Utah Transit Authority

Board of Trustees

REGULAR MEETING AGENDA

669 West 200 South
Salt Lake City, UT 84101

Wednesday, June 23, 2021 **9:00 AM** **Frontlines Headquarters**

NOTICE: RESUMING IN-PERSON MEETING PROCEEDINGS

In accordance with the Utah Open and Public Meetings Act, (Utah Code § 52-4), the UTA Board of Trustees will resume normal in-person meeting procedures at UTA FrontLines Headquarters (FLHQ) 669 West 200 South, Salt Lake City, Utah.

- Members of the Board of Trustees and meeting presenters will participate in person, however trustees may join electronically as needed.
- Meeting proceedings may be viewed remotely by following the instructions and link on the UTA Board Meetings page - https://www.rideuta.com/Board-of-Trustees/Meetings
- Public Comment may be given live during the meeting by attending in person at the meeting location.
- Public Comment may also be given through alternate means. See instructions below.
    - Comment online at https://www.rideuta.com/Board-of-Trustees
    - Comment via email at boardoftrustees@rideuta.com
    - Comment by telephone at 801-743-3882 option 5 (801-RideUTA option 5) – specify that your comment is for the board meeting.
    - Comments submitted before 2:00 p.m. on Tuesday, June 22nd will be distributed to board members prior to the meeting.
- 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.

1.	**Call to Order and Opening Remarks**	Chair Carlton Christensen
2.	**Safety First Minute**	Sheldon Shaw
3.	**Public Comment**	Chair Carlton Christensen
4.	**Consent**	Chair Carlton Christensen

a. Approval of June 9, 2021 Board Meeting Minutes

b. UTA Policy - UTA.01.01 Ethics Policy

c. UTA Policy - UTA.01.03 Information Technology

d. UTA Policy - UTA.06.02 Lost and Found Policy

e. 2020 UTA Financial Audit Report (ACFR) and National Transit Database (NTD) Agreed Upon Procedure Report

5. Reports

a.	Agency Report - UIC Corridor Status - Complex Coordinated Terrorist Attack Grant Funding	Carolyn Gonot
b.	Committee on Accessible Transportation (CAT) Annual Report	Cherissa Alldredge Brandi Lavoie

6. Resolutions

a.	R2021-06-06 Resolution Giving Special Tribute, Due Honor and Recognition to Executive Director Carolyn Gonot	Carlton Christensen
b.	R2021-06-07 Resolution Appointing Mary DeLoretto as Interim Executive Director	Carlton Christensen
c.	R2021-06-08 Resolution Authorizing the Obligation and Drawdown of American Rescue Plan Act (ARPA) Supplemental Appropriations Grant Monies by the Executive Director	Bill Greene

7. Contract, Disbursement, and Grant Approvals

a.	Contract: Traction Power Substations Rehabilitation Design Build (C3M Power Systems)	Mary DeLoretto David Hancock Jared Scarbrough
b.	Contract: Bus Lift Replacement - Riverside & Timpanogos (Stertil Koni USA, Inc.)	Eddy Cumins Kevin Anderson
c.	Contract: Advertising Agency (R&R Partners Inc.)	Andrea Packer
d.	Contract: 5310 Accessible Minivans (Davey Coach Sales, Inc.)	Eddy Cumins Ryan Taylor
e.	Change Order: 5310 ADA Accessible Transits - 5th Order (Lewis Bus Group)	Eddy Cumins Ryan Taylor

f.	Pre-Procurements	Todd Mills
	- Mt. Ogden Business Unit Expansion	Janelle Robertson
	- Tooele Bus Facility Renovation	Brandon Heath
	- Applicant Tracking Software	Greg Gerber
	- Investment Management Services	Emily Diaz
	- Bus Stop Digital Real-Time Sign Construction and Installation	G.J. LaBonty

8. Service and Fare Approvals

a.	Fare Contract: Ed Pass Agreement Modification No. 1 (Salt Lake Community College)	Kensey Kunkel
b.	Sponsored Fare Agreement: Trip Reduction Program/Free-Fare Days (Division of Air Quality)	Monica Morton Kensey Kunkel

9. Discussion Items

a.	2021 Technical Budget Adjustment ***Board may make a motion on this item***	Bill Greene
b.	UTA Policy UTA.05.02 - Paid Time Off - Administrative Employees ***Board may make a motion on this item***	Kim Shanklin
c.	August 2021 Change Day	Nichol Bourdeaux Eric Callison Megan Waters
d.	2021 Mid-Year Initiatives and Goals Update	Carolyn Gonot Alisha Garrett

10. Other Business Chair Carlton Christensen

a. Next Meeting: Wednesday, July 14th, 2021 at 9:00 a.m.

11. Adjourn Chair Carlton Christensen

669 West 200 South
Salt Lake City, UT 84101

Utah Transit Authority

MEETING MEMO

Board of Trustees **Date:** 6/23/2021

TO: Board of Trustees
THROUGH: Jana Ostler, Board Manager
FROM: Jana Ostler, Board Manager

TITLE:

Approval of June 9, 2021 Board Meeting Minutes

AGENDA ITEM TYPE:	Minutes
RECOMMENDATION:	Approve the minutes of the June 9, 2021 Board of Trustees meeting
BACKGROUND:	A regular meeting of the UTA Board of Trustees was held electronically and broadcast live via the link and instructions on the UTA Board Meetings page on Wednesday, June 9, 2021 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 <https://www.utah.gov/pmn/sitemap/notice/681917.html> and video feed is available through the UTA Board Meetings page - <https://www.rideuta.com/Board-of-Trustees/Meetings>
ATTACHMENTS:	1) 2021-06-09_BOT_Minutes_unapproved

Utah Transit Authority

Board of Trustees

MEETING MINUTES - Draft

669 West 200 South
Salt Lake City, UT 84101

Wednesday, June 9, 2021 **9:00 AM** **Frontlines Headquarters**

This meeting was held remotely via phone or video conference and broadcast live for the public via the link and instructions on the UTA Board Meetings page https://rideuta.com/Board-of-Trustees/Meetings

Present: Chair Carlton Christensen
Trustee Beth Holbrook
Trustee Jeff Acerson

Also attending were members of UTA staff.

1. Call to Order and Opening Remarks

Chair Christensen welcomed attendees and called the meeting to order at 9:00 a.m. He then yielded the floor to Jana Ostler, UTA Board Manager, who read the electronic board meeting determination statement into the record as required by statute. The complete electronic board meeting determination statement is included as Appendix A to these minutes.

2. Safety First Minute

Ron Kendall, UTA Video Security Administrator, provided a brief safety message.

3. Public Comment

Chair Christensen noted members of the public were invited to attend and comment during the live portion of the meeting; however, no live public comment was given. All online public comment received was distributed to the board for review in advance of the meeting and is attached as Appendix B to these minutes.

4. Consent

a. Approval of May 26, 2021 Board Meeting Minutes

A motion was made by Trustee Acerson, seconded by Trustee Holbrook, to approve the consent agenda with the following modifications:

- Adding the beginning and ending times for the closed session and meeting adjournment
- Adding the mover and seconder for leaving closed session

The motion carried by a unanimous vote.

5. Reports

a. Agency Report

Carolyn Gonot, UTA Executive Director, mentioned a media event with Rocky Mountain Power that will take place on June 10, 2021. The event will highlight achieving 100% renewable energy on the S-Line.

b. Financial Report - April 2021

Bill Greene, UTA Chief Financial Officer, was joined by Brad Armstrong, UTA Senior Manager - Budget & Financial Analysis. Mr. Armstrong reviewed the financial dashboard and reported on sales tax collections, passenger revenues, transit-related stimulus funds, operating financial results, and operating expenses by mode.

Discussion ensued. Questions on debt service, adjustments for inflating costs, and sales tax growth were posed by the board and answered by staff.

6. Resolutions

a. Resolution R2021-06-01 - Approving the First Amendment to the Authority's 2021 Capital Budget

Mr. Greene was joined by Mary DeLoretto, UTA Chief Service Development Officer. Mr. Greene summarized the resolution, which increases the 2021 capital budget by $7,351,500. The amendment adjusts funding allocations for the following initiatives and projects:

- FrontRunner Forward
- Building remodel/reconfiguration
- Safety general projects
- Corridor fencing
- Non-revenue service vehicles
- Capital contingency
- Box Elder right of way preservation
- S-Line extension
- 5600 West

A motion was made by Trustee Holbrook, and seconded by Trustee Acerson, that this resolution be approved. The motion carried by the following vote:

Aye: Chair Christensen, Trustee Holbrook, and Trustee Acerson

b. Resolution R2021-06-02 - Approving the Title VI Equity Briefing

Andrew Gray, UTA Civil Rights Compliance Officer - Title VI & DBE, explained the resolution, which approves the Title VI equity briefing for UTA's low-income fare pilot program. Mr. Gray noted 100% of recipients of passes from the program will be low income. There were no findings that would indicate the potential for a negative impact on low-income or minority populations; in fact, ridership data suggests a high probability the program will benefit minorities.

Discussion ensued. Questions on data sharing with community partners and equitable distribution were posed by the board and answered by Mr. Gray.

A motion was made by Trustee Acerson, and seconded by Trustee Holbrook, that this resolution be approved. The motion carried by the following vote:

Aye: Chair Christensen, Trustee Holbrook, and Trustee Acerson

c. Resolution R2021-06-03 Adopting the Fare Rates and Types of Fare Media of the Agency

Monica Morton, UTA Fares Director, summarized the resolution, which incorporates the low-income fare pilot pricing into UTA's fare portfolio. This change marks the transition of the pilot from an initiative to permanent program.

Discussion ensued. A question on program partners was posed by the board and answered by Ms. Morton.

A motion was made by Trustee Holbrook, and seconded by Trustee Acerson, that this resolution be approved. The motion carried by the following vote:

Aye: Chair Christensen, Trustee Holbrook, and Trustee Acerson

d. Resolution R2021-06-04 Authorizing Execution of an Interlocal Cooperation Agreement (ILA) with Salt Lake County, the Utah Division of Air Quality, and the University of Utah to Install Air Monitoring Equipment on Electric Buses

Daniel Locke, UTA Environmental Compliance Administrator, explained the resolution, which authorizes the executive director to execute an interlocal agreement which provides for the installation of air monitoring equipment on three electric buses assigned to the Salt Lake area. Implementation of the project will allow scientists at the University of Utah to further evaluate regional air quality. UTA and Salt Lake County will each contribute $20,000 toward the project. The University of Utah will be responsible for operation and maintenance of the monitors and the Department of Air Quality will work with the University of Utah to analyze the data.

Discussion ensued. A question on the selection of electric bus as the preferred vehicle for the initiative was posed by the board and answered by Mr. Locke.

A motion was made by Trustee Acerson, and seconded by Trustee Holbrook, that this resolution be approved. The motion carried by the following vote:

Aye: Chair Christensen, Trustee Holbrook, and Trustee Acerson

e. Resolution R2021-06-05 Approving the Execution of an Interlocal Agreement (ILA) with West Valley City for Provision of Additional Funds to Supplement the Existing TIGER Stakeholder Agreement

Ms. DeLoretto was joined by Grey Turner, UTA Manager - Civil Engineering & Design. Ms. DeLoretto summarized the resolution, which authorizes execution of an ILA with West Valley City to increase funding for the TIGER first/last mile program West Valley bike lane project in the amount of $1,932,024.65. All funding will be provided by West Valley City.

Discussion ensued. A question on the location of the bike lanes was posed by the board and answered by staff.

A motion was made by Trustee Holbrook, and seconded by Trustee Acerson, that this resolution be approved. The motion carried by the following vote:

Aye: Chair Christensen, Trustee Holbrook, and Trustee Acerson

7. Contracts, Disbursements and Grants

a. Contract: SD100 Door Overhaul Parts Procurement (Vapor Stone Rail Systems and Hydraulic Electric Component Supply, Inc.)

Ms. DeLoretto was joined by David Hancock, UTA Director of Capital Construction. Staff requested the board approve a contract in the amount of $311,301.95 for parts needed to overhaul the doors on 23 SD100 light rail vehicles.

Discussion ensued. Questions on competition among parts providers and the lifespan of replacement parts were posed by the board and answered by staff.

A motion was made by Trustee Acerson, and seconded by Trustee Holbrook, that this contract be approved. The motion carried by a unanimous vote.

b. Change Order: Master Stray Current Monitoring Agreement Amendment (Dominion Energy)

Ms. DeLoretto was joined by Mr. Hancock and Jared Scarbrough, UTA Manager - Systems Engineering. Staff asked the board to approve a change order to the stray current monitoring agreement with Dominion Energy in the amount of $1,750,000. The funds will be invoiced through a five-year purchase order with a not-to-exceed amount of $350,000 annually. The total contract value, including the change order, is $5,464,140.

Discussion ensued. A question on working directly with Dominion Energy was posed by the board and answered by staff.

A motion was made by Trustee Holbrook, and seconded by Trustee Acerson, that this change order be approved. The motion carried by a unanimous vote.

c. Change Order: Long Term Disability Insurance Extension (Lincoln National Life Insurance Co)

Alisha Garrett, UTA Chief Enterprise Strategy Officer, requested the board approve a change order to the long-term disability insurance contract with Lincoln National Life Insurance Co. The change order is a one-year extension to the current five-year contract. The sixth-year extension is needed to ensure all employee benefit contracts are on the same cycle, which will improve options when requests for proposals are issued for employee health benefits. The estimated value of the change order is $102,240.90. The total contract value, including the change order, is $613,445.40.

Discussion ensued. A question on the contract alignment process was posed by the board and answered by Ms. Garrett.

A motion was made by Trustee Acerson, and seconded by Trustee Holbrook, that this change order be approved. The motion carried by a unanimous vote.

d. Change Order: Life Insurance Contract Extension - Bargaining Employees (Lincoln National Life Insurance Co)

Ms. Garrett asked the board to approve a change order to the employee life insurance contract with Lincoln National Life Insurance Co. The change order is a one-year extension to the current five-year contract. The anticipated cost of the change order is $89,686, which brings the six-year contract value to $538,118. Following this extension, the agency intends to issue a new request for proposals for life insurance benefits. Discussion ensued. A question on the comparability of administrative and bargaining employee benefit options was posed by the board and answered by Ms. Garrett.

A motion was made by Trustee Holbrook, and seconded by Trustee Acerson, that this change order be approved. The motion carried by a unanimous vote.

e. Change Order: Transportation and Land Use Connection (TLC) Program Cooperative Agreement - Amendment #1 (WFRC)

Nichol Bourdeaux, UTA Chief Planning & Engagement Officer, was joined by G.J. LaBonty, UTA Manager of Customer Experience. Ms. Bourdeaux requested the board approve an amendment to the TLC Program Cooperative Agreement with the Wasatch Front Regional Council (WFRC) to extend UTA's participation in the TLC program for an additional three-year period. UTA's funding commitments for the three-year period are as follows:

- 2022: $262,500
- 2023: $300,000
- 2024: $300,000

(Note: This extension includes a provision for an additional three-year extension at a fixed funding level of $300,000 per year.)

Discussion ensued. A question on the annual cost was posed by the board and answered by staff.

A motion was made by Trustee Acerson, and seconded by Trustee Holbrook, that this change order be approved. The motion carried by a unanimous vote.

f. Pre-Procurements

- **Police Cruisers**
- **Talent & Culture Development Consultant**

Todd Mills, UTA Director of Supply Chain, was joined by Jason Petersen, UTA Police Captain, and Ms. Garrett. Mr. Mills indicated the agency intends to procure the following items or services:

- Police cruisers
- Talent and culture development consultant

Discussion ensued. Questions on police cruiser fleet age and past use of consultants for talent and culture development work were posed by the board and answered by staff.

8. Service and Fare Approvals

a. Fare Contract: Ed Pass Agreement Amendment No. 2 (Charter School Consortium)

Kensey Kunkel, UTA Manager of Business Development - Sales, requested the board authorize a one-year extension to the ed pass agreement with the Charter School Consortium. The estimated amendment value is $465,800. The total contract value, including the amendment, is $3,191,800.

A motion was made by Trustee Holbrook, and seconded by Trustee Acerson, that this fare contract be approved. The motion carried by a unanimous vote.

b. Fare Contract: Pass Purchase and Administration Agreement Modification No. 1 (Westminster College)

Ms. Kunkel asked the board to approve a one-year extension to the pass purchase agreement with Westminster College. The estimated modification value is $19,000. The total contract value, including the modification, is $30,000.

A motion was made by Trustee Acerson, and seconded by Trustee Holbrook, that this fare contract be approved. The motion carried by a unanimous vote.

c. Fare Contract: ECO Trip Rewards Trip Based Agreement Amendment No. 1 (Salt Lake City Corporation)

Ms. Kunkel requested the board approve a one-year extension to the ECO trip rewards agreement with Salt Lake City Corporation. The estimated amendment value is $36,000. The total contract value, including the amendment, is $66,500.

A motion was made by Trustee Holbrook, and seconded by Trustee Acerson, that this fare contract be approved. The motion carried by a unanimous vote.

d. Promotional Fare Request: Explore More Transit Passport

Ms. Kunkel was joined by Megan Waters, UTA Community Engagement Manager. Staff asked the board to approve a promotional fare for the Explore More Transit Passport. The pass was developed to incentivize transit ridership by offering a community exploration pass for stay-at-home parents or caregivers traveling with children during the summer of 2021. The passport covers the fare for one adult and up to four children (ages 6-15) at a cost of $49 per month for July, August, and September or $99 for a portion of June and all of July, August, and September. The pass is valid on all UTA services, except PC-SLC Connect, ski bus, and paratransit service. As part of the program, a transit passport booklet will be available to participants. Partnering businesses/organizations will provide stickers to visitors using the booklet. Estimated sales projections for the pass will yield a revenue of $49,400-98,800.

Discussion ensued. Questions on pass use, marketing plans, purchasing options, and program launch date were posed by the board an answered by staff.

A motion was made by Trustee Acerson, and seconded by Trustee Holbrook, that this promotional fare be approved. The motion carried by a unanimous vote.

9. Other Business

a. Next Meeting: Wednesday, June 23, 2021 at 9:00 a.m.

It was noted the next meeting of the board will be an in-person meeting.

10. Adjourn

A motion was made by Trustee Holbrook, seconded by Trustee Acerson, to adjourn the meeting. The motion carried by a unanimous vote and the meeting was adjourned at 10:28 a.m.

Transcribed by Cathie Griffiths
Executive Assistant to the Board Chair
Utah Transit Authority

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/681917.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

Appendix A

UTAH TRANSIT AUTHORITY ELECTRONIC BOARD MEETING DETERMINATION

Consistent with the Utah Open and Public Meetings Act, (UTAH CODE § 52-4-207 [4]), 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 electronic meetings of the UTA Board without a physical anchor location:

1. Due to the ongoing COVID -19 pandemic, conducting Board and Board Committee meetings with an anchor location presents a substantial risk to the health and safety of those who may be present at the anchor location.
2. Federal, state, and local health authorities continue to encourage institutions and individuals to limit in-person interactions.

This written determination takes effect on May 12, 2021, and is effective until midnight on June 11, 2021 and may be re-issued by future written determinations as deemed appropriate.

Dated this 7th day of May 2021.
Carlton J. Christensen, Chair of the Board of Trustees

Appendix B

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

Received on June 8, 2021 from George Chapman:

Comments to Board of Trustees meeting June 9 2021
I do not believe that it is equitable to provide free fare for a brand new BRT system (UVX or Ogden) when anyone other than university students have to pay $2.50 for regular buses. Fare for the buses should be $1 systemwide. UTA should not give the rich kids going to universities exclusive free fare. It is not equitable.

669 West 200 South
Salt Lake City, UT 84101

Utah Transit Authority

MEETING MEMO

Board of Trustees **Date:** 6/23/2021

TO: Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Ron Ellis, Director Internal Audit
PRESENTER(S): Ron Ellis, Director Internal Audit

TITLE:

UTA Policy - UTA.01.01 Ethics Policy

AGENDA ITEM TYPE:	UTA Policy
RECOMMENDATION:	Approve amendments to and renumber the UTA.01.01 Ethics Policy and authorize the Executive Director to sign and implement the policy.
BACKGROUND:	The Ethics Policy is a foundational Entity Level Control under the COSO 2013 framework that defines, for the organization, specific ethical standards of conduct, prohibits certain conflict of interest conduct, and holds everyone in the Agency accountable for conducting themselves in a manner that is in the best interest of the Utah Transit Authority.
DISCUSSION:	The purpose of the amendments to the Ethics Policy is described below: 1) To apply the same rule and language to Directors and Chief Officers as applies to the Board with regard to investment property ownership rules. 2) To clarify investment property ownership.
ALTERNATIVES:	If this policy is not adopted, the current Corporate Policy 1.1.11 would remain in effect.
FISCAL IMPACT:	N/A
ATTACHMENTS:	Ethics UTA Policy UTA.01.01

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UTAH TRANSIT AUTHORITY POLICY

No. UTA.01.01

ETHICS

1) Purpose.

The integrity of UTA and its employees should be beyond reproach as UTA fulfills its obligations to be a good steward of taxpayer-funded resources. Accordingly, this Ethics and Ethics Reporting Policy establishes standards of conduct that conform to state and federal ethics laws and UTA expectations for ethical behavior. This Ethics and Ethics Reporting Policy sets forth processes for the disclosure and review of circumstances that might raise potential ethical concerns. It also establishes a mechanism for reporting ethical concerns and protecting employees who report such concerns in good faith. This Ethics Policy applies to all employees, part-time and full-time. It is based around the fundamental principles of integrity, accountability and transparency which must govern any agency which is a steward of public funds. Every situation encountered by a UTA employee may not be addressed in this policy, but the litmus test must always be that no UTA employee should ever use his or her position at UTA to further a personal financial interest.

2) Definitions.

"*Business Relationship" or "Doing Business With*" means an entity or individual who has or is seeking a contract with UTA, seeks or receives grant funding from UTA, provides grant funding to UTA, receives payments for goods or services from UTA, or for whom UTA pays for goods or services.

"*Candidate for Public Office*" means an employee who has filed for candidacy for public office, an employee who receives contributions or makes expenditures related to candidacy for public office, or an employee who coordinates with any individual or entity to receive contributions or make expenditures related to candidacy for public office.

"*Confidential Information*" shall mean information disclosed by the Authority during the course of an employee's employment, information developed or learned by an employee during the course of employment, and information regarding UTA's technology, techniques, processes, research, test results, agreements, employees, marketing, sales, business plans, strategies, strategic legislative plans and agendas, unpublished financial information, budgets, and projections.

"*Conflict of Interest*" means a personal or economic interest, outside employment, outside interest or other circumstance or relationship that impairs an employee's ability to discharge his or her duties in a legal and ethical manner consistent with the best interests of UTA.

"*Controlled, Private or Protected Information*" means information classified as controlled, private or protected pursuant to Utah Code Ann. §63G-2-101, et seq.

"*Designated Employee*" means an employee identified by the Executive Director. At a minimum, Designated Employees shall include UTA's Executive Director, Director of Internal Audit, Comptroller, and Chief Officers.

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"*Employee*" means any part-time or full-time employee of UTA.

"*Ethics Committee*" means a committee composed of the Ethics Officer, Compliance Officer as appointed by the Executive Director, and an Executive appointed by the Executive Director. In the event that the Executive appointed by the Executive Director is involved in a matter brought before the Ethics Committee, then the Executive Director shall sit with the Ethics Committee in such Executive's stead.

"*Ethics Officer*" means the Director of Internal Audit.

"Compliance Officer" means an individual appointed by the Executive Director to carry out the duties identified in this policy.

"*Executive*" means the Executive Director or any Chief Officer.

"*Form*" means Financial Disclosure Report.

"*Fraud*" means the use of one's occupation for personal enrichment through the deliberate misuse or misapplication of the employing organization's resources or assets.

"*Gift*" means:

A. Anything of economic value that is paid, loaned, granted, given, donated, or transferred to any employee by anyone outside of UTA.
B. Gift does not include:
    1. Snack Items Snacks or beverages (but not meals) of Nominal Value provided in the ordinary course of business meetings,
    2. Unsolicited advertising materials such as pens, pencils, note pads, calendars, and other business-related items of Nominal Value
    3. Items given to employees by individuals with long-standing social or family relationships, under circumstances that make it clear the relationship, rather than the employee's position at UTA, is the motivating factor (receipt of such Gifts must be reported to a Supervisor immediately); and
    4. Items of Nominal Value made available to the general public or all attendees at a conference or event.

"Investment Property" means a rental or commercial real property.

"Local Official" means an elected member of a local government. It also means an individual appointed to or employed in a position in a local government if that individual occupies a policymaking position, makes purchasing or contracting decisions, drafts ordinances or resolutions, drafts, makes rules, determines rates or fees, or makes adjudicative decisions. A Local Official also means the immediate family members of individuals described in this definition.

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"*Meals Provided in the Ordinary Course of Business Meetings*" means meals that are paid for by a third party and provided to a group of individuals including UTA employees who are jointly working on a UTA-related matter. The cost of these meals accepted by a UTA employee must be limited to $25.00 per occasion and $50.00 per 12-month rolling calendar year from any specific vendor. These meals must never be solicited nor accepted with the intent to allow any type of influence on a procurement decision or action.

Meals provided for a purely social purpose outside the actual business meeting are not considered to have been provided in the ordinary course of business. Payment for such meals by a UTA vendor is considered a gift and therefore unacceptable.

"*Nominal Value"* shall mean having a market value of no more than $10.00 and an aggregate value in a calendar year of no more than $50.00 from any specific vendor.

"Outside Employment" shall mean employment by another employer as well as self-employment.

"*Personal Financial Interest*" means any type of a financial interest consisting of cash, real estate, securities, potential employment or offer of employment, contract, or other item of tangible dollar value whether held by the employee, the employee's spouse, or other immediate family member.

"Public Office" means any position obtained as a result of a partisan general or special election whose duties overlap an area served by UTA.

"*Report*" means a concern reported by a UTA employee.

"*Reporter*" means an employee reporting a concern.

"*Vendor*" means an entity that currently has a Business Relationship with UTA, is seeking a Business Relationship with UTA, or is reasonably likely to seek or form a Business Relationship with UTA in the future.

3) Policy.

A. Conflicts of Interest Generally

It is vital to the proper operation of UTA for employees to avoid not only actual Conflicts of Interest but also those situations that may be reasonably perceived by others as a Conflict of Interest. Accordingly, no employee shall make or participate by way of evaluation, recommendation or approval, in the making of any decision regarding UTA with respect to any matter in which the employee has any Personal Financial Interest. Potential Conflicts of Interest could exist in regard to outside interests, financial interests, and/or outside employment. Any employee who has an actual or apparent Conflict of Interest must immediately report the nature of such interest to a Senior Manager and/or Director in the employee's supervisory chain and also to the Ethics Officer. Designated Employees must also disclose such actual or potential Conflicts of Interest in the Form described in Section F of this Policy.

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B. Outside Financial Interests and Employment
   1. General
      a. Employees are prohibited from engaging in business or other activities that may create a conflict of interest with their employment of UTA.
      b. Employees should refrain from engaging in any outside endeavor or activity which is likely to require or induce the employee to disclose Controlled, Private or Protected Information gained by reason of UTA employment.
      c. Employees are prohibited from accepting other employment or engaging in other activities that might impair independent judgment or ethical performance of assigned UTA duties.
      d. Employees are prohibited from participating in or receiving compensation for any transaction between UTA and a business entity in which an employee is an officer, director, or possesses a Personal Financial Interest.
   2. Disclosure of Personal Financial Interest
      Employees must disclose a Personal Financial Interest in any entity which currently conducts or is likely to conduct business in the transit industry. The disclosure must be made to both a Senior Manager and/or Director in the employee's supervisory chain and also to the Ethics Officer. The Ethics Officer will present the issue to the Ethics Committee for review and recommendation. The employee's Senior Manager and/or Director along with the Ethics Committee will evaluate the Personal Financial Interest to determine if it creates a Conflict of Interest between the private interest and the employee's duties at UTA and shall also determine if mitigation actions are required. Mitigation actions may include, but are not limited to, divestiture of the financial interest or adjustment of the employee's UTA duties.
   3. Prospective Outside Employment
      Any employee seeking outside employment must avoid conflicts of interest between themselves, UTA, and the prospective employer. In order to avoid actual and potential conflicts, any employee seeking, applying for, or intending to apply for a position with an outside employer may not, as an employee of UTA, make recommendations, advise, approve, negotiate, or use their influence in any dealings that involve the prospective employer. In such matters, the employee must recuse himself or herself. Any exception to this policy must be approved by the Executive Director. Approval shall only be given if recusal of the employee does not impede UTA mission accomplishment and is in the best interest of UTA.
   4. Outside Employment
      Employees may engage in Outside Employment in addition to their UTA employment subject to the following restrictions:
      a. Outside Employment may not compete or conflict with or compromise UTA's interests or adversely affect the employee's job performance.
      b. Employees shall not perform Outside Employment during working time paid for by UTA
      c. Employees shall not use UTA resources, including but not limited to facilities, technology resources, tools, etc., to perform Outside Employment.
      d. Employees shall not disclose UTA's Confidential Information to outside employers.

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e. Full Disclosure Required – Since any outside employment by a UTA employee carries the potential for a conflict of interest to arise, all outside employment must be disclosed to an employee's senior manager and/or director. If the senior manager and/or director believes that a conflict of interest either exists or is likely to arise, the senior manager and/or director shall provide the information to the Ethics Officer who shall, in turn, provide such information to the Ethics Committee. The Ethics Committee shall evaluate the outside employment and make a determination as to whether a conflict of interest exists or is likely to arise and also whether mitigation actions are required. Mitigation actions include, but are not limited to, direction to the employee to discontinue the outside employment or adjustment of the employee's UTA job duties to avoid the conflict of interest.

5. Coordination with Supply Chain Organization
   The Ethics Officer shall inform the Supply Chain Senior Manager about any circumstances where an employee has a financial interest, outside employment, or is conducting employment discussions with a UTA Vendor that is deemed an actual or perceived conflict of interest. The Procurement Division of the Supply Chain Management Organization shall utilize this information in taking appropriate measures to ensure that no UTA procurement action is tainted by a conflict of interest.
6. Public Officer
   An employee who is a Candidate for Public Office must provide copies of all state or federal required financial disclosures to UTA's Ethics Officer within seven days of the deadline for submitting the disclosures. If a state or federal financial disclosure is not required, an employee who is a Candidate for Public Office must submit a list of campaign donors to UTA's Ethics Officer on a monthly basis during the period the employee is a Candidate.
7. Executive Investment Property Ownership
   An Executive's ownership of investment property within a 0.5 mile radius, as the crow flies, from any Front Runner, TRAX station, or transit oriented development will be considered to be a potential Conflict of Interest requiring disclosure and then evaluated by the Ethics Committee. The ownership of investment property within a .5 mile radius of a bus stop is not considered to be a Conflict of Interest. The ownership of a primary residence within a 0.5 mile radius, as the crow flies, is not considered to be a conflict of interest.

C. Gifts to Employees
   1. It is a criminal offense under Utah law for an employee to receive, accept, offer, or agree to receive or accept, or ask for a promise or pledge of a gift or kickback from a Vendor if done with the intent to influence any of the following actions by UTA:
      a. Award a contract or grant;
      b. Make a procurement decision;
      c. Take an action relating to the administration of a contract or grant.
   2. Even where the employee does not have the specific intent described in the preceding paragraph, a UTA employee may not knowingly receive accept, take seek

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or solicit (either for the employee or for another person or entity) a Gift of any value from a Vendor.

3. Gifts that are perishable or not practical to return may be shared with co-workers on an occasional basis, but notice should be provided to the source of the Gift that future gifts should not be provided to any UTA employee.
4. If an employee receives a prohibited Gift, the employee may return the Gift or pay its fair market value to the person or entity providing the Gift.
5. For purposes of this gift restrictions described in this Policy, "Employee" also includes the employee's family members.

D. Meals for Employees
   1. Subject to certain exceptions described below, an employee may not accept any meals from a Vendor. Under no circumstances shall an employee solicit or accept a meal with the intent to allow acceptance of the meal to affect a procurement related decision.
   2. Nevertheless, an employee may accept a meal offered under the following conditions:
      a. Meals Provided in the Ordinary Course of Business Meeting (as defined in the Definitions Section)
      b. The meal is part of a conference or event in which:
         1. The cost of the meal is included in the normal registration fee paid by UTA on behalf of the employee, or;
         2. The employee has been invited by another entity to participate in the conference or event, such as receiving an award or recognition for public service; or
         3. The employee has been asked by UTA to represent UTA at the conference or event.
      c. The meal is offered as part of a normal business meeting or event between UTA and the following entities and is generally made available to all participants:
         1. A government entity, such as a city or county
         2. An organization or association, including a professional or educational association, or an association of vendors, such as the Chamber of Commerce
         3. An association composed of public agencies or public entities that does not as an organization or association respond to solicitations
      d. Employees who are required to pay for work-related meals under this Policy should seek reimbursement pursuant to Policy No. 1.1.8 – UTA Travel and Reimbursement Policy.

E. Meals and Gifts to Local Officials
   1. UTA employees shall only provide meals and gifts to Local Officials under one of the following circumstances:
      a. Food or beverage has a value less than the daily meal allowance for in-state travel contained in the Utah State Food Reimbursement Rate found at Utah Administrative Code R25-7-6.

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b. Food or beverage provided at an event, tour, or a meeting where the Local Official is giving a speech, participating in a panel discussion, or presenting or receiving an award.
c. The item to be provided has a value of less than $10. (This amount is applicable to only non-food and beverage items).

F. Financial Disclosures.
1. Designated Employees must submit a Form as follows:
a. Within thirty days from date of hire, and each calendar year on or before October 31 throughout the term of employment, all Designated Employees shall complete and sign a Form. The current Form is available on the UTA Intranet (utanet) on the Internal Auditor's site at: http://utanet/administration/departments/internalaudit
b. Designated Employees shall provide a copy of the Form to the Ethics Officer.
c. Form is classified as Public Records.
d. Notification of requirements or failure to respond shall be given by e-mail (with a copy to the employee's supervisor), with a 5-business day opportunity to file a Form.
e. Failure to completely fill out, sign, and return a Form, by the extended deadline described immediately above, shall be cause for employment action, up to and including termination as determined by the Ethics Committee.
f. Designated Employees must complete a new Form within 10 business days of: (i) the occurrence or discovery of any new actual or apparent Conflict of Interest arising since the most recent Form; or (ii) any material change in the information previously disclosed in the most recently completed Form.
2. Review of Forms
a. All Forms submitted by UTA employees shall be reviewed - in confidence - by one of the following: Director of Internal Audit or designee and Compliance Officer.
b. If a reviewer determines that there may be a Conflict of Interest disclosed in a Form, the reviewer shall submit the Form to another reviewer for review. The two reviewers shall then meet and confer regarding the potential Conflict of Interest. If the two reviewers agree that there is a Conflict of Interest, the two reviewers shall confidentially report the conflict to the Ethics Committee. The Ethics Committee shall arrange a meeting with the individual filing the Form, to clarify and discuss the conflict. The Ethics Committee shall then determine the appropriate action. Such action may include, by way of example only:
1. Directing the employee to divest the conflicting asset, liability, position or agreement;
2. Requiring the employee to be walled-off and segregated from any communication about or work on, the conflicting UTA issue;
3. Terminating the employee.
3. Ethics Committee Review. The Ethics Committee shall meet on an as-needed basis to discuss potential conflicts of interest or violations of the Policy.

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G. Requests for Donations
   1. UTA employees may not solicit donations from Vendors that exclusively benefit UTA employees. For example, employees may not solicit donations for UTA social functions.
   2. Employees may solicit donations from Vendors for functions that benefit the community. For example, employees may solicit donations supporting Disadvantaged Business Enterprise workshops offered to business owners along the Wasatch Front.
   3. This Policy does not apply to contributions solicited from UTA employees under Policy 1.1.1 – Charitable Solicitations.

H. Disclosures of Information
   Employees are prohibited from disclosing or improperly using Controlled, Private or Protected Information acquired by reason of an official position held at UTA or while carrying out UTA duties. The employee should consult with UTA's Records Manager regarding the classification of information.

I. Political Activity
   UTA employees may not:
   1. Be candidates for Public Office unless the employee takes a leave of absence from UTA while a candidate for office.
   2. Use official authority or influence to interfere with or affect the results of an election or nomination,
   3. Directly or indirectly coerce contributions from subordinates in support of a political party, candidate, ballot issue, or political campaign, or
   4. Use UTA facilities or equipment to promote a candidate for public office.

J. Restrictions Related to Former Employees
   The Board of Trustees must approve the award of any contract or amendment for any goods or services with entities that hire former employees or who are represented by former employees where the former employee left UTA employment within the previous 12 months. The contract or amendment should not be approved if there is a strong appearance that hiring the former UTA employee has given or would give the Company an unfair competitive advantage in either receiving the contract or in the performance and management of the contract. The Chief Procurement Officer shall provide a recommendation for consideration by the Board of Trustees.

K. Fraud
   1. Management is responsible for the detection and prevention of fraud, misappropriations, and other irregularities. Any irregularity that is detected or suspect must be reported in line with section L (Reporting Suspected Ethical or Fraud Violations).
   2. Employees shall not misuse UTA's assets for personal gain or willfully misappropriate the Authority's assets. Employees found to be engaging in fraudulent activities or theft may be subject to employment action up to and including termination.
   3. Actions constituting fraud include, but are not limited to:
      a. Misappropriation of funds, securities, supplies, or other assets
      b. Impropriety in the handling or reporting of money or financial transactions

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c. Profiteering as a result of insider knowledge of company activities
d. Disclosing confidential and proprietary information to outside parties
e. Accepting or seeking anything of value from contractors, vendors, or persons providing services/goods to UTA that is in contradiction with the Ethics Policy
f. Destruction, removal, or inappropriate use of records, assets, or other equipment

L. Reporting Suspected Ethical or Fraud Violations
1. Employees must report suspected ethics or fraud violations. Any employee having knowledge or reasonable suspicion of ethical violations has a responsibility to report such improprieties via one of the channels identified in (L)(B2)(e). The reports should include as much information as possible. The following suspected improprieties that should be reported include, but are not limited to:
   a. Procurement fraud or collusion involving contracts or purchases with UTA contractors, subcontractors or Vendors
   b. Abuse, embezzlement, or theft of UTA property or funds
   c. Bribery and acceptance of gratuities or other benefits in connection with UTA operations or transactions with Vendors, contractors, and subcontractors
   d. Misuse of an employee's official position through acceptance of Gifts
   e. Conflicts of Interest, such as an employee doing business with UTA under a different name
   f. Other unethical or illegal activities involving UTA property, employees, contractors, subcontractors or Vendors, such as check fraud or violation of computer crime statutes
   g. Participation in a UTA matter in which the employee has a Personal Financial Interest
2. Investigation Procedures
   UTA will investigate all reported ethical violations. An administrative investigation may be performed by either Human Resources, Civil Rights, or Internal Audit, depending on the nature of the ethical violation. The Compliance Officer will support the investigating department in the investigation process. Investigations will be conducted in the strictest confidence, and witnesses participating in those investigations shall be protected from disclosure to the extent allowed by law. Where deemed appropriate, the investigator may consult with UTA legal counsel for advice and counsel which may also protect the investigative process under the Attorney-Client Privilege.
   a. Reporting Ethical Violations. Ethics violations may be reported in the following ways:
      1. Anonymous Ethics Hotline
      2. Ethics violations link on the UTA intranet
      3. Employee's manager (If the incident is reported to the employee's manager, the manager must report the incident to the Ethics Officer or Compliance Officer immediately).
      4. Ethics Officer
      5. Compliance Officer
      6. Human Resources Department
      7. Civil Rights Department

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b. Anonymous Ethics Hotline
   1. The Ethics Hotline is established by UTA through a third-party vendor that provides a means for employees to anonymously report serious concerns relating to unethical conduct.
   2. The vendor maintaining the Ethics Hotline will not disclose the identity of a Reporter to anyone in UTA, if the employee wishes to remain anonymous.
   3. All concerns reported on the Ethics Hotline will be reviewed.
      a. The action taken by UTA in response to a report will depend on the nature of the concern.
      b. Initial inquiries will be made to determine whether an investigation is appropriate and, if so, the form that it should take. Some concerns may be resolved without the need for an investigation.
      c. If an investigation is appropriate, it will be assigned to an internal or external investigator who will conduct an investigation and make findings.
   4. The malicious use of the Ethics Hotline will be investigated and may result in disciplinary action.
   5. Concerns relating to unethical conduct should be reported in one of the following ways:
      a. Website: www.lighthouse-services.com/rideuta
      b. English speaking: 833-940-0009
      c. Spanish speaking: 800-216-1288 iv. E-mail: reports@lighthouse-services.com (must include UTA's name with report)
      d. Fax alternative for written documents: 215-689-3885 (must include UTA's name with report)
   6. Reports should provide sufficient information to establish that there are grounds for a concern. In addition, concerns should be reported as soon as possible because the earlier a concern is expressed, the earlier it will be to provide a meaningful review of it.

M. Retaliation Prohibited
   1. An employee who in good faith makes a report of fraud, waste, abuse, unethical, illegal conduct and violations of UTA policies will not be retaliated against for making a Report.
   2. Witnesses who participate in good faith in investigations into fraud, waste, abuse, unethical, illegal conduct, and violations of UTA policies will not be retaliated against.
   3. Any good faith Report, concern, or complaint is fully protected by this Policy, even if the Report, concern, or complaint is not substantiated after an investigation.
   4. For ethical concerns raised in good faith, a Garrity warning will not be used with UTA Police Officers to determine the identity of an anonymous complaint.
   5. Upon the request of the Reporter, UTA will use its best efforts to protect the confidentiality of a Reporter.

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N. Ethics Violations
   1. An employee violating this Policy will be subject to disciplinary action as set forth in Policy 6.3.1 – Positive People Management.
   2. The Ethics Policy is intended to be simple and reasonable. A claim of lack of knowledge or understanding of the policy will not be accepted as an excuse for ethical violations. If an employee is uncertain whether an action will violate the Ethics Policy, the employee should contact the Compliance Officer or the Ethics Officer before taking the action. The decision tree attached as Appendix A provides a tool for assessing ethical considerations prior to making a decision that could result in an ethical violation.

O. Ethics Training
   Each employee of UTA must periodically complete an ethics training program approved by the Ethics Officer and, by the deadline set by the Ethics Officer, certify that such training has been completed. Employees will receive written notification informing them when they must complete Ethics training.
   1. Guidelines Regarding Ethics
      a. The following guidelines can also help make ethical decisions that may not be addressed by the policy:
         1. Put loyalty to the highest moral principles above loyalty to persons or organizations.
         2. Uphold the constitution, laws and legal regulations of the United States.
         3. Give a full day's labor for a full day's pay.
         4. Seek and employ more efficient and economical ways of accomplishing tasks.
         5. Never discriminate unfairly by dispensing of special favors or privileges to anyone whether for remuneration or not.
         6. Never accept favors or benefits under circumstances which a reasonable person might construe as influencing the performance of the employee's duties.
         7. Never use any information received confidentially in the performance of duties as a means for making private profit for themselves, friends or family.
         8. Report corruption wherever discovered or suspected.

P. Report to Board of Trustees
   The Ethics Officer shall report on this Policy to the Board of Trustees as requested.

4) Cross-References.
- Corporate Policy No. 1.1.8 – UTA Travel and Reimbursement Policy
- Corporate Policy No. 1.1.1 – Charitable Solicitations.
- Corporate Policy No. 6.3.1 – Positive People Management.

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This UTA Policy was reviewed by UTA's Chief Officers on June 1st, 2021, consented by the Board of Trustees on _____, and approved by the Executive Director on _____. This policy takes effect on the latter date.

DocuSigned by:
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Ron Ellis, Director Internal Audit
Accountable Executive

Carolyn M. Gonot
Executive Director

Approved as to form and content:

DocuSigned by:
Mike Bell
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Counsel for the Authority

History

Date	Action	Owner
11/23/2003	Revised – Ethics SOP	
12/5/2005	Revised – Ethics SOP	
5/3/2016	Revised, Renamed, and Converted from a SOP to Corporate Policy 1.1.11 Ethics	
12/5/2017	Revised - Corporate Policy 1.1.11 Ethics	
5/29/2019	Revised - Corporate Policy 1.1.11 Ethics	Ethics Officer
4/29/2020	Revised UTA Policy 1.1.11 and rescind Corporate Policies 1.1.33 – Whistleblower Protection Policy and 6.1.13 – Anti Fraud Policy (which were included in Revised UTA Policy 1.1.11)	Ethics Officer
	Board Consent – UTA.01.01 Ethics UTA Policy	Ethics Officer
	Renumbered from 1.1.11 Ethics UTA Policy to UTA.01.01 Ethics UTA Policy	Ethics Officer
	Adopted - UTA.01.01 Ethics UTA Policy	Ethics Officer

669 West 200 South
Salt Lake City, UT 84101

Utah Transit Authority

MEETING MEMO

Board of Trustees **Date:** 6/23/2021

TO: Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Alisha Garrett, Chief Enterprise Strategy Officer
PRESENTER(S): Alisha Garrett, Chief Enterprise Strategy Officer

TITLE:

UTA Policy - UTA.01.03 Information Technology

AGENDA ITEM TYPE:	UTA Policy
RECOMMENDATION:	Approve the UTA.01.03 Information Technology policy and authorize the Executive Director to sign and implement the policy.
BACKGROUND:	UTA has technology policies and SOPs at multiple levels of the organization from Agency policies to multiple Technology Department policies and SOPs. Many of the technology policies were a blend of policies/SOP documents. Based on best practice and direction from Executive leadership we are re-evaluating our current policies and processes to align with the new definitions of Policy's and Agency SOP's that also follow the new naming convention, new structure, and standardized template. As part of UTA's policy redesign initiative, Technology proposes the adoption of this umbrella Technology policy that defines who is responsible for proper usage and consumption of UTA's technology resources. Multiple Agency SOPs will follow this policy that define how UTA's various technology assets will be secured and protected.

DISCUSSION:	Technology is used throughout the Agency and by all team members from the Utah Transit Authority (UTA) Board to contracted UTA employees. This policy defines that all UTA employees and contractors have a responsibility to properly use technology and minimize potential risk to UTA resulting from unauthorized use of Technology Resources and to preserve and protect the confidentiality, integrity, and availability of the UTA's networks, systems, applications, and data After reviewing our current state of policies and SOP's we are taking the direction to ensure we have broad high-level policies which our SOP's will align. The new approach will have multiple "How To" Agency Technology SOPs under a handful of umbrella policies that will define "Who Is Responsible and What we are trying to accomplish". This is the first umbrella policy for Information Technology and will have future Technology SOPs under the following categories: • Acceptable use of technology. • Technology access control. • Technology asset management. • Technology physical security. • Technology operational security. • Cloud services. • Technology systems acquisition, • Development and maintenance. • Technology governance and compliance.
ATTACHMENTS:	1. UTA.01.03 Information Technology Policy

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UTAH TRANSIT AUTHORITY POLICY

No. UTA.01.03

INFORMATION TECHNOLOGY

1) Purpose.

Technology is used throughout the agency and by all team members from the Utah Transit Authority (UTA) Board to contracted UTA employees. This policy ensures all UTA employees and contractors have a responsibility to properly use technology and minimize potential risk to UTA resulting from unauthorized use of Technology Resources and to preserve and protect the confidentiality, integrity and availability of the UTA's networks, systems, applications and data.

2) Definitions.

"Technology Resource(s)" means any desktop, laptop, hardware, software, data, storage media, removable storage media (such as CDs and USB drives), electronic communications devices and networks (including, but not limited to, wired or wireless networks, e-mail, fax, phones, cell phones, audio and digital recordings, phone systems, voice mail and cloud solutions, off-site storage, Software as a Service or Infrastructure as a Service). The term also includes any operational procedures and processes used in the collection, processing, storage, sharing or distribution of information within, or with, any access beyond ordinary public access to the UTA's shared computing and network infrastructure.

"UTA" means the Utah Transit Authority.

3) Policy.

A. The Information Technology policy ensures that everyone's use of the UTA's information technology resources supports its public service, and administrative mission in the best possible way. Effective support of the Agency's mission requires complying with relevant legal, contractual, professional, and standard operating procedures whenever information technology resources are used. Effective support also means that individuals do not interfere with the appropriate uses of information technology resources by others.

B. This policy broadly covers all the Agency's information technology resources – hardware, software, and content; this includes but is not limited to electronic networks, systems, computers, devices, telephones, software, data, files, and all content residing in any of these (referred to as "IT resources"). This policy applies to all electronic records of the Agency and to the information in those records, regardless of the form or the location.

C. Each agency employee who uses any Technology Resource is responsible for following and conducting business in accordance with all applicable Utah Transit Authority and Information Technology Policies and Procedures covering, but not limited to the following critical areas:

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- Ethics and Legal - The acceptable use of technology will be used to promote the efficient, ethical and lawful use of UTA technology resources.
- Safeguarding Technology Access - Technology access control standards must be defined and followed in order to protect and safeguard UTA data and system resources against unauthorized and harmful exposure and use.
- Specialized IT Procurement Matters
  - Technology Procurements – Safeguards must be followed in order to protect UTA's interests when acquiring technology hardware and software.
  - Cloud Services - UTA Technology Resources must be properly acquired and protected while utilizing cloud services.
  - Technology Service Procurements - Technology systems acquisition, development and maintenance must be performed according to industry best practices so UTA can leverage its technology investment.
- Physical Access - Physical security procedures must be implemented which l outline the process for Technology and other Support Staff team members to gain access to secure UTA data centers, computer rooms and network rooms & cabinets.
- Control Systems - Operational rules and guidelines for dealing with technical control systems and networks must be implemented and followed. Technology Governance and Standards - Rules and guidelines for data and technology governance must be implemented and followed.

  Improper use of this Information Technology policy will result in discipline up to and including termination as set forth in Policy 6.3.1 - Positive People Management. Improper use includes any misuse as described in this policy, as well as any misuse that would result in violations of state or federal laws, rules, regulations or other UTA policies.

D. All staff with any direct reports are responsible to take reasonable measures to ensure their subordinates follow, understand and are aware of the Information Technology policy. The IT Director is responsible for defining the technology procedures that ensure the Agency's Technology Resources are being managed to the highest standard possible for our business.

4) Cross-References.

- Corporate Policy 1.1.10 Records Access and Management Policy
- Corporate Policy 1.2.1 Procurement Standards
- Corporate Policy 6.3.1 - Positive People Management
- Board Policy 4.2 Public Records
- UTA Policy 1.1.11 Ethics

This UTA Policy was reviewed by UTA's Chief Officers on June 1st, 2021, consented by the Board of Trustees on _____ and approved by the Executive Director on _____. This policy takes effect on the latter date.

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DocuSigned by:
Alisha Garrett
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Alisha Garrett, Chief Strategy Officer
Accountable Executive

Carolyn M. Gonot
Executive Director

Approved as to form:

DocuSigned by:
Mike Bell
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Counsel for the Authority

History

Date	Action	Owner
	Adopted - UTA.01.03 Information Technology UTA Policy	IT Director
	Board Consent - UTA.01.03 Information Technology UTA Policy	IT Director

669 West 200 South
Salt Lake City, UT 84101

Utah Transit Authority

MEETING MEMO

Board of Trustees **Date:** 6/23/2021

TO: Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Nichol Bourdeaux, Chief Planning and Engagement Officer
PRESENTER(S): Nichol Bourdeaux, Chief Planning and Engagement Officer

TITLE:

UTA Policy - UTA.06.02 Lost and Found Policy

AGENDA ITEM TYPE:	UTA Policy
RECOMMENDATION:	Approve the Lost and Found policy UTA.06.02, which also rescinds Corporate Policy 1.1.26, and authorize the Executive Director to sign and implement the new policy.
BACKGROUND:	In an effort to update and improve the policy and procedures for handling found items on the UTA system and facilities, a task team, which included representation from Public Safety, Operations, Customer Service as well as an overview from a member of the UTA Audit department and legal support reviewed current and best practices for lost items. The new policy will guide the process for improved tracking to reunite items with their owners.
DISCUSSION:	Major changes of the Lost and Found Policy include: • Extending the holding time for items with a value of $250 or higher and all electronics from 30 days to 90 days. • Elimination of found items being tagged by employees, in case the owners never made a claim. • Immediate reporting of a found item to UTA control centers • Defining donation process to charitable organizations • Video surveillance of storage areas • Tracking the full cycle of the process
ALTERNATIVES:	If this policy is not adopted, the current Corporate Policy 1.1.26 would remain in effect.
FISCAL IMPACT:	N/A
ATTACHMENTS:	Lost and Found UTA Policy UTA.06.02

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UTAH TRANSIT AUTHORITY POLICY

No. UTA.06.02

LOST AND FOUND PERSONAL PROPERTY

1) Purpose.

To provide guidance regarding the handling and disposition of personal property left on a UTA vehicle or at a UTA facility.

2) Definitions.

"Charitable Organization" is defined by the Utah Charitable Solicitations Act to mean any person, joint venture, partnership, Limited Liability Company, corporation, association, group, or other entity:

1. That is or holds itself out to be:
   a. a benevolent, educational, voluntary health, philanthropic, humane, patriotic, religious or eleemosynary, social welfare or advocacy, public health, environmental or conservation, or civic organization
   b. for the benefit of a public safety, law enforcement, or firefighter fraternal association; or
   c. established for any charitable purpose
2. Who solicits or obtains contributions solicited from the public for a charitable purpose

"Insubstantial Commercial Value" means items with a reasonably apparent value of $250 or less

"Personal Property" means the belongings of an individual, excluding any real estate property or other buildings.

3) Policy.

A. UTA employees who find or receive personal property left on a UTA vehicle or at a UTA facility shall adhere to UTA procedures and Utah Code 76-6-407 to secure and process item(s) in a secure and timely manner. Violations of this Policy may result in disciplinary measures up to and including termination and criminal charges.

B. All items found must be reported to and documented by a supervisor; dispatcher; or control center as soon as possible. Documentation of the reported item may be reviewed for reporting and investigation.

C. All found items will be placed in a designated secure location after documentation report as timely as possible. In some cases, a customer may be allowed to claim item before it has been placed in a secure bin or location after documentation has been completed.

D. UTA will ensure items are held in a secure location to include video surveillance of storage areas for the required timelines based on value stated in the documentation report for 30 or 90 days and follow the guidelines for Corporate Policy 4.1.7 Audio/Video Security Policy.

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E. UTA will hold items with insubstantial commercial value for 30 calendar days. Items with an apparent value higher than $250 and all electronics shall be held for 90 days before discarded.

F. UTA will track found items for the complete cycle of the process, including identifying information, who claimed the item or, if discarded/donated, using the designated program provided.

G. After the time period in Paragraph 3) E has elapsed, UTA will donate the unclaimed usable items to a charitable organization. Items that are not eligible for donation will be discarded/destroyed.

H. Items collected from the secure locations will be documented and tracked in a designated software program including when the item is claimed by the owner or discarded/donated per Agency SOP.

I. The process and procedure for managing the donation process will be described in an Agency SOP.

J. The Lost and Found process is managed and documented by the Customer Service Department.

4) Cross-References:

- UTA Policy 1.1.11 - Ethics
- Corporate 4.1.7 Audio/Video Security Policy
- Utah Code 76-6-407

This UTA Policy was reviewed by UTA's Chief Officers on April 15, 2021, consented by the Board of Trustees on _____ and approved by the Executive Director on _____. This policy takes effect on the latter date.

DocuSigned by:
Nichol Bourdeaux
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Nichol Bourdeaux,
Chief Planning & Engagement Officer
Accountable Executive

Carolyn M. Gonot
Executive Director

Approved as to form:

DocuSigned by:
Mike Bell
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Counsel for the Authority

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History

Date	Action	Owner
4/18/2012	Adopted – Corporate Policy 1.1.26 Lost and Found	Customer Service Manager
8/12/2020	Reviewed, renumbered and revised	Customer Service Manager
	Board Consent – UTA Policy UTA.06.02 Lost and Found Personal Property	Customer Service Manager
	Rescinds - Corporate Policy 1.1.26	Customer Service Manager
	Adopted – UTA Policy UTA.06.02 Lost and Found Personal Property	Customer Service Manager

669 West 200 South
Salt Lake City, UT 84101

Utah Transit Authority

MEETING MEMO

Board of Trustees **Date:** 6/23/2021

TO: Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: William Greene, CFO
PRESENTER(S): Troy Bingham, Comptroller

TITLE:

2020 UTA Financial Audit Report (ACFR) and National Transit Database (NTD) Agreed Upon Procedure Report

AGENDA ITEM TYPE:	Report
RECOMMENDATION:	Accept the 2020 UTA Financial Audit Report and NTD Agreed Upon Procedure Report
BACKGROUND:	Provisions within the Public Transit District Act, 17B-2a-808.1(2)(o), UTA's By-Laws, Article VII, Section 6, and the Board of Trustee Policy 2.1(II)(G)(4), all require the use of a qualified independent auditing firm to conduct an annual financial audit and to present the results of their annual audit to the UTA's Audit Committee and the Board of Trustees. Crowe LLP was selected to conduct the 2020 financial audit. They have completed their financial audit and presented their results to UTA's Audit Committee on June 21, 2020.
DISCUSSION:	Upon acceptance, UTA staff will submit the 2020 Comprehensive Annual Financial Report ("ACFR") to the Government Finance Officers Association's Certificate of Excellence in Financial Reporting program.
ALTERNATIVES:	The Board of Trustees may seek additional information and delay acceptance of the 2020 UTA Financial Audit and NTD Agreed upon Procedure Reports.
FISCAL IMPACT:	None
ATTACHMENTS:	1) 2020 Letter to the Board of Trustees 2) 2020 ACFR which includes the Annual Financial Statements, the Single Audit Report, and the Utah State Compliance Report 3) 2020 NTD Agreed Upon Procedure Report

Board of Trustees and
Audit Committee Members
Utah Transit Authority
Salt Lake City, Utah

Professional standards require that we communicate certain matters to keep you adequately informed about matters related to the financial statement audit that are, in our professional judgment, significant and relevant to your responsibilities in overseeing the financial reporting process. We communicate such matters in this report.

AUDITOR'S RESPONSIBILITY UNDER AUDITING STANDARDS GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA

Our responsibility is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. The audit of the financial statements does not relieve you of your responsibilities and does not relieve management of their responsibilities. Refer to our engagement letter with the Utah Transit Authority (the Authority) for further information on the responsibilities of management and of Crowe LLP.

AUDITOR'S RESPONSIBILITY UNDER GOVERNMENT AUDITING STANDARDS

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of the Authority's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts or disclosures. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

We direct your attention to our report issued under *Government Auditing Standards* for matters required to be reported under the standards.

PLANNED SCOPE AND TIMING OF THE AUDIT

We are to communicate an overview of the planned scope and timing of the audit. Accordingly, the following matters regarding the planned scope and timing of the audit were discussed with you.

- How we proposed to address the significant risks of material misstatement, whether due to fraud or error.
- Our approach to internal control relevant to the audit.
- The concept of materiality in planning and executing the audit, focusing on the factors considered rather than on specific thresholds or amounts.

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- Where the entity has an internal audit function, the extent to which the auditor will use the work of internal audit, and how the external and internal auditors can best work together.
- Your views and knowledge of matters you consider warrant our attention during the audit, as well as your views on:
  - The allocation of responsibilities between you and management.
  - The entity's objectives and strategies, and the related business risks that may result in material misstatements.
  - Significant communications with regulators.
  - Other matters you believe are relevant to the audit of the financial statements.

SIGNIFICANT ACCOUNTING POLICIES AND MANAGEMENT JUDGMENTS AND ACCOUNTING ESTIMATES

Significant Accounting Policies: Those Charged with Governance should be informed of the initial selection of and changes in significant accounting policies or their application. Also, Those Charged with Governance should be aware of methods used to account for significant unusual transactions and the effect of significant accounting policies in controversial or emerging areas where there is a lack of authoritative consensus. We believe management has the primary responsibility to inform Those Charged with Governance about such matters. To assist Those Charged with Governance in its oversight role, we also provide the following.

Accounting Standard	Impact of Adoption
GASB Statement No. 84, "Fiduciary Activities" This Statement was issued to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments.	Upon adoption of this Statement, the Authority reports the Joint Insurance Trust as an employee benefit trust fund in the statement of fiduciary net position and statement of changes in fiduciary net position.
GASB Statement No. 88, "Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements" This Statement was issued to improve the information that is disclosed in the notes to government financial statements related to debt, including direct borrowings and direct placements. It clarifies which liabilities governments should include when disclosing information related to debt. The Statement defines debt as a liability that arises from a contractual obligation to pay cash or other assets in one or more payments to settle an amount that is fixed as the date the contractual obligation is established. Required debt disclosures include unused lines of credit, assets pledged as collateral for debt, and terms specified in debt agreements (e.g., events of default, termination events, and subjective acceleration clauses). Disclosure requirements also include existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt.	Upon adoption of this Statement, the Authority enhanced its debt disclosures as required. There was no impact on financial position or results of operations as a result of adoption of this Statement.

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Accounting Standard	Impact of Adoption
GASB Statement No. 90, "Majority Equity Interests – An Amendment of GAS Statements No. 14 and No 61" This Statement was issued to improve consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. This Statement defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment.	Adoption of this Statement did not have a material impact on the Authority's financial position or results of operations.
GASB Statement No. 83, "Certain Asset Retirement Obligations" This Statement was issued to improve accounting and financial reporting for certain asset retirement obligations (AROs). A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement.	Adoption of this Statement did not have a material impact on the Authority's financial position or results of operations.
Significant Unusual Transactions.	No such matters noted
Significant Accounting Policies in Controversial or Emerging Areas.	No such matters noted

Management Judgments and Accounting Estimates: Further, accounting estimates are an integral part of the financial statements prepared by management and are based upon management's current judgments. These judgments are based upon knowledge and experience about past and current events and assumptions about future events. Certain estimates are particularly sensitive because of their significance and because of the possibility that future events affecting them may differ markedly from management's current judgments and may be subject to significant change in the near term.

The following describes the significant accounting estimates reflected in the Authority's year-end financial statements, the process used by management in formulating these particularly sensitive accounting estimates and the primary basis for our conclusions regarding the reasonableness of those estimates.

Significant Accounting Estimate	Process Used by Management	Basis for Our Conclusions
Useful Lives of Capital Assets	Management has determined the economic useful lives of capital assets based on past history of similar types of assets, future plans as to their use, and other factors that impact their economic value to the Authority.	We tested the propriety of information underlying management's estimates.

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Significant Accounting Estimate	Process Used by Management	Basis for Our Conclusions
Loss Contingencies	The Authority consults with legal counsel to evaluate outstanding litigation, claims and assessments. Factors that affect management's evaluation of litigation contingencies requiring disclosure include the nature of the contingencies and whether the outcome could have an effect on the consolidated financial statements.	Based on information obtained from the Authority's legal counsel regarding this matter and discussions with management, we concur with management's determination that the loss contingency does not meet conditions for accrual of being both probable and estimable, and, thus, no accrual is recorded and no specific disclosures are required.
Pension Obligations	Amounts reported for pension obligations require management to use estimates that may be subject to significant change in the near term. These estimates are based on projection of the weighted average discount rate, rate of increase in future compensation levels, and weighted average expected long-term rate of return on pension assets.	We reviewed the reasonableness of these estimates and assumptions.

AUDITOR'S JUDGMENTS ABOUT QUALITATIVE ASPECTS OF SIGNIFICANT ACCOUNTING PRACTICES

We are to discuss with you our comments about the following matters related to the Authority's accounting policies and financial statement disclosures. Accordingly, these matters will be discussed during our meeting with you.

- The appropriateness of the accounting policies to the particular circumstances of the entity, considering the need to balance the cost of providing information with the likely benefit to users of the entity's financial statements.
- The overall neutrality, consistency, and clarity of the disclosures in the financial statements.
- The effect of the timing of transactions in relation to the period in which they are recorded.
- The potential effect on the financial statements of significant risks and exposures, and uncertainties that are disclosed in the financial statements.
- The extent to which the financial statements are affected by unusual transactions including nonrecurring amounts recognized during the period, and the extent to which such transactions are separately disclosed in the financial statements.
- The issues involved, and related judgments made, in formulating particularly sensitive financial statement disclosures.
- The factors affecting asset and liability carrying values, including the entity's basis for determining useful lives assigned to tangible and intangible assets.
- The selective correction of misstatements, for example, correcting misstatements with the effect of increasing reported earnings, but not those that have the effect of decreasing reported earnings.

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CORRECTED AND UNCORRECTED MISSTATEMENTS

Corrected Misstatements: We are to inform you of material corrected misstatements that were brought to the attention of management as a result of our audit procedures.

- Corrected misstatement in the fiduciary fund to accrue for approximately $1.4 million of 2020 contributions, received in 2021.
- Corrected misstatement related to capital assets that involves accumulated depreciation and depreciation expense

Uncorrected Misstatements: We are to inform you of uncorrected misstatements that were aggregated by us during the current engagement and pertaining to the latest and prior period(s) presented that were determined by management to be immaterial, both individually and in the aggregate, to the financial statements taken as a whole. For your consideration, we have distinguished misstatements between known misstatements and likely misstatements.

There were no such misstatements.

OTHER COMMUNICATIONS

Communication Item	Results
Other Information In Documents Containing Audited Financial Statements Information may be prepared by management that accompanies the financial statements. To assist your consideration of this information, you should know that we are required by audit standards to read such information and consider whether such information, or the manner of its presentation, is materially inconsistent with information in the financial statements. If we consider the information materially inconsistent based on this reading, we are to seek a resolution of the matter.	We understand that management has not prepared such information to accompany the audited financial statements.
Significant Difficulties Encountered During the Audit We are to inform you of any significant difficulties encountered in dealing with management related to the performance of the audit.	There were no significant difficulties encountered in dealing with management related to the performance of the audit.
Disagreements With Management We are to discuss with you any disagreements with management, whether or not satisfactorily resolved, about matters that individually or in the aggregate could be significant to the Authority's financial statements or the auditor's report.	During our audit, there were no such disagreements with management.
Consultations With Other Accountants If management consulted with other accountants about auditing and accounting matters, we are to inform you of such consultation, if we are aware of it, and provide our views on the significant matters that were the subject of such consultation.	We are not aware of any instances where management consulted with other accountants about auditing or accounting matters since no other accountants contacted us, which they are required to do by Statement on Auditing Standards No. 50, before they provide written or oral advice.
Representations The Auditor Is Requesting From Management We are to provide you with a copy of management's requested written representations to us.	We direct your attention to a copy of the letter of management's representation to us provided separately.

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Communication Item	Results
Significant Issues Discussed, or Subject to Correspondence, With Management We are to communicate to you any significant issues that were discussed or were the subject of correspondence with management.	There were no such significant issues discussed, or subject to correspondence, with management.
Significant Related Party Findings and Issues We are to communicate to you significant findings and issues arising during the audit in connection with the Authority's related parties.	There were no such findings or issues that are, in our judgment, significant and relevant to you regarding your oversight of the financial reporting process.
Other Findings or Issues We Find Relevant or Significant We are to communicate to you other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to you regarding your oversight of the financial reporting process.	There were no such other findings or issues that are, in our judgment, significant and relevant to you regarding your oversight of the financial reporting process.

We are pleased to serve the Authority as its independent auditors and look forward to our continued relationship. We provide the above information to assist you in performing your oversight responsibilities and would be pleased to discuss this letter or any matters further, should you desire. This letter is intended solely for the information and use of the Board of Trustees, members of the Audit Committee and, if appropriate, management, and is not intended to be and should not be used by anyone other than these specified parties.

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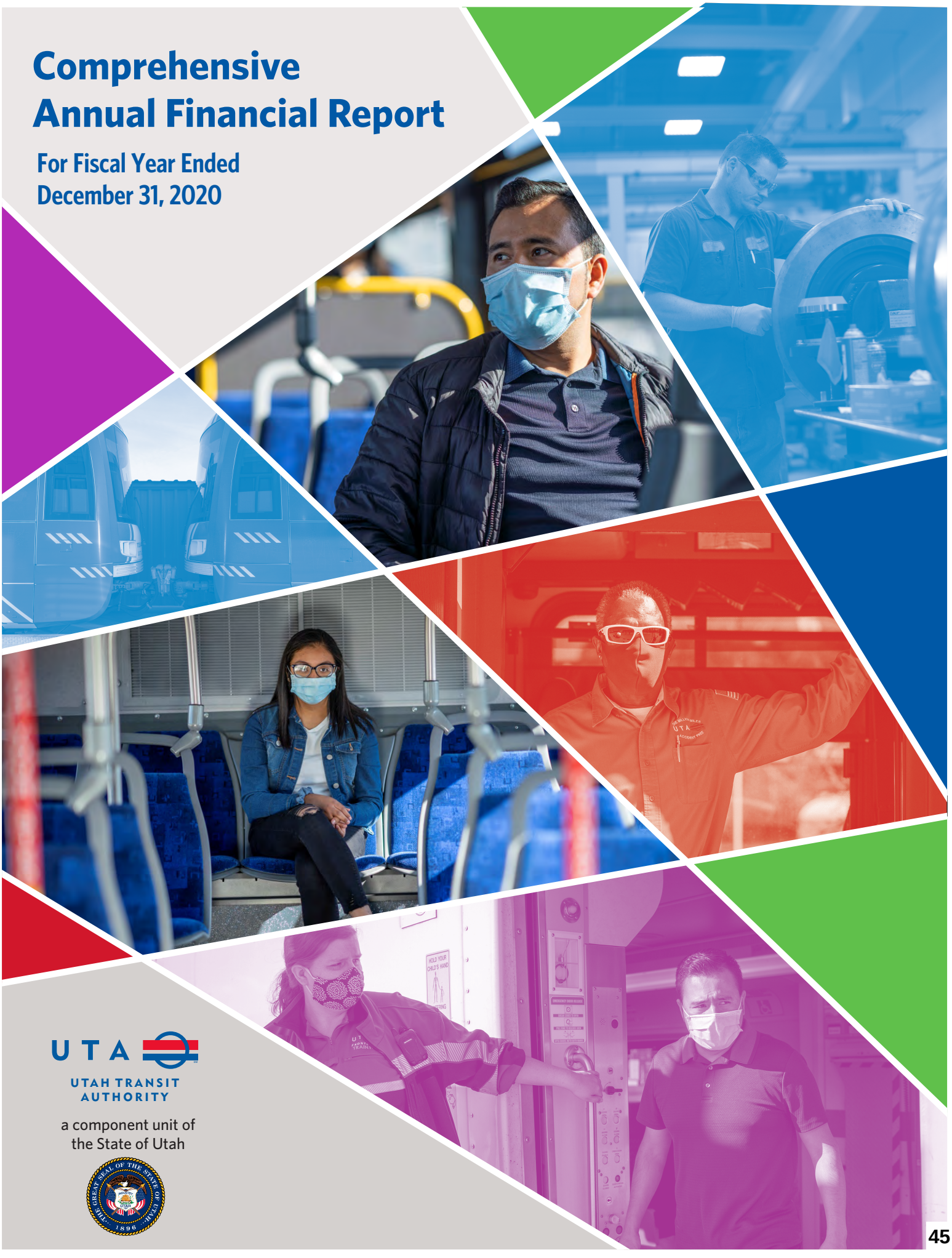
Crowe LLP

Indianapolis, Indiana
<>, 2021

Comprehensive Annual Financial Report

For Fiscal Year Ended December 31, 2020



UTA

UTAH TRANSIT AUTHORITY

a component unit of the State of Utah

Our Mission

Provide integrated mobility solutions to service life's connections,
improve public health
and enhance quality of life.

Comprehensive Annual Financial Report

For Fiscal Year Ended
December 31, 2020

Finance Department

William Greene
Chief Financial Officer

Troy Bingham
Comptroller

UTAH TRANSIT AUTHORITY
A Component Unit of the State of Utah

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Introductory Section

UTA
UTAH TRANSIT AUTHORITY

669 West 200 South
Salt Lake City, Utah 84101
1-888-RIDE-UTA
www.rideuta.com

May 21, 2021

To the Board of Trustees
Utah Transit Authority and
Citizens within the UTA Service Area

We are pleased to submit to you the Annual Comprehensive Financial Report (ACFR) of the Utah Transit Authority (the Authority) for the fiscal year ended December 31, 2020. This document has been prepared by the Authority's Finance Department using the guidelines recommended by the Government Finance Officers Association of the United States and Canada and conforms to accounting principles generally accepted in the United States of America and promulgated by the Governmental Accounting Standards Board.

Management assumes full responsibility for the completeness and reliability of the information contained in this report. Management bases their assurance upon a comprehensive framework of internal controls that have been established for this purpose. To provide a reasonable basis for making these representations, Authority management has established a comprehensive internal control framework that is designed both to protect the Authority's assets from loss, theft, or misuse and to compile sufficient statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the Authority's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

This report contains financial statements and statistical data which provide full disclosure of all the material financial operations of the Authority. The financial statements have been prepared on the accrual basis of accounting in conformance with generally accepted accounting principles. This ACFR is indicative of the Authority's commitment to provide accurate, concise and high-quality financial information to the residents of its service area and to all other interested parties.

The Authority is also required to conduct an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Information related to the single audit, including the schedule of expenditures of federal awards, findings and recommendations, and auditor's reports on internal control structure and compliance with applicable laws and regulations are included with this report.

The accounting firm of Crowe LLP was selected to perform an annual independent audit of the Authority's financial statements. The goal of the independent audit is to provide reasonable assurance that The Authority's financial statements for the fiscal year ended December 31, 2020, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial presentation. The independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion that the Authority's financial statements are fairly presented in conformity with generally GAAP. The audit also was designed to meet the requirements of the Federal Single Audit Act of 1984 and related Uniform Guidance. The auditor's report on the basic financial statements and schedules, including reports specifically related to the single audit, are included in this document.

Management's Representations

This report consists of management representations concerning the Authority's finances. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, the Authority's management has established a comprehensive internal control framework designed to ensure that the assets of the Authority are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefit likely to be derived; and (2) the valuation of the costs and benefits requires estimates and judgments by management. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A that begins on page 20 and should be read in conjunction with it.

The Authority was incorporated on March 3, 1970 under authority of the Utah Public Transit District Act of 1969 for the purpose of providing a public mass transportation system for Utah communities.

The Authority is governed by a three-member full-time board of trustees. The Governor appoints nominees from the three appointing districts within the UTA service territory to serve as trustees. The names of the nominees are then forwarded to the Senate for confirmation. Once confirmed, an appointee is sworn in as a trustee.

The Authority also has a nine-member local advisory council. The local advisory council representation includes: three members appointed by the Salt Lake County council of governments; one member appointed by the Mayor of Salt Lake City; two members appointed by the Utah County council of governments; one member appointed by the Davis County council of governments; one member appointed by the Weber County council of governments; and one member appointed by the councils of governments of Tooele and Box Elder counties. Terms for local advisory council members are indefinite.

The responsibility for the operation of the Authority is held by the board of trustees that approves budgets, sets fare, hires, sets the salaries, and develops performance targets and evaluations for the Executive Director, Internal Auditor, Chief People Officer, Chief Safety, Security, and Technology Officer, and any chief level officer. The Executive Director is charged with certain responsibilities, some of which require coordination with, or providing advice to, the board of trustees. Legal counsel will be provided by the Utah Attorney General's Office. An organizational chart which illustrates the reporting relationships follows this letter of transmittal.

The executive staff meets weekly to coordinate management of the affairs of the organization. The executive staff and various other department officials meet as needed in a policy forum to review management policies and strategic direction and objectives for the organization.

The Authority serves the largest segment of population in the State of Utah known as the Wasatch Front. Its service area includes Salt Lake, Davis, Utah, and Weber Counties, the cities of Tooele and Grantsville in Tooele County and that part of Tooele County comprising the unincorporated areas of Erda, Lakepoint, Stansbury Park and Lincoln, and the cities of Brigham City, Perry and Willard in Box Elder County.

According to the U.S. Census Bureau population estimates of July 1, 2018, the population of the Authority's service area is approximately 2,618,206 and represents 79 percent of the state's total population.

Utah's decade long economic expansion, the longest on record, ended in 2020 with the emergence of COVID-19. The public health crisis presented the greatest challenge to the Utah economy since the Great Recession. In the early spring, the forecast for 2020 was bleak as the unemployment rate in April climbed to roughly 10 percent. But as the year unfolded, the resiliency of the Utah economy was on full display. By November, Utah's year-over employment was down 0.2 percent, one of the smallest employment declines of any state, and the unemployment rate had dropped to 4.3 percent. Nationwide employment was 6.0 percent, and the unemployment rate was 6.7 percent.

Although the job market in Utah has fared better than in any other state, not all industries escaped the impact of COVID-19. Tourism has been hard hit, data for accommodations services (hotels and motels) show a drop of 22 percent in lodging. Restaurants and fast-food establishments have also been hurt, but the impact appears to be less than expected. Take-out and delivery have given some buffer to sit-down restaurants. Retail sales activity overall has been surprisingly strong. The 2021 forecast for taxable retail sales shows an increase of 13.3 percent, with building, nurseries and grocery stores particularly strong.

While the public health crisis has been tragic, the impact of the pandemic on the Utah economy has been much milder than initially expected. A strong recovery is forecast for 2021, with employment increasing by 58,000 jobs, which would be the largest single-year increase in employment in Utah's history.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Authority for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended December 31, 2019. This was the twenty-seventh consecutive year that the Authority has received this prestigious award. This certificate of award is the highest form of recognition for excellence in state and local government financial reporting. In order to receive this award, the Authority must publish an easily readable and well organized comprehensive financial report whose content conforms to the program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements. The Certificate of Achievement for Excellence in Financial Reporting is valid for a one-year period only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and are submitting it to determine eligibility for continued recognition.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire finance team at the Authority. We wish to express our sincere appreciation for the hard work and long hours that contributed to the preparation of this report. Appreciation is also extended to the Executive Board and the various team members for their cooperation and dedicated service that made it possible to produce a report of the highest standards.

William Greene
Chief Financial Officer
Utah Transit Authority

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Utah Transit Authority

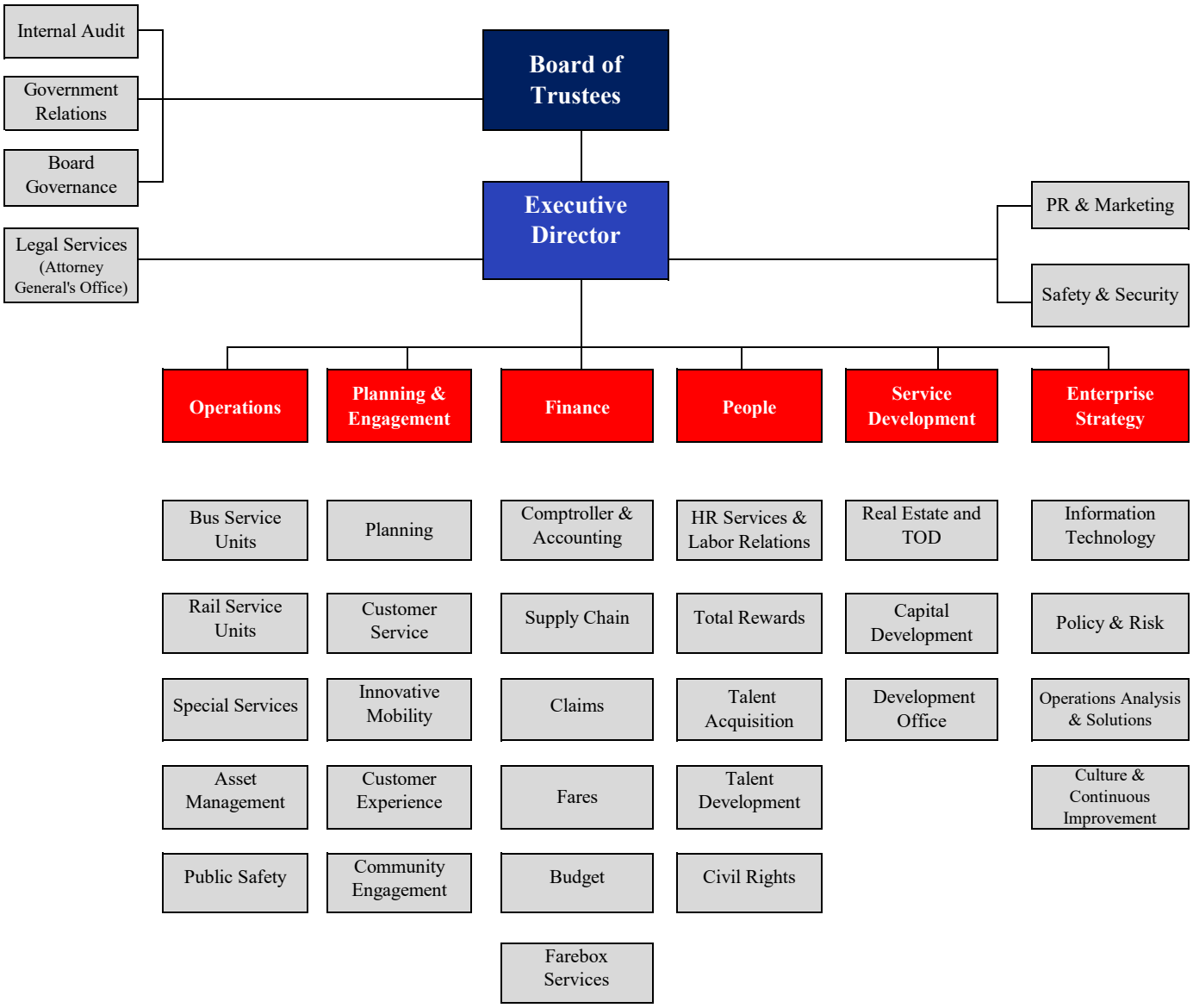
For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morrill

Executive Director/CEO

Organizational Chart



Revised 4/14/2021

UTA Board of Trustees

Beth Holbrook

Davis, Weber and Box Elder Counties

Carlton Christensen
Board Chair

Salt Lake County

Jeff Acerson

Tooele and Utah Counties

Administration

Board of Trustees

BOARD CHAIR ..... Carlton Christensen
BOARD TRUSTEE ..... Beth Holbrook
BOARD TRUSTEE ..... Jeff Acerson

Officers of the Authority

BOARD CHAIR ..... Carlton Christensen
EXECUTIVE DIRECTOR ..... Carolyn Gonot
TREASURER ..... William Greene
COMPTROLLER ..... Troy Bingham
SECRETARY ..... Annette Royle

Administration of the Authority

EXECUTIVE DIRECTOR ..... Carolyn Gonot
CHIEF OF INTERNAL AUDIT ..... Ronald Ellis
CHIEF COMMUNICATIONS AND MARKETING OFFICER ..... Nichol Bourdeaux
CHIEF FINANCIAL OFFICER ..... William Greene
CHIEF OPERATING OFFICER ..... Eddy Cumins
CHIEF PEOPLE OFFICER ..... Kim Ulibarri
CHIEF SERVICE DEVELOPMENT OFFICER ..... Mary DeLoretto
CHIEF ENTERPRISE STRATEGY OFFICER ..... Alisha Garrett

Local Advisory Council Members

Name……..Appointing Authority

Mark Johnson……...……..Utah County COG

Erin Mendenhall…… ……...…Salt Lake City

Leonard Call ……..Weber Area COG

Erik Craythorne ……...Davis Area COG

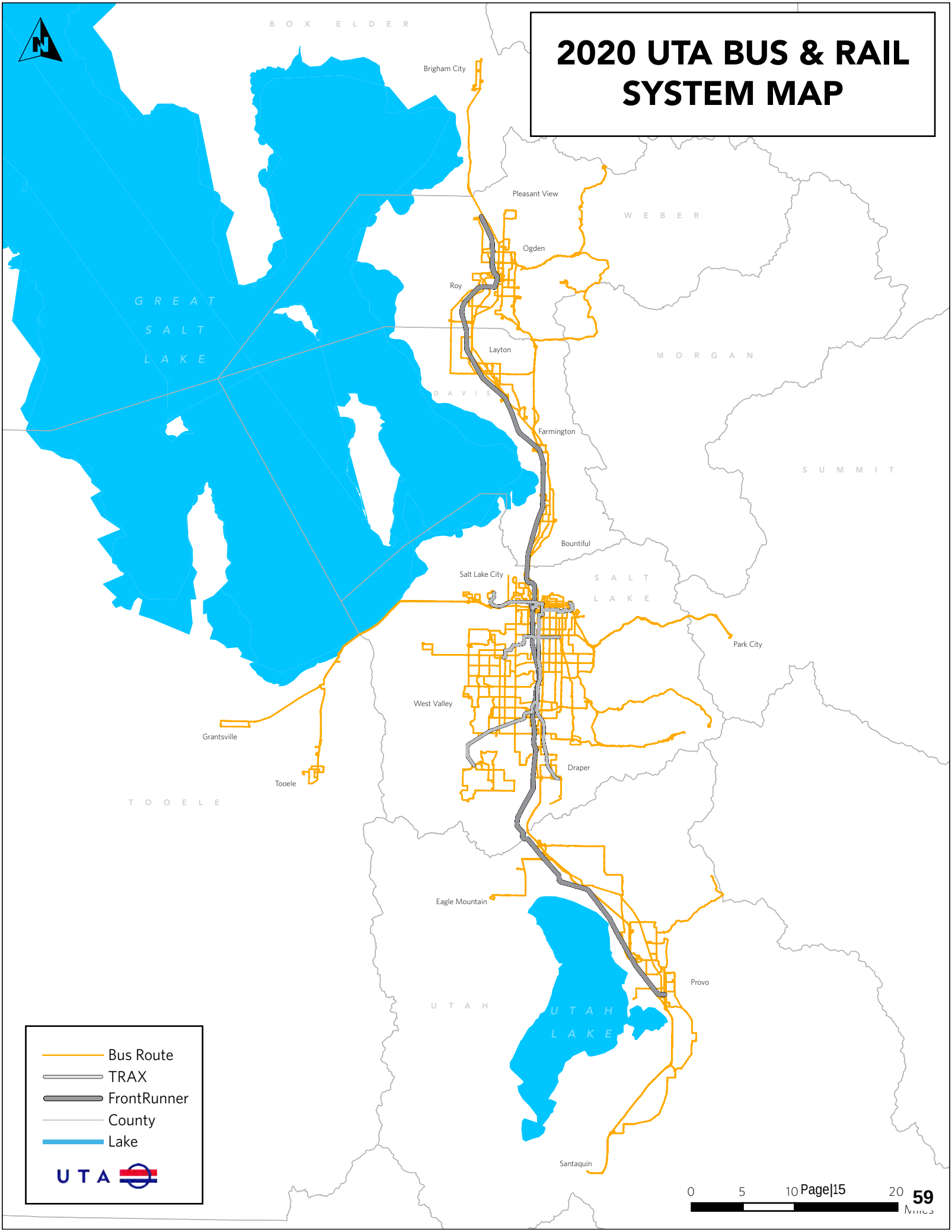
Karen Cronin ……...…Box Elder COG/Tooele COG

Julie Fullmer …….……Utah County COG

Robert Hale…….…Salt Lake County COG

Clint Smith……...…Salt Lake County COG

Troy Walker ……...……Salt Lake County COG


2020 UTA BUS & RAIL SYSTEM MAP
BOX ELDER
Brigham City
Pleasant View
WEBER
Ogden
Roy
GREAT SALT LAKE
Layton
MORGAN
DAVIS
Farmington
SUMMIT
Bountiful
Salt Lake City
SALT LAKE
Park City
West Valley
Grantsville
Tooele
Draper
TOOELE
Eagle Mountain
Provo
UTAH
UTAH LAKE
Santaquin
Bus Route
TRAX
FrontRunner
County
Lake
UTA
0
5
10
20
Miles

Financial

UTAH TRANSIT AUTHORITY

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Utah Transit Authority
Salt Lake City, Utah

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the fiduciary activities of the Utah Transit Authority (the Authority), a component unit of the State of Utah, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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 of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 entity's internal control. Accordingly, we express no such opinion. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the fiduciary activities of the Authority, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the financial statements, during the year ended December 31, 2020, the Authority adopted new accounting guidance, GASB Statement No. 84, *Fiduciary Activities*, which resulted in reporting an additional employee benefit trust fund for the Joint Insurance Trust. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in net pension liability and related ratios, schedule of required employer contributions, and schedule of investment returns, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The introductory section, statistical section, schedule of revenues, expenses and changes in net position budget and actual, and the schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of revenues, expenses and changes in net position budget and actual and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of revenues, expenses and changes in net position budget and actual and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated <>, 2021 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Crowe LLP

Indianapolis, Indiana
<>, 2021

This section of The Utah Transit Authority's annual financial report presents our discussion and analysis of financial performance during the fiscal year ending on December 31, 2020.

