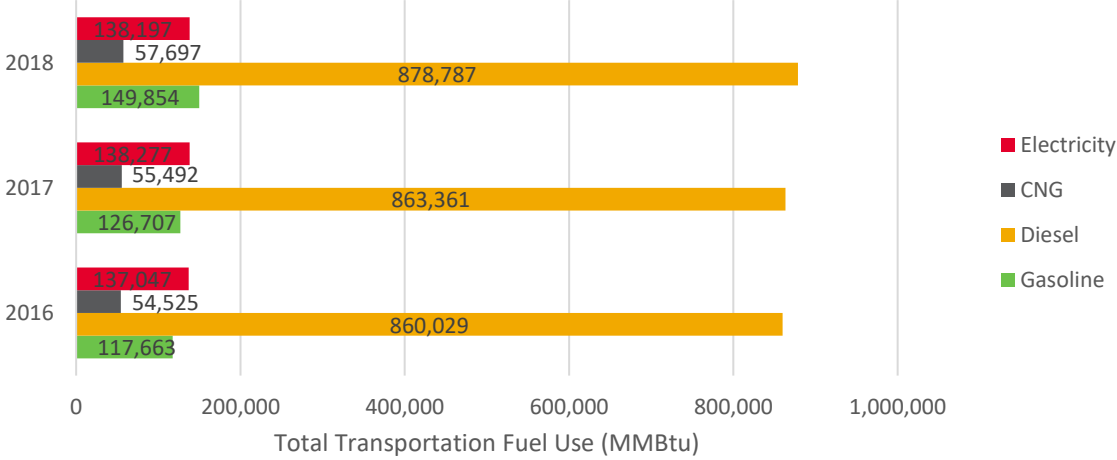
Develop comprehensive new equipment standards to reduce energy use and lifetime equipment costs. Having standards in place helps ensure that the proper equipment is chosen - even during emergency replacement situation. Target systems include HVAC, lighting, motors, and appliances. RMP and other utility rebates are available for much of this equipment, so this policy should also include information about how to apply for energy efficiency rebates as applicable, to reduce the agency's upfront investment. This strategy will require coordination across departments to develop and maintain consistent standards that will optimize the agency's investment in new equipment for long-term energy savings.



Focus Area 2: Electric Vehicles

The Electric Vehicle (EV) focus area addresses electrification of UTA buses, white fleet vehicles, and rail trains. Baseline data for this focus area and the agency’s target are summarized in the Electric Vehicle Dashboard below.

Electric Vehicle Dashboard

<p>Key Takeaways:</p> <ul style="list-style-type: none"> • Diesel is the primary fuel type. • The relative proportion of each fuel type has remained relatively constant over the last 3 years. 	<p>Target:</p> <p>Pilot 35 electric buses on a variety of routes over the next 5 years to better understand the vehicle performance, maintenance requirements, and charging strategies - to inform long-term planning for electric buses across the agency.</p>																				
<p>2018 Data Baseline:</p>																					
<p></p> <p>Buses: 721 Buses</p> <p>27 Hybrid 47 Compressed natural gas (CNG)</p>	<p></p> <p>White Fleet: 683 vehicles</p> <p>84% Gasoline (5 hybrid) 14% Diesel</p>	<p></p> <p>Train</p> <p>TRAX electric FrontRunner diesel</p>																			
 <table border="1"> <caption>Total Transportation Fuel Use (MMBtu)</caption> <thead> <tr> <th>Year</th> <th>Electricity</th> <th>CNG</th> <th>Diesel</th> <th>Gasoline</th> </tr> </thead> <tbody> <tr> <td>2018</td> <td>138,197</td> <td>57,697</td> <td>878,787</td> <td>149,854</td> </tr> <tr> <td>2017</td> <td>138,277</td> <td>55,492</td> <td>863,361</td> <td>126,707</td> </tr> <tr> <td>2016</td> <td>137,047</td> <td>54,525</td> <td>860,029</td> <td>117,663</td> </tr> </tbody> </table>		Year	Electricity	CNG	Diesel	Gasoline	2018	138,197	57,697	878,787	149,854	2017	138,277	55,492	863,361	126,707	2016	137,047	54,525	860,029	117,663
Year	Electricity	CNG	Diesel	Gasoline																	
2018	138,197	57,697	878,787	149,854																	
2017	138,277	55,492	863,361	126,707																	
2016	137,047	54,525	860,029	117,663																	
<p>Existing Initiatives:</p> <ul style="list-style-type: none"> ✓ Three battery electric buses (BEBs) in service in 2019, 11 on order for Ogden, 2 buses in partnership with Park City, with 20 additional purchases scheduled leveraging VW grant funds ✓ Completed a study to review opportunities to electrify FrontRunner 	<p>Research & Funding Opportunities:</p> <ul style="list-style-type: none"> ➢ Research topics <ul style="list-style-type: none"> ○ EV heating and drive systems ○ Electric on-demand transit ○ In-route charging ➢ Funding programs <ul style="list-style-type: none"> ○ Congestion Mitigation and Air Quality Improvement (CMAQ) program ○ Low-No program ○ Rocky Mountain Power (RMP) EV infrastructure program 																				

