Regular Meeting of the

Board of Trustees of the Utah Transit Authority

Wednesday, October 9, 2019, 9:00 a.m.
Utah Transit Authority Headquarters
669 West 200 South, Salt Lake City, Utah
Golden Spike Conference Rooms

1.	**Call to Order & Opening Remarks**	**Chair Carlton Christensen**
2.	**Pledge of Allegiance**	**Chair Carlton Christensen**
3.	**Safety First Minute**	**Sheldon Shaw**
4.	**Public Comment Period**	**Bob Biles**
5.	**Consent Agenda:** a. Approval of September 26, 2019 Budget Work Session Minutes b. Approval of October 2, 2019 Board Meeting Minutes	**Chair Carlton Christensen**
6.	**Agency Report**	**Carolyn Gonot**
7.	**R2019-10-02 Resolution Adopting the Authority's 2020-2024 Capital Plan**	**Mary DeLoretto**
8.	**R2019-10-03 Resolution Authorizing the Issuance and sale by the Authority of its Sales Tax Revenue and Refunding Bonds in the Aggregate Principal Amount of not to Exceed $540,000,000; and Related Matters**	**Bob Biles**
9.	**R2019-10-04 Resolution Approving a Fifth Amendment of the Authority's 2019 Budget**	**Bob Biles**
10.	**R2019-10-05 Resolution Authorizing Execution of Amendment 1 to the Interlocal Cooperation Agreement with Salt Lake County Regarding Matching Funds for TIGER Grant Projects**	**Mary DeLoretto**
11.	**Contracts, Disbursements and Grants** a. Contract: Consolidated Timekeeping and Scheduling (Kronos Incorporated)	Troy Bingham

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b.	Change Order: Purchase Order for Mobile Gateways (Sierra Wireless)	Dan Harmuth
c.	Pre-procurement: Future of Light Rail Study	Mary DeLoretto
d.	Grant: Workplace Electric Vehicle Charging (Department of Environmental Quality and Rocky Mountain Power)	Mary DeLoretto

12. Service and Fare Approvals — **Monica Morton**

a. Fare Parameters for South Salt Lake County Microtransit Pilot

13. Discussion Items

a. Committee on Accessible Transportation Charter — Cherissa Alldredge

14. Other Business — **Chair Carlton Christensen**

a. Next meeting: October 23, 2019 at 9:00 a.m.

15. Adjourn — **Chair Carlton Christensen**

Public Comment: Members of the public are invited to provide comment during the public comment period. Comment may be provided in person or online through www.rideuta.com. In order to be considerate of time and the agenda, comments are limited to 2 minutes per individual or 5 minutes for a designated spokesperson representing a group. Comments may also be sent via e-mail to boardoftrustees@rideuta.com. To be distributed to the Board of Trustees prior to the meeting or be included in the meeting minutes, online or email comments must be received by 2:00 p.m. the day before 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.

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If there is a train near, don't give in to fear, just remember that the trains cannot steer.



UTA
SAFETY & SECURITY

October 2019

Minutes of the Budget Work Session of the
Utah Transit Authority (UTA) Board of Trustees

held on Thursday, September 26, 2019, 11:30 a.m.–2:30 p.m.
Utah Transit Authority Headquarters
669 West 200 South, Salt Lake City, Utah
Golden Spike Conference Rooms

Board Members Present:
Carlton Christensen, Chair
Beth Holbrook
Kent Millington

Also attending were members of UTA staff.

Call to Order & Opening Remarks. Chair Christensen welcomed attendees and called the meeting to order at 11:45 a.m.

Safety First Minute. Chair Christensen yielded the floor to Lamount Worthy, Video Security Administrator, for a brief safety message.

Board of Trustees Office – 2020 Draft Budget Presentation and Discussion.

Board of Trustees. Annette Royle, UTA Director of Strategic Board Operations, provided an overview of the budget for the Office of the Board of Trustees including structure, expenses by division, full-time employees, key changes, initiatives, and challenges.

Internal Audit. Riana De Villiers, UTA Chief Internal Auditor, explained the responsibilities for the internal audit department. She also reviewed her full-time employees, key budget changes, initiatives, and challenges. The board asked if the software being considered is what the Utah Department of Transportation uses to which Ms. De Villiers responded.

Government Relations. Chair Christensen summarized the budget for the Government Relations department including structure, full-time employees, key budget changes, initiatives, and challenges.

Feedback Received from Local Advisory Council on September 25, 2019. Chair Christensen reviewed specific items the local advisory council discussed, questions they had, and the

feedback the councilmembers provided. The board requested future updates on refinancing with tax exempt bonds. They also asked if staff has researched the level of debt the agency has compared to other agencies of similar size and what UTA's debit service is as a percent of its total sales tax revenue.

2020 Draft Budget – Additional Considerations. Carolyn Gonot, UTA Executive Director, was joined by Bob Biles, UTA Chief Financial Officer, Mary DeLoretto, UTA Acting Chief Service Development Officer, and Eddy Cumins, UTA Chief Operating Officer.

Agency Reserves. Mr. Biles provided additional information about projected reserves, as well as expected composition and the use of unrestricted reserves. The board requested using another term for "unrestricted" in order to eliminate confusion from individuals outside the finance industry.

State of Good Repair Strategy. Mr. Cumins was joined by Dave Hancock, UTA Manager of Asset Management. Together they reviewed the funding process for UTA's state of good repair and advised on the level of necessary funding. Questions regarding whether proper funding levels were reflected only in the 2020 budget year, if there are any safety concerns, how equipment failure and the span of life impacts the budget, and how many grade crossings can be maintained in a year were posed by the board and answered by staff. The board agreed grade crossings need to be looked at in order to avoid safety issues.

Capital Budget Year-to-Year Continuity. Mr. Cumins informed the board that staff can order parts in advance and request delivery at a later date in order to plan projects appropriately. Mr. Biles confirmed advanced ordering is an acceptable practice as finance applies the expense to the year it is used. Ms. DeLoretto added the 5-year capital plan regularly follows this process.

Capital Offset Process. Mr. Biles explained the steps of the offset process and reported staff plans to put maintenance items in the operating budget to for accounting purposes. He noted staff is currently researching whether do so will have unintended consequences. The board asked if project costing expenses can be tracked and staff responded. The board then instructed Mr. Biles to continue pursuing avenues that make the most operational and functional sense.

Strategy for Future of Rail Ticket Vending Machine (TVM) Solutions. Mr. Biles reported funding for TVMs can be moved in the 5-year capital plan from bonding to leasing. The board asked about compliance and staff answered.

Recruitment Budget. Kim Ulibarri, UTA Chief People Officer, informed the board she feels the 2020 decentralized recruitment budget is workable but staff will prepare a different overall strategy for the 2021 budget. Questions regarding what may cause the 2020 budget to become problematic, what the total recruitment budget across UTA

currently is, and if a budget number for centralized recruiting was available were posed by the board and answered by staff.

Mr. Biles reviewed dates for the remaining budget process. The board asked what the statutory deadline is and Mr. Biles responded.

Adjournment. The meeting was adjourned at 12:59 p.m. by motion.

Transcribed by Angie Olsen
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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/560509.html for entire content.

This document along with the digital recording constitute the official minutes of this meeting.

Minutes of the Meeting
of the
Board of Trustees of the Utah Transit Authority (UTA)
held at UTA FrontLines Headquarters located at
669 West 200 South, Salt Lake City, Utah
October 2, 2019

UNAPPROVED

Board Members Present:
Carlton Christensen, Chair
Beth Holbrook
Kent Millington

Also attending were members of UTA staff, as well as interested citizens and members of the media.

Call to Order, Opening Remarks, and Pledge of Allegiance. Chair Christensen welcomed attendees and called the meeting to order at 9:00 a.m. Following Chair Christensen's opening remarks, the board and meeting attendees recited the Pledge of Allegiance.

Safety First Minute. Chair Christensen yielded the floor to Sheldon Shaw, UTA Acting Safety & Security Manager, for a brief safety message.

Public Comment Period. Public comment was given by Claudia Johnson. Ms. Johnson praised the recent schedule and route changes on the bus system, reporting positive feedback from people in her social network.

Consent Agenda. The consent agenda consisted of the following:

- Approval of September 25, 2019 Board Meeting Minutes
- Approval of September 16, 2019 Budget Work Session Meeting Minutes
- Approval of September 17, 2019 Budget Work Session Meeting Minutes
- Approval of September 20, 2019 Budget Work Session Meeting Minutes

A motion to approve the consent agenda was made by Trustee Millington and seconded by Trustee Holbrook. The motion carried unanimously.

Agency Report. Carolyn Gonot, UTA Executive Director, was joined by Dave Hancock, UTA Director of Asset Management. Ms. Gonot and Mr. Hancock recognized UTA employee Sumerset Ellis for being named to *Mass Transit Magazine's* "Top Forty Under Forty."

Ms. Gonot also provided a brief update on an investigation into the actions of a former UTA employee against whom charges of theft and other crimes were recently filed. She mentioned actions the agency is taking to assess gaps in its fare collections procedures as a result.

R2019-10-01 Resolution Supporting the Nomination to Reappoint Beth Holbrook to the Utah Association of Special Districts Board. Trustee Holbrook indicated the Utah Association of Special Districts (UASD) will be holding its annual meeting in November and has requested UTA's intent for its appointment/reappointment to the UASD board in the coming year be made by that meeting.

A motion to approve R2019-10-01 was made by Trustee Millington and seconded by Chair Christensen. The motion carried unanimously, with aye votes from Trustee Millington, Chair Christensen, and Trustee Holbrook.

Contracts, Disbursements, and Grants.

Contract: Hamblin Settlement Agreement (Hamblin). David Wilkins, Assistant Attorney General, provided an overview of the dispute with Hamblin Furniture and stated the agency has arrived at a mediated settlement with that entity in the amount of $452,260.

A motion to approve the contract was made by Trustee Holbrook and seconded by Trustee Millington. The motion carried unanimously.

Service and Fare Approvals.

Monica Morton, UTA Fares Director, was joined by Andrea Packer, UTA Communications Director, and Alma Haskell, UTA Grants Development Administrator.

Complimentary TRAX Service: Draper Chamber. Ms. Morton described the service, which will provide a special TRAX train for members of the Draper Chamber of Commerce from the Draper TRAX Station to the Midvale Rail Service Center for a tour of the facility and education about plans for future expansion. The estimated cost for the service is $118.

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A motion to approve the complimentary service was made by Trustee Millington and seconded by Trustee Holbrook. The motion carried unanimously.

Complimentary Buddy Pass: UTA Ridership Campaign. Ms. Morton explained the campaign, which would allow riders to invite a companion to ride with them at no charge on October 25 and 26. The estimated cost in forgone revenue for this initiative is $66,000. Discussion ensued. Questions on the timeline and TRAX lines involved in the promotion were posed by the board and answered by Ms. Packer.

A motion to approve the complimentary pass campaign was made by Trustee Holbrook and seconded by Trustee Millington. The motion carried unanimously.

Complimentary Van Service: Utah Chapter of American Planning Association. Ms. Morton described the complimentary service, which would provide vans and drivers to shuttle Utah Chapter of American Planning Association meeting attendees to and from tours. The estimated cost of the service is $1,206. Ms. Morton noted the service estimate was amended to omit transportation to the Sandy Expo and architecture tours, which would decrease the cost. Discussion ensued. A question on the date for the event was posed by the board and answered by Ms. Morton.

A motion to approve the complimentary service was made by Trustee Holbrook and seconded by Trustee Millington. The motion carried unanimously.

Other Business.

Next Meeting. The next meeting of the board will be on Wednesday, October 9, 2019 at 9:00 a.m.

Adjournment. The meeting was adjourned at 9:24 a.m. by motion.

Transcribed by Cathie Griffiths
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This document along with the digital recording constitute the official minutes of this meeting.

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MEMORANDUM TO THE BOARD

TO: Utah Transit Authority Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Mary DeLoretto, UTA Chief Service Development Officer
PRESENTER(S): Mary DeLoretto

BOARD MEETING DATE: October 9, 2019

SUBJECT:	**Agenda Number 7.** **R2019-10-02 Resolution Adopting the Authority's 2020-2024 Capital Plan**
AGENDA ITEM TYPE:	**Resolution**
DISCUSSION:	See attached resolution and capital plan.
ATTACHMENTS:	1) R2019-10-02 2) Exhibit A

RESOLUTION OF THE BOARD OF TRUSTEES OF THE UTAH TRANSIT AUTHORITY ADOPTING THE AUTHORITY'S 2020-2024 CAPITAL PLAN

R2019-10-02 October 9, 2019

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, Board Policy 2.1 – Financial Management requires the Executive Director to develop a five-year capital plan annually that is fiscally constrained, maintains all assets at a state of good repair, protects the Authority's capital investments and minimizes future maintenance and replacement costs; and

WHEREAS, the Authority has developed a Five-Year Capital Plan for the years 2020 through 2024 (the "Plan") which contains a prioritized list of planned capital projects, a description of the annual prioritization process, and projected funding on an annual, cumulative and project basis; and

WHEREAS, on September 25, 2019 the Local Advisory Council reviewed the Authority's proposed Plan and believed it is in the best interest of the Authority and all constituents to approve the 2020-2024 Capital Plan and to forward it to the Board of Trustees with a recommendation for approval; and

WHEREAS, certain capital projects require multi-year authorization to order long lead time parts, equipment or supplies, or to enter multi-year construction contracts; and

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

1. That the Board of Trustees hereby approves the Five-year Capital Budget Plan for the years 2020 through 2024, attached hereto as Exhibit A.

2. That the Authority's 2020 Tentative Budget will include the 2020 Capital Budget included in the Plan.

3. That the Board of Trustees hereby authorizes the Executive Director and her designee(s) to enter into contracts for multi-year contracts defined in Section 4.1 of the Plan.

4. That the corporate seal be attached hereto.

Approved and adopted this 2nd day of October 2019.

_____
Carlton Christensen,
Chair Board of Trustees

ATTEST:

_____
Robert K. Biles, Secretary/Treasurer

(Corporate Seal)

Approved As To Form:

_____
Legal Counsel

Exhibit A

2020-2024 Capital Plan

Utah Transit Authority Five-Year Capital Plan

2020-2024

Final - October 9, 2019

1 Introduction

1.1 Purpose of document

Utah Transit Authority Board of Trustees Policy No. 2.1 Financial Management, requires the Executive Director to develop a five-year capital plan and update it every year for inclusion in the annual budget process discussions and approvals. The plan must be fiscally constrained and maintain all assets at a state of good repair to protect the Authority's capital investments and minimize future maintenance and replacement costs. Five-year forecasts help mitigate challenges of applying a one-year budget to multi-year projects, and also helps in long-range budget planning.

1.2 Definition of Capital Projects

For the purpose of this document, capital projects include all construction, capital improvements, major equipment purchases and other special projects requiring one or more expenditures totaling $25,000 or more. This includes projects that are partially or fully funded by outside funding sources (e.g. grants, state funds, local partners, etc.). Other requests under $25,000 should be included in departmental operating budgets.

Examples of capital projects include:

- New construction (new transit infrastructure, facilities, buildings or major additions)
- Building repairs, renovations, demolition, or upgrades
- Major maintenance (capital renewal and deferred maintenance)
- Safety, ADA, or Legal Compliance construction projects
- Energy conservation improvements
- Grounds improvement
- Real Estate Acquisition or Leasing
- Vehicles
- HVAC/Reroofing Projects
- Telecommunication and Information Technology systems (hardware and/or software)
- New or replacement equipment or furniture

2 Five-year Capital Plan Development Process

The annual capital planning process results in a prioritized list of projects for the upcoming fiscal year capital budget and a forward looking five-year capital plan. In general, the projects incorporated into the capital plan must reflect the overall strategic vision, master plan, and transit initiatives.

2.1 Project Requests

New project requests are submitted annually and prioritized by management for funding consideration. The proposed project should meet a specific objective such as a state of good repair or infrastructure need or requirement and be consistent with UTA's overall strategic plan and goals.

Project requests must include the overall project costs, the yearly budget needs for the project development, and the long term operating and maintenance costs, including state of good repair costs if applicable. Potential funding sources are also identified in the project request.

2.2 Project Prioritization

Completed project requests are compiled then prioritized by management. Prioritization considerations include:

- Assuring a safe system
- Taking care of/replacing what we have
- Leveraging grants and other partner funds
- Contributing to system improvements

Projects with a lower priority may be reduced in scope or moved to subsequent years as necessary. Once prioritized, the draft 5-year plan is submitted to the Executive Team for review. Requests are trimmed as needed to meet the anticipated 5-year budget resources.

3 Capital Plan

The 2020-2024 capital requests have been compiled and prioritized. The total requests this year exceeded the available 5-year budget projections. After adjustments were made, the plan will fund 82% of the capital requests. Tables showing the capital budget by year are presented below, as well as overall 5-year summaries by both project type and funding source. Attachment A shows the detailed list of projects proposed to be funded, with the annual and total project budget, and the required UTA funds.

The capital plan for 2020 will be incorporated into UTA's tentative 2020 budget. Any new, unforeseen items that come up during the year will be considered for annual budget amendments as needed.

2020 Capital Plan Summary

Projects	2020 Proposed Budget	Grants	State/Local Partners	UTA Funds
New Vehicles	$32,041,871	$2,775,830		$29,266,041
Information Technology	$6,531,838	$757,838		$5,774,000
Facilities/Safety	$2,750,000			$2,750,000
Rail Maintenance	$10,050,000			$10,050,000
Vehicle Rehab & Repair	$8,524,194	$786,684		$7,737,510
Airport LRT	$13,000,000			$13,000,000
Depot District	$40,936,916	$3,736,916	$2,500,000	$34,700,000
Ogden-Weber BRT	$28,197,076	$18,706,000	$2,900,000	$6,591,076
Other Capital Projects	$48,517,104	$12,599,633	$11,715,957	$24,201,514
Total	**$190,548,999**	**$39,362,901**	**$17,115,957**	***$134,070,141**

*UTA 2020 funds include: $48,611,076 in bonds and $31,298,470 in leasing

2021 Capital Plan Summary

Projects	2021 Proposed Budget	Grants	State/Local Partners	UTA Funds
New Vehicles	$29,163,222			$29,163,222
Information Technology	$13,905,000			$13,905,000
Facilities/Safety	$2,495,000			$2,495,000
Rail Maintenance	$15,200,000			$15,200,000
Vehicle Rehab & Repair	$9,608,435	$786,684		$8,821,751
Airport LRT	$5,500,000			$5,500,000
Depot District	$7,196,588	$3,696,588	$2,500,000	$1,000,000
Ogden-Weber BRT	$44,990,000	$33,010,996	$6,250,000	$5,729,004
Other Capital Projects	$44,687,874	$15,686,177	$3,244,262	$25,757,435
Total	**$172,796,119**	**$53,180,445**	**$11,994,262**	***$107,621,412**

*UTA 2021 funds include: $9,809,004 in bonds and $53,197,222 in leasing

2022 Capital Plan Summary

Projects	2022 Proposed Budget	Grants	State/Local Partners	UTA Funds
New Vehicles	$16,507,163			$16,507,163
Information Technology	$4,045,000			$4,045,000
Facilities/Safety	$4,290,000			$4,290,000
Rail Maintenance	$16,400,000			$16,400,000
Vehicle Rehab & Repair	$12,293,000	$3,163,779		$9,129,221
Depot District	$496,588	$496,588		$0
Ogden-Weber BRT	$18,787,000	$18,787,000		$0
Other Capital Projects	$10,513,116	$2,100,000	$500,000	$7,913,116
Total	**$83,331,867**	**$24,547,367**	**$500,000**	***$58,284,500**

*UTA 2022 funds include: $4,150,000 in bonds and $15,791,163 in leasing

2023 Capital Plan Summary

Projects	2023 Proposed Budget	Grants	State/Local Partners	UTA Funds
New Vehicles	$38,190,926			$38,190,926
Information Technology	$2,840,000			$2,840,000
Facilities/Safety	$2,860,000			$2,860,000
Rail Maintenance	$15,392,500			$15,392,500
Vehicle Rehab & Repair	$11,109,000	$3,350,000		$7,759,000
Other Capital Projects	$13,162,624	$5,100,000	$2,700,000	$5,362,674
Total	**$84,275,100**	**$8,450,000**	**$2,700,000**	***$73,125,100**

*UTA 2023 funds include: $4,150,000 in bonds and $38,494,926 in leasing

2024 Capital Plan Summary

Projects	2024 Proposed Budget	Grants	State/Local Partners	UTA Funds
New Vehicles	$53,136,208			$53,136,208
Information Technology	$2,840,000			$2,840,000
Facilities/Safety	$3,110,000			$3,110,000
Rail Maintenance	$17,203,375			$17,203,375
Vehicle Rehab & Repair	$10,856,000	$2,400,000		$8,456,000
Other Capital Projects	$7,086,438	$1,600,000		$5,486,438
Total	**$93,872,021**	**$4,000,000**	**$0**	***$89,872,021**

*UTA 2024 funds include: $4,150,000 in bonds and $52,720,208 in leasing

5-Year Capital Plan Summary by Project

Projects	5-Yr Proposed Budget	Grants	State/Local Partners	UTA Funds
New Vehicles	$169,759,390	$2,775,830		$166,983,560
Information Technology	$29,801,838	$757,838		$29,044,000
Facilities/Safety	$15,505,000			$15,505,000
Rail Maintenance	$74,245,875			$83,211,063
Vehicle Rehab & Repair	$52,390,629	$10,487,147		$41,903,482
Airport LRT	$18,550,000			$18,550,000
Depot District	$48,630,092	$7,930,092	$5,000,000	$35,700,000
Ogden-Weber BRT	$91,974,076	$70,503,996	$9,150,000	$12,320,080
Other Capital Projects	$123,967,206	$37,085,810	$18,160,219	$68,721,177
Total	**$624,824,105**	**$129,540,713**	**$32,310,219**	***$462,973,173**

*UTA funds include: $70,870,080 in bonds and $191,501,989 in leasing

5-Year Capital Plan Summary by Year

Year	Proposed Budget	Grants	State/Local Partners	UTA Funds
2020	$190,548,999	$39,362,901	$17,115,957	$134,070,141
2021	$172,796,119	$53,180,445	$11,994,262	$107,621,412
2022	$83,331,867	$24,547,367	$500,000	$58,284,500
2023	$84,275,100	$8,450,000	$2,700,000	$73,125,100
2024	$93,872,021	$4,000,000	$0	$89,872,021
Total	**$624,824,105**	**$129,540,713**	**$32,310,219**	***$462,973,173**

*UTA funds include: $70,870,080 in bonds and $191,501,989 in leasing

4 Five-Year Plans

The five-year capital plan will be updated annually. Cost estimates and potential funding sources for projects are more accurate the closer they are to year of expenditure; therefore, in addition to including new project requests each year, the plan will be updated as necessary to adjust project costs as they become more refined and funding sources as they become more certain.

4.1 Project Requests

Several projects on the 5-year plan should receive guaranteed funding through 2022 to assure ordering of parts, equipment, or supplies, or to enter a multi-year construction contract for project construction. These projects are identified on the detailed project list in Attachment A, and are listed below. Approval of the 5-year capital plan will authorize the Agency to enter contracts for the multi-year nature of these projects.

Asset Management projects:

- Light Rail Vehicle Rehab
- Commuter Rail Vehicle Rehab
- LRV Accident Repair
- Switches and Special Trackwork Rehab/Replacement
- Traction Power Rehab and Replacement
- OCS Rehab and Replacement

Capital Development projects:

- Airport Station Relocation
- Depot District
- Ogden/WSU BRT
- Tiger Program of Projects
- Positive Train Control
- 20 Electric Buses/Infrastructure for SL County
- Meadowbrook Expansion

Attachment A

UTA 5-Year Capital Plan - Project Detail

2020 through 2024

UTA 5-Year Capital Plan: 2020-2024 Project Summary

#	Project Name	2020 Proposed Budget	Total UTA Funds	2021 Proposed Budget	Total UTA Funds	2022 Proposed Budget	Total UTA Funds	2023 Proposed Budget	Total UTA Funds	2024 Proposed Budget	Total UTA Funds	5-Year Proposed Budget	Total UTA 5-yr Funds
	Information Technology												
1	E Voucher Software Development (pending grant)	757,838	-	-	-		-	-	-	-	-	757,838	-
2	In-house Application Development & Enhancements	400,000	400,000	400,000	400,000	200,000	200,000	200,000	200,000	200,000	200,000	1,400,000	1,400,000
3	New MS SQL Server Licenses	145,000	145,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	345,000	345,000
4	Radio Communication Infrastructure	150,000	150,000	150,000	150,000	100,000	100,000	100,000	100,000	100,000	100,000	600,000	600,000
5	Server, Storage Infrastructure Equipment and Software	400,000	400,000	225,000	225,000	325,000	325,000	200,000	200,000	480,000	480,000	1,630,000	1,630,000
6	Rail Communication On-Board Technology	230,000	230,000	170,000	170,000	250,000	250,000	150,000	150,000	150,000	150,000	950,000	950,000
7	Info Security Equip & SW (PCI Compliance & Cyber Security)	274,000	274,000	350,000	350,000	500,000	500,000	440,000	440,000	300,000	300,000	1,864,000	1,864,000
8	Bus Communication On-Board Technology	300,000	300,000	300,000	300,000	350,000	350,000	250,000	250,000	150,000	150,000	1,350,000	1,350,000
9	IT Managed Reserved (formerly IT Pool)	290,000	290,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	1,890,000	1,890,000
10	Network & Infrastructure Equipment	500,000	500,000	300,000	300,000	300,000	300,000	400,000	400,000	200,000	200,000	1,700,000	1,700,000
11	FrontRunner WiFi Enhancements	50,000	50,000	150,000	150,000	250,000	250,000	150,000	150,000	200,000	200,000	800,000	800,000
12	Init APC Upgrade	200,000	200,000	340,000	340,000	-	-	-	-	-	-	540,000	540,000
13	TVM for UVX (Needed if Free Fare ends)	-	-	-	-		-	-	-	-	-	-	-
14	SSBU Radio System Install/subcontract fleet only	170,000	170,000	-	-	-	-	-	-	-	-	170,000	170,000
15	SSBU Mobility Eligibility Center Trapeze Software	165,000	165,000	-	-	-	-	-	-	-	-	165,000	165,000
16	Electronic Fare Collection Maintenance & Replacement	2,500,000	2,500,000	2,500,000	2,500,000	-	-	-	-	-	-	5,000,000	5,000,000
17	MDC Redesign Hardware Replacement	-	-	500,000	500,000	850,000	850,000	500,000	500,000	250,000	250,000	2,100,000	2,100,000
18	OWATS and OBOTS Enhancements	-	-	-	-	-	-	-	-	-	-	-	-
19	Passenger Info Improvements	-	-		-	-	-	-	-	-	-	-	-
20	Enhanced Laserfiche (SIRE Replacement)	-	-		-	-	-	-	-	-	-	-	-
21	Trapeze Enhancements		-		-		-		-		-	-	-
22	New Radio Communication System	-	-	-	-	-	-	-	-	-	-	-	-
23	Rail TVM SOGR - PCI Compliance	-	-	7,800,000	7,800,000	-	-	-	-	-	-	7,800,000	7,800,000
24	Email Infrastructure End of Life	-	-	-	-	120,000	120,000	-	-	-	-	120,000	120,000
25	Microsoft Office Suite End of Life	-	-	-	-	350,000	350,000	-	-	-	-	350,000	350,000
26	Windows Server Software Licenses	-	-	220,000	220,000	-	-	-	-	-	-	220,000	220,000
27	PA on TRAX Platform	-	-	-	-	-	-	-	-	-	-	-	-
28	ArcGIS GeoEvent Server for Live Data	-	-	50,000	50,000	-	-	-	-	-	-	50,000	50,000
	Total Information Technology	**6,531,838**	**5,774,000**	**13,905,000**	**13,905,000**	**4,045,000**	**4,045,000**	**2,840,000**	**2,840,000**	**2,480,000**	**2,480,000**	**29,801,838**	**29,044,000**
	Safety & Security/Police	**2020 Proposed Budget**	**Total UTA Funds**	**2021 Proposed Budget**	**Total UTA Funds**	**2022 Proposed Budget**	**Total UTA Funds**	**2023 Proposed Budget**	**Total UTA Funds**	**2024 Proposed Budget**	**Total UTA Funds**	**5-Year Proposed Budget**	**Total UTA 5-yr Funds**
	Safety & Security												
29	Corridor Fencing	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	250,000	250,000
30	Camera Sustainability	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	250,000	250,000
31	Access Control for Data Rooms	10,000	10,000	10,000	10,000	-	-	-	-	-	-	20,000	20,000
32	Bus Camera Overhaul/Replacement	240,000	240,000	40,000	40,000	40,000	40,000	-	-	-	-	320,000	320,000
33	Bus Safety and Security	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	150,000	150,000
34	Camera, door locks, and badge scanners for 4200 parts	15,000	15,000	-	-	-	-	-	-	-	-	15,000	15,000
35	Emergency Operations Training	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	75,000	75,000
36	Facility Security	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	250,000	250,000
37	Next Crossing Camera Installation	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	200,000	200,000
38	Safety General Projects	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	500,000	500,000
39	Security General Projects	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	100,000	100,000
	Safety & Security Total	**620,000**	**620,000**	**405,000**	**405,000**	**395,000**	**395,000**	**355,000**	**355,000**	**355,000**	**355,000**	**2,130,000**	**2,130,000**
	Police												
40	Ballistic Vest Replacement	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	75,000	75,000
41	Vehicle Replacement/Expansion	240,000	240,000	200,000	200,000	280,000	280,000	240,000	240,000	240,000	240,000	1,200,000	1,200,000
42	Tasers					100,000						100,000	
	Police Total	**255,000**	**255,000**	**215,000**	**215,000**	**395,000**	**295,000**	**255,000**	**255,000**	**255,000**	**255,000**	**1,375,000**	**1,275,000**
	Total Safety & Security	**875,000**	**875,000**	**620,000**	**620,000**	**790,000**	**690,000**	**610,000**	**610,000**	**610,000**	**610,000**	**3,505,000**	**3,405,000**
	Asset Management (Vehicles, Facilities, Rail Infrastructure, Rail Systems)	**2020 Proposed Budget**	**Total UTA Funds**	**2021 Proposed Budget**	**Total UTA Funds**	**2022 Proposed Budget**	**Total UTA Funds**	**2023 Proposed Budget**	**Total UTA Funds**	**2024 Proposed Budget**	**Total UTA Funds**	**5-Year Proposed Budget**	**Total 5-yr UTA Funds**
	Vehicles												
43	Bus Replacement**	27,566,971	24,791,141	23,704,603	23,704,603	11,307,289	11,307,289	34,090,373	34,090,373	48,087,376	48,087,376	144,756,612	141,980,782
44	Van Pool Replacement	1,292,780	1,292,780	2,205,720	2,205,720	1,424,498	1,424,498	1,270,960	1,270,960	1,423,240	1,423,240	7,617,198	7,617,198
45	Paratransit Vehicle Replacment	2,982,120	2,982,120	3,052,899	3,052,899	3,125,376	3,125,376	3,199,593	3,199,593	3,275,592	3,275,592	15,635,580	15,635,580
46	Bus Engine/Transmission/Component Rehab/Replacement	1,500,000	1,500,000	1,500,000	1,500,000	3,000,000	600,000	3,000,000	600,000	3,000,000	600,000	12,000,000	4,800,000
47	Light Rail Vehicle Rehab**	2,760,415	2,760,415	2,608,435	2,608,435	2,750,000	2,750,000	2,900,000	2,900,000	3,100,000	3,100,000	14,118,850	14,118,850
48	Commuter Rail Vehicle Rehab**	2,763,779	1,977,095	3,500,000	2,713,316	5,563,000	4,799,221	5,209,000	4,259,000	4,756,000	4,756,000	21,791,779	18,504,632
49	Non-Rev Service Vehicle Replacement	200,000	200,000	200,000	200,000	650,000	650,000	350,000	350,000	350,000	350,000	1,750,000	1,750,000
50	LRV Accident Repair**	1,500,000	1,500,000	2,000,000	2,000,000	980,000	980,000		-		-	4,480,000	4,480,000
	Vehicles Total	**40,566,065**	**37,003,551**	**38,771,657**	**37,984,973**	**28,800,163**	**25,636,384**	**50,019,926**	**46,669,926**	**63,992,208**	**61,592,208**	**222,150,019**	**208,887,042**
	Facilities												
51	Facilities Rehab and Replacement *(See Facilities Tab)*	1,000,000	1,000,000	1,000,000	1,000,000	2,000,000	2,000,000	1,000,000	1,000,000	1,000,000	1,000,000	6,000,000	6,000,000
52	Equipment Managed Reserve *(See Equipment Tab)*	250,000	250,000	250,000	250,000	500,000	500,000	500,000	500,000	500,000	500,000	2,000,000	2,000,000
53	Stations and Platforms Rehab and Replacement	125,000	125,000	125,000	125,000	250,000	250,000	250,000	250,000	250,000	250,000	1,000,000	1,000,000
54	Park and Ride Rehab and Replacement	500,000	500,000	500,000	500,000	750,000	750,000	500,000	500,000	750,000	750,000	3,000,000	3,000,000
	Facilities Total	**1,875,000**	**1,875,000**	**1,875,000**	**1,875,000**	**3,500,000**	**3,500,000**	**2,250,000**	**2,250,000**	**2,500,000**	**2,500,000**	**12,000,000**	**12,000,000**
	Rail Infrastructure												
55	Rail Rehab and Replacement	250,000	250,000	250,000	250,000	250,000	250,000	375,000	375,000	750,000	750,000	1,875,000	1,875,000
56	Ballast and Ties Rehab and Replacement	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	1,250,000	1,250,000
57	Bridge Rehabilitation & Maintenance	300,000	300,000	650,000	650,000	300,000	300,000	300,000	300,000	300,000	300,000	1,850,000	1,850,000
58	Grade Crossings Rehab and Replacement	500,000	500,000	500,000	500,000	2,000,000	2,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000	5,000,000
59	Switches and Special Trackwork Rehab/Replacement**	-	-	1,000,000	1,000,000	1,000,000	1,000,000	250,000	250,000	1,000,000	1,000,000	3,250,000	3,250,000
	Rail Infrastructure Total	**1,300,000**	**1,300,000**	**2,650,000**	**2,650,000**	**3,800,000**	**3,800,000**	**2,175,000**	**2,175,000**	**3,300,000**	**3,300,000**	**13,225,000**	**13,225,000**
	Rail Systems												
60	Traction Power Rehab and Replacement**	550,000	550,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	16,550,000	16,550,000
61	Train Control Rehab and Replacement	250,000	250,000	250,000	250,000	250,000	250,000	500,000	500,000	500,000	500,000	1,750,000	1,750,000
62	Rail Switches & Trackwork Controls - Rehab/Replacement	150,000	150,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	950,000	950,000
63	Stray Current Mitigation	300,000	300,000	600,000	600,000	300,000	300,000	300,000	300,000	600,000	600,000	2,100,000	2,100,000
64	Ticket Vending Machines	-	-	-	-	-	-	-	-	-	-	-	-
65	OCS Rehab and Replacement**	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	2,500,000	2,500,000
	Rail Systems Total	**1,750,000**	**1,750,000**	**5,550,000**	**5,550,000**	**5,250,000**	**5,250,000**	**5,500,000**	**5,500,000**	**5,800,000**	**5,800,000**	**23,850,000**	**23,850,000**
	Total Asset Management	**45,491,065**	**41,928,551**	**48,846,657**	**48,059,973**	**41,350,163**	**38,186,384**	**59,944,926**	**56,594,926**	**75,592,208**	**73,192,208**	**271,225,019**	**257,962,042**
	Capital Development Projects	**2020 Proposed Budget**	**Total UTA Funds**	**2021 Proposed Budget**	**Total UTA Funds**	**2022 Proposed Budget**	**Total UTA Funds**	**2023 Proposed Budget**	**Total UTA Funds**	**2024 Proposed Budget**	**Total UTA Funds**	**5-Year Proposed Budget**	**Total 5-yr UTA Funds**
66	Airport Station Relocation*	13,000,000	13,000,000	5,550,000	5,550,000	-	-	-	-	-	-	18,550,000	18,550,000
67	3300/3500 South MAX Expansion & Optimization	2,735,172	185,172	-	-	-	-	-	-	-	-	2,735,172	185,172
68	Clearfield FR Station Trail	1,501,663	-	-	-	-	-	-	-	-	-	1,501,663	-
79	SL UZA Bus Bike Rack Expansion	35,609	2,411	-	-	-	-	-	-	-	-	35,609	2,411
70	Depot District*	38,086,916	31,850,000	6,196,588	-	496,588	-	-	-	-	-	44,780,092	31,850,000
71	Ogden/Weber State University BRT Design*	28,197,076	6,591,076	44,990,000	5,729,004	18,787,000	-	-	-	-	-	91,974,076	12,320,080
72	TIGER Program of Projects*	11,169,660	18,931	1,858,634	27,435	-	-	-	-	-	-	13,028,294	46,366
73	Box Elder Right of Way Preservation	1,000,000	1,000,000	1,000,000	1,000,000	4,000,000	4,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000	10,000,000
74	Weber Cnty CR ROW Preservation	1,500,000	-	1,000,000	-	-	-	-	-	-	-	2,500,000	-
75	Signal Pre-emption Projects w/UDOT	500,000	-	500,000	-	500,000	-	-	-	-	-	1,500,000	-
76	Point of Mountain AA/EIS	1,500,000	100,000	1,500,000	100,000	-	-	-	-	-	-	3,000,000	200,000
77	Office Equipment Reserve	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	500,000	500,000
78	Positive Train Control*	900,000	900,000	900,000	900,000	801,808	801,808	-	-	-	-	2,601,808	2,601,808
79	UVU Ped Bridge	2,000,000	2,000,000	-	-	-	-	-	-	-	-	2,000,000	2,000,000
80	Operator Shack at University Medical EOL	350,000	350,000	-	-	-	-	-	-	-	-	350,000	350,000
81	Northern Utah County Double Track	10,000,000	9,500,000	-	-	-	-	-	-	-	-	10,000,000	9,500,000
82	Bus Stop Imp - System-Wide ADA	1,000,000	200,000	1,000,000	200,000	1,000,000	200,000	1,000,000	200,000	1,000,000	200,000	5,000,000	1,000,000
83	Wayfinding Signage Plan - S-line and TRAX	475,000	475,000	650,000	650,000	1,250,000	1,050,000	1,350,000	1,150,000	1,500,000	1,300,000	5,225,000	4,625,000
84	Operator Restrooms throughout system	600,000	120,000	400,000	80,000	750,000	150,000	750,000	150,000	750,000	150,000	3,250,000	650,000
85	Layton FrontRunner Parking Garage		-	-	-	-	-	4,700,000	-	-	-	4,700,000	-
86	Turn-back Track at Union Interlocking		-	-	-	-	-	-	-	-	-	-	-
87	5600 West BRT		-	-	-	536,308	36,308	1,608,924	108,924	-	-	2,145,232	145,232
	Total Capital Development Projects	**114,651,096**	**66,392,590**	**65,645,222**	**14,336,439**	**28,221,704**	**6,338,116**	**11,508,924**	**3,708,924**	**5,350,000**	**3,750,000**	**225,376,946**	**94,526,069**

	Salt Lake County 4th Quarter Capital Projects	2020 Proposed Budget	Total UTA Funds	2021 Proposed Budget	Total UTA Funds	2022 Proposed Budget	Total UTA Funds	2023 Proposed Budget	Total UTA Funds	2024 Proposed Budget	Total UTA Funds	5-Year Proposed Budget	Total UTA 5-yr Funds
88	20 Electric Buses/Infrastructure for SL County Service*		-	27,079,240	14,000,000		-		-		-	27,079,240	14,000,000
89	North Temple EOL	3,400,000	2,000,000		-		-		-		-	3,400,000	2,000,000
90	U of U EOL	2,950,000	450,000		-		-		-		-	2,950,000	450,000
91	Fort Union EOL	500,000	500,000	3,000,000	3,000,000		-		-		-	3,500,000	3,500,000
92	5600 W/4500 S EOL	500,000	500,000	3,000,000	3,000,000		-		-		-	3,500,000	3,500,000
93	Depot District support	2,850,000	2,850,000	1,000,000	1,000,000		-		-		-	3,850,000	3,850,000
94	Meadowbrook Expansion*	2,900,000	2,900,000	1,000,000	1,000,000		-		-		-	3,900,000	3,900,000
95	Operator Restrooms- Salt Lake County	400,000	400,000	200,000	200,000		-		-		-	600,000	600,000
96	Bus Stop Improvements and signage - SL County	2,500,000	2,500,000	1,500,000	1,500,000	1,575,000	1,575,000	1,653,750	1,653,750	1,736,438	1,736,438	8,965,188	8,965,188
97	SGR for TRAX (to be used for LRV overhaul project)**	7,000,000	7,000,000	7,000,000	7,000,000	7,350,000	7,350,000	7,717,500	7,717,500	8,103,375	8,103,375	37,170,875	37,170,875
	Total Salt Lake County 4th Quarter Capital Projects	**23,000,000**	**19,100,000**	**43,779,240**	**30,700,000**	**8,925,000**	**8,925,000**	**9,371,250**	**9,371,250**	**9,839,813**	**9,839,813**	**94,915,303**	**77,936,063**
	Total Overall Capital Budget	**190,548,999**	**134,070,141**	**172,796,119**	**107,621,412**	**83,331,867**	**58,184,500**	**84,275,100**	**73,125,100**	**93,872,021**	**89,872,021**	**624,824,105**	**462,873,173**
	Total Budget without Salt Lake County 4th Q projects												

		2020 Proposed Budget	Total UTA Funds	2021 Proposed Budget	Total UTA Funds	2022 Proposed Budget	Total UTA Funds	2023 Proposed Budget	Total UTA Funds	2024 Proposed Budget	Total UTA Funds	5-Year Proposed Budget	Total UTA 5-yr Funds
	Summary												
	Revenue Service Vehicles & white fleet	32,041,871	29,266,041	29,163,222	29,163,222	16,507,163	16,507,163	38,910,926	38,910,926	53,136,208	53,136,208	169,759,390	166,983,560
	Information Technology	6,531,838	5,774,000	13,905,000	13,905,000	4,045,000	4,045,000	2,840,000	2,840,000	2,480,000	2,480,000	29,801,838	29,044,000
	Facilities, Maintenance & Admin, Safety Equipment	2,750,000	2,750,000	2,495,000	2,495,000	4,290,000	4,290,000	2,860,000	2,860,000	3,110,000	3,110,000	15,505,000	15,505,000
	Rail Maintenance Projects	10,050,000	10,050,000	15,200,000	15,200,000	16,400,000	16,400,000	15,392,500	15,392,500	17,203,375	17,203,375	74,245,875	74,245,875
	Vehicles - Rehab/Repair	8,524,194	7,737,510	9,608,435	8,821,751	12,293,000	9,129,221	11,109,000	7,759,000	10,856,000	8,456,000	52,390,629	41,903,482
	Airport LRT	13,000,000	13,000,000	5,550,000	5,550,000	-	-	-	-	-	-	18,550,000	18,550,000
	Depot District	40,936,916	34,700,000	7,196,588	1,000,000	496,588	-	-	-	-	-	48,630,092	35,700,000
	Ogden/Weber BRT	28,197,076	6,591,076	44,990,000	5,729,004	18,787,000	-	-	-	-	-	91,974,076	12,320,080
	Other Capital Projects	48,517,104	24,201,514	44,687,874	25,757,435	10,513,116	7,913,116	13,162,674	5,362,674	7,086,438	5,486,438	123,967,206	68,721,177
		190,548,999	**134,070,141**	**172,796,119**	**107,621,412**	**83,331,867**	**58,284,500**	**84,275,100**	**73,125,100**	**93,872,021**	**89,872,021**	**624,824,105**	**462,973,173**
	*** Capital project funding assured through 2022**	**94,253,652**	**55,260,007**	**87,574,462**	**27,206,439**	**20,085,396**	**801,808**		**-**		**-**	**201,913,510**	**83,268,254**
	****State of Good Repair project funding assured through 2022**	**42,641,165**	**39,078,651**	**44,313,038**	**43,526,354**	**33,450,289**	**32,686,510**		**-**		**-**	**120,404,492**	**115,291,515**

UTA 5-Year Capital Plan: 2020 Project Details

#	Project Name	2020 Proposed Budget	Bonds	Grants	Lease	State Funding	Local Partners	UTA Other	Total UTA Funds
	Information Technology								
1	E Voucher Software Development (pending grant)	757,838		757,838				-	-
2	In-house Application Development & Enhancements	400,000						400,000	400,000
3	New MS SQL Server Licenses	145,000						145,000	145,000
4	Radio Communication Infrastructure	150,000						150,000	150,000
5	Server, Storage Infrastructure Equipment and Software	400,000						400,000	400,000
6	Rail Communication On-Board Technology	230,000						230,000	230,000
7	Info Security Equip & SW (PCI Compliance & Cyber Security)	274,000						274,000	274,000
8	Bus Communication On-Board Technology	300,000						300,000	300,000
9	IT Managed Reserved (formerly IT Pool)	290,000						290,000	290,000
10	Network & Infrastructure Equipment	500,000						500,000	500,000
11	FrontRunner WiFi Enhancements	50,000						50,000	50,000
12	Init APC Upgrade	200,000						200,000	200,000
13	TVM for UVX (Needed if Free Fare ends)	-						-	-
14	SSBU Radio System Install/subcontract fleet only	170,000						170,000	170,000
15	SSBU Mobility Eligibility Center Trapeze Software	165,000						165,000	165,000
16	Electronic Fare Collection Maintenance & Replacement	2,500,000			2,500,000			-	2,500,000
17	MDC Redesign Hardware Replacement	-						-	-
18	OWATS and OBOTS Enhancements	-						-	-
19	Passenger Info Improvements	-						-	-
20	Enhanced Laserfiche (SIRE Replacement)	-						-	-
21	Trapeze Enhancements							-	-
22	New Radio Communication System	-						-	-
23	Rail TVM SOGR - PCI Compliance	-						-	-
24	Email Infrastructure End of Life	-						-	-
25	Microsoft Office Suite End of Life	-						-	-
26	Windows Server Software Licenses	-						-	-
27	PA on TRAX Platform	-						-	-
28	ArcGIS GeoEvent Server for Live Data	-						-	-
	Total Information Technology	**6,531,838**	**-**	**757,838**	**2,500,000**	**-**	**-**	**3,274,000**	**5,774,000**

	Safety & Security/Police	2020 Proposed Budget	Bonds	Grants	Lease	State Funding	Local Partners	UTA Other	Total UTA Funds
	Safety & Security								
29	Corridor Fencing	50,000						50,000	50,000
30	Camera Sustainability	50,000						50,000	50,000
31	Access Control for Data Rooms	10,000						10,000	10,000
32	Bus Camera Overhaul/Replacement	240,000						240,000	240,000
33	Bus Safety and Security	30,000						30,000	30,000
34	Camera, door locks, and badge scanners for 4200 parts	15,000						15,000	15,000
35	Emergency Operations Training	15,000						15,000	15,000
36	Facility Security	50,000						50,000	50,000
37	Next Crossing Camera Installation	40,000						40,000	40,000
38	Safety General Projects	100,000						100,000	100,000
39	Security General Projects	20,000						20,000	20,000
	Safety & Security Total	**620,000**						**620,000**	**620,000**
	Police								
40	Ballistic Vest Replacement	15,000						15,000	15,000
41	Vehicle Replacement/Expansion	240,000						240,000	240,000
42	Tasers								
	Police Total	**255,000**						**255,000**	**255,000**
	Total Safety & Security	**875,000**	**-**	**-**	**-**	**-**	**-**	**875,000**	**875,000**

	Asset Management (Vehicles, Facilities, Rail Infrastructure, Rail Systems)	2020 Proposed Budget	Bonds	Grants	Lease	State Funding	Local Partners	UTA Other	Total UTA Funds
	Vehicles								
43	Bus Replacement**	27,566,971		2,775,830	24,556,570			234,571	24,791,141
44	Van Pool Replacement	1,292,780			1,292,780			-	1,292,780
45	Paratransit Vehicle Replacment	2,982,120			2,949,120			33,000	2,982,120
46	Bus Engine/Transmission/Component Rehab/Replacement	1,500,000						1,500,000	1,500,000
47	Light Rail Vehicle Rehab**	2,760,415						2,760,415	2,760,415
48	Commuter Rail Vehicle Rehab**	2,763,779		786,684				1,977,095	1,977,095
49	Non-Rev Service Vehicle Replacement	200,000						200,000	200,000
50	LRV Accident Repair**	1,500,000						1,500,000	1,500,000
	Vehicles Total	**40,566,065**	**-**	**3,562,514**	**28,798,470**	**-**	**-**	**8,205,081**	**37,003,551**
	Facilities								
51	Facilities Rehab and Replacement *(See Facilities Tab)*	1,000,000						1,000,000	1,000,000
52	Equipment Managed Reserve *(See Equipment Tab)*	250,000						250,000	250,000
53	Stations and Platforms Rehab and Replacement	125,000						125,000	125,000
54	Park and Ride Rehab and Replacement	500,000						500,000	500,000
	Facilities Total	**1,875,000**	**-**	**-**	**-**	**-**	**-**	**1,875,000**	**1,875,000**
	Rail Infrastructure								
55	Rail Rehab and Replacement	250,000						250,000	250,000
56	Ballast and Ties Rehab and Replacement	250,000						250,000	250,000
57	Bridge Rehabilitation & Maintenance	300,000						300,000	300,000
58	Grade Crossings Rehab and Replacement	500,000						500,000	500,000
59	Switches and Special Trackwork Rehab/Replacement**	-						-	-
	Rail Infrastructure Total	**1,300,000**	**-**	**-**	**-**	**-**	**-**	**1,300,000**	**1,300,000**
	Rail Systems								
60	Traction Power Rehab and Replacement**	550,000	550,000					-	550,000
61	Train Control Rehab and Replacement	250,000						250,000	250,000
62	Rail Switches & Trackwork Controls - Rehab/Replacement	150,000						150,000	150,000
63	Stray Current Mitigation	300,000						300,000	300,000
64	Ticket Vending Machines	-	-					-	-
65	OCS Rehab and Replacement**	500,000						500,000	500,000
	Rail Systems Total	**1,750,000**	**550,000**	**-**	**-**	**-**	**-**	**1,200,000**	**1,750,000**
	Total Asset Management	**45,491,065**	**550,000**	**3,562,514**	**28,798,470**	**-**	**-**	**12,580,081**	**41,928,551**

	Capital Development Projects	2020 Proposed Budget	Bonds	Grants	Lease	State Funding	Local Partners	UTA Other	Total UTA Funds
66	Airport Station Relocation*	13,000,000						13,000,000	13,000,000
67	3300/3500 South MAX Expansion & Optimization	2,735,172		2,550,000				185,172	185,172
68	Clearfield FR Station Trail	1,501,663		1,400,000			101,663	-	-
79	SL UZA Bus Bike Rack Expansion	35,609		33,198				2,411	2,411
70	Depot District*	38,086,916	31,850,000	3,736,916		2,500,000		-	31,850,000
71	Ogden/Weber State University BRT Design*	28,197,076	6,591,076	18,706,000			2,900,000	-	6,591,076
72	TIGER Program of Projects*	11,169,660		4,836,435			6,314,294	18,931	18,931
73	Box Elder Right of Way Preservation	1,000,000						1,000,000	1,000,000
74	Weber Cnty CR ROW Preservation	1,500,000					1,500,000	-	-
75	Signal Pre-emption Projects w/UDOT	500,000					500,000	-	-
76	Point of Mountain AA/EIS	1,500,000				1,200,000	200,000	100,000	100,000
77	Office Equipment Reserve	100,000						100,000	100,000
78	Positive Train Control*	900,000						900,000	900,000
79	UVU Ped Bridge	2,000,000						2,000,000	2,000,000
80	Operator Shack at University Medical EOL	350,000						350,000	350,000
81	Northern Utah County Double Track	10,000,000	9,500,000				500,000	-	9,500,000
82	Bus Stop Imp - System-Wide ADA	1,000,000		800,000				200,000	200,000
83	Wayfinding Signage Plan - S-line and TRAX	475,000						475,000	475,000
84	Operator Restrooms throughout system	600,000	120,000	480,000				-	120,000
85	Layton FrontRunner Parking Garage							-	-
86	Turn-back Track at Union Interlocking							-	-
87	5600 West BRT							-	-
	Total Capital Development Projects	**114,651,096**	**48,061,076**	**32,542,549**	**-**	**3,700,000**	**12,015,957**	**18,331,514**	**66,392,590**

	Salt Lake County 4th Quarter Capital Projects	2020 Proposed Budget	Bonds	Grants	Lease	State Funding	Local Partners	UTA Other	Total UTA Funds
88	20 Electric Buses/Infrastructure for SL County Service*							-	-
89	North Temple EOL	3,400,000					1,400,000	2,000,000	2,000,000
90	U of U EOL	2,950,000		2,500,000				450,000	450,000
91	Fort Union EOL	500,000						500,000	500,000
92	5600 W/4500 S EOL	500,000						500,000	500,000
93	Depot District support	2,850,000						2,850,000	2,850,000
94	Meadowbrook Expansion*	2,900,000						2,900,000	2,900,000
95	Operator Restrooms- Salt Lake County	400,000						400,000	400,000
96	Bus Stop Improvements and signage - SL County	2,500,000						2,500,000	2,500,000
97	SGR for TRAX (to be used for LRV overhaul project)**	7,000,000						7,000,000	7,000,000
	Total Salt Lake County 4th Quarter Capital Projects	**23,000,000**	**-**	**2,500,000**	**-**	**-**	**1,400,000**	**19,100,000**	**19,100,000**
	Total Overall Capital Budget	**190,548,999**	**48,611,076**	**39,362,901**	**31,298,470**	**3,700,000**	**13,415,957**	**54,160,595**	**134,070,141**
	Total Budget without Salt Lake County 4th Q projects								

		2020 Proposed Budget	Bonds	Grants	Lease	State Funding	Local Partners	UTA Other	Total UTA Funds
	Summary								
	Revenue Service Vehicles & white fleet	32,041,871	-	2,775,830	28,798,470	-	-	467,571	29,266,041
	Information Technology	6,531,838	-	757,838	2,500,000	-	-	3,274,000	5,774,000
	Facilities, Maintenance & Admin, Safety Equipment	2,750,000	-	-	-	-	-	2,750,000	2,750,000
	Rail Maintenance Projects	10,050,000	550,000	-	-	-	-	9,500,000	10,050,000
	Vehicles - Rehab/Repair	8,524,194	-	786,684	-	-	-	7,737,510	7,737,510
	Airport LRT	13,000,000	-	-	-	-	-	13,000,000	13,000,000
	Depot District	40,936,916	31,850,000	3,736,916	-	2,500,000	-	2,850,000	34,700,000
	Ogden/Weber BRT	28,197,076	6,591,076	18,706,000	-	-	2,900,000	-	6,591,076
	Other Capital Projects	48,517,104	9,620,000	12,599,633	-	1,200,000	10,515,957	14,581,514	24,201,514
		190,548,999	**48,611,076**	**39,362,901**	**31,298,470**	**3,700,000**	**13,415,957**	**54,160,595**	**134,070,141**
	*** Capital project funding assured through 2022**	**94,253,652**	**38,441,076**	**27,279,351**	**-**	**2,500,000**	**9,214,294**	**16,818,931**	**55,260,007**
	****State of Good Repair project funding assured through 2022**	**42,641,165**	**550,000**	**3,562,514**	**24,556,570**	**-**	**-**	**13,972,081**	**39,078,651**

UTA 5-Year Capital Plan: 2021 Project Details

#	Project Name	2021 Proposed Budget	Bonds	Grants	Lease	State Funding	Local Partners	UTA Other	Total UTA Funds
	Information Technology								
1	E Voucher Software Development (pending grant)	-						-	-
2	In-house Application Development & Enhancements	400,000						400,000	400,000
3	New MS SQL Server Licenses	50,000						50,000	50,000
4	Radio Communication Infrastructure	150,000						150,000	150,000
5	Server, Storage Infrastructure Equipment and Software	225,000						225,000	225,000
6	Rail Communication On-Board Technology	170,000						170,000	170,000
7	Info Security Equip & SW (PCI Compliance & Cyber Security)	350,000						350,000	350,000
8	Bus Communication On-Board Technology	300,000						300,000	300,000
9	IT Managed Reserved (formerly IT Pool)	400,000						400,000	400,000
10	Network & Infrastructure Equipment	300,000						300,000	300,000
11	FrontRunner WiFi Enhancements	150,000						150,000	150,000
12	Init APC Upgrade	340,000						340,000	340,000
13	TVM for UVX (Needed if Free Fare ends)	-						-	-
14	SSBU Radio System Install/subcontract fleet only	-						-	-
15	SSBU Mobility Eligibility Center Trapeze Software	-						-	-
16	Electronic Fare Collection Maintenance & Replacement	2,500,000			2,500,000			-	2,500,000
17	MDC Redesign Hardware Replacement	500,000						500,000	500,000
18	OWATS and OBOTS Enhancements	-						-	-
19	Passenger Info Improvements							-	-
20	Enhanced Laserfiche (SIRE Replacement)							-	-
21	Trapeze Enhancements							-	-
22	New Radio Communication System	-						-	-
23	Rail TVM SOGR - PCI Compliance	7,800,000			7,800,000			-	7,800,000
24	Email Infrastructure End of Life	-						-	-
25	Microsoft Office Suite End of Life	-						-	-
26	Windows Server Software Licenses	220,000						220,000	220,000
27	PA on TRAX Platform	-						-	-
28	ArcGIS GeoEvent Server for Live Data	50,000						50,000	50,000
	Total Information Technology	**13,905,000**	**-**	**-**	**10,300,000**	**-**	**-**	**3,605,000**	**13,905,000**

	Safety & Security/Police	2021 Proposed Budget	Bonds	Grants	Lease	State Funding	Local Partners	UTA Other	Total UTA Funds
	Safety & Security								
29	Corridor Fencing	50,000						50,000	50,000
30	Camera Sustainability	50,000						50,000	50,000
31	Access Control for Data Rooms	10,000						10,000	10,000
32	Bus Camera Overhaul/Replacement	40,000						40,000	40,000
33	Bus Safety and Security	30,000						30,000	30,000
34	Camera, door locks, and badge scanners for 4200 parts	-						-	-
35	Emergency Operations Training	15,000						15,000	15,000
36	Facility Security	50,000						50,000	50,000
37	Next Crossing Camera Installation	40,000						40,000	40,000
38	Safety General Projects	100,000						100,000	100,000
39	Security General Projects	20,000						20,000	20,000
	Safety & Security Total	**405,000**	**-**	**-**	**-**	**-**	**-**	**405,000**	**405,000**
	Police								
40	Ballistic Vest Replacement	15,000						15,000	15,000
41	Vehicle Replacement/Expansion	200,000						200,000	200,000
42	Tasers								
	Police Total	**215,000**	**-**	**-**	**-**	**-**	**-**	**215,000**	**215,000**
	Total Safety & Security	**620,000**	**-**	**-**	**-**	**-**	**-**	**620,000**	**620,000**

	Asset Management (Vehicles, Facilities, Rail Infrastructure, Rail Systems)	2021 Proposed Budget	Bonds	Grants	Lease	State Funding	Local Partners	UTA Other	Total UTA Funds
	Vehicles								
43	Bus Replacement**	23,704,603			23,671,603			33,000	23,704,603
44	Van Pool Replacement	2,205,720			2,205,720			-	2,205,720
45	Paratransit Vehicle Replacment	3,052,899			3,019,899			33,000	3,052,899
46	Bus Engine/Transmission/Component Rehab/Replacement	1,500,000						1,500,000	1,500,000
47	Light Rail Vehicle Rehab**	2,608,435						2,608,435	2,608,435
48	Commuter Rail Vehicle Rehab**	3,500,000		786,684				2,713,316	2,713,316
49	Non-Rev Service Vehicle Replacement	200,000						200,000	200,000
50	LRV Accident Repair**	2,000,000						2,000,000	2,000,000
	Vehicles Total	**38,771,657**	**-**	**786,684**	**28,897,222**	**-**	**-**	**9,087,751**	**37,984,973**
	Facilities								
51	Facilities Rehab and Replacement *(See Facilities Tab)*	1,000,000						1,000,000	1,000,000
52	Equipment Managed Reserve *(See Equipment Tab)*	250,000						250,000	250,000
53	Stations and Platforms Rehab and Replacement	125,000						125,000	125,000
54	Park and Ride Rehab and Replacement	500,000						500,000	500,000
	Facilities Total	**1,875,000**	**-**	**-**	**-**	**-**	**-**	**1,875,000**	**1,875,000**
	Rail Infrastructure								
55	Rail Rehab and Replacement	250,000						250,000	250,000
56	Ballast and Ties Rehab and Replacement	250,000						250,000	250,000
57	Bridge Rehabilitation & Maintenance	650,000						650,000	650,000
58	Grade Crossings Rehab and Replacement	500,000						500,000	500,000
59	Switches and Special Trackwork Rehab/Replacement**	1,000,000						1,000,000	1,000,000
	Rail Infrastructure Total	**2,650,000**	**-**	**-**	**-**	**-**	**-**	**2,650,000**	**2,650,000**
	Rail Systems								
60	Traction Power Rehab and Replacement**	4,000,000	4,000,000					-	4,000,000
61	Train Control Rehab and Replacement	250,000						250,000	250,000
62	Rail Switches & Trackwork Controls - Rehab/Replacement	200,000						200,000	200,000
63	Stray Current Mitigation	600,000						600,000	600,000
64	Ticket Vending Machines	-	-					-	-
65	OCS Rehab and Replacement**	500,000						500,000	500,000
	Rail Systems Total	**5,550,000**	**4,000,000**	**-**	**-**	**-**	**-**	**1,550,000**	**5,550,000**
	Total Asset Management	**48,846,657**	**4,000,000**	**786,684**	**28,897,222**	**-**	**-**	**15,162,751**	**48,059,973**

	Capital Development Projects	2021 Proposed Budget	Bonds	Grants	Lease	State Funding	Local Partners	UTA Other	Total UTA Funds
66	Airport Station Relocation*	5,550,000						5,550,000	5,550,000
67	3300/3500 South MAX Expansion & Optimization	-						-	-
68	Clearfield FR Station Trail	-						-	-
79	SL UZA Bus Bike Rack Expansion	-						-	-
70	Depot District*	6,196,588		3,696,588		2,500,000		-	-
71	Ogden/Weber State University BRT Design*	44,990,000	5,729,004	33,010,996			6,250,000	-	5,729,004
72	TIGER Program of Projects*	1,858,634		1,486,937			344,262	27,435	27,435
73	Box Elder Right of Way Preservation	1,000,000						1,000,000	1,000,000
74	Weber Cnty CR ROW Preservation	1,000,000					1,000,000	-	-
75	Signal Pre-emption Projects w/UDOT	500,000					500,000	-	-
76	Point of Mountain AA/EIS	1,500,000				1,200,000	200,000	100,000	100,000
77	Office Equipment Reserve	100,000						100,000	100,000
78	Positive Train Control*	900,000						900,000	900,000
79	UVU Ped Bridge	-						-	-
80	Operator Shack at University Medical EOL	-						-	-
81	Northern Utah County Double Track	-						-	-
82	Bus Stop Imp - System-Wide ADA	1,000,000		800,000				200,000	200,000
83	Wayfinding Signage Plan - S-line and TRAX	650,000						650,000	650,000
84	Operator Restrooms throughout system	400,000	80,000	320,000				-	80,000
85	Layton FrontRunner Parking Garage	-						-	-
86	Turn-back Track at Union Interlocking	-						-	-
87	5600 West BRT	-						-	-
	Total Capital Development Projects	**65,645,222**	**5,809,004**	**39,314,521**	**-**	**3,700,000**	**8,294,262**	**8,527,435**	**14,336,439**

	Salt Lake County 4th Quarter Capital Projects	2021 Proposed Budget	Bonds	Grants	Lease	State Funding	Local Partners	UTA Other	Total UTA Funds
88	20 Electric Buses/Infrastructure for SL County Service*	27,079,240		13,079,240	14,000,000			-	14,000,000
89	North Temple EOL							-	-
90	U of U EOL							-	-
91	Fort Union EOL	3,000,000						3,000,000	3,000,000
92	5600 W/4500 S EOL	3,000,000						3,000,000	3,000,000
93	Depot District support	1,000,000						1,000,000	1,000,000
94	Meadowbrook Expansion*	1,000,000						1,000,000	1,000,000
95	Operator Restrooms- Salt Lake County	200,000						200,000	200,000
96	Bus Stop Improvements and signage - SL County	1,500,000						1,500,000	1,500,000
97	SGR for TRAX (to be used for LRV overhaul project)**	7,000,000						7,000,000	7,000,000
	Total Salt Lake County 4th Quarter Capital Projects	**43,779,240**	**-**	**13,079,240**	**14,000,000**	**-**	**-**	**16,700,000**	**30,700,000**
	Total Overall Capital Budget	**172,796,119**	**9,809,004**	**53,180,445**	**53,197,222**	**3,700,000**	**8,294,262**	**44,615,186**	**107,621,412**
	Total Budget without Salt Lake County 4th Q projects								

		2021 Proposed Budget	Bonds	Grants	Lease	State Funding	Local Partners	UTA Other	Total UTA Funds
	Summary								
	Revenue Service Vehicles & white fleet	29,163,222	-	-	28,897,222	-	-	266,000	29,163,222
	Information Technology	13,905,000	-	-	10,300,000	-	-	3,605,000	13,905,000
	Facilities, Maintenance & Admin, Safety Equipment	2,495,000	-	-	-	-	-	2,495,000	2,495,000
	Rail Maintenance Projects	15,200,000	4,000,000	-	-	-	-	11,200,000	15,200,000
	Vehicles - Rehab/Repair	9,608,435	-	786,684	-	-	-	8,821,751	8,821,751
	Airport LRT	5,550,000	-	-	-	-	-	5,550,000	5,550,000
	Depot District	7,196,588	-	3,696,588	-	2,500,000	-	1,000,000	1,000,000
	Ogden/Weber BRT	44,990,000	5,729,004	33,010,996	-	-	6,250,000	-	5,729,004
	Other Capital Projects	44,687,874	80,000	15,686,177	14,000,000	1,200,000	2,044,262	11,677,435	25,757,435
		172,796,119	**9,809,004**	**53,180,445**	**53,197,222**	**3,700,000**	**8,294,262**	**44,615,186**	**107,621,412**
	*** Capital project funding assured through 2022**	**87,574,462**	**5,729,004**	**51,273,761**	**14,000,000**	**2,500,000**	**6,594,262**	**7,477,435**	**27,206,439**
	****State of Good Repair project funding assured through 2022**	**44,313,038**	**4,000,000**	**786,684**	**23,671,603**	**-**	**-**	**15,854,751**	**43,526,354**

UTA 5-Year Capital Plan: 2022 Project Details

#	Project Name	2022 Proposed Budget	Bonds	Grants	Lease	State Funding	Local Partners	UTA Other	Total UTA Funds
	Information Technology								
1	E Voucher Software Development (pending grant)							-	-
2	In-house Application Development & Enhancements	200,000						200,000	200,000
3	New MS SQL Server Licenses	50,000						50,000	50,000
4	Radio Communication Infrastructure	100,000						100,000	100,000
5	Server, Storage Infrastructure Equipment and Software	325,000						325,000	325,000
6	Rail Communication On-Board Technology	250,000						250,000	250,000
7	Info Security Equip & SW (PCI Compliance & Cyber Security)	500,000						500,000	500,000
8	Bus Communication On-Board Technology	350,000						350,000	350,000
9	IT Managed Reserved (formerly IT Pool)	400,000						400,000	400,000
10	Network & Infrastructure Equipment	300,000						300,000	300,000
11	FrontRunner WiFi Enhancements	250,000						250,000	250,000
12	Init APC Upgrade	-						-	-
13	TVM for UVX (Needed if Free Fare ends)							-	-
14	SSBU Radio System Install/subcontract fleet only	-						-	-
15	SSBU Mobility Eligibility Center Trapeze Software	-						-	-
16	Electronic Fare Collection Maintenance & Replacement	-						-	-
17	MDC Redesign Hardware Replacement	850,000						850,000	850,000
18	OWATS and OBOTS Enhancements	-						-	-
19	Passenger Info Improvements	-						-	-
20	Enhanced Laserfiche (SIRE Replacement)	-						-	-
21	Trapeze Enhancements							-	-
22	New Radio Communication System	-						-	-
23	Rail TVM SOGR - PCI Compliance	-						-	-
24	Email Infrastructure End of Life	120,000						120,000	120,000
25	Microsoft Office Suite End of Life	350,000						350,000	350,000
26	Windows Server Software Licenses	-						-	-
27	PA on TRAX Platform	-						-	-
28	ArcGIS GeoEvent Server for Live Data	-						-	-
	Total Information Technology	**4,045,000**	**-**	**-**	**-**	**-**	**-**	**4,045,000**	**4,045,000**

	Safety & Security/Police	2022 Proposed Budget	Bonds	Grants	Lease	State Funding	Local Partners	UTA Other	Total UTA Funds
	Safety & Security								
29	Corridor Fencing	50,000						50,000	50,000
30	Camera Sustainability	50,000						50,000	50,000
31	Access Control for Data Rooms	-						-	-
32	Bus Camera Overhaul/Replacement	40,000						40,000	40,000
33	Bus Safety and Security	30,000						30,000	30,000
34	Camera, door locks, and badge scanners for 4200 parts	-						-	-
35	Emergency Operations Training	15,000						15,000	15,000
36	Facility Security	50,000						50,000	50,000
37	Next Crossing Camera Installation	40,000						40,000	40,000
38	Safety General Projects	100,000						100,000	100,000
39	Security General Projects	20,000						20,000	20,000
	Safety & Security Total	**395,000**	**-**	**-**	**-**	**-**	**-**	**395,000**	**395,000**
	Police								
40	Ballistic Vest Replacement	15,000						15,000	15,000
41	Vehicle Replacement/Expansion	280,000						280,000	280,000
42	Tasers	100,000						100,000	
	Police Total	**395,000**	**-**	**-**	**-**	**-**	**-**	**395,000**	**295,000**
	Total Safety & Security	**790,000**	**-**	**-**	**-**	**-**	**-**	**790,000**	**690,000**

	Asset Management (Vehicles, Facilities, Rail Infrastructure, Rail Systems)	2022 Proposed Budget	Bonds	Grants	Lease	State Funding	Local Partners	UTA Other	Total UTA Funds
	Vehicles								
43	Bus Replacement**	11,307,289			11,274,289			33,000	11,307,289
44	Van Pool Replacement	1,424,498			1,424,498			-	1,424,498
45	Paratransit Vehicle Replacment	3,125,376			3,092,376			33,000	3,125,376
46	Bus Engine/Transmission/Component Rehab/Replacement	3,000,000		2,400,000				600,000	600,000
47	Light Rail Vehicle Rehab**	2,750,000						2,750,000	2,750,000
48	Commuter Rail Vehicle Rehab**	5,563,000		763,779				4,799,221	4,799,221
49	Non-Rev Service Vehicle Replacement	650,000						650,000	650,000
50	LRV Accident Repair**	980,000						980,000	980,000
	Vehicles Total	**28,800,163**	**-**	**3,163,779**	**15,791,163**	**-**	**-**	**9,845,221**	**25,636,384**
	Facilities								
51	Facilities Rehab and Replacement *(See Facilities Tab)*	2,000,000						2,000,000	2,000,000
52	Equipment Managed Reserve *(See Equipment Tab)*	500,000						500,000	500,000
53	Stations and Platforms Rehab and Replacement	250,000						250,000	250,000
54	Park and Ride Rehab and Replacement	750,000						750,000	750,000
	Facilities Total	**3,500,000**	**-**	**-**	**-**	**-**	**-**	**3,500,000**	**3,500,000**
	Rail Infrastructure								
55	Rail Rehab and Replacement	250,000						250,000	250,000
56	Ballast and Ties Rehab and Replacement	250,000						250,000	250,000
57	Bridge Rehabilitation & Maintenance	300,000						300,000	300,000
58	Grade Crossings Rehab and Replacement	2,000,000						2,000,000	2,000,000
59	Switches and Special Trackwork Rehab/Replacement**	1,000,000						1,000,000	1,000,000
	Rail Infrastructure Total	**3,800,000**	**-**	**-**	**-**	**-**	**-**	**3,800,000**	**3,800,000**
	Rail Systems								
60	Traction Power Rehab and Replacement**	4,000,000	4,000,000					-	4,000,000
61	Train Control Rehab and Replacement	250,000						250,000	250,000
62	Rail Switches & Trackwork Controls - Rehab/Replacement	200,000						200,000	200,000
63	Stray Current Mitigation	300,000						300,000	300,000
64	Ticket Vending Machines	-						-	-
65	OCS Rehab and Replacement**	500,000						500,000	500,000
	Rail Systems Total	**5,250,000**	**4,000,000**	**-**	**-**	**-**	**-**	**1,250,000**	**5,250,000**
	Total Asset Management	**41,350,163**	**4,000,000**	**3,163,779**	**15,791,163**	**-**	**-**	**18,395,221**	**38,186,384**

	Capital Development Projects	2022 Proposed Budget	Bonds	Grants	Lease	State Funding	Local Partners	UTA Other	Total UTA Funds
66	Airport Station Relocation*	-						-	-
67	3300/3500 South MAX Expansion & Optimization	-						-	-
68	Clearfield FR Station Trail	-						-	-
79	SL UZA Bus Bike Rack Expansion	-						-	-
70	Depot District*	496,588		496,588				-	-
71	Ogden/Weber State University BRT Design*	18,787,000		18,787,000				-	-
72	TIGER Program of Projects*	-						-	-
73	Box Elder Right of Way Preservation	4,000,000						4,000,000	4,000,000
74	Weber Cnty CR ROW Preservation	-						-	-
75	Signal Pre-emption Projects w/UDOT	500,000					500,000	-	-
76	Point of Mountain AA/EIS	-						-	-
77	Office Equipment Reserve	100,000						100,000	100,000
78	Positive Train Control*	801,808						801,808	801,808
79	UVU Ped Bridge	-						-	-
80	Operator Shack at University Medical EOL	-						-	-
81	Northern Utah County Double Track	-						-	-
82	Bus Stop Imp - System-Wide ADA	1,000,000		800,000				200,000	200,000
83	Wayfinding Signage Plan - S-line and TRAX	1,250,000		200,000				1,050,000	1,050,000
84	Operator Restrooms throughout system	750,000	150,000	600,000				-	150,000
85	Layton FrontRunner Parking Garage	-						-	-
86	Turn-back Track at Union Interlocking	-						-	-
87	5600 West BRT	536,308		500,000				36,308	36,308
	Total Capital Development Projects	**28,221,704**	**150,000**	**21,383,588**	**-**	**-**	**500,000**	**6,188,116**	**6,338,116**

	Salt Lake County 4th Quarter Capital Projects	2022 Proposed Budget	Bonds	Grants	Lease	State Funding	Local Partners	UTA Other	Total UTA Funds
88	20 Electric Buses/Infrastructure for SL County Service*							-	-
89	North Temple EOL							-	-
90	U of U EOL							-	-
91	Fort Union EOL							-	-
92	5600 W/4500 S EOL							-	-
93	Depot District support							-	-
94	Meadowbrook Expansion*							-	-
95	Operator Restrooms- Salt Lake County							-	-
96	Bus Stop Improvements and signage - SL County	1,575,000						1,575,000	1,575,000
97	SGR for TRAX (to be used for LRV overhaul project)**	7,350,000						7,350,000	7,350,000
	Total Salt Lake County 4th Quarter Capital Projects	**8,925,000**	**-**	**-**	**-**	**-**	**-**	**8,925,000**	**8,925,000**
	Total Overall Capital Budget	**83,331,867**	**4,150,000**	**24,547,367**	**15,791,163**	**-**	**500,000**	**38,343,337**	**58,184,500**
	Total Budget without Salt Lake County 4th Q projects								

		2022 Proposed Budget	Bonds	Grants	Lease	State Funding	Local Partners	UTA Other	Total UTA Funds
	Summary								
	Revenue Service Vehicles & white fleet	16,507,163	-	-	15,791,163	-	-	716,000	16,507,163
	Information Technology	4,045,000	-	-	-	-	-	4,045,000	4,045,000
	Facilities, Maintenance & Admin, Safety Equipment	4,290,000	-	-	-	-	-	4,290,000	4,290,000
	Rail Maintenance Projects	16,400,000	4,000,000	-	-	-	-	12,400,000	16,400,000
	Vehicles - Rehab/Repair	12,293,000	-	3,163,779	-	-	-	9,129,221	9,129,221
	Airport LRT	-	-	-	-	-	-	-	-
	Depot District	496,588	-	496,588	-	-	-	-	-
	Ogden/Weber BRT	18,787,000	-	18,787,000	-	-	-	-	-
	Other Capital Projects	10,513,116	150,000	2,100,000	-	-	500,000	7,763,116	7,913,116
		83,331,867	**4,150,000**	**24,547,367**	**15,791,163**	**-**	**500,000**	**38,343,337**	**58,284,500**
	*** Capital project funding assured through 2022**	**20,085,396**	**-**	**19,283,588**	**-**	**-**	**-**	**801,808**	**801,808**
	****State of Good Repair project funding assured through 2022**	**33,450,289**	**4,000,000**	**763,779**	**11,274,289**	**-**	**-**	**17,412,221**	**32,686,510**

