



# Utah Transit Authority

## MEETING MEMO

669 West 200 South  
Salt Lake City, UT 84101

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**Board of Trustees**

**Date:** 10/13/2021

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**TO:** Board of Trustees  
**THROUGH:** Mary DeLoretto, Interim Executive Director  
**FROM:** William Greene, Chief Financial Officer  
**PRESENTER(S):** William Greene, CFO  
Brian Baker, Financial Advisor, Partner at Zion Capital Advisors

**TITLE:**

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**R2021-10-01 - Resolution Authorizing and Approving a Preliminary Official Statement and an Official Statement in Connection with the Issuance and Sale of the Authority's Sales Tax Revenue Refunding Bonds; and Related Matters**

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**AGENDA ITEM TYPE:**

Resolution

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**RECOMMENDATION:**

Approve resolution R2021-10-01 authorizing the Preliminary Official Statement (POS) and Official Statement in connection with the issuance and sale of the Authority's sales tax revenue refunding bonds

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**BACKGROUND:**

UTA issued bonds in 2015 to finance capital projects and refund previous bonds. These bonds represented the best rates at the time, but the market changes over time. The bonds being evaluated for possible refunding currently are the remaining 4.0%-5.0% Bonds of the 2015A Issues with principal payments of \$405.27 million starting in 2021 and going through 2037.

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**DISCUSSION:**

State statutes governing UTA's bond refunding require several steps. The initial discussions for this bond refunding started with the Board of Trustees at their August 25<sup>th</sup> meeting. The State Bonding Commission concurrence occurred at their September 13<sup>th</sup> meeting. The Local Advisory Council concurred with the refunding at their September 15<sup>th</sup> meeting. The Board started the issuance process at their September 22<sup>nd</sup> meeting by authorizing Resolution R2021-09-04 that set initial terms of the refunding and authorizing financial agents to carry out the process.

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Resolution R2021-10-01 now seeks the Board approval for the POS. The POS is not a contract to sale bonds, and does not officially set pricing of the bonds, but is a showcase of the Authority's financial strength to repay bonds stemming from this refunding. The items discussed in the POS document have a direct effect on what potential bond holders will decide is the appropriate rate to receive for the risk they are incurring.

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**ALTERNATIVES:**

Take no action at this time to refund the 2015A Bonds

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**FISCAL IMPACT:**

The refunding could have the following benefits: overall reduction in interest paid on bonds, and possibly restructuring on UTA current debt portfolio maximums in 2029 with a net present value savings of at least five percent.

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**ATTACHMENTS:**

R2021-10-01-Resolution Authorizing and Approving a Preliminary Official Statement and an Official Statement in Connection with the Issuance and Sale of the Authority's Sales Tax Revenue Refunding Bonds; and Related Matters