Electric Vehicle Strategies

Strategies to electrify UTA’s buses, white fleet vehicles, and rail trains are summarized by strategy type in Table 3, followed by focus area implementation action plan and strategy descriptions.

Table 3: Electric Vehicle Strategies

	Policies & Programs	Demonstration Projects & Research	Capital	Real Estate
2-1: Develop vehicle charging schedules				
2-2: Partner with other organizations to acquire electric buses				
2-3: Promote benefits of electric buses to the public				
2-4: Optimize the size of the white fleet				
2-5: Evaluate total cost of ownership when purchasing new vehicles				
2-6: Pursue grant funding to replace white fleet vehicles with EVs and install employee EV charging stations.				
2-7: Convert direct current (DC) drives in TRAX vehicles with alternating current (AC) drives*				
2-8: Identify a location for a multiuse charging hub*				

*RMP incentives are available

Electric Vehicle Implementation Action Plan

To guide implementation of strategies identified in this focus area, basic information such as leading department(s), timing considerations, and funding resources are outlined below.

Leading Department(s):

- Asset Management (Fleet Engineering/Maintenance of Way)

Supporting Department(s)/Partner(s):

- Capital Projects & Development (Capital Projects/Project Development)
- Communications (Marketing)
- Real Property and Transit-Oriented Development

Timing Considerations

- Reference annual plan for bus purchases

Grants, Incentives, and Other Resources

- RMP EV Infrastructure Program
- RMP custom Demand Side Management (DSM) program (for converting DC to AC drives)
- Congestion Mitigation and Air Quality grants
- Federal Transit Authority (FTA) Low or No Emission grant program
- FTA Bus and Bus Facilities grant program
- County transportation funds

Research Collaboration Opportunities

- Identification of grants for new electric buses, in partnership with other organizations
- Identification of grants for funding white fleet EVs and associated charging infrastructure
- Ongoing partnership with Utah State University (USU) to study bus charging, including software to modulate chargers
- Collaboration with RMP to coordinate bus charging schedule, to use excess renewable energy production if possible.

Implementation Considerations

- Incorporate infrastructure costs in grant applications and other funding efforts.
- Diversify energy use, aiming for equal parts electric, CNG, and diesel-fueled buses

Strategy Descriptions

Each strategy for this focus area is described in more detail below.

2-1: Develop vehicle charging schedules

Develop and periodically update a charging schedule for each UTA fleet, in coordination with RMP, to optimize frequency of charging, the amount of time required to recharge vehicles, and energy costs.

2-2: Partner with other organizations to acquire electric buses

Partner with municipalities, universities, and other organizations served by UTA to electrify buses serving those routes; coordinate with other transit agencies, including SunTran and TriMet to help inform battery electric bus (BEB) procurement.

2-3: Promote benefits of electric buses to the public

Raise awareness and educate the public about the benefits of BEBs, including improved air quality and quieter operation, through bus wraps, social media campaigns, and partnerships with other local sustainability initiatives.

2-4: Optimize the size of the white fleet

Review vehicle types and uses throughout the white fleet to reduce both the number of internal combustion engine (ICE) vehicles in UTA's white fleet and the associated operational costs, as well as minimize air pollutant and vehicle GHG emissions.

2-5: Evaluate the total cost of ownership when purchasing new vehicles

Update procurement guidelines and processes to consider total cost of ownership (TCO) when purchasing new fleet vehicles. This will allow the Agency to identify potential opportunities for EV purchases with lifetime cost savings. TCO includes acquisition cost, fuel costs, maintenance costs, and expected salvage value.