UTA 5-Year Capital Plan: 2023 Project Details

#	Project Name	2023 Proposed Budget	Bonds	Grants	Lease	State Funding	Local Partners	UTA Other	Total UTA Funds
	Information Technology								
1	E Voucher Software Development (pending grant)	-						-	-
2	In-house Application Development & Enhancements	200,000						200,000	200,000
3	New MS SQL Server Licenses	50,000						50,000	50,000
4	Radio Communication Infrastructure	100,000						100,000	100,000
5	Server, Storage Infrastructure Equipment and Software	200,000						200,000	200,000
6	Rail Communication On-Board Technology	150,000						150,000	150,000
7	Info Security Equip & SW (PCI Compliance & Cyber Security)	440,000						440,000	440,000
8	Bus Communication On-Board Technology	250,000						250,000	250,000
9	IT Managed Reserved (formerly IT Pool)	400,000						400,000	400,000
10	Network & Infrastructure Equipment	400,000						400,000	400,000
11	FrontRunner WiFi Enhancements	150,000						150,000	150,000
12	Init APC Upgrade	-						-	-
13	TVM for UVX (Needed if Free Fare ends)	-						-	-
14	SSBU Radio System Install/subcontract fleet only	-						-	-
15	SSBU Mobility Eligibility Center Trapeze Software	-						-	-
16	Electronic Fare Collection Maintenance & Replacement	-						-	-
17	MDC Redesign Hardware Replacement	500,000						500,000	500,000
18	OWATS and OBOTS Enhancements	-						-	-
19	Passenger Info Improvements	-						-	-
20	Enhanced Laserfiche (SIRE Replacement)	-						-	-
21	Trapeze Enhancements							-	-
22	New Radio Communication System	-						-	-
23	Rail TVM SOGR - PCI Compliance	-						-	-
24	Email Infrastructure End of Life	-						-	-
25	Microsoft Office Suite End of Life	-						-	-
26	Windows Server Software Licenses	-						-	-
27	PA on TRAX Platform	-						-	-
28	ArcGIS GeoEvent Server for Live Data	-						-	-
	Total Information Technology	**2,840,000**	**-**	**-**	**-**	**-**	**-**	**2,840,000**	**2,840,000**
	Safety & Security/Police	**2023 Proposed Budget**	**Bonds**	**Grants**	**Lease**	**State Funding**	**Local Partners**	**UTA Other**	**Total UTA Funds**
	Safety & Security								
29	Corridor Fencing	50,000						50,000	50,000
30	Camera Sustainability	50,000						50,000	50,000
31	Access Control for Data Rooms	-						-	-
32	Bus Camera Overhaul/Replacement	-						-	-
33	Bus Safety and Security	30,000						30,000	30,000
34	Camera, door locks, and badge scanners for 4200 parts	-						-	-
35	Emergency Operations Training	15,000						15,000	15,000
36	Facility Security	50,000						50,000	50,000
37	Next Crossing Camera Installation	40,000						40,000	40,000
38	Safety General Projects	100,000						100,000	100,000
39	Security General Projects	20,000						20,000	20,000
	Safety & Security Total	**355,000**	**-**	**-**	**-**	**-**	**-**	**355,000**	**355,000**
	Police								
40	Ballistic Vest Replacement	15,000						15,000	15,000
41	Vehicle Replacement/Expansion	240,000						240,000	240,000
42	Tasers								
	Police Total	**255,000**	**-**	**-**	**-**	**-**	**-**	**255,000**	**255,000**
	Total Safety & Security	**610,000**	**-**	**-**	**-**	**-**	**-**	**610,000**	**610,000**
	Asset Management (Vehicles, Facilities, Rail Infrastructure, Rail Systems)	**2023 Proposed Budget**	**Bonds**	**Grants**	**Lease**	**State Funding**	**Local Partners**	**UTA Other**	**Total UTA Funds**
	Vehicles								
43	Bus Replacement**	34,090,373			34,057,373			33,000	34,090,373
44	Van Pool Replacement	1,270,960			1,270,960			-	1,270,960
45	Paratransit Vehicle Replacment	3,199,593			3,166,593			33,000	3,199,593
46	Bus Engine/Transmission/Component Rehab/Replacement	3,000,000		2,400,000				600,000	600,000
47	Light Rail Vehicle Rehab**	2,900,000						2,900,000	2,900,000
48	Commuter Rail Vehicle Rehab**	5,209,000		950,000				4,259,000	4,259,000
49	Non-Rev Service Vehicle Replacement	350,000						350,000	350,000
50	LRV Accident Repair**							-	-
	Vehicles Total	**50,019,926**	**-**	**3,350,000**	**38,494,926**	**-**	**-**	**8,175,000**	**46,669,926**
	Facilities								
51	Facilities Rehab and Replacement *(See Facilities Tab)*	1,000,000						1,000,000	1,000,000
52	Equipment Managed Reserve *(See Equipment Tab)*	500,000						500,000	500,000
53	Stations and Platforms Rehab and Replacement	250,000						250,000	250,000
54	Park and Ride Rehab and Replacement	500,000						500,000	500,000
	Facilities Total	**2,250,000**	**-**	**-**	**-**	**-**	**-**	**2,250,000**	**2,250,000**
	Rail Infrastructure								
55	Rail Rehab and Replacement	375,000						375,000	375,000
56	Ballast and Ties Rehab and Replacement	250,000						250,000	250,000
57	Bridge Rehabilitation & Maintenance	300,000						300,000	300,000
58	Grade Crossings Rehab and Replacement	1,000,000						1,000,000	1,000,000
59	Switches and Special Trackwork Rehab/Replacement**	250,000						250,000	250,000
	Rail Infrastructure Total	**2,175,000**	**-**	**-**	**-**	**-**	**-**	**2,175,000**	**2,175,000**
	Rail Systems								
60	Traction Power Rehab and Replacement**	4,000,000	4,000,000					-	4,000,000
61	Train Control Rehab and Replacement	500,000						500,000	500,000
62	Rail Switches & Trackwork Controls - Rehab/Replacement	200,000						200,000	200,000
63	Stray Current Mitigation	300,000						300,000	300,000
64	Ticket Vending Machines	-						-	-
65	OCS Rehab and Replacement**	500,000						500,000	500,000
	Rail Systems Total	**5,500,000**	**4,000,000**	**-**	**-**	**-**	**-**	**1,500,000**	**5,500,000**
	Total Asset Management	**59,944,926**	**4,000,000**	**3,350,000**	**38,494,926**	**-**	**-**	**14,100,000**	**56,594,926**

	Capital Development Projects	2023 Proposed Budget	Bonds	Grants	Lease	State Funding	Local Partners	UTA Other	Total UTA Funds
66	Airport Station Relocation*	-						-	-
67	3300/3500 South MAX Expansion & Optimization	-						-	-
68	Clearfield FR Station Trail	-						-	-
79	SL UZA Bus Bike Rack Expansion	-						-	-
70	Depot District*	-						-	-
71	Ogden/Weber State University BRT Design*	-						-	-
72	TIGER Program of Projects*	-						-	-
73	Box Elder Right of Way Preservation	2,000,000						2,000,000	2,000,000
74	Weber Cnty CR ROW Preservation	-						-	-
75	Signal Pre-emption Projects w/UDOT	-						-	-
76	Point of Mountain AA/EIS	-						-	-
77	Office Equipment Reserve	100,000						100,000	100,000
78	Positive Train Control*	-						-	-
79	UVU Ped Bridge	-						-	-
80	Operator Shack at University Medical EOL	-						-	-
81	Northern Utah County Double Track	-						-	-
82	Bus Stop Imp - System-Wide ADA	1,000,000		800,000				200,000	200,000
83	Wayfinding Signage Plan - S-line and TRAX	1,350,000		200,000				1,150,000	1,150,000
84	Operator Restrooms throughout system	750,000	150,000	600,000				-	150,000
85	Layton FrontRunner Parking Garage	4,700,000		2,000,000			2,700,000	-	-
86	Turn-back Track at Union Interlocking	-						-	-
87	5600 West BRT	1,608,924		1,500,000				108,924	108,924
	Total Capital Development Projects	**11,508,924**	**150,000**	**5,100,000**	**-**	**-**	**2,700,000**	**3,558,924**	**3,708,924**

	Salt Lake County 4th Quarter Capital Projects	2023 Proposed Budget	Bonds	Grants	Lease	State Funding	Local Partners	UTA Other	Total UTA Funds
88	20 Electric Buses/Infrastructure for SL County Service*							-	-
89	North Temple EOL							-	-
90	U of U EOL							-	-
91	Fort Union EOL							-	-
92	5600 W/4500 S EOL							-	-
93	Depot District support							-	-
94	Meadowbrook Expansion*							-	-
95	Operator Restrooms- Salt Lake County							-	-
96	Bus Stop Improvements and signage - SL County	1,653,750						1,653,750	1,653,750
97	SGR for TRAX (to be used for LRV overhaul project)**	7,717,500						7,717,500	7,717,500
	Total Salt Lake County 4th Quarter Capital Projects	**9,371,250**	**-**	**-**	**-**	**-**	**-**	**9,371,250**	**9,371,250**
	Total Overall Capital Budget	**84,275,100**	**4,150,000**	**8,450,000**	**38,494,926**	**-**	**2,700,000**	**30,480,174**	**73,125,100**
	Total Budget without Salt Lake County 4th Q projects								

		2023 Proposed Budget	Bonds	Grants	Lease	State Funding	Local Partners	UTA Other	Total UTA Funds
	Summary								
	Revenue Service Vehicles & white fleet	38,910,926	-	-	38,494,926	-	-	416,000	38,910,926
	Information Technology	2,840,000	-	-	-	-	-	2,840,000	2,840,000
	Facilities, Maintenance & Admin, Safety Equipment	2,860,000	-	-	-	-	-	2,860,000	2,860,000
	Rail Maintenance Projects	15,392,500	4,000,000	-	-	-	-	11,392,500	15,392,500
	Vehicles - Rehab/Repair	11,109,000	-	3,350,000	-	-	-	7,759,000	7,759,000
	Airport LRT	-	-	-	-	-	-	-	-
	Depot District	-	-	-	-	-	-	-	-
	Ogden/Weber BRT	-	-	-	-	-	-	-	-
	Other Capital Projects	13,162,674	150,000	5,100,000	-	-	2,700,000	5,212,674	5,362,674
		84,275,100	**4,150,000**	**8,450,000**	**38,494,926**	**-**	**2,700,000**	**30,480,174**	**73,125,100**
	*** Capital project funding assured through 2022**								**-**
	****State of Good Repair project funding assured through 2022**								**-**

UTA 5-Year Capital Plan: 2024 Project Details

#	Project Name	2024 Proposed Budget	Bonds	Grants	Lease	State Funding	Local Partners	UTA Other	Total UTA Funds
	Information Technology								
1	E Voucher Software Development (pending grant)	-						-	-
2	In-house Application Development & Enhancements	200,000						200,000	200,000
3	New MS SQL Server Licenses	50,000						50,000	50,000
4	Radio Communication Infrastructure	100,000						100,000	100,000
5	Server, Storage Infrastructure Equipment and Software	480,000						480,000	480,000
6	Rail Communication On-Board Technology	150,000						150,000	150,000
7	Info Security Equip & SW (PCI Compliance & Cyber Security)	300,000						300,000	300,000
8	Bus Communication On-Board Technology	150,000						150,000	150,000
9	IT Managed Reserved (formerly IT Pool)	400,000						400,000	400,000
10	Network & Infrastructure Equipment	200,000						200,000	200,000
11	FrontRunner WiFi Enhancements	200,000						200,000	200,000
12	Init APC Upgrade	-						-	-
13	TVM for UVX (Needed if Free Fare ends)	-						-	-
14	SSBU Radio System Install/subcontract fleet only	-						-	-
15	SSBU Mobility Eligibility Center Trapeze Software	-						-	-
16	Electronic Fare Collection Maintenance & Replacement	-						-	-
17	MDC Redesign Hardware Replacement	250,000						250,000	250,000
18	OWATS and OBOTS Enhancements	-						-	-
19	Passenger Info Improvements	-						-	-
20	Enhanced Laserfiche (SIRE Replacement)	-						-	-
21	Trapeze Enhancements							-	-
22	New Radio Communication System	-						-	-
23	Rail TVM SOGR - PCI Compliance	-						-	-
24	Email Infrastructure End of Life	-						-	-
25	Microsoft Office Suite End of Life	-						-	-
26	Windows Server Software Licenses	-						-	-
27	PA on TRAX Platform	-						-	-
28	ArcGIS GeoEvent Server for Live Data	-						-	-
	Total Information Technology	**2,480,000**	**-**	**-**	**-**	**-**	**-**	**2,480,000**	**2,480,000**

	Safety & Security/Police	2024 Proposed Budget	Bonds	Grants	Lease	State Funding	Local Partners	UTA Other	Total UTA Funds
	Safety & Security								
29	Corridor Fencing	50,000						50,000	50,000
30	Camera Sustainability	50,000						50,000	50,000
31	Access Control for Data Rooms	-						-	-
32	Bus Camera Overhaul/Replacement	-						-	-
33	Bus Safety and Security	30,000						30,000	30,000
34	Camera, door locks, and badge scanners for 4200 parts	-						-	-
35	Emergency Operations Training	15,000						15,000	15,000
36	Facility Security	50,000						50,000	50,000
37	Next Crossing Camera Installation	40,000						40,000	40,000
38	Safety General Projects	100,000						100,000	100,000
39	Security General Projects	20,000						20,000	20,000
	Safety & Security Total	**355,000**	**-**	**-**	**-**	**-**	**-**	**355,000**	**355,000**
	Police								
40	Ballistic Vest Replacement	15,000						15,000	15,000
41	Vehicle Replacement/Expansion	240,000						240,000	240,000
42	Tasers								
	Police Total	**255,000**	**-**	**-**	**-**	**-**	**-**	**255,000**	**255,000**
	Total Safety & Security	**610,000**	**-**	**-**	**-**	**-**	**-**	**610,000**	**610,000**

	Asset Management (Vehicles, Facilities, Rail Infrastructure, Rail Systems)	2024 Proposed Budget	Bonds	Grants	Lease	State Funding	Local Partners	UTA Other	Total UTA Funds
	Vehicles								
43	Bus Replacement**	48,087,376			48,054,376			33,000	48,087,376
44	Van Pool Replacement	1,423,240			1,423,240			-	1,423,240
45	Paratransit Vehicle Replacment	3,275,592			3,242,592			33,000	3,275,592
46	Bus Engine/Transmission/Component Rehab/Replacement	3,000,000		2,400,000				600,000	600,000
47	Light Rail Vehicle Rehab**	3,100,000						3,100,000	3,100,000
48	Commuter Rail Vehicle Rehab**	4,756,000						4,756,000	4,756,000
49	Non-Rev Service Vehicle Replacement	350,000						350,000	350,000
50	LRV Accident Repair**							-	-
	Vehicles Total	**63,992,208**	**-**	**2,400,000**	**52,720,208**	**-**	**-**	**8,872,000**	**61,592,208**
	Facilities								
51	Facilities Rehab and Replacement *(See Facilities Tab)*	1,000,000						1,000,000	1,000,000
52	Equipment Managed Reserve *(See Equipment Tab)*	500,000						500,000	500,000
53	Stations and Platforms Rehab and Replacement	250,000						250,000	250,000
54	Park and Ride Rehab and Replacement	750,000						750,000	750,000
	Facilities Total	**2,500,000**	**-**	**-**	**-**	**-**	**-**	**2,500,000**	**2,500,000**
	Rail Infrastructure								
55	Rail Rehab and Replacement	750,000						750,000	750,000
56	Ballast and Ties Rehab and Replacement	250,000						250,000	250,000
57	Bridge Rehabilitation & Maintenance	300,000						300,000	300,000
58	Grade Crossings Rehab and Replacement	1,000,000						1,000,000	1,000,000
59	Switches and Special Trackwork Rehab/Replacement**	1,000,000						1,000,000	1,000,000
	Rail Infrastructure Total	**3,300,000**	**-**	**-**	**-**	**-**	**-**	**3,300,000**	**3,300,000**
	Rail Systems								
60	Traction Power Rehab and Replacement**	4,000,000	4,000,000					-	4,000,000
61	Train Control Rehab and Replacement	500,000						500,000	500,000
62	Rail Switches & Trackwork Controls - Rehab/Replacement	200,000						200,000	200,000
63	Stray Current Mitigation	600,000						600,000	600,000
64	Ticket Vending Machines	-						-	-
65	OCS Rehab and Replacement**	500,000						500,000	500,000
	Rail Systems Total	**5,800,000**	**4,000,000**	**-**	**-**	**-**	**-**	**1,800,000**	**5,800,000**
	Total Asset Management	**75,592,208**	**4,000,000**	**2,400,000**	**52,720,208**	**-**	**-**	**16,472,000**	**73,192,208**

	Capital Development Projects	2024 Proposed Budget	Bonds	Grants	Lease	State Funding	Local Partners	UTA Other	Total UTA Funds
66	Airport Station Relocation*	-						-	-
67	3300/3500 South MAX Expansion & Optimization	-						-	-
68	Clearfield FR Station Trail	-						-	-
79	SL UZA Bus Bike Rack Expansion	-						-	-
70	Depot District*	-						-	-
71	Ogden/Weber State University BRT Design*	-						-	-
72	TIGER Program of Projects*	-						-	-
73	Box Elder Right of Way Preservation	2,000,000						2,000,000	2,000,000
74	Weber Cnty CR ROW Preservation	-						-	-
75	Signal Pre-emption Projects w/UDOT	-						-	-
76	Point of Mountain AA/EIS	-						-	-
77	Office Equipment Reserve	100,000						100,000	100,000
78	Positive Train Control*	-						-	-
79	UVU Ped Bridge	-						-	-
80	Operator Shack at University Medical EOL	-						-	-
81	Northern Utah County Double Track	-						-	-
82	Bus Stop Imp - System-Wide ADA	1,000,000		800,000				200,000	200,000
83	Wayfinding Signage Plan - S-line and TRAX	1,500,000		200,000				1,300,000	1,300,000
84	Operator Restrooms throughout system	750,000	150,000	600,000				-	150,000
85	Layton FrontRunner Parking Garage	-						-	-
86	Turn-back Track at Union Interlocking	-						-	-
87	5600 West BRT	-						-	-
	Total Capital Development Projects	**5,350,000**	**150,000**	**1,600,000**	**-**	**-**	**-**	**3,600,000**	**3,750,000**

	Salt Lake County 4th Quarter Capital Projects	2024 Proposed Budget	Bonds	Grants	Lease	State Funding	Local Partners	UTA Other	Total UTA Funds
88	20 Electric Buses/Infrastructure for SL County Service*							-	-
89	North Temple EOL							-	-
90	U of U EOL							-	-
91	Fort Union EOL							-	-
92	5600 W/4500 S EOL							-	-
93	Depot District support							-	-
94	Meadowbrook Expansion*							-	-
95	Operator Restrooms- Salt Lake County							-	-
96	Bus Stop Improvements and signage - SL County	1,736,438						1,736,438	1,736,438
97	SGR for TRAX (to be used for LRV overhaul project)**	8,103,375						8,103,375	8,103,375
	Total Salt Lake County 4th Quarter Capital Projects	**9,839,813**	**-**	**-**	**-**	**-**	**-**	**9,839,813**	**9,839,813**
	Total Overall Capital Budget	**93,872,021**	**4,150,000**	**4,000,000**	**52,720,208**	**-**	**-**	**33,001,813**	**89,872,021**
	Total Budget without Salt Lake County 4th Q projects								

		2024 Proposed Budget	Bonds	Grants	Lease	State Funding	Local Partners	UTA Other	Total UTA Funds
	Summary								
	Revenue Service Vehicles & white fleet	53,136,208	-	-	52,720,208	-	-	416,000	53,136,208
	Information Technology	2,480,000	-	-	-	-	-	2,480,000	2,480,000
	Facilities, Maintenance & Admin, Safety Equipment	3,110,000	-	-	-	-	-	3,110,000	3,110,000
	Rail Maintenance Projects	17,203,375	4,000,000	-	-	-	-	13,203,375	17,203,375
	Vehicles - Rehab/Repair	10,856,000	-	2,400,000	-	-	-	8,456,000	8,456,000
	Airport LRT	-	-	-	-	-	-	-	-
	Depot District	-	-	-	-	-	-	-	-
	Ogden/Weber BRT	-	-	-	-	-	-	-	-
	Other Capital Projects	7,086,438	150,000	1,600,000	-	-	-	5,336,438	5,486,438
		93,872,021	**4,150,000**	**4,000,000**	**52,720,208**	**-**	**-**	**33,001,813**	**89,872,021**
	*** Capital project funding assured through 2022**								-
	****State of Good Repair project funding assured through 2022**								-

UTA 5-Year Capital Plan: 2020-2024 Total Details

#	Project Name	5-Year Proposed Budget	Total 5-yr Bond	Total 5-yr Grant	Total 5-yr Lease	Total 5-yr State	Total 5-yr Local	Total 5-yr UTA Other	Total UTA 5-yr Funds
	Information Technology								
1	E Voucher Software Development (pending grant)	757,838	-	757,838	-	-	-	-	-
2	In-house Application Development & Enhancements	1,400,000	-	-	-	-	-	1,400,000	1,400,000
3	New MS SQL Server Licenses	345,000	-	-	-	-	-	345,000	345,000
4	Radio Communication Infrastructure	600,000	-	-	-	-	-	600,000	600,000
5	Server, Storage Infrastructure Equipment and Software	1,630,000	-	-	-	-	-	1,630,000	1,630,000
6	Rail Communication On-Board Technology	950,000	-	-	-	-	-	950,000	950,000
7	Info Security Equip & SW (PCI Compliance & Cyber Security)	1,864,000	-	-	-	-	-	1,864,000	1,864,000
8	Bus Communication On-Board Technology	1,350,000	-	-	-	-	-	1,350,000	1,350,000
9	IT Managed Reserved (formerly IT Pool)	1,890,000	-	-	-	-	-	1,890,000	1,890,000
10	Network & Infrastructure Equipment	1,700,000	-	-	-	-	-	1,700,000	1,700,000
11	FrontRunner WiFi Enhancements	800,000	-	-	-	-	-	800,000	800,000
12	Init APC Upgrade	540,000	-	-	-	-	-	540,000	540,000
13	TVM for UVX (Needed if Free Fare ends)	-	-	-	-	-	-	-	-
14	SSBU Radio System Install/subcontract fleet only	170,000	-	-	-	-	-	170,000	170,000
15	SSBU Mobility Eligibility Center Trapeze Software	165,000	-	-	-	-	-	165,000	165,000
16	Electronic Fare Collection Maintenance & Replacement	5,000,000	-	-	5,000,000	-	-	-	5,000,000
17	MDC Redesign Hardware Replacement	2,100,000	-	-	-	-	-	2,100,000	2,100,000
18	OWATS and OBOTS Enhancements	-	-	-	-	-	-	-	-
19	Passenger Info Improvements	-	-	-	-	-	-	-	-
20	Enhanced Laserfiche (SIRE Replacement)	-	-	-	-	-	-	-	-
21	Trapeze Enhancements	-	-	-	-	-	-	-	-
22	New Radio Communication System	-	-	-	-	-	-	-	-
23	Rail TVM SOGR - PCI Compliance	7,800,000	-	-	7,800,000	-	-	-	7,800,000
24	Email Infrastructure End of Life	120,000	-	-	-	-	-	120,000	120,000
25	Microsoft Office Suite End of Life	350,000	-	-	-	-	-	350,000	350,000
26	Windows Server Software Licenses	220,000	-	-	-	-	-	220,000	220,000
27	PA on TRAX Platform	-	-	-	-	-	-	-	-
28	ArcGIS GeoEvent Server for Live Data	50,000	-	-	-	-	-	50,000	50,000
	Total Information Technology	**29,801,838**	**-**	**757,838**	**12,800,000**	**-**	**-**	**16,244,000**	**29,044,000**
	Safety & Security/Police	**5-Year Proposed Budget**	**Total 5-yr Bond**	**Total 5-yr Grant**	**Total 5-yr Lease**	**Total 5-yr State**	**Total 5-yr Local**	**Total 5-yr UTA Other**	**Total UTA 5-yr Funds**
	Safety & Security								
29	Corridor Fencing	250,000	-	-	-	-	-	250,000	250,000
30	Camera Sustainability	250,000	-	-	-	-	-	250,000	250,000
31	Access Control for Data Rooms	20,000	-	-	-	-	-	20,000	20,000
32	Bus Camera Overhaul/Replacement	320,000	-	-	-	-	-	320,000	320,000
33	Bus Safety and Security	150,000	-	-	-	-	-	150,000	150,000
34	Camera, door locks, and badge scanners for 4200 parts	15,000	-	-	-	-	-	15,000	15,000
35	Emergency Operations Training	75,000	-	-	-	-	-	75,000	75,000
36	Facility Security	250,000	-	-	-	-	-	250,000	250,000
37	Next Crossing Camera Installation	200,000	-	-	-	-	-	200,000	200,000
38	Safety General Projects	500,000	-	-	-	-	-	500,000	500,000
39	Security General Projects	100,000	-	-	-	-	-	100,000	100,000
	Safety & Security Total	**2,130,000**	**-**	**-**	**-**	**-**	**-**	**2,130,000**	**2,130,000**
	Police								
40	Ballistic Vest Replacement	75,000	-	-	-	-	-	75,000	75,000
41	Vehicle Replacement/Expansion	1,200,000	-	-	-	-	-	1,200,000	1,200,000
42	Tasers	100,000	-	-	-	-	-	100,000	
	Police Total	**1,375,000**	**-**	**-**	**-**	**-**	**-**	**1,375,000**	**1,275,000**
	Total Safety & Security	**3,505,000**	**-**	**-**	**-**	**-**	**-**	**3,505,000**	**3,405,000**
	Asset Management (Vehicles, Facilities, Rail Infrastructure, Rail Systems)	**5-Year Proposed Budget**	**Total 5-yr Bond**	**Total 5-yr Grant**	**Total 5-yr Lease**	**Total 5-yr State**	**Total 5-yr Local**	**Total 5-yr UTA Other**	**Total 5-yr UTA Funds**
	Vehicles								
43	Bus Replacement**	144,756,612	-	2,775,830	141,614,211	-	-	366,571	141,980,782
44	Van Pool Replacement	7,617,198	-	-	7,617,198	-	-	-	7,617,198
45	Paratransit Vehicle Replacment	15,635,580	-	-	15,470,580	-	-	165,000	15,635,580
46	Bus Engine/Transmission/Component Rehab/Replacement	12,000,000	-	7,200,000	-	-	-	4,800,000	4,800,000
47	Light Rail Vehicle Rehab**	14,118,850	-	-	-	-	-	14,118,850	14,118,850
48	Commuter Rail Vehicle Rehab**	21,791,779	-	3,287,147	-	-	-	18,504,632	18,504,632
49	Non-Rev Service Vehicle Replacement	1,750,000	-	-	-	-	-	1,750,000	1,750,000
50	LRV Accident Repair**	4,480,000						4,480,000	4,480,000
	Vehicles Total	**222,150,019**	**-**	**13,262,977**	**164,701,989**	**-**	**-**	**44,185,053**	**208,887,042**
	Facilities								
51	Facilities Rehab and Replacement *(See Facilities Tab)*	6,000,000	-	-	-	-	-	6,000,000	6,000,000
52	Equipment Managed Reserve *(See Equipment Tab)*	2,000,000	-	-	-	-	-	2,000,000	2,000,000
53	Stations and Platforms Rehab and Replacement	1,000,000	-	-	-	-	-	1,000,000	1,000,000
54	Park and Ride Rehab and Replacement	3,000,000	-	-	-	-	-	3,000,000	3,000,000
	Facilities Total	**12,000,000**	**-**	**-**	**-**	**-**	**-**	**12,000,000**	**12,000,000**
	Rail Infrastructure								
55	Rail Rehab and Replacement	1,875,000	-	-	-	-	-	1,875,000	1,875,000
56	Ballast and Ties Rehab and Replacement	1,250,000	-	-	-	-	-	1,250,000	1,250,000
57	Bridge Rehabilitation & Maintenance	1,850,000	-	-	-	-	-	1,850,000	1,850,000
58	Grade Crossings Rehab and Replacement	5,000,000	-	-	-	-	-	5,000,000	5,000,000
59	Switches and Special Trackwork Rehab/Replacement**	3,250,000	-	-	-	-	-	3,250,000	3,250,000
	Rail Infrastructure Total	**13,225,000**	**-**	**-**	**-**	**-**	**-**	**13,225,000**	**13,225,000**
	Rail Systems								
60	Traction Power Rehab and Replacement**	16,550,000	16,550,000	-	-	-	-	-	16,550,000
61	Train Control Rehab and Replacement	1,750,000	-	-	-	-	-	1,750,000	1,750,000
62	Rail Switches & Trackwork Controls - Rehab/Replacement	950,000	-	-	-	-	-	950,000	950,000
63	Stray Current Mitigation	2,100,000	-	-	-	-	-	2,100,000	2,100,000
64	Ticket Vending Machines	-	-	-	-	-	-	-	-
65	OCS Rehab and Replacement**	2,500,000	-	-	-	-	-	2,500,000	2,500,000
	Rail Systems Total	**23,850,000**	**16,550,000**	**-**	**-**	**-**	**-**	**7,300,000**	**23,850,000**
	Total Asset Management	**271,225,019**	**16,550,000**	**13,262,977**	**164,701,989**	**-**	**-**	**76,710,053**	**257,962,042**

	Capital Development Projects	5-Year Proposed Budget	Total 5-yr Bond	Total 5-yr Grant	Total 5-yr Lease	Total 5-yr State	Total 5-yr Local	Total 5-yr UTA Other	Total 5-yr UTA Funds
66	Airport Station Relocation*	18,550,000	-	-	-	-	-	18,550,000	18,550,000
67	3300/3500 South MAX Expansion & Optimization	2,735,172	-	2,550,000	-	-	-	185,172	185,172
68	Clearfield FR Station Trail	1,501,663	-	1,400,000	-	-	101,663	-	-
79	SL UZA Bus Bike Rack Expansion	35,609	-	33,198	-	-	-	2,411	2,411
70	Depot District*	44,780,092	31,850,000	7,930,092	-	5,000,000	-	-	31,850,000
71	Ogden/Weber State University BRT Design*	91,974,076	12,320,080	70,503,996	-	-	9,150,000	-	12,320,080
72	TIGER Program of Projects*	13,028,294	-	6,323,372	-	-	6,658,556	46,366	46,366
73	Box Elder Right of Way Preservation	10,000,000	-	-	-	-	-	10,000,000	10,000,000
74	Weber Cnty CR ROW Preservation	2,500,000	-	-	-	-	2,500,000	-	-
75	Signal Pre-emption Projects w/UDOT	1,500,000	-	-	-	-	1,500,000	-	-
76	Point of Mountain AA/EIS	3,000,000	-	-	-	2,400,000	400,000	200,000	200,000
77	Office Equipment Reserve	500,000	-	-	-	-	-	500,000	500,000
78	Positive Train Control*	2,601,808	-	-	-	-	-	2,601,808	2,601,808
79	UVU Ped Bridge	2,000,000	-	-	-	-	-	2,000,000	2,000,000
80	Operator Shack at University Medical EOL	350,000	-	-	-	-	-	350,000	350,000
81	Vineyard Double Track	10,000,000	9,500,000	-	-	-	500,000	-	9,500,000
82	Bus Stop Imp - System-Wide ADA	5,000,000	-	4,000,000	-	-	-	1,000,000	1,000,000
83	Wayfinding Signage Plan - S-line and TRAX	5,225,000	-	600,000	-	-	-	4,625,000	4,625,000
84	Operator Restrooms throughout system	3,250,000	650,000	2,600,000	-	-	-	-	650,000
85	Layton FrontRunner Parking Garage	4,700,000	-	2,000,000	-	-	2,700,000	-	-
86	Turn-back Track at Union Interlocking	-	-	-	-	-	-	-	-
87	5600 West BRT	2,145,232	-	2,000,000	-	-	-	145,232	145,232
	Total Capital Development Projects	**225,376,946**	**54,320,080**	**99,940,658**	**-**	**7,400,000**	**23,510,219**	**40,205,989**	**94,526,069**

	Salt Lake County 4th Quarter Capital Projects	5-Year Proposed Budget	Total 5-yr Bond	Total 5-yr Grant	Total 5-yr Lease	Total 5-yr State	Total 5-yr Local	Total 5-yr UTA Other	Total UTA 5-yr Funds
88	20 Electric Buses/Infrastructure for SL County Service*	27,079,240	-	13,079,240	14,000,000	-	-	-	14,000,000
89	North Temple EOL	3,400,000	-	-	-	-	1,400,000	2,000,000	2,000,000
90	U of U EOL	2,950,000	-	2,500,000	-	-	-	450,000	450,000
91	Fort Union EOL	3,500,000	-	-	-	-	-	3,500,000	3,500,000
92	5600 W/4500 S EOL	3,500,000	-	-	-	-	-	3,500,000	3,500,000
93	Depot District support	3,850,000	-	-	-	-	-	3,850,000	3,850,000
94	Meadowbrook Expansion*	3,900,000	-	-	-	-	-	3,900,000	3,900,000
95	Operator Restrooms- Salt Lake County	600,000	-	-	-	-	-	600,000	600,000
96	Bus Stop Improvements and signage - SL County	8,965,188	-	-	-	-	-	8,965,188	8,965,188
97	SGR for TRAX (to be used for LRV overhaul project)**	37,170,875	-	-	-	-	-	37,170,875	37,170,875
	Total Salt Lake County 4th Quarter Capital Projects	**94,915,303**	**-**	**15,579,240**	**14,000,000**	**-**	**1,400,000**	**63,936,063**	**77,936,063**
	Total Overall Capital Budget	**624,824,105**	**70,870,080**	**129,540,713**	**191,501,989**	**7,400,000**	**24,910,219**	**200,601,104**	**462,873,173**
	Total Budget without Salt Lake County 4th Q projects								

		5-Year Proposed Budget	Total 5-yr Bond	Total 5-yr Grant	Total 5-yr Lease	Total 5-yr State	Total 5-yr Local	Total 5-yr UTA Other	Total UTA 5-yr Funds
	Summary								
	Revenue Service Vehicles & white fleet	169,759,390	-	2,775,830	164,701,989	-	-	2,281,571	166,983,560
	Information Technology	29,801,838	-	757,838	12,800,000	-	-	16,244,000	29,044,000
	Facilities, Maintenance & Admin, Safety Equipment	15,505,000	-	-	-	-	-	15,505,000	15,505,000
	Rail Maintenance Projects	74,245,875	16,550,000	-	-	-	-	57,695,875	74,245,875
	Vehicles - Rehab/Repair	52,390,629	-	10,487,147	-	-	-	41,903,482	41,903,482
	Airport LRT	18,550,000	-	-	-	-	-	18,550,000	18,550,000
	Depot District	48,630,092	31,850,000	7,930,092	-	5,000,000	-	3,850,000	35,700,000
	Ogden/Weber BRT	91,974,076	12,320,080	70,503,996	-	-	9,150,000	-	12,320,080
	Other Capital Projects	123,967,206	10,150,000	37,085,810	14,000,000	2,400,000	15,760,219	44,571,177	68,721,177
		624,824,105	**70,870,080**	**129,540,713**	**191,501,989**	**7,400,000**	**24,910,219**	**200,601,104**	**462,973,173**
	*** Capital project funding assured through 2022**	**201,913,510**	**44,170,080**	**97,836,700**	**14,000,000**	**5,000,000**	**15,808,556**	**25,098,174**	**83,268,254**
	****State of Good Repair project funding assured through 2022**	**120,404,492**	**8,550,000**	**5,112,977**	**59,502,462**	**-**	**-**	**47,239,053**	**115,291,515**

MEMORANDUM TO THE BOARD

TO: Utah Transit Authority Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Bob Biles, UTA Chief Financial Officer
PRESENTER(S): Bob Biles

BOARD MEETING DATE: October 9, 2019

SUBJECT:	**Agenda Number 8.** **R2019-10-03 Resolution Authorizing the Issuance and sale by the Authority of its Sales Tax Revenue and Refunding Bonds in the Aggregate Principal Amount of not to Exceed $540,000,000; and Related Matters**
AGENDA ITEM TYPE:	**Resolution**
DISCUSSION:	See attached resolution and exhibits.
ATTACHMENTS:	1) R2019-10-03 with exhibits

RESOLUTION OF THE BOARD OF TRUSTEES OF THE UTAH TRANSIT AUTHORITY (THE "AUTHORITY") AUTHORIZING THE ISSUANCE AND SALE BY THE AUTHORITY OF ITS SALES TAX REVENUE AND REFUNDING BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED $540,000,000; AND RELATED MATTERS.

R2019-10-03 October 9, 2019

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, pursuant to the provisions of the Public Transit District Act (Utah Code § 17B-2a-801, *et seq*., the Local Government Bonding Act, Utah Code §11-14-101, *et seq*., Utah Refunding Bond Act, Utah Code § 11-27-1, *et seq.* (collectively, the "Act"), the Board of Trustees (the "Board") of the Utah Transit Authority (the "Authority") has authority to issue bonds of the Authority to finance and refinance any improvements, facilities or property which the Authority is authorized to acquire for use in the Authority's public transit system (the "System") located within the boundaries of its transit district (the "Transit District"); and

WHEREAS, the Board has previously issued various series of its sales tax revenue bonds (collectively, the "Outstanding Bonds"), for the purpose of financing and refinancing improvements and additions to the System; and

WHEREAS, pursuant to the provisions of the Act, the Board desires to issue bonds to (i) finance a portion of the costs associated with the design, acquisition and construction of capital improvements and related equipment, property and improvements for use in the System (the "Series 2019 Project"), (ii) refund a portion of the Outstanding Bonds (the "Refunded Bonds"), (iii) fund a debt service reserve fund, if required, and (iv) pay issuance expenses related thereto; and

WHEREAS, in order to accomplish the foregoing, the Authority desires to issue its Sales Tax Revenue and Refunding Bonds in one or more series, from time to time, as senior or subordinate bonds, including as capital appreciation bonds or as short-term bonds intended to be refinanced with proceeds of bonds also issued under the authorization of this Resolution, and as federally taxable or tax-exempt bonds, in an aggregate principal amount of not to exceed $540,000,000 (the "Series 2019 Bonds"), pursuant to (i) the Act, (ii) either (a) the Amended and Restated General Indenture of Trust, dated as of September 1, 2002, as heretofore amended and supplemented (the "Senior General Indenture") or (b) the Subordinate General Indenture of Trust, dated as of July 1, 2006, as heretofore amended and supplemented (the "Subordinate General Indenture") and (iii) one or more Supplemental Indentures of Trust (the "Supplemental Indenture"

and collectively with the respective Senior General Indenture or Subordinate General Indenture, the "Indentures"); and

WHEREAS, in accordance with Utah Code § 17B-2a-808.1(5), prior to the issuance of the Series 2019 Bonds, the Board shall consult with and receive approval from the State Bonding Commission (the "SBC") for the issuance of the Series 2019 Bonds; and

WHEREAS, in accordance with Utah Code §§ 17B-2a-808.1(2) and 17B-2a-808.2, prior to the issuance of the Series 2019 Bonds, the Board shall create and approve an annual budget, after consultation with the Local Advisory Council for the Authority (the "LAC"), which budget includes the issuance of the Series 2019 Bonds and the LAC shall have reviewed, approved and recommended final adoption of the new capital development projects included in the Series 2019 Project and the funding thereof; and

WHEREAS, there has been presented to the Board at this meeting a form of (i) a Preliminary Official Statement relating to the Series 2019 Bonds (the "Preliminary Official Statement"), (ii) Supplemental Indentures, (iii) a Bond Purchase Agreement (the "Bond Purchase Agreement"), and (iv) an Escrow Deposit Agreement in the case where the Series 2019 Bonds are issued for advance refunding purposes (the "Escrow Agreement"); and

WHEREAS, the Board desires to authorize and approve the finalization and use of the Preliminary Official Statement and any other documents deemed necessary in marketing the Series 2019 Bonds; and

WHEREAS, the Board anticipates, following its meeting with the SBC and holding a public hearing with respect to the Series 2019 Bonds, adopting a resolution approving the final terms of the Series 2019 Bonds, however, in order to allow the Authority, with the advice of its financial advisor, Zions Public Finance, Inc. (the "Financial Advisor"), flexibility in setting the pricing date or dates of the Series 2019 Bonds to achieve favorable long-term interest rates, the Board desires to grant to any two of (i) the Treasurer of the Authority, (ii) the Executive Director of the Authority and (iii) the Chair of the Board (or in the absence of Chair of the Board, any other member of the Board) (collectively, the "Designated Officers") the authority (without adoption of any additional resolution) to: (a) approve the principal amounts, interest rates, terms, maturities, redemption features, and purchase price at which the Series 2019 Bonds shall be sold and whether the Series 2019 Bonds are issued for refunding purposes and/or to finance the Series 2019 Project and whether the Series 2019 Bonds will bear federally taxable or tax-exempt interest; and (b) execute the Bond Purchase Agreement; and

NOW, THEREFORE, it is hereby resolved by the Board of Trustees of the Utah Transit Authority, that:

Section 1. In order to finance the Series 2019 Project, refund the Refunded Bonds, fund a debt service reserve, if needed, and pay costs of issuance, the Board hereby finds and determines that it is in the best interests of the Authority and residents within the Transit District, for the Authority to issue not more than $540,000,000 aggregate principal amount of the Series 2019 Bonds in one or more series, from time to time, to bear interest at a rate or rates of not to exceed five percent (5.0%) per annum, to mature in not more than twenty-six (26) years from their date or dates, and to be sold at a price not less than ninety-eight percent (98%) of the total principal amount thereof, all as shall be approved by the Board by resolution or the Designated Officers without an additional resolution and within the parameters set forth above (the "Parameters").

Section 2. In accordance with Utah Code § 17B-2a-808.1(5), prior to the issuance of the Series 2019 Bonds, the Board shall consult with and receive approval from the SBC for the issuance of the Series 2019 Bonds. In addition, in accordance with Utah Code §§ 17B-2a-808.1(2) and 17B-2a-808.2, prior to the issuance of the Series 2019 Bonds, the Board shall create and approve an annual budget, after consultation with the LAC, which budget includes the issuance of the Series 2019 Bonds for the 2019 Project and the LAC shall have reviewed, approved and recommended final adoption of the new capital development projects included in the Series 2019 Project and the funding thereof.

Section 3. The Board anticipates, following its meeting with the SBC and holding a public hearing with respect to the Series 2019 Bonds, adopting a resolution approving the final terms of the Series 2019 Bonds, however, in order to allow the Authority, with the advice of its Financial Advisor, flexibility in setting the pricing date or dates of the Series 2019 Bonds to achieve favorable long-term interest rates, the Designated Officers are hereby authorized (without adoption of any additional resolution) to specify and agree as to the final principal amounts, terms, discounts, maturities, interest rates, redemption features, and purchase price with respect to the Series 2019 Bonds and whether the Series 2019 Bonds are issued for refunding purposes and/or to finance the Series 2019 Project, and whether the Series 2019 Bonds will bear federally taxable or tax-exempt interest, provided that such terms are within the Parameters set by this Resolution. The determination of the final terms and provisions for the Series 2019 Bonds by the Board or the Designated Officers shall be evidenced by the execution of the Bond Purchase Agreement, in substantially the form attached hereto as Exhibit E. The form of the Bond Purchase Agreement is hereby authorized, approved and confirmed.

Section 4. The Supplemental Indentures and the Escrow Agreement, in substantially the forms presented to this meeting and attached hereto as Exhibits C and F, respectively, are hereby authorized, approved, and confirmed. The Chair of the Board (the "Chair") or the Executive Director (the "Executive Director") and the Secretary/Treasurer (the "Treasurer") are hereby authorized to execute and deliver the Supplemental Indentures and the Escrow Agreement in substantially the forms and with substantially the content as the forms presented at this meeting

for and on behalf of the Authority, with final terms as may be established by the Board or the Designated Officers within the Parameters set forth herein, and with such alterations, changes or additions as may be necessary or as may be authorized by Section 11 hereof. The approval of such final documents shall be conclusively established by the execution of the Supplemental Indentures and the Escrow Agreement by the Chair or Executive Director and the Treasurer. In the event that the Board or the Designated Officers determine that all or any portion of the Series 2019 Bonds should be privately placed, the Bond Purchase Agreement and Supplemental Indenture may be modified to conform to the agreement with such purchaser, including agreement to pay breakage fees, default rates, taxable rates and other similar provisions customary in such placements, and provisions deemed necessary to issue short-term bonds, provided that such obligations are limited to the sources provided under the Indenture.

Section 5. The Board hereby approves and authorizes the utilization of the Preliminary Official Statement in the form attached hereto as Exhibit D in the marketing of the Series 2019 Bonds and hereby approves the Official Statement (the "Official Statement") in substantially the same form as the Preliminary Official Statement, with any necessary revisions and insertions to complete the same with the terms established for the Series 2019 Bonds. The Chair or Executive Director are hereby authorized to execute the Official Statement evidencing approval by the Authority. The Board or the Designated Officers may elect to privately place the Series 2019 Bonds with or without the use of an Official Statement.

Section 6. The form, terms, and provisions of the Series 2019 Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption, and number shall be as set forth in the Indenture. The Chair or Executive Director and Treasurer are hereby authorized and directed to execute and seal the Series 2019 Bonds and to deliver said Series 2019 Bonds to the trustee (the "Trustee") for authentication. The signatures of the Chair or Executive Director and Treasurer may be by facsimile or manual execution.

Section 7. The appropriate officials of the Authority are hereby authorized and directed to execute and deliver to the Trustee the written order of the Authority for authentication and delivery of the Series 2019 Bonds in accordance with the provisions of the Indenture.

Section 8. Upon their issuance, the Series 2019 Bonds will constitute special limited obligations of the Authority payable solely from and to the extent of the sources set forth in the Series 2019 Bonds and the Indenture. No provision of this Resolution, the Indenture, the Series 2019 Bonds, or any other instrument, shall be construed as creating a general obligation of the Authority, or of creating a general obligation of the State of Utah or any political subdivision thereof, or as incurring or creating a charge upon the general credit of the Authority or its taxing powers.

Section 9. The appropriate officials of the Authority, and each of them, are hereby authorized and directed to execute and deliver for and on behalf of the Authority any or all additional certificates, documents and other papers and to perform all other acts they may deem necessary or appropriate in order to implement and carry out the matters authorized in this Resolution and the documents authorized and approved herein.

Section 10. After any of the Series 2019 Bonds are delivered by the Trustee to the purchaser or underwriter, and upon receipt of payment therefor, this Resolution shall be and remain irrepealable until the principal of, premium, if any, and interest on the Series 2019 Bonds are deemed to have been duly discharged in accordance with the terms and provisions of the Indenture.

Section 11. The appropriate officials of the Authority are authorized to make any alterations, changes or additions to the Indenture, the Bond Purchase Agreement, the Series 2019 Bonds, the Preliminary Official Statement, the Official Statement, the Escrow Agreement or any other document herein authorized and approved which may be necessary to conform the same to the final terms of the Series 2019 Bonds (within the Parameters set by this Resolution), to correct errors or omissions therein, to complete the same, to remove ambiguities therefrom, or to conform the same to other provisions of said instruments, to the provisions of this Resolution or any resolution adopted by the Board, the agreement with the purchaser or underwriter of the Series 2019 Bonds, or the provisions of the laws of the State of Utah or the United States or to permit the private placement or public sale of the Series 2019 Bonds, to conform such documents to the terms established for the Series 2019 Bonds (including as short-term bonds or capital appreciation bonds) and to update such documents with current information and practices provided that the obligations of the Authority are limited to the sources pledged under the Indenture.

Section 12. The Treasurer of the Board shall cause a "Notice of Public Hearing and Bonds to be Issued" in substantially the form attached hereto as Exhibit G to be published two (2) times in each of The Salt Lake Tribune, The Deseret News, Provo Daily Herald, Tooele Transcript Bulletin and the Standard Examiner, newspapers of general circulation within the Authority's Transit District, posted on the Utah Public Notice Website created under Section 63F-1-701, Utah Code Annotated 1953, as amended, and posted on the Utah Legal Notices website (www.utahlegals.com) created under Section 45-1-101, Utah Code Annotated 1953, as amended, and shall also cause a copy of this Resolution (together with all exhibits hereto) to be kept on file in the principal office of the Authority in Salt Lake City, Utah, for public examination during the regular business hours of the Authority until at least thirty (30) days from and after the last date of publication thereof. In addition, the Board shall hold a public hearing with respect to the issuance of the Series 2019 Bonds (for new money purposes) on October 30, 2019 at 9:00 a.m.

Section 13. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Resolution shall be in full force and effect immediately upon its approval and adoption.

Section 14. The Chief Financial Officer of the Authority has previously declared the intent and reasonable expectation of the Authority that moneys of the Authority may be used to pay costs of the Series 2019 Project described herein and to the extent such amounts are paid by the Authority, the Authority be reimbursed with proceeds of the Series 2019 Bonds described herein or other bonds of the Authority. The Board hereby ratifies such declaration. Further, the Authority hereby declares its intention and reasonable expectation to use proceeds of tax-exempt bonds to reimburse itself for additional expenditures for costs of the Series 2019 Project. The Series 2019 Bonds are to be issued, and the reimbursements made, by the later of 18-months after the payment of the costs or after the Series 2019 Project is placed in service, but in any event, no later than three years after the date the original expenditure was paid. The maximum principal amount of the Series 2019 Bonds which will be issued to finance the reimbursed costs of the Series 2019 Project is not expected to exceed $75,000,000.

APPROVED AND ADOPTED this October 9, 2019.

_____
Carlton Christensen,
Chair Board of Trustees

ATTEST:

_____
Robert K. Biles, Secretary/Treasurer

(Corporate Seal)

Approved As To Form:

_____
Legal Counsel

CERTIFICATE

The undersigned duly qualified Chair of the Board of Trustees of the Utah Transit Authority certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Board of Trustees held on the October 9, 2019.

_____
Chair

ATTEST:

_____
Secretary/Treasurer

APPROVED AS TO FORM:

_____
Legal Counsel

STATE OF UTAH)
: ss.
COUNTY OF SALT LAKE)

I, Robert K. Biles, the duly qualified and acting Secretary/Treasurer of the Board of Trustees (the "Board") of the Utah Transit Authority (the "Authority") do hereby certify according to the records of the Board in my official possession that the foregoing constitutes a true and correct excerpt of the minutes of the meeting of the Board held on the October 9, 2019, including a resolution (the "Resolution") adopted at said meeting as said minutes and Resolution are officially of record in my possession.

I further certify that the Resolution, with all exhibits attached, was deposited in the principal offices of the Authority on October 9, 2019.

IN WITNESS WHEREOF, I have hereunto subscribed my signature and impressed hereon the official seal of the Authority, this October 9, 2019.

_____
Secretary/Treasurer

(SEAL)

EXHIBIT A

CERTIFICATE OF COMPLIANCE WITH
OPEN MEETING LAW

I, Robert K. Biles, the undersigned Secretary/Treasurer of the Board of Trustees (the "Board") of the Utah Transit Authority (the "Authority"), do hereby certify, according to the records of the Authority in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-202, Utah Code Annotated, 1953, as amended, not less than twenty-four (24) hours public notice of the agenda, date, time and place of the October 9, 2019, public meeting held by the Board was given as follows:

(a) by causing a Notice, in the form attached hereto as Schedule 1 to be posted at the Authority's principal offices at least twenty-four (24) hours prior to the convening of the meeting, said Notice having continuously remained so posted and available for public inspection until the completion of the meeting;

(b) by causing a copy of such Notice, in the form attached hereto as Schedule 1 to be delivered at least twenty-four (24) hours prior to the convening of the meeting to the persons, newspapers (at least one of which is a newspaper of general circulation within the geographic jurisdiction of the Authority), and media representatives shown on Schedule 1 attached hereto, as well as to those requesting such notices; and.

(c) by causing a copy of such Notice to be published on the Utah Public Notice Website (http://pmn.utah.gov) at least twenty-four (24) hours prior to the convening of the meeting.

In addition, the Notice of 2019 Annual Meeting Schedule for the Board (attached hereto as Schedule 2) was given specifying the date, time and place of the regular meetings of the Board to be held during the year, by causing said Notice to be (i) posted in December 2018 at the principal office of the Authority, (ii) provided to local media correspondents, or to newspapers of general circulation within the geographic jurisdiction of the Authority, at least once during the calendar year 2019 and (iii) published on the Utah Public Notice Website (http://pmn.utah.gov) during the current calendar year.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this October 9, 2019.

_____
Secretary/Treasurer

(SEAL)

SCHEDULE 1

NOTICE AND AGENDA OF THE OCTOBER 9, 2019 MEETING

SCHEDULE 2

2019 ANNUAL MEETING NOTICE

Entity: Utah Transit Authority

Body: Board of Trustees

Subject:	Public Transit District
Notice Title:	Regular Meeting of the Board of Trustees of the Utah Transit Authority
Meeting Location:	669 West 200 South Salt Lake City 84101
Event Date & Time:	December 12, 2018 December 12, 2018 02:30 PM - December 12, 2018 05:00 PM
Description/Agenda:	Regular Meeting of the Board of Trustees of the Utah Transit Authority Wednesday, December 12, 2018, 2:30-5:00 p.m. Utah Transit Authority Headquarters, 669 West 200 South, Salt Lake City, Utah Golden Spike Conference Rooms 1. Call to Order & Opening Remarks Chair Carlton Christensen 2. Pledge of Allegiance Cathie Griffiths 3. Safety First Minute Dave Goeres 4. Approval of November 28, 2018 Board Meeting Report Chair Carlton Christensen 5. Public Comment Period Bob Biles 6. Agency Report Steve Meyer 7. October 2018 Financial Report Bob Biles 8. R2018-12-01: Resolution Ratifying the Adoption of the 2019 Budget Steve Meyer & Bob Biles 9. R2018-12-02: Resolution Giving Notice and Setting Regular Meeting Dates for Calendar Year 2019 Chair Carlton Christensen 10. R2018-12-03: Resolution Approving and Authorizing the Execution of the Authority's Amended Transit Agency Safety Plan Dave Goeres 11. R2018-12-04: Resolution Granting Contract and Expenditure Authority Bob Biles 12. Contracts, Disbursements & Change Orders a. Contract: Onboard Video Security System (SmartDrive) Dave Goeres b. Contract: Insurance Brokerage Services (Alliant Insurance Services) Dave Goeres c. Contract: Fifteen Passenger Rideshare Vans (Larry H. Miller) Eddy Cumins d. Contract: Applicant Tracking System (JobVite) Kim Ulibarri e. Change Order: Video Interviewing Software (HireVue) Kim Ulibarri f. Revenue Contract: Ski Bus Pass Agreement (Snowbird) Monica Morton g. Disbursement: Light Rail Vehicle Parts Inventory (Siemens) Bob Biles

13. Pre-Procurements Steve Meyer

14. Closed Session Chair Carlton Christensen
    a. Discussion of the character, professional competence, or physical or mental health of an individual

15. R2018-12-05 Resolution Authorizing Action on Terms of Employment of Interim Executive Director Chair Carlton Christensen

16. Discussion Items
    a. Recruitment of Executive Director Kim Ulibarri
    b. Salt Lake City Interlocal Agreement for Transit Master Plan Implementation Nichol Bourdeaux
    c. Utah County Service Level Agreement Steve Meyer

17. Other Business Chair Carlton Christensen
    a. Next meeting: January 9, 2019 at 9:00 a.m.

18. Adjourn Chair Carlton Christensen

Public Comment: Members of the public are invited to provide comment during the public comment period. Comment may be provided in person or online through www.rideuta.com. In order to be considerate of time and the agenda, comments are limited to 2 minutes per individual or 5 minutes for a designated spokesperson representing a group. Comments may also be sent via e-mail to boardoftrustees@rideuta.com.

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.

Notice of Special Accommodations:	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.
Notice of Electronic or telephone participation:	Meeting will be broadcast live at https://www.youtube.com/user/UTAride . Trustees of the Board may participate electronically.
Other information:	
Contact Information:	Board of Trustees (801)262-5626 boardoftrustees@rideuta.com
Posted on:	December 10, 2018 02:17 PM
Last edited on:	December 13, 2018 05:13 PM

Printed from Utah's Public Notice Website (http://pmn.utah.gov/)

RESOLUTION OF THE BOARD OF TRUSTEES OF THE UTAH TRANSIT AUTHORITY GIVING NOTICE AND SETTING REGULAR MEETING DATES FOR CALENDAR YEAR 2019

R2018-12-02 December 12, 2018

WHEREAS, the Utah Transit Authority (the "Authority") is a 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, the Utah Open and Public Meetings Act as codified in Title 52, Chapter 4, Part 2 of the Utah Code provides that any public body which holds regular meetings that are scheduled in advance over the course of a year shall give public notice at least once each year of its annual meeting schedule and that such notice shall specify the date, time, and place of such meetings; and

WHEREAS, the Board of Trustees desires to afford stakeholders and the public greater participation and accessibility to the meetings of the Board of Trustees throughout the public transit district; and

WHEREAS, it is considered necessary and desirable by the Board of Trustees of the Authority to adopt a resolution providing for the holding and giving notice of regular meetings of the Authority.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Utah Transit Authority that the Board of Trustees shall hold its regular meetings for 2019 as follows:

NOTICE OF ANNUAL MEETING SCHEDULE
BOARD OF TRUSTEES OF THE UTAH TRANSIT AUTHORITY

In accordance with the provisions of the Open and Public Meetings Act, public notice is hereby given that the Utah Transit Authority, a public transit district organized under the laws of the State of Utah, will hold its regular meetings at the hour of 9:00 a.m. at the location of 669 West 200 South, Salt Lake City, Utah 84101 on the following dates:

January 9, 2019
January 16, 2019
January 23, 2019
January 30, 2019

February 6, 2019
February 13, 2019
February 20, 2019
February 27, 2019

March 6, 2019
March 13, 2019
March 20, 2019
March 27, 2019

April 3, 2019
April 10, 2019
April 17, 2019
April 24, 2019

May 1, 2019
May 8, 2019
May 15, 2019
May 22, 2019
May 29, 2019

June 5, 2019
June 12, 2019
June 19, 2019
June 26, 2019

July 10, 2019
July 17, 2019
July 31, 2019

August 7, 2019
August 14, 2019
August 21, 2019
August 28, 2019

September 4, 2019
September 11, 2019
September 18, 2019
September 25, 2019

October 2, 2019
October 9, 2019
October 23, 2019
October 30, 2019

November 6, 2019
November 13, 2019
November 20, 2019

December 4, 2019
December 11, 2019
December 18, 2019

The agenda of each Board meeting, together with the date, time and place of each Board meeting shall be posted in compliance with the requirements of the Utah Open and Public Meetings Act.

The Board of Trustees invites brief comments or questions from the public during its regularly scheduled Board meetings. The Chair of the Board shall determine the duration and timing of the public comment period. Persons desiring to address the Board at a regularly scheduled meeting will be given a limited amount of time to speak. A spokesperson who has been asked by a group to summarize their comments may be allowed additional time.

Approved and adopted this 12th day of December, 2018.

Carlton Christensen, Chair
Board of Trustees

ATTEST:

Robert K. Biles, Secretary/Treasurer

(Corporate Seal)



Approved As To Form:

Legal Counsel

EXHIBIT B

GENERAL INDENTURES

(See Transcript Document No. ___)

Final

UTAH TRANSIT AUTHORITY
SALES TAX REVENUE BONDS

AMENDED AND RESTATED GENERAL INDENTURE OF TRUST

Dated as of September 1, 2002

BETWEEN

UTAH TRANSIT AUTHORITY,
as Issuer

AND

ZIONS FIRST NATIONAL BANK,
as Trustee

Amending and Restating that certain General Indenture of Trust
dated as of October 1, 1997

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EXHIBIT "A" – REQUISITION A-1

THIS AMENDED AND RESTATED GENERAL INDENTURE OF TRUST, dated as of September 1, 2002, between the Utah Transit Authority (the "Issuer"), a public transit district duly organized and existing under the Constitution and the laws of the State of Utah, and Zions First National Bank, a national bank duly organized and existing under the laws of the United States of America, authorized by law to accept and execute trusts and having its principal office in Salt Lake City, Utah (the "Trustee"):

WITNESSETH:

WHEREAS, the Issuer has entered into a General Indenture of Trust, dated as of October 1, 1997 (the "Original Indenture") with the Trustee; and

WHEREAS, Section 9.1 of the Original Indenture permits the Issuer and the Trustee, without notice to or consent of the owners of Bonds (as defined in the Original Indenture) to make certain changes to the Original Indenture: (i) if the Bonds affected by such change are rated by a Rating Agency (as defined in the Original Indenture), to make any change which does not result in a reduction of the rating applicable to any of the Bonds so affected, provided that if any of the Bonds so affected are secured by a Security Instrument (as defined in the General Indenture), such change must be approved in writing by the related Security Instrument Issuer (as defined in the Original Indenture) and (ii) if the Bonds affected by such change are secured by a Security Instrument, to make any change approved in writing by the related Security Instrument Issuer, provided that if any of the Bonds so affected are rated by a Rating Agency, such change shall not result in a reduction of the rating applicable to any of the Bonds so affected; and

WHEREAS, the Issuer desires to amend the Original Indenture by executing this Amended and Restated General Indenture, dated as of September 1, 2002 (the "Amended and Restated General Indenture") to (among other things) add additional revenues to the pledge of the Indenture and to permit debt service and related Bond payments to be made prior to payment of operation and maintenance expenses from certain revenues and other related changes; and

WHEREAS, the Issuer has previously issued its Sales Tax and Transportation Revenue Bonds, Series 1997A in the aggregate principal amount of $27,740,000 (the "1997A Bonds") pursuant to the Original Indenture and a First Supplemental Indenture (the "First Supplemental Indenture"), dated as of October 1, 1997 to finance certain improvements and additions to its public transit system; and

WHEREAS, the Rating Agencies rating the 1997A Bonds have confirmed that the amendments made by this Amended and Restated General Indenture will not result in a reduction of the rating of the 1997A Bonds; and

WHEREAS, the Security Instrument Issuer for the 1997A Bonds has approved in writing the amendments made by this Amended and Restated General Indenture; and

WHEREAS, the execution and delivery of this Amended and Restated General Indenture has in all respects been duly authorized and all things necessary to make this

Amended and Restated General Indenture a valid and binding agreement have been done; and

WHEREAS, the Issuer desires to finance property, improvements and additions to its public transit system (the "System"), including, but not limited to, additions, extensions, buildings, services, equipment and other improvements to house and operate said facilities, to refund and retire existing obligations, to fund debt service reserves, and to pay issuance expenses to be incurred in connection with the issuance and sale of the Bonds herein authorized and defined; and

WHEREAS, the Issuer intends to obtain certain revenues (the "Pledged Revenues") sufficient to pay debt service on the Bonds issued hereunder and operation and maintenance expenses of the System; and

WHEREAS, except for obligations expressly subordinate to the lien hereof, the Pledged Revenues (as herein defined) of the System, will not be pledged or hypothecated in any manner or for any purpose at the time of the issuance of the Bonds herein authorized and the Issuer desires to pledge said Pledged Revenues toward the payment of the principal and interest on said Bonds; and

WHEREAS, pursuant to the Utah Public Transit District Act, Title 17A, Chapter 2, Part 10, Utah Code Annotated 1953, as amended, the Utah Municipal Bond Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, and the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended, the Issuer is authorized to issue its bonds payable from a special fund into which the Pledged Revenues of the Issuer may be pledged.

NOW, THEREFORE, THIS INDENTURE OF TRUST WITNESSETH:

For and in consideration of the premises, the mutual covenants of the Issuer and the Trustee, the purchase from time to time of the Bonds by the Bondowners thereof, the issuance by the Security Instrument Issuers from time to time of Security Instruments and the issuance by Reserve Instrument Providers from time to time of Reserve Instruments, and in order to secure the payment of the principal of and premium, if any, and interest on the Bonds, of all Security Instrument Repayment Obligations according to their tenor and effect and of all Reserve Instrument Repayment Obligations according to their tenor and effect and the performance and observance by the Issuer of all the covenants expressed or implied herein, in the Bonds, in all Security Instrument Agreements and in all Reserve Instrument Agreements, the Issuer does hereby convey, assign and pledge unto the Trustee and unto its successors in trust forever all right, title and interest of the Issuer in and to (i) the Pledged Revenues, (ii) all moneys in funds and accounts held by the Trustee hereunder (except as provided in Section 5.7 hereof) including the investment, if any thereof, and (iii) all other rights hereinafter granted, FIRST, for the further securing of the Bonds (except that the portion of items described in (i), (ii) and (iii) above representing principal or redemption price of, and interest on, any Bonds previously matured or called for

redemption or deemed paid in accordance with Article X of this Indenture shall be held for the benefit of the holders of such Bonds only) and all Security Instrument Repayment Obligations, and SECOND, for the further securing of all Reserve Instrument Repayment Obligations, subject only to the provisions of this Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in this Indenture.

TO HAVE AND TO HOLD the same with all privileges and appurtenances hereby and hereafter conveyed and assigned, or agreed or intended so to be, to the Trustee and its respective successors and assigns in such trust forever;

IN TRUST NEVERTHELESS, upon the terms set forth in this Indenture, FIRST, for the equal and proportionate benefit, security and protection of all Bondowners and Security Instrument Issuers without privilege, priority or distinction as to the lien or otherwise of any of the Bonds or Security Instrument Repayment Obligations over any others by reason of time of issuance, sale, delivery, maturity or expiration thereof or otherwise for any cause whatsoever, except as expressly provided in or permitted by this Indenture; and SECOND, for the equal and proportionate benefit, security and protection of all Reserve Instrument Providers, without privilege, priority or distinction as to the lien or otherwise of any Reserve Instrument Repayment Obligation over any of the others by reason of time of issuance, delivery or expiration thereof or otherwise for any cause whatsoever;

PROVIDED, HOWEVER, that if the Issuer, its successors or assigns, shall well and truly pay, or cause to be paid, the principal of and premium, if any, on the Bonds and the interest due or to become due thereon, at the times and in the manner mentioned in the Bonds, all Security Instrument Repayment Obligations, according to the true intent and meaning thereof and all Reserve Instrument Repayment Obligations, according to the true intent and meaning thereof, or shall provide, as permitted by this Indenture, for the payment thereof as provided herein, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions of this Indenture, then upon such final payments or provisions for such payments by the Issuer, this Indenture, and the rights hereby granted, shall terminate; otherwise this Indenture shall remain in full force and effect.

The terms and conditions upon which the Bonds are to be executed, authenticated, delivered, secured and accepted by all persons who from time to time shall be or become Owners thereof, and the trusts and conditions upon which the Revenues are to be held and disposed, which said trusts and conditions the Trustee hereby accepts, are as follows:

ARTICLE I

DEFINITIONS

Section 1.1 Definitions. As used in this Indenture, the following terms shall have the following meanings unless the context otherwise clearly indicates:

"Accreted Amount" means, with respect to Capital Appreciation Bonds of any Series and as of the date of calculation, the amount established pursuant to the Supplemental Indenture authorizing such Capital Appreciation Bonds as the amount representing the initial public offering price, plus the accumulated and compounded interest on such Bonds.

"Additional Bonds" means all Bonds issued under this Indenture other than the Initial Bonds.

"Adjusted Sales and Use Taxes" means Sales and Use Taxes in any consecutive 12 month period within the 24 calendar months next preceding the issuance of a Series of Additional Bonds adjusted to take into account increases in the sales and use taxes allocated to the Issuer, to the extent that such increased amounts have been included as "Sales and Use Taxes" and are pledged under the Indenture.

"Aggregate Debt Service" means, as of the date of calculation and with respect to any period, the sum of the amounts of Debt Service during such period for (a) all Series of Bonds Outstanding (or any designated portion thereof), and (b) any Repayment Obligations Outstanding.

"Amended and Restated General Indenture" means this Amended and Restated General Indenture of Trust.

"Authorized Amount" means, with respect to a Commercial Paper Program, the maximum Principal amount of commercial paper which is then authorized by the Issuer to be outstanding at any one time pursuant to such Commercial Paper Program.

"Authorized Representative" means the General Manager (including any acting General Manager), Director of Financing and Administration, Treasurer, or any other person at the time designated to act on behalf of the Issuer by a written instrument furnished to the Trustee containing the specimen signature of such person or persons and signed on behalf of the Issuer by its General Manager or Treasurer. The written instrument may designate an alternate or alternates.

"Average Aggregate Debt Service" means, as of any date of calculation, the amount obtained by dividing (a) the sum of the Aggregate Debt Service on all Series of Bonds Outstanding and Repayment Obligations Outstanding computed for each Fiscal Year during which any Bonds are or will be Outstanding (or any designated portion thereof), by (b) the number of such Fiscal Years.

"Balloon Bonds" means Bonds (and/or Security Instrument Repayment Obligations relating thereto), other than Bonds which mature within one year of the date of issuance thereof, 25% or more of the Principal Installments on which (a) are due or, (b) at the option of the Owner thereof may be redeemed, during any period of twelve consecutive months.

"Bond Fund" means the Utah Transit Authority Bond Fund created in Section 3.3 hereof to be held by the Trustee and administered pursuant to Section 5.3 hereof.

"Bond Fund Year" means the 12-month period beginning January 1 of each year and ending on the next succeeding December 31, except that the first Bond Fund Year shall begin on the date of delivery of the Initial Bonds and shall end on the next succeeding December 31.

"Bondholder," "Bondowner," "Registered Owner" or "Owner" or any similar term means the registered owner of any Bonds herein authorized.

"Bonds" means bonds, notes, commercial paper or other obligations (other than Repayment Obligations) authorized by and at any time Outstanding pursuant to this Indenture, including the Initial Bonds and any Additional Bonds.

"Business Day" means any day, except a Saturday or Sunday, (i) on which banking business is transacted, but not including any day on which banks are authorized to be closed, in New York City or in the city in which the Trustee has its principal corporate trust office or, with respect to a related Series of Bonds, in the city in which any Security Instrument Issuer has its payment office for purposes of such Security Instrument, and (ii) on which the New York Stock Exchange is open.

"Capital Appreciation Bonds" means Bonds the interest on which (a) is compounded and accumulated at the rates and on the dates set forth in the Supplemental Indenture authorizing the issuance of such Bonds and designating them as Capital Appreciation Bonds, and (b) is payable upon maturity or redemption of such Bonds.

"Code" means the Internal Revenue Code of 1986, as amended. Each reference to a section of the Code shall be deemed to include the related United States Treasury Regulations.

"Commercial Paper Program" means commercial paper obligations with maturities of not more than two hundred seventy (270) days from the dates of issuance thereof which are issued and reissued by the Issuer from time to time pursuant to Article II hereof and are outstanding up to an Authorized Amount.

"Construction Fund" means the Utah Transit Authority Construction Fund created in Section 3.1 hereof to be held by the Trustee and administered pursuant to Section 5.1 hereof.

"Cost" or "Costs" or "Cost of a Project," or any phrase of similar import, in connection with a Project or with the refunding of any bonds, means all costs and

expenses which are properly chargeable thereto under generally accepted accounting principles or which are incidental to the financing, acquisition and construction of a Project, or the refunding of any bonds, including, without limiting the generality of the foregoing:

(a) amounts payable to contractors and costs incident to the award of contracts;

(b) cost of labor, facilities and services furnished by the Issuer and its employees or others, materials and supplies purchased by the Issuer or others and permits and licenses obtained by the Issuer or others;

(c) engineering, architectural, legal, planning, underwriting, accounting and other professional and advisory fees;

(d) premiums for contract bonds and insurance during construction and costs on account of personal injuries and property damage in the course of construction and insurance against the same;

(e) interest expenses, including interest on the Series of Bonds;

(f) printing, engraving and other expenses of financing, including fees of Rating Agency and fees and costs of issuing the Series of Bonds (including costs of interest rate caps and costs related to interest rate exchanges (or the elimination thereof));

(g) costs, fees and expenses in connection with the acquisition of real and personal property or rights therein, including premiums for title insurance;

(h) costs of equipment, rolling stock and furnishings purchased by the Issuer and necessary to the completion and proper operation of a Project;

(i) amounts required to repay temporary loans or notes made to finance the costs of a Project;

(j) cost of site improvements performed in anticipation of a Project;

(k) moneys necessary to fund the Funds created under this Indenture;

(l) costs of the capitalization with proceeds of a Series of Bonds issued hereunder of any operation and maintenance expenses and other working capital appertaining to any facilities to be acquired for a Project and of any interest on a Series of Bonds for any period not exceeding the period estimated by the Issuer to effect the construction of a Project plus one year, as herein provided, of any discount on Bonds or other securities, and of any reserves for the payment of the principal of and interest on a Series of Bonds, of any replacement expenses and of any other cost of issuance of a Series of Bonds or other securities, Security Instrument Costs and Reserve Instrument Costs;

(m) costs of amending any indenture or other instrument authorizing the issuance of or otherwise appertaining to a Series of Bonds;

(n) all other expenses necessary or desirable and appertaining to a Project, as estimated or otherwise ascertained by the Issuer, including costs of contingencies for a Project; and

(o) payment to the Issuer of such amounts, if any, as shall be necessary to reimburse the Issuer in full for advances and payments theretofore made or costs theretofore incurred by the Issuer for any item of Costs so long as such reimbursement does not adversely affect the excludability of interest on the related Bonds from gross income for federal income tax purposes.

In the case of any refunding or redeeming any bonds, "Cost" includes, without limiting the generality of the foregoing, the items listed in (c), (e), (f) and (k) above, advertising and other expenses related to the redemption of such bonds to be redeemed and the redemption price of such bonds (and the accrued interest payable on redemption to the extent not otherwise provided for).

"Cross-over Date" means with respect to Cross-over Refunding Bonds the date on which the Principal portion of the related Cross-over Refunded Bonds is to be paid or redeemed from the proceeds of such Cross-over Refunding Bonds.

"Cross-over Refunded Bonds" means Bonds or other obligations refunded by Cross-over Refunding Bonds.

"Cross-over Refunding Bonds" means Bonds issued for the purpose of refunding Bonds or other obligations if the proceeds of such Cross-over Refunding Bonds are irrevocably deposited in escrow in satisfaction of the requirements of Section 11-27-3, Utah Code, to secure the payment on an applicable redemption date or maturity date of the Cross-over Refunded Bonds (subject to possible use to pay Principal of the Cross-over Refunding Bonds under certain circumstances) and the earnings on such escrow deposit are required to be applied to pay interest on the Cross-over Refunding Bonds until the Cross-over Date.

"Current Interest Bonds" means Bonds not constituting Capital Appreciation Bonds. Interest on Current Interest Bonds shall be payable periodically on the Interest Payment Dates provided therefor in a Supplemental Indenture.

"Debt Service" means, for any particular Fiscal Year and for any Series of Bonds and any Repayment Obligations, an amount equal to the sum of (a) all interest payable during such Fiscal Year on such Series of Bonds plus (b) the Principal Installments payable during such Fiscal Year on (i) such Bonds Outstanding, calculated on the assumption that Bonds Outstanding on the day of calculation cease to be Outstanding by reason of, but only by reason of, payment either upon maturity or application of any Sinking Fund Installments required by the Indenture, and (ii) such Repayment Obligations then outstanding;

provided, however,

(1) for purposes of Section 2.15 hereof, when calculating the Principal Installments payable during such Fiscal Year, there shall be treated as payable in such Fiscal Year the amount of Principal Installments which would have been payable during such Fiscal Year had the Principal of each Series of Balloon Bonds Outstanding and the related Repayment Obligations then outstanding (or arising therefrom) been amortized, from their date of issuance over a period of 30 years, on a level debt service basis at an interest rate equal to the rate borne by such Balloon Bonds on the date of calculation, provided that if the date of calculation is within twelve months before the actual maturity of such Balloon Bonds or Repayment Obligations, the full amount of Principal payable at maturity shall be included in such calculation;

(2) when calculating interest payable during such Fiscal Year for any Series of Variable Rate Bonds or Repayment Obligations bearing interest at a variable rate which cannot be ascertained for any particular Fiscal Year, it shall be assumed that such Series of Variable Rate Bonds or related Repayment Obligations will bear interest at such market rate of interest applicable to such Series of Variable Rate Bonds or related Repayment Obligations as shall be established for this purpose in the opinion of the Issuer's financial advisor, underwriter or similar agent (which market rate of interest may be based upon a recognized comparable market index, an average of interest rates for prior years or otherwise, so long as such estimates are based upon then current market conditions);

(3) when calculating interest payable during such Fiscal Year for any Series of Variable Rate Bonds which are issued with a floating rate and with respect to which an Interest Rate Swap is in effect in which the Issuer has agreed to pay a fixed interest rate, such Series of Variable Rate Bonds shall be deemed to bear interest at the effective fixed annual rate thereon as a result of such Interest Rate Swap; provided that such effective fixed annual rate may be utilized only if such Interest Rate Swap does not result in a reduction or withdrawal of any rating then in effect with respect to the Bonds and so long as such Interest Rate Swap is contracted to remain in full force and effect;

(4) when calculating interest payable during such Fiscal Year for any Series of Bonds which are issued with a fixed interest rate and with respect to which an Interest Rate Swap is in full force and effect in which the Issuer has agreed to pay a floating amount, Debt Service shall include the interest payable on such Series of Bonds, less fixed amounts to be received by the Issuer under such Interest Rate Swap plus the amount of the floating payments (estimated in a manner similar to that described in (2) above, unless another method of estimation is more appropriate, in the opinion of the Issuer's financial advisor, underwriter or similar agent for such floating payments) to be made by the Issuer under the Interest Rate Swap; provided that the above described calculation of Debt Service may be utilized only if such Interest Rate Swap does not result in a reduction or withdrawal of any rating then in effect with respect to the Bonds and so long as such Interest Rate Swap is contracted to remain in full force and effect;

(5) when calculating interest payable during such Fiscal Year with respect to any Commercial Paper Program, *"Debt Service"* shall mean an amount equal to the sum of all principal and interest payments that would be payable during such Fiscal Year assuming that the Authorized Amount of such Commercial Paper Program is amortized on a level debt service basis over a period of 30 years beginning on the date of calculation or, if later, the last day of the period during which obligations can be issued under such Commercial Paper Program, and bearing interest at such market rate of interest applicable to such Commercial Paper Program as shall be established for this purpose in the opinion of the Issuer's financial advisor, underwriter or similar agent (which market rate of interest may be based upon a recognized comparable market index, an average of interest rates for prior years or otherwise); and

(6) When calculating interest payable on Bonds that are Paired Obligations, the interest rate on such Bonds shall be the resulting linked rate or effective fixed interest rate to be paid by the Issuer with respect to such Paired Obligations;

and further provided, however, that there shall be excluded from Debt Service (x) interest on Bonds (including Cross-over Refunding Bonds or Cross-over Refunded Bonds) to the extent that Escrowed Interest or capitalized interest is available to pay such interest, (y) Principal on Cross-over Refunded Bonds to the extent that the proceeds of Cross-over Refunding Bonds are on deposit in an irrevocable escrow in satisfaction of the requirements of Section 11-27-3, Utah Code, and such proceeds or the earnings thereon are required to be applied to pay such Principal (subject to the possible use to pay the Principal of the Cross-over Refunding Bonds under certain circumstances) and such amounts so required to be applied are sufficient to pay such Principal, and (z) Repayment Obligations to the extent that payments on Pledged Bonds relating to such Repayment Obligations satisfy the Issuer's obligation to pay such Repayment Obligations.

