

UTA Board of Trustees Meeting

October 12, 2022



Call to Order and Opening Remarks



Pledge of Allegiance



Safety First Minute



Public Comment

Live comments are limited to 3 minutes per commenter

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

Any comments received through alternate means were distributed to the board for review in advance of the meeting



Consent Agenda

- a. Approval of September 13, 2022, Board of Trustees Budget Work Session Minutes
- b. Approval of September 15, 2022, Board of Trustees Budget Work Session Minutes
- c. Approval of September 16, 2022, Board of Trustees Budget Work Session Minutes
- d. Approval of September 22, 2022, Board of Trustees Budget Work Session Minutes
- e. Approval of September 28, 2022, Board Meeting Minutes
- f. Approval for International Travel to Vancouver, British Columbia, Canada for Planning & Engagement Department Peer Observation



Recommended Action **(by acclamation)**

Motion to approve consent agenda



Reports



Executive Director's Report

- Bus Rodeo Winners
- September 2022 Ridership Update



Bus Roadeo 2022



What began in 1977 still brings us together today



AUGUST 1978
THE TRAVELER
VOL. 2, NO. 3

'10-4', UTA Goes Radio

UTA is one of the first public transit agencies in the nation to radio-monitor its vehicle mechanical system. UTA officials point out its newly-installed radio communication system is paving the way, electronically, for an eventual reduction in the number of bus breakdowns by quick pinpointing of trouble spots, often even before the driver is aware.

Communications Project Director Pete Weigel has reported at least five bus engines saved during the first ten days of operation. Maintenance supervisors are able to keep constant tabs on repair problems. Speedy repair of equipment malfunctions is proving to be one of the main cost savings of the radio operation, notes Weigel.

The dispatcher has the capability to check out equipment on the buses without assistance from the drivers, selectively addressing each vehicle or group of vehicles digitally by sending commands via the CRT (cathode ray tube) keyboard.

A recent issue of Communications News magazine praised UTA's farsightedness in installing the new system. The system was engineered by the General Electric Mobile Radio Department of Lynchburg, Va. and operates in the 450 to 470 MHz local government service band.

UTA has found the system to be a great asset in allowing the transit authority to further develop and refine its operations in Salt Lake, Weber and Davis counties, and that the data/voice radio network "is a real-time management control concept focused directly on UTA's goal of serving more passengers dependable service has resumed."

(continued on page 4)

UTA To The Movies

The UTA completed the filming of a television commercial last week extolling the dedication and hard work of our bus operators.

The film, handled through the UTA advertising agency, David Evans Associates, will be released in the near future.

Operator of the Year Bob Frendt has the starring role in the brief commercial. He was chosen, according to UTA officials, because they wanted the public to see a real bus driver and not some actor.

Frendt, dubbed "Smiling Bob", was a natural. Said Terry Twitchell, manager of Community Relations, "We have a wealth of talent here at UTA and are always glad when we have an opportunity to show it off."

Wimberly Wins 2nd Annual Bus Roadeo Looks to Toronto

The horns could be heard, not seen. But there were no steers. The cowboys were not wearing Stetsons. But they were driving 180 to 225 horses apiece. It was UTA's Second Annual Bus Roadeo, with even the name "roadeo" changed to protect their Wild West counterparts.

Emerging as overall winner through stiff competition and a grueling obstacle course was "Texas" Ernie Wimberly of the Central Division. Roger Teed took second place and a \$50 savings bond; and Ogden driver, Bruce Bowden, garnered third and received a new jacket.

"I never won anything!" exclaimed the personable winner from Brownsville.

(continued on page 7)

ROADEO'S TOP 3 — (L-R) Bruce Bowden, Ernest Wimberly and Roger Teed.



ROADEO COURSE EVENTS

1. Offset Street - This test requires the contestant to drive through two separate narrow lanes that are offset one full lane's width from each other.
2. Customer Stop - The contestant stops the vehicle with the front tires within 6 inches of the simulated curb. Rear tires must be within 15 inches of the simulated curb.
3. Right Turn - This problem tests the contestant's ability to negotiate a tight 90° turn.
4. Left-Hand Reverse - This problem tests the contestant's ability to turn a vehicle around at a route terminal which requires the vehicle to back up to the left.
5. Serpentine - This problem tests the contestant's ability to negotiate tight turns.
6. Left Hand Turn - This problem tests the contestant's ability to make a tight left turn in a close situation.
7. Right Hand Reverse - This problem tests the contestant's ability to turn a vehicle around at a route terminal which requires the vehicle to back up to the right.
8. Rear Duals Clearance - This is a judgment problem where the contestant must drive through a lane with the right dual tires.
9. Diminishing Clearance - This problem tests the contestant's ability to judge the position and speed of his/her vehicle.



ROADEO COURSE EVENTS

10. Judgment

1. Safety Habits - Contestant's safety habits will be reviewed while operating the vehicle.
2. Smoothness of Operation - Contestant's ability to deliver a smooth ride will be evaluated during the driving events.
3. Personal Appearance - The contestant's personal appearance will be evaluated for neatness, cleanliness and professionalism.
4. Total Course Time - Contestants are timed for each driving course event.



BUS COURSE EVENTS



BUS COURSE EVENTS



BUS ROADEO WINNERS

| | | |
|-----------------------------|-----------------------------------|--------------------------------|
| 1st Place | Andrew Hyer, Hired in 2013 | Salt Lake Service Unit |
| 2nd Place | Pablo Rivas Hired in 2016 | Timpanogos Service Unit |
| 3rd Place | Ivan Young Hired in 2020 | Mt Ogden Service Unit |



SPECIAL SERVICES COURSE EVENTS



SPECIAL SERVICE ROADEO WINNERS

| | |
|-----------------------------|---|
| 1st Place | Javier Guzman, Hired in 2002, currently undefeated |
| 2nd Place | Donnie Bohman, Hired in 1998 |
| 3rd Place | James Forsgren, Hired in 2006 |



September 2022 Ridership Update



Resolutions



R2022-10-01 - Approving and Adopting a Revised Investment Policy of the Authority's Employee Retirement Plan



Background

- Pension Committee Meeting– June 2, 2022
 - Cambridge Associates provided a market update and presented on portfolio performance through May 2022.
 - Recommended changing the asset allocation of the portfolio to better position for today's market conditions and provide portfolio managers greater investment opportunities.
- The Pension Committee unanimously approved a motion to recommend the Board of Trustees approve and adopt the Revised Investment Policy.



Revised Investment Policy

- Revised Investment Policy
 - Changes current target asset allocations
 - Eliminates Liquid Diversifiers
 - Allows for up to 10% investment in Private Equity
- Private Equity
 - Adds larger return potential and lowers portfolio volatility
 - Creates better diversification and softer draw down than public allocations



Recommended Action

(by roll call)

Motion to approve R2022-10-01 – Resolution Approving and Adopting a Revised Investment Policy of the Authority’s Employee Retirement Plan, as presented



Contracts, Disbursements, and Grants



Contract: Task Ordering Agreement for TOD Station Area Planning Consultant Pool G (Economic & Planning Systems, Inc.)

Recommended Action (by acclamation)

Motion to approve the task ordering agreement with Economic & Planning Systems, Inc. for TOD station area planning consultant Pool G, as presented



Contract: Task Ordering Agreement for Owner Representative for Headquarter Redevelopment Project (MOCA Systems)

Recommended Action (by acclamation)

Motion to approve the task ordering agreement with MOCA Systems for owner representative for the headquarter redevelopment project, as presented



Contract: Polarized Infrared Optical Imaging of Transit Infrastructure Cooperative Agreement (University of Utah and AutoFill Technologies B.V.)

Recommended Action (by acclamation)

Motion to approve the cooperative agreement with University of Utah and AutoFill Technologies B.V. for polarized infrared optical imaging of transit infrastructure , as presented



Contract: Master Electric Service and Facilities Improvement Agreement (Rocky Mountain Power)

Recommended Action (by acclamation)

Motion to approve the contract with Rocky Mountain Power for master electric service and facilities improvement, as presented



Change Order: Depot District Clean Fuels Technology Center Contract Change Order No. 29 - Additional Canopy Grading (Big D Construction)

Recommended Action (by acclamation)

Motion to approve the Depot District Clean Fuels Technology Center contract change Order No. 29 for additional canopy grading with Big D Construction, as presented



Change Order: Closed Captioning Services for UTA Board Meetings (Carahsoft Technology Corporation/Granicus)

Recommended Action (by acclamation)

Motion to approve a change order for closed captioning services for UTA Board Meetings with Carahsoft Technology Corporation/Granicus, as presented



Change Order: Second Order of Accessible Mini Vans for the Federal Transit Administration (FTA) 5310 Program (Davey Coach Sales, Inc.)