2-6: Pursue grant funding to replace white fleet vehicles with EVs and install employee EV charging stations

Secure grant funding for vehicle purchases and infrastructure installation to accelerate the transition of UTA's white fleet to EVs.

2-7: Convert direct current (DC) drives in TRAX vehicles with alternating current (AC) drives*

Convert DC drives, in TRAX vehicles with AC drives, for significant increases in vehicle efficiency and elimination of AC-to-DC conversion losses.

2-8: Identify a location for a multiuse charging hub*

Partner with RMP to identify a location for, then install, a multiuse charging hub to support in-route bus charging as well as public use - leveraging RMP funding for EV infrastructure.



Focus Area 3: Electrical Infrastructure

The Electrical Infrastructure focus area addresses safely and efficiently powering UTA’s existing electric rail (TRAX), increasing its electric bus fleet charging infrastructure, and adding future Frontrunner electrification.

Electrical Infrastructure Dashboard

Key Takeaways:

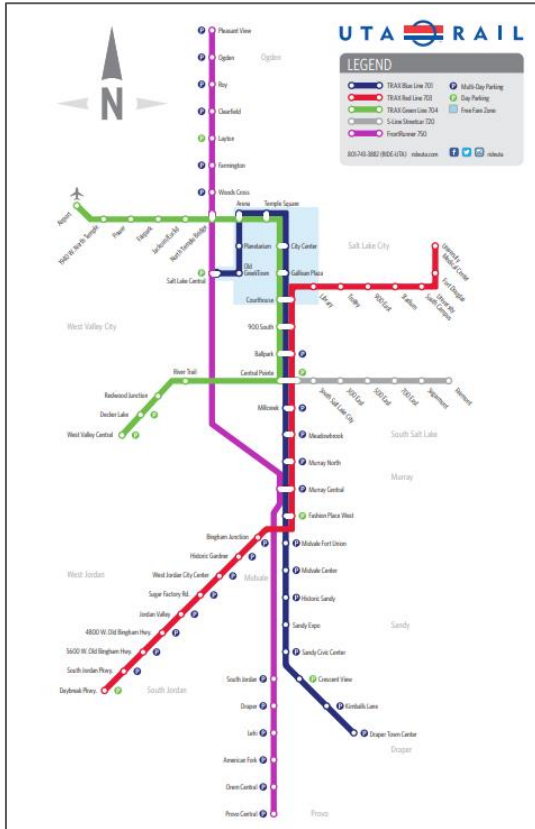
The rail power system and electric bus charging infrastructure has kept pace with fleet electrification.

Target:

New charging infrastructure installation will consider electric fleet procurement plans over the next 5 years while incorporating strategies to future-proof infrastructure installations.

Baseline:

Rail Map (Blue, Red, Green and Grey lines are electric)



Rail Power System

- ~50 substations
- 45 miles of overhead catenary wire

Bus Charging Station Locations

- Salt Lake Central Hub
- University of Utah
- Depot District Clean Fuels Technology Station

Existing Initiatives:

- ✓ 2018 Future of FrontRunner Plan includes rail electrification
- ✓ 2040 Strategic Plan includes rail expansion
- ✓ Assessment of substations for rehab
- ✓ Joint-development transit-oriented development (TOD) projects
- ✓ Bus charging infrastructure planning efforts
 - Depot District Clean Fuels Technology Station
 - Ogden Bus Rapid Transit
 - North Temple Transit Hub
 - Wasatch/3900 South

Research & Funding Opportunities:

- Research topics
 - Wayside storage systems
 - Portable substations
 - Wireless meter reading
 - Utility-managed smart charging
 - Peak demand management studies
- Funding programs
 - CMAQ program
 - Low-No program
 - RMP EV infrastructure program

Electrical Infrastructure Strategies

Strategies to safely and efficiently power existing electric rail (TRAX), increase electric bus fleet, and electrify future Frontrunner are summarized in Table 4 below, followed by the implementation plan and strategy descriptions.

Table 4: Electrical Infrastructure Strategies

	Policies & Programs	Demonstration Projects & Research	Capital	Real Estate
3-1: Implement substation upgrades				
3-2: Explore wayside storage systems at TRAX stations				
3-3: Utilize a portable substation to improve system resiliency				

**RMP incentives are available*

Electrical Infrastructure Implementation Action Plan

To guide implementation of strategies identified in this focus area, basic information such as leading department(s), timing considerations, and funding resources are outlined below.