"Debt Service Reserve Fund" means the Utah Transit Authority Debt Service Reserve Fund created in Section 3.4 hereof to be held by the Trustee and administered pursuant to Section 5.4 hereof.

"Debt Service Reserve Requirement" for all Bonds issued hereunder means an amount equal to the least of (i) 10% of the proceeds of all Series of Bonds determined on the basis of their original principal amount (unless with respect to a Series of Bonds original issue premium or original issue discount exceeds 2% of original principal for the applicable Series of Bonds, then determined on the basis of initial purchase price to the public), (ii) the maximum Aggregate Debt Service for any Fiscal Year while Bonds will be Outstanding and (iii) 125% of the Average Aggregate Debt Service. The Debt Service Reserve Requirement may be funded by a Reserve Instrument as herein provided. Upon the issuance of Additional Bonds or upon any refunding of Bonds issued hereunder the aggregate Debt Service Reserve Requirement for the Bonds then Outstanding and the Additional Bonds, if any, to be so issued shall be determined based upon the Bonds to be Outstanding immediately following the issuance of the Additional Bonds or such refunding.

"Escrowed Interest" means amounts irrevocably deposited in escrow in accordance with the requirements of Section 11-27-3, Utah Code, in connection with the issuance of Additional Bonds for refunding purposes or Cross-over Refunding Bonds secured by such amounts or earnings on such amounts which are required to be applied to pay interest on such Cross-over Refunding Bonds or the related Cross-over Refunded Bonds.

"Event of Default" means with respect to any default or event of default hereunder any occurrence or event specified in and defined by Section 7.1 hereof.

"Favorable Opinion" means an opinion of Bond Counsel to the effect that the action proposed to be taken is authorized or permitted by the Indenture and any applicable Supplemental Indenture and will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds which are the subject of such opinion.

"Financing Expenses" means Security Instrument Costs, Reserve Instrument Costs and arbitrage rebate required to be paid to the United States with respect to the Bonds.

"First Supplemental Indenture" means the First Supplemental Indenture of Trust dated October 1, 1997.

"Fiscal Year" means the 12-month period beginning January 1 of each year and ending December 31 of such year, or such other fiscal year of the Issuer as may be prescribed by law.

"Fitch" means Fitch, Inc.

"Government Obligations" means (i) direct and general obligations of the United States of America, or those which are unconditionally guaranteed as to principal and interest by the same, and (ii) pre-refunded municipal obligations meeting the following criteria:

(a) The municipal obligations may not be callable prior to maturity or, alternatively, the trustee has received irrevocable instructions concerning their calling and redemption;

(b) The municipal obligations are secured by cash or securities described in subparagraph (i) above (the "Defeasance Obligations"), which cash or Defeasance Obligations may be applied only to interest, principal and premium payments of such municipal obligations;

(c) The principal and interest of the Defeasance Obligations (plus any cash in the fund) are sufficient to meet the liabilities of the municipal obligations;

(d) The Defeasance Obligations serving as security for the municipal obligations must be held by an escrow agent or a trustee;

(e) The Defeasance Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and

(f) The Defeasance Obligations are rated "AAA" by S&P and "Aaa" by Moody's.

Additionally, evidences of ownership of proportionate interests in future interest and principal payments of Defeasance Obligations are permissible. Investments in these proportionate interests are limited to circumstances wherein (i) a bank or trust company acts as custodian and holds the underlying obligations; (ii) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying obligations; and (iii) the underlying obligations are held in a special account separate and apart from the custodian's general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian or any person to whom the custodian may be obligated.

"Indenture" means the Original Indenture as amended and restated in whole by this Amended and Restated General Indenture of Trust, as from time to time amended or supplemented by Supplemental Indentures in accordance with the terms hereof.

"Initial Bonds" means the Sales Tax and Transportation Revenue Bonds, Series 1997A in the aggregate Principal Amount of $27,240,000 issued under the Original Indenture.

"Interest Payment Date" means the stated payment date of an installment of interest on the Bonds.

"Interest Rate Swap" means an agreement between the Issuer or the Trustee (at the written direction of the Issuer) and a Swap Counterparty related to Bonds of one or more Series whereby a variable rate cash flow (which may be subject to any interest rate cap) on a principal or notional amount is exchanged for a fixed rate of return on an equal principal or notional amount. If the Issuer or the Trustee (at the written direction of the Issuer) enters into more than one Interest Rate Swap with respect to a Series of Bonds, each Interest Rate Swap shall specify the same payment dates.

"Issuer" means Utah Transit Authority and its successors.

"Moody's" means Moody's Investors Service.

"Operation and Maintenance Expenses" means all necessary and reasonable expenses of maintaining and operating the System, including all necessary operating expenses, current maintenance charges, expenses of reasonable upkeep and repairs, properly allocated share of charges for insurance, and all other expenses incidental to the operation of the System, including the cost of merchandise for resale, promotional and advertising expenses, services, utilities and personnel and all allocated general administrative expenses of the Issuer, but shall exclude depreciation. As more fully provided in Section 5.2(e) hereof, the Issuer shall establish a budget for Operation and Maintenance Expenses for each Fiscal Year and, except as otherwise provided in Section

5.2(e), Operation and Maintenance Expenses in any Fiscal Year shall not exceed the amount budgeted for such items in the Issuer's final budget (as the same may be amended from time to time) for such Fiscal Year.

"Original Indenture" means the General Indenture of Trust dated as of October 1, 1997 between the Issuer and the Trustee. Upon the execution and delivery of this Amended and Restated General Indenture the Original Indenture shall be superseded by this Amended and Restated General Indenture.

"Outstanding" or "Bonds Outstanding" means at any date all Bonds which have not been canceled which have been or are being authenticated and delivered by the Trustee under this Indenture, except:

(a) Any Bond or portion thereof which at the time has been paid or deemed paid pursuant to Article X of this Indenture; and

(b) Any Bond in lieu of or in substitution for which a new Bond shall have been authenticated and delivered hereunder.

"Paired Obligations" means any Series (or portion thereof) of Bonds designated as Paired Obligations in the Supplemental Indenture authorizing the issuance or incurrence thereof, which are simultaneously issued or incurred (i) the principal of which is of equal amount maturing and to be redeemed (or cancelled after acquisition thereof) on the same dates and in the same amounts, and (ii) the interest rates which, taken together, result in an irrevocably fixed interest rate obligation of the Issuer for the terms of such Bonds.

"Paying Agent" means the Trustee, appointed as the initial paying agent for the Bonds pursuant to Section 11.5 hereof, and any additional or successor paying agent appointed pursuant hereto.

"Permitted Investments" means any of the following securities:

(i) Government Obligations;

(ii) Obligations of any of the following federal agencies which obligations represent full faith and credit obligations of the United States of America: the Export-Import Bank of the United States; the Government National Mortgage Association; the Federal Financing Bank; the Farmer's Home Administration; the Federal Housing Administration; the Maritime Administration: General Services Administration, Small Business Administration; or the Department of Housing and Urban Development (PHA's);

(iii) Money market funds rated "AAAm" or "AAAm-G" or better by S&P;

(iv) Commercial paper which is rated at the time of purchase in the single highest classification, P-1 by Moody's or A-1+ by S&P, and which matures not more than 270 days after the date of purchase;

(v) Bonds, notes or other evidences or indebtedness rated "AAA" by S&P and "Aaa" by Moody's issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation with remaining maturities not exceeding three years;

(vi) United States dollar denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks which have a rating on their short term certificates of deposit on the date or purchase of "A-1" or "A-1+" by S&P and "P-1" by Moody's and maturing no more than 360 days after the date or purchase (ratings on holding companies are not considered as the rating of the bank);

(vii) the fund held by the Treasurer for the State of Utah and commonly known as the Utah Public Treasurer's Investment Fund;

(viii) Repurchase agreements with (1) any domestic bank, or domestic branch of a foreign bank, the long term debt of which is rated at least "A" by S&P and Moody's; or (2) any broker-dealer with "retail customers" or a related affiliate thereof which broker-dealer has, or the parent company (which guarantees the provider) of which has, long-term debt rated at least "A" by S&P and Moody's, which broker-dealer falls under the jurisdiction of the Securities Investors Protection Corporation; or (3) any other entity rated "A" or better by S&P and Moody's and acceptable to the Security Instrument Issuer, if any, provided that:

(A) The market value of the collateral is maintained at levels and upon such conditions as would be acceptable to S&P and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach and without regard to the long-term debt rating of the provider);

(B) The Trustee or a third party acting solely as agent therefor or for the Issuer (the "Holder of the Collateral") has possession of the collateral or the collateral has been transferred to the Holder of the Collateral in accordance with applicable state and federal laws (other than by means of entries on the transferor's books);

(C) The repurchase agreement shall state and an opinion of counsel shall be rendered at the time such collateral is delivered that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all

proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);

(D) All other requirements of S&P in respect of repurchase agreements shall be met; and

(E) The repurchase agreement shall provide that if during its term the provider's rating by either Moody's or S&P is withdrawn or suspended or falls below "A-" by S&P or "A3" by Moody's, as appropriate, the provider must, at the direction of the Issuer or the Trustee (who shall give such direction if so directed by the Insurer), within 10 days of receipt of such direction, repurchase all collateral and terminate the agreement, with no penalty or premium to the Issuer or Trustee.

Notwithstanding the above, if a repurchase agreement has a term of 270 days or less (with no evergreen provision), collateral levels need not be as specified in (A) above, so long as such collateral levels are 103% or better and the provider is rated at least "A" by S&P and Moody's, respectively; and

(ix) Investment agreements with a domestic or foreign bank or corporation (other than a life or property casualty insurance company) the long-term debt of which, or, in the case of a guaranteed corporation the long-term debt, or, in the case of a monoline financial guaranty insurance company, claims paying ability, of the guarantor is rated at least "AA" by S&P and "Aa" by Moody's; provided that, by the terms of the investment agreement:

(A) interest payments are to be made to the Trustee at time and in amounts as necessary to pay debt service (or, if the investment agreement is for the construction fund, construction draws) on the Bonds;

(B) the invested funds are available for withdrawal without penalty or premium, at any time upon not more than seven days' prior notice; the Issuer and the Trustee hereby agree to give or cause to be given notice in accordance with the terms of the investment agreement so as to receive funds thereunder with no penalty or premium paid;

(C) the investment agreement shall state that is the unconditional and general obligation of, and is not subordinated to any other obligation of, the provider thereof or, if the provider is a bank, the agreement or the opinion of counsel shall state that the obligation of the provider to make payments thereunder ranks pari passu with the obligations of the provider to its other depositors and its other unsecured and unsubordinated creditors;

(D) the Issuer or the Trustee receives the opinion of domestic counsel (which opinion shall be addressed to the Issuer and the Reserve Instrument Provider) that such investment agreement is legal, valid, binding and enforceable upon the provider in accordance with its terms and of foreign counsel (if applicable) in form and substance acceptable, and addressed to, the Insurer;

(E) the investment agreement shall provide that if during its term

i) the provider's rating by either S&P or Moody's falls below "AA-" or "Aa3", respectively, the provider shall, at its option, within 10 days of receipt of publication of such downgrade, either (i) collateralize the investment agreement by delivering or transferring in accordance with applicable state and federal laws (other than by means of entries on the provider's books) to the Issuer, the Trustee or a third party acting solely as agent therefor (the "Holder of the Collateral") collateral free and clear of any third-party liens or claims the market value of which collateral is maintained at levels and upon such conditions as would be acceptable to S&P and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach and without regard to the long-term debt rating of the provider); or (ii) repay the principal of and accrued but unpaid interest on the investment, and

ii) the provider's rating by either S&P or Moody's is withdrawn or suspended or falls below "A-" or "A3", respectively, the provider must, at the direction of the Issuer or the Trustee (who shall give such direction if so directed by the Insurer), within 10 days of receipt of such direction, repay the principal of and accrued but unpaid interest on the investment, in either case with no penalty or premium to the Issuer or Trustee, and

(F) The investment agreement shall state and an opinion of counsel shall be rendered, in the event collateral is required to be pledged by the provider under the terms of the investment agreement, at the time such collateral is delivered, that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);

(G) the investment agreement must provide that if during its term

i) the provider shall default in its payment obligations, the provider's obligations under the investment agreement shall, at the direction of the Issuer or the Trustee (who shall give such direction if so directed by the Insurer), be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the Issuer or Trustee, as appropriate, and

ii) the provider shall become insolvent, not pay its debts as they become due, be declared or petition to be declared bankrupt, etc. ("event of insolvency"), the provider's obligations shall automatically be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the Issuer or Trustee, as appropriate.

"Pledged Bonds" means any Bonds that have been (i) pledged or in which any interest has otherwise been granted to a Security Instrument Issuer as collateral security for Security Instrument Repayment Obligations or (ii) purchased and held by a Security Instrument Issuer pursuant to a Security Instrument.

"Pledged Revenues" means (i) the Sales and Uses Taxes, plus (ii) interest earned by and profits derived from the sale of investments in the funds and accounts created by the Indenture, plus (iii) all other Revenues (if any) after provision has been made for the payment from the Revenues described in this subparagraph (iii) of the Operation and Maintenance Expenses.

"Principal" means (a) with respect to any Capital Appreciation Bond, the Accreted Amount thereof (the difference between the stated amount to be paid at maturity and the Accreted Amount being deemed unearned interest), except as used in connection with the authorization and issuance of Bonds and with the order of priority of payment of Bonds after an Event of Default, in which case "Principal" means the initial public offering price of a Capital Appreciation Bond (the difference between the Accreted Amount and the initial public offering price being deemed interest), and (b) with respect to any Current Interest Bond, the principal amount of such Bond payable at maturity.

"Principal Installment" means, as of any date of calculation, (a) with respect to any Series of Bonds, so long as any Bonds thereof are Outstanding, (1) the Principal amount of Bonds of such Series due on a certain future date for which no Sinking Fund Installments have been established, or (2) the unsatisfied balance (determined as provided in the definition of "Sinking Fund Installment" in this Section) of any Sinking Fund Installment due on a certain future date for Bonds of such Series, plus the amount of the sinking fund redemption premiums, if any, which would be applicable upon redemption

of such Bonds on such future date in a Principal amount equal to such unsatisfied balance of such Sinking Fund Installment, or (3) if such future dates coincide as to different Bonds of such Series, the sum of such Principal amount of Bonds and of such unsatisfied balance of such Sinking Fund Installment due on such future date plus such applicable redemption premiums, if any, and (b) with respect to any Repayment Obligations, the principal amount of such Repayment Obligations due on a certain future date.

"Project" means the acquisition or construction of additions, extensions, facilities, equipment or buildings for use as, or improvements to or equipment or furnishings for, the System.

"Put Bond" means any Bond which is part of a Series of Bonds which is subject to purchase by the Issuer, its agent or a third party from the Owner of the Bond pursuant to provisions of the Supplemental Indenture authorizing the issuance of the Bond and designating it as a "Put Bond."

"Rating Agency" means Moody's, Fitch or S&P and their successors and assigns to the extent such agencies then maintain a rating of the Bonds at the request of the Issuer. If any of such corporations cease to act as a securities rating agency, the Issuer may, with the approval of the Trustee, designate any nationally recognized securities rating agency as a replacement.

"Registrar" means the Trustee (or other party designated as Registrar by Supplemental Indenture), appointed as the initial registrar for the Bonds pursuant to Sections 2.8 and 11.5 hereof, and any additional or successor registrar appointed pursuant hereto.

"Regular Record Date" means, with respect to any Interest Payment Date for any Series of Bonds, the date specified as the Regular Record Date in the Supplemental Indenture authorizing the issuance of such Series of Bonds.

"Remarketing Agent" means a remarketing agent or commercial paper dealer appointed by the Issuer pursuant to a Supplemental Indenture.

"Repayment Obligations" means, collectively, all outstanding Security Instrument Repayment Obligations and Reserve Instrument Repayment Obligations.

"Reserve Instrument" means a device or instrument issued by a Reserve Instrument Provider to satisfy all or any portion of the Debt Service Reserve Requirement applicable to a Series of Bonds. The term "Reserve Instrument" includes, by way of example and not of limitation, letters of credit, bond insurance policies, surety bonds, standby bond purchase agreements, lines of credit and other devices.

"Reserve Instrument Agreement" means any agreement entered into by the Issuer and a Reserve Instrument Provider pursuant to a Supplemental Indenture and/or the applicable portions of a Supplemental Indenture providing for the issuance by such Reserve Instrument Provider of a Reserve Instrument.

"Reserve Instrument Costs" means all fees, premiums, expenses and similar costs, other than Reserve Instrument Repayment Obligations, required to be paid to a Reserve Instrument Provider pursuant to a Reserve Instrument Agreement. Each Reserve Instrument Agreement shall specify the fees, premiums, expenses and costs constituting Reserve Instrument Costs.

"Reserve Instrument Coverage" means, as of any date of calculation, the aggregate amount available to be paid to the Trustee pursuant hereto under all Reserve Instruments.

"Reserve Instrument Fund" means the Utah Transit Authority Reserve Instrument Fund created in Section 3.5 hereof to be held by the Trustee and administered pursuant to Section 5.5 hereof.

"Reserve Instrument Limit" means, as of any date of calculation and with respect to any Reserve Instrument, the maximum aggregate amount available to be paid under such Reserve Instrument into the Debt Service Reserve Fund assuming for purposes of such calculation that the amount initially available under each Reserve Instrument has not been reduced or that the amount initially available under each Reserve Instrument has only been reduced as a result of the payment of principal of the applicable Series of Bonds.

"Reserve Instrument Provider" means any bank or other financial institution having at least a rating of "AA-" and "Aa3" by S&P and Moody's, respectively, or its equivalent or any insurance company or surety company rated in the highest rating category by S&P and Moody's and, if rated by A. M. Best & Company, rated in the highest rating category by A. M. Best & Company, issuing a Reserve Instrument.

"Reserve Instrument Repayment Obligations" means, as of any date of calculation and with respect to any Reserve Instrument Agreement, those outstanding amounts payable by the Issuer under such Reserve Instrument Agreement to repay the Reserve Instrument Provider for payments previously made by it pursuant to a Reserve Instrument. There shall not be included in the calculation of Reserve Instrument Repayment Obligations any Reserve Instrument Costs. Each Reserve Instrument Agreement and the Supplemental Indenture authorizing the execution and delivery of such Reserve Instrument Agreement shall specify the amounts payable under it which, when outstanding, shall constitute Reserve Instrument Repayment Obligations and the Reserve Instrument Agreement shall specify the portions of such amounts that are allocable as principal of and as interest on such Reserve Instrument Repayment Obligations.

"Revenue Fund" means the Utah Transit Authority Revenue Fund created in Section 3.2 hereof to be held by the Issuer and administered pursuant to Section 5.2 hereof.

"Revenues" means (i) all revenues, including but not limited to fare box revenues, advertising revenues, fees, income, rents and receipts received or earned by the Issuer

from or attributable to the ownership and operation of the System, together with all interest earned by and profits derived from the sale of investments in the related funds thereof and the Funds and accounts created hereunder or proceeds derived from the sale of any part of the System, (ii) the Sales and Use Taxes and (iii) any other legally available funds of the Issuer from other sources, properly budgeted on an annual basis for the payment of Operation and Maintenance Expenses and principal and interest on the Bonds; provided, however, that Revenues shall not include federal and State capital and operating grant monies received by the Issuer in connection with the operation of the System, to the extent inclusion therein is prohibited by State or federal law and regulations. Sections 6.1 and 6.15 require that such grant monies be used for Operation and Maintenance Expenses to the extent received for that purpose.

"S&P" means Standard & Poor's Ratings Services, a Division of the McGraw-Hill Companies.

"Sales and Use Taxes" means collectively, (i) the ¼ of 1% sales and use tax revenues received by the Issuer pursuant to Section 59-12-501, Utah Code Annotated 1953, as amended, (ii) the ¼ of 1% sales and use tax revenues received by the Issuer from within Weber, Davis and Salt Lake Counties pursuant to Section 59-12-502, Utah Code Annotated 1953, as amended (less 25% of such sales and use tax revenues collected within Salt Lake County which must be allocated to fund new construction, major renovations, and improvements to Interstate 15 and state highways pursuant to Section 59-12-502(5)(b), Utah Code Annotated 1953, as amended) and (iii) any other sales and use tax revenues legally available to the Issuer and affirmatively pledged under the Indenture by Supplemental Indenture.

"Security Instrument" means an instrument or other device issued by a Security Instrument Issuer to pay, or to provide security or liquidity for, a Series of Bonds. The term "Security Instrument" includes, by way of example and not of limitation, letters of credit, bond insurance policies, standby bond purchase agreements, lines of credit and other security instruments and credit enhancement or liquidity devices (but does not include a Reserve Instrument); provided, however, that no such device or instrument shall be a "Security Instrument" for purposes of this Indenture unless specifically so designated in a Supplemental Indenture authorizing the use of such device or instrument.

"Security Instrument Agreement" means any agreement entered into by the Issuer and a Security Instrument Issuer pursuant to a Supplemental Indenture and/or the applicable portions of a Supplemental Indenture providing for the issuance by such Security Instrument Issuer of a Security Instrument.

"Security Instrument Costs" means, with respect to any Security Instrument, all fees, premiums, expenses and similar costs, other than Security Instrument Repayment Obligations, required to be paid to a Security Instrument Issuer pursuant to a Security Instrument Agreement or the Supplemental Indenture authorizing the use of such Security Instrument. Such Security Instrument Agreement or Supplemental Indenture shall specify any fees, premiums, expenses and costs constituting Security Instrument Costs.

"Security Instrument Issuer" means any bank or other financial institution, insurance company, surety company or other institution issuing a Security Instrument.

"Security Instrument Repayment Obligations" means, as of any date of calculation and with respect to any Security Instrument Agreement, any outstanding amounts payable by the Issuer under the Security Instrument Agreement or the Supplemental Indenture authorizing the use of such Security Instrument to repay the Security Instrument Issuer for payments previously or concurrently made by the Security Instrument Issuer pursuant to a Security Instrument. There shall not be included in the calculation of the amount of Security Instrument Repayment Obligations any Security Instrument Costs. Each Security Instrument Agreement or the Supplemental Indenture authorizing the use of such Security Instrument shall specify any amounts payable under it which, when outstanding, shall constitute Security Instrument Repayment Obligations and shall specify the portions of any such amounts that are allocable as principal of and as interest on such Security Instrument Repayment Obligations.

"Serial Bonds" means all Bonds other than Term Bonds.

"Series" means all of the Bonds authenticated and delivered on original issuance and identified pursuant to the Supplemental Indenture authorizing such Bonds as a separate Series of Bonds, and any Bonds thereafter authenticated and delivered in lieu thereof or in substitution therefore.

"Sinking Fund Installment" means an amount so designated pursuant to a Supplemental Indenture. The portion of any such Sinking Fund Installment remaining after the deduction of any such amounts credited pursuant to Sections 5.3(c) or 5.9 toward the same (or the original amount of any such Sinking Fund Installment if no such amounts shall have been credited toward the same) shall constitute the unsatisfied balance of such Sinking Fund Installment for the purpose of calculation of Sinking Fund Installments due on a future date.

"Special Record Date" means such date as may be fixed for the payment of defaulted interest on the Bonds in accordance with this Indenture.

"State" means the State of Utah.

"Supplemental Indenture" means any indenture between the Issuer and the Trustee entered into pursuant to and in compliance with the provisions of Article IX hereof.

"Swap Counterparty" means a member of the International Swap Dealers Association rated in one of the three top rating categories by at least one of the Rating Agencies and meeting the requirements of applicable laws of the State. The documentation with respect to each Interest Rate Swap shall require the Swap Counterparty to maintain its rating in one of the three top rating categories by at least one of the Rating Agencies.

"Swap Payments" means as of each payment date specified in an Interest Rate Swap, the amount, if any, payable to the Swap Counterparty by the Trustee on behalf of the Issuer.

"Swap Receipts" means as of each payment date specified in an Interest Rate Swap, the amount, if any, payable to the Trustee for the account of the Issuer by the Swap Counterparty.

"System" means the Issuer's public transit system, together with any additions, repairs, renewals, replacements, expansions, extensions and improvements to said System, or any part thereof, hereafter acquired or constructed, and together with all lands, easements, interests in land, licenses, water rights and rights of way of the Issuer and all other works, property, structures, equipment of the Issuer and contract rights and other tangible and intangible assets of the Issuer now or hereafter owned or used in connection with, or related to said System.

"Term Bonds" means the Bonds which shall be subject to retirement by operation of mandatory sinking fund redemptions from the Bond Fund.

"Trustee" means Zions First National Bank, Salt Lake City, Utah, or any successor corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party and any successor trustee at any time serving as successor trustee hereunder.

"Utah Code" means Utah Code Annotated 1953, as amended.

"Variable Rate Bonds" means, as of any date of calculation, Bonds the terms of which on such date of calculation are such that interest thereon for any future period of time is expressed to be calculated at a rate which is not susceptible to a precise determination.

Section 1.2 Indenture to Constitute Contract. In consideration of the purchase and acceptance from time to time of any and all of the Bonds authorized to be issued hereunder by the Registered Owners thereof, the issuance from time to time of any and all Security Instruments by Security Instrument Issuers, and the issuance from time to time of any and all Reserve Instruments by Reserve Instrument Providers pursuant hereto, this Indenture shall be deemed to be and shall constitute a contract between the Issuer and the Owners from time to time of the Bonds, the Security Instrument Issuers and the Reserve Instrument Providers; and the pledge made in this Indenture and the covenants and agreements herein set forth to be performed by or on behalf of the Issuer shall be, FIRST, for the equal benefit, protection and security of the Owners of any and all of the Bonds and the Security Instrument Issuers of any and all of the Security Instruments all of which, regardless of the time or times of their issuance, delivery, maturity or expiration, shall be of equal rank without preference, priority or distinction of any of the Bonds or Security Instrument Repayment Obligations over any others, except as expressly provided in or permitted by this Indenture, and SECOND, for the equal benefit, protection and security of the Reserve Instrument Providers of any and all of the

Reserve Instruments which, regardless of the time or times of their issuance, delivery or termination, shall be of equal rank without preference, priority or distinction of any Reserve Instrument over any other thereof.

Section 1.3 Construction. This Indenture, except where the context by clear implication herein otherwise requires, shall be construed as follows:

(a) The terms "hereby," "hereof," "herein," "hereto," "hereunder," and any similar terms used in this Indenture shall refer to this Indenture in its entirety unless the context clearly indicates otherwise.

(b) Words in the singular number include the plural, and words in the plural include the singular.

(c) Words in the masculine gender include the feminine and the neuter, and when the sense so indicates, words of the neuter gender refer to any gender.

(d) Articles, sections, subsections, paragraphs and subparagraphs mentioned by number, letter, or otherwise, correspond to the respective articles, sections, subsections, paragraphs and subparagraphs hereof so numbered or otherwise so designated.

(e) The titles or descriptive headings applied to articles, sections and subsections herein are inserted only as a matter of convenience and ease of reference and in no way define, limit or describe the scope or intent of any provisions of this Indenture.

(f) Capitalized terms used in the preambles to this Indenture and not otherwise defined shall have the meanings given to such terms in this Article I.

ARTICLE II

THE BONDS

Section 2.1 Authorization of Bonds. There is hereby authorized hereunder an issue of Bonds which may, if and when authorized by Supplemental Indenture, be issued in one or more separate Series. Each Series of Bonds shall be authorized by a Supplemental Indenture, which shall state the purpose or purposes for which each such Series of Bonds is being issued. The aggregate principal amount of Bonds which may be issued shall not be limited except as provided herein or as may be limited by law, provided that the aggregate principal amount of Bonds of each such Series shall not exceed the amount specified in the Supplemental Indenture authorizing each such Series of Bonds.

Section 2.2 Description of Bonds; Payment.

(a) The Bonds of each Series issued hereunder shall be issued only as fully registered bonds, and shall be dated, shall bear interest at a rate or rates not exceeding the maximum rate permitted by law on the date of initial issuance of Bonds of such Series, and shall be payable on the date, shall be stated to mature on the date or dates and in the years and shall be subject to redemption prior to their respective maturities, all as set forth in the Supplemental Indenture authorizing such Series of Bonds. The Bonds of each Series shall be designated [insert descriptive words, if desired] Sales Tax Revenue [and] [Refunding] Bonds, Series _____" of the Utah Transit Authority, in each case inserting the year in which the Bonds are issued and an identifying Series letter.

(b) Unless otherwise specified by Supplemental Indenture, payment of the interest on any Bond shall be made to the person appearing on the Bond registration books of the Registrar hereinafter provided for at the close of business on the Regular Record Date for such interest as the Registered Owner thereof by check or draft mailed to the Registered Owner at its address as it appears on such registration books. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Registered Owner of any Bond on such Regular Record Date, and may be paid to the person who is the Registered Owner thereof at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice thereof to be given to such Registered Owner not less than ten days prior to such Special Record Date. The Principal of and premium, if any, on Bonds are payable upon presentation and surrender thereof at the principal corporate trust office of the Trustee as Paying Agent, except as otherwise provided by Supplemental Indenture. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid. Principal of, premium, if any, and interest on the Bonds shall be payable in any coin or currency of the United States of America, which at the respective dates of payment thereof, is legal tender for the payment of public and private debts.

(c) The Bonds of each Series may contain or have endorsed thereon such provisions, specifications and descriptive words not inconsistent with the provisions hereof as may be necessary or desirable to comply with custom, the rules of any securities exchange or commission or brokerage board or otherwise, as may be specified in the Supplemental Indenture authorizing such Series of Bonds.

(d) Bonds of a Series may be structured as full book-entry bonds if specified by the Supplemental Indenture authorizing such Series of Bonds.

Section 2.3 Execution; Limited Obligation. The Bonds shall be executed on behalf of the Issuer with the manual or official facsimile signature of the General Manager of the Issuer, countersigned with the manual or official facsimile signature of its Secretary, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the Issuer. In case any officer, whose signature or the facsimile of whose signature shall appear on the Bonds, shall cease to be such officer before the delivery of such Bonds, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until delivery. The provisions of this Section relating to the execution of Bonds may be changed as they apply to the Bonds of any Series by the Supplemental Indenture authorizing such Series of Bonds.

The Bonds and the Repayment Obligations are not a general obligation indebtedness or pledge of the full faith and credit of the Issuer or of the State or any agency, instrumentality or political subdivision thereof, but are special limited obligations of the Issuer payable from and secured solely by the Pledged Revenues and other monies in funds and accounts held by the Trustee hereunder (except as provided in Section 5.7 hereof) and, except as provided herein, the Issuer hereby pledges and assigns the same as provided in the Granting Clause of this Indenture. The issuance of the Bonds and delivery of any Security Instrument Agreement or Reserve Instrument Agreement shall not, directly, indirectly or contingently, obligate the Issuer or the State or any agency, instrumentality or political subdivision thereof to levy any form of ad valorem taxation therefore.

Section 2.4 Authentication and Delivery of Bonds.

(a) The Issuer shall deliver executed Bonds of each Series to the Trustee for authentication. Subject to the satisfaction of the conditions for authentication of Bonds set forth herein, the Trustee shall authenticate such Bonds, and deliver them upon the order of the Issuer to the purchasers thereof upon the payment by the purchasers to the Trustee for the account of the Issuer of the purchase price therefor. Delivery of such Bonds by the Trustee shall be full acquittal to the purchasers for the purchase price of such Bonds. The proceeds of the sale of such Bonds shall, however, be disposed of only as provided herein and in the related Supplemental Indenture.

(b) No Bond shall be valid or obligatory for any purpose or entitled to any security or benefit hereunder, unless and until a certificate of authentication

on such Bond substantially in the form set forth in the Supplemental Indenture authorizing such Bond shall have been duly executed by the Trustee, and such executed certificate of the Trustee upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered hereunder. The Trustee's certificate of authentication on any Bond shall be deemed to have been executed by it if manually signed by an authorized officer of the Trustee, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

(c) Prior to the authentication by the Trustee of each Series of Bonds, there shall first have been filed with the Trustee:

(i) A copy, duly certified by the Secretary of the Board of Trustees of the Issuer, of this Indenture (to the extent not theretofore so filed) and the Supplemental Indenture authorizing such Series of Bonds and which Supplemental Indenture shall specify the following:

(A) The purpose for which such Series of Bonds is to be issued;

(B) The authorized Principal amount and Series designation of such Series of Bonds;

(C) The dated date and the maturity date or dates of the Bonds of such Series;

(D) The interest rate or rates (including a zero interest rate) of the Bonds of such Series, or the manner of determining such rate or rates, provided that the Supplemental Indenture shall specify the maximum rate that the Bonds of such Series may bear if such Bonds are Variable Rate Bonds;

(E) The authorized denominations of the Bonds of such Series;

(F) The designation, amount and due date of each Sinking Fund Installment, if any, for the Bonds of such Series;

(G) The Interest Payment Dates for such Series of Bonds;

(H) The Regular Record Date for the Bonds of such Series;

(I) Any Debt Service Reserve Requirement for such Series of Bonds and the amount, if any, to be deposited from the proceeds of such Series of Bonds into any Series Subaccount in the

Debt Service Reserve Account established for such Series of Bonds;

(J) To the extent applicable, the obligations payable under any Security Instrument Agreement or Reserve Instrument Agreement entered into in connection with the issuance of the Bonds of such Series which, when outstanding, shall constitute Security Instrument Repayment Obligations or Reserve Instrument Repayment Obligations, as the case may be, and which portions of such Security Instrument Repayment Obligations or Reserve Instrument Repayment Obligations, as the case may be, are to be attributed to principal of and to interest on such Repayment Obligations unless provided in the related agreement; and

(K) Any further covenants by the Issuer required by any Security Instrument Issuer, Reserve Instrument Provider or purchaser of Bonds deemed necessary or desirable by the Issuer in connection with the sale of such Series of Bonds.

(ii) A copy, certified by the Secretary of the Board of Trustees of the Issuer, of the proceedings of the Issuer approving the execution and delivery of the instruments specified in Subparagraph (i) above and the execution and delivery of such Series of Bonds, together with a certificate, dated as of the date of authentication of such Series of Bonds, of the Secretary of the Board of Trustees of the Issuer that such proceedings are still in force and effect without amendments except as shown in such proceedings.

(iii) A request and authorization to the Trustee of the Issuer to authenticate such Series of Bonds in the aggregate Principal amount therein specified and deliver them to purchasers therein identified upon payment to the Trustee, for account of the Issuer, of the sum specified therein.

(iv) A certification of an Authorized Representative that the applicable requirements of Section 2.15 hereof have been met.

(v) An opinion of Bond Counsel dated the date of authentication of such Series of Bonds to the effect that (A) the Issuer has duly authorized, executed and delivered this Indenture and the related Supplemental Indenture; (B) such Series of Bonds have been duly and validly authorized and are being issued in accordance with law and this Indenture; (C) this Indenture is a valid and binding obligation of the Issuer; (D) this Indenture creates a pledge of the Pledged Revenues and of monies in applicable Funds and Accounts created hereby, subject to application thereof to the purposes and on the terms and conditions

provided hereby; and (E) such Series of Bonds are valid and binding special obligations of the Issuer.

(d) The Issuer may authorize by Supplemental Indenture the delivery to the Trustee of one or more Security Instruments with respect to any Series of Bonds and the execution and delivery of any Security Instrument Agreements deemed necessary in connection therewith.

(e) Subject to any limitations contained in a Supplemental Indenture, the Issuer may provide a Security Instrument for any Series of Bonds (or may substitute one Security Instrument for another).

(f) The Issuer may authorize by Supplemental Indenture the issuance and delivery to the Trustee of one or more Reserve Instruments and the execution and delivery of any Reserve Instrument Agreements deemed necessary in connection therewith.

(g) The Issuer may authorize by Supplemental Indenture the issuance of Put Bonds; provided that any obligation of the Issuer to pay the purchase price of any such Put Bonds shall not be secured by a pledge of Pledged Revenues on a parity with the pledge contained in Section 6.2 hereof. The Issuer may provide for the appointment of such Remarketing Agents, indexing agents, tender agents or other agents as the Issuer may determine.

Section 2.5 Special Provisions for the Issuance of Additional Bonds for Refunding Purposes.

(a) One or more Series of Additional Bonds for refunding purposes may be issued in such Principal amount which, when taken together with other legally available funds, will provide the Issuer with funds sufficient to accomplish the refunding of all or a part of the Outstanding Bonds of one or more Series, or all or part of any other borrowing of the Issuer payable in whole or in part from the Pledged Revenues, including in each case the payment of all expenses in connection with such refunding.

(b) Each Supplemental Indenture authorizing the issuance of a Series of Additional Bonds for refunding purposes shall specify the Bonds or other debt to be refunded.

Section 2.6 Provisions Regarding Bonds Secured by a Security Instrument.

(a) The Issuer may include such provisions in a Supplemental Indenture authorizing the issuance of a Series of Bonds secured by a Security Instrument as the Issuer deems appropriate, including:

(i) So long as the Security Instrument is in full force and effect, and payment on the Security Instrument is not in default, (A) the Security Instrument Issuer shall be deemed to be the Owner of the

Outstanding Bonds of such Series (I) when the approval, consent or action of the Bondowners for such Series of Bonds is required or may be exercised under the Indenture and (II) following an Event of Default and (B) the Indenture may not be amended in any manner which adversely affects the rights of such Security Instrument Issuer without its prior written consent.

(ii) In the event that the Principal and redemption price, if applicable, and interest due on any Series of Bonds Outstanding shall be paid under the provisions of a Security Instrument, all covenants, agreements and other obligations of the Issuer to the Bondowners of such Series of Bonds shall continue to exist and such Security Instrument Issuer shall be subrogated to the rights of such Bondowners in accordance with the terms of such Security Instrument.

(b) In addition, such Supplemental Indenture may establish such provisions as are necessary to provide relevant information to the Security Instrument Issuer and to provide a mechanism for paying Principal Installments and interest on such Series of Bonds from the Security Instrument.

Section 2.7 Mutilated, Lost, Stolen or Destroyed Bonds. In the event any Bond is mutilated, lost, stolen or destroyed, the Issuer may execute and the Trustee may authenticate a new Bond of like date, Series, maturity and denomination as that mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the Trustee evidence of such loss, theft or destruction satisfactory to the Trustee, together with indemnity satisfactory to it. In the event any such Bond shall have matured, instead of issuing a duplicate Bond, the Trustee may pay the same without surrender thereof upon compliance with the foregoing. The Trustee may charge the Registered Owner of such Bond with its reasonable fees and expenses in this connection. Any Bond issued pursuant to this Section shall be deemed part of the Series of the Bonds in respect of which it was issued and an original additional contractual obligation of the Issuer.

Section 2.8 Registration of Bonds; Persons Treated as Owners. The Issuer shall cause the books for the registration and for the transfer of the Bonds as provided herein to be kept by the Trustee which is hereby constituted and appointed the Registrar of the Issuer with respect to the Bonds, provided, however, that the Issuer may by Supplemental Indenture select a party other than the Trustee to act as Registrar with respect to the Series of Bonds issued under said Supplemental Indenture. Upon the occurrence of an Event of Default which would require any Security Instrument Issuer to make payment under a Security Instrument Agreement, the Registrar shall make such registration books available to the Security Instrument Issuer. Any Bond may, in accordance with its terms, be transferred only upon the registration books kept by the Registrar, by the person in whose name it is registered, in person or by its duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer in a form approved by the Registrar, duly executed. No

transfer shall be effective until entered on the registration books kept by the Registrar. Upon surrender for transfer of any Bond at the principal corporate trust office of the Trustee, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Trustee and duly executed by the Registered Owner or its attorney duly authorized in writing, the Issuer shall execute and the Trustee shall authenticate and deliver in the name of the transferee or transferees, a new Bond or Bonds of the same Series, designation, maturity and interest rate for a like aggregate principal amount as the Bond surrendered for transfer. Bonds may be exchanged at the principal corporate trust office of the Trustee for a like aggregate Principal amount of Bonds of other authorized denominations of the same Series and the same maturity. The execution by the Issuer of any Bond of any authorized denomination shall constitute full and due authorization of such denomination, and the Trustee shall thereby be authorized to authenticate and deliver such Bond. Except as otherwise provided in a Supplemental Indenture with respect to a Series of Bonds, the Issuer and the Trustee shall not be required to transfer or exchange any Bond (i) during the period from and including any Regular Record Date, to and including the next succeeding Interest Payment Date, (ii) during the period from and including the day fifteen days prior to any Special Record Date, to and including the date of the proposed payment pertaining thereto, or (iii) during the period of fifteen days prior to the mailing of notice calling such Bond for redemption nor at any time following the mailing of notice calling such Bond for redemption.

Bonds surrendered for payment, redemption or exchange, and Bonds purchased from any monies held by the Trustee hereunder or surrendered to the Trustee by the Issuer, shall be promptly canceled and, to the extent permitted by law, destroyed by the Trustee.

The Issuer, the Registrar and the Paying Agent may treat and consider the person in whose name each Bond is registered on the registration books kept by the Registrar as the holder and absolute owner thereof for the purpose of receiving payment of, or on account of, the principal or redemption price thereof and interest due thereon and for all other purposes whatsoever, and neither the Issuer, nor the Registrar nor the Paying Agent shall be affected by any notice to the contrary. Payment of or on account of either Principal of or interest on any Bond shall be made only to or upon order of the Registered Owner thereof or his legal representative, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

The Trustee shall require the payment by the Registered Owner requesting exchange or transfer of Bonds of any tax or other governmental charge of the Trustee as Registrar which are required to be paid with respect to such exchange or transfer and such charges shall be paid before such new Bond shall be delivered.

Section 2.9 Redemption Provisions. The Term Bonds of each Series of Bonds shall be subject, to the extent provided in the Supplemental Indenture authorizing each such Series of Bonds, to redemption prior to maturity by operation of Sinking Fund Installments. The Bonds of each Series shall further be subject to redemption prior to maturity at such times and upon such terms as shall be fixed by such Supplemental

Indenture. Except as otherwise provided in a Supplemental Indenture, if less than all Bonds of a Series are to be redeemed, the particular maturities of such Bonds to be redeemed and the Principal amounts of such maturities to be redeemed shall be selected by the Issuer. If less than all of the Bonds of any maturity of a Series are to be redeemed, the particular Bonds or portion of Bonds of such maturity to be redeemed shall be selected by lot by the Trustee in such manner as the Trustee in its discretion may deem fair and appropriate.

Section 2.10 Notice of Redemption.

(a) In the event any of the Bonds are to be redeemed, the Registrar shall cause notice to be given as provided in this Section 2.10. Unless otherwise specified in the Supplemental Indenture authorizing the issuance of the applicable Series of Bonds, notice of such redemption (x) shall be filed with the paying agent designated for the Bonds being redeemed; and (y) shall be mailed by first class mail, postage prepaid, to all Registered Owners of Bonds to be redeemed at their addresses as they appear on the registration books of the Registrar and to each related Security Instrument Issuer at least thirty (30) days but not more than sixty (60) days prior to the date fixed for redemption. Such notice shall state the following information:

(i) the complete official name of the Bonds, including Series, to be redeemed, the identification numbers of Bonds and the CUSIP numbers, if any, of the Bonds being redeemed, provided that any such notice may state that no representation is made as to the correctness of CUSIP numbers either as printed on such Bonds or as contained in the notice of redemption;

(ii) any other descriptive information needed to accurately identify the Bonds being redeemed, including, but not limited to, the dated date of, and interest rate on, such Bonds;

(iii) in the case of partial redemption of any Bonds, the respective Principal amounts thereof to be redeemed and a statement to the effect that on or after the redemption date, upon surrender of such Bond, a new Bond in Principal amount equal to the unredeemed portion of such Bond will be issued;

(iv) the date of mailing of redemption notices, the record date for such purpose and the redemption date;

(v) the redemption price;

(vi) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date; and

(vii) the place where such Bonds are to be surrendered for payment of the redemption price, designating the name and address of the Paying Agent with the name of a contact person and telephone number.

(b) In addition to the foregoing, further notice of any redemption of Bonds hereunder shall be given by the Trustee, at least two (2) Business Days in advance of the mailed notice to Registered Owners, by registered or certified mail or overnight delivery service, to all registered securities depositories as reasonably determined by the Trustee then in the business of holding substantial amounts of obligations of types comprising the Bonds and to at least two national information services that disseminate notices of redemption of obligations such as the Bonds. Such further notice shall contain the information required in clause (a) above. Failure to give all or any portion of such further notice shall not in any manner defeat the effectiveness of a call for redemption.

(c) Each notice of redemption may further state, in the case of redemption at the option of the Issuer, that such redemption shall be conditioned upon the receipt by the Trustee on or prior to the date fixed for such redemption of monies sufficient to pay the Principal of and interest on such Bonds to be redeemed and that if such monies shall not have been so received said notice shall be of no force and effect and the Issuer shall not be required to redeem such Bonds. In the event that such notice of redemption contains such a condition and such monies are not so received, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, one time, in the same manner in which the notice of redemption was given, that such monies were not so received.

(d) Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

Any notice mailed shall be conclusively presumed to have been duly given, whether or not the Owner of such Bonds receives the notice. Receipt of such notice shall not be a condition precedent to such redemption, and failure so to receive any such notice by any of such registered Owners or any defect therein shall not affect the validity of the proceedings for the redemption of the Bonds.

Section 2.11 Partially Redeemed Bonds. Unless otherwise specified in the Supplemental Indenture authorizing the issuance of the applicable Series of Bonds, in case any registered Bond shall be redeemed in part only, upon the presentation of such Bond for such partial redemption, the Issuer shall execute and the Trustee shall authenticate and shall deliver or cause to be delivered to or upon the written order of the Registered Owner thereof, at the expense of the Issuer, a Bond or Bonds of the same Series, interest rate and maturity, in aggregate Principal amount equal to the unredeemed portion of such registered Bond. A portion of any Bond of a denomination of more than minimum denomination of the Bonds specified in the Supplemental Indenture to be

redeemed will be in the Principal amount of such minimum denomination or an integral multiple thereof and in selecting portions of such Bonds for redemption, the Trustee will treat each such Bond as representing that number of Bonds of such minimum denomination which is obtained by dividing the principal amount of such Bonds by such minimum denomination.

Section 2.12 Cancellation. All Bonds which have been redeemed shall be canceled and, to the extent permitted by law, cremated or otherwise destroyed by the Trustee and shall not be reissued; provided, however, that one or more new Bonds shall be issued for the unredeemed portion of any Bond without charge to the Registered Owner thereof.

Section 2.13 Nonpresentation of Bonds. Unless otherwise provided by Supplemental Indenture, in the event any Bond shall not be presented for payment when the Principal thereof becomes due, either at maturity or otherwise, or at the date fixed for redemption thereof, if funds sufficient to pay such Bond shall have been made available to the Trustee, all liability of the Issuer to the Registered Owner thereof for the payment of such Bond shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such fund or funds, without liability to the Registered Owner of such Bond for interest thereon, for the benefit of the Registered Owner of such Bond who shall thereafter be restricted exclusively to such fund or funds for any claim of whatever nature on its part hereunder or on, or with respect to, said Bond. If any Bond shall not be presented for payment within four years following the date when such Bond becomes due, whether by maturity or otherwise, the Trustee shall, to the extent permitted by law, repay to the Issuer the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Issuer, and the Registered Owner thereof shall be entitled to look only to the Issuer for payment, and then only to the extent of the amount so repaid, and the Issuer shall not be liable for any interest thereon and shall not be regarded as a trustee of such money. The provisions of this Section are subject to the provisions of Title 67, Chapter 4A, Utah Code.

Section 2.14 Initial Bonds. The Initial Bonds were issued subject to the provisions of the Original Indenture and the First Supplemental Indenture. Section 2.15 shall apply to all other Series of Bonds issued hereunder.

Section 2.15 Issuance of Additional Bonds. No additional indebtedness, bonds or notes of the Issuer payable on a priority ahead of the Bonds or the Security Instrument Repayment Obligations herein authorized out of Pledged Revenues or any portion thereof shall be created or incurred. In addition, no Additional Bonds or other indebtedness of the Issuer payable on a parity with the Bonds or the Security Instrument Repayment Obligations out of Pledged Revenues shall be created or incurred, unless the following requirements have been met:

(a) A certificate shall be delivered to the Trustee by an Authorized Representative to the effect that Adjusted Sales and Use Taxes are at least 200% of the maximum Aggregate Debt Service for any Bond Fund Year on all of the

Bonds that will be Outstanding, including the Additional Bonds, upon the issuance of such Additional Bonds. In calculating Adjusted Sales and Use Taxes pursuant to this Subsection 2.15(a), no Sales and Use Taxes with an expiration date or sunset provision prior to the final maturity of such Additional Bonds which are proposed to be issued will be included in such calculation.

(b) All Repayment Obligations then due and owing shall have been paid.

(c) All payments required by this Indenture to be made into the Bond Fund must have been made in full, and there must be on deposit in the Debt Service Reserve Fund (taking into account any Reserve Instrument Coverage) the full amount of the Debt Service Reserve Requirement, including the Debt Service Reserve Requirement with respect to the Additional Bonds.

(d) The proceeds of the Additional Bonds, less costs of issuance and funding of reserves, must be used in connection with (i) the refunding of Bonds issued hereunder or any other borrowing of the Issuer or (ii) the financing of additions, improvements, extensions, replacements or repairs to the System.

(e) No Event of Default is existing under this Indenture on the date of authentication of such Additional Bonds, unless (i) the Security Instrument Issuers, Reserve Instrument Issuers and Owners of all Outstanding Bonds (subject to the consent authorized by Section 2.6(a)(i) herein) have each consented to the issuance of such Additional Bonds despite the existence of an Event of Default or (ii) upon the issuance of such Additional Bonds and the application of the proceeds thereof, all such Events of Default will be cured.

Section 2.16 Form of Bonds. For each Series of Bonds, the text of such Bonds and the Trustee's Authentication Certificate shall be in substantially the forms thereof set forth in the Supplemental Indenture authorizing the issuance of such Bonds, with such omissions, insertions and variations not inconsistent with the terms hereof as may be necessary, desirable, authorized and permitted hereby.

Section 2.17 Covenant Against Creating or Permitting Liens; Subordinated Indebtedness. Except for the pledge of Pledged Revenues to secure payment of the Bonds and Repayment Obligations hereunder, the Issuer covenants that the Pledged Revenues are and will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto; provided, however, that nothing contained herein shall prevent the Issuer from issuing, if and to the extent permitted by law, indebtedness having a lien on Pledged Revenues subordinated to that of the Bonds and the Repayment Obligations.

ARTICLE III

CREATION OF FUNDS AND ACCOUNTS

Section 3.1 Creation of Construction Fund. There is hereby created and ordered established in the custody of the Trustee a special trust fund in the name of the Issuer to be designated "Utah Transit Authority Construction Fund." There is hereby created and ordered established in the custody of the Trustee a separate account within the Construction Fund for each Project to be designated by the name of the applicable Series or Project. The Construction Fund shall be governed by Section 5.1 hereof and other applicable provisions of this Indenture.

Section 3.2 Creation of Revenue Fund. There is hereby created and ordered established in the custody of the Issuer a special fund in the name of the Issuer to be designated "Utah Transit Authority Revenue Fund." For accounting purposes, the Revenue Fund and subaccounts therein may be redesignated by different account names by the Issuer from time to time. The Revenue Fund shall be governed by Section 5.2 hereof and other applicable provisions of this Indenture.

Section 3.3 Creation of Bond Fund. There is hereby created and ordered established in the custody of the Trustee a special trust fund in the name of the Issuer to be designated "Utah Transit Authority Bond Fund." The Bond Fund shall be governed by Section 5.3 hereof and other applicable provisions of this Indenture.

Section 3.4 Creation of Debt Service Reserve Fund. There is hereby created and ordered established in the custody of the Trustee a special trust fund in the name of the Issuer to be designated "Utah Transit Authority Debt Service Reserve Fund." Each Supplemental Indenture authorizing a Series of Bonds shall create in the custody of the Trustee a separate account for such Series of Bonds within the Debt Service Reserve Fund to be designated by the name of the applicable Series of Bonds. The Debt Service Reserve Fund shall be governed by Section 5.4 hereof and other applicable provisions of this Indenture

Section 3.5 Creation of Reserve Instrument Fund. There is hereby created and ordered established in the custody of the Trustee a special trust fund in the name of the Issuer to be designated "Reserve Instrument Fund." If so provided in the related Supplemental Indenture, there may be created and ordered established in the custody of the Trustee a separate account within the Reserve Instrument Fund for each Series of Bonds issued under this Indenture to be designated by the name of the applicable Series of Bonds. The Reserve Instrument Fund shall be governed by Section 5.5 hereof and other applicable provisions of this Indenture.

Section 3.6 Additional Funds. The Issuer can by Supplemental Indenture authorize the Trustee to create such additional funds or accounts as may be necessary to accomplish the Trustee's responsibilities hereunder.

ARTICLE IV

APPLICATION OF BOND PROCEEDS AND OTHER MONIES

Unless otherwise provided in a Supplemental Indenture, the proceeds, including accrued interest and premium, if any, received from the sale of each Series of Bonds, shall be applied by the Issuer simultaneously with the delivery of such Bonds by the Trustee to the purchaser thereof, as follows:

(a) The accrued interest, if any, shall be deposited in the Bond Fund;

(b) The amount, if any, required to be deposited into the Debt Service Reserve Fund to satisfy the Debt Service Reserve Requirement, less the Reserve Instrument Coverage of all Reserve Instruments which are then in effect; and

(c) The balance of the monies remaining after making all the deposits and payments provided for in Paragraphs (a) and (b), and after making provisions for the payment of costs of issuance (if so directed in the Supplemental Indenture) shall be paid into the appropriate account in the Construction Fund or as otherwise specified in the Supplemental Indenture authorizing the issuance of the Bonds (including use for refunding purposes).

ARTICLE V

USE OF FUNDS

Section 5.1 Use of Construction Fund.

(a) So long as an Event of Default shall not have occurred and be continuing, monies deposited in the appropriate account in the Construction Fund shall be paid out by the Trustee in order to pay the Cost of a Project, in each case within three Business Days (or within such longer period as is reasonably required to liquidate investments in the Construction Fund if required to make such payment) after the receipt by the Trustee of a written requisition in substantially the form attached hereto as "Exhibit A", stating the following:

(i) that the Trustee shall disburse sums in the manner specified by and at the direction of an Authorized Representative of the Issuer to the person or entity designated in such written requisition, and that the amount set forth therein is justly due and owing and constitutes a Cost of a Project based upon itemized claims substantiated in support thereof; and

(ii) that the amount remaining in the applicable account in the Construction Fund after such disbursement is made, together with the amount of unencumbered Pledged Revenues, if any, which the Issuer reasonably estimates will be deposited in the applicable account in the Construction Fund during the period of construction of a Project from the investment of monies on deposit in the applicable account in the Construction Fund, will, together with any other monies lawfully available or reasonably expected to become available for payment of the Cost of a Project and after payment of the amount requested in said requisition, be sufficient to pay the remaining Cost of a Project in accordance with the plans and specifications therefor then in effect; it being understood that no monies from the applicable account in the Construction Fund may be expended unless, after giving effect thereto, the funds remaining in the applicable account in the Construction Fund, together with such other funds and income and lawfully available monies and monies reasonably expected to become available, are expected to be sufficient to pay the remaining Cost of the Project.

(b) Upon receipt of such requisition, the Trustee shall pay the obligation set forth in such requisition out of monies in the applicable account in the Construction Fund. In making such payments the Trustee may rely upon such requisition.

(c) An Authorized Representative of the Issuer shall deliver to the Trustee, within 90 days after the substantial completion of a Project, a certificate stating:

(i) that such Project has been substantially completed in accordance with the plans and specifications therefor, as amended from time to time, and stating the date of substantial completion for such Project; and

(ii) that the Issuer is of the opinion that such Project has been fully paid for and no claim or claims exist against the Issuer or against such Project out of which a lien based on furnishing labor or material exists or might ripen; provided, however, there may be excepted from the foregoing statement any claim or claims out of which a lien exists or might ripen in the event that the Issuer intends to contest such claim or claims, in which event such claim or claims shall be described to the Trustee.

(d) In the event the certificate filed with the Trustee pursuant to paragraph (c) above shall state that there is a claim or claims in controversy which create or might ripen into a lien, there shall be filed with the Trustee a similar certificate when and as such claim or claims shall have been fully paid or otherwise discharged.

(e) The Trustee and the Issuer shall keep and maintain adequate records pertaining to each account within the Construction Fund and all disbursements therefrom.

(f) Upon completion of a Project and payment of all costs and expenses incident thereto and the filing with the Trustee of documents required by this Section 5.1, any balance remaining in the applicable account in the Construction Fund relating to such Project shall, at the written direction of the Issuer delivered to the Trustee, (i) be applied to pay capitalizable costs for projects related to the System or any other lawful purpose, subject in either case to receipt of a Favorable Opinion, (ii) be deposited in the Bond Fund, to be applied, as directed by the Issuer, (A) toward the redemption or purchase of the Series of Bonds issued to finance such Project or (B) to the payment of principal and interest next falling due on such Series of Bonds or (iii) any combination of the foregoing purposes.

(g) Upon the occurrence and continuance of an Event of Default hereunder, amounts on deposit in the Construction Fund may be applied toward the payment of Bonds issued hereunder.

Section 5.2 Use of Revenue Fund.

(a) All Revenues (except earnings from the investment of amounts on deposit in the funds and accounts established under the Indenture, which shall be allocated as provided in Section 5.6) shall be deposited by the Issuer to the credit of the Revenue Fund and the Issuer shall account for Sales and Use Taxes separate and apart from all other Revenues.

(b) As a first lien and charge on the Sales and Use Taxes, the Issuer shall transfer and deposit all available Sales and Use Taxes from the Revenue Fund into the following Funds or make payments therefrom (as applicable) in the following order of priority the amounts set forth below:

(i) (A) Unless otherwise provided for and described by Supplemental Indenture, on or before the first Business Day of each month (commencing for each new Series of Bonds with the first Business Day of the month following the delivery date of such Series of Bonds), the Issuer shall transfer and deposit into the Bond Fund an amount equal to one-sixth of the interest payable on the Bonds (or, if the first Interest Payment Date is less than six months away, the Issuer shall deposit into the Bond Fund an amount sufficient to total the interest payable on the Bonds in equal monthly installments) on the next succeeding Interest Payment Date and if Principal is payable on the Bonds in the twelve months succeeding such transfers, one-twelfth of Principal next payable on the Bonds (or, if the first Principal payable on the Bonds is less than twelve months away, the Issuer shall deposit into the Bond Fund an amount sufficient to total the Principal payable on the Bonds in equal monthly installments). In addition, all deficiencies in required deposits to the Bond Fund shall also be supplied. Said deposits shall be reduced, as appropriate, by (x) any income derived from the investment of the Bond Fund, and (y) any other deposits made to the Bond Fund pursuant to the Indenture; and (B) to the extent required by the Supplemental Indenture, on any Security Instrument Repayment Obligations promptly on each such payment date as the same become due and payable, whether at maturity or by redemption.

(ii) On an equal and parity lien basis (A) to the accounts maintained in the Reserve Instrument Fund, with respect to all Reserve Instruments which are in effect and are expected to continue in effect, such amount of the remaining Sales and Use Taxes, or a ratable portion (taking into account the amount to be transferred pursuant to Subparagraph (B) of this Paragraph (ii)) of the amount so remaining if less than the amount necessary, that is required to be paid, including all Reserve Instrument Repayment Obligations, on or before the next such transfer or deposit of Sales and Use Taxes into the Reserve Instrument Fund, to the Reserve Instrument Provider pursuant to any Reserve Instrument Agreement, other than Reserve Instrument Costs, in order to cause the Reserve Instrument Coverage to equal the Reserve Instrument Limit, such that the Reserve Instrument Coverage shall equal the Reserve Instrument Limit within one year from any draw date under the Reserve Instrument; and (B) to the accounts maintained in Debt Service Reserve Fund any amounts required hereby and by any Supplemental Indenture to accumulate therein the applicable Debt Service Reserve Requirement at the times and in the amounts provided herein and in any Supplemental Indenture, or a ratable portion (taking into account the amount to be

transferred pursuant to Subparagraph (A) of this Paragraph (ii)) of remaining Sales and Use Taxes if less than the amount necessary.

(iii) To provide for the payment of Financing Expenses when and as the same become due.

(c) As a second charge and lien on the Sales and Use Taxes, the Issuer shall allocate or transfer and deposit to the appropriate fund any debt service payments, reserve fund payments, debt reserve instrument costs and similar payments which may be required pursuant to any obligations payable from Revenues on a basis subordinate to the lien of this Indenture.

(d) The Operation and Maintenance Expenses shall be paid by the Issuer from time to time as they become due and payable (i) at any time from the Revenues other than Sales and Use Taxes and (ii) from the Revenues constituting Sales and Use Taxes, but only after the charges on Sales and Use Taxes referenced in paragraphs (b) and (c) of this Section 5.2 have been met. Prior to the commencement of each Fiscal Year, the Issuer shall establish and present to its governing board for approval a final budget including amounts for Operation and Maintenance Expenses for the ensuing Fiscal Year. Operation and Maintenance Expenses in any Fiscal Year shall not exceed the amount budgeted for such items in the Issuer's final budget (as the same may be amended from time to time) for such Fiscal Year. The limitations of the preceding sentence shall not be construed to prevent the Issuer from amending any budget or from making expenditures in excess of budgeted amounts in the event of any emergency or similar circumstances.

(e) As necessary, after payment of unpaid Operation and Maintenance Expenses then due, the Issuer shall transfer and deposit with the Trustee from amounts on deposit in the Revenue Fund to the extent of Revenues available in the Revenue Fund, into the Funds or for the purposes and in the order of priority the amounts as set forth in paragraph (b) and (c) above.

(f) Subject to making the foregoing deposits, the Issuer may use any moneys on deposit in the Revenue Fund for:

(i) redemption of Bonds for cancellation prior to maturity by depositing the same into the Bond Fund;

(ii) refinancing, refunding, or advance refunding of any Bonds;

(iii) to apply to, or to accumulate a reserve for the purpose of applying toward the costs of acquiring, constructing, equipping or furnishing additional facilities to the System or improving, replacing, restoring, equipping or furnishing any existing facilities;

(iv) payment of indebtedness having a lien on the Pledged Revenues subordinate to that of the Bonds and the Repayment Obligations; or

(v) application for any other lawful purposes as determined by the Issuer.

Section 5.3 Use of Bond Fund.

(a) The Trustee shall make deposits, as and when received, as follows:

(i) the amounts provided for by Paragraph (a) of Article IV hereof shall be deposited into the Bond Fund;

(ii) all monies payable by the Issuer as specified in Section 5.2(b)(i) and Section 5.2(e) hereof shall be deposited into the Bond Fund. Any payments made by a Security Instrument Issuer with respect to a Series of Bonds shall be deposited into the Bond Fund and used solely to pay the related Series of Bonds, subject to the provisions of the Supplemental Indenture authorizing the issuance of such Series of Bonds;

(iii) any amount in the Construction Fund shall be transferred to the Bond Fund to the extent required by Section 5.1(f) hereof upon completion of a Project;

(iv) all monies required to be transferred to the Bond Fund from the Debt Service Reserve Fund or from a Reserve Instrument or Instruments then in effect shall be deposited into the Bond Fund as provided in Section 5.4 hereof; and

(v) all other monies received by the Trustee hereunder when accompanied by directions from the person depositing such monies that such monies are to be paid into the Bond Fund, shall be deposited into the Bond Fund.

(b) Except as provided in Section 7.4 hereof, as provided in this Section and as otherwise provided by Supplemental Indenture, monies in the Bond Fund shall be expended solely for the following purposes and in the following order of priority:

(i) on or before each Interest Payment Date for each Series of Bonds, the amount required for the interest payable on such date;

(ii) on or before each Principal Installment due date, the amount required for the Principal Installment payable on such due date; and

(iii) on or before each redemption date for each Series of Bonds, the amount required for the payment of redemption price of and accrued interest on such Bonds then to be redeemed.

Such amounts shall be applied by the Paying Agents to pay Principal Installments and redemption price of, and interest on the related Series of Bonds.

The Trustee shall pay out of the Bond Fund to the Security Instrument Issuer, if any, that has issued a Security Instrument with respect to such Series of Bonds an amount equal to any Security Instrument Repayment Obligation then due and payable to such Security Instrument Issuer. Except as otherwise specified in a related Supplemental Indenture all such Security Instrument Repayment Obligations shall be paid on a parity with the payments to be made with respect to principal and interest on the Bonds; provided that amounts paid under a Security Instrument shall be applied only to pay the related Series of Bonds. If payment is so made on Pledged Bonds held for the benefit of the Security Instrument Issuer, a corresponding payment on the Security Instrument Repayment Obligation shall be deemed to have been made (without requiring an additional payment by the Issuer) and the Trustee shall keep its records accordingly.

The Issuer hereby authorizes and directs the Trustee to withdraw sufficient funds from the Bond Fund to pay principal of and interest on the Bonds and on Security Instrument Repayment Obligations as the same become due and payable and to make said funds so withdrawn available to the Trustee and any paying agent for the purpose of paying said principal and interest.

(c) Except as otherwise provided in a Supplemental Indenture authorizing a Series of Bonds, amounts accumulated in the Bond Fund with respect to any Sinking Fund Installment (together with amounts accumulated therein with respect to interest on the Bonds for which such Sinking Fund Installment was established) shall, if so directed by the Issuer in a written request not less than 30 days before the due date of such Sinking Fund Installment, be applied by the Trustee to (1) the purchase of Bonds of the Series and maturity for which such Sinking Fund Installment was established, (2) the redemption at the applicable sinking fund redemption price of such Bonds, if then redeemable by their terms, or (3) any combination of (1) and (2). All purchases of any Bonds pursuant to this subsection (c) shall be made at prices not exceeding the applicable sinking fund redemption price of such Bonds plus accrued interest, and such purchases shall be made in such manner as the Issuer shall direct the Trustee. The applicable sinking fund Redemption Price (or Principal amount of maturing Bonds) of any Bonds so purchased or redeemed shall be deemed to constitute part of the Bond Fund until such Sinking Fund Installment date for the purpose of calculating the amount of such Fund. As soon as practicable after the 60th day preceding the due date of any such Sinking Fund Installment, the Trustee shall proceed to call for redemption on such due date, by giving notice as required by the Indenture, Bonds of the Series and maturity for which such Sinking Fund Installment was established (except in the case of Bonds maturing on a Sinking Fund Installment date) in such amount as shall be necessary to complete the

retirement of the unsatisfied balance of such Sinking Fund Installment. The Trustee shall pay out of the Bond Fund to the appropriate Paying Agents, on or before such redemption date (or maturity date), the amount required for the redemption of the Bonds so called for redemption (or for the payment of such Bonds then maturing), and such amount shall be applied by such Paying Agents to such redemption (or payment). All expenses in connection with the purchase or redemption of Bonds shall be paid by the Issuer as Operation and Maintenance Expenses. Upon any redemption (otherwise than pursuant to Sinking Fund Installments) of Bonds for which Sinking Fund Installments have been established, or any purchase in lieu thereof, there shall be credited by the Trustee toward the Sinking Fund Installment requirement thereafter to become due with respect thereto, the amount of the Bonds so redeemed or purchased in lieu thereof, to the respective sinking fund redemption dates as directed by the Issuer.

(d) After payment in full of the Principal of and interest on all Bonds issued hereunder (or after provision has been made for the payment thereof as provided herein so that such Bonds are no longer Outstanding), all agreements relating to all outstanding Security Instrument Repayment Obligations and Reserve Instrument Repayment Obligations, in accordance with their respective terms, the fees, charges and expenses of the Trustee and any paying agent, any other amounts required to be paid hereunder or under any Supplemental Indenture and under any Security Instrument Agreement and any Reserve Instrument Agreement, all amounts remaining in the Bond Fund shall be paid to the Issuer.

Section 5.4 Use of Debt Service Reserve Fund. Except as required to make up any deficiencies in the Bond Fund as provided in this Section and subject to the immediately following sentence, monies in the Debt Service Reserve Fund shall at all times be maintained in an amount not less than the applicable Debt Service Reserve Requirement. In calculating the amount on deposit in each account in the Debt Service Reserve Fund, the amount, if any, of the related Reserve Instrument Coverage will be treated as an amount on deposit in such account in the Debt Service Reserve Fund. Each Supplemental Indenture authorizing the issuance of a Series of Bonds shall specify the Debt Service Reserve Requirement applicable to such Series, sufficient to cause the Debt Service Reserve Fund to equal the Debt Service Reserve Requirement, which amount shall be deposited immediately upon the issuance and delivery of such Series from (a) proceeds from the sale thereof or from any other legally available source, or (b) by a Reserve Instrument or Instruments, or (c) any combination thereof. If amounts on deposit in the Debt Service Reserve Fund shall, at any time, be less than the Debt Service Reserve Requirement, all Security Instrument Issuers shall be notified immediately of such deficiency, and such deficiency shall be made up at the time and in the manner indicated in Section 5.8 hereof.

In the event funds on deposit in the Debt Service Reserve Fund are needed to make up any deficiencies in the Bond Fund as aforementioned, and there is insufficient cash available in the Debt Service Reserve Fund to make up such deficiency and Reserve Instruments are in effect, the Trustee shall immediately make a demand for payment on such Reserve Instruments, to the maximum extent authorized by such Reserve

Instruments, in the amount necessary to make up such deficiency, and immediately deposit such payment upon receipt thereof into the Bond Fund for application to such deficiencies.

In the event a Reserve Instrument is terminated in accordance with its terms, the Issuer shall be required either (i) to fund the Debt Service Reserve Requirement at the time of termination of the Reserve Instrument or (ii) to provide a substitute Reserve Instrument which provides the same Reserve Instrument Coverage and which is provided by a Reserve Instrument Provider that is acceptable to the Trustee.

Funds at any time on deposit in the accounts maintained in the Debt Service Reserve Fund in excess of the amount required to be maintained therein (taking into account the amount of related Reserve Instrument Coverage) may at any time be transferred to the Bond Fund at the direction of the Issuer or, in connection with the replacement of amounts on deposit therein with a Reserve Instrument, utilized by the Issuer for any other lawful purpose, with a Favorable Opinion, pursuant to the terms of the Supplemental Indenture or resolution of the Issuer authorizing such Reserve Instrument.

In the event that amounts on deposit in the related subaccount of the Debt Service Reserve Fund are insufficient to make up any deficiency in the Bond Fund with respect to a related Series of Bonds, amount on deposit in any other subaccount of the Debt Service Reserve Fund may be used for such purpose and the Debt Service Reserve Fund shall secure all Bonds issued hereunder on a parity lien basis.

Section 5.5 Reserve Instrument Fund. There shall be paid into the Reserve Instrument Fund the amounts required hereby and by a Supplemental Indenture to be so paid. The amounts in the Reserve Instrument Fund shall, from time to time, be applied by the Trustee on behalf of the Issuer to pay the Reserve Instrument Repayment Obligations which are due and payable to any Reserve Instrument Provider under any applicable Reserve Instrument Agreement.

Section 5.6 Investment of Funds. Any monies in the Bond Fund, the Reserve Instrument Fund, the Construction Fund, the Debt Service Reserve Fund or any other funds or accounts created by Section 3.7 may, at the discretion and authorization of an Authorized Representative of the Issuer, be invested in Permitted Investments. Such investments shall be held by the Trustee, and when the Trustee determines it necessary to use the monies in the Funds for the purposes for which the Funds were created, it shall, at the discretion of an Authorized Representative of the Issuer (provided that such discretion shall not be construed to delay the Trustee from liquidating investments in the Bond Fund and the Debt Service Reserve Fund to make payments on the Bonds), liquidate at prevailing market prices as much of the investments as may be necessary and apply the proceeds to such purposes. All income derived from the investment of the Construction Fund, the Bond Fund, the Reserve Instrument Fund and the Debt Service Reserve Fund shall be maintained in said respective Funds and disbursed along with the other monies on deposit therein as herein provided. Any monies in the Revenue Fund may, at the discretion and authorization of an Authorized Representative of the Issuer, be invested in

investments permitted by the Utah State Money Management Act, as it may be amended from time to time.

Section 5.7 Trust Funds. All monies and securities received by the Trustee under the provisions of this Indenture shall be trust funds under the terms hereof and shall not be subject to lien or attachment of any creditor of the State or any political subdivision, body, agency, or instrumentality thereof or of the Issuer and shall not be subject to appropriation by any legislative body or otherwise. Such monies and securities shall be held in trust and applied in accordance with the provisions hereof. Except for monies held to satisfy (i) the obligations, if any, of the Issuer under the Code with respect to arbitrage rebate and (ii) principal or redemption price of, and interest on, any Bonds previously matured or called for redemption or deemed paid in accordance with Article X of this Indenture (to be held for the benefit of the holders of such Bonds only), unless and until disbursed pursuant to the terms hereof, all such monies and securities (and the income therefrom) shall be held by the Trustee as security for payment of the principal, premium, if any, and interest on the Bonds, for payment of Security Instrument Repayment Obligations and Reserve Instrument Repayment Obligations and the fees and expenses of the Trustee payable hereunder.

Section 5.8 Method of Valuation and Frequency of Valuation. In computing the amount in any fund or account, Permitted Investments shall be valued at the market price thereof. With respect to all funds and accounts except the Debt Service Reserve Fund, valuation shall occur at least annually. Amounts in each account of the Debt Service Reserve Fund shall be valued at least semiannually and marked-to-market at least annually, except in the event of a withdrawal from any of such accounts in the Debt Service Reserve Fund (other than a withdrawal of amounts above the required level), whereupon amounts in such account shall be valued immediately after such withdrawal and monthly thereafter until amounts in such account in the Debt Service Reserve Fund are at the required level. If amounts on deposit in the Debt Service Reserve Fund shall, at any time, be less than the applicable Debt Service Reserve Requirement, any Security Instrument Issuer of the related Series of Bonds, if any, shall be notified immediately of such deficiency, and (except with respect to the termination of a Reserve Instrument) such deficiency shall be made up as provided in Section 5.2(b) over a period of not more than twelve months.

Section 5.9 Purchase of Bonds. The Issuer may purchase Bonds of any Series from any available funds at public or private sale, as and when and at such prices as the Issuer may in its discretion determine, subject to applicable law and so long as such purchase is not made with funds drawn on a Security Instrument without the prior written consent of such Security Instrument Issuer. All Bonds so purchased shall at such times as shall be selected by the Issuer be delivered to and cancelled by the Trustee or any Registrar and (except with respect to a Commercial Paper Program) no Bonds of such Series shall be issued in place thereof. In the case of the purchase of Bonds of a Series and maturity for which Sinking Fund Installments shall have been established, the Issuer shall, by a written request delivered to the Trustee, elect the manner in which the Principal amount of such Bonds shall be credited toward Sinking Fund Installments, consistent with the procedures of Section 5.3(c) hereof.

ARTICLE VI

GENERAL COVENANTS

Section 6.1 General Covenants. The Issuer hereby covenants and agrees with each and every Registered Owner of the Bonds issued hereunder, Security Instrument Issuer and Reserve Instrument Provider as follows:

(a) The Issuer covenants to comply with the applicable provisions of the Utah Transit District Act, Title 17A, Chapter 2, Part 10, Utah Code including in particular Section 17A-2-1018, Utah Code.