Recommended Action (by acclamation)

Motion to approve the second order of accessible mini vans for the Federal Transit Administration 5310 Program with Davey Coach Sales, Inc., as presented



Pre-Procurements

- Electric bus On-Route Chargers
- Snow Removal for TRAX and FrontRunner



Service and Fare Approvals



Fare Agreement: Special Events Complimentary Fare (The Utah Division of Multicultural Affairs)

Recommended Action (by acclamation)

Motion to approve the special events complimentary fare agreement with The Utah Division of Multicultural Affairs, as presented



Budget and Other Approvals



TBA2022-10-01 – Technical Budget Adjustment – 2022 Capital Budget



Summary of Budget Request

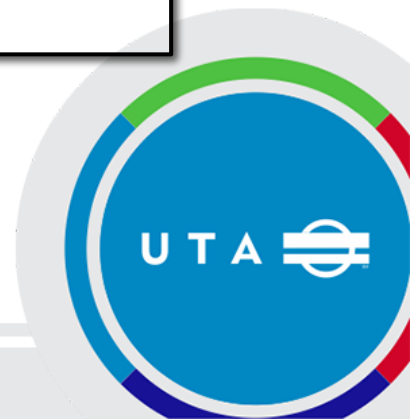
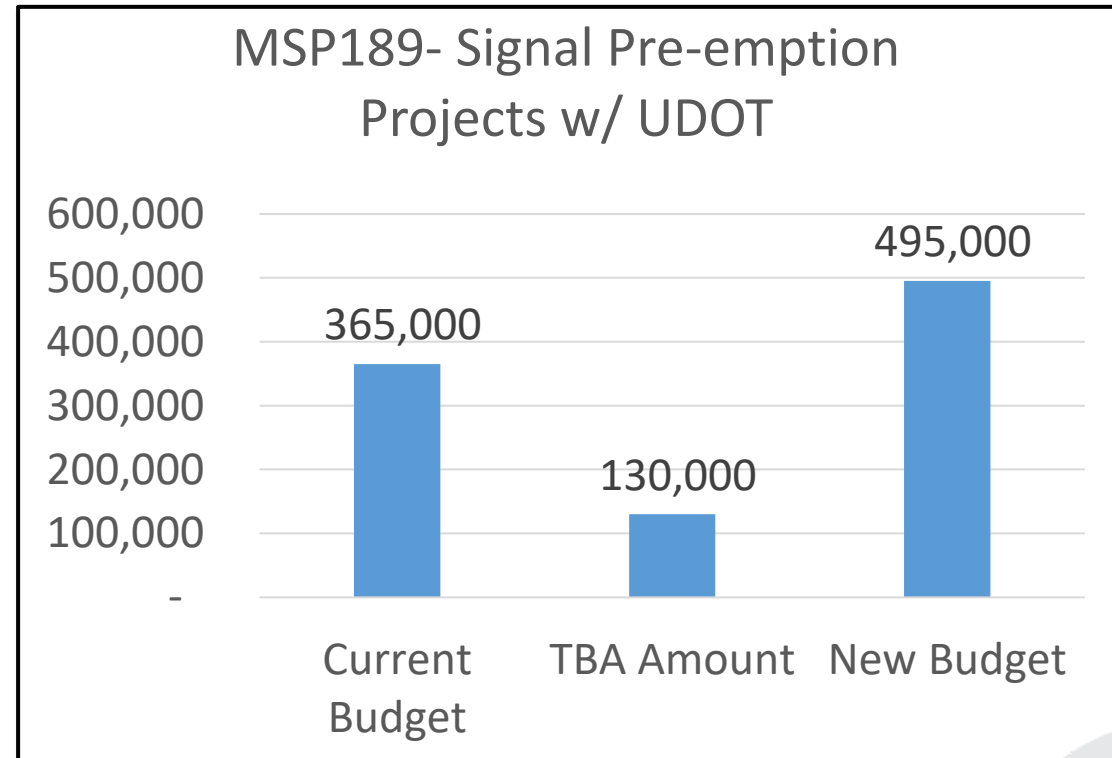
Request seeks to:

- Transfer \$130,000 from Contingency to MSP189- Signal Pre-emption Projects with UDOT
 - MSP189 has an original 2022 budget amount of \$365,000
 - New budget total will be \$495,000
 - Contingency budget amount is currently \$2,346,000
 - New Contingency amount will be \$2,216,000



MSP189- Signal Pre-emption Projects w/UDOT

- Request transfer of \$130,000 from Capital Contingency
 - New 2022 total budget is \$495,000
- Request is fully eligible for UDOT and Kearns Metro Township reimbursement
- Leaves MSP999 Capital Contingency with balance of \$2.2 M



Questions



TBA2022-10-01 – Technical Budget Adjustment – 2022 Capital Budget

Recommended Action (by acclamation)

Motion to approve TBA2022-10-01 technical budget adjustment
- 2022 capital budget, as presented



Discussion Items



Tentative 2023 Budget





2023 Tentative Budget October 12, 2022



2023 Budget Challenges/Opportunities

Labor

- Utah Labor Market
- Recruitment/Retention
- Labor Agreements
- Training
- Succession Planning

Economic Factors

- Inflation
- Fuel/Power
- Construction Costs
- Sales Taxes
- Interest Rates
- Unemployment Rate