Leading Department(s):

- Asset Management (Facilities Maintenance/State of Good Repair)

Supporting Department(s)/Partner(s):

- Capital Projects & Development
- WSP (consultant supporting substation upgrades)
- RMP

Timing Considerations

- Reference existing five-year plan for upgrading 18 substations (contractor will begin substation upgrades in Fall 2020)

Grants, Incentives, and Other Resources

- Bonding or other funding resources to complete the project (existing funding for 6-8 substation upgrades over the next 2-3 years)
- State or federal funding have been used in projects at other agencies

Research Collaboration Opportunities

- Work with USU and RMP to identify short segment, for wayside storage system, to test technology
- Work with RMP to explore battery storage for peak management

Implementation Considerations

- Coordinate train energy use with bus charging to manage demand, focusing on high powered chargers and on providing controls from substations rather than from a separate controls system.

Strategy Descriptions

Each strategy for this focus area is described in more detail below.

3-1: Implement substation upgrades

Identify necessary substation upgrades and work with RMP and WSP to implement identified upgrades and acquiring load flow data from RMP and Murray City Power. As budget allows, this strategy may also include upgrading feeder cables while substations are offline.

3-2: Explore wayside storage systems at TRAX stations

Identify opportunities for wayside storage systems at TRAX stations, for peak demand management, which may include regenerative braking or other technologies.

3-3: Utilize a portable substation to improve system resiliency

Leverage the temporary, mobile substation designed to facilitate upgrades in strategy 3-1 to improve system resiliency by providing temporary power supply during emergency or planned outages, supporting future maintenance work, and helping to integrate distributed or renewable energy generation.



Focus Area 4: Grid Resilience

The Grid Resilience focus area addresses reliability, cybersecurity, microgrids, and new technologies.

Grid Resilience Dashboard

Key Takeaways:

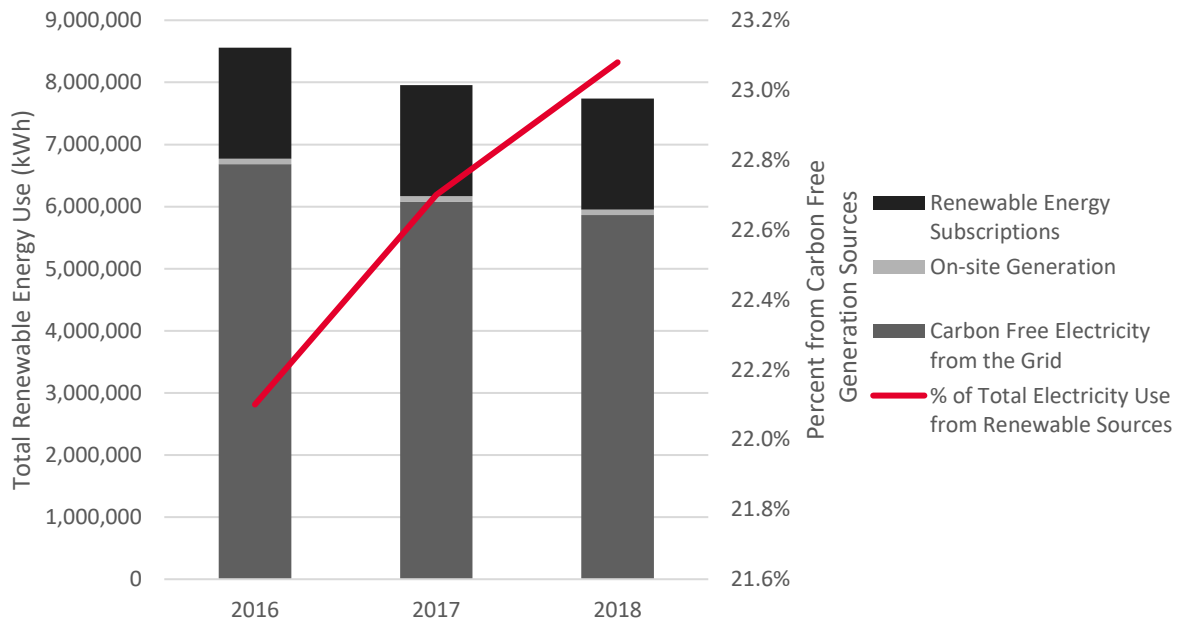
1. UTA's renewable energy commitment through utility subscription programs has remained constant over the last 3 years
2. Renewable energy subscriptions make up over 20% of total renewable energy use
3. The renewable energy percentage has grown due to an increased utility renewable percentage and reduced overall electricity use through energy efficiency.