(b) Each Registered Owner, Reserve Instrument Provider, and Security Instrument Issuer shall have a right, in addition to all other rights afforded it by the laws of the State, to apply to and obtain from any court of competent jurisdiction such decree or order as may be necessary to require the Issuer to use its best efforts to charge or collect reasonable rates for services supplied by the System sufficient to meet all requirements hereof and of any applicable Reserve Instrument Agreement or Security Instrument Agreement.

(c) So long as any Bonds, Security Instrument Repayment Obligations or Reserve Instrument Repayment Obligations are Outstanding, proper books of record and account will be kept by the Issuer separate and apart from all other records and accounts, showing complete and correct entries of all transactions relating to the System and the funds or accounts confirmed or established hereunder. Each Registered Owner, Reserve Instrument Provider, Security Instrument Issuer, or any duly authorized agent or agents thereof, shall have the right at all reasonable times to inspect all records, accounts and data relating thereto and to inspect the System. Except as otherwise provided herein, the Issuer further agrees that it will within one hundred eighty (180) days following the close of each Fiscal Year cause an audit of such books and accounts to be made by an independent firm of certified public accountants, showing the receipts and disbursements for account of the System and such funds and accounts, and that such audit will be available for inspection by each Registered Owner, Reserve Instrument Provider and Security Instrument Issuer.

All expenses incurred in compiling the information required by this Section shall be regarded and paid as an Operation and Maintenance Expense.

Section 6.2 Lien of Bonds; Equality of Liens. The Bonds and any Security Instrument Repayment Obligations constitute an irrevocable first lien upon the Pledged Revenues. The Issuer covenants that the Bonds and any Security Instrument Repayment Obligations are equitably and ratably secured by a first lien on the Pledged Revenues (except that the portion of Pledged Revenues representing principal or redemption price of, and interest on, any Bonds previously matured or called for redemption or deemed paid in accordance with Article X of this Indenture shall be held for the benefit of the holders of such Bonds only) and shall not be entitled to any priority one over the other in

the application of the Pledged Revenues regardless of the time or times of the issuance or delivery of the Bonds or Security Instrument, it being the intention of the Issuer that there shall be no priority among the Bonds or the Security Instrument Repayment Obligations regardless of the fact that they may be actually issued and/or delivered at different times.

Any assignment or pledge from the Issuer to a Reserve Instrument Provider of (i) proceeds of the issuance and sale of Bonds, (ii) Pledged Revenues, or (iii) funds and accounts established or confirmed hereby, including investments, if any, thereof, is and shall be subordinate to the assignment and pledge effected hereby to the Registered Owners of the Bonds and to the Security Instrument Issuers.

Section 6.3 Payment of Principal, Premium and Interest. The Issuer covenants that it will punctually pay or cause to be paid the Principal of, premium, if any, and interest on every Bond issued hereunder, any Security Instrument Repayment Obligations and any Reserve Instrument Repayment Obligations, in strict conformity with the terms of the Bonds, this Indenture, any Security Instrument Agreement and any Reserve Instrument Agreement, according to the true intent and meaning hereof and thereof. The Principal of and interest on the Bonds, any Security Instrument Repayment Obligations and any Reserve Instrument Repayment Obligations are payable solely from the Pledged Revenues (except to the extent paid out of monies attributable to Bond proceeds or other funds created hereunder or the income from the temporary investment thereof), which Pledged Revenues are hereby specifically pledged and assigned to the payment thereof in the manner and to the extent herein specified, and nothing in the Bonds, this Indenture any Security Instrument Agreement or any Reserve Instrument Agreement should be considered as pledging any other funds or assets of the Issuer for the payment thereof.

Section 6.4 Performance of Covenants; Issuer. The Issuer covenants that at all times it will faithfully perform any and all covenants, undertakings, stipulations and provisions contained herein, and in any and every Bond, Security Instrument Agreement and Reserve Instrument Agreement. The Issuer represents that it is duly authorized to issue the Bonds authorized hereby and to execute this Indenture, that all actions on its part for the issuance of the Bonds and the execution and delivery of this Indenture have been duly and effectively taken, and that the Bonds in the hands of the Registered Owners thereof are and will be valid and enforceable obligations of the Issuer according to the import thereof.

Section 6.5 List of Bondholders. The Registrar will keep on file at its principal office a list of the names and addresses of the Registered Owners of all Bonds which are from time to time registered on the registration books in the hands of the Trustee as Registrar for the Bonds. At reasonable times and under reasonable regulations established by the Trustee, said list may be inspected and copied by the Issuer or by the Registered Owners (or a designated representative thereof) of 10% or more in principal amount of Bonds then Outstanding, such ownership and the authority of any such designated representative to be evidenced to the reasonable satisfaction of the Trustee. The Registrar shall maintain a list of the names and addresses of the Owners of all Bonds and upon any transfer shall add the name and address of the new Bondowner and eliminate the name and address of the transferor Bondowner. Such lists, together with all

other records of ownership, registration, transfer, and exchange of the Bonds and of persons to whom payment with respect to such obligations is made, are "private" or "confidential" as defined in Title 63, Chapter 2, Utah Code, or any successor provision of law.

Section 6.6 Expeditious Construction. The Issuer shall use its best efforts to complete the acquisition and construction of each Project with all practical dispatch and will cause all construction to be effected in a sound and economical manner.

Section 6.7 Management of System.

(a) The Issuer, in order to assure the efficient management and operation of its System, will employ competent and experienced management, and will use its best efforts to see that its System is properly operated and maintained in good condition and an efficient manner.

(b) The Issuer will at all times cause the System to be maintained, preserved and kept in good repair, working order and condition so that the operating efficiency thereof will be of a high character. The Issuer will cause all necessary and proper repairs and replacements to be made so that the business carried on in connection with the System may be properly and advantageously conducted at all times in a manner consistent with prudent management, and that the rights and security of the Owners of the Bonds, Security Instrument Issuers and Reserve Instrument Issuers may be fully protected and preserved.

Section 6.8 Payment From Other Available Funds. Notwithstanding any other provisions hereof, nothing herein shall be construed to prevent the Issuer from (i) depositing any funds available to the Issuer for such purpose in any account in the Bond Fund for the payment of Principal of, premium, if any, and interest on any Bonds and the Security Instrument Repayment Obligations or for the amounts payable under any applicable Security Instrument Agreement issued under provisions hereof or for the redemption of any such Bonds, or (ii) depositing any funds available to the Issuer in the Reserve Instrument Fund for the payment of any amounts payable under any applicable Reserve Instrument Agreement.

Section 6.9 Payment of Taxes. The Issuer covenants that all taxes and assessments or other municipal or governmental charges lawfully levied or assessed upon its System or upon any part thereof or upon any income therefrom will be paid when the same shall become due, that no lien or charge upon its System or any part thereof or upon any Revenues thereof, except for the lien and charge thereon created hereunder and securing the Bonds and the Security Instrument Repayment Obligations, will be created or permitted to be created ranking equally with or prior to the Bonds and the Security Instrument Repayment Obligations and that all lawful claims and demands for labor, materials, supplies or other objects which, if unpaid, might by law become a lien upon its System or any part thereof will be paid or discharged, or adequate provision will be made for the payment or discharge of such claims and demands within 60 days after the same shall accrue; provided, however, that nothing in this Section contained shall require any

such lien or charge to be paid or discharged or provision made therefor so long as the validity of such lien or charge shall be contested in good faith and by appropriate legal proceedings.

Section 6.10 Insurance. The Issuer, in its operation of the System, will self-insure or carry insurance, including, but not limited to, workers' compensation insurance and public liability insurance, in such amounts and against such risks as are usually insurable in connection with similar transit systems and as are usually carried by other transit districts or authorities by others operating transit systems of a similar type. The cost of such insurance shall be considered an Operation and Maintenance Expense of the System. In the event of loss or damage, insurance proceeds shall be used first for the purpose of restoring or replacing (if necessary for the proper and efficient operation of the System) the property lost or damaged. Any remainder shall be paid into the Bond Fund.

Section 6.11 Instruments of Further Assurance. The Issuer and the Trustee mutually covenant that they will, from time to time, each upon the written request of the other, or upon the request of a Security Instrument Issuer or a Reserve Instrument Provider, execute and deliver such further instruments and take or cause to be taken such further actions as may be reasonable and as may be required by the other to carry out the purposes hereof; provided, however, that no such instruments or action shall involve any personal liability of the Trustee or members of the governing body of the Issuer or any official thereof.

Section 6.12 Power to Own the System and Collect Rates, Fares and Fees; Provision for Sale or Lease and Leaseback Transactions. The Issuer has, and will have so long as any Bonds are Outstanding or Repayment Obligations are Outstanding, good, right and lawful power to own the System and to fix and collect rates, fares, fees and other charges in connection with the System. No revenue-producing facility or service of the System shall be leased, furnished or supplied free, but shall always be leased, furnished or supplied so as to produce Revenues, provided that the Issuer reserves the right to lease, furnish or supply free any such facility or service to the extent that such action does not materially adversely affect the Issuer's ability to perform its obligations under this Indenture. In addition, the Issuer may dispose of any assets of the System which are no longer needed for the efficient operations thereof or which have been replaced by other System assets.

To the extent permitted by applicable law, the Issuer shall be entitled to sell or lease all or any portion of the System so long as the Issuer delivers to the Trustee (i) a Favorable Opinion and (ii) a written certificate to the effect that such portion of the System will continue to be used, controlled and possessed by the Issuer for the benefit of the System.

Section 6.13 Maintenance of Revenues. The Issuer will at all times comply in all material respects with all terms, covenants and provisions, express and implied, of all contracts and agreements entered into by it for System use and services and all other contracts or agreements affecting or involving the System or business of the Issuer with

respect thereto. The Issuer shall promptly collect all charges due for the System use and service supplied by it as the same become due, and shall at all times maintain and promptly and vigorously enforce its rights against any person who does not pay such charges when due. The Issuer shall establish policies, rules and fees, charges and rentals as shall be necessary to (i) assure maximum use and occupancy of the System and the services thereof and (ii) yield sufficient Revenues to meet the obligations of the Issuer hereunder in accordance with Section 6.1(a) hereof.

Section 6.14 Debt Limitation. Notwithstanding anything in this Indenture to the contrary, the Issuer shall not issue any bonds or other evidences of indebtedness which exceed in the aggregate 3% of the fair market value of all real and personal property within the boundaries of the Issuer. Within the meaning of this Section, "indebtedness" includes all forms of debt which the Issuer is authorized to incur. Bonds issued that are payable solely from revenues derived from the operation of all or part of the System may not be included as "indebtedness" of the Issuer for the purpose of said computation.

Section 6.15 Use of Certain Grants. The Issuer hereby covenants that any federal or State capital or operating grant monies received by the Issuer which are prohibited by the provisions of this Indenture from being included as Revenues, shall be used for the purposes for which such grants were given, including payment of Operation and Maintenance Expenses.

Section 6.16 Continuation of Sales Tax Revenues. The Issuer shall take all reasonable and legally permissible actions which it determines are necessary to assure the continued receipt by the Issuer for use as provided herein of the Sales and Use Taxes and shall oppose any effort to eliminate or divert the same.

ARTICLE VII

EVENTS OF DEFAULT; REMEDIES

Section 7.1 Events of Default. Each of the following events is hereby declared an "Event of Default":

(a) if payment of any installment of interest on any of the Bonds shall not be made by or on behalf of the Issuer (other than pursuant to a Security Instrument Agreement) when the same shall become due and payable; or

(b) if payment of the principal of or the redemption premium, if any, on any of the Bonds shall not be made by or on behalf of the Issuer (other than pursuant to a Security Instrument Agreement) when the same shall become due and payable, either at maturity or by proceedings for redemption in advance of maturity or through failure to fulfill any payment to any fund hereunder or otherwise; or

(c) if payment of the purchase price for a Put Bond shall not be made by or on behalf of the Issuer when the same shall become due and payable; or

(d) if an order or decree shall be entered, with the consent or acquiescence of the Issuer, appointing a receiver or custodian for any of the Revenues, or approving a petition filed against the Issuer seeking reorganization of the Issuer under the federal bankruptcy laws or any other similar law or statute of the United States of America or any state thereof, or if any such order or decree, having been entered without the consent or acquiescence of the Issuer, shall not be vacated or discharged or stayed on appeal within 60 days after the entry thereof; or

(e) if any proceeding shall be instituted, with the consent or acquiescence of the Issuer, for the purpose of effecting a composition between the Issuer and its creditors or for the purpose of adjusting the claims of such creditors pursuant to any federal or state statute now or hereafter enacted, if the claims of such creditors are or may be under any circumstances payable from Revenues; or

(f) if (i) the Issuer is adjudged insolvent by a court of competent jurisdiction, or (ii) an order, judgment or decree be entered by any court of competent jurisdiction appointing, without the consent of the Issuer, a receiver, trustee or custodian of the Issuer or of the whole or any part of their property and any of the aforesaid adjudications, orders, judgments or decrees shall not be vacated or set aside or stayed within 60 days from the date of entry thereof; or

(g) if the Issuer shall file a petition or answer seeking reorganization, relief or any arrangement under the federal bankruptcy laws or any other applicable law or statute of the United States of America or any state thereof; or

(h) if, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Issuer or of the whole or any substantial part of the property of the Issuer, and such custody or control shall not be terminated within 60 days from the date of assumption of such custody or control; or

(i) if the Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or herein or any Supplemental Indenture hereof on the part of the Issuer to be performed, other than as set forth above in this Section, and such default shall continue for 60 days (or such longer period as may be approved by the Trustee if in its opinion remedial actions are being diligently pursued by the Issuer) after written notice specifying such Event of Default and requiring the same to be remedied shall have been given to the Issuer by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the Registered Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding hereunder;

provided that any failure by the Issuer to make payment as described in subparagraph (a) or (b) of this Section shall not constitute an Event of Default with respect to any Bond if the Supplemental Indenture authorizing the issuance of such Bond provides that due and punctual payment by a Security Instrument Issuer or a Reserve Instrument Issuer shall not give rise to an Event of Default and such payment is, in fact, duly and punctually made; and provided, further that the provisions of Section 7.1(i) hereof are subject to the following limitations: if by reason of acts of God; strikes, lockouts or other similar disturbances; acts of public enemies; orders of any kind of the government of the United States or the State or any department, agency, political subdivision, court or official of the State which asserts jurisdiction over the Issuer; orders of any kind of civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquakes; volcanoes; fires, hurricanes; tornadoes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions; or any cause or event not reasonably within the control of the Issuer, the Issuer is unable in whole or part to carry out any one or more of its respective agreements or obligations contained herein (other than as described in (a) through (h) above) such default shall not constitute an "Event of Default" hereunder so long as such cause or event continues.

The Trustee shall give notice to any Security Instrument Issuer and Reserve Instrument Issuer of any Event of Default known to the Trustee within five Business Days after it has knowledge thereof.

Section 7.2 Remedies; Rights of Registered Owners. Upon the occurrence of an Event of Default, the Trustee may pursue any available remedy by suit at law or in equity to enforce the payment of the principal of, premium, if any, and interest on the Bonds then Outstanding or to enforce any obligations of the Issuer hereunder.

If an Event of Default shall have occurred, and if requested so to do by (i) Registered Owners of not less than 25% in aggregate Principal amount of the Bonds then

Outstanding, (ii) Security Instrument Issuers at that time providing Security Instruments which are in full force and effect and not in default on any payment obligation and which secure not less than 25% in aggregate Principal amount of Bonds at the time Outstanding, or (iii) any combination of Bondowners and Security Instrument Issuers described in (i) and (ii) above representing not less than 25% in aggregate Principal amount of Bonds at the time Outstanding, and indemnified as provided in Section 8.1 hereof, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by this Section as the Trustee, being advised by counsel, shall deem most expedient in the interest of the Registered Owners and the Security Instrument Issuers.

No remedy by the terms hereof conferred upon or reserved to the Trustee (or to the Registered Owners or to the Security Instrument Issuers) is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee, the Registered Owners or the Security Instrument Issuers or now or hereafter existing at law or in equity or by statute.

No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any Event of Default or acquiescence therein; and every such right and power may be exercised from time to time and as often as may be deemed expedient.

No waiver of any Event of Default hereunder, whether by the Trustee, the Registered Owners or the Security Instrument Issuers, shall extend to or shall affect any subsequent Event of Default or shall impair any rights or remedies consequent thereon.

Section 7.3 Right of Registered Owners and Security Instrument Issuers to Direct Proceedings. Anything herein to the contrary notwithstanding, unless a Supplemental Indenture provides otherwise, either (i) the Registered Owners of a majority in aggregate Principal amount of the Bonds then Outstanding, (ii) the Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and not in default on any payment obligation and which secure not less than 50% in aggregate Principal amount of Bonds at the time Outstanding, or (iii) any combination of Bondowners and Security Instrument Issuers described in (i) and (ii) above representing not less than 50% in aggregate Principal amount of Bonds at the time Outstanding, shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions hereof, or for the appointment of a receiver or any other proceedings hereunder; provided, that such direction shall not be otherwise than in accordance with the provisions of law and of this Indenture.

Section 7.4 Application of Monies. All Pledged Revenues and monies received by the Trustee pursuant to any right given or action taken under the default provisions of this Article shall be applied in the following order:

(a) To the payment (i) the reasonable and proper charges and expenses of the Trustee and the reasonable fees and disbursements of its counsel and (ii) Financing Expenses.

(b) To the payment of the principal of, premium, if any, and interest then due and payable on the Bonds and the Security Instrument Repayment Obligations as follows:

(i) Unless the Principal of all the Bonds shall have become due and payable, all such monies shall be applied:

FIRST--To the payment to the persons entitled thereto of all installments of interest then due on the Bonds and the interest component of any Security Instrument Repayment Obligations then due, in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege; and

SECOND--To the payment to the persons entitled thereto of the unpaid Principal of and premium, if any, on the Bonds which shall have become due (other than Bonds called for redemption for the payment of which monies are held pursuant to the provisions hereof), in the order of their due dates, and the Principal component of any Security Instrument Repayment Obligations then due, and, if the amount available shall not be sufficient to pay in full all the Bonds and the Principal component of any Security Instrument Repayment Obligations due on any particular date, then to the payment ratably, according to the amount of Principal due on such date, to the persons entitled thereto without any discrimination or privilege.

(ii) If the principal of all the Bonds shall have become due and payable, all such monies shall be applied to the payment of the Principal and interest then due and unpaid upon the Bonds and Security Instrument Repayment Obligations, without preference or priority of Principal over interest or of interest over Principal, or of any installment of interest over any other installment of interest, or of any Bond or Security Instrument Repayment Obligation over any other Bond or Security Instrument Repayment Obligation, ratably, according to the amounts due respectively for Principal and interest, to the persons entitled thereto without any discrimination or privilege.

(iii) After payment of (i) or (ii) above as applicable, to the payment of all obligations owed to all Reserve Instrument Providers, ratably, according to the amounts due without any discrimination or

preference under any applicable agreement related to any Reserve Instrument Agreement.

Whenever monies are to be applied pursuant to the provisions of this Section, such monies shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amounts of such monies available for such application and the likelihood of additional monies becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of Principal paid on such dates shall cease to accrue.

Section 7.5 Remedies Vested in Trustee. All rights of action (including the right to file proof of claims) hereunder or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings related thereto and any such suit or proceedings instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any Registered Owners of the Bonds, and any recovery of judgment shall be for the equal benefit of the Registered Owners of the Outstanding Bonds.

Section 7.6 Rights and Remedies of Registered Owners. Except as provided in the last sentence of this Section, no Registered Owner of any Bond or Security Instrument Issuer or Reserve Instrument Provider shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement hereof or for the execution of any trust thereof or for the appointment of a receiver or any other remedy hereunder, unless an Event of Default has occurred of which the Trustee has been notified as provided in Section 8.1(g), or of which by said Section it is deemed to have notice, nor unless also Registered Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding or Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and are not in default on any payment obligation and which secure not less than 25% in aggregate principal amount of Bonds at the time Outstanding shall have made written request to the Trustee and shall have offered reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, nor unless also they have offered to the Trustee indemnity as provided in Section 8.1 hereof nor unless the Trustee shall thereafter fail or refuse to exercise the powers hereinabove granted, or to institute such action, suit or proceeding in its own name or names. Such notification, request and offer of indemnity are hereby declared in every case at the option of the Trustee to be conditions precedent to the execution of the powers and trust hereof, and to any action or cause of action for the enforcement hereof, or for the appointment of a receiver or for any other remedy hereunder; it being understood and intended that no one or more Registered Owner of the Bonds or Security Instrument Issuer or Reserve Instrument Provider shall have any right in any manner whatsoever to affect, disturb or prejudice the lien hereof by its action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of

the Registered Owners of all Bonds then Outstanding and all Security Instrument Issuers at the time providing Security Instruments and all Reserve Instrument Providers at the time providing Reserve Instruments. Nothing herein contained shall, however, affect or impair the right of any Registered Owner or Security Instrument Issuer to enforce the covenants of the Issuer to pay the Principal of, premium, if any, and interest on each of the Bonds and Security Instrument Repayment Obligations at the time, place, from the source and in the manner in said Bonds or Security Instrument Repayment Obligations expressed.

Section 7.7 Termination of Proceedings. In case the Trustee, any Bondowner or any Security Instrument Issuer shall have proceeded to enforce any right hereunder and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, the Bondowner, or Security Instrument Issuer, then and in every such case the Issuer and the Trustee shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Section 7.8 Waivers of Events of Default. Subject to Section 8.1(g) hereof, the Trustee may in its discretion, and with the prior written consent of all Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and not in default of any payment obligation, waive any Event of Default hereunder and its consequences and shall do so upon the written request of the Registered Owners of (a) a majority in aggregate Principal amount of all the Bonds then Outstanding or Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and are not in default on any payment obligation and which secure not less than 50% in aggregate Principal amount of Bonds at the time Outstanding in respect of which an Event of Default in the payment of Principal and interest exists, or (b) a majority in aggregate Principal amount of the Bonds then Outstanding or Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and are not in default on any payment obligation and which secure not less than 50% in aggregate Principal amount of Bonds at the time Outstanding in the case of any other Event of Default; provided, however, that there shall not be waived (i) any Event of Default in the payment of the Principal of any Bonds at the date of maturity specified therein, or (ii) any default in the payment when due of the interest on any such Bonds, unless prior to such waiver or rescission all arrears of interest, with interest (to the extent permitted by law) at the rate borne by the Bonds in respect of which such Event of Default shall have occurred on overdue installments of interest and all arrears of payments of Principal and premium, if any, when due, and all expenses of the Trustee in connection with such Event of Default, shall have been paid or provided for, and in case of any such waiver or rescission, or in case any proceeding taken by the Trustee on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case the Issuer, the Trustee, the Registered Owners and the Security Instrument Issuers shall be restored to their former positions and rights hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default, or impair any right consequent thereon.

Section 7.9 Cooperation of Issuer. In the case of any Event of Default hereunder, the Issuer shall cooperate with the Trustee and use its best efforts to protect the Bondowners and the Security Instrument Issuers.

ARTICLE VIII

THE TRUSTEE

Section 8.1 Acceptance of the Trusts. The Trustee accepts the trusts imposed upon it hereby, and agrees to perform said trusts as a corporate trustee ordinarily would perform said trusts under a corporate indenture, but no implied covenants or obligations shall be read into this Indenture against the Trustee.

(a) The Trustee may execute any of the trusts or powers thereof and perform any of its duties by or through attorneys, agents, receivers or employees but shall be answerable for the conduct of the same in accordance with the standard specified above, and shall be entitled to advice of counsel concerning all matters of trusts hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof. The Trustee may act upon the opinion or advice of counsel. The Trustee shall not be responsible for any loss or damage resulting from any action or non-action in good faith in reliance upon such opinion or advice.

(b) The Trustee shall not be responsible for any recital herein, or in the Bonds (except in respect to the certificate of the Trustee endorsed on the Bonds), or collecting any insurance monies, or for the validity of the execution by the Issuer of this Indenture or of any supplements thereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby; and the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions or agreements on the part of the Issuer; but the Trustee may require of the Issuer full information and advice as to the performance of the covenants, conditions and agreements aforesaid and as to the condition of the property herein conveyed. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with the provisions hereof.

(c) The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder, except as specifically set forth herein. The Trustee may become the owner of Bonds secured hereby with the same rights which it would have if not Trustee.

(d) The Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document believed to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken by the Trustee pursuant hereto upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the Registered Owner of any Bond, shall be conclusive and binding upon all future Owners of the same Bond and upon Bonds issued in exchange therefor or in place thereof.

(e) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a certificate signed on behalf of the Issuer by an Authorized Representative as sufficient evidence of the facts therein contained and prior to the occurrence of an Event of Default of which the Trustee has been notified as provided in Paragraph (g) of this Section, or of which by said Paragraph it is deemed to have notice, shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate of the Secretary of the Board of Trustees of the Issuer to the effect that a resolution in the form therein set forth has been adopted by the Issuer as conclusive evidence that such resolution has been duly adopted, and is in full force and effect.

(f) The permissive right of the Trustee to do things enumerated herein shall not be construed as a duty and the Trustee shall not be answerable for other than its gross negligence or willful misconduct.

(g) The Trustee shall not be required to take notice or be deemed to have notice of any Event of Default hereunder, except an Event of Default described in Section 7.1(a) or (b), unless the Trustee shall be specifically notified in writing of such Default by the Issuer, a Security Instrument Issuer or by the Registered Owners of at least 25% in the aggregate Principal amount of the Bonds then Outstanding and all notices or other instruments required hereby to be delivered to the Trustee must, in order to be effective, be delivered at the principal corporate trust office of the Trustee, and in the absence of such notice so delivered, the Trustee may conclusively presume there is no Event of Default except as aforesaid.

(h) At any and all reasonable times and upon reasonable prior written notice, the Trustee, and its duly authorized agents, attorneys, experts, engineers, accountants and representatives, shall have the right fully to inspect all books, papers and records of the Issuer pertaining to the Bonds, and to take such memoranda from and in regard thereto as may be desired.

(i) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(j) Notwithstanding anything elsewhere herein contained, the Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Bonds, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview hereof, any showing, certificates, opinions, appraisals, or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required as a condition of

such action by the Trustee, deemed desirable for the authentication of any Bonds, the withdrawal of any cash, or the taking of any other action by the Trustee.

(k) All monies received by the Trustee or any paying agent shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received but need not be segregated from other funds except to the extent required by law or as provided hereunder. Neither the Trustee nor any paying agent shall be under any liability for interest on any monies received hereunder except such as may be agreed upon.

(l) If any Event of Default hereunder shall have occurred and be continuing, the Trustee shall exercise such of the rights and powers vested in it hereby and shall use the same degree of care as a prudent person would exercise or use in the circumstances in the conduct of its own affairs.

(m) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request, order or direction of any of the Bondholders, Security Instrument Issuers or Reserve Instrument Issuers pursuant to the provisions of this Indenture, unless such Bondholders, Security Instrument Issuers or Reserve Instrument Issuers shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which may be incurred therein or thereby.

(n) The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with this Indenture or any supplement hereto.

Section 8.2 Fees, Charges and Expenses of Trustee. The Trustee shall be entitled to payment or reimbursement for reasonable fees for its services rendered as Trustee hereunder and all advances, counsel fees and other expenses reasonably and necessarily made or incurred by the Trustee in connection with such services. The Trustee shall be entitled to payment and reimbursement for the reasonable fees and charges of the Trustee as Paying Agent and Registrar for the Bonds as hereinabove provided. Upon an Event of Default, but only upon an Event of Default, the Trustee shall have a right of payment prior to payment on account of interest or principal of, or premium, if any, on any Bond for the foregoing advances, fees, costs and expenses incurred, except for amounts held in trust to pay the principal, premium, interest or purchase price of Bonds in accordance with Section 2.13 hereof and except for amounts paid under a Security Instrument.

Section 8.3 Notice to Registered Owners if Event of Default Occurs. If an Event of Default occurs of which the Trustee is by Section 8.1(g) hereof required to take notice or if notice of an Event of Default is given to the Trustee as in said Section provided, then the Trustee shall give written notice thereof by registered or certified mail to all Security Instrument Issuers and to the Registered Owners of all Bonds then Outstanding shown on the registration books of the Bonds kept by the Trustee as Registrar for the Bonds.

Section 8.4 Intervention by Trustee. In any judicial proceeding to which the Issuer is a party and which in the opinion of the Trustee and its counsel has a substantial bearing on the interest of Registered Owners of the Bonds, the Trustee may intervene on behalf of such Owners and shall do so if requested in writing by any Security Instrument Issuer providing a Security Instrument which is in full force and effect and not in default on any payment obligation or by the Registered Owners of at least 25% in aggregate Principal amount of the Bonds then Outstanding. The rights and obligations of the Trustee under this Section are subject to the approval of a court of competent jurisdiction.

Section 8.5 Successor Trustee. Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, ipso facto, shall be and become successor Trustee hereunder (so long as otherwise qualified as provided in Section 8.8 hereof) and vested with all of the title to the whole property or trust estate and all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed of conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 8.6 Resignation by the Trustee. The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving written notice to the Issuer, served personally or by registered mail, and by registered or certified mail to each Reserve Instrument Issuer, Security Instrument Issuer and Registered Owner of Bonds then Outstanding, and such resignation shall take effect upon the appointment of a successor Trustee by the Registered Owners or by the Issuer as provided in Section 8.8 hereof; provided, however that if no successor Trustee has been appointed within 60 days of the date of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee, and such court may thereupon, after such notice, if any, as it deems proper and prescribes, appoint a successor Trustee.

Section 8.7 Removal of the Trustee. The Trustee may be removed (i) by the Issuer at any time by an instrument or concurrent instruments in writing of the Issuer delivered to the Trustee and each Security Instrument Issuer and (ii) as provided in a Supplemental Indenture, provided that such instrument or instruments or actions taken as provided in the Supplemental Indenture concurrently appoint a successor Trustee meeting the qualifications set forth herein.

Section 8.8 Appointment of Successor Trustee; Temporary Trustee. In case the Trustee hereunder shall resign or be removed, or be dissolved, or shall be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the Issuer by an instrument executed by duly authorized officers of the Issuer. Any successor Trustee appointed pursuant to the provisions of this section shall (i) be subject to the prior written approval

of all Security Instrument Issuers, (ii) be a commercial bank in good standing, duly authorized to exercise trust powers and subject to examination by federal or state authority, and (iii) have a reported capital and surplus of not less than $50,000,000.

Each Reserve Instrument Provider and Security Instrument Issuer shall be notified immediately upon the resignation or termination of the Trustee and provided with a list of candidates for the office of successor Trustee.

Section 8.9 Concerning Any Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Issuer an instrument in writing accepting such appointment hereunder, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the Issuer, or of the successor Trustee, execute and deliver an instrument transferring to such successor Trustee all the estates, properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and monies held by it as Trustee hereunder to its successor. Should any instrument in writing from the Issuer be required by any successor Trustee for more fully and certainly vesting in such successor the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer. The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor hereunder, together with all other instruments provided for in this Article shall be filed or recorded by the successor Trustee in each recording office, if any, where the Indenture shall have been filed or recorded.

Section 8.10 Trustee Protected in Relying Upon Indenture, Etc. The indentures, opinions, certificates and other instruments provided for herein may be accepted by the Trustee as conclusive evidence of the facts and conclusions stated therein and shall be full warrant, protection and authority to the Trustee for the release of property and the withdrawal of cash hereunder.

Section 8.11 Successor Trustee as Trustee of Funds; Paying Agent and Bond Registrar. In the event of a change in the office of Trustee, the predecessor Trustee which has resigned or been removed shall cease to be Trustee hereunder and Registrar for the Bonds and Paying Agent for principal of, premium, if any, and interest on the Bonds, and the successor Trustee shall become such Trustee, Registrar and Paying Agent for the Bonds.

Section 8.12 Trust Estate May Be Vested in Separate or Co-Trustee. It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the laws of the State) denying or restricting the right of banking corporations or associations to transact business as Trustee in such jurisdiction. It is recognized that in case of litigation hereunder, and in particular in case of the enforcement of remedies on Event of Default, or in case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers,

rights, or remedies herein granted to the Trustee or hold title to the trust estate, as herein granted, or take any other action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an additional individual or institution as a separate or co-trustee. The following provisions of this Section are adapted to these ends.

In the event that the Trustee appoints an additional individual or institution as a separate or co-trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended hereby to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vested in such separate or co-trustee, but only to the extent necessary to enable the separate or co-trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate or co-trustee shall run to and be enforceable by either of them.

Should any deed, conveyance or instrument in writing from the Issuer be required by the separate trustee or co-trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to it such properties, rights, powers, trusts, duties and obligations, any and all such deeds, conveyances and instruments in writing shall, on request of such trustee or co-trustee, be executed, acknowledged and delivered by the Issuer. In case any separate trustee or co-trustee or a successor to either, shall die, become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate trustee or co-trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new trustee or successor to such separate trustee or co-trustee.

Section 8.13 Annual Accounting. The Trustee shall prepare an annual accounting for each Fiscal Year by the end of the month following each such Fiscal Year showing in reasonable detail all financial transactions relating to the funds and accounts held by the Trustee hereunder during the accounting period and the balance in any funds or accounts created hereby as of the beginning and close of such accounting period, and shall mail the same to the Issuer and underwriter of each Series of Bonds, and to each Security Instrument Issuer and Reserve Instrument Provider requesting the same. The Trustee shall also make available for inspection by any Registered Owner a copy of said annual accounting (with the names and addresses of Registered Owners receiving payment of debt service on the Bonds deleted therefrom) and shall mail the same if requested in writing to do so by Registered Owners of at least 25% in aggregate principal amount of Bonds then Outstanding to the designee of said Owners specified in said written request at the address therein designated. On or before the end of the month following each Fiscal Year, the Trustee shall, upon written request, provide to the Issuer and the Issuer's independent auditor representations as to the accuracy of the facts contained in the financial reports that were delivered by the Trustee during the Fiscal Year just ended.

Section 8.14 Indemnification. Subject to the provisions of Section 8.1(a) of this Indenture, the Issuer shall indemnify and save Trustee harmless against any liabilities

it may incur in the exercise and performance of its powers and duties hereunder, other than those due to its own gross negligence or willful misconduct.

Section 8.15 Trustee's Right to Own and Deal in Bonds. The bank or trust company acting as Trustee under this Indenture, and its directors, officers, employees or agents, may in good faith buy, sell, own, hold and deal in any of the Bonds issued hereunder and secured by this Indenture, and may join in any action which any Bondholder may be entitled to take with like effect as if such bank or trust company were not the Trustee under this Indenture.

ARTICLE IX

SUPPLEMENTAL INDENTURES

Section 9.1 Supplemental Indentures Not Requiring Consent of Registered Owners, Security Instrument Issuers and Reserve Instrument Providers. The Issuer and the Trustee may, without the consent of, or notice to, any of the Registered Owners or Reserve Instrument Providers, but with notice to any Security Instrument Issuer, enter into an indenture or indentures supplemental hereto, as shall not be inconsistent with the terms and provisions hereof, for any one or more of the following purposes:

(a) To provide for the issuance of Additional Bonds in accordance with the provisions of Section 2.15 hereof;

(b) To cure any ambiguity or formal defect or omission herein which will not materially adversely affect the Owners of the Bonds;

(c) To grant to or confer upon the Trustee for the benefit of the Registered Owners, any Security Instrument Issuers and any Reserve Instrument Providers any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Registered Owners, any Security Instrument Issuers and any Reserve Instrument Providers or any of them, provided, however, that the prior written consent of each Security Instrument Issuer is obtained;

(d) To subject to this Indenture additional revenues or other revenues, properties, collateral or security;

(e) To make any other change hereto which, in the judgment of the Trustee, is not materially prejudicial to the interests of the Registered Owners, the Trustee, any Security Instrument Issuer or any Reserve Instrument Provider, provided, however, that the prior written consent of each Security Instrument Issuer is obtained;

(f) To make any change necessary (i) to establish or maintain the exemption from federal income taxation of interest on any Series of Bonds as a result of any modifications or amendments to Section 148 of the Code (or any successor provision of law) or interpretations thereof by the Internal Revenue Service, or (ii) to comply with the provisions of Section 148(f) of the Code (or any successor provision of law), including provisions for the payment of all or a portion of the investment earnings of any of the Funds established hereunder to the United States of America;

(g) If the Bonds affected by such change are rated by a Rating Agency, to make any change which does not result in a reduction of the rating applicable to any of the Bonds so affected, provided that if any of the Bonds so affected are secured by a Security Instrument, such change must be approved in writing by the related Security Instrument Issuer;

(h) If the Bonds affected by such change are secured by a Security Instrument, to make any change approved in writing by the related Security Instrument Issuer, provided that if any of the Bonds so affected are rated by a Rating Agency, such change shall not result in a reduction of the rating applicable to any of the Bonds so affected; and

(i) To provide for the appointment of a successor Trustee, a Paying Agent, a separate or co-trustee, a Remarketing Agent or a Transfer Agent.

No modification or amendment shall be permitted pursuant to paragraph (g) or (h) unless the Issuer delivers to the Trustee an opinion of nationally recognized bond counsel to the effect that such modification or amendment will not adversely affect the tax-exempt status or validity of any Bonds affected by such modification or amendment.

Section 9.2 Supplemental Indentures Requiring Consent of Registered Owners, Security Instrument Issuers and Reserve Instrument Providers; Waivers and Consents by Registered Owners. Exclusive of Supplemental Indentures covered by Section 9.1 hereof and subject to the terms and provisions contained in this Section, and not otherwise, the Registered Owners of 66 2/3% in aggregate Principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained herein to the contrary notwithstanding, to (i) consent to and approve the execution by the Issuer and the Trustee of such other indenture or indentures supplemental hereto as shall be deemed necessary and desirable by the Issuer for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained herein or in any Supplemental Indenture, or (ii) waive or consent to the taking by the Issuer of any action prohibited, or the omission by the Issuer of the taking of any action required, by any of the provisions hereof or of any indenture supplemental hereto; provided, however, that nothing in this Section contained shall permit or be construed as permitting (a) an extension of the stated maturity or reduction in the Principal amount of, or reduction in the rate of or extension of the time of paying of interest on, or reduction of any premium payable on the redemption of, or the elimination of tender rights with respect to, any Bond, without the consent of the Registered Owner of such Bond, or (b) a reduction in the amount or extension of the time of any payment required by any fund established hereunder applicable to any Bonds without the consent of the Registered Owners of all the Bonds which would be affected by the action to be taken, or (c) a reduction in the aforesaid aggregate Principal amount of Bonds, the Registered Owners of which are required to consent to any such waiver or Supplemental Indenture, or (d) affect the rights of the Registered Owners of less than all Bonds then Outstanding, without the consent of the Registered Owners of all the Bonds at the time Outstanding which would be affected by the action to be taken. In addition, no supplement hereto shall modify the rights, duties or immunities of the Trustee, without the written consent of the Trustee. If a Security Instrument or a Reserve Instrument is in effect with respect to any Series of Bonds Outstanding and if a proposed modification or amendment would apply to such Series of Bonds, then, except as described in Section 9.1 hereof, neither this Indenture nor any Supplemental Indenture with respect to such Series of Bonds shall be modified or amended at any time without the prior written consent of the related Security Instrument Issuer or Reserve Instrument Provider, as applicable. Copies of any such

modifications, amendments or supplements permitted under this Section or Section 9.1 shall be sent to each Rating Agency at least 10 days prior to the effective date thereof.

ARTICLE X

DISCHARGE OF INDENTURE

If the Issuer shall pay or cause to be paid, or there shall be otherwise paid or provision for payment made to or for the Registered Owners of the Bonds, the Principal of and interest due or to become due thereon at the times and in the manner stipulated therein, and shall pay or cause to be paid to the Trustee all sums of monies due or to become due according to the provisions hereof, and to all Security Instrument Issuers and all Reserve Instrument Providers all sums of money due or to become due accordingly to the provisions of any Security Instrument Agreements and Reserve Instrument Agreements, as applicable, then these presents and the estate and rights hereby granted shall cease, determine and be void, whereupon the Trustee shall cancel and discharge the lien hereof, and release, assign and deliver unto the Issuer any and all the estate, right, title and interest in and to any and all rights assigned or pledged to the Trustee, held by the Trustee, or otherwise subject to the lien hereof, except monies or securities held by the Trustee for the payment of the Principal of and interest on the Bonds, the payment of amounts pursuant to any Security Instrument Agreements or the payment of amounts pursuant to any Reserve Instrument Agreements.

Any Bond shall be deemed to be paid within the meaning of this Article when payment of the Principal of such Bond, plus interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided herein, or otherwise), either (a) shall have been made or caused to have been made in accordance with the terms thereof, or (b) shall have been provided by irrevocably depositing with or for the benefit of the Trustee, in trust and irrevocably setting aside exclusively for such payment, any combination of (i) monies sufficient to make such payment, or (ii) Government Obligations, maturing as to principal and interest in such amount and at such times as will insure the availability of sufficient monies to make such payment, and all necessary and proper fees, compensation and expenses of the Trustee and any paying agent pertaining to the Bond with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of the Trustee. At such times as a Bond shall be deemed to be paid hereunder, as aforesaid, it shall no longer be secured by or entitled to the benefits hereof, except for the purposes of any such payment from such monies or Government Obligations.

Notwithstanding the foregoing, in the case of Bonds, which by their terms may be redeemed prior to their stated maturity, no deposit under the immediately preceding paragraph shall be deemed a payment of such Bonds as aforesaid until the Issuer shall have given the Trustee, in form satisfactory to the Trustee, irrevocable instructions:

(a) stating the date when the Principal of each such Bond is to be paid, whether at maturity or on a redemption date (which shall be any redemption date permitted hereby);

(b) to instruct the Trustee to call for redemption pursuant hereto any Bonds to be redeemed prior to maturity pursuant to Subparagraph (a) above; and

(c) to instruct the Trustee to mail, as soon as practicable, in the manner prescribed by Article II hereof, a notice to the Registered Owners of such Bonds and to each related Security Instrument Issuer that the deposit required by this Section has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with this Article and stating the maturity or redemption date upon which monies are to be available for the payment of the principal or redemption price, if applicable, on said Bonds as specified in Subparagraph (a) above. If the redemption date for all Bonds, payment for which is to be provided by deposit of monies or Government Obligations or both, shall fall within 120 days of the mailing of the notice of redemption, then the notices referred to in Subparagraph (b) above and this Subparagraph (c) may be combined.

Any monies so deposited with the Trustee as provided in this Article may at the direction of the Issuer also be invested and reinvested in Government Obligations, maturing in the amounts and times as hereinbefore set forth, and all income from all Government Obligations in the hands of the Trustee pursuant to this Article which is not required for the payment of the Bonds and interest thereon with respect to which such monies shall have been so deposited shall be deposited in the Bond Fund as and when realized and collected for use and application as are other monies deposited in that fund.

No such deposit under this Article shall be made or accepted hereunder and no use made of any such deposit unless the Trustee shall have received an opinion of nationally recognized municipal bond counsel to the effect that such deposit and use would not cause the Bonds to be treated as arbitrage bonds within the meaning of Sections 148 of the Code.

Notwithstanding any provision of any other Article hereof, all monies or Government Obligations set aside and held in trust pursuant to the provisions of this Article for the payment of Bonds (including interest thereon) shall be applied to and used solely for the payment of the particular Bonds (including interest thereon) with respect to which such monies or Government Obligations have been so set aside in trust.

Anything in Article IX hereof to the contrary notwithstanding, if monies or Government Obligations have been deposited or set aside with the Trustee pursuant to this Article for the payment of Bonds and such Bonds shall not have in fact been actually paid in full, no amendment to the provisions of this Article shall be made without the consent of the Registered Owner of each Bond affected thereby.

ARTICLE XI

MISCELLANEOUS

Section 11.1 Consents, Etc. of Registered Owners. Any consent, request, direction, approval, objection or other instrument required hereby to be executed by the Registered Owners, Security Instrument Issuers or Reserve Instrument Providers may be in any number of concurrent writings of similar tenor and may be executed by such Registered Owners, Security Instrument Issuers or Reserve Instrument Providers in person or by agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection or other instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes hereof, and shall be conclusive in favor of the Trustee with regard to any action taken under such request or other instrument, namely, the fact and date of the execution by any person of any such writing may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing acknowledged before him the execution thereof, or by affidavit of any witness to such execution.

Section 11.2 Limitation of Rights. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Indenture or the Bonds is intended or shall be construed to give to any person other than the parties hereto, the Registered Owners of the Bonds, any Security Instrument Issuer and any Reserve Instrument Provider, any legal or equitable right, remedy or claim under or in respect hereto or any covenants, conditions and provisions herein contained, this Indenture and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto, the Registered Owners of the Bonds, any Security Instrument Issuer and the Reserve Instrument Providers as herein provided.

Section 11.3 Severability. If any provision hereof shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever.

The invalidity of any one or more phrases, sentences, clauses or Sections herein contained, shall not affect the remaining portions hereof, or any part thereof.

Section 11.4 Notices. Unless otherwise specifically provided for herein, all notices required to be given pursuant to the Indenture shall be in writing. It shall be sufficient service of any notice, request, complaint, demand or other paper on the Issuer if the same shall be duly mailed by registered or certified mail addressed to it at Utah

Transit Authority, 3600 South 700 West, P. O. Box 30810, Salt Lake City, Utah 84130-0810, Attention: General Manager, with a copy to the Issuer's General Counsel, or to such address as the Issuer may from time to time file with the Trustee. It shall be sufficient service of any notice or other paper on the Trustee if the same shall be duly mailed by registered or certified mail addressed to it at Zions First National Bank, One South Main Street, Salt Lake City, Utah 84111, Attention: Corporate Trust Department or to such other address as the Trustee may from time to time file with the Issuer.

Section 11.5 Trustee as Paying Agent and Registrar. The Trustee is hereby designated and agrees to act as principal Paying Agent and Registrar for and in respect to the Bonds.

Section 11.6 Counterparts. This Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.7 Applicable Law. This Indenture shall be governed exclusively by the applicable laws of the State.

Section 11.8 Immunity of Officers and Directors. No recourse shall be had for the payment of the principal of or premium or interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement herein contained against any past, present or future officer, or other public official, employee, or agent of the Issuer.

Section 11.9 Payments Due on Holidays. If any date for the payment of principal of or interest on the Bonds is not a Business Day, then such payment shall be due on the first day thereafter which is a Business Day and no interest shall accrue for the period between such payment date and such first Business Day thereafter.

Section 11.10 Notices to Security Instrument Issuer. A copy of any notices required by this Indenture to be given to the Issuer, any Bondholder, the Paying Agent or the Trustee shall also be given to the Security Instrument Issuer.

Section 11.11 Compliance with State Laws. It is hereby declared by the Issuer's Board of Trustees that it is the intention of the Issuer by the execution of this Indenture to comply in all respects with the provisions of the Utah Public Transit District Act, Title 17A, Chapter 2, Part 10, Utah Code, the Utah Municipal Bond Act, Title 11, Chapter 14, Utah Code, and the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code.

Section 11.12 Effective Date. This Indenture shall become effective immediately.

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be executed as of the date first written above.

UTAH TRANSIT AUTHORITY, as Issuer

By: _____
General Manager

ATTEST:

By: _____
Treasurer

UTAH TRANSIT AUTHORITY CORPORATE SEAL State of Utah

Approved as to form:

By: _____
UTA Legal Counsel

ZIONS FIRST NATIONAL BANK, as Trustee

By: _____
Title: VP

ATTEST:

By: _____
Title: TRUST OFFICER

(SEAL)

ZIONS FIRST NATIONAL BANK

EXHIBIT A

REQUISITION

RE: $_____Utah Transit Authority, Sales Tax and Transportation Revenue Bonds, Series _____

Zions First National Bank
One South Main Street
Salt Lake City, Utah 84111

You are hereby authorized to disburse from the applicable account of the Construction Fund with regard to the above-referenced bond issue the following:

REQUISITION NUMBER: _____

NAME AND ADDRESS OF PAYEE:

_____
_____
_____
_____

AMOUNT: $_____

PURPOSE FOR WHICH EXPENSE HAS BEEN INCURRED:

_____
_____
_____
_____

Each obligation, item of cost or expense mentioned herein has been properly incurred, is a proper charge against the applicable account of the Construction Fund and has not been the basis for a previous withdrawal. The amount set forth above is justly due and owing and constitutes a Cost of the Project based upon itemized claims substantiated in support thereof.

The amount remaining in the applicable account of the Construction Fund after such disbursement is made, together with the amount of unencumbered Pledged Revenues, if any, which the Issuer reasonably estimates will be deposited in the applicable account of the Construction Fund during the period of construction of the Project from the investment of monies on deposit in the applicable account of the Construction Fund, will, together with any other monies lawfully available for payment of the Cost of the Project and after payment of the amount requested in said requisition, be sufficient to pay the remaining Cost of the Project in accordance with the plans and specification therefor then in effect; it being understood that no monies from the Construction Fund may be expended unless, after giving effect thereto, the funds remaining in the applicable account

of the Construction Fund, together with such other funds and income and lawfully available monies, are sufficient to pay the remaining Cost of the Project.

DATED: _____

_____
Authorized Representative of
Utah Transit Authority

Final

SUBORDINATE GENERAL INDENTURE OF TRUST

Dated as of July 1, 2006

between

UTAH TRANSIT AUTHORITY,
as Issuer

and

ZIONS FIRST NATIONAL BANK,
as Trustee

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EXHIBIT A REQUISITION A-1

This Subordinate General Indenture of Trust, dated as of July 1, 2006, between the Utah Transit Authority (the "Issuer"), a public transit district duly organized and existing under the Constitution and the laws of the State of Utah, and Zions First National Bank, a national bank duly organized and existing under the laws of the United States of America, authorized by law to accept and execute trusts and having its principal office in Salt Lake City, Utah (the "Trustee"):

WITNESSETH:

WHEREAS, the Issuer desires to finance improvements to its existing public transit system (the "System"), including, but not limited to additions, extensions, buildings, equipment and other improvements to house and operate said facilities, to refund and retire existing obligations, to fund debt service reserves, and to pay issuance expenses to be incurred in connection with the issuance and sale of the Bonds herein authorized; and

WHEREAS, the Issuer intends to obtain certain revenues (the "Pledged Revenues") sufficient to pay debt service on the Bonds (as defined below) issued hereunder and the Senior Bonds (as defined below) and operation and maintenance expenses of the System; and

WHEREAS, pursuant to an Amended and Restated General Indenture dated as of September 1, 2002 (the "Senior Indenture") between the Issuer and the Trustee, as trustee for the bonds issued thereunder, the Issuer has previously issued and may hereafter issue bonds (the "Senior Bonds") which are and will be secured by a lien senior and prior to the lien created hereunder with respect to the Pledged Revenues; and

WHEREAS, except with respect to the Senior Indenture and the Senior Bonds and except for obligations expressly subordinate to the lien hereof, the Pledged Revenues (as herein defined) of the System, will not be pledged or hypothecated in any manner or for any purpose at the time of the issuance of the Bonds herein authorized and the Issuer desires to pledge said Pledged Revenues toward the payment of the principal and interest on said Bonds; and

WHEREAS, pursuant to the Utah Public Transit District Act, Title 17A, Chapter 2, Part 10, Utah Code Annotated 1953, as amended, the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, and the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended, the Issuer is authorized to issue its bonds payable from a special fund into which the Pledged Revenues of the Issuer may be pledged.

NOW, THEREFORE, THIS INDENTURE OF TRUST WITNESSETH:

For and in consideration of the premises, the mutual covenants of the Issuer and the Trustee, the purchase from time to time of the Bonds by the Bondowners thereof, the issuance by the Security Instrument Issuers from time to time of Security Instruments and the issuance by Reserve Instrument Providers from time to time of Reserve Instruments, and in order to secure the payment of the principal of and premium, if any, and interest on

the Bonds, of all Security Instrument Repayment Obligations according to their tenor and effect and of all Reserve Instrument Repayment Obligations according to their tenor and effect and the performance and observance by the Issuer of all the covenants expressed or implied herein, in the Bonds, in all Security Instrument Agreements and in all Reserve Instrument Agreements, the Issuer does hereby convey, assign and pledge unto the Trustee and unto its successors in trust forever all right, title and interest of the Issuer in and to (i) the Pledged Revenues, (ii) all moneys in funds and accounts held by the Trustee hereunder (except as provided in Section 5.4 and Section 5.7 hereof) including the investment, if any thereof, and (iii) all other rights hereinafter granted, first, for the further securing of the Bonds (except that the portion of items described in (i), (ii) and (iii) above representing principal or redemption price of, and interest on, any Bonds previously matured or called for redemption or deemed paid in accordance with Article X of this Indenture shall be held for the benefit of the holders of such Bonds only) and all Security Instrument Repayment Obligations, and second, for the further securing of all Reserve Instrument Repayment Obligations, subject only to the lien of the Senior Indenture and to the provisions of this Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in this Indenture;

To Have And To Hold the same with all privileges and appurtenances hereby and hereafter conveyed and assigned, or agreed or intended so to be, to the Trustee and its respective successors and assigns in such trust forever;

In Trust Nevertheless, upon the terms set forth in this Indenture, first, for the equal and proportionate benefit, security and protection of all Bondowners and Security Instrument Issuers without privilege, priority or distinction as to the lien or otherwise of any of the Bonds or Security Instrument Repayment Obligations over any others by reason of time of issuance, sale, delivery, maturity or expiration thereof or otherwise for any cause whatsoever, except as expressly provided in or permitted by this Indenture; and second, for the equal and proportionate benefit, security and protection of all Reserve Instrument Providers, without privilege, priority or distinction as to the lien or otherwise of any Reserve Instrument Repayment Obligation over any of the others by reason of time of issuance, delivery or expiration thereof or otherwise for any cause whatsoever;

Provided, However, that if the Issuer, its successors or assigns, shall well and truly pay, or cause to be paid, the principal of and premium, if any, on the Bonds and the interest due or to become due thereon, at the times and in the manner mentioned in the Bonds, all Security Instrument Repayment Obligations, according to the true intent and meaning thereof and all Reserve Instrument Repayment Obligations, according to the true intent and meaning thereof, or shall provide, as permitted by this Indenture, for the payment thereof as provided herein, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions of this Indenture, then upon such final payments or provisions for such payments by the Issuer, this Indenture, and the rights hereby granted, shall terminate; otherwise this Indenture shall remain in full force and effect.

The terms and conditions upon which the Bonds are to be executed, authenticated, delivered, secured and accepted by all persons who from time to time shall be or become

Owners thereof, and the trusts and conditions upon which the Revenues are to be held and disposed, which said trusts and conditions the Trustee hereby accepts, are as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. As used in this Indenture, the following terms shall have the following meanings unless the context otherwise clearly indicates:

"Accreted Amount" means, with respect to Capital Appreciation Bonds of any Series and as of the date of calculation, the amount established pursuant to the Supplemental Indenture authorizing such Capital Appreciation Bonds as the amount representing the initial public offering price, plus the accumulated and compounded interest on such Bonds.

"Additional Bonds" means all Bonds issued under this Indenture other than the Initial Bonds.

"Adjusted Sales and Use Taxes" means Sales and Use Taxes in any consecutive 12 month period within the 24 calendar months next preceding the issuance of a Series of Additional Bonds adjusted to take into account increases in the sales and use taxes allocated to the Issuer, to the extent that such increased amounts have been included as "Sales and Use Taxes" and are pledged under the Indenture.

"Aggregate Debt Service" means, as of the date of calculation and with respect to any period, the sum (as applicable) of the amounts of Debt Service during such period for (a) all Series of Bonds Outstanding (or any designated portion thereof), (b) any Repayment Obligations Outstanding and (c) all Senior Bonds Outstanding.

"Authorized Amount" means, with respect to a Commercial Paper Program, the maximum Principal amount of commercial paper which is then authorized by the Issuer to be outstanding at any one time pursuant to such Commercial Paper Program.

"Authorized Representative" means the General Manager (including any acting General Manager), the Controller, the Treasurer or any other person at the time designated to act on behalf of the Issuer by a written instrument furnished to the Trustee containing the specimen signature of such person or persons and signed on behalf of the Issuer by its General Manager or Treasurer. The written instrument may designate an alternate or alternates.

"Average Aggregate Debt Service" means, as of any date of calculation, the amount obtained by dividing (a) the sum of the Aggregate Debt Service on all Series of Bonds Outstanding and Repayment Obligations Outstanding computed for each Fiscal Year during which any Bonds are or will be Outstanding (or any designated portion thereof) by (b) the number of such Fiscal Years.

"Balloon Bonds" means Bonds (and/or Security Instrument Repayment Obligations relating thereto) or Senior Bonds (as applicable), other than Bonds or Senior Bonds (as applicable) which mature within one year of the date of issuance thereof, 25%

or more of the Principal Installments on which (a) are due or (b) at the option of the Owner thereof may be redeemed, during any period of twelve consecutive months.

"Bond Fund" means the Utah Transit Authority Subordinated Bond Fund created in Section 3.3 hereof to be held by the Trustee and administered pursuant to Section 5.3 hereof.

"Bond Fund Year" means the 12-month period beginning January 1 of each year and ending on the next succeeding December 31, except that the first Bond Fund Year shall begin on the date of delivery of the Initial Bonds and shall end on the next succeeding December 31.

"Bondholder," "Holder," "Bondowner," "Registered Owner" or "Owner" or any similar term means the registered owner of any Bonds herein authorized.

"Bonds" means bonds, notes, commercial paper or other obligations (other than Repayment Obligations) authorized by and at any time Outstanding pursuant to this Indenture, including the Initial Bonds and any Additional Bonds.

"Business Day" means, except as provided by Supplemental Indenture, any day, except a Saturday or Sunday, (a) on which banking business is transacted, but not including any day on which banks are authorized to be closed, in New York City or in the city in which the Trustee has its principal corporate trust office or, with respect to a related Series of Bonds, in the city in which any Security Instrument Issuer has its payment office for purposes of such Security Instrument, and (b) on which the New York Stock Exchange is open.

"Capital Appreciation Bonds" means Bonds the interest on which (a) is compounded and accumulated at the rates and on the dates set forth in the Supplemental Indenture authorizing the issuance of such Bonds and designating them as Capital Appreciation Bonds, and (b) is payable upon maturity or redemption of such Bonds.

"Code" means the Internal Revenue Code of 1986, as amended. Each reference to a section of the Code shall be deemed to include the related United States Treasury Regulations.

"Commercial Paper Program" means commercial paper obligations with maturities of not more than two hundred seventy (270) days from the dates of issuance thereof which are issued and reissued by the Issuer from time to time pursuant to Article II hereof and are outstanding up to an Authorized Amount.

"Construction Fund" means the Utah Transit Authority Subordinated Construction Fund created in Section 3.1 hereof to be held by the Trustee and administered pursuant to Section 5.1 hereof.

"Cost" or "Costs" or "Cost of a Project," or any phrase of similar import, in connection with a Project or with the refunding of any bonds, means all costs and expenses which are properly chargeable thereto under generally accepted accounting

principles or which are incidental to the financing, acquisition and construction of a Project, or the refunding of any bonds, including, without limiting the generality of the foregoing:

(a) amounts payable to contractors and costs incident to the award of contracts;

(b) cost of labor, facilities and services furnished by the Issuer and its employees or others, materials and supplies purchased by the Issuer or others and permits and licenses obtained by the Issuer or others;

(c) engineering, architectural, legal, planning, underwriting, accounting and other professional and advisory fees;

(d) premiums for contract bonds and insurance during construction and costs on account of personal injuries and property damage in the course of construction and insurance against the same;

(e) interest expenses, including interest on a Series of Bonds;

(f) printing, engraving and other expenses of financing, including fees of Rating Agency and fees and costs of issuing the Series of Bonds (including costs of interest rate caps and costs related to interest rate exchanges (or the elimination thereof));

(g) costs, fees and expenses in connection with the acquisition of real and personal property or rights therein, including premiums for title insurance;

(h) costs of equipment, rolling stock and furnishings purchased by the Issuer and necessary to the completion and proper operation of a Project;

(i) amounts required to repay temporary loans or notes made to finance the costs of a Project;

(j) cost of site improvements performed in anticipation of a Project;

(k) moneys necessary to fund the Funds created under this Indenture;

(l) costs of the capitalization with proceeds of a Series of Bonds issued hereunder of any operation and maintenance expenses and other working capital appertaining to any facilities to be acquired for a Project and of any interest on a Series of Bonds for any period not exceeding the period estimated by the Issuer to effect the construction of a Project plus one year, as herein provided, of any discount on Bonds or other securities, and of any reserves for the payment of the principal of and interest on a Series of Bonds, of any replacement expenses and of any other cost of issuance of a Series of Bonds or other securities, Security Instrument Costs and Reserve Instrument Costs;

(m) costs of amending any indenture or other instrument authorizing the issuance of or otherwise appertaining to a Series of Bonds;

(n) all other expenses necessary or desirable and appertaining to a Project, as estimated or otherwise ascertained by the Issuer, including costs of contingencies for a Project; and

(o) payment to the Issuer of such amounts, if any, as shall be necessary to reimburse the Issuer in full for advances and payments theretofore made or costs theretofore incurred by the Issuer for any item of Costs.

In the case of any refunding or redeeming any bonds or other obligations, "Cost" includes, without limiting the generality of the foregoing, the items listed in (c), (e), (f) (i) (k), (l), (m) and (o) above, advertising and other expenses related to the redemption of such bonds to be redeemed and the redemption price of such bonds (and the accrued interest payable on redemption to the extent not otherwise provided for).

"Cross-over Date" means with respect to Cross-over Refunding Bonds the date on which the Principal portion of the related Cross-over Refunded Bonds is to be paid or redeemed from the proceeds of such Cross-over Refunding Bonds.

"Cross-over Refunded Bonds" means Bonds, Senior Bonds or other obligations refunded by Cross-over Refunding Bonds.

"Cross-over Refunding Bonds" means Bonds issued for the purpose of refunding Bonds, Senior Bonds or other obligations if the proceeds of such Cross-over Refunding Bonds are irrevocably deposited in escrow in satisfaction of the requirements of Section 11-27-3, Utah Code, to secure the payment on an applicable redemption date or maturity date of the Cross-over Refunded Bonds (subject to possible use to pay Principal of the Cross-over Refunding Bonds under certain circumstances) and the earnings on such escrow deposit are required to be applied to pay interest on the Cross-over Refunding Bonds until the Cross-over Date.

"Current Interest Bonds" means Bonds not constituting Capital Appreciation Bonds. Interest on Current Interest Bonds shall be payable periodically on the Interest Payment Dates provided therefor in a Supplemental Indenture.

"Debt Service" means, for any particular Fiscal Year and for any Series of Bonds, Senior Bonds (to the extent applicable) and any Repayment Obligations, an amount equal to the sum of (a) all interest payable during such Fiscal Year on such Series of Bonds and Senior Bonds plus (b) the Principal Installments payable during such Fiscal Year on (i) such Bonds and Senior Bonds Outstanding, calculated on the assumption that Bonds and Senior Bonds Outstanding on the day of calculation cease to be Outstanding by reason of, but only by reason of, payment either upon maturity or application of any Sinking Fund Installments required by the Indenture (or the Senior Indenture, as applicable), and (ii) such Repayment Obligations then outstanding;

provided, however, for purposes of Section 2.15 hereof,

(i) when calculating the Principal Installments payable during such Fiscal Year, there shall be treated as payable in such Fiscal Year the amount of Principal Installments which would have been payable during such Fiscal Year had the Principal of each Series of Balloon Bonds Outstanding and the related Repayment Obligations then Outstanding (or arising therefrom) been amortized, from the end of the fifth Bond Fund Year succeeding their date of issuance over a period of 25 years thereafter, on a level debt service basis at an interest rate equal to the rate borne by such Balloon Bonds on the date of calculation, provided that if the date of calculation is within twelve months before the actual maturity of such Balloon Bonds or Repayment Obligations, the full amount of Principal payable at maturity shall be included in such calculation;

(ii) when calculating interest payable during such Fiscal Year for any Series of Variable Rate Bonds or Repayment Obligations bearing interest at a variable rate which cannot be ascertained for any particular Fiscal Year, it shall be assumed that such Series of Variable Rate Bonds or related Repayment Obligations will bear interest at such market rate of interest applicable to such Series of Variable Rate Bonds or related Repayment Obligations as shall be established for this purpose in the opinion of the Issuer's financial advisor, underwriter or similar agent (which market rate of interest may be based upon a recognized comparable market index, an average of interest rates for prior years or otherwise, so long as such estimates are based upon then current market conditions);

(iii) when calculating interest payable during such Fiscal Year for any Series of Variable Rate Bonds which are issued with a floating rate and with respect to which an Interest Rate Swap is in effect in which the Issuer has agreed to pay a fixed interest rate, such Series of Variable Rate Bonds shall be deemed to bear interest at the effective fixed annual rate thereon as a result of such Interest Rate Swap; *provided* that such effective fixed annual rate may be utilized only if such Interest Rate Swap does not result in a reduction or withdrawal of any rating then in effect with respect to the Bonds and so long as such Interest Rate Swap is contracted to remain in full force and effect;

(iv) when calculating interest payable during such Fiscal Year for any Series of Bonds which are issued with a fixed interest rate and with respect to which an Interest Rate Swap is in full force and effect in which the Issuer has agreed to pay a floating amount, Debt Service shall include the interest payable on such Series of Bonds, less fixed amounts to be received by the Issuer under such Interest Rate Swap plus the amount of the floating payments (estimated in a manner similar to that described in (ii) above, unless another method of estimation is more appropriate, in the opinion of the Issuer's financial advisor, underwriter or similar agent, for such floating payments) to be made by the Issuer under the Interest Rate Swap; *provided* that the above described calculation of Debt Service may

be utilized only if such Interest Rate Swap does not result in a reduction or withdrawal of any rating then in effect with respect to the Bonds and so long as such Interest Rate Swap is contracted to remain in full force and effect;

(v) when calculating interest payable during such Fiscal Year with respect to any Commercial Paper Program, *"Debt Service"* shall mean an amount equal to the sum of all principal and interest payments that would be payable during such Fiscal Year assuming that the Authorized Amount of such Commercial Paper Program is amortized on a level debt service basis over a period of 30 years beginning on the date of calculation or, if later, the last day of the period during which obligations can be issued under such Commercial Paper Program, and bearing interest at such market rate of interest applicable to such Commercial Paper Program as shall be established for this purpose in the opinion of the Issuer's financial advisor, underwriter or similar agent (which market rate of interest may be based upon a recognized comparable market index, an average of interest rates for prior years or otherwise); and

(vi) when calculating interest payable on Bonds or Senior Bonds that are Paired Obligations, the interest rate on such Bonds or Senior Bonds shall be the resulting linked rate or effective fixed interest rate to be paid by the Issuer with respect to such Paired Obligations;

and *further provided, however,* that there shall be excluded from Debt Service (x) interest on Bonds and Senior Bonds (including Cross-over Refunding Bonds or Cross-over Refunded Bonds) to the extent that Escrowed Interest or capitalized interest is available to pay such interest, (y) Principal on Cross-over Refunded Bonds to the extent that the proceeds of Cross-over Refunding Bonds are on deposit in an irrevocable escrow in satisfaction of the requirements of Section 11-27-3, Utah Code, and such proceeds or the earnings thereon are required to be applied to pay such Principal (subject to the possible use to pay the Principal of the Cross-over Refunding Bonds under certain circumstances) and such amounts so required to be applied are sufficient to pay such Principal, and (z) Repayment Obligations to the extent that payments on Pledged Bonds relating to such Repayment Obligations satisfy the Issuer's obligation to pay such Repayment Obligations.

"Debt Service Reserve Fund" means the Utah Transit Authority Subordinated Debt Service Reserve Fund created in Section 3.4 hereof to be held by the Trustee and administered pursuant to Section 5.4 hereof.

"Debt Service Reserve Requirement" for each Series of Bonds issued hereunder means the amount, if any, specified in the related Supplemental Indenture. The Debt Service Reserve Requirement may be funded by a Reserve Instrument as herein provided. Upon the issuance of Additional Bonds or upon any refunding of Bonds issued hereunder the aggregate Debt Service Reserve Requirement for the Bonds then Outstanding and the Additional Bonds, if any, to be so issued shall be determined based upon the Bonds to be

Outstanding immediately following the issuance of the Additional Bonds or such refunding.

"Escrowed Interest" means amounts irrevocably deposited in escrow in accordance with the requirements of Section 11-27-3, Utah Code, in connection with the issuance of Additional Bonds for refunding purposes or Cross-over Refunding Bonds secured by such amounts or earnings on such amounts which are required to be applied to pay interest on such Cross-over, Refunding Bonds or the related Cross-over Refunded Bonds.

"Event of Default" means with respect to any default or event of default hereunder any occurrence or event specified in and defined by Section 7.1 hereof.

"Favorable Opinion" means an opinion of Bond Counsel to the effect that the action proposed to be taken is authorized or permitted by this Indenture and any applicable Supplemental Indenture and will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds which are the subject of such opinion.

"Financing Expenses" means Security Instrument Costs, Reserve Instrument Costs and arbitrage rebate required to be paid to the United States with respect to the Bonds.

"Fiscal Year" means the 12-month period beginning January 1 of each year and ending December 31 of such year, or such other fiscal year of the Issuer as may be prescribed by law.

"Fitch" means Fitch Ratings.

"General Indenture" means this Subordinate General Indenture of Trust.

"Government Obligations" means (i) direct and general obligations of the United States of America, or those which are unconditionally guaranteed as to principal and interest by the same, and (ii) pre-refunded municipal obligations meeting the following criteria:

(a) The municipal obligations may not be callable prior to maturity or, alternatively, the trustee has received irrevocable instructions concerning their calling and redemption;

(b) The municipal obligations are secured by cash or securities described in subparagraph (i) above (the *"Defeasance Obligations"*), which cash or Defeasance Obligations may be applied only to interest, principal and premium payments of such municipal obligations;

(c) The principal and interest of the Defeasance Obligations (plus any cash in the fund) are sufficient to meet the liabilities of the municipal obligations;

(d) The Defeasance Obligations serving as security for the municipal obligations must be held by an escrow agent or a trustee;

(e) The Defeasance Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and

(f) The Defeasance Obligations are rated "AAA" by S&P and "Aaa" by Moody's.

Additionally, evidences of ownership of proportionate interests in future interest and principal payments of Defeasance Obligations are permissible. Investments in these proportionate interests are limited to circumstances wherein (i) a bank or trust company acts as custodian and holds the underlying obligations; (ii) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying obligations; and (iii) the underlying obligations are held in a special account separate and apart from the custodian's general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian or any person to whom the custodian may be obligated.

"Indenture" means this General Indenture of Trust as from time to time amended or supplemented by Supplemental Indentures in accordance with the terms hereof.

"Initial Bonds" means the first Series of Bonds issued under this Indenture.

"Interest Payment Date" means the stated payment date of an installment of interest on the Bonds.

"Interest Rate Swap" means an agreement between the Issuer or the Trustee (at the written direction of the Issuer) and a Swap Counterparty related to Bonds of one or more Series whereby a variable rate cash flow (which may be subject to any interest rate cap) on a principal or notional amount is exchanged for a fixed rate of return on an equal principal or notional amount. If the Issuer or the Trustee (at the written direction of the Issuer) enters into more than one Interest Rate Swap with respect to a Series of Bonds or Senior Bonds (to the extent applicable), each Interest Rate Swap shall specify the same payment dates.

"Issuer" means Utah Transit Authority and its successors.

"Moody's" means Moody's Investors Service.

"Operation and Maintenance Expenses" means all necessary and reasonable expenses of maintaining and operating the System, including all necessary operating expenses, current maintenance charges, expenses of reasonable upkeep and repairs, properly allocated share of charges for insurance, and all other expenses incidental to the operation of the System, including the cost of merchandise for resale, promotional and advertising expenses, services, utilities and personnel and all allocated general administrative expenses of the Issuer, but shall exclude depreciation. As more fully provided in Section 5.2(e) hereof, the Issuer shall establish a budget for Operation and

Maintenance Expenses for each Fiscal Year and, except as otherwise provided in Section 5.2(e), Operation and Maintenance Expenses in any Fiscal Year shall not exceed the amount budgeted for such items in the Issuer's final budget (as the same may be amended from time to time) for such Fiscal Year.

"Outstanding" or "Bonds Outstanding" means at any date all Bonds which have not been canceled which have been or are being authenticated and delivered by the Trustee under this Indenture, except:

(a) Any Bond or portion thereof which at the time has been paid or deemed paid pursuant to Article X of this Indenture; and

(b) Any Bond in lieu of or in substitution for which a new Bond shall have been authenticated and delivered hereunder.

"Paired Obligations" means any Series (or portion thereof) of Bonds or Senior Bonds (as applicable) designated as Paired Obligations in the Supplemental Indenture authorizing the issuance or incurrence thereof, which are simultaneously issued or incurred (i) the principal of which is of equal amount maturing and to be redeemed (or cancelled after acquisition thereof) on the same dates and in the same amounts, and (ii) the interest rates which, taken together, result in an irrevocably fixed interest rate obligation of the Issuer for the terms of such Bonds or Senior Bonds (as applicable).

"Paying Agent" means the Trustee, appointed as the initial paying agent for the Bonds pursuant to Section 11.5 hereof, and any additional or successor paying agent appointed pursuant hereto.

"Permitted Investments" means any of the following securities:

(i) Government Obligations;

(ii) obligations of any of the following federal agencies which obligations represent full faith and credit obligations of the United States of America: the Export-Import Bank of the United States; the Government National Mortgage Association; the Federal Financing Bank; the Farmer's Home Administration; the Federal Housing Administration; the Maritime Administration: General Services Administration, Small Business Administration; or the Department of Housing and Urban Development (PHA's);

(iii) money market funds rated "AAAm" or "AAAm-G" or better by S&P;

(iv) commercial paper which is rated at the time of purchase in the single highest classification, "Prime 1" by Moody's or "A-1+" by S&P, and which matures not more than 270 days after the date of purchase;

(v) bonds, notes or other evidences or indebtedness rated "AAA" by S&P and "Aaa" by Moody's issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation with remaining maturities not exceeding three years;

(vi) U.S. dollar denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks which have a rating on their short term certificates of deposit on the date or purchase of "A-1" or "A-1+" by S&P and "Prime 1" by Moody's and maturing no more than 360 days after the date of purchase (ratings on holding companies are not considered as the rating of the bank);

(vii) the fund held by the Treasurer for the State of Utah and commonly known as the Utah Public Treasurers' Investment Fund; and

(viii) any investments or securities permitted for investment of public funds under the State Money Management Act of 1974, Title 51, Chapter 7, Utah Code.

"Pledged Bonds" means any Bonds that have been (a) pledged or in which any interest has otherwise been granted to a Security Instrument Issuer as collateral security for Security Instrument Repayment Obligations or (b) purchased and held by a Security Instrument Issuer pursuant to a Security Instrument.

"Pledged Revenues" means (i) the Sales and Uses Taxes, plus (ii) interest earned by and profits derived from the sale of investments in the funds and accounts created by this Indenture, plus (iii) all other Revenues (if any) after provision has been made for the payment from the Revenues described in this subparagraph (iii) of the Operation and Maintenance Expenses.

"Principal" means (a) with respect to any Capital Appreciation Bond, the Accreted Amount thereof (the difference between the stated amount to be paid at maturity and the Accreted Amount being deemed unearned interest), except as used in connection with the authorization and issuance of Bonds and Senior Bonds and with the order of priority of payment of Bonds after an Event of Default, in which case "Principal" means the initial public offering price of a Capital Appreciation Bond (the difference between the Accreted Amount and the initial public offering price being deemed interest), and (b) with respect to any Current Interest Bond, the principal amount of such Bond or Senior Bond payable at maturity.

"Principal Installment" means, as of any date of calculation, (a) with respect to any Series of Bonds or Senior Bonds (to the extent applicable), so long as any Bonds thereof are Outstanding, (1) the Principal amount of Bonds of such Series and Senior Bonds due on a certain future date for which no Sinking Fund Installments have been established, or (2) the unsatisfied balance (determined as provided in the definition of "Sinking Fund Installment" in this Section) of any Sinking Fund Installment due on a certain future date for Bonds of such Series and Senior Bonds, plus the amount of the sinking fund redemption premiums, if any, which would be applicable upon redemption

of such Bonds or Senior Bonds on such future date in a Principal amount equal to such unsatisfied balance of such Sinking Fund Installment, or (3) if such future dates coincide as to different Bonds of such Series or Senior Bonds, the sum of such Principal amount of Bonds or Senior Bonds and of such unsatisfied balance of such Sinking Fund Installment due on such future date plus such applicable redemption premiums, if any, and (b) with respect to any Repayment Obligations, the principal amount of such Repayment Obligations due on a certain future date.

"Project" means the acquisition or construction of additions, extensions, facilities, equipment or buildings for use as, or improvements to or equipment or furnishings for, the System.

"Put Bond" means any Bond which is part of a Series of Bonds which is subject to purchase by the Issuer, its agent or a third party from the Owner of the Bond pursuant to provisions of the Supplemental Indenture authorizing the issuance of the Bond and designating it as a "Put Bond."

"Rating Agency" means Moody's, Fitch or S&P and their successors and assigns to the extent such agencies then maintain a rating of the Bonds at the request of the Issuer. If any of such corporations cease to act as a securities rating agency, the Issuer may, with the approval of the Trustee, designate any nationally recognized securities rating organization as a replacement.

"Rating Category" or "Rating Categories" mean one or more of the generic rating categories of a Rating Agency, without regard to any refinement or gradation of such rating category or categories by a numerical modifier or otherwise.