Federal and State Funding

- New Federal Grant Opportunities
- Formula Fund Changes
- State Partnerships



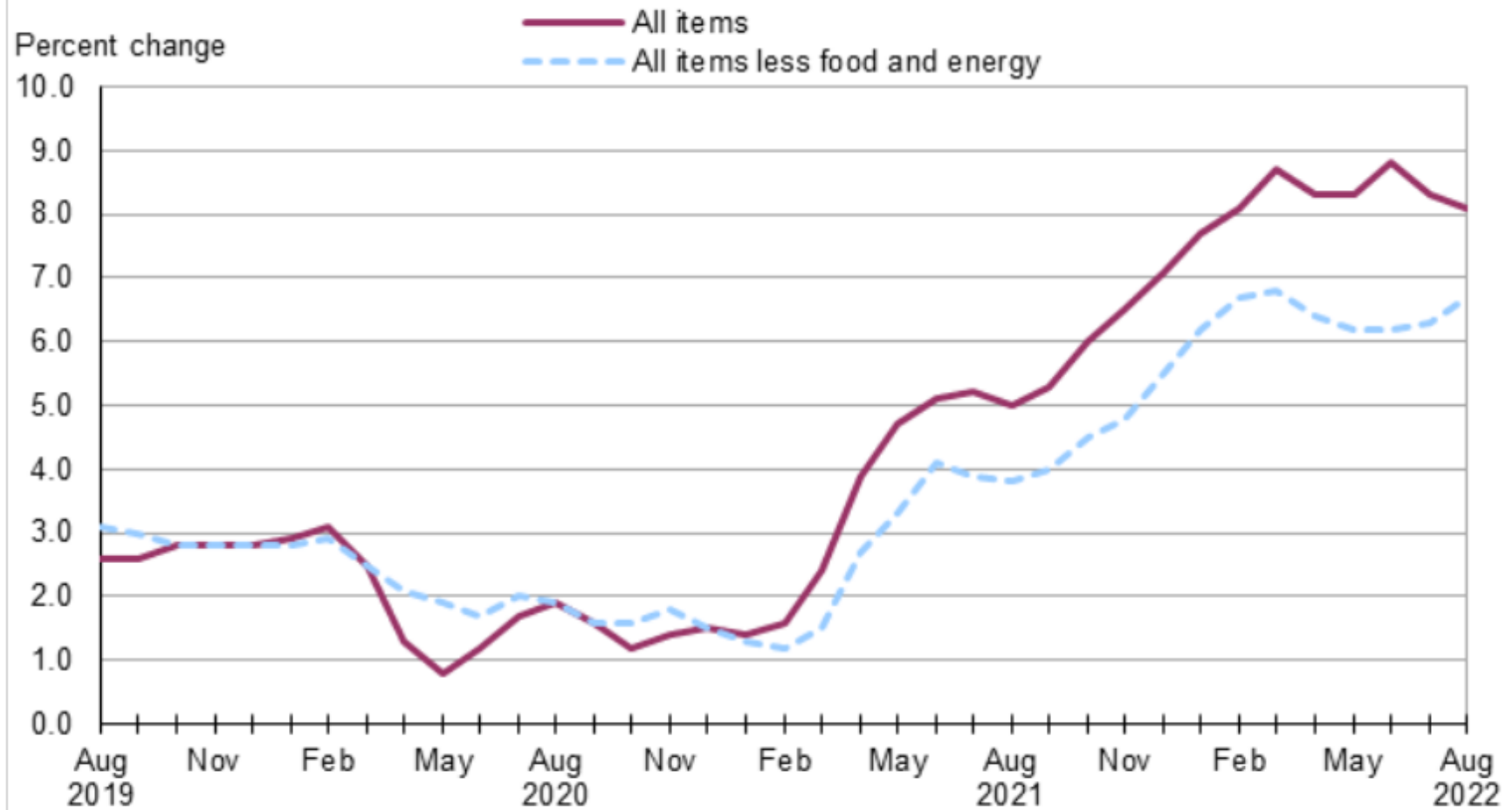
2023 Key Budget Assumptions

- Operating Expenses:
 - Labor Subject to Collective Bargaining
 - Fringe Subject to Collective Bargaining
 - Parts - 6.0%
 - Fuel:
 - Diesel - \$3.20
 - Gasoline - \$3.00
 - CNG DGE - \$1.72
 - Other Expense – 5.25%
- Revenue Growth:
 - Sales Tax – 8.8%
 - Passenger – 4.7%
 - Bipartisan Infrastructure Law \$27 million in 2023



Inflation

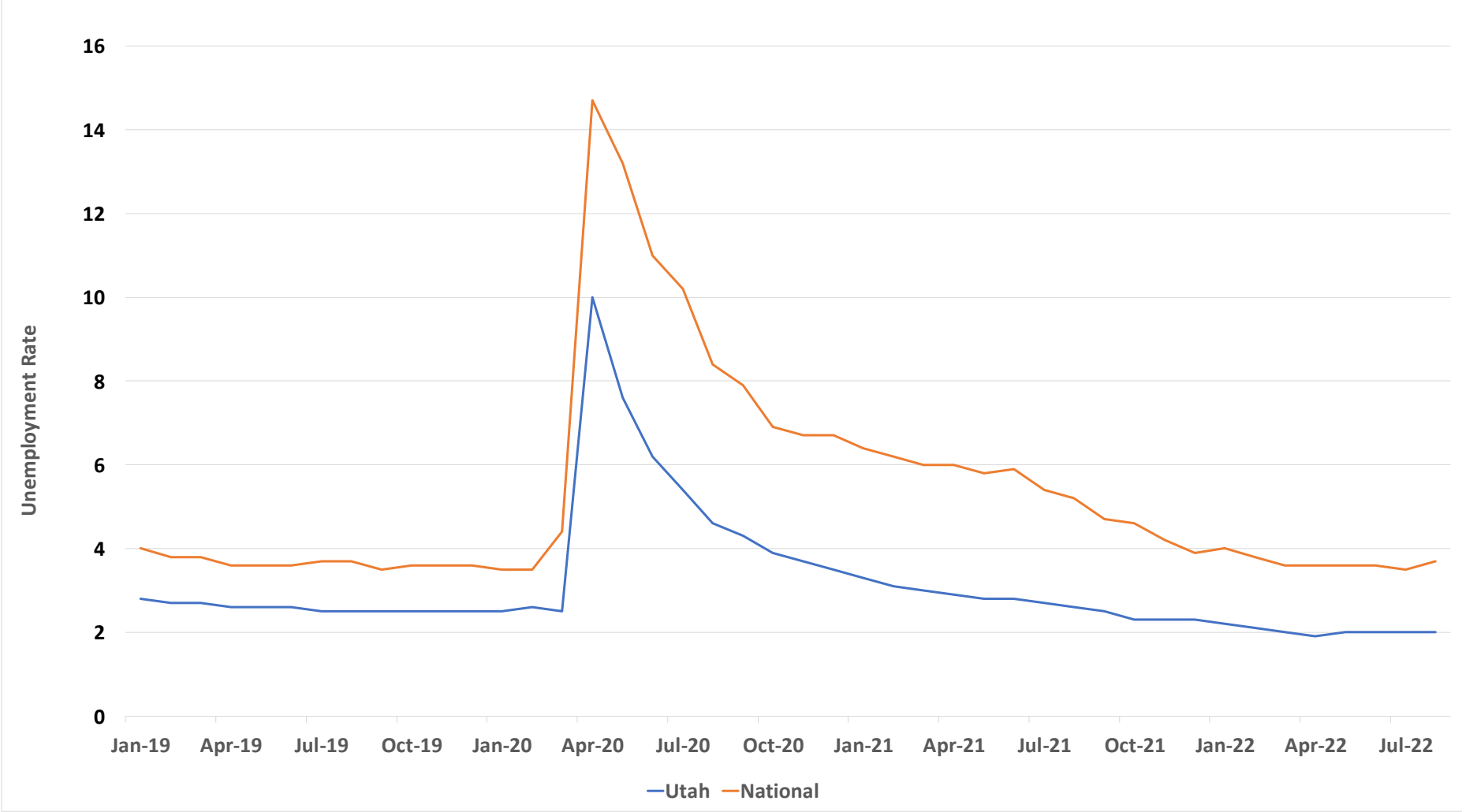
Chart 1. Over-the-year percent change in CPI-U, West region, August 2019–August 2022



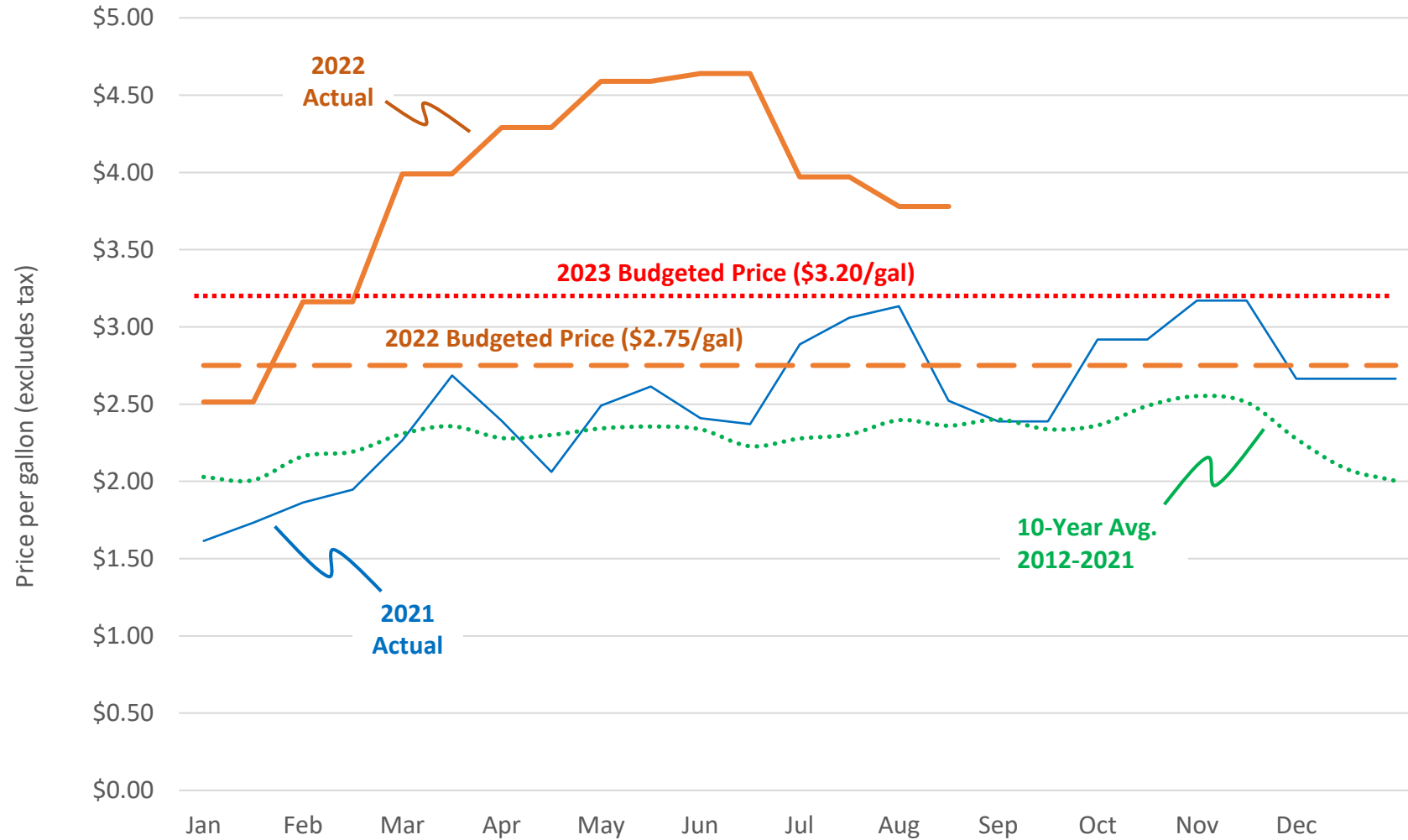
Source: U.S. Bureau of Labor Statistics.