Following this Management's Discussion and Analysis are the basic financial statements of the Authority, together with the notes thereto, which are essential to a full understanding of the information contained in the financial statements.

FINANCIAL STATEMENTS

The Authority's financial statements are prepared on an accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP), promulgated by the Governmental Accounting Standards Board (GASB). The Authority reports as a single enterprise fund with two fiduciary funds. Revenues are recognized when earned and expenses are recognized in the period in which they are incurred. See the notes to the financial statements for a summary of the Authority's significant accounting policies.

CONDENSED STATEMENTS OF NET POSITION

	2020	2019	*Difference*	*Percent difference*
Assets				
Current and other assets	$ 529,958,949	$ 454,691,660	*$ 75,267,289*	*17%*
Capital assets, net	2,939,495,029	2,949,391,911	*(9,896,882)*	*0%*
Total assets	3,469,453,978	3,404,083,571	*65,370,407*	*2%*
Deferred outflows of resources	140,645,019	101,605,576	*39,039,443*	*38%*
Liabilities				
Current liabilities	100,846,311	83,812,739	*17,033,572*	*20%*
Long-term liabilities	2,513,952,882	2,537,454,662	*(23,501,780)*	*-1%*
Total liabilities	2,614,799,193	2,621,267,401	*(6,468,208)*	*0%*
Deferred inflows of resources	21,967,293	11,653,452	*10,313,841*	*89%*
Net position				
Net investment in capital assets	704,734,181	692,675,681	*12,058,500*	*2%*
Restricted	40,516,406	66,948,773	*(26,432,367)*	*-39%*
Unrestricted	228,081,924	113,143,840	*114,938,084*	*102%*
Total net position	**$ 973,332,511**	**$ 872,768,294**	***$ 100,564,217***	***12%***

Current and other assets increased from 2019 due to the Authority receipt of federal stimulus associated with CARES Act. These funds reimbursed the Authority for operating expenses previously paid with local sales taxes. This allowed the Authority to accumulate cash to offset losses in passenger fare and investment income effected by the downturn in the market due to the COVID-19 pandemic. The Authority was able to drawdown $95,617,240 in CARES Act funding. This offset what would have been local funding in the 2020 Budget.

Deferred outflows of resources increased from 2019 due to two significant taxable debt refundings that refinanced the 2012 tax exempt bonds entirely and a large portion of the 2015 tax exempt bonds. These advance refundings resulted in additional bond amounts being issued to satisfy the unearned interest on previous debt of $44,002,809 and $4,762,116 in March and November 2020. These amounts are amortized as interest expenses on the new bonds over the remaining life of the new bonds.

CONDENSED STATEMENTS OF NET POSITION (continued)

Current liabilities increased from 2019 due to $17,033,572 in additional principal payment being required in 2020 on long-term debt.

Deferred inflows of resources increased from 2019 due to investment returns significantly exceeding the pension earnings assumption by $10,313,841.

Restricted net position decreased from 2019 due to actions taken by the Authority in April 2020, to remove cash debt service reserves for bonds issued in 2010 and 2015, but instead used pledged securities to insure the bond holders. The required debt service reserve was reduced from $33,026,104 at the beginning of 2020 to $13,090,406 by the end of 2020. These remaining amount will be used to make the June 2021 interest payments on the 2010 and 2015 bonds.

A change in unrestricted net position over time may serve as a useful indicator of a government entity's financial position. As of December 31, 2020, the Authority's unrestricted net position increased $114,938,084 from December 31, 2019. This change can be attributed to change in current and other assets explained earlier in this section along with reductions in spending during the COVID-19 pandemic.

CONDENSED STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

	2020	2019	*Difference*	*Percent difference*
Operating revenues	$ 34,880,272	$ 55,111,554	*$ (20,231,282)*	*-37%*
Operating expenses	403,344,419	457,897,920	*(54,553,501)*	*-12%*
Excess of operating expenses over operating revenues	(368,464,147)	(402,786,366)	*34,322,219*	*9%*
Non-operating revenues	544,637,971	409,257,534	*135,380,437*	*33%*
Non-operating expenses	99,898,505	147,806,337	*(47,907,832)*	*-32%*
Income (loss) before contributions	76,275,319	(141,335,169)	*217,610,488*	*154%*
Capital contributions	24,288,898	34,808,843	*(10,519,945)*	*-30%*
Change in net positon	$ 100,564,217	$ (106,526,326)	*$ 207,090,543*	*194%*
Total net position, January 1	$ 872,768,294	$ 979,294,620		
Total net position, December 31	$ 973,332,511	$ 872,768,294		

SUMMARY OF REVENUES FOR THE YEAR ENDED DECEMBER 31

	2020	2019	Difference	Percent difference
Operating				
Passenger revenue	$ 32,845,272	$ 52,649,054	$ (19,803,782)	-38%
Advertising	2,035,000	2,462,500	(427,500)	-17%
Total operating revenue	34,880,272	55,111,554	(20,231,282)	-37%
Non-operating				
Contributions from other gov'ts (sales tax)	361,590,707	317,797,604	43,793,103	14%
Federal noncapital assistance	160,258,318	69,746,231	90,512,087	130%
Interest income	3,525,448	6,821,490	(3,296,042)	-48%
Sale of assets	927,566	1,653,736	(726,170)	-44%
Build America Bond subsidy	8,893,288	8,891,430	1,858	0%
Other	9,442,644	4,347,043	5,095,601	117%
Total non-operating revenue	544,637,971	409,257,534	135,380,437	33%
Capital contributions	24,288,898	34,808,843	(10,519,945)	-30%
Total revenues	$ 603,807,141	$ 499,177,931	$ 104,629,210	21%

The COVID-19 pandemic started in March 2020, and had a major effect on ridership. Passenger revenue typically accounts for 10 to 12 percent of the Authority's overall revenues. The pandemic has reduced the ration of passenger revenue to overall revenue to five percent in 2020. CARES Act funding from the federal government was meant to offset those immediate revenue loses, but a substantial portion of passenger revenue is generated from non-exchange like contracts with local partners. In late 2020, these local partners started to renegotiate contracts amounts and timing of payments due to lack of ridership during the pandemic. The impact of these corporate passenger revenue reductions will be felt more in 2021.

Since the Authority does not have the ability to levy taxes, it relies on contributions dedicated by member governments in the form of sales tax increments. In 2020, the Authority recognized $43,793,103 increase in sales tax receipts as compared to 2019. This trend was not expected due to the economic downturn from the pandemic, but consumers increased buying during the pandemic, with strongest growth in online buying from typically commuter based counties in the Authority's service area.

In 2020, the federal government increased the amount contributed to the Authority for operating assistance by $95,617,240 in the form of CARES Act funding. These allocations are based on a formula that factored in 2018 operating expenses of the Authority to determine the award amount.

Other revenues reflect the sales of assets, local supported routes, and miscellaneous revenues that collectively performed better than expected in 2020. The largest source of "other" revenue is from Salt Lake City for expanded and increased bus service levels in their city limits. The city paid $4,106,847 for operations, administration, and capital leasing associated with these routes.

Capital contributions decreased by $10,519,945 due to less State or local partners contributing less on capital projects in 2020. This can be expected, as local participation in new construction projects can vary from year to year and whether or not the project is grant funded.

SUMMARY OF EXPENSES FOR THE YEAR ENDED DECEMBER 31

	2020	2019	Difference	Percent difference
Operating expenses				
Bus service	$ 107,390,047	$ 104,570,413	$ 2,819,634	3%
Rail service	96,041,283	77,972,467	18,068,816	23%
Paratransit service	22,646,903	23,121,527	(474,624)	-2%
Other services	3,296,275	3,247,699	48,576	1%
Operations support	46,463,776	47,056,444	(592,668)	-1%
Administration	44,545,686	36,738,745	7,806,941	21%
Capital Maintenance Projects	-	19,078,502	(19,078,502)	-100%
Depreciation	82,960,449	146,112,123	(63,151,674)	-43%
Total operating expenses	403,344,419	457,897,920	(54,553,501)	-12%
Non-operating expenses				
Interest expense	99,898,505	96,433,336	3,465,169	4%
Net book value loss on disposal	-	51,373,001	(51,373,001)	-100%
Total non-operating expenses	99,898,505	147,806,337	(47,907,832)	-32%
Total expenses	$ 503,242,924	$ 554,331,256	$ (51,088,332)	-9%

Operating expenses for 2020 increased $8,598,173 from 2019 if depreciation is not included. In response to the COVID-19 pandemic. In April 2020, service was cut to 50 percent of 2019 service levels as ridership dropped in reaction to the COVID-19 pandemic. By late August 2020, the Authority increased service levels to 91 percent of 2019 service levels in response to higher education restarting in the fall. The temporary reductions in service allowed the Authority to save money, but new COVID-19 cleaning protocols, and retention of staff cost being incurred as a response to the COVID-19 pandemic were greater than the temporary savings.

Capital maintenance expenses are significant but infrequent non-capital expenses that are not directly attributed to each mode of transit. Capital maintenance projects in 2020 are no longer reported as a separate mode, but are now incorporated in the modal expense they benefit. The following chart shows the amount allocated to each mode:

	2020	2019	Difference	Percent difference
Capital Maintenance Projects				
Bus service	$ 2,935,739	$ 6,064,120	$ (3,128,381)	-52%
Rail service	22,009,771	9,534,221	12,475,550	131%
Paratransit service	4,802	48,291	(43,489)	-90%
Administration	5,025,154	3,431,870	1,593,284	46%
Total capital maintenance expenses	$ 29,975,466	$ 19,078,502	$ 10,896,964	57%

The decrease in depreciation expense of $63,151,674 was caused by the effects of a change in accounting estimate for revenue service vehicles that occurred in August 2020 that affected the mostly buses and vans. This change now aligns the Authority's accounting depreciable lives for revenue vehicles with the observed longevity over the last two decades and the Authority's Transit Asset Management (TAM) Plan assumptions.

SUMMARY OF EXPENSES FOR THE YEAR ENDED DECEMBER 31 (continued)

	2020	2019	Difference	Percent difference
Operating expense less depreciation	$ 320,383,970	$ 311,785,797	$ 8,598,173	2.8%
Wages	153,887,948	150,740,728	3,147,220	2.1%
Benefits	72,156,293	70,530,094	1,626,199	2.3%
Operations less wages/benefits	94,339,729	90,514,975	3,824,754	4.2%
Personnel cost	$ 226,044,241	$ 221,270,822	$ 4,773,419	2.2%
% of operating expense	70.6%	71.0%	-0.4%	-0.6%

Like most transit service agencies, personnel is the Authority's largest expense. Personnel cost for the Authority in 2020 was 70.6 percent of total operating expense less depreciation expense. Overall, personnel cost increased $4,773,419 in 2020 due to the Authority increasing salaries and holding staffing levels constant even when service level were reduced due to the COVID-19 pandemic. Federal operating assistance grants encouraged transit agencies to not reduce the workforce during the COVID-19 pandemic to provide service for transit dependent workers and help stimulate the economy.

Operating expense less personnel cost increased $3,824,754 mainly due to cost for goods and services to respond to the COVID-19 pandemic.

CAPITAL ASSET ACTIVITY

	2020	2019	Difference	Percent difference
Land	$ 410,537,405	$ 408,225,179	$ 2,312,226	1%
Construction in process	137,936,777	139,699,345	(1,762,568)	-1%
Infrastructure	2,500,620,104	2,608,295,878	(107,675,774)	-4%
Building and building improvements	213,225,412	136,570,313	76,655,099	56%
Revenue vehicles	752,974,669	752,446,315	528,354	0%
Leased revenue vehicles	71,632,600	66,592,155	5,040,445	8%
Equipment	66,536,885	64,604,128	1,932,757	3%
Land improvements	148,507,252	105,928,156	42,579,096	40%
Leased land improvements	84,485,965	84,485,965	-	0%
Intangibles	54,745,003	14,392,209	40,352,794	280%
Accumulated depreciation and amortization	(1,501,707,043)	(1,431,847,732)	(69,859,311)	5%
Total capital assets, net	$ 2,939,495,029	$ 2,949,391,911	$ (9,896,882)	0%

Readers wanting additional information should refer to Note 4 in the notes to the financial statements

The Authority continued to better define categories of capital asset. This resulted in transfers of assets from infrastructure category to building and land improvement categories (see Footnote 4 for more details).

The increase in intangible assets reflects the capitalization of the Positive Train Control (PTC) software specific to FrontRunner for $32,761,019 that took the Authority five years to develop. These train control systems were required for all heavy rail systems by the Federal Railroad Administration to insure safer operation with multiple trains operating on the same track network.

DEBT ADMINISTRATION

Bond rating agencies have rated the Authority based on the types of bonds issued and an analysis of several financial conditions and influencing factors. The following chart summarizes those ratings by bond and agency:

SUMMARY OF DEBT ADMINISTRATION ACTIVITY (continued)

Ratings Summary

Source: Zions Bank Financial Advisors

Effective date: November 2020

	Standard & Poor's	Fitch	Moody's
Senior Lien Bonds			
Current rating	AA	AA	Aa2
Outlook	Negative	Negative	Stable
Subordinate Lien Fixed Rate Bonds			
Current rating	A+	AA	A1
Outlook	Stable	Negative	Stable

These 2020 rating reflected negative outlooks for both lien types for Fitch. Fitch's outlooks are transit industry wide responses due to the COVID-19 pandemic. Standard and Poor's also changed their outlook on senior lien bonds due to the Authority's proximity to debt limits described below.

Readers wanting additional information should refer to Note 9 in the notes to financial statements

New Issues

During 2020, the Authority issued the following bonds:

March 19, 2020 -$216,650,000 of proceeds from the Federally Taxable Sales Tax Revenue Refunding Bonds, Series 2020 were used to refund the refundable maturities of the Series 2015 subordinate lien revenue bonds.

November 12, 2020 - $74,750,000 of proceeds from the Federally Taxable Subordinate Sales Tax Revenue Refunding Bonds, Series 2020B were used to refund the remaining maturities of the Series 2012 subordinate lien revenue bonds.

Limitations on Debt

If the Authority issues General Obligation Bonds, according to Utah State law, the amount of debt issued by the Authority cannot exceed three percent of the assessed valuation of real property located within the regional transit authority's district.

The Authority has historically issued Sales Tax Revenue Bonds in lieu of any General Obligation Bonds. Such bonds do not have issue limits based on assessed valuation of properties in the Authority's district but are constrained by UTA's ability to repay the principal and interest amounts annually with pledged sales tax revenues. An important metric of the Authority's financial health is the amount of pledged sales taxes annually in relation to the debt service due in the given year, or debt service coverage ratio.

Debt Service Coverage Ratio (DSCR)	Policy Minimum DSCR Requirements	Minimum DSCR Forecasted	Year of Minimum
Senior Lien	2.0x	2.0x	2029
Subordinate Lien	1.2x	1.2x	2029

The Authority's net coverage ratio would reach a minimum of 2.29 in 2029 which corresponds to the first year of the Authority's maximum annual debt service projected. Adherence to other minimum debt service coverage ratios are detailed in the table below.

Year	2020 Projected Pledged Sales Taxes	Senior Lien Debt Payments	Senior Lien Projected Debt Service Coverage Ratio	Subordinate Lien Debt Payments	Subordinate Lien Projected Debt Service Coverage Ratio	Total Projected Debt Service Coverage Ratio
2020	$ 288,981,529	$ 86,551,344	3.34	$ 41,594,642	6.95	2.26
2021	313,598,560	94,076,195	3.33	41,136,364	7.62	2.32
2022	329,278,488	98,153,494	3.35	43,801,739	7.52	2.32
2023	345,742,412	104,042,862	3.32	46,453,864	7.44	2.30
2024	363,029,533	104,045,729	3.49	46,447,864	7.82	2.41
2025	381,181,010	105,981,925	3.60	46,451,239	8.21	2.50
2026	381,181,010	105,984,163	3.60	46,454,239	8.21	2.50
2027	381,181,010	104,006,936	3.66	56,389,489	6.76	2.38
2028	381,181,010	104,002,611	3.67	56,380,739	6.76	2.38
2029	381,181,010	104,020,220	3.66	62,633,539	6.09	2.29
2030	381,181,010	104,111,562	3.66	62,611,564	6.09	2.29
2031	381,181,010	104,115,381	3.66	62,632,164	6.09	2.29
2032	381,181,010	103,867,109	3.67	62,633,670	6.09	2.29
2033	381,181,010	126,122,973	3.02	40,274,295	9.46	2.29
2034	381,181,010	126,126,238	3.02	40,273,745	9.46	2.29
2035	381,181,010	126,125,325	3.02	40,274,451	9.46	2.29
2036	381,181,010	127,432,659	2.99	34,966,051	10.90	2.35
2037	381,181,010	125,833,888	3.03	36,566,700	10.42	2.35
2038	381,181,010	123,415,219	3.09	38,980,308	9.78	2.35
2039	381,181,010	99,960,375	3.81	62,436,883	6.11	2.35
2040	381,181,010	11,657,724	32.70	150,946,856	2.53	2.34
2041	381,181,010	79,316,687	4.81	66,369,476	5.74	2.62
2042	381,181,010	122,206,633	3.12	23,475,138	16.24	2.62
2043	381,181,010	4,445,000	85.76			85.76
2044	381,181,010	4,439,300	85.87			85.87

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Key Economic Factors

During 2020, an outbreak of a novel strain of coronavirus (COVID-19) emerged globally. As a result of the spread of COVID-19, economic uncertainties have arisen that could negatively impact the Authority's anticipated future revenues and operations for an indeterminable period of time. Other financial impacts could occur, but are unknown as of the date of publication of this report. In response to the COVID-19 global pandemic, the federal government has made funding available via the Coronavirus Aid, Relief, and Economic Security (CARES) Act to aid transit districts in their response to the health crisis. Expenditures of this federal funding are subject to audit by the Federal Transit

Administration (FTA) under the Uniform Guidance, and the Authority is contingently liable to refund amounts received in excess of allowable expenditures. In the opinion of the Authority's management, no material refunds will be required as a result of expenditures disallowed by the FTA. See the results of the Single Audit in the Authority's Single Audit Report for further information.

The fiscal year 2021 Authority Budget is $326,546,000, which is a 3.2 percent increase from fiscal year 2020.

Operating Statistics

On time performance for 2020 was 90.6%.

The following information provides an annual comparison of ridership by service for years 2020 and 2019.

Source: National Transit Database

	2020	2019	*Difference*	*Percent difference*
Bus service	12,441,304	20,799,642	*(8,358,338)*	*-40.2%*
Light rail service	8,247,364	17,128,008	*(8,880,644)*	*-51.8%*
Commuter rail service	2,024,524	5,193,879	*(3,169,355)*	*-61.0%*
Paratransit service	187,112	388,265	*(201,153)*	*-51.8%*
Vanpools	658,990	1,068,364	*(409,374)*	*-38.3%*
Total ridership	23,559,294	44,578,158	*(21,018,864)*	*-47.2%*

The Authority had a 47.2 percent decrease in ridership in 2020 due to the COVID-19 pandemic.

Both commuter and light rail services have shown the largest drop in ridership due to less frequent service the Authority implemented in response to the reduced ridership. Pre-pandemic levels of commuter ridership into Salt Lake City and Salt Lake County has not returned as of the date of this report as many businesses have encouraged telecommuting or working from home for their employees.

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

The financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the money received. Questions about this report or inquiries for additional information may be addressed to the Comptroller, 669 West 200 South, Salt Lake City, Utah 84101 or tbingham@rideuta.com.

STATEMENT OF NET POSITION

		2020
ASSETS		
Current Assets:		
Cash and cash equivalents	$	185,542,606
Investments		20,061,732
Restricted cash and cash equivalents (bond funds)		16,457,844
Receivables		
Contributions from other governments (sales tax)		70,537,845
Federal grants		28,866,419
Other		7,084,940
State of Utah		3,619,783
Parts and supplies inventories		34,422,837
Prepaid expenses		2,448,303
Total Current Assets		369,042,309
Noncurrent Assets:		
Restricted assets (Cash equivalents and investments)		
Bonds funds		13,093,632
Interlocal agreements		4,236,800
Escrow funds		106,067,907
Self-insurance deposits		7,745,463
Total restricted assets		131,143,802
Non-depreciable capital assets		
Land		410,537,405
Construction in progress		137,936,777
Total non-depreciable capital assets		548,474,182
Depreciable Capital Assets:		
Land improvements		148,507,252
Leased Land Improvements		84,485,965
Building and building improvements		213,225,412
Infrastructure		2,500,620,104
Revenue vehicles		752,974,669
Leased revenue vehicles		71,632,600
Equipment		66,536,885
Intangibles		54,745,003
Total depreciable capital assets		3,892,727,890
Total capital assets		4,441,202,072
Less accumulated depreciation and amortization		(1,501,707,043)
Total capital assets, net depreciation		2,939,495,029
Amount recoverable - interlocal agreement		20,272,838
Other assets		9,500,000
Total Noncurrent Assets		**3,100,411,669**
TOTAL ASSETS	$	**3,469,453,978**

Readers wanting additional information should refer to the notes to the financial statements

STATEMENT OF NET POSITION (continued)

		2020
DEFERRED OUTFLOWS OF RESOURCES		
Advanced debt refunding	$	118,677,922
Deferred outflows of resources related to pension		21,967,097
TOTAL DEFERRED OUTFLOWS OF RESOURCES		**140,645,019**
LIABILITIES		
Current Liabilities:		
Accounts payable:		
Other		21,721,896
State of Utah		309,217
Accrued liabilities, primarily payroll-related		8,455,516
Current portion of accrued interest		9,266,627
Current portion of interlocal loan		1,885,735
Current portion of long-term debt		46,922,208
Accrued self-insurance liability		1,017,333
Unearned revenue		11,267,779
Total Current Liabilities		**100,846,311**
Long-Term Liabilities:		
Long-term compensated absences		14,338,107
Long-term deposits		1,357,094
Long-term accrued interest		2,990,412
Interlocal loan		63,779,861
Long-term debt		2,334,703,811
Long-term net pension liability		96,783,597
Total Long-term Liabilities		**2,513,952,882**
TOTAL LIABILITIES		**2,614,799,193**
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of resources related to pension		21,967,293
TOTAL DEFERRED INFLOWS OF RESOURCES		**21,967,293**
NET POSITION		
Net investment in capital assets		704,734,181
Restricted for:		
Debt service		29,551,476
Interlocal agreements		4,236,800
Self-insurance deposits		6,728,130
Unrestricted		228,081,924
TOTAL NET POSITION	**$**	**973,332,511**

Readers wanting additional information should refer to the notes to the financial statements

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

OPERATING REVENUES		
Passenger fares	$	32,845,272
Advertising		2,035,000
Total operating revenues		34,880,272
OPERATING EXPENSES		
Bus service		107,390,047
Rail service		96,041,283
Paratransit service		22,646,903
Other service		3,296,275
Operations support		46,463,776
Administration		44,545,686
Depreciation		82,960,449
Total operating expenses		403,344,419
EXCESS OPERATING EXPENSES OVER OPERATING REVENUES		**(368,464,147)**
NON-OPERATING REVENUES (EXPENSES)		
Contributions from other governments (sales tax)		361,590,707
Federal operating grants		160,258,318
Investment income		3,525,448
Sale of Assets		927,566
Other		9,442,644
Interest expense		(99,898,505)
Build America Bond subsidies		8,893,288
Net non-operating revenues		444,739,466
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS		**76,275,319**
CAPITAL CONTRIBUTIONS		
Federal grants		20,898,309
Local		3,238,849
Capital contribution		151,740
TOTAL CAPITAL CONTRIBUTIONS		**24,288,898**
CHANGE IN NET POSITION	**$**	**100,564,217**
Total Net Position, January 1	$	872,768,294
Total Net Position, December 31	$	973,332,511

Readers wanting additional information should refer to the notes to the financial statements

STATEMENT OF CASHFLOWS

Cash flows from operating activities:		
Passenger receipts	$	30,683,121
Advertising receipts		453,553
Other receipts		9,442,644
Payments to vendors		(94,793,255)
Payments to employees		(154,354,190)
Employee benefits paid		(75,525,939)
Net cash used in operating activities		(284,094,066)
Cash flows from noncapital financing activities:		
Sales tax receipts		356,229,453
Federal operating / maintenance grants		152,968,543
Net cash provided by noncapital financing activities		509,197,996
Cash flows from capital and related financing activities:		
Contributions for capital projects		
Federal		16,285,407
Local		6,622,008
Proceeds from revenue bond escrow deposits		(2,724,320)
Payments of bonds		(31,200,000)
Payments on interlocal loan		(6,107,886)
Build America Bond subsidies received		8,893,288
Bond Interest payments		(96,774,945)
Proceeds from leases		12,590,000
Payment on leases		(7,513,809)
Purchases of capital assets		(67,520,440)
Proceeds from the sale of property		927,566
Net cash used in capital and related financing activities		(166,523,131)
Cash flows from investing activities:		
Interest on investments		3,342,053
Purchases of investments		10,920,000
Proceeds from the sales of investments		(19,061,577)
Net cash used in investing activities		(4,799,524)
Net increase in cash and cash equivalents	$	53,781,275
Cash and cash equivalents at beginning of year		279,362,977
Cash and cash equivalents at end of year		333,144,252

Readers wanting additional information should refer to the notes to the financial statements

STATEMENT OF CASHFLOWS (continued)

Reconciliation of Cash to the Statement of Net Position		
Cash and cash equivalents at year end from cash flows	$	333,144,252
Cash as reported on the Statement of Net Position		
Cash and cash equivalents		185,542,606
Restricted assets (cash equivalents)		
Bonds funds		29,551,476
Interlocal agreements		4,236,800
Escrow funds		106,067,907
Self-insurance deposits		7,745,463
Total cash and cash equivalents	$	333,144,252
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	$	(368,464,147)
Adjustments to reconcile operating loss to net cash used in operatiing activities:		
Depreciation		82,960,449
Other operating revenues		9,442,644
Changes in deferred outflow/inflow of resources and net pension liability:		
Deferred outflows of resources related to pension		(8,507,144)
Deferred inflows of resources related to pension		10,313,841
Net pension liability		(7,081,242)
Total changes in deferred outflow/inflow of resources and net pension liability		(5,274,545)
Changes in assets and liabilities:		
Accounts receivable - Other and State of Utah		1,667,028
Parts and supplies inventories		1,620,997
Prepaid expenses		(149,170)
Accounts payable - Other and State of Utah		(3,075,438)
Accrued liabilities		(146,279)
Unearned revenue		(2,675,605)
Total changes in assets and liabilities:		(2,758,467)
Net cash used in operating activities	$	(284,094,066)
Information about noncash investing, capital, and financing activities:		
Change in fair value of investments	$	160,221
Capital asset acquisitions in accounts payable		10,691,789
Payments from refunding escrows:		
2012A Non-Taxable Bonds in Escrow		217,309,832
2015A Non-Taxable Bonds in Escrow		348,598,949

Readers wanting additional information should refer to the notes to the financial statements

STATEMENT OF FIDUCIARY NET POSITION

	Pension and Other Employment Benefit Trust Funds
ASSETS	
Cash in Bank	$ 2,197,488
Cash in Utah State Treasury	444,578
Total Cash	2,642,066
Investments	
Global Equities	180,702,335
Fixed Income	59,948,353
Liquid Diversifiers	13,969,240
Real assets	10,947,340
Money Market	13,119,226
Total Investments	278,686,494
Prepaid Benefits	1,167,307
Deposits	104,795
Receivables	
Dividends Receivable	211
Accounts Receivable - Benefits	3,879
Accounts Receivable - Contributions	3,207,801
Total Receivables	3,211,891
TOTAL ASSETS	**285,812,553**
LIABILITIES	
Benefits Payable	10,722
Accounts Payable	130,000
TOTAL LIABILITIES	**140,722**
NET POSITION	
Restricted for:	
Pension	279,905,104
Benefit Other Than Pension	5,766,727
Total Net Position	**$ 285,671,831**

Readers wanting additional information should refer to the notes to the financial statements and supplementary schedules

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

	Pension and Other Employment Benefit Trust Funds
ADDITIONS	
Employer Contributions	$ 44,079,123
Participant Voluntary Contributions	654,211
Total Contributions	44,733,334
Net Investment Income	
Net Appreciation in Fair Value of Investments	33,693,794
Interest	52,370
Dividends	919,037
Total Investment Income	34,665,201
Less: Investment Expense	771,700
Net Investment Income	33,893,501
TOTAL ADDITIONS	**78,626,835**
DEDUCTIONS	
Monthly Benefits Paid	31,939,232
Lump Sum Distributions	6,879,961
Administrative Expense	489,653
TOTAL DEDUCTIONS	**39,308,846**
CHANGE IN NET POSITION	**$ 39,317,989**
Total Net Position, January 1, as restated	$ 246,353,842
Total Net Position, December 31	$ 285,671,831

Readers wanting additional information should refer to the notes to the financial statements and supplementary schedules

NOTE 1 – DESCRIPTION OF THE AUTHORITY OPERATIONS AND DEFINITION OF THE ENTITY

A. Organization

The Utah Transit Authority, the "Authority", was incorporated on March 3, 1970 under authority of the Utah Public Transit District Act of 1969 for the purpose of providing a public mass transportation system for Utah communities.

The Authority's service area lies in the region commonly referred to as the Wasatch Front. The service area extends from the Wasatch Mountains on the east to the Great Salt Lake on the west, is approximately 100 miles long and 30 miles wide, and consists of an area of approximately 1,400 square miles that covers all or portions of six (6) principal counties (Box Elder, Davis, Salt Lake, Tooele, Utah and Weber). The service area also includes a small portion of Juab County.

The Authority's operations include commuter rail service from Ogden to Provo, light rail service in Salt Lake County, and bus service, paratransit service for the transit disabled, rideshare and vanpool programs system wide.

The Authority is governed by a three-member full-time board of trustees. The Governor appoints nominees from the three appointing districts within the UTA service territory to serve as trustees. The names of the nominees are then forwarded to the Utah State Senate for confirmation. Once confirmed, an appointee is sworn in as a trustee.

The Authority also has a nine-member local advisory board. The local advisory board representation includes: three members appointed by the Salt Lake County council of governments; one member appointed by the Mayor of Salt Lake City; two members appointed by the Utah County council of governments; one member appointed by the Davis County council of governments; one member appointed by the Weber County council of governments; and one member appointed by the councils of governments of Tooele and Box Elder counties. Terms for local advisory board members are indefinite.

B. Reporting Entity

The accompanying financial statements include only the accounts and transactions of the Authority. Under the criteria specified in Statements No. 14 and No. 39, the Authority has two component units that are fiduciary funds in the financials.

1. The Joint Insurance Trust is for current employee benefit premium to be held in trust until premiums are paid for the union employees of the Authority. Financial statements are included in the supplementary schedules and notes to this account can be found in note 8 of these financial statements. Separate financial statements are not created.
2. The Utah Transit Authority Employee Retirement Plan is a post-employment pension plan for all employees of the Authority. Financial statements are included in the supplementary schedules and notes to this account can be found in note 7 of these financial statements. Separate financial statements are not created.

The Authority is considered a component unit of State of Utah.

These conclusions regarding the financial reporting entity are based on the concept of financial accountability. The Authority is accountable for a separate employee pension from the Utah State Retirement System and jointly administers a joint insurance trust with the collective bargaining group that represents active union employees. Additionally, the Authority has considered the provisions of GASB No. 39 which follows the concept of economic independence. The Authority does not raise or hold economic

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

resources for the direct benefit of another governmental units. Also, other governments do not have the ability to access economic resources held by the Authority. This is evidenced by the fact that the Authority is a legally and fiscally separate and distinct organization under the provision of the Utah State Code.

A. Basis of Accounting

The Authority reports as a single enterprise fund and two additional fiduciary funds for its employee pension and joint insurance trust. These funds uses the accrual method of accounting and the economic resources measurement focus. Under this method, revenues are recognized when they are earned and expenses are recognized when they are incurred.

B. 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.

C. Federal Operating Grants

Federal planning assistance, operating and preventive maintenance grants are received from the Federal Transit Administration (FTA) and are recognized as revenue and receivable during the period in which the related expenses are incurred and eligibility requirements are met.

D. Federal Grants for Capital Expenditures

The U.S. Department of Transportation, through contracts between the Authority and the FTA, provides federal funds of 35% to 100% of the cost of property, facilities and equipment acquired by the Authority through federal grants. Grant funds for capital expenditures are earned and recorded as capital contribution revenue when the capital expenditures are made and eligibility requirements are met.

E. Classification of Revenues and Expenses

- *Operating revenues:* Operating revenues include activities that have the characteristics of exchange transactions such as passenger revenues and advertising revenues.
- *Operating expenses:* Operating expenses include payments to suppliers, employees, and third parties on behalf of employees and all payments that do not result from transactions defined as capital and related financing, non-capital financing, or investing activities.
- *Non-operating revenues:* Non-operating revenues include activities that have the characteristics of non-exchange transactions and other revenue sources that are defined as non-operating revenues by GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting,* and GASB Statement No. 34. Examples of non-operating revenues would be the contributions from other governments (sales tax), federal grants and investment income.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- *Non-operating expenses:* Non-operating expenses include payments from transactions defined as capital and related financing, non-capital financing or investing activities.

F. Contributions from Other Governments

The counties and municipalities who receive transit services from the Authority have agreed to contribute a portion of sales tax to the Authority in exchange for service. These contributions are received by the Authority approximately 60 days after the collection of the sales tax, and as such are recorded as an accrual to revenue and receivable during that period.

The following percentage of sales have been authorized as Local Option Sales Tax and dedicated to support transit:

Salt Lake County	0.8500%
Davis County	0.6500%
Weber County	0.6500%
Box Elder County	0.5500%
Utah County	0.6300%
Tooele County	0.4000%

G. Cash and Investments

Cash and investments include cash on hand, demand deposits, and amounts invested in a repurchase agreement, a certificate of deposit and the Utah Public Treasurers' Investments Fund, including restricted cash equivalents. The Authority considers short-term investments with an original maturity of three (3) months or less to be cash equivalents (Note 3).

H. Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents are defined as funds restricted by legal requirement(s) outside of the Authority.

	2020
The Authority is required to place monthly deposits in trust for next year's principal and interest on the bonds and these funds are restricted per the bond covenants.	$ 16,457,844
The Authority is required to maintain certain accounts in connection with the issuance of bonds which are restricted per the bond covenants.	13,093,632
The Authority has entered interlocal agreement with Box Elder County to restrict a certain increment of sales taxes collected in their county for FrontRunner expansion to Box Elder.	4,236,800
The Authority has issued bonds and leases in 2018, 2019, and 2020 for projects that are not complete to date, and has entered into interlocal agreement to establish escrow accounts for specific projects.	106,067,907
The Authority is required to maintain certain accounts in connection with being self-insured in the State of Utah.	7,745,463

I. Designated Cash and Cash Equivalents

Designated cash and cash equivalents are considered designated through action by the Authority's Board of Trustees and have no outside legal restrictions. Designations include funds to stabilize operations and debt

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

service in the case of changing economic environments. The following amounts were considered designated by the Board of Trustees as of December 31 of the respective years:

	2020
General reserve	$ 58,778,000
Service sustainability reserve	9,796,000
Capital replacement reserve	44,338,000
Debt reduction reserve	30,000,000
Total designated cash and cash equivalents	$ 142,912,000

- *Designated for general reserves* – This component of cash 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 Board has chosen to fund this reserve at eighteen percent (18%). The Treasurer will manage the use of the funds in the general operating reserve. *(Utah Transit Authority Board Policy No. 2.1 Financial Management)*

- *Designated for service sustainability reserves* - This component of cash consists of three percent (3%) of the Authority's annual operating budget expenses for the purpose of preserving service levels when the Authority is facing a revenue shortfall or cost overrun due to extraordinary circumstances, such as an economic downturn or rapid rise in fuel prices or any combination of such events. The Board of Trustees must give its prior approval before funds in the bond reserve are used. *(Utah Transit Authority Board Policy No. 2.1 Financial Management)*

- *Designated for capital replacement reserves* – This component of cash consists of 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. *(Utah Transit Authority Board Policy No. 2.1 Financial Management)*

- *Designated for debt reduction reserves* – This component of cash consists of debt service savings from refunded bond issues. In April 2020, in accordance with the Board's Policy No. 2.1 – Financial Management, the Board reaffirmed continuing the debt reduction reserve and the primary purpose to be primarily early retirement of outstanding debt.

J. Investments

Cash in excess of operating requirements is invested by the Treasurer. The Authority's investments comply with the Utah Money Management Act.

K. Receivables

Receivables consist primarily of amounts due to the Authority from sales tax collections, federal grants, and local government partners, pass sales and investment income. Accounting reviews all receivables that age past 120 days and follows up on contract terms for payment. This minimizes credit risk exists related to these receivables and allows for no current provision for bad debts.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

L. Parts and Supplies Inventories

Parts and supplies inventories are stated at the lower of cost (using the moving average cost method) or market. Inventories generally consist of fuel, lube oil, antifreeze and repair parts held for consumption. Inventories are expensed as used.

M. Capital Assets

Capital assets include land and land improvements, right of way, buildings and building improvements, infrastructure, vehicles, equipment, intangibles, as well as any leased capital assets in these categories. Capital assets, other than infrastructure and intangible software, are defined by UTA policy as asset with an initial, individual cost of $5,000 or more. Infrastructure capital assets are defined as assets with an initial, individual cost of $50,000 or more. Intangible software capital assets are defined as assets with an initial, individual software license cost of $10,000 or more, or $100,000 or more per software. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life, are not capitalized, but are charged to operating expense as incurred. Upon disposal of capital assets, the accounts are relieved of the related costs and accumulated depreciation, and the resulting gains or losses are reflected in the statement of revenues, expenses and changes in net position.

Depreciation of capital assets is recorded using the straight-line method over the estimated useful lives of the assets.

Depreciable capital assets are assigned the following estimated useful lives:

	Years
Land improvements	10 to 20
Leased land improvements	50
Building and building improvements	20 to 50
Infrastructure	5 to 75
Revenue vehicles	4 to 30
Leased revenue service vehicles	4 to 14
Equipment	4 to 20
Intangible assets	4 to 20

N. Amount Recoverable – Interlocal Agreement

In 2008, the Authority entered into an agreement with the Utah Department of Transportation (UDOT) which required the Authority to pay UDOT $15 million in 2008 and $15 million in 2009 for the rights to Salt Lake County's 2% of the 0.25% part 17 sales tax through the years 2045.

The Authority records such payments made to other entities for rights to future revenues as Amount Recoverable – Interlocal Agreement. This amount is amortized over the life of the agreement.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

O. Other Assets

The Authority has entered into development agreements:

Thackeray Garn at South Jordan FrontRunner Station
$1.5 million of appraised land was transferred to the development for a percentage interest in future profits at the site.

STACK Real Estate at Jordan Valley TRAX station
$8 million of proceeds from the first phase of the development was reinvested for a percentage interest in future profits at the site.

P. Compensated Absences

Vacation pay is accrued biweekly and charged to department's compensated absence expense as earned by employees.

Sick pay benefits are accrued biweekly by employees, but are not considered compensable until an employee meets the requirements to vest in the pension. This typically occurs when an employee has 5 years of service and is at least 55 years of age. Compensated absences have a maximum for administration employees of 900 hours of sick, but there is no maximum number of hours for collectively bargained employees. Employees that do not retire at the end of their tenure at the Authority forfeit all sick leave, so compensated absences are reduced yearly to reflect those choices by employees.

Q. Risk Management

The Authority is exposed to various risks of loss related to torts; theft, damage and destruction of assets; environmental matters; worker's compensation self-insurance; damage to property; and injuries to passengers and other individuals resulting from accidents, errors and omissions.

Under the Governmental Immunity Act, the maximum statutory liability in any one accident is $3 million for incidents occurring after May 1, 2019. The Authority carries an excess umbrella policy of $10 million over a $7 million self-insurance reserve. The Authority has Railroad Liability Coverage of $100 million per annum with $5 million of risk retention. The Authority is self- insured for worker's compensation up to the amount of $1 million per incident and has excess insurance for claims over this amount. The Authority has insurance for errors and omissions and damage to property in excess of $100,000 per annum.

R. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Utah Transit Authority Employee Retirement Plan and Trust ("the Plan") and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

S. Net Position

The Authority's net position is classified as follows:

- *Net investment in capital assets:* This component of net position consists of the Authority's total investment in capital assets, net of accumulated depreciation, reduced by the outstanding debt obligations related to those assets. To the extent debt has been incurred, but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.

- *Restricted for debt service:* This component of net position consists of the amount restricted by bond covenants for debt service.

- *Restricted for interlocal agreement:* This component of net position consists of the amounts restricted by interlocal agreements with the municipalities of Willard, Perry and Brigham City in Box Elder County.

- *Self-insurance deposits:* This component of net position consists of the fund amount set aside for risk.

- *Unrestricted:* This component of net position consists of that portion of net position that does not meet the definition of restricted or net investment in capital assets. When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

T. Deferred Outflows of Resources

Deferred outflows of resources are reported in a separate section, immediately following assets, the Statement of Net Position. Deferred outflows of resources represent a consumption of resources that benefit future periods and will be recognized in future periods as an expense when they are used. The Authority has the following deferred outflows of resources:

- Deferred loss on refunding
- Deferred outflows related to pensions

U. Deferred Inflows of Resources

Deferred inflows of resources are reported in a separate section, immediately following liabilities, the Statement of Net Position. Deferred inflows of resources represent an acquisition of resources that will be used in future periods and will be recognized in future periods as a revenue. The Authority has the following deferred inflows of resources:

- Deferred inflows related to pensions

V. Implemented Accounting Pronouncements

GASB Statement 83
Certain Asset Retirement Obligations
Took effect for reporting periods beginning after June 15, 2019
No effect on the Authority's financial statements

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

GASB Statement 84
Fiduciary Activities
Took effect for reporting periods beginning after December 15, 2019
This separated the Joint Insurance Trust as a blended component unit to a stand-alone fiduciary fund

GASB Statement Implementation Guide No. 2019-2
Took effect for reporting periods beginning after December 15, 2019
This separated the Joint Insurance Trust as a blended component unit to a stand-alone fiduciary fund

GASB Statement 88
Certain Disclosures Related to Debt, including Direct Borrowing and Direct Placements
Took effect for reporting periods beginning after June 15, 2019
The required more debt disclosures in the footnotes to the financial statements and regrouping of the Authority's long-term debt into direct borrowing and direct placement in those same footnotes

GASB Statement 90
Majority Equity Interests-an amendment of GASB Statements No. 14 and No. 61
Took effect for reporting periods beginning after December 15, 2019
No effect on the Authority's financial statements

GASB Implementation Guide No. 2018-1
Took effect for reporting periods beginning after June 15, 2019
No effect on the Authority's financial statements

W. Future Accounting Pronouncements

GASB Statement 87
Leases
Takes effect for reporting periods beginning after June 15, 2021
Management is currently evaluating the impact of this statement on the Authority's financial statements

GASB Statement 89
Accounting for Interest Cost Incurred before the End of a Construction Period
Takes effect for reporting periods beginning after December 15, 2020
No expected effect on the Authority's financial statements

GASB Statement 91
Conduit Debt Obligations
Takes effect for reporting periods beginning after December 15, 2021
No expected effect on the Authority's financial statements

GASB Implementation Guide No. 2019-1
Takes effect for reporting periods beginning after June 15, 2020
No expected effect on the Authority's financial statements

GASB Implementation Guide No. 2019-3
Takes effect for reporting periods beginning after June 15, 2021
No expected effect on the Authority's financial statements

GASB Statement 92
Omnibus 2020
Takes effect for reporting periods beginning after June 15, 2021
No expected effect on the Authority's financial statements

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

GASB Statement 93
Replacement of Interbank Offered Rates
Takes effect for reporting periods beginning after June 15, 2020
No expected effect on the Authority's financial statements

GASB Statement 94
Public-Private and Public-Public Partnerships and Availability Payment Arrangements
Takes effect for reporting periods beginning after June 15, 2022
No expected effect on the Authority's financial statements

GASB Statement 96
Subscription-Based Information Technology Arrangements
Takes effect for reporting periods beginning after June 15, 2022
No expected effect on the Authority's financial statements

GASB Statement 97
Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 deferred Compensations Plans
Takes effect for reporting periods beginning after June 15, 2021
No expected effect on the Authority's financial statements

GASB Implementation Guide No. 2020-1
Takes effect for reporting periods beginning after June 15, 2021
No expected effect on the Authority's financial statements

NOTE 3 – CASH AND CASH EQUIVALENTS

Unrestricted Cash and Investments

Consisting of the following as of December 31, 2020

Zions Bank	$ 8,086,992
Cash on Hand	295,196
Zions Capital Advisors	
Public Treasurers Investment Fund	9,235,028
Public Treasurers Investment Fund	167,925,390
Total Cash and Cash Equivalents	185,542,606
Zions Capital Advisors	
Agency	1,551,622
Corporate	18,510,110
Total Investments	20,061,732
Total Cash and Investments	$205,604,338

Cash Deposits

All cash not on hand at the Authority is maintained in qualified public depositories.

Investments

Investments for the Authority are governed by the Utah Money Management Act *(Utah Code Annotated,* Title 51, Chapter 7, "the Act") and by rules of the Utah Money Management Council (the Council). Following are discussions of the Authority's exposure to various risks related to its cash management activities.

- *Custodial Credit Risk* - Custodial credit risk for deposits is the risk that in the event of a bank failure, the Authority's deposits may not be recovered. The Authority's policy for managing custodial credit risk is to adhere to the Act. The Act requires all deposits of the Authority to be in a *qualified depository,* defined as any financial institution whose deposits are insured by an agency of the federal government and which has been certified by the Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Council.

  At December 31, 2020 and 2019, the balances in the Authority's bank demand deposit accounts and certificate of deposit accounts according to the bank statements totaled $14,659,414 and $42,611,072, respectively, of which $250,000 and $261,276 were covered by Federal depository insurance.

- *Credit Risk* - Credit risk is the risk that the counterparty to an investment will not fulfill its obligations. The Authority's policy for limiting the credit risk of investments is to comply with the Act. The Act requires investment transactions to be conducted only through qualified depositories, certified dealers, or directly with issuers of investment securities. Permitted investments include deposits of qualified depositories; repurchase agreements; commercial paper that is classified as "first-tier" by two nationally recognized statistical rating organizations, one of which must be Moody's investor Service or Standard & Poor's; bankers acceptances; obligations of the U.S. treasury and U.S.

NOTE 3 – CASH AND CASH EQUIVALENTS (continued)

government sponsored enterprise; bonds and notes of political subdivision of the state of Utah; fixed rate corporate obligations and variable rated securities rated "A" or higher by two nationally recognized statistical rating services as defined in the Act.

The Authority is authorized to invest in the Utah Public Treasurers' Investment Fund (PTIF), an external pooled investment fund managed by the Utah State Treasurer and subject to the Act and Council requirements. The pooled investment fund is fixed-rate corporate obligations and variable rate securities rated "A" or higher, or the equivalent of "A" or higher, by two nationally recognized statistical rating organizations. The PTIF is not registered with the SEC as an investment company and deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah. The PTIF operates and reports to the participants on an amortized cost basis. The income, gains and losses, net of administration fees of the PTIF are allocated based upon the participants' average daily balances.

- *Concentration of Credit Risk* – To minimize credit risk, the Authority looks to diversify the investments with any one issuer. The following investments are greater than 5% of the total portfolio and represent a concentration of credit risk to the portfolio as of December 31, 2020.

Investment	Credit Quality (Rating)	Amount	Credit Exposure as a % of Total Investment
Catepillar Financial Services	A	$ 1,402,213	6.99%
Honeywell International	A-	1,406,160	7.01%
Canadian Imperial Bank	BBB+	1,362,771	6.79%
Goldman Sachs Group Inc.	BBB+	1,413,039	7.04%
Truist Bank	A	1,007,778	5.02%
Federal Home Loan Bank	AAA	1,551,622	7.73%
America Honda Financial Corp	A-	1,003,664	5.00%
Comcast Corp	A-	1,003,078	5.00%
Diamler Finance North America	BBB+	1,359,825	6.78%
Investments > 5%		$ 11,510,151	57%

- *Interest Rate Risk* - Interest rate risk is the risk that changes in the interest rates will adversely affect the fair value of an investment. The Authority manages its exposure by strictly complying with its Investment Policy which complies with the Act. The Authority's policy relating to specific investment-related risk is to adhere to the Act. The Act requires that the remaining term to maturity of investments may not exceed the period of availability of the fund to be invested.

  - The following are the Authority's investment as of December 31, 2020:

Investments		Less than 1	1-3 years	Total
U.S. Agencies	AAA	$ 1,551,622	$ -	$ 1,551,622
Corporate Bonds	AAA, AA+ to AA-, A+ to A-, BBB+ to BBB-	5,997,867	12,512,243	18,510,110
Total Investments		$ 7,549,489	$ 12,512,243	$ 20,061,732

- *Fair Value of Investments* – The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

NOTE 3 – CASH AND CASH EQUIVALENTS (continued)

The three levels of the fair value hierarchy under GASB Statement 72 are described as follows:

Level 1: Inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date. Examples of markets in which inputs might be observable include exchange markets, dealer markets, brokered markets and principal-to-principal markets.

Level 2: Inputs include:

- Quoted prices for similar assets of liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in markets that are not active;
- Inputs other than quoted prices that are observable for the asset or liability such as:
    - Interest rates and yield curves observable at commonly quoted intervals
    - Implied volatilities
    - Credit spreads
- Market-corroborated inputs.

If the asset or liability has a specified (contractual) term, the Level 2 input is required to be observable for substantially the full term of the asset or liability.

Level 3: A government should develop Level 3 inputs using the best information available under the circumstances, which might include the government's own data. In developing unobservable inputs, a government may begin with its own data, but it should adjust those data if (a) reasonably available information indicates that other market participants would use different data or (b) there is something particular to the government that is not available to other market participants.

The Authority invests with Zions Capital Advisors and the Utah Public Treasurers Investment Fund. Both of these organizations meet the requirements of the Utah Money Management Act. The following are the Authority's investment as of December 31, 2020 by organization and by fair value measurement:

		Fair Value Measurements		
	12/31/2020	Level 1	Level 2	Level 3
Zions Capital Advisors				
Agency	$ 1,551,622	$ 1,551,622	$ -	$ -
Corporate	18,510,110	-	18,510,110	-
Total Investments by Fair Value Level	$ 20,061,732	$ 1,551,622	$ 18,510,110	$ -

NOTE 4 – CAPITAL ASSETS

	Balance 1/1/2020	Increases	Transfers	Decreases	Balance 12/31/2020
Capital assets not being depreciated					
Land	$ 408,225,179	$ 1,209,378	$ (1,329,273)	$ 2,432,121	$ 410,537,405
Construction in Progress	139,699,345	72,660,597	-	(74,423,165)	137,936,777
Total capital assets not being depreciated	547,924,524	73,869,975	(1,329,273)	(71,991,044)	548,474,182
Capital assets being depreciated					
Land improvements	105,928,156	4,425,016	38,154,080		148,507,252
Leased Land Improvements	84,485,965	-	-	-	84,485,965
Buildings and Building Improvements	245,182,707	5,941,260	(37,830,846)	(67,709)	213,225,412
Infrastructure	2,499,683,484	10,981,092	(51,344)	(9,993,128)	2,500,620,104
Revenue Vehicles	752,446,315	-	5,471,965	(4,943,611)	752,974,669
Leased Revenue Vehicles	66,592,155	13,161,921	(8,081,554)	(39,922)	71,632,600
Equipment	60,703,740	5,114,889	1,149,626	(431,370)	66,536,885
Intangibles	18,292,597	33,935,060	2,517,346	-	54,745,003
Total capital assets being depreciated	3,833,315,119	73,559,238	1,329,273	(15,475,740)	3,892,727,890
Less: Accumulated depreciation					
Land Improvements	(57,701,976)	(7,221,307)	(18,106,382)	191,369	(82,838,296)
Leased Land Improvements	(3,172,841)	(1,685,452)	-	-	(4,858,293)
Buildings and Building Improvements	(103,589,326)	(16,394,014)	18,047,915		(101,935,425)
Infrastructure	(786,259,061)	(76,150,608)	89,814	7,615,611	(854,704,244)
Revenue Vehicles	(400,650,304)	35,073,144	(2,801,368)	4,922,644	(363,455,884)
Leased Revenue Vehicles	(16,991,444)	(8,305,307)	5,323,508	29,130	(19,944,113)
Equipment	(55,242,273)	(1,406,694)	(924,207)	342,386	(57,230,788)
Intangibles	(8,240,507)	(6,870,211)	(1,629,280)	-	(16,739,998)
Total accumulated depreciation	(1,431,847,732)	(82,960,449)	-	13,101,140	(1,501,707,043)
Capital assets being depreciated, net	2,401,467,387	(9,401,211)	1,329,273	(2,374,600)	2,391,020,849
Total capital assets, net	$ 2,949,391,911	$ 64,468,764	$ -	$ (74,365,644)	$ 2,939,495,029

The Authority continues to refine the categories of capital assets. This resulted in transfers of assets from building improvements category to land improvement category, and from the land category into the intangible category for easements in 2020. Typical transfers for the Authority are when leased revenue vehicles are fully paid off they are transferred back to revenue vehicles category each year.

During 2020, UTA evaluated its capital assets and the associated accumulated depreciation of those assets and saw the need to better define asset useful lives for all Revenue Vehicles. This evaluation has led to change in useful lives of revenue vehicles to be consistent for all assets in those respective categories. These new useful lives reflect the changing understanding of how long a transit revenue vehicle is lasting after a decade of running service in the northern Utah environment. These changes in accounting estimates are reflected in the current year depreciation expense decrease from $146.1 million in 2019 to $82.9 million in 2020. Due to the revaluation of UTA's capital assets, a decrease in depreciation expense for 2020 of $63,151,673 has been reflected for Revenue Vehicles in the financials. The change in useful life from 2019 to 2020 by vehicle type is illustrated below.

Change in Useful Lives	2019 to 2020
35 Ft. Bus	10 Years to 14 Years
40 Ft. Bus	12 Years to 14 Years
FLEX/Paratransit	6 Years to 8 Years
Vanpool Van	5 Years to 8 Years
Light Rail	**25 Years to 30 Years**
Commuter Rail	**25 Years to 35 Years**

NOTE 4 – CAPITAL ASSETS (continued)

Depreciation expense by mode that mirrors the Statement of Revenues, Expenses, and Changes in Net Position.

Depreciation Expense	2020
Bus Service	$ 6,725,523
Rail Service	71,641,007
Paratransit Service	2,314,164
Other Services	2,279,755
Total Depreciation Expense	$ 82,960,449

Management evaluates capital assets for impairment when events or changes in circumstances suggest that the service utility of a capital asset may have significantly and unexpectedly declined. This year's impairment loss was $6,538,469 for the following assets:

Impairment List	Asset #	Useful Life Currently	New Useful Life
Vehicles			
Full-size Transit Vans w/ Lifts	17251	96 months	96 months
Full-size Transit Vans w/ Lifts	17252	96 months	96 months
Full-size Transit Vans w/ Lifts	17253	96 months	96 months
Full-size Transit Vans w/ Lifts	17254	96 months	96 months
Full-size Transit Vans w/ Lifts	17256	96 months	96 months
Wrecked Freightliner Bucket Truck	12628	60 months	Fully depreciated
Antique Bus	8101		600 months
9000 MCI Express	9056		600 months
9700 Gillig M-11	9740		600 months
9900 Gillig 40 Foot	9963		600 months
9900 Gillig 40 Foot	9977		600 months
GMC Antique Bus	2015		600 months
1998 SENATOR BUS	12654		Disposal happening in 2021
2012 Chevy Glaval	12208		600 months
Comet Car Out-of-Service	323	420 months	132 months
Comet Car Out-of-Service	302	420 months	132 months
Comet Car Out-of-Service	303	420 months	132 months
Comet Car Out-of-Service	305	420 months	132 months
Comet Car Out-of-Service	309	420 months	132 months
Comet Car Out-of-Service	310	420 months	132 months
Comet Car Out-of-Service	313	420 months	132 months
Comet Car Out-of-Service	315	420 months	132 months
Comet Car Out-of-Service	316	420 months	132 months
Comet Car Out-of-Service	317	420 months	132 months
Comet Car Out-of-Service	319	420 months	132 months
Comet Car Out-of-Service	320	420 months	132 months
Building			
Kiosk at SL Central	NEW9310	60 months	480 months

NOTE 5 – FEDERAL FINANCIAL ASSISTANCE

The Authority receives a portion of its funding from the through the U.S. Department of Transportation's Federal Transit Administration (FTA) in the form of federal preventative maintenance, federal operating assistance, and federal capital assistance grants. The majority of these grants require the Authority to participate in the funding of the service and/or capital project. The FTA retains ownership in assets purchased with federal funds.

	2020
Operating assistance	
Federal preventive maintenance grants	$ 64,465,168
Federal operating assistance – CARES grant	95,617,240
Federal operating assistance grants	175,910
	160,258,318
Capital projects	
Federal capital projects – CARES grant	1,290,132
Federal capital projects	19,608,177
	20,898,309
Total federal assistance	$ 181,156,627

NOTE 6 – SELF-INSURANCE CLAIMS LIABILITY

Changes in the accrued claims liability in 2020, 2019 and 2018 were as follows:

	Beginning liability	Claims incurred and changes in estimates	Claim payments	Ending liability
2020	$ 862,650	$ 2,481,986	$ (2,327,303)	$ 1,017,333
2019	$ 1,155,787	$ 3,319,863	$ (3,613,000)	$ 862,650
2018	$ 1,495,597	$ 3,117,762	$ (3,457,572)	$ 1,155,787

There were no significant reductions in coverage from prior years. As show in the table above there were no instances in the past 3 years where settlements exceeded insurance coverage. Please refer to Note 2, Section Q for liability limits.

The Authority's Self-Insurance and Worker's Compensation plans are fully funded. Losses are charged to operations as incurred. The liability for unpaid losses for self-insurance is determined using case-basis evaluations. Claims liabilities include allocated loss adjustment expenses and are reported net of estimated claims. Due to limited historical experience of the Utah Transit Authority's Self-Insurance and Worker's Compensation, there exists a significant range of variability around the best estimate of the ultimate cost of setting all unpaid claims. Accordingly, the amount of the liability for unpaid losses and related liabilities and the related provisions included in financial statements may be more or less than the actual cost of settling all unpaid claims. Adjustments to claim liabilities are made annually, based on subsequent developments and experience, and are included in operations as made.

NOTE 7 – EMPLOYEE BENEFIT PLANS

A. General Information

Deferred Compensation Plan

The 457 Deferred Compensation Plan is offered by the Authority to its employees. The plan was created in accordance with Internal Revenue Code Section 457. The plan is available to all employees on a voluntary basis and permits them to defer a portion of their salaries until future years. The Authority will match $2 for every $3 the employee contributes up to 2 percent of the employee's annual salary. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All assets and income of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries. The Authority has an obligation of due care in selecting the third- party administrators. In the opinion of management, the Authority has acted in a prudent manner and is not liable for losses that may arise from the administration of the plan. The Authority also has the right to change the amount of the employer match. The deferred compensation assets are held by third party plan administrators and are generally invested in money market funds, stock or bond mutual funds or guarantee funds as selected by the employee.

Retiree Medical Account

A Retiree Medical Account (RMA) is offered by the Authority to its employees. The plan was created in accordance with Internal Revenue Code Section 401(h). The plan is available to all collective bargaining employees at the start of employment and permits the Authority to contribute 1.33 hours of personal time per pay period to a defer tax account until retirement years. The Authority also allows the remaining employees at the end of their employment to create an account to defer taxes on their final pay out of unused sick leave upon retirement into a retiree medical account. The deferred medical funds are not available to employees until termination, retirement, or death and can only be used for medical expenses with tax penalty.

All assets and income of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries. As part of its fiduciary role, the Authority has an obligation of due care in selecting the third-party administrators. In the opinion of management, the Authority has acted in a prudent manner and is not liable for losses that may arise from the administration of the plan. The Authority also has the right to change the amount contributed to the collective bargaining agreement (CBA). The funds are held by third party plan administrators and are generally invested in money market funds, stock or bond mutual funds or guarantee funds as selected by the employee.

Defined Benefit Plan ("the plan")

The Utah Transit Authority Employee Retirement Plan is a single employer non-contributory defined benefit pension plan which includes all employees of the Authority who are eligible and who have completed six months of service. The Plan is a qualified government plan and is not subject to all of the provisions of ERISA.

As a defined benefit pension plan, the Authority contributes such amounts as are necessary, on an actuarially-sound basis, to provide assets sufficient to meet the benefits to be paid. Required employee contributions were discontinued effective June 1, 1992. Participants may make voluntary contributions as described below. Interest on existing account balances is credited at 5 percent per year.

Although the Authority has not expressed any intention to do so, the Authority has the right under the Plan to discontinue its contributions at any time and to terminate the plan. In the event the plan terminates, the trustee will liquidate all assets of the plan and will determine the value of the trust fund as of the next

NOTE 7 – EMPLOYEE BENEFIT PLANS (continued)

business day following the date of such termination. The trustee will allocate assets of the Plan among the participants and beneficiaries as required by law.
As of February 2016, U.S. Bank began serving as the administrator and custodian of the Plan, with Cambridge Associates, LLC (CA) serving as a third-party investment manager.

B. Reporting

The Plan is administered by the Pension Committee that consists of nine (9) members, seven (7) appointed by the Authority and two (2) appointed by the Amalgamated Transit Union Local 382 in accordance with a collective bargaining agreement. The members of the Pension Committee may (but need not) be participants in the Plan. In the absence of a Pension Committee, the Plan Administrator assumes the powers, duties and responsibilities of the Pension Committee with respect to the administration of the Plan. The Plan does not issue a standalone report.

C. Membership

The Plan's membership consisted of the following:

Active Participants	*January 1, 2020*
Fully Vested	1,349
Partially Vested	-
Not Vested	1148
Inactive Participants Not Receiving Benefits	433
Retirees and Beneficiaries Receiving Benefits	717
Total	3,647

D. Benefit Terms

Retirement Benefits

Employees with five or more years of service are entitled to annual pension benefits beginning at normal retirement age 65, or any age with 37.5 years of service in the Plan.

For participants who began participating in the Plan prior to January 1, 1994, the annual benefit is based on a retirement benefit formula equal to:

- 2.3 percent of average compensation multiplied by the participant's years of service (not exceeding 20 years), plus
- 1.5 percent of the average compensation multiplied by the participant's years of service in excess of 20 years (but such excess not to exceed 9 years of service), plus
- 0.5 percent for one year plus 2.0 percent for years in excess of 30 years not to exceed 75 percent of average compensation.

For all other active participants, the annual benefit is based on a retirement benefit formula equal to:

- 2.0 percent of average compensation multiplied by the participant's years of service (not to exceed 37.5 years or 75 percent of average compensation)

Upon termination of employment, members may leave their retirement account intact for future benefits based on vesting qualification or withdraw the accumulated funds in their individual member account and forfeit service credits and rights to future benefits upon which the contributions were based.

NOTE 7 – EMPLOYEE BENEFIT PLANS (continued)

If employees terminate employment before rendering five years of service, they forfeit the right to receive their non-vested accrued plan benefits.

Early Retirement Benefits

The Plan allows for early retirement benefits if the participant has not reached the age of 65 but is at least age 55 with a vested benefit. Benefits under early retirement are equal to the value of the accrued pension, if the participant had retired at the age of 65, reduced 5 percent per year if the payments begin before age 65.

Disability Benefits

The Plan allows for disability benefits. A member who becomes permanently disabled after 5 years of service will immediately receive the greater of the actuarially reduced monthly accrued benefit or $90 per month, reduced by any Authority sponsored disability plans. Payment of the disability benefit ends at age 65.

Death Benefits

If a participant's death occurs before age 55, but after 5 years of service, the present value of the participant's accrued vested benefit is payable to the participant's beneficiary in the form of a single lump sum regardless of the amount.

If a participant's death occurs after age 55 and 5 years of service, the participant's beneficiary can elect to receive a benefit equal to the greater of:

1) A survivor's pension as if the participant had retired on the date before the death with a 100 percent joint and survivor annuity in effect, or
2) The present value of the survivor's pension, or
3) If a spouse of 2 or more years or a minor child, the participant's contribution with interest, plus 50 percent of the average compensation, payable in the form of a lump sum, or
4) A 10-year term certain.

A participant may elect a joint and survivor annuity with 100 percent, 75 percent or 50 percent to be continued to the beneficiary upon the death of the participant.

Lump Sum Distributions

Payment in a lump sum, regardless of amount, may be made with the participant's written consent. Effective September 1, 2012, a participant who has not previously received benefits may elect a partial lump sum payment with the remaining part to be paid in the same manner as the traditional annuity.

During 2020, 43 participants elected to receive their benefit in the form of lump sum distribution. Lump sum distributions collectively totaled $6,879,961. Individuals are removed from the Plan's membership if they choose to take all of their benefit as a lump sum distribution.

NOTE 7 – EMPLOYEE BENEFIT PLANS (continued)

E. Contributions

Employer Contribution Requirements
Contributions are received from the Authority in the amount determined by the Pension Committee and approved by the Board of Trustees based on funding levels recommended by the Plan's actuary. The contribution rate for 2020 was 16.3 percent of covered payroll.

Participant Voluntary Contributions

A participant who is vested in the Plan may make voluntary contributions into the Plan, and transfer funds from the Employee 457 Deferred Compensation Plan, for the purpose of purchasing "permissive service credit" (as defined in Internal Revenue Code Section 415(N)(3)(A)), in the Plan. No more than 5 years of "permissive service credit" may be purchased. Any purchase of "permissive service credit" must be made in the final year of employment with the Authority.

F. Method of Accounting

The Plan prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, under which benefits, and expenses are recognized when due and payable and revenues are recorded in the accounting period in which they are earned and become measurable in accordance with the terms of the Plan. Accordingly, the valuation of investments is shown at fair value and both realized and unrealized gains (losses) are included in net appreciation and depreciation in fair value of investments. The plan reports in accordance with the requirements of GASB 67.

G. Pension Assets, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Net pension liability

On December 31, 2020, the Authority reported a net pension liability of $96,783,597. The net pension liability was measured as of December 31, 2020 and was determined by an actuarial valuation as of January 1, 2020 and rolled-forward using updated procedures.

Date	Total Pension Liability	Plan Fiduciary Net Position	Employers Net Pension Liability/(Asset)	Plan Fiduciary Net Position as a Percentage of the Total Plan Liability	Projected Covered Payroll	Net Pension Liability as a Percentage Of Covered Payroll
12/31/2020	$376,688,506	$279,905,104	$96,783,597	74.31%	$152,297,365	63.55%

Deferred outflows of resources and deferred inflows of resources

On December 31, 2020, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2020	
	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	$ (318,706)	$ 10,706,609
Change of Assumptions	(958,957)	11,260,488
Net difference between projected and actual earnings	(20,689,630)	-
Contributions made subsequent		
Total	$ (21,967,293)	$ 21,967,097

NOTE 7 – EMPLOYEE BENEFIT PLANS (continued)

Pension expense

For the year ended December 31, 2020, the Authority recognized pension expense of $17,979,414. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year ending December 31,		Amount
2021	$	(1,642,838)
2022		2,035,321
2023		(4,049,674)
2024		(83,613)
2025		2,610,318
Thereafter		1,130,290
Total	$	(196)

Actuarial assumptions

The total pension liability in the January 1, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Salary Increases	5.40% per annum for the first five (5) years of employment; 3.40% per annum thereafter
Investment rate of return	6.75%, net of investment expenses
Mortality	RP-2014 Blue Collar Mortality Table, with MP-2014 Project Scale (Pre-retirement; Employee Table; Post-retirement Annuitant Table)

The actuarial assumptions used in the January 1, 2020 valuation were based on the results of an actuarial experience study for the five-year period ending December 31, 2008.

Discount rate

The discount rate used to measure the total pension liability was 6.75 percent. Previous to 2020 a discount rate of 7% was used. The projection of cash flows used to determine the discount rate assumed contribution rates as recommended by the Authority's Pension Committee and approved by the Board of Trustees. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive participants. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

In accordance with GASB 67 regarding the disclosure of the sensitivity of the net pension liability to changes in the discount rate, the table below presents the net pension liability using the discount rate of 6.75 percent, as well as what the net pension liability would be if it were calculated using a discount rate 1.00 percent lower (5.75 percent) or 1.00 percent higher (7.75 percent) than the current rate.

NOTE 7 – EMPLOYEE BENEFIT PLANS (continued)

The following sensitivity analysis assumes rate volatility of plus and minus one percent of the discount rate of 6.75 percent.

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Total pension liability	$ 430,302,012	$ 376,688,506	$ 332,559,650
Fiduciary net position	279,905,104	279,905299	279,905,104
Net pension liability	$ 150,396,908	$ 96,783,597	$ 52,654,546

Schedule of changes in total pension liability, plan fiduciary net position, and net pension liability

The following table shows the change to the total pension liability, the plan fiduciary net position, and the net pension liability during the year.

	Increase (Decrease		
	Total Pension Liability [a]	Plan Fiduciary Net Position [b]	Net Pension Liability [a]-[b]
Balances as of January 1, 2020	$ 345,622,189	$ 241,757,350	$ 103,864,839
Charges for the year			
Service cost	10,653,870		10,653,870
Interest on total pension	24,263,256		24,263,256
Differences between expected and actual experience	4,292,503		4,292,503
Changes of assumptions	10,401,274		10,401,274
Plan provision (lump sum interest rate) change	1,019,977		1,019,977
Employer contributions		24,273,996	(24,273,996)
Member voluntary	83,988	83,988	-
Net investment income		33,846,064	(33,846,064)
Benefit payments	(19,648,551)	(19,648,551)	
Administrative expenses		(407,938)	407,938
Balance as of December 31, 2020	$ 376,688,506	$ 279,905,299	$ 96,783,597

H. Investments

All Plan investments are stated at fair value. Most types of marketable or actively traded investments are priced by nationally known vendors. In the event that an investment is not priced by the primary vendor, the Custodian (US Bank) engages a secondary vendor or other source. See Note 3- Investments, Fair Value Measurements.

Purchases and sales are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

NOTE 7 – EMPLOYEE BENEFIT PLANS (continued)

Investment Policy

The Pension Committee has adopted an Investment Policy Statement (IPS). The IPS is reviewed by the Pension Committee once a year and was amended effective February 2016 to revise the asset classes. A normal weighting is now indicated for each asset class. The IPS was also amended to provide a list of prohibited investments.

In setting the long-term asset policy for the Plan, the Committee has opted to provide a minimum and maximum allowable allocation to the major asset classes. The aggregate exposure to each of the asset classes is to remain within the following ranges:

	Policy Allocation	
	Target Allocation	Allowable Range
Global Equity	63%	51% - 75%
Liquid Diversifiers	10%	0% - 15%
Real Assets	4%	0% - 8%
Fixed Income	22%	12% - 32%
Cash & Equivalents	1%	0% - 5%

Rate of Return

The long-term rate of return is selected by the Plan's Pension Committee after a review of the expected inflation and long-term real returns, reflecting expected volatility and correlation. The assumption currently selected is 6.75 percent per annum, net of investment expenses.

I. Payment of Benefits

Benefit payments to participants are recorded upon distribution.

J. Administrative Expenses

Expenses for the administration of the Plan are budgeted and approved by the Pension Committee. For the year ended December 31, 2020 the Plan paid $407,938 of administrative expenses

K. Tax Status

The Plan operates under an exemption from federal income taxes pursuant to Section 501(a) of the Internal Revenue Code as a defined benefit plan.

L. Mutual Fund Asset Coverage

The Securities and Exchange Commission requires mutual fund companies to obtain fidelity bond coverage for the assets under their control. The bond coverage varies in amounts depending on the mutual fund.

M. Cash Deposits

Custodial credit risk for cash deposits is the risk in the event of a bank failure, the Plan's cash deposits may not be returned. The Federal Deposit Insurance Corporation (FDIC) insures up to $250,000 per depositor per institution. Cash deposits and account balances in excess of $250,000 are uninsured and uncollateralized.

NOTE 7 – EMPLOYEE BENEFIT PLANS (continued)

The Plan considers short-term investments with an original maturity of 3 months or less to be cash equivalents.

	2020
Cash held in banking institution(s)	$ 440,817

N. Risks and Uncertainties

The Plan utilizes various investments which, in general are exposed to various risks such as interest rate risk, credit risk and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the financial statements.

O. Credit Risk

Credit risk for investments is in the risk that the counterparty to an investment will not fulfill its obligations. The Plan's rated investments are show below.

Fixed Income:			
2020	$	59,948,353	AA/Aa Rated

P. Investment Interest Rate Risk

Investment interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The table below shows the maturities of the Plan's investments.

Fixed Inc funds:		
2020	$ 59,948,353	Average effective duration: 5.3 years
		Average effective maturity: 7.5 years

Q. Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The following amounts represent 5 percent or more of the Plan's fiduciary net position and investments as of December 31, invested with any one organization.

	2020
Equity funds:	
Two Sigma Active US All Cap &	$ 26,268,193
Ssga – 3-10 Tr US Tres Indx Ed	15,295,979
Investments	
Fixed income:	
IR+M Core Bond Fund II	$ 23,778,130

NOTE 7 – EMPLOYEE BENEFIT PLANS (continued)

	Investment Assets at Fair Value as of December 31, 2020 Level 1
Money Market Funds	$ 11,069,957
Global Equity	73,640,827
Liquid Diversifier	-
Real Assets	9,159,952
Fixed Income	3,687,008
Total Assets at Fair Value	$ 97,557,744

R. Net Asset Value per Share

The following tables provide additional disclosures concerning the investments measured at fair value based on NAV as of December 31, 2020.

	2020			
	Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Global Equity	$ 107,301,447	$ -	Daily	Daily
Liquid Diversifier	13,969,239	$ -	Daily	Daily
Real Assets	1,787,388	$ -	Daily	Daily
Fixed Income	56,261,345	$ -	Daily	Daily
Total	$ 179,319,419	$ -		

Global Equity – intended to provide capital appreciation, current income, and growth of income mostly through the ownership of public equities representing an ownership interest in a company. The objective for investment managers in this category is to exceed the results represented by the annualized return of the MSCI All Country World Index, net over annualized rolling three to five-year time periods.

Liquid Diversifiers – intend to provide the Fund with less directional equity exposure and less correlated returns to traditional asset class (i.e. equities and fixed income). These strategies may utilize multiple asset classes spanning across the capital structure of equity and debt securities and they may also employ leverage, commodities, and derivatives. These investments will be made in managers with more liquid investment profiles through mutual funds or commingled vehicles.

Real Assets – intended to provide real return through investments which has inflation sensitive characteristics. Investments could include REITs, natural resource equities, MLPs, inflation linked bonds and commodities.

Fixed Income – intended to provide diversification and protection against downward moves in the equity market and serves as a deflation hedge and a predictable source of income. Weighted average duration of the allocation will be within 1 year of the Barclays Capital Aggregate Bond Index, as measured on a quarterly basis.

NOTE 7 – EMPLOYEE BENEFIT PLANS (continued)

S. Money-Weighted Rate of Return

The money-weighted rate of return considers the changing amounts actually invested during a period and weights the amount of pension plan investments by the proportion of time they are available to return during that period. External cash flows are determined on a monthly basis and are assumed to occur at the middle

of each month. External cash inflows are netted with external cash outflows, resulting in a net external cash flow each month. The money-weighted rate of return is calculated net of investment expenses.

Fiscal Year Ending December 31 2020	Net Money-Weighted Rate of Return 13.88%

Schedule is intended to show information for 10 years. Additional years will be displayed when available.

T. Actuarial Valuation

The total pension liability as of December 31, 2020, is based on the results of an actuarial valuation date of January 1, 2020 and rolled-forward using generally accepted actuarial procedures. The significant actuarial assumptions and methods used in the January 1, 2020 valuation are as follows:

- Actuarial Cost Method – Entry Age Normal
- Inflation – 2.30 percent
- Employer Annual Payroll Growth Including Inflation – 3.40 percent
- Salary Increases – 5.4 percent for the first five years of employment; 3.4 percent per annum thereafter
- Mortality – RP 2014 Blue Collar Mortality Table, with MP-2014 projection scale
- Investment Rate of Return – 6.75 percent, net of investment expenses
- Retirement Age – Table of rates by age and eligibility
- Cost of Living Adjustments – None
- Percent of Future Retirements Electing Lump Sum – 20 percent

U. Target Allocations

The long-term rate of return is selected by the Plan's Pension Committee after a review of expected inflation and long-term real returns, reflecting expected volatility and correlation. Best estimates of the compound nominal rates of return for each major asset class included in the Plan's target asset allocations as of December 31, 2020, is summarized in the table below.

:

Asset Class	Target Asset Allocation	Geometric Long Term Expected Return
Global Equities	63%	6.8%
Fixed Income	22%	2.7%
Liquid Diversifiers	10%	3.4%
Real Assets	4%	5.1%
Cash & Equivalents	1%	1.6%
Total	100%	5.4%

NOTE 7 – EMPLOYEE BENEFIT PLANS (continued)

The 6.75 percent assumed investment rate of return is comprised of an inflation rate of 2.30 percent and a real return

V. Discount Rate and Rate Sensitivity Analysis

The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made based on the actuarially determined rates. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all the projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

W. Employer Contribution Requirements

The Authority's contribution rate consists of (1) an amount for normal cost, the estimated amount necessary to finance benefits earned by participants during the current year, and (2) an amount for amortization of the unfunded or excess funded actuarial accrued liability over the service life of the vested participants in accordance with the Authority's adoption of GASB 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*. The rates are determined using the entry age actuarial

SCHEDULE OF FIDUCIARY NET POSITION

	UTA Employee Retirement and Trust
ASSETS	
Cash in Bank	$ 440,817
Investments	
Global Equities	180,702,335
Fixed Income	59,948,353
Liquid Diversifiers	13,969,240
Real Assets	10,947,340
Money Market	11,312,878
Total Investments	276,880,146
Prepaid Benefits	1,167,307
Receivables	
Dividends Receivable	211
Accounts Receivable - Benefits	3,879
Accounts Receivable - Contributions	1,423,466
Total Receivables	1,427,556
TOTAL ASSETS	279,915,826
LIABILITIES	
Benefits Payable	10,722
TOTAL LIABILITIES	10,722
NET POSITION	
Restricted for Pension	279,905,104

NOTE 7 – EMPLOYEE BENEFIT PLANS (continued)

SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION

	UTA Employee Retirement and Trust
ADDITIONS	
Employer Contributions	$ 24,273,996
Participant Voluntary Contributions	83,988
Total Contributions	24,357,984
Net Investment Income	
Net Appreciation in Fair Value of Investments	33,682,504
Interest	16,418
Dividends	919,037
Total Investment Income	34,617,959
Less: Investment Expense	771,700
Net Investment Income	33,846,259
TOTAL ADDITIONS	58,204,243
DEDUCTIONS	
Monthly Benefits Paid	12,768,590
Lump Sum Distributions	6,879,961
Administrative Expense	407,938
TOTAL DEDUCTIONS	20,056,489
CHANGE IN NET POSITION	$ 38,147,754
Total Net Position (Restricted), January 1	$ 241,757,350
Total Net Position (Restricted), December 31	$ 279,905,104

NOTE 8 – JOINT INSURANCE TRUST

A. General Information

The Union and the Authority have agreed on February 1, 1989 that specific amounts of money paid for insurance benefit purposes for the union members be controlled by a trust. The trust should also control any additional amounts paid by the union member shall be deposited in same agreed upon trust account.