Target:

Increase the percent of total electricity use from renewable energy sources to 25% by 2022.

At least two collaborative, grid innovation (smart-grid, battery storage, backup generation) projects will be in progress each year - with the goal of improving service reliability as we electrify our fleet.

Data Baseline:



3 Grid Innovation Projects Underway

- Intermodal Hub Smart Charging Research with USU
- Solar and Storage Backup Generator Research with USU
- Solar microgrid opportunities at Depot District Clean Fuels Technology Center

Existing Initiatives:

- ✓ Depot District Clean Fuels Technology Station
- ✓ Intermodal Hub project
- ✓ Annual RMP Renewable Energy Subscriptions
 - Blue Sky 16,800 kWh
 - Subscriber Solar 1.77 million kWh

Research & Funding Opportunities:

- Research topics
 - Microgrids
 - Electric Vehicle Supply Equipment (EVSE) and solar integration
 - Bus canopy designs for solar
 - Solar back-up generators
- Funding programs
 - RMP Blue Sky grant program

Grid Resilience Strategies

Strategies to improve system redundancies, increase use of renewable energy, and integrate smart grid technologies are described below, followed by focus area implementation action plan and strategy descriptions.

	Policies & Programs	Demonstration Projects & Research	Capital	Real Estate
4-1: Increase participation in RMP Blue Sky program*				
4-2: Organize tours of Intermodal Hub and Electric Vehicle & Roadway (EVR) Research Facility				
4-3: Develop a bus charging algorithm				
4-4: Research the intelligent integration of vehicles, the electric grid, and solar				
4-5: Integrate on-site solar and microgrid technologies				
4-6: Investigate rooftop solar opportunities*				

**RMP incentives are available*

Electric Vehicle Implementation Action Plan

To guide implementation of strategies identified in this focus area, basic information such as leading departments, timing considerations, and funding resources are outlined below.

Leading Department(s):

- Capital Projects & Development (Capital Projects/Project Development/Grants Management)

Supporting Department(s)/Partner(s):

- Asset Management (Facilities Maintenance)
- RMP
- USU

Timing Considerations

- Consider installation of on-site solar and microgrid technologies in next phase of Depot District Clean Fuels Technology Center project

Grants, Incentives, and Other Resources

- RMP Blue Sky Program
- Schedule 34

Grants, Incentives, and Other Resources

- US Department of Energy research grant programs

Research Collaboration Opportunities

- Incorporation of smart grid designs, at Depot District Clean Fuels Technology Center, including smart bus charging
- USU demonstration project

Strategy Descriptions

Each strategy for this focus area is described in more detail below.

4-1: Increase participation in RMP Blue Sky program*

Increase UTA's investment in renewable energy through RMP's Blue Sky subscription program, beyond current participation, or through Schedule 34 to increase the agency's renewable energy percentage.

4-2: Organize tours of Intermodal Hub and EVR Research Facility

Partner with USU to host tours of the Intermodal Hub and Electric Vehicle & Roadway (EVR) Research Facility for RMP and UTA staff to understand current charging, planned scheduling, and opportunities for smart charging techniques as well as applications of microgrid technologies and controls.

4-3: Develop a bus charging algorithm

Continue working with RMP and USU, at the Intermodal Hub, to develop and implement a bus charging algorithm to support smart charging options to manage electricity costs for new electric buses.

4-4: Research the intelligent integration of vehicles, the electric grid, and solar

Explore opportunities for intelligent integration of vehicles, the electric grid, and solar - to increase system resilience through energy storage and peak demand management.

4-5: Integrate on-site solar and microgrid technologies into the Depot District Clean Fuels Technology Center project

Investigate opportunities to integrate on-site solar and microgrid technologies, including lessons learned from the USU EVR Research Facility from strategy 4-2, into the design and construction of the Depot District Clean Fuels Technology Center and other applicable projects.