Unemployment



Diesel Prices



Budget Process

OPERATIONS

- Sales Tax Forecast (U of U)
- Budget Planning
- Update Assumptions
- Established 2023 Base Budget (Budget Targets)
- Develop Strategic Framework

- Service Change Process
- Initiative Development
- Initiative Prioritization and Selection
- Tentative 2023 Budget Developed

CAPITAL

- Getting to a Cash Basis
- 2022 Carryover
- Setting up Capital Budget Process
- Call for Capital Projects
- Developing Priorities
- Received Capital Updates and Requests

- Project Prioritization
- Project Selection
- 2023-2027 Project Aging
- Initial Draft 5-Year Plan

BOARD

- Assumptions and Budget Themes Discussion
- Technical Budget Adjustments (Operating and Capital) to deliver 2022 Program
- Strategic Framework Coordination

- 2022 Project/Program Delivery
- 5-Year Draft Capital Plan to Board and Local Advisory Council
- Budget Workshops



UTA Neighborhood



2023 FOCUS AREAS – INITIATIVES/STRATEGIES



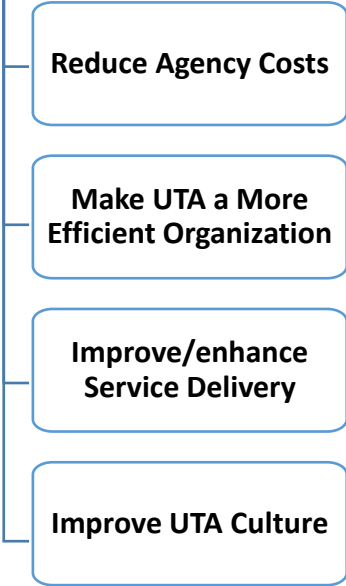
Budget Filters/Lenses



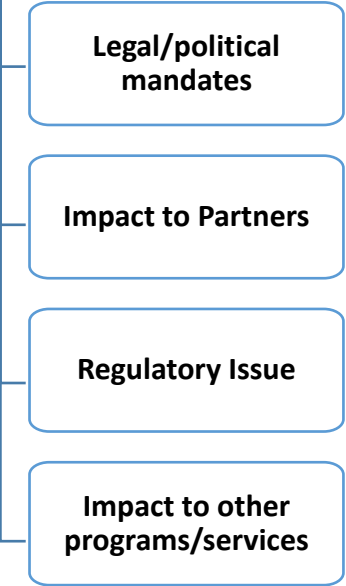
**STRATEGIC INITIATIVES
(UTA NEIGHBORHOOD)**



BUDGET VALUE



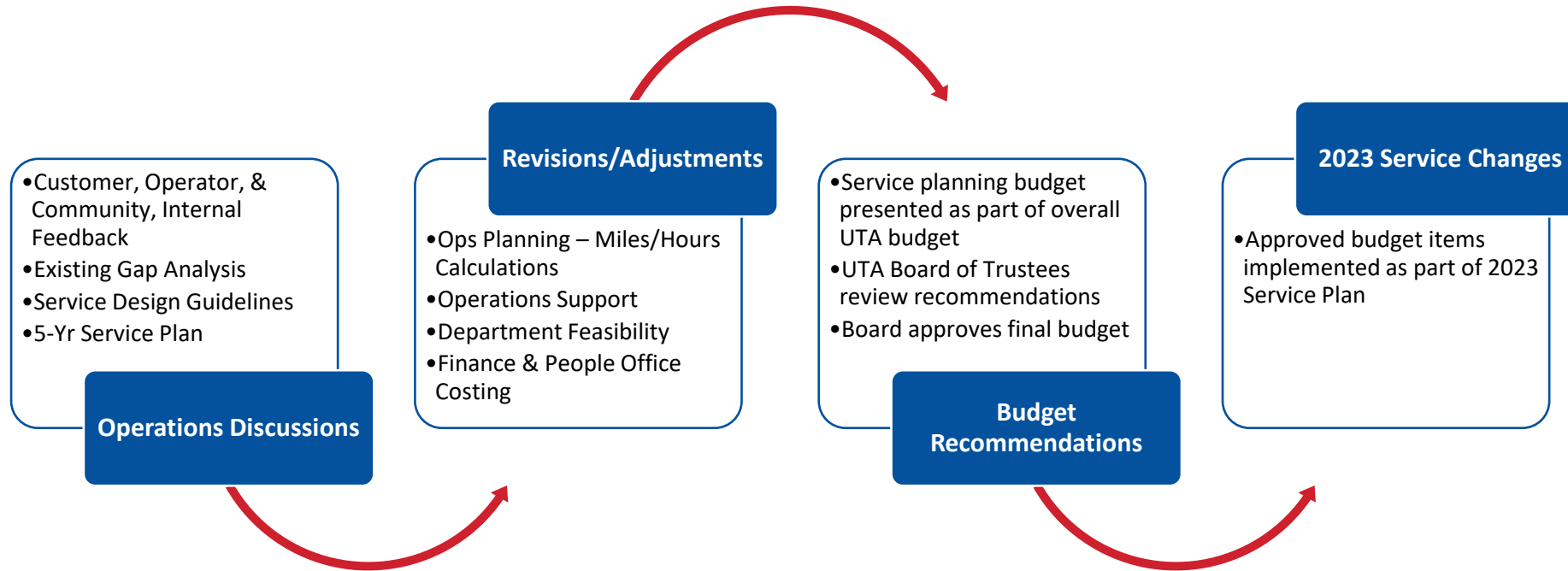
PRIORITY CONSIDERATIONS



2023 Budget Highlights



Annual Service Change Planning Process





2023 Service Strategy

| | 2023 Est. Cost | Ongoing Annual Est. Cost | Annual Service Hours |
|--------------------------------------|--------------------|--------------------------|----------------------|
| Ogden OGX | \$900,000 | \$ 1,500,000 | 10,700 |
| TRAX Saturday Svc | 800,000 | 2,100,000 | 12,900 |
| Extra Board Strategy | 1,500,000 | 1,500,000 | |
| UTA On Demand South SL County Growth | 500,000 | 500,000 | 8,600 |
| Operating Contingency | | | |
| Ogden Local Svc | 1,900,000 | 4,800,000 | 31,700 |
| 2024 Ramp Hiring | 1,500,000 | 1,500,000 | |
| Supervisor Ratios | 1,600,000 | 1,600,000 | |
| Total | \$8,700,000 | \$13,500,000 | |