B. Reporting Entity

The trust is administered by the Joint Insurance Committee that consists of seven (7) members, one (1) neutral member agreed upon by the Union and the Authority, three (3) appointed by the Amalgamated Transit Union Local 382 in accordance with a collective bargaining agreement and three members of staff appointed by the Authority. The members of the Joint Insurance Committee may (but need not) be participants in the trust.

C. Membership

The Other Employee Benefit Plan's membership consisted of:

	December 31, 2020
Active participants	1,417
Inactive participants not receiving benefits	288
Total	1,705

D. Benefit Terms

Insurance Benefits

The Amalgamated Transit Union (ATU) and the Authority have established, through various collectively bargaining agreements, provisions for payment of medical, dental, vision, life, accident, and short-term disability insurances.

E. Contributions

Employer Contribution Requirements

Contributions from the Authority are determined by based on the current collective bargaining agreement.

Participant Matching Contributions

A participant is an employee of the Authority who is eligible for insurance benefits under the collective bargaining agreement or is eligible for Consolidated Omnibus Budget Reconciliation Act (COBRA). Certain insurance plans in the trust require participants to pay a portion of the premiums or all of the premium to participate.

F. Method of Accounting

The Plan prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, under which benefits, and expenses are recognized when due and payable and revenues are recorded in the accounting period in which they are earned. Accordingly, the valuation of investments is shown at fair value and both realized and unrealized gains (losses) are included in net appreciation and depreciation in fair value of investments.

NOTE 8 – JOINT INSURANCE TRUST (continued)

The plan does not issue a standalone report.

SCHEDULE OF FIDUCIARY NET POSITION

	Joint Insurance Trust
ASSETS	
Cash in Bank	$ 1,756,671
Cash in Utah State Treasury	444,578
Total Cash	2,201,249
Investments	1,806,348
Deposits	104,795
Receivables	1,784,335
TOTAL ASSETS	5,896,727
LIABILITIES	
Accounts Payable	130,000
TOTAL LIABILITIES	130,000
NET POSITION	
Restricted for Benefits Other than Pension	5,766,727

SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION

	Joint Insurance Trust
ADDITIONS	
Employer Contributions	$ 19,805,127
Participant Voluntary Contributions	570,223
Total Contributions	20,375,350
Net Investment Income	
Net Appreciation in Fair Value of Investments	11,290
Interest	35,952
Total Investment Income	47,242
TOTAL ADDITIONS	20,422,592
DEDUCTIONS	
Monthly Benefits Paid	19,170,642
Administrative Expense	81,715
TOTAL DEDUCTIONS	19,252,357
CHANGE IN NET POSITION	$ 1,170,235
Total Net Position (Restricted), January 1	$ 4,596,492
Total Net Position (Restricted), December 31	$ 5,766,727

NOTE 9 –LIABILITIES

The Authority issues revenue, capital interest, and capital appreciation bonds along with financing leases in order to provide funding for long-term capital improvements and acquisitions of capital assets. In some instances the full faith and credit of the Authority are pledged to secure the debt, while some are limited to pledge revenues stated in the bond. Leasehold interests in the vehicle being financed act as security for financing lease agreements.

Related to bonds, the Authority's interest payments are typically semiannual on June 15th and December 15th. Interest expense is accrued for the 16 remaining days of December as part of accrued interest. The larger part of accrued interest is related to Utah County's 2016 Debt issuance. Previous year's principal and interest payments made by Utah County along with operation expense contributed for the Utah Valley Express bus route that started in August 2018 are in accrued interest. In 2019, Utah County and the Authority agreed a new 4th quarter cent sales tax in Utah County for transit would be exclusively used to repay any obligation be accrued by the Authority related to the Utah Valley Express bus route.

In addition, the Authority has long term obligations related to compensate absences which represent obligations to employees for unused vacation leave balances or guaranteed health saving account contributions at retirement for unused sick leave balances. General revenues are used to liquidate compensated absence balances and other long term obligations.

In the event of default, the Trustee for the bonds may pursue any available remedy by suit at law on in equity to enforce the payment of the principal of, premium, in any, and interest on the Bonds the Outstanding or to enforce any obligations of the Authority. However, the Authority's obligations with respect to the Bonds are limited to Pledged Revenues. (Amended and Restated General Indenture of Trust, dated September 1, 2002)

For those debts for which collateral or a leasehold interest has been pledged, the most likely remedy in the event of default would be though other possible remedies include acceleration of all unpaid payments on the debt, possession of pledged property by the debtor, and any necessary legal actions against the Authority to cure the default. (The Authority's Current Standard Lease Purchase Agreement Language)

On March 19th, 2020, the Authority issued $216,650,000 In Senior Sales Tax Revenue Bonds to provide resources to purchase qualifying open market securities which were placed in an irrevocable trust for the purpose of generating resources for the advanced refunding of certain 2015A Senior Revenue Bonds. As a result the refunded bonds are considered defeased and a portion of liability for those bonds have been removed. The transaction resulted in a reduction of total debt service requirements by $21,052,014 which resulted in an economic gain of $17,464,464.

On November 12th, 2020, the Authority issued $74,750,000 in Subordinated Lien Sales Tax Revenue Bonds to provide resources to purchase qualifying open market securities which were placed in an irrevocable trust for the purpose of generating resources for the advanced refunding of 2012 Revenue Bonds. As a result the refunded bonds are considered totally defeased and the liability for those bonds have been removed. The transaction resulted in a reduction of total debt services requirements by $11,074,073 which resulted in an economic gain of $8,914,307.

In prior years, the Authority has refunded certain bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the refunded bonds. Accordingly, the trust account assets and the liability for the refunded bonds are not included in the Authority's financial statements. At December 31, 2020, $217,309,832 of the 2012A Revenue Bond and $348,598,949 of the 2015A Revenue Bond were defeased in irrevocable trust. In 2020, $10,457,750 from the 2012A and $15,057,250 from the 2015A were paid from these irrevocable trust accounts. Certain amounts that were paid during refunding are capitalized and amortized over the life of the debt and are reported as deferred amounts on refundings.

NOTE 9 – LIABILITIES (continued)

	Amount Outstanding	Amount Due Within One Year	Accrued Interest	Amount of Collateral
DIRECT BORROWINGS:				
INTER-LOCAL LOAN: On December 22, 2016, Utah County issued a $65 million Subordinated Transportation Sales Tax Revenue Bond to be used for the construction of the Utah Valley Express bus route. The Authority and Utah County have entered into an inter-local agreement that requires the Authority to reimburse Utah County for all bond costs (principal, interest, and cost of issuance) prior to December 31, 2028. The Authority paid the November 1, 2020 bond principal and interest payment. The principal amount paid was $1,410,000 and the interest paid was $961,433.20. The amount owed to the County was reduced by those amounts. In 2020, the Authority will remit $2,735,019 to Utah County for repayment of prior debt payments per the terms of Utah County 4th Quarter Cent Sales Tax Inter-local Agreement.	$65,665,597	$1,885,735	$5,219,241	-
Subtotal: Direct Borrowings – Inter-local Loan	$65,665,597	$1,885,735	$5,219,241	-
FINANCING LEASES:				
$5,283,500 12-Year Financing Lease, Series 2015, issued July 17, 2015, maturing monthly from August 17, 2015 through July 17, 2027, with interest payable monthly at rate of 2.0908%. A leasehold interest in 10 CNG buses and equipment is pledged as security for the debt.	$3,061,703	$438,385	-	$2,898,587
$2,480,000 12-Year Financing Lease, Series 2016, issued September 27, 2016, maturing monthly from October 27, 2016 through September 27, 2028, with interest payable monthly at rate of 1.6322%. A leasehold interest in 5 ski buses and equipment is pledged as security for the debt.	$1,656,614	$202,175	-	$1,601,667
$4,546,000 5-Year Financing Lease, Series 2016, issued September 27, 2016, maturing monthly from October 27, 2016 through September 27, 2021, with interest payable monthly at rate of 1.3008%. A leasehold interest in 33 FLEX/Paratransit vehicles and equipment is pledged as security for the debt.	$700,881	$700,881	-	$681,900
$24,390,000 12-Year Financing Lease, Series 2017, issued November 30, 2017, maturing monthly from December 31, 2017 through November 30, 2029, with interest payable monthly at rate of 2.2440%. A leasehold interest in 47 buses and equipment is pledged as security for the debt.	$18,735,162	$1,919,557	-	$18,123,125

NOTE 9 – LIABILITIES (continued)

	Amount Outstanding	Amount Due Within One Year	Accrued Interest	Amount of Collateral
$1,444,000 5-Year Financing Lease, Series 2017, issued November 30, 2017, maturing monthly from December 31, 2017 through November 30, 2022, with interest payable monthly at rate of 1.8200%. A leasehold interest in 33 FLEX/Paratransit vehicles and equipment is pledged as security for the debt.	$569,105	$294,449	-	$558,208
$1,307,000 4-Year Financing Lease (A vehicle was totaled and paid off in 2018, therefore the principle was reduced by $28,893), Series 2017, issued November 30, 2017, maturing monthly from December 31, 2017 through November 30, 2021, with interest payable monthly at rate of 1.7700%. A leasehold interest in 36 RideShare vans is pledged as security for the debt.	$298,511	$298,511	-	$290,539
$12,496,000 12-Year Financing Lease, Series 2018, issued November 28, 2018, maturing monthly from December 28, 2018 through November 30, 2030, with interest payable monthly at rate of 3.2950%. A leasehold interest in 24 buses, 2 trolleys, and their associated equipment is pledged as security for the debt.	$10,664,701	$924,626	-	$10,326,555
$381,000 5-Year Financing Lease, Series 2018, issued November 28, 2018, maturing monthly from December 28, 2018 through November 30, 2023, with interest payable monthly at rate of 3.0570%. A leasehold interest in 36 FLEX/Paratransit vehicles and equipment is pledged as security for the debt.	$229,285	$76,323	-	$214,790
$1,500,000 4-Year Financing Lease, Series 2018, issued November 28, 2018, maturing monthly from December 28, 2018 through November 30, 2022, with interest payable monthly at rate of 3.0220%. A leasehold interest in 60 RideShare vans is pledged as security for the debt.	$727,660	$374,395	-	$705,468
$5,190,000 12-Year Financing Lease, Series 2019, issued August 8, 2019, maturing monthly from September 8, 2019 through August 8, 2031, with interest payable monthly at rate of 2.2200%. A leasehold interest in 10 buses and equipment is pledged as security for the debt.	$4,679,158	$393,169	-	$4,454,104

NOTE 9 – LIABILITIES (continued)

	Amount Outstanding	Amount Due Within One Year	Accrued Interest	Amount of Collateral
$2,730,000 5-Year Financing Lease, Series 2019, issued August 8, 2019, maturing monthly from September 8, 2019 through August 8, 2024, with interest payable monthly at rate of 1.9100%. A leasehold interest in 30 FLEX/Paratransit vehicles and equipment is pledged as security for the debt.	$2,027,279	$538,901	-	-
$1,960,000 4-Year Financing Lease, Series 2019, issued August 8, 2019, maturing monthly from September 8, 2019 through August 8, 2023, with interest payable monthly at rate of 1.9100%. A leasehold interest in 52 RideShare vans is pledged as security for the debt.	$1,323,219	$488,333	-	$824,027
$9,530,000 14-Year Financing Lease, Series 2020, issued December 5, 2020, maturing monthly from January 3rd, 2021 through December 3, 2034, with interest payable monthly at rate of 1.696%. A leasehold interest in 20 buses and equipment is pledged as security for the debt.	$9,530,000	$608,287	-	-
$3,060,000 6-Year Financing Lease, Series 2020, issued December 5, 2020, maturing monthly from January 3, 2021 through December 3, 2026, with interest payable monthly at rate of .964%. A leasehold interest in 25 Flex/Paratransit vehicles and 35 RideShare vans and equipment is pledged as security for the debt.	$3,060,000	$499,216	-	-
Subtotal Direct Borrowings: Financing Leases	$57,263,278	$7,757,208	-	$40,678,970
TOTAL DIRECT BORROWINGS	$122,928,875	$9,642,943	$5,219,241	$40,678,970
OTHER DEBT:				
REVENUE BONDS:				
$20,630,000 Senior Revenue bonds, Series 2005A, issued August 10, 2005, maturing annually from June 15, 2005 through June 15, 2022, with interest payable semiannually at rates from 3.25-5.25%.	$3,730,000	$1,815,000	$8,159	-
$134,650,000 Senior Revenue bonds, Series 2006C,issued October 24, 2006, maturing annually from June 15, 2007 through June 15, 2032, with interest payable semiannually at rates from 5.00% - 5.25%	$96,775,000	$5,950,000	$211,695	-

NOTE 9 – LIABILITIES (continued)

	Amount Outstanding	Amount Due Within One Year	Accrued Interest	Amount of Collateral
$700,000,000 Senior Revenue bonds, Series 2008A, issued April 10, 2008, maturing annually from December 15, 2008 through June 15, 2038, with interest payable semiannually at rates from 4.75-5.25%	$48,410,000	-	$105,897	-
$668,655,000 Senior Revenue bonds, Series 2015A, issued February 25, 2015, maturing annually from June 15, 2015 through June 15, 2038, with interest payable semiannually at rates from 2.00-5.00%.	$480,220,000	$18,235,000	$902,721	-
$192,005,000 Subordinate Revenue bonds, Series 2015B, issued February 25, 2015, maturing annually from June 15, 2015 through June 15, 2037, with interest payable semiannually at rates from 3.00-5.00%.	$64,020,000	$5,840,000	$133,375	-
$145,691,498 Subordinate Revenue bonds, Series 2016, issued August 24, 2016, maturing annually from December 15, 2016 through December 15, 2031, with interest payable semiannually at rates from 3.00 - 4.00%.	$126,780,000	-	$191,763	-
$83,765,000 Senior Revenue bonds, Series 2018, issued March 15, 2018, maturing annually from June 15, 2018 through December 15, 2036, with interest payable semiannually at rates from 3.722 - 5.00%.	$82,265,000	-	$147,392	-
$115,540,000 Subordinate Revenue bonds, Series 2018, issued March 15, 2018, maturing annually from June 15, 2018 through December 15, 2041 with interest payable semiannually at rates from 3.125-5.00%.	$113,035,000	$3,235,000	$212,120	-
$61,830,000 Senior Revenue bonds, Series 2019A, issued November 26, 2019, maturing annually from June 15, 2020 through December 15, 2044, with interest payable semiannually at rates from 3.00-5.00%.	$61,830,000	-	$104,579	-
$188,810,000 Senior Revenue bonds, Series 2019B, issued November 26, 2019, maturing annually from June 15, 2020 through December 15, 2042, with interest payable semiannually at a rate of 3.443%.	$188,810,000	-	$249,577	-
$59,070,000 Subordinate Revenue bonds, Series 2019B, issued November 26, 2019, maturing annually from June 15, 2020 through December 15, 2042, with interest payable semiannually at rates from 3.393-3.643%.	$59,070,000	-	$87,851	-

NOTE 9 – LIABILITIES (continued)

	Amount Outstanding	Amount Due Within One Year	Accrued Interest	Amount of Collateral
$216,650,000 Taxable Senior Lien Sales Tax Revenue bonds, Series 2020, issued March 19, 2020, maturing annually from June 15, 2020 through December 15, 2038, with interest payable semiannually at rates from .937-2.774%.	$211,370,000	$4,090,000	$196,267	-
$74,750,000 Subordinate Revenue bonds, Series 2020B, issued November 12, 2020, maturing annually from June 15, 2021 through December 15, 2039, with interest payable semiannually at rates from 2.375-2.97%.	$74,750,000	-	$274,395	-
Subtotal Revenue Bonds	$1,611,065,000	$39,165,000	$2,825,791	-
CURRENT INTEREST BONDS:				
$128,795,000 Subordinate Current Interest Debt, Series 2007A, issued June 19, 2007, maturing annually from December 15, 2007 through June 15, 2035, with interest payable semiannually at a rate of 5.00%.	$115,895,000	-	$241,448	-
Subtotal Current Interest Bonds	$115,895,000	-	$241,448	-
BUILD AMERICA BONDS:				
$261,450,000 Senior Debt, Series 2009B, issued May 21, 2009, maturing annually from December 15, 2009 through June 15, 2029, with interest payable semiannually at a rate of 5.937%. The authority elected to treat the 2009B bonds as "Build America Bonds" for the purpose of the American Recovery and Investment Act of 2009 (the Recovery Act) and to receive a cash subsidy from the United States Treasury in connection therewith. Pursuant to the Recovery Act, the Authority anticipates cash subsidy payments from the United States Treasury equal to 35% ($5,432,800) of the interest payable on the 2009B bonds.	$261,450,000	-	$646,762	-
$200,000,000 Subordinate Debt, Series 2010A, issued October 20, 2010, maturing annually from June 15, 2011 through June 15, 2040, with interest payable semiannually at a rate of 5.705%. The authority elected to treat the 2010A bonds as "Build America Bonds" for the purpose of the American Recovery and Investment Act of 2009 (the Recovery Act) and to receive a cash subsidy from the United States Treasury in connection therewith. Pursuant to the Recovery Act, the Authority anticipates cash subsidy payments from the United States Treasury equal to 35% ($3,993,500) of the interest payable on the 2010A bonds.	$200,000,000	-	$475,417	-

NOTE 9 – LIABILITIES (continued)

	Amount Outstanding	Amount Due Within One Year	Accrued Interest	Amount of Collateral
Subtotal Build America Bonds	$461,450,000	-	$1,122,179	-
CAPITAL APPRECIATION BONDS				
$18,911,498 Capital Appreciation Subordinate Debt, Series 2016, issued August 24, 2016, maturing December 15, 2032 at a rate of 3.32%	$18,911,498	-	$2,848,380	-
Subtotal Capital Appreciation Bonds	$18,911,498	-	$2,848,380	-
TOTAL OTHER DEBT	$2,207,321,498	$39,165,000	$7,037,798	-

OTHER DEBT

The Sales Tax Revenue Bonds are payable from and secured by UTA's sales and use tax revenue. UTA is require to maintain certain minimum deposits, as defined in the Indenture of Trust, to meet debt service requirements. Sales Tax Revenue Bonds debt service requirements to maturity are as follows:

Year ending December 31,	Principal	Interest	Total
2021	39,165,000	96,047,559	135,212,559
2022	48,150,000	93,805,233	141,955,233
2023	59,260,000	91,236,726	150,496,726
2024	62,125,000	88,368,593	150,493,593
2025	67,060,000	85,373,164	152,433,164
2026-2030	431,605,000	374,990,061	806,595,061
2031-2035	544,171,498	288,273,854	832,445,352
2036-2040	671,075,000	141,121,663	812,196,663
2041-2044	284,710,000	15,542,236	300,252,236

DIRECT BORROWINGS

Beginning in 2015, UTA has secured capital leases annually for the purchase of buses, paratransit vehicles and vanpool commuter vans. The Capital Lease Agreements from 2015 through 2019 were secured from Banc of America Public Capital Corporation and the Capital Lease Agreement in 2020 was secured through JP Morgan Chase Bank.

On December 22, 2016, Utah County issued a $65 million Subordinated Transportation Sales Tax Revenue Bond to be used for the construction of the Utah Valley Express bus route. The Authority and Utah County have entered into an inter-local agreement that requires the Authority to reimburse Utah County for all bond costs (principal, interest, and cost of issuance) prior to December 31, 2028

NOTE 9 LONG-TERM LIABILITIES (continued)

Annual repayment requirements on the Direct Borrowings are:

Year ending December 31,	Principal	Interest	Total
2021	15,752,804	3,075,301	18,828,105
2022	8,394,708	2,871,646	11,266,354
2023	7,775,699	2,679,223	10,454,922
2024	7,349,737	2,498,642	9,848,379
2025	7,144,436	2,324,815	9,469,251
2026-2030	73,228,227	7,635,819	80,864,046
2031-2034	3,283,264	106,253	3,389,517

Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2020 was as follows:

	Balance 1/1/2020	Additions	Reductions	Balance 12/31/2020	Due Within One Year
Other Debt:					
Sales Tax Revenue Bonds	2,198,209,467	291,400,000	(282,287,969)	2,207,321,498	39,165,000
Issuance premiums/(discounts)	132,932,460	(570,550)	(15,320,667)	117,041,243	-
Total Other Debt	**2,331,141,927**	**290,829,450**	**(297,608,636)**	**2,324,362,741**	**39,165,000**
Direct Borrowings					
Financing Lease Agreements	52,187,087	12,590,000	(7,513,809)	57,263,278	7,757,208
Inter-local Loan	68,077,030	3,696,453	(6,107,886)	65,665,597	1,885,735
Total Direct Borrowings	120,264,117	16,286,453	(13,621,695)	122,928,875	9,642,943
Total long-term liabilities	2,451,406,044	307,115,903	(311,230,331)	2,447,291,616	48,807,943

Compensated Absences

	Balance 1/1/2020	Additions	Reductions	Balance 12/31/2020
Total Vacation Liability	7,184,755	10,969,251	(9,073,774)	9,080,232
Total Sick Liability	5,248,453	1,204,730	(1,195,308)	5,257,875
Total Compensated Absences	12,433,208	12,173,981	(10,269,082)	14,338,107

NOTE 10 – COMMITMENTS AND CONTINGENCIES

The Authority is a defendant in various matters of litigation and has other claims pending as a result of activities in the ordinary courses of business. Management and legal counsel believe that by reason of meritorious defense, by insurance coverage or statutory limitations, these contingencies will not result in a significant liability to the Authority in excess of the amounts provided as accrued self-insurance liability in the accompanying financial statements.

NOTE 10 – COMMITMENTS AND CONTINGENCIES (continued)

As of December 31, 2020, the Authority also has purchasing commitments of $127.8 million for capital projects. The largest of these commitments are as follows:

- $53.2 million Depot District
- $19.1 million Bus Replacements
- $13.5 million Light Rail Overhaul
- $ 7.9 million TRAX Airport Relocation Design
- $ 7.0 million Train Control Rehabilitation and Replacement
- $ 5.5 million Sandy Civic Center Parking Structure
- $ 4.8 million TIGER Grant Projects
- $ 1.1 million Ogden-Weber State University Bus Rapid Transit
- $ 0.7 million South Davis County Bus Rapid Transit

NOTE 11 –SUBSEQUENT EVENTS

On December 27, 2020, President Donald J. Trump signed the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) providing $14 billion to transit agencies in the form of formula grant to help to respond to the COVID-19 pandemic. The total available amount for UTA that will be executed in a grant in the summer of 2021 is as follows:

UZA	*Amount*
Salt Lake	$ 30,597,668
Ogden	760,201
Provo	2,226,234
Total	**$ 33,584,103**

	Amount
Enhance Mobility for Seniors and Individuals with Disabilities	248,032

On March 11, 2021, President Joseph R. Biden signed the American Rescue Plan Act (ARPA) of 2021 providing $30.5 billion to transit agencies in the form of formula grant to help to respond to the COVID-19 pandemic. The total available amount for UTA that will be executed in a grant in the fall of 2021 is as follows:

UZA	*Amount*
Salt Lake	$ 108,443,995
Ogden	38,143,636
Provo	21,189,816
Total	**$ 167,777,447**

	Amount
Enhance Mobility for Seniors and Individuals with Disabilities	248,035

Although the long-term economic impact of COVID-19 pandemic is unknown at this time, UTA anticipates that the three rounds of stimulus funding will allow UTA to carefully evaluate long-term financial impacts and make necessary adjustments, if any, to align its expenditures to a new level of revenue streams.

Required Supplementary Information

UTAH TRANSIT AUTHORITY

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS – 10 YEARS

	2020	2019	2018
Total Pension Liability			
Service cost	$ 10,653,870	$ 10,244,115	$ 9,550,863
Interest on total pension liability	24,263,256	22,947,802	21,512,781
Voluntary member contributions	83,988	298,803	223,572
Differences between expected and actual experience	4,292,503	3,347,505	4,893,150
Assumption changes or inputs	11,421,251	-	-
Benefits paid	(19,648,551)	(17,302,699)	(15,474,819)
Net change in total pension liability	31,066,317	19,535,526	20,705,547
Total pension liability - beginning	345,622,189	326,086,663	305,381,116
Total pension liability - ending (a)	376,688,506	345,622,189	326,086,663
Plan Fiduciary Net Position			
Contributions - employer	$ 24,273,996	$ 24,008,192	$ 22,355,434
Contributions - members	83,988	298,803	223,572
Net investment income	33,846,454	40,648,932	-16,629,921
Benefits paid	(19,648,551)	(17,302,69)	(15,474,819)
Administrative expense	(407,938)	(434,427)	(440,279)
Net change in plan fiduciary net position	38,147,949	47,218,801	(9,966,013)
Plan fiduciary net position - beginning	241,757,350	194,538,549	204,504,562
Plan fiduciary net position - ending (b)	279,905,299	241,757,350	194,538,549
Net pension liability / (asset) - ending (a-b)	$ 96,738,597	$ 103,864,839	$ 131,548,114
Plan fiduciary net position as a percentage of the total pension liability	74.31%	69.95%	59.66%
Projected covered employee payroll	$ 152,297,365	$ 141,812,999	$ $32,521,079
Net pension liability as a percentage of covered employee payroll	63.55%	73.24%	99.27%

Notes:
2020: amounts reported as assumption changes or inputs resulted from lowering the discount rate from 7.00% to 6.75%.

	2017	2016	2015	2014
Total Pension Liability				
Service cost	$ 8,368,262	$ 7,711,706	$ 7,545,807	$ 7,284,379
Interest on total pension liability	20,368,031	19,604,345	18,717,411	17,623,248
Voluntary member contributions	697,576	437,923	916,567	275,663
Differences between expected and actual experience	4,915,564	-927,077	-1,973,177	0
Assumption changes or inputs	5,079,447	-3,955,702	7,725,363	0
Benefits paid	(13,008,142)	(12,980,615)	(11,554,824)	(10,181,732)
Net change in total pension liability	26,420,738	9,890,580	21,377,147	15,001,558
Total pension liability - beginning	278,960,378	269,069,798	247,692,651	232,691,093
Total pension liability - ending (a)	305,381,116	278,960,378	269,069,798	247,692,651
Plan Fiduciary Net Position				
Contributions - employer	$ 20,506,163	$ 19,603,952	$ 16,745,254	$ 15,366,694)
Contributions - members	697,576	437,923	916,567	275,663
Net investment income	30,598,620	7,591,211	-1,085,458	5,946,916
Benefits paid	(13,008,142)	(12,980,615)	(11,554,824)	(10,181,732)
Administrative expense	(324,912)	(249,141)	(244,011)	(219,504)
Net change in plan fiduciary net position	38,469,305	14,403,330	4,777,528	11,188,037
Plan fiduciary net position - beginning	166,035,257	151,631,927	146,854,399	135,666,362
Plan fiduciary net position - ending (b)	204,504,562	166,035,257	151,631,927	146,854,399
Net pension liability / (asset) - ending (a-b)	$ 100,876,554	$ 112,925,121	$ 117,437,871	$ 100,838,252
Plan fiduciary net position as a percentage of the total pension liability	66.97%	59.50%	56.40%	59.29%
Projected covered employee payroll	$ 126,690,540	$ 115,430,618	$ 110,727,134	$ 106,004,057
Net pension liability as a percentage of covered employee payroll	79.62%	97.83%	106.06%	95.13%

Schedule is intended to show information for 10 years. Additional years will be displayed when available.

SCHEDULE OF REQUIRED EMPLOYER CONTRIBUTIONS – 10 YEARS

Year	Actuarial Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as Percentage of Covered Payroll
2020	$25,167,517	$24,273,996	$893,521	$152,297,365	15.94%
2019	22,240,718	24,008,192	(1,767,474)	141,812,999	16.93%
2018	21,600,936	22,355,434	(754,498)	132,521,079	16.87%
2017	20,270,486	20,506,163	(235,677)	126,690,540	16.19%
2016	17,147,568	19,603,952	(2,456,384)	115,430,618	16.98%
2015	16,609,070	16,745,254	(136,184)	110,727,134	15.12%
2014	14,757,446	15,366,694	(609,248)	106,004,057	14.50%
2013	14,352,279	13,338,052	1,014,227	102,099,985	13.06%
2012	12,206,257	11,645,982	560,275	96,750,285	12.04%
2011	10,114,755	10,114,755	-	91,265,129	11.08%

NOTE 1 – METHODS AND ASSUMPTIONS USED TO DETERMINE TOTAL PENSION LIABILITY AS OF DECEMBER 31, 2020

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, open
Remaining amortization period	13 years
Asset valuation method	Equal to the market value
Cost of Living Adjustments	None
Inflation	2.3%
Salary increases	5.40% per annum for the first five years of employment; 3.40% per annum thereafter
Investment rate of return	6.75%, net of investment expenses
Retirement age	Table of Rates by Age and Eligibility
Mortality	RP-2014 Blue Collar Mortality Table, with MP-2014 projection scale
Percent of Future Retirements Electing Lump Sum	20%

Schedule of Investment Returns

The money-weighted rate of return considers the changing amounts actually invested during a period and weights the amount of pension plan investments by the proportion of time they are available to return during that period. External cash flows are determined on a monthly basis and are assumed to occur at the middle of each month. External cash inflows are netted with external cash outflows, resulting in a net external cash flow each month. The money-weighted rate of return is calculated net of investment expenses.

Fiscal Year Ending December 31	Net Money-Weighted Rate of Return
2020	13.88%
2019	20.56%
2018	-8.00%
2017	18.01%
2016	4.90%
2015	-0.72%
2014	4.31%

Schedule is intended to show information for 10 years. Additional years will be displayed when available.

Supplementary Schedules

UTAH TRANSIT AUTHORITY

UTAH TRANSIT AUTHORITY
Supplementary Schedule
Year Ended December 31, 2020

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION BUDGET TO ACTUAL

	Budget	Budget Amendments	Amended Budget	Actual	Favorable (Unfavorable)
Revenues					
Contributions from other gov'ts, sales tax	$347,567,000	$ 499,000	$348,066,000	$361,590,707	$ 13,524,707
Federal operating grants	67,911,000	-	$67,911,000	160,258,318	92,347,318
Passenger revenues	55,182,000	-	$55,182,000	32,845,272	(22,336,728)
Advertising	2,517,000	-	$2,517,000	2,035,000	(482,000)
Investment income	7,577,000	-	$7,577,000	3,525,448	(4,051,552)
Other income	11,101,000	250,000	$11,351,000	9,594,384	(1,756,616)
Total revenues	491,855,000	749,000	492,604,000	569,849,129	77,245,129
Operating Expenses					
Bus services	112,342,000	-	112,342,000	107,390,047	4,951,953
Rail services	82,920,000	-	82,920,000	96,041,283	(13,121,283)
Paratransit services	24,637,000	250,000	24,887,000	22,646,903	2,240,097
Other services (less non-operating)	3,298,000	-	3,298,000	3,296,275	1,725
Operations support	50,331,000	22,000	50,353,000	46,463,776	3,889,224
Administration (less non-operating)	40,355,000	(22,000)	40,333,000	41,376,994	(1,043,994)
Total operating expenses	313,883,000	250,000	314,133,000	317,215,278	(3,082,278)
Non-Operating Expenses (Revenues)					
Interest expense	106,152,628	-	106,152,628	99,898,505	6,254,123
Build America Bond subsidies	(8,870,148)	-	(8,870,148)	(8,893,288)	23,140
Principal	38,632,520	-	38,632,520	44,821,695	(6,189,175)
Non-operating	5,945,000	499,000	6,444,000	3,168,692	3,275,308
Total non-operating expenses	141,860,000	499,000	142,359,000	138,995,604	3,363,396
Total Operating and Non-Operating Expenses	$455,743,000	$ 749,000	$456,492,000	$456,210,882	$ 281,118
Capital Expenses (Revenues)					
Federal and local grants	$ (39,363,000)	$(20,989,130)	$ (60,352,130)	$ (20,898,309)	$ (39,453,821)
State and local contributions	(17,116,000)	(13,070,870)	(30,186,870)	(3,238,849)	(26,948,021)
Capital lease	(30,340,000)	(2,785,400)	(33,125,400)	-	(33,125,400)
Bonds	(61,611,000)	28,751,500	(32,859,500)	-	(32,859,500)
Project Expenses	191,549,000	26,210,400	217,759,400	102,596,114	115,163,286
Total capital expenses (revenues)	$ 43,119,000	$ 18,116,500	$ 61,235,500	$ 78,458,956	$ (17,223,456)
Project Expenses-less transfers to Capital Assets in 2020				$ (72,854,307)	
Operations-less transfers to Capital Assets in 2020				(233,660)	
Capital Maintenance Projects				$ 29,508,147	
Total Revenues (Operating and Capital)				$ 593,986,287	
- Less Total Expenses (Operating, Non-Operating, and Capital (after Capitalization)				(485,719,029)	
- Less Depreciation Expense				(82,960,449)	
+ Plus Sale of Assets				927,566	
+ Plus Capital Maintenance Projects (Added into modes)					
	Bus			2,903,387	
	Rail			21,759,091	
	Paratransit			(9,341)	
	Administration			4,855,010	
+ Plus Principal Payments on Long-term Debt				44,821,695	
Change in Net Position (Statement of Revenues, Expenses, and Changes in Net Position)				$ 100,564,217	

UTAH TRANSIT AUTHORITY
Supplementary Schedule
As of December 31, 2020

SCHEDULE OF FIDUCIARY NET POSITION

	UTA Employee Retirement and Trust	Joint Insurance Trust	Total
ASSETS			
Cash in Bank	$ 440,817	$ 1,756,671	$ 2,197,488
Cash in Utah State Treasury	-	444,578	444,578
Total Cash	440,817	2,201,249	2,642,066
Investments			
Global Equities	180,702,335	-	180,702,335
Fixed Income	59,948,353	-	59,948,353
Liquid Diversifiers	13,969,240	-	13,969,240
Real Assets	10,947,340	-	10,947,340
Money Market	11,312,878	1,806,348	13,119,226
Total Investments	276,880,146	1,806,348	278,686,494
Prepaid Benefits	1,167,307	-	1,167,307
Deposits	-	104,795	104,795
Receivables			
Dividends Receivable	211	-	211
Accounts Receivable - Benefits	3,879	-	3,879
Accounts Receivable - Contributions	1,423,466	1,784,335	3,207,801
Total Receivables	1,427,556	1,784,335	3,211,891
TOTAL ASSETS	**279,915,826**	**5,896,727**	**285,812,553**
LIABILITIES			
Benefits Payable	10,722	-	10,722
Accounts Payable	-	130,000	130,000
TOTAL LIABILITIES	**10,722**	**130,000**	**140,722**
NET POSITION			
Restricted for:			
Pension	279,905,104	-	279,905,104
Benefits Other than Pension	-	5,766,727	5,766,727
Total Net Position	**$ 279,905,104**	**$ 5,766,727**	**$ 285,671,831**

Readers wanting additional information should refer to the notes to the financial statements

UTAH TRANSIT AUTHORITY
Supplementary Schedule
Year Ended December 31, 2020

SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION

	UTA Employee Retirement and Trust	Joint Insurance Trust	Total
ADDITIONS			
Employer Contributions	$ 24,273,996	$ 19,805,127	$ 44,079,123
Participant Voluntary Contributions	83,988	570,223	654,211
Total Contributions	24,357,984	20,375,350	44,733,334
Net Investment Income			
Net Appreciation in Fair Value of Investments	33,682,504	11,290	33,693,794
Interest	16,418	35,952	52,370
Dividends	919,037	-	919,037
Total Investment Income	34,617,959	47,242	34,665,201
Less: Investment Expense	771,700	-	771,700
Net Investment Income	33,846,259	47,242	33,893,501
TOTAL ADDITIONS	**58,204,243**	**20,422,592**	**78,626,835**
DEDUCTIONS			
Monthly Benefits Paid	12,768,590	19,170,642	31,939,232
Lump Sum Distributions	6,879,961	-	6,879,961
Administrative Expense	407,938	81,715	489,653
TOTAL DEDUCTIONS	**20,056,489**	**19,252,357**	**39,308,846**
CHANGE IN NET POSITION	**$ 38,147,754**	**$ 1,170,235**	**$ 39,317,989**
Total Net Position (Restricted), January 1	$ 241,757,350	$ 4,596,492	$ 246,353,842
Total Net Position (Restricted), December 31	$ 279,905,104	$ 5,766,727	$ 285,671,831

Readers wanting additional information should refer to the notes to the financial statements

Statistical

UTAH TRANSIT AUTHORITY

*NET POSITION AS OF December 31 - 10 years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Investment in Net Assets	$ 704,734,181	$ 692,675,681	$ 827,646,243	$ 894,275,843	$ 924,260,135	$ 1,040,640,236	$ 1,230,633,230	$ 1,327,585,097	$ 1,364,803,454	$ 1,366,337,801
Restricted	40,516,406	66,948,773	66,559,450	63,399,717	67,381,132	77,983,022	62,779,798	7,172,060	3,872,141	3,929,644
Unrestricted	228,081,924	113,143,840	85,088,927	39,001,957	71,502,447	76,548,154	137,991,170	242,347,746	304,834,237	276,960,064
Total Net Position	973,332,511	872,768,294	979,294,620	993,677,419	1,063,143,714	1,195,171,412	1,431,404,198	1,577,104,903	1,673,509,832	1,647,227,509
Restatement Position,		-	-	-	-	(9,497,521)	(115,047,267)	4,931,557	-	-
Restated	$ 973,332,511	$ 872,768,294	$ 979,294,620	$ 993,677,419	$ 1,063,143,714	$ 1,185,673,891	$ 1,316,356,931	$ 1,582,036,460	$ 1,673,509,832	$ 1,647,227,509

*CHANGE IN NET POSITION - 10 YEARS

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Operating Revenues	$ 34,880,272	$ 55,111,554	$ 54,464,392	$ 54,525,870	$ 52,891,021	$ 54,346,242	$ 53,761,223	$ 52,044,200	$ 46,422,916	$ 41,527,090
Operating Expenses	403,344,419	457,897,920	401,161,541	427,777,940	422,543,342	394,062,733	398,626,029	378,224,993	319,322,223	288,531,160
Operating loss	(368,464,147)	(402,786,366)	(346,697,149)	(373,252,070)	(369,652,321)	(339,716,491)	(344,864,806)	(326,180,793)	(272,899,307)	(247,004,070)
Non-Operating Revenues	444,739,466	261,451,197	268,435,411	246,722,487	226,957,532	209,462,264	182,843,232	173,520,664	200,370,290	205,877,440
Income (loss) before capital	76,275,319	(141,355,169)	(78,261,738)	(126,529,583)	(142,694,789)	(130,254,227)	(162,021,574)	(152,660,129)	(72,529,017)	(41,126,630)
Capital contributions	24,288,898	34,808,843	63,879,839	57,063,288	20,164,612	9,068,708	11,389,311	56,255,200	98,811,340	44,985,270
Change in net position	$ 100,564,217	$ 106,526,326	$ (14,381,899)	$ (69,466,295)	$ (122,530,177)	$ (121,185,519)	$ (150,632,263)	$ (96,404,929)	$ 26,282,323	$ 3,858,640

*Source: Utah Transit Authority 2020 Comprehensive Annual Report

*Revenue History by Source - 10 Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Operating	$ 34,880,272	$ 55,111,554	$ 182,843,232	$ 54,525,870	$ 52,891,021	$ 54,346,242	$ 53,761,223	$ 52,044,200	$ 46,422,916	$ 41,527,090
Sales taxes	361,590,707	317,797,604	282,933,591	265,770,775	245,008,417	227,703,023	214,683,276	203,806,329	196,693,543	183,091,524
Investment	3,525,448	6,821,490	6,525,872	2,873,787	1,732,939	2,831,406	5,803,226	1,455,039	1,892,549	3,672,397
Sale of Assets	927,566									
Other	9,442,644	(45,372,222)	8,155,668	3,954,893	3,108,191	8,314,065	3,724,610	4,347,724	2,351,713	3,483,140
	410,366,637	334,358,426	480,458,363	327,125,325	302,740,568	293,194,736	277,972,335	261,653,292	247,360,721	231,774,151
Federal Grants										
Federal Preventative Maintenance Grants	160,258,318	69,746,231	61,820,668	62,313,994	59,772,235	49,452,677	47,760,737	47,986,240	46,719,891	47,735,443
Federal Planning Grants	-	-	-	-	3,562,534	2,547,335	2,994,139	3,868,252	1,985,766	11,583,980
Federal Capital Grants	20,898,309	16,395,068	31,585,906	53,960,024	17,054,298	7,819,096	8,025,628	48,669,408	85,168,542	44,864,016
	181,156,627	86,141,299	93,406,574	116,274,018	80,389,067	59,819,108	58,780,504	100,523,900	133,874,199	104,183,439
Other Capital Contributions	3,390,589	18,413,775	32,293,935	3,103,264	3,110,314	1,249,612	3,363,683	7,585,792	13,642,798	121,254
	$ 594,913,853	$ 438,913,500	$ 606,158,872	$ 446,502,607	$ 386,239,949	$ 354,263,456	$ 340,116,522	$ 369,762,984	$ 394,877,718	$ 336,078,844

*Expense History by Function - 10 Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Bus Service	$ 107,390,047	104,570,413	$ 96,719,747	$ 88,928,063	$ 85,841,973	$ 77,092,676	$ 79,060,631	$ 78,894,435	$ 78,894,799	$ 81,208,651
Rail Service	96,041,283	77,972,467	75,157,087	72,895,607	84,165,069	67,254,632	70,365,953	61,086,101	46,049,338	38,135,480
Paratransit Service	22,646,903	23,121,527	21,858,532	19,572,367	19,341,116	18,511,580	18,748,699	18,202,211	17,516,117	16,054,555
Other Service	3,296,275	3,247,699	3,056,191	2,982,176	2,949,643	2,918,871	3,183,892	701,656	596,583	535,897
Operations Support	46,463,776	47,056,444	45,557,749	41,932,571	37,831,682	32,051,926	28,380,563	28,439,826	25,247,271	21,643,830
Administration [1]	44,545,686	36,738,745	39,593,947	31,423,844	38,840,643	35,189,725	35,409,918	28,533,912	26,664,222	26,340,573
Capital Maintenance Projects	-	19,078,502	38,654,111	20,602,425	-	-	-	-	-	-
Depreciation	82,960,449	146,112,123	80,565,077	149,440,887	153,573,216	161,043,323	163,476,373	162,366,852	124,353,893	104,612,174
Interest [2]	99,898,505	87,541,906	91,000,388	88,190,962	85,415,870	80,575,328	91,311,842	87,132,004	48,462,258	42,878,130
Recoverable Sales Tax, Interlocal [3]	810,914	810,914	810,914	810,914	810,914	810,914	810,914	810,914	810,914	810,914
	$ 504,053,838	$ 546,250,740	$ 492,973,743	$ 516,779,816	$ 508,770,126	$ 475,448,975	$ 490,748,785	$ 466,167,911	$ 368,595,395	$ 332,220,204

*Source: Utah Transit Authority 2020 Annual Comprehensive Financial Report

[1] Includes major investment studies

[2] Reported as non-capitalized interest

[3] See Notes to the Financial Statement, Note 2.K

LOCAL CONTRIBUTIONS IN THE FORM OF SALES TAX BY COUNTY - 10 YEARS

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Box Elder [1]	$ 2,404,175	$ 2,019,035	$ 1,898,308	$ 1,957,740	$ 1,790,352	$ 1,552,291	$ 1,418,268	$ 1,300,577	$ 1,279,794	$ 1,226,730	$ 1,269,478
Davis	37,364,965	33,674,864	31,883,835	30,633,547	27,606,440	23,178,724	21,459,683	20,023,042	18,692,038	17,880,017	16,964,089
Salt Lake	217,849,215	196,744,294	174,704,191	163,407,564	153,201,907	146,866,479	139,199,088	132,741,112	129,169,357	120,094,110	112,379,366
Tooele [2]	3,347,286	2,250,563	2,815,189	2,302,492	1,798,971	1,521,097	1,384,631	1,349,366	1,364,179	1,207,539	1,227,109
Utah	69,278,480	55,708,400	45,665,232	43,023,303	38,601,427	36,221,930	33,752,513	31,905,764	30,576,235	27,743,162	25,397,367
Weber	31,346,586	27,400,447	25,966,836	24,446,129	22,009,320	18,362,502	17,469,093	16,486,468	15,611,940	14,939,966	14,656,323
	$ 361,590,707	$ 317,797,604	$ 282,933,591	$ 265,770,775	$ 245,008,417	$ 227,703,023	$ 214,683,276	$ 203,806,329	$ 196,693,543	$ 183,091,524	$ 171,893,732

[1] Includes Brigham City, Perry and Willard cities only

[2] Includes the cities of Tooele and Grantsville; and the unincorporated areas of Erda, Lakepoint, Stansbury Park and Lincoln

LOCAL TRANSIT SALES TAX RATES BY COUNTY - 10 YEARS

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Box Elder	0.5500%	0.5500%	0.5500%	0.5500%	0.5500%	0.5500%	0.5500%	0.5500%	0.5500%	0.5500%	0.5500%
Davis	0.6500%	0.6500%	0.6500%	0.6500%	0.6500%	0.5500%	0.5500%	0.5500%	0.5500%	0.5500%	0.5500%
Salt Lake	0.8500%	0.7875%	0.6875%	0.6875%	0.6875%	0.6875%	0.6875%	0.6875%	0.6875%	0.6875%	0.6875%
Tooele	0.4000%	0.4000%	0.4000%	0.4000%	0.4000%	0.3000%	0.3000%	0.3000%	0.3000%	0.3000%	0.3000%
Utah	0.6300%	0.6260%	0.5260%	0.5260%	0.5260%	0.5260%	0.5260%	0.5260%	0.5260%	0.5260%	0.5260%
Weber	0.6500%	0.6500%	0.6500%	0.6500%	0.6500%	0.5500%	0.5500%	0.5500%	0.5500%	0.5500%	0.5500%

Source:
https://tax.utah.gov/sales/rates#charts
Utah State Tax Commission

*PRINCIPAL CONTRIBUTORS OF SALES TAX BY COUNTY - 2010 and 2020

	2020			2010		
	Rank	Percentage of contributions	Amount	Rank	Percentage of contributions	Amount
Salt Lake County	1	60.25%	$ 217,849,215	1	65.38%	$ 112,379,366
Utah County	2	19.16%	69,278,480	2	14.78%	25,397,367
Davis County	3	10.33%	37,364,965	3	9.87%	16,964,089
Weber County	4	8.67%	31,346,586	4	8.53%	14,656,323
Box Elder County	5	0.66%	2,404,175	5	0.74%	1,269,478
Tooele County	6	0.93%	3,347,286	6	0.71%	1,227,109
			$ 361,590,707			$ 171,893,732

*Source:
https://tax.utah.gov/sales/rates#charts
Utah State Tax Commission

*FARES - 10 Years

	2020	2019	2018	2017	2016	2015	2014	2013 (4/1/12)	2012 (5/1/11)	2011 (11/1/10)
Cash Fares										
Base Fare	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.35	$ 2.25
Senior Citizen/Disabled	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.15	1.10
Ski Bus	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.25	4.00
Paratransit (Flextrans)	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	3.50	2.75
Commuter Rail Base Rate	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.35	2.25
Commuter Rail Additional Station	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.55	0.50
Commuter Rail Maximum Rate	10.30	10.30	10.30	10.30	10.30	10.30	10.30	10.30	5.10	5.25
Express	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.25	5.00
Streetcar	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	n/a	n/a
Monthly Passes										
Adult	$ 85.00	$ 83.75	$ 83.75	$ 83.75	$ 83.75	$ 83.75	$ 83.75	$ 83.75	$ 78.50	$ 75.00
College Student	42.50	62.75	62.75	62.75	62.75	62.75	62.75	62.75	58.75	56.25
Senior Citizen/Disabled	42.50	41.75	41.75	41.75	41.75	41.75	41.75	41.75	39.25	37.50
Express	170.00	198.00	198.00	198.00	198.00	198.00	198.00	198.00	189.00	180.00
Other Fares										
Day Pass	$ 6.25	$ 6.25	$ 6.25	$ 6.25	$ 6.25	$ 6.25	$ 6.25	$ 6.25	$ 5.75	$ 5.50
Group Pass	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	14.00	13.50
Summer Youth	99.00	99.00	99.00	99.00	99.00	99.00	99.00	n/a	n/a	n/a
Token - 10-Pack	22.50	22.50	22.50	22.50	22.50	22.50	22.50	22.50	21.00	20.25
Paratransit - 10-Ride Ticket	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	35.00	30.00

*Source: UTA Fares Department

TOTAL OUTSTANDING DEBT BURDEN PER CAPITA

Fiscal Year	Total Debt Bonds	Total Debt Leases	Sales Tax Collected (Less Proposition 1 and 4th quarter cent)	Personal Income of UTA Service Area	Percentage of Personal Income	Per Capita
2011	$ 1,927,474,109	$ -	$ 183,091,524	$ 77,524,222,000	2.49%	863.07
2012	2,083,194,109	-	196,693,543	83,156,237,000	2.51%	919.40
2013	2,077,184,109	-	203,806,329	85,699,968,000	2.42%	902.22
2014	2,072,399,109	-	214,683,276	91,063,808,000	2.28%	885.58
2015	2,099,242,069	11,272,688	227,703,023	98,213,376,000	2.14%	891.69
2016	2,070,183,567	19,605,173	238,584,981	104,042,124,000	1.99%	864.94
2017	2,136,303,567	46,394,866	256,742,750	110,124,169,000	1.94%	886.14
2018	2,211,117,114	56,038,716	273,007,256	118,270,822,000	1.87%	906.17
2019	2,196,731,498	52,187,203	288,548,490	125,338,146,000	1.75%	885.17
2020	1,921,201,498	57,263,279	311,520,915	-	-	-

Source: Note 9
Note: Does not include Utah County Provo Orem BRT debt
2020 income numbers not available as of June 2021

DEMOGRAPHIC AND ECONOMIC STATISTICS

Fiscal Year	Estimated Population	Personal Income in UTA Service Area	Per Capita Personal Income	Unemployment Rate
2011	2,233,268	$ 77,524,222,000	$ 34,713	6.7%
2012	2,265,811	83,156,237,000	36,700	5.4%
2013	2,302,315	85,699,968,000	37,223	4.6%
2014	2,332,262	91,063,808,000	39,045	3.8%
2015	2,366,874	98,213,376,000	41,495	3.6%
2016	2,416,115	104,042,124,000	43,062	3.4%
2017	2,463,158	110,124,169,000	44,709	3.3%
2018	2,501,905	118,270,822,000	47,272	3.0%
2019	2,540,671	125,338,146,000	49,333	2.6%
[1]2020	2,618,206	-	-	4.7%

Source: US Dept of Commerce, Bureau of Economic Analysis, Regional Data (www.bea.gov)
Unemployment rate- Utah Department of Workforce Services
[1]2020 personal income numbers not available as of June 2021

YEARLY DEBT SERVICE COVERAGE

Fiscal Year	Bond Payments Principal	Bond Payments Interest	Sales Tax Collected (Less Proposition 1 and 4th quarter cent)	Coverage Ratio Sales Tax
2011	$ 7,300,000	$ 71,932,011	$ 183,091,524	2.31
2012	7,615,000	71,837,998	196,693,543	2.48
2013	7,450,000	84,319,531	203,806,329	2.22
2014	7,810,000	91,382,184	214,683,276	2.16
2015	11,445,000	84,785,200	227,703,023	2.37
2016	13,570,000	94,893,898	238,584,981	2.20
2017	8,750,000	77,765,121	256,742,750	2.97
2018	10,845,000	89,110,270	273,007,256	2.73
2019	17,500,000	98,602,388	288,548,490	2.49
2020	25,920,000	90,980,361	311,520,915	2.66

Source: Note 9
Note: Does not include Utah County Provo Orem BRT debt

PRINCIPAL EMPLOYERS - 2019 and 2009

		2019				2009		
Employer	Industry	Employees	Rank	% Total Employment	Employer	Employees	Rank	% Total Employment
Intermountain Healthcare	Health Care	20,000 +	1	1.3%	Intermountain Health Care	20,000+	1	1.6%
University of Utah (Including Hospital)	Higher Education	20,000 +	2	1.3%	State of Utah	20,000+	2	1.6%
State of Utah	State Government	20,000 +	3	1.3%	Wal Mart Stores	15,000-19,999	3	1.2%
Brigham Young University	Higher Education	15,000-19,999	4	1.0%	Brigham Young University	15,000-19,999	4	1.6%
Wal-Mart Associates	Warehouse Clubs/Supercenters	15,000-19,999	5	1.0%	University of Utah	15,000-19,999	5	1.2%
Hill Air Force Base	Federal Government	10,000-14,999	6	0.6%	Hill Air Force Base	10,000-14,000	6	1.2%
Amazon.com Services	Courier/Express Delivery Service	10,000-14,999	7	0.6%	Granite School District	7,000-9,999	7	0.6%
Davis County School District	Public Education	7,000-9,999	8	0.4%	Davis County School District	7,000-9,999	8	0.6%
Utah State University	Higher Education	7,000-9,999	9	0.4%	Jordan School District	5,000-6,999	9	0.6%
Smith's Food and Drug Centers	Grocery Stores	7,000-9,999	10	0.4%	Kroger Group/ Smiths Marketplace	5,000-6,999	10	0.6%
Granite School District	Public Education	7,000-9,999	11	0.4%	Utah State University	5,000-6,999	11	0.6%
Alpine School District	Public Education	7,000-9,999	12	0.3%	Alpine School District	5,000-6,999	12	0.6%
Jordan School District	Public Education	7,000-9,999	13	0.3%	Salt Lake County	5,000-6,999	13	0.6%
Salt Lake County	Local Government	5,000-6,999	14	0.3%	Internal Revenue Service	5,000-6,999	14	0.6%
Utah Valley University	Higher Education	5,000-6,999	15	0.3%	US Postal Service	5,000-6,999	15	0.6%
Total Employment				1,564,782				1,245,016

Source: Department of Workforce Services
Largest Employers by County https://jobs.utah.gov/wi/data/library/firm/majoremployers.html
Utah's Largest Employers 2009 http://www.operationriogrande.utah.gov/wi/pubs/em/pastreports/09annual/lrgstemp2009.pdf

2020 data not available at time of report

Notes: https://jobs.utah.gov/wi/data/library/firm/majoremployers.html
https://jobs.utah.gov/wi/pubs/em/pastreports/11annual/lrgstemp.pdf

FULL-TIME EQUIVALENT AUTHORITY EMPLOYEES - 10 YEARS

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Bus operations	1104	1138	1089	1030	1028	951	945	911	963	950
Rail operations	625	631	611	580	563	527	542	526	506	425
Paratransit operations	200	204	196	191	191.5	188	183	176	168	168
Other services	10	10	8	9	9	12	10	10	12	11
Support services	417	433	413	365	366	349	323	335	293	284
Administration	187	184	180	243	212	210	207	195	217	224
Total	2543	2600	2496	2417	2368	2237	2210	2153	2159	2062

Source: UTA Budget Staff

TREND STATISTICS - 10 YEARS

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Passengers										
Bus service	12,441,304	20,799,642	19,624,935	19,749,855	20,033,242	20,560,068	20,165,174	19,695,711	21,222,669	21,560,358
Rail service	10,271,888	22,321,887	22,981,884	23,677,677	23,765,873	24,349,674	24,337,451	22,814,274	19,421,608	16,944,264
Paratransit service	187,112	388,265	394,816	386,977	389,019	388,169	372,499	383,453	715,034	683,336
Vanpool service	658,990	1,068,364	1,174,696	1,264,410	1,333,780	1,423,675	1,404,285	1,387,816	1,446,766	1,417,183
Total passengers	23,559,294	44,578,158	44,176,331	45,078,919	45,521,914	46,721,586	46,279,409	44,281,254	42,806,077	40,605,141
Revenue Miles										
Bus service	15,607,429	18,158,463	17,911,404	17,454,404	15,462,834	15,367,510	15,660,520	15,706,028	15,091,645	15,869,340
Rail service	3,288,505	11,977,751	12,084,767	12,082,292	12,070,277	11,988,005	11,784,146	11,681,251	7,905,460	6,019,693
Paratransit service	1,709,396	2,881,355	2,798,928	2,727,127	2,505,343	2,293,887	2,513,535	2,932,842	3,252,193	4,094,325
Vanpool service	5,705,170	6,451,812	6,354,828	6,449,439	6,518,150	6,734,487	6,859,802	7,053,191	7,553,978	8,042,756
Total Revenue Miles	26,310,500	39,469,381	39,149,927	38,713,262	36,556,604	36,383,889	36,818,003	37,373,312	33,803,276	34,026,114
Total Miles										
Bus service	17,692,313	20,854,420	20,247,617	19,899,364	17,511,624	17,662,486	17,864,847	17,191,018	16,553,983	17,416,367
Rail service	3,323,282	12,098,162	12,285,634	12,202,976	12,189,876	12,368,934	11,814,332	11,773,929	7,987,022	6,073,807
Paratransit service	2,223,889	3,566,711	3,376,772	3,263,607	3,254,559	3,192,367	2,844,468	3,493,247	4,088,027	5,256,369
Vanpool service	5,705,170	6,451,812	6,354,828	6,449,439	6,518,150	6,734,487	6,859,802	7,053,191	7,553,978	8,042,756
Total miles	28,944,654	42,971,105	42,264,851	41,815,386	39,474,209	39,958,274	39,383,449	39,511,385	36,183,010	36,789,299
Passengers per Mile										
Bus service	0.80	1.15	1.10	1.13	1.30	1.34	1.29	1.25	1.41	1.36
Rail service	3.12	1.86	1.90	1.96	1.97	2.03	2.07	1.95	2.46	2.81
Paratransit service	0.11	0.13	0.14	0.14	0.16	0.17	0.15	0.13	0.22	0.17
Vanpool service	0.12	0.17	0.18	0.20	0.20	0.21	0.20	0.20	0.19	0.18
Total Passengers per Revenue Mile	0.90	1.13	1.13	1.16	1.25	1.28	1.26	1.18	1.27	1.19
Revenue Hours										
Bus service	1,169,292	1,326,660	1,284,186	1,258,448	1,087,055	1,070,139	1,108,894	933,662	834,985	866,268
Rail service	480,017	532,353	527,187	513,389	511,082	506,233	487,435	641,914	536,066	388,826
Paratransit service	116,174	181,749	180,342	162,198	162,734	160,383	164,527	191,016	227,013	300,760
Total revenue hours	1,765,483	2,040,762	1,991,715	1,934,035	1,760,871	1,736,755	1,760,856	1,766,592	1,598,064	1,555,854
Passengers per Revenue Hour										
Bus service	10.64	15.68	15.28	15.69	18.43	19.21	18.18	21.10	25.42	24.89
Rail service	21.40	41.93	43.59	46.12	46.50	48.10	49.93	35.54	36.23	43.58
Paratransit service	1.61	2.14	2.19	2.39	2.39	2.42	2.26	2.01	3.15	2.27
Total passengers per mile	12.97	11.13	21.59	22.65	25.09	26.08	25.48	24.28	25.88	25.19
Total System										
Fare revenue	$ 32,845,272	$ 52,649,054	$ 48,122,586	$ 52,159,202	$ 50,624,354	$ 52,112,909	$ 51,461,223	$ 49,977,533	$ 44,489,583	$ 39,693,757
Operating expense	320,787,400	311,785,797	300,954,051	257,734,612	268,970,126	242,516,933	235,149,656	215,858,141	194,968,330	183,918,986
Cost per revenue mile	12.19	7.90	7.69	6.66	7.36	6.67	6.39	5.78	5.77	5.41
Cost per passenger	13.62	6.99	6.81	5.72	5.91	5.19	5.08	4.87	4.55	4.53
Fare revenue per passenger	1.39	1.18	1.09	1.16	1.11	1.12	1.11	1.13	1.04	0.98

Note: Does not include commuter bus or contract transportation.
Source: NTD

OPERATING INDICATORS AND CAPITAL ASSETS - 10 YEARS

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Number of bus routes*	104	117	114	119	125	126	121	119	125	119
Number of rail routes										
Light rail	4	4	4	4	4	4	4	4	3	3
Commuter rail	1	1	1	1	1	1	1	1	1	1
Bus Service Miles (weekday)	63,025	62,742	57,378	56,162	53,612	49,625	51,629	55,733	64,186	64,493
Rail Service Miles (weekday)										
Light Rail	6,797	8,832	8,853	8,814	8,815	8,828	8,547	8,216	6,978	5,107
Commuter Rail	3,628	4,660	4,664	4,623	4,627	4,651	4,638	4,488	2,390	2,327
Average Passengers (weekday)	78,972	152,940	151,901	156,288	155,873	161,862	161,339	152,644	152,934	142,186
Buses	539	570	561	582	567	555	535	493	570	495
Paratransit vehicles (buses/vans)	207	198	182	148	129		84	113	110	112
Rail vehicles										
Light rail	117	117	146	146	146	146	146	146	122	122
Commuter rail	81	70	81	81	81	81	81	81	57	55
Vanpool vehicles	471	512	453	453	503	495	479	470	494	485
Park and ride lots[1]										
Rail Park and Ride	42	42	42	42	46	41				
Non-Rail and Ride Stations	12	12	12	12						
Bus Stops	6,120	6,247	6,100	6,100	6,196	6,250	6,250	6,273	6,333	6,600
Rail Stations										
Light Rail	57	57	57	57	57	57	51	51	41	41
Commuter Rail	17	17	16	16	16	16	16	16	16	7

Source: NTD
UTA Capital Asset Record
UTA Change-Day Roster

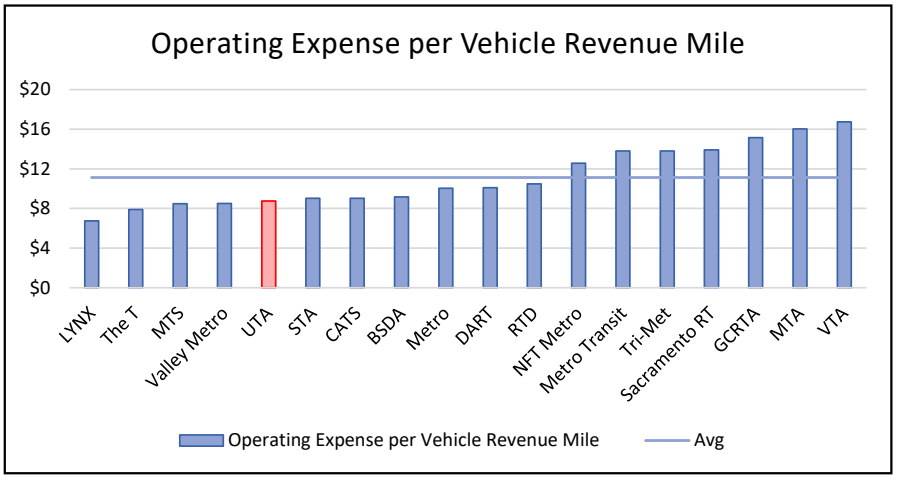
* Including flex
[1] As of 2017 started distinguishing between rail and non rail park and ride lots

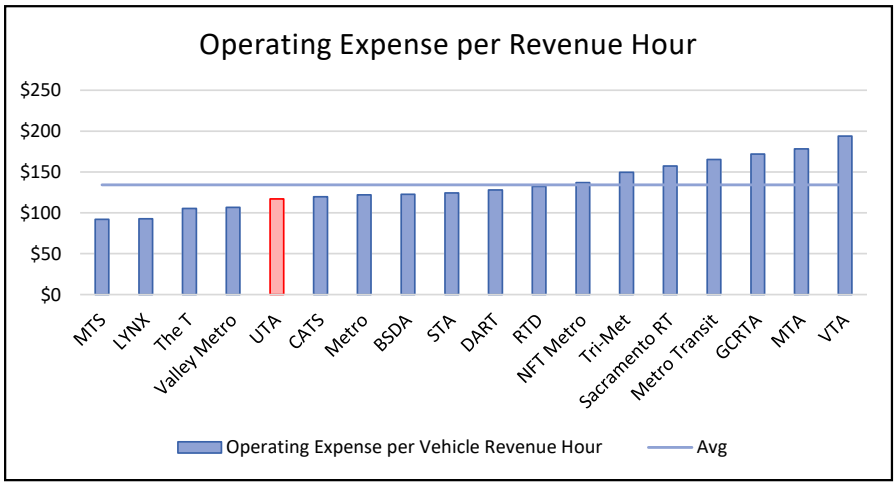
PERFORMANCE MEASURES - BUS SERVICE

The following charts contain information from the Federal Transit Administration's National Transit Database (NTD) for the most recent year available (2019), and compares the Authority's performance with other like transit agencies.

Service Efficiency

City	Agency	Operating Expense per Vehicle Revenue Mile	Operating Expense per Vehicle Revenue Hour
Salt Lake City, UT	UTA	$ 8.75	$ 116.93
Baltimore, MD	MTA	16.03	178.36
Buffalo, NY	NFT Metro	12.57	137.09
Charlotte, NC	CATS	9.03	119.57
Cleveland, OH	GCRTA	15.16	171.99
Dallas, TX	DART	10.10	127.99
Denver, CO	RTD	10.48	132.41
Ft Worth, TX	The T	7.90	105.23
Houston, TX	Metro	10.05	121.95
Minneapolis, MN	Metro Transit	13.79	165.23
Orlando, FL	LYNX	6.76	92.77
Phoenix, AZ	Valley Metro	8.51	106.67
Portland, OR	Tri-Met	13.80	149.57
Sacramento, CA	Sacramento RT	13.92	157.29
San Diego	MTS	8.47	92.24
San Jose, CA	VTA	16.74	194.04
Spokane, WA	STA	9.02	124.20
St Louis, MO	BSDA	9.15	122.72
Average		$ 11.13	$ 134.24
Maximum		16.74	194.04
Minimum		6.76	92.24
Standard Deviation		3.07	29.42



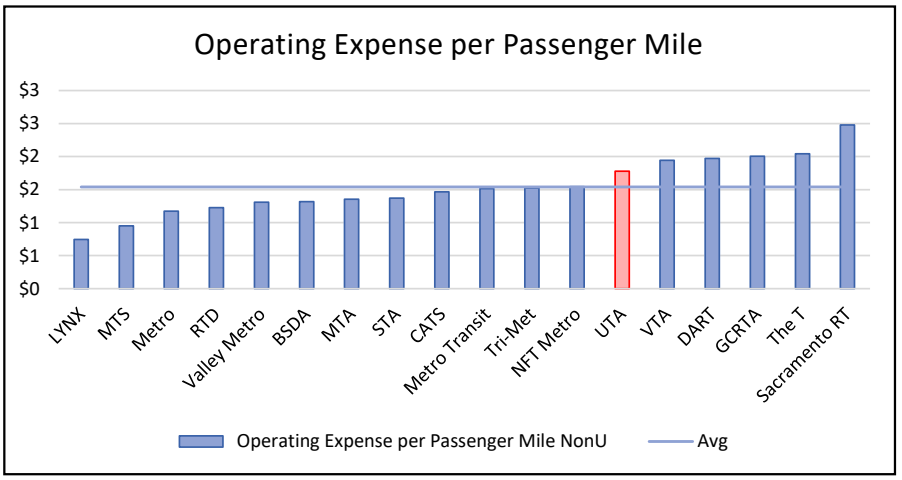


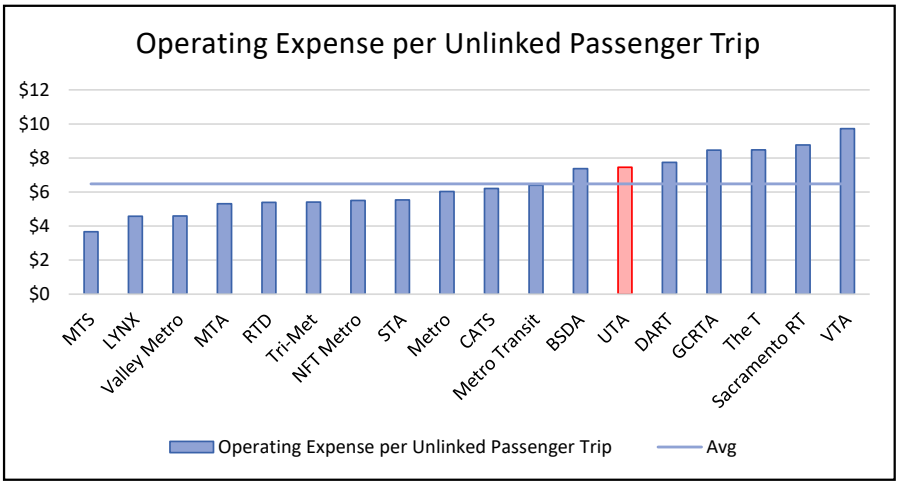
PERFORMANCE MEASURES - BUS SERVICE

The following charts contain information from the Federal Transit Administration's National Transit Database (NTD) for the most recent year available (2019), and compares the Authority's performance with other like transit agencies.

Service Efficiency

City	Agency	Operating Expense per Passenger Mile	Operating Expense per Unlinked Passenger Trip
Salt Lake City, UT	UTA	$ 1.78	$ 7.46
Baltimore, MD	MTA	1.36	5.31
Buffalo, NY	NFT Metro	1.55	5.50
Charlotte, NC	CATS	1.47	6.21
Cleveland, OH	GCRTA	2.01	8.46
Dallas, TX	DART	1.97	7.75
Denver, CO	RTD	1.23	5.40
Ft Worth, TX	The T	2.04	8.48
Houston, TX	Metro	1.17	6.03
Minneapolis, MN	Metro Transit	1.52	6.40
Orlando, FL	LYNX	0.75	4.58
Phoenix, AZ	Valley Metro	1.31	4.59
Portland, OR	Tri-Met	1.52	5.41
Sacramento, CA	Sacramento RT	2.48	8.76
San Diego	MTS	0.95	3.67
San Jose, CA	VTA	1.95	9.72
Spokane, WA	STA	1.37	5.53
St Louis, MO	BSDA	1.32	7.37
Average		$ 1.54	$ 6.48
Maximum		2.48	9.72
Minimum		0.75	3.67
Standard Deviation		0.43	1.68



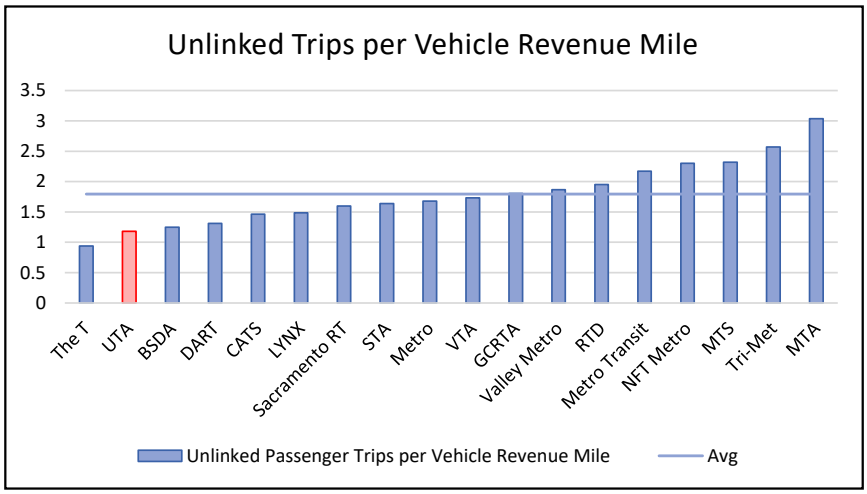


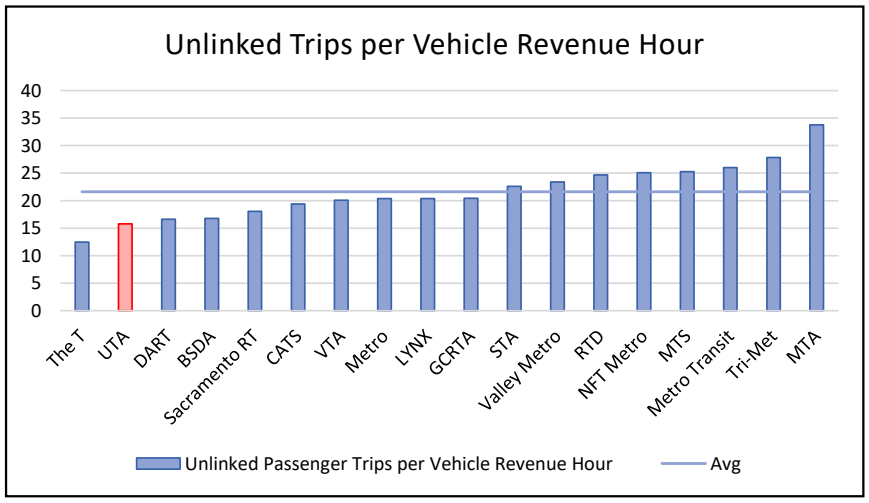
PERFORMANCE MEASURES - BUS SERVICE

The following charts contain information from the Federal Transit Administration's National Transit Database (NTD) for the most recent year available (2019), and compares the Authority's performance with other like transit agencies.

Service Efficiency

City	Agency	Unlinked Passenger Trips per Vehicle Revenue Mile	Unlinked Passenger Trips per Vehicle Revenue Hour
Salt Lake City, UT	UTA	1.2	15.7
Baltimore, MD	MTA	3.0	33.6
Buffalo, NY	NFT Metro	2.3	24.9
Charlotte, NC	CATS	1.5	19.2
Cleveland, OH	GCRTA	1.8	20.3
Dallas, TX	DART	1.3	16.5
Denver, CO	RTD	1.9	24.5
Ft Worth, TX	The T	0.9	12.4
Houston, TX	Metro	1.7	20.2
Minneapolis, MN	Metro Transit	2.2	25.8
Orlando, FL	LYNX	1.5	20.3
Phoenix, AZ	Valley Metro	1.9	23.3
Portland, OR	Tri-Met	2.6	27.7
Sacramento, CA	Sacramento RT	1.6	18.0
San Diego	MTS	2.3	25.1
San Jose, CA	VTA	1.7	20.0
Spokane, WA	STA	1.6	22.4
St Louis, MO	BSDA	1.2	16.7
Average		1.8	21.5
Maximum		3.0	33.6
Minimum		0.9	12.4
Standard Deviation		0.5	5.0



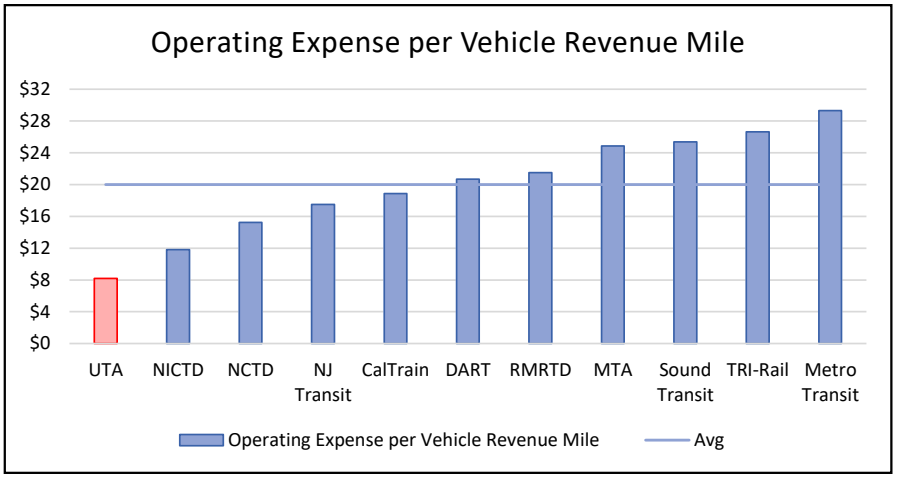


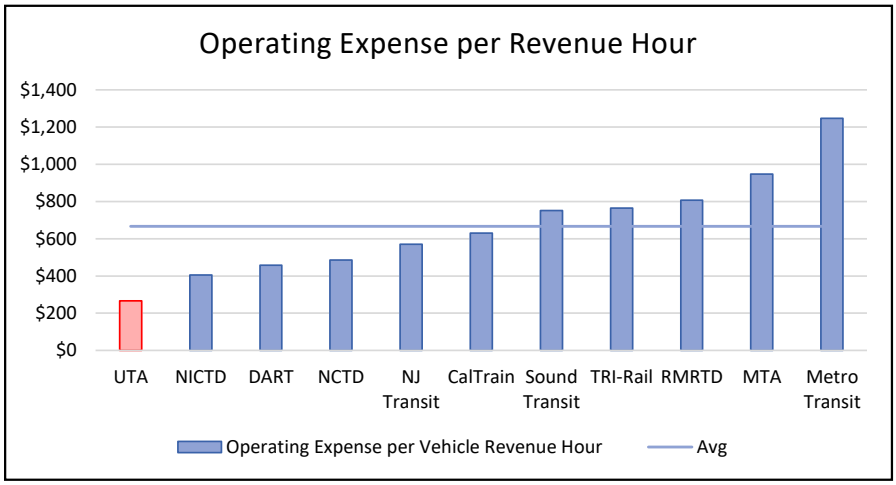
PERFORMANCE MEASURES - COMMUTER RAIL

The following charts contain information from the Federal Transit Administration's National Transit Database (NTD) for the most recent year available (2019), and compares the Authority's performance with other like transit agencies.

Service Efficiency

City	Agency	Operating Expense per Vehicle Revenue Mile	Operating Expense per Vehicle Revenue Hour
Salt Lake City, UT	UTA	$ 8.20	$ 265.75
Albuquerque, NM	RMRTD	21.51	807.56
Baltimore, MD	MTA	24.87	947.23
Chesterton, IN	NICTD	11.82	405.51
Dallas, TX	DART	20.69	457.79
Minneapolis, MN	Metro Transit	29.29	1,247.14
Newark, NJ	NJ Transit	17.50	570.25
Oceanside, CA	NCTD	15.24	485.57
Pompano Beach, FL	TRI-Rail	26.65	764.06
San Carlos, CA	CalTrain	18.87	630.19
Seattle, WA	Sound Transit	25.36	751.97
Average		$ 20.00	$ 666.64
Maximum		29.29	1,247.14
Minimum		8.20	265.75
Standard Deviation		6.50	277.18



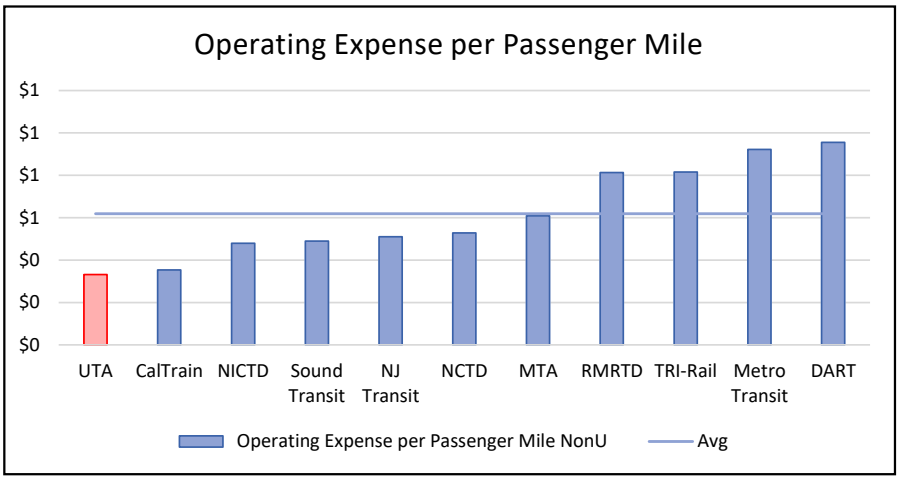


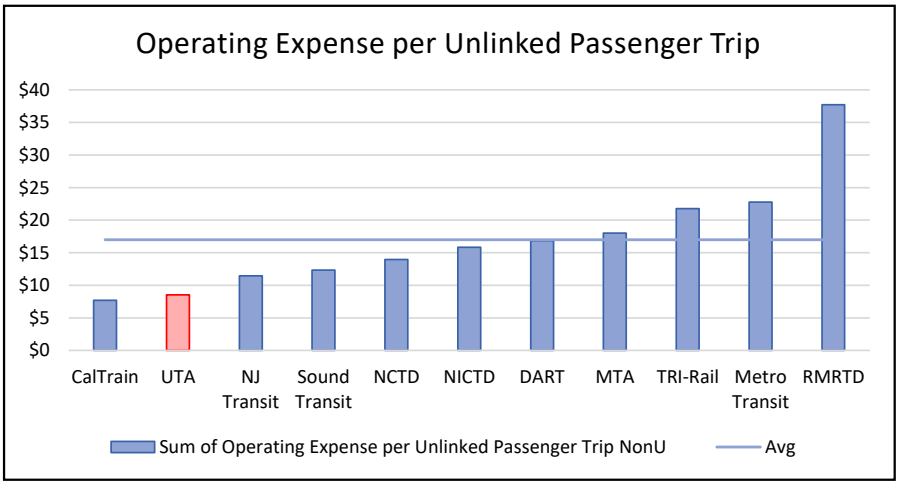
PERFORMANCE MEASURES - COMMUTER RAIL

The following charts contain information from the Federal Transit Administration's National Transit Database (NTD) for the most recent year available (2019), and compares the Authority's performance with other like transit agencies.

Service Efficiency

City	Agency	Operating Expense per Passenger Mile	Operating Expense per Unlinked Passenger Trip
Salt Lake City, UT	UTA	$ 0.33	$ 8.53
Albuquerque, NM	RMRTD	0.81	37.71
Baltimore, MD	MTA	0.61	18.00
Chesterton, IN	NICTD	0.48	15.82
Dallas, TX	DART	0.96	16.84
Minneapolis, MN	Metro Transit	0.92	22.77
Newark, NJ	NJ Transit	0.51	11.44
Oceanside, CA	NCTD	0.53	13.94
Pompano Beach, FL	TRI-Rail	0.82	21.77
San Carlos, CA	CalTrain	0.35	7.71
Seattle, WA	Sound Transit	0.49	12.33
Average		$ 0.62	$ 16.99
Maximum		0.96	37.71
Minimum		0.33	7.71
Standard Deviation		0.22	8.41



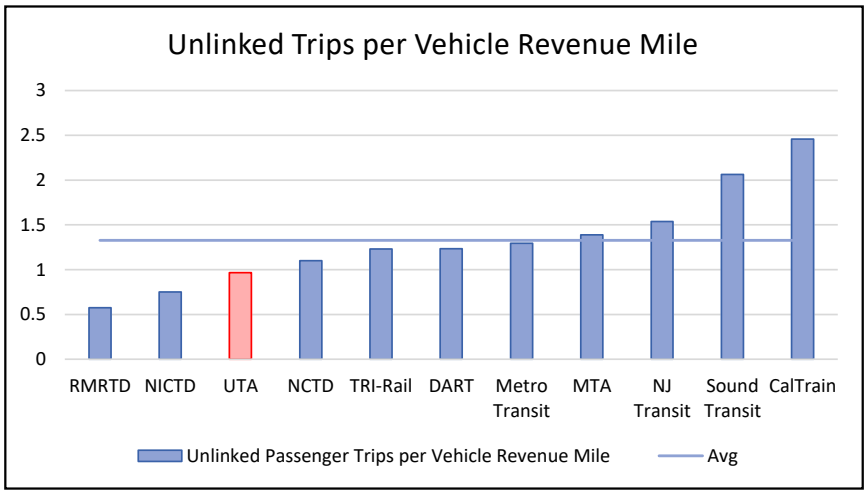


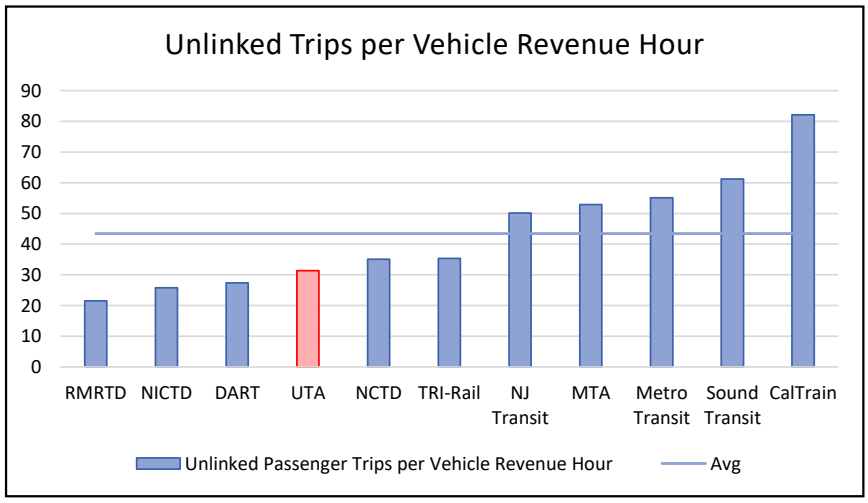
PERFORMANCE MEASURES - COMMUTER RAIL

The following charts contain information from the Federal Transit Administration's National Transit Database (NTD) for the most recent year available (2019), and compares the Authority's performance with other like transit agencies.