"Registrar" means the Trustee (or other party designated as Registrar by Supplemental Indenture), appointed as the initial registrar for the Bonds pursuant to Sections 2.8 and 11.5 hereof, and any additional or successor registrar appointed pursuant hereto.

"Regular Record Date" means, with respect to any Interest Payment Date for any Series of Bonds, the date specified as the Regular Record Date in the Supplemental Indenture authorizing the issuance of such Series of Bonds.

"Remarketing Agent" means a remarketing agent or commercial paper dealer appointed by the Issuer pursuant to a Supplemental Indenture.

"Repayment Obligations" means, collectively, all outstanding Security Instrument Repayment Obligations and Reserve Instrument Repayment Obligations.

"Reserve Instrument" means a device or instrument issued by a Reserve Instrument Provider to satisfy all or any portion of the Debt Service Reserve Requirement applicable to a Series of Bonds. The term *"Reserve Instrument"* includes, by way of example and not of limitation, letters of credit, bond insurance policies, surety bonds, standby bond purchase agreements, lines of credit and other devices.

"Reserve Instrument Agreement" means any agreement entered into by the Issuer and a Reserve Instrument Provider pursuant to a Supplemental Indenture and/or the applicable portions of a Supplemental Indenture providing for the issuance by such Reserve Instrument Provider of a Reserve Instrument.

"Reserve Instrument Costs" means all fees, premiums, expenses and similar costs, other than Reserve Instrument Repayment Obligations, required to be paid to a Reserve Instrument Provider pursuant to a Reserve Instrument Agreement. Each Reserve Instrument Agreement shall specify the fees, premiums, expenses and costs constituting Reserve Instrument Costs.

"Reserve Instrument Coverage" means, as of any date of calculation, the aggregate amount available to be paid to the Trustee pursuant hereto under all Reserve Instruments.

"Reserve Instrument Fund" means the Utah Transit Authority Subordinated Reserve Instrument Fund created in Section 3.5 hereof to be held by the Trustee and administered pursuant to Section 5.5 hereof.

"Reserve Instrument Limit" means, as of any date of calculation and with respect to any Reserve Instrument, the maximum aggregate amount available to be paid under such Reserve Instrument into the Debt Service Reserve Fund assuming for purposes of such calculation that the amount initially available under each Reserve Instrument has not been reduced or that the amount initially available under each Reserve Instrument has only been reduced as a result of the payment of principal of the applicable Series of Bonds.

"Reserve Instrument Provider" means any bank or other financial institution having at least a rating of "AA-" and "Aa3" by S&P and Moody's, respectively, or its equivalent or any insurance company or surety company rated in the highest rating category by S&P and Moody's and, if rated by A. M. Best & Company, rated in the highest rating category by A.M. Best & Company, issuing a Reserve Instrument.

"Reserve Instrument Repayment Obligations" means, as of any date of calculation and with respect to any Reserve Instrument Agreement, those outstanding amounts payable by the Issuer under such Reserve Instrument Agreement to repay the Reserve Instrument Provider for payments previously made by it pursuant to a Reserve Instrument. There shall not be included in the calculation of Reserve Instrument Repayment Obligations any Reserve Instrument Costs.

"Revenue Fund" means the Utah Transit Authority Revenue Fund created in Section 3.2 of the Senior Indenture to be held by the Issuer and administered pursuant to the provisions of the Senior Indenture and Section 5.2 hereof.

"Revenues" means (i) all revenues, including but not limited to fare box revenues, advertising revenues, fees, income, rents and receipts received or earned by the Issuer from or attributable to the ownership and operation of the System, together with all interest earned by and profits derived from the sale of investments in the related funds

thereof and the Funds and accounts created hereunder or proceeds derived from the sale of any part of the System, (ii) the Sales and Use Taxes and (iii) any other legally available funds of the Issuer from other sources, properly budgeted on an annual basis for the payment of Operation and Maintenance Expenses and principal and interest on the Bonds; provided, however, that Revenues shall not include federal and State capital and operating grant moneys received by the Issuer in connection with the operation of the System, to the extent inclusion therein is prohibited by State or federal law and regulations. Sections 6.1 and 6.15 require that such grant moneys be used for Operation and Maintenance Expenses to the extent received for that purpose.

"S&P" means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc.

"Sales and Use Taxes" means collectively, (i) the ¼ of 1% sales and use tax revenues received by the Issuer pursuant to Section 59-12-501, Utah Code Annotated 1953, as amended, (ii) the ¼ of 1% sales and use tax revenues received by the Issuer from within Weber, Davis and Salt Lake Counties pursuant to Section 59-12-502, Utah Code Annotated 1953, as amended (less 25% of such sales and use tax revenues collected within Salt Lake County which must be allocated to fund new construction, major renovations, and improvements to Interstate 15 and state highways pursuant to Section 59-12-502(5)(b), Utah Code Annotated 1953, as amended) and (iii) any other sales and use tax revenues legally available to the Issuer and affirmatively pledged under the Indenture by Supplemental Indenture.

"Security Instrument" means an instrument or other device issued by a Security Instrument Issuer to pay, or to provide security or liquidity for, a Series of Bonds. The term "Security Instrument" includes, by way of example and not of limitation, letters of credit, bond insurance policies, standby bond purchase agreements, lines of credit and other security instruments and credit enhancement or liquidity devices (but does not include a Reserve Instrument); *provided, however*, that no such device or instrument shall be a "Security Instrument" for purposes of this Indenture unless specifically so designated in a Supplemental Indenture authorizing the use of such device or instrument.

"Security Instrument Agreement" means any agreement entered into by the Issuer and a Security Instrument Issuer pursuant to a Supplemental Indenture and/or the applicable portions of a Supplemental Indenture providing for the issuance by such Security Instrument Issuer of a Security Instrument.

"Security Instrument Costs" means, with respect to any Security Instrument, all fees, premiums, expenses and similar costs, other than Security Instrument Repayment Obligations, required to be paid to a Security Instrument Issuer pursuant to a Security Instrument Agreement or the Supplemental Indenture authorizing the use of such Security Instrument. Such Security Instrument Agreement or Supplemental Indenture shall specify any fees, premiums, expenses and costs constituting Security Instrument Costs.

"Security Instrument Issuer" means any bank or other financial institution, insurance company, surety company or other institution issuing a Security Instrument.

"Security Instrument Repayment Obligations" means, as of any date of calculation and with respect to any Security Instrument Agreement, any outstanding amounts payable by the Issuer under the Security Instrument Agreement or the Supplemental Indenture authorizing the use of such Security Instrument to repay the Security Instrument Issuer for payments previously or concurrently made by the Security Instrument Issuer pursuant to a Security Instrument. There shall not be included in the calculation of the amount of Security Instrument Repayment Obligations any Security Instrument Costs.

"Senior Bonds" means all bonds issued under the Senior Indenture in compliance with the provisions thereof and, after the date hereof, the provisions of Section 2.15 hereof.

"Senior Indenture" means the General Indenture of Trust dated as of October 1, 1997, as amended and restated, by the Amended and Restated General Indenture of Trust dated as of September 1, 2002 and as amended and supplemented, all between the Issuer and Zions First National Bank, as trustee.

"Serial Bonds" means all Bonds other than Term Bonds.

"Series" means all of the Bonds authenticated and delivered on original issuance and identified pursuant to the Supplemental Indenture authorizing such Bonds as a separate Series of Bonds, and any Bonds thereafter authenticated and delivered in lieu thereof or in substitution therefore.

"Sinking Fund Installment" means an amount so designated pursuant to a Supplemental Indenture. The portion of any such Sinking Fund Installment remaining after the deduction of any such amounts credited pursuant to Section 5.3(c) or 5.9 toward the same (or the original amount of any such Sinking Fund Installment if no such amounts shall have been credited toward the same) shall constitute the unsatisfied balance of such Sinking Fund Installment for the purpose of calculation of Sinking Fund Installments due on a future date.

"Special Record Date" means such date as may be fixed for the payment of defaulted interest on the Bonds in accordance with this Indenture.

"State" means the State of Utah.

"Supplemental Indenture" means any indenture between the Issuer and the Trustee entered into pursuant to and in compliance with the provisions of Article IX hereof.

"Swap Counterparty" means a member of the International Swap Dealers Association rated in one of the three top Rating Categories by at least one of the Rating Agencies and meeting the requirements of applicable laws of the State.

"Swap Payments" means as of each payment date specified in an Interest Rate Swap, the amount, if any, payable to the Swap Counterparty by the Trustee on behalf of the Issuer. Swap Payments (i) shall be net of any amounts payable to the Issuer by the

Swap Counterparty under said Interest Rate Swap and (ii) do not include any Termination Payments.

"Swap Receipts" means as of each payment date specified in an Interest Rate Swap, the amount, if any, payable to the Trustee for the account of the Issuer by the Swap Counterparty.

"System" means the Issuer's public transit system, together with any additions, repairs, renewals, replacements, expansions, extensions and improvements to said System, or any part thereof, hereafter acquired or constructed, and together with all lands, easements, interests in land, licenses, water rights and rights of way of the Issuer and all other works, property, structures, equipment of the Issuer and contract rights and other tangible and intangible assets of the Issuer now or hereafter owned or used in connection with, or related to said System.

"Term Bonds" means the Bonds which shall be subject to retirement by operation of mandatory sinking fund redemptions from the Bond Fund.

"Termination Payments" means the amount payable to the Swap Counterparty by the Issuer with respect to the early termination or modification of an Interest Rate Swap. Termination Payments may only be payable from and secured by Pledged Revenues after payment of all amounts then due pursuant to the Indenture.

"Trustee" means Zions First National Bank, Salt Lake City, Utah, or any successor corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party and any successor trustee at any time serving as successor trustee hereunder.

"Utah Code" means Utah Code Annotated 1953, as amended.

"Variable Rate Bonds" means, as of any date of calculation, Bonds and Senior Bonds (as applicable) the terms of which on such date of calculation are such that interest thereon for any future period of time is expressed to be calculated at a rate which is not susceptible to a precise determination.

Section 1.2. Indenture to Constitute Contract. In consideration of the purchase and acceptance from time to time of any and all of the Bonds authorized to be issued hereunder by the Registered Owners thereof, the issuance from time to time of any and all Security Instruments by Security Instrument Issuers, and the issuance from time to time of any and all Reserve Instruments by Reserve Instrument Providers pursuant hereto, this Indenture shall be deemed to be and shall constitute a contract between the Issuer and the Owners from time to time of the Bonds, the Security Instrument Issuers and the Reserve Instrument Providers; and the pledge made in this Indenture and the covenants and agreements herein set forth to be performed by or on behalf of the Issuer shall be, first, for the equal benefit, protection and security of the Owners of any and all of the Bonds and the Security Instrument Issuers of any and all of the Security Instruments all of which, regardless of the time or times of their issuance, delivery, maturity or expiration, shall be of equal rank without preference, priority or distinction of any of the Bonds or Security

Instrument Repayment Obligations over any others, except as expressly provided in or permitted by this Indenture, and second, for the equal benefit, protection and security of the Reserve Instrument Providers of any and all of the Reserve Instruments which, regardless of the time or times of their issuance, delivery or termination, shall be of equal rank without preference, priority or distinction of any Reserve Instrument over any other thereof.

Section 1.3. Construction. This Indenture, except where the context by clear implication herein otherwise requires, shall be construed as follows:

(a) The terms "hereby," "hereof," "herein," "hereto," "hereunder," and any similar terms used in this Indenture shall refer to this Indenture in its entirety unless the context clearly indicates otherwise.

(b) Words in the singular number include the plural, and words in the plural include the singular.

(c) Words in the masculine gender include the feminine and the neuter, and when the sense so indicates, words of the neuter gender refer to any gender.

(d) Articles, sections, subsections, paragraphs and subparagraphs mentioned by number, letter, or otherwise, correspond to the respective articles, sections, subsections, paragraphs and subparagraphs hereof so numbered or otherwise so designated.

(e) The titles or descriptive headings applied to articles, sections and subsections herein are inserted only as a matter of convenience and ease of reference and in no way define, limit or describe the scope or intent of any provisions of this Indenture.

ARTICLE II

THE BONDS

Section 2.1. Authorization of Bonds. There is hereby authorized hereunder an issue of Bonds which may, if and when authorized by Supplemental Indenture, be issued in one or more separate Series. Each Series of Bonds shall be authorized by a Supplemental Indenture, which shall state the purpose or purposes for which each such Series of Bonds is being issued. The aggregate principal amount of Bonds which may be issued shall not be limited except as provided herein or as may be limited by law, *provided* that the aggregate principal amount of Bonds of each such Series shall not exceed the amount specified in the Supplemental Indenture authorizing each such Series of Bonds.

Section 2.2. Description of Bond; Payment

(a) The Bonds of each Series issued hereunder shall be issued only as fully registered bonds, and shall be dated, shall bear interest at a rate or rates not exceeding the maximum rate permitted by law on the date of initial issuance of Bonds of such Series, and shall be payable on the date, shall be stated to mature on the date or dates and in the years and shall be subject to redemption prior to their respective maturities, all as set forth in the Supplemental Indenture authorizing such Series of Bonds. The Bonds of each Series shall be designated "[insert descriptive words, if desired] Subordinated Sales Tax [Refunding] Revenue Bonds, Series _____" of the Utah Transit Authority, in each case inserting the year in which the Bonds are issued and an identifying Series letter.

(b) Unless otherwise specified by Supplemental Indenture, payment of the interest on any Bond shall be made to the person appearing on the Bond registration books of the Registrar hereinafter provided for at the close of business on the Regular Record Date for such interest as the Registered Owner thereof by check or draft mailed to the Registered Owner at its address as it appears on such registration books. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Registered Owner of any Bond on such Regular Record Date, and may be paid to the person who is the Registered Owner thereof at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice thereof to be given to such Registered Owner not less than ten days prior to such Special Record Date. The Principal of and premium, if any, on Bonds are payable upon presentation and surrender thereof at the principal corporate trust office of the Trustee as Paying Agent, except as otherwise provided by Supplemental Indenture. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid. Principal of, premium, if any, and interest on the Bonds shall be payable in any coin or currency of the United States of America, which at the respective dates of payment thereof, is legal tender for the payment of public and private debts.

(c) The Bonds of each Series may contain or have endorsed thereon such provisions, specifications and descriptive words not inconsistent with the provisions hereof as may be necessary or desirable to comply with custom, the rules of any securities exchange or commission or brokerage board or otherwise, as may be specified in the Supplemental Indenture authorizing such Series of Bonds.

Section 2.3. Execution; Limited Obligation. The Bonds shall be executed on behalf of the Issuer with the manual or official facsimile signature of the General Manager of the Issuer, countersigned with the manual or official facsimile signature of its Secretary, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the Issuer. In case any officer, whose signature or the facsimile of whose signature shall appear on the Bonds, shall cease to be such officer before the delivery of such Bonds, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until delivery. The provisions of this Section relating to the execution of Bonds may be changed as they apply to the Bonds of any Series by the Supplemental Indenture authorizing such Series of Bonds.

The Bonds and the Repayment Obligations are not a general obligation indebtedness or pledge of the full faith and credit of the Issuer or of the State or any agency, instrumentality or political subdivision thereof, but are special limited obligations of the Issuer payable from and secured solely by the Pledged Revenues and other moneys in funds and accounts held by the Trustee hereunder (except as provided in Section 5.7 hereof) and, except as provided herein, the Issuer hereby pledges and assigns the same as provided in the Granting Clause of this Indenture. The issuance of the Bonds and delivery of any Security Instrument Agreement or Reserve Instrument Agreement shall not, directly, indirectly or contingently, obligate the Issuer or the State or any agency, instrumentality or political subdivision thereof to levy any form of ad valorem taxation therefor.

Section 2.4. Authentication and Delivery of Bonds.

(a) The Issuer shall deliver executed Bonds of each Series to the Trustee for authentication. Subject to the satisfaction of the conditions for authentication of Bonds set forth herein, the Trustee shall authenticate such Bonds, and deliver them upon the order of the Issuer to the purchasers thereof upon the payment by the purchasers to the Trustee for the account of the Issuer of the purchase price therefor. Delivery of such Bonds by the Trustee shall be full acquittal to the purchasers for the purchase price of such Bonds. The proceeds of the sale of such Bonds shall, however, be disposed of only as provided herein and in the related Supplemental Indenture.

(b) No Bond shall be valid or obligatory for any purpose or entitled to any security or benefit hereunder, unless and until a certificate of authentication on such Bond substantially in the form set forth in the Supplemental Indenture authorizing such Bond shall have been duly executed by the Trustee, and such executed certificate of the Trustee upon any such Bond shall be conclusive

evidence that such Bond has been authenticated and delivered hereunder. The Trustee's certificate of authentication on any Bond shall be deemed to have been executed by it if manually signed by an authorized officer of the Trustee, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

(c) Prior to the authentication by the Trustee of each Series of Bonds, there shall first have been filed with the Trustee:

(i) A copy, duly certified by the Secretary of the Board of Trustees of the Issuer, of this Indenture (to the extent not theretofore so filed) and the Supplemental Indenture authorizing such Series of Bonds and which Supplemental Indenture shall specify the following:

(A) The purpose for which such Series of Bonds is to be issued;

(B) The authorized Principal amount and Series designation of such Series of Bonds;

(C) The dated date and the maturity date or dates of the Bonds of such Series;

(D) The interest rate or rates (including a zero interest rate) of the Bonds of such Series, or the manner of determining such rate or rates, *provided* that the Supplemental Indenture shall specify the maximum rate that the Bonds of such Series may bear if such Bonds are Variable Rate Bonds;

(E) The authorized denominations of the Bonds of such Series;

(F) The designation, amount and due date of each Sinking Fund Installment, if any, for the Bonds of such Series;

(G) The Interest Payment Dates for such Series of Bonds;

(H) The Regular Record Date for the Bonds of such Series;

(I) Any Debt Service Reserve Requirement for such Series of Bonds and the amount, if any, to be deposited from the proceeds of such Series of Bonds into any Series Subaccount in the Debt Service Reserve Account established for such Series of Bonds;

(J) To the extent applicable, the obligations payable under any Security Instrument Agreement or Reserve Instrument Agreement entered into in connection with the issuance of the Bonds of such Series which, when outstanding, shall constitute Security Instrument Repayment Obligations or Reserve Instrument Repayment Obligations, as the case may be, and which portions of such Security Instrument Repayment Obligations or Reserve Instrument Repayment Obligations, as the case may be, are to be attributed to principal of and to interest on such Repayment Obligations unless provided in the related agreement; and

(K) Any further covenants by the Issuer required by any Security Instrument Issuer, Reserve Instrument Provider or purchaser of Bonds deemed necessary or desirable by the Issuer in connection with the sale of such Series of Bonds.

(ii) A copy, certified by the Secretary of the Board of Trustees of the Issuer, of the proceedings of the Issuer approving the execution and delivery of the instruments specified in Subparagraph (i) above and the execution and delivery of such Series of Bonds, together with a certificate, dated as of the date of authentication of such Series of Bonds, of the Secretary of the Board of Trustees of the Issuer that such proceedings are still in force and effect without amendments except as shown in such proceedings.

(iii) A request and authorization to the Trustee of the Issuer to authenticate such Series of Bonds in the aggregate Principal amount therein specified and deliver them to purchasers therein identified upon payment to the Trustee, for account of the Issuer, of the sum specified therein.

(iv) A certification of an Authorized Representative that the applicable requirements of Section 2.15 hereof have been met.

(v) An opinion of Bond Counsel dated the date of authentication of such Series of Bonds to the effect that (A) the Issuer has duly authorized, executed and delivered this Indenture and the related Supplemental Indenture; (B) such Series of Bonds has been duly and validly authorized and are being issued in accordance with law and this Indenture; (C) this Indenture is a valid and binding obligation of the Issuer; (D) this Indenture creates a pledge of the Pledged Revenues and of moneys in applicable Funds and Accounts created hereby, subject to application thereof to the purposes and on the terms and conditions provided hereby; and (E) such Series of Bonds are valid and binding special obligations of the Issuer.

(d) The Issuer may authorize by Supplemental Indenture the delivery to the Trustee of one or more Security Instruments with respect to any Series of

Bonds and the execution and delivery of any Security Instrument Agreements deemed necessary in connection therewith.

(e) Subject to any limitations contained in a Supplemental Indenture, the Issuer may provide a Security Instrument for any Series of Bonds (or may substitute one Security Instrument for another).

(f) The Issuer may authorize by Supplemental Indenture the issuance and delivery to the Trustee of one or more Reserve Instruments and the execution and delivery of any Reserve Instrument Agreements deemed necessary in connection therewith.

(g) The Issuer may authorize by Supplemental Indenture the issuance of Put Bonds. The Issuer may provide for the appointment of such Remarketing Agents, indexing agents, tender agents or other agents as the Issuer may determine.

Section 2.5. Special Provisions for the Issuance of Additional Bonds for Refunding Purposes.

(a) One or more Series of Additional Bonds for refunding purposes may be issued in such Principal amount which, when taken together with other legally available funds, will provide the Issuer with funds sufficient to accomplish the refunding of all or a part of the Outstanding Bonds of one or more Series, or all or part of any other borrowing of the Issuer payable in whole or in part from the Pledged Revenues, including in each case the payment of all expenses in connection with such refunding.

(b) Each Supplemental Indenture authorizing the issuance of a Series of Additional Bonds for refunding purposes shall specify the Bonds or other debt to be so refunded.

Section 2.6. Provisions Regarding Bonds Secured by a Security Instrument.

(a) The Issuer may include such provisions in a Supplemental Indenture authorizing the issuance of a Series of Bonds secured by a Security Instrument as the Issuer deems appropriate, including:

(i) So long as the Security Instrument is in full force and effect, and payment on the Security Instrument is not in default, (A) the Security Instrument Issuer shall be deemed to be the Owner of the Outstanding Bonds of such Series (I) when the approval, consent or action of the Bondowners for such Series of Bonds is required or may be exercised under the Indenture and (II) following an Event of Default and (B) the Indenture may not be amended in any manner which affects the rights of such Security Instrument Issuer without its prior written consent.

(ii) In the event that the Principal and redemption price, if applicable, and interest due on any Series of Bonds Outstanding shall be paid under the provisions of a Security Instrument, all covenants, agreements and other obligations of the Issuer to the Bondowners of such Series of Bonds shall continue to exist and such Security Instrument Issuer shall be subrogated to the rights of such Bondowners in accordance with the terms of such Security Instrument.

(b) In addition, such Supplemental Indenture may establish such provisions as are necessary to provide relevant information to the Security Instrument Issuer and to provide a mechanism for paying Principal Installments and interest on such Series of Bonds from the Security Instrument.

Section 2.7. Mutilated, Lost, Stolen or Destroyed Bonds. In the event any Bond is mutilated, lost, stolen or destroyed, the Issuer may execute and the Trustee may authenticate a new Bond of like date, Series, maturity and denomination as that mutilated, lost, stolen or destroyed; *provided* that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Trustee, and, in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the Trustee evidence of such loss, theft or destruction satisfactory to the Trustee, together with indemnity satisfactory to it. In the event any such Bond shall have matured, instead of issuing a duplicate Bond, the Trustee may pay the same without surrender thereof upon compliance with the foregoing. The Trustee may charge the Registered Owner of such Bond with its reasonable fees and expenses in this connection. Any Bond issued pursuant to this Section shall be deemed part of the Series of the Bonds in respect of which it was issued and an original additional contractual obligation of the Issuer.

Section 2.8. Registration of Bonds; Persons Treated as Owners. The Issuer shall cause the books for the registration and for the transfer of the Bonds as provided herein to be kept by the Trustee which is hereby constituted and appointed the Registrar of the Issuer with respect to the Bonds, *provided, however,* that the Issuer may by Supplemental Indenture select a party other than the Trustee to act as Registrar with respect to the Series of Bonds issued under said Supplemental Indenture. Upon the occurrence of an Event of Default which would require any Security Instrument Issuer to make payment under a Security Instrument Agreement, the Registrar shall make such registration books available to the Security Instrument Issuer. Any Bond may, in accordance with its terms, be transferred only upon the registration books kept by the Registrar, by the person in whose name it is registered, in person or by its duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer in a form approved by the Registrar, duly executed. No transfer shall be effective until entered on the registration books kept by the Registrar. Upon surrender for transfer of any Bond at the principal corporate trust office of the Trustee, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Trustee and duly executed by, the Registered Owner or its attorney duly authorized in writing, the Issuer shall execute and the Trustee shall authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds of the same Series, designation, maturity and interest rate for a like aggregate principal

amount as the Bond surrendered for transfer. Bonds may be exchanged at the principal corporate trust office of the Trustee for a like aggregate Principal amount of Bonds of other authorized denominations of the same Series and the same maturity. The execution by the Issuer of any Bond of any authorized denomination shall constitute full and due authorization of such denomination, and the Trustee shall thereby be authorized to authenticate and deliver such Bond. Except as otherwise provided in a Supplemental Indenture with respect to a Series of Bonds, the Issuer and the Trustee shall not be required to transfer or exchange any Bond (i) during the period from and including any Regular Record Date, to and including the next succeeding Interest Payment Date, (ii) during the period from and including the day fifteen days prior to any Special Record Date, to and including the date of the proposed payment pertaining thereto, or (iii) during the period of fifteen days prior to the mailing of notice calling such Bond for redemption nor at any time following the mailing of notice calling such Bond for redemption.

The Issuer, the Registrar and the Paying Agent may treat and consider the person in whose name each Bond is registered on the registration books kept by the Registrar as the holder and absolute owner thereof for the purpose of receiving payment of, or on account of, the principal or redemption price thereof and interest due thereon and for all other purposes whatsoever, and neither the Issuer, nor the Registrar nor the Paying Agent shall be affected by any notice to the contrary. Payment of or on account of either Principal of or interest on any Bond shall be made only to or upon order of the Registered Owner thereof or his legal representative, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

The Trustee shall require the payment by the Registered Owner requesting exchange or transfer of Bonds of any tax or other governmental charge of the Trustee as Registrar which are required to be paid with respect to such exchange or transfer and such charges shall be paid before such new Bond shall be delivered.

Section 2.9. Redemption Provisions. The Term Bonds of each Series of Bonds shall be subject, to the extent provided in the Supplemental Indenture authorizing each such Series of Bonds, to redemption prior to maturity by operation of Sinking Fund Installments. The Bonds of each Series shall further be subject to redemption prior to maturity at such times and upon such terms as shall be fixed by such Supplemental Indenture. Except as otherwise provided in a Supplemental Indenture, if less than all Bonds of a Series are to be redeemed, the particular maturities of such Bonds to be redeemed and the Principal amounts of such maturities to be redeemed shall be selected by the Issuer. If less than all of the Bonds of any maturity of a Series are to be redeemed, the particular Bonds or portion of Bonds of such maturity to be redeemed shall be selected by lot by the Trustee in such manner as the Trustee in its discretion may deem fair and appropriate.

Section 2.10. Notice of Redemption.

(a) In the event any of the Bonds are to be redeemed, the Registrar shall cause notice to be given as provided in this Section 2.10. Unless otherwise

specified in the Supplemental Indenture authorizing the issuance of the applicable Series of Bonds, notice of such redemption (x) shall be filed with the paying agent designated for the Bonds being redeemed; and (y) shall be mailed by first class mail, postage prepaid, to all Registered Owners of Bonds to be redeemed at their addresses as they appear on the registration books of the Registrar and to each related Security Instrument Issuer at least thirty (30) days but not more than sixty (60) days prior to the date fixed for redemption. Such notice shall state the following information:

(i) the complete official name of the Bonds, including Series, to be redeemed, the identification numbers of Bonds and the CUSIP numbers, if any, of the Bonds being redeemed, *provided* that any such notice may state that no representation is made as to the correctness of CUSIP numbers either as printed on such Bonds or as contained in the notice of redemption;

(ii) any other descriptive information needed to accurately identify the Bonds being redeemed, including, but not limited to, the dated date of, and interest rate on, such Bonds;

(iii) in the case of partial redemption of any Bonds, the respective Principal amounts thereof to be redeemed and a statement to the effect that on or after the redemption date, upon surrender of such Bond, a new Bond in Principal amount equal to the unredeemed portion of such Bond will be issued;

(iv) the date of mailing of redemption notices, the record date for such purpose and the redemption date;

(v) the redemption price;

(vi) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date; and

(vii) the place where such Bonds are to be surrendered for payment of the redemption price, designating the name and address of the Paying Agent with the name of a contact person and telephone number.

(b) In addition to the foregoing, further notice of any redemption of Bonds hereunder shall be given by the Trustee, at least two (2) Business Days in advance of the mailed notice to Registered Owners, by registered or certified mail or overnight delivery service, to all registered securities depositories (as reasonably determined by the Trustee) then in the business of holding substantial amounts of obligations of types comprising the Bonds and to at least two national information services that disseminate notices of redemption of obligations such as the Bonds. Such further notice shall contain the information required in clause (a)

above. Failure to give all or any portion of such further notice shall not in any manner defeat the effectiveness of a call for redemption.

(c) Each notice of redemption may further state, in the case of redemption at the option of the Issuer, that such redemption shall be conditioned upon the receipt by the Trustee on or prior to the date fixed for such redemption of moneys sufficient to pay the Principal of and interest on such Bonds to be redeemed and that if such moneys shall not have been so received said notice shall be of no force and effect and the Issuer shall not be required to redeem such Bonds. In the event that such notice of redemption contains such a condition and such moneys are not so received, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, one time, in the same manner in which the notice of redemption was given, that such moneys were not so received.

(d) Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

Any notice mailed shall be conclusively presumed to have been duly given, whether or not the Owner of such Bonds receives the notice. Receipt of such notice shall not be a condition precedent to such redemption, and failure so to receive any such notice by any of such registered Owners or any defect therein shall not affect the validity of the proceedings for the redemption of the Bonds.

Section 2.11. Partially Redeemed Bonds. Unless otherwise specified in the Supplemental Indenture authorizing the issuance of the applicable Series of Bonds, in case any registered Bond shall be redeemed in part only, upon the presentation of such Bond for such partial redemption, the Issuer shall execute and the Trustee shall authenticate and shall deliver or cause to be delivered to or upon the written order of the Registered Owner thereof, at the expense of the Issuer, a Bond or Bonds of the same Series, interest rate and maturity, in aggregate Principal amount equal to the unredeemed portion of such registered Bond. A portion of any Bond of a denomination of more than minimum denomination of the Bonds specified in the Supplemental Indenture to be redeemed will be in the Principal amount of such minimum denomination or an integral multiple thereof and in selecting portions of such Bonds for redemption, the Trustee will treat each such Bond as representing that number of Bonds of such minimum denomination which is obtained by dividing the principal amount of such Bonds by such minimum denomination.

Section 2.12. Cancellation. All Bonds which have been redeemed shall be canceled and, to the extent permitted by law, cremated or otherwise destroyed by the Trustee and shall not be reissued; *provided, however*, that one or more new Bonds shall be issued for the unredeemed portion of any Bond without charge to the Registered Owner thereof.

Section 2.13. Nonpresentation of Bonds Unless otherwise provided by Supplemental Indenture, in the event any Bond shall not be presented for payment when the Principal thereof becomes due, either at maturity or otherwise, or at the date fixed for redemption thereof, if funds sufficient to pay such Bond shall have been made available to the Trustee, all liability of the Issuer to the Registered Owner thereof for the payment of such Bond shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such fund or funds, without liability to the Registered Owner of such Bond for interest thereon, for the benefit of the Registered Owner of such Bond who shall thereafter be restricted exclusively to such fund or funds for any claim of whatever nature on its part hereunder or on, or with respect to, said Bond. If any Bond shall not be presented for payment within four years following the date when such Bond becomes due, whether by maturity or otherwise, the Trustee shall, to the extent permitted by law, repay to the Issuer the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Issuer, and the Registered Owner thereof shall be entitled to look only to the Issuer for payment, and then only to the extent of the amount so repaid, and the Issuer shall not be liable for any interest thereon and shall not be regarded as a trustee of such money. The provisions of this Section are subject to the provisions of Title 67, Chapter 4A, Utah Code.

Section 2.14. Initial Bonds. Subject to the provisions hereof, the Initial Bonds may be authenticated and delivered by the Trustee upon satisfaction of the conditions specified in Section 2.4(c) hereof and any additional conditions specified in the Supplemental Indenture authorizing such Series of Bonds. Section 2.15 shall not apply to the first Series of Bonds issued hereunder.

Section 2.15. Issuance of Additional Senior Bonds and Additional Bonds. No additional indebtedness, bonds or notes of the Issuer payable on a priority ahead of the Bonds or the Security Instrument Repayment Obligations herein authorized out of Pledged Revenues or any portion thereof shall be created or incurred and no Additional Bonds or other indebtedness of the Issuer payable on a parity with the Bonds or the Security Instrument Repayment Obligations out of Pledged Revenues shall be created or incurred; *provided, however*, that the Issuer may issue additional Senior Bonds and incur other senior obligations under the Senior Indenture and Additional Bonds and other parity obligations if the following requirements have been met:

(a) A certificate shall be delivered to the Trustee by an Authorized Representative to the effect that Adjusted Sales and Use Taxes are at least 110% of the maximum Aggregate Debt Service for any Bond Fund Year on all of the Bonds and Senior Bonds that will be Outstanding, including the Additional Bonds, upon the issuance of such Additional Bonds. In calculating Adjusted Sales and Use Taxes pursuant to this Subsection 2.15(a), no Sales and Use Taxes with an expiration date or sunset provision prior to the final maturity of such Additional Bonds which are proposed to be issued will be included in such calculation.

(b) All Repayment Obligations then due and owing shall have been paid.

(c) All payments required by this Indenture to be made into the Bond Fund must have been made in full, and there must be on deposit in each account in the Debt Service Reserve Fund (taking into account any Reserve Instrument Coverage) the full amount required by this Indenture to be accumulated therein.

(d) The proceeds of the Additional Bonds, less costs of issuance and funding of reserves, must be used in connection with (i) the refunding of Bonds issued hereunder or any borrowing of the Issuer or (ii) the financing of additions, improvements, extensions, replacements or repairs to the System.

(e) No Event of Default is existing under this Indenture or event of default under the Senior Indenture is existing on the date of authentication of such Additional Bonds, unless (i) the Security Instrument Issuers, Reserve Instrument Issuers and Owners of all Outstanding Bonds (subject to the consent authorized by Section 2.6(a)(i) herein) and Senior Bonds have each consented to the issuance of such Additional Bonds despite the existence of an Event of Default or (ii) upon the issuance of such Additional Bonds and the application of the proceeds thereof, all such Events of Default or events of default under the Senior Indenture will be cured.

Section 2.16. Form of Bonds. For each Series of Bonds, the text of such Bonds and the Trustee's Authentication Certificate shall be in substantially the forms thereof set forth in the Supplemental Indenture authorizing the issuance of such Bonds, with such omissions, insertions and variations not inconsistent with the terms hereof as may be necessary, desirable, authorized and permitted hereby.

Section 2.17. Covenant Against Creating or Permitting Liens; Subordinated Indebtedness. Except for the pledge of Pledged Revenues to secure payment of the Senior Bonds and the Bonds and Repayment Obligations hereunder, the Issuer covenants that the Pledged Revenues are and will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto; *provided, however*, that nothing contained herein shall prevent the Issuer from issuing, if and to the extent permitted by law, indebtedness having a lien on Pledged Revenues subordinated to that of the Bonds and the Repayment Obligations.

Section 2.18. Interest Rate Swap. The Issuer may provide for the execution of an Interest Rate Swap in connection with the Bonds issued hereunder. The obligation of the Issuer to pay Swap Payments may be secured with (a) a parity lien on the Pledged Revenues with the lien thereon of Debt Service on the related Bonds, if the requirements of Section 2.15(a) are met in connection with the execution of the Interest Rate Swap or (b) a subordinate lien on the Pledged Revenues, all as established by the Supplemental Indenture for the related Series of Bonds. Termination Payments may only be payable from and secured by Revenues after payment of all amounts then due pursuant to the Indenture.

Notwithstanding anything to the contrary, "Operation and Maintenance Expenses" shall not include any decrease in the value of an Interest Rate Swap which is required by its terms or by any applicable accounting principles to be marked to market. Furthermore, "Revenues" shall not include any increase in the value of any Interest Rate Swap which is required by its terms or by any applicable accounting principles to be marked to market.

ARTICLE III

CREATION OF FUNDS AND ACCOUNTS

Section 3.1. Creation of Construction Fund. There is hereby created and ordered established in the custody of the Trustee a special trust fund in the name of the Issuer to be designated "Utah Transit Authority Subordinated Construction Fund." There is hereby created and ordered established in the custody of the Trustee a separate account within the Construction Fund for each Project to be designated by the name of the applicable Series or Project. The Construction Fund shall be governed by Section 5.1 hereof and other applicable provisions of this Indenture.

Section 3.2. Ratification of Revenue Fund. The establishment and existence of the Revenue Fund under the Senior Indenture is hereby ratified, confirmed and approved. For accounting purposes, the Revenue Fund and subaccounts therein may be redesignated by different account names by the Issuer from time to time. The Revenue Fund shall be governed by the provisions of Section 5.2 of the Senior Indenture and Section 5.2 hereof and other applicable provisions of this Indenture. In the event that, and so long as, no Senior Bonds are outstanding under the Senior Indenture, the Revenue Fund shall be governed by Section 5.2 of this Indenture.

Section 3.3. Creation of Bond Fund. There is hereby created and ordered established in the custody of the Trustee a special trust fund in the name of the Issuer to be designated "Utah Transit Authority Subordinated Bond Fund." The Bond Fund shall be governed by Section 5.3 hereof and other applicable provisions of this Indenture.

Section 3.4. Creation of Debt Service Reserve Fund. There is hereby created and ordered established in the custody of the Trustee a special trust fund in the name of the Issuer to be designated "Utah Transit Authority Subordinated Debt Service Reserve Fund." Each Supplemental Indenture authorizing a Series of Bonds may create in the custody of the Trustee a separate account for such Series of Bonds within the Debt Service Reserve Fund to be designated by the name of the applicable Series of Bonds. The Debt Service Reserve Fund shall be governed by Section 5.4 hereof and other applicable provisions of this Indenture

Section 3.5. Creation of Reserve Instrument Fund. There is hereby created and ordered established in the custody of the Trustee a special trust fund in the name of the Issuer to be designated "Subordinated Reserve Instrument Fund." If so provided in the related Supplemental Indenture, there may be created and ordered established in the custody of the Trustee a separate account within the Reserve Instrument Fund for each Series of Bonds issued under this Indenture to be designated by the name of the applicable Series of Bonds. The Reserve Instrument Fund shall be governed by Section 5.5 hereof and other applicable provisions of this Indenture.

Section 3.6. Additional Funds. The Issuer can by Supplemental Indenture authorize the Trustee to create such additional funds or accounts as may be necessary to accomplish the Trustee's responsibilities hereunder.

ARTICLE IV

APPLICATION OF BOND PROCEEDS AND OTHER MONEYS

Unless otherwise provided in a Supplemental Indenture, the proceeds, including accrued interest and premium, if any, received from the sale of each Series of Bonds, shall be applied by the Issuer simultaneously with the delivery of such Bonds by the Trustee to the purchaser thereof, as follows:

(a) The accrued interest, if any, shall be deposited in the Bond Fund;

(b) The amount, if any, required to be deposited into the applicable account in the Debt Service Reserve Fund to satisfy the applicable Debt Service Reserve Requirement, less the Reserve Instrument Coverage of all Reserve Instruments which are then in effect with respect to such Series of Bonds as specified in the Supplemental Indenture authorizing the issuance of the Bonds; and

(c) The balance of the moneys remaining after making all the deposits and payments provided for in Paragraphs (a) and (b), and after making provisions for the payment of costs of issuance (if so directed in the Supplemental Indenture) shall be paid into the appropriate account in the Construction Fund or as otherwise specified in the Supplemental Indenture authorizing the issuance of the Bonds (including use for refunding purposes).

ARTICLE V

USE OF FUNDS

Section 5.1. Use of Construction Fund.

(a) So long as an Event of Default shall not have occurred and be continuing, moneys deposited in the appropriate account in the Construction Fund shall be paid out by the Trustee in order to pay the Cost of a Project, in each case within three Business Days (or within such longer period as is reasonably required to liquidate investments in the Construction Fund if required to make such payment) after the receipt by the Trustee of a written requisition in substantially the form attached hereto as Exhibit A, stating the following:

(i) that the Trustee shall disburse sums in the manner specified by and at the direction of an Authorized Representative of the Issuer to the person or entity designated in such written requisition, and that the amount set forth therein is justly due and owing and constitutes a Cost of a Project based upon itemized claims substantiated in support thereof; and

(ii) that the amount remaining in the applicable account in the Construction Fund after such disbursement is made, together with the amount of unencumbered Pledged Revenues, if any, which the Issuer reasonably estimates will be deposited in the applicable account in the Construction Fund during the period of construction of a Project from the investment of moneys on deposit in the applicable account in the Construction Fund, will, together with any other moneys lawfully available or reasonably expected to become available for payment of the Cost of a Project and after payment of the amount requested in said requisition, be sufficient to pay the remaining Cost of a Project in accordance with the plans and specifications therefor then in effect; it being understood that no moneys from the applicable account in the Construction Fund may be expended unless, after giving effect thereto, the funds remaining in the applicable account in the Construction Fund, together with such other funds and income and lawfully available moneys and moneys reasonably expected to become available, are expected to be sufficient to pay the remaining Cost of the Project.

(b) Upon receipt of such requisition, the Trustee shall pay the obligation set forth in such requisition out of moneys in the applicable account in the Construction Fund. In making such payments the Trustee may rely upon such requisition.

(c) An Authorized Representative of the Issuer shall deliver to the Trustee, within 90 days after the substantial completion of a Project, a certificate stating that:

(i) such Project has been substantially completed in accordance with the plans and specifications therefor, as amended from time to time, and stating the date of substantial completion for such Project; and

(ii) the Issuer is of the opinion that such Project has been fully paid for and no claim or claims exist against the Issuer or against such Project out of which a lien based on furnishing labor or material exists or might ripen; *provided, however,* there may be excepted from the foregoing statement any claim or claims out of which a lien exists or might ripen in the event that the Issuer intends to contest such claim or claims, in which event such claim or claims shall be described to the Trustee.

(d) In the event that the certificate filed with the Trustee pursuant to paragraph (c) above shall state that there is a claim or claims in controversy which create or might ripen into a lien, there shall be filed with the Trustee a similar certificate when and as such claim or claims shall have been fully paid or otherwise discharged.

(e) The Trustee and the Issuer shall keep and maintain adequate records pertaining to each account within the Construction Fund and all disbursements therefrom.

(f) Upon completion of a Project and payment of all costs and expenses incident thereto and the filing with the Trustee of documents required by this Section 5.1, any balance remaining in the applicable account in the Construction Fund relating to such Project shall, at the written direction of the Issuer delivered to the Trustee, be (i) applied to pay capitalizable costs for projects related to the System or any other lawful purpose subject in either case to receipt of a Favorable Opinion, (ii) deposited in the Bond Fund, to be applied, as directed by the Issuer, (A) toward the redemption or purchase of the Series of Bonds issued to finance such Project; or (B) to the payment of principal and interest next falling due on such Series of Bonds; or (iii) any combination of the foregoing purposes.

(g) Notwithstanding anything in this Indenture to the contrary, upon the occurrence and continuance of an Event of Default hereunder, amounts on deposit in the Construction Fund may be applied toward the payment of Bonds issued hereunder.

Section 5.2. Use of Revenue Fund.

(a) The Issuer and the Trustee acknowledge and agree that so long as any of the Senior Bonds are Outstanding, the provisions of the Senior Indenture shall govern the Revenue Fund in case of any conflict between the provisions of the Senior Indenture and this Indenture. At such time as there are no Senior Bonds Outstanding under the Senior Indenture, the Revenue Fund established under the Senior Indenture shall be governed solely by the provisions of this Indenture.

(b) All Revenues (except earnings from the investment of amounts on deposit in the funds and accounts established under this Indenture and the Senior Indenture, which shall be allocated as provided in Section 5.6 and in the Senior Indenture, respectively) shall be deposited by the Issuer to the credit of the Revenue Fund and the Issuer shall account for Sales and Use Taxes separate and apart from all other Revenues.

(c) As a first lien and charge on the Sales and Use Taxes, the Issuer shall transfer and deposit all available Sales and Use Taxes from the Revenue Fund into the following Funds or make payments therefrom (as applicable) in the following order of priority the amounts set forth below:

(i) To make such payments as required by Section 5.2(b) of the Senior Indenture, if any.

(ii) Into the Bond Fund, at such times and in such manner described by the Supplemental Indenture, such amounts as shall be necessary to pay the principal of, premium, if any, and interest on the Bonds, and to the extent required by the Supplemental Indenture, on any Security Instrument Repayment Obligations promptly on each such payment date as the same become due and payable, whether at maturity or by redemption.

(iii) On an equal and parity lien basis (A) to the accounts maintained in the Reserve Instrument Fund, with respect to all Reserve Instruments which are in effect and are expected to continue in effect, such amount of the remaining Sales and Use Taxes, or a ratable portion (taking into account the amount to be transferred pursuant to Subparagraph (B) of this Paragraph (iii)) of the amount so remaining if less than the amount necessary, that is required to be paid, including all Reserve Instrument Repayment Obligations, on or before the next such transfer or deposit of Sales and Use Taxes into the Reserve Instrument Fund, to the Reserve Instrument Provider pursuant to any Reserve Instrument Agreement, other than Reserve Instrument Costs, in order to cause the Reserve Instrument Coverage to equal the Reserve Instrument Limit, such that the Reserve Instrument Coverage shall equal the Reserve Instrument Limit within one year from any draw date under the Reserve Instrument; and (B) to the accounts maintained in Debt Service Reserve Fund any amounts required hereby and by any Supplemental Indenture to accumulate therein the applicable Debt Service Reserve Requirement at the times and in the amounts provided herein and in any Supplemental Indenture, or a ratable portion (taking into account the amount to be transferred pursuant to Subparagraph (A) of this Paragraph (iii)) of remaining Sales and Use Taxes if less than the amount necessary.

(iv) To provide for the payment of Financing Expenses when and as the same become due.

(d) As the next charge and lien on the Sales and Use Taxes, the Issuer shall allocate or transfer and deposit to the appropriate fund any debt service payments, reserve fund payments, debt reserve instrument costs and similar payments which may be required pursuant to any obligations payable from Revenues on a basis subordinate to the lien of this Indenture.

(e) The Operation and Maintenance Expenses shall be paid by the Issuer from time to time as they become due and payable (i) at any time from the Revenues other than Sales and Use Taxes and (ii) from the Revenues constituting Sales and Use Taxes, but only after the charges on Sales and Use Taxes referenced in paragraphs (c) and (d) of this Section 5.2 have been met. Prior to the commencement of each Fiscal Year, the Issuer shall establish and present to its governing board for approval a final budget including amounts for Operation and Maintenance Expenses for the ensuing Fiscal Year. Operation and Maintenance Expenses in any Fiscal Year shall not exceed the amount budgeted for such items in the Issuer's final budget (as the same may be amended from time to time) for such Fiscal Year. The limitations of the preceding sentence shall not be construed to prevent the Issuer from amending any budget or from making expenditures in excess of budgeted amounts in the event of any emergency or similar circumstances.

(f) As necessary, after payment of unpaid Operation and Maintenance Expenses then due, the Issuer shall transfer and deposit with the Trustee from amounts on deposit in the Revenue Fund to the extent of Revenues available in the Revenue Fund, into the Funds or for the purposes and in the order of priority the amounts as set forth in paragraph (c) and (d) above.

(g) Subject to making the foregoing deposits, the Issuer may use any moneys on deposit in the Revenue Fund for:

(i) redemption of Senior Bonds or Bonds for cancellation prior to maturity by depositing the same into the bond fund, as established under the Senior Indenture or the Bond Fund, as applicable;

(ii) refinancing, refunding, or advance refunding of any Senior Bonds or Bonds;

(iii) to apply to, or to accumulate a reserve for the purpose of applying toward the costs of acquiring, constructing, equipping or furnishing additional facilities to the System or improving, replacing, restoring, equipping or furnishing any existing facilities;

(iv) payment of indebtedness having a lien on the Pledged Revenues subordinate to that of the Bonds and the Repayment Obligations; or

(v) application for any other lawful purposes as determined by the Issuer.

Section 5.3. Use of Bond Fund.

(a) The Trustee shall make deposits, as and when received, as follows:

(i) the amounts provided for by Paragraph (a) of Article IV hereof shall be deposited into the Bond Fund;

(ii) all moneys payable by the Issuer as specified in Section 5.2(c)(ii) and Section 5.2(f) hereof shall be deposited into the Bond Fund. Any payments made by a Security Instrument Issuer with respect to a Series of Bonds shall be deposited into the Bond Fund (or a segregated account for such purpose) and used solely to pay the related Series of Bonds, subject to the provisions of the Supplemental Indenture authorizing the issuance of such Series of Bonds;

(iii) any amount in the Construction Fund shall be transferred to the Bond Fund to the extent required by Section 5.1(f) hereof upon completion of a Project;

(iv) all moneys required to be transferred to the Bond Fund from the Debt Service Reserve Fund or from a Reserve Instrument or Instruments then in effect shall be deposited into the Bond Fund as provided in Section 5.4 hereof; and

(v) all other moneys received by the Trustee hereunder when accompanied by directions from the person depositing such moneys that such moneys are to be paid into the Bond Fund, shall be deposited into the Bond Fund.

(b) Except as provided in Section 7.4 hereof, as provided in this Section and as otherwise provided by Supplemental Indenture, moneys in the Bond Fund shall be expended solely for the following purposes and in the following order of priority:

(i) on or before each Interest Payment Date for each Series of Bonds, the amount required for the interest payable on such date;

(ii) on or before each Principal Installment due date, the amount required for the Principal Installment payable on such due date; and

(iii) on or before each redemption date for each Series of Bonds, the amount required for the payment of redemption price of and accrued interest on such Bonds then to be redeemed.

Such amounts shall be applied by the Paying Agents to pay Principal Installments and redemption price of, and interest on the related Series of Bonds.

The Trustee shall pay out of the Bond Fund to the Security Instrument Issuer, if any, that has issued a Security Instrument with respect to such Series of Bonds an amount equal to any Security Instrument Repayment Obligation then due and payable to such Security Instrument Issuer. Except as otherwise specified in a related Supplemental Indenture all such Security Instrument Repayment Obligations shall be paid on a parity with the payments to be made with respect to principal and interest on the Bonds; *provided* that amounts paid under a Security Instrument shall be applied only to pay the related Series of Bonds. If payment is so made on Pledged Bonds held for the benefit of the Security Instrument Issuer, a corresponding payment on the Security Instrument Repayment Obligation shall be deemed to have been made (without requiring an additional payment by the Issuer) and the Trustee shall keep its records accordingly.

The Issuer hereby authorizes and directs the Trustee to withdraw sufficient funds from the Bond Fund to pay principal of and interest on the Bonds and on Security Instrument Repayment Obligations as the same become due and payable and to make said funds so withdrawn available to the Trustee and any paying agent for the purpose of paying said principal and interest.

(c) Except as otherwise provided in a Supplemental Indenture authorizing a Series of Bonds, amounts accumulated in the Bond Fund with respect to any Sinking Fund Installment (together with amounts accumulated therein with respect to interest on the Bonds for which such Sinking Fund Installment was established) shall, if so directed by the Issuer in a written request not less than 60 days before the due date of such Sinking Fund Installment, be applied by the Trustee to (1) the purchase of Bonds of the Series and maturity for which such Sinking Fund Installment was established, (2) the redemption at the applicable sinking fund redemption price of such Bonds, if then redeemable by their terms, or (3) any combination of (1) and (2). All purchases of any Bonds pursuant to this subsection (c) shall be made at prices not exceeding the applicable sinking fund redemption price of such Bonds plus accrued interest, and such purchases shall be made in such manner as the Issuer shall direct the Trustee. The applicable sinking fund redemption price (or Principal amount of maturing Bonds) of any Bonds so purchased or redeemed shall be deemed to constitute part of the Bond Fund until such Sinking Fund Installment date for the purpose of calculating the amount of such Fund. As soon as practicable after the 60th day preceding the due date of any such Sinking Fund Installment, the Trustee shall proceed to call for redemption on such due date, by giving notice as required by the Indenture, Bonds of the Series and maturity for which such Sinking Fund Installment was established (except in the case of Bonds maturing on a Sinking Fund Installment date) in such amount as shall be necessary to complete the retirement of the unsatisfied balance of such Sinking Fund Installment. The Trustee shall pay out of the Bond Fund to the appropriate Paying Agents, on or before such redemption date (or maturity date), the amount required for the redemption of the Bonds so called for redemption (or for the payment of such Bonds then maturing), and such amount shall be applied by such Paying Agents to such redemption (or payment). All expenses in connection with the purchase or redemption of Bonds shall be

paid by the Issuer as Operation and Maintenance Expenses. Upon any redemption (otherwise than pursuant to Sinking Fund Installments) of Bonds for which Sinking Fund Installments have been established, or any purchase in lieu thereof, there shall be credited by the Trustee toward the Sinking Fund Installment requirement thereafter to become due with respect thereto, the amount of the Bonds so redeemed or purchased in lieu thereof, to the respective sinking fund redemption dates as directed by the Issuer.

(d) After payment in full of the Principal of and interest on all Bonds issued hereunder (or after provision has been made for the payment thereof as provided herein so that such Bonds are no longer Outstanding), all agreements relating to all outstanding Security Instrument Repayment Obligations and Reserve Instrument Repayment Obligations, in accordance with their respective terms, the fees, charges and expenses of the Trustee and any paying agent, any other amounts required to be paid hereunder or under any Supplemental Indenture and under any Security Instrument Agreement and any Reserve Instrument Agreement, all amounts remaining in the Bond Fund shall be paid to the Issuer.

Section 5.4. Use of Debt Service Reserve Fund. Except as required to make up any deficiencies in the Bond Fund as provided in this Section and subject to the immediately following sentence, moneys in each account in the Debt Service Reserve Fund shall at all times be maintained in an amount not less than the applicable Debt Service Reserve Requirement. In calculating the amount on deposit in each account in the Debt Service Reserve Fund, the amount, if any, of the related Reserve Instrument Coverage will be treated as an amount on deposit in such account in the Debt Service Reserve Fund. Each Supplemental Indenture authorizing the issuance of a Series of Bonds shall specify the Debt Service Reserve Requirement applicable to such Series which amount shall be deposited immediately upon the issuance and delivery of such Series from (a) proceeds from the sale thereof or from any other legally available source, or (b) by a Reserve Instrument or Instruments, or (c) any combination thereof. Funds on deposit in each account in the Debt Service Reserve Fund shall be used solely to make up any deficiencies in the Bond Fund relating to the payment of debt service on the applicable Series of Bonds. If amounts on deposit in an account in the Debt Service Reserve Fund shall, at any time, be less than the applicable Debt Service Reserve Requirement, all Security Instrument Issuers shall be notified immediately of such deficiency, and such deficiency shall be made up at the time and in the manner indicated in Section 5.8 hereof.

In the event funds on deposit in an account in the Debt Service Reserve Fund are needed to make up any deficiencies in the Bond Fund as aforementioned, and there is insufficient cash available in such account in the Debt Service Reserve Fund to make up such deficiency and Reserve Instruments applicable to such Series of Bonds are in effect, the Trustee shall immediately make a demand for payment on such Reserve Instruments, to the maximum extent authorized by such Reserve Instruments, in the amount necessary to make up such deficiency, and immediately deposit such payment upon receipt thereof into the Bond Fund for application to such deficiencies.

In the event a Reserve Instrument is terminated in accordance with its terms, the Issuer shall be required either (i) to fund the Debt Service Reserve Requirement at the time of termination of the Reserve Instrument, or (ii) to provide a substitute Reserve Instrument which provides the same Reserve Instrument Coverage and which is provided by a Reserve Instrument Provider that is acceptable to the Trustee.

Funds at any time on deposit in the accounts maintained in the Debt Service Reserve Fund in excess of the amount required to be maintained therein (taking into account the amount of related Reserve Instrument Coverage) may at any time be transferred to the Bond Fund at the direction of the Issuer or, in connection with the replacement of amounts on deposit therein with a Reserve Instrument, utilized by the Issuer for any other lawful purpose, with a Favorable Opinion, pursuant to the terms of the Supplemental Indenture or resolution of the Issuer authorizing such Reserve Instrument.

Notwithstanding anything contained elsewhere herein to the contrary, any account maintained within the Debt Service Reserve Fund for a Series of Bonds and any Reserve Instrument for a Series of Bonds, shall only be drawn upon with respect to the Series of Bonds to which such account or Reserve Instrument applies.

Section 5.5. Reserve Instrument Fund. There shall be paid into the Reserve Instrument Fund the amounts required hereby and by a Supplemental Indenture to be so paid. The amounts in the Reserve Instrument Fund shall, from time to time, be applied by the Trustee on behalf of the Issuer to pay the Reserve Instrument Repayment Obligations which are due and payable to any Reserve Instrument Provider under any applicable Reserve Instrument Agreement.

Section 5.6. Investment of Funds. Any moneys in the Bond Fund, the Reserve Instrument Fund, the Construction Fund, the Debt Service Reserve Fund or any other funds or accounts created by Section 3.7 may, at the discretion and authorization of an Authorized Representative of the Issuer, be invested in Permitted Investments. Such investments shall be held by the Trustee, and when the Trustee determines it necessary to use the moneys in the Funds for the purposes for which the Funds were created, it shall, at the discretion of an Authorized Representative of the Issuer (*provided* that such discretion shall not be construed to delay the Trustee from liquidating investments in the Bond Fund and the Debt Service Reserve Fund to make payments on the Bonds), liquidate at prevailing market prices as much of the investments as may be necessary and apply the proceeds to such purposes. All income derived from the investment of the Construction Fund, the Bond Fund, the Reserve Instrument Fund and the Debt Service Reserve Fund shall be maintained in said respective Funds and disbursed along with the other moneys on deposit therein as herein provided. Any moneys in the Revenue Fund may, at the discretion and authorization of an Authorized Representative of the Issuer, be invested in investments permitted by the Utah State Money Management Act, as it may be amended from time to time.

Section 5.7. Trust Funds. All moneys and securities received by the Trustee under the provisions of this Indenture shall be trust funds under the terms hereof and shall

not be subject to lien or attachment of any creditor of the State or any political subdivision, body, agency, or instrumentality thereof or of the Issuer and shall not be subject to appropriation by any legislative body or otherwise. Such moneys and securities shall be held in trust and applied in accordance with the provisions hereof. Except for moneys held to satisfy (i) the obligations, if any, of the Issuer under the Code with respect to arbitrage rebate and (ii) principal or redemption price of, and interest on, any Bonds previously matured or called for redemption or deemed paid in accordance with Article X of this Indenture (to be held for the benefit of the holders of such Bonds only), unless and until disbursed pursuant to the terms hereof, all such moneys and securities (and the income therefrom) shall be held by the Trustee as security for payment of the principal, premium, if any, and interest on the Bonds for payment of Security Instrument Repayment Obligations and Reserve Instrument Repayment Obligations and the fees and expenses of the Trustee payable hereunder.

Section 5.8. Method of Valuation and Frequency of Valuation. In computing the amount in any fund or account, Permitted Investments shall be valued at the market price thereof. With respect to all funds and accounts except the Debt Service Reserve Fund, valuation shall occur at least annually. Amounts in each account of the Debt Service Reserve Fund shall be valued at least semiannually and marked-to-market at least annually, except in the event of a withdrawal from any of such accounts in the Debt Service Reserve Fund (other than a withdrawal of amounts above the required level), whereupon amounts in such account shall be valued immediately after such withdrawal and monthly thereafter until amounts in such account in the Debt Service Reserve Fund are at the required level. If amounts on deposit in the Debt Service Reserve Fund shall, at any time, be less than the applicable Debt Service Reserve Requirement, any Security Instrument Issuer of the related Series of Bonds, if any, shall be notified immediately of such deficiency, and (except with respect to the termination of a Reserve Instrument) such deficiency shall be made up as provided in Section 5.2(c) over a period of not more than twelve months.

Section 5.9. Purchase of Bonds. The Issuer may purchase Bonds of any Series from any available funds at public or private sale, as and when and at such prices as the Issuer may in its discretion determine, subject to applicable law and so long as such purchase is not made with funds drawn on a Security Instrument without the prior written consent of such Security Instrument Issuer. All Bonds so purchased shall at such times as shall be selected by the Issuer be delivered to and cancelled by the Trustee or any Registrar and (except with respect to a Commercial Paper Program) no Bonds of such Series shall be issued in place thereof. In the case of the purchase of Bonds of a Series and maturity for which Sinking Fund Installments shall have been established, the Issuer shall, by a written request delivered to the Trustee, elect the manner in which the Principal amount of such Bonds shall be credited toward Sinking Fund Installments, consistent with the procedures of Section 5.3(c) hereof.

ARTICLE VI

GENERAL COVENANTS

Section 6.1. General Covenants. The Issuer hereby covenants and agrees with each and every Registered Owner of the Bonds issued hereunder, Security Instrument Issuer and Reserve Instrument Provider as follows:

(a) The Issuer covenants to comply with the applicable provisions of the Utah Transit District Act, Title 17A, Chapter 2, Part 10, Utah Code including in particular Section 17A-2-1018, Utah Code.

(b) Each Registered Owner, Reserve Instrument Provider, and Security Instrument Issuer shall have a right, in addition to all other rights afforded it by the laws of the State, to apply to and obtain from any court of competent jurisdiction such decree or order as may be necessary to require the Issuer to use its best efforts to charge or collect reasonable rates for services supplied by the System sufficient to meet all requirements hereof and of any applicable Reserve Instrument Agreement or Security Instrument Agreement.

(c) So long as any Bonds, Security Instrument Repayment Obligations or Reserve Instrument Repayment Obligations are Outstanding, proper books of record and account will be kept by the Issuer separate and apart from all other records and accounts, showing complete and correct entries of all transactions relating to the System and the funds or accounts confirmed or established hereunder. Each Registered Owner, Reserve Instrument Provider, Security Instrument Issuer or any duly authorized agent or agents thereof shall have the right at all reasonable times to inspect all records, accounts and data relating thereto and to inspect the System. Except as otherwise provided herein, the Issuer further agrees that it will within one hundred eighty (180) days following the close of each Fiscal Year cause an audit of such books and accounts to be made by an independent firm of certified public accountants, showing the receipts and disbursements for account of the System and such funds and accounts, and that such audit will be available for inspection by each Registered Owner, Reserve Instrument Provider and Security Instrument Issuer.

All expenses incurred in compiling the information required by this Section shall be regarded and paid as an Operation and Maintenance Expense.

Section 6.2. Lien of Bonds; Equality of Liens. Other than the Senior Bonds, there are no other obligations that enjoy a lien (prior to, or on a parity with, or subordinate to that created hereunder) upon the Pledged Revenues. The Bonds and any Security Instrument Repayment Obligations constitute an irrevocable second lien upon the Pledged Revenues, subject only to the lien of the Senior Indenture. Except as otherwise expressly provided herein or in a related Supplemental Indenture, the Issuer covenants that the Bonds and any Security Instrument Repayment Obligations are equally and proportionally secured by a second lien on the Pledged Revenues (except that the portion of Pledged Revenues representing principal or redemption price of, and interest on, any Bonds

previously matured or called for redemption or deemed paid in accordance with Article X of this Indenture shall be held for the benefit of the holders of such Bonds only) and shall not be entitled to any priority one over the other in the application of the Pledged Revenues regardless of the time or times of the issuance or delivery of the Bonds or Security Instrument, it being the intention of the Issuer that there shall be no priority among the Bonds or the Security Instrument Repayment Obligations regardless of the fact that they may be actually issued and/or delivered at different times.

Any assignment or pledge from the Issuer to a Reserve Instrument Provider of (i) proceeds of the issuance and sale of Bonds, (ii) Pledged Revenues, or (iii) funds and accounts established or confirmed hereby, including investments, if any, thereof, is and shall be subordinate to the assignment and pledge effected hereby to the Registered Owners of the Bonds and to the Security Instrument Issuers.

Section 6.3. Payment of Principal, Premium and Interest. The Issuer covenants that it will punctually pay or cause to be paid the Principal of, premium, if any, and interest on every Bond issued hereunder, any Security Instrument Repayment Obligations and any Reserve Instrument Repayment Obligations, in strict conformity with the terms of the Bonds, this Indenture, any Security Instrument Agreement and any Reserve Instrument Agreement, according to the true intent and meaning hereof and thereof. The Principal of and interest on the Bonds, any Security Instrument Repayment Obligations and any Reserve Instrument Repayment Obligations are payable solely from the Pledged Revenues (except to the extent paid out of moneys attributable to Bond proceeds or other funds created hereunder or the income from the temporary investment thereof), which Pledged Revenues are hereby specifically pledged and assigned to the payment thereof in the manner and to the extent herein specified, and nothing in the Bonds, this Indenture, any Security Instrument Agreement or any Reserve Instrument Agreement should be considered as pledging any other funds or assets of the Issuer for the payment thereof.

Section 6.4. Performance of Covenants; Issuer. The Issuer covenants that at all times it will faithfully perform any and all covenants, undertakings, stipulations and provisions contained herein, and in any and every Bond, Security Instrument Agreement and Reserve Instrument Agreement. The Issuer represents that it is duly authorized to issue the Bonds authorized hereby and to execute this Indenture, that all actions on its part for the issuance of the Bonds and the execution and delivery, of this Indenture have been duly and effectively taken, and that the Bonds in the hands of the Registered Owners thereof are and will be valid and enforceable obligations of the Issuer according to the import thereof.

Section 6.5. List of Bondholders. The Registrar will keep on file at its principal office a list of the names and addresses of the Registered Owners of all Bonds which are from time to time registered on the registration books in the hands of the Trustee as Registrar for the Bonds. At reasonable times and under reasonable regulations established by the Trustee, said list may be inspected and copied by the Issuer or by the Registered Owners (or a designated representative thereof) of 10% or more in principal amount of Bonds then Outstanding, such ownership and the authority of any such designated representative to be evidenced to the reasonable satisfaction of the Trustee.

The Registrar shall maintain a list of the names and addresses of the Owners of all Bonds and upon any transfer shall add the name and address of the new Bondowner and eliminate the name and address of the transferor Bondowner. Such lists, together with all other records of ownership, registration, transfer, and exchange of the Bonds and of persons to whom payment with respect to such obligations is made, are "private" or "confidential" as defined in Title 63, Chapter 2, Utah Code, or any successor provision of law.

Section 6.6. Expeditious Construction. The Issuer shall use its best efforts to complete the acquisition and construction of each Project with all practical dispatch and will cause all construction to be effected in a sound and economical manner.

Section 6.7. Management of System.

(a) The Issuer, in order to assure the efficient management and operation of its System, will employ competent and experienced management, and will use its best efforts to see that its System is properly operated and maintained in good condition and an efficient manner.

(b) The Issuer will at all times cause the System to be maintained, preserved and kept in good repair, working order and condition so that the operating efficiency thereof will be of a high character. The Issuer will cause all necessary and proper repairs and replacements to be made so that the business carried on in connection with the System may be properly and advantageously conducted at all times in a manner consistent with prudent management, and that the rights and security of the Owners of the Bonds, Security Instrument Issuers and Reserve Instrument Issuers may be fully protected and preserved.

Section 6.8. Payment From Other Available Funds. Notwithstanding any other provisions hereof, nothing herein shall be construed to prevent the Issuer from (i) depositing any funds available to the Issuer for such purpose in any account in the Bond Fund for the payment of Principal of, premium, if any, and interest on any Bonds and the Security Instrument Repayment Obligations or for the amounts payable under any applicable Security Instrument Agreement issued under provisions hereof or for the redemption of any such Bonds, or (ii) depositing any funds available to the Issuer in the Reserve Instrument Fund for the payment of any amounts payable under any applicable Reserve Instrument Agreement.

Section 6.9. Payment of Taxes. The Issuer covenants that all taxes and assessments or other municipal or governmental charges lawfully levied or assessed upon its System or upon any part thereof or upon any income therefrom will be paid when the same shall become due, that no lien or charge upon its System or any part thereof or upon any Revenues thereof, except for the lien and charge thereon created hereunder and securing the Bonds and the Security Instrument Repayment Obligations, will be created or permitted to be created ranking equally with or prior to the Bonds and the Security Instrument Repayment Obligations and that all lawful claims and demands for labor, materials, supplies or other objects which, if unpaid, might by law become a lien upon its System or any part thereof will be paid or discharged, or adequate provision will be made

for the payment or discharge of such claims and demands within 60 days after the same shall accrue; *provided, however*, that nothing in this Section contained shall require any such lien or charge to be paid or discharged or provision made therefor so long as the validity of such lien or charge shall be contested in good faith and by appropriate legal proceedings.

Section 6.10. Insurance. The Issuer, in its operation of the System, will self-insure or carry insurance, including, but not limited to, workers' compensation insurance and public liability insurance, in such amounts and against such risks as are usually insurable in connection with similar transit systems and as are usually carried by other transit districts or authorities by others operating transit systems of a similar type. The cost of such insurance shall be considered an Operation and Maintenance Expense of the System. In the event of loss or damage, insurance proceeds shall be used first for the purpose of restoring or replacing (if necessary for the proper and efficient operation of the System) the property lost or damaged. Any remainder shall be paid into the Bond Fund.

Section 6.11. Instruments of Further Assurance. The Issuer and the Trustee mutually covenant that they will, from time to time, each upon the written request of the other, or upon the request of a Security Instrument Issuer or a Reserve Instrument Provider, execute and deliver such further instruments and take or cause to be taken such further actions as may be reasonable and as may be required by the other to carry out the purposes hereof; *provided, however*, that no such instruments or action shall involve any personal liability of the Trustee or members of the governing body of the Issuer or any official thereof.

Section 6.12. Power to Own the System and Collect Rates and Fees; Provision for Sale or Lease and Leaseback Transactions. The Issuer has, and will have so long as any Bonds are Outstanding or Repayment Obligations are Outstanding, good, right and lawful power to own the System and to fix and collect rates, fares, fees and other charges in connection with the System. No revenue-producing facility or service of the System shall be leased, furnished or supplied free, but shall always be leased, furnished or supplied so as to produce Revenues, provided that the Issuer reserves the right to lease, furnish or supply free any such facility or service to the extent that such action does not materially adversely affect the Issuer's ability to perform its obligations under this Indenture. In addition, the Issuer may dispose of any assets of the System which are no longer needed for the efficient operations thereof or which have been replaced by other System assets.

To the extent permitted by applicable law, the Issuer shall be entitled to sell or lease all or any portion of the System so long as the Issuer delivers to the Trustee (i) a Favorable Opinion and (ii) a written certificate to the effect that such portion of the System will continue to be used, controlled and possessed by the Issuer for the benefit of the System.

Section 6.13. Maintenance of Revenues. The Issuer will at all times comply in all material respects with all terms, covenants and provisions, express and implied, of all contracts and agreements entered into by it for System use and services and all other

contracts or agreements affecting or involving the System or business of the Issuer with respect thereto. The Issuer shall promptly collect all charges due for the System use and service supplied by it as the same become due, and shall at all times maintain and promptly and vigorously enforce its rights against any person who does not pay such charges when due. The Issuer shall establish policies, rules and fees, charges and rentals as shall be necessary to (i) assure maximum use and occupancy of the System and the services thereof and (ii) yield sufficient Revenues to meet the obligations of the Issuer under the Senior Indenture and hereunder in accordance with Section 6.1(a) hereof.

Section 6.14. Debt Limitation Notwithstanding anything in this Indenture to the contrary, the Issuer shall not issue any bonds or other evidences of indebtedness which exceed in the aggregate 3% of the fair market value of all real and personal property within the boundaries of the Issuer. Within the meaning of this Section, "indebtedness" includes all forms of debt which the Issuer is authorized to incur. Bonds issued that are payable solely from revenues derived from the operation of all or part of the System may not be included as "indebtedness" of the Issuer for the purpose of said computation.

Section 6.15. Use of Certain Grants. The Issuer hereby covenants that any federal or State capital or operating grant moneys received by the Issuer which are prohibited by the provisions of this Indenture from being included as Revenues, shall be used for the purposes for which such grants were given, including payment of Operation and Maintenance Expenses.

Section 6.16. Continuation of Sales Tax Revenues. The Issuer shall take all reasonable and legally permissible actions which it determines are necessary to assure the continued receipt by the Issuer for use as provided herein of the Sales and Use Taxes and shall oppose any effort to eliminate or divert the same.

ARTICLE VII

EVENTS OF DEFAULT; REMEDIES

Section 7.1. Events of Default. Each of the following events is hereby declared an "Event of Default":

(a) if payment of any installment of interest on any of the Bonds shall not be made by or on behalf of the Issuer (other than pursuant to a Security Instrument Agreement) when the same shall become due and payable; or

(b) if payment of the principal of or the redemption premium, if any, on any of the Bonds shall not be made by or on behalf of the Issuer (other than pursuant to a Security Instrument Agreement) when the same shall become due and payable, either at maturity or by proceedings for redemption in advance of maturity or through failure to fulfill any payment to any fund hereunder or otherwise; or

(c) if an order or decree shall be entered, with the consent or acquiescence of the Issuer, appointing a receiver or custodian for any of the Revenues, or approving a petition filed against the Issuer seeking reorganization of the Issuer under the federal bankruptcy laws or any other similar law or statute of the United States of America or any state thereof, or if any such order or decree, having been entered without the consent or acquiescence of the Issuer, shall not be vacated or discharged or stayed on appeal within 60 days after the entry thereof; or

(d) if any proceeding shall be instituted, with the consent or acquiescence of the Issuer, for the purpose of effecting a composition between the Issuer and its creditors or for the purpose of adjusting the claims of such creditors pursuant to any federal or state statute now or hereafter enacted, if the claims of such creditors are or may be under any circumstances payable from Revenues; or

(e) if (i) the Issuer is adjudged insolvent by a court of competent jurisdiction, or (ii) an order, judgment or decree be entered by any court of competent jurisdiction appointing, without the consent of the Issuer, a receiver, trustee or custodian of the Issuer or of the whole or any part of their property and any of the aforesaid adjudications, orders, judgments or decrees shall not be vacated or set aside or stayed within 60 days from the date of entry thereof; or

(f) if the Issuer shall file a petition or answer seeking reorganization, relief or any arrangement under the federal bankruptcy laws or any other applicable law or statute of the United States of America or any state thereof; or

(g) if, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Issuer or of the whole or any substantial part of the property of the Issuer, and

such custody or control shall not be terminated within 60 days from the date of assumption of such custody or control; or

(h) if the Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or herein or any Supplemental Indenture hereof on the part of the Issuer to be performed, other than as set forth above in this Section, and such default shall continue for 60 days (or such longer period as may be approved by the Trustee if in its opinion remedial actions are being diligently pursued by the Issuer) after written notice specifying such Event of Default and requiring the same to be remedied shall have been given to the Issuer by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the Registered Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding hereunder;

provided that any failure by the Issuer to make payment as described in subparagraph (a) or (b) of this Section shall not constitute an Event of Default with respect to any Bond if the Supplemental Indenture authorizing the issuance of such Bond provides that due and punctual payment by a Security Instrument Issuer or a Reserve Instrument Issuer shall not give rise to an Event of Default and such payment is, in fact, duly and punctually made; and *provided, further* that the provisions of Section 7.1(h) hereof are subject to the following limitations: if by reason of acts of God; strikes, lockouts or other similar disturbances; acts of public enemies; orders of any kind of the government of the United States or the State or any department, agency, political subdivision, court or official of the State which asserts jurisdiction over the Issuer; orders of any kind of civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquakes; volcanoes; fires, hurricanes; tornadoes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions; or any cause or event not reasonably within the control of the Issuer, the Issuer is unable in whole or part to carry out any one or more of its respective agreements or obligations contained herein (other than as described in (a) through (b) above) such default shall not constitute an "Event of Default" hereunder so long as such cause or event continues.

The Trustee shall give notice to any Security Instrument Issuer and Reserve Instrument Issuer of any Event of Default actually known to the Trustee within five Business Days after it has actual knowledge thereof.

Section 7.2. Remedies; Rights of Registered Owners. Upon the occurrence of an Event of Default, the Trustee may pursue any available remedy by suit at law or in equity to enforce the payment of the principal of, premium, if any, and interest on the Bonds then Outstanding or to enforce any obligations of the Issuer hereunder.

If an Event of Default shall have occurred, and if requested so to do by (i) Registered Owners of not less than 25% in aggregate Principal amount of the Bonds then Outstanding, (ii) Security Instrument Issuers at that time providing Security Instruments which are in full force and effect and not in default on any payment obligation and which secure not less than 25% in aggregate Principal amount of Bonds at

the time Outstanding, or (iii) any combination of Bondowners and Security Instrument Issuers described in (i) and (ii) above representing not less than 25% in aggregate Principal amount of Bonds at the time Outstanding, and indemnified as provided in Section 8.1 hereof, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by this Section as the Trustee, being advised by counsel, shall deem most expedient in the interest of the Registered Owners and the Security Instrument Issuers.

No remedy by the terms hereof conferred upon or reserved to the Trustee (or to the Registered Owners or to the Security Instrument Issuers) is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee, the Registered Owners or the Security Instrument Issuers or now or hereafter existing at law or in equity or by statute.