2023 Tentative Budget Requests

2023 Regulatory/Board/ROI

| | <i>FTE</i> | <i>Total Cost</i> | <i>Cumulative Cost</i> |
|--|------------|-------------------|------------------------|
| Surveillance Tech (Security) | 1.0 | 73,000 | 73,000 |
| OnBoard Survey | - | 325,000 | 398,000 |
| Capital TOC | 1.0 | 190,000 | 588,000 |
| Workforce Innovation Program | 4.0 | 591,000 | 1,179,000 |
| Workforce Innovation Program (Savings) | | (150,000) | 1,029,000 |
| Cost Inventory Litigation | 1.0 | 118,000 | 1,147,000 |
| Cost Inventory Litigation | | (118,000) | 1,029,000 |
| Internal Audit EEO Support | 1.0 | 149,000 | 1,178,000 |
| State Lobbyist | | 50,000 | 1,228,000 |
| External Audit | | 125,000 | 1,353,000 |
| Subtotal Regulatory/Board/ROI | 8.0 | 1,353,000 | 1,353,000 |

BUDGET VALUE

- Reduce Agency Costs
- Make UTA a More Efficient Organization
- Improve/enhance Service Delivery
- Improve UTA Culture

**STRATEGIC INITIATIVES
(UTA NEIGHBORHOOD)**

Real Estate Strategy

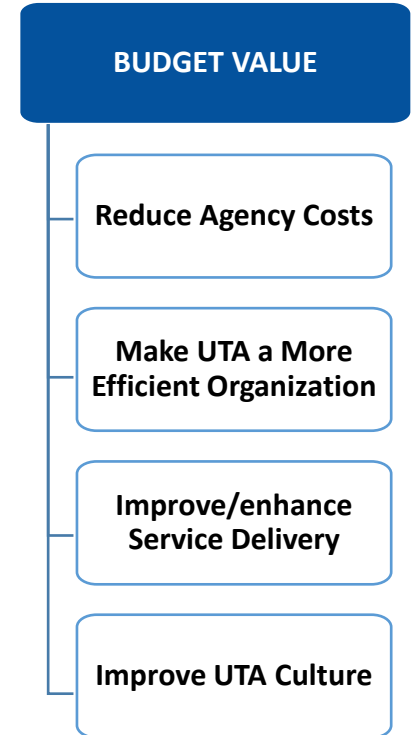
Workforce Strategy



2023 Tentative Budget Requests

2023 Audit/Federal Compliance

| | <i>FTE</i> | <i>Total Cost</i> | <i>Cumulative Cost</i> |
|--|------------|-------------------|------------------------|
| Grant Management | 3.0 | 541,000 | 1,894,000 |
| NRV Fleet Management - FMAP Implementation | 4.0 | 649,000 | 2,543,000 |
| Subtotal Audit/Federal Compliance | 7.0 | 1,190,000 | 2,543,000 |



**STRATEGIC INITIATIVES
(UTA NEIGHBORHOOD)**

Grant Strategy

Fleet Strategy

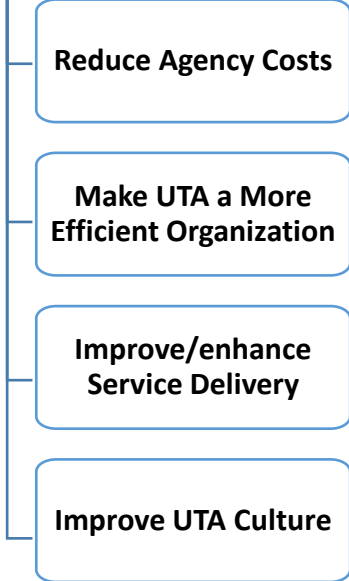


2023 Tentative Budget Requests

2023 Agency Requests

| Budget Request | FTE | Total Cost | Cumulative Cost |
|--|------------|------------------|------------------|
| HR Director | 1.0 | 197,000 | 2,740,000 |
| SGR/Go Team Coordinator | 1.0 | 106,000 | 2,846,000 |
| Workforce Strategy | 1.0 | 192,000 | 3,038,000 |
| Data Governance | 2.0 | 500,000 | 3,538,000 |
| Reducing UTA's IT Risk | | 150,000 | 3,688,000 |
| Operations Chief of Staff | 1.0 | 162,000 | 3,850,000 |
| Hiring Contra | | (250,000) | 3,600,000 |
| Transit Connection Program/Resource Liason | 3.0 | 746,000 | 4,346,000 |
| Subtotal 2023 Agency Requests | 9.0 | 1,803,000 | 4,346,000 |

BUDGET VALUE



**STRATEGIC INITIATIVES
(UTA NEIGHBORHOOD)**

Workforce Strategy

Data Strategy



2023 Tentative Budget Requests

2023 Capital Positions

| | <i>FTE</i> | <i>Total Cost</i> | <i>Cumulative Cost</i> |
|--|-------------|---------------------|------------------------|
| Rail Infrastructure PM | 1.0 | 12,000 | 4,358,000 |
| Rail Vehicle Procurement PM | 1.0 | 12,000 | 4,370,000 |
| Video Security Tech (Security) | 1.0 | 12,000 | 4,382,000 |
| Ops Capital support (Rail Sustainability) | 6.0 | 72,000 | 4,454,000 |
| Subtotal Capital | 9.0 | 108,000 | 4,454,000 |
| Total 2023 Operating Support Budget Request | 33.0 | \$ 4,454,000 | |

BUDGET VALUE

Reduce Agency Costs

Make UTA a More Efficient Organization

Improve/enhance Service Delivery

Improve UTA Culture

**STRATEGIC INITIATIVES
(UTA NEIGHBORHOOD)**

Fleet Strategy

Capital Development
Process Improvement



2023 Capital Staffing Requests

Total Position Costs

| Job Title | FTE | 2023 Costs |
|-----------------------------|-----|------------|
| SERVICE DEVELOPMENT | | |
| Rail Vehicle Procurement PM | 1.0 | \$165,000 |
| Rail Infrastructure PM | 1.0 | \$165,000 |
| FLEET ENGINEERING | | |
| Journeyist | 1.0 | \$105,000 |
| Rail Project Adm | 1.0 | \$ 91,000 |
| Bus Project Adm | 1.0 | \$ 91,000 |
| Technical Writer | 1.0 | \$ 75,000 |
| Quality Assurance Adm | 2.0 | \$181,000 |
| Total | 6.0 | \$543,000 |
| SECURITY | | |
| Surveillance Tech | 1.0 | \$73,000 |



2023 UTA Operating Budget Expenses by Category

| Category | FY2022 Budget | FY 2023 Budget | Change | % Change |
|---------------------|----------------------|----------------------|---------------------|-------------|
| Wages | \$172,287,000 | \$185,631,000 | 13,344,000 | 7.7% |
| Fringe | 84,779,000 | 94,633,000 | 9,854,000 | 11.6% |
| Services | 34,914,000 | 39,897,000 | 4,983,000 | 14.3% |
| Fuel | 27,464,000 | 31,408,000 | 3,944,000 | 14.4% |
| Parts | 22,863,000 | 23,447,000 | 584,000 | 2.6% |
| Utilities | 6,397,000 | 6,189,000 | (208,000) | -3.3% |
| Other O&M | 25,141,000 | 26,679,000 | 1,538,000 | 6.1% |
| Capitalized Costs | (10,689,000) | (11,688,000) | (999,000) | 9.3% |
| Total Budget | \$363,157,000 | \$396,197,000 | \$33,040,000 | 9.1% |



2023 UTA Operating Budget Expenses by Office

| Office | FY2022 Budget | FY 2023 Budget | Change | % Change |
|-----------------------|----------------------|----------------------|---------------------|-------------|
| Board | \$2,702,000 | \$3,147,000 | \$445,000 | 16.5% |
| Executive Director | 6,108,000 | 6,926,000 | 818,000 | 13.4% |
| Communications | 3,382,000 | 3,943,000 | 561,000 | 16.6% |
| Operations | 274,918,000 | 298,456,000 | 23,538,000 | 8.6% |
| Finance | 15,376,000 | 17,195,000 | 1,819,000 | 11.8% |
| Service Development | 7,783,000 | 8,754,000 | 971,000 | 12.5% |
| Enterprise Strategy | 22,525,000 | 24,822,000 | 2,297,000 | 10.2% |
| Planning & Engagement | 14,884,000 | 18,648,000 | 3,764,000 | 25.3% |
| People Office | 15,479,000 | 14,307,000 | (1,172,000) | -7.6% |
| Total Division | \$363,157,000 | \$396,197,000 | \$33,040,000 | 9.1% |