Service Efficiency

City	Agency	Unlinked Passenger Trips per Vehicle Revenue Mile	Unlinked Passenger Trips per Vehicle Revenue Hour
Salt Lake City, UT	UTA	1.0	31.2
Albuquerque, NM	RMRTD	0.6	21.4
Baltimore, MD	MTA	1.4	52.6
Chesterton, IN	NICTD	0.7	25.6
Dallas, TX	DART	1.2	27.2
Minneapolis, MN	Metro Transit	1.3	54.8
Newark, NJ	NJ Transit	1.5	49.8
Oceanside, CA	NCTD	1.1	34.8
Pompano Beach, FL	TRI-Rail	1.2	35.1
San Carlos, CA	CalTrain	2.4	81.7
Seattle, WA	Sound Transit	2.1	61.0
Average		1.3	43.2
Maximum		2.4	81.7
Minimum		0.6	21.4
Standard Deviation		0.5	18.4



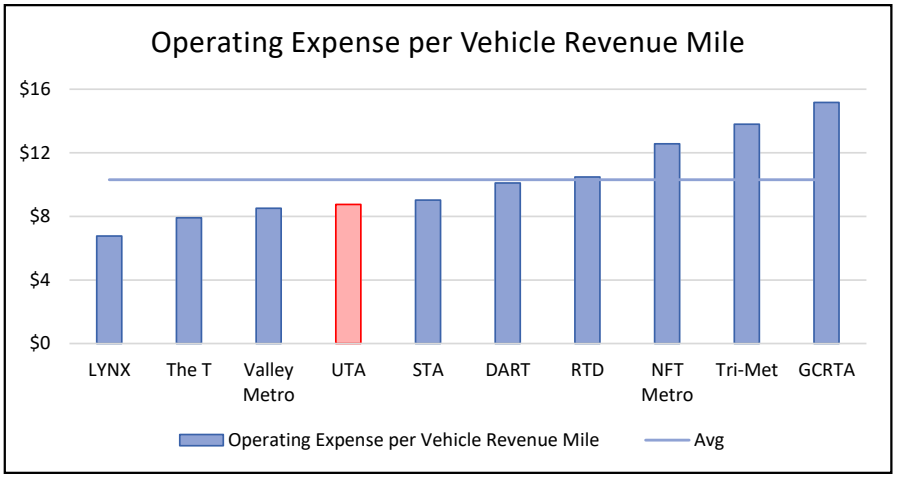


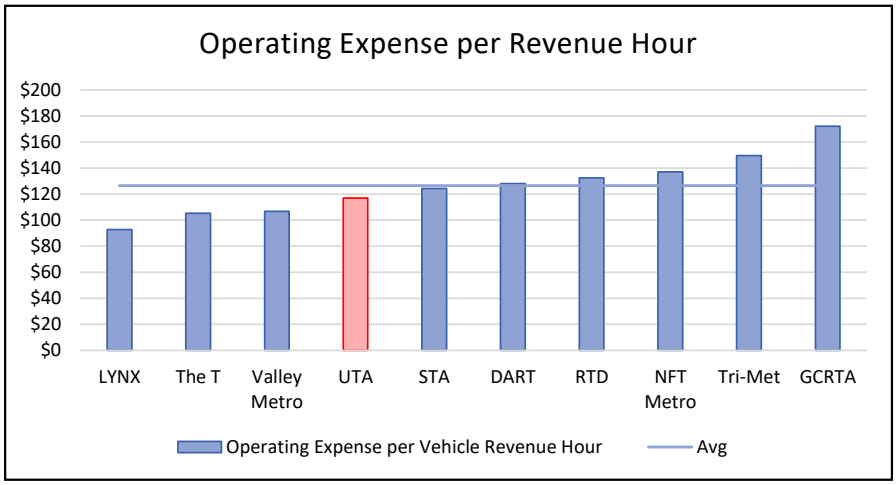
PERFORMANCE MEASURES - DEMAND RESPONSE

The following charts contain information from the Federal Transit Administration's National Transit Database (NTD) for the most recent year available (2019), and compares the Authority's performance with other like transit agencies.

Service Efficiency

City	Agency	Operating Expense per Vehicle Revenue Mile	Operating Expense per Vehicle Revenue Hour
Salt Lake City, UT	UTA	$ 7.03	$ 111.46
Buffalo, NY	NFT Metro	5.74	90.06
Cleveland, OH	GCRTA	9.21	132.75
Dallas, TX	DART	6.68	87.08
Denver, CO	RTD	4.62	74.23
Ft Worth, TX	The T	4.91	80.62
Orlando, FL	LYNX	3.25	51.74
Phoenix, AZ	Valley Metro	5.63	73.14
Portland, OR	Tri-Met	6.39	79.41
Spokane, WA	STA	6.08	91.08
Average		$ 5.95	$ 87.16
Maximum		9.21	132.75
Minimum		3.25	51.74
Standard Deviation		1.59	22.15



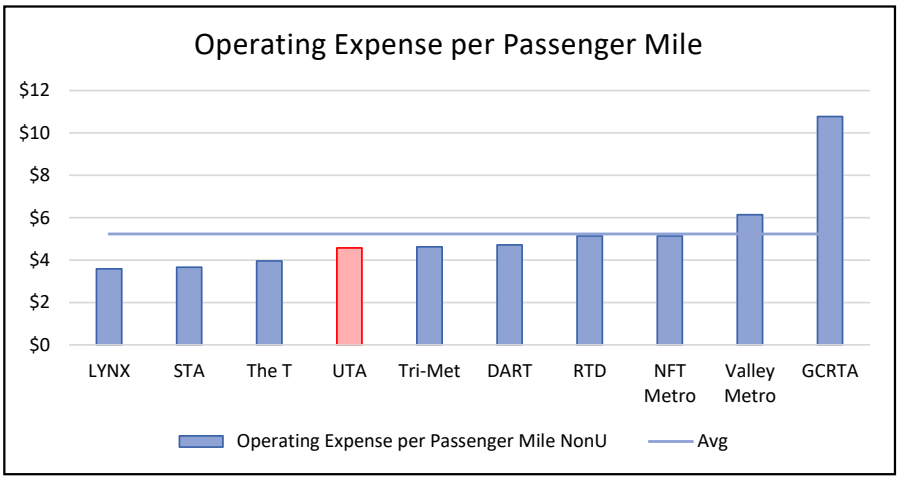


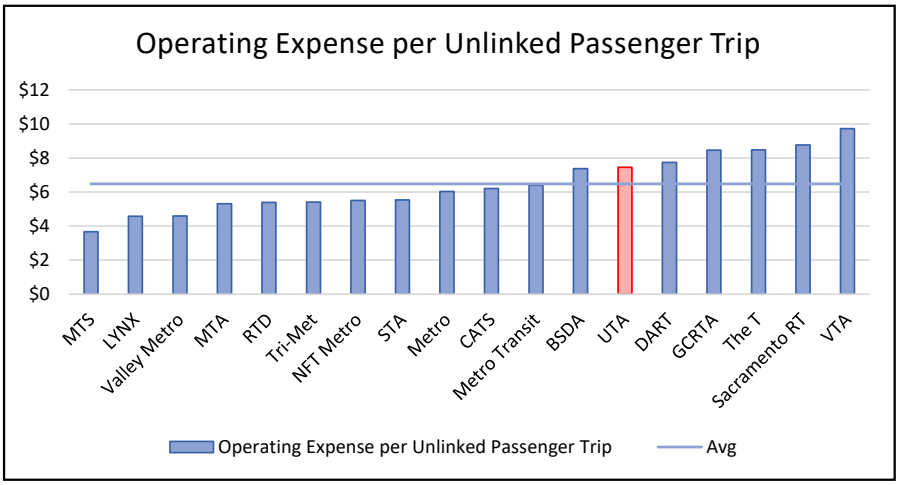
PERFORMANCE MEASURES - DEMAND RESPONSE

The following charts contain information from the Federal Transit Administration's National Transit Database (NTD) for the most recent year available (2019), and compares the Authority's performance with other like transit agencies.

Service Efficiency

City	Agency	Operating Expense per Passenger Mile	Operating Expense per Unlinked Passenger Trip
Salt Lake City, UT	UTA	$ 4.58	$ 52.17
Buffalo, NY	NFT Metro	5.14	49.22
Cleveland, OH	GCRTA	10.77	85.86
Dallas, TX	DART	4.72	47.23
Denver, CO	RTD	5.14	45.26
Ft Worth, TX	The T	3.97	43.97
Orlando, FL	LYNX	3.58	46.58
Phoenix, AZ	Valley Metro	6.15	55.75
Portland, OR	Tri-Met	4.62	42.58
Spokane, WA	STA	3.67	33.01
Average		$ 5.23	$ 50.16
Maximum		10.77	85.86
Minimum		3.58	33.01
Standard Deviation		2.09	13.93



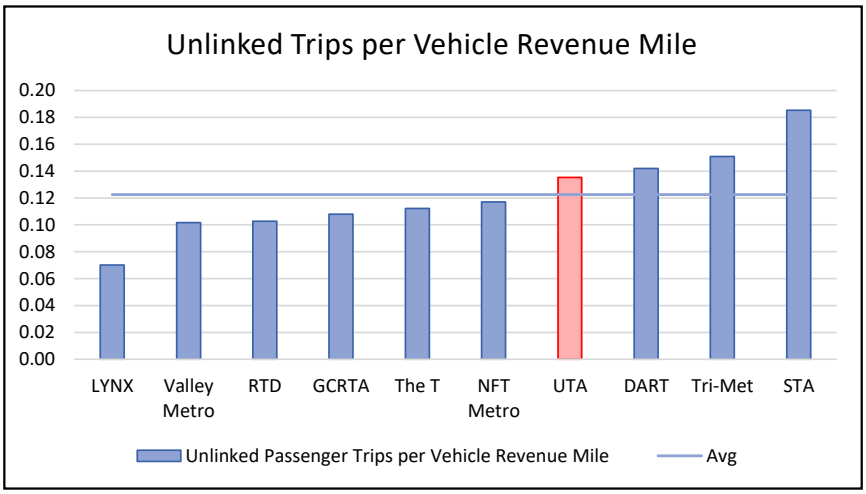


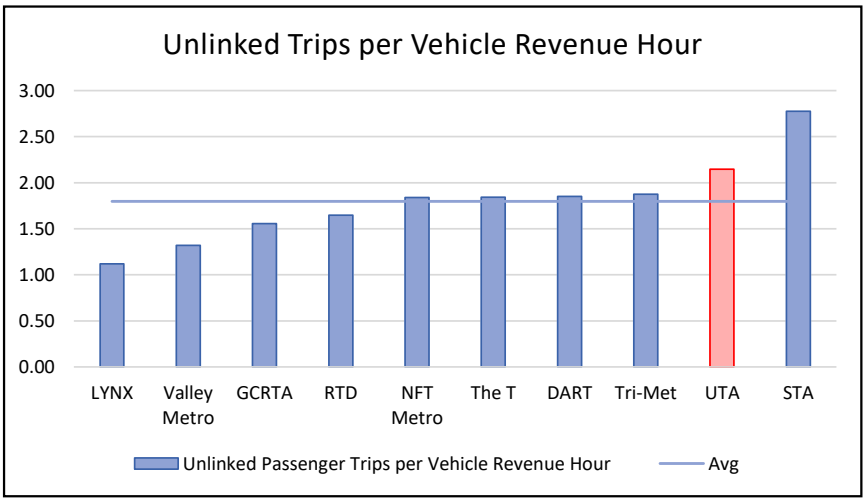
PERFORMANCE MEASURES - DEMAND RESPONSE

The following charts contain information from the Federal Transit Administration's National Transit Database (NTD) for the most recent year available (2019), and compares the Authority's performance with other like transit agencies.

Service Efficiency

City	Agency	Unlinked Passenger Trips per Vehicle Revenue Mile	Unlinked Passenger Trips per Vehicle Revenue Hour
Salt Lake City, UT	UTA	0.13	2.14
Buffalo, NY	NFT Metro	0.12	1.83
Cleveland, OH	GCRTA	0.11	1.55
Dallas, TX	DART	0.14	1.84
Denver, CO	RTD	0.10	1.64
Ft Worth, TX	The T	0.11	1.83
Orlando, FL	LYNX	0.07	1.11
Phoenix, AZ	Valley Metro	0.10	1.31
Portland, OR	Tri-Met	0.15	1.87
Spokane, WA	STA	0.18	2.76
Average		0.12	1.79
Maximum		0.18	2.76
Minimum		0.07	1.11
Standard Deviation		0.03	0.45



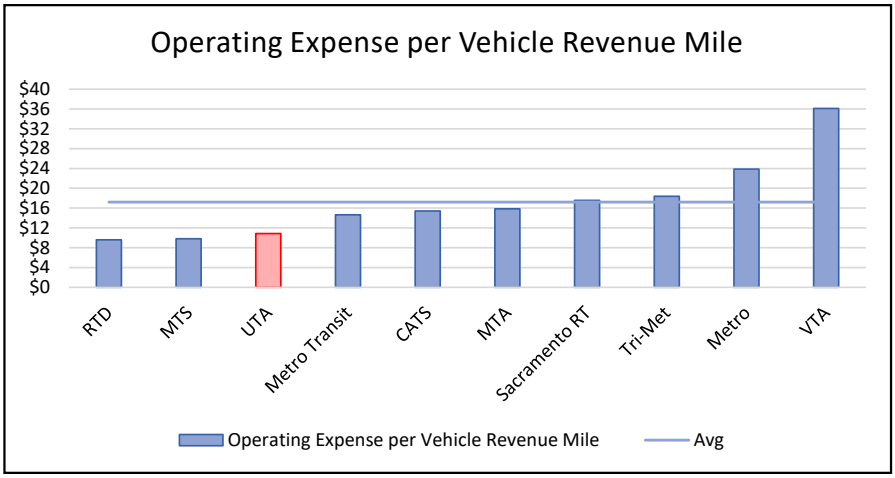


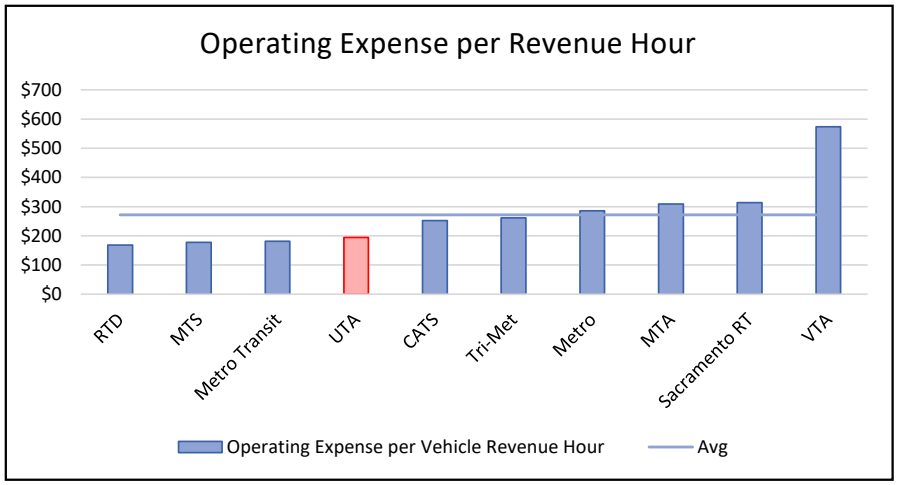
PERFORMANCE MEASURES - LIGHT RAIL

The following charts contain information from the Federal Transit Administration's National Transit Database (NTD) for the most recent year available (2019), and compares the Authority's performance with other like transit agencies.

Service Efficiency

City	Agency	Operating Expense per Vehicle Revenue Mile	Operating Expense per Vehicle Revenue Hour
Salt Lake City, UT	UTA	$ 10.83	$ 194.60
Baltimore, MD	MTA	15.87	309.31
Charlotte, NC	CATS	15.43	252.22
Denver, CO	RTD	9.57	168.59
Houston, TX	Metro	23.86	285.37
Minneapolis, MN	Metro Transit	14.61	181.61
Portland, OR	Tri-Met	18.37	261.13
Sacramento, CA	Sacramento RT	17.58	313.93
San Jose, CA	VTA	36.13	573.35
San Diego	MTS	9.80	177.41
Average		$ 17.20	$ 271.75
Maximum		36.13	573.35
Minimum		9.57	168.59
Standard Deviation		7.95	119.47



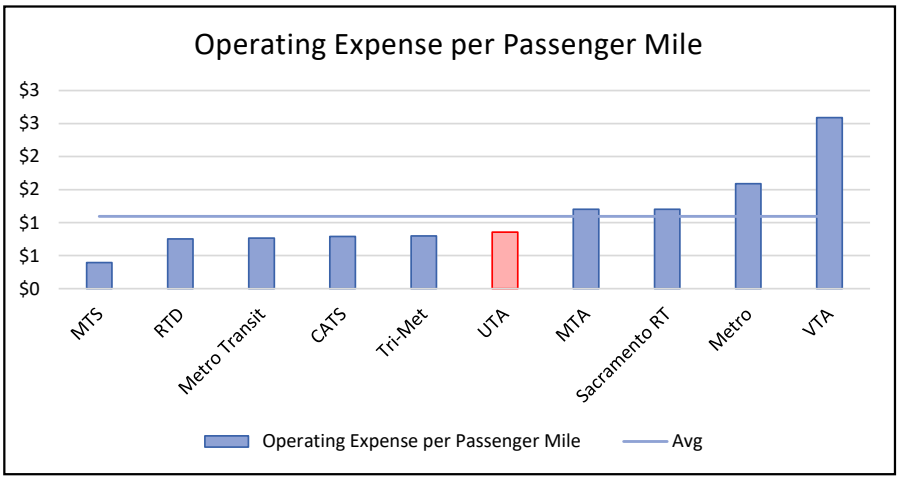


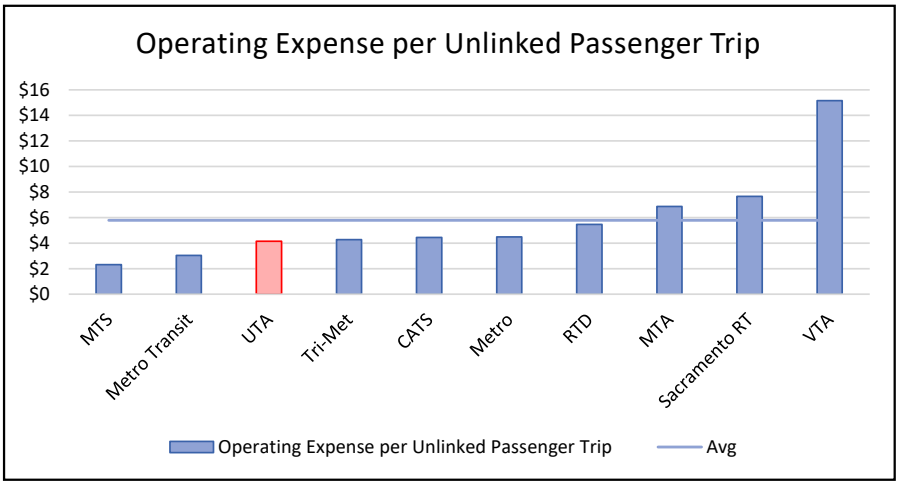
PERFORMANCE MEASURES - LIGHT RAIL

The following charts contain information from the Federal Transit Administration's National Transit Database (NTD) for the most recent year available (2019), and compares the Authority's performance with other like transit agencies.

Service Efficiency

City	Agency	Operating Expense per Passenger Mile	Operating Expense per Unlinked Passenger Trip
Salt Lake City, UT	UTA	$ 0.86	$ 4.15
Baltimore, MD	MTA	1.20	6.88
Charlotte, NC	CATS	0.79	4.45
Denver, CO	RTD	0.75	5.47
Houston, TX	Metro	1.59	4.48
Minneapolis, MN	Metro Transit	0.76	3.04
Portland, OR	Tri-Met	0.80	4.28
Sacramento, CA	Sacramento RT	1.20	7.65
San Jose, CA	VTA	2.59	15.16
San Diego	MTS	0.39	2.32
Average		$ 1.09	$ 5.79
Maximum		2.59	15.16
Minimum		0.39	2.32
Standard Deviation		0.62	3.66



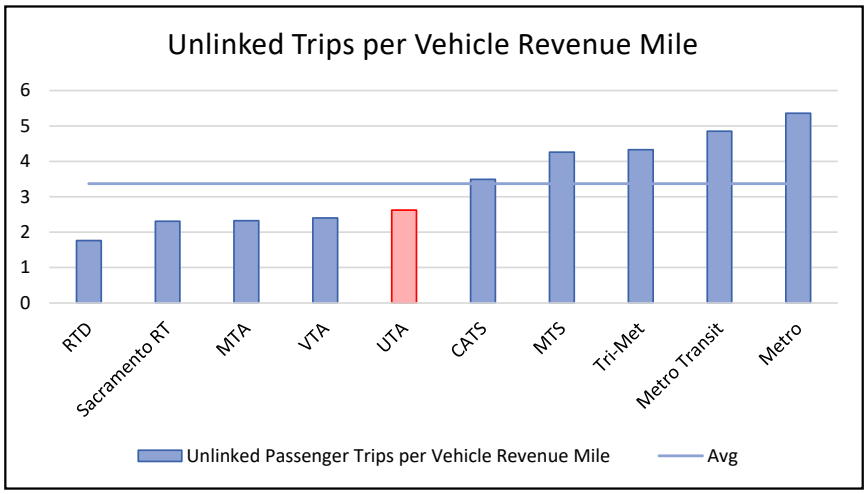


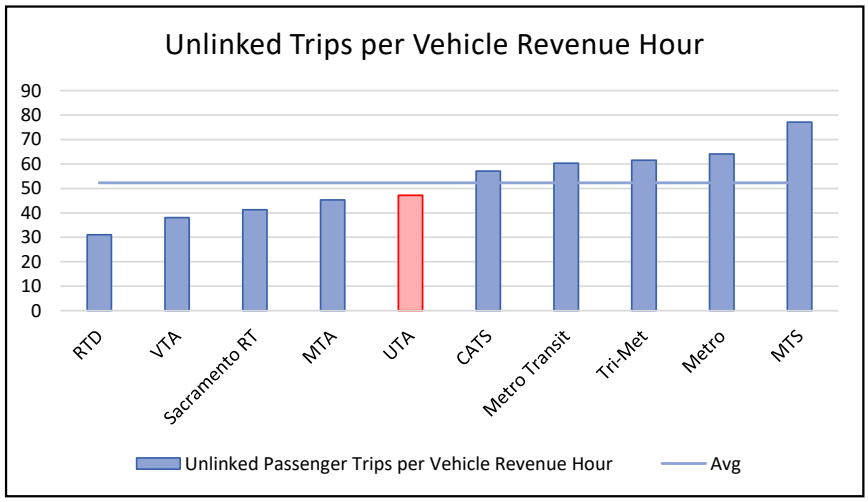
PERFORMANCE MEASURES - LIGHT RAIL

The following charts contain information from the Federal Transit Administration's National Transit Database (NTD) for the most recent year available (2019), and compares the Authority's performance with other like transit agencies.

Service Efficiency

City	Agency	Unlinked Passenger Trips per Vehicle Revenue Mile	Unlinked Passenger Trips per Vehicle Revenue Hour
Salt Lake City, UT	UTA	2.6	46.8
Baltimore, MD	MTA	2.3	45.0
Charlotte, NC	CATS	3.5	56.7
Denver, CO	RTD	1.7	30.8
Houston, TX	Metro	5.3	63.7
Minneapolis, MN	Metro Transit	4.8	59.8
Portland, OR	Tri-Met	4.3	61.1
Sacramento, CA	Sacramento RT	2.3	41.0
San Jose, CA	VTA	2.4	37.8
San Diego	MTS	4.2	76.6
Average		3.3	51.9
Maximum		5.3	76.6
Minimum		1.7	30.8
Standard Deviation		1.2	14.0





Compliance

UTAH TRANSIT AUTHORITY

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*

Board of Trustees
Utah Transit Authority
Salt Lake City, Utah

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the fiduciary activities of Utah Transit Authority (the Authority), a component unit of the State of Utah, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated <>, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as 2020-001 to be a material weakness.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and questioned costs as 2020-002 to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Authority's Response to Findings

The Authority's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned. The Authority's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Crowe LLP

Indianapolis, Indiana
<>, 2021

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Board of Trustees
Utah Transit Authority
Salt Lake City, Utah

Report on Compliance for Each Major Federal Program

We have audited Utah Transit Authority's (the Authority), a component unit of the State of Utah, compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the Authority's major federal programs for the year ended December 31, 2020. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Authority's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to 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 and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Authority's compliance.

Report on Internal Control Over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2020-002, that we consider to be a significant deficiency.

The Authority's response to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Authority's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Crowe LLP

Indianapolis, Indiana
<>, 2021

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDING DECEMBER 31, 2020

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Grant Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. DEPARTMENT OF TRANSPORTATION					
Federal Transit Cluster - Federal Transit Administration Programs					
Federal Transit - Formula Grant	20.507	UT-2020-002-00		$ -	$ 5,131,844
Federal Transit - Formula Grant	20.507	UT-2020-004-01		-	42,815,775
FHWA Transfer to 5307 Ubanized Area Formula Grant	20.507	UT-2018-005		-	1,068,346
FHWA Transfer to 5307 Ubanized Area Formula Grant	20.507	UT-2020-012		-	497,866
FHWA Transfer to 5307 Ubanized Area Formula Grant	20.507	UT-2020-010		-	214,550
FHWA Transfer to 5307 Ubanized Area Formula Grant	20.507	UT-2021-001		-	2,767,790
FHWA Transfer to 5307 Ubanized Area Formula Grant	20.507	20-CMAQ 3500 Max Expansion		-	5,014
FHWA Transfer to 5307 Ubanized Area Formula Grant	20.507	20-CMAQ UT Cnty Bus Stop		-	170,896
					52,672,081
COVID-19 Grant - Federal Transit Formula Grant	20.507	UT-2020-007-00		-	96,907,372
20.507 Programs Total				-	149,579,453
State of Good Repair Grants Program	20.525	UT-2020-005-00		-	16,517,550
					16,517,550
5339 Bus and Bus Facilities Formula Program	20.526	UT-2017-002-00		-	339,900
5339 Bus and Bus Facilities Formula Program	20.526	UT-2018-010-00		-	1,031,544
5339 Bus and Bus Facilities Discretionary Program	20.526	UT-2018-011-00		-	7,479,699
				-	8,851,143
Federal Transit Cluster - Federal Transit Administration Programs total				-	174,948,146
Transit Services Programs Cluster - Federal Transit Administration Programs					
Federal Transit - Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-16-X006		-	50,548
Federal Transit - Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2016-013		12,336	105,124
Federal Transit - Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2017-015		175,206	221,547
Federal Transit - Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2017-016		54,074	123,369
Federal Transit - Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2017-017		399,867	482,655
Federal Transit - Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2019-001		196,439	204,987
Federal Transit - Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2019-002		76,683	118,615
Federal Transit - Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2019-003		-	28,272
Federal Transit - Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2020-003			150,098
Transit Services Programs Cluster - Federal Transit Administration Programs				914,605	1,485,215

See accompanying notes to the schedule of expenditures of federal awards

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDING DECEMBER 31, 2020 (Continued)

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Grant Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
National Infrastructure Investment - Office of Secretary Programs					
Office of Secretary - National Infrastructure Investment (TIGER)	20.933	UT-2018-002		-	4,354,551
National Infrastructure Investment - Office of Secretary Programs total				-	4,354,551
Research & Development Cluster					
Public Transportation Research	20.514	UT-2017-012-00		-	243,368
Research & Development Cluster					243,368
				-	
TOTAL U.S. DEPARTMENT OF TRANSPORTATION				914,605	181,031,280
DEPARTMENT OF HOMELAND SECURITY					
FEMA Rail and Transit Security Grant Program	97.075	17-RA-00042			3,113
FEMA Rail and Transit Security Grant Program	97.075	19-RA-00040		-	75,739
TOTAL DEPARTMENT OF HOMELAND SECURITY				-	78,852
TOTAL FEDERAL AWARDS EXPENDED				$ 914,605	$ 181,110,132

RECONCILIATION OF FEDERAL EXPENDITURES TO FEDERAL REVENUES ON THE STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION

Federal preventative maintenance grants	$160,258,318
Capital Contributions: Federal grants	20,898,309
Total per Comparative Statement of Revenues, Expenses and Change in Net Position (2020)	181,156,627
Total per Schedule of Expenditures of Federal Awards for the year ending December 31, 2020	181,110,132
Difference	46,495

Previous Over/(Under)stated Revenues reflected in 2019 Statement of Revenues, Expenses and Change in Net Position

Research & Development Cluster-Federal Transit Administration	CFDA#	Grant #	Amount
Public Transportation Research	20.514	UT-2017-012	$ 4,130
Research & Development Cluster – Federal Transit Administration Program Total			$ 4,130

Transit Services Program Cluster	CFDA#	Grant #	Amount
Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-16-0006	$ 4,939
Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2016-013	$ (55,556)
Transit Services Program Cluster Total			$ (50,617)

National Infrastructure Investment – Office of the Secretary Programs	CFDA#	Grant #	Amount
Office of Secretary– National Infrastructure Investment (TIGER)	20.933	UT-2018-002	$ (8)
National Infrastructure Investment – Office of the Secretary Programs Total			$ (8)

Total Adjustment	$ 46,495

See accompanying notes to the schedule of expenditures of federal awards

A. Basis of Accounting

The information in this schedule is presented on the accrual basis of accounting in accordance with the 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). Expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

B. Pass-Through Awards

The Authority receives certain expenditures of federal awards from pass through awards of various state and other governmental agencies. The total amount of such pass-through awards is included in the supplementary schedule of expenditures of federal awards.

C. Non-Cash Federal Assistance

No non-cash federal assistance was received during the year ended December 31, 2020.

D. Indirect Cost Rate

The Authority did not use the 10 percent de minimis indirect cost rate.

SECTION I – SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance to GAAP:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	_X_yes ____no
Significant deficiency(ies) identified?	_X_yes ____none reported
Noncompliance material to financial statements noted?	____yes __X_no

Federal Awards

Internal control over major federal programs: (es)	
Material weakness(es) identified?	____yes __X_ no
Significant deficiencies identified not considered to be material weaknesses?	__X_yes ____ none reported
Type of auditor's report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	__x__yes ___no

Identification of major federal programs:

CFDA No(s).	Program/Cluster Title
20.507, 20.525, 20.526	Federal Transit Cluster

Dollar threshold used to distinguish between Type A and Type B Programs	$3,000,000
Auditee qualified as low-risk auditee?	____yes __X_no

SECTION II – FINDINGS RELATING TO THE FINANCIAL STATEMENTS, WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

Finding 2020-001 – Information Technology Controls over Change Management (Material Weakness)

Criteria: Internal controls over information systems are a key component of an organization's control environment. Entities should have internal controls including policies and procedures requiring appropriate segregation of duties for key process cycles. Where adequate segregation of duties cannot be employed via system access restrictions, detective and monitoring review controls should be established that adequately mitigate such risks.

Condition/Context: Segregation of duties does not exist between individuals with access to the general ledger source code and individuals responsible for implementing changes to the source code into the production environment.

Effect: Unauthorized or uncontrolled changes to general ledger software could be made to the application source code, which could impact system availability, data integrity, and information confidentiality.

Cause: Individuals with application development access have the ability to modify source code and deploy the changes into production. The Authority has a policy that source code changes are required to be reviewed by a second individual, however there are no system limitations or other restrictions to prevent unapproved changes from being placed into production. Furthermore, effective compensating controls are not in place to monitor and review source code changes that may have circumvented the policy requirement.

Recommendation: We recommend that the Authority modify its policies and procedures to ensure that source code changes are initiated with appropriate authorization and management oversight and approval is obtained prior to implementing the changes into the production environment. If access to development and production cannot be restricted, a compensating monitoring control should be implemented wherein an independent individual reviews source code changes for propriety.

Management's Response: Management recognizes that due to the Technology ERP staff size, the ideal separation of duties, as called out by UTA's Internal Audit and this audit, is not feasible without the addition of several new employees that would be dedicated to JDE production promotions. To improve the compensating controls and mitigate the potential risk of a developer putting something into JDE production without the proper controls the following step will be taken:

Technology Management, based on the findings of UTA's Internal Audit department, will install and configure a privileged access method (PAM) solution for its ERP system. Staff who need access to Production for support and application upgrades will be required to make a request to access the production environment using the PAM system. The PAM system will issue temporary credentials, log and track all of the users' activities while they are in the production environment. UTA's Internal Audit has indicated to Technology that using a PAM access system would serve as a compensating control for Technologies separation of duties risk due to our small ERP support staff.

Log and activity documents from the PAM system for ERP access would be reviewed by management independent of the development staff and supervision on an anytime developers must access the production database. The level of detail will be based on the specific work performed which will be documented as a support ticket.

The intent is that Management implement these procedural changes by 12/31/2021.

Finding 2020-002 – Internal Controls over Utility Disbursements (Significant Deficiency)

Information on Federal Program:

CFDA Number and Program Name:	20.507 - Federal Transit Formula Grants, COVID-19- Federal Transit Formula Grants
Federal Agency:	Department of Transportation

Criteria: Accounting principles generally accepted in the United States of America require management to design, implement, and maintain internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

2 CFR section 200.303 requires that non-Federal entities receiving Federal awards establish and maintain internal control over Federal awards that provides reasonable assurance that the non-Federal entity is managing the Federal awards in compliance with Federal statutes, regulations, and the terms and conditions of the Federal awards.

Condition/Context: Utility-related expenses are not reviewed and authorized for payment for prior to disbursement. Eight of the 60 randomly selected expenditures for the Federal Transit Cluster program related to utilities, and all lacked evidence of review and approval.

Questioned Costs: None identified.

Effect: The Authority's financial statements, specifically utility expenses, could be misstated due to fraud or error.
Cause: The Authority does not have a policy requiring the review and approval of utility invoices prior to payment due to the high volume of invoices and short payment terms. The invoices may be reviewed after payment has been made, but the process is informal and not documented.

Repeat Finding: No.

Recommendation: We recommend that the Authority implement a formal process requiring utility invoices to be reviewed prior to payment. The review may include the proprietary of the location of the utility (if applicable), reasonableness of usage, and recalculation of extended amounts and tax rates.

Management's Response: Management agrees the current utility review process needs modifications. UTA Internal Audit identified utility control deficiencies in fall 2020 and will be presenting their finalizing audit in June 2021. Management's response to internal audit is as follows:

"Management is currently working with a third party utility consultant to provide a recommendation on a utility management/oversight process. The consultant is using current client information and reaching out to other large government users to determine best practices. Once the report is received, management will provide alternatives to the Board of Trustees no later than July 31, 2021. Based on preliminary conversations with the consultant, the report will likely recommend procuring a third-party utilities service consultant and dedicated UTA support staff, or a combination of the two to properly manage the utility program. Based on guidance from the Board of Trustees, management will implement the preferred solution no later than September 30, 2021."

Finding 2020-003 – Financial Reporting Controls over Pension Trust (Significant Deficiency)

Criteria: 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, including the design, implementation, and maintenance of internal controls. Fiduciary fund financial statements should be presented using the economic resources measurement focus and the accrual basis of accounting in accordance with GASB Statement No. 34.

Condition/Context: The following conditions were identified in our testing of the pension trust:
1. Contributions related to 2020 that were received by the trust in 2021 were not properly accrued.
2. Contributions for one special payroll in 2020 were not included in the accounting records of the trust as they were not remitted by the Authority.
3. General journal entries to the trust financial statements are not formally reviewed and approved.

Effect: Employer contributions and contributions receivable in the fiduciary fund financial statements were understated by $1,423,466 as of and for the year ending December 31, 2020.
The lack of a formal policy for review of journal entries could result in misstatement of the trust financial statements due to error or fraud as unauthorized or inaccurate transactions could go undetected.

Cause: The Authority does not have a policy requiring the review and approval of pension trust journal entries or reconciliation of pension trust activity reported in the financial statements to the underlying records and source data.

Recommendation: We recommend the Authority's management increase oversight of all third-parties involved in the administration of the pension trust by designing and implementing controls over the reconciliation of pension trust activity reported in the financial statements. Specifically, management should ensure that transactions and balances, including investment activity, contributions, benefit payments, and other general journal entries reported in the trust financial statements reconcile to the underlying detail maintained by the Authority, the custodian, and any other Third Party Administrators.

Management's Response: : Management agrees with the finding. The Chief Financial Officer and Chief People Officer will lead development of an agency strategy to provide coordinated oversight of pension administration including all existing contractors. This will include addressing the following areas of concern:

- Reconciling financial contributions from the Authority monthly with the monthly pension financial statements
- Monitoring journal entries performed by the pension accounting firm in the pension accounting system and trial balance
- Reviewing financial statements integrated into the yearly financials of the Authority for completeness and accurate actuarial information
- Serving at a repository for investment statements and audited financial statements
- Reviewing pension benefit calculations
- Insuring retention of documentation on employee retirement choices
- Follow-up on monthly payments of taxes and annual tax reporting to the various states and the federal government
- Implementing regulatory and compliance changes with the various pension contracts to ensure ongoing compliance

Given the breath and scope of this review, the recommendations by the Chief Officers will be presented at the October 14, 2021 pension committee meeting and finalized at the December 9, 2021 pension committee. Coordination effort in the interim will be provided by the Authority's total rewards and accounting staff until the final recommendation can be approved and implemented.

SECTION III – FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS INCLUDING AUDIT FINDINGS AS DEFINED IN Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

See Finding 2020-002 in Section II.

Other Supplementary Information

UTA
UTAH TRANSIT AUTHORITY

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE ANDREPORT ON INTERNAL CONTROL OVER COMPLIANCE AS REQUIRED BY THE *STATE COMPLIANCE AUDIT GUIDE*

Board of Trustees
Utah Transit Authority
Salt Lake City, Utah

Report On Compliance

We have audited the Utah Transit Authority's (the Authority), a component unit of the State of Utah, compliance with the applicable state compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the State Auditor, for the year ended December 31, 2020.

State compliance requirements were tested for the year ended December 31, 2020 in the following areas:

Budgetary Compliance Fund Balance
Restricted Taxes and Related Revenues
Open and Public Meetings Act
Fraud Risk Assessment

Management's Responsibility

Management is responsible for compliance with the state requirements referred to above.

Auditor's Responsibility

Our responsibility is to express an opinion on the Authority's compliance based on our audit of the state compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the *State Compliance Audit Guide*. Those standards and the *State Compliance Audit Guide* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the state compliance requirements referred to above that could have a direct and material effect on a state compliance requirement occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each state compliance requirement referred to above. However, our audit does not provide a legal determination of the Authority compliance with those requirements.

Opinion on Compliance

In our opinion, the Authority complied, in all material respects, with the state compliance requirements referred to above for the year ended December 31, 2020.

Report On Internal Control over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the state compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the state compliance requirements referred to above to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance with those state compliance requirements and to test and report on internal control over compliance in accordance with the *State Compliance Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or to detect and correct noncompliance with a state compliance requirement on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a state compliance requirement will not be prevented or detected and corrected on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a state compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

Crowe LLP

Indianapolis, Indiana
<>, 2021

UTAH TRANSIT AUTHORITY

Independent Accountant's Report
On Applying Agreed-Upon Procedures

Year Ended December 31, 2020

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INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

Management
Utah Transit Authority
Salt Lake City, Utah

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) for the Utah Transit Authority's (Authority or UTA) 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 data, appear to be accurate.
- Data is consistent with prior reporting periods and other facts known about the Authority's operations.

We have applied the procedures, as described in Attachment A, to the data contained in the accompanying FFA-10 for the 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 management of the Authority, were applied to assist the Authority in evaluating whether the 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 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*. The Authority's management is responsible for the FFA-10 and compliance with NTD requirements. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

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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 the Authority for the year ending December 31, 2020 for each of the following modes:

- Motor Bus – Directly Operated (MBDO)
- Commuter Bus – Directly Operated (CBDO)
- Commuter Rail – Directly Operated (CRDO)
- Light Rail – Directly Operated (LRDO)
- Demand Response – Directly Operated (DRDO)
- Demand Response – Purchased Transportation (DRPT)
- Motor Bus – Purchased Transportation (MBPT)
- Vanpool – Directly Operated (VPDO)

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 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*. 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. This report relates only to the information described above and does not extend to the Authority's financial statements taken as a whole, or the forms in the Authority's NTD report other than the FFA-10 form, for any date or period.

This report is intended solely for the information and use of management of the Authority and the FTA and is not intended to be and should not be used by anyone other than these specified parties

Crowe LLP

Indianapolis, Indiana
<>, 2021

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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.

Procedure performed without exception.

b. Discuss the procedures (written or informal) with the personnel assigned responsibility for 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 *NTD Policy Manual*.

Procedure performed without exception.

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.

Per inquiry with the Authority NTD Staff ("Staff"), NTD source documentation is retained for a minimum of 3 years per the FTA requirements and is stored on local drives for longer. Procedure performed without exception.

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.

We selected a haphazard sample of 15 source documents across all modes from three different months from 2017, 2018, and 2019. We observed that the source documents were maintained for each year as required. Procedure performed without exception.

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.

Per inquiry with Staff, in 2020 internal controls were maintained through email communication. Historically, the general managers for each department and mode were contacted to obtain approval of the periodic data and investigate and resolve discrepancies. In 2021, the Operations, Analysis & Solutions department ("OAS") created and adopted a more robust system of controls which includes formal documented preparation, review, and approval of source documents. The OAS department performed a retrospective review of 2020 data to ensure its completeness, accuracy, and reasonableness.

f. Select a random sample of the 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.

We selected a haphazard sample of 15 source documents across all modes and observed review of the data via email communication. Procedure performed without exception.

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g. Obtain the worksheets used to prepare the final data that the transit agency transcribes onto the Federal Funding Allocation Statistics form. Compare the periodic data included on the worksheets to the periodic summaries prepared by the transit agency. Test the arithmetical accuracy of the summaries.

Procedure performed without exception.

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 *NTD Policy Manual*.

Per inquiry with Staff and observation of the Authority's working papers, the sampling method is in accordance with NTD requirements.

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 (2017) 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

Per inquiry with Staff, the Authority is not eligible to conduct statistical sampling for PMT data every third 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.

We obtained the sampling procedure and methodology for PMT data noting Automatic Passenger Counters (APC) are utilized for a 100% count of PMT for the Commuter Rail, Light Rail, Commuter Bus and MBPT modes. The MBDO mode uses a modified PMT measurement method that utilizes APC data to estimate PMT. 100% of PMT are counted for the Demand Response and Vanpool modes. Procedure performed without exception.

k. Select a random sample of the 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 accumulations periods that were tested. Test the arithmetical accuracy of the summary.

We selected a haphazard sample of 48 source documents from March 2020, May 2020, and September 2020, and recalculated PMT. Procedure performed without exception, except for modes and accumulation periods noted below.

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For CRDO, we recalculated PMT for March, May, and September 2020 with variances of 99, 59, and 78 miles, respectively. For LRDO, we recalculated PMT for March, May, and September 2020 with variances of 1,416, 920, and 26,946 miles, respectively. For MBDO, we recalculated PMT for May 2020 with a variance of 817 miles. For MBPT, we recalculated PMT for March, May, and September 2020 with variances of 9, 1,560, and 513 miles, respectively. For VPDO, we recalculated PMT for March 2020 with a variance of 458,095 miles. For DRPT, we performed a recalculation of March, May, and September 2020, however, trip-level data was not available to UTA for one of the purchased transportation contractors, and as such, we did not perform a recalculation of that data, but rather ensured mathematical accuracy of the summary to include in the recalculation of PMT for the mode.

l. Discuss the procedures for systematic exclusion of charter, school bus, and other ineligible vehicle miles from the calculation of actual Vehicle Revenue Miles (VRM) with transit agency staff and determine that they follow the stated procedures. Select a random sample of the source documents used to record charter and school bus mileage and test the arithmetical accuracy of the computations.

Per inquiry with Staff, the Authority does not operate charter, school bus, or other ineligible vehicles. As such, the procedure was not performed.

m. For actual 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 the 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 the 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 the vehicle logs and determine that the deadhead mileage has been correctly computed in accordance with FTA definitions.

Per inquiry with Staff, with the exception of DRDO, DRPT, and VPDO, actual vehicle revenue miles are computed by subtracting deadhead mileage and missed trips from the scheduled trips. For DRDO and DRPT, actual vehicle revenue miles are calculated by subtracting the deadhead mileage from the miles on hubodometer readings. For VPDO, actual VRMs are calculated from vehicle logs and there are no deadhead miles since it is a non-dedicated service. Procedure performed without exception.

n. For rail modes, review the recording and accumulation sheets for actual VRMs and determine that locomotive miles are not included in the computation.

Procedure performed without exception.

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o. If fixed guideway or High Intensity Busway Directional Route Miles (FG or HIB DRM) are reported, interview the person responsible for maintaining and reporting NTD data whether the operations meet FTA definition of fixed guideway (FG) or High Intensity Busway (HIB) in that the service is:

- Rail, Trolleybus (TB), Ferryboat (FB), or Aerial Tramway (TR); or
- Bus (MB, CB, or RB) service operating over exclusive or controlled access rights-of-way (ROW); and
  i. Access is restricted;
  ii. Legitimate need for restricted access is demonstrated by peak period level of service D or worse on a parallel adjacent highway; and
  iii. Restricted access is enforced for freeways; priority lanes used by other high occupancy vehicles (HOV) (i.e., Vanpools (VP), carpools) must demonstrate safe operation.

Per inquiry with Staff, the modes reporting FG or HIB DRM meet the FTA definitions as listed above. Procedure performed without exception.

p. Discuss the measurement of FG and HIB DRM with the person reporting NTD data and determine that 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.

Per inquiry with Staff, the computation of FG and HIB DRM is in accordance with FTA definitions. Additionally, no service changes resulted in an increase or decrease in DRMs.

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.

Per inquiry with Staff, there were temporary interruptions in service throughout the year resulting from maintenance or rehabilitation improvements of fixed guideway segments, however no change in reporting FG DRM was required as the interruption was less than 12 months.

r. Measure FG/HIB DRM from maps or by retracing route.

Procedure performed without exception.

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 Operating Expense (OE) for the service operated over the same FG/HIB.

Per inquiry with Staff, the Authority operates modes of service over the same FG/HIB as other transit agencies. UTA is the approved operator for all their FG and UTA is reporting their actual VRM, PMT, and OE for their services. Step performed without exception.

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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.

We obtained the FG/HIB segments form. There were no new segments added during the reporting year 2020.

u. Compare Operating Expenses with audited financial data after reconciling items are removed.

Procedure performed without exception.

v. If the transit agency purchases transportation services, interview the personnel reporting the NTD data on the amount of purchased transportation-generated fare revenues. The purchased transportation fare revenues should equal the amount reported on the Contractual Relationship form.

We agreed the purchased transportation fare revenues reported on the Contractual Relationship forms to the Authority's working papers. Procedure performed without exception.

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 an Independent Auditor Statement for the purchased transportation data.

T**he Authority's report contains data for PT services, therefore the IAS-FFA is not applicable.**

x. If the transit agency purchases transportation services, obtain a copy of the purchased transportation 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.

The Authority contracts with three vendors to operate Motor Bus and Demand Response modes. We obtained the executed contracts for each vendor and noted the inclusion of the required information listed above. Procedure performed without exception.

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.

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The Authority provides services in three UZAs and one non-UZA. Per inquiry with Staff, the Authority uses ArcGIS mapping to allocate statistics based on route mileage. Procedure performed without exception.

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.

We compared the current year FFA-10 data to the prior year reported amounts and calculated the percentage change from the prior year to the current year. The following changes greater than +/- 10% were noted:

- **CBDO** – 27% decrease in VRM, 66% decrease in PMT, and 14% decrease in OE. Per inquiry with Staff, the changes are attributable to significantly lower ridership as a result of the COVID-19 pandemic, as many people were not riding public transportation. Additionally, the Authority stopped servicing various off-peak-hours routes since the public wasn't riding the commuter buses.
- **CRDO** – 25% decrease in VRM and 61% decrease in PMT. Per inquiry with Staff, the changes are attributable to significantly lower ridership of the commuter rails, as a result of the COVID-19 pandemic, as many people were not riding public transportation.
- **DRDO** – 45% decrease in VRM, 60% decrease in PMT, and 25% decrease in OE. Per inquiry with Staff, the changes are attributable to significantly lower ridership as a result of the COVID-19 pandemic, as many people were not riding public transportation.
- **DRPT** – 33% decrease in VRM and 53% decrease in PMT. Per inquiry with Staff, the changes are attributable to significantly lower ridership as a result of the COVID-19 pandemic, as many people were not riding public transportation.
- **LRDO** – 53% decrease in PMT and 16% increase in OE. Per inquiry with Staff, the changes are attributable to significantly lower ridership as a result of the COVID-19 pandemic, as many people were not riding public transportation. During this time when the public was not riding the light rail, the Authority took the opportunity to improve various lines and perform general maintenance, which contributed to the increase in OE.
- **MBDO** – 14% decrease in VRM and 37% decrease in PMT. Per inquiry with Staff, the changes are attributable to significantly lower ridership as a result of the COVID-19 pandemic, as many people were not riding public transportation.
- **MBPT** – 17% increase in VRM and 43% increase in OE. Per inquiry with Staff, the changes are attributable to more riders on buses operated by the PT contractors since the route frequency for CBDO and MBDO buses was reduced.
- **VPDO** – 12% decrease in VRM and 26% decrease in PMT. Per inquiry with Staff, the changes are attributable to significantly lower ridership as a result of the COVID-19 pandemic, as many people were not riding public transportation.

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.

Procedure performed without exception.

DRAFT

669 West 200 South
Salt Lake City, UT 84101

Utah Transit Authority

MEETING MEMO

Board of Trustees **Date:** 6/23/2021

TO: Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Carolyn Gonot, Executive Director
PRESENTER(S): Carolyn Gonot, Executive Director

TITLE:

Agency Report
- **UIC Corridor Status**
- **Complex Coordinated Terrorist Attack Grant Funding**

AGENDA ITEM TYPE:	Report
RECOMMENDATION:	Informational report for discussion
DISCUSSION:	Carolyn Gonot, UTA Executive Director will report on recent activities of the agency and other items of interest. • UIC Corridor Status • Complex Coordinated Terrorist Attack Grant Funding

669 West 200 South
Salt Lake City, UT 84101

Utah Transit Authority

MEETING MEMO

Board of Trustees **Date:** 6/23/2021

TO: Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Kim Shanklin, Chief People Officer
Kenya Fail, UTA Manager of Civil Rights
PRESENTER(S): Brandi Lavoie, CAT Member
Cherissa Alldredge, ADA Compliance Officer

TITLE:

Committee on Accessible Transportation (CAT) Annual Report

AGENDA ITEM TYPE:	Reports
RECOMMENDATION:	Informational report for discussion
BACKGROUND:	As articulated in the Committee on Accessible Transportation (CAT) Committee Charter adopted by the UTA Board of Trustees on October 30, 2019, it is the responsibility of the CAT Committee Chair to provide an annual update to the Board of Trustees regarding significant CAT Committee accomplishments.
DISCUSSION:	This presentation will update the UTA Board of Trustees regarding significant contributions made by CAT Committee members during the 2020 - 2021 CAT membership year. Due to the COVID-19 pandemic, an update was not provided in 2020, so information will also be provided regarding contributions made during prior membership years. Ongoing accessibility improvements, as well as the upcoming Disability History Month and annual ADA Celebration, will also be discussed.
ALTERNATIVES:	N/A
FISCAL IMPACT:	None
ATTACHMENTS:	None

669 West 200 South
Salt Lake City, UT 84101

Utah Transit Authority

MEETING MEMO

Board of Trustees **Date:** 6/23/2021

TO: Board of Trustees
FROM: Chair Carlton Christensen
PRESENTER(S): Chair Carlton Christensen

TITLE:

R2021-06-06 Resolution Giving Special Tribute, Due Honor and Recognition to Executive Director Carolyn Gonot

AGENDA ITEM TYPE:	Resolution
RECOMMENDATION:	Approve Resolution R2021-06-06 giving special tribute, due honor, and recognition to Executive Director Carolyn Gonot.
BACKGROUND:	Carolyn Gonot has served as the Authority's Executive Director since August 2019 and will be leaving the organization on July 9, 2021. The Board of Trustees would like to recognize Ms. Gonot for her contribution to the Authority during her tenure as Executive Director of the Utah Transit Authority.
DISCUSSION:	The Board of Trustees will present a resolution to give tribute, honor and recognition to Ms. Gonot at her last Board Meeting with the Authority on June 23, 2021.
ALTERNATIVES:	N/A
FISCAL IMPACT:	N/A
ATTACHMENTS:	Resolution R2021-06-06

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RESOLUTION OF THE BOARD OF TRUSTEES OF THE UTAH TRANSIT AUTHORITY GIVING SPECIAL TRIBUTE, DUE HONOR, AND RECOGNITION TO EXECUTIVE DIRECTOR CAROLYN GONOT

R2021-06-06 June 23, 2021

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 (the "Act"); and

WHEREAS, Carolyn Gonot is leaving the Authority, having served as the Executive Director since 2019; and

WHEREAS, Ms. Gonot successfully embraced a spirit of collaboration with stakeholders to form shared strategies for Utah's growth and to move major transit projects forward; and

WHEREAS, Ms. Gonot competently led the vision of the FrontRunner Forward business plan and collaboratively worked with the Authority and Legislature to secure a $300 million dollar investment to strategically double track FrontRunner; and

WHEREAS, Ms. Gonot contributed to the development and vision of many other significant projects and plans including securing tentative approval from the Federal Transit Administration (FTA) for the Ogden Bus Rapid Transit (BRT) project, facilitating support for the Point of the Mountain Alternatives Analysis, and obtaining a Letter of No Prejudice for the Midvalley BRT which invites federal funding opportunities; and

WHEREAS, Ms. Gonot has provided competent and steady leadership of the Authority and built a strong, cohesive Executive Team; and

WHEREAS, under the strategic direction of Ms. Gonot and the Executive Team the Authority has been a leader in responding to the Covid-19 Pandemic, and successfully oriented other challenges presented in 2020 by a 5.7 magnitude earthquake and hurricane-force winds; and

WHEREAS, Ms. Gonot's significant intellect, dedication, and commitment to sound management of the Authority have demonstrated the highest degree of professionalism.

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

1. That the Board does hereby commend and express the Authority's sincere appreciation and gratitude to Carolyn Gonot for her exemplary service to the Authority.

2. That this resolution is presented with thanks and good wishes of the Authority.

3. That the corporate seal be attached hereto.

Approved and adopted this 23rd day of June 2021.

_____
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

669 West 200 South
Salt Lake City, UT 84101

Utah Transit Authority

MEETING MEMO

Board of Trustees **Date:** 6/23/2021

TO: Board of Trustees
FROM: Chair Carlton Christensen
PRESENTER(S): Chair Carlton Christensen

TITLE:

R2021-06-07 Resolution Appointing Mary DeLoretto as Interim Executive Director

AGENDA ITEM TYPE:	Resolution
RECOMMENDATION:	Approve Resolution R2021-06-07 appointing Mary DeLoretto as Interim Executive Director effective July 10, 2021.
BACKGROUND:	Carolyn Gonot has resigned her position as Executive Director of UTA effective July 9, 2021. Utah's Public Transit District Act authorizes the Board of Trustees to appoint an Executive Director and the Board wishes to appoint an Interim candidate while we pursue recruitment for a new Executive Director.
DISCUSSION:	The Board wishes to appoint Mary DeLoretto as Interim Executive Director effective July 10, 2021. A resolution recognizing Ms. DeLoretto's qualifications and appointment to this interim role will be presented to the Board for adoption.
ALTERNATIVES:	Trustees could nominate another individual
FISCAL IMPACT:	Compensation for the Executive Director is accounted for in the Agency's approved 2021 Operating Budget.
ATTACHMENTS:	Resolution R2021-06-07

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RESOLUTION OF THE BOARD OF TRUSTEES OF THE UTAH TRANSIT AUTHORITY APPOINTING MARY DELORETTO AS INTERIM EXECUTIVE DIRECTOR

R2021-06-07 June 23, 2021

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 (the “Act”); and

WHEREAS, the Act provides that the Authority’s Board of Trustees (“Board”) shall appoint an Executive Director; and

WHEREAS, the Act requires the appointment of an Executive Director to be based on an individual’s qualifications, with special reference to the person’s actual experience in or knowledge of accepted practices with respect to the duties of the office; and

WHEREAS, Mary DeLoretto has an Engineering degree from Rutgers University; and

WHEREAS, Ms. DeLoretto has worked with the Authority for 16 years providing expertise in the areas of environmental studies and compliance, grants, project controls, and capital projects, in addition to leading agency-wide strategic planning and service planning programs; and

WHEREAS, Ms. DeLoretto has served as the Chief Service Development Officer of the Authority leading a team managing capital development and construction, real estate and transit-oriented development (TOD), asset management and project controls; and

WHEREAS, the Board values the experience and skills of Ms. DeLoretto and has identified her to be qualified to serve as Interim Executive Director.

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

1. That the Board hereby appoints Mary DeLoretto as Interim Executive Director effective July 10, 2021.

2. That the Board establishes Ms. DeLoretto’s annual base salary at $226,888.42.

3. That any other benefits provided to Ms. DeLoretto by the Authority shall be the same as those provided to other Authority administrative employees.

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4. That the Board will provide Ms. DeLoretto with opportunities for annual merit increases to be determined in the same manner as increases for other Authority administrative employees.

5. That the Authority will not pay Ms. DeLoretto an annual bonus or any other monetary compensation in addition to her base salary.

6. That this Resolution stay in full force and effect until rescinded by further action of the Board.

7. That the Board formally ratifies all action taken by the Authority, including those taken by staff, necessary or appropriate to this action.

8. That the corporate seal shall be affixed hereto.

APPROVED AND ADOPTED this 23rd day of June 2021.

_____
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

669 West 200 South
Salt Lake City, UT 84101

Utah Transit Authority

MEETING MEMO

Board of Trustees **Date:** 6/23/2021

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

TITLE:

R2021-06-08 Resolution Authorizing the Obligation and Drawdown of American Rescue Plan Act (ARPA) Supplemental Appropriations Grant Monies by the Executive Director

AGENDA ITEM TYPE:	Resolution
RECOMMENDATION:	Approve Resolution R2021-06-08 authorizing grant execution by the Executive Director of ARPA agreement(s) to be developed in the Federal Transit Administration Awards Management System.
BACKGROUND:	On March 11, 2021 ARPA was signed into law. The ARPA provides emergency funding for a variety of industries affected by COVID-19, including the transit industry. To support the transit industry's response to COVID-19, beginning January 20, 2020, all activities normally eligible under the Urbanized Area 5307 formula program, including planning, capital, and operating, are eligible for ARPA funding. Operation expenses can include paying administrative leave of operations personnel due to reductions in service or quarantine. Other operations expenses could include drivers' salaries, supplies, personal protective equipment (PPE), fuel, and other expenses related to keeping the system operating on a day-to-day basis. Examples of eligible capital activities include preventive maintenance, vehicle replacement, equipment purchasing, and facility repairs/new construction.

DISCUSSION:	FTA, through ARPA funding, has apportioned $167,777,477 for UTA's Urbanized Area Section 5307 Grant Program. The funding will be provided at 100% federal share, with no local match required. FTA is encouraging public transit agencies to obligate the funds as soon as possible. Staff will execute the funds for operations and/or capital items already approved in the five-year budget. This resolution is to provide the Executive Director the authority to execute grants up to the total apportioned amount for ARPA funding. This resolution reduces the timeline for executing the ARPA grants, and it is in UTA's best interest to execute the grants expeditiously.
ALTERNATIVES:	This grant funding ensures that our public transportation system can continue to provide essential transit service to our communities.
FISCAL IMPACT:	No local match is required.
ATTACHMENTS:	1) Resolution 2021-06-08

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RESOLUTION OF THE BOARD OF TRUSTEES OF THE UTAH TRANSIT AUTHORITY AUTHORIZING THE OBLIGATION AND DRAWDOWN OF AMERICAN RESCUE PLAN ACT (ARPA) SUPPLEMENTAL APPROPRIATIONS GRANT MONIES BY THE EXECUTIVE DIRECTOR

R2021-06-08 June 23, 2021

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, both Houses of the Congress of the United States of America passed the American Rescue Plan Act ("ARP Act"), and it was signed by the President on March 11, 2021 becoming Public Law No: 117-2; and

WHEREAS, the ARP Act provides emergency funding for a variety of industries affected by the Novel Coronavirus, COVID-19 pandemic, including America's public transit industry; and

WHEREAS, under the ARP Act, all activities normally eligible for Federal Transit Administration ("FTA") Urbanized Area Section 5307 Formula Program monies, including planning, capital, and operating expenses, are now eligible for ARP Act funding; and

WHEREAS, under the monies available for operating expenses, ARP Act funding can be obligated to pay for administrative leave of operations personnel due to reductions in service or quarantine, operators' salaries, supplies, fuel, personal protective equipment, and all other expenses to keep a transit system operating on a day-to-day basis; and

WHEREAS, under the monies available for capital expenses, ARP Act funding can be obligated to pay for preventative maintenance, vehicle replacement, equipment purchasing, and facility repairs; and

WHEREAS, Congress has appropriated up to $167,777,477 for UTA's share of the ARP Act Section 5307 Program funding, which is 100% federal share, no match required; and

WHEREAS, the FTA is encouraging transit agencies like UTA to obligate and drawdown the ARP Act funding as soon as possible; and

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WHEREAS, the Board of Trustees (the "Board") of the Authority desires to delegate authority to the Executive Director to obligate and draw down on UTA's shares of ARP Act funding as soon as possible.

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

1. That the Board authorizes the Executive Director to begin immediate obligation and drawdown of ARP Act funding to reimburse UTA for:

    a. Expenses allowed or permissible under the ARP Act funding; and

    b. Expenses that do not exceed the approved Operating or Capital Budgets.

2. That the Board instructs the Executive Director and/or her designee to report regularly to the Board as to the status of the obligation and drawdown of ARP Act funding.

3. That the Board hereby ratifies any and all actions previously taken by the Authority's management, staff, and counsel to prepare for and obtain funding under the ARP Act.

4. That the corporate seal be attached hereto.

Approved and adopted this 23rd day of June 2021.

_____
Carlton Christensen, Chair
Board of Trustees

ATTEST:

_____ (Corporate Seal)
Secretary of the Authority

Approved As To Form:

DocuSigned by:
David Wilkins
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_____
Legal Counsel

669 West 200 South
Salt Lake City, UT 84101

Utah Transit Authority

MEETING MEMO

Board of Trustees **Date:** 6/23/2021

TO: Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Mary DeLoretto, Chief Service Development Officer
PRESENTER(S): Dave Hancock, Director of Capital Construction
Jared Scarbrough, Manager of Systems Engineering

TITLE:

Contract: Traction Power Substations Rehabilitation Design Build (C3M Power Systems)

AGENDA ITEM TYPE:	Procurement Contract/Change Order
RECOMMENDATION:	Approve award and authorize Executive Director to execute the contract and associated disbursements for the Base Scope Work and Option No. 3 (Atwood Disconnect Switch Replacement) with C3M Power Systems in the amount of $38,077,408
BACKGROUND:	This request is to execute a Design-Build contract related to the rehabilitation of 19 traction power substations (TPSS) along UTA's TRAX lines. UTA has advertised and selected a Design-Build Contractor through a Best Value selection process for the TPSS Rehabilitation Project (Contract #20-03378VW). C3M Power Systems was selected based on highest score and therefore is the most advantageous bidder to UTA. UTA would like to enter into a Design-Build Contract with C3M to begin work on this project. The substations are primarily located along the North/South Blue Line which makes up the trunk of the UTA TRAX's alignment. In total there are 19 substations that were installed between the years of 1998 to 2003. The substations are mainly prefabricated units with one substation being located in an underground room in a parking structure. Of the 19 substations, 13 feed the North/South line and 6 feed the University Line. These older style substations do not have any data logging, remote control or SCADA capabilities and as a result the real-time condition of each of these substations is not known by the operations control center. This project will allow the entire substation system at UTA to be integrated into one central control center once the project is complete.
DISCUSSION:	The Base Scope of Work for the substation rehabilitation activities will consist of replacing the DC switchgear in all 19 substations and expanding the SCADA system to each of these existing locations. In 10 of the locations the rectifier-transformer will

	be upgraded from a 1.5 MW system to a 2.0 MW system. The existing pole-mounted disconnect switches will be converted to pad-mounted disconnect switches. This contract contains a base work package and three additional optional work packages, each of which may be exercised in the sole discretion of UTA at any time during the contract term and in no particular order. Option No. 1 includes replacing the existing positive feeder cables of nine of the TPSS rehab locations. Option No. 2 includes replacing the existing negative feeder cables at the 19 IMPulse TPSS locations and the Atwood TPSS locations - 20 locations in total. Option No. 3 includes replacement of the Atwood Disconnect Switch. Option Nos. 1 & 2 are not being exercised at this time. Staff will come back to the Board for approval if and when Options No. 1 and 2 are exercised in the future. Option No. 3 is being exercised concurrently with the base work package. UTA staff is requesting approval to enter into a contract with C3M Power Systems for this Substation (TPSS) Rehabilitation project, which will account for the rehabilitation of 19 substation locations, integrating a SCADA system for these locations, and providing all services as described in the RFP and in the TPSS Rehabilitation contract.
CONTRACT SUMMARY:	
Contractor Name:	C3M Power Systems
Contract Number:	20-03378VW
Base Contract Effective Dates:	June 25, 2021 to May 29, 2025
Extended Contract Dates:	N/A
Existing Contract Value:	N/A
Amendment Amount:	N/A
New/Total Amount Contract Value:	$38,077,408
Procurement Method:	RFP Competitive Best Value
Funding Sources:	Local UTA Funding
ALTERNATIVES:	Alternatives to this contact: • Replace all 19 IMPulse TPSS's with all new substations. The cost to do this is estimated to be at least double the current contract amount. • Delay the IMPulse TPSS rehabilitation project to a later date. The risk to delay this project is considered unacceptable due to the current sage and state of the TPSS locations in this contract.
FISCAL IMPACT:	The budget is included in the current 5-year Capital Plan, 2021-2025.
ATTACHMENTS:	1) Contract

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RFP No. 20-03378VW

DESIGN-BUILD AGREEMENT

STATE OF GOOD REPAIR TRACTION POWER SUBSTATION (TPSS) REHABILITATION PROJECT

UTAH TRANSIT AUTHORITY
669 WEST 200 SOUTH
SALT LAKE CITY, UTAH 84101

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DESIGN-BUILD AGREEMENT

(State of Good Repair Traction Power Substation (TPSS) Rehabilitation)

This Design-Build Agreement (State of Good Repair TPSS Rehabilitation) ("**Agreement**") is between the Utah Transit Authority, a public transit district organized under the laws of the State of Utah ("**UTA**"), and C3M Power Systems, LLC, a limited liability company.

RECITALS

A. UTA is engaged in a project to design and rehabilitate its Power Substations (the "**Project**").

B. On November 23,2020, UTA issued Request for Proposals No. 20-03378VW (the "**RFP**"), and requested that interested firms submit proposals to perform the work required by the Project.

C. UTA evaluated the proposals and determined that C3M Power Systems, LLC's proposal provided the best value to UTA.

D. UTA and C3M Power Systems, LLC (the "Design-Builder" or "Contractor") desire to enter into this Agreement to define their respective roles and responsibilities with respect to the Project.

AGREEMENT

Therefore, the parties agree as follows:

1. Scope of Work. Design-Builder shall perform the Work. In the Contract Documents, "Work" means all design, construction, and other services required by the Contract Documents, including procuring and furnishing all material, equipment, services and labor reasonably inferable from the Contract Documents as necessary to complete the Project. The Statement of Work including UTA furnished designs, drawings and specifications are contained at Exhibit A. This contract contains a base work package and potential option work packages, each of which may be exercised in the sole discretion of UTA at any time during the contract term and in no particular order. Option 3 work package is being exercised concurrently with execution of the base work package. UTA reserves the right to exercise Options 1 and 2 at a later time. Pricing for options 1 and 2 will be negotiated at the time options are exercised.

2. Schedule. (a) Design-Builder shall commence the Work within seven (7) days of Design-Builder's receipt of a Notice to Proceed from UTA. UTA is not required to issue a NTP until all insurance, bonding, and other required documentation is submitted and deemed acceptable by UTA.

(b) UTA may issue a limited Notice to Proceed ("NTP") on a portion of the Work, and may issue a series of limited NTPs to provide for progression of the Work in phases. Issuance of a limited NTP will not be deemed to require UTA to issue any subsequent NTPs, and will not be

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deemed to obligate UTA to complete the Project or to pay Design-Builder for any portion of the Work not encompassed by an NTP issued by UTA.

(c) The Design-Builder shall achieve Substantial Completion of the entire Work no later than February 28, 2025 (the "Substantial Completion Date"). In the Contract Documents, "Substantial Completion" means that the Work is sufficiently complete in accordance with the Contract Documents so that UTA can use the Project for its intended purposes.

(d) The Design-Builder shall achieve Final Completion of the Work as expeditiously as reasonably practicable, but in no event later than 90 days after the Substantial Completion Date. In this Agreement, "Final Completion" means the date when all Work is complete in accordance with the Contract Documents, including but not limited to, final completion of all punch list items and delivery of all documents in accordance with the Standard terms and conditions.

(e) Time is of the essence with respect to the dates set forth in this section.

(f) Design-Builder acknowledges that if Substantial Completion is not attained by the Substantial Completion Date, UTA will suffer damages that are difficult to measure and determine with precision. If Substantial Completion is not attained by the Substantial Completion date, Design-Builder shall pay UTA $5,000.00 as liquidated damages for each day that Substantial Completion extends beyond the Substantial Completion Date.

3. Price and Payment. (a) As full compensation for completing the Work in accordance with the Contract Documents, UTA shall pay to the Design-Builder the lump sum price of $38,077,408.00 (the "Contract Price"). This price includes the scope of work for the base contract and Option No. 3. Pricing details and payment provisions are contained in Exhibit B and in Exhibit C Article 4.

4. Contract Documents. (a) The Contract Documents consist of the following:

(1) All written amendments and Change Orders to this Agreement executed in accordance with Article 7 of the Standard terms and conditions;

(2) This Agreement, including its exhibits, and specifically including the UTA provided design specifications contained in Exhibit A, the UTA Design and Construction Standard terms and conditions and Conditions contained at Exhibit C and required Federal Clauses at Exhibit D.

(3) Design-Builder's Proposal in response to the RFP;

(4) The RFP, specifically including but not limited to the Technical and Performance Requirements included in Appendix I to the RFP and including the UTA Construction Safety and Security Program Manual, UTA's Design Quality Plan, UTA's Construction Quality Control Plan, and UTA's Quality Management Plan.

(b) The parties intend that the Contract Documents include and provide for all aspects of the Work that are necessary for the proper initiation, performance, and substantial completion of the Work by the Design-Builder, prior to the Substantial Completion Date, and for the Contract Price. The parties intend that the Contract Documents be interpreted in harmony so as to avoid conflict,

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with words and phrases interpreted in a manner consistent with construction and design industry standards.

(c) If any terms of the Contract Documents contradict any other terms, the terms contained in the more recent Contract Document will govern.

(d) Design-Builder acknowledges that, prior to the execution of this Agreement, it has carefully reviewed the Contract Documents for errors, omissions, conflicts or ambiguities (each, a "Discrepancy"), and is not aware of any Discrepancies as of the execution of this Agreement. If the Design-Builder becomes aware of a Discrepancy, the Design-Builder shall immediately notify UTA's Project Manager of that Discrepancy in writing. UTA's Project Manager shall promptly resolve the Discrepancy in writing. Design-Builder's failure to promptly notify UTA of an apparent discrepancy will be deemed a waiver of Design-Builder's right to seek an adjustment of the Contract Price and Substantial Completion Date due to the discrepancy.

(e) The Contract Documents form the entire contract between UTA and the Design-Builder and by incorporation in this Agreement are as fully binding on the parties as if repeated in this Agreement. No oral representations or other agreements have been made by the parties except as specifically stated in the Contract Documents.

5. Order of Precedence. The order of precedence for this Contract shall be as follows:

1) This contract including all exhibits, amendments, terms and conditions and other documents incorporated by reference.

2) The RFP including all exhibits and amendments, terms and conditions.

3) The Contractor's Proposal

6. Representatives of the Parties.

(a) UTA designates Jared Scarborough as its Project Manager, and Eddy Cummins its Senior Representative. UTA's Contract Administrator for this Agreement is Vicki Woodward. Questions or correspondence regarding the contractual aspects of this Agreement should be directed to Ms. Woodward, at the address set forth in section 8. UTA's Project Manager, Senior Representative, and Contract Administrator are referred to collectively as the "UTA Representatives."

(b) Design-Builder designates Salvador Benitez as its Project Manager, and Chuck Tomasco, Jr., as its Senior Representative (collectively, the "Design-Builder Representatives").

7. **Key Personnel**. (a) Design-Builder shall ensure that the following Key Personnel remain assigned to the Project until Final Completion:

(1) Project Manager: Salvador Benitez, C3M

(2) Construction Manager: Mark Wade, Wasatch

(3) Design Manager: Ja-Mie Luey, STV

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(b) Design-Builder acknowledges that removal of any of the Key Personnel identified above will potentially result in UTA incurring significant losses, including loss of reputation, loss of potential government funding, and losses arising out of other contracts held by UTA related to the Project. Design-Builder acknowledges that those potential losses, while actual, are difficult to measure and determine with precision. If an individual identified as a Key Personnel ceases to be employed on the Project prior to Final Completion, Design-Builder shall pay $50,000 to UTA as liquidated damages.

(c) If UTA's Senior Representative agrees to a change in the Key Personnel, no liquidated damages will be assessed under this section.

8. **Bonds and Insurance**. Design-Builder shall obtain and maintain the insurance coverages set forth in Exhibit D, and comply with the obligations set forth in Exhibit B. The Design-Builder shall provide to UTA a performance bond and a payment bond (the "Bonds") issued by a surety doing business in Salt Lake County, Utah, and listed in the then current US Department of the Treasury's Circular 570. The Bonds must each be in an amount equal to 100% of Contract Price. Design-Builder shall provide the Bonds to UTA prior to commencing any Work.

9. Value Engineering. (a) A Value Engineering Change Proposal ("VECP") is a proposal developed, prepared, and submitted to UTA by the Design-Builder, which reduces the cost of the Work without impairing essential functions or characteristics of the Project, as determined by UTA in its sole discretion. UTA encourages Design-Builder to submit VECPs whenever it identifies potential savings or improvements. UTA may also request the Design-Builder to develop and submit a specific VECP. However, the Designer is expected to design the most innovative and effective solution for this project outside of this VECP clause and the Contractor should not expect to share in VECP savings for suggested improvements to its own design produced under this Contract.

(b) In determining whether a VECP will impair essential functions or characteristics of the Project, UTA may consider: relative service life, maintenance effort and frequency, environmental and aesthetic impacts, system service, effect of other system components, and other issues as UTA deems relevant.

(c) Design-Builder must include the following information in any VECP:

(1) a narrative description of the proposed change,

(2) a discussion of differences between existing requirements and the proposed change, together with advantages and disadvantages of each changed item;

(3) a complete cost analysis, including the cost estimate of any additional ROW or easements required for implementation of the VECP;

(4) justification for changes in function or characteristics of each item and effect of the change on the performance on the end item;

(5) a description of any previous use or testing of the proposed approach and the conditions and results. If the VECP was previously submitted on another UTA

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project, the Design-Builder shall indicate the date, contract number, and the action taken by UTA; and

(6) costs of development and implementation.

(7) any additional information requested by UTA, which must be provided in a timely manner.

(d) Upon receipt of a VECP, UTA shall process it expeditiously, but will not be liable for any delay in acting upon any VECP. Design-Builder may withdraw all or part of any VECP at any time prior to approval by UTA, but shall, in any case, be liable for costs incurred by UTA in reviewing the withdrawn VECP, or part thereof. In all other situations, each party will bear its own costs in connection with preparation and review of VECPs.

(e) UTA may approve in whole or in part any VECP submitted. The decision of UTA regarding rejection or approval of any VECP will be at the sole discretion of UTA and will be final and not subject to appeal. Design-Builder will have no claim for any additional costs or delays resulting from the rejection of a VECP, including development costs, loss of anticipated profits, or increased material or labor costs

(f) Any savings resulting from an approved VECP will accrue to the benefit of UTA and Design-Builder on a 50/50 cost sharing basis.

(g) All approved or disapproved VECPs will become the property of UTA and must contain no restrictions imposed by Design-Builder on their use or disclosure. UTA retains the right to use, duplicate, and disclose, in whole or in part, any data necessary for the utilization of the VECP on any other projects without any obligation to Design-Builder. This provision is not intended to deny rights provided by law with respect to patented materials or processes.

10. Notices. (a) To be deemed valid, all notices, requests, claims, demands and other communications between the parties ("Notices") must be in writing and addressed as follows:

If to the Utah Transit Authority:
Utah Transit Authority
ATTN: Vicki Woodward
669 West 200 South
Salt Lake City, UT 84101

With a required copy to:
Utah Transit Authority
ATTN: Jared Scarborough
669 West 200 South
Salt Lake City, UT 84101

If to the Design-Builder:
C3M Power Systems, LLC
1030 Hampton Park
Boulevard, Suite 200
Capitol Heights, MD 20743

(b) To be deemed valid, Notices must be given by one of the following methods: (i) by delivery in person (ii) by a nationally recognized next day courier service, (iii) by first class, registered or certified mail, postage prepaid.

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(c) Either party may change the address at which that party desires to receive written notice by delivery of Notice of such change to the party as set forth above. Notices will be deemed 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 that was not properly communicated shall not defeat or delay the effectiveness of a Notice.

11. Counterparts. The parties may execute this Agreement in any number of counterparts, each of which when executed and delivered will constitute a duplicate original, but all counterparts together will constitute a single agreement.

12. Effectiveness; Date. The Agreement will become effective when all parties have fully signed it. The date of this Agreement will be the date it is signed by the last individual to sign it (as indicated by the date associated with that individual's signature).

Each individual is signing this Agreement on the date stated opposite that individual's signature.

UTAH TRANSIT AUTHORITY

By: Date:
Carolyn Gonot
Executive Director

By: Date:
Mary DeLoretto
Chief Service Development Officer

By: Date:
David Hancock
Director, Capital Construction

Approved as to Legal Form and Content:

By DocuSigned by: Michael Bell Date: 6/3/2021
Michael Bell, AAG State of Utah
And Utah Transit Authority Legal Counsel

By: Date:
Jared Scarbrough
UTA Project Manger

C3M Power Systems, LLC

By: DocuSigned by: Chuck Tomasco 9EA645C9C321437... Date: 6/3/2021
Chuck Tomasco
Senior Vice President
& General Manager

By: Date: Federal ID Number:

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EXHIBIT A – SCOPE OF WORK

1.0 SCOPE OF WORK

Final Design

The contactor shall utilize the Preliminary Design and Specifications developed by UTA to finalize and submit the design as required for this project for all TPSS rehabilitation locations.

UTA has not determined whether the Reference As-Built drawings provided in this RFP are accurate, complete, or pertinent or of any value to the Proposers. Any As-Built drawings contain herein will not form part of the contract between UTA and the Design-Builder except as identified in the RFP. Except as may be provided otherwise in the DB Contract, UTA makes no representation, warranty or guarantee as to, and will not be responsible for the accuracy, completeness, or pertinence of the As-Built drawings and in addition, shall not be responsible for any conclusions drawn there from. Whether or not such information may be accurate, complete, or pertinent, or of any value shall be the sole decision of the Proposer. The Design Builder shall make itself aware of existing site conditions and shall conduct a review of all existing As-Built plans.

The Contactor shall provide all submittals, transmittals, RFI's, Testing and Quality Documentation to UTA utilizing the UTA-owned Integrated Project Controls System (IPCS). Upon contract execution contractors shall identify a team member who will be handling submittals and they will receive training by UTA on IPCS, if needed. Documentation, including Requests for Information (RFIs) shall not be considered formally received by UTA unless it is sent via IPCS. Design drawings shall be submitted to UTA for UTA review in the following manner:

- Intermediate Design (60%)
- Final Design (90%)
- Issued for Construction- IFC (100%)

The contractor shall utilize the Preliminary Specifications as provided by UTA. The contractor shall finalize and submit specifications to UTA for review in the following manner:

- Final Design (90%)
- Issued for Construction- IFC (100%)

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Design for this project shall adhere to the UTA Light Rail Design Criteria and UTA CAD Standards, available at https://www.rideuta.com/Doing-Business/UTA-Design-Information.

The contractor shall provide signed and stamped engineered (Registered Professional Engineer in the State of Utah) Issued for Construction (IFC) design and final specifications documents for the project, including final As-Built drawings in (pdf and CAD).

This project spans a large portion of the UTA Light Rail System. There will be system-wide drawings that will need to be updated as part of this project that will be in addition to the TPSS locations identified in this RFP. The contractor shall account for updating the system-wide drawings as part of this contact which may include, but not limited to:

- Sectionalization Drawings
- Master Wiring Schematics
- OCS Layout drawings

Contractor shall submit Product Submittal information to UTA via IPCS for UTA review prior to procurement of materials.

Prior to the commencement of work the Contractor shall submit for UTA's approval a Program Management Plan (PMP) & Quality Management Plan (QMP) that describes how Contractor intends to complete the TPSS Rehabilitation Project. The management plan system shall include a configuration management plan and progress and delivery schedules. At a minimum, the Project Management Plan shall include:

- Work procedures.
- Overview of the project schedule
- Overview of TPSS rehabilitation sequence of work
- Implementation plan to minimize impacts of revenue service during rehabilitation
- Site Work Plan that identifies work to be performed including durations and document any disruption to UTA operations and TPSS down time
- Overview of Contractor's TPSS project management approach
- Overview of Contractor's TPSS engineering development approach
- An organization chart identifying managers for all project organization departments
- The methodology to control program schedule and warranty
- A master program schedule, emphasizing key milestones and events
- A critical path schedule, showing criteria path elements for items of design and manufacture that require approval
- A configuration management plan for all Submittals, including contractor's plan to manage configurable components that will be installed as part of this project
- The Program Management Plan shall be developed as a project overview document, suitable for management review

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TPSS Rehabilitation and construction scope of work (19 TPSS Locations)

This project will be organized by a Base Scope of Work that will be included in the contract as well as additional Options that may be included in the contract at the sole discretion of UTA. The Base Scope of Work that will be included in this contract is described below as Base Scope of Work A through D. Option 1, Option 2 and Option 3 are likewise described below the Base Scope of Work in this section. The Base Scope of Work shall also include a condition assessment, with necessary testing, to determine a recommendation to UTA as to whether Option 1, Option 2, and Option 3 should be executed.