No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any Event of Default or acquiescence therein; and every such right and power may be exercised from time to time and as often as may be deemed expedient.

No waiver of any Event of Default hereunder, whether by the Trustee, the Registered Owners or the Security Instrument Issuers, shall extend to or shall affect any subsequent Event of Default or shall impair any rights or remedies consequent thereon.

Section 7.3. Right of Registered Owners and Security Instrument Issuers to Direct Proceedings. Anything herein to the contrary notwithstanding, unless a Supplemental Indenture provides otherwise, either (i) the Registered Owners of a majority in aggregate Principal amount of the Bonds then Outstanding, (ii) the Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and not in default on any payment obligation and which secure not less than 50% in aggregate Principal amount of Bonds at the time Outstanding, or (iii) any combination of Bondowners and Security Instrument Issuers described in (i) and (ii) above representing not less than 50% in aggregate Principal amount of Bonds at the time Outstanding, shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions hereof, or for the appointment of a receiver or any other proceedings hereunder; *provided*, that such direction shall not be otherwise than in accordance with the provisions of law and of this Indenture.

Section 7.4. Application of Moneys. All Pledged Revenues and moneys received by the Trustee pursuant to any right given or action taken under the default provisions of this Article shall be applied in the following order:

(a) To the payment of (i) the reasonable and proper fees, charges and expenses of the Trustee and the reasonable fees and disbursements of its counsel and (ii) Financing Expenses;

(b) To the payment of the principal of, premium, if any, and interest then due and payable on the Bonds and the Security Instrument Repayment Obligations as follows:

(i) Unless the Principal of all the Bonds shall have become due and payable, all such moneys shall be applied:

FIRST—To the payment to the persons entitled thereto of all installments of interest then due on the Bonds and the interest component of any Security Instrument Repayment Obligations then due, in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege; and

SECOND—To the payment to the persons entitled thereto of the unpaid Principal of and premium, if any, on the Bonds which shall have become due (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions hereof), in the order of their due dates, and the Principal component of any Security Instrument Repayment Obligations then due, and, if the amount available shall not be sufficient to pay in full all the Bonds and the Principal component of any Security Instrument Repayment Obligations due on any particular date, then to the payment ratably, according to the amount of Principal due on such date, to the persons entitled thereto without any discrimination or privilege.

(ii) If the principal of all the Bonds shall have become due and payable, all such moneys shall be applied to the payment of the Principal and interest then due and unpaid upon the Bonds and Security Instrument Repayment Obligations, without preference or priority of Principal over interest or of interest over Principal, or of any installment of interest over any other installment of interest, or of any Bond or Security Instrument Repayment Obligation over any other Bond or Security Instrument Repayment Obligation, ratably, according to the amounts due respectively for Principal and interest, to the persons entitled thereto without any discrimination or privilege.

(iii) After payment of (i) or (ii) above as applicable, to the payment of all obligations owed to all Reserve Instrument Providers, ratably, according to the amounts due without any discrimination or preference under any applicable agreement related to any Reserve Instrument Agreement.

Subject to the provisions of the Senior Indenture, whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such

times, and from time to time, as the Trustee shall determine, having due regard to the amounts of such moneys available for such application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of Principal paid on such dates shall cease to accrue.

Section 7.5. Remedies Vested in Trustee. All rights of action (including the right to file proof of claims) hereunder or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings related thereto and any such suit or proceedings instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any Registered Owners of the Bonds, and any recovery of judgment shall be for the equal benefit of the Registered Owners of the Outstanding Bonds.

Section 7.6. Rights and Remedies of Registered Owners. Except as provided in the last sentence of this Section, no Registered Owner of any Bond or Security Instrument Issuer or Reserve Instrument Provider shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement hereof or for the execution of any trust thereof or for the appointment of a receiver or any other remedy hereunder, unless an Event of Default has occurred of which the Trustee has been notified as provided in Section 8.1(g), or of which by said Section it is deemed to have notice, nor unless also Registered Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding or Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and are not in default on any payment obligation and which secure not less than 25% in aggregate principal amount of Bonds at the time Outstanding shall have made written request to the Trustee and shall have offered reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, nor unless also they have offered to the Trustee indemnity as provided in Section 8.1 hereof nor unless the Trustee shall thereafter fail or refuse to exercise the powers hereinabove granted, or to institute such action, suit or proceeding in its own name or names. Such notification, request and offer of indemnity are hereby declared in every case at the option of the Trustee to be conditions precedent to the execution of the powers and trust hereof, and to any action or cause of action for the enforcement hereof, or for the appointment of a receiver or for any other remedy hereunder; it being understood and intended that no one or more Registered Owner of the Bonds or Security Instrument Issuer or Reserve Instrument Provider shall have any right in any manner whatsoever to affect, disturb or prejudice the lien hereof by its action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of the Registered Owners of all Bonds then Outstanding and all Security Instrument Issuers at the time providing Security Instruments and all Reserve Instrument Providers at the time providing Reserve Instruments. Nothing herein contained shall, however, affect or impair the right of any Registered Owner or Security Instrument Issuer to enforce the covenants of the Issuer to

pay the Principal of, premium, if any, and interest on each of the Bonds and Security Instrument Repayment Obligations at the time, place, from the source and in the manner in said Bonds or Security Instrument Repayment Obligations expressed.

Section 7.7. Termination of Proceedings. In case the Trustee, any Bondowner or any Security Instrument Issuer shall have proceeded to enforce any right hereunder and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, the Bondowner, or Security Instrument Issuer, then and in every such case the Issuer and the Trustee shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Section 7.8. Waivers of Events of Default. Subject to Section 8.1(g) hereof, the Trustee may in its discretion, and with the prior written consent of all Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and not in default of any payment obligation, waive any Event of Default hereunder and its consequences and shall do so upon the written request of the Registered Owners of (a) a majority in aggregate Principal amount of all the Bonds then Outstanding or Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and are not in default on any payment obligation and which secure not less than 50% in aggregate Principal amount of Bonds at the time Outstanding in respect of which an Event of Default in the payment of Principal and interest exists, or (b) a majority in aggregate Principal amount of the Bonds then Outstanding or Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and are not in default on any payment obligation and which secure not less than 50% in aggregate Principal amount of Bonds at the time Outstanding in the case of any other Event of Default; *provided, however,* that there shall not be waived (i) any Event of Default in the payment of the Principal of any Bonds at the date of maturity specified therein, or (ii) any default in the payment when due of the interest on any such Bonds, unless prior to such waiver or rescission all arrears of interest, with interest (to the extent permitted by law) at the rate borne by the Bonds in respect of which such Event of Default shall have occurred on overdue installments of interest and all arrears of payments of Principal and premium, if any, when due, and all expenses of the Trustee in connection with such Event of Default, shall have been paid or provided for, and in case of any such waiver or rescission, or in case any proceeding taken by the Trustee on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case the Issuer, the Trustee, the Registered Owners and the Security Instrument Issuers shall be restored to their former positions and rights hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default, or impair any right consequent thereon.

Section 7.9. Cooperation of Issuer. In the case of any Event of Default hereunder, the Issuer shall cooperate with the Trustee and use its best efforts to protect the Bondowners and the Security Instrument Issuers.

ARTICLE VIII

THE TRUSTEE

Section 8.1. Acceptance of the Trusts. The Trustee accepts the trusts imposed upon it hereby, and agrees to perform said trusts as a corporate trustee ordinarily would perform said trusts under a corporate indenture, but no implied covenants or obligations shall be read into this Indenture against the Trustee.

(a) The Trustee may execute any of the trusts or powers thereof and perform any of its duties by or through attorneys, agents, receivers or employees but shall be answerable for the conduct of the same in accordance with the standard specified above, and shall be entitled to advice of counsel concerning all matters of trusts hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof. The Trustee may act upon the opinion or advice of counsel. The Trustee shall not be responsible for any loss or damage resulting from any action or non-action in good faith in reliance upon such opinion or advice.

(b) The Trustee shall not be responsible for any recital herein, or in the Bonds (except in respect to the certificate of the Trustee endorsed on the Bonds), or collecting any insurance moneys, or for the validity of the execution by the Issuer of this Indenture or of any supplements thereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby; and the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions or agreements on the part of the Issuer; but the Trustee may require of the Issuer full information and advice as to the performance of the covenants, conditions and agreements aforesaid and as to the condition of the property herein conveyed. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with the provisions hereof.

(c) The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder, except as specifically set forth herein. The Trustee may become the owner of Bonds secured hereby with the same rights which it would have if not Trustee.

(d) The Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document believed to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken by the Trustee pursuant hereto upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the Registered Owner of any Bond, shall be conclusive and binding upon all future Owners of the same Bond and upon Bonds issued in exchange therefor or in place thereof.

(e) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a certificate signed on behalf of the Issuer by an Authorized Representative as sufficient evidence of the facts therein contained and prior to the occurrence of an Event of Default of which the Trustee has been notified as provided in Paragraph (g) of this Section, or of which by said Paragraph it is deemed to have notice, shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate of the Secretary of the Board of Trustees of the Issuer to the effect that a resolution in the form therein set forth has been adopted by the Issuer as conclusive evidence that such resolution has been duly adopted, and is in full force and effect.

(f) The permissive right of the Trustee to do things enumerated herein shall not be construed as a duty and the Trustee shall not be answerable for other than its negligence or willful misconduct.

(g) The Trustee shall not be required to take notice or be deemed to have notice of any Event of Default hereunder, except an Event of Default described in Section 7.1(a) or (b), unless the Trustee shall be specifically notified in writing of such Default by the Issuer, a Security Instrument Issuer or by the Registered Owners of at least 25% in the aggregate Principal amount of the Bonds then Outstanding and all notices or other instruments required hereby to be delivered to the Trustee must, in order to be effective, be delivered at the principal corporate trust office of the Trustee, and in the absence of such notice so delivered, the Trustee may conclusively presume there is no Event of Default except as aforesaid.

(h) At any and all reasonable times and upon reasonable prior written notice, the Trustee, and its duly authorized agents, attorneys, experts, engineers, accountants and representatives, shall have the right fully to inspect all books, papers and records of the Issuer pertaining to the Bonds, and to take such memoranda from and in regard thereto as may be desired.

(i) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(j) Notwithstanding anything elsewhere herein contained, the Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Bonds, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview hereof, any showing, certificates, opinions, appraisals, or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required as a condition of

such action by the Trustee, deemed desirable for the authentication of any Bonds, the withdrawal of any cash, or the taking of any other action by the Trustee.

(k) All moneys received by the Trustee or any paying agent shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received but need not be segregated from other funds except to the extent required by law or as provided hereunder. Neither the Trustee nor any paying agent shall be under any liability for interest on any moneys received hereunder except such as may be agreed upon.

(l) If any Event of Default hereunder shall have occurred and be continuing, the Trustee shall exercise such of the rights and powers vested in it hereby and shall use the same degree of care as a prudent person would exercise or use in the circumstances in the conduct of its own affairs.

(m) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request, order or direction of any of the Bondholders, Security Instrument Issuers or Reserve Instrument Issuers pursuant to the provisions of this Indenture, unless such Bondholders, Security Instrument Issuers or Reserve Instrument Issuers shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which may be incurred therein or thereby.

(n) The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with this Indenture or any supplement hereto.

Section 8.2. Fees, Charges and Expenses of Trustee. The Trustee shall be entitled to payment or reimbursement for reasonable fees for its services rendered as Trustee hereunder and all advances, counsel fees and other expenses reasonably and necessarily made or incurred by the Trustee in connection with such services. The Trustee shall be entitled to payment and reimbursement for the reasonable fees and charges of the Trustee as Paying Agent and Registrar for the Bonds as hereinabove provided. Upon an Event of Default, but only upon an Event of Default, the Trustee shall have a right of payment prior to payment on account of interest or principal of, or premium, if any, on any Bond for the foregoing advances, fees, costs and expenses incurred, except for amounts held in trust to pay the principal, premium, interest or purchase price of Bonds in accordance with Section 2.13 hereof and except for amounts paid under a Security Instrument.

Section 8.3. Notice to Registered Owners if Event of Default Occurs. If an Event of Default occurs of which the Trustee is by Section 8.1(g) hereof required to take notice or if notice of an Event of Default is given to the Trustee as in said Section provided, then the Trustee shall give written notice thereof by registered or certified mail to all Security Instrument Issuers and to the Registered Owners of all Bonds then Outstanding shown on the registration books of the Bonds kept by the Trustee as Registrar for the Bonds.

Section 8.4. Intervention by Trustee. In any judicial proceeding to which the Issuer is a party and which in the opinion of the Trustee and its counsel has a substantial bearing on the interest of Registered Owners of the Bonds, the Trustee may intervene on behalf of such Owners and shall do so if requested in writing by any Security Instrument Issuer providing a Security Instrument which is in full force and effect and not in default on any payment obligation or by the Registered Owners of at least 25% in aggregate Principal amount of the Bonds then Outstanding. The rights and obligations of the Trustee under this Section are subject to the approval of a court of competent jurisdiction.

Section 8.5. Successor Trustee. Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, ipso facto, shall be and become successor Trustee hereunder (so long as otherwise qualified as provided in Section 8.8 hereof) and vested with all of the title to the whole property or trust estate and all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed of conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 8.6. Resignation by the Trustee. The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving written notice to the Issuer, served personally or by registered mail, and by registered or certified mail to each Reserve Instrument Issuer, Security Instrument Issuer and Registered Owner of Bonds then Outstanding, and such resignation shall take effect upon the appointment of a successor Trustee by the Registered Owners or by the Issuer as provided in Section 8.8 hereof; *provided, however* that if no successor Trustee has been appointed within 60 days of the date of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee, and such court may thereupon, after such notice, if any, as it deems proper and prescribes, appoint a successor Trustee.

Section 8.7. Removal of the Trustee. The Trustee may be removed (i) by the Issuer at any time by an instrument or concurrent instruments in writing of the Issuer delivered to the Trustee and each Security Instrument Issuer, unless there exists an Event of Default and (ii) in writing delivered to the Trustee and the Issuer, and signed by the Registered Owners of a majority in aggregate Principal amount of Bonds then Outstanding if an Event of Default exists; provided that such instrument or instruments concurrently appoint a successor Trustee meeting the qualifications set forth herein.

Section 8.8. Appointment of Successor Trustee; Temporary Trustee. In case the Trustee hereunder shall resign or be removed, or be dissolved, or shall be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the Issuer by an instrument executed by duly authorized officers of the Issuer. Any successor Trustee appointed pursuant to the provisions of this section shall (i) be subject to the prior written approval

of all Security Instrument Issuers, (ii) be a commercial bank in good standing, duly authorized to exercise trust powers and subject to examination by federal or state authority, and (iii) have a reported capital and surplus of not less than $50,000,000.

Each Reserve Instrument Provider and Security Instrument Issuer shall be notified immediately upon the resignation or termination of the Trustee and provided with a list of candidates for the office of successor Trustee.

Section 8.9. Concerning Any Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Issuer an instrument in writing accepting such appointment hereunder, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the Issuer, or of the successor Trustee, execute and deliver an instrument transferring to such successor Trustee all the estates, properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it as Trustee hereunder to its successor. Should any instrument in writing from the Issuer be required by any successor Trustee for more fully and certainly vesting in such successor the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer. The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor hereunder, together with all other instruments provided for in this Article shall be filed or recorded by the successor Trustee in each recording office, if any, where the Indenture shall have been filed or recorded.

Section 8.10. Trustee Protected in Relying Upon Indenture, Etc. The indentures, opinions, certificates and other instruments provided for herein may be accepted by the Trustee as conclusive evidence of the facts and conclusions stated therein and shall be full warrant, protection and authority to the Trustee for the release of property and the withdrawal of cash hereunder.

Section 8.11. Successor Trustee as Trustee of Funds; Paying Agent and Bond Registrar. In the event of a change in the office of Trustee, the predecessor Trustee which has resigned or been removed shall cease to be Trustee hereunder and Registrar for the Bonds and Paying Agent for principal of, premium, if any, and interest on the Bonds, and the successor Trustee shall become such Trustee, Registrar and Paying Agent for the Bonds.

Section 8.12. Trust Estate May Be Vested in Separate or Co-Trustee. It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the laws of the State) denying or restricting the right of banking corporations or associations to transact business as Trustee in such jurisdiction. It is recognized that in case of litigation hereunder, and in particular in case of the enforcement of remedies on Event of Default, or in case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers,

rights, or remedies herein granted to the Trustee or hold title to the trust estate, as herein granted, or take any other action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an additional individual or institution as a separate or co-trustee. The following provisions of this Section are adapted to these ends.

In the event that the Trustee appoints an additional individual or institution as a separate or co-trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended hereby to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vested in such separate or co-trustee, but only to the extent necessary to enable the separate or co-trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate or co-trustee shall run to and be enforceable by either of them.

Should any deed, conveyance or instrument in writing from the Issuer be required by the separate trustee or co-trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to it such properties, rights, powers, trusts, duties and obligations, any and all such deeds, conveyances and instruments in writing shall, on request of such trustee or co-trustee, be executed, acknowledged and delivered by the Issuer. In case any separate trustee or co-trustee or a successor to either, shall die, become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate trustee or co-trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new trustee or successor to such separate trustee or co-trustee.

Section 8.13. Annual Accounting. The Trustee shall prepare an annual accounting for each Fiscal Year by the end of the month following each such Fiscal Year showing in reasonable detail all financial transactions relating to the funds and accounts held by the Trustee hereunder during the accounting period and the balance in any funds or accounts created hereby as of the beginning and close of such accounting period, and shall mail the same to the Issuer and to each Security Instrument Issuer and Reserve Instrument Provider requesting the same. The Trustee shall also make available for inspection by any Registered Owner a copy of said annual accounting (with the names and addresses of Registered Owners receiving payment of debt service on the Bonds deleted therefrom) and shall mail the same if requested in writing to do so by Registered Owners of at least 25% in aggregate principal amount of Bonds then Outstanding to the designee of said Owners specified in said written request at the address therein designated. On or before the end of the month following each Fiscal Year, the Trustee shall, upon written request, provide to the Issuer and the Issuer's independent auditor representations as to the accuracy of the facts contained in the financial reports that were delivered by the Trustee during the Fiscal Year just ended.

Section 8.14. Indemnification. Subject to the provisions of Section 8.1(a) of this Indenture, the Issuer shall indemnify and save Trustee harmless against any liabilities it may incur in the exercise and performance of its powers and duties hereunder, other than those due to its own gross negligence or willful misconduct.

Section 8.15. Trustee's Right to Own and Deal in Bonds. The bank or trust company acting as Trustee under this Indenture, and its directors, officers, employees or agents, may in good faith buy, sell, own, hold and deal in any of the Bonds issued hereunder and secured by this Indenture, and may join in any action which any Bondholder may be entitled to take with like effect as if such bank or trust company were not the Trustee under this Indenture.

ARTICLE IX

SUPPLEMENTAL INDENTURES

Section 9.1. Supplemental Indentures Not Requiring Consent of Registered Owners, Security Instrument Issuers and Reserve Instrument Providers. The Issuer and the Trustee may, without the consent of, or notice to, any of the Registered Owners or Reserve Instrument Providers, but with notice to any Security Instrument Issuer, enter into an indenture or indentures supplemental hereto, as shall not be inconsistent with the terms and provisions hereof, for any one or more of the following purposes:

(a) To provide for the issuance of Additional Bonds in accordance with the provisions of Section 2.15 hereof;

(b) To cure any ambiguity or formal defect or omission herein which will not materially adversely affect the Owners of the Bonds;

(c) To grant to or confer upon the Trustee for the benefit of the Registered Owners, any Security Instrument Issuers and any Reserve Instrument Providers any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Registered Owners, any Security Instrument Issuers and any Reserve Instrument Providers or any of them, *provided, however*, that the prior written consent of each Security Instrument Issuer is obtained;

(d) To subject to this Indenture additional revenues or other revenues, properties, collateral or security;

(e) To make any other change hereto which, in the judgment of the Trustee, is not materially prejudicial to the interests of the Registered Owners, the Trustee, any Security Instrument Issuer or any Reserve Instrument Provider, *provided, however*, that the prior written consent of each Security Instrument Issuer is obtained;

(f) To make any change necessary (i) to establish or maintain the exemption from federal income taxation of interest on any Series of Bonds as a result of any modifications or amendments to Section 148 of the Code (or any successor provision of law) or interpretations thereof by the Internal Revenue Service, or (ii) to comply with the provisions of Section 148(f) of the Code (or any successor provision of law), including provisions for the payment of all or a portion of the investment earnings of any of the Funds established hereunder to the United States of America;

(g) If the Bonds affected by such change are rated by a Rating Agency, to make any change which does not result in a reduction of the rating applicable to any of the Bonds so affected, provided that if any of the Bonds so affected are secured by a Security Instrument, such change must be approved in writing by the related Security Instrument Issuer;

(h) If the Bonds affected by such change are secured by a Security Instrument, to make any change approved in writing by the related Security Instrument Issuer, provided that if any of the Bonds so affected are rated by a Rating Agency, such change shall not result in a reduction of the rating applicable to any of the Bonds so affected; and

(i) To provide for the appointment of a successor Trustee, a Paying Agent, a separate or co-trustee, a Remarketing Agent or a Transfer Agent.

No modification or amendment shall be permitted pursuant to paragraph (g) or (h) unless the Issuer delivers to the Trustee an opinion of nationally recognized bond counsel to the effect that such modification or amendment will not adversely affect the tax-exempt status or validity of any Bonds affected by such modification or amendment.

Section 9.2. Supplemental Indentures Requiring Consent of Registered Owners, Security Instrument Issuers and Reserve Instrument Providers; Waivers and Consents by Registered Owners. Exclusive of Supplemental Indentures covered by Section 9.1 hereof and subject to the terms and provisions contained in this Section, and not otherwise, the Registered Owners of at least a majority in aggregate Principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained herein to the contrary notwithstanding, to (i) consent to and approve the execution by the Issuer and the Trustee of such other indenture or indentures supplemental hereto as shall be deemed necessary and desirable by the Issuer for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained herein or in any Supplemental Indenture, or (ii) waive or consent to the taking by the Issuer of any action prohibited, or the omission by the Issuer of the taking of any action required, by any of the provisions hereof or of any indenture supplemental hereto; provided, however, that nothing in this Section contained shall permit or be construed as permitting (a) an extension of the stated maturity or reduction in the Principal amount of, or reduction in the rate of or extension of the time of paying of interest on, or reduction of any premium payable on the redemption of, or the elimination of tender rights with respect to, any Bond, without the consent of the Registered Owner of such Bond, or (b) a reduction in the amount or extension of the time of any payment required by any fund established hereunder applicable to any Bonds without the consent of the Registered Owners of all the Bonds which would be affected by the action to be taken, or (c) a reduction in the aforesaid aggregate Principal amount of Bonds, the Registered Owners of which are required to consent to any such waiver or Supplemental Indenture, or (d) affect the rights of the Registered Owners of less than all Bonds then Outstanding, without the consent of the Registered Owners of all the Bonds at the time Outstanding which would be affected by the action to be taken. In addition, no supplement hereto shall modify the rights, duties or immunities of the Trustee, without the written consent of the Trustee. If a Security Instrument or a Reserve Instrument is in effect with respect to any Series of Bonds Outstanding and if a proposed modification or amendment would apply to such Series of Bonds, then, except as described in Section 9.1 hereof, neither this Indenture nor any Supplemental Indenture with respect to such Series of Bonds shall be modified or amended at any time without the prior written consent of the related Security Instrument Issuer or Reserve Instrument Provider, as applicable. Copies of any such modifications,

amendments or supplements permitted under this Section or Section 9.1 shall be sent to each Rating Agency at least 10 days prior to the effective date thereof.

ARTICLE X

DISCHARGE OF INDENTURE

If the Issuer shall pay or cause to be paid, or there shall be otherwise paid or provision for payment made to or for the Registered Owners of the Bonds, the Principal of and interest due or to become due thereon at the times and in the manner stipulated therein, and shall pay or cause to be paid to the Trustee all sums of moneys due or to become due according to the provisions hereof, and to all Security Instrument Issuers and all Reserve Instrument Providers all sums of money due or to become due accordingly to the provisions of any Security Instrument Agreements and Reserve Instrument Agreements, as applicable, then these presents and the estate and rights hereby granted shall cease, determine and be void, whereupon the Trustee shall cancel and discharge the lien hereof, and release, assign and deliver unto the Issuer any and all the estate, right, title and interest in and to any and all rights assigned or pledged to the Trustee, held by the Trustee, or otherwise subject to the lien hereof, except moneys or securities held by the Trustee for the payment of the Principal of and interest on the Bonds, the payment of amounts pursuant to any Security Instrument Agreements or the payment of amounts pursuant to any Reserve Instrument Agreements.

Any Bond shall be deemed to be paid within the meaning of this Article when payment of the Principal of such Bond, plus interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided herein, or otherwise), either (a) shall have been made or caused to have been made in accordance with the terms thereof, or (b) shall have been provided by irrevocably depositing with or for the benefit of the Trustee, in trust and irrevocably setting aside exclusively for such payment, any combination of (i) moneys sufficient to make such payment, or (ii) non callable Government Obligations, maturing as to principal and interest in such amount and at such times as will insure the availability of sufficient moneys to make such payment, and all necessary and proper fees, compensation and expenses of the Trustee and any paying agent pertaining to the Bond with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of the Trustee. At such times as a Bond shall be deemed to be paid hereunder, as aforesaid, it shall no longer be secured by or entitled to the benefits hereof, except for the purposes of any such payment from such moneys or Government Obligations.

Notwithstanding the foregoing, in the case of Bonds, which by their terms may be redeemed prior to their stated maturity, no deposit under the immediately preceding paragraph shall be deemed a payment of such Bonds as aforesaid until the Issuer shall have given the Trustee, in form satisfactory to the Trustee, irrevocable instructions:

(a) stating the date when the Principal of each such Bond is to be paid, whether at maturity or on a redemption date (which shall be any redemption date permitted hereby);

(b) to instruct the Trustee to call for redemption pursuant hereto any Bonds to be redeemed prior to maturity pursuant to Subparagraph (a) above; and

(c) to instruct the Trustee to mail, as soon as practicable, in the manner prescribed by Article II hereof, a notice to the Registered Owners of such Bonds and to each related Security Instrument Issuer that the deposit required by this Section has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with this Article and stating the maturity or redemption date upon which moneys are to be available for the payment of the principal or redemption price, if applicable, on said Bonds as specified in Subparagraph (a) above. If the redemption date for all Bonds, payment for which is to be provided by deposit of moneys or Government Obligations or both, shall fall within 120 days of the mailing of the notice of redemption, then the notices referred to in Subparagraph (b) above and this Subparagraph (c) may be combined.

Any moneys so deposited with the Trustee as provided in this Article may at the direction of the Issuer also be invested and reinvested in Government Obligations, maturing in the amounts and times as hereinbefore set forth, and all income from all Government Obligations in the hands of the Trustee pursuant to this Article which is not required for the payment of the Bonds and interest thereon with respect to which such moneys shall have been so deposited shall be deposited in the Bond Fund as and when realized and collected for use and application as are other moneys deposited in that fund.

No such deposit under this Article shall be made or accepted hereunder and no use made of any such deposit unless the Trustee shall have received an opinion of nationally recognized municipal bond counsel to the effect that such deposit and use would not cause the Bonds to be treated as arbitrage bonds within the meaning of Sections 148 of the Code.

Notwithstanding any provision of any other Article hereof, all moneys or Government Obligations set aside and held in trust pursuant to the provisions of this Article for the payment of Bonds (including interest thereon) shall be applied to and used solely for the payment of the particular Bonds (including interest thereon) with respect to which such moneys or Government Obligations have been so set aside in trust.

Anything in Article IX hereof to the contrary notwithstanding, if moneys or Government Obligations have been deposited or set aside with the Trustee pursuant to this Article for the payment of Bonds and such Bonds shall not have in fact been actually paid in full, no amendment to the provisions of this Article shall be made without the consent of the Registered Owner of each Bond affected thereby.

ARTICLE XI

MISCELLANEOUS

Section 11.1. Consents, Etc. of Registered Owners. Any consent, request, direction, approval, objection or other instrument required hereby to be executed by the Registered Owners, Security Instrument Issuers or Reserve Instrument Providers may be in any number of concurrent writings of similar tenor and may be executed by such Registered Owners, Security Instrument Issuers or Reserve Instrument Providers in person or by agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection or other instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes hereof, and shall be conclusive in favor of the Trustee with regard to any action taken under such request or other instrument, namely, the fact and date of the execution by any person of any such writing may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing acknowledged before him the execution thereof, or by affidavit of any witness to such execution.

Section 11.2. Limitation of Rights. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Indenture or the Bonds is intended or shall be construed to give to any person other than the parties hereto, the Registered Owners of the Bonds, any Security Instrument Issuer and any Reserve Instrument Provider, any legal or equitable right, remedy or claim under or in respect hereto or any covenants, conditions and provisions herein contained, this Indenture and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto, the Registered Owners of the Bonds, any Security Instrument Issuer and the Reserve Instrument Providers as herein provided.

Section 11.3. Severability. If any provision hereof shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever.

The invalidity of any one or more phrases, sentences, clauses or Sections herein contained, shall not affect the remaining portions hereof, or any part thereof.

Section 11.4. Notices. Unless otherwise specifically provided for herein, all notices required to be given pursuant to the Indenture shall be in writing. It shall be sufficient service of any notice, request, complaint, demand or other paper on the Issuer if the same shall be duly mailed by registered or certified mail addressed to it at Utah Transit Authority, 3600 South 700 West, P.O. Box 30810, Salt Lake City, Utah 84130-

0810, Attention: General Manager, with a copy to the Issuer's General Counsel or to such address as the Issuer may from time to time file with the Trustee. It shall be sufficient service of any notice or other paper on the Trustee if the same shall be duly mailed by registered or certified mail addressed to it at Zions First National Bank, 10 East South Temple, 12th Floor, Salt Lake City, Utah 84111, Attention: Corporate Trust Department Telephone: (801) 524-2348, Facsimile: (801) 524-4838 or to such other address as the Trustee may from time to time file with the Issuer.

Section 11.5. Trustee as Paying Agent and Registrar. The Trustee is hereby designated and agrees to act as principal Paying Agent and Registrar for and in respect to the Bonds.

Section 11.6. Counterparts. This Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.7. Applicable Law. This Indenture shall be governed exclusively by the applicable laws of the State.

Section 11.8. Immunity of Officers and Directors. No recourse shall be had for the payment of the principal of or premium or interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement herein contained against any past, present or future officer, or other public official, employee, or agent of the Issuer.

Section 11.9. Payments Due on Holidays. If any date for the payment of principal of or interest on the Bonds is not a Business Day, then such payment shall be due on the first day thereafter which is a Business Day and no interest shall accrue for the period between such payment date and such first Business Day thereafter.

Section 11.10. Notices to Security Instrument Issuer. A copy of any notices required by this Indenture to be given to the Issuer, any Bondholder, the Paying Agent or the Trustee shall also be given to the Security Instrument Issuer.

Section 11.11. Compliance with State Laws. It is hereby declared by the Issuer's Board of Trustees that it is the intention of the Issuer by the execution of this Indenture to comply in all respects with the provisions of the Utah Public Transit District Act, Title 17A, Chapter 2, Part 10, Utah Code, the Utah Municipal Bond Act, Title 11, Chapter 14, Utah Code, and the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code.

Section 11.12. Effective Date. This Indenture shall become effective immediately.

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be executed as of the date first written above.

(SEAL)

UTAH TRANSIT AUTHORITY, as Issuer

By: _____
General Manager

ATTEST:

By: _____
Treasurer

APPROVED AS TO FORM:

By: _____
UTA Legal Counsel

(SEAL)

ZIONS FIRST NATIONAL BANK, as Trustee

By: _____

Title: Vice President

ATTEST:

By: _____

Title: VP

EXHIBIT A

REQUISITION

Zions First National Bank, as Trustee
10 East South Temple, 12th Floor
Salt Lake City, Utah 84111

RE: _____
_____
_____

You are hereby authorized to disburse from the applicable account of the Construction Fund with regard to the above-referenced bond issue the following:

REQUISITION NUMBER: _____

NAME AND ADDRESS OF PAYEE:

_____
_____
_____
_____

AMOUNT: $_____

PURPOSE FOR WHICH EXPENSE HAS BEEN INCURRED: _____
_____
_____
_____
_____

Each obligation, item of cost or expense mentioned herein has been properly incurred, is a proper charge against the applicable account of the Construction Fund and has not been the basis for a previous withdrawal. The amount set forth above is justly due and owing and constitutes a Cost of the Project based upon itemized claims substantiated in support thereof.

The amount remaining in the applicable account of the Construction Fund after such disbursement is made, together with the amount of unencumbered Pledged Revenues, if any, which the Issuer reasonably estimates will be deposited in the applicable account of the Construction Fund during the period of construction of the Project from the investment of moneys on deposit in the applicable account of the Construction Fund, will, together with any other moneys lawfully available for payment of the Cost of the Project and after payment of the amount requested in said requisition, be sufficient to pay the remaining Cost of the Project in accordance with the plans and

specification therefor then in effect; it being understood that no moneys from the Construction Fund may be expended unless, after giving effect thereto, the funds remaining in the applicable account of the Construction Fund, together with such other funds and income and lawfully available moneys, are sufficient to pay the remaining Cost of the Project.

DATED:_____

_____
Authorized Representative of Utah
Transit Authority

EXHIBIT C

FORMS OF SUPPLEMENTAL INDENTURE OF TRUST

(See Transcript Document No. ___)

TWELFTH SUPPLEMENTAL INDENTURE OF TRUST

Dated as of November 1, 2019

between

UTAH TRANSIT AUTHORITY,
as Issuer

and

ZIONS BANCORPORATION, NATIONAL ASSOCIATION,
as Trustee

and supplementing the

Amended and Restated General Indenture of Trust
Dated as of September 1, 2002

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TWELFTH SUPPLEMENTAL INDENTURE OF TRUST

THIS TWELFTH SUPPLEMENTAL INDENTURE OF TRUST, dated as of November 1, 2019, by and between the UTAH TRANSIT AUTHORITY, a public transit district duly organized and existing under the Constitution and laws of the State of Utah (the "Issuer") and ZIONS BANCORPORATION, NATIONAL ASSOCIATION, a national bank duly organized and existing under the laws of the United States of America, authorized by law to accept and execute trusts and having its principal office in Salt Lake City, Utah, as trustee (the "Trustee");

W I T N E S S E T H:

WHEREAS, the Issuer has entered into an Amended and Restated General Indenture of Trust, dated as of September 1, 2002, as heretofore amended and supplemented (the "General Indenture") with the Trustee; and

WHEREAS in order to (i) finance a portion of the costs associated with the design, acquisition and construction of capital improvements and related equipment, property and improvements for use in the System (the "Project"), (ii) refund certain outstanding bonds of the Issuer and (iii) finance the costs of issuance of the Bonds herein authorized, the Issuer has determined to issue its Sales Tax Revenue Bonds, Series 2019A, in the aggregate Principal amount of $_____ (the "Series 2019A Bonds") and its Federally Taxable Sales Tax Revenue Refunding Bonds, Series 2019B, in the aggregate Principal amount of $_____ (the "Series 2019B Bonds" and collectively with the Series 2019A Bonds, the "Series 2019 Bonds"); and

WHEREAS, the Series 2019 Bonds will be issued on a parity with the Series 2005A Bonds, the Series 2006C Bonds, the Series 2008A Bonds, the Series 2009B Bonds, the Series 2015A Bonds and the Series 2018 Bonds heretofore issued pursuant to the General Indenture, and will be authorized, issued and secured under the General Indenture, as supplemented by this Twelfth Supplemental Indenture (the "Twelfth Supplemental Indenture," and collectively with the General Indenture, the "Indenture"); and

WHEREAS, the execution and delivery of the Series 2019 Bonds and of this Twelfth Supplemental Indenture have in all respects been duly authorized and all things necessary to make the Series 2019 Bonds, when executed by the Issuer and authenticated by the Trustee, the valid and binding legal obligations of the Issuer and to make this Twelfth Supplemental Indenture a valid and binding agreement have been done;

NOW, THEREFORE, THIS TWELFTH SUPPLEMENTAL INDENTURE OF TRUST WITNESSETH, that to secure the Series 2019 Bonds, the Series 2005A Bonds, the Series 2006C Bonds, the Series 2008A Bonds, the Series 2009B Bonds, the Series 2015A Bonds, the Series 2018 Bonds and all Additional Bonds issued and Outstanding under the Indenture, the payment of the Principal or redemption price thereof and interest thereon, the rights of the Registered Owners of the Bonds and of all Security Instrument Issuers and Reserve Instrument Providers and the performance of all of the covenants

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contained in such Bonds and herein, and for and in consideration of the mutual covenants herein contained and of the purchase of such Bonds by the Registered Owners thereof from time to time and the issuance of the Security Instruments by Security Instrument Issuers and of the Reserve Instruments by the Reserve Instrument Providers, and of the acceptance by the Trustee of the trusts hereby created, and intending to be legally bound hereby, the Issuer has executed and delivered this Twelfth Supplemental Indenture, and by these presents does, in confirmation of the General Indenture, hereby sell, assign, transfer, set over and pledge unto Zions Bancorporation, National Association, as Trustee, its successors and trusts and its assigns forever, to the extent provided in the General Indenture, all right, title and interest of the Issuer in and to (i) the Pledged Revenues, (ii) all moneys in funds and accounts held by the Trustee under the General Indenture and hereunder (except as provided in Sections 5.4 and 5.7 of the General Indenture), and (iii) all other rights granted under the General Indenture and hereinafter granted for the further securing of such Bonds, Security Instrument Repayment Obligations and Reserve Instrument Repayment Obligations;

TO HAVE AND TO HOLD THE SAME unto the Trustee and its successors in trust hereby created and its and their assigns forever;

IN TRUST, NEVERTHELESS, FIRST, for the equal and ratable benefit and security of all present and future Registered Owners of Bonds and related Security Instrument Issuers without preference, priority, or distinction as to lien or otherwise (except as otherwise specifically provided), of any one Bond or Security Instrument Repayment Obligation over any other Bond or Security Instrument Repayment Obligation, and SECOND, for the equal and proportionate benefit, security and protection of all Reserve Instrument Providers, without privilege, priority or distinction as to the lien or otherwise of any Reserve Instrument Repayment Obligation over any of the others by reason of time of issuance, delivery or expiration thereof or otherwise for any cause whatsoever.

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ARTICLE I

SUPPLEMENTAL INDENTURE; DEFINITIONS

Section 1.1 Supplemental Indenture. This Twelfth Supplemental Indenture is supplemental to and is executed in accordance with and pursuant to Articles II and IX of the General Indenture.

Section 1.2 Definitions. All terms which are defined in the General Indenture, shall have the meanings, respectively, herein (including the use thereof in the recitals and the granting clauses thereof) unless expressly given a different meaning or unless the context clearly otherwise requires. All terms used herein which are defined in the recitals hereto shall have the meanings therein given to the same unless the context requires otherwise and, in addition, the following terms shall have the meanings specified below:

"Cede" means Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Series 2019 Bonds pursuant to Section 4.2 hereof.

"Cost of Issuance Account" means the account created by Section 3.7 hereof.

"Costs of Issuance" means the items of expense payable or reimbursable directly or indirectly by the Issuer and other costs incurred by the Issuer, all related to the authorization, sale and issuance of the Series 2019 Bonds, which costs and items of expense shall include, but not be limited to, printing costs, costs of developing, reproducing and storing and safekeeping documents and other information, processing materials related to the Series 2019 Bonds, filing and recording fees, travel expenses incurred by the Issuer in relation to the issuance of the Series 2019 Bonds, initial fees and charges of the Trustee, initial premiums with respect to insurance to be paid by the Issuer, legal fees and charges, professional consultants' fees, accountants' fees, costs of bond ratings, Reserve Instrument Costs, Security Instrument Costs, and fees and charges for execution, transportation and safekeeping of the Series 2019 Bonds.

"Dated Date" with respect to the Series 2019 Bonds means their date of delivery.

"DTC" means The Depository Trust Company, New York, New York, and its successors and assigns.

"Escrow Account" means the Escrow Fund established in the Escrow Agreement.

"Escrow Agent" means Zions Bancorporation, National Association, One South Main Street, 12th Floor, Salt Lake City, Utah 84133.

"Escrow Agreement" means the Escrow Deposit Agreement dated as of November 1, 2019 between the Issuer and the Escrow Agent providing payment of interest on, and the principal and redemption price of, (among others) the Refunded Bonds through the redemption date thereof.

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"Interest Payment Date" means with respect to the Series 2019 Bonds, each June 15 and December 15, commencing _____.

"Participants" means those broker-dealers, bank and other financial institutions for which DTC from time to time holds Bonds as securities depository.

"Person" means natural persons, firms, partnerships, associations, corporations, trusts, public bodies and other entities.

"Refunded Bonds" means collectively, the Issuer's Series 2015A Bonds maturing on _____ and the Issuer's Series 2012 Bonds maturing on _____.

"Register" means the record of ownership of the Series 2019 Bonds maintained by the Registrar.

"Regular Record Date" means the fifteenth day (whether or not a business day) next preceding such Interest Payment Date.

"Representation Letter" means the representation letter from the Issuer to DTC in the form of Exhibit C attached hereto.

"Series 2005A Bonds" means the Issuer's Sales Tax Revenue Refunding Bonds, Series 2005A issued pursuant to the General Indenture.

"Series 2006C Bonds" means the Issuer's Sales Tax Revenue Refunding Bonds, Series 2006C issued pursuant to the General Indenture.

"Series 2008A Bonds" means the Issuer's Sales Tax Revenue Bonds, Series 2008A issued pursuant to the General Indenture.

"Series 2009B Bonds" means the Issuer's Sales Tax Revenue Bonds, Series 2009B (Federally Taxable—Issuer Subsidy—Build America Bonds) issued pursuant to the General Indenture.

"Series 2012 Bonds" means the Issuer's Subordinated Sales Tax Revenue and Refunding Bonds, Series 2012 issued pursuant to the Subordinate Indenture.

"Series 2015A Bonds" means the Issuer's Sales Tax Revenue Refunding Bonds, Series 2015A issued pursuant to the General Indenture.

"Series 2018 Bonds" means the Issuer's Sales Tax Revenue Bonds, Series 2018 issued pursuant to the General Indenture.

"Series 2019 Bonds" means collectively, the Series 2019A Bonds and the Series 2019B Bonds.

"Series 2019A Bonds" means the Issuer's Sales Tax Revenue Bonds, Series 2019A herein authorized.

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"Series 2019B Bonds" means the Issuer's Federally Taxable Sales Tax Revenue Refunding Bonds, Series 2019B herein authorized.

"Series 2019A Construction Account" means the Series 2019A Construction Account established in Section 3.2 hereof.

"Series 2019A Project" means the financing of a portion of the costs associated with the design, acquisition and construction of capital improvements and related equipment, property and improvements for use in the System.

"Subordinate Bonds" means bonds issued pursuant to the Subordinate Indenture.

"Subordinate Indenture" means that certain Subordinate Indenture of Trust, dated as of July 1, 2006, providing for the issuance of Subordinate Bonds.

"Tax Certificate" means any agreement or certificate of the Issuer which the Issuer may execute in order to establish and maintain the tax-exempt status of interest received on the Series 2019A Bonds.

"Twelfth Supplemental Indenture" means this Twelfth Supplemental Indenture of Trust.

"2019 Continuing Disclosure Undertaking" means that certain Continuing Disclosure Undertaking between the Issuer and the Trustee dated the date of issuance and delivery of the Series 2019 Bonds, as originally executed and as it may be amended from time to time in accordance with its terms.

"Underwriter" means Wells Fargo Bank, N.A., on behalf of itself and Merrill Lynch, Pierce, Fenner & Smith Incorporated and JPMorgan Chase Bank, N.A.

The terms "hereby," "hereof," "herein" and "hereunder" and any similar terms used in this Twelfth Supplemental Indenture, refer to this Twelfth Supplemental Indenture.

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ARTICLE II

ISSUANCE OF THE SERIES 2019 BONDS

Section 2.1 Principal Amount, Designation and Series.

(a) The Series 2019A Bonds are hereby authorized for issuance under the Indenture for the purpose of providing funds to (i) finance the Series 2019A Project and (ii) pay costs incurred in connection with the issuance of the Series 2019A Bonds. The Series 2019A Bonds shall be limited to $_____ in aggregate principal amount, shall be issued in fully registered form, shall be in substantially the form and contain substantially the terms contained in Exhibit A attached hereto and made a part hereof, and shall bear interest at the rates and be payable as to principal or redemption price as specified herein. The Series 2019A Bonds shall be designated as and shall be distinguished from the Bonds of all other series by the title, "Sales Tax Revenue Bonds, Series 2019A."

(b) The Series 2019B Bonds are hereby authorized for issuance under the Indenture for the purpose of providing funds to (i) refund the Refunded Bonds and (ii) pay costs incurred in connection with the issuance of the Series 2019B Bonds. The Series 2019B Bonds shall be limited to $_____ in aggregate principal amount, shall be issued in fully registered form, shall be in substantially the form and contain substantially the terms contained in Exhibit A attached hereto and made a part hereof, and shall bear interest at the rates and be payable as to principal or redemption price as specified herein. The Series 2019B Bonds shall be designated as and shall be distinguished from the Bonds of all other series by the title, "Federally Taxable Sales Tax Revenue Refunding Bonds, Series 2019B."

Section 2.2 Date, Maturities and Interest.

(a) The Series 2019A Bonds shall be dated as of their Dated Date, and shall mature on the dates and in the years and in the amounts and shall bear interest from the Interest Payment Date next preceding their date of authentication thereof unless authenticated as of an Interest Payment Date, in which event such Bonds shall bear interest from such date, or unless such Bonds are authenticated prior to the first Interest Payment Date, in which event such Bonds shall bear interest from their Dated Date or unless, as shown by the records of the Trustee, interest on the Series 2019A Bonds shall be in default, in which event such Bonds shall bear interest from the date to which interest has been paid in full, or unless no interest shall have been paid on such Bonds, in which event such Bonds shall bear interest from their Dated Date, payable on each Interest Payment Date, at the rates per annum as set forth below:

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Maturity Date (December 15)	Principal Amount	Interest Rate

(b) The Series 2019B Bonds shall be dated as of their Dated Date, and shall mature on the dates and in the years and in the amounts and shall bear interest from the Interest Payment Date next preceding their date of authentication thereof unless authenticated as of an Interest Payment Date, in which event such Bonds shall bear interest from such date, or unless such Bonds are authenticated prior to the first Interest Payment Date, in which event such Bonds shall bear interest from their Dated Date or unless, as shown by the records of the Trustee, interest on the Series 2019B Bonds shall be in default, in which event such Bonds shall bear interest from the date to which interest has been paid in full, or unless no interest shall have been paid on such Bonds, in which event such Bonds shall bear interest from their Dated Date, payable on each Interest Payment Date, at the rates per annum as set forth below:

Maturity Date (December 15)	Principal Amount	Interest Rate

Interest shall be calculated on the basis of a year of 360 days comprised of twelve 30-day months.

Section 2.3 Execution of Bonds. The [Chair][Executive Director] of the Issuer is hereby authorized to execute by facsimile or manual signature the Series 2019 Bonds and the Secretary/Treasurer of the Issuer to countersign by facsimile or manual signature the Series 2019 Bonds and to have imprinted, engraved, lithographed, stamped or otherwise placed on the Series 2019 Bonds a facsimile of the official seal of the Issuer, and the Trustee shall manually authenticate the Series 2019 Bonds.

Section 2.4 Delivery of Bonds. The Series 2019 Bonds, when executed, registered, and authenticated as provided herein and by law, shall be delivered by the Issuer to the Underwriter upon receiving full payment therefor.

Section 2.5 Designation of Registrar. Zions Bancorporation, National Association, One South Main Street, 12th Floor, Salt Lake City, Utah, or Trustee's

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Principal Corporate Trust Office, is hereby designated as Registrar for the Series 2019 Bonds, which approval shall be evidenced by execution of this Supplemental Indenture.

Section 2.6 Designation of Paying Agent. Zions Bancorporation, National Association, One South Main Street, 12th Floor, Salt Lake City, Utah, or Trustee's Principal Corporate Trust Office, is hereby designated as Paying Agent for the Series 2019 Bonds, which approval shall be evidenced by execution of this Supplemental Indenture.

Section 2.7 Limited Obligation. The Series 2019 Bonds, together with interest thereon, shall be limited obligations of the Issuer payable solely from the Pledged Revenues (except to the extent paid out of moneys attributable to the Series 2019 Bond proceeds or other funds created hereunder or under the Indenture or the income from the temporary investment thereof).

Section 2.8 Optional Redemption.

(a) The Series 2019A Bonds maturing on and after _____ are subject to redemption prior to their maturity, in whole or in part, at the option of the Issuer on _____, or on any date thereafter at a redemption price equal to 100% of the principal amount of the Series 2019A Bonds to be redeemed plus accrued interest thereon to the date fixed for redemption.

(b) The Series 2019B Bonds maturing on and after _____ are subject to redemption prior to their maturity, in whole or in part, at the option of the Issuer on _____, or on any date thereafter at a redemption price equal to 100% of the principal amount of the Series 2019B Bonds to be redeemed plus accrued interest thereon to the date fixed for redemption.

Section 2.9 Perfection of Security Interest.

(a) The Indenture creates a valid and binding pledge and assignment of security interest in all of the Pledged Revenues pledged under the Indenture in favor of the Trustee as security for payment of the Series 2019 Bonds, enforceable by the Trustee in accordance with the terms thereof.

(b) Under the laws of the State, such pledge and assignment and security interest is automatically perfected by Section 11-14-501, Utah Code Annotated 1953, as amended, and is and shall have priority as against all parties having claims of any kind in tort, contract, or otherwise hereafter imposed on the Pledged Revenues.

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ARTICLE III

APPLICATION OF PROCEEDS

Section 3.1 Application of Proceeds of the Series 2019A Bonds. The Issuer shall deposit with the Trustee the proceeds from the sale of the Series 2019A Bonds ($_____) (representing the principal amount of the Series 2019A Bonds, plus a net reoffering premium of $_____ and less an Underwriter's discount of $_____) and the Trustee shall deposit such proceeds as follows:

(a) Into the Series 2019A Construction Account, the amount of $_____; and

(b) The remaining amount of $_____ into the Cost of Issuance Account to be held by the Trustee under this Supplemental Indenture.

Section 3.2 Application of Proceeds of the Series 2019B Bonds. The Issuer shall deposit with the Trustee the proceeds from the sale of the Series 2019B Bonds ($_____) (representing the principal amount of the Series 2019B Bonds, plus a net reoffering premium of $_____ and less an Underwriter's discount of $_____) and the Trustee shall deposit such proceeds as follows:

(a) Into the Escrow Account, the amount of $_____, together with $_____ of legally available monies from the debt service reserve fund for the Series 2012 Bonds, for a total of $_____; and

(b) The remaining amount of $_____ into the Cost of Issuance Account to be held by the Trustee under this Supplemental Indenture.

Section 3.3 Series 2019A Construction Account. There is hereby established a Series 2019A Account in the Construction Fund designated as the "Series 2019A Construction Account," moneys in which shall be used for the purpose and as authorized by Section 5.1 of the General Indenture to pay the Costs of the Series 2019A Project.

Section 3.4 No Series 2019 Debt Service Reserve Requirement There will be no Debt Service Reserve Requirement for the Series 2019 Bonds.

Section 3.5 Completion of the Series 2019A Project. Any unexpended balance remaining in the Series 2019A Construction Account after completion of the Series 2019A Project shall, as directed by the Issuer, be paid immediately into the Bond Fund and used pursuant to the provisions of the General Indenture.

Section 3.6 Series 2019 Bonds as Additional Bonds. The Series 2019 Bonds are issued on a parity with the Series 2005A Bonds, the Series 2006C Bonds, the Series 2008A Bonds, the Series 2009B Bonds, the Series 2015A Bonds and the Series 2018 Bonds under the Indenture as Additional Bonds. The Issuer hereby certifies that the requirements set forth in Section 2.15 of the General Indenture and Section 2.15 of the

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Subordinate Indenture have been and will be complied with in connection with the issuance of the Series 2019 Bonds, as follows:

(a) The Issuer has delivered a written certificate executed by an Authorized Representative of the Issuer to the effect that Adjusted Sales and Use Taxes are at least 200% of the maximum Aggregate Debt Service for any Bond Fund Year on all of the Bonds that will be Outstanding, including the Series 2019 Bonds, upon the issuance of the Series 2019 Bonds. In calculating Adjusted Sales and Use Taxes, no Sales and Use Taxes with an expiration date or sunset provision prior to the final maturity of the Series 2019 Bonds were included in such calculation.

(b) The Issuer has delivered a written certificate executed by an Authorized Representative of the Issuer to the effect that Adjusted Sales and Use Taxes are at least 120% of the maximum Aggregate Debt Service for any Bond Fund Year on all of the Bonds that will be Outstanding, including the Series 2019 Bonds and the Subordinate Bonds, upon the issuance of the Series 2019 Bonds. In calculating Adjusted Sales and Use Taxes, no Sales and Use Taxes with an expiration date or sunset provision prior to the final maturity of the Series 2019 Bonds were included in such calculation.

[As provided in the definition of Balloon Bonds, for purposes of the calculation of Debt Service, the Series 2019 Bonds shall not be treated as Balloon Bonds and actual Debt Service shall be used in such calculation.]

(c) No Repayment Obligations are now due and owing under the Indenture and no repayment obligations are now due and owing under the Subordinate Indenture.

(d) All payments required by the Indenture to be made into the Bond Fund have been made in full, and there is on deposit in each account in the Debt Service Reserve Fund (taking into account any Reserve Instrument Coverage) the full amount required by the Indenture to be accumulated therein. Furthermore, all payments required by the Subordinate Indenture to be made into the bond fund therein have been made in full, and there is on deposit in each account in the debt service reserve fund therein the full amount required by the Subordinate Indenture to be accumulated therein.

(e) The proceeds of the Additional Bonds, less costs of issuance and funding of reserves, will be used in connection with the financing of additions, improvements, extensions, replacements or repairs to the System.

(f) No Event of Default is existing under the Indenture or the Subordinate Indenture.

Section 3.7 Creation and Operation of Cost of Issuance Account. A Cost of Issuance Account is hereby created to be held by the Trustee. Moneys in such Account shall be used to pay Costs of Issuance incurred in connection with the issuance of the

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Series 2019 Bonds. The Trustee shall issue its checks for each disbursement from the Cost of Issuance Account (except for any fees payable to the Trustee, which may be withdrawn directly by it) upon being furnished with a Cost of Issuance Disbursement Request of the Issuer, a form of which is attached hereto as Exhibit B. Any excess remaining upon payment of all Costs of Issuance, or in any case 90 days after the date of delivery, shall be transferred by the Trustee to the Bond Fund, whereupon the Cost of Issuance Account shall be closed.

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ARTICLE IV

PROVISIONS WITH RESPECT TO DISCLOSURE AND BOOK-ENTRY; COVENANTS AND UNDERTAKINGS

Section 4.1 Continuing Disclosure. The Issuer hereby covenants and agrees that it will comply with and carry out all of the provisions of the 2019 Continuing Disclosure Undertaking. Notwithstanding any other provision of the Indenture, failure of the Issuer to comply with the 2019 Continuing Disclosure Undertaking shall not be considered an Event of Default under the Indenture; however, the Trustee may (and, at the request of any of the Underwriters or the Bondholders of the Series 2019 Bonds owning at least 25% aggregate principal amount of Outstanding Bonds, shall) or any Bondholder of the Series 2019 Bonds or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Section and the 2019 Continuing Disclosure Undertaking. For purposes of this Section, Beneficial Owner shall mean any person who has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2019 Bond (including persons holding Series 2019 Bonds through nominees, depositories or other intermediaries).

Section 4.2 Book-Entry System; Limited Obligation of Issuer; Representation Letter.

(a) The Series 2019 Bonds shall be initially issued in the form of a single certificated fully registered bond for each series and maturity of Series 2019 Bonds. Upon initial issuance, the ownership of each such Series 2019 Bond shall be registered in the registration books kept by the Registrar in the name of Cede, as nominee of DTC. Except as provided in Subsection (c) of this Section 4.2, all of the outstanding Series 2019 Bonds shall be registered in the registration books kept by the Registrar in the name of Cede, as nominee of DTC.

With respect to Series 2019 Bonds registered in the registration books kept by the Registrar in the name of Cede, as nominee of DTC, the Issuer, the Registrar and the Paying Agent shall have no responsibility or obligation to any Participant or to any Person on behalf of which a Participant holds an interest in the Series 2019 Bonds. Without limiting the immediately preceding sentence, the Issuer, the Trustee, the Registrar and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any Participant with respect to any ownership interest in the Series 2019 Bonds, (ii) the delivery to any Participant or any other Person, other than a Bondholder, as shown in the registration books kept by the Registrar, of any notice with respect to the Series 2019 Bonds, including any notice of redemption, or (iii) the payment to any Participant or any other Person, other than a Bondholder, as shown in the registration books kept by the Registrar, of any amount with respect to principal of, premium, if any, or interest on the Series 2019 Bonds. The Issuer, the Trustee, the Registrar and the Paying Agent may

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treat and consider the Person in whose name each Series 2019 Bond is registered on the registration books kept by the Registrar as the holder and absolute owner of such Series 2019 Bond for the purpose of payment of principal, premium and interest with respect to such Series 2019 Bond, for the purpose of giving notices of redemption and other matters with respect to such Series 2019 Bond, for the purpose of registering transfers with respect to such Series 2019 Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of, premium, if any, and interest on the Series 2019 Bonds only to or upon the order of the respective Bondholders, as shown in the registration books kept by the Registrar, or their respective attorneys duly authorized in writing, as provided in Section 2.8 of the General Indenture, and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to payment of principal of, premium, if any, and interest on the Series 2019 Bonds to the extent of the sum or sums so paid. No Person other than a Bondholder, as shown in the registration books kept by the Registrar, shall receive a certificated Series 2019 Bond evidencing the obligation of the Issuer to make payments of principal, premium, if any, and interest pursuant to the Indenture. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the provisions herein with respect to record dates, the word "Cede" in this Twelfth Supplemental Indenture shall refer to such new nominee of DTC; and upon receipt of such a notice the Trustee shall promptly deliver a copy of the same to the Registrar and the Paying Agent, if other than the Trustee.

(b) The Representation Letter in substantially the form attached hereto as Exhibit C has previously been authorized and executed on behalf of the Issuer. The Issuer's execution and delivery of the Representation Letter shall not in any way limit the provisions of Section 4.2(a) hereof or in any other way impose upon the Issuer any obligation whatsoever with respect to Persons having interests in the Series 2019 Bonds other than the Bondholders, as shown on the registration books kept by the Registrar. The Paying Agent and Registrar, respectively, hereby agree to take all action necessary for all representations of the Issuer in the Representation Letter and DTC's operational arrangements with respect to the Paying Agent and Registrar, respectively, to at all times be complied with.

(c) In the event that (i) the Issuer determines that DTC is incapable of discharging or is unwilling to discharge its responsibilities described herein and in the Representation Letter and DTC's operational arrangements, (ii) DTC determines to discontinue providing its service as securities depository with respect to the Series 2019 Bonds at any time as provided in the Representation Letter and DTC's operational arrangements, or (iii) the Issuer determines that continuation of the system of book-entry only transfers through DTC is not in the best interests of the beneficial owners of the Series 2019 Bonds or of the Issuer, the Issuer may thereupon terminate the services of DTC with respect to the Series 2019 Bonds. The Issuer shall terminate the services of DTC with respect to the Series 2019 Bonds upon receipt by the Issuer of written notice from DTC to the effect that DTC has received notice from Participants having interests, as shown

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on the records of DTC, in an aggregate principal amount of not less than fifty percent (50%) of the aggregate Principal amount of the then Outstanding Series 2019 Bonds to the effect that: (i) DTC is unable to discharge its responsibilities with respect to the Series 2019 Bonds; or (ii) a continuation of the requirement that all Outstanding Series 2019 Bonds be registered in the registration books kept by the Registrar in the name of Cede is not in the best interests of the beneficial owners of the Series 2019 Bonds. In any such event terminating the services of DTC, the Issuer shall notify DTC and direct DTC to notify the Participants of the availability through DTC of Series 2019 Bond certificates and the Series 2019 Bonds shall no longer be restricted to being registered in the registration books kept by the Registrar in the name of Cede, as nominee of DTC. At that time, the Issuer may determine that the Series 2019 Bonds shall be registered in the name of and deposited with such other depository operating a universal book-entry system, as may be acceptable to the Issuer, or such depository's agent or designee, and if the Issuer does not select such alternate universal book-entry system, then the Series 2019 Bonds shall no longer be restricted to being registered in the registration books kept by the Registrar in the name of Cede, as nominee of DTC, but may be registered in whatever name or names Series 2019 Bondholders transferring or exchanging Bonds shall designate, in accordance with the provisions of the General Indenture.

(d) Notwithstanding any other provision of the Indenture to the contrary, so long as any Series 2019 Bond is registered in the name of Cede, as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Series 2019 Bond and all notices with respect to such Series 2019 Bond shall be made and given, respectively, in the manner provided in the Representation Letter and DTC's operational arrangements.

Section 4.3 Arbitrage Covenant; Covenant to Maintain Tax Exemption.

(a) Authorized officials of the Issuer shall execute and deliver from time to time such Tax Certificates as shall be necessary to establish that (i) the Series 2019A Bonds are not "arbitrage bonds" within the meaning of Section 148 of the Code; (ii) the Series 2019A Bonds are not and will not become "private activity bonds" within the meaning of Section 141 of the Code; (iii) all applicable requirements of Section 149 of the Code are and will be met; (iv) the covenants of the Issuer contained in this Section 4.3 will be complied with; and (v) interest on the Series 2019A Bonds is not and will not become includible in gross income for federal income tax purposes under the Code.

(b) The Issuer covenants and certifies to and for the benefit of the Owners from time to time of the Series 2019A Bonds that:

(i) it will at all times comply with the provisions of any Tax Certificates;

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(ii) it will at all times comply with the rebate requirements contained in Section 148(f) of the Code including, without limitation, the keeping of records necessary to enable such calculations to be made and the timely payment to the United States, of all amounts, including any applicable penalties and interest, required to be rebated;

(iii) no use will be made of the proceeds of the issue and sale of the Series 2019A Bonds, or any funds or accounts of the Issuer which may be deemed to be proceeds of the Series 2019A Bonds, pursuant to Section 148 of the Code which use, if it had been reasonably expected on the date of issuance of the Series 2019A Bonds, would have caused the Series 2019A Bonds to be classified as "arbitrage bonds" within the meaning of Section 148 of the Code;

(iv) it will not use or permit the use of any of the facilities or properties financed by the Series 2019A Bonds in such manner that such use would cause the Series 2019A Bonds to be "private activity bonds" as described in Section 141 of the Code;

(v) it will not take any action that would cause interest on the Series 2019A Bonds to be or to become ineligible for the exclusion from gross income of the Owners of the Series 2019A Bonds as provided in Section 103 of the Code, nor will they omit to take or cause to be taken, in timely manner, any action, which omission would cause interest on the Series 2019A Bonds to be or to become ineligible for the exclusion from gross income of the owners of the Series 2019A Bonds as provided in Section 103 of the Code; and

(vi) it will adopt, make, execute and enter into (and to take such actions, if any, as may be necessary to enable them to do so) any resolution or Tax Certificate necessary to comply with any changes in law or regulations in order to preserve the exclusion of interest on the Series 2019A Bonds from gross income of the Bondholders thereof for federal income tax purposes to the extent that they may lawfully do so.

Pursuant to these covenants, the Issuer obligates itself to comply throughout the term of the issue of the Series 2019A Bonds with the requirements of Sections 103, 148, 149 and 150 of the Code.

(c) Terms used in this Section 4.3 which are not otherwise defined herein have the same meanings herein as in the provisions of the Code which relate to tax-exempt bonds.

(d) Notwithstanding any other provision in the Indenture, to the extent permitted by law, neither the Issuer, the Trustee, nor any holder of a Series 2019A Bond shall claim or accept the benefits of any federal guarantee unless there has been obtained an opinion of counsel of nationally recognized standing in the field

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of law relating to municipal bonds to the effect that acceptance of such federal guarantee will not adversely affect the tax-exempt status of interest on the Series 2019A Bonds.

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ARTICLE V

CONFIRMATION OF GENERAL INDENTURE

As supplemented by this Twelfth Supplemental Indenture, and except as provided herein, the General Indenture (as heretofore supplemented and amended) is in all respects ratified and confirmed, and the General Indenture, and this Twelfth Supplemental Indenture shall be read, taken and construed as one and the same instrument so that all of the rights, remedies, terms, conditions, covenants and agreements of the General Indenture shall apply and remain in full force and effect with respect to this Twelfth Supplemental Indenture, and to any revenues, receipts and moneys to be derived therefrom.

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ARTICLE VI

MISCELLANEOUS

Section 6.1 Confirmation of Sale of Series 2019 Bonds. The sale of the Series 2019 Bonds to the Underwriter is hereby ratified, confirmed and approved.

Section 6.2 Severability. If any provision of this Twelfth Supplemental Indenture shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or sections in this Twelfth Supplemental Indenture contained, shall not affect the remaining portions of this Twelfth Supplemental Indenture, or any part thereof.

Section 6.3 Illegal, etc. Provisions Disregarded. In case any provision in this Twelfth Supplemental Indenture shall for any reason be held invalid, illegal or unenforceable in any respect, this Twelfth Supplemental Indenture shall be construed as if such provision had never been contained herein.

Section 6.4 Applicable Law. This Twelfth Supplemental Indenture shall be governed by and construed in accordance with the laws of the State.

Section 6.5 Headings for Convenience Only. The descriptive headings in this Twelfth Supplemental Indenture are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

Section 6.6 Counterparts. This Twelfth Supplemental Indenture may be executed in any number of counterparts, each of which shall be deemed an original and all of which, when so executed and delivered, shall constitute but one and the same instrument.

Section 6.7 Notice to Bond Insurer. A copy of this Twelfth Supplemental Indenture has been provided to Assured Guaranty Municipal Corp. ("AGM"), as a Security Instrument Issuer under the Indenture and AGM will be provided with a copy of the transcript for the Series 2019 Bonds.

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IN WITNESS WHEREOF, the Issuer and the Trustee have caused this Twelfth Supplemental Indenture of Trust to be executed as of the date first above written.

UTAH TRANSIT AUTHORITY

(SEAL)

By:_____
[Chair][Executive Director]

COUNTERSIGN:

_____
Secretary/Treasurer

APPROVED AS TO FORM:

By:_____
UTA Legal Counsel

ZIONS BANCORPORATION, NATIONAL ASSOCIATION, AS TRUSTEE

By:_____

Title:_____

ATTEST:

_____

Title:_____

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EXHIBIT A

(FORM OF SERIES 2019 BOND)

Unless this certificate is presented by an authorized representative of the Depository Trust Company (55 Water Street, New York, New York) to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of the Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA
STATE OF UTAH
UTAH TRANSIT AUTHORITY
[FEDERALLY TAXABLE] SALES TAX REVENUE [REFUNDING] BOND
SERIES 2019[A][B]

Number R[A][B] - ___ $_____

Interest Rate	Maturity Date	Dated Date	CUSIP
%	December 15, ____	_____2019	____

Registered Owner: CEDE & CO.

Principal Amount: _____ AND NO/100 DOLLARS***

Utah Transit Authority ("Issuer"), a public transit district and body corporate duly organized and existing under the Constitution and laws of the State of Utah, for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner named above or registered assigns, out of the special fund hereinbelow designated and not otherwise, the Principal Amount specified above on the Maturity Date specified above (except as provided herein with respect to redemption prior to maturity) with interest thereon until paid at the Interest Rate specified above per annum, payable semiannually on June 15 and December 15 of each year commencing _____ (each an "Interest Payment Date"), until said Principal Amount is paid. Principal and premium, if any, shall be payable upon surrender of this Bond at the principal offices of Zions Bancorporation, National Association, One South Main Street, 12th Floor, Salt Lake City, Utah, 84133 ("Trustee" and "Paying Agent") or its successors. Interest on this Bond shall be payable by check or draft mailed to the Registered Owner hereof at its address as it appears on the registration books of the Paying Agent, who shall also act as the Registrar for the Issuer, or at such other address as is furnished to the Paying Agent in writing by such Registered Owner. Interest hereon shall be deemed to be paid by the

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Paying Agent when mailed. Both principal and interest shall be payable in lawful money of the United States of America.

This Bond is one of an issue of Bonds in the aggregate principal amount of $_____ (the "Series 2019[A][B] Bonds"), of like tenor and effect, except as to date of maturity, interest rate, and principal payable at maturity numbered R[A][B]-1 and upwards, issued by the Issuer pursuant to that Amended and Restated General Indenture dated as of September 1, 2002, as heretofore amended and supplemented, as further supplemented by the Twelfth Supplemental Indenture of Trust, dated as of November 1, 2019 (collectively the "Indenture") approved by resolution adopted on October 9, 2019 for the purpose of [(i) financing a portion of the costs associated with the design, acquisition and construction of capital improvements and related equipment, property and improvements for use in the System][(i) refunding certain outstanding bonds of the Issuer] and (ii) paying certain issuance expenses, all in full conformity with the Constitution and laws of the State of Utah. Both principal of and interest on this Bond and the issue of which it is a part are payable solely from a special fund designated "Utah Transit Authority Bond Fund" (the "Bond Fund"), into which fund, to the extent necessary to assure prompt payment of the principal of and interest on the issue of which this is one and on all series of bonds issued on a lien parity with this Bond shall be paid the Pledged Revenues, all as more fully described and provided in the Indenture. Simultaneous with the issuance of the Series 2019[A][B] Bonds, the Issuer is issuing its $_____ [Federally Taxable] Sales Tax Revenue [Refunding] Bonds, Series 2019[A][B] (the "Series 2019[A][B] Bonds" and collectively with the Series 2019[A][B] Bonds, the "Series 2019 Bonds").

As more fully provided in the Indenture, the Series 2019 Bonds are special limited obligations of the Issuer, payable from and secured solely by the Pledged Revenues and certain moneys held by the Trustee under the Indenture and shall not constitute a general obligation indebtedness or pledge of the full faith and credit of the Issuer or of the State of Utah or any agency, instrumentality or political subdivision thereof. The issuance of the Series 2019 Bonds shall not, directly, indirectly or contingently, obligate the Issuer or the State of Utah or any agency, instrumentality or political subdivision thereof to levy any form of ad valorem taxation therefore. The Issuer covenants and agrees that, subject to such special limited obligation, it will make all payments required to be made into the Bond Fund, and to carry out all the requirements of the Indenture.

Under the Indenture, the Issuer has previously issued its Sales Tax Revenue Refunding Bonds, Series 2005A (the "Series 2005A Bonds"), its Sales Tax Revenue Refunding Bonds, Series 2006C (the "Series 2006C Bonds"); its Sales Tax Revenue Bonds, Series 2008A (the "Series 2008A Bonds"), its Sales Tax Revenue Bonds, Series 2009B (Federally Taxable—Issuer Subsidy—Build America Bonds) (the "Series 2009B Bonds") its Sales Tax Revenue Refunding Bonds, Series 2015A (the "Series 2015A Bonds") and its Sales Tax Revenue Bonds, Series 2018 (the "Series 2018 Bonds"). As provided in the Indenture, additional bonds, notes and other obligations of the Issuer may be issued and secured on an equal lien parity with the Series 2019 Bonds, the Series 2005A Bonds, the 2006C Bonds, the Series 2008A Bonds, the 2009B Bonds, the Series 2015A Bonds and the Series 2018 Bonds from time to time in one or more series, in

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various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as provided in the Indenture, and the aggregate principal amount of such bonds, notes and other obligations issued and to be issued under the Indenture is not limited. In addition, the Issuer may issue bonds, notes or other obligations secured by a subordinated lien on the Pledged Revenues.

Reference is hereby made to the Indenture, copies of which are on file with the Trustee, for the provisions, among others, with respect to the nature and extent of the rights, duties and obligations of the Issuer, the Trustee and the Registered Owners of the Series 2019 Bonds, the terms upon which the Series 2019 Bonds are issued and secured, and upon which the Indenture may be modified and amended, to all of which the Registered Owner of this Bond assents by the acceptance of this Bond.

Except as otherwise provided herein and unless the context indicates otherwise, words and phrases used herein shall have the same meanings as such words and phrases in the Indenture.

Interest on the initially issued Bonds and on all Bonds authenticated prior to the first Interest Payment Date shall accrue from the Dated Date specified above. Interest on the Bonds authenticated on or subsequent to the first Interest Payment Date shall accrue from the Interest Payment Date next preceding their date of authentication, or if authenticated on an Interest Payment Date, as of that date; provided, however, that if interest on the Bonds shall be in default, interest on the Bonds issued in exchange for Bonds surrendered for transfer or exchange shall be payable from the date to which interest has been paid in full on the Bonds surrendered.

The Series 2019 Bonds are subject to redemption at the times and with notice all as provided in the Indenture.

The Bonds are issued as fully registered Bonds in denominations of $5,000 and integral multiples thereof. Subject to the limitations and upon payment of the charges provided in the Indenture, registered Bonds may be exchanged for a like aggregate principal amount of registered Bonds of other authorized denominations of the same series and the same maturity.

This Bond is transferable by the registered holder hereof in person or by its attorney duly authorized in writing at the principal corporate offices of Zions Bancorporation, National Association (the "Registrar") in Salt Lake City, Utah, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture and upon surrender and cancellation of this Bond. Upon such transfer a new registered Bond or Bonds of the same series and the same maturity and of authorized denomination or denominations for the same aggregate principal amount will be issued to the transferee in exchange therefor.

The Issuer and the Paying Agent may deem and treat the Registered Holder hereof as the absolute owner hereof (whether or not this Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof, premium, if any, and

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interest due hereon and for all other purposes, and neither Issuer nor Paying Agent shall be affected by any notice to the contrary.

This Bond is issued under and pursuant to the Public Transit District Act, Title 17B, Chapter 2a, Part 8, Utah Code Annotated 1953, as amended, and [the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended][the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended].

It is hereby declared and represented that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, have happened and have been performed in regular and due time, form and manner as required by law, that the amount of this Bond, together with the issue of which it forms a part, does not exceed any limitation prescribed by the Constitution or statutes of the State of Utah, that the Pledged Revenues of the Issuer have been pledged and that an amount therefrom will be set aside into a special fund by the Issuer sufficient for the prompt payment of the principal of and interest on this Bond and the issue of which it forms a part, as authorized for issue under the Indenture, and that the Pledged Revenues of the Issuer are not pledged, hypothecated or anticipated in any way other than by the issue of the Bonds of which this Bond is one and all bonds issued on a parity with this Bond or subordinate to the lien of the Indenture.

This Bond shall not be valid or become obligatory for any purpose nor be entitled to any security or benefit under the Indenture until the Certificate of Authentication on this Bond shall have been manually signed by the Trustee.

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IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed by the manual or facsimile signature of its [Chair][Executive Director] and countersigned by the manual or facsimile signature of its Secretary/Treasurer under its corporate seal or a facsimile thereof.

(SEAL)

(facsimile or manual signature)
[Chair][Executive Director]

COUNTERSIGN:

(facsimile or manual signature)
Secretary/Treasurer

APPROVED AS TO FORM:

By:_____
UTA Legal Counsel

DRAFT

CERTIFICATE OF AUTHENTICATION

This Bond is one of the [Federally Taxable] Sales Tax Revenue [Refunding] Bonds, Series 2019[A][B] of the Utah Transit Authority.

ZIONS BANCORPORATION,
NATIONAL ASSOCIATION, as Trustee

By: (Manual Signature)
Authorized Officer

Date of Authentication: _____

DRAFT

(ASSIGNMENT)

FOR VALUE RECEIVED, _____, the undersigned, hereby sells, assigns and transfers unto:

_____

(Social Security or Other Identifying Number of Assignee)

_____

(Please Print or Typewrite Name and Address of Assignee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED:_____

Signature:_____

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of this Bond in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed:

_____

NOTICE: Signature(s) must be guaranteed by an "eligible guarantor institution" that is a member of or a participant in a "signature guarantee program" (e.g., the Securities Transfer Agents Medallion Program, the Stock Exchange Medallion Program or the New York Stock Exchange, Inc. Medallion Signature Program).