4-6: Investigate rooftop solar*

This strategy explores opportunities for UTA to add rooftop solar to its facilities, which may include the Depot District Clean Fuels Technology Center, Intermodal Hub, and/or new bus or train stations.



Course of Action: Implementation Roles and Tracking Progress

This plan is just the first step in a series of activities that will be executed over the next two years (and beyond) in support of UTA’s energy and sustainability goals. This section includes a description of who is responsible for the implementation of this plan and how UTA will track progress toward plan goals. The key to successful implementation of the strategies outline in this plan will be continued coordination and partnership between UTA and RMP. To facilitate this cooperation, regular check-ins between the two agencies will be scheduled.

Roles and Responsibilities

Through this planning process, the Energy Planning Team identified key UTA departments and partners who will work together to implement the plan strategies.

UTA staff will serve as the lead implementers of this plan, coordinating with internal and external partners to work out the details of strategy implementation. Lead and supporting UTA departments are summarized in Table 5.

Table 5: UTA Roles

Department	Energy Efficiency	Electric Vehicles	Electrical Infrastructure	Grid Resilience
Asset Management	Lead	Lead	Lead	Support
Capital Projects & Development	Lead/Support	Support	Support	Lead
Communications	Support	Support		
Organizational Effectiveness	Support			
Real Property and Transit-Oriented Development		Support		

Rocky Mountain Power (RMP) will serve as a resource and partner, coordinating regularly with UTA staff to ensure a successful long-term partnership. RMP will bring all available energy efficiency and renewable program offerings to UTA and coordinate available incentives for applicable strategies. In addition, RMP will provide periodic energy and program data to track progress against savings goals as well as to inform project planning. One initiative that RMP is working on that will be critical for the long-term success of UTA’s demand management initiatives is the installation of smart meters, which is expected to be completed over the next 3-4 years.

Additional Partners includes peer agencies (e.g., SunTran and Trimet), research partners (e.g., USU), and consultants (e.g., WSP). These partners will be crucial for knowledge sharing, resource leveraging, and gaining additional technical expertise.

Tracking Progress

As the Energy Action Plan is implemented, it will be imperative to monitor progress toward the focus area targets and Sustainability Energy Index goal. This step will involve tracking and reporting on metrics identified in this plan, in coordination with other sustainability reporting efforts. Measuring success over time will enable UTA to refine strategies and inform future planning processes. This iterative implementation process is illustrated in Figure 10.



Figure 10. Iterative Implementation Cycle

The implementation cycle is meant to accommodate lessons learned and to continue making progress beyond initial activities. Rocky Mountain Power has been excited to participate in the development of this Energy Action Plan and looks forward to supporting its implementation.

Appendix A: Sustainable Energy Index

The Sustainable Energy Index is a compilation of four separate energy metrics. Each metric is detailed below to show the reason the metric was chosen, how the score was calculated, and examples of the type of actions that will improve performance. Note that all metrics are currently being tracked by UTA.

Overall Score

To combine all four metrics into one overarching value, the yellow and green ranges defined by metric below are split into quadrants and a score is assigned based on the quadrant in which each metric falls as shown in the range below. A green score means that UTA is performing better than average when compared to peer agencies across the country. A yellow score means the agency is performing below average and should review the efforts in this area and adjust. A red score means that the agency is not meeting basic performance benchmarks and the issues should be reviewed and addressed. The scored metrics are then averaged to create the final index score. Table 6 shows the values for 2018 shown in the 2018 Sustainable Energy Index dashboard.



To establish the range for each metric the following values were identified and then each quadrant was interpolated or extrapolated from these values

- High (11): This was defined as best in class performance.
- Average (7): This value was defined as average performance across peer agencies.
- Low (3): This value was used to define what would be considered poor performance.