All the Base Scope of Work categories A, B, C, & D include the following Provision Sum item which will be provided by UTA, and should not be priced separately by the proposer:

- Provisional Sum 2: HVAC & Essential Building Improvement

Provisional Sum 2, HVAC & Essential Building Improvements will be included in the contract price to account for the design and construction of the HVAC improvements and other building improvements that will be implemented as part of this project. Proposers shall plan to perform HVAC system improvements or replacements at all 19 Impulse locations and one (1) Siemens (Atwood) location. Locations that are being modified from a 1.5 MW TPSS to a 2 MW TPSS will need engineering verification from winning team to determine an appropriate HVAC system to accommodate the 2 MW TPSS setup. All other locations that remain as a 1.5 MW TPSS will also need engineering verification from winning team to determine an appropriate HVAC system that will provide the appropriate climate control to each TPSS.

Provisional Sum 2 will also account for any incidental building improvements such as lighting fixtures, light switches, building facades (SRJ14, SRN13, and 900 East (E2) that may require repair or replacement, dielectric flooring replacement, door handles on enclosures, access doors, Emergency Signs, worn or damaged equipment tags, fire extinguishers and other incidental building improvements that may be necessary in conjunction with the Base Scope of Work of this project. This Provisional Sum will account for an assessment to determine which building improvements are needed at each site.

The project consists of the design, procurement, installation, testing and construction services for the provision and installation of the following new substation equipment:

- DC feeder breakers, their associated cubicles, and all their associated components
- Transformer-rectifier units (at select location identified below)
- Exterior DC Disconnect switches and their associated DC Positive feeder cables for connection to the Overhead Catenary System
- Addition of DC Positive feeder cables for connection to the Overhead Catenary System (at select location identified below)

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- Complete upgrade of the control, protection, and monitoring system of the substations for successful integration with SCADA
- Provision of one (1) complete portable substation (covered in previous section)
- Essential equipment within the TPSS buildings enclosures

The TPSS rehabilitation will consist in providing the aforementioned equipment, installing them into the existing substation and successfully integrating the new substation configurations into the track electrification system (TES) at the following locations:

TPSS Rehabilitation Locations and Names			Base Scope of Work
TPSS No.	1	SRJ14 - Jordan	D
TPSS No.	2	SNR13 - 9400	A
TPSS No.	3	SRR12 - Rio Grande	C
TPSS No.	4	SRS11 - Sugar Hwy	A
TPSS No.	5	SRP9 - Pallas	A
TPSS No.	6	SRM8 - Murray	C
TPSS No.	7	SRC7 - Central	C
TPSS No.	8	SRW6 - Walton	C
TPSS No.	9	SRH5 - Hustlers	A
TPSS No.	10	SRB4 - Burton	C
TPSS No.	11	SRN3 - 900 S	C
TPSS No.	12	SRT2 - 300 S	D
TPSS No.	13	SRD1 - Delta	D
TPSS No.	14	E1. 200 East	B
TPSS No.	15	E2. 900 East	B
TPSS No.	16	E3. Stadium	B
TPSS No.	17	E4. Fort Douglas	D
TPSS No.	18	E5. Medical Center	B

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TPSS No.	19	YRY1 – Midvale Yard	B

The Contractor shall provide all labor, material, accessories, and incidentals necessary for demolition of the existing TPSS equipment and installation of the new equipment as shown in the preliminary drawings to provide a completely functional TPSS.

DC disconnect switches improvements consist of the replacing the existing pole-mounted disconnect switches with pad-mounted switches (at 11 total locations) and obtaining the disconnect switch status of the existing and/or new pad-mount disconnect switches for the TPSS annunciation and supervisory control system.

The Base Scope of Work is organized into four common groups (A, B, C, D) as described below:

- Base Scope of Work A:
  - Upgrade of the control, protection and monitoring system of the substation
  - Replacement of DC Switchgear
  - Pole-mount to pad-mount disconnect switches replacement
  - Replacement of positive feeder cable
  - Repair and replacement of essential equipment within the TPSS buildings enclosures
  - Condition assessment and testing of the negative feeder cables
    - Base Scope of Work A Applies to the following four (4) locations:
      - Ninety-Four Hundred TPSS (SRN13)
      - Sugar Highway TPSS (SRS11)
      - Pallas Yard TPSS (SRP9)
      - Hustlers TPSS (SRH5)
- Base Scope of Work B:
  - Upgrade of the control, protection and monitoring system of the substation
  - Replacement of DC Switchgear
  - Retrofit of pad-mount disconnect switches
  - Repair and replacement of essential equipment within the TPSS buildings enclosures
  - Condition assessment and testing of the positive and negative feeder cables
    - Base Scope of Work B Applies to the following five (5) locations:
      - 200 East TPSS (E1)
      - 900 East TPSS (E2)
      - Stadium TPSS (E3)
      - Medical Center TPSS (E5)
      - Midvale Yard TPSS (YRY1)
- Base Scope of Work C:
  - Upgrade of the control, protection and monitoring system of the substation
  - Replacement of DC Switchgear

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- Replacement of the transformer-rectifier unit (TRU) with a 2MW unit and all ancillary TP equipment associated with the TRU replacement
- Pole-mount to pad-mount disconnect switches replacement
- Replacement of positive feeder cable
- Repair and replacement of essential equipment within the TPSS buildings enclosures
- Condition assessment and testing of the negative feeder cables
    - Base Scope of Work C Applies to the following six (6) locations:
        - Rio Grande TPSS (SRR12)
        - Murray TPSS (SRM8)
        - Central TPSS (SRC7)
        - Walton TPSS (SRW6)
        - Burton TPSS (SRB4)
        - Ninth South TPSS (SRN3)

- Base Scope of Work D:
    - Upgrade of the control, protection and monitoring system of the substation
    - Replacement of DC Switchgear
    - Replacement of the transformer-rectifier unit (TRU) with a 2MW unit and all ancillary TP equipment associated with the TRU replacement
    - Retrofit of pad-mount disconnect switches
    - Repair and replacement of essential equipment within the TPSS buildings enclosures
    - Condition assessment and testing of the positive and negative feeder cables
        - Base Scope of Work D Applies to the following four (4) locations:
            - Jordan TPSS (SRJ14)
            - Delta Center TPSS (SRD1)
            - Three Hundred South TPSS (SRT2)
            - Fort Douglas TPSS (E4)

A description of the Base Scope of Work required for the TPSS rehabilitation locations include the following:

A. The Contractor shall provide all labor, materials, accessories, and incidentals necessary for demolition of the existing TPSS equipment and installation of the following major work elements for integrating them into a fully functional TPSS.
B. The Work shall include providing all labor, materials, accessories, and incidentals necessary for the final design, fabrication, manufacture, assembly, delivery, construction, testing, and technical support of traction power equipment for the traction power facilities (TPFs) as detailed herein and elsewhere in the Contract Documents.
C. Perform civil, structural, mechanical, electrical, and communications work required for the demolition, installation and operation of the TPFs including demolition, reconstruction, modification, and new construction work, as indicated in the Contract Documents.
D. After removal of the TPSS equipment as shown on the contract drawings, contractor shall perform a TPSS building condition assessment and repair existing dielectric insulated flooring, replace non-functioning HVAC Units, and replace not properly functioning meters of the equipment that is not being replaced or retrofitted. (Provisional Sum 2, as described above)

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E. Manufacture, integrate, factory test, and deliver to the agency's site, and install all new and completely functioning traction equipment as specified herein at each TPF site as appropriate

F. The Contractor shall provide the following major TPSS equipment components, including the following:

1. Remove the existing DC Switchgear and install new 800VDC high-resistance grounded switchgear assemblies and multifunction protection relays (MPRs).
2. Replace the existing solid-state protection relays at the existing AC switchgear cubicle with new digital integrated protection relays (IPR) and all associated equipment.
3. Provide Supervisory Control and Data Acquisition (SCADA) Equipment including providing one main TPSS Programmable Logic Controller (PLC), a Supervisory Control Cabinet (SCC) with SCADA HMI and network switch for interface with the TPSS alarms and indications and connection to the external SCADA network.
4. Provide open-source network protocol such as Modbus or Genisys or approved equal for communication with the TPSS relays and UTA centralized SCADA network. Contractor shall only connect up to the network switch as shown on the contract drawings. External fiber connections and interfaces to the centralized SCADA network to be by others. Contractor shall support integration and testing of the TPSS with the SCADA network. Dedicated fiber optic strands between the UTA SCADA network and the substations exist today and are available at the fiber patch panels of each substation.
5. Provide input-output modules (IOM) and programmable IOMs to interface the existing TPSS equipment alarms and indications with the SCADA system.
6. Provide emergency and transfer trip capability at the Impulse TPSS through the DC feeder breaker MPRs and TPSS PLC.
7. Provide emergency and transfer trip interface including providing input-output modules and other related equipment necessary for the interface to the end of line and junction Siemens TPSS to enable transfer tripping capability between an Impulse TPSS and an adjacent Siemens TPSS.
8. Provide a new communication network security cabinet (CCA), provide provisions for future closed-circuit TV (CCTV) camera infrastructure at the TPSS entryways, and new access control system at the TPSS as indicated on the contract drawings.
9. Remove the existing TPSS intrusion keypads and integrate the TPSS fire alarm system with new access control system and intrusion panel.
10. Contractor shall determine and implement all the settings of the new equipment, as well as the affected existing equipment as required, including but not limited to: PLCs, network switches, IOMs, MPRs, IPRs, protective relays, HMIs, emergency and transfer trip systems, fire alarm system, access control systems and others. These settings shall be supported by engineering studies and/or calculations provided by the contractor and shall be approved by UTA prior to installation.
11. Remove the existing pole mounted switches at ten (10) locations, as shown below, and replace with new pad-mount disconnect switches with safety electrical interlocking provisions and voltage sensing and all the necessary equipment to pick up the disconnect switch status and relay the indications to the TPSS SCADA system. Provide underground duct banks for low voltage and high voltage cables as necessary. Also, replace all the necessary positive feeder cables as indicated in the contract drawings. Note that the number of conductors per circuit may increase, as indicated in the preliminary drawings. Contractor shall ensure that the new pad mount disconnect switch alignment is well illuminated and shall provide and install lighting fixtures as necessary if existing site

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conditions do not allow sufficient lighting to operate and maintain these switches.

- Ninety-Four Hundred TPSS (SRN13)
- Rio Grande TPSS (SRR12)
- Sugar Highway TPSS (SRS11)
- Pallas Yard TPSS (SRP9)
- Murray TPSS (SRM8)
- Central TPSS (SRC7)
- Walton TPSS (SRW6)
- Hustlers TPSS (SRH5)
- Burton TPSS (SRB4)
- Ninth South TPSS (SRN3)

12. Retrofit the existing pad mount disconnect switches at eight (8) locations to be fitted with devices to accommodate safety electrical interlocking and voltage sensing of the switches and provide contacts and devices to pick up the disconnect switch status and relay the indications to the TPSS SCADA system. Provide underground ductbanks for low voltage cables as necessary, as indicated in the contract drawings.
    - Jordan TPSS (SRJ14)
    - Three Hundred South TPSS (SRT2)
    - Delta Center TPSS (SRD1)
    - 200 East TPSS (E1)
    - 900 East TPSS (E2)
    - University TPSS (E3)
    - E4 TPSS (E4)
    - E5 TPSS (E5)
13. At the eight (8) locations with existing pad mount disconnect switches and at the one (1) yard location with existing pole mount disconnect switches, nine (9) substations in total, contractor shall conduct an assessment and perform testing of the dc positive feeder cables as specified in contract specification 34 22 23 and discuss findings with UTA to determine if the cables are in need of replacement. Contractor shall issue a report to UTA containing the tests results and engineering recommendations. UTA will then determine at their sole discretion as to whether any of portion of Option 1 should be executed. See below for more information on Option 1.
14. At all twenty (20) locations, including the Siemens substation SRA10, contractor shall conduct an assessment and perform testing of the dc negative feeder cables as specified in contract specification 34 22 23 and discuss findings with UTA to determine if the cables are in need of replacement. Contractor shall issue a report to UTA containing the tests results and engineering recommendations. UTA will then determine at sole discretion as to whether any of portion Option 2 should be executed. See below for more information on Option 2.

G. At the ten (10) locations indicated below, remove the existing 1.5 MW transformer-rectifier units (TRUs) and install new 2MW TRUs and all ancillary TP equipment associated with the TRU replacement as shown on the contract drawings.

TPSS	TPSS Nominal Rating
Delta-SRD1	2MW

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300 South-SRT2	2MW
Burton-SRB4	2MW
Walton-SRW6	2MW
Central-SRC7	2MW
Murrary-SRM8	2MW
900 South-SRN3	2MW
Rio Grande-SRR12	2MW
Jordan-SRJ14	2MW
E4	2MW

H. The Impulse TPSSs will be rehabilitated in a phased sequence that shall be coordinated with UTA. Upon assessment of the system and final design, contractor may offer additional improvements that can be exercised depending on additional funding becoming available and as coordinated with UTA.

J. Submit all documentation as indicated. The Contractor shall conform to the requirements for the submittal of design, performance, and testing as indicated in the preliminary Contract Data Requirements List (CDRL) as indicated in the Contract Specifications. The Contractor shall furnish labor, supervision, engineering, incidentals, and all other requirements for the proper execution and completion of the Contract in accordance with the schedule.

K. At substation 300 South (SRT2), the Contractor shall replace the existing 2x500 MCM cables of circuit “2A” with 2x750 MCM cables, in order to increase the total ampacity of this circuit which feeds an OCS section.

OPTIONS 1 AND 2: FEEDER CABLE REPLACEMENT (NOT EXERCISED AT THE TIME OF CONTRACT EXECUTION)

In an effort to increase the life cycle of the components of the traction power substations, UTA may exercise the following work as an option under this contract. The proposer shall provide a price for these options as shown on the Price Proposal form in Part 5.

Upon assessment of the conditions of the equipment and testing of the existing feeding cables of the IMpulse substations by the contractor as described in the Base Scope of Work above, UTA will determine if the positive and negative feeder cables shall be replaced. Based on this assessment, UTA reserves the right to define the scope of work associated to this task and may include the completion of this work under this contract.

OPTION 1: Positive Feeder Replacement

At the eight (8) locations with existing pad mount disconnect switches and at the one (1) yard location with existing pole mount disconnect switches, nine (9) substations in total, contractor shall conduct an assessment and perform testing of the dc positive feeder cables as specified in contract specification 34 22 23 and discuss findings with UTA to determine if the cables are in need of replacement. If the positive feeder cables are deemed not suitable for reuse, contractor shall remove the existing positive feeders to the track wayside and install new positive feeder cables. The feeder cables are to be pulled through existing underground raceways and pull boxes as indicated on the contract drawings.

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Option 1	Locations
Option 1A	TPSS SRJ14: Jordan
*Option 1B	TPSS SRT2: Three Hundred South
Option 1C	TPSS SRD1: Delta Center
Option 1D	TPSS E1: 200 East
Option 1E	TPSS E2: 900 East
Option 1F	TPSS E3: University
Option 1G	TPSS E4: E4
Option 1H	TPSS E5: E5
Option 1I	TPSS YRY1: Collet Yard

- For the cable replacement of Option 1B, TPSS SRT2, the existing positive 500 MCM conductors must be replaced with 750 MCM conductors.

OPTION 2: Negative Feeder Cable Replacement

At all nineteen (19) locations and the one (1) Siemens substation SRA10 (Atwood), twenty (20) substations in total, contractor shall conduct an assessment and perform testing of the dc negative feeder cables as specified in contract specification 34 22 23 and discuss findings with UTA to determine if the cables are in need of replacement. If the negative feeder cables are deemed not suitable for reuse, contractor shall remove the existing negative feeders to the track wayside and install new negative feeder cables. The feeder cables are to be pulled through existing underground raceways and pull boxes as indicated on the contract drawings.

Option 2	Locations
Option 2A	TPSS SRJ14: Jordan
Option 2B	TPSS SNR13 - 9400
Option 2C	TPSS SRR12: Rio Grande
Option 2D	TPSS SRS11: Sugar Hwy.
Option 2E	TPSS SRP2: Pallas
Option 2F	TPSS SRM8: Murray
Option 2G	TPSS SRC7: Central
Option 2H	TPSS SRW6: Walton
Option 2I	TPSS SRH5: Hustlers
Option 2J	TPSS SRB4: Burton
Option 2K	TPSS SNR3: 900 South
Option 2L	TPSS SRT2: Three Hundred South
Option 2M	TPSS SRD1: Delta Center
Option 2N	TPSS E1: 200 East
Option 2O	TPSS E2: 900 East
Option 2P	TPSS E3: University
Option 2Q	TPSS E4: E4
Option 2R	TPSS E5: E5
Option 2S	TPSS YRY1: Collet Yard
Option 2T	TPSS SRA10: Atwood

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The scope of work of any of the two options aforementioned shall include (but is not limited to): cable removal, cable provision and required incidentals, cable installation in existing duct banks as shown in the preliminary drawings, repair of pull boxes and/or duct banks, testing and connection of new cables.

OPTIONS 3: DISCONNECT SWITCHES REPLACEMENT AT SRA10, ATWOOD SUBSTATION (EXERCISED AT TIME OF CONTRACT EXECUTION)

In an effort to increase the safety of the operation of the traction power substations, UTA may exercise the following work as an option under this contract. The proposer shall provide a price for these options as shown on the Price Proposal form in Part 5.

SRA10 is a Siemens TPSS equipped with a substation PLC which is currently monitored by the UTA's SCADA system. The positive disconnect switches of this substation are pole mounted on their respective OCS poles. These disconnect switches currently do not provide any switch status and control information to the substation PLC.

Option 3 will consist in the following scope of work:

- Remove the existing pole mounted switches at this location and replace with new pad-mount disconnect switches with safety electrical interlocking provisions and voltage sensing and all the necessary equipment to pick up the disconnect switch status and relay the indications to the TPSS SCADA system.
- Provide underground duct banks for low voltage and high voltage cables as necessary
- Also, replace all the necessary positive feeder cables as indicated in the contract drawings. Note that the size of the conductors for circuit "1A" will increase from 2x500 MCM cables to 2x750 MCM cables, as indicated in the preliminary drawings.
- Contractor shall ensure that the new pad mount disconnect switch alignment is well illuminated and shall provide and install lighting fixtures as necessary if existing site conditions do not allow sufficient lighting to operate and maintain these switches. Provisional Sum 2 will cover these costs and the scope will be determined at a later date.

COORDINATION WITH OTHERS

UTA has multiple projects that will be active during this TPSS Rehabilitation project that will require project, technical, schedule and personnel coordination from the Project Team for this project. Examples of coordination efforts that are anticipated are as shown:

A. TPSS equipment is procured and installed under this Contract. The equipment manufacturer shall provide technical support to the Installation Contractor during equipment installation and testing.

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B. Coordinate with the UTA for all power and controls functional and physical interfaces with the existing facilities.

C. The Contractor shall deliver each piece of equipment to the site as designated by UTA only upon UTA's written request. UTA will provide 20-day notice prior to the required delivery to each installation site.

D. Contractor shall coordinate with UTA and/or third-party communications and controls contractors for all the communication interfaces with adjacent substations and the centralized SCADA network.

   i. Integration and testing of the TPSS with the SCADA Network

   ii. Troubleshoot and support troubleshooting any issues related to the interface between the substations SCADA system and the existing UTA SCADA network

   iii. Verify and ensure compatibility of communication protocols and equipment of substations with the existing UTA SCADA network

   iv. Verify and ensure compatibility of communication protocols and equipment functionality of substations (i.e., emergency and transfer trip system) with adjacent substations

E. The Contractor shall submit operation and maintenance manuals for use by UTA and future use by other contractors.

F. Contractor shall coordinate with UTA for Salvage Fees (UTA Credit)

   i. In the event disposal of UTA assets will occur as a result of the project, the contractor will provide an anticipated credit amount back to UTA for money they might receive from scrapping steel or any other method they may receive monies back in return for the disposal of these items.

   ii. If the asset is determined in the Contractor's opinion to be in a condition that they would not be able to sell or scrap the item, a $0.00 would be acceptable.

   iii. The contractor can coordinate with the Project Manager to see what items may be considered assets.

   iv. Any items considered for salvage will be handled via a deductive change order at a later date.

G. Contractor shall coordinate with UTA Systems Engineering, UTA Maintenance of Way (MOW), Operations, UTA Track Access, UTA State of Good Repair, and Capital Development groups as necessary for track access and potential concurrent project coordination.

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EXHIBIT B – PRICING

Pricing Ground rules:

1. All pricing is on a firm fixed not-to-exceed (NTE) basis.

2. Pricing for Options No. 1 and 2 has not been determined at this time but shall be negotiated at the time of option exercise.

3. The requirement to provide a portable substation has been deleted from the SOW and the pricing has been zeroed out in this contract.

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BASE SCOPE OF WORK BID TABULATION

Proposer Team: C3M Power Systems LLC

Revised: 5/24/2021

40 SITEWORK & SPECIAL CONDITIONS

ITEM No.		ITEM	UNIT	UNIT COST ($)	APPROX. QUANTITY	TOTAL BID PRICE ($)
40.01	DEMOLITION, CLEARING, EARTHWORK					
		CLEARING & GRUBBING	LS	$ 42,568.00	1	$ 42,568.00
		DEMOLITION & REMOVAL OF OBSTRUCTIONS	LS	$ 356,770.94	1	$ 356,770.94
					40.01 SUB-TOTAL	$ 399,338.94
40.02	SITE UTILITIES, UTILITY RELOCATION					
		DRAINAGE AND IRRIGATION	LS	$ -	0	$ -
		WET UTILITIES (WATER, SANITARY SEWER)	LS	$ -	0	$ -
		DRY UTILITIES (GAS, ELECTRIC, COMMUNICATIONS)	LS	$ -	0	$ -
					40.02 SUB-TOTAL	$ -
40.03	HAZ. MAT'L, CONTAM'D SOIL REMOVAL/MITIGATION, GROUND WATER TRTMT					
		HAZMAT/CONTAMINATED MATERIALS PLAN & IMPLEMENTATION	LS	$ -	0	$ -
					40.03 SUB-TOTAL	$ -
40.04	ENVIROMENTAL MITIGATION					
		WETLAND MIGATION	LS	$ -	0	$ -
		WASTE MANAGEMENT	LS	$ 100,245.72	1	$ 100,245.72
					40.04 SUB-TOTAL	$ 100,245.72
40.06	TEMPORARY FACILITIES AND OTHER INDIRECT COSTS DURING CONSTRUCTION					
		PAYMENT/PERFORMANCE BOND	LS	$ 401,684.42	1	$ 401,684.42
		WARRANTY BOND (COST INCLUDED WITH PAYMENT/PERFORMANCE BOND)	LS	$ -	1	$ -
		CONTRACTOR'S/INSURANCE (NOT COVERED BY OCIP)	LS	$ 330,331.63	1	$ 330,331.63
		PERMITS, APPROVALS, & ADJACENT PROPERTY ACCESS (PROVISIONAL SUM)	LS	$ 50,000.00	1	$50,000.00
		PROJECT MANAGEMENT & SUPERVISION - CONSTRUCTION	LS	$ 4,323,105.53	1	$ 4,323,105.53
		DESIGN & CONSTRUCTION QC/QA PLAN & PROGRAM ADMINISTRATION	LS	$ 2,934,670.77	1	$ 2,934,670.77
		SECURITY, SAFETY PLAN & PROGRAM ADMINISTRATION	LS	$ 404,565.21	1	$ 404,565.21
		CONTRACTOR'S TEMPORARY FACILITIES & EQUIPMENT	LS	$ 755,292.90	1	$ 755,292.90
		OBLIGATIONS DURING FIVE-YEAR WARRANTY PERIOD	LS	$ 59,874.71	1	$ 59,874.71
		CONSTRUCTION SURVEY & LAYOUT	LS	$ 49,330.81	1	$ 49,330.81
		PUBLIC INFORMATION, COMMUNITY RELOCATIONS & MITIGATIONS	LS	$ 22,199.67	1	$ 22,199.67
		MOBILIZATION	LS	$ 3,819,396.21	1	$ 3,819,396.21
		CONTRACTOR'S FEE	LS	$ 1,950,386.44	1	$ 1,950,386.44
		MAINTENANCE OF TRAFFIC PLAN, IMPLEMENTATION & OPERATIONS	LS	$ 25,370.84	1	$ 25,370.84
		RAILROAD FLAGGING	LS	$ 6,496.04	1	$ 6,496.04
		EROSION CONTROL & IMPLEMENTATION	LS	$ 91,331.16	1	$ 91,331.16
40.08	PROVISIONAL SUM 1- PTSS COORDINATION					
		PORTABLE SUBSTATION UTILIZATITON ASSESSMENT AND INSTALLATION COORDINATION- PROVISIONAL SUM 1	LS	$-	0	$-
					40.08 SUB-TOTAL	$ 15,224,036.34

50 SYSTEMS

ITEM No.		ITEM	UNIT	UNIT COST ($)	APPROX. QUANTITY	TOTAL BID PRICE ($)
50.03	TRACTION POWER SUPPLY: SUBSTATIONS. APPLICABLE TO COMMON BASE SCOPE OF WORK FOR A, B, C & D					
		PROCUREMENT OF PORTABLE SUBSTATION	LS	$ -	0	$ -
		PROTECTIVE, CONTROL AND MONITORING RELAY RETROFIT FOR SCADA INTEGRATION	PER TPSS	$ 109,451.99	19	$ 2,079,587.81
		INSTALLATION AND PROCUREMENT OF DC BREAKER, WITH NEW CUBICLE	EA	$ 152,831.78	19	$ 2,903,803.82
		GENERAL DUCTBANK AND PULLBOX REPAIRS	LS	$ 40,640.74	1	$ 40,640.74
		MANUALS AND TRAINING	LS	$ 67,045.17	1	$ 67,045.17
		PROJECT AS-BUILTS	LS	$ 329,587.42	1	$ 329,587.42
		SPARE PARTS AND SPECIAL TOOLS	LS	$ 498,716.34	1	$ 498,716.34
		FACTORY ACCEPTANCE TESTING (FAT)	LS	$ 45,694.90	1	$ 45,694.90
		INSTALLATION AND FIELD TESTING	LS	$ 468,981.33	1	$ 468,981.33
		INTEGRATION TESTING AND COMMISSIONING	MH	$ 88.09	320	$ 28,188.80
		DESIGN SUPPORT DURING CONSTRUCTION	LS	$ 1,654,655.30	1	$ 1,654,655.30
50.03	PROVISIONAL SUM 2: HVAC & ESSENTIAL BUILDING IMPROVEMENTS					
		HVAC AND ESSENTIAL BUILDING IMPROVEMENTS ASSESSMENT, DESIGN, INSTALLATION- PROVISIONAL SUM 2	PER TPSS	$40,000.00	20	$800,000.00
					COMMON BASE SCOPE SUB-TOTAL	$ 8,916,901.63

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		BASE SCOPE OF WORK A				
		REMOVAL OF POLE MOUNT DISCONNECT SWITCHES	EA	$ 882.01	16	$ 14,112.16
		PAD MOUNT DISCONNECT SWITCHES CONCRETE FOUNDATION	EA	$ 106,290.45	4	$ 425,161.80
		INSTALLATION OF PAD MOUNT DISCONNECT SWITCHES	EA	$ 17,852.20	4	$ 71,408.80
		DC DUCTBANK FOR FEEDER CABLES	PER TPSS	$ 76,101.85	4	$ 304,407.40
		DC PULLBOX FOR FEEDER CABLES	EA	$ 14,281.06	1	$ 14,281.06
		RECONDITIONING OF EXISTING DC PULLBOX FOR FEEDER CABLES	EA	$ 2,812.41	10	$ 28,124.10
		LOW VOLTAGE UNDERGROUND DUCTBANK	PER TPSS	$ 29,225.14	4	$ 116,900.56
		REPLACEMENT OF POSITIVE FEEDER CABLES	LF	$ 31.84	13480	$ 429,203.20
		CONDITION ASSESSMENT AND TESTING OF NEGATIVE CABLES	LS	$ 24,727.07	1	$ 24,727.07
					BASE SCOPE OF WORK A PRICE	$ 1,428,326.15
		BASE SCOPE OF WORK B				
		RETROFIT OF EXISTING PAD MOUNT DISCONNECT SWITCHES	EA	$ 5,811.81	5	$ 29,059.05
		LOW VOLTAGE UNDERGROUND DUCTBANK	PER TPSS	$ 44,654.10	5	$ 223,270.50
		CONDITION ASSESSMENT AND TESTING OF POSITIVE CABLES	LS	$ 46,363.26	1	$ 46,363.26
		CONDITION ASSESSMENT AND TESTING OF NEGATIVE CABLES	LS	$ 23,181.63	1	$ 23,181.63
					BASE SCOPE OF WORK B PRICE	$ 321,874.44
		BASE SCOPE OF WORK C				
		2.0 MW TRANSFORMER-RECTIFIER UNIT	PER TPSS	$ 397,596.66	6	$ 2,385,579.96
		REMOVAL OF POLE MOUNT DISCONNECT SWITCHES	EA	$ 882.01	24	$ 21,168.24
		PAD MOUNT DISCONNECT SWITCHES CONCRETE FOUNDATION	EA	$ 106,290.45	6	$ 637,742.70
		INSTALLATION OF PAD MOUNT DISCONNECT SWITCHES	EA	$ 17,199.51	6	$ 103,197.06
		DC DUCTBANK FOR FEEDER CABLES	PER TPSS	$ 76,090.73	6	$ 456,544.38
		DC PULLBOX FOR FEEDER CABLES	EA	$ 16,652.45	2	$ 33,304.90
		RECONDITIONING OF EXISTING DC PULLBOX FOR FEEDER CABLES	EA	$ 2,812.41	16	$ 44,998.56
		LOW VOLTAGE UNDERGROUND DUCTBANK	PER TPSS	$ 28,654.26	6	$ 171,925.56
		REPLACEMENT OF POSITIVE FEEDER CABLES	LF	$ 34.37	15425	$ 530,157.25
		CONDITION ASSESSMENT AND TESTING OF NEGATIVE CABLES	LS	$ 37,090.59	1	$ 37,090.59
					BASE SCOPE OF WORK C PRICE	$ 4,421,709.20
		BASE SCOPE OF WORK D				
		2.0 MW TRANSFORMER-RECTIFIER UNIT	PER TPSS	$ 411,237.84	4	$ 1,644,951.36
		RETROFIT OF EXISTING PAD MOUNT DISCONNECT SWITCHES	EA	$ 1,159.24	16	$ 18,547.84
		RECONDITIONING OF EXISTING DC PULLBOX FOR FEEDER CABLES	EA	$ 4,035.73	32	$ 129,143.36
		LOW VOLTAGE UNDERGROUND DUCTBANK	PER TPSS	$ 27,665.09	4	$ 110,660.36
		LOW VOLTAGE AERIAL CONDUITS INSIDE SUBSTATION (ONLY APPLICABLE TO TPSS SRT2)	LS	$ 149,126.92	1	$ 149,126.92
		CONDITION ASSESSMENT AND TESTING OF POSITIVE CABLES	LS	$ 55,635.93	1	$ 55,635.93
		CONDITION ASSESSMENT AND TESTING OF NEGATIVE CABLES	LS	$ 18,545.30	1	$ 18,545.30
					BASE SCOPE OF WORK D PRICE	$ 2,126,611.07
					50.03 SUB-TOTAL	$ 8,298,520.86
50.04	TRACTION POWER DISTRIBUTION: OVERHEAD CONTACT SYSTEM					
		TEMPORARY OCS CONFIGURATION DURING TPSS REHAB	PER TPSS	$ 21,129.67	19	$ 401,463.73
					50.04 SUB-TOTAL	$ 401,463.73
50.05	COMMUNICATIONS					
		COMM. NETWORK SECURITY, CLOSED-TV CIRCUIT AND ACCESS CONTROL SYSTEM EQUIPMENT INSTALLATION	PER TPSS	$ -	0	$ -
		HARDWARE INSTALLATION FOR COMMUNICATION WITH UTA FIBER OPTIC NETWORK	EA	$ 16,869.89	19	$ 320,527.91
		SUBSTATION COMM. FUNCTIONAL TESTING, PRIOR TO SCADA INTEGRATION	EA	$ 31,603.99	19	$ 600,475.81
		SUBSTATION COMM. INTEGRATION TESTING (INCLUDING TRANSFER TRIP), PRIOR TO SCADA INTEGRATION	EA	$ 10,170.47	19	$ 193,238.93
					50.05 SUB-TOTAL	$ 1,114,242.65
50.07	CENTRAL CONTROL					
		SUBSTATION SCADA INTEGRATION TESTS, IN COLLABORATION WITH UTA	LS	$ 103,709.39	1	$ 103,709.39
					50.07 SUB-TOTAL	$ 103,709.39

80 PROFESSIONAL SERVICES

ITEM No.		ITEM	UNIT	UNIT COST ($)	APPROX. QUANTITY	TOTAL BID PRICE ($)
80.01		PROJECT DEVELOPMENT	LS	$ 286,382.30	1	$ 286,382.30
80.02		ENGINEERING	LS	$ 1,304,086.53	1	$ 1,304,086.53
80.03		PROJECT MANAGEMENT FOR DESIGN ~~AND CONSTRUCTION~~	LS	$ 423,939.23	1	$ 423,939.23
80.04		CONSTRUCTION ADMINISTRATION & MANAGEMENT	LS	$ 540,215.58	1	$ 540,215.58
80.05		PROFESSIONAL LIABILITY AND OTHER NON-CONSTRUCTION INSURANCE	LS	$ 336,367.41	1	$ 336,367.41
80.06		NOT USED	N/A			
80.07		SURVEYS, TESTING, INVESTIGATION, INSPECTION	LS	$ 89,376.36	1	$ 89,376.36
80.08		START UP	LS	$ 89,376.36	1	$ 89,376.36
					80.01-.08 SUB-TOTAL	$ 3,069,743.77
					BASE SCOPE OF WORK GRAND TOTAL	$ 37,628,203.03

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OPTIONS 1, 2 & 3 : BID TABULATION

50 SYSTEMS

ITEM No.		ITEM	UNIT	UNIT COST ($)	APPROX. QUANTITY	TOTAL BID PRICE ($)
50.03	TRACTION POWER SUPPLY: SUBSTATIONS					
	OPTION 1	POSITIVE FEEDER CABLES:				
	OPTION 1A	TPSS SRJ14: JORDAN	LF	$ -	0	$ -
	OPTION 1B	TPSS SRT2: THREE HUNDRED SOUTH	LF	$ -	0	$ -
	OPTION 1C	TPSS SRD1: DELTA CENTER	LF	$ -	0	$ -
	OPTION 1D	TPSS E1: 200 EAST	LF	$ -	0	$ -
	OPTION 1E	TPSS E2: 900 EAST	LF	$ -	0	$ -
	OPTION 1F	TPSS E3: UNIVERSITY	LF	$ -	0	$ -
	OPTION 1G	TPSS E4: E4	LF	$ -	0	$ -
	OPTION 1H	TPSS E5: E5	LF	$ -	0	$ -
	OPTION 1I	TPSS YRY1: COLLET YARD	LF	$ -	0	$ -
					Option 1 Total	$ -
	OPTION 2	NEGATIVE FEEDER CABLES:				
	OPTION 2A	TPSS SRJ14: JORDAN	LF	$ -	0	$ -
	OPTION 2B	TPSS SNR13 - 9400	LF	$ -	0	$ -
	OPTION 2C	TPSS SRR12: RIO GRANDE	LF	$ -	0	$ -
	OPTION 2D	TPSS SRS11: SUGAR HWY.	LF	$ -	0	$ -
	OPTION 2E	TPSS SRP2: PALLAS	LF	$ -	0	$ -
	OPTION 2F	TPSS SRM9: MURRAY	LF	$ -	0	$ -
	OPTION 2G	TPSS SRC7: CENTRAL	LF	$ -	0	$ -
	OPTION 2H	TPSS SRW8: WALTON	LF	$ -	0	$ -
	OPTION 2I	TPSS SRH5: HUSTLERS	LF	$ -	0	$ -
	OPTION 2J	TPSS SRB4: BURTON	LF	$ -	0	$ -
	OPTION 2K	TPSS SNR3: 900 SOUTH	LF	$ -	0	$ -
	OPTION 2L	TPSS SRT2: THREE HUNDRED SOUTH	LF	$ -	0	$ -
	OPTION 2M	TPSS SRD1: DELTA CENTER	LF	$ -	0	$ -
	OPTION 2N	TPSS E1: 200 EAST	LF	$ -	0	$ -
	OPTION 2O	TPSS E2: 900 EAST	LF	$ -	0	$ -
	OPTION 2P	TPSS E3: UNIVERSITY	LF	$ -	0	$ -
	OPTION 2Q	TPSS E4: E4	LF	$ -	0	$ -
	OPTION 2R	TPSS E5: E5	LF	$ -	0	$ -
	OPTION 2S	TPSS YRY1: COLLET YARD	LF	$ -	0	$ -
	OPTION 2T	TPSS SRA10: ATWOOD	LF	$ -	0	$ -
					Option 2 Total	$ -
	OPTION 3	DISCONNECT SWITCHES REPLACEMENT AT SRA10, ATWOOD SUBSTATION				
		REMOVAL OF POLE MOUNT DISCONNECT SWITCHES	EA	$ 1,031.60	6	$ 6,189.60
		PAD MOUNT DISCONNECT SWITCHES CONCRETE FOUNDATION	EA	$ 63,287.05	1	$ 63,287.05
		INSTALLATION OF PAD MOUNT DISCONNECT SWITCHES	EA	$ 121,282.48	1	$ 121,282.48
		DC DUCTBANK FOR FEEDER CABLES	PER TPSS	$ 81,724.46	1	$ 81,724.46
		DC PULLBOX FOR FEEDER CABLES	EA	$ 26,249.91	1	$ 26,249.91
		LOW VOLTAGE UNDERGROUND DUCTBANK	PER TPSS	$ 22,945.07	1	$ 22,945.07
		REPLACEMENT OF POSITIVE FEEDER CABLES	LF	$ 34.56	3690	$ 127,526.40
						$ ~~449,204.97~~
					TOTAL ALL OPTIONS*	$ 449,204.97

* Proposer shall also include an estimated Schedule of Payments that correspond to work being completed. See next sheet.

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Price Proposal Form 2 of 2

Proposer Team:	C3M Power Systems LLC

ESTIMATED SCHEDULE OF PAYMENTS

5-YEAR TIME PERIOD	MONTH OF THE YEAR	ESTIMATED INVOICED AMOUNT ($)
FIRST YEAR	1ST MONTH	$ 1,785,180.08
	2ND MONTH	$ 1,785,180.08
	3RD MONTH	$ 1,785,180.08
	4TH MONTH	$ 459,287.62
	5TH MONTH	$ 459,287.62
	6TH MONTH	$ 459,287.62
	7TH MONTH	$ 459,287.62
	8TH MONTH	$ 459,287.62
	9TH MONTH	$ 459,287.62
	10TH MONTH	$ 459,287.62
	11TH MONTH	$ 459,287.62
	12TH MONTH	$ 459,287.62
	Subtotal	$ 9,489,128.82
SECOND YEAR	1ST MONTH	$ 896,312.00
	2ND MONTH	$ 896,312.00
	3RD MONTH	$ 896,312.00
	4TH MONTH	$ 896,312.00
	5TH MONTH	$ 896,312.00
	6TH MONTH	$ 896,312.00
	7TH MONTH	$ 896,312.00
	8TH MONTH	$ 896,312.00
	9TH MONTH	$ 896,312.00
	10TH MONTH	$ 896,312.00
	11TH MONTH	$ 896,312.00
	12TH MONTH	$ 896,312.00
	Subtotal	$ 10,755,744.00
THIRD YEAR	1ST MONTH	$ 896,312.00
	2ND MONTH	$ 896,312.00
	3RD MONTH	$ 896,312.00
	4TH MONTH	$ 896,312.00
	5TH MONTH	$ 896,312.00
	6TH MONTH	$ 896,312.00
	7TH MONTH	$ 896,312.00
	8TH MONTH	$ 896,312.00
	9TH MONTH	$ 896,312.00
	10TH MONTH	$ 896,312.00
	11TH MONTH	$ 896,312.00
	12TH MONTH	$ 896,312.00
	Subtotal	$ 10,755,744.00
FOURTH YEAR	1ST MONTH	$ 896,312.00
	2ND MONTH	$ 896,312.00
	3RD MONTH	$ 896,312.00
	4TH MONTH	$ 896,312.00
	5TH MONTH	$ 896,312.00
	6TH MONTH	$ 896,312.00
	7TH MONTH	$ 896,312.00
	8TH MONTH	$ 802,607.18
	9TH MONTH	
	10TH MONTH	
	11TH MONTH	
	12TH MONTH	
	Subtotal	$ 7,076,791.18
FIFTH YEAR	1ST MONTH	
	2ND MONTH	
	3RD MONTH	
	4TH MONTH	
	5TH MONTH	
	6TH MONTH	
	7TH MONTH	
	8TH MONTH	
	9TH MONTH	
	10TH MONTH	
	11TH MONTH	
	12TH MONTH	
	Subtotal	
	GRAND TOTAL	$ 38,077,408.00

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EXHIBIT C

UTA DESIGN AND CONSTRUCTION STANDARD TERMS AND CONDITIONS & CONDITIONS

ARTICLE 1

General

1.1 **Cooperation.** UTA and Contractor commit at all times to cooperate fully with each other, and proceed on the basis of trust and good faith, so as to permit each party to realize the benefits afforded under the Contract Documents.

1.2 **Professional Standards.** Contractor shall perform the Work in a good and workmanlike manner, and shall use reasonable skill, care, and diligence. If the Work includes professional services, Contractor shall perform those services in a professional manner, using at least that standard of care, skill and judgment that can reasonably be expected from similarly situated professionals.

1.3 **Definitions.** Terms that are defined in the Agreement have the same definition in all the Contract Documents, including in these Standard terms and conditions. Unless expressly modified by the Agreement, the following definitions shall also apply to all Contract Documents:

"Agreement" means the document signed by Contractor and UTA to which these Standard terms and conditions are attached as an exhibit or into which these Standard terms and conditions are incorporated by reference.

"Application for Payment" shall mean an invoice for a progress or final payment made in accordance with the requirements of Article 4.

"Basis of Design Documents" means those preliminary drawings, concept design drawings, technical requirements, performance requirements, project criteria, or other documents that are (i) included in the Contract Documents, and (ii) serve as the basis or starting point for design services to be performed by Contractor, if any.

"Claim" has the meaning indicated in Section 8.1 of these Standard terms and conditions.

"Construction Documents" means the final drawings and specifications that set forth in detail the requirements for construction of the Project.

"Contract Documents" means those documents designated as Contract Documents in the Agreement.

"Contract Times" means the guaranteed dates for Substantial Completion, Final Completion (if applicable), and any other deadlines for completion of the Work, or a part thereof, all as set forth in the Agreement.

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"Contractor" means the entity that has entered into a contract with UTA to perform construction and other services as detailed in the Contract Documents. The Contractor may be a Design-Builder, general contractor, Construction Manager/General Contractor, or other type of entity.

"Day" means a calendar day unless otherwise specifically noted in the Contract Documents.

"Differing Site Condition" has the meaning indicated in Section 3.2 of these Standard terms and conditions.

"Final Completion" has the meaning indicated in Section 4.7 of these Standard terms and conditions.

"Force Majeure Event" means a delay caused by any national or general strikes, fires, riots, acts of God, acts of the public enemy, floods, acts of terrorism, unavoidable transportation accidents or embargoes, or other events: (i) which are not reasonably foreseeable as of the date the Agreement was executed; (ii) which are attributable to a cause beyond the control and without the fault or negligence of the party incurring such delay; and (iii) the effects of which cannot be avoided or mitigated by the party claiming such Force Majeure Event through the use of commercially reasonable efforts. The term Force Majeure Event does not include a delay caused by seasonal weather conditions, inadequate construction forces, general economic conditions, changes in the costs of goods, or Contractor's failure to place orders for equipment, materials, construction equipment or other items sufficiently in advance to ensure that the Work is completed in accordance with the Contract Documents.

"Standard terms and conditions" means this document.

"Legal Requirements" means all applicable federal, state, and local laws, codes, ordinances, rules, regulations, orders and decrees of any government or quasi-government entity having jurisdiction over the Project or Site, the practices involved in the Project or Site, or any Work including, without limitation, those related to safety and environmental protection. The terms Legal Requirements shall also include any requirements or conditions included in a permit required for, or issued in conjunction with, the Project.

"Potential Change Notice" has the meaning indicated in Section 7.3 of these Standard terms and conditions.

"Project" means the construction project described in the Agreement.

"Punchlist" means shall mean a schedule of Work items (developed in accordance with the procedures described in Article 4) which remain to be completed prior to Final Completion, but which do not adversely affect the performance, operability, capacity, efficiency, reliability, cost effectiveness, safety or use of the Project after Substantial Completion.

"Schedule of Values" means the detailed statement furnished by Contractor and approved by UTA in accordance with Section 4.1, which statement outlines the various components of the Contract

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Price and allocates values for all such components in a manner that can be used for preparing and reviewing invoices.

"Site" means the land or premises on which the Project is located, as more particularly defined and described in the Contract Documents.

"Subcontractor" means any person or entity (including subcontractors at any tier, design engineers, laborers and materials suppliers) retained by Contractor or any other Subcontractor to perform a portion of Contractor's obligations under the Contract Documents.

"Substantial Completion" or "Substantially Complete" has the meaning indicated in Section 4.6 of these Standard terms and conditions.

"Work" means all obligations, duties, requirements, and responsibilities for the successful completion of the Project by Contractor, including furnishing of all services and/or equipment (including obtaining all applicable licenses and permits to be acquired by Contractor) in accordance with the Contract Documents.

ARTICLE 2

Contractor's Services

2.1 **General Services.**

2.1.1 Contractor's Project Manager shall be reasonably available to UTA and shall have the necessary expertise and experience required to supervise the Work. Contractor's Project Manager shall communicate regularly with UTA and shall be vested with the authority to act on behalf of Contractor.

2.1.2 Contractor shall provide UTA with a monthly status report detailing the progress of the Work, including: (i) whether the Work is proceeding according to schedule; (ii) whether discrepancies, conflicts, or ambiguities exist in the Contract Documents that require resolution; (iii) whether unusual health and safety issues exist in connection with the Work; and (iv) other items that require resolution so as not to jeopardize Contractor's ability to complete the Work for the Contract Price and within the Contract Time(s).

2.1.3 Unless a schedule for the execution of the Work has been attached to the Agreement as an exhibit at the time the Agreement is executed, Contractor shall prepare and submit, within seven (7) Days of the execution of the Agreement, a schedule for the execution of the Work for UTA's review and response. The schedule must indicate the dates for the start and completion of the various stages of Work, including the required dates when UTA obligations must be completed to enable Contractor to achieve the Contract Time(s). Such UTA obligation dates may include (where contemplated in the Contract Documents): (i) Site availability requirements; and/or (ii) dates when UTA information or approvals are required. The schedule shall be revised as required by conditions and progress of the Work, but such revisions shall not relieve Contractor of its obligations to complete the Work within the Contract Time(s), as such dates may be adjusted in accordance with the Contract Documents. UTA's review of, and response

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to, the schedule shall not be construed as relieving Contractor of its complete and exclusive control over the means, methods, sequences and techniques for executing the Work.

2.2 **Design Services.** If the Work includes any design services, provisions 2.2.1 through 2.2.8 apply.

2.2.1 Contractor shall provide the necessary design services, including architectural, engineering and other design professional services, for the preparation of the required drawings, specifications and other design submittals to permit Contractor to complete the Work consistent with the Contract Documents. Contractor shall ensure that design services are performed by qualified, licensed design professionals employed by Contractor, or by qualified, independent licensed design consultants procured by Contractor.

2.2.2 Contractor and UTA shall, consistent with any applicable provision of the Contract Documents, agree upon any interim design submissions that UTA may wish to review, which interim design submissions may include design criteria, drawings, diagrams, and specifications setting forth the Project requirements. Interim design submissions must be consistent with the Basis of Design Documents, as the Basis of Design Documents may have been changed through the design process set forth in this Section 2.2.2. On or about the time of the scheduled submissions, Contractor and UTA shall meet and confer about the submissions, with Contractor identifying during such meetings, among other things, the evolution of the design and any changes to the Basis of Design Documents, or, if applicable, previously submitted design submissions. Changes to the Basis of Design Documents shall be processed in accordance with Article 7. Minutes of the meetings, including a full listing of all changes, will be maintained by Contractor and provided to all attendees for review. Following the design review meeting, UTA will be entitled to at least ten (10) Days to review and approve the interim design submissions and meeting minutes.

2.2.3 To the extent not prohibited by the Contract Documents or Legal Requirements, and with the approval of UTA, Contractor may prepare interim design submissions and Construction Documents for a portion of the Work to permit construction to proceed on that portion of the Work prior to completion of the Construction Documents for the entire Work.

2.2.4 Contractor shall submit proposed Construction Documents to UTA, which must be consistent with the latest set of interim design submissions, as such submissions may have been modified in a design review meeting and recorded in the meeting minutes. The parties shall have a design review meeting to discuss, and UTA shall review and approve, the Construction Documents in accordance with the procedures set forth in Section 2.2.2 above. Contractor shall submit one set of approved Construction Documents to UTA prior to commencement of construction

2.2.5 UTA's review and approval of interim design submissions, meeting minutes, and Construction Documents is for the purpose of mutually establishing a conformed set of Contract Documents compatible with the requirements of the Work. Neither UTA's review nor approval of any interim design submissions, meeting minutes, and Construction Documents shall be deemed to: (i) relieve Contractor from its obligations to comply with the Contract Documents; (ii) relieve Contractor from its

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obligations with respect to the accuracy of the design submittals; or (iii) transfer any design liability from Contractor to UTA.

2.2.6 Upon completion of the Work, and as a condition to receiving final payment pursuant to Section 4.7, Contractor shall prepare and provide to UTA a final set of as-built drawings, depicting the Project as completed, including all changes to the Project made subsequent to the approval of the Construction Documents.

2.2.7 All drawings, specifications, interim design submissions, Construction Documents, and other documents furnished by Contractor to UTA pursuant to the Contract Documents (those documents, the "Work Product") are deemed to be instruments of service and Contractor shall retain the ownership and intellectual property rights therein.

2.2.8 Once UTA has made a corresponding payment for the Work required for Contractor to prepare any Work Product, Contractor will be deemed to have granted to UTA a license to use that Work Product in connection with the construction, occupancy, and maintenance of the Project, or any other UTA project or facility.

2.3 **Government Approvals, Permits, and Legal Requirements.**

2.3.1 Except where the Contract Documents expressly state that UTA will be responsible for a specific entitlement, Contractor shall obtain and pay for all necessary permits, approvals, licenses, government charges and inspection fees required for the prosecution of the Work by any government or quasi-government entity having jurisdiction over the Project or Site. Contractor shall provide reasonable assistance to UTA in obtaining any permits, approvals, and licenses that the Contract Documents expressly specify to be a UTA responsibility.

2.3.2 Contractor shall perform the Work in accordance with all Legal Requirements and shall provide all notices applicable to the Work as required by the Legal Requirements.

2.3.2 Contractor shall file a notice of commencement, a notice of completion, and other notices required by Utah Code Title 38 (Liens). Contractor shall file such notices in the manner and within the time periods required by law.

2.3.3 The Contract Price and/or Contract Time(s) will be adjusted to compensate Contractor for the effects of any changes in the Legal Requirements provided that such changes: (i) materially increase Contractor's cost of, or time required for, the performance of the Work; and (ii) are enacted after the effective date of the Agreement.

2.4 **Construction Services.**

2.4.1 Contractor shall proceed with construction in accordance with the approved Construction Documents.

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2.4.2 Except to the extent that the Contract Documents expressly identify UTA obligations related to the Work, Contractor shall provide through itself or Subcontractors the necessary supervision, labor, inspection, testing, start-up, material, equipment, machinery, temporary utilities and other temporary facilities (whether or not expressly stated or depicted in the Contract Documents or Construction Drawings) to permit Contractor to complete construction of the Project consistent with the Contract Documents.

2.4.3 Contractor is responsible for securing the Site until UTA issues a Certificate of Substantial Completion.

2.4.4 Contractor shall perform all construction activities efficiently and with the requisite expertise, skill and competence to satisfy the requirements of the Contract Documents. Contractor shall at all times exercise complete and exclusive control over the means, methods, sequences, techniques and procedures of construction.

2.4.5 Contractor shall be solely responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the Work. Contractor shall take necessary precautions for the safety of, and shall provide necessary protection to prevent damage, injury or loss to the following: (i) all Contractor, Subcontractor, UTA employees, the public and other persons who may be affected thereby; (ii) all Work and all equipment and materials to be incorporated into the Work; and (iii) other property at the Site or adjacent thereto. Contractor shall comply with the minimum standards imposed by UTA's Construction Safety and Security Program Manual, as updated from time to time (UTA's Construction Safety and Security Program Manual is incorporated into the Contract Documents by reference). However, Contractor shall be responsible for all additional as necessary to comply protect persons and property and comply with applicable Legal Requirements related to safety.

2.4.6 Contractor shall employ only Subcontractors who are duly licensed and qualified to perform the Work consistent with the Contract Documents. UTA may require Contractor to remove from the Project a Subcontractor or anyone employed directly or indirectly by any Subcontractor, if UTA reasonably concludes that the Subcontractor is creating safety risks at the Site or quality risks to the Project.

2.4.7 Contractor is responsible for the proper performance of the Work by Subcontractors and for any acts and omissions in connection with such performance. Nothing in the Contract Documents is intended or deemed to create any legal or contractual relationship between UTA and any Subcontractor, including but not limited to any third-party beneficiary rights.

2.4.8 Contractor shall coordinate the activities of all of its Subcontractors. If UTA performs other work on the Project or at the Site with separate contractors under UTA's control, Contractor agrees to reasonably cooperate and coordinate its activities with those of such separate contractors so that the Project can be completed in an orderly and coordinated manner without unreasonable disruption.

2.4.9 Contractor shall keep the Site reasonably free from debris, trash and construction wastes to permit Contractor to perform its construction services efficiently, safely and without interfering with

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the use of adjacent land areas. Upon Substantial Completion of the Work, or a portion of the Work, Contractor shall remove all debris, trash, construction wastes, materials, equipment, machinery and tools arising from the Work or applicable portions thereof to permit UTA to occupy the Project or a portion of the Project for its intended use.

2.5 **Quality Control, Quality Assurance, Inspection, Rejection and Correction of Work.**

2.5.1 Contractor shall develop a Project-specific construction quality control plan as contemplated in UTA's Quality Management Plan and Construction Quality Plan. The Contractor's plan shall satisfy the minimum requirement imposed by UTA's Construction Quality Plan and shall be sufficient to ensure that Work is performed in compliance with the Contract Documents. If the Work includes any design services, Contractor shall also develop and thereafter comply with a design quality plan that meets the minimum requirements set forth in the UTA Design Quality Plan. The UTA Quality Management Plan, Construction Quality Plan and Design Quality Plan are incorporated into the Contract Documents by reference. The Contractor's plans shall be subject to UTA's review and approval.

2.5.2 Contractor shall comply with the approved quality control plan(s). Responsibilities shall include inspection and testing and related activities including administration, management, supervision, reports, record keeping and use of independent testing agencies and laboratories. Contractor shall provide evidence of compliance with the Contract Documents.

2.5.3 UTA will have the right to audit and spot check the Contractor's quality control procedures and documentation. This will include the Company's right to inspect and test all Work at reasonable times. Contractor shall cooperate with any inspection and testing performed by UTA. All contractor-furnished materials and supplies shall be subject to inspection at the point of manufacture.

2.5.2 Any inspection and testing performed by UTA shall be for the sole and exclusive benefit of UTA. Neither inspection and testing of Work, nor the lack of same nor acceptance of the Work by UTA, nor payment therefore shall relieve Contractor from any of its obligations under the Contract Documents.

2.5.3 At any time prior to Substantial Completion, UTA may reject Work which fails to conform to the Contract Documents. Contractor shall, at its sole expense, promptly re-perform or correct any Work so as to conform to the requirements of the Contract. Contractor shall not be entitled to an adjustment to the Contract Price and/or Contract Times with respect to any corrective action necessary to rectify non-conforming Work.

2.5.4 If Contractor fails to promptly remedy rejected Work, UTA may, without limiting or waiving any other rights or remedies it may have, self-perform (through its own forces or through other contractors) the necessary corrective action(s) and deduct all amounts so incurred from any amount then or thereafter due Contractor.

2.6 **Contractor's Warranty.**

2.6.1 Contractor warrants to UTA that all Work, including all materials and equipment furnished as part of the Work, shall be: (i) of good quality conforming to generally recognized industry standards;

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(ii) in conformance with the Contract Documents; (iii) free of defects in materials and workmanship; and (iv) consistent with applicable Legal Requirements. Without limiting the generality of the forgoing, Contractor also specifically warrants that any design, engineering or other professional services provided by Contractor shall be shall satisfy applicable professional standards of care and that all materials and that any equipment furnished as part of the construction shall be new (unless otherwise specified in the Contract Documents). This provision is not intended to limit any manufacturer's warranty that provides UTA with greater warranty rights than set forth in this Section 2.6. Contractor shall provide UTA with all manufacturers' warranties upon Substantial Completion. Similarly, nothing in this Article is intended to limit any other express warranties set forth in the Contract Documents or to limit any other warranties implied by law, custom or usage of trade.

2.6.2 If Contractor becomes aware of any defect in the Work, or non-conformance with the Contract Documents, Contractor shall give prompt written notice of that defect or non-conformance to UTA.

2.6.3 Except as otherwise stated in the Agreement, Contractor shall correct any Work that does not comply with the warranties provided above for a period of two years following the date of Substantial Completion.

2.6.4 Contractor shall, within seven (7) Days of receipt of written notice from UTA that the Work does not comply with the warranties provided above, take meaningful steps to commence corrective action, including the correction, removal, replacement or re-performance of the nonconforming Work and the repair of any damage to other property caused the warranty failure. If Contractor fails to commence the necessary corrective action within such seven (7) Day period (or thereafter fails to continuously and diligently pursue such corrective action to completion), UTA may (in addition to any other remedies provided under the Contract Documents) provide Contractor with written notice that UTA will self-perform (through its own forces or through other contractors) correction of the warranty failure at Contractor's expense. If UTA performs (or causes to be performed) such corrective action, UTA may collect from Contractor all amounts so incurred. If the nonconforming Work creates an emergency requiring an immediate response, the seven (7) Day period identified above shall be deemed inapplicable.

2.6.5 The two-year period referenced in Section 2.6.3 above only applies to Contractor's obligation to correct nonconforming Work and is not intended to constitute a period of limitations for any other rights or remedies UTA may have regarding Contractor's other obligations under the Contract Documents

ARTICLE 3

Site Conditions

3.1 Hazardous Materials.

3.1.1 Unless otherwise expressly provided in the Contract Documents to be part of the Contractor's Work, Contractor is not responsible for any Hazardous Materials encountered at the Site.

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"Hazardous Materials" means any substance that: (i) is deemed a hazardous waste or substance under any environmental law; or (ii) might endanger the health of people exposed to it.

3.1.2 If Contractor discovers at the Site any substance the Contractor reasonably believes to be a Hazardous Material, Contractor shall immediately stop Work in the area of the discovery and immediately report the discovery to the UTA Project Manager. UTA shall determine how to deal with the Hazardous Material, and Contractor shall resume Work in the area when directed to do so by the UTA Project Manager.

3.1.3 Contractor will be entitled to an adjustment to the Contract Price and/or Contract Time(s) to the extent Contractor's cost and/or time of performance have been adversely impacted by the presence of Hazardous Materials.

3.1.4 The risk allocation and change provisions of Sections 3.1.1 through 3.1.3 do not apply to any Hazardous Materials introduced to the Site by Contractor, its Subcontractors, or anyone for whose acts Contractor is responsible. Those provisions also exclude Hazardous Materials that were properly stored and/or contained at the Site but thereafter released as a result of the Contractor's negligent performance of the Work. To the extent that Hazardous Materials are introduced and/or released at the Site by Contractor as described above in this Section 3.1.4, then: (i) to the fullest extent permitted by law, Contractor shall defend and indemnify UTA from and against all claims, losses, damages, liabilities and expenses, including attorneys' fees and expenses, arising out of or resulting from such Hazardous Materials; and (ii) Contractor shall not be entitled to and extension of Contract Price and/or Contract Time(s).

3.2 **Differing Site Conditions.**

3.2.1 If Contractor encounters a Differing Site Condition, Contractor will be entitled to an adjustment to the Contract Price and/or Contract Time(s) to the extent Contractor's cost and/or time of performance have been adversely impacted by the Differing Site Condition. "Differing Site Condition" means concealed or latent physical conditions at the Site that: (i) materially differ from the conditions indicated in the Contract Documents; and (ii) are of an unusual nature, differing materially from the conditions ordinarily encountered and generally recognized as inherent in the Work.

3.2.2 Upon encountering a Differing Site Condition, Contractor shall provide prompt written notice to UTA of such condition, which notice shall not be later than five (5) Days after such condition has been encountered. Contractor shall, to the extent reasonably possible, provide such notice before the Differing Site Condition has been substantially disturbed or altered.

ARTICLE 4

Payment

4.1 **Schedule of Values.**

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4.1.1 Unless required by UTA upon execution of this Agreement, within ten (10) Days of execution of the Agreement, Contractor shall submit for UTA's review and approval a Schedule of Values for all of the Work. The Schedule of Values will: (i) subdivide the Work into its respective parts; (ii) include values for all items comprising the Work; and (iii) serve as the basis for monthly progress payments made to Contractor throughout the Work.

4.1.2 UTA will timely review and approve the Schedule of Values so as not to delay the submission of the Contractor's first application for payment. UTA and Contractor shall timely resolve any differences so as not to delay the Contractor's submission of its first application for payment.

4.2 **Application for Payment.**

4.2.1 To receive payment, Contractor shall submit to UTA an Application for Payment requesting payment for all Work performed as of the date of the Application for Payment. Contractor shall not submit Applications for Payment more often than once per month. The Application for Payment must be accompanied by supporting documentation sufficient to establish, to UTA's reasonable satisfaction, Contractor's entitlement to receive payment.

4.2.2 The Application for Payment may request payment for equipment and materials not yet incorporated into the Project, provided that: (i) UTA is satisfied that the equipment and materials are suitably stored at either the Site or another acceptable location; (ii) the equipment and materials are protected by suitable insurance; and (iii) upon payment, UTA will receive the equipment and materials free and clear of all liens and encumbrances.

4.2.3 The Application for Payment will constitute Contractor's representation that the Work described therein has been performed consistent with the Contract Documents, has progressed to the point indicated in the Application for Payment, and that title to all materials and equipment will pass to UTA free and clear of all claims, liens, encumbrances, and security interests upon the incorporation of the materials and equipment into the Project, or upon Contractor's receipt of payment, whichever occurs earlier.

4.3 **Sales Tax Exemption**

4.3.1 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.

4.4 **UTA's Payment Obligations.**

4.4.1 UTA shall pay Contractor all amounts properly requested and documented within thirty (30) Days of receipt of an Application for Payment.

4.4.2 Notwithstanding Section 4.4.1, UTA may withhold up to 5% of each payment as retention in accordance with Utah Code Ann. § 13-8-5.

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4.4.3 Notwithstanding Section 4.4.1, UTA may offset from such Application for Payment amounts any owed to UTA by Contractor pursuant to the Contract Documents.

4.4.4 If UTA determines that Contractor is not entitled to all or part of an Application for Payment as a result of Contractor's failure to meet its obligations under the Contract Documents, UTA will notify Contractor of the specific amounts UTA has withheld (or intends to withhold), the reasons and contractual basis for the withholding, and the specific actions Contractor must take to qualify for payment under the Contract Documents. If the Contractor disputes UTA's bases for withholding, Contractor may pursue its rights under the Contract Documents, including those under Article 8.

4.5 **Contractor's Payment Obligations.**

4.5.1 Contractor shall pay Subcontractors, in accordance with its contractual obligations to such parties, all the amounts Contractor has received from UTA on account of their work. Contractor shall indemnify and defend UTA against any claims for payment and mechanic's liens as set forth in Section 5.2 hereof.

4.5.2 Contractor shall pay its employees and also ensure its sub-tier contractors at every level pay their eligible employees the prevailing wage rate as established by the Utah State Labor Commission.

4.5.3 If the Contract Documents include Federal Clauses, the terms of those Federal Clauses pertaining to payment of Subcontractors supersede any conflicting terms of this Article 4.

4.6 **Substantial Completion.**

4.6.1 Contractor shall notify UTA when it believes the entire Work is Substantially Complete. As used in the Contract Documents, "Substantially Complete" or "Substantial Completion" refers to the Contractor's satisfactory completion of all Work in accordance with the Contract Documents (excluding Punchlist items) to point such that UTA may safely start-up, occupy or otherwise fully use the Project for its intended purposes in compliance with applicable Legal Requirements. The terms "Substantially Complete" or "Substantial Completion" also require the completion of any items of Work specifically set forth as conditions precedent to Substantial Completion in the Agreement. Within five (5) Days of UTA's receipt of Contractor's notice, UTA and Contractor will jointly inspect such Work to verify that it is Substantially Complete in accordance with the requirements of the Contract Documents. If such Work is Substantially Complete, UTA shall prepare and issue a Certificate of Substantial Completion that will set forth: (i) the date of Substantial Completion of the Work or portion thereof; (ii) the remaining Punchlist items that have to be completed before Final Completion and final payment; and (iii) provisions (to the extent not already provided in the Contract Documents) establishing UTA's and Contractor's responsibility for the Project's security, maintenance, utilities and insurance pending Final Completion and final payment.

4.6.2 Promptly after issuing the Certificate of Substantial Completion, UTA shall release to Contractor all retained amounts, less an amount equal to two times the reasonable value of all remaining Punchlist items noted in the Certificate of Substantial Completion.

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4.6.3 Upon Contractor's request or upon UTA's own initiative, UTA may, in its sole discretion, deem a discrete segment of the Project to be Substantially Complete. The provisions of Sections 4.6.1 and 4.6.2 will apply to that discrete segment of the Project. In addition, before UTA may take possession of a discrete segment of the Project, UTA and Contractor shall obtain the consent of their sureties, insurers, and any government authorities having jurisdiction over the Project.

4.6.4 Following Substantial Completion, UTA may restrict Contractor's access to the Site. UTA shall allow Contractor reasonable access to the Site in order for the Contractor to achieve Final Completion.

4.7 **Final Payment.**

4.7.1 When Contractor has achieved Final Completion of the Work, Contractor shall submit a Final Application for Payment. As used in the Contract Documents, "Final Completion" refers to the Contractor's satisfactory completion of all Work in accordance with the Contract Documents including completion of Punchlist items, demobilization from the Site and the transmittal of all deliverables required by the Contract Documents. The Final Application for Payment shall include (at a minimum) the items set forth below.

4.7.1.1 An affidavit that there are no claims, obligations or liens outstanding or unsatisfied for labor, services, materials, equipment, taxes or other items performed, furnished or incurred for or in connection with the Work which will in any way affect UTA's interests;

4.7.1.2 A general release executed by Contractor waiving, upon receipt of final payment, all claims, except those claims previously made in writing to UTA and remaining unsettled at the time of final payment;

4.7.1.3 All as-built drawings, redlined drawings, operating manuals, warranty assignments and other deliverables required by the Contract Documents; and

4.7.1.4 Certificates of insurance confirming that required coverages will remain in effect consistent with the requirements of the Contract Documents.

4.7.2 Deficiencies in the Work discovered after Substantial Completion, whether or not such deficiencies would have been included on the Punchlist if discovered earlier, will be deemed warranty Work. Contractor shall correct such deficiencies pursuant to Section 2.6, and UTA may withhold from the final payment the reasonable value of completion of the deficient work until that work is completed.

ARTICLE 5

Indemnification and Loss

5.1 **Patent and Copyright Infringement**. If the Work includes any design services, provisions 5.1.1 through 5.1.3 apply.

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5.1.1 Contractor shall defend any action or proceeding brought against UTA based on any claim that the Work, or any part thereof, or the operation or use of the Work or any part thereof, constitutes infringement of any United States patent or copyright, now or hereafter issued. UTA shall give prompt written notice to Contractor of any such action or proceeding and will reasonably provide authority, information and assistance in the defense of same. Contractor shall indemnify UTA from and against all damages and costs, including but not limited to attorneys' fees and expenses awarded against UTA or Contractor in any such action or proceeding. Contractor shall keep UTA informed of all developments in the defense of such actions.

5.1.2 If UTA is enjoined from the operation or use of the Work, or any part thereof, as the result of any patent or copyright suit, claim, or proceeding, Contractor shall at its sole expense take reasonable steps to procure the right to operate or use the Work. If Contractor cannot so procure such right within a reasonable time, Contractor shall promptly, at Contractor's expense, either: (i) modify the Work so as to avoid infringement of any such patent or copyright; or (ii) replace said Work with Work that does not infringe or violate any such patent or copyright.

5.1.3 Sections 5.1.1 and 5.1.2 above shall not be applicable to any suit, claim or proceeding based on infringement or violation of a patent or copyright: (i) relating solely to a particular process or product of a particular manufacturer specified by UTA and not offered or recommended by Contractor to UTA; or (ii) arising from modifications to the Work by UTA or its agents after acceptance of the Work

5.2 **Payment Claim Indemnification.** Provided that UTA is not in breach of its contractual obligation to make payments to Contractor for the Work, Contractor shall indemnify, defend and hold harmless UTA from any claims or mechanic's liens brought against UTA or against the Project as a result of the failure of Contractor, its Subcontractors, or others for whose acts Contractor is responsible, to pay for any services, materials, labor, equipment, taxes or other items or obligations furnished or incurred for or in connection with the Work. Within three (3) Days of receiving written notice from UTA that such a claim or mechanic's lien has been filed, Contractor shall commence to take the steps necessary to discharge said claim or lien, including, if necessary, the furnishing of a mechanic's lien bond. If Contractor fails to do so, UTA will have the right to discharge the claim or lien and hold Contractor liable for costs and expenses incurred, including attorneys' fees.

5.3 **Contractor's General Indemnification.**

5.3.1 Contractor, to the fullest extent permitted by law, shall indemnify, hold harmless and defend UTA, its officers, trustees, and employees from and against claims, losses, damages, liabilities, including attorneys' fees and expenses, for bodily injury, sickness or death, and property damage or destruction resulting from or arising out of the negligent acts or omissions of Contractor, Subcontractors, anyone employed directly or indirectly by any of them or anyone for whose acts any of them may be liable.

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5.3.2 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 has a claim against UTA, its officers, directors, employees, or agents, Contractor's indemnity obligation set forth in Section 5.3.1 above will not be limited by any limitation on the amount of damages, compensation or benefits payable by or for Contractor, Subcontractors, or other entity under any employee benefit acts, including workers' compensation or disability acts.

5.4 **Risk of Loss.** Contractor bears all risk of loss to the Project, including materials and equipment not yet incorporated into the Project, until final payment is made by UTA. 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 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.

ARTICLE 6

Time

6.1 **Obligation to Achieve the Contract Times.** Contractor shall commence performance of the Work and achieve the Contract Time(s) in accordance with the Contract Documents. The Contract Documents specify critical completion milestones with which Contractor must comply. All time and schedule requirements included within the Contract Documents are of the essence. By executing the Agreement, Contractor confirms that the completion milestones in the Contract Documents are reasonable for the performance of the Work. Unless otherwise excused by the terms of the Contract Documents, Contractor's failure to timely perform the Work in accordance with the completion milestones shall result in the assessment of liquidated damages (if, and to the extent, set forth in the Agreement) and (where no liquidated damages are provided under the Agreement or where the maximum liquidated damages available under the Agreement have been incurred) an event of default.

6.2 **Excusable Delays.** The Contract Time(s) for performance shall be equitably adjusted by Change Order to the extent that Contractor is actually and demonstrably delayed in the performance of the Work because of: (i) Differing Site Conditions (as provided in Section 3.2); (ii) Hazardous Materials (as provided in Section 3.1); (iii) Force Majeure Events (as defined in Section 1.3); (iv) changes in the Work directed by UTA (as provided in Section 7.2); (v) constructive changes (as provided in Section 7.3); (vi) changes in Legal Requirements (as provided in Section 2.3.3); (viii) a suspension without cause (as provided in Section 9.1); or (viii) UTA's unexcused delay in performing any UTA obligation specified in the Contract Documents in accordance with the completion milestones indicated in the approved schedule.

6.3 **Excusable and Compensable Delays.** In addition to Contractor's right to a time extension for those events set forth in Section 6.2 above, Contractor will also be entitled to an appropriate adjustment

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of the Contract Price provided, however, that the Contract Price will not be adjusted for delays caused by Force Majeure Events.

ARTICLE 7

Changes

7.1 **Change Orders.**

7.1.1 Contractor shall not undertake any activity that materially changes the Work, or materially deviates from the requirements of the Contract Documents, except as authorized in this Article 7. Any costs incurred by Contractor without authorization as provided in this Article 7 will be considered non-compensable.

7.1.2 A Change Order is a written instrument, signed by UTA and Contractor, issued after execution of the Agreement, stating their agreement on a change in: (i) the scope of the Work; (ii) the Contract Price; and/or (iii) the Contract Time(s).

7.1.3 All changes in the Work authorized by applicable Change Order shall be performed under the applicable conditions of the Contract Documents. UTA and Contractor shall negotiate in good faith and as expeditiously as possible the appropriate adjustments for such changes.

7.2 **UTA-Directed Changes.** UTA may direct changes in the Work. Upon receipt of such direction, Contractor shall prepare an estimate of the cost and schedule impact of the change (if any). Upon agreement between UTA and Contractor on the scope of the change to the Work, and the adjustment, if any, to the Contract Price and/or Contract Times, UTA and Contractor shall execute a written Change Order.

7.3 **Constructive Changes.**

7.3.1 To the extent that Contractor: (i) receives a written or verbal direction or proceeding from UTA that Contractor believes to constitute a material change to the nature, character or schedule of the Work; and/or (ii) becomes aware of any circumstance or condition that expressly provides Contractor a right to a Change Order under the terms of the Contract Documents, then (in either case) Contractor shall deliver to UTA's Project Manager written notice (hereinafter a "Potential Change Notice") within ten (10) Days after Contractor becomes aware of (or should have reasonably become aware) the facts and circumstances which Contractor believes to give rise to a Change Order.

7.3.2 Contractor's failure to deliver a Potential Change Notice in a timely manner shall constitute a waiver of all of Contractor's rights to a Change Order.

7.3.3 In conjunction with the Potential Change Notice or not longer than 30 days after delivery of notice, , Contractor shall submit to UTA all supporting information and documentation necessary for UTA to evaluate the contractual basis for the Potential Change Notice and to also evaluate the relief

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claimed by Contractor. Contractor shall promptly respond to all UTA inquiries about the Potential Change Notice and the supporting information and documentation.

7.3.4 To the extent UTA concludes that the Potential Change Notice demonstrates Contractor's entitlement to a Contract adjustment, and provided that the parties are able to negotiate mutually agreeable adjustments to the Contract Documents, then UTA and Contractor shall execute a written Change Order.

7.4 Direction or Authorization to Proceed.

7.4.1 Prior to final agreement with respect to a Change Order, UTA may issue a Direction or Authorization to Proceed ("DAP"). A DAP is a written order unilaterally prepared and signed by UTA directing the Contractor to proceed with specified Work while Change Order negotiations or Claim resolution discussions continue. UTA may issue a DAP at any time, and Contractor shall undertake the Work as set forth in the DAP, and in accordance with the Contract Documents.

7.4.2 After issuance of a DAP, UTA and Contractor shall continue to negotiate in good faith to resolve outstanding issues expeditiously.

7.5 **Requests for Information.** UTA shall have the right, from time to time, to issue clarifications to the Work of a non-material nature at any time. Contractor shall have the corresponding right to seek clarification with respect to ambiguous or conflicting provisions of the Contract Documents. Such clarifications or conflicts shall be confirmed, implemented and documented through a Request for Information ("RFI") process to be developed for the Project. The RFI process may also be used to document minor changes in the Work do not involve an adjustment in the Contract Price and/or Contract Time(s) and do not materially and adversely affect the Work, including the design, quality, performance and workmanship required by the Contract Documents.

7.6 **Contract Price Adjustments.**

7.6.1 The increase or decrease in Contract Price resulting from a change in the Work will be determined by one or more of the following methods:

7.6.1.1 Unit prices set forth in the Agreement or as subsequently agreed to between the parties;

7.6.1.2 A mutually accepted lump sum, properly itemized and supported by sufficient substantiating data to permit evaluation by UTA;

7.6.1.3 Costs, fees and any other markup rates set forth in the Agreement; or

7.6.1.4 If an increase or decrease cannot be agreed to as set forth in items 7.6.1.1 through 7.6.1.3 above and UTA issues a DAP, the cost of the change of the Work shall be determined by the reasonable expense and savings in the performance of the Work resulting from the change, including a reasonable overhead and profit rate, as may be set forth in the Agreement.

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7.6.2 If unit prices are set forth in the Contract Documents or are subsequently agreed to by the parties, but application of such unit prices will cause substantial inequity to UTA or Contractor because of differences in the character or quantity of such unit items as originally contemplated, such unit prices shall be equitably adjusted.

7.6.3 Negotiations over changes in the Contract Price will be conducted using an open-book cost-estimating process. UTA defines "open-book" to include all elements of Contractor's costs, including labor hours and rates, units and estimated quantities, unit prices, equipment estimates, material costs, and subcontractor costs. Contractor shall openly share its detailed cost estimate, material and subcontractor quotations and any other information used to compile its cost estimate.

7.7 **Disputes Regarding Change Orders.** If the parties are not able to agree as to whether a Change Order is warranted under the Contract Documents, or cannot agree upon the extent of relief to be granted under a Change Order after good faith negotiations, either party may refer the dispute to the Claim resolution provisions of Article 8. Pending resolution of such Claim, Contractor shall proceed with the Work as directed by UTA under a reservation of rights. UTA shall continue to pay any undisputed payments related to such Claim.

7.8 **Emergencies**. In any emergency affecting the safety of persons and/or property, Contractor shall act, at its discretion, to prevent threatened damage, injury or loss. Any change in the Contract Price and/or Contract Time(s) on account of emergency work shall be determined as provided in this Article 7.

ARTICLE 8

Claims and Dispute Resolution

8.1 **Claims.**

8.1.1 "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 8. Claims must be made by written notice. The responsibility to substantiate claims rests with the party making the claim.

8.1.2 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.

8.2 **Dispute Resolution.**

8.2.1 The parties shall attempt in good faith to resolve promptly through negotiation any Claim arising out of or relating to the Contract Documents. If a Claim should arise, UTA's Project Manager and Contractor's Project Manager will meet at least once to attempt to resolve the Claim. For such purpose, either may request the other to meet within seven (7) Days of the date the Claim is made, at a mutually agreed upon time and place.

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8.2.2 If UTA's Project Manager and Contractor's Project Manager are not able to resolve the Claim within fourteen (14) Days after their first meeting (or such longer period of time as may be mutually agreed upon), either party may request that UTA's Senior Representative and the Contractor's management representative ("Contractor's Management Representative") meet at least once to attempt to resolve the Claim.

8.2.3 If the Claim has not been resolved within sixty (60) Days of the date the Claim is made, either party may refer the Claim to non-binding mediation by sending a written mediation request to the other party. In the event that such a request is made, the Parties agree to participate in the mediation process. Non-binding mediation of claims or controversies under the Contract Documents shall be conducted by a professional mediator that is mutually acceptable to and agreed upon by both parties (the "Mediator"). The parties and the Mediator may join in the mediation any other party necessary for a mutually acceptable resolution of the Claim. The mediation procedure shall be determined by the Mediator in consultation with the parties. The fees and expenses of the Mediator shall be borne equally by the parties.

8.2.4 If the Claim is not resolved within thirty (60) days after the commencement of mediation, or if no mediation has been commenced within one hundred and twenty (120) days of the date the Claim is made, either party may commence litigation to resolve the Claim. The exclusive forum for any such litigation is the Third District Court in and for Salt Lake County, Utah.

ARTICLE 9

Suspension and Termination

9.1 UTA's Right to Stop Work.

9.1.1 UTA may, without cause and for its convenience, order Contractor in writing to stop and suspend the Work. Such suspension shall not exceed one hundred and twenty (120) consecutive Days or aggregate more than two hundred and forty (240) Days during the duration of the Project. In the event a suspension continues longer than the above-referenced periods, Contractor shall have the right to terminate the Agreement. Any such termination shall be considered to be a termination for convenience by UTA.

9.1.2 If a suspension is directed by UTA without cause, Contractor shall be entitled to seek an adjustment of the Contract Price and/or Contract Time(s) if its cost or time to perform the Work has been adversely impacted by any suspension or stoppage of the Work by UTA.

9.1.3 In addition to its rights under Section 9.3, UTA shall have the right to order a suspension for cause if the Work at any time ceases to comply with the workmanship, safety, quality or other requirements of the Contract Documents or any Legal Requirements. Contractor shall not be entitled to seek an adjustment the Contract Price and/or Contract Time(s) with regard to any such suspension.

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9.2 **UTA's Right to Terminate for Convenience.** Upon written notice to Contractor, UTA may, for its convenience and without cause, elect to terminate this Agreement. In such event, UTA shall pay Contractor for the following:

9.2.1 All Work satisfactorily completed or commenced and in process as of the effective date of termination;

9.2.2 The reasonable and demonstrable costs and expenses attributable to such termination, including demobilization costs and amounts due in settlement of terminated contracts with Subcontractors; and

9.2.3 The fair and reasonable sums for overhead and profit on the sum of items 9.2.1.1 and 9.2.1.2 above. UTA shall not be liable for anticipated profits, costs or overhead based upon Work not yet performed as of the date of termination.

9.3 **UTA's Right to Terminate for Cause; Other Remedies for Default.**

9.3.1 Subject to the cure provision of Section 9.3.2 below and other limitations set forth in these Standard terms and conditions, Contractor shall be in default of its obligations under the Contract Documents if Contractor: (i) fails to provide a sufficient number of skilled workers; (ii) fails to supply the materials required by the Contract Documents; (iii) fails to comply with applicable Legal Requirements; (iv) fails to timely pay its Subcontractors without proper cause; (v) makes a materially false or misleading representation or certification in conjunction with the Contract Documents; (vi) fails to prosecute the Work with promptness and diligence to ensure that the Work is completed by the Contract Time(s), as such times may be adjusted; (vii) fails to satisfy any guaranteed interim or completion milestone set forth in the Contract Documents; or (viii) fails to perform any other material obligations under the Contract Documents. In any such event, UTA (in addition to any other rights and remedies provided in the Contract Documents or by law) shall have the rights set forth in Sections 9.3.2 through 9.3.5 below.

9.3.2 Upon the occurrence of an event of default set forth in Section 9.3.1 above, UTA may provide written notice to Contractor that it intends to terminate the Agreement (in whole or in part) or pursue other available remedies unless the grounds for default are cured within ten (10) Days of Contractor's receipt of such notice. If Contractor fails to cure the grounds for default within such period, then UTA may declare the Agreement, or portions of the Agreement, terminated for default by providing written notice to Contractor of such declaration; provided, however, that to the extent that an item included is the notice of default and demand for cure is capable of cure, but not within the ten-Day cure period, then the Agreement shall not be terminated so long as Contractor commences actions to reasonably cure such breach within the 10-Day cure period and thereafter continuously and diligently proceeds with such curative actions until completion (such additional period not to exceed 45 Days). UTA may terminate the Agreement without opportunity to cure if the breach involves the Contractor's material failure to comply with any Legal Requirements pertaining to safety or environmental compliance.

9.3.3 Upon the continuance of a breach described in Section 9.3.1 for more than ten (10) Days following delivery of written notice to Contractor (and regardless of whether the Agreement, or any

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portion hereof, has been terminated as provided above), UTA shall be entitled to self-perform (through its own forces or through other contractors) the corrective action necessary to cure Contractor's event of default and deduct all costs so incurred from any amount then or thereafter due to Contractor.

