



Working Session of the
Finance and Operations Committee
Monday, October 16, 2017, 12:00 – 1:30 p.m.

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

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

Committee Members: *Jeff Acerson, FOC Chair*

Cort Ashton

Gina Chamness

Jeff Hawker (excused)

Dannie McConkie

Agenda

- | | |
|---|----------------------------|
| 1. Safety First Minute | Dave Goeres |
| 2. Swearing in of Co-Vice Chair | Rebecca Cruz |
| 3. <u>2018 Tentative Budget</u> | Jerry Benson/
Bob Biles |
| 4. Other Business | Jeff Acerson |
| 5. Adjourn | |

UTAH TRANSIT AUTHORITY BOARD OF TRUSTEES
Agenda Item Coversheet

DATE:	October 16, 2017
CONTACT PERSON:	Jerry Benson
SUBJECT:	Submission of the Tentative 2018 Budget for Approval
BACKGROUND:	<p>Annually, 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. Exhibits A-C provide information regarding the tentative operating and capital 2018 budgets.</p> <p>Resolution R2017-10-01 adopts the tentative 2018 budget and sets the public hearing for the tentative 2018 budget on November 15, 2017 at 1:30 p.m. in the Golden Spike Rooms of the Frontline Headquarters Building at 669 West 200 South in Salt Lake City.</p> <p>During the time between the October Board meeting and the November Board meeting, the 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.</p> <p>The 30-day public comment period will conclude on November 30, 2017 with all comments provided to the Trustees before consideration of the Final 2018 Budget which is currently scheduled for the December 13, 2017 Board of Trustees meeting.</p>
ALTERNATIVES:	<ul style="list-style-type: none">● Approve as presented● Amend and approve● No action
EXHIBITS:	<ul style="list-style-type: none">● Resolution: R2017-10-01 2018 Tentative Budget● Tentative 2018 Budget Exhibits A-C● UTA Tentative 2018 Budget Public Hearing Notice

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE UTAH TRANSIT
AUTHORITY RATIFYING THE ADOPTION OF THE TENTATIVE 2018 BUDGET**

No. R2017-10-01

October 25, 2017

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

WHEREAS, 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;

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 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 2018 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 2018 Budget on November 15, 2017, at 1:30 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 2018 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 Ann. § 17B-1-702, *et seq.*

4. That this Resolution stay in full force and effect until superseded by further action of the Board.
5. That the corporate seal be attached hereto.

APPROVED AND ADOPTED this 25th day of October, 2017.

Robert McKinley
Chair of the Board of Trustees

ATTEST:

Robert K. Biles, Secretary/Treasurer

(Corporate Seal)

CERTIFICATE

The undersigned duly qualified Chair of the Board of Trustees of the Utah Transit Authority certifies that the foregoing is a true and correct copy of a resolution ratifying adoption at a legally convened meeting of the Board of Trustees held on the 25th day of October, 2017.

Robert McKinley, Chair
Utah Transit Authority

Robert K. Biles, Secretary/Treasurer

Approved As To Form:

Legal Counsel

**UTAH TRANSIT AUTHORITY
TENTATIVE 2018 OPERATING BUDGET
October 16, 2017**

Exhibit A

	<u>Actual 2016</u>	<u>Budget 2017</u>	<u>Tentative Budget 2018</u>	<u>Percentage Change from 2017 Budget to 2018 Budget</u>
<u>Revenue</u>				
1 Sales Tax	\$ 245,008,417	\$ 258,109,000	\$ 278,909,000	8%
2 Federal Prevent. Maint	63,334,769	60,676,000	60,827,000	0%
3 Passenger Revenue	50,624,354	53,175,000	50,337,000	-5%
4 Advertising	2,266,667	2,333,000	2,483,000	6%
5 Investment Income	1,732,939	2,098,000	3,732,000	78%
6 Other Revenues	3,108,191	6,391,000	4,365,000	-32%
7 Motor Vehicle Registration		1,823,000	1,907,000	5%
8 2015 Crossover Refunding Reserve		4,485,000	-	-100%
9 Total Revenue	<u>\$ 366,075,337</u>	<u>\$ 389,090,000</u>	<u>\$ 402,560,000</u>	3%
<u>Operating Expense</u>				
10 Bus	\$ 82,476,517	\$ 90,762,000	\$ 97,133,000	7%
11 Commuter Rail	29,076,765	27,700,000	27,334,000	-1%
12 Light Rail	39,857,000	48,553,000	48,951,000	1%
13 Paratransit Service	19,172,673	21,795,000	22,929,000	5%
14 Rideshare/Vanpool	2,796,086	2,576,000	3,315,000	29%
15 Operations Support	36,248,482	42,154,000	45,044,000	7%
16 General & Administrative	32,311,210	30,911,000	32,250,000	4%
17 Total Operating Expense	<u>\$ 241,938,733</u>	<u>\$ 264,451,000</u>	<u>\$ 276,956,000</u>	5%
<u>Non-Operating Expense</u>				
18 Contribution to Reserves	\$ -	\$ 4,752,000	\$ -	-100%
19 Planning/Real Estate/TOD/Major Program Development	4,245,093	6,060,000	5,505,000	-9%
20 Total Non-operating Expense	<u>\$ 4,245,093</u>	<u>\$ 10,812,000</u>	<u>\$ 5,505,000</u>	-49%
<u>Debt Service</u>				
21 Principal and Interest	\$ 95,991,432	\$ 107,002,000	\$ 113,977,000	7%
22 Contribution to Early Debt Retirement Reserve	4,323,000	2,842,000	6,122,000	115%
23 Total Debt Service	<u>100,314,432</u>	<u>109,844,000</u>	<u>120,099,000</u>	9%
24 Total Expense	<u>\$ 346,498,258</u>	<u>\$ 385,107,000</u>	<u>\$ 402,560,000</u>	5%

**UTAH TRANSIT AUTHORITY
TENTATIVE 2018 CAPITAL BUDGET - SUMMARY
October 16, 2017**

<u>Funding Sources</u>	2018 Budget
25 Provo Orem TRIP Funding	\$ 30,000,000
26 UTA Current Year Funding	20,716,000
27 2017 UTA Carryover Funding	27,883,000
28 Grants	26,227,000
29 Local Partner Contributions	12,070,000
30 State Contribution	2,350,000
31 Bonding	88,526,000
32 Leasing	21,163,000
33 Total Funding Sources	<u>\$ 228,935,000</u>
<u>Expense</u>	
34 Provo-Orem TRIP	\$ 40,227,000
35 Airport Station Relocation	22,902,000
36 State of Good Repair	63,529,000
37 Other Capital Projects	64,629,000
38 Total Expense	<u>\$ 191,287,000</u>

**UTAH TRANSIT AUTHORITY
TENTATIVE 2018 CAPITAL BUDGET - DETAIL
October 16, 2017**

Exhibit B

	2018 Capital - New	2017 Capital Carryover	2018 Budget
1 <u>Provo-Orem TRIP</u>	\$ 40,227,000		\$ 40,227,000
2 <u>Airport Station Relocation</u>	\$ 20,000,000	\$ 2,901,499	\$ 22,901,499
<u>State of Good Repair</u>			
<u>Revenue / Service Vehicles</u>			
3 Replacement Buses	\$ 15,800,000		\$ 15,800,000
4 Replacement Paratransit	2,856,000		2,856,000
5 Ogden Trolley Cars	1,195,000		1,195,000
6 Van pool 11-Pass Van replacement	954,429		954,429
7 Van pool 12-Pass Van replacement	572,658		572,658
8 Van pool 7-Pass Van replacement	501,078		501,078
9 Van pool 15-Pass Van replacement	336,996		336,996
10 Bus Engine and Transmission Replacement		1,350,000	1,350,000
11 Non-Rev Service Vehicle Replacement	300,000		300,000
12 Total Revenue/Service Vehicles	\$ 22,516,161	\$ 1,350,000	\$ 23,866,161
<u>Information Technology</u>			
13 Trapeze Enhancements	\$ 25,000	\$ 50,000	\$ 75,000
14 Electronic Fare Collection	40,000	250,000	290,000
15 MDC Next Generation Design and Prototype (Code and HW Design)	50,000		50,000
16 JDE Tools Release Upgrade	75,000	75,000	150,000
17 Server, Storage Infrastructure Equipment and Software	75,000	200,000	275,000
18 JDE Time / Labor Improvements	80,000		80,000
19 SIRE/ECM Replacement (AKA Legal Software)	100,000	500,000	600,000
20 Fares - Reader Replacement	100,000	2,562,850	2,662,850
21 IT Pool	100,000	400,000	500,000
22 New MS SQL Server Licenses	150,000		150,000
23 Radio Communication Infrastructure	250,000		250,000
24 EFS On-Prem Hosting (move from VIX Hosting)	250,000		250,000
25 FarePay Card Provider Alternative (replacement and RFP of INCOM)	325,000		325,000
26 Rail Communication On-Board Technology	365,000		365,000
27 Network Infrastructure Equipment & Software	400,000		400,000
28 Information Security Equipment & Software (PCI Compliance and Cyber Security)	400,000		400,000
29 Bus Communication On-Board Technology	640,000		640,000
30 Rail Passenger Info	300,000	300,000	600,000
31 Mobility Management		617,649	617,649
32 Wi-Fi for light rail vehicles		1,250,000	1,250,000
33 Application Development and Enhancements		200,000	200,000
34 Enterprise Security Replacement		150,000	150,000
35 Paratransit software enhancements		39,319	39,319
34 Expense Underspend	(1,725,000)		(1,725,000)
35 Total Information Technology	\$ 2,000,000	\$ 6,594,818	\$ 8,594,818
<u>Facilities, Safety, & Admin Equip.</u>			
36 Safety and Security	\$ 480,000	\$ 555,796	\$ 1,035,796
37 Total Facilities, Safety, & Admin Equip.	\$ 480,000	\$ 555,796	\$ 1,035,796

