



Utah Transit Authority

MEETING MEMO

669 West 200 South
Salt Lake City, UT 84101

Board of Trustees

Date: 10/26/2022

TO: Board of Trustees
THROUGH: Jay Fox, Executive Director
FROM: William Greene, Chief Financial Officer
PRESENTER(S): David Wilkins, Assistant Attorney General
Thom Gover, Assistant Attorney General
David Pitcher, Claims and Insurance Manager
Lynnette Moody, Recovery Adjuster

TITLE:

Approval for Settlement - UTA vs Meza

AGENDA ITEM TYPE:

Non-Procurement Agreement

RECOMMENDATION:

The recommendation is that UTA accept an offer of the Defendant's auto insurance policy limits as full and final settlement of all claims.

BACKGROUND:

On October 15, 2018, Defendant Meza failed to stop at a red traffic control device at the UTA rail crossing with South Jordan Parkway at Grandville Avenue, in South Jordan, Utah, and crashed into a UTA TRAX train. The crash resulted in significant damage to the Light Rail Vehicle (LRV) and the loss of use of the vehicle. The crash also damaged UTA facilities, in the form of catenary poles and equipment. The total amount of property damage and loss of use to UTA was \$3,220,960.39. The defendant carried a policy limit of \$300,000 in Auto Liability insurance.

DISCUSSION:

The Defendant (who is represented by Legal Counsel) has rejected an offer to settle for any amount over the \$300,000 with the threat of filing for bankruptcy should UTA move forward with a Motion for Summary judgment. The Defendant has no assets beyond his annual salary. Legal Counsel for UTA has filed the Motion for Summary judgment but has given an open extension to Defendant for responding. Legal Counsel for UTA advises against pursuing the Motion for Summary judgment and accepting the \$300,000 policy limit.

ALTERNATIVES:

Reject the offer of \$300,000 and pursue the motion for summary judgement. If Defendant does file for bankruptcy UTA would still be able to collect the \$300,000.

FISCAL IMPACT:

UTA estimates it will cost \$3.2 million to repair two light rail vehicles damaged in the accident. The insurance settlement is \$300,000. This represents a loss to UTA of about \$2.9 million.

The repair costs are programmed in the 5-year capital plan.

ATTACHMENTS:

None