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EXHIBIT B

COST OF ISSUANCE DISBURSEMENT REQUEST

Zions Bancorporation, National Association
One South Main Street, 12th Floor
Salt Lake City, Utah 84133

Pursuant to Section 3.7 of the Twelfth Supplemental Indenture of Trust dated as of November 1, 2019 between the Utah Transit Authority and Zions Bancorporation, National Association, you are hereby authorized to pay to the following costs of issuance from the Cost of Issuance Account:

[See Attached Schedule]

AUTHORIZED REPRESENTATIVE,
UTAH TRANSIT AUTHORITY

COSTS OF ISSUANCE

Payee	Purpose	Amount

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EXHIBIT C

LETTER OF REPRESENTATIONS

[See Transcript Document No. ___]

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FOURTEENTH SUPPLEMENTAL SUBORDINATE INDENTURE OF TRUST

Dated as of November 1, 2019

between

UTAH TRANSIT AUTHORITY,
as Issuer

and

ZIONS BANCORPORATION, NATIONAL ASSOCIATION,
as Trustee

and supplementing the

Subordinate General Indenture of Trust
Dated as of July 1, 2006

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FOURTEENTH SUPPLEMENTAL SUBORDINATE INDENTURE OF TRUST

THIS FOURTEENTH SUPPLEMENTAL SUBORDINATE INDENTURE OF TRUST, dated as of November 1, 2019, by and between the UTAH TRANSIT AUTHORITY (the "Issuer"), a public transit district duly organized and existing under the Constitution and laws of the State of Utah and ZIONS BANCORPORATION, NATIONAL ASSOCIATION, a national bank duly organized and existing under the laws of the United States of America, authorized by law to accept and execute trusts and having its principal office in Salt Lake City, Utah, as trustee (the "Trustee");

W I T N E S S E T H:

WHEREAS, the Issuer has entered into a Subordinate General Indenture of Trust, dated as of July 1, 2006 as heretofore amended and supplemented (the "General Indenture") with the Trustee; and

WHEREAS, the Issuer is authorized to issue bonds, notes and other obligations pursuant to the provisions of the General Indenture in order to refund any outstanding borrowing of the Issuer and to finance additional improvements to the Issuer's transit system (the "System"); and

WHEREAS in order to (i) refund certain outstanding bonds of the Issuer and (ii) pay the costs of issuance of the Bonds herein authorized, the Issuer has determined to issue its Federally Taxable Subordinated Sales Tax Revenue Refunding Bonds, Series 2019 (the "Series 2019 Bonds"), in the aggregate original Principal amount of $_____; and

WHEREAS, the Series 2019 Bonds will be issued on a parity with the Issuer's Series 2018 Bonds, Series 2016 Bonds, Series 2015A Bonds, Series 2012 Bonds, Series 2010 Bonds, and Series 2007A Bonds heretofore issued pursuant to the General Indenture and will be authorized, issued and secured under the General Indenture, as supplemented by this Fourteenth Supplemental Subordinate Indenture of Trust (the "Fourteenth Supplemental Indenture," and collectively with the General Indenture, the "Indenture"); and

WHEREAS, the execution and delivery of the Series 2019 Bonds and of this Fourteenth Supplemental Indenture have in all respects been duly authorized and all things necessary to make the Series 2019 Bonds, when executed by the Issuer and authenticated by the Trustee, the valid and binding legal obligations of the Issuer and to make this Fourteenth Supplemental Indenture a valid and binding agreement have been done;

NOW, THEREFORE, THIS FOURTEENTH SUPPLEMENTAL SUBORDINATE INDENTURE OF TRUST WITNESSETH, that to secure the Series 2019 Bonds, Series 2018 Bonds, Series 2016 Bonds, Series 2015A Bonds, Series 2012 Bonds, Series 2010 Bonds, and Series 2007A Bonds, and all Additional Bonds issued and Outstanding under the Indenture, the payment of the Principal or redemption price thereof and interest thereon, the rights of the Registered Owners of the Bonds and of all Security Instrument Issuers and Reserve Instrument Providers and the performance of all of the

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covenants contained in such Bonds and herein, and for and in consideration of the mutual covenants herein contained and of the purchase of such Bonds by the Registered Owners thereof from time to time and the issuance of the Security Instruments by Security Instrument Issuers and of the Reserve Instruments by the Reserve Instrument Providers, and of the acceptance by the Trustee of the trusts hereby created, and intending to be legally bound hereby, the Issuer has executed and delivered this Fourteenth Supplemental Indenture, and by these presents does, in confirmation of the General Indenture, hereby sell, assign, transfer, set over and pledge unto Zions Bancorporation, National Association, as Trustee, its successors and trusts and its assigns forever, to the extent provided in the General Indenture, all right, title and interest of the Issuer in and to (i) the Pledged Revenues (as defined in the General Indenture) subordinate only to the lien created by the Senior Indenture (as defined in the General Indenture), (ii) all moneys in funds and accounts held by the Trustee under the General Indenture and hereunder (except as provided in Sections 5.4 and 5.7 of the General Indenture), and (iii) all other rights granted under the General Indenture and hereinafter granted for the further securing of such Bonds, Security Instrument Repayment Obligations and Reserve Instrument Repayment Obligations.

TO HAVE AND TO HOLD THE SAME unto the Trustee and its successors in trust hereby created and its and their assigns forever;

IN TRUST, NEVERTHELESS, FIRST, for the equal and ratable benefit and security of all present and future Registered Owners of Bonds and related Security Instrument Issuers without preference, priority, or distinction as to lien or otherwise (except as otherwise specifically provided), of any one Bond or Security Instrument Repayment Obligation over any other Bond or Security Instrument Repayment Obligation, and SECOND, for the equal and proportionate benefit, security and protection of all Reserve Instrument Providers, without privilege, priority or distinction as to the lien or otherwise of any Reserve Instrument Repayment Obligation over any of the others by reason of time of issuance, delivery or expiration thereof or otherwise for any cause whatsoever.

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ARTICLE I

SUPPLEMENTAL INDENTURE; DEFINITIONS

Section 1.1 Supplemental Indenture. This Fourteenth Supplemental Indenture is supplemental to and is executed in accordance with and pursuant to Articles II and IX of the General Indenture.

Section 1.2 Definitions. All terms which are defined in the General Indenture, shall have the meanings, respectively, herein (including the use thereof in the recitals and the granting clauses thereof) unless expressly given a different meaning or unless the context clearly otherwise requires. All terms used herein which are defined in the recitals hereto shall have the meanings therein given to the same unless the context requires otherwise and, in addition, the following terms shall have the meanings specified below:

"Cede" means Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Series 2019 Bonds pursuant to Section 4.2 hereof.

"Cost of Issuance Account" means the account created by Section 3.4 hereof.

"Costs of Issuance" means the items of expense payable or reimbursable directly or indirectly by the Issuer and other costs incurred by the Issuer, all related to the authorization, sale and issuance of the Series 2019 Bonds, which costs and items of expense shall include, but not be limited to, printing costs, costs of developing, reproducing and storing and safekeeping documents and other information, processing materials related to the Series 2019 Bonds, filing and recording fees, travel expenses incurred by the Issuer in relation to the issuance of the Series 2019 Bonds, initial fees and charges of the Trustee, initial premiums with respect to insurance to be paid by the Issuer, legal fees and charges, professional consultants' fees, accountants' fees, costs of bond ratings, Reserve Instrument Costs, Security Instrument Costs, and fees and charges for execution, transportation and safekeeping of the Series 2019 Bonds.

"Dated Date" with respect to the Series 2019 Bonds means their date of delivery.

"DTC" means The Depository Trust Company, New York, New York, and its successors and assigns.

"Escrow Account" means the Escrow Fund established in the Escrow Agreement.

"Escrow Agent" means Zions Bancorporation, National Association, One South Main Street, 12th Floor, Salt Lake City, Utah 84133.

"Escrow Agreement" means the Escrow Deposit Agreement dated as of November 1, 2019 between the Issuer and the Escrow Agent providing payment of interest on, and the principal and redemption price of, (among others) the Refunded Bonds through the redemption date thereof.

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"Interest Payment Date" means, with respect to the Series 2019 Bonds, each June 15 and December 15, commencing _____.

"Participants" means those broker-dealers, bank and other financial institutions for which DTC from time to time holds Bonds as securities depository.

"Person" means natural persons, firms, partnerships, associations, corporations, trusts, public bodies and other entities.

"Refunded Bonds" means collectively all of the outstanding Series 2015A Bonds Bonds maturing on _____.

"Register" means the record of ownership of the Series 2019 Bonds maintained by the Registrar.

"Regular Record Date" means the fifteenth day (whether or not a business day) next preceding such Interest Payment Date.

"Representation Letter" means the representation letter from the Issuer to DTC in the form of Exhibit C attached hereto.

"Series 2007A Bonds" means the Issuer's Subordinated Sales Tax Revenue and Refunding Bonds, Series 2007A, issued pursuant to the General Indenture.

"Series 2010 Bonds" means the Issuer's Federally Taxable Subordinated Sales Tax Revenue Bonds, Series 2010 (Issuer Subsidy—Build America Bonds), issued pursuant to the General Indenture.

"Series 2012 Bonds" means the Issuer's Subordinated Sales Tax Revenue and Refunding Bonds, Series 2012, issued pursuant to the General Indenture.

"Series 2015A Bonds" means the Issuer's Subordinated Sales Tax Revenue Refunding Bonds, Series 2015A, issued pursuant to the General Indenture.

"Series 2016 Bonds" means the Issuer's Subordinated Sales Tax Revenue Refunding Bonds, Series 2016, issued pursuant to the General Indenture.

"Series 2018 Bonds" means the Issuer's Subordinated Sales Tax Revenue Refunding Bonds, Series 2018, issued pursuant to the General Indenture.

"Series 2019 Bonds" means the Issuer's Federally Taxable Subordinated Sales Tax Revenue Refunding Bonds, Series 2019 herein authorized.

"Tax Certificate" means any agreement or certificate of the Issuer which the Issuer may execute in order to establish and maintain the tax-exempt status of interest received on the Series 2019 Bonds.

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"Fourteenth Supplemental Indenture" means this Fourteenth Supplemental Indenture of Trust.

"2019 Continuing Disclosure Undertaking" means that certain Continuing Disclosure Undertaking between the Issuer and the Trustee dated the date of issuance and delivery of the Series 2019 Bonds, as originally executed and as it may be amended from time to time in accordance with its terms.

"Underwriter" means Wells Fargo Bank, N.A., on behalf of itself and Merrill Lynch, Pierce, Fenner & Smith Incorporated and JPMorgan Chase Bank, N.A.

The terms "hereby," "hereof," "herein" and "hereunder" and any similar terms used in this Fourteenth Supplemental Indenture, refer to this Fourteenth Supplemental Indenture.

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ARTICLE II

ISSUANCE OF THE SERIES 2019 BONDS

Section 2.1 Principal Amount, Designation and Series. The Series 2019 Bonds are hereby authorized for issuance under the Indenture for the purpose of providing funds to (i) refund the Refunded Bonds and (ii) pay costs incurred in connection with the issuance of the Series 2019 Bonds. The Series 2019 Bonds shall be limited to $_____ in aggregate principal amount and shall be issued in fully registered form, shall be in substantially the form and contain substantially the terms contained in Exhibit A attached hereto and made a part hereof. The Series 2019 Bonds shall be designated as and shall be distinguished from the Bonds of all other series by the title, "Federally Taxable Subordinated Sales Tax Revenue Refunding Bonds, Series 2019."

Section 2.2 Date, Maturities and Interest Rates of Series 2019 Bonds. The Series 2019 Bonds shall be dated as of their Dated Date and shall mature on the dates and in the years and in the amounts and shall bear interest from the Interest Payment Date next preceding their date of authentication thereof unless authenticated as of an Interest Payment Date, in which event such Bonds shall bear interest from such date, or unless such Bonds are authenticated prior to the first Interest Payment Date, in which event such Bonds shall bear interest from their Dated Date or unless, as shown by the records of the Trustee, interest on the Series 2019 Bonds shall be in default, in which event such Bonds shall bear interest from the date to which interest has been paid in full, or unless no interest shall have been paid on such Bonds, in which event such Bonds shall bear interest from their Dated Date, payable on each Interest Payment Date, at the rates per annum as set forth below:

Maturity Date (December 15)	Principal Amount	Interest Rate

Interest shall be calculated on the basis of a year of 360 days comprised of twelve 30-day months.

Section 2.3 Execution of Bonds. The [Chair][Executive Director] of the Issuer is hereby authorized to execute by facsimile or manual signature the Series 2019

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Bonds and the Secretary/Treasurer of the Issuer to countersign by facsimile or manual signature the Series 2019 Bonds and to have imprinted, engraved, lithographed, stamped or otherwise placed on the Series 2019 Bonds a facsimile of the official seal of the Issuer, and the Trustee shall manually authenticate the Series 2019 Bonds.

Section 2.4 Delivery of Bonds. The Series 2019 Bonds, when executed, registered, and authenticated as provided herein and by law, shall be delivered by the Issuer to the Underwriter upon receiving full payment therefor.

Section 2.5 Designation of Registrar. Zions Bancorporation, National Association, Corporate Trust Department (at the Trustee's Principal Corporate Trust Office) is hereby designated as Registrar for the Series 2019 Bonds, which approval shall be evidenced by execution of this Supplemental Indenture.

Section 2.6 Designation of Paying Agent. Zions Bancorporation, National Association, Corporate Trust Department (at the Trustee's Principal Corporate Trust Office) is hereby designated as Paying Agent for the Series 2019 Bonds, which approval shall be evidenced by execution of this Supplemental Indenture.

Section 2.7 Limited Obligation. The Series 2019 Bonds, together with interest thereon, shall be limited obligations of the Issuer payable solely from the Pledged Revenues (except to the extent paid out of moneys attributable to the Series 2019 Bond proceeds or other funds created hereunder or under the Indenture or the income from the temporary investment thereof) and shall be subordinate only to the lien created for the obligations under the Senior Indenture.

Section 2.8 Optional Redemption. The Series 2019 Bonds maturing on and after _____ are subject to redemption prior to their maturity, in whole or in part, at the option of the Issuer on _____ or on any date thereafter at a redemption price equal to 100% of the principal amount of the Series 2019 Bonds to be redeemed plus accrued interest thereon to the date fixed for redemption.

Section 2.9 Perfection of Security Interest.

(a) The Indenture creates a valid and binding pledge and assignment of security interest in all of the Pledged Revenues pledged under the Indenture in favor of the Trustee as security for payment of the Series 2019 Bonds, enforceable by the Trustee in accordance with the terms thereof.

(b) Under the laws of the State, such pledge and assignment and security interest is automatically perfected by Section 11-14-501, Utah Code Annotated 1953, as amended, and is and shall have priority as against all parties having claims of any kind in tort, contract, or otherwise hereafter imposed on the Pledged Revenues.

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ARTICLE III

APPLICATION OF PROCEEDS

Section 3.1 Application of Proceeds of the Series 2019 Bonds. The Issuer shall deposit with the Trustee net proceeds from the sale of the Series 2019 Bonds ($_____) (representing the original principal amount of the Series 2019 Bonds, plus a net reoffering premium of $_____, less an Underwriter's discount of $_____), and the Trustee shall deposit such proceeds as follows:

(a) An amount equal to $_____ shall be transferred by the Trustee to the Escrow Account; and

(b) The remaining amount of $_____ into the Cost of Issuance Account to be held by the Trustee under this Supplemental Indenture.

Section 3.2 No Debt Service Reserve Requirement for Series 2019 Bonds. There will be no Debt Service Reserve Requirement for the Series 2019 Bonds.

Section 3.3 Series 2019 Bonds as Additional Bonds. The Series 2019 Bonds are issued on a parity with the Series 2018 Bonds, Series 2016 Bonds, Series 2015A Bonds, Series 2012 Bonds, Series 2010 Bonds, and Series 2007A Bonds, under the Indenture as Additional Bonds. The Issuer hereby certifies that the requirements set forth in Section 2.15 of the General Indenture have been and will be complied with in connection with the issuance of the Series 2019 Bonds, as follows:

(a) The Issuer has delivered a written certificate executed by an Authorized Representative of the Issuer to the effect that Adjusted Sales and Use Taxes are at least 120% of the maximum Aggregate Debt Service for any Bond Fund Year on all of the Bonds and Senior Bonds that will be Outstanding, including the Series 2019 Bonds, upon the issuance of the Series 2019 Bonds. In calculating Adjusted Sales and Use Taxes, no Sales and Use Taxes with an expiration date or sunset provision prior to the final maturity of the Series 2019 Bonds were included in such calculation.

(b) No Repayment Obligations are now due and owing under the Indenture.

(c) All payments required by the Indenture to be made into the Bond Fund have been made in full, and there is on deposit in each account in the Debt Service Reserve Fund (taking into account any Reserve Instrument Coverage) the full amount required by the Indenture to be accumulated therein. Furthermore, all payments required by the Senior Indenture to be made into the bond fund therein established have been made in full, and there is on deposit in each account in the debt service reserve fund therein established the full amount required by the Senior Indenture to be accumulated therein.

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(d) The proceeds of the Additional Bonds, less costs of issuance and funding of reserves, will be used in connection with the refunding of the Refunded Bonds.

(e) No Event of Default is existing under the Indenture or the Senior Indenture.

Section 3.4 Creation and Operation of Cost of Issuance Account. A Cost of Issuance Account is hereby created to be held by the Trustee. Moneys in such Account shall be used to pay Costs of Issuance incurred in connection with the issuance of the Series 2019 Bonds. The Trustee shall issue its checks or make wire transfers for each disbursement from the Cost of Issuance Account (except for any fees payable to the Trustee, which may be withdrawn directly by it) upon being furnished with a Cost of Issuance Disbursement Request of the Issuer, a form of which is attached hereto as Exhibit B. Any excess remaining upon payment of all Costs of Issuance, or in any case 90 days after the date of delivery, shall be transferred by the Trustee to the Bond Fund, whereupon the Cost of Issuance Account shall be closed.

Section 3.5 Transfers from Revenue Fund. On or before the last Business Day of each month commencing _____ and from amounts available in the Revenue Fund following the transfers required by Section 5.2(b) of the Senior Indenture, the Issuer shall transfer and deposit into the Bond Fund an amount equal to one-sixth of the interest payable on the Series 2019 Bonds (or, if the first Interest Payment Date is less than six months away, the Issuer shall deposit into the Bond Fund an amount sufficient to total the interest payable on the Series 2019 Bonds in equal monthly installments) on the next succeeding Interest Payment Date and if Principal is payable on the Series 2019 Bonds in the twelve months succeeding such transfers, one-twelfth of Principal next payable on the Series 2019 Bonds (or, if the first Principal payable on the Series 2019 Bonds is less than twelve months away, the Issuer shall deposit into the Bond Fund an amount sufficient to total the Principal payable on the Series 2019 Bonds in equal monthly installments). In addition, all deficiencies in required deposits to the Bond Fund shall also be supplied. Said deposits shall be reduced, as appropriate, by (x) any income derived from the investment of the Bond Fund, and (y) any other deposits made to the Bond Fund pursuant to the Indenture. In addition, the Issuer shall transfer from the Revenue Fund to the Bond Fund an amount equal to all Security Instrument Repayment Obligations owed with respect to any Security Instrument securing the Series 2019 Bonds promptly upon the date on which such obligations become payable and the Trustee shall thereupon apply such amounts to the payment of such obligations.

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ARTICLE IV

PROVISIONS WITH RESPECT TO DISCLOSURE AND BOOK-ENTRY; COVENANTS AND UNDERTAKINGS

Section 4.1 Continuing Disclosure. The Issuer hereby covenants and agrees that it will comply with and carry out all of the provisions of the 2019 Continuing Disclosure Undertaking. Notwithstanding any other provision of the Indenture, failure of the Issuer to comply with the 2019 Continuing Disclosure Undertaking shall not be considered an Event of Default under the Indenture; however, the Trustee may (and, at the request of any of the Underwriters or the Bondholders of the Series 2019 Bonds owning at least 25% aggregate principal amount of Outstanding Bonds, shall) or any Bondholder of the Series 2019 Bonds or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Section and the 2019 Continuing Disclosure Undertaking. For purposes of this Section, Beneficial Owner shall mean any person who has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2019 Bond (including persons holding Series 2019 Bonds through nominees, depositories or other intermediaries).

Section 4.2 Book-Entry System; Limited Obligation of Issuer; Representation Letter.

(a) The Series 2019 Bonds shall be initially issued in the form of a single certificated fully registered bond for each maturity of Series 2019 Bonds. Upon initial issuance, the ownership of each such Series 2019 Bond shall be registered in the registration books kept by the Registrar in the name of Cede, as nominee of DTC. Except as provided in Subsection (c) of this Section 4.2, all of the outstanding Series 2019 Bonds shall be registered in the registration books kept by the Registrar in the name of Cede, as nominee of DTC.

With respect to Series 2019 Bonds registered in the registration books kept by the Registrar in the name of Cede, as nominee of DTC, the Issuer, the Registrar and the Paying Agent shall have no responsibility or obligation to any Participant or to any Person on behalf of which a Participant holds an interest in the Series 2019 Bonds. Without limiting the immediately preceding sentence, the Issuer, the Trustee, the Registrar and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any Participant with respect to any ownership interest in the Series 2019 Bonds, (ii) the delivery to any Participant or any other Person, other than a Bondholder, as shown in the registration books kept by the Registrar, of any notice with respect to the Series 2019 Bonds, including any notice of redemption, or (iii) the payment to any Participant or any other Person, other than a Bondholder, as shown in the registration books kept by the Registrar, of any amount with respect to principal of, premium, if any, or interest on the Series 2019 Bonds. The Issuer, the Trustee, the Registrar and the Paying Agent may treat and consider the Person in whose name each Series 2019 Bond is registered on the registration books kept by the Registrar

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as the holder and absolute owner of such Series 2019 Bond for the purpose of payment of principal, premium and interest with respect to such Series 2019 Bond, for the purpose of giving notices of redemption and other matters with respect to such Series 2019 Bond, for the purpose of registering transfers with respect to such Series 2019 Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of, premium, if any, and interest on the Series 2019 Bonds only to or upon the order of the respective Bondholders, as shown in the registration books kept by the Registrar, or their respective attorneys duly authorized in writing, as provided in Section 2.8 of the General Indenture, and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to payment of principal of, premium, if any, and interest on the Series 2019 Bonds to the extent of the sum or sums so paid. No Person other than a Bondholder, as shown in the registration books kept by the Registrar, shall receive a certificated Series 2019 Bond evidencing the obligation of the Issuer to make payments of principal, premium, if any, and interest pursuant to the Indenture. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the provisions herein with respect to record dates, the word "Cede" in this Fourteenth Supplemental Indenture shall refer to such new nominee of DTC; and upon receipt of such a notice the Trustee shall promptly deliver a copy of the same to the Registrar and the Paying Agent, if other than the Trustee.

(b) The Representation Letter in substantially the form attached hereto as Exhibit C has previously been authorized and executed on behalf of the Issuer. The Issuer's execution and delivery of the Representation Letter shall not in any way limit the provisions of Section 4.2(a) hereof or in any other way impose upon the Issuer any obligation whatsoever with respect to Persons having interests in the Series 2019 Bonds other than the Bondholders, as shown on the registration books kept by the Registrar. The Paying Agent and Registrar, respectively, hereby agree to take all action necessary for all representations of the Issuer in the Representation Letter and DTC's operational arrangements with respect to the Paying Agent and Registrar, respectively, to at all times be complied with.

(c) In the event that (i) the Issuer determines that DTC is incapable of discharging or is unwilling to discharge its responsibilities described herein and in the Representation Letter and DTC's operational arrangements, (ii) DTC determines to discontinue providing its service as securities depository with respect to the Series 2019 Bonds at any time as provided in the Representation Letter and DTC's operational arrangements, or (iii) the Issuer determines that continuation of the system of book-entry only transfers through DTC is not in the best interests of the beneficial owners of the Series 2019 Bonds or of the Issuer, the Issuer may thereupon terminate the services of DTC with respect to the Series 2019 Bonds. The Issuer shall terminate the services of DTC with respect to the Series 2019 Bonds upon receipt by the Issuer of written notice from DTC to the effect that DTC has received notice from Participants having interests, as shown on the records of DTC, in an aggregate principal amount of not less than fifty percent (50%) of the aggregate Principal amount of the then Outstanding Series 2019 Bonds to the effect

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that: (i) DTC is unable to discharge its responsibilities with respect to the Series 2019 Bonds; or (ii) a continuation of the requirement that all Outstanding Series 2019 Bonds be registered in the registration books kept by the Registrar in the name of Cede is not in the best interests of the beneficial owners of the Series 2019 Bonds. In any such event terminating the services of DTC, the Issuer shall notify DTC and direct DTC to notify the Participants of the availability through DTC of Series 2019 Bond certificates and the Series 2019 Bonds shall no longer be restricted to being registered in the registration books kept by the Registrar in the name of Cede, as nominee of DTC. At that time, the Issuer may determine that the Series 2019 Bonds shall be registered in the name of and deposited with such other depository operating a universal book-entry system, as may be acceptable to the Issuer, or such depository's agent or designee, and if the Issuer does not select such alternate universal book-entry system, then the Series 2019 Bonds shall no longer be restricted to being registered in the registration books kept by the Registrar in the name of Cede, as nominee of DTC, but may be registered in whatever name or names Series 2019 Bondholders transferring or exchanging Bonds shall designate, in accordance with the provisions of the General Indenture.

(d) Notwithstanding any other provision of the Indenture to the contrary, so long as any Series 2019 Bond is registered in the name of Cede, as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Series 2019 Bond and all notices with respect to such Series 2019 Bond shall be made and given, respectively, in the manner provided in the Representation Letter and DTC's operational arrangements.

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ARTICLE V

CONFIRMATION OF GENERAL INDENTURE

As supplemented by this Fourteenth Supplemental Indenture, and except as provided herein, the General Indenture (as heretofore supplemented and amended) is in all respects ratified and confirmed, and the General Indenture, and this Fourteenth Supplemental Indenture shall be read, taken and construed as one and the same instrument so that all of the rights, remedies, terms, conditions, covenants and agreements of the General Indenture shall apply and remain in full force and effect with respect to this Fourteenth Supplemental Indenture, and to any revenues, receipts and moneys to be derived therefrom.

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ARTICLE VI

MISCELLANEOUS

Section 6.1 Confirmation of Sale of Series 2019 Bonds. The sale of the Series 2019 Bonds to the Underwriter is hereby ratified, confirmed and approved.

Section 6.2 Severability. If any provision of this Fourteenth Supplemental Indenture shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or sections in this Fourteenth Supplemental Indenture contained, shall not affect the remaining portions of this Fourteenth Supplemental Indenture, or any part thereof.

Section 6.3 Illegal, etc. Provisions Disregarded. In case any provision in this Fourteenth Supplemental Indenture shall for any reason be held invalid, illegal or unenforceable in any respect, this Fourteenth Supplemental Indenture shall be construed as if such provision had never been contained herein.

Section 6.4 Applicable Law. This Fourteenth Supplemental Indenture shall be governed by and construed in accordance with the laws of the State.

Section 6.5 Headings for Convenience Only. The descriptive headings in this Fourteenth Supplemental Indenture are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

Section 6.6 Counterparts. This Fourteenth Supplemental Indenture may be executed in any number of counterparts, each of which shall be deemed an original and all of which, when so executed and delivered, shall constitute but one and the same instrument.

Section 6.7 Notice to Bond Insurer. Copies of this Fourteenth Supplemental Indenture have been provided to National Public Finance Guarantee Corp. ("National" or the "Security Instrument Issuer") as the Security Instrument Issuer under the Second Supplemental Subordinate Indenture of Trust dated as of June 1, 2007 in accordance with the notice requirement of Section 9.1 of the General Indenture.

DRAFT

IN WITNESS WHEREOF, the Issuer and the Trustee have caused this Fourteenth Supplemental Indenture of Trust to be executed as of the date first above written.

UTAH TRANSIT AUTHORITY

(SEAL)

By:_____
[Chair][Executive Director]

COUNTERSIGN:

_____
Secretary/Treasurer

APPROVED AS TO FORM:

By:_____
UTA Legal Counsel

ZIONS BANCORPORATION, NATIONAL ASSOCIATION, TRUSTEE

By:_____

Title:_____

ATTEST:

_____

Title:_____

DRAFT

EXHIBIT A

(FORM OF SERIES 2019 BOND)

Unless this certificate is presented by an authorized representative of the Depository Trust Company (55 Water Street, New York, New York) to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of the Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA
STATE OF UTAH
UTAH TRANSIT AUTHORITY
FEDERALLY TAXABLE SUBORDINATED SALES TAX
REVENUE REFUNDING BOND, SERIES 2019

Number R - _____ $_____

Interest Rate	Maturity Date	Dated Date	CUSIP
%	December 15, ____	_____, 2019	____

Registered Owner: CEDE & CO.

Principal Amount: _____ DOLLARS

Utah Transit Authority ("Issuer"), a public transit district and body corporate duly organized and existing under the Constitution and laws of the State of Utah, for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner named above or registered assigns, out of the special fund hereinbelow designated and not otherwise, the Principal Amount specified above on the Maturity Date specified above (except as provided herein with respect to redemption prior to maturity) with interest thereon until paid at the Interest Rate specified above per annum, payable semiannually on June 15 and December 15 of each year commencing _____ (each an "Interest Payment Date"), until said Principal Amount is paid. Principal and premium, if any, shall be payable upon surrender of this Bond at the principal offices of Zions Bancorporation, National Association, Corporate Trust Department, One South Main Street, 12th Floor, Salt Lake City, Utah 84133 ("Trustee" and "Paying Agent") or its successors. Interest on this Bond shall be payable by check or draft mailed to the Registered Owner hereof at its address as it appears on the registration books of the Paying Agent, who shall also act as the Registrar for the Issuer, or at such other address as is furnished to the Paying Agent in writing by such Registered Owner. Interest hereon shall be deemed to be paid by the Paying Agent when mailed. Both principal and interest shall be payable in lawful money of the United States of America.

DRAFT

This Bond is one of an issue of Bonds in the aggregate original principal amount of $_____ (the "Series 2019 Bonds"), of like tenor and effect, except as to date of maturity, interest rate, and principal payable at maturity numbered R-1 and upwards, issued by the Issuer pursuant to that Subordinate General Indenture of Trust dated as of July 1, 2006, as heretofore amended and supplemented, and as further supplemented by the Fourteenth Supplemental Subordinate Indenture of Trust, dated as of November 1, 2019 (collectively the "Indenture") approved by resolution adopted on October 9, 2019 for the purpose of (i) refunding a certain portion of the Issuer's outstanding sales tax revenue bonds (the "Refunded Bonds") and (ii) paying certain issuance expenses, all in full conformity with the Constitution and laws of the State of Utah.

Both principal of and interest on this Bond and the issue of which it is a part are payable solely from a special fund designated "Utah Transit Authority Subordinated Bond Fund" (the "Bond Fund"), into which fund, to the extent necessary to assure prompt payment of the principal of and interest on the issue of which this is one and on all series of bonds issued on a lien parity with this Bond shall be paid the Pledged Revenues, all as more fully described and provided in the Indenture. As more fully described in the Indenture, the lien of the Indenture and of the Series 2018 Bonds, Series 2016 Bonds, Series 2015A Bonds, Series 2012 Bonds, Series 2010 Bonds, and Series 2007A Bonds (as defined in the Indenture) (collectively, the "Outstanding Subordinate Bonds") and the Series 2019 Bonds is subordinate to the lien created with respect to the Issuer's obligations (the "Senior Bonds") issued pursuant to an Amended and Restated General Indenture of Trust dated as of September 1, 2002, as supplemented and amended from time to time (the "Senior Indenture").

As more fully provided in the Indenture, the Series 2019 Bonds are special limited obligations of the Issuer, payable from and secured solely by the Pledged Revenues and certain moneys held by the Trustee under the Indenture, subordinate to the lien created for the Senior Bonds and shall not constitute a general obligation indebtedness or pledge of the full faith and credit of the Issuer or of the State of Utah or any agency, instrumentality or political subdivision thereof. The issuance of the Series 2019 Bonds shall not, directly, indirectly or contingently, obligate the Issuer or the State of Utah or any agency, instrumentality or political subdivision thereof to levy any form of ad valorem taxation therefor. The Issuer covenants and agrees that, subject to such special limited obligation, it will make all payments required to be made into the Bond Fund, and to carry out all the requirements of the Indenture.

Reference is hereby made to the Indenture, copies of which are on file with the Trustee, for the provisions, among others, with respect to the nature and extent of the rights, duties and obligations of the Issuer, the Trustee and the Registered Owners of the Series 2019 Bonds, the terms upon which the Series 2019 Bonds are issued and secured, and upon which the Indenture may be modified and amended, to all of which the Registered Owner of this Bond assents by the acceptance of this Bond.

One or more series of Additional Bonds, as defined in the Indenture, and additional Senior Bonds, may, subject to certain conditions specified in the Indenture and the Senior Indenture, including but not limited to, debt service coverage requirements, be issued by

DRAFT

the Issuer for the purpose of providing additional moneys to finance property, improvements and additions to its public transit system (the "System"), or to refund obligations of the Issuer, all of which shall have a claim on the Pledged Revenues on a parity with or senior to, as applicable, the Series 2019 Bonds and other Outstanding Subordinate Bonds.

Except as otherwise provided herein and unless the context indicates otherwise, words and phrases used herein shall have the same meanings as such words and phrases in the Indenture.

Interest on the initially issued Series 2019 Bonds and on all Series 2019 Bonds authenticated prior to the first Interest Payment Date shall accrue from the Dated Date specified above. Interest on the Series 2019 Bonds authenticated on or subsequent to the first Interest Payment Date shall accrue from the Interest Payment Date next preceding their date of authentication, or if authenticated on an Interest Payment Date, as of that date; provided, however, that if interest on the Series 2019 Bonds shall be in default, interest on the Series 2019 Bonds issued in exchange for Series 2019 Bonds surrendered for transfer or exchange shall be payable from the date to which interest has been paid in full on the Series 2019 Bonds surrendered.

The Series 2019 Bonds are subject to redemption at the times, at the prices and with notice all as provided in the Indenture.

The Series 2019 Bonds are issued as fully registered Bonds in denominations of $5,000 and integral multiples thereof. Subject to the limitations and upon payment of the charges provided in the Indenture, registered Series 2019 Bonds may be exchanged for a like aggregate principal amount of registered Series 2019 Bonds of other authorized denominations of the same series, interest rate and maturity.

This Bond is transferable by the registered holder hereof in person or by its attorney duly authorized in writing at the principal corporate offices of Zions Bancorporation, National Association (the "Registrar") in Salt Lake City, Utah, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture and upon surrender and cancellation of this Bond. Upon such transfer a new registered Bond or Bonds of the same series, interest rate and maturity and of authorized denomination or denominations for the same aggregate principal amount will be issued to the transferee in exchange therefor.

The Issuer and the Paying Agent may deem and treat the Registered Holder hereof as the absolute owner hereof (whether or not this Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof, premium, if any, and interest due hereon and for all other purposes, and neither Issuer nor Paying Agent shall be affected by any notice to the contrary.

This Bond is issued under and pursuant to the Public Transit District Act, Title 17B, Chapter 2a, Part 8, Utah Code Annotated 1953, as amended, and the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended.

DRAFT

It is hereby declared and represented that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, have happened and have been performed in regular and due time, form and manner as required by law, that the amount of this Bond, together with the issue of which it forms a part, does not exceed any limitation prescribed by the Constitution or statutes of the State of Utah, that the Pledged Revenues of the Issuer have been pledged and that an amount therefrom will be set aside into a special fund by the Issuer sufficient for the prompt payment of the principal of and interest on this Bond and the issue of which it forms a part, as authorized for issue under the Indenture, and that the Pledged Revenues of the Issuer are not pledged, hypothecated or anticipated in any way other than by the issue of the Bonds of which this Bond is one and all bonds issued on a parity with this Bond or subordinate to the lien of the Indenture.

This Bond shall not be valid or become obligatory for any purpose nor be entitled to any security or benefit under the Indenture until the Certificate of Authentication on this Bond shall have been manually signed by the Trustee.

DRAFT

IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed by the manual or facsimile signature of its [Chair][Executive Director] and countersigned by the manual or facsimile signature of its Secretary/Treasurer under its corporate seal or a facsimile thereof.

(SEAL)

(facsimile or manual signature)
[Chair][Executive Director]

COUNTERSIGN:

(facsimile or manual signature)
Secretary/Treasurer

APPROVED AS TO FORM:

By: (facsimile or manual signature)
UTA Legal Counsel

DRAFT

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Federally Taxable Subordinated Sales Tax Revenue Refunding Bonds, Series 2019 of the Utah Transit Authority.

ZIONS BANCORPORATION,
NATIONAL ASSOCIATION, as Trustee

By: (Manual Signature)
Authorized Officer

Date of Authentication: _____

DRAFT

(ASSIGNMENT)

FOR VALUE RECEIVED, _____, the undersigned, hereby sells, assigns and transfers unto:

_____

(Social Security or Other Identifying Number of Assignee)

_____

(Please Print or Typewrite Name and Address of Assignee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED:_____

Signature:_____

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of this Bond in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed:

_____

NOTICE: Signature(s) must be guaranteed by an "eligible guarantor institution" that is a member of or a participant in a "signature guarantee program" (e.g., the Securities Transfer Agents Medallion Program, the Stock Exchange Medallion Program or the New York Stock Exchange, Inc. Medallion Signature Program).

DRAFT

EXHIBIT B

COST OF ISSUANCE DISBURSEMENT REQUEST

Zions Bancorporation, National Association
One South Main Street, 12th Floor
Salt Lake City, Utah 84133

Pursuant to Section 3.4 of the Fourteenth Supplemental Subordinate Indenture of Trust dated as of November 1, 2019, between the Utah Transit Authority and Zions Bancorporation, National Association, you are hereby authorized to pay to the following costs of issuance from the Cost of Issuance Account:

[See Attached Schedule]

_____
AUTHORIZED REPRESENTATIVE,
UTAH TRANSIT AUTHORITY

Costs of Issuance

Payee	Purpose	Amount

DRAFT

EXHIBIT C

LETTER OF REPRESENTATIONS

[See Transcript Document No. ____]

DRAFT

EXHIBIT D

PRELIMINARY OFFICIAL STATEMENT

(See Transcript Document No. ___)

This PRELIMINARY OFFICIAL STATEMENT and the information contained herein are subject to completion, amendment or other change without any notice. Under no circumstances shall this PRELIMINARY OFFICIAL STATEMENT constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 2, 2019

NEW ISSUE **Ratings:** 2019A Senior Bonds/2019B Senior Bonds—Fitch "[AA]"; Moody's "[Aa2]"; S&P "[AA]"
2019 Subordinate Bonds—Fitch "[AA]"; Moody's "[A1]"; S&P "[A+]"
See "MISCELLANEOUS—Bond Ratings" herein.

In the opinion of Gilmore & Bell, P.C., Bond Counsel, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended, the interest on the 2019A Senior Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax.

The interest on the 2019B Senior Bonds and the 2019 Subordinate Bonds is included in gross income for federal income tax purposes.

Bond Counsel is also of the opinion that the interest on the 2019 Bonds is exempt from State of Utah individual income taxes. See "TAX MATTERS" herein.

$511,525,000*

Utah Transit Authority

$59,880,000* Sales Tax Revenue Bonds, Series 2019A
$303,615,000* Federally Taxable Sales Tax Revenue Refunding Bonds, Series 2019B
$148,030,000* Federally Taxable Subordinated Sales Tax Revenue Refunding Bonds, Series 2019

The $59,880,000* Sales Tax Revenue Bonds, Series 2019A (the "2019A Senior Bonds"), the $303,615,000* Federally Taxable Sales Tax Revenue Refunding Bonds, Series 2019B (the "2019B Senior Bonds") and the $148,030,000* Subordinated Sales Tax Revenue Refunding Bonds, Series 2019 (the "2019 Subordinate Bonds" and, together with the 2019A Senior Bonds and the 2019B Senior Bonds, are collectively the "2019 Bonds"), are issued by the Authority as fully–registered bonds and, when initially issued, will be in book–entry form, registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York. DTC will act as securities depository for the 2019 Bonds.

Principal of and interest on the 2019 Bonds (interest payable June 15 and December 15 of each year, commencing June 15, 2020) are payable by Zions Bancorporation, National Association, Corporate Trust Department, Salt Lake City, Utah, as Paying Agent, to the registered owners thereof, initially DTC.

The 2019 Bonds are subject to optional [and mandatory sinking fund] redemption prior to maturity as described herein. See "THE 2019 BONDS—Redemption Provisions" herein.

The 2019A Senior Bonds are being issued for financing certain transit–related projects and paying related costs of issuance, the 2019B Senior Bonds are being issued for refunding certain senior and subordinated sales tax revenue bond previously issued by the Authority and paying related costs of issuance and the 2019 Subordinate Bonds are being issued for refunding certain subordinated sales tax revenue bonds previously issued by the Authority and paying related costs of issuance. See "PLAN OF REFUNDING" and "THE 2019 PROJECTS" herein.

The 2019A Senior Bonds and 2019B Senior Bonds, together with certain outstanding and additional senior lien parity obligations issued under the Senior Indenture (collectively, the "Senior Bonds"), are special limited obligations of the Authority that are payable solely from and secured by a pledge of Pledged Revenues and certain other moneys pledged therefor in the Senior Indenture.

The 2019 Subordinate Bonds, together with certain outstanding and additional parity obligations issued under the Subordinate Indenture (collectively, the "Subordinate Bonds"), are special limited obligations of the Authority that are payable solely from and secured by a pledge of Pledged Revenues and certain other moneys pledged therefor in the Subordinate Indenture, subject to the prior lien securing the Senior Bonds.

The principal and expected source of Pledged Revenues consists of certain sales and use taxes collected by the Authority. No assurance can be given that the Pledged Revenues will remain sufficient for the payment of principal of and interest on the 2019 Bonds and the Authority is limited by Utah law in its ability to increase the rate of such taxes. See "RISK FACTORS AFFECTING UTAH TRANSIT AUTHORITY AND THE 2019 BONDS" herein. The 2019 Bonds do not constitute a general obligation of the Authority and are not obligations of the State of Utah or any other agency or other political subdivision or entity of the State of Utah (other than the Authority). The Authority will not mortgage or grant any security interest in any of its physical assets to secure payment of the 2019 Bonds. See "SECURITY FOR THE 2019 BONDS" herein.

Dated: Date of Delivery[1] Due: December 15, as shown on the inside front covers

See the inside front covers for the maturities of the 2019 Bonds

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This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire OFFICIAL STATEMENT to obtain information essential to the making of an informed investment decision.

This OFFICIAL STATEMENT is dated February __, 2019, and the information contained herein speaks only as of that date.

Wells Fargo Securities

BofA Merrill Lynch J.P. Morgan

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* Preliminary; subject to change.

[1] The anticipated date of delivery is Monday, November 25, 2019.

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Utah Transit Authority

$59,880,000*

Sales Tax Revenue Bonds, Series 2019A

Dated: Date of Delivery[1] **Due: December 15, as shown below**

Due December 15*	CUSIP® 917565	Principal Amount*	Interest Rate	Yield/ Price
2025.....		$1,825,000	%	%
2026.....		1,920,000		
2027.....		2,015,000		
2028.....		2,115,000		
2029.....		2,220,000		
2030.....		2,330,000		
2031.....		2,450,000		
2032.....		2,570,000		
2033.....		2,700,000		
2034.....		2,835,000		
2035.....		2,975,000		
2036.....		3,125,000		
2037.....		3,280,000		
2038.....		3,445,000		
2039.....		3,615,000		
2040.....		3,760,000		
2041.....		3,875,000		
2042.....		4,070,000		
2043.....		4,270,000		
2044.....		4,485,000		

$_____ ____% Term Bond Due December 15, 20__*—Price ___% (CUSIP®917565 ___)

DRAFT

* Preliminary; subject to change.

[1] The anticipated date of delivery is Monday, November 25, 2019.

® CUSIP is a registered trademark of the American Bankers Association. CUSIP Global Services is managed on behalf of the American Bankers Association by S&P Capital IQ.

Utah Transit Authority

$303,615,000*

Federally Taxable
Sales Tax Revenue Refunding Bonds, Series 2019B

Dated: Date of Delivery[1] **Due: December 15, as shown below**

Due December 15*	CUSIP® 917565	Principal Amount*	Interest Rate	Yield/ Price
2020……		$ 1,190,000	%	%
2021……		1,445,000		
2022……		1,475,000		
2023……		1,500,000		
2024……		1,530,000		
2025……		1,560,000		
2026……		1,595,000		
2027……		695,000		
2028……		710,000		
2029……		725,000		
2030……		745,000		
2031……		760,000		
2032……		785,000		
2033……		805,000		
2034……		825,000		
2035……		850,000		
2036……		875,000		
2037……		74,255,000		
2038……		76,040,000		
2039……		25,930,000		
2040……		4,620,000		
2041……		30,005,000		
2042……		74,695,000		

$_____ ____% Term Bond Due December 15, 20__*—Price ___% (CUSIP®917565 ___)

DRAFT

* Preliminary; subject to change.

[1] The anticipated date of delivery is Monday, November 25, 2019.

Utah Transit Authority

$148,030,000*

Federally Taxable
Subordinated Sales Tax Revenue Refunding Bonds, Series 2019

Dated: Date of Delivery[1] **Due: December 15, as shown below**

Due December 15*	CUSIP® 917565	Principal Amount*	Interest Rate	Yield/ Price
2036……		$20,500,000	%	%
2041……		67,735,000		
2042……		64,795,000		

DRAFT

* Preliminary; subject to change.

[1] The anticipated date of delivery is Monday, November 25, 2019.

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This OFFICIAL STATEMENT does not constitute an offer to sell, or the solicitation of an offer to buy, nor shall there be any sale of the 2019 Bonds (as defined herein) by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. No dealer, broker, salesman or other person has been authorized to give any information or to make any representations other than those contained herein, and if given or made, such other informational representations must not be relied upon as having been authorized by either Utah Transit Authority (the "Authority"); Zions Bancorporation, National Association, Corporate Trust Department, Salt Lake City, Utah (as Paying Agent and Trustee); Zions Public Finance Inc., Salt Lake City, Utah (as Municipal Advisor); Wells Fargo Bank, National Association, New York, New York; Merrill Lynch, Pierce, Fenner & Smith Inc., New York, New York; J.P. Morgan Securities LLC, New York, New York (collectively, the "Underwriters"); or any other entity. All other information contained herein has been obtained from the Authority, The Depository Trust Company, New York, New York and from other sources which are believed to be reliable. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this OFFICIAL STATEMENT nor the issuance, sale, delivery or exchange of the 2019 Bonds, shall under any circumstance create any implication that there has been no change in the affairs of the Authority since the date hereof.

The 2019 Bonds have not been registered under the Securities Act of 1933, as amended, in reliance upon exemptions contained in such act. Any registration or qualification of the 2019 Bonds in accordance with applicable provisions of the securities laws of the states in which the 2019 Bonds have been registered or qualified and the exemption from registration or qualification in other states cannot be regarded as a recommendation thereof. Any representation to the contrary is unlawful.

These 2019 Bonds have not been recommended by any federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this OFFICIAL STATEMENT. Any representation to the contrary is a criminal offense.

The yields/prices at which the 2019 Bonds are resold to the public may vary from the initial reoffering yields/prices on the inside cover pages of this OFFICIAL STATEMENT. In addition, the Underwriter may allow concessions or discounts from the initial resale prices of the 2019 Bonds to dealers and others. In connection with the offering of the 2019 Bonds, the Underwriter may engage in transactions that stabilize, maintain, or otherwise affect the price of the 2019 Bonds. Such transactions may include overallotments in connection with the purchase of 2019 Bonds and the purchase of 2019 Bonds to stabilize their market price. Such transactions, if commenced, may be discontinued at any time.

Forward–Looking Statements. Certain statements included or incorporated by reference in this OFFICIAL STATEMENT constitute "forward–looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used, such as "plan," "project," "forecast," "expect," "estimate," "budget" or other similar words. ***The achievement of certain results or other expectations contained in such forward–looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future resulting performance or achievements expressed or implied by such forward–looking statements. The Authority does not plan to issue any updates or revisions to those forward–looking statements if or when its expectations, or events, conditions or circumstances on which such statements are based occur. Investors are cautioned not to place undue reliance on any such forward–looking statements. See "RISK FACTORS AFFECTING UTAH TRANSIT AUTHORITY AND THE 2019 BONDS" and "PROJECTED DEBT SERVICE COVERAGE" herein.***

The CUSIP® (the Committee on Uniform Securities Identification Procedures) identification numbers are provided on the inside cover pages of this OFFICIAL STATEMENT and are being provided solely for the convenience of bondholders only, and the Underwriter, the Authority and the Municipal Advisor make no representation with respect to such numbers or undertake any responsibility for their accuracy. The CUSIP® numbers are subject to being changed after the issuance of the 2019 Bonds because of various subsequent actions including, but not limited to, a refunding in whole or in part of the 2019 Bonds.

The information available at web sites referenced in this OFFICIAL STATEMENT has not been reviewed for accuracy and completeness. Such information has not been provided in connection with the resale of the 2019 Bonds and is not a part of this OFFICIAL STATEMENT.

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OFFICIAL STATEMENT RELATED TO

Utah Transit Authority

$59,880,000*
Sales Tax Revenue Bonds, Series 2019A

and

$303,615,000*
Federally Taxable
Sales Tax Revenue Refunding Bonds, Series 2019B

and

$116,690,000*
Federally Taxable
Subordinated Sales Tax Revenue Refunding Bonds, Series 2019

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INTRODUCTION

This introduction is only a brief description of the 2019 Bonds (as hereinafter defined), the security and source of payment for the 2019 Bonds, and certain information regarding Utah Transit Authority (the "Authority"). The summary information contained herein is expressly qualified by reference to the entire OFFICIAL STATEMENT. Investors are urged to make a full review of the entire OFFICIAL STATEMENT as well as of the documents summarized or described herein. The appendices attached hereto are an integral part of this OFFICIAL STATEMENT and should be read in conjunction herewith.

When used herein the terms "Fiscal Year[s] 20YY" or "Fiscal Year[s] End[ed][ing] December 31, 20YY" shall refer to the year beginning on January 1 and ending on December 31 of the year indicated and the terms "Calendar Year[s] 20YY" or "Calendar Year[s] End[ed][ing] December 31, 20YY" shall refer to the year beginning on January 1 and ending on December 31 of the year indicated.

Capitalized terms used but not otherwise defined herein have the same meaning as given to them in "APPENDIX B—EXTRACTS OF CERTAIN PROVISIONS OF THE SENIOR INDENTURE–Definitions" and "APPENDIX C—EXTRACTS OF CERTAIN PROVISIONS OF THE SUBORDINATE INDENTURE–Definitions," as applicable.

The Authority And The System

The Authority, which was organized in 1970, operates and exists under the Public Transit District Act, Title 17B, Chapter 2a, Part 8, Utah Code Annotated 1953, as amended (the "Utah Code"), and other applicable provisions of Limited Purpose Local Government Entities–Local Districts, Title 17B, Utah

* Preliminary; subject to change.

Code (collectively, the "Transit Act"). The Authority's service area (the "Service Area") lies in the region commonly referred to as the Wasatch Front, located in the State of Utah.

The Service Area extends from the Wasatch Mountains on the east to the Great Salt Lake on the west, consists of an area of approximately 1,400 square miles, and covers all or portions of six principal counties (Box Elder, Davis, Salt Lake, Tooele, Utah and Weber). The Service Area also includes a small portion of Juab County. The total U.S. Census Bureau's 2018 estimated population of these six principal counties is approximately 2,508,000, which represents approximately 79% of the State's total population[1].

The Authority owns and operates an integrated mass transit system (as more fully described herein, the "System"). The System includes: (i) a fleet of buses and vans; (ii) a light rail transit system; and (iii) a single–track commuter rail system. See "THE UTAH TRANSIT AUTHORITY" below.

The Authority receives its revenues from: (i) certain sales and use taxes charged in the Authority's Service Area; (ii) farebox revenues and other revenues attributable to the ownership and operation of the System; and (iii) other miscellaneous income (collectively, the "Revenues").

The 2019 Bonds; Purpose

The 2019 Bonds. This OFFICIAL STATEMENT, including the cover page, introduction and appendices, provides information in connection with the issuance and sale by the Authority of its $59,880,000* Sales Tax Revenue Refunding Bonds, Series 2019B (the "2019B Senior Bonds"), the $303,615,000* Federally Taxable Sales Tax Revenue Bonds, Series 2019A (the "2019A Senior Bonds") and the $148,030,000* Federally Taxable Subordinated Sales Tax Revenue Refunding Bonds, Series 2019 (the "2019 Subordinate Bonds" and together with the 2019A Senior Bonds and the 2019B Senior Bonds, are collectively, the "2019 Bonds" or "2019 Bond"), initially issued in book–entry form.

Purpose. The 2019A Senior Bonds are being issued for financing certain transit–related projects. The 2019B Senior Bonds are being issued for refunding certain senior and subordinated sales tax revenue bonds previously issued by the Authority. The 2019 Subordinate Bonds are being issued for refunding certain subordinated sales tax revenue bonds previously issued by the Authority. Certain proceeds from the 2019A Senior Bonds, the 2019B Senior Bonds and the 2019 Subordinate Bonds will be used to pay costs associated with issuance of the 2019 Bonds. See "THE 2019 BONDS—Sources And Uses Of Funds," "PLAN OF REFUNDING" and "THE 2019 PROJECTS" below.

Authorization Of The 2019A Senior Bonds And The 2019B Senior Bonds; Outstanding Senior Bonds; Additional Senior Bonds

Authorization of the 2019A Senior Bonds and the 2019B Senior Bonds. The 2019A Senior Bonds and the 2019B Senior Bonds are being issued pursuant to the Transit Act; the Local Governmental Bonding Act, Title 11, Chapter 14, Utah Code; the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code (the "Refunding Act"); and the Amended and Restated General Indenture of Trust, dated as of September 1, 2002, as previously amended and supplemented (the "Senior General Indenture"), between the Authority and Zion Bancorporation, National Association, Corporate Trust Department, Salt Lake City, Utah, as trustee (the "Trustee"); and as further supplemented and amended by an Twelfth Supplemental Indenture of Trust, dated as of November 1, 2019 between the Authority and the Trustee (the "Twelfth

[1] The Authority serves only portions of Box Elder and Tooele Counties (and a small portion of Juab County). The difference between the total population of the six principal counties served by the Authority and the population of the Service Area is estimated to be less than 1% (or approximately 25,000 people) of the counties' total population.

* Preliminary; subject to change.

Supplemental Senior Indenture" and, together with the Senior General Indenture, the "Senior Indenture"), providing for the issuance of the 2019A Senior Bonds and the 2019B Senior Bonds.

Outstanding Senior Bonds; Additional Senior Bonds. The 2019A Senior Bonds and the 2019B Senior Bonds, the bonds previously issued by the Authority pursuant to the Senior Indenture (the "Outstanding Senior Bonds") and any additional bonds that may be issued from time to time under the Senior Indenture (the "Additional Senior Bonds" and, collectively with the Outstanding Senior Bonds and the 2019A Senior Bonds and the 2019B Senior Bonds, the "Senior Bonds"), are equally and ratably secured by a pledge of Pledged Revenues and certain other funds, as provided in the Senior Indenture. Upon the issuance of the 2019A Senior Bonds and the 2019B Senior Bonds (and the refunding of the Refunded Bonds as defined herein), the Authority will have $1,432,595,000* aggregate principal amount of Senior Bonds outstanding under the Senior Indenture.

See "SECURITY FOR THE 2019 BONDS" below.

Authorization Of The 2019 Subordinate Bonds; Outstanding Subordinate Bonds; Additional Subordinate Bonds

Authorization of the 2019 Subordinate Bonds. The 2019 Subordinate Bonds are being issued pursuant to the Transit Act; the Refunding Act; and the Subordinate General Indenture of Trust, dated as of July 1, 2006, as previously amended and supplemented (the "Subordinate General Indenture"), between the Authority and the Trustee; and as further supplemented and amended by a Fourteenth Supplemental Subordinate Indenture of Trust, dated as of November 1, 2019 between the Authority and the Trustee (the "Fourteenth Supplemental Subordinate Indenture" and, together with the Subordinate General Indenture, the "Subordinate Indenture"), providing for the issuance of the 2019 Subordinate Bonds.

The Senior Indenture and the Subordinate Indenture are referred to collectively herein as the "Indentures."

Outstanding Subordinate Bonds; Additional Subordinate Bonds. The 2019 Subordinate Bonds, the bonds previously issued by the Authority pursuant to the Subordinate Indenture (the "Outstanding Subordinate Bonds") and any additional bonds that may be issued from time to time under the Subordinate Indenture (the "Additional Subordinate Bonds" and, collectively with the Outstanding Subordinate Bonds and the 2019 Subordinate Bonds, the "Subordinate Bonds"), are equally and ratably secured by a pledge of Pledged Revenues and certain other funds, as provided in the Subordinate Indenture. ***The lien on Sales and Use Taxes and other Pledged Revenues established under the Subordinate Indenture is junior to the lien on such Pledged Revenues established under the Senior Indenture (as defined below).*** Upon the issuance of the 2019 Subordinate Bonds (and the refunding of the Refunded Bonds as defined herein), the Authority will have $793,231,498* aggregate principal amount of Subordinate Bonds outstanding under the Subordinate Indenture.

See "SECURITY FOR THE 2019 BONDS" and "DEBT STRUCTURE OF THE UTAH TRANSIT AUTHORITY—Future Issuance Of Debt" below.

Security And Source Of Payment

The 2019 Bonds are special limited obligations of the Authority payable solely from the Pledged Revenues (as herein defined), as provided in the Indentures. The most significant source of Pledged Revenues is the sales and use taxes described below under "SECURITY FOR THE 2019 BONDS—Sales And Use Taxes–Pledge of Sales and Use Taxes" (the "Sales and Use Taxes"). The 2019 Bonds are not a general obligation or a pledge of the full faith and credit of the Authority, the State or any agency, instru-

* Preliminary; subject to change.

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mentality or political subdivision thereof. The issuance of the 2019 Bonds shall not directly, indirectly or contingently obligate the Authority or the State or any agency, instrumentality or political subdivision thereof to levy any form of ad valorem taxation therefor.

See "SECURITY FOR THE 2019 BONDS—Sales And Use Taxes" and "PROJECTED DEBT SERVICE COVERAGE" below.

No Debt Service Reserve Fund For The 2019 Bonds

2019A Senior Bonds and 2019B Senior Bonds. There is no Debt Service Reserve Fund for the 2019A Senior Bonds and the 2019B Senior Bonds. See "SECURITY FOR THE 2019 BONDS—No Debt Service Reserve Fund For The 2019A Senior Bonds And The 2019B Senior Bonds; Debt Service Reserve Fund For The Outstanding Senior Bonds" below.

2019 Subordinate Bonds. There is no Debt Service Reserve Fund for the 2019 Subordinate Bonds. See "SECURITY FOR THE 2019 BONDS—No Debt Service Reserve Fund For The 2019 Subordinate Bonds; Debt Service Reserve Fund For The Outstanding Subordinate Bonds" below.

Redemption Provisions

The 2019A Senior Bonds are subject to optional [and mandatory sinking fund] redemption prior to maturity; the 2019B Senior Bonds are subject to optional [and mandatory sinking fund] redemption prior to maturity; and the 2019 Subordinate Bonds are subject to optional [and mandatory sinking fund] redemption prior to maturity as described herein. See "THE 2019 BONDS—Redemption Provisions" below.

Registration, Denominations, Manner Of Payment

The 2019 Bonds are issuable only as fully–registered bonds and, when initially issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the 2019 Bonds. Purchases of 2019 Bonds will be made in book–entry form only, in $5,000 principal amounts or any whole multiple thereof and, through brokers and dealers who are, or who act through, DTC Participants (as defined herein). Beneficial Owners (as defined herein) of the 2019 Bonds will not be entitled to receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the 2019 Bonds. "Direct Participants," "Indirect Participants" and "Beneficial Owners" are defined under "APPENDIX F—BOOK–ENTRY SYSTEM."

Principal of and interest on the 2019 Bonds are payable by the Trustee to the registered owners of the 2019 Bonds. So long as Cede & Co. is the sole registered owner, it will, in turn, remit such principal and interest to its Direct Participants, for subsequent disbursements to the Beneficial Owners of the 2019 Bonds, as described under "APPENDIX F—BOOK–ENTRY SYSTEM."

So long as DTC or its nominee is the sole registered owner of the 2019 Bonds, neither the Authority, nor the Trustee will have any responsibility or obligation to any Direct or Indirect Participants of DTC, or the persons for whom they act as nominees, with respect to the payments to or the providing of notice for the Direct Participants, Indirect Participants or the Beneficial Owners of the 2019 Bonds. Under these circumstances, references herein and in the respective Indentures to the "Bondowners" or "Registered Owners" of the 2019 Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners of the 2019 Bonds.

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Transfer Or Exchange; Regular Record Date

If the book–entry system is terminated with respect to the 2019 Bonds, and in all cases in which the privilege of exchanging or transferring the 2019 Bonds is exercised, the Authority shall execute, and the Trustee shall authenticate and deliver, the 2019 Bonds in accordance with the provisions of the respective Indentures. For every such exchange or transfer of the 2019 Bonds, the Trustee shall require payment by the Registered Owner of any tax or other governmental charge required to be paid with respect to such exchange or transfer of the 2019 Bonds.

The Regular Record Date means the 15th day (whether or not a Business Day) next preceding each Interest Payment Date. The Special Record Date means such date as may be fixed for the payment of defaulted interest on the 2019 Bonds in accordance with the Indentures. The Authority and the Trustee shall not be required to transfer or exchange any 2019 Bond (i) during the period from and including any Regular Record Date, to and including the next succeeding Interest Payment Date, (ii) during the period from and including the day 15 days prior to any Special Record Date, to and including the date of the proposed payment pertaining thereto, (iii) during the period from and including the day 15 days prior to the mailing of notice calling any 2019 Bonds for redemption, to and including the date of such mailing, or (iv) at any time following the mailing of notice calling such 2019 Bond for redemption.

Tax Matters Regarding The 2019 Bonds

2019A Senior Bonds. In the opinion of Gilmore & Bell, P.C., Bond Counsel, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on the 2019A Senior Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax.

2019B Senior Bonds and the 2019 Subordinate Bonds. **The interest on the 2019B Senior Bonds and the 2019 Subordinate Bonds is included in gross income for federal income tax purposes.**

Bond Counsel is also of the opinion that the interest on the 2019 Bonds is exempt from State of Utah individual income taxes.

Bond Counsel expresses no opinion regarding any other tax consequences relating to ownership or disposition of or the accrual or receipt of interest on the 2019 Bonds.

See "TAX MATTERS" below.

Professional Services

As of the date of this OFFICIAL STATEMENT the following have served in the capacity indicated in connection with the issuance of the 2019 Bonds:

Registrar, Paying, Escrow Agent and Trustee
Zions Bancorporation National Association
Corporate Trust Department
One S Main St 12th Fl
Salt Lake City UT 84133–1109
801.844.7517 | f 801.594.8018
verena.critser@zionsbancorp.com

Bond Counsel
Gilmore & Bell PC
15 W S Temple Ste 1450
Salt Lake City UT 84101
801.364.5080 | f 801.364.5032
bwade@gilmorebell.com

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Municipal Advisor
Zions Public Finance Inc
One S Main St 18th Fl
Salt Lake City UT 84133–1109
801.844.7373 | f 801.844.4484
brian.baker@zionsbancorp.com

Conditions Of Delivery, Anticipated Date, Manner And Place Of Delivery

The 2019 Bonds are offered, subject to prior sale, when, as and if issued and received by Wells Fargo Bank, National Association, New York, New York as Senior Manager for the 2019 Bonds and representative of Merrill Lynch, Pierce, Fenner & Smith Inc., New York, New York; and J.P. Morgan Securities LLC, New York, New York (collectively, the "Underwriters"), subject to the approval of legality by Gilmore & Bell, P.C., Bond Counsel to the Authority, and certain other conditions. Certain legal matters will be passed upon for the Authority by the Attorney General of the State of Utah. Certain legal matters regarding this OFFICIAL STATEMENT will be passed upon for the Underwriters by its counsel, Chapman and Cutler LLP. It is expected that the 2019 Bonds, in book–entry form, will be available for delivery to DTC or its agent on or about Monday, November 25, 2019.

Continuing Disclosure Undertaking

The Authority will enter a continuing disclosure undertaking for the benefit of the Beneficial Owners of the 2019 Bonds. For a detailed discussion of this undertaking, previous undertakings and timing of submissions, see "CONTINUING DISCLOSURE UNDERTAKING" below and "APPENDIX E—PROPOSED FORM OF CONTINUING DISCLOSURE UNDERTAKING."

Basic Documentation

This OFFICIAL STATEMENT speaks only as of its date, and the information contained herein is subject to change. Brief descriptions of the Authority and the 2019 Bonds are included in this OFFICIAL STATEMENT. Such descriptions do not purport to be comprehensive or definitive. All references herein to the Senior Indenture, the Subordinate Indenture, and the 2019 Bonds are qualified in their entirety by reference to each such document.

Descriptions of the Indentures and the 2019 Bonds are qualified by reference to bankruptcy laws affecting the remedies for the enforcement of the rights and security provided therein and the effect of the exercise of the police power by any entity having jurisdiction. For a summary of the Senior Indenture see "APPENDIX B—EXTRACTS OF CERTAIN PROVISIONS OF THE SENIOR INDENTURE," and for a summary the Subordinate Indenture see "APPENDIX C—EXTRACTS OF CERTAIN PROVISIONS OF THE SUBORDINATE INDENTURE."

Contact Persons

As of the date of this OFFICIAL STATEMENT, additional requests for information may be directed to Zions Public Finance Inc., Salt Lake City, Utah (the "Municipal Advisor"):

Brian F. Baker, Vice President, brian.baker@zionsbancorp.com
Eric John Pehrson, Senior Vice President, eric.pehrson@zionsbancorp.com
Zions Public Finance Inc
One S Main St 18th Fl
Salt Lake City UT 84133–1109
801.844.7373 | f 801.844.4484

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As of the date of this OFFICIAL STATEMENT, the chief contact person for the Authority concerning the 2019 Bonds is:

Robert Biles, Chief Financial Officer
rbiles@rideuta.com
Utah Transit Authority
669 W 200 S
Salt Lake City UT 84101
801.287.3367

CONTINUING DISCLOSURE UNDERTAKING

The Authority will enter into a Continuing Disclosure Undertaking (the "Disclosure Undertaking") for the benefit of the Beneficial Owners of the 2019 Bonds to send certain information annually and to provide notice of certain events to the Municipal Securities Rulemaking Board ("MSRB") through its Electronic Municipal Market Access system ("EMMA") pursuant to the requirements of paragraph (b)(5) of Rule 15c2–12 (the "Rule") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended. No person, other than the Authority, has undertaken, or is otherwise expected, to provide continuing disclosure with respect to the 2019 Bonds. The information to be provided on an annual basis, the events which will be noticed on an occurrence basis and other terms of the Disclosure Undertaking, including termination, amendment and remedies, are set forth in the proposed form of Disclosure Undertaking in "APPENDIX E—PROPOSED FORM OF CONTINUING DISCLOSURE UNDERTAKING."

During the five years prior to the date of this OFFICIAL STATEMENT, the Authority has not failed to comply in all material respects with its prior undertakings pursuant to the Rule.

The Disclosure Undertaking requires the Authority to submit its annual financial report (Fiscal Year Ending December 31) and other operating and financial information on or before July 18 of each year.

A failure by the Authority to comply with the Disclosure Undertaking will not constitute a default under the Indentures, and Beneficial Owners of the 2019 Bonds are limited to the remedies provided in the Disclosure Undertaking. See "APPENDIX E—PROPOSED FORM OF CONTINUING DISCLOSURE UNDERTAKING–Consequences of Failure of the Issuer to Provide Information." A failure by the Authority to comply with the Disclosure Undertaking must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the 2019 Bonds in the secondary market. Any such failure may adversely affect the marketability of the 2019 Bonds.

RISK FACTORS AFFECTING UTAH TRANSIT AUTHORITY AND THE 2019 BONDS

The purchase of the 2019 Bonds involves certain investment risks which are discussed throughout this OFFICIAL STATEMENT. Accordingly, each prospective purchaser of the 2019 Bonds should make an independent evaluation of all the information presented in this OFFICIAL STATEMENT to make an informed investment decision. Certain of these risks are described below. The enumerated risks described below are not all–inclusive but are intended to highlight certain of these risks for the convenience of the reader.

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Dependence On Sales And Use Tax Revenues

Pledged Revenues consist primarily of Sales and Use Taxes pledged under the Indentures. Sales and Use Taxes depend, to a large extent, on the strength of and growth in the local economy. Downturns in the economy adversely affect Sales and Use Taxes. *Many of such taxes are currently levied at the maximum rates permitted by law.* The availability of any increase in sales tax rates of the Authority is determined by the State and local governments who authorize and impose such taxes, or by the voters of the local governments pursuant to referendum, as applicable. See "SECURITY FOR THE 2019 BONDS—Sales and Use Taxes" below.

In addition, Sales and Use Taxes are dependent on the volume of the transactions subject to the tax. The Utah State Legislature (the "Legislature") has authority to revoke or diminish, directly or by expansion of exemptions to the sales tax base, the sales taxes available to the Authority. From time to time the Legislature has removed certain types of purchases from the sales tax. The Authority cannot predict what impact any future legislation affecting transit sales taxes may have on the Authority's Sales and Use Taxes.

The Authority receives certain Sales and Use Taxes pursuant to interlocal agreements between the Authority and certain counties and cities within its Service Area. Each of such interlocal agreements extends at least until Fiscal Year 2045. The Authority's right to receive certain of such Sales and Use Taxes following the expiration of the interlocal agreements may be limited. See "SECURITY FOR THE 2019 BONDS—Sales And Use Taxes–Interlocal Agreements" below.

Subordinate Bonds

The Subordinate Bonds are secured by a junior lien on Pledged Revenues. Therefore, the security for the payment of the principal of and interest on the Subordinate Bonds is dependent on the Authority's receipt of Pledged Revenues in amounts sufficient to meet the debt service requirements of the Subordinate Bonds after payment of the Senior Bonds. The Authority may issue additional Senior Bonds (as well as additional Subordinate Bonds) without Bondholder consent upon meeting certain coverage tests under the Indentures, as described herein.

Federal Funding

A significant portion of the Authority's annual revenues derives from federal grants, including preventative maintenance grants. Preventative maintenance grants are federal formula grants received by the Authority pursuant to the current federal transportation funding legislation. Federal grant moneys do not constitute Revenues or Pledged Revenues for purposes of the Indentures to the extent that such moneys are prohibited by law from being pledged, but failure to receive such grant moneys could materially disrupt the operations and financial position of the Authority. See "FINANCIAL INFORMATION REGARDING UTAH TRANSIT AUTHORITY—Five–Year Financial Summaries–Statement of Revenues, Expenses and Changes in Net Assets" and "—Federal Grants" below.

Operations Risks And Other Risk Factors

Operations of the Authority may be affected by various factors beyond its direct control, such as labor and fuel cost volatility; the availability of parts and equipment and volatility in the cost of parts and equipment; federal decisions affecting funding for mass transit; local political decisions affecting road construction, traffic regulations, and zoning approvals for Authority facilities; and natural or manmade disasters that affect the ability of the Authority to operate its System. Revenues derived from operation of the System and available after payment of operation and maintenance expenses constitute only a small fraction, if any, of Pledged Revenues. See "SECURITY FOR THE 2019 BONDS—Sales And Use Taxes" below. These and other factors, however, could negatively impact public and political perception and

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support of the Authority, resulting in legislative and other local governmental decisions that adversely affect the amount of sales taxes the Authority may collect, and could otherwise adversely impact the Authority and its System.

PLAN OF REFUNDING

The Authority previously issued (among others) its:

(i) $295,520,000 (original principal amount), Subordinated Sales Tax Revenue and Refunding Bonds, Series 2012, dated November 28, 2012), currently outstanding in the aggregate principal amount of $171,600,000 (the "2012 Subordinate Bonds"), the original proceeds of which were used to finance the cost of acquisition and construction of certain improvements to the System and to refund prior subordinated sales tax revenue bonds previously issued by the Authority;

(ii) $668,655,000 Sales Tax Revenue Refunding Bonds, Series 2015A, dated February 25, 2015, currently outstanding in the principal amount of $668,655,000 (the "2015A Senior Bonds") to refund in advance of their maturity certain senior lien sales tax revenue bonds previously issued by the Authority; and

(iii) $192,005,000 (original principal amount), Subordinated Sales Tax Revenue Refunding Bonds, Series 2015A, dated February 25, 2015), currently outstanding in the aggregate principal amount of $192,005,000 (the "2015A Subordinate Bonds"), the original proceeds of which were used to refund prior subordinated sales tax revenue bonds previously issued by the Authority.

Proceeds from the 2019 Bonds, together with other legally available moneys will be deposited with Zions Bancorporation, National Association, as Escrow Agent (the "Escrow Agent"), pursuant to an Escrow Agreement providing for the refunding of certain principal amounts of the 2012 Subordinate Bonds, the 2015A Senior Bonds, and the 2015A Subordinate Bonds, between the Authority and the Escrow Agent (the "Escrow Agreement") to establish an irrevocable trust escrow account (the "Escrow Account"), consisting of cash and government obligations of the United States of America. See "THE 2019 BONDS—Sources and Uses of Funds" below.

Amounts in the Escrow Account shall be used to:

(i) pay interest on the 2012 Subordinate Bonds maturing on and after June 15, 2039 (the "2012 Subordinate Refunded Bonds") and to redeem the 2012 Subordinate Refunded Bonds at a redemption price of 100% of the principal amount thereof on June 15, 2022 (the "2012 Subordinate Redemption Date"). The 2012 Subordinate Refunded Bonds mature on the dates and in the amounts, and bear interest at the rates, as follows:

Scheduled Maturity (June 15)	Redemption Date	CUSIP® 917565	Principal Amount	Interest Rate	Redemption Price
2039	June 15, 2022	ML4	$ 73,600,000	4.00%	100%
2042	June 15, 2022	MK6	98,000,000	5.00	100
Totals			$171,600,000		

(ii) pay interest on the 2015A Senior Bonds maturing on June 15, 2038 (the "2015A Senior Refunded Bonds") and to redeem the 2015A Senior Refunded Bonds at a redemption price of 100% of the principal amount thereof on June 15, 2025 (the "2015A Senior Redemption Date"). The 2015A Senior Refunded Bonds mature on the date and in the amount, and bear interest at the rate, as follows:

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Scheduled Maturity (June 15)	Redemption Date	CUSIP® 917567	Principal Amount	Interest Rate	Redemption Price
2038	June 15, 2025	AY5	$101,040,000	5.00%	100%

(iii) pay interest on the 2015A Subordinate Bonds maturing on and after June 15, 2027 (the "2015A Subordinate Refunded Bonds") and to redeem the 2015A Subordinate Refunded Bonds at a redemption price of 100% of the principal amount thereof on June 15, 2025 (the "2015A Subordinate Redemption Date"). The 2015A Subordinate Refunded Bonds mature on the dates and in the amounts, and bear interest at the rates, as follows:

Scheduled Maturity (June 15)	Redemption Date	CUSIP® 917567	Principal Amount	Interest Rate	Redemption Price
2027	June 15, 2025	BN8	$ 8,450,000	5.00%	100%
2028	June 15, 2025	BP3	8,890,000	5.00	100
2029	June 15, 2025	BQ1	9,340,000	5.00	100
2030	June 15, 2025	BR9	9,830,000	5.00	100
2031	June 15, 2025	BS7	10,315,000	5.00	100
2032	June 15, 2025	BT5	10,830,000	5.00	100
2033	June 15, 2025	BU2	11,510,000	5.00	100
2034	June 15, 2025	BV0	12,105,000	5.00	100
2035	June 15, 2025	BW8	12,710,000	5.00	100
2037 (1)	June 15, 2025	BX6	31,155,000	5.00	100
Totals			$125,135,000		

(1) The original principal amount of this term bond was $45,300,000. $31,155,000 will be refunded by the 2019 Subordinate Bonds leaving principal outstanding in the amount of $14,145,000. The original CUSIP number may be reassigned on the remaining principal outstanding.

The cash and investments held in the Escrow Account will be sufficient to pay the interest falling due on (i) the 2012 Subordinate Refunded Bonds through the 2012 Subordinate Redemption Date and the redemption price of the 2012 Subordinate Refunded Bonds, due and payable on the 2012 Subordinate Redemption Date; (ii) the 2015A Senior Refunded Bonds through the 2015A Senior Redemption Date and the redemption price of the 2015A Senior Refunded Bonds, due and payable on the 2015A Senior Redemption Date; and (iii) the 2015A Subordinate Refunded Bonds through the 2015A Subordinate Redemption Date and the redemption price of the 2015A Subordinate Refunded Bonds, due and payable on the 2015A Subordinate Redemption Date.

The 2012 Subordinate Refunded Bonds, the 2015A Senior Refunded Bonds and the 2015A Subordinate Refunded Bonds, are collectively the "2019 Refunded Bonds."

Certain mathematical computations regarding the sufficiency of and the yield on the investments held in the Escrow Account will be verified by Public Finance Partners, Minneapolis, Minnesota. See "MISCELLANEOUS—Escrow Verification" below.

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THE 2019 BONDS

General

The 2019 Bonds will be dated the date of original issuance and delivery[1] (the "Dated Date") and will mature on December 15 of the years and in the amounts as set forth on the inside cover pages of this OFFICIAL STATEMENT.

The 2019 Bonds will bear interest from their Dated Date at the rates per annum set forth on the inside cover pages of this OFFICIAL STATEMENT. Interest on the 2019 Bonds is payable semiannually on each June 15 and December 15, commencing June 15, 2020. Interest on the 2019 Bonds shall be computed based on a 360–day year consisting of 12, 30–day months. Zions Bank is the Trustee, Registrar and Paying Agent with respect to the 2019 Bonds (in such respective capacities, the "Trustee," "Registrar" and "Paying Agent"). The Trustee, Bond Registrar and Paying Agent may resign or be removed, and a successor may be appointed in accordance with the Senior Indenture.

The 2019 Bonds will be issued as fully–registered bonds, initially in book–entry form, in the denomination of $5,000 or any whole multiple thereof, not exceeding the amount of each maturity.

