



Mort,

Congratulations on your recent assignment to lead President-Elect Obama's transportation transition team. We realize this is a very busy time for you and the rest of the transition team. We at the Utah Transit Authority (UTA) want to offer our help as the Obama Administration begins to set and establish policies regarding transportation infrastructure. We would like to meet with you in-person to discuss some of the ways Utah has made strides in implementing transportation improvements.

In this letter and in our meeting we want to share with you how:

- Strong local and federal support are essential for achieving success in transportation infrastructure improvements,
- Transportation policy and funding can have a significant impact on economic development and improved mobility for goods and people,
- Utah's experience in streamlining the project delivery process has saved limited taxpayer dollars and will deliver a better set of projects faster than previously performed by any other agency,
- Fuel prices and high transit ridership have demonstrated the need for increases in current capacity
- Technology will assist in making the nation's transit system more efficient and more user friendly

When we meet with you, we will answer any questions you have and share our experiences in Utah that we think will benefit the rest of the country.

Transit in Utah

In less than a decade, the Utah Transit Authority has gone from zero to 64-miles of rail with an additional 70-mile under construction for a total of 134-miles of rail transit. This monumental task has and will continue to provide lasting positive improvements to Utah's land use and air quality, not to mention the improved mobility for Wasatch Front residents.

As one of the most conservative urbanized states in the country, Utah is home to more than 2.6 million residents and is the third fastest growing state in the nation. More than 80 percent of the state's residents live within Utah's primary urbanized area, called the Wasatch Front. The Wasatch Front, with Salt Lake City located in the center, is geographically constrained by the Wasatch Mountains to the east and the Great Salt Lake to the west. This geography has produced a natural transportation corridor that spans 120 miles from north to south and ranges from two to fifteen miles wide, east to west.

Utah is enjoying a transit renaissance. From 1970 until 1998, Utah Transit Authority (UTA) was a small, single mode bus agency. In just the past ten years, UTA has built three light rail projects, a commuter rail line, and successfully supported the 2002



Olympic Games by carrying more than 4 million riders in 17 days. The 2002 Olympic Winter Games were widely hailed as one of the most successful Olympic transportation programs.

UTA provides multi-modal public transportation services over a 1,400 square mile area across six counties. Currently, services include over 700 buses, 450 vanpools, 20 miles of light rail and a newly opened 44-mile FrontRunner commuter rail line from Ogden to downtown Salt Lake City. Rapid growth in our system has come about by a combination of local and federal funds. UTA has approximately tripled its local revenues in the past 7 years through two locally approved referenda and has experienced an excellent partnership with the Federal Transit Administration (FTA). The most recent referendum provided 80 percent local funding for the addition of 70-miles of rail to bring Utah's total rail passenger service to 134-miles.

Strong Local and Federal Support

UTA has an experienced management group that has successfully built four New Starts rail projects ahead of schedule and under budget. Ridership on these lines has significantly exceeded projections and continues to increase; and since 1998, ridership on UTA's total system has increased more than 60 percent. This record of accomplishment has engendered a level of trust and confidence in the community and a desire to further expand and enhance transit services.

UTA attributes the success of its rapid transit expansion to a number of factors and lessons learned:

- **Unified stakeholder relationships** – UTA has excellent relationships with its metropolitan planning organizations, the Utah Department of Transportation, the business community, labor unions and the disabled community. This unified coalition has propelled Utah to having one of the greatest transportation investment programs in the nation.
- **Innovative oversight by the Board of Trustees** – UTA's visionary and mission-driven governance model allows the agency to be innovative in planning, procurement and project management.
- **Delivering cost effective projects under fiscal constraint** – UTA's four major capital rail projects have consistently been built as some of the lowest cost per mile in the country.
- **Early acquisition of Rights of Way (ROW) and transportation corridors** – In 2002, UTA purchased over 175 miles of ROW from Union Pacific Railroad. This historic agreement has allowed for the rapid expansion of UTA's rail program and has preserved valuable land corridors for future transit projects. Inter-Local Agreements (ILA) before construction to prevent cost overruns or unexpected impacts during construction. UTA has signed a master ILA with 43 cities, allowing for the rapid deployment of our rail program.
- **Co-locating contractors, consultants and the transit agency** – This technique has provided extreme efficiency and a unified sense of ownership in the project.
- **Using the right construction delivery method to fit the job** – UTA has used traditional design-bid-build, design-build, and construction manager/general



contractor project delivery and anticipates using a ‘construction alliance’ approach for future jobs.

In just the past ten years, UTA has successfully achieved four Full Funding Grant Agreements: North/South TRAX; University TRAX Line; Medical Center TRAX extension; FrontRunner North commuter rail. Our goal is to bring a major transit stop within a mile of 90 percent of residents along the Wasatch Front.

Suggested Rail System Objectives

Transportation Policy and Funding

Local leaders in Utah understand the need for increased investment in the state’s transportation infrastructure for improved mobility and economic development. This increase in mobility will allow Utah’s economy continued growth and sustainability. Local leaders support the need for increased transit services, envisioning a European model for land use and development around transit that will maintain and improve their communities’ excellent quality of life in a way that is environmentally sustainable.