Table 6: 2018 Sustainable Energy Index

Metric	Value	Score
Air Pollutants Avoided	0.48	8
Greenhouse Gas Emissions Avoided	0.7	6
Building Energy Efficiency	113 kBtu/sq. ft.	8
Transit Fuel Economy	0.031 MMBtu/revenue mile	7
Sustainable Energy Index		7

Air Pollutants Avoided

This metric looks at the ratio of air pollutants (CO, NO_x, PM_{2.5}, SO_x) from transit vehicle emissions, compared to emissions if the transit riders chose to drive single-occupancy vehicles instead. This metric was chosen because air pollutants are of special concern in the Salt Lake Valley because the area has been a non-attainment

zone for several air quality factors over the last three years (Environmental Protection Agency, 2020). This is also an understood metric for transit agencies with existing tracking systems in place at UTA. The calculation for the 2018 baseline is shown below and is based on air pollutant data provided by UTA.

$$\frac{\text{Transit Air Pollutants}}{\text{Avoided Air Pollutants}} = \frac{920 \text{ tons criteria air pollutants}}{1,936 \text{ tons criteria air pollutants}} = 0.48$$

This ratio shows that the emissions from transit vehicles are less than half of what would have been emitted if the riders had driven alone.

The ranges used to score this metric are outlined below:

0	1	2	3	4	5	6	7	8	9	10	11
1.39	1.26	1.14	1.00	0.88	0.76	0.64	0.52	0.39	0.26	0.13	0.00

1. **Low:** A score >1 for criteria air pollutants means that emissions from transit are equal to or greater than single-occupancy vehicles, meaning there is no benefit from riding transit, due to some combination of low ridership and high transit emissions.
2. **Average:** Based on a study of potential air pollutant impact from transit use, the average ratio of transit air pollutants to avoided air pollutants is expected to be 0.52 (Shapiro, Hassett, & Arnold, 2002).
3. **High:** The maximum score would be achieved if all transit vehicles have zero direct emissions vehicles (electric or fuel cell vehicles). This does not account for indirect emissions from electricity generation.

UTA can influence this metric by increasing the number of riders or distance traveled or decreasing the emissions from transit vehicles through electrification of transit vehicles or other cleaner fuel options. It should also be noted that the methodology for determining avoided air pollutants takes into account that personal vehicles are continually improving emissions, for example, through increased market share of EVs. Therefore, the transit ridership and vehicle emissions reductions will need to outpace improvements in light vehicle emissions to prevent this score from falling.

Greenhouse Gas Emissions Avoided

This metric is similar to the Air Pollutants Avoided metric, but focuses on GHG emissions (CO₂, N₂O, CH₄) rather than criteria air pollutants. The metric was chosen, in addition to the air pollutants metric, because it includes electricity emissions based on the fuel generation mix, as well as direct emissions from vehicles. This will reflect advances both UTA and RMP make in increasing the renewable energy percentage of their electricity. Like the Air Pollutants Avoided metric, this metric looks at the ratio of transit vehicle emissions, compared to emissions if the transit riders chose to drive single-occupancy vehicles instead. The

calculation for the 2018 baseline is shown below and is based on GHG emissions data provided by UTA.

$$\frac{\text{Transit GHG Emissions}}{\text{Avoided GHG Emissions}} = \frac{90,121 \text{ MT CO}_2\text{e}}{121,552 \text{ MT CO}_2\text{e}} = 0.7$$

From this calculation, we can see that transit GHG emissions are about 2/3 of those that would be expected if the riders drove instead.

The ranges used to score this metric are outlined below:

0	1	2	3	4	5	6	7	8	9	10	11
1.36	1.24	1.11	1.00	0.87	0.73	0.60	0.47	0.35	0.23	0.12	0.00

1. **Low:** A red score shows that there is no benefit from riding transit or there are more emissions from transit vehicles than there would be if everyone drove their own cars.
2. **Average:** Based on a Federal Transit Administration study, average GHG emissions from a private single occupancy vehicle is about 0.96 lbs. CO₂ per passenger mile and average transit GHG emissions are 0.45 lbs. CO₂ per passenger mile for an average ratio of 0.47 (Federal Transit Authority, 2010).
3. **High:** The maximum score would be achieved if all transit vehicles have zero emissions vehicles, fuel cell vehicles or electric vehicles powered by renewable electricity. These emissions do account for any indirect emissions from electricity generation.

To improve this score UTA can transition more transit vehicles from diesel to CNG or electricity, and/or improve the renewable energy percentage of its electricity through onsite installations or utility renewable energy subscription programs. RMP has pledged to increase the renewable energy percentage in its electricity generation mix to at least 20% by 2025 this, in conjunction with UTA’s renewable energy efforts, will reduce the transit related GHG emissions from Trax and other electric vehicles. Again, to keep improving this score, UTA will need to work to outpace improvements being made to reduce emissions from passenger vehicles.