2022 Budget and 2023 Proposed Budget UTA FTE Summary

| Department | 2022 Amended Budget | 2023 Proposed Budget | Change FTE FY22 - FY23 | Change FTE % FY22 - FY23 |
|-----------------------|---------------------------|----------------------------|---------------------------------|-----------------------------------|
| Board | 13.4 | 14.4 | 1.0 | 7.5% |
| Executive Director | 28.5 | 30.5 | 2.0 | 7.0% |
| Operations | 2,279.2 | 2,334.2 | 55.0 | 2.4% |
| Finance | 120.5 | 123.5 | 3.0 | 2.5% |
| Service Development | 56.0 | 62.0 | 6.0 | 10.7% |
| Enterprise Strategy | 115.0 | 122.0 | 7.0 | 6.1% |
| Planning & Engagement | 73.2 | 80.2 | 7.0 | 9.6% |
| Communications | 13.0 | 15.0 | 2.0 | 15.4% |
| People Office | 84.0 | 84.0 | - | 0.0% |
| Totals | 2,782.8 | 2,865.8 | 83.0 | 3.0% |



2023 Capital Budget and 5-Year Capital Plan 2023 - 2027

UTA Board of Trustees

October 12, 2022



5-Year Capital Plan Process

- Draft 5-Year Capital Plan presented to the UTA Board for information and input
- Develop resource/delivery schedules for project delivery and timing
- Update 5-Year Plan based on delivery schedules and carryover forecasts
- Consult with Advisory Council – November 2, 2022
- Final approval of 5-Year Capital Plan by UTA Board – December 7, 2022
- 5-Year Capital Plan is incorporated into proposed Final 2023 Budget to be considered for approval by the Board on December 2



5-Year Capital Plan Goals:

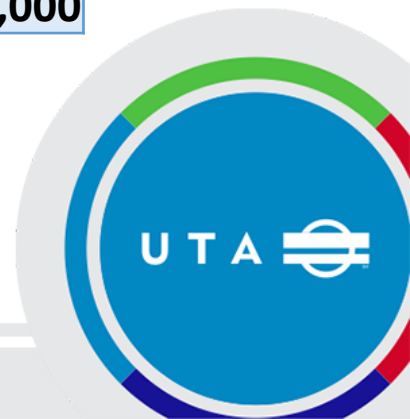
- Maintain a safe system that operates in a state of good repair
- Provide a plan consistent with the constraints of the UTA 5-year Financial Plan
- Provide a plan consistent with available capacity of project delivery resources
- Include service expansion projects consistent with the regional long-range transit plans
- Leverage UTA funds with federal grants and partner funds



5-Year Capital Budget by Year

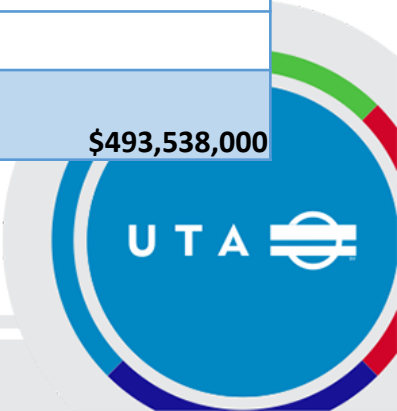
| Year | Proposed Budget | Grants | Lease | State/Local Partners | UTA Funds* |
|--------------|------------------------|----------------------|----------------------|----------------------|----------------------|
| 2023 | \$324,960,000 | \$111,929,000 | \$41,755,000 | \$30,847,000 | \$123,695,000 |
| 2024 | 271,104,000 | 60,245,000 | 52,201,000 | 28,273,000 | 109,278,000 |
| 2025 | 270,303,000 | 50,634,000 | 47,826,000 | 16,055,000 | 95,442,000 |
| 2026 | 206,597,000 | 18,030,000 | 44,195,000 | 1,400,000 | 80,157,000 |
| 2027 | 233,170,000 | 18,002,000 | 27,534,000 | 1,112,000 | 84,966,000 |
| Total | \$1,306,154,000 | \$258,840,000 | \$215,882,000 | \$77,687,000 | \$493,538,000 |

Discrepancy between the proposed budget totals and funding source totals (~\$260.2 Million) is actively being pursued through current grant applications and discussions with other partners



2023-2027 Capital Budget Summary

| Programs/Projects | 2023-2027 Proposed Budget | 2023-2027 Grants | 2023-2027 Lease | 2023-2027 State & Local Partners | 2023-2027 UTA Funds |
|--|---------------------------|----------------------|----------------------|----------------------------------|----------------------|
| 5310 Projects | \$5,041,000 | \$3,714,000 | \$0 | \$1,059,000 | \$268,000 |
| Capital Construction | 34,449,000 | 22,320,000 | | 3,117,000 | 9,012,000 |
| Capital Development | 268,955,000 | 83,184,000 | | 66,918,000 | 118,853,000 |
| Contingency | 25,000,000 | | | | 25,000,000 |
| Facilities - SGR | 27,875,000 | | | | 27,875,000 |
| Information Technology | 68,996,000 | | | | 68,996,000 |
| Infrastructure SGR Projects | 180,762,000 | 111,320,000 | | 200,000 | 69,242,000 |
| Planning | 11,462,000 | 1,514,000 | | 169,000 | 9,779,000 |
| Property / TOC | 13,299,000 | | | 1,955,000 | 11,344,000 |
| Revenue / Service Vehicles | 393,476,000 | 36,767,000 | 215,882,000 | 4,269,000 | 136,558,000 |
| Safety & Security | 16,632,000 | 21,000 | | | 16,611,000 |
| Unfunded – Grants | 205,207,000 | | | | |
| Unfunded – Other Sources (LRT Vehicles) | 55,000,000 | | | | |
| Grand Total | \$1,306,154,000 | \$258,840,000 | \$215,882,000 | \$77,687,000 | \$493,538,000 |



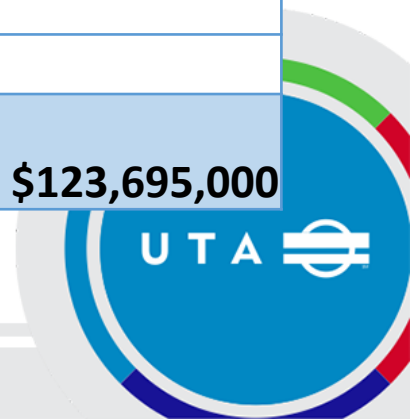
2023-2027 State of Good Repair Detail

| Highlighted Programs | 2023-2027 Proposed Budget | 2023-2027 Grants | 2023-2027 Lease | 2023-2027 State & Local Partners | 2023-2027 UTA Funds | 2023-2027 Unfunded (Fed/Other) |
|-----------------------------|---------------------------------|----------------------|----------------------|--|------------------------|--------------------------------------|
| Facilities SGR | \$27,875,000 | \$0 | \$0 | \$0 | \$27,875,000 | \$0 |
| Infrastructure SGR Projects | 180,762,000 | 111,320,000 | | 200,000 | 69,242,000 | |
| Revenue / Service Vehicles | 558,476,000 | 36,767,000 | 215,882,000 | 4,269,000 | 136,558,000 | 165,000,000 |
| Total | \$767,113,000 | \$148,087,000 | \$215,882,000 | \$4,469,000 | \$233,675,000 | \$165,000,000 |