In order to sustain our growth and a healthy economy, we must invest in transportation infrastructure. The Administration should consider a new National Transportation Policy, as most of the nation’s growth is occurring in urban areas and large regions. As the Interstate Highway System was designed to connect the nation’s cities, a new National Transportation Policy should be developed to maintain the health, vitality, and international competitiveness of this country.

Examine the longer-term viability of innovative financing techniques, including: public-private partnerships, federal loan guarantees, tax exempt/tax credit bonds, tolling and congestion pricing, value capture increment financing, and other mechanisms that consider changes in energy use and reduce state and regional carbon footprints.

Simplify the Project Development Process

The development of UTA’s light rail projects has required a great deal of time and effort navigating through the federal process, including alternatives and environmental analysis, engineering and design, a full funding grant agreement and beginning of construction. According to research by the New Starts Working Group, the average new starts project now takes nearly 10 years to achieve a Full Funding Grant Agreement.

UTA supports the simplification and streamlining recommendations of the current federal grant approval process to speed project delivery and reduce costs made by APTA. Project sponsors that have secured sufficient local and state monies, that seek to build multiple projects at the same time, and don’t intend to rely on New Starts monies for each project corridor should be encouraged to implement a “program of projects” approach. Localities that have built projects without New Starts funds should have those funds credited as “local match” towards a project that is funded through the New Starts program without having to seek special legislation. FTA’s role would shift to that of portfolio manager where it has executed a MOU or Project Development Agreement (PDA) with a project sponsor.



Simplify the Federal Process

Allow for the execution of a Project Development Agreement including specific time frames for project sponsor production of documents and FTA review and approval of project development components.

Allow local and private contributions to be considered in the New Starts rating process to stimulate local government and private financial contributions. Provide that for all federal new start projects, sponsors may credit the cost of simultaneous projects built with non-new start funds.

Streamline Project Delivery

UTA recently committed to complete a FrontLines 2015 program that will provide 70 more miles of rail in the next 7 seven years, including innovative contracting methods that reduce risk to the Federal government.

FTA oversight should be adjusted to the contracting approach undertaken by the project sponsor, e.g., a design-build contract that has been executed with fixed prices for project costs, or where the project sponsor agrees to execute a PDA. As well, FTA oversight must be balanced with the complexity of the project and the experience of the project sponsor: an experienced project sponsor should not be subject to the same frequency of reviews as a first time project sponsor or one with limited history of building complex infrastructure projects.

Based on our experience, as the Administration considers ways to improve and shorten the project delivery, we offer the following suggestions.

- Incentivize project sponsors who finish projects under budget and ahead of schedule.
- Encourage the use of alternative construction delivery programs such as design-build, construction manager/general contractor project delivery and alliancing.
- Eliminate FTA final design approval when design-build or variations of this innovative process are used.
- Make Letters of No Prejudice automatic when a Record of Decision is secured.
- Vary the level of risk assessment required based on the project delivery approach.
- Permit grantees more self-certification of routine program requirements.

Increase Current Capacity

After opening its initial rail lines, UTA urgently experienced the need to expand the system and increase capacity. This demand has been greatly enhanced by current fuel prices, increased congestion, air quality concerns, and heightened environmental awareness. A mechanism needs to be made available to assist with this crucial and growing demand for high quality transit. The current formula program (Section 5307) is unable to handle this core capacity market. As an example, UTA recently purchased used rail vehicles to augment our fleet to respond to the demand for additional service. This allowed UTA to quickly expand capacity in response to rider demand, while saving taxpayers tens of millions of dollars. Although these vehicles were 15 years old and



required a mid-life overhaul, they were ineligible for funding from FTA's Capital Investment program.

Maintain Current Infrastructure

The fixed guide way modernization program, as it is currently constituted, is heavily skewed towards the "Tier 1" systems, or older rail cities. UTA recognizes that these systems, which were built anywhere from 50-100 years ago, have significant maintenance needs. At the same time, the reality is that the transit world has changed dramatically since the rail mod program was first established many years ago. More and more rail systems have been built over the past decade or two, including ours, and rail is no longer confined to the "traditional" rail cities in the East and Midwest. All of these newer systems are beginning to face significant maintenance challenges as well. As such, we believe there is a case to be made that the rail mod program needs to be updated to reflect this new reality.

Technology

In order to remain competitive and to respond to market growth, technology must play an expanded role in transit design and operations. Available and emerging technologies play a critical role in providing greater operational efficiency, responding to adjusting and growing ridership, and supporting safety and security programs. Intelligent Transportation Systems such as electronic fare collection, passenger information, safety and security, pricing and marketing strategies, and management information are fundamental components to providing efficient and flexible transit service. Opportunities to fund these transit-inherent technologies should be identified.

We have learned from industry observation and extensive discussions with other agencies that although much investment has been undertaken by the Federal government regarding transit research and technology, and many benefits can be demonstrated, there remains difficulty for individual agencies, especially medium and small size properties, to apply the technology innovations to their specific circumstances. Some agencies have been successful in technology innovation and deployment, but are focused and dedicated to securing the benefit of such internally. We recommend that the FTA support institutional innovation to engender collaboration among agencies for projects of common interest; provide structure in methodology, documentation and evaluation so that results are easily and effectively transferable; and provide mechanisms and support for technology transfer acceptance, adaptation and adoption among other properties.

Sincerely,

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