	2017 Capital		
	2018 Capital - New	Carryover	2018 Budget
<u>Infrastructure State of Good Repair Projects</u>			
38 Main St/4th S interlocking - Rehab switches/frogs	\$ 6,100,000		\$ 6,100,000
39 LRT Stray Current Control	500,000	250,000	750,000
40 650 South TRAX Station	200,000		200,000
41 American Fork P&R bus pull out removal	10,000		10,000
42 Vehicle Overhauls	5,508,000	10,395,102	15,903,102
43 SD Light Rail Vehicle Rehab	1,092,000		1,092,000
44 Pedestrian Crossing Updates		220,000	220,000
45 Paint Room at Meadowbrook		299,681	299,681
46 Prime mover engine rebuild and turbocharger replacement (Commuter Rail)		1,713,646	1,713,646
47 Comet Car Tires		653,700	653,700
48 Transit Asset Management	125,000	140,000	265,000
49 Commuter Rail Grade Crossing Program	275,000		275,000
50 Roof Replacements	287,500		287,500
51 Bus Lift Replacements	212,500		212,500
52 450 East Crossover	400,000		400,000
53 Office Equipment	100,000		100,000
54 Timp Fit factory remodel and equip replacement	35,000		35,000
55 Replace Vertical Lift Modules - warehouse	686,000	460,000	1,146,000
56 JR Rail Vehicle Maintenance		300,000	300,000
57 Other state of good repair	2,000,000	68,810	2,068,810
58 Project under runs assumed	(2,000,000)		(2,000,000)
59 Total State of Good Repair	\$ 15,531,000	\$ 14,500,939	\$ 30,031,939
60 Total State of Good Repair	\$ 40,527,161	\$ 23,001,553	\$ 63,528,714

Capital Projects

Capital Projects

61 Tiger Grant Projects (w/o Prop#1)	\$ 9,337,089	\$ 3,705,989	\$ 13,043,078
62 Sandy Parking Structure	5,400,000		5,400,000
63 Positive Train Control (PTC)	4,000,000	2,000,000	6,000,000
64 Sugar House double track	4,000,000		4,000,000
65 South Davis BRT	1,200,000		1,200,000
66 Signal Pre-emption Projects w/UDOT	732,000		732,000
67 UDOT I-15 widening/7200 South bridge	2,000,000		2,000,000
68 MOW Building - Clearfield	350,000		350,000
69 SW SLCounty ROW preservation	600,000		600,000
70 Weber Cnty CR ROW Preservation	500,000		500,000
71 Depot District - Phase 1	3,919,928	319,928	4,239,856
72 System -wide ADA bus stop impr.	100,000		100,000
73 Box Elder Right-of-Way	2,050,000		2,050,000
74 Wayfinding Signage Plan	1,000,000		1,000,000
75 DSI Inventory software & scanners	104,200		104,200
76 Bus Bay expansion - Provo Station		150,000	150,000
77 Downtown TRAX signal improvements		199,507	199,507
78 Red Light Signal Enforcement		5,076,193	5,076,193
79 FLHQ Generator		120,000	120,000
80 FL 2015 ROW		447,500	447,500
81 Electric Bus Implementation		6,118,500	6,118,500
81 Other Capital Projects		69,536	69,536
82 Total Capital Projects	\$ 35,293,217	\$ 18,207,153	\$ 53,500,370