2023 Capital Budget Summary

| Programs/Projects | 2023 Proposed Budget | 2023 Grants | 2023 Lease | 2023 State & Local Partners | 2023 UTA Funds |
|------------------------------------|----------------------|----------------------|---------------------|-----------------------------|----------------------|
| 5310 Projects | \$4,820,000 | \$3,714,000 | \$0 | \$1,059,000 | \$48,000 |
| Capital Construction | 30,898,000 | 22,320,000 | | 3,117,000 | 5,462,000 |
| Capital Development | 82,658,000 | 20,594,000 | | 21,410,000 | 40,659,000 |
| Contingency | 5,000,000 | | | | 5,000,000 |
| Facilities - SGR | 7,021,000 | | | | 7,021,000 |
| Information Technology | 17,690,000 | | | | 17,690,000 |
| Infrastructure SGR Projects | 51,308,000 | 37,081,000 | | 200,000 | 14,028,000 |
| Planning | 4,127,000 | 1,514,000 | | 169,000 | 2,444,000 |
| Property / TOC | 8,626,000 | | | 935,000 | 7,692,000 |
| Revenue / Service Vehicles | 90,747,000 | 26,706,000 | 41,755,000 | 3,957,000 | 18,331,000 |
| Safety & Security | 5,320,000 | | | | 5,320,000 |
| Unfunded- Grants | 16,245,000 | | | | |
| Unfunded- Other Sources | 500,000 | | | 500,000 | |
| Grand Total | \$324,960,000 | \$111,929,000 | \$41,755,000 | \$30,847,000 | \$123,695,000 |



2023 State of Good Repair Detail

| Highlighted Projects | 2023 Proposed Budget | | | State/Local Partners | |
|------------------------------------|----------------------|---------------------|---------------------|----------------------|---------------------|
| | Budget | Grants | Lease | Partners | UTA Funds |
| Facilities SGR | \$7,021,000 | \$0 | \$0 | \$0 | \$7,021,000 |
| Infrastructure SGR Projects | 51,308,000 | 37,081,000 | | 200,000 | 14,028,000 |
| Revenue / Service Vehicles | 90,747,000 | 26,706,000 | 41,755,000 | 3,957,000 | 18,331,000 |
| Total | \$149,076,000 | \$63,787,000 | \$41,755,000 | \$4,157,000 | \$39,380,000 |

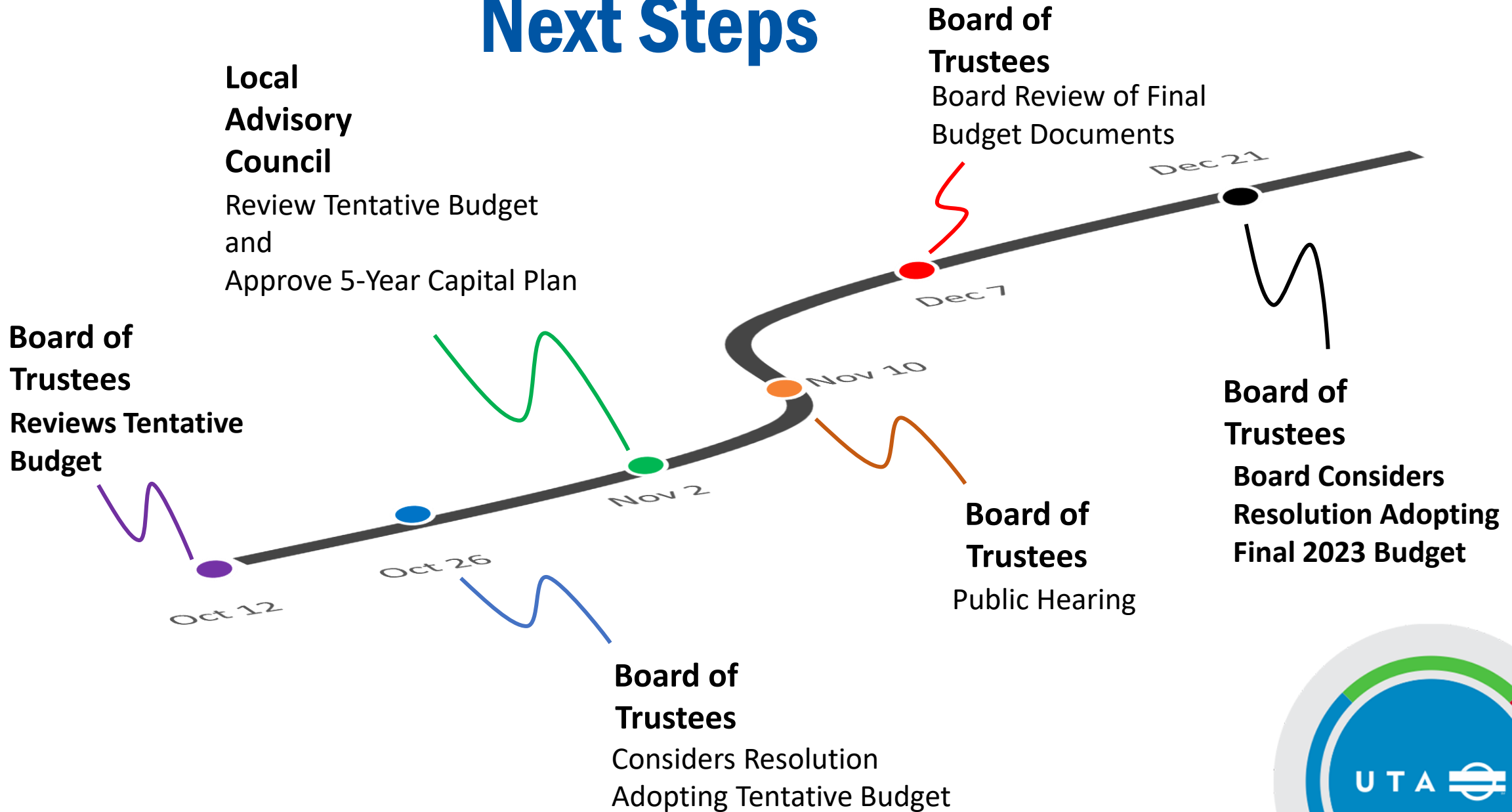


Sources and Uses

| Sources | Adopted | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast |
|---------------------------|----------|----------|-----------|-----------|-----------|-----------|----------|
| | 2022 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 |
| Beginning Balance | \$ 524.5 | \$ 321.8 | \$ 481.8 | \$ 462.2 | \$ 413.5 | \$ 358.1 | \$ 322.1 |
| Sales Tax | \$ 435.7 | \$ 486.3 | \$ 529.3 | \$ 513.4 | \$ 513.4 | \$ 529.3 | \$ 563.8 |
| PM Funds (FTA) | 59.5 | 110.4 | 84.9 | 85.8 | 86.6 | 87.5 | 88.0 |
| Stimulus Funds | 100.1 | 167.8 | - | - | - | - | - |
| Passenger Funds | 34.2 | 34.2 | 35.8 | 44.0 | 48.7 | 50.2 | 51.7 |
| Capital Sources | 104.2 | 104.2 | 195.7 | 154.7 | 165.8 | 126.0 | 147.8 |
| Other Sources | 21.6 | 15.0 | 17.8 | 18.1 | 17.1 | 16.6 | 16.9 |
| Total Sources | \$ 755.4 | \$ 918.0 | \$ 863.5 | \$ 815.9 | \$ 831.7 | \$ 809.6 | \$ 868.2 |
| USES | | | | | | | |
| Operating Expense | \$ 363.1 | \$ 353.2 | \$ 396.2 | \$ 424.1 | \$ 442.9 | \$ 457.3 | \$ 472.2 |
| Capital Expense | 228.1 | 212.1 | 325.0 | 271.1 | 270.3 | 206.6 | 233.2 |
| Debt Service | 148.2 | 152.6 | 162.0 | 169.4 | 173.9 | 181.7 | 171.8 |
| Total Uses | \$ 739.4 | \$ 718.0 | \$ 883.2 | \$ 864.6 | \$ 887.1 | \$ 845.6 | \$ 877.2 |
| Net Change | \$ 16.0 | \$ 200.0 | \$ (19.7) | \$ (48.7) | \$ (55.4) | \$ (36.0) | \$ (9.0) |
| Cash Amended | - | (40.0) | - | - | - | - | - |
| Ending Balance | \$ 540.5 | \$ 481.8 | \$ 462.2 | \$ 413.5 | \$ 358.1 | \$ 322.1 | \$ 313.1 |
| Reserves | 165.6 | 166.9 | 185.2 | 199.5 | 211.8 | 223.6 | 236.4 |
| Unrestricted Fund Balance | \$ 374.9 | \$ 314.9 | \$ 277.0 | \$ 214.0 | \$ 146.3 | \$ 98.5 | \$ 76.8 |



Next Steps



Questions?



