



Legislation Details (With Text)

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Title: 2022 Capital Budget Amendment

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Attachments: 1. 2022-06-01_LAC Capital Budget Amendment_Exhibit A, 2. Presentation-2022 Capital Budget Amendment

Date	Ver.	Action By	Action	Result
6/1/2022	1	Local Advisory Council	presented	

TO: Local Advisory Council
THROUGH: Jay Fox, Executive Director
FROM: William Greene, Chief Financial Officer
PRESENTER(S): William Greene, Chief Financial Officer
Dan Hofer, Capital Assets and Project Controls Manager

TITLE:

2022 Capital Budget Amendment

AGENDA ITEM TYPE:

LAC - Consultation

RECOMMENDATION:

Consult on the proposed 2022 Capital Budget Amendment and provide advice to the Board of Trustees.

BACKGROUND:

In accordance with Board of Trustee Policy Number 2.1, Financial Management, the Board of Trustees may amend or supplement the budget at any time after its adoption. Consultation with the Local Advisory Council (LAC) is required prior to final Board action on a budget amendment. A proposed amendment to the Authority's 2022 Capital Budget is being presented today for discussion with the LAC.

Budget Amendment

This proposed \$4,211,000 amendment to the 2022 Capital Budget recognizes new Congestion Mitigation and Air Quality (CMAQ) funding awarded for the Utah County Bus Stop Improvements Project, adds three (3) new

projects to the capital program, and seeks to restore the Capital Contingency reserve to its original authorized level of \$5,000,000.

DISCUSSION:

MSP224- UTA ADA Bus Stop Improvements- Utah County

Adding a new project #1. This project is an existing 2021 project that was not funded in 2022. Subsequently, UTA was awarded CMAQ funding and would like to recognize new budget authority for construction activities in 2022. This request would restore this project to the 2022 Capital Plan and Budget and recognize the CMAQ funding that has been programmed for this project and the necessary match. CMAQ Funding amount is \$268,500 and UTA's match is \$19,500 for a total of \$288,000.

MSPXX1- Station Area Planning

Adding a new project #2. In an effort to catalyze real estate development around UTA stations, the Utah Legislature recently passed a bill (HB462) requiring every municipality with a fixed guideway transit station to complete a Station Area Plan (SAP) by 2026. As the principal organization in the state specializing in Station Area Planning, UTA has assured the Legislature, the Metropolitan Planning Organizations, and our city partners that the agency will meet this increased demand with additional technical assistance and expertise.

This budget request covers the cost of initiating that effort in 2022, either through consultants, contractors, additional UTA staff, or a combination of the three. The TOD group, in close coordination with UTA's Strategic Planning team, will determine how best to meet the legislative requirements to create development-focused plans that are responsive to the market realities surrounding transit stations.

The 2022 amount for this new project is \$120,000.

SGRXX1- Fiber Rehab and Replacement Project

Adding a new project #3. UTA has an opportunity to realize economies of scale and accelerate fiber technology throughout the system by advancing material purchases to this year. These fiber purchases will support substation rehabilitation and other fiber installation projects throughout the system next year. By advancing this purchase, installation and project completion will be expedited on projects sharing the fiber network.

This request will cover design and material costs with anticipated fiber delivery this year. The installation and construction costs are anticipated to occur next year. This construction acceleration will be addressed in the 2023-2027 5-year Capital Plan update later this year.

Materials currently have a six-month lead time. This cost for this project is \$750,000.

MSP999- Capital Contingency

During 2022, the contingency has been depleted from \$5 million to \$1.947 million to address funding gaps on several projects year to date. This request is to restore the Capital Contingency to the original authorized level of \$5 million dollars to address emerging needs, potential cost overruns and allow UTA to take advantage of

unanticipated opportunities to improve the system.

ALTERNATIVES:

The Advisory Council is encouraged to provide their feedback to the Board of Trustees on this budget amendment and any additional considerations that should be discussed.

FISCAL IMPACT:

The proposed amendment will impact UTA's 2022 budget by adding \$4,211,000 in budget authority. Funding will be provided as follows - \$268,500 would be from CMAQ funding (which will be recognized as revenue) and \$3,542,500 being added from UTA's fund balances. In addition, UTA received an additional \$400,000 in grant funding and private match earlier this year in support of Project MSP 268 that is being recognized in this update.

ATTACHMENTS:

Budget Amendment (Exhibit A)