9.3.4 Upon the continuance of a breach described in Section 9.3.1 for more than ten (10) Days following delivery of written notice to Contractor (and regardless of whether the Agreement, or any portion hereof, has been terminated as provided above), UTA shall be entitled to seek performance by any guarantor of Contractor's obligations hereunder or draw upon any surety or security provided for in the Contract Documents.

9.3.5 Upon declaring the Agreement terminated pursuant to Section 9.3.2 above, UTA may enter upon the premises and take possession, for the purpose of completing the Work, of all materials, equipment, scaffolds, tools, appliances and other items thereon, which have been purchased or provided for the performance of the Work, all of which Contractor hereby transfers, assigns and sets over to UTA for such purpose, and to employ any person or persons to complete the Work and provide all of the required labor, services, materials, equipment and other items. In the event of such termination, Contractor shall not be entitled to receive any further payments under the Contract Documents until the Work shall be finally completed in accordance with the Contract Documents. At such time, if the unpaid balance of the Contract Price exceeds the cost and expense incurred by UTA in completing the Work, such excess shall be paid by UTA to Contractor. If UTA's cost and expense of completing the Work exceeds the unpaid balance of the Contract Price, then Contractor shall pay the difference to UTA. Such costs and expenses include not only the cost of completing the Work, but also losses, damages, costs and expenses, including attorneys' fees and expenses, incurred by UTA in connection with the reprocurement and defense of claims arising from Contractor's default.

9.3.6 All rights and remedies set forth in the Contract Documents are cumulative, and unless otherwise specifically provided in the Contract Documents are not exclusive of any other rights or remedies that may be available, whether provided by law, equity, statute, in any other agreement between the Parties or otherwise. Upon the occurrence of any such default, following the applicable process described in this Article, UTA shall be entitled to pursue any and all other rights and remedies, including without limitation damages, that UTA may have against Contractor under the Contract Documents or at law or in equity.

9.3.7 If UTA improperly terminates the Agreement for cause, the termination for cause will be converted to a termination for convenience in accordance with the provisions of Section 9.2 above.

9.4 **Bankruptcy of Contractor.**

9.4.1 If Contractor institutes or has instituted against it a case under the United States Bankruptcy Code, such event may impair or frustrate the Contractor's ability to perform its obligations under the Contract Documents. Accordingly, should such event occur:

9.4.1.1 Contractor, its trustee or other successor, shall furnish, upon request of UTA, adequate assurance of the ability of the Contractor to perform all future material obligations under the

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Contract Documents, which assurances shall be provided within ten (10) Days after receiving notice of the request; and

9.4.1.2 Contractor shall file an appropriate action within the bankruptcy court to seek assumption or rejection of the Agreement within sixty (60) Days of the institution of the bankruptcy filing and shall diligently prosecute such action. If Contractor fails to comply with its foregoing obligations, UTA shall be entitled to request the bankruptcy court to reject the Agreement, declare the Agreement terminated and pursue any other recourse available to the UTA under this Article 9.

9.4.2 The rights and remedies under Section 9.4.1 above shall not be deemed to limit the ability of UTA to seek any other rights and remedies provided by the Contract Documents or by law, including its ability to seek relief from any automatic stays under the United States Bankruptcy Code.

ARTICLE 10

(Superseded by VECP Clause (Article 9) of Contract as shown above)

Value Engineering

10.1 Value Engineering Change Proposals.

10.1.1 A Value Engineering Change Proposal ("VECP") is a proposal developed, prepared, and submitted to UTA by the Contractor, which reduces the cost of the Work without impairing essential functions or characteristics of the Project, as determined by UTA in its sole discretion. UTA encourages Contractor to submit VECPs whenever it identifies potential savings or improvements. UTA may also request the Contractor to develop and submit a specific VECP.

10.1.2 In determining whether a VECP will impair essential functions or characteristics of the Project, UTA may consider: (i) relative service life; (ii) maintenance effort and frequency; (iii) environmental and aesthetic impacts; (iv) system service; (v) effect of other system components; and (vi) other issues as UTA deems relevant. A VECP must not be based solely on a change in quantities.

10.1.3 Contractor must include the following information in any VECP:

10.1.3.1 A narrative description of the proposed change,

10.1.3.2 A discussion of differences between existing requirements and the proposed change, together with advantages and disadvantages of each changed item;

10.1.3.3 A complete cost analysis, including the cost estimate of any additional rights-of-way or easements required for implementation of the VECP;

10.1.3.4 Justification for changes in function or characteristics of each item and effect of the change on the performance on the end item;

10.1.3.5 A description of any previous use or testing of the proposed approach and the conditions and results. If the VECP was previously submitted on another UTA project, the Contractor shall indicate the date, contract number, and the action taken by UTA;

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10.1.3.6 Costs of development and implementation; and

10.1.3.7 Any additional information requested by UTA, which must be provided in a timely manner.

10.2 **Review and Approval of VECPs**

10.2.1 Upon receipt of a VECP, UTA shall process it expeditiously, but will not be liable for any delay in acting upon any VECP. Contractor may withdraw all or part of any VECP at any time prior to approval by UTA, but shall, in any case, be liable for costs incurred by UTA in reviewing the withdrawn VECP, or part thereof. In all other situations, each party will bear its own costs in connection with preparation and review of VECPs.

10.2.2 UTA may approve in whole or in part any VECP submitted. The decision of UTA regarding rejection or approval of any VECP will be at the sole discretion of UTA and will be final and not subject to appeal. Contractor will have no claim for any additional costs or delays resulting from the rejection of a VECP, including development costs, loss of anticipated profits, or increased material or labor costs

10.3 **Cost Savings.** Except as otherwise stated in the Agreement, any savings resulting from an approved VECP will accrue to the benefit of UTA and Contractor on a 50/50 cost sharing basis. Nevertheless, a Contractor shall not be eligible to share in cost savings where the Contractor had responsibility under its scope of work for drafting, reviewing or approving the designs or processes involved in the VECP.

10.4 **Ownership of VECPs.** All approved or disapproved VECPs will become the property of UTA and must contain no restrictions imposed by Contractor on their use or disclosure. UTA retains the right to use, duplicate, and disclose, in whole or in part, any data necessary for the utilization of the VECP on any other projects without any obligation to Contractor. This provision is not intended to deny rights provided by law with respect to patented materials or processes.

ARTICLE 11

Health Insurance

11.1 Insurance Coverage for Employees.

11.1.1 If the Contract Price is $2,000,000 or more, Contractor shall, prior to the effective date of the Agreement, demonstrate to UTA that Contractor has and will maintain an offer of qualified health insurance coverage (as defined by Utah Code Ann. § 17B-2a-818.5) for the Contractor's employees and the employee's dependents during the duration of the Contract.

11.2.1 If the Contractor enters into any subcontracts under the Contract Documents in an amount of $1,000,000 or more, then Contractor shall also demonstrate to UTA that such subcontractor(s) have and will maintain an offer of qualified health insurance coverage for the subcontractor's employees and the employee's dependents during the duration of the subcontract

ARTICLE 12

Miscellaneous

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12.1 **Confidential Information.** "Confidential Information" means information that is determined by the transmitting party to be of a confidential or proprietary nature and: (i) the transmitting party identifies in writing as either confidential or proprietary; (ii) the transmitting party takes steps to maintain the confidential or proprietary nature of the information; and (iii) the document is not otherwise available in or considered to be in the public domain. To the extent permitted by law (including specifically UCA Title 63G Chapter 2), the receiving party shall maintain the confidentiality of the Confidential Information and shall use the Confidential Information solely in connection with the Project. The parties agree that the Agreement itself (including all incorporated Contract Documents) does not constitute Confidential Information.

12.2 **PUBLIC INFORMATION:** Vendor acknowledges that the Contract and related materials (invoices, orders, etc.) will be public documents under the Utah Government Records Access and Management Act (GRAMA). Vendor'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.

12.3 **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, Contractor or the proceeds under the Contract Documents without specific written authorization by UTA.

12.4 **Assignment.** Contractor acknowledges that the Work to be performed by Contractor is considered personal by UTA. Contractor shall not assign or transfer its interest in the Contract Documents without prior written approval by UTA.

12.4 Successors. Contractor and UTA intend that the provisions of the Contract Documents are binding upon the parties, their employees, agents, heirs, successors and permitted assigns.

12.5 **Governing Law.** The Agreement and all Contract Documents are governed by the laws of the State of Utah, without giving effect to its conflict of law principles. Actions to enforce the terms of this Agreement may only be brought in the Third District Court for Salt Lake County, Utah.

12.6 **Attorneys Fees and Costs**. 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.

12.7 **Severability.** If any provision or any part of a provision of the Contract Documents is finally determined to be superseded, invalid, illegal, or otherwise unenforceable pursuant to any applicable Legal Requirements, such determination shall not impair or otherwise affect the validity, legality, or enforceability of the remaining provision or parts of the provision of the Contract Documents, which shall remain in full force and effect as if the unenforceable provision or part were deleted.

12.8 **No Waiver.** The failure of either Contractor or UTA to insist, in any one or more instances, on the performance of any of the obligations required by the other under the Contract Documents shall not be construed as a waiver or relinquishment of such obligation or right with respect to future performance.

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12.9 **Headings.** The headings used in these Standard terms and conditions, or any other Contract Document, are for ease of reference only and shall not in any way be construed to limit or alter the meaning of any provision.

12.10 **Amendments.** The Contract Documents may not be changed, altered, or amended in any way except in writing signed by a duly authorized representative of each party.

12. 11 **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.

12.12 **ENTIRE AGREEMENT:** The Contract constitutes the entire agreement between the parties with respect to the subject matter, and supersedes any and all other prior and contemporaneous agreements and understandings between the parties, whether oral or written. 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 a representative of UTA. 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.

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EXHIBIT D

REQUIRED FEDERAL CLAUSES

FEDERAL CLAUSES

NO GOVERNMENT OBLIGATION TO THIRD PARTIES

The Authority and the Contractor acknowledge and agree that, notwithstanding any concurrence by the federal government in or approval of the solicitation or award of the underlying contract, absent the express written consent by the federal government, the federal government is not a party to this Contract and shall not be subject to any obligations or liabilities to the Authority, the Contractor or any other party (whether or not a party to the Contract) pertaining to any matter resulting from the Contract. The Contractor agrees to include the above clause in each subcontract or purchase order financed in whole or in part with federal assistance provided by FTA. It is further agreed that the clause shall not be modified, except to identify the Subcontractor or Supplier who will be subject to its provisions.

PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS

The Contractor acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 USC §3801, et seq. and United States Department of Transportation regulations, "Program Fraud Civil Remedies," 49 CFR Part 31, apply to its actions pertaining to the Contract. Upon execution of the underlying Contract, the Contractor certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining to the underlying Contract or the FTA assisted project for which the Work is being performed. In addition to other penalties that may be applicable, the Contractor further acknowledges that if it makes, or causes to be made, a false, fictitious or fraudulent claim, statement, submission, or certification, the federal government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986 on the Contractor to the extent the federal government deems appropriate. The Contractor also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission or certification to the federal government under a contract connected with a project that is financed in whole or in part with federal assistance originally awarded by FTA under the authority of 49 USC §5307, the federal government reserves the right to impose the penalties of 18 USC §1001 and 49 USC §5307(n)(1) on the Contractor, to the extent the federal government deems appropriate. The Contractor agrees to include the above two clauses in each subcontract or purchase order financed in whole or in part with federal assistance provided by FTA. It is further agreed that the clauses shall not be modified, except to identify the Subcontractor or Supplier who will be subject to the provisions.

ACCESS TO RECORDS AND REPORTS

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The Contractor agrees to provide the Authority, the FTA Administrator, the Comptroller General of the United States or any of their authorized representatives access to any books, documents, papers and records of the Contractor which are directly pertinent to this Contract for the purposes of making audits, examinations, excerpts and transcriptions. The Contractor also agrees, pursuant to 49 CFR 633.17 to provide the FTA Administrator or his authorized representatives including any project management oversight auditor access to the Contractor's records and construction sites pertaining to a major capital project (defined at 49 USC §5302(a)(1)), which is receiving federal financial assistance through the programs described at 49 USC §§5307, 5309 or 5311. The Contractor further agrees to include in all of its subcontracts and purchase orders under the Contract a provision to the effect that the Subcontractor or Supplier agrees that the Authority, the United States Department of Transportation and the Comptroller General of the United States, the project management oversight auditor, or any of their duly authorized representatives shall, until the expiration of three (3) years after final payment under the subcontract, have access to and the right to examine any directly pertinent books, documents, papers, and other records of the Subcontractor or Supplier.

FEDERAL CHANGES

The Contractor shall at all times comply with all applicable FTA regulations, policies, procedures and directives, including without limitation those listed directly or by reference in the Master Agreement between the Authority and the FTA, as they may be amended or promulgated from time to time during the term of the Contract. The Contractor's failure to so comply shall constitute a material breach of the Contract.

CIVIL RIGHTS REQUIREMENTS

(1) Nondiscrimination - In accordance with Title VI of the Civil Rights Act, as amended, 42 U.S.C. § 2000d, section 303 of the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6102, section 202 of the Americans with Disabilities Act of 1990, 42 U.S.C. § 12132, and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, age, or disability. In addition, the Contractor agrees to comply with applicable Federal implementing regulations and other implementing requirements FTA may issue.

(2) Equal Employment Opportunity - The following equal employment opportunity requirements apply to the underlying contract:

(a) Race, Color, Creed, National Origin, Sex - In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e, and Federal transit laws at 49 U.S.C. § 5332, the Contractor agrees to comply with all applicable equal employment opportunity requirements of U.S.

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Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. Parts 60 et seq ., (which implement Executive Order No. 11246, "Equal Employment Opportunity," as amended by Executive Order No. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," 42 U.S.C. § 2000e note), and with any applicable Federal statutes, executive orders, regulations, and Federal policies that may in the future affect construction activities undertaken in the course of the Project. The Contractor agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, national origin, sex, or age. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

(b) Age - In accordance with section 4 of the Age Discrimination in Employment Act of 1967, as amended, 29 U.S.C. § § 623 and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees to refrain from discrimination against present and prospective employees for reason of age. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

(c) Disabilities - In accordance with section 102 of the Americans with Disabilities Act, as amended, 42 U.S.C. § 12112, the Contractor agrees that it will comply with the requirements of U.S. Equal Employment Opportunity Commission, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 C.F.R. Part 1630, pertaining to employment of persons with disabilities. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

(3) The Contractor also agrees to include these requirements in each subcontract financed in whole or in part with Federal assistance provided by FTA, modified only if necessary to identify the affected parties

DISADVANTAGED BUSINESS ENTERPRISES (DBE)

a. This contract is subject to the requirements of Title 49, Code of Federal Regulations, Part 26, *Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs.* The national goal for participation of Disadvantaged Business Enterprises (DBE) is 10%. The agency's overall goal for DBE participation is **__ %.** A separate contract goal **[of __ % DBE participation has] [has not]** been established for this procurement.

b. The contractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of this DOT-assisted contract. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the

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termination of this contract or such other remedy as Utah Transit Authority deems appropriate**. Each subcontract the contractor signs with a subcontractor must include the assurance in this paragraph** (see 49 CFR 26.13(b)).

c. ***{If a separate contract goal has been established, use the following}*** Bidders/offerors are required to document sufficient DBE participation to meet these goals or, alternatively, document adequate good faith efforts to do so, as provided for in 49 CFR 26.53. Award of this contract is conditioned on submission of the following **[concurrent with and accompanying sealed bid] [concurrent with and accompanying an initial proposal]**:

1. The names and addresses of DBE firms that will participate in this contract;

2. A description of the work each DBE will perform;

3. The dollar amount of the participation of each DBE firm participating;

4. Written documentation of the bidder/offeror's commitment to use a DBE subcontractor whose participation it submits to meet the contract goal;

5. Written confirmation from the DBE that it is participating in the contract as provided in the prime contractor's commitment; and

6. If the contract goal is not met, evidence of good faith efforts to do so.

[Bidders][Offerors] must present the information required above as a matter of responsiveness (see 49 CFR 26.53(3)).

{If no separate contract goal has been established, use the following} The successful bidder/offeror will be required to report its DBE participation obtained through race-neutral means throughout the period of performance.

d. **Prompt Payment and Return of Retainage.** The contractor is required to pay its subcontractors performing work related to this contract for satisfactory performance of that work no later than 30 days after the contractor's receipt of payment for that work from the Utah Transit Authority**.** In addition, is required to return any retainage payments to those subcontractors within 30 days after the subcontractor's work related to this contract is satisfactorily completed.

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e. The contractor must promptly notify Utah Transit Authority, whenever a DBE subcontractor performing work related to this contract is terminated or fails to complete its work, and must make good faith efforts to engage another DBE subcontractor to perform at least the same amount of work. The contractor may not terminate any DBE subcontractor and perform that work through its own forces or those of an affiliate without prior written consent of Utah Transit Authority**.**

INCORPORATION OF FTA TERMS

All contractual provisions required by the United States Department of Transportation, as set forth in the most recent edition and revisions of FTA Circular 4220.1F, "Third Party Contracting Guidance," are incorporated by reference into the Contract Documents. All FTA mandated terms shall take precedence over other conflicting terms, if any in the Contract Documents. The Contractor shall not perform any act, fail to perform any act, or refuse to comply with any Authority requests that would cause the Authority to be in violation of any FTA terms and conditions.

TERMINATION

(For contracts over $10,000.00)

a. Termination for Convenience (General Provision) The (Recipient) may terminate this contract, in whole or in part, at any time by written notice to the Contractor when it is in the Government's best interest. The Contractor shall be paid its costs, including contract close-out costs, and profit on work performed up to the time of termination. The Contractor shall promptly submit its termination claim to (Recipient) to be paid the Contractor. If the Contractor has any property in its possession belonging to the (Recipient), the Contractor will account for the same, and dispose of it in the manner the (Recipient) directs.

b. Termination for Default [Breach or Cause] (General Provision) If the Contractor does not deliver supplies in accordance with the contract delivery schedule, or, if the contract is for services, the Contractor fails to perform in the manner called for in the contract, or if the Contractor fails to comply with any other provisions of the contract, the (Recipient) may terminate this contract for default. Termination shall be effected by serving a notice of termination on the contractor setting forth the manner in which the Contractor is in default. The contractor will only be paid the contract price for supplies delivered and accepted, or services performed in accordance with the manner of performance set forth in the contract. If

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it is later determined by the (Recipient) that the Contractor had an excusable reason for not performing, such as a strike, fire, or flood, events which are not the fault of or are beyond the control of the Contractor, the (Recipient), after setting up a new delivery of performance schedule, may allow the Contractor to continue work, or treat the termination as a termination for convenience.

c. Opportunity to Cure (General Provision) The (Recipient) in its sole discretion may, in the case of a termination for breach or default, allow the Contractor [an appropriately short period of time] in which to cure the defect. In such case, the notice of termination will state the time period in which cure is permitted and other appropriate conditions

If Contractor fails to remedy to (Recipient)'s satisfaction the breach or default of any of the terms, covenants, or conditions of this Contract within [ten (10) days] after receipt by Contractor of written notice from (Recipient) setting forth the nature of said breach or default, (Recipient) shall have the right to terminate the Contract without any further obligation to Contractor. Any such termination for default shall not in any way operate to preclude (Recipient) from also pursuing all available remedies against Contractor and its sureties for said breach or default.

d. Waiver of Remedies for any Breach In the event that (Recipient) elects to waive its remedies for any breach by Contractor of any covenant, term or condition of this Contract, such waiver by (Recipient) shall not limit (Recipient)'s remedies for any succeeding breach of that or of any other term, covenant, or condition of this Contract.

e. Termination for Default (Construction) If the Contractor refuses or fails to prosecute the work or any separable part, with the diligence that will ensure its completion within the time specified in this contract or any extension or fails to complete the work within this time, or if the Contractor fails to comply with any other provisions of this contract, the (Recipient) may terminate this contract for default. The (Recipient) shall terminate by delivering to the Contractor a Notice of Termination specifying the nature of the default. In this event, the Recipient may take over the work and compete it by contract or otherwise, and may take possession of and use any materials, appliances, and plant on the work site necessary for completing the work. The Contractor and its sureties shall be liable for any damage to the

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Recipient resulting from the Contractor's refusal or failure to complete the work within specified time, whether or not the Contractor's right to proceed with the work is terminated. This liability includes any increased costs incurred by the Recipient in completing the work.

The Contractor's right to proceed shall not be terminated nor the Contractor charged with damages under this clause if-

1. the delay in completing the work arises from unforeseeable causes beyond the control and without the fault or negligence of the Contractor. Examples of such causes include: acts of God, acts of the Recipient, acts of another Contractor in the performance of a contract with the Recipient, epidemics, quarantine restrictions, strikes, freight embargoes; and

2. the contractor, within [10] days from the beginning of any delay, notifies the (Recipient) in writing of the causes of delay. If in the judgment of the (Recipient), the delay is excusable, the time for completing the work shall be extended. The judgment of the (Recipient) shall be final and conclusive on the parties, but subject to appeal under the Disputes clauses.

If, after termination of the Contractor's right to proceed, it is determined that the Contractor was not in default, or that the delay was excusable, the rights and obligations of the parties will be the same as if the termination had been issued for the convenience of the Recipient.

GOVERNMENT-WIDE DEBARMENT AND SUSPENSION

The Contract is a covered transaction for purposes of 49 CFR Part 29. As such, the Contractor is required to verify that none of the Contractor, its principals (as defined at 49 CFR 29.995) or affiliates (as defined at 49 CFR 29.905) are excluded or disqualified as defined at 49 CFR 29.940 and 29.945. The Contractor is required to comply with 49 CFR 29, Subpart C and must include the requirement to comply with 49 CFR 29, Subpart C in any subcontract or purchase order that it enters into. *(A certification is to be submitted with each bid or offer of $25,000 or more.)*

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BUY AMERICA REQUIREMENTS

The Contractor agrees to comply with 49 USC §5323(j) and 49 CFR Part 661, which provide that federal funds may not be obligated unless steel, iron and manufactured products used in FTA-funded projects are produced in the United States, unless a waiver has been granted by FTA or the product is subject to a general waiver. General waivers are listed in 49 CFR 661.7, and include final assembly in the United States for 15 passenger vans and 15 passenger wagons produced by Chrysler Corporation, microcomputer equipment, software, and small purchases (currently less than $100,000) made with capital, operating, or planning funds. Separate requirements for rolling stock are set out at 49 USC §5323(j)(2)(C) and 49 CFR 661.11. Rolling stock not subject to a general waiver must be manufactured in the United States and have a 60 percent domestic content. The Contractor agrees to include these requirements in each subcontract or purchase order financed in whole or in part with federal assistance provided by the Authority.

BREACHES AND DISPUTE RESOLUTION

Disputes – Disputes arising in the performance of this Contract which are not resolved by agreement of the parties shall be decided in writing by the authorized representative of The Authority. This decision shall be final and conclusive unless within [ten (10)] days from the date of receipt of its copy, the Contractor mails or otherwise furnishes a written appeal to the authorized Authority Representative. In connection with any such appeal, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its position. The decision of the authorized Authority Representative shall be binding upon the Contractor and the Contractor shall abide by the decision.

Performance During Dispute – Unless otherwise directed by The Authority, Contractor shall continue performance under this Contract while matters in dispute are being resolved.

Claims for Damages – Should either party to the Contract suffer injury or damage to person or property because of any act or omission of the party or of any of his employees, agents or others for whose acts he is legally liable, a claim for damages therefore shall be made in writing to such other party within reasonable time after the first observance of such injury or damage.

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Remedies – Unless this contract provides otherwise, all claims, counterclaims, disputes and other matters in question between the Authority and the Contractor arising out of or relating to this agreement or its breach will be decided by arbitration if the parties mutually agree, or in a court of competent jurisdiction within the State in which The Authority is located.

Rights and Remedies – The duties and obligations imposed by the Contract Documents and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by laws. No action or failure to act by The Authority or Authority's authorized representative or Contractor shall constitute a waiver of any right or duty afforded any of them under the Contract, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.

LOBBYING

Modifications have been made to the Clause pursuant to Section 10 of the Lobbying Disclosure Act of 1995, P.L. 104-65 [to be codified at 2 U.S.C. § 1601, *et seq.*]

- Lobbying Certification and Disclosure of Lobbying Activities for third party contractors are mandated by 31 U.S.C. 1352(b)(5), as amended by Section 10 of the Lobbying Disclosure Act of 1995, and DOT implementing regulation, "New Restrictions on Lobbying," at 49 CFR § 20.110(d)

- Language in Lobbying Certification is mandated by 49 CFR Part 19, Appendix A, Section 7, which provides that contractors file the certification required by 49 CFR Part 20, Appendix A.

Modifications have been made to the Lobbying Certification pursuant to Section 10 of the Lobbying Disclosure Act of 1995.- Use of "Disclosure of Lobbying Activities," Standard Form-LLL set forth in Appendix B of 49 CFR Part 20, as amended by "Government wide Guidance For New Restrictions on Lobbying," 61 Fed. Reg. 1413 (1/19/96) is mandated by 49 CFR Part 20, Appendix A.

Byrd Anti-Lobbying Amendment, 31 U.S.C. 1352, as amended by the Lobbying Disclosure Act of 1995, P.L. 104-65 [to be codified at 2 U.S.C. § 1601, et seq.] - Contractors who apply or bid for an award of $100,000 or more shall file the certification required by 49 CFR part 20, "New Restrictions on Lobbying." Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier shall also disclose the name of any registrant under the Lobbying Disclosure Act of 1995 who has made lobbying

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contacts on its behalf with non-Federal funds with respect to that Federal contract, grant or award covered by 31 U.S.C. 1352. Such disclosures are forwarded from tier to tier up to the recipient.

APPENDIX A, 49 CFR PART 20--CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

(To be submitted with each bid or offer exceeding $100,000)

The undersigned [Contractor] certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for making lobbying contacts to an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form--LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions [as amended by "Government wide Guidance for New Restrictions on Lobbying," 61 Fed. Reg. 1413 (1/19/96). Note: Language in paragraph (2) herein has been modified in accordance with Section 10 of the Lobbying Disclosure Act of 1995 (P.L. 104-65, to be codified at 2 U.S.C. 1601, *et seq*.)]

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

[Note: Pursuant to 31 U.S.C. § 1352(c)(1)-(2)(A), any person who makes a prohibited expenditure or fails to file or amend a required certification or disclosure form shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such expenditure or failure.]

The Contractor, _____, certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and

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agrees that the provisions of 31 U.S.C. A 3801, *et seq., apply* to this certification and disclosure, if any.

_____ Signature of Contractor's Authorized Official

_____ Name and Title of Contractor's Authorized Official

_____ Date

CLEAN AIR REQUIREMENTS

The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 USC §§ 7401, et seq. The Contractor agrees to report each violation to the Authority and understands and agrees that the Authority will, in turn, report each violation as required to assure notification to the FTA and the appropriate EPA Regional Office. The Contractor also agrees to include these requirements in each subcontract exceeding $100,000 financed in whole or in part with federal assistance provided by FTA.

CLEAN WATER REQUIREMENTS

The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 USC §1251, et seq. The Contractor agrees to report each violation to the Authority and understands and agrees that the Authority will, in turn, report each violation as required to assure notification to FTA and the appropriate Regional Office of the United States Environmental Protection Agency. The Contractor also agrees to include these requirements in each subcontract or purchase order exceeding $100,000 financed in whole or in part with federal assistance provided by FTA.

CARGO PREFERENCE

The Contractor agrees. to: (a) use privately owned United States-Flag commercial vessels to ship at least 50 percent of the gross tonnage (computed separately for dry bulk carriers, dry cargo liners and tankers) involved, whenever shipping any equipment, material, or commodities pursuant to the underlying contract to the extent such vessels are available at fair and reasonable rates for United States-Flag commercial vessels; (b) furnish within twenty (20) working days following the date of loading for shipments originating within the United States or within thirty (30) working days following the date of loading for shipments originating outside the United States, a legible copy of a rated, "on-board" commercial ocean bill-of-lading in English for each shipment of cargo described to the Division of National Cargo, Office of Market Development,

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Maritime Administration, Washington, DC 20590 and to the FTA recipient (through the Contractor in the case of a Subcontractor's or Supplier's bill-of-lading.); and (c) include these requirements in all subcontracts and purchase orders issued pursuant to the Contract Documents when the subcontract may involve the transport of equipment, material or commodities by ocean vessel. *(A certification is to be submitted with each bid or offer exceeding $500,000 if shipping is applicable.)*

FLY AMERICA REQUIREMENTS

The Contractor agrees to comply with 49 USC §40118 and 41 CFR Part 301-10, which provide that contractors are required to use United States -Flag air carriers for federally financed international air travel and transportation of their personal effects or property, to the extent such service is available, unless travel by foreign air carrier is a matter of necessity, as defined by 49 USC §40118 and CFR Part 301-10.

DAVIS-BACON AND COPELAND ANTI-KICKBACK ACTS

(1) **Minimum wages** - (i) All laborers and mechanics employed or working upon the site of the work (or under the United States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development of the project), will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics.

Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1 (b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (1)(iv) of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage

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determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR Part 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classifications and wage rates conformed under paragraph (1)(ii) of this section) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

(ii)(A) The contracting officer shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The contracting officer shall approve an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

Except with respect to helpers as defined as 29 CFR 5.2(n)(4), the work to be performed by the classification requested is not performed by a classification in the wage determination; and

(1) The classification is utilized in the area by the construction industry; and

(2) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination; and

(3) With respect to helpers as defined in 29 CFR 5.2(n)(4), such a classification prevails in the area in which the work is performed.

(B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the contracting officer to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, DC 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for

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fringe benefits, where appropriate), the contracting officer shall refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30- day period that additional time is necessary.

(D) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs (a)(1)(ii) (B) or (C) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

(v)(A) The contracting officer shall require that any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The contracting officer shall approve an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

(1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(2) The classification is utilized in the area by the construction industry; and

(3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the contracting officer to the Administrator of the

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Wage and Hour Division, Employment Standards Administration, Washington, DC 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the contracting officer shall refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(D) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs (a)(1)(v) (B) or (C) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(2) **Withholding** - The Authority shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work (or under the United States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development of the project), all or part of the wages required by the contract, the Authority may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

(3) **Payrolls and basic records** - (i) Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work (or under the United States Housing Act of 1937, or under the Housing Act of 1949, in the construction or development of the project). Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid

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(including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1 (b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

(ii)(A) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the Authority for transmission to the Federal Transit Administration. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under section 5.5(a)(3)(i) of Regulations, 29 CFR part 5. This information may be submitted in any form desired. Optional Form WH-347 is available for this purpose and may be purchased from the Superintendent of Documents (Federal Stock Number 029-005-00014-1), U.S. Government Printing Office, Washington, DC 20402. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors.

(B) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following: That the payroll for the payroll period contains the information required to be maintained under section 5.5(a)(3)(i) of Regulations, 29 CFR part 5 and that such information is correct and complete;

(1) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

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(C) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph (a)(3)(ii)(B) of this section.

(D) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code.

(iii) The contractor or subcontractor shall make the records required under paragraph (a)(3)(i) of this section available for inspection, copying, or transcription by authorized representatives of the Federal Transit Administration or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the Federal agency may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

(4) **Apprentices and trainees** - (i) Apprentices - Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Bureau of Apprenticeship and Training, or with a State Apprenticeship Agency recognized by the Bureau, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Bureau of Apprenticeship and Training or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination.

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Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator of the Wage and Hour Division of the U.S. Department of Labor determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Bureau of Apprenticeship and Training, or a State Apprenticeship Agency recognized by the Bureau, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) Trainees - Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) Equal employment opportunity - The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR part 30.

(5) Compliance with Copeland Act requirements - The contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.

(6) Subcontracts - The contractor or subcontractor shall insert in any subcontracts the clauses

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contained in 29 CFR 5.5(a)(1) through (10) and such other clauses as the Federal Transit Administration may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5.

(7) Contract termination: debarment - A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

(8) Compliance with Davis-Bacon and Related Act requirements - All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

(9) Disputes concerning labor standards - Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

(10) Certification of eligibility - (i) By entering into this contract, the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1). The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

(1) Overtime requirements - No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

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(2) Violation; liability for unpaid wages; liquidated damages - In the event of any violation of the clause set forth in paragraph (1) of this section the contractor and any subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1) of this section, in the sum of $10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1) of this section.

(3) Withholding for unpaid wages and liquidated damages - The Authority shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2) of this section.

(4) Subcontracts - The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraphs (1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1) through (4) of this section.

BONDING REQUIREMENTS

Bid Bond Requirements (Construction)

(a) Bid Security

A Bid Bond must be issued by a fully qualified surety company acceptable to (Recipient) and listed as a company currently authorized under 31 CFR, Part 223 as possessing a Certificate of Authority as described thereunder.

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(b) Rights Reserved

In submitting this Bid, it is understood and agreed by bidder that the right is reserved by (Recipient) to reject any and all bids, or part of any bid, and it is agreed that the Bid may not be withdrawn for a period of [ninety (90)] days subsequent to the opening of bids, without the written consent of (Recipient).

It is also understood and agreed that if the undersigned bidder should withdraw any part or all of his bid within [ninety (90)] days after the bid opening without the written consent of (Recipient), shall refuse or be unable to enter into this Contract, as provided above, or refuse or be unable to furnish adequate and acceptable Performance Bonds and Labor and Material Payments Bonds, as provided above, or refuse or be unable to furnish adequate and acceptable insurance, as provided above, he shall forfeit his bid security to the extent of (Recipient's) damages occasioned by such withdrawal, or refusal, or inability to enter into an agreement, or provide adequate security therefor.

It is further understood and agreed that to the extent the defaulting bidder's Bid Bond, Certified Check, Cashier's Check, Treasurer's Check, and/or Official Bank Check (excluding any income generated thereby which has been retained by (Recipient) shall prove inadequate to fully recompense (Recipient) for the damages occasioned by default, then the undersigned bidder agrees to indemnify (Recipient) and pay over to (Recipient) the difference between the bid security and (Recipient's) total damages, so as to make (Recipient) whole.

The undersigned understands that any material alteration of any of the above or any of the material contained on this form, other than that requested, will render the bid unresponsive.

Performance and Payment Bonding Requirements (Construction)

The Contractor shall be required to obtain performance and payment bonds as follows:

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(a) Performance and Payment bonds

1. The penal amount of performance and payment bonds shall be 100 percent of the original contract price, unless the (Recipient) determines that a lesser amount would be adequate for the protection of the (Recipient).

2. The (Recipient) may require additional performance and payment bond protection when a contract price is increased. The increase in protection shall generally equal 100 percent of the increase in contract price. The (Recipient) may secure additional protection by directing the Contractor to increase the penal amount of the existing bond or to obtain an additional bond.

Advance Payment Bonding Requirements

The Contractor may be required to obtain an advance payment bond if the contract contains an advance payment provision and a performance bond is not furnished. The (recipient) shall determine the amount of the advance payment bond necessary to protect the (Recipient).

Patent Infringement Bonding Requirements (Patent Indemnity)

The Contractor may be required to obtain a patent indemnity bond if a performance bond is not furnished and the financial responsibility of the Contractor is unknown or doubtful. The (recipient) shall determine the amount of the patent indemnity to protect the (Recipient).

Warranty of the Work and Maintenance Bonds

1. The Contractor warrants to (Recipient), the Architect and/or Engineer that all materials and equipment furnished under this Contract will be of highest quality and new unless otherwise specified by (Recipient), free from faults and defects and in conformance with the Contract Documents. All work not so conforming to these standards shall be considered defective. If

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required by the [Project Manager], the Contractor shall furnish satisfactory evidence as to the kind and quality of materials and equipment.

2. The Work furnished must be of first quality and the workmanship must be the best obtainable in the various trades. The Work must be of safe, substantial and durable construction in all respects. The Contractor hereby guarantees the Work against defective materials or faulty workmanship for a minimum period of one (1) year after Final Payment by (Recipient) and shall replace or repair any defective materials or equipment or faulty workmanship during the period of the guarantee at no cost to (Recipient). As additional security for these guarantees, the Contractor shall, prior to the release of Final Payment, furnish separate Maintenance (or Guarantee) Bonds in form acceptable to (Recipient) written by the same corporate surety that provides the Performance Bond and Labor and Material Payment Bond for this Contract. These bonds shall secure the Contractor's obligation to replace or repair defective materials and faulty workmanship for a minimum period of one (1) year after Final Payment and shall be written in an amount equal to ONE HUNDRED PERCENT (100%) of the CONTRACT SUM, as adjusted (if at all).

SEISMIC SAFETY REQUIREMENTS

Seismic Safety - The Contractor agrees that any new building or addition to an existing building will be designed and constructed in accordance with the standards for Seismic Safety required in Department of Transportation Seismic Safety Regulations 49 CFR Part 41 and will certify to compliance to the extent required by the regulation. The Contractor also agrees to ensure that all work performed under this contract including work performed by a subcontractor is in compliance with the standards required by the Seismic Safety Regulations and the certification of compliance issued on the project.

ENERGY CONSERVATION REQUIREMENTS

The Contractor agrees to comply with mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

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RECYCLED PRODUCTS

Recovered Materials - The contractor agrees to comply with all the requirements of Section 6002 of the Resource Conservation and Recovery Act (RCRA), as amended (42 U.S.C. 6962), including but not limited to the regulatory provisions of 40 CFR Part 247, and Executive Order 12873, as they apply to the procurement of the items designated in Subpart B of 40 CFR Part 247.

ADA ACCESS

ADA Access for Individuals with Disabilities – The Contractor agrees to comply with 49 U.S.C. § 5301(d), which states the Federal policy that elderly individuals and individuals with disabilities have the same right as other individuals to use public transportation services and facilities, and that special efforts shall be made in planning and designing those services and facilities to implement transportation accessibility rights for elderly individuals and individuals with disabilities. The Recipient also agrees to comply with all applicable provisions of section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 794, which prohibits discrimination on the basis of disability in the administration of programs or activities receiving Federal financial assistance; with the Americans with Disabilities Act of 1990 (ADA), as amended, 42 U.S.C. §§ 12101 et seq., which requires that accessible facilities and services be made available to individuals with disabilities; with the Architectural Barriers Act of 1968, as amended, 42 U.S.C. §§ 4151 et seq., which requires that buildings and public accommodations be accessible to individuals with disabilities; and with other laws and amendments thereto pertaining to access for individuals with disabilities that may be applicable. In addition, the Recipient agrees to comply with applicable implementing Federal regulations, and any later amendments thereto, and agrees to follow applicable Federal implementing directives, except to the extent FTA approves otherwise in writing. Among those regulations and directives are: (1) U.S. DOT regulations, "Transportation Services for Individuals with Disabilities (ADA)," 49 C.F.R. Part 37; (2) U.S. DOT regulations, "Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance," 49 C.F.R. Part 27; (3) Joint U.S. Architectural and Transportation Barriers Compliance Board (U.S. ATBCB)/U.S. DOT regulations, "Americans With Disabilities (ADA) Accessibility Specifications for Transportation Vehicles," 36 C.F.R. Part 1192 and 49 C.F.R. Part 38; (4) U.S. DOJ regulations, "Nondiscrimination on the Basis of Disability in State and Local Government Services," 28 C.F.R. Part 35; (5) U.S. DOJ regulations, "Nondiscrimination on the Basis of Disability by Public Accommodations and in Commercial Facilities," 28 C.F.R. Part 36; (6) U.S. General Services Administration (U.S. GSA) regulations, "Accommodations for the Physically Handicapped," 41

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C.F.R. Subpart 101-19; (7) U.S. EEOC, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 C.F.R. Part 1630; (8) U.S. Federal Communications Commission regulations, "Telecommunications Relay Services and Related Customer Premises Equipment for the Hearing and Speech Disabled," 47 C.F.R. Part 64, Subpart F; (9) U.S. ATBCB regulations, "Electronic and Information Technology Accessibility Standards," 36 C.F.R. Part 1194; (10) FTA regulations, "Transportation for Elderly and Handicapped Persons," 49 C.F.R. Part 609; and (11) Federal civil rights and nondiscrimination directives implementing the foregoing Federal laws and regulations, except to the extent the Federal Government determines otherwise in writing.

SEAT BELT USE

In accordance with Executive Order No. 13043, "Increasing Seat Belt Use in the United States," April 16, 1997, 23 U.S.C. § 402 note, the Recipient is encouraged to adopt and promote on-the-job seat belt use policies and programs for its employees and other personnel that operate company-owned, rented, or personally operated vehicles, and to include this provision in any third party contracts, third party subcontracts, or subagreements involving the Project.

DISTRACTED DRIVING, INCLUDING TEXT MESSAGING WHILE DRIVING

In accordance with Executive Order No. 13513, "Federal Leadership on Reducing Text Messaging While Driving," October 1, 2009, 23 U.S.C. § 402 note, the Recipient is encouraged to adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers, including policies to ban text messages while using an employer supplied electronic device and driving a vehicle you own or rent, a company owned, rented or leased vehicle, a privately owned vehicle when performing any company work on behalf of the project or any vehicle on or off duty. This provision is to be included in any third-party contracts, third party subcontracts or subagreements at each tier financed with federal funds.

Domestic Preference

In accordance with 2 CFR 200.322 all contractors shall, to the greatest extent practicable, provide a preference for the purchase, acquisition, or use of goods, products or materials

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produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products).

For purposes of this clause:

a. ” Produced in the United States” means, for iron and steel products, that all manufacturing processes, from the initial melting stage through application of coatings, occurred in the United States.
b. “Manufacturing products” means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

This requirement must be included in all subcontracts awarded under this award.

Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment

In accordance with 2 CFR 200.216, contractor and its subcontractors are prohibited from expending funds under this contract for the procurement of equipment, services, or systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.

a. “covered telecommunications equipment or services” is telecommunications or video surveillance equipment or services produced by:
    a. Huawei Technologies Company
    b. ZTE Corporation
    c. Hytera Communications Corporation
    d. Hangzhou Hikvision Digital Technology Company
    e. Dahua Technology Company
    f. Any subsidiary of the above listed entities.

669 West 200 South
Salt Lake City, UT 84101

Utah Transit Authority

MEETING MEMO

Board of Trustees **Date:** 6/23/2021

TO: Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Eddy Cumins, Chief Operating Officer
PRESENTER(S): Eddy Cumins, Chief Operating Officer
Kevin Anderson, Director of Maintenance Support

TITLE:

Contract: Bus Lift Replacement - Riverside & Timpanogos (Stertil Koni USA, Inc.)

AGENDA ITEM TYPE:	Procurement Contract/Change Order
RECOMMENDATION:	Approve award and authorize Executive Director to execute contract and associated disbursements with Stertil Koni USA Inc. to purchase a two post ECO 60 bus lift for the Riverside Service unit and a three post Diamond 96CR bus lift for the Timpanogos Service unit for the combined amount of $459,192.32.
BACKGROUND:	The in-ground bus lifts located at the Riverside and Timpanogos facilities are twenty-six and thirty-one years old respectively. These lifts have become problematic and expensive to maintain. When a lift reaches this age, safety also becomes a concern. This type of in-ground lift is also susceptible to leakage causing environmental concerns. UTA Facilities has successfully replaced several outdated in-ground lifts over the past ten years. Stertil Koni is contracted with the State of Utah and their Diamond 96 and ECO 60 lifts have proven to be quality products. These high-capacity lifts are user friendly, easily maintained, and environmentally safe.
DISCUSSION:	UTA staff is requesting approval of a purchase order with Stertil Koni to purchase a two post ECO 60 bus lift for the Riverside Service Unit and a three post Diamond 96CR bus lift for the Timpanogos Service Unit in the amount of $459,192.32. These items will be purchased using Utah State Contract MA2003. The scope of this request includes the purchase of the lifts, removal and disposal of the existing equipment, installation of the new lifts, load test, and mechanic orientation. The new lifts will have a two-year parts, and a one-year labor warranty. The lifespan of the new lift is estimated at twenty thousand duty cycles which translates to approximately 15-20 years.
CONTRACT SUMMARY:	
Contractor Name:	Stertil Koni USA Inc.
Contract Number:	State Contract MA2003 PO 16680

Base Contract Effective Dates:	PO Date 5/27/2021
Extended Contract Dates:	N/A
Existing Contract Value:	0.00
Amendment Amount:	0.00
New/Total Amount Contract Value:	$459,192.32
Procurement Method:	State Contract MA2003
Funding Sources:	Local
ALTERNATIVES:	Replace lift at a later date risking failure
FISCAL IMPACT:	Funding is budgeted in the 2021 Facilities Project Capital Budget
ATTACHMENTS:	1. Purchase Order 2. Link to State Contract MA2003 <https://statecontracts.utah.gov/Contract/Details/MA2003-Auto-Parts-and-Repair%7Cb2eaa056-4cf9-4b5a-aab3-ecb4e6122f0f>

STERTIL KONI USA INC. **200 Log Canoe Circle** **Stevensville MD 21666**		**Utah Transit Authority**	PURCHASE ORDER NUMBER **OG**	**16680**
			PO Number Must Appear On All Invoices And Shipments	
			VENDOR NUMBER	**PO DATE**
			1204653	5/27/2021
SEND INVOICE TO:	**SHIP TO:**	*An Equal Opportunity Employer*	**ORDER TAKEN BY**	**FOB**
AP@RIDEUTA.COM	**ATTENTION: RECEIVING**			*
669 W 200 S	**3600 S 700 W**	**801-287-3008**	**BUYER**	**PAGE NUMBER**
SLC, UT 84101	**Salt Lake City UT 84119**	**www.rideuta.com**	Gonzales, Chad	1 of 1

Confirmation: Do not Duplicate
Utah Transit Authority Is Tax Exempt Total PO Value: 459,192.32 Ship as soon as possible. Early Shipments Allowed

LINE #	REQ #	CONFIRMED DELIVERY DATE	QUANTITY	PART NUMBER ACCOUNT CODE	DESCRIPTION	UNIT PRICE	TOTAL PRICE
1	00009175	5/27/21	1 EA	40-1652.68912	Riverside bay 8 bus hoist Riverside facility	172360.6000	172,360.60
2	00009239	5/27/21	1 EA	40-1653.68912	Bus Hoist remove & Replace	286831.7200	286,831.72

Utah State Contract MA2003

Unless otherwise expressly agreed in a written document executed by Utah Transit Authority ("UTA"), this Purchase Order is subject to UTA's standard terms and conditions revision date: September 2020, effective as of the date of this Purchase Order. UTA's standard terms and conditions are found at http://www.rideuta.com/-/media/872EE81C35F84C6C880E221E756EEA7B.ashx. Vendor's acceptance of this Purchase Order is limited to the express terms of UTA's standard terms and conditions, without modification. Vendor's delivery of the Goods or commencement of performance of Services identified in this Purchase Order are effective modes of acceptance. Any proposal for additional or different terms or any attempt by Vendor to vary in any degree any of the terms of the Contract, are hereby objected to and rejected (and this Purchase Oder shall be deemed accepted by Vendor without the additional or different terms).

If this Purchase order is purchased using a State Contract, then terms and conditions are pursuant to that State Contract.

669 West 200 South
Salt Lake City, UT 84101

Utah Transit Authority

MEETING MEMO

Board of Trustees **Date:** 6/23/2021

TO: Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Andrea Packer, Communications Director
PRESENTER(S): Andrea Packer, Communications Director

TITLE:

Contract: Advertising Agency (R&R Partners Inc.)

AGENDA ITEM TYPE:	Procurement Contract/Change Order
RECOMMENDATION:	Authorize the Executive Director to execute a contract and associated disbursements with R&R Partners, Inc. for five base years (with up to three one-year renewal options to be approved separately) in an amount not to exceed $6,000,000 for the five base years for advertising and marketing services.

BACKGROUND:	UTA has procured the services of an outside advertising "agency-of record" for more than two decades. It's a common practice and UTA has benefited from this practice as a full-service agency provides expertise and several specialty functions that UTA does not have internally. The use of an outside agency also avoids the cost to bring these functions in-house because UTA does not require many of the functions on a full-time FTE basis throughout the year. This specialized expertise includes: creative direction, art direction, design, copywriting, production management, media planning and buying, media trafficking, etc. UTA conducted a competitive Request for Proposal (RFP) process for UTA's advertising agency of record. The scope of the advertising agency contract is for Advertising and/or Marketing Campaigns, Branding (including vehicle/fleet designs), Research projects, and Strategic Creative Design. This RFP also specifically requested recommendations for a strategic Covid-19 emergence effort. The scope of the contract does NOT include public relations, social media (unless paid social media as part of a marketing campaign), public affairs or government relations. The annual work performed by the agency is based on the approved PR & Marketing Department budget, currently $1.1 - $1.2 million annually. The agency assists UTA in the strategic and creative development of several paid advertising and marketing campaigns, including but not limited to: brand/awareness, back-to-school/Ed Pass, Change Day, new service/route level marketing, Riders License, safety, line/project openings, new service launches, safety, etc. The Public Relations & Marketing Department has embarked on a multi-year effort, with the support of the agency, to retool UTA's communications with respect to branding, messaging and tone. This new approach has been incorporated into all of UTA's advertising and marketing campaigns for the past two years. Additionally, the selected agency would assist the Public Relations & Marketing Department with multiple advertising and marketing campaigns annually, including support strategies to rebuild ridership in the wake of Covid-19. The advertising agency also provides strategic guidance in UTA's branding, naming and vehicle design for new services, and provides support in annual research activities, including the Benchmark Survey.

DISCUSSION:	After a competitive RFP procurement process for UTA's advertising agency of record, R&R Partners was selected. It's a five-year contract, with up to three option years. Staff will return for board approval of any desired option years at a later date. R&R Partners was unanimously chosen by the selection committee due to their extensive experience - specifically in transit - the strength of their proposal and creative work, the experience of the team assigned to our contract, and their competitive cost proposal. R&R Partners received the highest technical score and was the lowest cost. The new contract with R&R Partners includes a blended hourly rate of $120 per hour, with an estimated average of 350 hours per month and a not-to-exceed amount of 4,200 hours per year. The actual number of hours performed by the agency each year will be based on the annual budget for the Public Relations & Marketing Department. This Contract will not exceed $2,520,000 for five (5) years for all hourly services, deliverables and efforts as described in the Scope of Work and contract. The additional option years shall not exceed $504,000 per year. Payment will only be made for actual work performed within the stated not-to-exceed amounts. In addition, R&R will coordinate and negotiate services such as production costs and media buys. R&R will pay for these services and UTA will reimburse R&R for these expenses at actual cost to R&R. These reimbursable expenses plus the hourly service, deliverables and efforts as described in the Scope of Work will not exceed $6,000,000 for five (5) years. Total expenses in the additional option years would not exceed $1,200,000 per year for all services and media buys. The contract excludes agency commissions for the paid media purchased by the agency. Commissions are standard practice for agencies, as it increases their revenue, so this provides notable savings to UTA.
CONTRACT SUMMARY:	
Contractor Name:	R&R Partners, Inc.
Contract Number:	21-03430BM
Base Contract Effective Dates:	July 1, 2021 - June 30, 2026
Extended Contract Dates:	July 1, 2026 - June 30, 2029
Existing Contract Value:	N/A
Amendment Amount:	N/A
New/Total Amount Contract Value:	$6,000,000 for 5 years. (Estimated at $9.6 million dollars for 8 years).
Procurement Method:	Competitive RFP selection process
Funding Sources:	UTA Funds

ALTERNATIVES:	Should UTA not move forward with the contract, a new procurement process would need to be undertaken. This process would take several months at a key time in the redevelopment of UTA's branding and communications, and emergence from Covid-19. In the meantime, work on several planned advertising and marketing campaigns would come to a halt.
FISCAL IMPACT:	The funds for the contract will be provided by the annual budget approved for the Public Relations & Marketing Department.
ATTACHMENTS:	1) Contract

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UTA CONTRACT NO. 21-03430BM

Advertising Services

This Professional Services Agreement ("Contract") 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 R & R PARTNERS**, INC.**("Consultant" or "Contractor").

RECITALS

A. UTA desires to hire Consultant for the Advertising Services described in Exhibit A ("Work"), and

B. On April 5, 2021, UTA issued Request for Proposal Package Number 21-03430BM ("RFP") encouraging interested parties to submit proposals to perform the services described in the Request for Proposal, and

C. Upon evaluation of the proposals submitted in response to the Request for Proposal , UTA selected Consultant as providing the best value for UTA, and

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 here from, 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 generally accepted standards in the Advertising profession. Consultant 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.

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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 made known to Consultant in advance and in writing or publicly available.

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 guaranteed 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 drawing or 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.

e. UTA will have the right to inspect, monitor and review any Work performed by Consultant hereunder as deemed necessary by UTA to verify that such Work conforms to the Contract requirements. Any such inspection, monitoring and review performed by UTA is for the sole benefit of UTA, and shall not relieve Consultant of its responsibility to comply with the Contract requirements.

f. UTA shall have the right to reject Work which fails to materially conform to the requirements of this Contract. Upon receipt of notice of rejection from UTA, Consultant shall (at its sole expense and without entitlement to equitable schedule relief) promptly re-perform, replace or re-execute the Work so as to conform to the Contract requirements.

g. If Consultant fails to promptly remedy rejected Work as provided in Section 3.f, UTA may (without limiting or waiving any rights or remedies it may have) perform necessary corrective action using other contractors or UTA's own forces. Any costs reasonably incurred by UTA in such corrective action shall be chargeable to Consultant.

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4. PERIOD OF PERFORMANCE

This Contract shall commence as of the Effective Date. This Contract shall remain in full force and effect for Five (5) year period expiring June 30, 2026. UTA may, at its sole election and in its sole discretion, extend the initial term. Three, one-year 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.

5. COMPENSATION

a. For the performance of the Work, UTA shall pay Consultant in accordance with the payments provisions described in Exhibit B. Payments shall be made in accordance with the milestones or other payment provisions detailed in Exhibit B. If Exhibit B does not specify any milestones or other payment provisions, then payment shall be made upon completion of all Work and final acceptance thereof by UTA.

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 and/or offset from payment any amounts reasonably reflecting: (i) items of Work that have been rejected by UTA in accordance with this Contract; (ii) invoiced items that are not payable under this Contract; or (iii) amounts Consultant owes to UTA under this Contract.

6. INCORPORATED DOCUMENTS

a. The following documents hereinafter listed in chronological order, with most recent document taking precedence over any conflicting provisions contained in prior documents (where applicable), are hereby incorporated into the Contract by reference and made a part hereof:

1. The terms and conditions of this Professional Services Agreement (including any exhibits and attachments hereto).

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2. Contractor's Proposal including, without limitation, all federal certifications (as applicable);

3. 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;

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:

- This Professional Services Agreement including all attachments
- UTA Terms and Conditions
- UTA RFP
- 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.

8. 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:

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:

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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 23 of this Contract.

9. INVOICING PROCEDURES

a. Consultant 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 Consultant shall invoice UTA after completion of all Work and final acceptance thereof by UTA. 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. UTA shall have the right to offset from payment amounts reasonably reflecting the value of any claim which UTA has against Consultant under this Contract. Payment for all invoice amounts not specifically disapproved by UTA shall be provided to Consultant within thirty (30) calendar days of invoice submittal.

10. OWNERSHIP AND DISTRIBUTION OF DESIGNS, DRAWINGS, AND WORK PRODUCT

Except as it relates to Contractor Tools (defined below), 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 written request, and, in any event, upon termination or final acceptance of the Work. To the extent that any deliverables include or incorporate Contractor Tools, Contractor hereby grants UTA a fully paid-up license to make copies of the Contractor Tools as part of this engagement for its internal business purposes and provided that such Contractor Tools cannot be modified or distributed outside UTA without the written permission of Contractor or except as otherwise permitted hereunder.

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Contractor shall retain all rights, title and interest (including, without limitation, all copyrights, patents, service marks, trademarks, trade secret and other intellectual property rights) in and to all technical or internal designs, methods, ideas, concepts, know-how, techniques, generic documents and templates that have been previously developed by Contractor or developed during the course of the provision of the Work provided such generic documents or templates do not contain any UTA confidential information or proprietary data ("Contractor Tools"). Rights and ownership by Contractor of Contractor Tools shall not extend to or include all or any part of UTA's confidential information or proprietary data.

Contractor's Work is prepared solely for the internal business use of the UTA. To the extent that Contractor's Work is not subject to disclosure under applicable public records laws, Contractor's Work may not be provided to third parties without Contractor's prior written consent. Contractor does not intend to benefit or create a legal duty to any third-party recipient of its work product, and Contractor may include a legend on its reports so stating. UTA agrees not to remove any such disclaimer language from Contractor's work. Contractor's consent to release its work product to any third party may be conditioned on the third party signing a release, subject to the following exception(s): (a) UTA may provide a copy of Contractor's Work, in its entirety, to the UTA's professional service advisors who are subject to a duty of confidentiality and who agree to not use Contractor's Work for any purpose other than to benefit the UTA; (b) UTA may provide a copy of Contractor's Work, in its entirety, to other governmental entities, as required by law. No third-party recipient of Contractor's Work should rely upon Contractor's Work. Such recipients should engage qualified professionals for advice appropriate to their own specific needs.

UTA's use and ownership of the Work is limited by any third-party releases, agreements or licenses permitting use of third-party property which was included or incorporated in the Work. Consultant shall notify UTA of the material terms of any third-party releases, agreements, or licenses.

11. 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

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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 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, 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 Contractor. If the Contract is terminated for convenience, UTA shall pay Contractor: (i) in full for Work delivered and Advertising 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.

b. 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 cure such default:

1. Terminate the Contract (in whole or in part) for default and obtain the Advertising Services using other contractors or UTA's own forces, in which event Contractor shall be liable for all incremental costs so incurred by UTA;

2. Pursue other remedies available under the Contract (regardless of whether the termination remedy is invoked); and/or

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3. Except to the extent limited by the Contract, pursue other remedies available at law.

c. 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; provided, however Consultant makes no express or implied warranty and shall have no liability of any form whatsoever with respect to any draft or unfinished work product that is delivered to UTA pursuant to this clause. Contractor shall also remit final invoices for all Advertising Services performed and expenses incurred in full accordance with the terms and conditions of the Contract up to the effective date of termination including outstanding invoices for media buys. Expenses for media buys shall be curtailed as the earliest possible date. 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; provided, however if the amount of post-termination work is material, reasonable costs incurred from that work during the 90-day period shall be paid to the Contractor.

15. **INFORMATION, RECORDS and REPORTS; AUDIT RIGHTS**

Consultant 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. 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). 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 made available to UTA or designated audit parties upon request. 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 available to or prepared or assembled by Consultant or subcontractors under this Contract are considered confidential and shall not be made available to any person, organization, or entity by Consultant without consent in writing from UTA.

a. It is hereby agreed that the following information is not considered to be confidential:

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A. Information already in the public domain;

B. Information disclosed to Consultant by a third party who, to the actual knowledge of Consultant following reasonable inquiry is not under a confidentiality obligation to UTA;

C. Information developed by or in the custody of Consultant before entering into this Contract or thereafter provided such information was not based on UTA confidential information or proprietary data;

D. Information developed by Consultant through its work with other clients; and

E. Information required to be disclosed by law or regulation including, but not limited to, subpoena, court order or administrative order.

17. 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. UTA shall provide Consultant notice of any GRAMA request that may include the confidential information of any of Consultant's third-party vendors.

18. GENERAL INDEMNIFICATION AND LIMITATION OF LIABILITY

Contractor shall indemnify, hold harmless and defend UTA, its officers, trustees, agents, and employees (hereinafter collectively referred to as "Indemnitees") from and against all third party claims or actions and the directly resulting liabilities, 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 Claims 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 or another Indemnitee as a result of Contractor's failure to meet its obligations to such employee or subcontractor, 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 primarily out of the negligence of UTA or the Indemnitees.

In the event of any claim arising from services provided by Contractor at any time, the total liability of Contractor, its officers, directors, agents and employees to UTA shall not exceed five million dollars ($5,000,000). This limit applies regardless of the theory of law under which a claim is brought, including negligence, tort, contract, or otherwise. In no event shall Contractor be liable for lost profits of UTA or any other type of incidental or consequential damages. The foregoing limitations shall not apply in the event of the intentional fraud or willful misconduct of Contractor.

19. INSURANCE REQUIREMENTS

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The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The Utah Transit Authority 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.

A. MINIMUM SCOPE AND LIMITS OF INSURANCE: 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 $4,000,000
   - Products – Completed Operations Aggregate $1,000,000
   - Personal and Advertising Injury $1,000,000
   - Each Occurrence $2,000,000

   a. The policy shall be endorsed to include the following additional insured language: "The 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 this Contract.

   Combined Single Limit
   (CSL) $2,000,000

   a. The policy shall be endorsed to include the following additional insured language: "The 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

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a. Policy shall contain a waiver of subrogation against the Utah Transit Authority.

b. This requirement shall not apply when a contractor or subcontractor is exempt under UCA, AND when such contractor or subcontractor executes the appropriate waiver form.

4. Professional Liability (Errors and Omissions Liability)
The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Services of this contract.

Each Claim	$1,000,000
Annual Aggregate	$2,000,000

a. In the event that the professional liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained, or an extended discovery period will be exercised for a period of three (3) years beginning at the time work under this Contract is completed.

B. ADDITIONAL INSURANCE REQUIREMENTS: The policies shall include, or be endorsed to include the following provisions:

1. On insurance policies where the Utah Transit Authority is named as an additional insured, the Utah Transit Authority shall be an additional insured to limits of liability referenced in this Section 19.

2. The Contractor's insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.

C. NOTICE OF CANCELLATION: Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be canceled except after thirty (30) days prior written notice has been given to the Utah Transit Authority. Such notice shall be sent directly to Brian Motes, Procurement and Contracts Specialist, Utah Transit Authority, 669 West 200 South, Salt Lake City, Utah 84101.

D. ACCEPTABILITY OF INSURERS: Insurance is to be placed with insurers duly licensed or authorized to do business in the State and with an "A.M. Best" rating of not less than A-VII. The Utah Transit Authority in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

E. VERIFICATION OF COVERAGE: Contractor shall furnish the Utah Transit Authority with certificates of insurance (on standard ACORD form) 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.

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All certificates and any required endorsements are to be sent to insurancecerts@rideuta.com and received and approved by the Utah Transit Authority 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.

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. The Utah Transit Authority reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time. DO NOT SEND CERTIFICATES OF INSURANCE TO THE UTAH TRANSIT AUTHORITY'S CLAIMS AND INSURANCE DEPARTMENT.

F. SUBCONTRACTORS: Contractors' certificate(s) shall include all subcontractors as additional insureds under its policies or subcontractors shall maintain separate insurance as determined by the Contractor, however, subcontractor's limits of liability shall not be less than $1,000,000 per occurrence / $2,000,000 aggregate. Sub-contractors maintaining separate insurance shall name Utah Transit Authority as an additional insured on their policy. Blanket additional insured endorsements are not acceptable from sub-contractors. Utah Transit Authority must be scheduled as an additional insured on any sub-contractor policies.

G. APPROVAL: Any modification or variation from the insurance requirements in this Contract shall be made by Claims and Insurance Department or the Office of General Counsel, whose decision shall be final. Such action will not require a formal Contract amendment, but may be made by administrative action.

20. <u>OTHER INDEMNITIES</u>

a. Consultant shall defend, indemnify and hold harmless UTA and the other Indemnitees against and from any and all Claims of any kind or nature whatsoever on account of infringement of a third party's intellectual property rights directly resulting from Consultant's performance under this Contract. If notified promptly in writing and given authority, information and assistance, Consultant shall defend, or may settle at its expense, any suit or proceeding against UTA so far as based on a claims that Consultant's deliverables infringe third party intellectual property rights and Consultant shall pay all damages and costs awarded therein against UTA deemed to have resulted from such infringement. In case any portion of the Work is in such suit held to constitute such an infringement or an injunction is filed that interferes with UTA's rights under this Contract, Consultant shall, at its expense and through mutual agreement between the UTA and Consultant, either procure for UTA any necessary intellectual property rights, or modify Consultant's services or deliverables such that the claimed infringement is eliminated. Consultant is not obligated to indemnify UTA if UTA has

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used any Work in violation of any third-party releases, licenses, or agreements, the material terms of which have been disclosed to UTA.

b. Consultant shall: (i) defend, indemnify and hold harmless UTA and the other Indemnitees against and from any and all liens or Claims made or filed against UTA or upon the Work or the property on which the Work is located on account of any labor performed or labor, services, and equipment furnished by subcontractors of any tier; and (ii) keep the Work and said property free and clear of all liens or claims arising from the performance of any Work covered by this Contract by Consultant or its subcontractors of any tier. If any lien arising out of this Contract is filed, before or after Work is completed, Consultant, 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 Consultant 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 Consultant 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, Consultant shall assume the defense of such claim within ten (10) calendar days after receiving from UTA written notice of such claim. If Consultant fails to do so, Consultant shall upon demand reimburse UTA for all costs incurred and expenditures made by UTA to satisfy such claim.

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 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 8. 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

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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/Project Manager	Five calendar days
UTA's Sr. Supply Chain Manager/Second Level manager	Five calendar days
UTA's Chief Procurement Officer/Third Level manager	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, that either party may commence formal mediation under the Juris Arbitration and Mediation (JAMS) process using a mutually agreed upon JAMS mediator.

If the Mediation Process described above fails to produce a resolution, the parties agree to proceed to final and binding arbitration under the JAMS arbitration process. The arbitration shall take place before a panel of three arbitrators in the State of Utah. Within 30 days of the commencement of the arbitration, each party shall designate in writing a single neutral and independent arbitrator. The two arbitrators designated by the parties shall then select a third arbitrator. The arbitrators shall have a background in the field of advertising, a related field, or the procurement of professional services. The arbitrators shall have the authority to permit limited discovery, including depositions, prior to the arbitration hearing, and such discovery shall be conducted consistent with the Federal Rules of Civil Procedure. The arbitrators shall have no power or authority to award punitive or exemplary damages. The arbitrators may, in their discretion, award the cost of the arbitration, including reasonable attorney fees, to the prevailing party. Any award made may be confirmed in any court having jurisdiction. Any arbitration shall be confidential, and except as required by law, neither party may disclose the content or results of any arbitration hereunder without the prior written consent of the other parties, except that disclosure is permitted to a party's auditors and legal advisors.

24. GOVERNING LAW

This Contract shall be interpreted in accordance with the substantive and procedural laws of the State of Utah.

25. ASSIGNMENT OF CONTRACT

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

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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:

If to UTA:
Utah Transit Authority
ATTN: Brian Motes
669 West 200 South

with a required copy to:
Utah Transit Authority
ATTN: Legal Counsel
669 West 200 South

If to Consultant:
R&R Partners
Attn: Kyle Curtis
837 East South Temple
Salt Lake City, UT 84102

With a copy to:
Morgan Baumgartner
6160 Plumas, Ste. 200
Reno, Nevada 89519

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 27 a, 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 Brian Motes, or designee. All questions and correspondence relating to the contractual aspects of this Contract should be directed to said

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Contract Administrator, or designee.

29. INSURANCE COVEREAGE REQIREMENTS FOR CONSULTANT EMPLOYEES

a. The following requirements apply to the extent that: (i) the initial value of this Contract is equal to or in excess of $2 million; (ii) this Contract, with subsequent modifications, is reasonably anticipated to equal or exceed $2 million; (iii) Consultant has a subcontract at any tier that involves a sub-consultant that has an initial subcontract equal to or in excess of $1 million; or (iv) any subcontract, with subsequent modifications, is reasonably anticipated to equal or exceed $1 million:
b. Consultant shall, prior to the effective date of this Contract, demonstrate to UTA that Consultant has and will maintain an offer of qualified health insurance coverage (as defined by Utah Code Ann. § 17B-2a-818.5) for the Consultant's employees and the employee's dependents during the duration of this Contract.
c. Consultant shall also demonstrate to UTA that subcontractors meeting the above-described subcontract value threshold have and will maintain an offer of qualified health insurance coverage (as defined by Utah Code Ann. § 17B-2a-818.5for the subcontractor's employees and the employee's dependents during the duration of the subcontract.

30. COSTS AND ATTORNEYS 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.

31. ANTIDISCRIMINATION

1. Employment Practices. Consultant hereby declares that it is and will remain fully compliant with the provisions of the Utah Anti-discrimination Act (UTAH CODE §§ 34A-5-101 TO 34A-5-108) and the equivalent anti-discrimination laws of its State of incorporation and/or headquarters location. Under the Act, an employer may not refuse to hire, promote, discharge, demote, or terminate a person, or to retaliate against, harass, or discriminate in matters of compensation or in terms, privileges, and conditions of employment against a person otherwise qualified, because of race, color, sex, pregnancy, childbirth, or pregnancy-related conditions; age, if the individual is 40 years of age or older; religion; national origin; disability; sexual orientation; or gender identity.

2. Goods and Services Provided to UTA. In addition to avoiding discriminatory employment practices as described above, Consultant also declares that all goods and services it provides to UTA are useable and accessible by individuals with disabilities as described in Title II of the American with Disabilities Act and also Section III (H) of UTA Policy 6.1.1 which states that programs, services, and facilities procured by UTA will be accessible to and useable by individuals with disabilities. Consultant further certifies that any digital software, tool, program or web application must meet the most recent version of the Web Content Accessibility Guidelines (WCAG) found at https://www.w3.org/TR/WCAG21. To the extent Offeror is providing transportation services, vehicles

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or facilities it also declares that it is in compliance with Department of Transportation (DOT) ADA standards found at 49 CFR Parts 27, 37, 38, and 39.

32. 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.

33. 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.

34. 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.

35. 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. The terms of the Contract supersede any additional or conflicting terms or provisions that may be preprinted on Consultant's work plans, cost estimate forms, receiving tickets, invoices, or any other related standard forms or documents of Consultant that may subsequently be used to implement, record, or invoice Advertising Services hereunder from time to time, even if such standard forms or documents have been signed or initialed by a representative of UTA. 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.

36. AMENDMENTS

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

37. 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

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retransmission of any signed copy hereof shall be the same as delivery of an original.

38. 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 10, 14, 15,16, 17, 18, 19, 20, 23, 24, 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:

By_____

Name_____

Title_____

By_____

Name_____

Title_____

By DocuSigned by: Michael L. Bell 70E33A415BA44F6...

Name Michael L. Bell

Title Utah Attorney General 6/2/2021

UTA Legal Counsel

By_____

Name_____

Title_____

Project Manager

R & R PARTNERS INC.

By E-SIGNED by Morgan Baumgartner on 2021-06-02 21:20:01 GMT

Name Morgan Baumgartner

Title Executive Vice President, General Counsel

By_____

Name_____

Title_____

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Exhibit A
Scope of Work

UTA has awarded a contract to R & R Partners for a period of five (5) years, plus up to three (3) option years, subject to the terms, conditions, and limitations as set forth herein and incorporated into this contract.

R & R Partners is expected to perform and fulfill the following activities and requirements for Utah Transit Authority.

Advertising & Marketing Campaigns

Each year, the Contractor will provide expertise and assist UTA in the development and implementation of several campaigns and activities that achieve the campaign objectives while maintaining UTA's brand identity. These typically include, but may not be limited to, the following:

- Corporate Branding/Ridership Campaign: one (1) main campaign each year. Usually a television and online/digital campaign with 2-3 produced spots.

- Change Day occurs three times per year (April, August & November). Depending on the size and scope of the change day, UTA may implement a paid media campaign to create awareness about the changes and/or promote additional service being implemented.

- Ed Pass: a back-to-school campaign targeted to the students at the major universities in UTA's service area. Tactics typically include inclusion in new freshman materials, digital/social media, and on-campus digital and print signage.

- Targeted Campaigns: Identified paid media campaigns for specific services, fare products or promotions, safety programs, new product launches, etc. May include 4-6 campaigns a year. Examples include:
    - Micro transit service launch in southwestern Salt Lake County
    - Promoting fare products: UTA Go Ride, FAREPAY
    - Promoting new technologies and rider tools: Transit app, Service Alerts
    - Safety Campaigns: may be targeted to riders, to vehicle drivers, or pedestrians

Special Events & Collateral Materials

- Special Events: The Contractor shall provide support in planning and producing collateral materials for special events (invitations, banners, programs, etc.) Average 2-3 events per year.

- Collaterals: The Contractor shall provide design and production of collaterals for various projects and programs. Averages 3-5 pieces per year. Examples include the

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Year in Review, the Federal Priorities document and the Fast Facts booklet.

Covid-19 Recovery Strategy

UTA responded swiftly and pro-actively when the Covid-19 pandemic hit in March of 2020. We quickly implemented strict daily cleaning and disinfecting measures, installed operator shields on all the buses, limited contact by implementing rear-door boarding and not handling fare media, providing for social distancing by monitoring ridership, and requiring masks. As a result, UTA's incidence of Covid-19 cases is reflective of the community at large, and there has not been an outbreak tied to the UTA system.

However, UTA ridership dropped as schools went virtual, events were canceled, and employers implemented telecommuting practices. UTA's ridership has stabilized in recent months, and even slightly increased, and we still carry about 65,000 trips per day.

- As vaccinations increase in the State, events return, school return to the classroom in the fall, and employees potentially return to the workplace, UTA implemented a TV/digital campaign in early 2021 to create awareness about our safety measures and begin to build confidence. The agency has also created a Ridership Recovery Team to identify potential campaigns and fare promotions to encourage people to return to transit.

- The Contractor must be able to provide a strategic messaging and communications plan to assist UTA in further building confidence and ultimately increasing ridership and emerging from the Covid-19 pandemic.

- The Contractor will also need to assist the agency in developing, producing and placing the communications plans for the various campaigns and fare promotions

Vehicle Design & Updates

The Public Relations & Marketing Department, as part of UTA's branding efforts, is responsible for the exterior and interior design - and updates - of UTA vehicles, either for existing or new services.

Recent examples include the design of UTA's bus rapid transit vehicles (starting with UVX and now being applied to the Ogden BRT project), creating the design for the UTA On Demand by Via micro transit pilot vans, and updating the old TRAX vehicles (SD100 and SD160 fleet) with the new S70 design.

- The Contractor will need to have the branding and design expertise to assist UTA in developing detailed designs for new services in compliance with UTA's brand guidelines, assisting the agency in updating designs to existing fleet vehicles, and

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assisting the agency on brand strategy for identifying specific vehicles (such as alternative fuel vehicles).

- The Contractor will need to be able to provide UTA with design files that can be provided to vehicle manufacturers.

Research

- Each year the Public Relations & Marketing Department conducts a Benchmark Survey to residents throughout the agency's service area. The Benchmark Survey is designed to a) gauge overall opinion of UTA and its performance and accountability, b) gauge perception of UTA's services, c) ascertain high-level reasons why people ride/don't ride, d) ascertain potential motivators to ride, and e) where people would look for information about UTA or how to ride.

- UTA has kept the Benchmark Survey very consistent – with a few minor updates each year – to track results over time. UTA also seeks a sample size of at 600+ responses to ensure adequate representation across all the counties in the agency's service area.

- The Contractor will need to have the research expertise to assist UTA with updating the survey each year and provide the resources or a sub-contractor to implement and conduct the survey.

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Exhibit B

Pricing and Payment

This Contract will not exceed $2,520,000 for five (5) years for all services, deliverables and efforts as described in the Scope of Work and Contract above with the detailed pricing below. The additional option years shall not exceed $504,000 per year. Payment shall only be made for actual work performed within the stated not-to-exceed amounts.

Pricing Sheet: UTA Advertising Agency RFP 21-03430BM						4200			
Price shall be proposed as a blended hourly rate up to a maximum of 4,200 hours annually						4200			
(based on estimated average maximum of 350 average hours per month x 12 months).									
	Year 1	Year 2	Year 3	Year 4	Year 5	Option 1	Option 2	Option 3	8 Year Total
Proposed Blended Hourly Rate	$ 120.00	$ 120.00	$ 120.00	$ 120.00	$ 120.00	$ 120.00	$ 120.00	$ 120.00	$4,032,000
	$504,000	$504,000	$504,000	$504,000	$504,000	$504,000	$504,000	$504,000	$4,032,000
The $120 hour rate assumes project based work. R&R Partners is able to reduce the proposed blended hourly rate and maintain our current contracted blended hourly rate with UTA at $115 within a retainer-based model.									

Expenses pursuant to this Contract, including production costs, media buys and other deliverables and efforts as described in the Scope of Work will not exceed $6,000,000 for five (5) years. Expenses in the additional option years shall not exceed $1,200,000 per year for all services and media buys. Payment shall only be made for actual work performed within the stated not-to-exceed amounts.

UTA will pay for these services each month after approval of monthly invoices. The payment will be made each month after the satisfactory delivery and acceptance of the deliverables and completion of the statement of services approved by UTA's Project Manager for each month.

An invoice for work completed shall be submitted monthly by the Consultant to the UTA Project Manager. The invoice shall be accompanied by a monthly progress report including a brief summary statement of the work completed, any Contract submittals and any other deliverables as specified in the Scope of Services.

The monthly invoice shall include at a minimum the following information for all work completed (including work completed by subcontractors):

Administrative Project Information

- Invoice Date
- Project Name
- UTA Contract Number

669 West 200 South
Salt Lake City, UT 84101

Utah Transit Authority

MEETING MEMO

Board of Trustees **Date:** 6/23/2021

TO: Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Eddy Cumins, Chief Operating Officer
PRESENTER(S): Eddy Cumins, Chief Operating Officer
Ryan Taylor, Special Services General Manager

TITLE:

Contract: 5310 Accessible Minivans (Davey Coach Sales, Inc.)

AGENDA ITEM TYPE:	Procurement Contract/Change Order
RECOMMENDATION:	Approve contract and authorize Executive Director to execute contract and associated disbursement with Davey Coach Sales Inc. to purchase accessible minivans in the amount of $639,600.
BACKGROUND:	UTA's obligation as the designated recipient of FTA 5310 Enhanced Transportation for Seniors and People with Disabilities requires UTA to purchase all capital items over $3,000 to ensure compliance with federal procurement rules as part of UTA's 5310 Program Management Plan. The procurement will allow UTA to purchase accessible minivans for the most recent awards and two additional application cycles. This will make the time between the awarding of vehicles and their delivery to subrecipients shorter, providing better customer service to our subrecipient agencies. The minivans to be purchased are the fulfillment of FTA 5310 pass-through awards to agencies in the communities within UTA's service area that fall within the three large urbanized areas (UZA). Awards are made through a competitive application process including scoring and ranking of projects by the Local Mobility Councils for each UZA. The vehicles will be used to provide transportation to seniors and people with disabilities when public transportation will not meet their needs. The contract associated with this order was procured through a formal Invitation For Bids (IFB) process with best price being selected.

DISCUSSION:	UTA staff is requesting approval of a contract with Davey Coach Sales Inc. to purchase accessible minivans in the amount of $639,600. The initial order on the contract is for four minivans valued at $172,350 with 9 options remaining. There is no fiscal impact for UTA, all funds come from 5310 pass-through-funds and subrecipient local funds. These projects and funds are included in UTA's capital budget. These vehicles will be purchased on behalf of subrecipients of FTA 5310 funds in Utah's Large Urbanized Areas (UZAs). The initial base order of four vehicles will be distributed as follows: • United Way of Utah County - One accessible minivan (rear entry) • The Work Activity Center - Two accessible minivans (one side entry/one rear entry • Davis County Aging - One accessible minivan (rear entry) The contract total is an estimate based on possible options and price of the vehicle plus entry option. The Contract has two styles of ADA entrance ramps to choose from, side or rear entry. This is a three year contract with two one-year options. Title to the vehicles will be vested in each subrecipient with UTA holding a lien on the vehicles through their Federal Useful Life. During this time UTA will require compliance reviews and reporting on the vehicles by the subrecipients through UTA's ZoomGrants and RidePilot grant management systems
CONTRACT SUMMARY:	
Contractor Name:	Davey Coach Sales Inc.
Contract Number:	21-0340AB
Base Contract Effective Dates:	June 2021 - June 2024
Extended Contract Dates:	June 2024 - June 2026
Existing Contract Value:	$0
Amendment Amount:	N/A
New/Total Amount Contract Value:	$639,600
Procurement Method:	IFB
Funding Sources:	FTA 5310 pass through funds and subrecipient local funds
ALTERNATIVES:	If this purchase is not made UTA would be out of compliance with its 5310 Program Management Plan and subject to FTA corrective action.
FISCAL IMPACT:	There is no fiscal impact for UTA, all funds come from 5310 pass-through-funds and subrecipient local funds
ATTACHMENTS:	1) Contract

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GOODS AND SERVICES SUPPLY AGREEMENT

UTA CONTRACT #21-03408AB

Accessible MiniVans

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 Davey Coach Sales Inc**,** a Colorado based Company (the "Contractor").

RECITALS

WHEREAS, on February 9, 2021,UTA received competitive bids to provide Accessible Minivans 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 21-03408AB (the "IFB"); and

WHEREAS, UTA wishes to procure the Goods and Services according to the terms, conditions and specifications listed in the IFB (as subsequently amended through negotiation by the parties); and

WHEREAS, 21-03408 submitted by the Contractor in response to the IFB ("Contractor's bid) was deemed to be low bid by 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 Statement of Work or Service (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 for purchases of Goods and Services (made via purchase order or other agreed order method)

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during a three (3) year period expiring three (3) years after last UTA signature approximately April 30 2024. 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 Contractor 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). The Contract may be further extended if the Contractor and UTA mutually agree to an extension evidenced in writing. 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. In no event shall advance payments be made.

4. **INCORPORATED DOCUMENTS**

a. The following documents hereinafter listed in chronological order, with most recent document taking precedence over any conflicting provisions contained in prior documents (where applicable), 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. Contractor's Bid including, without limitation, all federal certifications (as applicable);

3. UTA's IFB 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;

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:

1. UTA Contract including all attachments
2. UTA Terms and Conditions
3. UTA Solicitation Terms
4. 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.

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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.

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INVITATION FOR BIDS

Part 1 – Project information

GENERAL OVERVIEW:

UTA is looking for both side and rear entry Accessible mini Vans for a three year contract with two (2), one (1) year options to extend. Base order will be for three (3) rear entry Vans and one (1) side entry, with options to buy twelve (12) more of either style over the life of the contract. These Vans are to expand the fleet of vehicles available to provide service through the Utah Valley rides volunteer driver contract. UTA will be using Federal funds for this program, all federal funds represented pass through funds from UTA to sub recipients based on FTA section 5310 Enhanced Transportation to seniors and People of Disabilities in Utah's large Urbanized Areas. UTA will be Lien holder on all vehicles purchased but Titles will hold sub recipients names. Base order van will be for United Way Community Services in Utah County, Work Activity Center and Davis County Aging services. Any options taken over the life of contract will be taken in writing by UTA.

SPECIFICATIONS:

- White Minivan
- The minivan should be rear entry or side wheel chair accessible van (See specs below)
- Hawkeye rear detection and backup cameras
- fold-up seats with a min of 25.5" between each
- Seat Material should vinyl or leather only no fabric
- One additional Spare Key
- Final delivery of all vehicles will be to UTA's Riverside location 3600 South 900 West Salt Lake City UT 84119.

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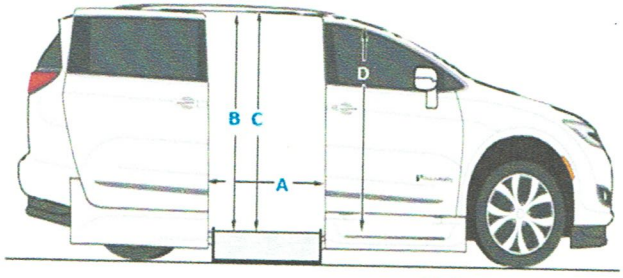
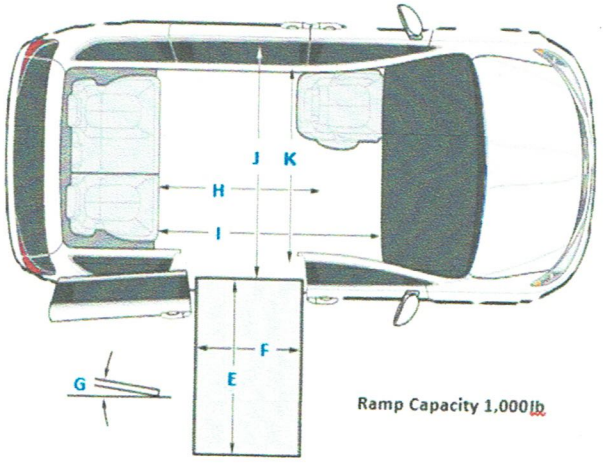


Find Your Foldout Fit

The Foldout XT gives extra doorway height for wheelchair users who sit taller in their chairs, while the standard Foldout is ideal for those who sit lower in their chairs.