Discretionary Grants Update



Grants Update – October 2022

| Discretionary Grants Selected for Award | Award | Date |
|---|--------|-----------|
| FTA Route Planning Restoration – Equity Index Study | \$300K | 6/2/2022 |
| FTA Areas of Persistent Poverty – Paratransit Forward | \$386K | 6/23/2022 |
| TOTAL | \$686K | |

| Grant Applications Awaiting Selection | Request | Date |
|--|----------|-----------|
| FTA Small Starts – MidValley Connector | \$63M | 6/7/2022 |
| FTA TOD Planning – MidValley Connector | \$360K | 7/22/2022 |
| FTA Core Capacity – FrontRunner Forward (UDOT submittal) | \$671M | 8/26/2022 |
| FRA Railroad Crossing Elimination Program – Sharp Tintic | \$13.2M | 10/4/2022 |
| TOTAL | \$747.6M | |



UTA Policy – UTA.02.09 – Fuel Price Risk Management Program

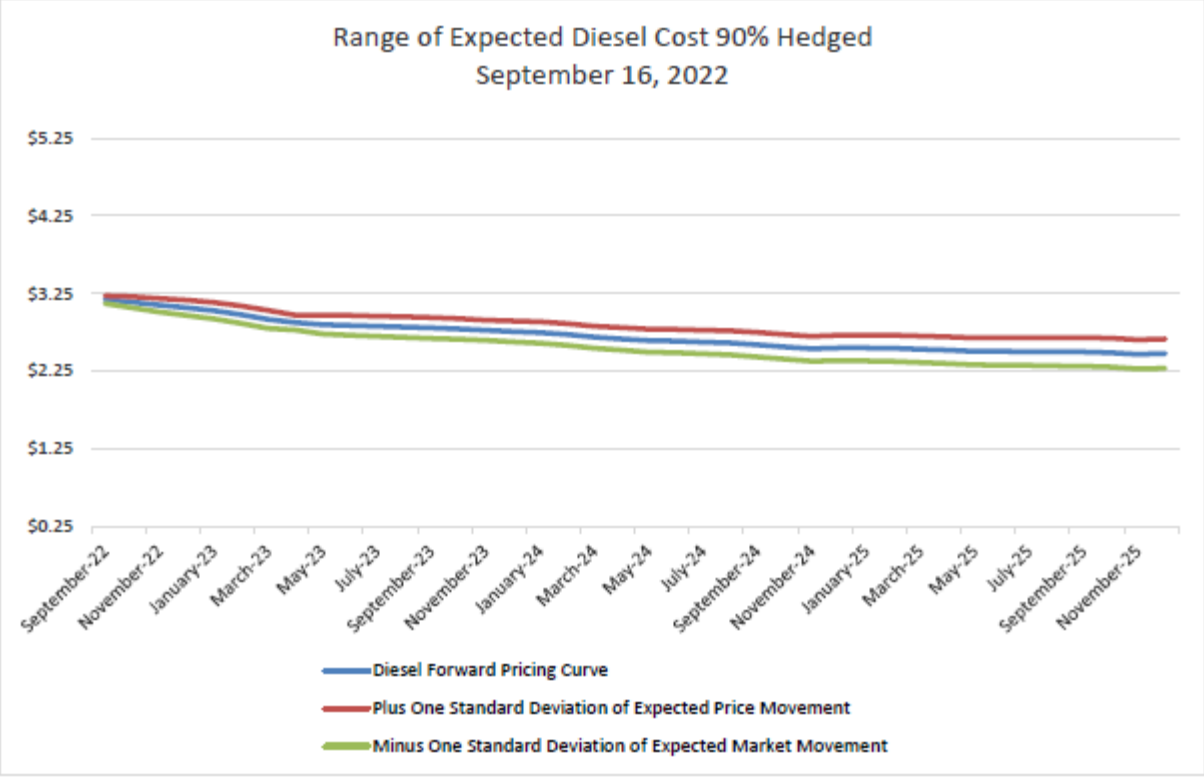
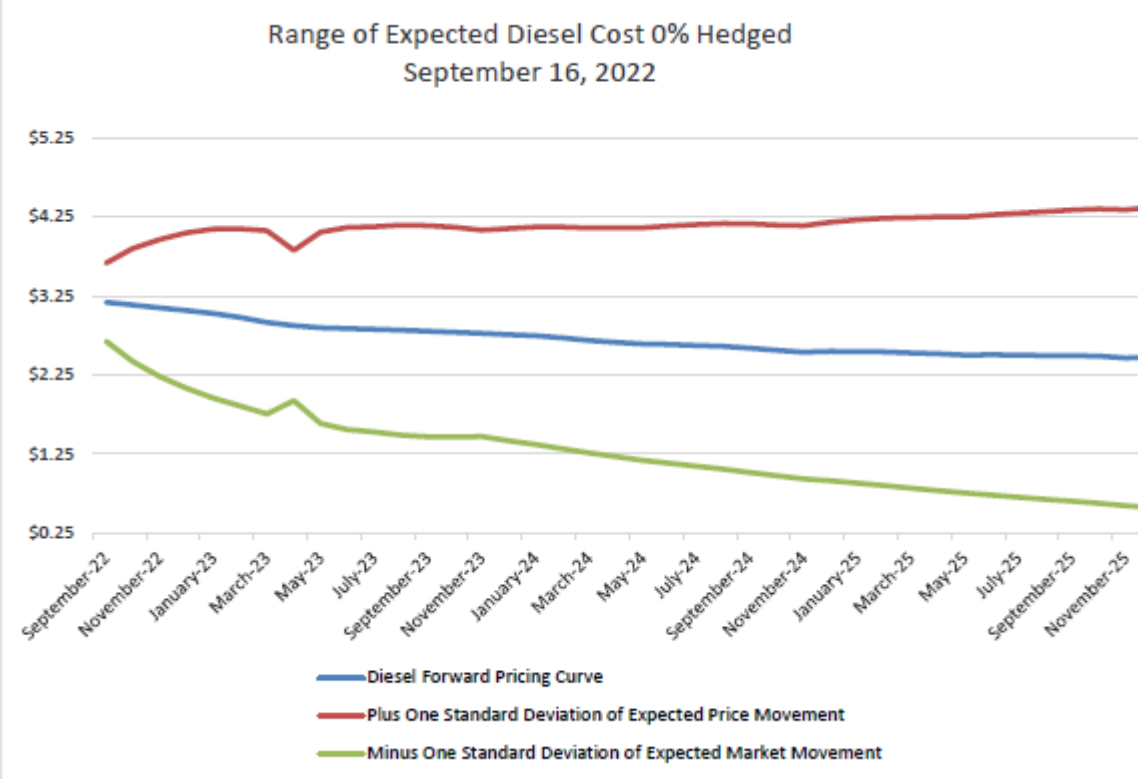


Why Consider Fuel Hedging?

- UTA buys approximately 6,000,000+ gallons of diesel every year
- Budgeted 2022 cost is \$15.9 million
- UTA per gallon diesel price is based upon current price “rack rate” plus \$0.02 freight
- Diesel prices since January 2022 have ranged from \$2.52 to \$4.64 per gallon
- Price spikes can have a detrimental effect on annual expenditures
- Hedging provides a smoothing effect to fuel expense



Unhedged vs. Hedged



What Does The Fuel Price Risk Management Policy Do?

1. Establish a contract with an expert in transit fuel hedging to advise the CFO on all hedging practices.
2. Establish this policy for fuel hedging with the following criteria:
 - a. Instruments that can be purchased
 - b. The maximum hedging ratio (Gallons of Fuel Purchased Monthly/Gallons of Heating Oil Hedged in Forward Purchase)
 - c. Duration of hedge instruments
 - d. Defines who will create a strategy on how the program objectives will be achieved
 - e. Execution, monitoring & reporting



Recommended Action

(by acclamation)

Motion to approve UTA Policy – UTA.02.09
Fuel Price Risk Management Program, as presented



Other Business

- a. Next Meeting: Wednesday, October 26, 2022, at 9:00 a.m.



Adjourn