Building Energy Efficiency

This metric looks at energy efficiency of UTA buildings, using a weighted average of energy use per square foot or Energy Use Index (EUI). This is calculated by taking the annual energy use for natural gas and electricity, both converted to kBtu, and dividing by the building area to get an EUI for each facility. This EUI is then multiplied by its respective building area and divided by the area of all buildings combined. Using the weighted average helps prevent small, high-energy use facilities from skewing the average. EUI is a widely understood and standard metric for benchmarking energy performance for individual buildings. UTA is tracking the data necessary to calculate EUI for its portfolio of buildings.

Facility Name	Area (sq. ft.)	EUI (kBtu/sq. ft.)
Central Facility	38,800	150
CNG Fueling Building	10,847	358
Meadowbrook	225,265	107
Mt. Ogden	43,805	173
Timpanogos	32,000	279
Riverside	35,038	203
Midvale Rail Service Center	103,800	139
Public Safety	7,884	53
Clearfield Auto Transfer Facility	10,800	35
UP Diesel Shop (Warm Springs)	280,000	124
Frontline Headquarters	46,594	144
SLC Intermodal Hub	23,889	161
Jordan River Service Center	318,298	75
Mobility Center	26,976	40
Fire Station	4,135	106
Ogden Intermodal Hub Bldg.	8,069	204
Police Station	10,988	49
The Factory	60,879	7
Weighted Average EUI		113

The ranges used to score this metric are outlined below – all values are kBtu/sq. ft.:

0	1	2	3	4	5	6	7	8	9	10	11
239.0	220.1	201.2	175.0	160.3	145.5	130.8	116.0	93.0	70.0	47.0	24.0

1. **Low:** The low end of the range was set to the bottom 10% of office buildings in the Denver market (Denver Public Health & Environment, 2020). City-wide benchmarking data was used to set the lower limit because nationwide data sets only included the average efficiency. Denver was chosen because Salt Lake City benchmarking data are not currently publicly available, and Denver offers the closest proximity data set for market size and climate zone.
2. **Average:** Average energy efficiency was based on median energy efficiency of office buildings nationwide based on Energy Star data (Energy Star, 2018). The Energy Star data was chosen because it represents a larger dataset than city-wide benchmarking data.
3. **High:** The high value was set equal to the energy target for Net Zero energy offices from a study by the New Buildings Institute (Carbonnier, 2019).

NOTE: Many of UTA’s buildings are not offices and might be expected to use more or less energy than a typical office building. Data for office buildings were used to establish this metric, due to data availability.

This metric can be improved by installing more efficient equipment, improving building controls, and encouraging energy smart behavior from UTA employees.

Transit Fuel Economy

This metric tracks fuel efficiency of UTA transit vehicles by dividing total transit fuel use (diesel, CNG, gasoline, and electricity combined) by the total number of revenue miles for the year. The calculation for 2018, shown below, is based on data provided by UTA.

$$\frac{\text{Transit Fuel Use}}{\text{Revenue Vehicle Miles}} = \frac{1,224,535 \text{ MMBtu}}{39.15 \text{ million miles}} = 0.031 \text{ MMBtu/mile}$$

The ranges used to score this metric are outlined below – all values are MMBtu/mile:

0	1	2	3	4	5	6	7	8	9	10	11
0.074	0.068	0.062	0.058	0.051	0.044	0.036	0.029	0.024	0.019	0.015	0.010

1. **Low:** Based on a study of fleet replacement optimization, the low end of diesel bus efficiency is expected to be 2.4 MPG (Figliozzi & Boudart, 2013). This fuel efficiency was converted to MMBtu per mile using typical energy content on diesel. This value is used as a low-end for overall transit efficiency performance because bus efficiency is most likely to change, due to driving conditions or vehicle replacement, over the short term. This score indicates that the overall transit fleet is performing worse than the oldest diesel buses.
2. **Average:** The average fuel efficiency for all reporting transit agencies was calculated using 2018 Federal Transit Authority energy use and revenue mile data (Federal Transit Administration, 2020).
3. **High:** The high score for this range was set to the typical fuel efficiency of new electric buses of 2.84 kWh/mile, which was converted to MMBtu per mile.

This metric can be improved by driving vehicles more efficiently or replacing vehicles with more efficient models.