Ramp Capacity 1,000 lb

POWER FOLDOUT & FOLDOUT XT

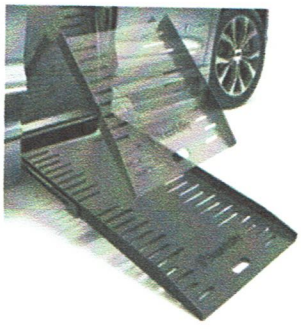
DIMENSIONS

All dimensions are for reference only.

Door Opening Usable Width	A	32.375"
Door Opening Usable Height (at Middle of Door)	B	53" (57" XT)
Interior Height at Center of Van	C	56" (60" XT)
Interior Height at Driver/Passenger Position*	D	56" (60" XT)
Ramp Length	E	52"
Ramp Width (Usable Clear Opening)	F	30.125"
Ramp Angle** (with Vehicle Kneeled)	G	9.1° (8.6° XT)
Interior Floor Length (Behind Front Seat Strikers)	H	71"
Overall Interior Floor Length (Flat Area)	I	98.5"
Interior Width at Slide Doors (Door Closed)	J	64"
Interior Width at B Pillars	K	62.25"

Due to manufacturing tolerances both with the OEM vehicle and the conversion components, all dimensions may vary slightly from those shown.

* Deduct 1" off of interior height for Applications with Moon Roof
** Ramp angle subject to 1.5 degree variance based on chassis trim level and other environmental factors measured with a 250 lb approximated wheelchair passenger load at the center of the ramp



Heavy-Duty Foldout Ramp

With a 1000 lb. ramp capacity, this ultra-strong foldout ramp can also deploy onto curbs for added parking convenience.

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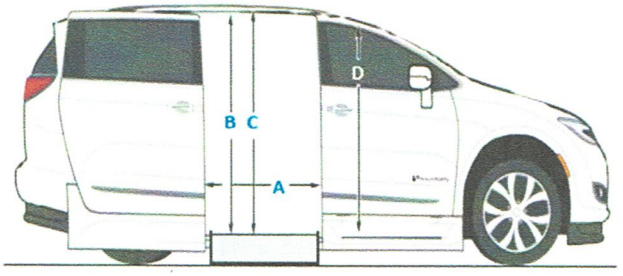
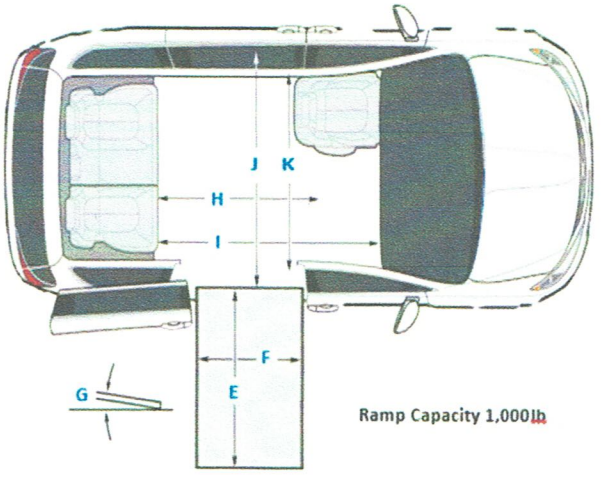




Ramp Capacity 1,000lb

POWER INFLOOR

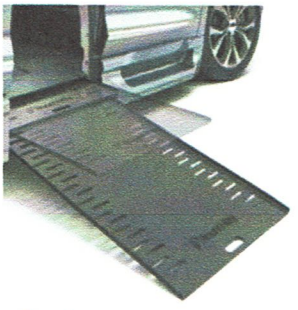
DIMENSIONS

All dimensions are for reference only.

Door Opening Usable Width	A	33.5"
Door Opening Usable Height (at Middle of Door)	B	55"
Interior Height at Center of Van	C	58"
Interior Height at Driver/Passenger Position*	D	58"
Ramp Length	E	51.25"
Ramp Width (Usable Clear Opening)	F	32.25"
Ramp Angle** (with Vehicle Kneeled)	G	9.9°
Interior Floor Length (Behind Front Seat Strikers)	H	71"
Overall Interior Floor Length (Flat Area)	I	98.5"
Interior Width at Slide Doors (Door Closed)	J	68"
Interior Width at B Pillars	K	59.75"

Due to manufacturing tolerances both with the OEM vehicle and the conversion components, all dimensions may vary slightly from those shown.

* Deduct 1" off of Interior Height for Applications with Moon Roof
** Ramp angle subject to 1.5 degree variance based on chassis trim level and other environmental factors measured with a 250 lb approximated wheelchair passenger load at the center of the ramp



In loor Ramp

With a ramp angle of 9.9° and a smooth transition plate, the in floor ramp makes entering and exiting effortless.

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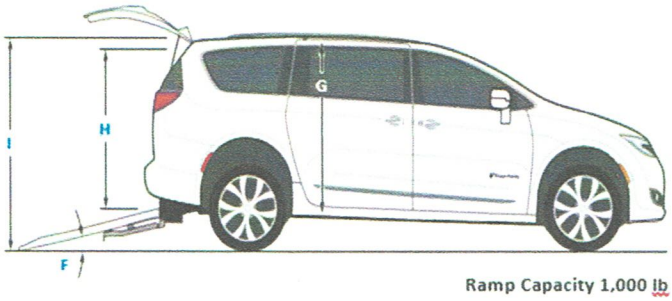
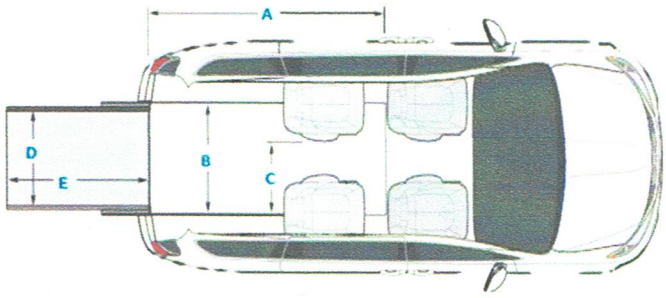


Ramp Capacity 1,000 lb



REAR-ENTRY MANUAL

DIMENSIONS

All dimensions are for reference only.

Lowered Floor Length	A	98"
Lowered Floor Width	B	34.5"
Distance Between Seats (1 Folded Up)	C	25.5"
Ramp Width (Usable Clear Opening)	D	34"
Ramp Length (Manual Foldout)	E	60"
Ramp Angle*	F	10°
2nd Row Wheelchair Location Interior Height	G	56"
Entrance Height	H	56"
Overall Height (Hatch Closed)	I	75"

Due to manufacturing tolerances both with the OEM vehicle and the conversion components, all dimensions may vary slightly from those shown.

* Ramp angle subject to 1.5 degree variance based on chassis trim level and other environmental factors measured with a 250 lb approximated wheelchair passenger load at the center of the ramp

Room to Move

Our most spacious rear-entry wheelchair van, offers 56" of door height and 34.5" interior width, so you have plenty of room to enter and exit.

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UTA

Part 2 – Procurement Process Information

This procurement will be an invitation for Bids (IFB). Award will be made to the low responsive and Responsible bidder. Low bid shall be determined by the bid price of the vehicles.

Part 3 – Standard Terms of Solicitation

INSTRUCTIONS TO BIDDERS

1.1.1 Submission of Bids.

Bids must be uploaded to SciQuest by the "Deadline to Submit Bids" date and time listed on the Cover Sheet (as amended from time-to-time in accordance with this IFB). Bids uploaded after the deadline will be considered non-responsive. It is the responsibility of the Bidder to ensure that its Bid is properly uploaded by the deadline.

1.1.2 Minimum Standards.

This IFB sets forth the minimum requirements that all Bids must meet. Failure to submit Bids in accordance with this IFB will render the Bid non-responsive. UTA may waive immaterial errors in a Bid at its discretion and as permitted by applicable law.

1.1.3 Confidential, Protected, and Public Information

In accordance with Utah Code Section 63G-2-305(6) of the Government Records Access and Management Act (GRAMA) and UTA's Procurement Standard Operating Procedures (SOPs), Bids submitted by Bidders in response to this IFB and any accompanying documentation will not be made public until the public bid opening.

If the Bid includes information that the Bidder believes to constitute trade secret or non-public commercial or financial information protectable pursuant to UCA §§63G-6a-305(1) and 63G-6a-305(2) (collectively "Business Confidential Information"), then the Bidder Proposer must follow the procedure set forth in UCA §63G-6a-309.

Additionally, for ease of Bid evaluation, UTA requests that each Bidder also follow the steps identified below:

a) Clearly mark all Business Confidential Information as such in its Bid at the time the Bid is submitted and include a cover sheet stating "DOCUMENT CONTAINS BUSINESS CONFIDENTIAL INFORMATION" and identifying each section and page which has been so marked;

b) Include a statement with its Bid justifying the Bidder's determination that certain records

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are Business Confidential Information for each record so defined;

c) In addition to the Bid uploaded to SciQuest, upload a second copy of the Bid (as an attachment) that has all the Business Confidential Information deleted, and label such copy of the Bid "Public Copy." If a Bidder uploads a Bid containing no Business Confidential Information, no "Public Copy" need be submitted. However, any Bidder that submits a Bid containing no Business Confidential Information must so certify in a cover letter to its Bid; and

d) Defend any action seeking release of the records it believes to be Business Confidential Information and indemnify, defend, and hold harmless UTA and the State of Utah and its agents and employees from any judgments awarded against UTA and its agents and employees in favor of the party requesting the records, including any and all costs connected with that defense. This indemnification survives UTA's cancellation or termination of this procurement or award and subsequent execution of the Contract. In submitting a Bid, the Proposer agrees that this indemnification survives as long as the Business Confidential Information is in possession of UTA.

All records pertaining to this procurement will become public information after award of the Contract, unless such records are identified as, and lawfully constitute, Business Confidential Information as specified above. No liability will attach to UTA for the errant release of Business Confidential Information by UTA under any circumstances.

1.1.4 Submitting Questions to UTA

Questions must be submitted via the SciQuest Q&A page before the end of the Question and Answer period. UTA's answers to timely questions will be posted on the SciQuest Q&A page.

1.1.5 Requests for Approved Equals or Changes

Whenever a brand, manufacturer, or product name is indicated in this IFB, they are included only for the purpose of establishing identification and a general description of the item. Wherever such names appear, the term "or approved equal" is considered to follow.

Requests for Approved Equals, Changes, or other exceptions to the IFB (collectively, "Requests") must be submitted via the SciQuest Q&A page before the end of the Question and Answer period.

Any request for an approved equal or request for change of the IFB must be fully supported with technical data, test results, or other pertinent information as evidence that the substitute offered is equal or better than the IFB requirement.

UTA's responses to timely Requests will be posted to the SciQuest Q&A page.

1. It should be understood that specifying a brand name, components, and/or equipment in this IFB will not relieve the Bidder from its responsibility to provide the product in accordance with the performance warranty and contractual requirements. The Bidder shall notify UTA of any inappropriate brand name, component, and/or equipment that may be called for in this IFB and shall propose a suitable substitute for consideration. UTA retains the discretion to withhold approval for one of more requested equals if the

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magnitude of requested approvals exceeds UTA's available resources to allow for adequate evaluation in support of a timely procurement.

1.1.6 Addenda to the Invitation for Bids

UTA reserves the right to make changes to the IFB, by issuing a written addendum to the IFB or through its responses to questions posted on the SciQuest Q&A page.

1.1.7 Multiple or Alternative Bids

Submission of multiple or alternative Bids, except as specifically called for in the IFB, may render all such Bids non-responsive and may cause the rejection of some or all of such Bids.

1.1.8 Withdrawal of Bids

A Bidder may withdraw its Bid from SciQuest before the Bid due date without prejudice to itself.

1.1.9 Cost of Bids

UTA is not liable for any costs incurred by Bidders in the preparation of Bids submitted in response to this IFB.

1.1.10 Examination of Invitation for Bids

The submission of a Bid constitutes an acknowledgment upon which UTA may rely that the Bidder: (i) has thoroughly examined and is familiar with the IFB, including the contractual terms in Part 4, (ii) is familiar with any work site identified in the IFB, and (iii) has reviewed and inspected all applicable statutes, regulations, ordinances, and resolutions addressing or relating to the goods and services to be provided hereunder. The failure or neglect of a Bidder to receive or examine such documents, work sites, statutes, regulations, ordinances, or resolutions will in no way relieve the Bidder from any obligations with respect to the Bidder's Bid or to any contract awarded pursuant to this IFB. No reduction or modification in the Bidder's obligations will be allowed based upon a lack of knowledge or misunderstanding of this IFB, work sites, statutes, regulations, ordinances, or resolutions.

1.1.11 Firm Offer

Unless otherwise stated in this IFB, submission of a Bid constitutes an offer to provide the goods or services described in the IFB, for the price set forth in the Bid. Such offer must be good and firm for a period of ninety (90) days after the Deadline to Submit Bids.

1.1.12 Disclosure of Organizational Conflict of Interest

An organizational conflict of interest means that because of other activities, relationships, or contracts, the Bidder is unable, or potentially unable, to render impartial assistance or advice to UTA; a Bidder's objectivity in performing the work identified in this IFB is or might be otherwise impaired; or a Bidder has an unfair competitive advantage. If a Bidder believes that it has, or may have, a real or perceived organizational conflict of interest, it must disclose such

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real or perceived organizational conflict of interest in its Bid, and describe the measures taken by the Bidder to mitigate such conflict. UTA will review such information and, in its sole discretion, determine whether a real or perceived organizational conflict of interest exists, and whether such conflict warrants disqualification of the Bidder, or may be mitigated by taking further measures.

1.1.13 No Collusion

By submitting a Bid, the Bidder represents and warrants that its Bid is genuine and not a sham, and that the Bidder has not colluded with any other parties regarding this procurement process. If UTA learns that the Bid is not genuine, or that the Bidder did collude with other parties, or engaged in any anti-competitive or fraudulent practices in connection with this procurement process, UTA may immediately terminate any resulting contract and seek any remedies available in equity or at law.

SELECTION PROCESS

1.1.14 Public Opening

This is an IFB and, as such, the Bids submitted in response to this IFB will be subject to a public opening.

1.1.15 UTA's Procurement Options

Based on submitted information, UTA may do or take any of the following actions, without limitation:

- Award the contract to the lowest responsive and responsible Bidder who meets the criteria set forth in this IFB.
- Cancel the invitation for bids without awarding a contract.

1.1.16 Responsiveness

Bids that are conditional, that attempt to modify the IFB requirements, that contain additional terms or conditions, or that fail to conform to the requirements or specifications of the IFB may be considered non-responsive.

1.1.17 Responsibility

UTA will not select a Bidder who is deemed by UTA, in its sole discretion, to lack the ability or responsibility to perform successfully under the terms of the contract. Such determination of responsibility may encompass management, technical, legal, and financial matters.

1.1.18 Checking References.

The Utah Transit Authority reserves the right to contact any reference specifically named by the Bidder in its Bid or any other additional references as deemed appropriate by UTA, including references suggested by the Bidder's named references or references known to UTA through its own knowledge of the transportation industry.

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1.1.19 Requests for Clarification

The Bidder shall provide accurate and complete information to UTA. If information is incomplete, appears to include a clerical error, or is otherwise unclear, UTA may either (i) declare the Bid non-responsive, (ii) evaluate the Bid as submitted, or (iii) issue a Request for Clarifications to the Bidder stating the information needed and a date and time by which the information must be provided. If the Bidder does not respond to the Request for Clarifications in a timely manner, or if the Bidder's response is deemed to be insufficient by UTA, in its sole discretion, then UTA may declare the Bid non-responsive.

All requests for Clarification will be in writing via E-mail, responses submitted as per the instructions contained in the request for Clarification. Responses must be limited to answering the specific. Information requested by UTA.

PROTESTS

Protests are governed by the Utah Procurement Code, Utah Code Ann. § 63G-6a-101 et seq. To be valid, a protest must be in writing and be filed with UTA within the time frames set forth in Utah Code Ann. § 63G-6a-1602. A protest will be deemed to be filed pursuant to these procedures when actually received by the designated recipient by hand delivery, by recognized overnight courier service or by certified or registered mail, addressed as follows:

Utah Transit Authority
669 West 200 South
Salt Lake City, Utah 84101
Attn: William Greene, Procurement Officer
CONTAINS TIME-SENSITIVE PROTEST MATERIALS

All protests must include:

- The name and address, and email address of the protester;
- The appropriate contact person for the protester, to whom all protest correspondence shall be addressed;
- The solicitation or project number; and
- A detailed statement as to the nature of the protest including, without limitation: (i) the alleged facts and evidence giving rise to the protestor to claim that it has been aggrieved; (ii) the protestor's standing to protest; and (iii) the legal grounds upon which the protest is based.

The Procurement Officer shall make a written determination regarding the protest. An unfavorable determination of the UTA Procurement Officer is subject to an administrative reconsideration by a panel determined by the Chair of the UTA Board of Trustees. A notice of appeal must be delivered within five (5) calendar days of the date of the Procurement Officer's decision. A notice of appeal addressed as follows:

Chair, UTA Board of Trustees
c/o Utah Transit Authority
669 West 200 South
Salt Lake City, Utah 84101
Attn: Board Coordinator
CONTAINS TIME-SENSITIVE PROTEST MATERIALS

Any further appeal may only be made pursuant to Utah Code Ann. § 63G-6a-1801 *et seq*. A protesting entity must exhaust administrative appeals prior to filing a judicial appeal pursuant to Utah Code Ann. § 63G-6a-1801 *et seq*.

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1.1.20 Options and Option Pricing:

The Contractor hereby grants the Agency and any permissible assignee options ("Options") to purchase up to one twelve (12) additional vehicles ("Option Vehicles"). The Options shall be valid for a period of five (5) years from the effective date of the Contract. There shall be no minimum order quantity for any permissible assignee. Subject to the Agency's right to order modifications, the Option Vehicles shall have the same specifications as the vehicles purchased under this Contract. The Agency may exercise the Options by written notice to the Contractor ("Notice of Exercise of Option") at any time on or before the contract years following the effective date of the Contract ("Option Date"). Except as otherwise especially provided in this Contract, all other terms of the Contract shall apply to the Option Vehicles.

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UTA

Part 4 – Contract Terms

"Vendor" as used in these UTA Standard Terms and Conditions means the party contracting with Utah Transit Authority ("UTA") to provide Goods and/or Services to UTA. The terms "Goods" and "Services" are intended to have their broadest meanings. "Goods" includes any equipment, parts, materials, supplies, project deliverables, and work product supplied by Vendor in accordance with the solicitation documents ("Solicitation Documents") to which these UTA Standard Terms and Conditions are attached. "Services" includes labor, professional services, and any manual, technical and other human resources provided in the fulfillment of the Solicitation Documents, including those specified in the Solicitation Documents and any additional Services incidental to the furnishing of Goods.

1. **JURISDICTION, CHOICE OF LAW, AND VENUE:** Utah law governs this transaction. The parties shall submit to the jurisdiction of the courts of the State of Utah for any dispute arising out of the Solicitation Documents and the contract (the "Contract") resulting from UTA's acceptance and counter-execution of a bid/proposal form submitted by the Vendor pursuant to the Solicitation Documents. Venue is in Salt Lake City, in the Third Judicial District Court for Salt Lake County.

2. **LAWS AND REGULATIONS:** Vendor 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. Vendor shall also comply with all applicable licensure and certification requirements.

3. **RECORDS ADMINISTRATION:** Vendor shall maintain all records necessary to properly account for the payments made to Vendor for costs authorized by the Contract. Vendor shall retain those records for at least six years after the Contract is fully performed or terminated, or until all audits initiated within the six-year period have been completed (whichever is later). Vendor shall allow UTA, State, and Federal auditors, and UTA agency staff, access to all the records relating to the Contract, for audit, inspection, and monitoring of Goods and/or Services. Such access must be during normal business hours, or by appointment.

4. **CONFLICT OF INTEREST:** Vendor 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.

5. **INDEPENDENT CONTRACTOR:** Vendor is an independent contractor. As such, Vendor has no authorization, express or implied, to bind UTA to any agreements, settlements, liability or understanding whatsoever. Vendor shall not perform any acts as agent for UTA, except as expressly set forth in the Contract. Compensation stated in the Contract is the total amount payable to Vendor by UTA. Vendor is responsible for the payment of all income tax and social security tax due as a result of payments received from UTA for the Goods and/or Services. Persons employed by UTA and acting under the direction of UTA will not be deemed to be employees or agents of Vendor.

6. **STANDARD OF CARE.** Vendor 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).

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7. **SALES TAX EXEMPTION:** The Goods and/or Services purchased by UTA under the Contract are exempt from sales and use tax.

8. **DELIVERY:** Unless otherwise specified in the Contract, all Goods will be delivered FOB to the destination designated by UTA in the Solicitation Documents. Vendor shall be responsible for delivery costs and all risk of loss shall remain with Vendor until such time as the Goods are received by UTA, its agent or consignee, regardless of whether UTA has made full payment for the Goods. Vendor shall deliver all Goods to UTA and perform all Services no later than the date(s) indicated in the Solicitation Documents. If Vendor fails to make delivery of any part of the Goods or fails to perform any portion of the Services on the date(s) indicated, UTA may terminate and pursue other remedies.

9. **INSPECTIONS:** Goods furnished under the Contract will be subject to inspection and testing by UTA at times and places determined by UTA. If UTA finds Goods furnished to be incomplete or not in compliance with applicable specifications and standards, UTA may reject the Goods and require Vendor to either correct them without charge or deliver them at a reduced price which is equitable under the circumstances. If Vendor 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. Nothing in this paragraph will adversely affect UTA's rights including the rights and remedies associated with revocation of acceptance under the Uniform Commercial Code.

10. **INVOICING AND PAYMENT:** Vendor will promptly submit invoices (within 30 days of delivery of the applicable Goods and/or Services) to UTA in accordance with the Solicitation Documents. The UTA Contract number shall be listed on all invoices, freight tickets, and correspondence relating to the Contract. The prices paid by UTA will be those prices listed in the Vendor's response to the accepted and counter-executed bid/proposal form. UTA may adjust or return any invoice reflecting incorrect pricing. Unless otherwise specified, payment terms are Net 30 days following receipt of invoice.

11. **WARRANTY:** Vendor warrants all Goods (including hardware, firmware, and/or software products that it licenses) provided to UTA under the Contract for a period of one year, unless otherwise specified and mutually agreed upon elsewhere in the Contract. Vendor (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, Vendor 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 Vendor'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.

12. **INDEMNIFICATION:** Vendor shall release, protect, defend, indemnify and hold UTA and its trustees, officers, and employees, harmless from and against any damage, cost or liability, including reasonable attorney's fees for any or all injuries to persons, property or claims for money damages arising from the willful misconduct or the negligent acts or omissions of Vendor, its subcontractors and suppliers, and their respective employees and agents, except to the extent caused by the negligent acts or omissions of UTA.

13. **INSURANCE:** Vendor shall maintain worker's compensation insurance in accordance with applicable laws and shall also maintain general liability insurance with policy limits no less than two million per occurrence and four

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million in the aggregate. Vendor shall include UTA as an additional insured with respect to such insurance. Upon request, Vendor shall provide proof of insurance to UTA.

14. **TERMINATION FOR COVENIENCE:** UTA may terminate the contract, in whole or in part, at any time by written notice to the Contractor when it is in UTA's best interest. UTA shall pay Contractor its costs, including contract close-out costs, and profit on work performed up to the time of termination. To be paid those costs, the Contractor must promptly submit its termination claim to UTA. If the Contractor has any property in its possession belonging to the UTA, the Contractor shall account for the same, and dispose or deliver it in the manner the UTA directs.

15. **DEFAULT:** If Vendor: (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, at its option either cure the default at Vendor's expense or terminate the Contract after first giving Vendor five (5) days written notice to cure such default. Immediately after such termination, UTA may: (i) take possession of the Goods wherever they may be located and in whatever state of completion they may be together with all drawings and other information necessary to enable UTA to have the Items completed, installed, operated, maintained and/or repaired; (ii) pay to Vendor any amount then due under the Contract after taking full credit for any offsets to which UTA may be entitled; (iii) contract with or employ any other party or parties to finish the Items; and (iv) collect from Vendor any additional expense, losses or damage which UTA may suffer.

16. **PATENTS, COPYRIGHTS, ETC:** Vendor will defend, indemnify and hold UTA, its officers, agents and employees harmless from liability of any kind or nature, arising from Vendor'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.

17. **ENVIRONMENTAL RESPONSIBILITY:** UTA is ISO 14001 Environmental Management System (EMS) certified. Vendor 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, Vendor 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 Vendor to submit additional environmental documents. Vendor 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. **PUBLIC INFORMATION:** Vendor acknowledges that the Contract and related materials (invoices, orders, etc.) will be public documents under the Utah Government Records Access and Management Act (GRAMA). Vendor'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.

19. **SEVERABILITY:** If any provision of the Contract is declared by a court to be illegal or in conflict with any law, the validity of the remaining terms and provisions will not be affected; and the rights and obligations of the parties will be construed and enforced as if the Contract did not contain the particular provision held to be invalid.

20. **WRITTEN AMENDMENTS:** The Contract may be amended, modified, or supplemented only by written amendment to the Contract, executed by authorized persons of the parties hereto.

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21. **ASSIGNMENT:** Vendor shall not assign, sell, or transfer any interest in the Contract without the express written consent of UTA.

22. **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.

23. **WAIVER:** Any waiver by a party of any breach of any kind or character whatsoever by the other party, whether such be direct or implied, will not be a continuing waiver of or consent to any subsequent breach of the Contract.

24. **ENTIRE AGREEMENT:** The Contract (including parts of the Contract incorporated by reference) constitutes the entire agreement between the parties with respect to the subject matter, and supersedes any and all other prior and contemporaneous agreements and understandings between the parties, whether oral or written. 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 a representative of UTA. 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.

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UTA

INVITATION FOR BIDS

Part 5 – PROPOSAL DECLARATIONS, OFFER, AND ACCEPTANCE FORM

A. BID DECLARATIONS

This Bid is submitted upon the following declarations:

1. Neither I nor, to the best of my knowledge, none of the members of my firm, corporation, or JV have either directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free competitive proposing in connection with this Bid.

2. Neither I nor, to the best of my knowledge, none of the members of my firm, corporation, or JV have given, offered, or promised to give any compensation, gratuity, contribution, loan or reward to any person administering, conducting, or making decisions regarding this procurement process.

3. I acknowledge receipt of the following addenda to this IFB:

   Addendum No.___ Date_____ Initial _____

   Addendum No.___ Date_____ Initial _____

   Addendum No.___ Date_____ Initial _____

   Addendum No.___ Date_____ Initial _____

   Failure to acknowledge receipt of all addenda may cause the Bid to be rejected as non-responsive.

4. Further, this Bid is submitted upon the declaration that I have reviewed the terms and conditions of the IFB, including the Standard Contract Terms, and accept all the terms and conditions stated therein.

The undersigned in 'B' below is authorized to make the foregoing declarations, acknowledgements, and certifications set forth above.

B. CONTRACTOR'S OFFER

By signing below, the Contractor makes a firm offer to deliver all supplies and/or perform all services or construction as set forth in the IFB (including any amendments), for the price set forth on Contractor's Bid Form. Contractor accepts all UTA terms and conditions included with the RFP and acknowledges that any conflicting terms and conditions contained in the Contractor's bid or proposal shall be considered null and void.

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C. ORDER OF PRECEDENCE

The order of precedence for this contract shall be as follows: the IFB Statement of Work or Services, UTA Standard terms and conditions, the UTA IFB terms and conditions, FTA terms and conditions referenced in the IFB, the Contractor's proposed Statement of Work or Services, and finally the Contractor's proposed terms and conditions.

Signature must be by an officer of your company authorized to bind your company in contractual matters.

DAVEY COACH SALES INC.
Contractor's Name

7182 REYNOLDS DRIVE
Contractor's Address

303-683-9500
Contractor's Phone Number

JUSTINM@DAVEYCOACH.COM
Contractor's Email Address

84-1203448
Contractor's EIN

Signature

JUSTIN S. MURPHY
Print Name

TRASPORTATION CONSULTANT
Title

2/25/2021
Date

D. UTA'S ACCEPTANCE

By signing below, UTA accepts Contractor's offer. . This acceptance creates a binding Contract, which consists of the IFB Statement of Work or Services, UTA Standard terms and conditions, the UTA IFB terms and conditions, FTA terms and conditions referenced in the IFB, and the Contractor's Bid or Proposal.

The effective date of the Contract is the date of the last signature on this page.

UTA Representative / Title

(Date)

DocuSigned by:
Mike Bell
70E33A415BA44F6...
UTA Legal

UTA Representative / Title

(Date)

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ATTACHMENT A

FEDERAL CLAUSES

NO GOVERNMENT OBLIGATION TO THIRD PARTIES

The Authority and the Contractor acknowledge and agree that, notwithstanding any concurrence by the federal government in or approval of the solicitation or award of the underlying contract, absent the express written consent by the federal government, the federal government is not a party to this Contract and shall not be subject to any obligations or liabilities to the Authority, the Contractor or any other party (whether or not a party to the Contract) pertaining to any matter resulting from the Contract. The Contractor agrees to include the above clause in each subcontract or purchase order financed in whole or in part with federal assistance provided by FTA. It is further agreed that the clause shall not be modified, except to identify the Subcontractor or Supplier who will be subject to its provisions.

PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS

The Contractor acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 USC §3801, et seq. and United States Department of Transportation regulations, "Program Fraud Civil Remedies," 49 CFR Part 31, apply to its actions pertaining to the Contract. Upon execution of the underlying Contract, the Contractor certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining to the underlying Contract or the FTA assisted project for which the Work is being performed. In addition to other penalties that may be applicable, the Contractor further acknowledges that if it makes, or causes to be made, a false, fictitious or fraudulent claim, statement, submission, or certification, the federal government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986 on the Contractor to the extent the federal government deems appropriate. The Contractor also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission or certification to the federal government under a contract connected with a project that is financed in whole or in part with federal assistance originally awarded by FTA under the authority of 49 USC §5307, the federal government reserves the right to impose the penalties of 18 USC §1001 and 49 USC §5307(n)(1) on the Contractor, to the extent the federal government deems appropriate. The Contractor agrees to include the above two clauses in each subcontract or purchase order financed in whole or in part with federal assistance provided by FTA. It is further agreed that the clauses shall not be modified, except to identify the Subcontractor or Supplier who will be subject to the provisions.

ACCESS TO RECORDS AND REPORTS

The Contractor agrees to provide the Authority, the FTA Administrator, the Comptroller General of the United States or any of their authorized representatives access to any books, documents, papers and records of the Contractor which are directly pertinent to this Contract for the purposes of making audits, examinations, excerpts and transcriptions. The Contractor also agrees, pursuant to 49 CFR 633.17 to provide the FTA Administrator or his authorized representatives including any project management oversight auditor access to the Contractor's records

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and construction sites pertaining to a major capital project (defined at 49 USC §5302(a)(1)), which is receiving federal financial assistance through the programs described at 49 USC §§5307, 5309 or 5311. The Contractor further agrees to include in all of its subcontracts and purchase orders under the Contract a provision to the effect that the Subcontractor or Supplier agrees that the Authority, the United States Department of Transportation and the Comptroller General of the United States, the project management oversight auditor, or any of their duly authorized representatives shall, until the expiration of three (3) years after final payment under the subcontract, have access to and the right to examine any directly pertinent books, documents, papers, and other records of the Subcontractor or Supplier.

INCORPORATION OF FTA TERMS

The Contract includes certain Standard Terms and Conditions required by the FTA, whether or not expressly stated in the Contract. All FTA-required contractual provisions, as stated in 2 CFR Part 200 or FTA Circular 4220.1F, are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained in the Contract. Contractor shall not perform any act, fail to perform any act, or refuse to comply with any request that would cause UTA to be in violation of FTA terms and conditions.

CHANGES TO FEDERAL REQUIREMENTS

The Contractor shall at all times comply with all applicable FTA regulations, policies, procedures and directives, including without limitation those listed directly or by reference in the Master Agreement between the Authority and the FTA, as they may be amended or promulgated from time to time during the term of the Contract. The Contractor's failure to so comply shall constitute a material breach of the Contract.

ENERGY CONSERVATION REQUIREMENTS

Contractor shall comply with mandatory standards and policies relating to energy efficiency, stated in the state energy conservation plan issued in compliance with the Energy Policy & Conservation Act.

CLEAN AIR

(Applicable only to Contracts valued at more than $150,000)

Contractor shall comply with all applicable standards, orders or regulations pursuant to the Clean Air Act, 42 USC 7401 et seq. Contractor agrees that it will not use any violating facilities. Contractor shall report each violation to UTA and understands and agrees that UTA will, in turn, report each violation as required to FTA and the appropriate EPA Regional Office. Contractor shall include these requirements in each subcontract exceeding $150,000 financed in whole or in part with FTA assistance.

CLEAN WATER

(Applicable only to Contracts valued at more than $150,000)

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Contractor shall comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 USC 1251 et seq. Contractor shall report each violation to UTA and understands and agrees that UTA will, in turn, report each violation as required to FTA and the appropriate EPA Regional Office. Contractor shall include these requirements in each subcontract exceeding $150,000 financed in whole or in part with FTA assistance.

CONFORMANCE WITH NATIONAL ITS ARCHITECTURE

(Applicable Only to Contracts and Solicitations for Intelligent Transportation Systems)

To the extent applicable, Contractor agrees to conform to the National Intelligent Transportation Systems (ITS) Architecture and Standards as required by SAFETEA-LU § 5307(c), 23 U.S.C. § 512 note, and comply with FTA Notice, "FTA National ITS Architecture Policy on Transit Projects" 66 Fed. Reg. 1455 et seq., January 8, 2001, and any subsequent further implementing directives, except to the extent FTA determines otherwise in writing.

DEBARMENT AND SUSPENSION

(Applicable Only to Contracts valued at more than $25,000)

Contractor shall comply and facilitate compliance with U.S. DOT regulations, "Nonprocurement Suspension and Debarment," 2 CFR Part 1200, which adopts and supplements the U.S. Office of Management and Budget (U.S. OMB) "Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," 2 CFR Part 180. These provisions apply to each contract at any tier of $25,000 or more, and to each contract at any tier for a federally required audit (irrespective of the Contract amount), and to each contract at any tier that must be approved by an FTA official irrespective of the Contract amount. As such, Contractor shall verify that its principals, affiliates, and subcontractors are eligible to participate in this federally funded contract and are not presently declared by any federal department or agency to be: (i) debarred from participation in any federally assisted award; (ii) suspended from participation in any federally assisted award; (iii) proposed for debarment from participation in any federally assisted award; (iv) declared ineligible to participate in any federally assisted award; (iv) voluntarily excluded from participation in any federally assisted award; and/or (v) disqualified from participation in ay federally assisted award. By submitting a response to UTA's solicitation for the Contract, Contractor has certified that the foregoing items (i) through (v) are true. The certification in this clause is a material representation of fact relied upon by UTA. If it is later determined by UTA that Contractor knowingly rendered an erroneous certification, in addition to other remedies available that may be available to UTA, the federal government may pursue available remedies, including but not limited to suspension and/or debarment. Contractor agrees to comply with the requirements of 2 CFR Part 180, subpart C, as supplemented by 2 CFR Part 1200, during the Contract term. Contractor further agrees to include a provision requiring such compliance in its lower tier covered transactions.

FLY AMERICA REQUIREMENTS

(Applicable Only to Contracts Involving Transportation of Persons or Property, by Air between the U.S. and/or Places Outside the U.S)

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Contractor shall comply with 49 USC 40118 (the "Fly America" Act) in accordance with General Services Administration regulations 41 CFR 301-10, stating that recipients and subrecipients of federal funds and their contractors are required to use US Flag air carriers for US Government-financed international air travel and transportation of their personal effects or property, to the extent such service is available, unless travel by foreign air carrier is a matter of necessity, as defined by the Fly America Act. Contractor shall submit, if a foreign air carrier was used, an appropriate certification or memorandum adequately explaining why service by a US flag air carrier was not available or why it was necessary to use a foreign air carrier and shall, in any event, provide a certificate of compliance with the Fly America requirements. Contractor shall include the requirements of this section in all subcontracts that may involve international air transportation.

BUY AMERICA REQUIREMENTS

(Applicable Only to Contracts Valued at more than $150,000)

Contractor shall comply with 49 USC 5323(j) and 49 CFR 661, as amended by MAP-21 stating that federal funds may not be obligated unless steel, iron and manufactured products used in FTA-funded projects are produced in the United States, unless a waiver has been granted by FTA or the product is subject to a general waiver. General waivers are listed in 49 CFR 661.7. Separate requirements for rolling stock are set out at 49 USC §5323(j)(2)(C) and 49 CFR §661.11. Rolling stock must be assembled in the United States and have the applicable percentage of domestic content required by 49 USC 5323(j) and 49 CFR 661. Contractor shall be responsible for ensuring that lower tier contractors and subcontractors are in compliance with these requirements. All respondents to the UTA solicitation for the Contract must include the appropriate Buy America certification with their responses and any response that is not accompanied by a completed Buy America Certification will be rejected as nonresponsive.

CIVIL RIGHTS REQUIREMENTS

(1) Nondiscrimination - In accordance with Title VI of the Civil Rights Act, as amended, 42 U.S.C. § 2000d, section 303 of the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6102, section 202 of the Americans with Disabilities Act of 1990, 42 U.S.C. § 12132, and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, age, or disability. In addition, the Contractor agrees to comply with applicable Federal implementing regulations and other implementing requirements FTA may issue.

(2) Equal Employment Opportunity - The following equal employment opportunity requirements apply to the underlying contract:

(a) **Race, Color, Creed, National Origin, Sex** - In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e, and Federal transit laws at 49 U.S.C. § 5332, the Contractor agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. Parts 60 et seq ., (which implement Executive Order No. 11246, "Equal Employment Opportunity," as amended by Executive Order

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No. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," 42 U.S.C. § 2000e note), and with any applicable Federal statutes, executive orders, regulations, and Federal policies that may in the future affect construction activities undertaken in the course of the Project. The Contractor agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, national origin, sex, or age. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

(b) **Age** - In accordance with section 4 of the Age Discrimination in Employment Act of 1967, as amended, 29 U.S.C. § § 623 and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees to refrain from discrimination against present and prospective employees for reason of age. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

(c) **Disabilities** - In accordance with section 102 of the Americans with Disabilities Act, as amended, 42 U.S.C. § 12112, the Contractor agrees that it will comply with the requirements of U.S. Equal Employment Opportunity Commission, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 C.F.R. Part 1630, pertaining to employment of persons with disabilities. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

(3) The Contractor also agrees to include these requirements in each subcontract financed in whole or in part with Federal assistance provided by FTA, modified only if necessary to identify the affected parties

DISADVANTAGED BUSINESS ENTERPRISES (DBE)

(1) **FTA Policy** – The Contract is subject to 49 CFR Part 26. Therefore, Contractor must satisfy the requirements for DBE participation as set forth herein. These requirements are in addition to all other equal opportunity employment requirements of the Contract. UTA shall make all determinations with regard to whether or not Contractor is in compliance with the requirements stated herein.

(2) **Nondiscrimination** – Neither Contractor nor any subcontractor shall discriminate on the basis of race, color, national origin, or sex in the performance of the Contract. Contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of FTA-assisted contracts. Failure by Contractor to carry out these requirements is a material breach of the Contract, which may result in the termination of the Contract or such other remedy as UTA deems appropriate, which may include, but is not limited to: (i) withholding monthly progress payments in whole or in part; (ii) assessing any liquidated damages as may be provided in the Contract; (iii) requiring Contractor to stand-down with respect to the Work (without an increase in the Contract cost or an adjustment to the Contract schedule) until Contractor achieves compliance with respect to these requirements and/or (iv) disqualifying Contractor from future participation in UTA contracts.

(3) **DBE Goals and Good Faith Efforts** – The national goal for participation of Disadvantaged Business Enterprises (DBE) is 10%. The recipient's overall goal for DBE participation is Race Neutral. If a separate contract goal for DBE participation has been established for the Contract, it is listed in the solicitation documents that have been incorporated into the Contract. Contractor is required to document sufficient DBE participation to meet the

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applicable goal. If Contractor is unable to meet the applicable goal, Contractor must alternatively document adequate good faith efforts to meet the DBE Goal. The types of actions that the UTA will consider as part of the Bidder/Offeror's good faith efforts include, but are not limited to, the following: (i) **Contractor's attendance at a pre-bid meeting (as applicable) scheduled by UTA to inform DBEs of subcontracting opportunities;** (ii) advertisement of subcontracting opportunities in general circulation media, trade association publications, and minority-focus media; (iii) written notification to capable DBEs that their interest in the Contract is solicited; (iv) documentation of efforts to negotiate with DBEs for specific subcontracts including the names, addresses, and telephone numbers of DBEs that were contacted and the date(s) of contact, a description of the information provided to DBEs regarding the work to be performed and a statement explaining why additional agreements with DBEs were not reached; (v) for each DBE Contractor contacted but rejected as unqualified, the reason for Contractor's conclusion; (vi) documentation of efforts made to assist the DBEs contacted that needed assistance in obtaining required bonding or insurance; (vii) documentation of efforts to utilize the services of small business organizations, community and contractor groups to locate qualified DBEs; (viii) documentation of Contractor's efforts to break out Contract work items into economically feasible units in fields where there are available DBE firms to perform the work; (ix) evidence that adequate information was provided to interested DBEs about the plans, specifications and requirements of the Contract, and that such information was communicated in a timely manner; and (x) documentation of any efforts made to assist interested DBEs in obtaining necessary equipment, supplies, materials or related assistance or services.

(4) **Race-Neutral Procurements** – If no separate contract goal has been established, the successful bidder/offeror will be required to report its DBE participation obtained through race-neutral means throughout the period of performance.

(5) **Verification of Compliance** – Contractor shall assist UTA in verifying compliance with the DBE requirements of the Contract by submitting status reports itemizing payments to all DBEs with each monthly request for payment. Upon Contract completion, Contractor shall submit a summary of payments, by subcontract, made to all subcontractors to UTA's Civil Rights Compliance Officer.

(6) **Prompt Payment of Subcontractors** – Contract is required to pay its subcontractors performing work related to the Contract for satisfactory performance of that work no later than 30 days after Contractor's receipt of payment for that work from UTA. In addition, Contractor may not hold retainage from its subcontractors or must return any retainage payments to those subcontractors within 30 days after the subcontractor's work related to the Contract is satisfactorily completed or must return any retainage payments to those subcontractors within 30 days after incremental acceptance of the subcontractor's work by UTA and Contractor's receipt of the partial retainage payment related to the subcontractor's work. The failure to make prompt payment to subcontractors as required above shall constitute a material breach of the Contract and shall give rise to remedies including, without limitation, the Authority's right to withhold amounts payable to the Contract and make direct payments (including interest) to subcontractors.

(7) **Termination of a DBE Subcontractor** – Contractor shall not terminate any DBE subcontractor identified in the Contract (or Contractor's response to the Contract solicitation) without UTA's prior written consent. UTA may provide such written consent only if Contractor has good cause to terminate the DBE subcontractor. Before transmitting a request to terminate, Contractor shall give notice in writing to the DBE subcontractor of its intent to terminate and the basis for the termination. Contractor shall give the DBE subcontractor five days to respond to the notice and advise of the reasons why the DBE subcontractor believes there is not good cause to terminate the subcontract. When a subcontract with the DBE subcontractor is terminated or when a DBE subcontractor fails to

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complete its work on the Contract for any reason, Contractor shall make good faith efforts to find another DBE subcontractor to substitute for the original DBE subcontractor and immediately notify UTA in writing of its efforts to replace the original DBE subcontractor. These good faith efforts shall be directed at finding another DBE to perform at least the same amount of work under the Contract as the DBE subcontractor whose subcontract was terminated, to the extent needed to meet the applicable goal.

FALSE STATEMENTS OR CLAIMS CIVIL AND CRIMINAL FRAUD

Contractor acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 USC 3801 et seq. and USDOT regulations, "Program Fraud Civil Remedies," 49 CFR 31, apply to its actions pertaining to this project. Upon execution of the Contract, Contractor certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining to the Contract or FTA assisted project for which the Contract work is being performed. In addition to other penalties that may be applicable, Contractor further acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submittal, or certification, the US Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act (1986) on Contractor to the extent the US Government deems appropriate.

Contractor also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the federal government under the Contract, the federal government reserves the right to impose the penalties of 18 USC §1001 and 49 USC §5323(l) on Contractor, to the extent the federal government deems appropriate.

Contractor shall include the above two clauses in each subcontract financed in whole or in part with FTA assistance. The clauses shall not be modified, except to identify the subcontractor who will be subject to the provisions.

LOBBYING

(Applicable Only to Contracts valued at more than $150,000)

Byrd Anti-Lobbying Amendment, 31 USC 1352, as amended by the Lobbying Disclosure Act of 1995, P.L. 104-65 [to be codified at 2 USC §1601, et seq.] – Contractors who apply or bid for an award of $150,000 or more shall file the certification required by 49 CFR Part 20, "New Restrictions on Lobbying." Each tier certifies to the tier above that it will not and has not used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant or any other award covered by 31 USC 1352. Each tier shall also disclose the name of any registrant under the Lobbying Disclosure Act of 1995 who has made lobbying contacts on its behalf with non-federal funds with respect to that federal contract, grant or award covered by 31 USC 1352. Such disclosures are forwarded from tier to tier up to UTA.

TERMINATION

(For contracts over $10,000.00)

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a. Termination for Convenience (General Provision) The (Recipient) may terminate this contract, in whole or in part, at any time by written notice to the Contractor when it is in the Government's best interest. The Contractor shall be paid its costs, including contract close-out costs, and profit on work performed up to the time of termination. The Contractor shall promptly submit its termination claim to (Recipient) to be paid the Contractor. If the Contractor has any property in its possession belonging to the (Recipient), the Contractor will account for the same, and dispose of it in the manner the (Recipient) directs.

b. Termination for Default [Breach or Cause] (General Provision) If the Contractor does not deliver supplies in accordance with the contract delivery schedule, or, if the contract is for services, the Contractor fails to perform in the manner called for in the contract, or if the Contractor fails to comply with any other provisions of the contract, the (Recipient) may terminate this contract for default. Termination shall be effected by serving a notice of termination on the contractor setting forth the manner in which the Contractor is in default. The contractor will only be paid the contract price for supplies delivered and accepted, or services performed in accordance with the manner of performance set forth in the contract.

If it is later determined by the (Recipient) that the Contractor had an excusable reason for not performing, such as a strike, fire, or flood, events which are not the fault of or are beyond the control of the Contractor, the (Recipient), after setting up a new delivery of performance schedule, may allow the Contractor to continue work, or treat the termination as a termination for convenience.

c. Opportunity to Cure (General Provision) The (Recipient) in its sole discretion may, in the case of a termination for breach or default, allow the Contractor [an appropriately short period of time] in which to cure the defect. In such case, the notice of termination will state the time period in which cure is permitted and other appropriate conditions

If Contractor fails to remedy to (Recipient)'s satisfaction the breach or default of any of the terms, covenants, or conditions of this Contract within [ten (10) days] after receipt by Contractor of written notice from (Recipient) setting forth the nature of said breach or default, (Recipient) shall have the right to terminate the Contract without any further obligation to Contractor. Any such termination for default shall not in any way operate to preclude (Recipient) from also pursuing all available remedies against Contractor and its sureties for said breach or default.

d. Waiver of Remedies for any Breach In the event that (Recipient) elects to waive its remedies for any breach by Contractor of any covenant, term or condition of this Contract, such waiver by (Recipient) shall not limit (Recipient)'s remedies for any succeeding breach of that or of any other term, covenant, or condition of this Contract.

CARGO PREFERENCE

(Applicable Only to Contracts Involving Equipment, Materials or Commodities Transported by Ocean Vessels)

The Contractor agrees. to: (a) use privately owned United States-Flag commercial vessels to ship at least 50 percent of the gross tonnage (computed separately for dry bulk carriers, dry cargo liners and tankers) involved, whenever shipping any equipment, material, or commodities pursuant to the underlying contract to the extent such vessels

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are available at fair and reasonable rates for United States-Flag commercial vessels; (b) furnish within twenty (20) working days following the date of loading for shipments originating within the United States or within thirty (30) working days following the date of loading for shipments originating outside the United States, a legible copy of a rated, "on-board" commercial ocean bill-of-lading in English for each shipment of cargo described to the Division of National Cargo, Office of Market Development, Maritime Administration, Washington, DC 20590 and to the FTA recipient (through the Contractor in the case of a Subcontractor's or Supplier's bill-of-lading.); and (c) include these requirements in all subcontracts and purchase orders issued pursuant to the Contract Documents when the subcontract may involve the transport of equipment, material or commodities by ocean vessel.

RECYCLED PRODUCTS

Contractor agrees to provide a preference for those products and services that conserve natural resources, protect the environment, and are energy efficient by complying with and facilitating compliance with Section 6002 of the Resource Conservation and Recovery Act, as amended, 42 USC §6962, and U.S. Environmental Protection Agency (U.S. EPA), "Comprehensive Procurement Guideline for Products Containing Recovered Materials," 40 CFR Part 247.

RESOLUTION OF DISPUTES, BREACHES AND OTHER LITIGATION

UTA and Contractor intend to resolve all disputes under the Contract to the best of their abilities in an informal manner. To accomplish this end, the parties will attempt to resolve disputes through communications between their respective staffs, and, if resolution is not reached at that level, a procedure for review and action on such disputes by appropriate management level officials within UTA and Contractor's organization.

Unless otherwise directed by UTA, Contractor shall continue performance under the Contract while matters in dispute are being resolved.

Unless the Contract provides otherwise, all claims, counterclaims, disputes and other matters in question between UTA and Contractor arising out of or relating to the Contract or its breach will be decided by alternative dispute resolution if the parties mutually agree, or in a court of competent jurisdiction within the State of Utah.

Duties and obligations imposed by the Contract and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. No action or failure to act by UTA or Contractor shall constitute a waiver of any right or duty afforded any of them under the Contract, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.

SEAT BELT USE

In accordance with Executive Order No. 13043, "Increasing Seat Belt Use in the United States," April 16, 1997, 23 U.S.C. § 402 note, the Recipient is encouraged to adopt and promote on-the-job seat belt use policies and programs for its employees and other personnel that operate company-owned, rented, or personally operated vehicles, and to include this provision in any third party contracts, third party subcontracts, or subagreements involving the Project.

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DISTRACTED DRIVING, INCLUDING TEXT MESSAGING WHILE DRIVING

In accordance with Executive Order No. 13513, "Federal Leadership on Reducing Text Messaging While Driving," October 1, 2009, 23 U.S.C. § 402 note, the Recipient is encouraged to adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers, including policies to ban text messages while using an employer supplied electronic device and driving a vehicle you own or rent, a company owned, rented or leased vehicle, a privately owned vehicle when performing any company work on behalf of the project or any vehicle on or off duty. This provision is to be included in any third party contracts, third party subcontracts or subagreements at each tier financed with federal funds.

I have read and understand that by signing this document I will comply will the federal clauses above.

NAME

2/25/2021

DATE

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CERTIFICATION AND REPRESENTATION FORMS

ATTACHMENT A - PARTICIPATION BY SMALL BUSINESS CONERNS OWNED AND CONTROLLED BY SOLICALLY AND ECONOMICALLY DISADVANTAGED INDIVIDUALES

The undersigned states on behalf of the Bidder / Proposer __Davey Coach Sales inc. / FR Conversions .

A. The Bidder / Proposer has given or will give, prior to the commencement of an approved UTA project, notice to all pertinent personnel, i.e., managers, supervisors, employees, unions, subcontractors, etc. of the Bidder / Proposer EEO and DBE policies and procedures and its intent and effort to realize such procedures in connection with the EEO and DBE requirements that UTA is required to follow as a Federal Railroad Administration Grantee. B. Bidder / Proposer designates --

Name Tricia Tarr

Title COO

As the person assigned the responsibility for securing compliance with and reporting progress to the Bidders/Proposers and UTA's Civil Rights Office on all EEO efforts initiated and taken.

C. Bidder / Proposer will cooperate fully with UTA and ensure equal employment opportunity to the maximum extent possible during the term of this contract. Attachment A-5 must be completed and submitted. If the Bidder / Proposer employs 50 or more persons and, or will be entering into a contract hereunder in an amount of $50,000 or more, then an EEO Plan for employment of minorities and women must be submitted. UTA will further be kept fully informed of any refusals by unions or others to cooperate with UTA's and the Bidder / Proposer EEO and DBE requirements.

D. Bidder / Proposer agrees to make every reasonable good faith effort to utilize DBE's in the performance of this contract. Bidder / Proposer will take affirmative steps to meet the DBE contract goal set for this bid.

Company

Name: FR Conversions, Inc.

Address: 1231 Tech Court Westminster, MD 21157

Signed: Tricia Tarr

Title: COO

Phone Number: 410-946-1716

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ATTACHMENT A-1 DISADVANTAGED BUSINESS ENTERPRISE PARTICIPATION FORM

The Contract DBE GOAL is Race Neutral.

The Bidder / Proposer must check the appropriate box, provide the information requested, and sign this form certifying to the accuracy of the information provided, and submit this form with its bid. Failure to complete and submit this form may result in rejection of the bid/proposal as non-responsive. ***Race neutral procurements do not require good faith effort documentation.***

☒

Bidder / Proposer *will meet or exceed* the DBE goal for this contract. If awarded this contract, Bidder / Proposer will subcontract with the DBE's listed below, which will be performing a total of _____ **percent** (_____**%)** of the total dollar amount of the contract work. The information below should be treated as confidential information.

Bidders/Proposers shall submit and attach evidence with this form that the DBEs being submitted for work on this project are presently certified by the Utah Uniform Certification Program (UUCP).

DBE Name & Address	Description of Work	$ Amount of Participation	% of Total Price
_____	_____	$_____	_____%
_____	_____	$_____	_____%
_____	_____	$_____	_____%
_____	_____	$_____	_____%

(Attach additional sheets if necessary)

☐

Bidder / Proposer ***does not*** meet the DBE goal for this contract. **Bidder / Proposer certifies that it has made good faith efforts** in accordance with the bid/proposal instructions to meet the DBE goal, but, despite those efforts, has been unable Form. **Please list above ANY DBE participation your firm has committed to** to meet the goal. The Good Faith Efforts Documentation Form (Attachment A-3) is attached to this DBE Participation

☐

Bidder / Proposer ***does not*** meet the DBE goal for this contract. **Bidder / Proposer certifies that there exists no opportunity for subcontracting as part of this project**. It is the general practice of Bidder / Proposer's firm to perform standards. Attachment A-2, Good Faith Effort Documentation Form, is not required under this selection. all work of this nature solely with its own work force and to do otherwise would constitute a violation of industry

Date: 2/25/2021
Company Name: FR Conversions, Inc
Signature: _____
Printed Name: Trevor Tarr
Title: Coo

My Company is_____ or is not_____ a qualified DBE.

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ATTACHMENT-A2 GOOD FAITH EFFORTS DOCUMENTATION FORM

Whether a Bidder / Proposer meets or does not meet the DBE goal, the Bidder / Proposer must submit this form with its DBE Participation Form (Attachment A-1). In the case of a race neutral project, the Bidder / Proposer is not required to submit their good faith efforts documentation. The Bidder / Proposer must submit a copy of the document(s) sent to DBE's. Failure to submit this form with its bid/proposal and requested additional documentation may render the bid/proposal non-responsive. UTA's DBE Liaison Officer may require that the Bidder / Proposer provide additional substantiation of good faith efforts.

Firm Name	Contact Person	Area of Expertise	Date	Response

By submitting and signing this form, including any continuation form(s), the Bidder / Proposer certifies that it has contacted the identified DBE firms in good faith (per 49 CFR 26 Appendix A or see DBE Requirements, Terms and Conditions) to discuss contracting opportunities.

Date: 2/25/2021

Signature: [signature]

Printed Name: Tricia Tarr

Title: COO

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ATTACHMENT B - CERTIFICATION OF RESTRICTIONS ON LOBBYING

I, Tricia Tarr, hereby certifies

(Name and Title of Company Official)

on behalf of FR Conversions, Inc that:

(Name of Company)

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all sub awards at all tiers (including subcontracts, sub grants, and contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance is placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Executed this 25th day of February, 2021.

By

(Signature of Authorized Official)

Tricia Tarr

(Title of Authorized Official)

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Attachment C - Buy America Certification

Certificate of Compliance with Buy America Requirements

The Grantee's acquisition of steel, iron and manufactured goods with funding provided through this Agreement is subject to the requirements set forth in the Buy American Act, 41 U.S.C. §§ 8301-8305, if applicable.

The Grantee also represents that it has never been convicted of violating the Buy American Act nor will it make funding received under this Agreement available to any person or entity who has been convicted of violating the Buy American Act.

Date 2/25/2021
Signature Tricia Tarr
Company FR Conversions, Inc.
Name Tricia Tarr
Title COO

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1.1.21 ATTACHMENT D - DEBARMENT AND SUSPENSION CERTIFICATION

1.1.22

This certification is made in accordance with 2 C.F.R Part 1200 and similar federal requirements regarding debarment, suspension and ineligibility with respect to federally-funded contracts.

This contract is a covered transaction for purposes of 49 CFR Part 32. As such, the contractor is required to verify that none of the contractor, its principals, as defined at 49 CFR 29.995, or affiliates, as defined at 49 CFR 29.905, are excluded or disqualified as defined at 49 CFR 29.940 and 29.945.

The contractor is required to comply with 49 CFR 32, must include the requirement to comply with 49 CFR 32, in any lower tier covered transaction it enters into.

By signing and submitting its bid or proposal, the bidder or proposer certifies as follows:

The certification in this clause is a material representation of fact relied upon by the Federal Railroad Administration. If it is later determined that the bidder or proposer knowingly rendered an erroneous certification, in addition to remedies available to the Federal Railroad Administration, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment. The bidder or proposer agrees to comply with the requirements of 49 CFR 32 while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

If the bidder or proposer is unable to certify to the statement above, it shall attach an explanation, and indicate that it has done so, by placing an "X" in the following space _____.

Tricia Tarr

Signature of the Bidder or Proposer Authorized Official

Tricia Tarr, COO

Name and Title of the Bidder or Proposer Authorized Official

FEDERAL ID # 274642072

2/25/2021

Date

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1.1.23 ATTACHMENT E - NON-COLLUSION AFFIDAVIT

This affidavit is to be filled out and executed by the Proposer; if a corporation makes the bid, then by its properly executed agent. The name of the individual swearing to the affidavit should appear on the line marked "Name of Affiant." The affiant's capacity, when a partner or officer of a corporation, should be inserted on the line marked "Capacity." The representative of the Proposer should sign his or her individual name at the end, not a partnership or corporation name, and swear to this affidavit before a notary public, who must attach his or her seal.

– State of MD, County of Carroll

I, ~~__, being first duly sworn, do hereby state that~~
(Name of Affiant)

I am Tricia Tarr of FR Conversions, Inc
(Capacity) (Name of Firm, Partnership or Corporation)

whose business is COO

and who resides at 1231 Tech Court Westminster, MD 21157

and that

(Give names of all persons, firms, or corporations interested in the bid)

is/are the only person(s) with me in the profits of the herein contained Contract; that the Contract is made without any connection or interest in the profits thereof with any persons making any bid or Proposal for said Work; that the said Contract is on my part, in all respects, fair and without collusion or fraud, and also that no members of the Board of Trustees, head of any department or bureau, or employee therein, or any employee of the Authority, is directly or indirectly interested therein.

Signature of Affiant [signature] Date 2/25/21

Sworn to before me this 25th day of February, 20 21.

[signature] Donna L. Reinhardt
NOTARY PUBLIC
CARROLL COUNTY
MARYLAND
MY COMMISSION EXPIRES May 27 2024

Donna L. Reinhardt
Notary public

May 27, 2024
My commission expires

– Seal

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1.1.23 ATTACHMENT E - NON-COLLUSION AFFIDAVIT

This affidavit is to be filled out and executed by the Proposer; if a corporation makes the bid, then by its properly executed agent. The name of the individual swearing to the affidavit should appear on the line marked "Name of Affiant." The affiant's capacity, when a partner or officer of a corporation, should be inserted on the line marked "Capacity." The representative of the Proposer should sign his or her individual name at the end, not a partnership or corporation name, and swear to this affidavit before a notary public, who must attach his or her seal.

– State of CO, County of Douglas

I, Justin Murphy, being first duly sworn, do hereby state that
(Name of Affiant)

I am Transportation Consultant of Dawey Coach Sales
(Capacity) (Name of Firm, Partnership or Corporation)

whose business is
bus dealership

and who resides at
7182 Reynolds Dr Sedalia, Co 80135

and that Dawey Coach Sales
(Give names of all persons, firms, or corporations interested in the bid)

is/are the only person(s) with me in the profits of the herein contained Contract; that the Contract is made without any connection or interest in the profits thereof with any persons making any bid or Proposal for said Work; that the said Contract is on my part, in all respects, fair and without collusion or fraud, and also that no members of the Board of Trustees, head of any department or bureau, or employee therein, or any employee of the Authority, is directly or indirectly interested therein.

Signature of Affiant — Date 2/25/2021

Sworn to before me this 25th day of February, 2021.

CATHERINE MARIE CORDOVA
Notary Public
State of Colorado
Notary ID # 20144044948
My Commission Expires 11-24-2022

Notary public — My commission expires

– Seal

Catherine M. Cordova 11/24/2022

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1.1.24 ATTACHMENT F CARGO PREFERENCE -- USE OF UNITED STATES-FLAG VESSELS

Grantee will comply with the U.S. DOT Maritime Administration regulations, 46 C.F.R. Part 381 as follows:

Use of United States-flag vessels:

- Pursuant to Pub. L. 664 (43 U.S.C. 1241(b)) at least 50 percent of any equipment, materials or commodities procured, contracted for or otherwise obtained with funds granted, guaranteed, loaned, or advanced by the U.S. Government under this Agreement, and which may be transported by ocean vessel, will be transported on privately owned United States-flag commercial vessels, if available.
- Within 20 days following the date of loading for shipments originating within the United States or within 30 working days following the date of loading for shipments originating outside the United States, a legible copy of a rated, 'on-board' commercial ocean bill-of-lading in English for each shipment of cargo described in paragraph (a)(1) of this section will be furnished to both the Contracting Officer (through the prime contractor in the case of subcontractor bills-of-lading) and to the Division of National Cargo, Office of Market Development, Maritime Administration, Washington, DC 20590.

The Grantee will insert the following clauses in contracts let by the Grantee in which equipment, materials or commodities may be transported by ocean vessel in carrying out the Project.

"Use of United States-flag vessels: The contractor agrees –

1) To utilize privately owned United States-flag commercial vessels to ship at least 50% of the gross tonnage (computed separately for dry bulk carriers, dry cargo liners, and tankers) involved, whenever shipping any equipment, materials, or commodities pursuant to this contract to the extent such vessels are available at fair and reasonable rates for United States-flag commercial vessels.
2) To furnish within 20 days following the date of loading for shipments originating within the United States, or within 30 working days following the date of loading for shipment originating outside the United States, a legible coy of a rated, "on-board" commercial ocean bill-of-lading in English for each shipment of cargo described in subsection (1) above to the recipient (through the prime contractor in the case of subcontractor bills-of lading) and to the Division of Cargo Preference and Domestic Trade, Maritime Administration, 1200 New Jersey Avenue, SE, Washington, D.C. 20590,

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marked with appropriate identification of the Project.

3) To insert the substance of the provisions of this clause in all subcontracts issued pursuant to this contract."

Date 2/25/2021

Signature Lucia Lass

Title COO

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ATTACHMENT G - NOTIFICATION REQUIREMENTS

With respect to any procurement for goods and services (including construction services) having an aggregate value of $500,000 or more, the Grantee agrees to:

1) specify in any announcement of the awarding of the contract for such goods or services the amount of Federal Contribution that will be used to finance the acquisition; and

2) express said amount as a percentage of the total costs of the planned acquisition.

Date 2/25/2021

Signature Tricia Tom

Title COO

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Exhibit B:
Price

	Davey Coach		
	Bid	Brand	Leadtime in hours
Rear Entry Base 2 yr	$ 41,050.00	Cryslter Pacifica Voyager/ FR Conversion	3600
Side Entry Base 2 yr	$ 49,200.00	Cryslter Pacifica Voyager/ FR Conversion	3600
Option year if accepted rear entry	$ 41,050.00	Cryslter Pacifica Voyager/ FR Conversion	3600
Option year if accepted side entry	$ 49,200.00	Cryslter Pacifica Voyager/ FR Conversion	3600

669 West 200 South
Salt Lake City, UT 84101

Utah Transit Authority

MEETING MEMO

Board of Trustees **Date:** 6/23/2021

TO: Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Eddy Cumins, Chief Operating Officer
PRESENTER(S): Eddy Cumins, Chief Operating Officer
Ryan Taylor, Special Services General Manager

TITLE:

Change Order: 5310 ADA Accessible Transits - 5th Order (Lewis Bus Group)

AGENDA ITEM TYPE:	Procurement Contract/Change Order
RECOMMENDATION:	Approve, and authorize Executive Director to execute, the change order and associated disbursements for the Fifth Order on the contract with Lewis Bus Group Inc. for the purchase of accessible vans in the amount of $621,041.
BACKGROUND:	UTA released a request for proposal (RFP) on May 15, 2017 for 9-12 passenger accessible vans for UTA Paratransit and Coordinated Mobility Departments. The base order was for 6 vans with options for 36 more over 5 years. Lewis Bus Group was awarded the contract on August 23, 2017. The initial order on the contact was for six vans leaving 36 options remaining. This is the fifth order on the contract and is for nine vans leaving 12 twelve options available. The contract with Lewis Bus Group expires on August 23, 2022. This change order will fulfill UTA's obligation as the designated recipient of FTA 5310 Enhanced Transportation for Seniors and People with Disabilities funding. UTA's 5310 Program Management Plan (PMP) requires UTA to purchase all capital items over $3,000 to ensure compliance with federal procurement rules. This change order will allow UTA to purchase accessible vans for the FY2018 subawards. The contract associated with this order was procured through a formal RFP process with quality and price evaluated separately. The vans purchased are the fulfillment of FTA 5310 pass-through awards to agencies in the communities within UTA's service area that fall within the three large urbanized areas (UZA). Awards are made through a competitive application process including scoring and ranking of projects by the Local Mobility Councils for each UZA. The vehicles will be used to provide transportation to seniors and people with disabilities when public transportation will not meet their needs.

DISCUSSION:	UTA Staff is requesting approval of change order five with Lewis Bus Group to purchase nine accessible vans in the amount of $621,041. These vans will be up-fitted Ford Transits and upon arrival will be issued to the following agencies: • Odyssey House - Two extra-long Ford Transit vans with the high roof option. Total price: $137,815 • United Way - Two extra-long Ford Transit vans with the high roof option. Total price: $137,815 • TURN Community Services - Five extra-long Ford Transit vans with high roofs. Total price: $344,737 • An additional $675 will be paid from UTA 5310 Administrative funds for one additional key for each vehicle to be held by UTA for the federal useful life of the vehicles. Title to the vehicles will be vested in each subrecipient with UTA holding a lien on the vehicles through their Federal Useful Life. During this time UTA will require compliance reviews and reporting on the vehicles by the subrecipients through UTA's ZoomGrants and RidePilot grant management systems.
CONTRACT SUMMARY:	
Contractor Name:	Lewis Bus Group
Contract Number:	17-2221PP
Base Contract Effective Dates:	August 23, 2017 to August 27, 2022
Extended Contract Dates:	N/A
Existing Contract Value:	$1,302,922
Amendment Amount:	$621,041
New/Total Amount Contract Value:	$1,923,963
Procurement Method:	RFP
Funding Sources:	FTA 5310 pass through funds and subrecipient local funds
ALTERNATIVES:	If this purchase is not made UTA would be out of compliance with its 5310 Program Management Plan and subject to FTA corrective action.
FISCAL IMPACT:	There is no fiscal impact for UTA, all funds come from 5310 pass-through-funds and subrecipient local funds.
ATTACHMENTS:	1) Contract Change Order- 5th Order 2) Original Contract (Lewis Bus Group)

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March 26, 2021

Lewis Bus Group
Attn: Jason Lewis
1009 Recreation Way
North Salt Lake City, UT 84054

RE: CONTRACT 17-2221PP; ADA Accessible Transits (Upfitted)

FIFTH ORDER NOTICE TO PROCEED
For Nine (9) ADA Accessible Transits (Upfitted)

Dear Mr.Lewis:

This letter shall confirm UTA's fifth order of nine (9) ADA Accessible Transits (Upfitted) from Lewis Bus Group pursuant to the Contract, effective August 29, 2017.

These ADA Accessible Transits (Upfitted) shall be manufactured as outlined in the Authority's Specifications provided in the RFP dated May 15, 2017, the above-referenced Contract and Lewis Bus Group's Quality Price Summary dated June 19, 2017.

The of the Nine (9) ADA Accessible Transits (Upfitted) are as follows:

Quantity	Description	U/Price	Total Price
Odyssey House Inc. Salt Lake County (2)			
2	ADA accessible Ford Transit Vans Extra-long wheelbase with a high roof, UTA base model including back up Camera and Hawkeye rear detection. Vans are for Odyssey House Inc.	$56,350.00	$112,700.00
2	Chassis year change fee	$1,200.00	$2,400.00
2	PPI Adjustment	$6,167.31	$12,334.62
2	Minimum Turbo V6 Powertrains	$1,865.00	$3,730.00
2	Extended Warranty (CLIN 0011)	$3,325.00	$6,650.00
	Subtotal	$68,907.31	$137,814.62
United Way Community Center UWUC Utah County (2)			
2	ADA Accessible Transits Upfitted, Extra-long wheelbase with a high roof, UTA base model including backup camera and hawkeye rear detection, ~~Bus door option.~~ Vehicle will be for United Way Community Center (UWUC)	$56,350.00	$112,700.00

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2	Chassis year change fee	$1,200.00	$2,400.00
2	PPI Adjustment	$6,167.31	$12,334.62
2	Extended Warranty (CLIN 0011)	$3,325.00	$6,650.00
2	Minimum Turbo V6 Powertrains	$1,865.00	$3,730.00
	Subtotal	$68,907.31	$137,814.62
TURN Community Services Utah County			
3	ADA Accessible 12 passenger Transits Upfitted, Extra-long wheelbase with a high roof, UTA base model including backup camera and hawkeye rear detection, each Van needs to be a different color, blue, red, white. Vehicle will be for Turn Community Services Utah County	$56,350.00	$169,050.00
3	10” and 12” seat belt extenders	$40.00	$120.00
3	Chassis year change fee	$1,200.00	$3,600.00
3	PPI Adjustment	$6,167.31	$18,501.93
3	Extended Warranty (CLIN 0011)	$3,325.00	$9,975.00
3	Minimum Turbo V6 Powertrains	$1,865.00	$5,595.00
	Subtotal	$68,907.31	$206,841.93
TURN Community Services Salt Lake County			
1	ADA Accessible 12 passenger Transits Upfitted, Extra-long wheelbase with a high roof, UTA base model including backup camera and hawkeye rear detection, color white. Vehicle will be for Turn Community Services Salt Lake County	$56,350.00	$56,350.00
1	10” and 12” seat belt extenders	$40.00	$40.00
1	Chassis year change fee	$1,200.00	$1,200.00
1	PPI Adjustment	$6,167.31	$6,167.31
1	Extended Warranty (CLIN 0011)	$3,325.00	$3,325.00
1	Minimum Turbo V6 Powertrains	$1,865.00	$1,865.00
	Subtotal	$68,907.31	$68,947.31
TURN Community Services Weber and Box Elder			
1	ADA Accessible 12 passenger Transits Upfitted, Extra-long wheelbase with a high roof, UTA base model including backup camera and hawkeye rear detection, color white. Vehicle will be for Turn Community Services Weber and Box Elder.	$56,350.00	$56,350.00
1	10” and 12” seat belt extenders	$40.00	$40.00
1	Chassis year change fee	$1,200.00	$1,200.00
1	PPI Adjustment	$6,167.31	$6,167.31
1	Extended Warranty (CLIN 0011)	$3,325.00	$3,325.00
1	Minimum Turbo V6 Powertrains	$1,865.00	$1,865.00
	Subtotal	$68,907.31	$68,907.31

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Extras for All Vehicles			
9	Sets of Van Chassis OEM Manuals IAW 4.44.1 (CLIN 0009)	$0.00	$0.00
9	Custom Parts Books and Wiring Diagram (CLIN 0012)	NSP	NSP
9	Complete Sets of Specific Customer Manuals (CLIN 0013)	NSP	NSP
9	Standard Repair Time Manual (CLIN 0014)	NSP	NSP
9	Extra Key Fobs for each vehicle above for the Coordinated Mobility Office paid for by local funds.	$75.00	$675.00
	Total Amount of Order		**$621,040.79**

The award of the fifth order is total amount of $621,040.79 Additionally, delivery of all items shall be completed no later than October 2021. The vehicle shall be delivered to the UTA Meadowbrook Office. Attached you will find the BOLS for each location.

LEWIS BUS GROUP

DocuSigned by:
Jason Morgan
4F57323FE625401...
Signature

Jason Morgan
Printed Name

President
Title

DocuSigned by:
Mike Bell
70E33A415BA44F6...
Michael Bell
Assistant Attorney General
UTA Counsel

UTAH TRANSIT AUTHORITY

Ryan Taylor
Special Services GM

Carolyn Gonot
Executive Director

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MEMO

March 26, 2021

To: **Vehicle Vendor**
From: **Holly Mahoney, Coordinated Mobility Grants Administrator**
Cc: **Amanda Burton, Procurement and Contracts Specialist**

Subject: Accessible Ford Transit Van Order for Odyssey House Inc..

This vehicle is being purchased on behalf of United Way Community Services as part of an FTA Section 5310 federal award. As part of a federal award UTA will act as first lienholder. The application for title of this vehicle is attached. Please complete the Vehicle Information section and dealer information section and sign the application

Please include the attached application for title, the MSO and Mileage Disclosure forms and any other documentation United Way Community Services would need to title and register the vehicle. Their information is contained on the attached application for title. United Way Community Services will be responsible for titling and registration of the vehicle.

If you need additional information from United Way Community Service you may contact the person listed below or Holly Mahoney, UTA Coordinated Mobility Grants Manager.

Odyssey House Inc.
Attn: Rebecca Springer, Development Director
801-428-3403
Email: rspringer@odysseyhouse.org

Holly Mahoney, Coordinated Mobility Grants Administrator
801-237-1994
Hmahoney@rideuta.com

Final delivery of the vehicle should be to UTA's Riverside facility. 3600 South 900 West, Salt Lake City, UT 84119. The vehicle should include one additional key that UTA will hold until the lien on the vehicle is released.

DocuSign Envelope ID: 9E251941-6B8B-49FB-87AE-6FFC0A9946AD

MEMO

March 26, 2021

To: **Vehicle Vendor**
From: **Holly Mahoney, Coordinated Mobility Grants Administrator**
Cc: **Amanda Burton, Procurement and Contracts Specialist**

Subject: Accessible Ford Transit Van Order for United Way Community Services.

This vehicle is being purchased on behalf of United Way Community Services as part of an FTA Section 5310 federal award. As part of a federal award UTA will act as first lienholder. The application for title of this vehicle is attached. Please complete the Vehicle Information section and dealer information section and sign the application

Please include the attached application for title, the MSO and Mileage Disclosure forms and any other documentation United Way Community Services would need to title and register the vehicle. Their information is contained on the attached application for title. United Way Community Services will be responsible for titling and registration of the vehicle.

If you need additional information from United Way Community Service you may contact the person listed below or Holly Mahoney, UTA Coordinated Mobility Grants Manager.

United Way Community Services/DBA Utah Valley Paratransit
Attn: Gary Tippets, Director
801-374-9306
Email: gary@Unitedwayuc.org

Holly Mahoney, Coordinated Mobility Grants Administrator
801-237-1994
Hmahoney@rideuta.com

Final delivery of the vehicle should be to UTA's Riverside facility. 3600 South 900 West, Salt Lake City, UT 84119. The vehicle should include one additional key that UTA will hold until the lien on the vehicle is released.

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MEMO

May 5, 2021

To: **Vehicle Vendor**
From: **Holly Mahoney, Coordinated Mobility Grants Administrator**
Cc: **Amanda Burton, Procurement and Contracts Specialist**

Subject: Accessible Ford Transit Van Order for TURN Community Services.

This vehicle is being purchased on behalf of TURN Community Services as part of an FTA Section 5310 federal award. As part of a federal award UTA will act as first lienholder. The application for title of this vehicle is attached. Please complete the Vehicle Information section and dealer information section and sign the application

Please include the attached application for title, the MSO and Mileage Disclosure forms and any other documentation TURN Community Services would need to title and register the vehicle. Their information is contained on the attached application for title. TURN Community Services will be responsible for titling and registration of the vehicle.

If you need additional information from TURN Community Service you may contact the person listed below or Holly Mahoney, UTA Coordinated Mobility Grants Manager.

TURN Community Services
Attn: Henry Neville, Fleet Manager
801-343-3900
Email: henryneville@turncommunityservices.org

Holly Mahoney, Coordinated Mobility Grants Administrator
801-237-1994
Hmahoney@rideuta.com

Final delivery of the vehicle should be to UTA's Riverside facility. 3600 South 900 West, Salt Lake City, UT 84119. The vehicle should include one additional key that UTA will hold until the lien on the vehicle is released.

GOODS SUPPLY AGREEMENT

17-2221PP

ADA ACCESSIBLE TRANSITS (UPFITTED)

THIS GOODS SUPPLY AGREEMENT ("Contract") is entered into and made effective as of the 23rd day of August, 2017 (the "Effective Date") by and between **UTAH TRANSIT AUTHORITY**, a public transit district organized under the laws of the State of Utah ("UTA"), and **LEWIS BUS GROUP,** a Corporation (the "Contractor").

RECITALS

WHEREAS, on June 30, 2017, UTA received competitive proposals for a contractor to provide Eleven (11) ADA Accessible Transits (Upfitted) (the "Vehicles"), including option quantities, 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 RFP 17-22217PP (the "RFP"); and

WHEREAS, UTA wishes to procure the Goods and Services according to the terms, conditions and specifications listed in the RFP (as subsequently amended through negotiation by the parties); and

WHEREAS, the ADA Accessible Transits (Upfitted) Proposal dated June 19, 2017 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 herefrom, 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

The Agency hereby retains Contractor to furnish the Goods and Services and Contractor will to the best of its ability and in a professional manner, provide the labor, equipment and materials necessary to furnish, deliver, and test the Goods and Services subject to the terms and conditions of: (i) RFP 17-2221PP; and (ii) Contractor's proposal dated June 19, 2017 (the "Proposal"). This Contract includes an initial order quantity of six (6) ADA Accessible Transits (Upfitted) Vehicles, in the Base Order and Second Order with the features and options described in an initial notices to proceed issued concurrently with this Contract.

2. TERM

Subject to the provisions for termination as hereinafter provided, this Contract shall be effective with respect to the purchase of any Goods and Services (up to the aggregate number of base and option Vehicle quantities set forth in the RFP) ordered prior to August 27, 2022 (the "Term"). All warranties, indemnities and other obligations of either party with respect to the Goods and Services shall continue after the Term in accordance with the provisions of this Contract.

3. COMPENSATION AND FEES

For the initial order, the Agency agrees to pay Contractor a sum of $327,750.00, determined in accordance with Attachment 1. This sum includes all hardware, software, equipment, materials, labor, shipping costs, and other items necessary to supply the Goods and complete the Services in a satisfactory manner in compliance with this Contract.

The Agency (at its sole and exclusive election to be exercised in its sole discretion) may purchase up to thirty-six (36) additional Vehicles (in any combination of Vehicle powertrain configurations, and option packages) during the Term of this Contract. The price for option Vehicles shall be based on the prices indicated in Attachment B (hereinafter the "Base Order Prices"). The Base Order Prices shall remain firm for any option Vehicles ordered within one hundred eighty (180) days of following the Effective Date. The price of any Vehicles ordered more than one hundred eighty (180) days following the Effective Date shall be the Base Order Price, subject to adjustment as provided in the following paragraph.

Adjustments to the Base Order Prices will be calculated based on the following formula which utilizes the U.S. Department of Labor/Bureau of Labor Statistics Producer Price Index ("PPI") Category 1413, "Truck and Bus Bodies". In no event will the price (s) for any order placed exceed by more than five percent (5%) the price(s) that would have been in effect twelve (12) months prior to the date of the release. The Base Order Price will be multiplied by the positive or negative percentage change in this index (subject to the five (5) percent cap on annual price increases to determine pricing for option Vehicles,

FORMULA:

Index Point Change	Example
PPI Index: Future Award Month	141.1
Less PPI Index: Base Award Month	137.6
Index Point Change	3.5
Index Percent Change	3.5
Index Point Change	137.6
Divided by PPI Index: Base Award Month	.0254
Results Multiplied by 100 = Percent Change	2.54%

Base Order Price	$50,000.00
Plus Percent Change (2.54% x $50,000)	1,270.00
Revised Price for Future Order	$51,270.00

There is no guarantee that options with respect to any Vehicles will be exercised.

4. INCORPORATED DOCUMENTS

a. The following documents hereinafter listed in chronological order, with most recent document taking precedence over prior documents where relevant, are hereby incorporated into the Contract by reference and made a part hereof which comprise the Contract:

1. This form of Contract.
2. Section 5 (Deviations) of Contractor's June 19, 2017 Proposal.
3. "Section 4: Special Provisions" of the RFP.
4. "Section 3: General Conditions," and "Section 5: Federal Requirements" of the RFP.
5. "Section 6: Technical Specifications," and "Section 8: Quality Assurance" of the RFP.
6. Except as otherwise provided in item 2 above, Contractor's Proposal.

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. 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 or associated certificates as required, 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 Contract, delivery of the Goods shall be DDP (as defined by INCOTERMS 2010) to the UTA delivery point specified in the Contract (or otherwise designated by UTA), with the risk, liability and responsibility passing to Company in accordance with such delivery term.

c. Contractor hereby agrees to furnish, deliver, install, and test the Vehicles with associated spare parts and manuals within one hundred (100) days after notice to proceed is issued by the Agency. Contractor shall, no later than ten (10) days after the execution of this Contract, provide the Agency with a proposed delivery schedule that satisfies the requirements of Special Provision 2.2 (Delivery Schedule). Once approved by the Agency's Project Manager, such delivery schedule (including agreed modifications thereto) shall constitute the "Delivery Schedule" against which Contractor's performance shall be monitored

d. 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). 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.

e. 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.

6. INVOICING PROCEDURES AND RECORDS

a. Contractor shall submit invoices to UTA's Project Manager for processing and payment in accordance with Exhibit B – Pricing. 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 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. 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.

7. WARRANTY OF GOODS AND SERVICES

a. Contractor warrants that all Goods and Services shall conform to the specifications, drawings, 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. At any time for a period of two (2) years from the date that all Goods have been delivered and all Services have been performed in accordance with the Contract, 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.

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.

8. 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 the 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.