Prop 1 Projects

83 Mt Ogden Expansion Buses	\$ 2,647,645		\$ 2,647,645
84 Mt Ogden Expansion Facility		1,247,915	1,247,915
85 Prop 1 Passenger Imp. Weber/Davis County	1,462,200	2,393,907	3,856,107
86 Ogden-WSU BRT/Weber Intermodal	785,400		785,400
87 Prop 1 Passenger Imp - Tooele County	50,000	30,000	80,000
88 Prop #1 for Tiger - Tooele	61,216		61,216
89 Tooele Bus Facility Purchase/Upgrade	2,450,000		2,450,000
90 Total Prop 1 Projects	\$ 7,456,461	\$ 3,671,822	\$ 11,128,283
91 Total Other Capital Projects	42,749,678	21,878,975	64,628,653
92 Total Capital Budget	\$ 143,503,839	\$ 47,782,027	\$ 191,285,866

**UTAH TRANSIT AUTHORITY
TENTATIVE 2018 CAPITAL BUDGET - DETAIL
October 16, 2017**

Exhibit C

Bonded Projects

1 PTC	\$	29,983,000
2 Depot District - Phase 1		7,989,806
3 Airport		25,300,000
4 700 South Curve Replacement		1,400,000
5 Red light signal enforcement		5,076,200
6 Main and 4th interlocking		6,100,000
7 Tooele Bus Facility		2,450,000
8 Provo-Orem BRT		10,227,000
		<hr/>
	\$	88,526,006
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NOTICE OF PUBLIC HEARING UTAH TRANSIT AUTHORITY

RE: UTA 2018 Tentative Budget

UTA is holding a public hearing to receive input on its 2018 Tentative Budget. The hearing will take place on:

Wednesday, Nov. 15, 2017 at 1:30 p.m. at UTA's downtown Salt Lake City office at 669 West 200 South.

At the hearing, the Utah Transit Authority will provide an opportunity for citizens, private transportation providers, public officials and interested agencies to comment on the tentative budget. To be included as part of the Public Hearing record, all comments must be postmarked or received by UTA no later than November 30, 2017.

THE FORMAT FOR THE PUBLIC HEARINGS WILL BE AS FOLLOWS:

Prior to the public hearing, from 1:00 p.m. to 1:30 p.m., UTA will hold a Citizen Budget Workshop 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 1:30 p.m., as part of the regularly scheduled monthly UTA board meeting, individuals may provide verbal comment directly to UTA's Board of Trustees.

In addition to the hearing, at any time during the comment period, the public can submit comments via email, mail or through UTA's Customer Service. Information on the 2018 Tentative Budget may be found at www.rideuta.com or viewed in person at UTA's headquarters at 669 West 200 South, Salt Lake City, 84101.

To assure full participation at the hearing, accommodations for effective communication such as sign language interpreters or printed materials in alternative formats, or a language interpreter for non-English speaking participants, must be requested at least five (5) working days prior to the date of the scheduled event. Requests for ADA accommodations should be directed to UTA ADA Compliance Officer at 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.

Written comments or email comments may be submitted to the following addresses: UTA Board of Trustees, Utah Transit Authority, 669 West 200 South, Salt Lake City, UT 84101 or email directly to boardoftrustees@rideuta.com Phone calls and questions about the proposal should be directed to Rebecca Cruz at 801-287-2580. All comments will become part of the public record if received by 5 p.m., November 30, 2017.

Informational items:

Relevant information about the proposed changes will be available at the Public Hearing or may be reviewed at the UTA's downtown Salt Lake City office at 669 West 200 South, until 5 p.m. on November 30, 2017. Comments must be postmarked or received by UTA no later than November 30, 2017 to be part of the Public Hearing record.

Jerry Benson
President/CEO