9. GENERAL INDEMNIFICATION

Contractor shall indemnify, hold harmless and defend UTA, its officers, officials, 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") for 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 or recovered under a workers' compensation law or arising out of the failure of such Contractor to conform to any law, statute, ordinance, rule, regulation or court decree governing workers' compensation matters. It is agreed that Contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. As a condition to the above-described rights, Indemnitees must: (i) notify Contractor of any claim promptly in writing; and (ii) cooperate fully with Contractor throughout the defense of any indemnified claim. In consideration of the award of the Contract, the Contractor agrees to waive all rights of subrogation against UTA, its officers, officials, agents and employees for losses arising from the

work performed by the Contractor for UTA. The foregoing obligations and waiver shall not apply to claims that arise from the sole negligence of UTA or any Indemnitee.

10. INSURANCE REQUIREMENTS

a. Contractor and subcontractors shall procure and maintain until all of their 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

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. This requirement shall not apply when a contractor or subcontractor is exempt under UCA, **AND** when such contractor or subcontractor executes the appropriate waiver form.

d. 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.

e. 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.

f. 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.

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.

g. 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.

h. Any modification or variation from the insurance requirements in the Contract shall be made by Claims and Insurance Department or the Office of General Counsel, whose decision shall be final. Such action will not require a formal Contract amendment, but may be made by administrative action.

11. OTHER INDEMNITIES

a. Contractor shall protect, release, defend, indemnify, and hold harmless UTA and the

other Indemnitees 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 and the other Indemnitees 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.

12. 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.

13. USE OF SUBCONTRACTORS

a. Contractor shall not subcontract any services to be performed by it under the Contract other than those listed and identified in Contractor's proposal without prior approval of UTA.

b. Contractor shall pay all subcontractors for satisfactory performance of their contracts no later than ten (10) days from receipt of each payment UTA makes to Contractor, unless other arrangements are agreed to in writing by the parties involved. UTA shall have no obligations to

any subcontractors retained by Contractor.

14. 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 while working on this project. Each employee, contractor and subcontractor must be trained in UTA EMS and Safety Management principles.

15. 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.

16. TERMINATION

a. 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.

b. If Contractor materially fails to deliver the Goods in accordance with the Contract requirements, fails to perform any Services in the manner called for in the Contract, or fails to comply with any of its obligations under the Contract, and such failure is not cured or a cure initiated to the satisfaction of UTA within seven (7) days after receipt of written notice from UTA, UTA may, at its discretion:

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, in which event Contractor shall be liable for all incremental costs so incurred by UTA;

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. 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.

d. 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.

17. CHANGES

UTA may direct changes to the Contract. Upon receipt of such direction, Contractor shall prepare an estimate of the cost and schedule impact of the change (if any). No change in the Contract shall be made unless made pursuant to a mutually executed written instrument designated to be a change order or contract amendment. Oral changes to the Contract are not permitted.

19. AUDIT

Contractor shall maintain all books, papers, documents, accounting records and other evidence to support any cost-based billings allowable under Exhibit B Pricing Sheet (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 purchase orders, receipts or other documentation supporting non-labor costs. Records supporting any cost-based billings 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 cost 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 cost records shall be furnished to UTA or designated audit parties upon request. Contractor shall maintain (and upon request furnish all other records (other than the above-described cost records) related to the performance of the Contract for a period not less than three (3) years. 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.

20. FINDINGS CONFIDENTIAL

a. Any documents, reports, information, or other data and materials available to or prepared or assembled by Consultant or subcontractors under this Contract are considered confidential and shall not be made available to any person, organization, or entity by Consultant 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 Consultant by a third party who is not under a confidentiality obligation;

3. Information developed by or in the custody of Consultant before entering into this Contract;

4. Information developed by Consultant 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.

21. PROJECT MANAGER

UTA's Project Manager for the Contract is Jesse Rogers, 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) 287-4674.

22. CONTRACT ADMINISTRATOR

UTA's Contract Administrator for the Contract is Pat Postell, Grants & Contracts Administrator, 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) 287-3060.

23. PROHIBITED INTEREST

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.

24. FORCE MAJEURE

Neither party will be liable for any failure or delay in its performance under the Contract due to any cause beyond its reasonable control, including without limitation acts of war, acts of God, earthquake, flood, weather conditions, embargo, riot, epidemic, acts of terrorism, sabotage, labor shortage or dispute, governmental act, or other acts beyond such party's reasonable control, provided that the delayed party: (i) gives the other party prompt notice of such cause; and (ii) uses reasonable commercial efforts to correct promptly such failure or delay in performance.

25. 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 will be personally delivered, mailed by US Mail, postage prepaid, or sent by overnight courier service and addressed to such party as follows:

If to UTA: If to Contractor:

Utah Transit Authority	Lewis Bus Group
ATTN: Grants & Contracts Administrator	Attn: President
669 West 200 South	1009 Recreation Way
Salt Lake City, UT 84101	Salt Lake City, UT 84054

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.

20. **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.

21. **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.

22. **AMENDMENTS**

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

23. **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.

24. **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.

25. **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 facsimile transmission of a signed original of the Contract or any counterpart hereof and the retransmission of any signed facsimile transmission hereof shall be the same as delivery of an original.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed by officers duly authorized to execute the same as of the day and year first above written.

LEWIS BUS GROUP

Printed Name: T Shaw Morgan
Title: President

UTAH TRANSIT AUTHORITY

Jerry R. Benson
Interim General Manager

Todd Provost
VP of Opns, Capital and Assets

Approved As To Form:

UTA Legal Counsel

EXHIBIT A
LEWIS BUS PROPOSAL

(See hard copy file)

EXHIBIT B

PRICING

Revised Pricing Schedule

Utah Transit Authority
RFP 17-2221PP ADA Accessible Transits (Upfitted)

The Agency plans to purchase six (6) ADA Accessible Transits (Upfitted) for the base order.

CLIN	DESCRIPTION	UNIT	QUANTITY	U/PRICE
0001	ADA Accessible Transits (Upfitted)	EA	1	$51,300.00
0002	ADA Accessible Transits (Upfitted) SWB 130" Wagon	EA	1	$39,500.00 8550 GVWR Spec was 9000 GVWR minimum
0003	ADA Accessible Transits (Upfitted) LWB Extended Body 148" Wagon	EA	1	$56,350.00
0004	ADA Accessible Transits (Upfitted) 150 Medium Roof Wagon 130" Wagon	EA	1	$39,500.00 8550 GVWR Spec was 9000 GVWR minimum
0005	ADA Accessible Transits (Upfitted) 350 Medium Roof 148" Wagon	EA	1	$51,300.00
0006	ADA Accessible Transits (Upfitted) 350 Extended High Roof 148" Wagon	EA	1	$56,350.00
0007	ADA Accessible For Transits (Upfitted) with an Optional Minimum Turbo v6 Alternative Engine	EA	1	$52,900.00
0008	Training Costs IAW 4.43 Provide	1	LOT	N/A

	detailed costs separately			
0009	**Six (6) Sets of Van Chassis OEM Manuals IAW 4.44.2**	**1**	**LOT**	**N/A**
0010	**One Time Purchase of tools (if applicable**	**1**	**SET**	**N/A**
0011	**Extended Warranty**			**$3,325.00**
0012	**Custom Parts Books and Wiring Diagram**			**Not-Separately Priced**
0013	**Six (6) Complete Sets of Specific Custom Manuals**			**Not-Separately Priced**
0014	**One (1) Standard Repair Time Manual**			**Not-Separately Priced**
0015	**Option Quantities – Of any of the line items 0016-0022**	**EA**	**NTE 36**	**Chassis year change fee=$1,200 Not until July 2018**
0016	**ADA Accessible Transits (Upfitted)**			**$51,300.00**
0017	**ADA Accessible Transits (Upfitted) SWB Cargo**	**EA**		**N/A due to FMVSS 226 standard**
0018	**ADA Accessible Transits (Upfitted) LWB Extended Body Cargo**	**EA**		**N/A due to FMVSS 226 standard**
0019	**ADA Accessible Transits (Upfitted) 150 Medium Roof Cargo**	**EA**		**N/A due to FMVSS 226 standard**
0020	**ADA Accessible Transits (Upfitted) 350 Medium Roof**	**EA**		**N/A due to FMVSS 226 standard**

0021	**ADA Accessible Transits (Upfitted) 350 Extended High Roof Cargo**	**EA**		**N/A due to FMVSS 226 standard**
0022	**ADA Accessible For Transits (Upfitted) with an Optional Minimum Turbo v6 Alternative Engine**	**EA**		**$57,850.00**

All prices are to be in United States dollars

669 West 200 South
Salt Lake City, UT 84101

Utah Transit Authority

MEETING MEMO

Board of Trustees **Date:** 6/23/2021

TO: Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Todd Mills, Director of Supply Chain
PRESENTER(S): Todd Mills, Director of Supply Chain

TITLE:

Pre-Procurements

- **Mt. Ogden Business Unit Expansion**
- **Tooele Bus Facility Renovation**
- **Applicant Tracking Software**
- **Investment Management Services**
- **Bus Stop Digital Real-Time Sign Construction and Installation**

AGENDA ITEM TYPE:	Pre-Procurement
RECOMMENDATION:	Informational Report for discussion
BACKGROUND:	Utah's Public Transit District Act requires all contracts valued at $200,000 or greater be approved by the UTA Board of Trustees. This informational report or upcoming procurements allows Trustees to be informed and provide input on upcoming procurement projects. Following the bid solicitation and contract negotiation process, final contracts for these projects will come before the board for approval.
DISCUSSION:	The following projects, services, or products have an approved requisition by the Executive Director and are ready for bid solicitation: • ***Mt. Ogden Business Unit Expansion***. This is a procurement to establish a contract with a firm for the expansion construction of the Mt. Ogden Business Unit. As a result of the Ogden-WSU BRT project the Mount Ogden BU Facility will need to be expanded to handle an additional 11 buses and have infrastructure added to charge the new electric buses. This project will add 4 additional maintenance bays to the existing maintenance building, 1 electric bus charger in the building, 4 electric bus chargers under the bus canopies, an overhead crane, and two bus lifts. This will be paid for as a part of the Ogden-WSU BRT project budget which is funded by FTA at 65% through a Small Starts Grant. This procurement will be conducted as an RFP, where technical criteria will be evaluated and scored in

	addition to price. (Janelle Robertson) • ***Tooele Bus Facility renovation***. This procurement is to contract with a firm for renovation of the Tooele Bus facility. Renovation will include new siding, widening bay doors, windows, interior lighting, exterior lighting, roof repair, landscaping, and remove and replace existing driveways and parking lot asphalt. Construction is set to begin in the fall and expected to be completed in spring of 2022. Funding for the project will be provided through a UDOT Rural Area grant and UTA 20% matching funds. This procurement will be conducted as an RFP, where technical criteria will be evaluated and scored in addition to price. (Brandon Heath) • ***Applicant Tracking Software***. This is a Sole Source procurement with Jobvite to provide applicant tracking and recruitment software. UTA performed a competitive procurement in 2019 and selected Jobvite as the vendor. A sole source request was submitted to, and approved by, the Sole Source Review Board based on the implementation costs UTA will avoid by maintaining a contract with Jobvite for 3 more years. UTA has spent the last 2 years integrating Jobvite with its systems such as JDE, Laserfiche and others. In addition to providing applicant tracking, it also operates as a Candidate Relationship Management (CRM) tool. Some of the important talent acquisition strategies UTA will deploy in the coming months/years will require a robust CRM in order to attract talent. Funding for this software was included in the approved 2021 Operating Budget. (Greg Gerber) • ***Investment Management Services***. This is a procurement to contract with a firm to provide Investment Management Services for the agency. UTA is seeking a firm to assist in managing its' investment portfolio to maximize investment returns with acceptable levels of investment risk and duration, while complying with the Utah Money Management Act and UTA's investment policy. We are seeking a contract term of 10 years to allow the firm the ability to invest in longer term investments at a greater rate of return. This procurement will be conducted as an RFP, where technical criteria will be evaluated and scored in addition to price. (Emily Diaz) • ***Bus Stop Digital Real-Time Sign Construction and Installation.*** This procurement is to establish a contract with a firm for the construction and installation of 23 bus stop real-time information signs. In 2013, UTA applied for and was awarded a WFRC CMAQ grant for the purchase and installation of a real time information system for our bus system. These grant funds, along with UTA's local match, will be used for this procurement. The electronic signs were purchased through a separate contract, and this contract will cover the construction and installation of the signs. This procurement will be conducted as an RFP, where technical criteria will be evaluated and scored in addition to price. (G.J. LaBonty)
ATTACHMENTS:	None

669 West 200 South
Salt Lake City, UT 84101

Utah Transit Authority

MEETING MEMO

Board of Trustees **Date:** 6/23/2021

TO: Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: William Greene, Chief Financial Officer
PRESENTER(S): Kensey Kunkel, Manager Business Dev. & Sales

TITLE:

Fare Contract: Ed Pass Agreement Modification No. 1 (Salt Lake Community College)

AGENDA ITEM TYPE:	Service or Fare Approval
RECOMMENDATION:	Approve the Modification to the Salt Lake Community College Ed Pass Agreement
BACKGROUND:	UTA and the Salt Lake Community College ("SLCC") are in the third year of their three (3) year Ed Pass Agreement. The value of the contract is $1,056,000 ($352,000/year) for 27,000 authorized users. SLCC provides a premium transit pass to all students, faculty and staff attending their institution. Each pass is valid fare valid on all UTA services except for Paratransit, Park City, and Ski Services. The current contract will expire on July 21, 2021. This agreement was originally approved under resolution R2018-06-07. On October 21, 2020, the UTA Board of Trustees approved resolution R2020-10-02 Adopting the Fare Rates and Types of Fare Media of the Agency. The Board's actions to adopt this resolution rescinded the reduced fare agreements adopted in resolution R2018-06-07, including Education Pass Agreements.
DISCUSSION:	As both UTA and SLCC recover from the pandemic and in the spirit of partnership, staff recommends that the SLCC Ed Pass Contract be extended for one additional year. The updated contract term will be August 1, 2018 through July 31, 2022. All other terms of the contract will remain the same including the authorized users and base purchase price of 27,000 and $352,000, respectively.
CONTRACT SUMMARY:	
Contractor Name:	Salt Lake Community College
Contract Number:	18-2682AB-1
Base Contract Effective Dates:	August 1, 2018 through July 31, 2021

Extended Contract Dates:	August 1, 2021 through July 31, 2022
Existing Contract Value:	$1,056,000
Amendment Amount:	$352,000
New/Total Amount Contract Value:	$1,408,000
Procurement Method:	NA
Funding Sources:	NA
ALTERNATIVES:	1. Not approve the amendment and renegotiate a new contract price and term 2. Not approve the amendment and forgo revenue
FISCAL IMPACT:	$352,000 in revenue This revenue was anticipated in the adopted 2021 Budget.
ATTACHMENTS:	1) Modification 1 2) Original Contract

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Modification No. 1
to
SALT LAKE COMMUNITY COLLEGE
ED PASS AGREEMENT

This agreement is Modification No. 1 to the Ed Pass Agreement entered on August 1, 2018, by and between **Salt Lake Community College**, a body politic and corporate of the State of Utah ("**SLCC**") and **Utah Transit Authority**, a public transit district organized under the laws of the State of Utah ("**UTA**"). The effective date of this Modification No. 1 shall be August 1, 2021.

For good and valuable consideration, SLCC and UTA agree as follows:

Purpose: The purpose of this agreement is to document a modification to that certain Ed Pass Agreement between SLCC and UTA entered as of August 1, 2018 (UTA Contract No.18-2682AB). The Parties desire to extend the Ed Pass Agreement for one additional year through July 31, 2022.

Background: The term of the initial Ed Pass Agreement commenced on August 1, 2018 and is due to expire on July 31, 2021. The Ed Pass Agreement allows up to 27,00 Authorized Users (students, staff, & faculty) to use their SLCC campus ID's as valid fare media under the terms of the Agreement (section 2.5). SLCC shall pay UTA the amount of $352,000 ("Base Price") under the current billing terms laid out in section 2.6.

The Parties now desire to extend the Ed Pass Agreement for one additional year through July 31, 2022.

Summary of Adjustment: The Parties hereby extend the Ed Pass Agreement that is set to expire on July 31, 2021 for one additional year to cover the 2021 & 2022 academic calendar year. This one-year extension will begin on August 1, 2021 and expire on July 31, 2022. Authorized Users and Base Price will hold at the current 27,000 users and $352,000, respectively.

Miscellaneous: All capitalized terms used and not otherwise defined in this Modification have the meanings ascribed to them in the Agreement. This Modification shall not be deemed to amend or modify the Agreement in any manner except as specifically provided herein. This Modification may be executed in two or more counterparts through the exchange of electronic (e.g., pdf) or facsimile signatures, each of which will be an original and, together, will constitute one and the same agreement. A signed copy of this Modification delivered by email, facsimile, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Modification .

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IN WITNESS WHEREOF, the parties have executed this Modification No. 1 as of the effective date shown above.

SALT LAKE COMMUNITY COLLEGE

By:_____ Date:_____

Name:_____

Title:_____

UTAH TRANSIT AUTHORITY

By:_____ Date:_____
Name:
Title:

By:_____ Date:_____
Name:
Title:

Approved as to Form:

DocuSigned by:
Mike Bell
7E32A41BBA4F6...
Michael Bell
Assistant Attorney General
Counsel for UTA

UTA Contract No. 18-2682AB

EDUCATION PASS AGREEMENT

This Education Pass Agreement (this "Agreement") is made effective the 1st day of August, 2018(the "Effective Date") by and between **Salt Lake Community College**, a body politic and corporate of the State of Utah (hereinafter referred to as the "Sponsor") and **UTAH TRANSIT AUTHORITY**, a public transit district ("UTA").

RECITALS

A. UTA is a public transit district providing public transit services within the State of Utah;

B. Sponsor is an institution of education with students, faculty and employees who are commonly located at one or more campus facilities within the public transit district;

C. Both the Sponsor and UTA recognize the benefits of public transit for individuals, businesses and the community for reducing congestion, improving the quality of air and the environment and limiting the amount of real property set aside or dedicated to motor vehicle uses and parking in urban locations;

D. UTA has implemented an "Education Pass Program" or transit pass program whereby an institution of education agrees to purchase from UTA transit passes on an annual basis for every eligible student, faculty member or employee at rates discounted from the price of the UTA annual transit passes as more specifically provided herein; and

E. Sponsor desires to participate in the Education Pass Program pursuant to the terms and conditions set forth in this Agreement.

NOW THEREFORE, Sponsor and UTA hereby covenant and agree to be bound by the terms and conditions set forth in this Agreement, including Exhibits "A," "B", "C", and "D" attached hereto and made a part of this Agreement by this reference.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth herein.

SALT LAKE COMMUNITY COLLEGE

By: _____ 4/11/18

Chuck Lepper
Vice President for Student Affairs

UTAH TRANSIT AUTHORITY

By: _____

Jerry Benson
President/CEO

By: _____

Michol Bourdeaux
Vice President of External Affairs

Approved as to Form:

_____

UTA Legal Counsel

EXHIBIT "A"
GENERAL TERMS AND CONDITIONS OF ED PASS AGREEMENT

SECTION I: DEFINITIONS

1.1 The term "Base Purchase Price" means the price for each Contract Year in accordance with the terms of this Agreement, exclusive of any Fuel Surcharge fee that may be imposed by UTA or that may be due and owing.

1.2 The term "Authorized User" means Sponsor's current faculty, staff, and students.

1.3 The term "Contract Year" means the term of August 1 through July 31 of any school year during the Term of this Agreement.

1.4 The terms "Pass" or "Passes" means an electronic fare identification card issued by Sponsor in compliance with this Agreement that is electronically activated and authorized to be used as fare media for UTA transit services in accordance with UTA's EFC Rules and meets UTA's Card Data Format Specifications.

1.5 The term "EFC Rules" shall mean UTA's EFC Rules established by UTA governing the electronic activation and deactivation of an Education Pass found at http://www.rideuta.com/uploads/EFCCardholderRules_2013.pdf and http://www.rideuta.com/uploads/EFCAdministrationRules_3102014.pdf as of the date of Sponsor's signature, including any addenda referenced therein.

1.6 The term "Fuel Surcharge" or "Fuel Surcharge Fee" means the fee intended to supplement the Base Purchase Price that is assessed no more frequently than quarterly. The Fuel Surcharge is calculated by multiplying the Sponsor's Base Purchase Price by the effective percentage value, as set forth in Column 3, "Eco Contract Quarterly Surcharge" of Exhibit "C," Fuel Surcharge Indicator Matrix. The Fuel Surcharge Matrix assigns a percentage value based upon the measurement of the average U.S. Department of Energy: On-Highway Diesel Prices by Week (Rocky Mountain PADD) during the calendar quarter, to be effective thirty (30) days after the close of quarter. By way of example, the average U.S. Department of Energy: On-Highway Diesel Prices measured in 3Q calendar quarter (July 1 through September 30) will determine the Fuel Surcharge, if any, to be effective thirty (30) days after on or about November 1.

1.7 The term "Local Transit Routes" means regular fixed route bus, MAX, Streetcar light rail, and TRAX light rail routes operated by UTA that offer standard public transit service making frequent stops along designated streets, highways and/or TRAX/Streetcar stations and Fast buses. Ski service routes, Premium Express Routes, FrontRunner commuter rail routes, and special service routes including ADA Paratransit and Flextrans service are not included in the definition of Local Transit Routes.

1.8 The term "Premium Express Routes" means regular fixed route bus, express bus, MAX bus rapid transit, Streetcar light rail, and TRAX light rail and FrontRunner commuter rail routes operated by UTA. Ski service routes, the Park City to Salt Lake City Connect service, and special service routes, including ADA Paratransit and Flextrans service, are not included in the definition of Premium Express Routes.

1.9 The term "Sponsor" means the educational institution defined as Sponsor on the initial page of this Agreement.

SECTION II: TERMS AND CONDITIONS

2.1 Issuance of Passes.

2.1.1 UTA agrees to provide to Sponsor, and Sponsor agrees to purchase in accordance with Paragraph 2.7, and make Passes available to every Authorized User of Sponsor. The number of Passes provided under this Agreement shall not exceed 27,000. In the event the number of Authorized Users increases more than 10%, the parties agree to renegotiate the financial terms of this contract.

2.1.2 Sponsor shall be solely responsible for issuing a Pass to an Authorized User in accordance with the EFC Rules

2.2 Restrictions on Sponsor Charges to Authorized Users. Sponsor shall not charge Authorized Users a fee for a Pass.

2.3 Term of Passes/Passes Recognized as Transit Fare.

2.3.1 So long as this Agreement has not been terminated in accordance with Paragraph 2.11, each Pass issued in accordance with the EFC Rules and used in accordance with the terms of this Agreement and the EFC Rules shall be recognized as full fare for Local Transit Routes and Premium Express Routes, so long as the user of the Pass is eligible under the terms of this Agreement to remain an Authorized User.

2.3.2 Passes are non-transferable. An Authorized User is required to show valid picture identification in the event he or she is requested to do so by an authorized UTA employee.

2.3.2 Sponsor acknowledges that use of a Pass by an Authorized User is subject to UTA's EFC Rules. Sponsor further acknowledges that it is responsible for ensuring that Authorized Users are made aware of UTA's EFC Rules and the fact that Passes are not transferable, including but not limited to the requirement that all Authorized Users are required to "tap-on" and "tap-off" at designated readers when riding UTA services.

2.4 Term of Agreement. The term of this Agreement shall be from the Effective Date to July 31, 2021.

2.5 Restriction on Use of Passes; Sponsor's Control of Issued Passes.

2.5.1 Sponsor shall not furnish, provide, assign, resell or otherwise transfer Passes to any persons or entities that are not Authorized Users under this Agreement. Sponsor agrees to furnish to UTA a current roster showing the names of all Authorized Users who have been issued a Pass by Sponsor upon request of UTA at any time during the term of this Agreement. At all times during the term of this Agreement, Sponsor must be able, upon request of UTA, to account for each Pass issued to Sponsor under this Agreement. The obligation under the preceding sentence shall include: (a) Sponsor maintaining a record identifying each Pass issued by Sponsor to its Authorized Users; (b) Sponsor being able to produce for inspection, upon request during regular business hours, any Passes purchased by Sponsor which have not been issued to Authorized Users; and (c) Sponsor being able to identify any Passes identified as lost or stolen for which replacement Passes have been issued. UTA maintains the right, upon reasonable notice, to inspect during regular business hours all such records maintained by Sponsor at all times during the term of this Agreement and for a period of one year after the expiration or termination of this Agreement. UTA shall only use the information discovered under this paragraph to audit the use of Passes and not for any other purpose.

2.5.2 Sponsor agrees to implement and comply with UTA's EFC Rules in the enabling and disabling of its Passes.

2.6 Authorized Users/Base Purchase Price. The number of Authorized Users for this Agreement shall not exceed 27,000. No later than November 1st of each Contract Year during the term of this Agreement, Sponsor shall provide to UTA the actual number of Authorized Users for the following Contract Year. In the event the number of Authorized Users increases more than 10%, the parties agree to renegotiate the financial terms of this contract.

2.7 Payment for Passes.

2.7.1 In consideration of the obligations each party has assumed under the terms of this Agreement, Sponsor shall pay to UTA the applicable Base Purchase Price amount for each Contract Year. The Base Purchase Price shall be due in two (2) equal installments, totaling the Base Purchase Price, the first installment due on October 1 and the second installment due on April 1 of each Contract Year.

2.7.2 Sponsor shall pay to UTA a Fuel Surcharge, which may be assessed by UTA no more frequently than quarterly, in accordance with the schedules contained in Exhibit "B" and "C". The Fuel Surcharge is calculated by multiplying the Sponsor's Base Purchase Price by the effective percentage value, as set forth in Column 3, "Ed Contract Quarterly Surcharge," of Exhibit "C," Fuel Surcharge Indicator Matrix. UTA shall use good faith efforts to give Sponsor forty-five (45) days' notice prior to the implementation of or change to any Fuel Surcharge. Fuel Surcharges are due on the dates indicated in Fuel Surcharge Payment Schedule identified in Exhibit "B."

2.7.3 Sponsor elects to provide the electronic card media approved by UTA.

2.7.4 UTA may charge and Sponsor shall pay a one percent (1%) late fee on balances due under this Agreement which remain unpaid within thirty (30) days from the due date indicated in Paragraph 2.7 and the Fuel Surcharge Payment Schedule identified in Exhibit "B."

2.8 Form of Pass/Issuance of Pass. Each Pass shall be in the form of a unique electronic micro-chip imbedded in an electronic identification card printed by either UTA or Sponsor. Each Pass shall be individually numbered. Sponsor agrees to: 1) comply with UTA's EFC Rules; and 2) train staff with Pass issuance or administration responsibilities on UTA's EFC Rules.

2.9 Confiscation of Passes and Unauthorized Use of Passes. UTA has the right to confiscate a Pass at any time (without notice to the Sponsor) from any person who UTA reasonably believes is not an Authorized User. UTA has the right to confiscate any Pass that UTA reasonably believes has been duplicated or altered. UTA reserves the right to pursue claims or demands against, or seek prosecution of, any person who duplicates, alters or uses the Pass in any unauthorized way. UTA shall not pursue any claims or suits against the Sponsor for any unauthorized use of the Pass, unless: (a) the unauthorized use results from counterfeiting a Pass and the Sponsor had actual or constructive knowledge of such action and Sponsor failed to report such action to UTA within twenty-four (24) hours; (b) the Sponsor falsely certified to UTA the name of a person who is not an Authorized User of Sponsor; or (c) the unauthorized use resulted from Sponsor's gross negligence or willful misconduct. UTA shall have the right to confiscate any and all Passes if UTA believes that the information provided has been falsified by the Sponsor or its authorized representatives, or a Pass has been given knowingly by the Sponsor or its authorized representatives to non-eligible persons.

2.10 Indemnification. Each party hereby agrees to be responsible and assume liability for its own negligent or wrongful acts or omissions or those of its officers, agents or employees to the full extent required by law. Both parties are subject to the provisions of the Utah Governmental Immunity Act. Neither party waives any legal defenses or benefits available to them under applicable law, and both agree to cooperate in good faith in resolving any disputes that may arise under this Agreement. Subject to the Utah Governmental Immunity Act

and up to the limitations of liability set forth therein, each party (the "Indemnifying Party") agrees to indemnify and hold the other party harmless from any liability, damage, expense, cause of action, suit, claim, judgment, or other action to the extent arising from the negligence of the Indemnifying Party or its officers, agents or employees in connection with Indemnifying Party's participation in this Agreement.

2.11 Termination. This Agreement shall continue in full force and effect during the term of this Agreement unless it is terminated earlier by either party pursuant to the provisions of this Agreement. Each party may terminate this Agreement in its sole discretion by giving the other party written notice of termination at least ninety (90) days prior to the termination date. In the event that either party terminates the Agreement prior to the end of the term of this Agreement, UTA shall prorate the Base Purchase Price to the termination date. Any portion of the Base Purchase Price paid by Sponsor in excess of the prorated Base Purchase Price will be refunded by UTA to the Sponsor. Sponsor agrees to pay UTA the amount of any prorated Base Purchase Price. UTA agrees to refund to the Sponsor the prorated remaining value of each Pass (as calculated using the Contract Price as identified in Exhibit "B.") No portion of any Fuel Surcharge payment will be refunded. No portion of any electronic card media costs will be refunded. Sponsor shall be responsible for all services used prior to termination.

2.12 Pre-Authorization. As part of this Agreement, Sponsor shall complete and return to UTA, a Pass Program Configuration Form, upon which Sponsor shall identify various features of this Agreement it desires to offer Authorized Users. The Pass Program Configuration Form is attached hereto as Exhibit "D" and is incorporated herein by reference. Sponsor hereby ratifies the elections contained in the Pass Program Configuration Form and agrees to be bound thereby. All capitalized terms used in the Pass Program Configuration Form shall have the same meaning when referenced in this Agreement.

2.13 Reconciliation. Sponsor shall cooperate with and permit UTA to examine (upon reasonable notice and during regular business hours) the unissued Passes distributed to Sponsor and reconcile all records and accounts pertaining to this Agreement on a monthly basis. UTA shall not maintain any personally identifiable information of Sponsor's Authorized Users. As such, UTA shall not disclose any personally identifiable information, with respect to any Authorized User, to any third parties, except as required by law; provided that, in the event any such disclosure becomes so necessary, UTA shall provide Sponsor with reasonable advance notice thereof.

2.14 Third Party Interests. No person not a party to this Agreement shall have any rights or entitlements of any nature under it.

2.15 Non-Discrimination. The parties agree that they shall not exclude any individual from participation in or deny any individual the benefits of this Agreement, on the basis of race, color, national origin, religion, sex, age, or disability in accordance with the requirements of 49 U.S.C. 5332.

2.16 Entire Agreement. This Agreement contains the entire agreement between the parties hereto for the Term stated and cannot be modified except by written agreement signed by both parties. Neither party shall be bound by any oral agreement or special arrangements contrary to or in addition to the terms and condition as stated herein.

2.17 Costs and Attorney's Fees. If either party pursues legal action to enforce any covenant of this Agreement, the parties agree that all costs and expenses of the prevailing party incident to such legal action, including reasonable attorneys' fees and court costs shall be paid by the non-prevailing party.

2.18 Waiver. The waiver by either party of any of the covenants as contained in this Agreement shall not be deemed a waiver of such party's rights to enforce the same or any other covenant herein, and the rights and remedies of the parties hereunder shall be in addition to, and not in lieu of, any right or remedy as provided by law.

2.19 Authority. The individuals who execute this Agreement represent and warrant they are duly authorized to execute this Agreement on behalf of UTA and Sponsor, as the case may be, that the Parties named are the necessary and property parties and that no other signature, act or authorization is necessary to bind such entity to the provisions to this Agreement.

2.20 Counterparts. This Agreement may be executed in one or more counterparts, each of which, when so executed, will be deemed to be an original. Such counterparts will together constitute and be one and the same instrument. This Agreement may be delivered by electronic transmission.

2.21 Governing Law. This Agreement and all transactions contemplated hereunder and/or evidenced hereby shall be governed by and construed under and enforced in accordance with the laws of the State of Utah without giving effect to any choice of law or conflict of law rules or provisions.

2.22 Notices. Except as otherwise indicated, notices to be given hereunder shall be sufficient if given in writing in person or by personal delivery, U.S. mail, or electronic mail. All notices shall be addressed to the respective party at its address shown below.

If to:

UTA
Amanda Burton
Grants and Contracts Administrator
669 West 200 South
Salt Lake City, UT 84101
Tel: (801) 287-3320
E-mail: aburton @rideuta.com

If to Sponsor:

Chuck Lepper
4600 South Redwood Road
Salt Lake City, Utah 84123
Tel: (801) 957-7522
E-mail: dave.raiford@slcc.edu

Either party may change the address at which such party desires to receive written notice by giving written notice of such change to the 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.

EXHIBIT "B"

BASE PURCHASE PRICE
For Salt Lake Community College
Year 2018-2021

Year	Contract Price
2018-2019	**$352,000**
2019-2020	**$352,000**
2020-2021	**$352,000**

Fare Recognition Level:

☐ **Local**

☑ **Premium**

Fuel Surcharge Payment Schedule

Quarter of Fuel Price Measurement	Dates of Fuel Price Measurement	Quarterly DOE Diesel Price	Fuel Surcharge Level	Amount	Effective Date
1Q	01/01 – 03/31	To be determined	To be determined	To be determined	May 1
2Q	04/01 - 06/30	To be determined	To be determined	To be determined*	August 1
3Q	07/01 - 09/30	To be determined	To be determined	To be determined*	November 1
4Q	10/01 - 12/31	To be determined	To be determined	To be determined*	February 1

* Actual amount determined in accordance with Fuel Surcharge Indicator Matrix, attached hereto as Exhibit "C".

** Actual amount of Fuel Surcharge, if any, shall be prorated so as to cover any months outside of the contract term only, if the Agreement is not renewed by the parties.

Exhibit "C"

ED PASS AGREEMENT
FUEL SURCHARGE INDICATOR MATRIX

DOE Diesel/Gallon	Contract Surcharge	Contract Quarterly Surcharge
Less than $4.00	0%	0%
$4.00-4.99	10%	2.5%
$5.00-$5.99	20%	5.0%
$6.00-$6.99	30%	7.5%
$7.00-$7.99	40%	10.0%
$8.00-$8.99	50%	12.5%
$9.00-$9.99	60%	15.0%
$10.00-$10.99	70%	17.5%
$11.00-$11.99	80%	20.0%

Notes:

1. The quarterly DOE Diesel/Gallon is determined by averaging all of the average weekly prices of diesel fuel during the quarter using the U.S. Department of Energy On-Highway Diesel prices by Week (Rocky Mountain PADD).

Exhibit "D"

PASS PROGRAM CONFIGURATION FORM

A1 Authorized UTA Services

- ☐ Basic: Regular Bus, Max bus rapid transit, TRAX Light Rail and Streetcar Light Rail (individuals can upgrade to FrontRunner and Express Bus separately)
- X Premium: Basic services plus FrontRunner and Express Bus
- ☐ Park City SLC Connect
- ☐ Ski Service

Passes are not valid on UTA's special service routes including, but not limited to, ADA Paratransit and Flextrans service.

A2(a) Form of Passes

- ☐ UTA-Printed Passes: Requires completion of Section A2b, Table 1 "Initial Pass Order" below.
- X Sponsor-Printed Passes

A2(b) Initial Pass Order Quantity

UTA-Printed Pass Product Electronic Fare Card	Quantity (Total Authorized User Count)
Ed Pass	27,000

A3 Sponsor's Administrative Personnel

Sponsor designates the following as authorized administrators under this Agreement to be responsible for setting up logins for UTA web interface purposes.

First & Last Name	Title	Email Address
DAVID RAFFORD	MGR CAMPUS CARD SVS	DAVE.RAFFORD@SLCC.EDU
SANDRA THOMPSON	SPECIALIST CAMPUS CARD SVS	SANDRA.THOMPSON@SLCC.EDU

A4 Form of Payment

- ☐ Checks. Checks should be made payable to UTA and mailed to the following address: Utah Transit Authority, Accounts Receivable, 669 West 200 South, Salt Lake City, Utah 84101.
- ☐ ACH
- ☐ Wire Transfer

ACH/Wire Transfer Instructions

Bank:	Zions National Bank, N.A.
Bank Address:	One South Main Street Salt Lake City, UT 84113
Routing #:	124000054
SWIFT Code:	ZFNBUS5
Account #:	002198166
Account Name:	Utah Transit Authority
Account Type:	Checking
UTA Contact:	Troy Bingham, Comptroller (801) 287-2380 tbingham@rideuta.com
Bank Contact:	Kaye Raby, VP Treasury Management (801) 844-8124 Kaye.Raby@zionsbank.com

Please include a reference to your contract # in the comments of your transaction.
Email tbingham@rideuta.com on the day of the transfer with the amount of the transfer.

669 West 200 South
Salt Lake City, UT 84101

Utah Transit Authority

MEETING MEMO

Board of Trustees **Date:** 6/23/2021

TO: Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: William Greene, Chief Finance Officer
PRESENTER(S): Monica Morton, Fares Director
Kensey Kunkel, Manger Business Development & Sales

TITLE:

Sponsored Fare Agreement: Trip Reduction Program/Free-Fare Days (Division of Air Quality)

AGENDA ITEM TYPE:	Service or Fare Approval
RECOMMENDATION:	Approve and authorize the Executive Director to execute a contract with the Division of Air Quality ("the Division") in the amount of $492,000.
BACKGROUND:	In January 2020, House Bill 353, Reduction of Single Occupancy Vehicle Trips Pilot Program, was approved by the Utah Legislature. The bill created a pilot program by offering free fares for public transit during select bad air days. With the Board of Trustee's approval, UTA partnered with the Division to fund free-fare days with funds appropriated in HB353. Per contract 19-F0078 between UTA and the Division, the maximum amount of funding available for reimbursement from the Division to UTA is $492,000. On January 13, 2021, the UTA Board of Trustees approved Amendment 1 (20-F0179) to the agreement with the Division of Air Quality which lowered the amount billable per day to be $25,000 and removed UTA Ski Service from available services under this agreement. UTA has not implemented any free fare days under this agreement to date. Both UTA and the Division desire to rescind the previous agreement and amendment. The parties will enter into a single contract for Free-Fare Days, replacing the previous agreement and amendment, with a revised contract as described below.

DISCUSSION:	Upon approval of this contract, UTA will work with the Division and provide free-fare days to specified riders on designated bad air days. The program will cover an 8-month period from July 1, 2021 through February 28, 2022. Previously, the contract only allowed free fare days to take place on weekdays in January and February. The updated contract will allow free-fare days to take place any day of the year during the contract term, if it is feasible for UTA to implement them. Additionally, the amount billable per day will be increased from $25,000 to $82,000 with a maximum allowable total reimbursement of $492,000 from the Division to UTA. Funding received will only be used to cover forgone fare revenue. Any administrative or operating costs incurred by this program will be absorbed by UTA. Services The UTA services offered will include FrontRunner, TRAX, local bus, Express bus, streetcar, Park City Connect Service, Ski and paratransit. Communication and Promotion UTA will work with the Division and other partners to communicate free-fare rides through promotional announcements and social media postings. Data UTA will administer a rider survey on free-fare days to identify how riders arrived at their first destination. UTA will work with the Division and provide ridership data so the Division can assess the air quality impacts of the free-fare ride program.
CONTRACT SUMMARY:	
Contractor Name:	Division of Air Quality
Contract Number:	21-F0199
Base Contract Effective Dates:	July 1, 2021 through February 28, 2022
Extended Contract Dates:	NA
Existing Contract Value:	NA
Amendment Amount:	NA
New/Total Amount Contract Value:	$492,000
Procurement Method:	NA
Funding Sources:	NA
ALTERNATIVES:	Not providing Free Fare Days could result in higher motor vehicle emissions' contributing to inversion and in not being compliant with House Bill 353.
FISCAL IMPACT:	$492,000.00 in revenue reimbursement.
ATTACHMENTS:	1) Contract

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TRIP REDUCTION AGREEMENT
between
The Utah Department of Environmental Quality,
Division of Air Quality
and
The Utah Transit Authority

WHEREAS, pursuant to Title 19, Chapter 1, Section 105 of the Utah Code, the Utah Department of Environmental Quality, Division of Air Quality (the "Division") administers the Air Conservation Act within the State of Utah;

WHEREAS, pursuant to Utah Code § 19-2-101, the purpose of the Air Conservation Act is to achieve and maintain levels of air quality which will protect human health and safety;

WHEREAS, daily, the Division analyzes atmospheric and meteorological data to forecast a three-day Health and Action Forecast in various counties throughout the State, including to forecast "mandatory action days;"

WHEREAS, during the 2019 General Session, the Utah State Legislature ("Legislature") enacted the Reduction of Single Occupancy Vehicle Trips Pilot Program, Utah Code §19-2a-104, and instructed the Division to administer a Trip Reduction Program ("Program");

WHEREAS, also during the 2019 General Session, the Legislature appropriated funds to the Division to implement the Program to fund, promote, and analyze free public transportation fares on certain days (referrered to as "free fare days") to encourage alternative transportation on days expected to be mandatory action days during fiscal years 2021 and 2022;

WHEREAS, the Utah Transit Authority (the "Authority"), created under the laws of the State of Utah, provide public transportation services in the State of Utah;

WHEREAS, the Legislature intended portions of its 2019 appropriation for the Program to be pass through funding[1] to the Authority to fund free fare days;

WHEREAS, pursuant to Utah Code §§ 19-2a-104 and 63J-1-220(2), the Division and the Authority, voluntarily enter into *Trip Reduction Agreement between the Utah Department of Environmental Quality, Division of Air Quality and the Utah Transit Authority*, ("2020 Agreement"), effective January 30, 2020, for the purpose of promoting, implementing and analyzing alternative transportation by funding, in part, free fare days on the Authority's public transportation services;

NOW, THEREFORE, the Utah Division of Air Quality and the Utah Transit Authority (collectively the "Parties") agree to to rescind the 2020 Agreement in its entirety and replace it with this Agreement as follows:

[1] As defined in Utah Code § 63J-1-220(1)(b)(i).

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1. The Legislature appropriated monies to the Division to implement the Program to:

   1.1. Fund free fare days on the Authority's public transportation system: Local Bus, Express Bus, TRAX, Streetcar, FrontRunner, Paratransit, Ski Bus, PC-Salt Lake Connect Bus and Microtransit Services;

   1.2. Analyze the impact of free fare days on air quality.

2. Accordingly, the Division may reimburse the Authority up to $492,000 of pass through funding (hereinafter referred to as "Funds") to fund free fare days during probable mandatory action days as described in paragraph 6 below.

3. Pursuant to Utah Code § 63J-1-220, the Authority shall be the recipient entity to receive pass through funding as reimbursement of fares not collected on free fare days funded by this Agreement.

4. The Authority may only be reimbursed for fare revenue not collected on a free fare day.

Designation of Free Fare Days

5. The Division will post its three-day Health and Action Forecast on its "3 Day Forecast" website at https://air.utah.gov/forecast.php?id=slc.

6. The Authority shall select each free fare day as follows:

   6.1. Free fare days may occur anytime after the effective date of this Agreement through June 30, 2022.

   6.2. Subject to the restrictions in paragraph 6.8, the Authority may implement an unlimited number of free fare days under the Program so long as the total amount reimbursed by this Agreement does not exceed $492,000.

   6.3. The Authority may select a "possible" free fare day or days based on the Division's Daily Action and Health Forecast analysis for Salt Lake County published on the Division's "3 Day Forecast" website. Within twenty-four hours of its initial identification of a possible free fare day, the Authority shall notify the following of its initial selection: (1) the Division's lead forecaster, Kimberly Kreykes, or an individual identified by the Division by email, and (2) Glade Sowards, or an individual identified by the Division by email.

   6.4. Following notification to the Division, the Authority may proceed with each selected free fare day if the Division confirmed to the Authority that:

      6.4.1. The selected dates are likely to be mandatory action days; and
      6.4.2. the Authority's survey questions are adequate to allow the Division to analyze the impacts of free fares on air quality.

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6.5. The Division will analyze the air quality data and the ridership data collected by the Authority pursuant to paragraph 10 to determine the impact of free fares on the air quality.

Promotion of Free Fare Days

7. The Authority and the Division shall timely promote free fare days, funded under this Agreement, through tools such as press releases and social media postings.

8. Each party shall provide copies of press releases to the other party at the time of the initial press release.

Data Collection

9. For each free fare day partially funded under this Agreement, the Authority shall survey a representative portion of the free fare day ridership as described in Attachment 1, Scope of Work.

10. On before the selection of a possible free fare day as designated in paragraph 6.6, the Authority shall coordinate with the Division to develop survey questions to ensure that the Authority collects suffient data to allow the analysis of the impacts of free fare days on air quality

Reinbursement of Lost Fare

11. The Division shall reimburse the Authority for each free fare day that is confirmed by the Division in accordance with Paragraph 6 as follows:

11.1. For calendar year 2021, the Division shall reimburse the Authority foregone fare revenue in an amount not to exceed $82,000 per free fare day.

11.2. For calendar year 2022, the Division shall reimburse the Authority foregone fare revenue in an amount not to exceed $82,000 per free fare day.

11.3. The Authority shall calculate the average daily foregone fare revenues specified in paragraphs 11.1 and 11.2 using daily revenue data from the most up to date and most recent two-month period preceeding the month of the specific free fare day in which the Authority seeks reimbursement.

11.4. Foregone fare revenue, is defined as an estimate of fares not collected based on data from the following revenue categories: Contracts, Farebox, FAREPAY, Paratransit, Ticket Vending Machine, Microtransit, and Mobile Ticketing. The Authority shall use the following assumptions to calculate the average weekday and/or weekend day foregone fare revenue:

11.4.1. All Pass Sales and Vanpool revenue is excluded;

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11.4.2. For Contracts revenue, all revenue except pay-per-trip and daily contract amounts are excluded;

11.4.3. For Paratransit, a daily rate of $4,500 may be included;

11.5. Based upon the foregone fare revenue calculation in paragraph 11.3, the Division Director may separately authorize in writing a reimbursement amount in excess of the maximum amounts allowed in paragraphs 11.1 or 11.2 so long as the total amount reimbursed under this Agreement does not excced $492,000.

12. To be reimbursed for uncollected fares on each free fare day, the Authority shall submit an invoice to the Division that specifies:

12.1. This Agreement number;

12.2. The date of each free fare day;

12.3. Documentation demonstrating how the Authority calculated the average weekday and/or weekend day forgone revenue; and

12.4. If applicable, the Division Director's written authorization to exceed the maximum amount specified in paragraphs 11.1 and 11.2.

13. Within thirty (30) days after a correct invoice is received, the Division will remit the reimbursement to the Authority by mail or electronic funds transfer.

14. The Division reserves the right to request an additional report accounting for lost fare calculations. If requested, the Authority shall submit the additional report within fifteen (15) calendar days of the request.

15. The Division's disbursement of pass through money does not constitute a waiver of any kind, shall not be deemed an endorsement of the services, and is without prejudice to any and all claims that the Division or the State of Utah may pursue against the Authority.

General Provisions

16. DEFINITIONS: The following terms shall have the meanings set forth below:

16.1. "Confidential Information" means information that is deemed as confidential under applicable state and federal laws, including personal information. The Division reserves the right to identify, during and after this Agreement, additional reasonable types of categories of information that must be kept confidential under federal and state laws.

16.2. "The Authority" means the the Utah Transit Authority as the entity to receive funding pursuant to the terms of this Agreement. The Authority as used in this Agreement shall

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include the Authority's agents, board members, officers, employees, and partners.

16.3. "State of Utah" means the State of Utah, in its entirety, including its institutions, agencies, departments, authorities, instrumentalities, boards, commissions, elected or appointed officers, employees, agents, and authorized volunteers.

17. GOVERNING LAW AND VENUE: This Agreement shall be governed by the laws, rules, and regulations of the State of Utah. Any action or proceeding arising from this Agreement shall be brought in a court of competent jurisdiction in the State of Utah. Venue shall be in Salt Lake City, in the Third Judicial District Court for Salt Lake County.

18. LAWS AND REGULATIONS: At all times during this Agreement, the Authority shall comply with all applicable federal and state constitutions, laws, rules, codes, orders, and regulations, including applicable licensure and certification requirements.

19. EMPLOYMENT PRACTICES: The Authority agrees to abide by the following employment laws: (i) Titles VI and VII of the Civil Rights Act of 1964 (42 U.S.C. 2000e) which prohibits discrimination against any employee or applicant for employment, or any applicant or recipient of services, on the basis of race, religion, color, or national origin; (ii) Executive Order No. 11246, as amended, which prohibits discrimination on the basis of race, color, religion, sex, sexual orientation, gender identity, or national origin; (iii) 45 C.F.R. § 90 which prohibits discrimination on the basis of age; (iv) Section 504 of the Rehabilitation Act of 1973, or the Americans with Disabilities Act of 1990, which prohibits discrimination on the basis of disabilities; and (v) the State of Utah Executive Order No. 2006-0012, dated December 13, 2006, which prohibits unlawful harassment in the work place. The Authority further agrees to abide by any other laws, regulations, or orders that prohibit discrimination of any kind by any of the Authority's employee who implement free fare days under this Agreement.

20. RECORDS ADMINISTRATION: The Authority shall maintain all records specified in this Agreement. These records shall be retained by the Authority for at least six (6) years after final reimbursement, or until all audits initiated within the six (6) years have been completed, whichever is later. The Authority agrees to allow, at no additional cost, State of Utah auditors, federal auditors or any firm identified by the Division, access to all such records.

21. INDEPENDENT CAPACITY: The Authority shall act in an independent capacity and not as officers or employees or agents of the Division or the State of Utah, other than the Authority.

22. INDEMNITY: The Utah Department of Environmental Quality (the "Department"), the Division, and the Authority are governmental entities as defined in the Utah Governmental Immunity Act (Utah Code § 63G-7-101 et. seq.). Nothing in this Agreement shall be construed as a waiver by the Department, the Division, or the Authority of any rights, limits, protections, or defenses provided by the Act. Nor shall this Agreement be construed as a waiver of any governmental immunity to which a party to this Agreement is otherwise entitled. Each Party is responsible for its own actions or negligence and will defend against any claims or lawsuit brought against it. There are no indemnity obligations between these Parties.

23. TERMINATION: This Agreement may be terminated, with cause by the Division, upon

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written notice. The Authority will be given ten (10) days after written notification to correct and cease the violations, after which this Agreement may be terminated for cause immediately and subject to the remedies below. The Authority may terminate this Agreement in writing at any time.

24. NONAPPROPRIATION OF FUNDS, REDUCTION OF FUNDS, OR CHANGES IN LAW: Upon thirty (30) days written notice delivered to the Authority, this Agreementmay be terminated in whole or in part at the sole discretion of the Division if the Division reasonably determines that: (i) a change in State legislation or applicable laws materially affects the ability of either Party to perform under the terms of this Agreement; or (ii) that a change in available funds affects the Division's ability to pay under this Agreement. Agreement change of available funds as used in this paragraph includes, but is not limited to, a change in State funding, whether as a result of a legislative act or by order of the Governor.

25. PUBLIC INFORMATION: The Authority agrees that this Agreement and related documents, including invoices, ridership surveys and lost fare analyses, shall be public documents and may be available for public and private distribution in accordance with State of Utah, Government Records Access and Management Act ("GRAMA"). The Authority gives the Division and the State of Utah express permission to make copies of this Agreement and related documents in accordance with GRAMA. The Division is not obligated to inform the Authority of any GRAMA requests for disclosure of this Agreement or related documents.

26. ASSIGNMENT: The Authority may not assign, sell, transfer or delegate any right or obligation under this Agreement, in whole or in part.

27. REMEDIES: Any of the following events will constitute cause for the Division to declare the Authority in default of this Agreement: (i) the Authority's non-performance of its contractual requirements and obligations under this Agreement; or (ii) the Authority's material breach of any term or condition of this Agreement. The Division may issue a written notice of default providing a ten (10) day period in which the Authority will have an opportunity to cure. Time allowed for cure will not diminish or eliminate the Authority's liability for damages. If the default remains after the Authority has been provided the opportunity to cure, the Division may do one or more of the following: (i) exercise any remedy provided by law or equity; (ii) terminate this Agreement or (iii) demand a full refund of any payment that the Division has made to Authority under this Agreement.

28. FORCE MAJEURE: Neither the Division nor the Authority will be held responsible for delay or default caused by fire, riot, act of God, and/or war which is beyond that Party's reasonable control.

29. CONFIDENTIALITY: The Authority shall be responsible for any breach of this duty of confidentiality, including any required remedies and/or notifications under applicable law. The Authority shall indemnify, hold harmless, and defend the Division, including anyone for whom the Division is liable, from claims related to a breach of this duty of confidentiality, including any notification requirements, by the Authority or anyone for whom the Authority is liable.

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30. WAIVER: A waiver of any right, power, or privilege shall not be construed as a waiver of any subsequent right, power, or privilege.

31. PROCUREMENT ETHICS: The Authority understands that a person who is interested in any way in the receipt of a grant or financial assistance from the State of Utah is violating the law if the person gives or offers to give any compensation, gratuity, contribution, loan, reward, or any promise thereof to any person who participates in the award of the grant or assistance on behalf of the Division whether it is given for their own use or for the use or benefit of any other person or organization.

32. CHANGES IN SCOPE: This Agreement may be altered, modified or supplemented only by written amendment executed by the Parties and attached to the original signed copies of this Agreement.

33. ORDER OF PRECEDENCE: In the event of any conflict in the terms and conditions of this Agreement, the order of precedence shall be: (i) this Agreement, then, (ii) Attachment 1, Scope of Work.

34. SURVIVAL OF TERMS: Termination or expiration of this Agreementshall not extinguish or prejudice the Division's right to enforce this Agreement with respect to any default of this or of any of the following clauses, including: Governing Law and Venue, Laws and Regulations, Records Administration, Remedies, Dispute Resolution, Indemnity, Insurance.

35. SEVERABILITY: The invalidity or unenforceability of any provision, term, or condition of this Agreement shall not affect the validity or enforceability of any other provision, term, or condition of this Agreement, which shall remain in full force and effect.

36. ERRORS AND OMISSIONS: The Authority shall not take advantage of any errors and/or omissions in this Agreement. The Authority must promptly notify the Division of any errors and/or omissions that are discovered.

37. ENTIRE AGREEMENT: This Agreement constitutes the entire agreement between the Parties and supersedes any and all other prior and contemporaneous agreements and understandings between the Parties, whether oral or written.

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IN WITNESS WHEREOF, as evidenced by the signatures below, the Parties mutually agree to perform and execute this Agreement. This Agreement shall supercede the 2020 Agreement and shall take effect upon the signature date of the Department of Environmental Quality, Deputy Director.

UTAH TRANSIT AUTHORITY
669 W. 200 S.
Salt Lake City, Utah 84101

_____

By:

Date:

_____

By:

Date:

UTA Legal Counsel

DocuSigned by:
Mike Bell
70E33A415BA44F6...

Mike Bell

STATE OF UTAH
DEPARTMENT OF
ENVIRONMENTAL QUALITY
195 North 1950 West
Salt Lake City, Utah 84116

_____

By: Ty L. Howard
Deputy Director

Date:

669 West 200 South
Salt Lake City, UT 84101

Utah Transit Authority

MEETING MEMO

Board of Trustees **Date:** 6/23/2021

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

TITLE:

2021 Technical Budget Adjustment

AGENDA ITEM TYPE:	Discussion
RECOMMENDATION:	Approve the request for additional staffing (9.3 FTEs) to advance capital program delivery, improve asset management and control, implement audit recommendations, address workload issues in the Total Rewards program including compliance with federally mandated drug and alcohol regulations and staffing for the Rail Maintenance Apprenticeship Program.

BACKGROUND:	In 2019, in response to recommendations from FTA and auditors, UTA made significant strides to update its inventory management process including integrating asset management practices. Although significant progress was made in 2019, subsequent audits highlighted ongoing issues and the need to consolidate/centralize responsibility and oversight of asset/inventory management. This request creates an office responsible for inventorying, recording, planning, monitoring and reporting on UTA's 16,000 assets. The 2021 Utah Legislature approved over $326 million in capital investments in UTA's system. This package of investments including strategic double-tracking FrontRunner alignment will require additional environmental documentation and planning support. The influx of Stimulus funding and UTA's past and ongoing success in securing federal funding for capital projects has increased the volume and value of federal transactions and requires dedicated capital/grant accounting support. The occupational medicine and drug and alcohol programs are critical safety functions. UTA's wellness program has a proven track record of improving employee health and engagement, reducing costs, and increasing efficiency. There have been significant increases in the responsibilities and expectations for the Total Rewards program, including huge growth in the Leave of Absence program administration in the People Office without a commensurate increase in support. In the adopted 2021 Operating Budget, the Board of Trustees approved $250,000 for ongoing support for the development/delivery of the new Rail Maintenance Apprenticeship Programs. After internal review and an analysis of the best model for delivering this program, staff recommends hiring two staff to support the program.

DISCUSSION:	This technical budget adjustment includes three elements: 1. After the Board of Trustees adopted the 2021 budget and supporting 5-year capital plan, the Utah state legislature appropriated $324 million to UTA for capital improvements including strategic double tracking of rail segments for FrontRunner. This request would provide UTA resources to support project controls, environmental documentation and improve the asset management function that will allow UTA to ramp up delivery of the capital program (6 FTEs). These positions would be funded by a combination of utilizing contingency funding in the operating budget and charging to the capital program. 2021 Cost - $161,000 and 6 FTEs (assumes September 1, 2021 hire dates) 2. This request would fund a dedicated drug and alcohol program administrator (1 FTE) and a fractional increase in administrative support for the office (0.3 FTE). These additions will also help Total Rewards manage major workload increases experienced in the Leave of Absence program. Funded with operating contingencies in 2021. 2021 Cost - $31,000 and 1.3 FTEs (assumes September 1, 2021 hire dates) 3. Rail Maintenance Apprenticeship Programs. MOW Trainer : Training has been relying on existing bargaining unit staff to work on training development. This position will move that work into the training department, allowing MOW to use their staff for actual MOW assignments. Instructional Designer: Apprenticeship programs require initial development and ongoing updates to curriculum. This position is required to assist in development of the three new programs, along with ongoing updates as the programs are deployed. Both positions funded by reallocating existing contract service budget authority. 2021 Cost - $0 budget and 2.0 FTEs (assumes September 1, 2021 hire dates)
ALTERNATIVES:	The Board could choose to modify the requests. Each of these requests responds to needs identified by internal and external auditors, positions UTA to begin developing and implementing a capital program delivery plan in response to the 2021 Legislature's significant commitment to UTA or address workload issues in the People Office. Denying these requests would perpetuate practices that have been identified as problematic, could negatively impact service delivery and/or timely completion of state funded major capital investments.
FISCAL IMPACT:	See Attachment A
ATTACHMENTS:	1. Attachment A - Financial Detail

Technical Budget Adjustment Staffing
Attachment A

23-Jun-21

ASSET MANAGEMENT							
Position	**Office**	**Department**	**FTE**	**2021 Cost**	**2022 Cost**	**Funding Program**	**Information**
Capital Asset Controls Supervisor	Service Development	Capital Assets & Project Controls (Asset Mgmt)	1.0	$ 27,000	$ 110,000	Operating	Manages UTA's Asset Management Program. Responsible for program compliance and policy adherence. Develops training program and oversees inventory management and preventive maintenance planning and scheduling.
Capital Asset Accountant	Service Development	Capital Assets & Project Controls (Asset Mgmt)	0.0	$ -	$ -	Operating	Embed Asset Accountant in Asset Management organization (transfer from Finance/Accounting). Accountant would retain dotted line relationship to Accounting for Financial Reporting and account reconciliation.
Capital Asset Specialist	Service Development	Capital Assets & Project Controls (Asset Mgmt)	1.0	$ 13,000	$ 52,000	Operating	Support for asset management program including field testing, documentation and system support
ERP Administrator	Service Development	Capital Assets & Project Controls (Asset Mgmt)	1.0	$ 32,000	$ 127,000	Operating	Maintains UTA system of record for asset management JDE. Integrates PM activities with asset records. Creates reports and other tools to improve management of assets.
		Subtotal Asset Management Management	**3.0**	**$ 72,000**	**$ 289,000**		

STATE OF GOOD REPAIR							
Position	**Office**	**Department**	**FTE**	**2021 Cost**	**2022 Cost**	**Funding Program**	**Information**
SGR Supervisor	Service Development	Capital Assets & Project Controls (SGR)	1.0	$ 27,000	$ 110,000	Capital and Operating	Management of the overall SGR program including administration of the TAM Plan, coordination with departments, and focusing on integrating asset management with long-term planning.
		Subtotal State of Good Repair	**1.0**	**$ 27,000**	**$ 110,000**		

CAPITAL PROGRAM DELIVERY							
Position	**Office**	**Department**	**FTE**	**2021 Cost**	**2022 Cost**	**Funding Program**	**Information**
Environmental Specialist	Service Development	Capital Assets & Project Controls (Project Controls)	1.0	$ 31,000	$ 123,000	Capital	State funded additions to the UTA capital program include projects that will require additional environmental documentation/support. This position will augment existing staff and help UTA deliver on commitments to the state.
Capital/Grant Accountant	Service Development	Capital Assets & Project Controls (Project Controls)	1.0	$ 31,000	$ 123,000	Capital	Embeded Capital/Grant Accountant in Project Controls organization to improve capital invoice processing and perform grant accounting function including FTA financial reporting. Accountant would have a dotted line relationship to Accounting for Financial Reporting and account reconciliation.
		Subtotal Project Controls	**2.0**	**$ 62,000**	**$ 246,000**		

TOTAL REWARDS PROGRAM							
Position	**Office**	**Department**	**FTE**	**2021 Cost**	**2022 Cost**	**Funding Program**	**Information**
Program Administrator	People Office	Total Rewards	1.0	$ 25,000	$ 98,000	Operating	This request would fund a dedicated drug and alcohol program administrator (1 FTE).
Administrative Specialist	People Office	Total Rewards	0.3	$ 6,000	$ 23,000	Operating	Existing part time position would become full time and support the Total Rewards Office - a fractional increase in administrative support for the office (0.3 FTE).
		Subtotal Total Rewards	**1.3**	**$ 31,000**	**$ 121,000**		

RAIL APPRENTICE PROGRAM							
Position	**Office**	**Department**	**FTE**	**2021 Cost**	**2022 Cost**	**Funding Program**	**Information**
MOW Trainer	People Office	Talent Development	1.0	$ -	$ -	Operating	This position would support the program and conduct training for MOW
Instructional Designer	People Office	Talent Development	1.0	$ -	$ -	Operating	This position supports the Apprenticeship program with initial development and ongoing updates to curriculum. Will also assist in development of the three new programs, along with ongoing updates as the programs are deployed.
		Subtotal Rail Apprentice Program	**2.0**	**$ -**	**$ -**		

		2021 Cost	**2022 Cost**
Total Cost	**9.3**	**$ 192,000**	**$ 766,000**
Operating	**6.3**	**$ 103,000**	**$ 410,000**
Capital	**3.0**	**$ 89,000**	**$ 356,000**

669 West 200 South
Salt Lake City, UT 84101

Utah Transit Authority

MEETING MEMO

Board of Trustees **Date:** 6/23/2021

TO: Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Kimberly Shanklin, Chief People Officer
PRESENTER(S): Kimberly Shanklin, Chief People Officer

TITLE:

UTA Policy UTA.05.02 - Paid Time Off - Administrative Employees

AGENDA ITEM TYPE:	UTA Policy
RECOMMENDATION:	Approve UTA Policy UTA.05.02 - Paid Time Off - Administrative Employees as presented.
BACKGROUND:	UTA has previously addressed administrative paid time-off through three separate policies. The executive vacation benefit was also documented separately.
DISCUSSION:	A consolidated UTA policy on administrative paid time-off benefits is clearer for employees using the benefits and more efficient to administer. The proposed policy also clarifies pay scenarios when they interact with job protected leaves. The policy also includes an update to the executive vacation benefit that better aligns with the current accrual schedule updated in 2018.
ALTERNATIVES:	Continue with several policies regarding administrative paid time off, needlessly addressing each single benefit individually.
FISCAL IMPACT:	There is no fiscal impact with this policy.
ATTACHMENTS:	1. UTA Policy 05.02 Paid Time Off - Administrative Employees

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UTAH TRANSIT AUTHORITY POLICY

No. UTA.05.02

PAID TIME OFF - ADMINISTRATIVE EMPLOYEES

1) Purpose.
Utah Transit Authority offers several types of Paid Time Off for administrative employees, including Sick Leave, Vacation time, Floating Holidays, Holidays, Bereavement Leave, Court Attendance/Jury Duty Leave, Military and Parental Leave.

2) Definitions.
For purposes of this policy and the associated Standard Operating Procedures, the following terms shall have the definitions and meanings set forth below:

"Administrative Employee" means an employee who is not subject to the Collective Bargaining Agreement.

"Authority" means the Utah Transit Authority.

"Dependent" means a spouse, a child under 19, or other legal dependent as defined by Internal Revenue Code § 152.

"Exempt Employee" means an employee who is exempt from the overtime provisions of the Fair Labor Standards Act.

"Floating Holiday" means up to two days per payroll year, in addition to the nine Holidays recognized by UTA, for the employee's use.

"FML" means family medical leave as defined by the Family and Medical Leave Act (FMLA) of 1993.

"Full-Time Employee" means an employee who is regularly scheduled to work thirty (30) hours or more per week.

"Holiday" means one of the nine recognized Holidays listed in this policy.

"Incidental Illness" means an illness other than a serious illness as defined under the Family and Medical Leave Act of 1993.

"Introductory Period" means the first 90 calendar days of employment with Utah Transit Authority.

"Non-Exempt Employee" means an employee who is not exempt from the overtime provisions of the Fair Labor Standards Act.

"Other Medical Leave" means a leave of absence for an employee who does not qualify for FML for the employee's or dependent's illness as defined in this Policy.

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"Part-Time Employee" means an employee who is regularly scheduled to work less than thirty hours per week.

"Safety-Sensitive Job" means a job which includes one or more of the following duties:

a. operating a revenue service vehicle, including when not in revenue service.
b. operating a non-revenue service vehicle, when required to be operated by a holder of Commercial Driver's License.
c. controlling dispatch or movement of a revenue service vehicle; and
d. maintaining (including repairs, overhaul, and rebuilding) a Revenue Service Vehicle or equipment used in revenue service; and
e. carrying a firearm for security purposes.

"Serious Health Condition" means an illness, injury impairment, or physical or mental condition that involves an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job or prevents the qualifying family member from participating in school or other daily activities.

"Sick Leave" means an Administrative Employee time-off benefit for use in the event of an employee's or dependent's illness, injury, or medical appointment.

"Scheduled Sick Leave" means leave scheduled at least 48 hours in advance for an illness or injury of the employee or the employee's dependent.

"Vacation" means paid time accrued by the employee for their use.

3) Policy.

UTA provides various types of paid time-off for employee's absence from work for personal reasons. These leaves are detailed below:

A. Sick Leave.

1. Sick leave is provided for employees as insurance against loss of income when an employee is unable to perform assigned duties because of illness or injury. Sick Leave may be used for the employee's own, or their Dependent's, illness, injury, or medical appointment. Regular full- and part-time Administrative Employees who have completed their Introductory Period and have accrued Sick Leave may use sick leave. Employees using Sick Leave must directly notify their supervisor, providing as much notice as practicable.
2. Sick Leave is accrued at a rate of nine days per year (2.769 hours biweekly). Regular part-time Administrative Employees will accrue Sick Leave on a pro-rated basis based on the number of hours worked in each pay period.
3. All exempt-employees Sick Leave deductions will be charged against full day increments only in accordance with the Fair Labor Standards Act. No partial days will be deducted except as allowed under FMLA.
4. The Authority may request written medical certification of an illness or injury necessitating Sick Leave.
5. After five consecutive days of Sick Leave, employees must submit a medical note.

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6. While on FML, employees must use all available sick leave. Sick pay will not accrue during an unpaid leave of absence, while receiving worker's compensation, short- or long-term disability payments, or other insurance payments.

B. Vacation.

1. Accrued vacation time is provided to Regular full and part-time Administrative Employees. Employees who have completed their Introductory Period, have accrued Vacation time, and have received approval from their immediate supervisor may take Vacation. Employees who have an emergency need or pre-authorized reason to take vacation prior to the conclusion of the Introductory Period may seek prior approval with management.
2. Vacation time accrues according to an employee's date of hire and length of service with the Authority (except as outlined in section B.10):

Length of Service	Vacation Days Accrued
Date of Hire up to 3 years	13 days per year (104 hours)
3 up to 7 years	15 days per year (120 hours)
7 up to 9 years	17 days per year (136 hours)
9 up to 12 years	19 days per year (152 hours)
12 up to 16 years	21 days per year (168 hours)
16 up to 23 years	23 days per year (184 hours)
23 years or more	25 days per year (200 hours)

*The maximum accrual is 360 hours.

4. All exempt-employees vacation deductions will be charged against full day increments only in accordance with the Fair Labor Standards Act. No partial days will be deducted except as allowed under FMLA. All non-exempt employees vacation deductions must be used in one-hour increments.
5. Vacation pay is calculated based on using an employee's base rate of pay and is paid on regular paydays. Vacation pay is not considered hours worked for overtime calculation.
6. While on FML, employees must use available vacation after exhausting sick leave. However, employees may save 40 hours of vacation, provided they have not used 40 hours of vacation in the last rolling calendar year.
7. Vacation pay will not accrue during an unpaid leave of absence, while receiving worker's compensation, short- or long-term disability payments, or other insurance payments.
8. Employees who accrue 168 hours or more per year may elect to sell back up to 40 hours of vacation per year.
9. Providing an employee does not owe the Authority any money, an employee that terminates or retires from employment will be paid for all accrued, unused vacation time. The accrual amount paid cannot exceed 360 hours.
10. Executive Schedule: Board Trustees, the Executive Director, and department Chief Officers will receive an additional 7 days (56 hours) of allotted vacation days per year, not to exceed 30 days in total of vacation per year. This allotment will be deposited into the executive's vacation bank with the first paycheck of each year. Executives with a start date on or before July 1st will receive seven (7) allotted vacation days, an executive with a starts date after July 1st they will receive 3.5 allotted vacation days.

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C. Holidays. The following are paid Holidays:

New Year's Day	Labor Day
President's Day	Thanksgiving Day
Memorial Day	Day after Thanksgiving
Christmas Day	Independence Day
Two Floating Holidays	Pioneer Day

Full-Time Administrative Employees will be paid eight (8) hours pay at their regular hourly rate for the holiday. Regular Part-Time Administrative Employees who are regularly scheduled to work 20 hours a week or less will receive (4) hours of holiday pay. Regular Part-Time Administrative Employees who are regularly scheduled to work more than 20 hours per week will receive (5) hours of holiday pay. Temporary Part-Time Employees and Interns are not eligible for holiday pay.

When a holiday falls within an employee's scheduled vacation, the employee will receive Holiday pay rather than vacation pay for that day.

Employees must work their assigned shift on the last scheduled day before and the first scheduled day after the holiday, except when the employee is on vacation or using a Floating Holiday.

Employees who are requested to work on a holiday or have a business need to work will be paid as a normal day worked and in addition, will receive another day off with pay for holiday worked or will be paid for hours worked as approved by management. The day off in lieu of a holiday worked may be taken during the period 10 days prior to the holiday, but in no case later than 30 days after the holiday. Days off in lieu taken prior to the holiday will not be paid until the day has been worked. Full-time employees who work on a holiday and are unable to take a day off in lieu of the holiday must receive manager approval to receive both pay for hours worked and eight hours of holiday pay.

D. Floating Holidays. Eligible Full-Time and Part-Time Administrative Employees will be allowed two (2) Floating Holidays each payroll year. Full-Time Employees will receive two (2) eight-hour Floating Holidays, Part-Time Employees will receive two (2) four-hour Floating Holidays. Employees will choose the days they wish to use the Floating Holidays and provide at least twenty-four (24) hour notice. The use of a Floating Holiday will be subject to approval by the employee's supervisor. If the Floating Holidays are not used during the payroll year, they cannot be carried over into the next year. Eligible employees hired on or after January 1st but before July 1st will be entitled to two (2) Floating Holidays during the payroll year. Eligible employees with a start date on or after July 1st but before October 1st will be entitled to one (1) Floating Holiday during that payroll year. Eligible employees with a start date after October 1st will not be entitled to Floating Holidays during that payroll year.

E. Bereavement Leave.

1. Administrative Full- and Part- time employees may use Bereavement Leave associated with the death of an immediate family member without the loss of pay for a maximum of three (3) working days per instance of death.

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2. For the purposes of Bereavement Leave "immediate family member" means a spouse, child (including step and foster), parent (including step and in-law), grandparent, sibling (including step and in-law), grandchild, and a child's spouse.

F. Court Attendance Leave. Administrative Employees are entitled to paid leave when required by a subpoena or at the request of the Authority to provide testimony at a trial or deposition as to matters relating to their employment at the Authority. While on Court Attendance Leave, employees will be paid at their regular rate of pay, less any reimbursement received for such appearance.

G. Jury-Duty Leave. Full- and part-time Administrative Employees will be granted leave as needed to perform Jury-duty services in any municipal, county, state, or federal court, or before an administrative tribunal. Employees will be paid at their regular rate of pay, less any reimbursement received by the employee for Jury Duty service.

H. Military Leave. A Military Leave of Absence will be granted if an employee is absent to serve in the Uniformed Service of the United States for a period of up to five years (not including certain involuntary extensions of service).Employees will be reimbursed for the difference between the military rate of pay and their regular rate of pay up to a maximum period of six months each time the employee is called to active duty or required military training but no more than the actual number of days on active duty.

I. Parental Leave. Parental leave will be provided to Full-Time Administrative Employees who have completed 12 months of employment prior to the birth of a child or adoption of a child to care for and bond with a newborn or a newly adopted or newly placed child. Four (4) weeks of approved paid Parental Leave may be taken within the six-month period immediately following the birth, adoption, or placement of a child with the employee Parental Leave shall run concurrently with any Family and Medical Leave (FML) the employee has available.

J. Critical Incident Debriefing. Any employee who, while working, observes or is involved in an incident which involves serious injury or death will be required to go through critical incident debriefing. The employee will remain off work during the critical incident debriefing and will be paid at their regular rate of pay. Pay received for critical incident debriefing is not considered hours worked for overtime calculation.

K. Exceptions. Any exceptions or deviations from this policy require a written business case to be evaluated and approved by both the Chief People Officer as well as the department's Chief Officer. The Board of Trustees will be notified of the exception, along with a summary of the business case, within five business days of the exception decision. Exception or deviations applying to the Executive Director will be approved by the Board of Trustees.

L. Policy Review. This policy will be reviewed annually as required in Utah Code Section 17B-1-802.

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4) Cross-References.

- Corporate Policy 6.1.12 Leave of Absence
- Corporate Policy 6.7.1.2 Administrative Employee Work Week and Schedule
- Corporate Policy 6.5.4 Retirement
- Uniformed Services Employment and Reemployment Rights Act (USERRA) (38 U.S.C. 4301-4335)
- Review of personnel policies (UCA 17B-1-802)
- The Public District Transit Act (UCA 17B-2a-808.1)

This UTA Policy was reviewed by UTA's Chief Officers on March 3, 2021, consented by the Board of Trustees on _____ and approved by the Executive Director on _____. This policy takes effect on the latter date.

DocuSigned by:
Kim Shanklin
02F55EF55D2E4F4...
Kim Shanklin, Chief People Officer
Accountable Executive

_____
Carolyn M. Gonot
Executive Director

Approved as to form:

DocuSigned by:
Mike Bell
70E33A415BA44F6...
Counsel for the Authority

History

Date	Action	Owner
12/6/2005	Revised – 1.030 Sick Leave Policy	Chief People Officer
12/20/2005	Approved – Corporate Policy 6.7.74 Sick Leave Supersedes – 1.030 Sick Leave Policy	Chief People Officer
1/11/2007	Revised – Corporate Policy 6.7.74 Sick Leave	Chief People Officer
4/26/2011	Revised – Corporate Policy 6.7.7.4 Sick Leave – Administrative Employees	Chief People Officer
8/23/2011	Revised – Corporate Policy 6.7.7.4 Sick Leave – Administrative Employees	Chief People Officer
8/2/2016	Revised – Corporate Policy 6.7.7.4 Sick Leave – Administrative Employees	Chief People Officer
	Rescinded – Corporate Policy 6.7.7.2 Administrative Employee Holidays;	Chief People Officer

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	Corporate Policy 6.7.7.3 Vacation - Administrative Employees; Corporate Policy 6.7.7.4 Sick Leave - Administrative Employees	
	Consented by Board	
	Adopted – UTA Policy UTA.05.02 Paid Time Off – Administrative Employees	Chief People Officer

669 West 200 South
Salt Lake City, UT 84101

Utah Transit Authority

MEETING MEMO

Board of Trustees **Date:** 6/23/2021

TO: Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Nichol Bourdeaux, Chief Planning & Engagement Officer
PRESENTER(S): Eric Callison, Manager of Service Planning
Megan Waters, Community Engagement Manager

TITLE:

August 2021 Change Day

AGENDA ITEM TYPE:	Discussion
RECOMMENDATION:	Information report for discussion
BACKGROUND:	In April 2020, UTA implemented service reductions due to the Covid-19 pandemic. As ridership increases, UTA continues to propose service adjustments to address gaps created by the initial service reduction. UTA's microtransit pilot (UTA on Demand by Via) began in November 2019. The microtransit service has performed similarly to other modes and enjoyed broad support from riders and stakeholders both before and during the Covid-19 pandemic. UTA on Demand by Via is proposed to become a permanent service in August 2021. This change will increase coverage and accessibility throughout the microtransit service area; however, some adjustments are necessary to reduce duplicative service in the area. UTA proposes to leverage the resources made available by this change to increase coverage and improve connections in other areas of the transit system.
DISCUSSION:	UTA proposes the following major changes for August Change Day to reduce duplication with microtransit, expand coverage, and improve connections:

	• Replace routes F504, F518, 526, F534, F546, and F547 with UTA on Demand by Via service • Extend UTA on Demand service hours on weekdays and add Saturday service • Replace route 525 with routes F202 and F525 • Replace route 11 with increased service on route F11 • Replace route 232 with increased service on route F232 • Routing adjustments on routes F556, F570, and F578 • Increase service on route F514 UTA proposes the following additional changes for August Change Day to address gaps created by Covid-19 service reductions: • Resume service on route 606 • Resume seasonal service on route 667 • Optimize route 871 trip times to match FrontRunner; reduce trips overall due to low productivity • Provide additional weekday evening trips on all TRAX lines and the S-Line • Provide additional weekday peak-hour and evening trips, and additional Saturday evening trips on FrontRunner A public input process was conducted to collect comment from the community on these proposed major changes from April 28-May 28. The process included online information & comment opportunities, phone and email accessible commenting, a virtual public meeting, and in-person opportunities, including on-system events and information available at customer service.
ALTERNATIVES:	n/a

FISCAL IMPACT:

	2021 Cost	Annual Cost
FrontRunner Service	$513,000	$988,000
TRAX Service	$293,000	$1,074,000
Fixed Route Service	($70,000)	($155,000)
Flex Route Service	$45,000	$112,000
Microtransit Service	$367,000	$910,000
Net Agency Cost	$1,148,000	$2,929,000
Staffing Impact		
10 Train Hosts	5.0 FTE	
2 Operators	2.0 FTE	
Total	7.0 FTE	

ATTACHMENTS: None

669 West 200 South
Salt Lake City, UT 84101

Utah Transit Authority

MEETING MEMO

Board of Trustees **Date:** 6/23/2021

TO: Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Alisha Garrett, Chief Enterprise Strategy Officer
PRESENTER(S): Alisha Garrett, Chief Enterprise Strategy Officer
Carolyn Gonot, Executive Director

TITLE:

2021 Mid-Year Initiatives and Goals Update

AGENDA ITEM TYPE:	Report
RECOMMENDATION:	Informational report for discussion
BACKGROUND:	During the 2021 Budgeting Process, the Executive Team convened with the Board of Trustees to discuss our 2021 Executive Team Initiatives for the year that align with our three areas of focus: Service, People and Stewardship.
DISCUSSION:	Under each focus area of Service, People and Stewardship, the Executive Team chose two areas of emphasis for the initiatives which we inform the work. They are as follows: • Service: Innovate service with a focus on customer experience *and* Enhance core system performance. • People: Engage and develop our workforce *and* Connect and communicate with our community. • Stewardship: Maintain a state of good repair *and* Demonstrate fiscal responsibility. Given we are at the midpoint for 2021, the Executive Team will report out and share what progress has been made in each of these areas.
ATTACHMENTS:	1. 2021 Executive Mid-Year Initiatives Update

2021 Mid-Year Update
Executive Teams Initiatives

2021 Mid-Year Update:

24 Total Agency Initiatives:

- 6 initiatives completed/achieved
- 18 initiatives on track
- 6 initiatives in progress with slight delays
- 0 initiatives with significant delays or cancelled

2021 Draft Goals & Initiatives: Service

Innovate service with a focus on customer experience		Enhance core system performance	
●	Update UTA's Market Segmentation study to evaluate potential travel markets and recalibrate service as needed	Identify and enhance UTA essential service routes	●
●	Complete the Future of Light Rail Transit Study to help optimize operational efficiencies and accommodate future growth	Provide efficient and effective service focused on ridership, cost, reliability and minimizing service interruptions (KPI's)	●
●	Explore innovative technology solutions that meet customer travel needs with public and private partnerships	Ensure safe and secure system with emphasis on avoidable accidents and police presence (KPI's)	●
●	Develop strategy for investment in FrontRunner to improve reliability and frequency	Secure funding for fixed guideway improvements and studies	●
●	Complete feasibility study of a parallel downtown SLC TRAX alignment to improve system-wide operational reliability and support area revitalization	Navigate new normal (maintain situational awareness, monitor performance, and adjust as required)	●

● Complete ● On Track ● In Progress, Slight Delay ● Significant Delays, Cancelled

2021 Draft Goals & Initiatives: People

Engage and develop our workforce		Connect and communicate with our community	
🟡	Begin implementation of Rail Maintenance Apprenticeship programs	Redesign UTA Website for easier customer interface and enhanced customer experience	🟢
🟡	Improve communications methods for front-line employees, to include a redesign and relaunch of UTA's Intranet resource	Develop a comprehensive program to improve access to the transit network through community partnerships and strategic investments	🔵
🟢	Promote enhanced health and wellness programs to create better opportunities for participation and use of current services	Expanded participation and information sharing across the transit industry	🟢
🔵	Maintain a focus on open communications with employees and their representatives, to include gathering feedback through UTA's Annual Engagement Survey	Continue to build customer confidence around the safety and disinfecting of our vehicles and facilities	🟢
🟢	Review UTA's pension plan funding policy to ensure fund sustainability	Continue to develop a robust community engagement and public input process to encourage partnerships that strengthen agency relationships	🟢

🔵 Complete 🟢 On Track 🟡 In Progress, Slight Delay 🔴 Significant Delays, Cancelled

2021 Draft Goals & Initiatives: Stewardship

Maintain a state of good repair		Demonstrate fiscal responsibility	
●	Initiate an Asset Management Committee to ensure alignment between long range plans, state of good repair priorities, and financial forecast	Improve financial reporting processes including enhanced variance analysis and organizational engagement to better utilize data to drive action and inform decisions	●
●	Complete 2021 projects on-time and on-budget	Identify a secure fare collection system that includes an open payment process and allows for additional future technology flexibility	●
●	Develop SGR metrics to track budget needs, backlog, and completed projects	Develop new financial modeling tools to support development of short and long-term Operating and Capital financial plans, financial forecasting and scenario development	●
●	Design long-term strategy for implementing IT systems replacement in alignment with capital plan	Identify future funding sources associated with the 5-year capital plan	●
●	Finalize Commuter Rail replacement/rehab plan and develop long-term rail replacement strategy SD100 and SD160 light rail fleets	Develop a 10-year forecast of capital needs to improve safety and regulatory compliance, address SOGR, and implement system enhancements, expansion, and improvements	●

● Complete ● On Track ● In Progress, Slight Delay ● Significant Delays, Cancelled