Sources And Uses Of Funds

The proceeds from the sale of the 2019 Bonds are estimated to be applied as set forth below:

	2019A Senior Bonds	2019B Senior Bonds	2019 Subordinate Bonds
Sources of Funds:			
Principal amount	$	$	$
Original issue premium			
Transfers from prior issue debt service funds			
Total	$	$	$
Uses of Funds:			
Deposit to Escrow Account	$	$	$
Deposit to Project Construction Account			
Underwriter's discount			
Costs of issuance			
Original issue discount			
Total	$	$	$

(1) Includes legal fees, Escrow Agent fees, Trustee, Bond Registrar and Paying Agent fees, Municipal Advisor fees, rating agency fees, bond insurance fees, reserve instrument fees, escrow verification fees, rounding amounts and other miscellaneous costs of issuance.

(Source: Municipal Advisor.)

Redemption Provisions

Optional Redemption for the 2019A Senior Bonds. The 2019A Senior Bonds maturing on or after December 15, 20__ are subject to redemption prior to maturity, in whole or in part, at the option of the Authority on any date on and after [June 15, 20__/December 15, 20__], at a redemption price equal to 100% of the principal amount of the 2019A Senior Bonds to be redeemed plus accrued interest thereon to the date fixed for redemption.

[1] The anticipated date of delivery is Monday, November 25, 2019.

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Optional Redemption for the 2019B Senior Bonds. The 2019B Senior Bonds maturing on or after December 15, 20__ are subject to redemption prior to maturity, in whole or in part, at the option of the Authority on any date on and after [June 15, 20__/December 15, 20__], at a redemption price equal to 100% of the principal amount of the 2019B Senior Bonds to be redeemed plus accrued interest thereon to the date fixed for redemption.

Optional Redemption for the 2019 Subordinate Bonds. The 2019 Subordinate Bonds maturing on or after December 15, 20__ are subject to redemption prior to maturity, in whole or in part, at the option of the Authority on any date on and after [June 15, 20__/December 15, 20__], at a redemption price equal to 100% of the principal amount of the 2019 Subordinate Bonds to be redeemed plus accrued interest thereon to the date fixed for redemption.

Mandatory Sinking Fund Redemption on the 2019B Senior Bonds. The 2019B Senior Bonds maturing on December 15, 20__ are subject to mandatory sinking fund redemption, by lot in such manner as the Trustee may determine, at a price equal to 100% of the principal amount thereof plus accrued interest to the redemption date, on the dates and in the principal amounts as follows:

Mandatory Sinking Fund Redemption Date	Sinking Fund Requirements
December 15, 20__	$
December 15, 20__	
December 15, 20__	
December 15, 20__	
December 15, 20__ (final maturity)	
Total	$

Upon redemption of any 2019B Senior Bonds maturing on December 15, 20__, other than by application of such mandatory sinking fund redemption, an amount equal to the principal amount so redeemed will be credited toward a part or all of any one or more of such mandatory sinking fund redemption amounts for the 2019B Senior Bonds maturing on December 15, 20__, in such order of mandatory sinking fund date as shall be directed by the Authority.

Partial Redemption of a 2019 Bond. If fewer than all 2019 Bonds of a Series are to be optionally redeemed, the particular maturities of such 2019 Bonds of a Series to be redeemed and the principal amounts of such maturities to be redeemed shall be selected by the Authority. If less than all the 2019 Bonds of any Series and maturity are to be redeemed, the particular 2019 Bonds or portion of the 2019 Bonds of such Series and maturity to be redeemed shall be selected by the Trustee by lot, in such manner as the Trustee in its discretion may deem fair and appropriate. The portion of any registered 2019 Bond of a denomination of more than $5,000 to be redeemed will be in the principal amount of $5,000 or any integral multiple thereof, and in selecting portions of such 2019 Bonds for redemption the Trustee will treat each such 2019 Bond as representing that number of 2019 Bonds of $5,000 denomination that is obtained by dividing the principal amount of such 2019 Bonds by $5,000.

Notice of Redemption. Notice of redemption shall be given by the Trustee by first class mail, not less than 30 nor more than 60 days prior to the redemption date, to the registered owner of the 2019 Bonds at the address of such Bondowner as it appears in the registration books of the Authority kept by the Trustee. Each notice of redemption shall state (i) the complete official name and identifying number of the 2019 Bonds to be redeemed; (ii) any other descriptive information deemed to accurately identify the 2019 Bonds being redeemed, including, but not limited to, the dated date of and interest rate on such 2019 Bonds; (iii) in the case of a partial redemption, the respective principal amounts to be redeemed; (iv) the date of mailing of the redemption notice and the redemption date; (v) the redemption price; (vi) that on the redemption date the redemption price will become due and payable upon each such 2019 Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from

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and after said date; and (vii) the place where such 2019 Bonds are to be surrendered for payment of the redemption price.

Each notice of redemption may further state that such redemption shall be conditional upon the Trustee's receiving for deposit into the Bond Fund, on or prior to the date fixed for redemption, moneys authorized by the Authority to be deposited therein that are sufficient to pay the redemption price of and interest on the 2019 Bonds to be redeemed and that if such moneys have not been so received the notice shall be of no force or effect and the Authority shall not be required to redeem such 2019 Bonds. If such notice of redemption contains such a condition and such moneys are not so received, the redemption will not be made and the Registrar will within a reasonable time thereafter give notice, in the way the notice of redemption was given, that such moneys were not so received. Any notice mailed will be conclusively presumed to have been duly given, whether the Bondowner receives such notice. Failure to give such notice or any defect therein with respect to any 2019 Bond will not affect the validity of the proceedings for redemption with respect to any other 2019 Bond.

For so long as a book–entry system is in effect with respect to the 2019 Bonds, the Registrar will mail notices of redemption to DTC or its successor. Any failure of DTC to convey such notice to any Direct Participants or any failure of the Direct Participants or Indirect Participants to convey such notice to any Beneficial Owner will not affect the sufficiency of the notice or the validity of the redemption of 2019 Bonds. See "THE 2019 BONDS—Book–Entry System" below.

Debt Service On The 2019 Bonds

The 2019A Senior Bonds

	The 2019A Senior Bonds			
Payment Date	Principal*	Interest	Period Total	Fiscal Total
June 15, 2020	$ 0.00	$	$	
December 15, 2020	0.00			
June 15, 2021	0.00			
December 15, 2021	0.00			
June 15, 2022	0.00			
December 15, 2022	0.00			
June 15, 2023	0.00			
December 15, 2023	0.00			
June 15, 2024	0.00			
December 15, 2024	0.00			
June 15, 2025	0.00			
December 15, 2025	1,825,000.00			
June 15, 2026	0.00			
December 15, 2026	1,920,000.00			
June 15, 2027	0.00			
December 15, 2027	2,015,000.00			
June 15, 2028	0.00			
December 15, 2028	2,115,000.00			
June 15, 2029	0.00			
December 15, 2029	2,220,000.00			
June 15, 2030	0.00			
December 15, 2030	2,330,000.00			
June 15, 2031	0.00			
December 15, 2031	2,450,000.00			
June 15, 2032	0.00			
December 15, 2032	2,570,000.00			
June 15, 2033	0.00			
December 15, 2033	2,700,000.00			
June 15, 2034	0.00			

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The 2019A Senior Bonds–continued

Payment Date	The 2019A Senior Bonds Principal*	Interest	Period Total	Fiscal Total
December 15, 2034	2,835,000.00			
June 15, 2035	0.00			
December 15, 2035	2,975,000.00			
June 15, 2036	0.00			
December 15, 2036	3,125,000.00			
June 15, 2037	0.00			
December 15, 2037	3,280,000.00			
June 15, 2038	0.00			
December 15, 2038	3,445,000.00			
June 15, 2039	0.00			
December 15, 2039	3,615,000.00			
June 15, 2040	0.00			
December 15, 2040	3,760,000.00			
June 15, 2041	0.00			
December 15, 2041	3,875,000.00			
June 15, 2042	0.00			
December 15, 2042	4,070,000.00			
June 15, 2043	0.00			
December 15, 2043	4,270,000.00			
June 15, 2044	0.00			
December 15, 2044	4,485,000.00			
Totals	$59,880,000.00			

* Preliminary; subject to change.

(Source: Municipal Advisor.)

The 2019B Senior Bonds

Payment Date	The 2019B Senior Bonds Principal*	Interest	Period Total	Fiscal Total
June 15, 2020	$ 0.00	$	$	
December 15, 2020	1,190,000.00			
June 15, 2021	0.00			
December 15, 2021	1,445,000.00			
June 15, 2022	0.00			
December 15, 2022	1,475,000.00			
June 15, 2023	0.00			
December 15, 2023	1,500,000.00			
June 15, 2024	0.00			
December 15, 2024	1,530,000.00			
June 15, 2025	0.00			
December 15, 2025	1,560,000.00			
June 15, 2026	0.00			
December 15, 2026	1,595,000.00			
June 15, 2027	0.00			
December 15, 2027	695,000.00			
June 15, 2028	0.00			
December 15, 2028	710,000.00			
June 15, 2029	0.00			
December 15, 2029	725,000.00			
June 15, 2030	0.00			
December 15, 2030	745,000.00			
June 15, 2031	0.00			
December 15, 2031	760,000.00			

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The 2019B Senior Bonds–continued

Payment Date	The 2019B Senior Bonds Principal*	Interest	Period Total	Fiscal Total
June 15, 2032	0.00			
December 15, 2032	785,000.00			
June 15, 2033	0.00			
December 15, 2033	805,000.00			
June 15, 2034	0.00			
December 15, 2034	825,000.00			
June 15, 2035	0.00			
December 15, 2035	850,000.00			
June 15, 2036	0.00			
December 15, 2036	875,000.00			
June 15, 2037	0.00			
December 15, 2037	74,255,000.00			
June 15, 2038	0.00			
December 15, 2038	76,040,000.00			
June 15, 2039	0.00			
December 15, 2039	25,930,000.00			
June 15, 2040	0.00			
December 15, 2040	4,620,000.00			
June 15, 2041	0.00			
December 15, 2041	30,005,000.00			
June 15, 2042	0.00			
December 15, 2042	74,695,000.00			
Totals	$303,615,000.00			

* Preliminary; subject to change.

(Source: Municipal Advisor.)

The 2019 Subordinate Bonds

Payment Date	The 2019 Subordinate Bonds Principal*	Interest	Period Total	Fiscal Total
June 15, 2020	$ 0.00	$	$	
December 15, 2020	0.00			
June 15, 2021	0.00			
December 15, 2021	0.00			
June 15, 2022	0.00			
December 15, 2022	0.00			
June 15, 2023	0.00			
December 15, 2023	0.00			
June 15, 2024	0.00			
December 15, 2024	0.00			
June 15, 2025	0.00			
December 15, 2025	0.00			
June 15, 2026	0.00			
December 15, 2026	0.00			
June 15, 2027	0.00			
December 15, 2027	0.00			
June 15, 2028	0.00			
December 15, 2028	0.00			
June 15, 2029	0.00			
December 15, 2029	0.00			
June 15, 2030	0.00			
December 15, 2030	0.00			
June 15, 2031	0.00			

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Payment Date	The 2019 Subordinate Bonds Principal*	Interest	Period Total	Fiscal Total
December 15, 2031	.00			
June 15, 2032	0.00			
December 15, 2032	0.00			
June 15, 2033	0.00			
December 15, 2033	0.00			
June 15, 2034	0.00			
December 15, 2034	0.00			
June 15, 2035	0.00			
December 15, 2035	0.00			
June 15, 2036	0.00			
December 15, 2036	20,500,000.00			
June 15, 2037	0.00			
December 15, 2037	0.00			
June 15, 2038	0.00			
December 15, 2038	0.00			
June 15, 2039	0.00			
December 15, 2039	0.00			
June 15, 2040	0.00			
December 15, 2040	0.00			
June 15, 2041	0.00			
December 15, 2041	62,735,000.00			
June 15, 2042	0.00			
December 15, 2042	64,795,000.00			
Totals	$148,030,000.00			

* Preliminary; subject to change.

(Source: Municipal Advisor.)

Book–Entry System

DTC will act as securities depository for the 2019 Bonds. The 2019 Bonds will be issued as fully–registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully–registered 2019 Bond certificate will be issued for each maturity of the 2019 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC or a "fast agent" of DTC. See "APPENDIX F—BOOK–ENTRY SYSTEM" for a more detailed discussion of the book–entry system and DTC.

SECURITY FOR THE 2019 BONDS

The 2019A Senior Bonds and the 2019B Senior Bonds are special limited obligations of the Authority that are payable solely from the Pledged Revenues and certain moneys held under the Senior Indenture.

The 2019 Subordinate Bonds are special limited obligations of the Authority payable solely from the Pledged Revenues and certain moneys held under the Subordinate Indenture, *subject to the prior lien on Pledged Revenues securing the Senior Bonds.*

Pledged Revenues include: (i) Sales and Use Taxes; (ii) interest earnings on certain funds held under the respective Indentures; (iii) certain Direct Payments (as defined under the respective Indentures); and (iv) all other Revenues (including but not limited to fare–box revenues, advertising revenues, fees, income, rents and receipts received or earned by the Authority from the operation of the System) after pay-

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ment of Operation and Maintenance Expenses of the System. Pledged Revenues do not include federal and state grant moneys that are prohibited by law from being pledged. *Payment of the principal of and interest on the 2019 Subordinate Bonds from Pledged Revenues is subject to the prior lien on Pledged Revenues securing the Senior Bonds, as described below under "Flow of Funds" below.*

The 2019 Bonds are not a general obligation or a pledge of the full faith and credit of the Authority, the State or any agency, instrumentality or political subdivision of the State. The issuance of the 2019 Bonds shall not directly, indirectly, or contingently obligate the Authority, the State or any agency, instrumentality or political subdivision of the State to levy any form of ad valorem taxation therefor. The Authority will not mortgage or grant any security interest in any of its physical assets to secure payment of the 2019 Bonds.

Flow Of Funds

Under the Senior Indenture and the Subordinate Indenture, all Revenues (except earnings from the investment of amounts on deposit in the funds and accounts established under the Senior Indenture and the Subordinate Indenture, which shall be allocated as provided in the Senior Indenture and the Subordinate Indenture, respectively) shall be deposited by the Authority to the credit of the Revenue Fund and the Authority shall account for Sales and Use Taxes separate and apart from all other Revenues.

Under the Indentures, Sales and Use Taxes are applied as described in (a) and (b) below, prior to payment of Operation and Maintenance Expenses. Other Revenues are applied after payment of Operation and Maintenance Expenses, as described in paragraph (c).

(a) As a first lien and charge on the Sales and Use Taxes, the Authority is to transfer and deposit all available Sales and Use Taxes from the Revenue Fund into the following Funds or make payments therefrom (as applicable) pursuant to the Senior Indenture, in the following order of priority set forth below:

(i) amounts required to be deposited in the Bond Fund established under the Senior Indenture to pay debt service on the Senior Bonds and any security instrument repayment obligations with respect to the Senior Bonds, as provided in the Senior Indenture;

(ii) amounts required under the Senior Indenture to be deposited in the Reserve Instrument Fund or the Debt Service Reserve Fund established under the Senior Indenture; and

(iii) to provide for the payment of Financing Expenses (Security Instrument Costs, Reserve Instrument Costs, and arbitrage rebate with respect to the Senior Bonds) when and as the same become due.

(b) As a second charge and lien on the Sales and Use Taxes and after the above payments have been made pursuant to the Senior Indenture, the Authority is to make the following transfers or payments pursuant to the Subordinate Indenture, in the order of priority set forth below:

(i) amounts required to be deposited in the Bond Fund established under the Subordinate Indenture, to pay the debt service on the Subordinate Bonds and any security instrument repayment obligations with respect to the Subordinate Bonds, as provided in the Subordinate Indenture;

(ii) amounts required under the Subordinate Indenture to be deposited in the Reserve Instrument Fund or the Debt Service Reserve Fund established under the Subordinate Indenture;

(iii) to provide for the payment of Financing Expenses (Security Instrument Costs, Reserve Instrument Costs, and arbitrage rebate with respect to the Subordinate Bonds) when and as the same become due; and

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(iv) as the next charge and lien on the Sales and Use Taxes, the Authority shall allocate or transfer and deposit to the appropriate fund any debt service payments, reserve fund payments, debt reserve instrument costs and similar payments which may be required pursuant to any obligations payable from Revenues on a basis subordinate to the Subordinate Indenture.

(c) The Operation and Maintenance Expenses shall be paid by the Authority from time to time as they become due and payable (i) at any time from the Revenues other than Sales and Use Taxes, Subordinate Direct Payments and Senior Direct Payments and (ii) from the Revenues constituting Sales and Use Taxes, Subordinate Direct Payments and Senior Direct Payments, but only after the charges on Sales and Use Taxes referenced above have been met.

(d) As necessary, after payment of unpaid Operation and Maintenance Expenses then due, the Authority will transfer and deposit any amounts in the Revenue Fund into the funds established under the Senior Indenture and the Subordinate Indenture, for the purposes and in the order of priority, set forth above. Subject to making the foregoing deposits, the Authority may use any moneys on deposit in the Revenue Fund for:

(i) redemption of Senior Bonds or Subordinate Bonds for cancellation prior to maturity;

(ii) refinancing, refunding, or advance refunding any Senior Bonds or Subordinate Bonds;

(iii) application to, or accumulation of a reserve for, the purpose of applying toward, the costs of acquiring, constructing, equipping or furnishing additional facilities to the System or improving, replacing, restoring, equipping or furnishing any existing facilities;

(iv) payment of indebtedness having a lien on the Pledged Revenues subordinate to that of the Subordinate Bonds and the Repayment Obligations; or

(v) application for any other lawful purposes, as determined by the Authority.

See "APPENDIX B—EXTRACTS OF CERTAIN PROVISIONS OF THE SENIOR INDENTURE–Use of Funds" and "APPENDIX C—EXTRACTS OF CERTAIN PROVISIONS OF THE SUBORDINATE INDENTURE–Special Funds And Accounts" for additional information regarding the provisions of the Indentures relating to the application of Revenues.

Sales And Use Taxes

Transit Sales Taxes. Under Section 2213 of the Sales and Use Tax Act, Title 59, Chapter 12 of the Utah Code (the "Sales Tax Act"), counties, cities and towns may, upon meeting the statutory requirements to do so, levy a sales and use tax of up to 0.30% on taxable retail sales of tangible personal property and services (excluding food and food ingredients and various other property and services for which the Sales Tax Act provides an exemption) ("Taxable Sales") within its boundaries, to fund a public transportation system (the "Mass Transit Tax"). However, the maximum rate for the Mass Transit Tax is 0.25% for any county, city, or town in which the Mass Transit Fixed Guideway Tax (defined below) is also levied.

Under Section 2214 of the Sales Tax Act, any county, city or town may, upon approval of the voters of such entity at an election, levy an additional sales tax to fund a system for public transit or a project or service related to an airport facility of up to 0.25% on all Taxable Sales within its boundaries (less 20% of such taxes in the case of counties of the first class (i.e., Salt Lake County), which is allocated to fund highway and other improvements) (the "Additional Mass Transit Tax").

Under Section 2216 of the Sales and Use Tax Act, counties that do not levy, and do not contain any municipalities that levy, the Additional Mass Transit Tax, may, upon approval of the voters of the county

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at an election, levy a sales and use tax of up to 0.30% of Taxable Sales for fixed guideway, public transit, and highway projects within the county (the "Mass Transit Fixed Guideway Tax"). Utah County is the only county in the Service Area that has levied the Mass Transit Fixed Guideway Tax (92% of which is dedicated to the Authority).

In addition, under Section 2217 of the Sales Tax Act, counties may, upon approval of the voters of the county at an election, levy a sales and use tax of up to 0.25% of Taxable Sales for corridor preservation, or congestion mitigation, or to expand capacity for regionally significant transportation facilities (less 25% of such taxes in the case of counties of the first or second class, which is allocated to highway projects) (the "County Option Transportation Tax"). Salt Lake County is the only county in the Service Area that has levied a County Option Transportation Tax that is dedicated to the Authority. Pursuant to the Sales Tax Act, county ordinance, and an interlocal agreement among the Utah Department of Transportation, the Authority, and Salt Lake County, 25% of Salt Lake County's County Option Transportation Tax is dedicated to highway projects and is not available to the Authority. (Currently, Weber County levies a 0.25% County Option Transportation Tax, however, such tax revenues are not dedicated to the Authority, but to Weber County projects as directed by local county government.)

Pursuant to Section 2003 of the Sales Tax Act, the State levies a sales and use tax of up to 0.30% of Taxable Sales (the "Supplemental State Sales and Use Tax") within any city, town or unincorporated area within a county of the first or second class in the Service Area that does not levy either the maximum 0.30% Mass Transit Tax or the maximum 0.30% Mass Transit Fixed Guideway Tax, as applicable. The Supplemental State Sales and Use Tax rate to be levied by the State within such counties equals the difference between 0.30% and the Mass Transit Tax rate or Mass Transit Fixed Guideway Tax rate, as applicable, that is levied in such areas. Currently, the State is levying a 0.05% Supplemental State Sales and Use Tax in Weber and Davis Counties. Each of the other municipalities and unincorporated areas within counties of the first and second class in the Service Area (Salt Lake County and Utah County) levies the maximum Mass Transit Tax and/or Mass Transit Fixed Guideway Tax.

Pledge of Sales and Use Taxes. Sales and Use Taxes received by the Authority and pledged under the Subordinate Indenture consist of revenues received from the following transit sales taxes:

(i) a 0.30% Mass Transit Tax levied by Salt Lake County; by participating cities within Box Elder County (consisting of Brigham City, Willard City and Perry City); by participating cities within Tooele County (consisting of the cities of Tooele and Grantsville and the unincorporated areas known as Erda, Lakepoint, Lincoln and Stansbury Park) and a 0.25% Mass Transit Tax levied by Davis, Utah and Weber Counties and by the participating city in Juab County (Santaquin City, which is located in Utah and Juab Counties) (the counties and cities identified in this paragraph are collectively referred to herein as the "Participating Counties," the "Participating Cities" or the "Participating Counties and Cities");

(ii) a 0.25% Additional Mass Transit Tax levied by Weber, Davis and Salt Lake Counties (less 20% of such taxes, in the case of Salt Lake County, which is allocated to fund highway and other improvements) and by the Participating Cities in Box Elder County;

(iii) a 0.276% Mass Transit Fixed Guideway Tax levied by Utah County (92% of the 0.30% tax levy is dedicated to the Authority);

(iv) a 0.1875% (being 75% of 0.25%) County Option Transportation Tax levied by Salt Lake County;

(v) a 0.05% Supplemental State Sales and Use Tax that is levied by the State in Weber and Davis Counties; and

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(vi) any other sales and use tax revenues legally available to the Authority that may be affirmatively pledged under the Subordinate Indenture in the future.

The following table shows the combined sales tax rates of each of the Participating Counties and Cities with respect to the portion of their transit taxes that is pledged under the Subordinate Indenture:

Sales and Use Tax Rates (1)

Participating County/City	Total Transit Sales Tax Rate Pledged
Participating Cities in Box Elder County (2)…….	0.55 %
Davis County (1) (3)…….....	0.55
Participating City in Juab County (4)……	0.25
Salt Lake County (1) (5)…….....	0.6875
Participating Cities in Tooele County (1) (6)……	0.30
Utah County (1) (7)……...	0.526
Weber County (1) (2)…….	0.55

(1) ***Does not include revenues from the 0.1% sales tax received by Davis, Salt Lake, Tooele, Utah and Weber Counties pursuant to Section 59–12–2218 (the "Proposition 1 Tax") as such revenues do not constitute Pledged Revenues. See "Proposition 1 Tax" below.***
(2) Consists of the Mass Transit Tax (0.30%) and Additional Mass Transit Tax (0.25%).
(3) Consists of the Mass Transit Tax (0.25%), the Supplemental State Sales and Use Tax (0.05%) and the Additional Mass Transit Tax (0.25%).
(4) Consists of the Mass Transit Tax (0.25%).
(5) Consists of the Mass Transit Tax (0.30%), the Additional Mass Transit Tax (0.20%) (representing 80% of 0.25%; the other 20% is allocated to highway and other improvements) and the County Option Transportation Tax (0.1875%) (representing 0.25%, less 0.0625%, which is dedicated to highway projects pursuant to county ordinance).
(6) Consists of the Mass Transit Tax (0.30%).
(7) Consists of the Mass Transit Tax (0.25%) and the Mass Transit Fixed Guideway Tax (0.276% (92% of 0.30%)).

For a 10–year history of sales tax rates by county (*including Proposition 1 Tax*) within the Authority's Service Area see "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF UTAH TRANSIT AUTHORITY FOR FISCAL YEARS 2018 AND 2017–Statistical Section–Local Transit Sales Tax Rates By County–10 Years" (CAFR page 105).

Transit sales taxes are collected together with other sales and use taxes by the Utah State Tax Commission monthly for most sales tax payers. The Authority's portion of the transit sales taxes is then remitted to the Authority by the Utah State Tax Commission on behalf of the Participating Counties and Cities or, with respect to certain Participating Counties and Cities that have not entered into Interlocal Agreements (defined below) with the Authority, by the Participating Counties and Cities themselves.

Interlocal Agreements. The Authority has entered into Interlocal Cooperation Agreements (the "Interlocal Agreements") with Salt Lake County and Utah County, each of which extends at least to 2045. The Interlocal Agreements require such Participating Counties to allocate the Sales and Use Taxes levied by such entities to the Authority to the extent described above under "Pledge of Sales and Use Taxes." The Interlocal Agreements authorize the Utah State Tax Commission to remit the Participating Counties' respective Sales and Use Tax revenues directly to the Authority. The Authority is required to use the amounts allocated by the Participating Counties on System projects designated under the respective Interlocal Agreements.

Proposition 1 Tax. In 2015, the Legislature passed legislation allowing counties to place an additional local option sales tax for transportation purposes on their ballots in November 2015 (the "Proposition 1

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Tax"). For counties in which the Proposition 1 Tax was approved and which are served by the Authority, revenue is allocated among the counties, cities and the Authority to address transportation needs. Voters approved the Proposition 1 Tax in Davis, Weber, and Tooele Counties, and the Authority will use funds generated by such tax to improve its transit services in those specific counties. ***Sales tax revenues collected from the Proposition 1 Tax are not included in the sales taxes that constitute Pledged Revenues.***

Historical Pledged Revenues. The following table shows the Authority's Sales and Use Tax collections (of Pledged Revenues) by county, totals and percentage change for the last 10 years.

Also see "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF UTAH TRANSIT AUTHORITY FOR FISCAL YEARS 2018 AND 2017–Statistical Section–Local Contributions in the Form of Sales Tax by County–10 Years" (CAFR page 105; ***however, this table includes all sales and use taxes (including the Proposition 1 Tax, which is not pledged under the Indenture) beginning in Fiscal Year 2016***).

For Fiscal Year 2018, approximately 64% of Pledged Revenues was collected within Salt Lake County; approximately 17% was collected in Utah County; approximately 10% was collected in Davis County; approximately 8% was collected in Weber County; less than 1% was collected in Tooele County; and less than 1% was collected in Box Elder County.

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Historical Pledged Sales and Use Tax Collections

Fiscal Year Ended December 31	Salt Lake County Amount	% change from prior year	Utah County (1) Amount	% change from prior year	Davis County Amount	% change from prior year	Weber County Amount	% change from prior year	Tooele County (2) Amount	% change from prior year	Box Elder County (3) Amount	% change from prior year	**All Counties Amount (4)**	**% change from prior year**
2018……	$ 174,704,191	6.9	$ 45,665,232	6.1	$ 26,980,557	4.1	$ 21,973,666	6.2	$ 1,785,303	3.1	$ 1,898,307	(3.0)	**$ 273,007,256**	**6.3**
2017……	163,407,565	6.7	43,023,303	11.5	25,930,110	7.2	20,692,601	7.3	1,731,431	12.8	1,957,740	9.3	**256,742,750**	**7.6**
2016……	153,201,907	4.3	38,601,427	6.6	24,178,637	4.3	19,277,984	5.0	1,534,674	0.9	1,790,353	15.3	**238,584,982**	**4.8**
2015……	146,866,479	5.5	36,221,930	7.3	23,178,724	8.0	18,362,502	5.1	1,521,097	9.9	1,552,291	9.4	**227,703,023**	**6.1**
2014……	139,199,088	4.9	33,752,513	5.8	21,459,683	7.2	17,469,093	6.0	1,384,631	2.6	1,418,268	9.0	**214,683,276**	**5.3**
2013……	132,741,112	2.8	31,905,764	4.3	20,023,042	7.1	16,486,468	5.6	1,349,366	(1.1)	1,300,577	1.6	**203,806,329**	**3.6**
2012……	129,169,357	7.6	30,576,235	10.2	18,692,038	4.5	15,611,940	4.5	1,364,179	13.0	1,279,794	4.3	**196,693,543**	**7.4**
2011……	120,094,110	6.9	27,743,162	9.2	17,880,017	5.4	14,939,966	1.9	1,207,539	(1.6)	1,226,730	(3.4)	**183,091,524**	**6.5**
2010……	112,379,366	0.3	25,397,367	2.7	16,964,089	(0.7)	14,656,323	(2.5)	1,227,109	7.9	1,269,478	(2.2)	**171,893,732**	**0.3**
2009 (5)……	112,076,511	(10.8)	24,725,132	(9.8)	17,091,892	(4.3)	15,029,137	(1.3)	1,136,816	(6.9)	1,297,586	12.3	**171,357,074**	**(9.1)**

(1) Effective October 1, 2011 all unincorporated areas of Utah County and the Participating City in Juab County began levying the Mass Transit Tax. Prior to October 2011, the Participating Cities included Alpine, American Fork, Cedar Hills, Eagle Mountain, Highland, Lehi, Lindon, Mapleton, Orem, Payson, Pleasant Grove, Provo, Salem, Saratoga Springs, Springville, and the unincorporated areas. Eagle Mountain and Saratoga Springs became Participating Cities effective April 1, 2009.

(2) Consists of the Participating Cities of Tooele, Grantsville and the unincorporated areas known as Erda, Lakepoint, Stansbury Park and Lincoln.

(3) Consists of the Participating Cities of Brigham, Perry and Willard.

(4) Due to the timing of collections and the accrual of the Authority's revenues, these amounts may not match the audited financial statements of the Authority.

(5) The amount for Utah County in 2009 has been adjusted from what the Authority reported in the current and historical Comprehensive Annual Financial Reports ("CAFR"). The total 2009 amount has been changed from $171,854,169 to $171,357,074 (Utah County was changed from $25,222,227 to $24,725,132 because of a calculation error).

(Source: The Authority.)

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Monthly Sales And Use Tax Collections

The following table shows the Authority's Sales and Use Tax collections for Fiscal Years 2014 through 2018 and the actual and budgeted Sales and Use Tax for Fiscal Year 2019.

	Fiscal Year							
						2019 (1)		
Period	2014	2015	2016 (1)	2017 (1)	2018 (1)	**Actual (2)**	**Budget**	**Difference**
January……	$ 15,401,268	$ 15,822,942	$ 16,067,751	$ 17,833,314	$ 19,618,448	**$ 20,838,701**	**$ 19,932,702**	**$ 905,999**
February……	15,032,544	15,177,844	16,170,707	19,850,509	20,385,220	**20,559,616**	**20,329,543**	**230,073**
March……	19,808,480	21,209,721	23,637,140	22,316,190	23,157,586	**24,796,772**	**26,797,950**	**(2,001,178)**
April……	16,321,002	17,880,134	17,050,500	17,413,722	20,612,496	**20,892,268**	**21,055,752**	**(163,484)**
May……	16,596,746	17,061,258	19,164,112	19,884,544	24,216,560	**23,976,785**	**22,353,840**	**1,622,945**
June……	20,195,317	21,735,000	21,530,800	25,321,478	24,707,456	**26,665,310**	**27,298,795**	**(633,485)**
July……	16,886,664	18,681,512	19,926,594	19,697,155	23,149,874	**24,300,897**	**23,208,223**	**1,092,674**
August……	17,690,252	19,041,994	20,566,224	23,626,608	22,752,181	**-**	**24,988,680**	**-**
September……	20,116,071	21,679,415	22,047,531	22,604,228	24,573,060	**-**	**26,557,119**	**-**
October……	16,815,573	17,447,201	18,334,089	20,438,810	21,141,108	**-**	**22,422,093**	**-**
November……	16,452,912	17,402,017	18,965,164	21,790,948	22,031,791	**-**	**23,009,812**	**-**
December……	23,366,447	24,563,986	25,124,370	25,965,242	26,661,476	**-**	**30,353,491**	**-**
Totals……	$214,683,276	$227,703,024	$238,584,982	$256,742,748	$273,007,256	**$ 162,030,349**	**$ 288,308,000**	**$ 1,053,544**

(1) ***Sales and Use Taxes (and Pledged Revenues) exclude Proposition 1 Tax revenues.*** Collection of Proposition 1 Tax revenues began in Fiscal Year 2016. Unaudited final numbers; subject to change.

(2) Sales and Use Taxes are received by the Authority on or about the 20th day of the second month following the month in which such Sales and Use Taxes accrue.

(Source: The Authority.)

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No Debt Service Fund For The 2019A Senior Bonds And The 2019B Senior Bonds; Debt Service Reserve Fund For The Outstanding Senior Bonds

Pursuant to the amendments made to the Senior Indenture in 2015, the Authority is not required to fund a Debt Service Reserve Fund for the 2019A Senior Bonds and the 2019B Senior Bonds or any Additional Senior Bonds.

The Senior Indenture establishes a Debt Service Reserve Requirement Fund with respect to the Senior Bonds issued prior to 2015. Senior Bonds issued prior to 2015 will remain secured by a Debt Service Reserve Fund. This Debt Service Reserve Fund does not secure the 2019A Senior Bonds, the 2019B Senior Bonds or any Additional Senior Bonds.

No Debt Service Reserve Fund For The 2019 Subordinate Bonds; Debt Service Reserve Funds For The Outstanding Subordinate Bonds

There is no Debt Service Reserve Fund with respect to the 2019 Subordinate Bonds.

Subaccounts are established in the Debt Service Reserve Fund with respect to certain of the Authority's Outstanding Subordinate Bonds, but *the 2019 Subordinate Bonds are not secured by any subaccount in the Debt Service Reserve Fund established with respect to another series of Subordinate Bonds.* The Debt Service Reserve fund for additional bonds, if any, equals the amount established under the supplemental indenture authorizing the related Series of Subordinate Bonds.

Issuance Of Additional Senior Bonds And Additional Subordinate Bonds

The Senior Indenture provides that Additional Senior Bonds may be issued upon satisfaction of certain requirements, including delivery by the Authority of a certificate to the effect that Adjusted Sales and Use Taxes are at least 200% of the maximum annual Aggregate Debt Service on all Senior Bonds to be outstanding upon the issuance of the Additional Senior Bonds.

Under the Subordinate Indenture no additional indebtedness, bonds or notes of the Authority payable on a priority ahead of the Subordinate Bonds or the Security Instrument Repayment Obligations with respect to the Subordinate Bonds out of Pledged Revenues shall be created or incurred, and no Additional Subordinate Bonds or other indebtedness of the Authority payable on a parity with the Subordinate Bonds or the Security Instrument Repayment Obligations out of Pledged Revenues shall be created or incurred unless certain requirements are satisfied, including delivery by the Authority of a certificate to the effect that Adjusted Sales and Use Taxes are at least 120% of the maximum Aggregate Debt Service for any Bond Fund Year on all of the Subordinate Bonds and Senior Bonds to be Outstanding upon the issuance of such additional bonds.

"Adjusted Sales and Use Taxes" means Sales and Use Taxes in any consecutive 12–month period within the 24 calendar months next preceding the issuance of the applicable series of Additional Bonds, adjusted to take into account any increases in the sales and use taxes allocated to the Authority, to the extent that such increased amounts have been included as "Sales and Use Taxes" and are pledged under the respective Indenture. The Senior Indenture may be amended and supplemented pursuant to its terms without the consent of the bondholders of the Subordinate Bonds.

See "DEBT STRUCTURE OF THE UTAH TRANSIT AUTHORITY—Future Issuance Of Debt" below.

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HISTORICAL DEBT SERVICE COVERAGE

The following table shows the past five Fiscal Years of debt service requirements for the Outstanding Senior Bonds, the Outstanding Subordinate Bonds, the historical Sales and Use Tax Revenues and the debt service coverage amounts.

		Senior Bonds		Subordinate Bonds		Total Bonds	
Fiscal Year Ending December 31	**Sales and Use Taxes**	Outstanding Senior Bonds Total Debt Service (1)	Debt Service Cover-age (2)	Outstanding Subordinate Bonds Total Debt Service (3)	Debt Service Cover-age (4)	Outstanding Senior and Subordinate Bonds Total Debt Service	Debt Service Cover-age (5)
Historical:							
2013.....	$203,806,329	$68,924,181	2.96	$ 32,565,180	4.14	$101,489,361	2.01
2014.....	214,683,276	68,571,496	3.13	33,151,469	4.41	101,722,965	2.11
2015.....	227,703,023	58,997,559	3.86	37,310,652	4.52	96,308,211	2.36
2016.....	238,584,982	62,372,691	3.83	41,924,135	4.20	104,296,826	2.29
2017.....	256,742,750	62,283,380	4.12	43,189,348	4.50	105,472,728	2.43
2018.....	273,007,256	64,166,168	4.25	47,658,533	4.38	111,824,701	2.44

(1) Includes actual interest payments on the 2009B Senior Bonds (Build America Bonds) and does not reflect any federal interest subsidy payments.

(2) Multiple of Sales and Use Taxes to debt service on the Senior Bonds.

(3) Includes actual interest payments on the 2010 Subordinate Bonds (Build America Bonds) and does not reflect any federal interest subsidy payments.

(4) Multiple by which Sales and Use Taxes remaining after payment of debt service on the Senior Bonds is available to pay debt service on the Subordinate Bonds.

(5) Multiple by which Sales and Use Taxes are available to pay aggregate debt service on the Senior Bonds and the Subordinate Bonds.

(Source: Municipal Advisor.)

For the Authority's presentation of a 10–year history of debt service coverage see "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF UTAH TRANSIT AUTHORITY FOR FISCAL YEARS 2018 AND 2017—Statistical Section–Debt Service Coverage–10 Years" (CAFR page 81; ***however, this coverage table includes all sales and use taxes (including Proposition 1 Tax revenues) beginning in Fiscal Year 2016 and also includes payments of federal interest subsidy payments on Build America Bonds***).

PROJECTED DEBT SERVICE COVERAGE

Forward Looking Projected Information. The Authority does not as a matter of course make public projections as to future revenues, income or other results. However, the management of the Authority has prepared the prospective financial information set forth below in the table "Projected Debt Service Coverage," to present Sales and Use Tax revenues of the Authority for Fiscal Year 2018. The accompanying prospective financial information was not prepared with a view toward public disclosure or with a view toward complying with the guidelines established by the American Institute of Certified Public Accountants with respect to prospective financial information, but, in the view of the Authority's management, was prepared on a reasonable basis, reflects the best currently available estimates and judgments and pre-

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sents, to the best of management's knowledge and belief, the expected course of action and the expected future financial performance of the Authority, or was prepared by carrying forward historical information to future years. However, this information is not fact and should not be relied upon as necessarily indicative of future results, and readers of this OFFICIAL STATEMENT are cautioned not to place undue reliance on the prospective financial information.

Neither the Authority's independent auditors, nor any other independent accountants, have compiled, examined, or performed any procedures with respect to the prospective financial information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and assume no responsibility for, and disclaim any association with, the prospective financial information.

The assumptions and estimates underlying the prospective financial information are inherently uncertain and, although considered reasonable by the management of the Authority as of the date hereof, are subject to a wide variety of significant business, economic, and competitive risks and uncertainties, including execution by the Participating Counties and Cities of the Interlocal Agreements, that could cause actual results to differ materially from those contained in the prospective financial information. Accordingly, there can be no assurance that the prospective results are indicative of the future performance of the Authority or that the actual results will not differ materially from those presented in the prospective financial information. Inclusion of the prospective financial information in this OFFICIAL STATEMENT should not be regarded as a representation by any person that the results contained in the prospective financial information will be achieved.

Projected Sales and Use Taxes. *Recent Developments.* The Authority has budgeted Sales and Use Tax collections for Fiscal Year 2019 to be collected at $288,308,000 (not including Proposition 1 Tax). See "SECURITY FOR THE 2019 BONDS—Monthly Sales And Use Tax Collections" above.

The Authority has received its Sales and Use Tax collections for January 2019 through July 2019. The January through July 2019 amount is approximately 4% higher (or approximately $6,183,000) than Sales and Use Tax collections for the period from January 2018 through July 2018.

The following table shows the debt service requirements for the 2019 Bonds, the Outstanding Senior Bonds, the Outstanding Subordinate Bonds and projected debt service coverage based upon Fiscal Year 2018 Sales and Use Taxes, for all years during which the Senior Bonds and Subordinate Bonds are scheduled to be outstanding (including for the years during which the 2019 Bonds are scheduled to be outstanding).

For purposes of the following debt service coverage table, the amount of Sales and Use Taxes collected for Fiscal Year 2018 is shown for all years during which the Senior Bonds and Subordinate Bonds are scheduled to be outstanding.

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Projected Debt Service Coverage

Fiscal Year Ending December 31	Sales and Use Taxes (1)	Senior Bonds*					Subordinate Bonds*				Total Bonds*	
		2019A Senior Bonds Debt Service	2019B Senior Bonds Debt Service	Outstanding Senior Bonds Debt Service (2)	Senior Bonds Total Debt Service (2)	Debt Service Cover-age (3)	2019 Subordinate Bonds Debt Service	Outstanding Subordinate Bonds Debt Service (4)	Subordinate Bonds Total Debt Service (4)	Debt Service Cover-age (5)	Outstanding Senior and Subordinate Bonds Total Debt Service (6)	Debt Service Cover-age (7)
2019	$ 273,007,256	$ 0	$ 0	$ 69,490,562	$ 69,490,562	3.93	$ 0	$ 40,618,069	$ 40,618,069	5.01	$ 110,108,631	2.48
2020	273,007,256	3,074,826	11,012,393	72,016,630	86,103,849	3.17	0	36,374,944	36,374,944	5.14	122,478,793	2.23
2021	273,007,256	2,882,650	10,631,716	77,651,030	91,165,396	2.99	0	37,443,944	37,443,944	4.86	128,609,340	2.12
2022	273,007,256	2,882,650	10,635,128	81,927,087	95,444,865	2.86	0	41,693,319	41,693,319	4.26	137,138,184	1.99
2023	273,007,256	2,882,650	10,632,545	87,817,218	101,332,413	2.69	0	44,345,444	44,345,444	3.87	145,677,857	1.87
2024	273,007,256	2,882,650	10,633,145	87,821,993	101,337,788	2.69	0	44,339,444	44,339,444	3.87	145,677,232	1.87
2025	273,007,256	4,707,650	10,631,627	87,822,530	103,161,807	2.65	0	44,342,819	44,342,819	3.83	147,504,626	1.85
2026	273,007,256	4,711,400	10,633,243	87,825,705	103,170,348	2.65	0	44,345,819	44,345,819	3.83	147,516,167	1.85
2027	273,007,256	4,710,400	9,697,994	87,823,624	102,232,018	2.67	0	54,281,069	54,281,069	3.15	156,513,087	1.74
2028	273,007,256	4,709,650	9,697,218	87,823,849	102,230,717	2.67	0	54,272,319	54,272,319	3.15	156,503,036	1.74
2029	273,007,256	4,708,900	9,695,319	87,932,756	102,336,975	2.67	0	60,525,119	60,525,119	2.82	162,862,094	1.68
2030	273,007,256	4,707,900	9,697,702	87,931,129	102,336,731	2.67	0	60,503,144	60,503,144	2.82	162,839,875	1.68
2031	273,007,256	4,711,400	9,693,854	87,928,564	102,333,818	2.67	0	60,523,744	60,523,744	2.82	162,857,562	1.68
2032	273,007,256	4,708,900	9,698,865	107,350,678	121,758,443	2.24	0	60,525,250	60,525,250	2.50	182,283,693	1.50
2033	273,007,256	4,710,400	9,687,827	107,354,273	121,752,500	2.24	0	38,165,875	38,165,875	3.96	159,918,375	1.71
2034	273,007,256	4,710,400	9,695,851	107,365,259	121,771,510	2.24	0	38,165,325	38,165,325	3.96	159,936,835	1.71
2035	273,007,256	4,708,650	9,697,916	107,344,942	121,751,508	2.24	0	38,166,031	38,166,031	3.96	159,917,539	1.71
2036	273,007,256	4,709,900	9,696,736	36,361,935	50,768,571	5.38	20,500,000	15,457,631	35,957,631	6.18	86,726,202	3.15
2037	273,007,256	4,708,650	83,049,786	36,376,502	124,134,938	2.20	0	35,048,662	35,048,662	4.25	159,183,600	1.72
2038	273,007,256	4,709,650	82,547,732	66,929,525	154,186,907	1.77	0	37,462,270	37,462,270	3.17	191,649,177	1.42
2039	273,007,256	4,707,400	30,095,700	66,929,525	101,732,625	2.68	0	60,918,845	60,918,845	2.81	162,651,470	1.68
2040	273,007,256	4,707,800	7,987,056	–	12,694,856	21.51	0	149,428,818	149,428,818	1.74	162,123,674	1.68
2041	273,007,256	4,710,000	33,229,760	–	37,939,760	7.20	62,735,000	45,831,438	108,566,438	2.17	146,506,198	1.86
2042	273,007,256	4,711,250	76,995,606	–	81,706,856	3.34	64,795,000	–	64,795,000	2.95	146,501,856	1.86
2043	273,007,256	4,707,750	–	–	4,707,750	57.99	–	–	–	–	4,707,750	57.99
2044	273,007,256	4,709,250	–	–	4,709,250	57.97	–	–	–	–	4,709,250	57.97
Totals		$ 108,792,726	$ 485,674,718	$ 1,727,825,316	$ 2,322,292,760		$ 148,030,000	$ 1,142,779,342	$ 1,290,809,342		$ 3,613,102,102	

* Preliminary; subject to change.

(1) The Authority's Sales and Use Tax collections for Fiscal Year 2018 are $273,007,256, excluding Proposition 1 Taxes. Projected Sales and Use Taxes Revenues are held constant based on such 2018 Sales and Use Tax collections. See "SECURITY FOR THE 2019 BONDS—Monthly Sales And Use Tax Collections" above.

(2) Assumes the 2019 Refunded Bonds are called and retired. Includes actual interest payments on the 2009B Senior Bonds (Build America Bonds) and does not reflect any federal interest subsidy payments the Authority expects to receive. These principal and interest payments reflect any mandatory sinking fund principal payments.

(3) Multiple of Sales and Use Taxes to debt service on the Senior Bonds.

(4) Assumes the 2019 Refunded Bonds are called and retired. Includes actual interest payments on the 2010 Subordinate Bonds (Build America Bonds) and does not include any federal interest subsidy payments the Authority expects to receive. These principal and interest payments reflect mandatory sinking fund principal payments.

(5) Multiple by which Sales and Use Taxes remaining after payment of debt service on the Senior Bonds are available to pay debt service on the Subordinate Bonds.

(6) Debt service does not include any federal interest subsidy payments on Build America Bonds, see "DEBT STRUCTURE OF THE UTAH TRANSIT AUTHORITY—Debt Service Schedule Of Outstanding Sales Tax Revenue Bonds By Fiscal Year" above.

(7) Multiple by which Sales and Use Taxes are available to pay aggregate debt service on the Senior Bonds and the Subordinate Bonds.

(Source: Compiled by the Municipal Advisor.)

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See "DEBT STRUCTURE OF THE UTAH TRANSIT AUTHORITY—Outstanding Debt Of The Authority" below.

THE 2019 PROJECTS

Proceeds from the 2019A Senior Bonds in the amount of approximately $75 million may be used for the following projects: (i) approximately $31.85 million for construction of the Depot District project; (i) approximately $ 16.55million for traction power replacement systems; (iii) approximately $12.3 million for the construction of the Ogden–Weber State University Bus Rapid Transit project; (v) approximately $9.5 million for the Northern Utah County double track project; and (vi) approximately $$650,000 for System operator restrooms (collectively, the "2019 Projects").

THE UTAH TRANSIT AUTHORITY

General

The Authority, which was organized in 1970, operates and exists under the Transit Act. 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 principal counties (Box Elder, Davis, Salt Lake, Tooele, Utah and Weber). The Service Area also includes a small portion of Juab County. The total population within the six principal counties is approximately 2,508,000, which represents approximately 79% of the State's total population. A map of the Service Area may be found in "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF UTAH TRANSIT AUTHORITY FOR FISCAL YEARS 2018 AND 2017" (CAFR page 26).

The Authority's business office is in Salt Lake City, Utah and it maintains a web site at http://www.rideuta.com. For the principal contact person at the Authority see "INTRODUCTION—Contact Persons" above.

There are three metropolitan statistical areas ("MSA") contained in the Authority's Service Area: the Salt Lake City MSA comprised of Salt Lake, Summit and Tooele Counties; the Provo–Orem MSA comprised of Utah and Juab Counties; and the Ogden–Clearfield MSA comprised of Davis, Morgan and Weber Counties.

Information regarding the Authority's 10 year histories of demographic and economic statistics (CAFR page 107), principal employers (CAFR page 108) and trend statistics (CAFR page 109) are provided in "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF UTAH TRANSIT AUTHORITY FOR FISCAL YEARS 2018 AND 2017–Statistical Section" and for additional demographic and economic information regarding the Service Area and counties within the Service Area see "APPENDIX G—CERTAIN INFORMATION REGARDING THE SERVICE AREA."

Service Facilities

Service is currently provided from eight operations facilities located in Ogden City, Salt Lake City (two facilities, north and south), South Salt Lake City (three facilities), Midvale City, and Orem City. The Ogden City urbanized area bus fleet is served from the Mt. Ogden Division (Ogden, completed in 1986). The Salt Lake metropolitan area bus fleet is garaged and maintained in (i) the Central Division (Salt Lake City, renovated in 1987); (ii) the Meadowbrook Division (South Salt Lake City, completed in 1980); and (iii) the Riverside Division (South Salt Lake City, completed in 1997). The bus fleet servicing the Utah

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County area is serviced by the Mt. Timpanogos Facility (Orem City, completed in 1990). Light rail operations and maintenance is performed from a facility located near the Authority's railroad right–of–way in Midvale City (completed in 1999) and the Jordan River Service Center located in South Salt Lake City (completed in 2011). Commuter rail operations and maintenance is performed from a facility located near the Authority's railroad right–of–way in Salt Lake City (completed in 2008).

Integrated Bus, Light Rail And Commuter Rail Systems

Bus Service. As of Fiscal Year 2018, the Authority has a fleet of 561 buses and 182 paratransit buses/vans throughout the Service Area.

In 2009, the Authority completed a Bus Rapid Transit ("BRT") line that runs in Salt Lake County (from the unincorporated Magna area through West Valley City) to South Salt Lake City. In 2018, the Authority completed a BRT line that runs in Utah County (from Orem City, Utah through Provo City, Utah).

For performance measures regarding the Authority's bus service as compared to other transit agencies throughout the United States for service efficiency and cost effectiveness see "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF UTAH TRANSIT AUTHORITY FOR FISCAL YEARS 2018 AND 2017—Statistical Section–Performance Measures–Bus Service" (CAFR pages 111 through 113).

TRAX System; Light Rail Service and Facilities. In 1999, the Authority began operating the TRAX System (as defined herein). The Authority currently operates 146 light rail vehicles ("LRVs") on approximately 45–miles of light rail lines located within the boundaries of Salt Lake County.

The TRAX System segments have been built and opened in the following sequence:

(1) the initial 15.8–mile rail line opened December 1999 and in 2008 this north/south line was extended from the downtown area to the Salt Lake Intermodal Hub;

(2) a four–mile line known as the University line opened December 2001 and in September 2003 the line was extended 1.5–miles to the Utah Medical Center;

(3) a 10.6–mile line known as the Mid–Jordan line opened August 2011 connecting South Jordan City to the initial north/south line in Murray City;

(4) a 5.1–mile line known as the West Valley line opened August 2011 connecting West Valley City to the initial north/south line in South Salt Lake City;

(5) a six–mile line known as the Airport line opened April 2013 connecting Salt Lake City International Airport to downtown Salt Lake City;

(6) a 3.8–mile line known as the Draper line opened in August 2013 and extends the north/south line from Sandy City to Draper City; and

(7) a two–mile double track line known as the S Line (the "S Line") which single track opened in December 2013 and an additional track opening in [December 2018] connecting the north/south line, east into an area in Salt Lake City known as "Sugarhouse" (collectively, all light rail lines are known as the "TRAX System").

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The railroad right–of–way upon which the Authority operates a portion of the TRAX System shares tracks with several short–line railway carriers. The passenger and freight service are time–separated, with freight activities occurring only in the hours when the TRAX System is not operating.

TRAX System Line Configuration. The Blue line runs from Draper City in south Salt Lake County to the inter–modal hub in downtown Salt Lake City. The Red line runs from South Jordan City in the south-west part of Salt Lake County to the University of Utah and the University hospital on the east side of Salt Lake City. The Green line runs from West Valley City to the Salt Lake City International Airport. The S Line runs from the Sugarhouse area in Salt Lake City to a point on the Blue/Red/Green line in South Salt Lake City.

FrontRunner System; Commuter Rail Service and Facilities. In 2008, the Authority began operating the FrontRunner System. The first project of the FrontRunner System was a 45–mile commuter rail line that extends from Pleasant View City (Weber County) to the Salt Lake Intermodal Center in downtown Salt Lake City (Salt Lake County) (the "FrontRunner North"). In December 2012, the Authority opened a 44–mile long south extension to the FrontRunner System running from downtown Salt Lake City (Salt Lake County to Provo City (Utah County) ("FrontRunner South"). The FrontRunner South and the FrontRunner North rail lines are collectively, the "FrontRunner System." The Authority currently operates 81 commuter rail vehicles on its 88–mile, single–track commuter rail line. Commuter rail operations and maintenance is performed from a facility located near the Authority's railroad right–of–way in Salt Lake City.

TRAX System and FrontRunner Expansion. After the passage of a 2006 voter referendum which increased sales tax dedicated to transit, the Authority began the construction of the FrontLines Project, which project included: the Jordan River Service Center (opened in August 2011); FrontRunner South line; and the Mid–Jordan, West Valley, Airport and Draper light rail TRAX lines (collectively, the "FrontLines Project"). The FrontLines Project was completed under budget in August 2013 (approximately one and a one–half years prior to its scheduled completion). A map of the bus routes and rail alignments may be found in "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF UTAH TRANSIT AUTHORITY FOR FISCAL YEARS 2018 AND 2017" (CAFR page 26).

For performance measures regarding the Authority's commuter and light rail service as compared to other transit agencies throughout the United States for service efficiency and cost effectiveness see "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF UTAH TRANSIT AUTHORITY FOR FISCAL YEARS 2018 AND 2017—Statistical Section–Performance Measures–Commuter Rail" (CAFR pages 114 through 116).and "–Light Rail" (CAFR pages 120 through 122).

Other Information. Additional information regarding the Authority's historical transit fares (CAFR page 106); operating indicators and capital assets (CAFR page 110); 10–year trend statistics for ridership, revenue miles to total miles, revenue hours, average fare per passenger, cost per revenue mile, and system cost per passenger (CAFR page 109) is provided in "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF UTAH TRANSIT AUTHORITY FOR FISCAL YEARS 2018 AND 2017–Statistical Section."

For performance measures regarding the Authority's "demand response" for service efficiency and cost effectiveness as compared to other transit agencies throughout the United States see "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF UTAH TRANSIT AUTHORITY FOR FISCAL YEARS 2018 AND 2017—Statistical Section–Performance Measures–Demand Response" (CAFR pages 117 through 120).

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Management

Board of Trustees. In November 2018, following statutory changes, oversight of the Authority was transitioned from a 16–member voluntary board of trustees to a three–member full–time Board of Trustees (the "Board of Trustees"). The Governor appoints nominees from the three appointing districts within the Authority's Service Area to serve as trustees. The names of the nominees are then forwarded to the State of Utah Senate for confirmation. Once confirmed, an appointee is sworn in as a Trustee.

As of December 12, 2018, the Governor appointed, and the Senate confirmed trustees representing Salt Lake County (to a four–year term), the district comprised of Davis, Weber, and Box Elder counties (to a three–year term) and the district comprised of Utah and Tooele counties (to a two–year term). There are no limits relative to the number of terms a trustee can serve. The Governor appointed the Salt Lake County trustee to serve as Chair of the Board of Trustees. After these initial staggered terms are completed, Trustees will serve four–year terms.

The responsibility for the operation of the Authority is held by the Board of Trustees that hires, sets the salaries, and develops performance targets and evaluations for the Executive Director 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 for the Authority is provided by the Utah Attorney General's Office.

As of the date of this OFFICIAL STATEMENT, the members of the Board of Trustees are as follows:

Trustee/Representing		Years of Service	Expiration of Term
Carlton Christensen, Chair	Salt Lake County	1	December 2022
Beth Holbrook	Davis, Weber and Box Elder Counties	1	December 2021
Kent Millington	Utah and Tooele Counties	1	December 2020

(Source: The Authority.)

Local Advisory Board. The Authority also has a nine–member local advisory board whose duties include: (i) setting the compensation packages of the Board of Trustees; (ii) reviewing, approving, and recommending final adoption by the Board of Trustees of Authority's service plans at least every two and one–half years; (iii) reviewing approving, and recommending final adoption by the Board of Trustees of project development plans, including funding, for all new capital development projects; (iv) reviewing, approving, and recommending final adoption by the Board of Trustees of any plan for a transit–oriented development where the Authority is involved; (v) at least annually, engaging with the safety and security team of the Authority to ensure coordination with local municipalities and counties; (vi) assisting with coordinated mobility and constituent services provided by the Authority; (vii) representing and advocating the concerns of citizens with the public transit district to the Board of Trustees, and (viii) consulting with the Board of Trustees on certain duties given to the Board of Trustees.

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 the local advisory board members are indefinite.

Officers and Administration. As of the date of this OFFICIAL STATEMENT, the officers of the Authority include: the Chair, Carlton Christensen of the Board of Trustees; the Executive Director, Carolyn

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Gonot; Secretary/Treasurer to the Board of Trustees and Chief Financial Officer, Robert K. Biles; and Comptroller, Troy Bingham.

The responsibility for the operations of the Authority is held by the Executive Director in accordance with the direction, goals and policies of the Board of Trustees. The administration of the Authority, as of the date of this OFFICIAL STATEMENT, is as follows:

Office	Person	Years in Office	Years with Authority
Executive Director	Carolyn Gonot	six weeks	0
Chief Communications and Marketing Officer	Nichol Bourdeaux	3	3
Chief Financial Officer	Robert K. Biles	7	7
Chief of Internal Audit	Riana DeVillers	4	4
Chief Operating Officer	Eddy Cumins	1	8
Chief People Officer	Kim Ulibarri	3	12
Chief Services Development Officer (acting)	Mary DeLoretto	12 weeks	14

(Source: The Authority.)

Employee Workforce, Labor Relations, Retirement System, Other Post–Employment Benefits

Employee Workforce. The Authority currently has 2,447 full–time equivalent employees (1,251 in bus/paratransit service operations, 573 in rail operations and 624 in operations and administration support). For a 10–year history of full–time equivalent employees of the Authority see "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF UTAH TRANSIT AUTHORITY FOR FISCAL YEARS 2018 AND 2017–Statistical Section–Full–Time Equivalent Employees" (CAFR page 108).

Labor Relations. All the Authority's operators, mechanics, and parts clerks are represented by Local 382 of the Amalgamated Transit Union (the "Union"). The Authority and the Union are operating under a collective bargaining agreement which became effective on December 10, 2016 and expires on December 10, 2019.

Retirement System. The Authority participates in a defined benefit pension plan (the "Retirement Plan") that covers all eligible employees and provides retirement benefits to plan members and their beneficiaries. The Retirement Plan also provides disability benefits to plan members. Contributions by the Authority to the retirement plan are made in amounts determined by the Authority's Pension Committee and approved by the Board of Trustees. The Authority's funding policy is to annually contribute 16.3% of payroll.

The most recent actuarial report for the Retirement Plan provides a valuation of the Retirement Plan as of January 1, 2019. As of January 1, 2019, the actuarial value of the net position in the Retirement Plan was $194,538,549, representing 57.6% of total pension liabilities of $326,086,663. The Authority also offers a deferred compensation plan to its employees. For additional detailed information regarding the Retirement Plan see "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF UTAH TRANSIT AUTHORITY FOR FISCAL YEARS 2018 AND 2017–Notes to the Financial Statements–Note 7–Pension Plans" (CAFR page 61).

For a detailed 10–year history of the Authority's changes in net pension liabilities see "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF UTAH TRANSIT AUTHORITY FOR FISCAL YEARS 2018 AND 2017–Required Supplementary Information–Schedule of Changes in Net Pension Liability and Related Ratios–10–Years" (CAFR page 97).

In Fiscal Year 2018, the Authority contributed $22,355,434 to the retirement pension plan. For a 10–year history of actuarial determined contribution, actual Authority contributions, contribution deficiency

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(excess) see "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF UTAH TRANSIT AUTHORITY FOR FISCAL YEARS 2018 AND 2017–Required Supplementary Information–Statement of Required Employer Contribution–10–Years" (CAFR page 98).

Other Post–Employment Benefits. The Authority does not provide any post–employment benefits other than those provided under its Retirement Plan.

Risk Management; Cybersecurity

Risk Management. The Authority is self–insured or has a self–insured retention for most property and casualty losses, including liability claims for personal injury and property damage, as well as worker's compensation. The Utah Governmental Immunity Act, Title 63G, Chapter 7, Utah Code (the "Immunity Act") limits liability of the Authority for damages for personal injury to $745,200 for one person in any one occurrence, or $3 million for two or more persons in any one occurrence. The Immunity Act limits liability of the Authority for property damage to $295,000.

In addition, the Transit Act provides that in the case of claims and judgments in excess of the Authority's ability to pay, no operating assets or fund of the Authority can be attached. The Transit Act provides that a court of competent jurisdiction shall have the power to require the levy of a tax to discharge any lawful claim against the Authority.

The Authority has a loss reserve fund in a separate account at the Utah Public Treasurers' Investment Fund in the amount of $7,716,809 (as of December 31, 2018; $7,849,333 as of August 31, 2019).

In addition to the self–insurance program and the protection of the Immunity Act, the Authority has also procured coverage under a corporate insurance program.

To protect itself against catastrophic property losses, the Authority has obtained an all–risk property policy with limits to $1 billion, sub–limits for earthquake of $220 million and for flood of $110 million with a deductible of $100,000 with percentage of value deductibles for earth movement, wind/hail damage and flood. The Authority also has premises liability coverage for most properties not associated with ongoing operations with primary and excess combined limits of $2 million per occurrence and $2 million aggregate.

For the Authority's Rideshare van pool vehicles there are primary and excess auto liability policies in place which provide coverage limits of $4 million. While bus operations exposures fall under the Authority's self–insurance program, the rail exposures are covered by a Rail Liability insurance policy with primary and excess limits of $100 million over a $5 million self–insurance reserve.

The Authority also maintains an excess Workers Compensation policy which provides protection over the Authority's self–insured retention ($1 million lifetime per claim with $325,000 per accident per payment year) for statutory limits and $2 million for employers' liability.

For trustees, officers and employees of the Authority, the Authority carries limits of $2 million over a $100,000 retention for Public Officials Errors and Omissions, and $125,000 retention for employer's liability.

Incidental coverages include fiduciary liability, notary bond, cyber and technology liability (see in this section "Cybersecurity" below) and Police Officer Professional Liability.

The Authority carries Blanket Excess Liability coverage of $10 million which is excess over the Authority's self–insurance on auto, general liability, and excess over insurance limits for public officials and employment practices, Police Officer professional liability, and premises liability.

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The insurance and self–insurance programs are both managed by the Claims and Insurance Manager in the Finance Division, while loss prevention and safety are managed by the Safety Manager under the Executive Director and security is managed by the Police Chief under the Chief Operations Officer.

The estimated claims liability is reflected in the Authority's financial statements. See "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF UTAH TRANSIT AUTHORITY FOR FISCAL YEARS 2018 AND 2017–Notes to the Financial Statements–Note 2. Summary of Significant Accounting Policies–N. Risk Management" (CAFR page 44) and "–Note 6. Self–Insurance Claims Liability" (CAFR page 54).

Cybersecurity. Cybersecurity incidents could result from unintentional events, or from deliberate attacks by unauthorized entities or individuals attempting to gain access to the Authority's systems technology for the purposes of misappropriating assets or information or causing operational disruption and damage. To mitigate the risk of business operations impact and/or damage by cybersecurity incidents or cyber–attacks, the Authority invests in multiple forms of cybersecurity and operational safeguards. The Authority is covered by insurance for cyber and technology risks (as indicated above).

Investment Of Funds

The State Money Management Act. The State Money Management Act governs and establishes criteria for the investment of all public funds held by public treasurers in the State. The Money Management Act provides a limited list of approved investments, including qualified in–state and permitted out–of–state financial institutions, obligations of the State and political subdivisions of the State, U.S. Treasury and approved federal government agency and instrumentality securities, certain investment agreements and repurchase agreements and investments in corporate securities meeting certain ratings requirements. A portion of Authority funds may be invested in the Utah Public Treasurers' Investment Fund ("PTIF"), as discussed below. The Money Management Act establishes the State Money Management Council (the "Money Management Council") to exercise oversight of public deposits and investments. The Money Management Council is comprised of five members appointed by the Governor of the State for terms of four years, after consultation with the State Treasurer and with the advice and consent of the State Senate.

The Authority is currently complying with all the provisions of the Money Management Act for all Authority operating funds.

The Utah Public Treasurers' Investment Fund. The PTIF is a local government investment fund, established in 1981, and managed by the State Treasurer. All investments in the PTIF must comply with the Money Management Act and rules of the Money Management Council. The PTIF invests primarily in money market securities. Securities in the PTIF include certificates of deposit, commercial paper, short–term corporate notes, obligations of the U.S. Treasury and securities of certain agencies of the federal government. By policy, the maximum weighted average adjusted life of the portfolio is not to exceed 90 days and the maximum final maturity of any security purchased by the PTIF is limited to five years. Safekeeping and audit controls for all investments owned by the PTIF must comply with the Money Management Act.

All securities purchased are delivered versus payment to the custody of the State Treasurer or the State Treasurer's safekeeping bank, assuring a perfected interest in the securities. Securities owned by the PTIF are completely segregated from securities owned by the State. The State has no claim on assets owned by the PTIF except for any investment of State moneys in the PTIF. Deposits are not insured or otherwise guaranteed by the State. Investment activity of the State Treasurer in the management of the PTIF is reviewed monthly by the Money Management Council and is audited by the State Auditor. The PTIF has no investment rating.

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See "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF UTAH TRANSIT AUTHORITY FOR FISCAL YEARS 2018 AND 2017–Notes to the Financial Statements–Note 3. Cash, Cash Equivalents and Investments" (CAFR page 49).

As of August 31, 2019, approximately $48.6 million was invested in the PTIF.

In March 2014, the Authority contracted with a private money manager to manage a shorter–term investment portfolio (maximum of three years). The total allocation to the private money manager was $28.3 million as of August 31, 2019.

The Authority's Service Area

General. The Authority's Service Area lies in the region referred to as the "Wasatch Front." A map of the Authority's Service Area can be found in "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF UTAH TRANSIT AUTHORITY FOR FISCAL YEARS 2018 AND 2017" (CAFR page 26).

Salt Lake County. Salt Lake County comprises an area of 764 square miles and accounts for approximately 46% of the population and approximately 58.6% of the nonfarm employment of the Service Area. Salt Lake City is the capital and largest city in the State. The principal cities include Salt Lake City, West Valley City, and Sandy City. Due to continuous economic and population growth, most of the cities in Salt Lake County have grown into a single large metropolitan area with Salt Lake City as its commercial center. The county's population increased approximately 12% from 2010 to 2018. The largest employment sectors are retail trade, health care and social assistance, manufacturing, and administration, support, waste management and remediation. *For Fiscal Year 2018, approximately 64% of total Sales and Use Taxes were collected within Salt Lake County boundaries.*

Utah County. Utah County comprises an area of 1,998 square miles and accounts for approximately 30% of the population and approximately 20.6% of the nonfarm employment of the Service Area. The principal cities include the City of Provo and Orem City. The county's population increased approximately 20.5% from 2010 to 2018. The largest employment sectors are retail trade, health care and social assistance, education services and construction. *For Fiscal Year 2018, approximately 16.7% of total Sales and Use Taxes were collected within Utah County boundaries.*

Davis County. Davis County comprises an area of 268 square miles and accounts for approximately 14% of the population and approximately 14% of the nonfarm employment of the Service Area. The principal cities include Bountiful, Clearfield, Clinton, Kaysville, Layton and Syracuse. The county's population increased approximately 14.8% from 2010 to 2018. The largest employment sectors are retail trade, federal government, state government and health care and social assistance. *For Fiscal Year 2018, approximately 9.9% of total Sales and Use Taxes were collected within Davis County boundaries.*

Weber County. Weber County comprises an area of 531 square miles and accounts for approximately 10.2% of the population and approximately 8.4% of the nonfarm employment of the Service Area. The principal city is Ogden City. The county's population increased approximately 10.9% from 2010 to 2018. The largest employment sectors are manufacturing, health care and social assistance, retail trade and local government. *For Fiscal Year 2018, approximately 8% of total Sales and Use Taxes were collected within Weber County boundaries.*

Tooele County. The portion of Tooele County served by the Authority includes the cities of Tooele and Grantsville and some unincorporated areas. *For purposes of this OFFICIAL STATEMENT certain information regarding Tooele County includes the entire county rather than the portion of Tooele County included in the Service Area*. Tooele County comprises an area of 6,923 square miles (the second largest county in the State) and accounts for approximately 2.8% of the population and

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approximately 1.2% of the nonfarm employment of the Service Area. The principal cities include Tooele City and Grantsville City. The county's population increased approximately 20% from 2010 to 2018. The largest employment sectors are local government, retail trade and transportation and warehousing. *For Fiscal Year 2018, less than 1% of total Sales and Use Taxes were collected within Tooele County boundaries.*

Box Elder County. The portion of Box Elder County served by the Authority includes the cities of Brigham, Perry and Willard and some unincorporated areas. *For purposes of this OFFICIAL STATEMENT certain information regarding Box Elder County includes the entire county rather than the portion of Box Elder County included in the Service Area.* Box Elder County comprises an area of 5,627 square miles (the fourth largest county in the State) and accounts for approximately 2.2% of the population and approximately 1.7% of the nonfarm employment of the Service Area. The principal city is Brigham City. The county's population increased approximately 10% from 2010 to 2018. The largest employment sectors are manufacturing, retail trade, and health care and social assistance. *For Fiscal Year 2018, less than 1% of total Sales and Use Taxes were collected within Box Elder County boundaries.*

Juab County. Santaquin City boundaries are in Utah County and Juab County. A small portion of Santaquin City's boundaries in Juab County are within the Service Area and the Authority collects any sale tax revenues in this area. However, the generated sales tax revenues are insignificant when compared to other Participating Cities within the Service Area of the Authority and for purposes of this OFFICIAL STATEMENT will not be separately identified.

Population. The 2018 population estimate of the Service Area, according to the U.S. Census Bureau, was approximately 2,508,000 people and accounts for 79.3% of the State's total population. Historical and current populations of the counties wholly or partly in the Service Area are shown below. *The population estimates include all of Box Elder and Tooele Counties although the Authority does not serve all the area in those counties*.

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Population by County (1)

Year	Box Elder County Number	Box Elder County % change from prior period	Davis County Number	Davis County % change from prior period	Salt Lake County Number	Salt Lake County % change from prior period	Tooele County Number	Tooele County % change from prior period	Utah County Number	Utah County % change from prior period	Weber County Number	Weber County % change from prior period
2018 Estimate.....	54,950	10.0	351,713	14.8	1,152,633	11.9	69,907	20.1	622,213	20.5	256,359	10.9
2010 Census.....	49,975	16.9	306,479	28.2	1,029,655	14.6	58,218	42.9	516,564	40.2	231,236	17.7
2000 Census.....	42,745	17.2	238,994	27.2	898,387	23.8	40,735	53.1	368,536	39.8	196,533	24.1
1990 Census.....	36,485	9.8	187,941	28.3	725,956	17.3	26,601	2.2	263,590	20.9	158,330	9.5
1980 Census.....	33,222	18.1	146,540	48.0	619,066	35.0	26,033	20.8	218,106	58.3	144,616	14.5
1970 Census.....	28,129	12.2	99,028	52.9	458,607	19.7	21,545	20.6	137,776	28.8	126,278	14.0
1960 Census.....	25,061	27.0	64,760	109.8	383,035	39.3	17,868	22.1	106,991	30.6	110,744	32.9
1950 Census.....	19,734	4.8	30,867	95.6	274,895	29.9	14,636	60.3	81,912	42.7	83,319	46.9
1940 Census.....	18,832	–	15,784	–	211,623	–	9,133	–	57,382	–	56,714	–

Year	Totals For All Counties Amount	Totals For All Counties % change from prior period	State of Utah Number	State of Utah % change from prior period	Total Counties' Population as a % of State
2018 Estimate.....	2,507,775	14.4	3,161,105	14.4	79.3
2010 Census.....	2,192,127	22.7	2,763,885	23.8	79.3
2000 Census.....	1,785,930	27.7	2,233,169	29.6	80.0
1990 Census.....	1,398,903	17.8	1,722,850	17.9	81.2
1980 Census.....	1,187,583	36.3	1,461,027	37.9	81.3
1970 Census.....	871,363	23.0	1,059,453	18.9	82.2
1960 Census.....	708,459	40.2	890,727	29.3	79.5
1950 Census.....	505,363	36.8	688,862	25.2	73.4
1940 Census.....	369,468	–	550,310	–	67.1

(1) The Authority serves only portions of Box Elder and Tooele Counties. The difference between the total population of the six counties served by the Authority and the population of the Service Area is estimated to be less than 1% (or approximately 25,000 people) of the counties' total population.

(Source: U.S. Bureau of the Census.)

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Employment, Income, Construction and Sales Taxes. For certain industry and other data with respect to the Service Area and the counties that are in the Service Area, see "APPENDIX G—CERTAIN INFORMATION REGARDING THE SERVICE AREA."

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DEBT STRUCTURE OF THE UTAH TRANSIT AUTHORITY

Outstanding Debt Of The Authority

Upon the issuance of the 2019 Bonds the Authority will have the following debt outstanding:

Series	Purpose	Original Principal Amount	Final Maturity Date	Current Principal Outstanding
Senior Debt (1):				
2019B (a) (b)	Refunding (taxable)	$303,615,000*	December 15, 2042*	$ 303,615,000*
2019A (a) (b)	System projects	59,880,000*	December 15, 2044*	59,880,000*
2018	System projects	83,765,000	December 15, 2036	83,765,000
2015A (2).....	Refunding	668,655,000	June 15, 2036* (12)	567,615,000*
2009B (3).....	System projects/BABs	261,450,000	June 15, 2039	261,450,000
2008A (4).....	System projects	700,000,000	June 15, 2023 (13)	48,410,000
2006C (5).....	Refunding	134,650,000	June 15, 2032	102,410,000
2005A (5).....	Refunding	20,630,000	June 15, 2022	5,450,000
Subtotal.....				1,432,595,000*
Subordinate Debt (6):				
2019 (a) (b)	Refunding (taxable)	148,030,000*	December 15, 2042*	148,030,000*
2018 (7).....	Refunding	115,540,000	December 15, 2041	113,895,000
2016	Refunding	145,691,498	December 15, 2032	145,691,498
2015A (8).....	Refunding	192,005,000	June 15, 2037*	66,870,000*
2012 (9).....	System projects/refund	295,520,000	November 21, 2019 (9)	0
2010 (3).....	System projects/BABs	200,000,000	June 15, 2040	200,000,000
2007A (10) (11)....	Commuter rail/refund	261,124,109	June 15, 2035 (14)	118,745,000
Subtotal.....				793,231,498*
Total all debt.....				$2,225,826,498*

* Preliminary; subject to change.

(a) For purposes of this OFFICIAL STATEMENT the 2019 Bonds will be considered issued and outstanding.

(b) Ratings applied for.

(1) Unless otherwise indicated herein, the Senior Bonds are rated "[AA]" by Fitch Ratings Inc. ("Fitch"); "[Aa2]" by Moody's Investors Service, Inc. ("Moody's"); and "[AA]" by S&P Global Ratings ("S&P"); as of the date of this OFFICIAL STATEMENT.

(2) Portions of this bond were refunded by the 2019B Senior Bonds.

(3) Issued as federally taxable Build America Bonds.

(4) Portions of this bond were refunded by the 2015A Senior Bonds.

(5) These bonds are insured by Assured Guaranty Municipal Corporation ("AGM").

(6) Unless otherwise indicated, the Subordinate Bonds are rated "[AA]" by Fitch; "[A1]" by Moody's; and "[A+]" by S&P; as of the date of this OFFICIAL STATEMENT.

(7) The 2018 Subordinate Bonds maturing on December 15 of the years 2030, 2031, and 2033 through 2040 are insured by Build America Mutual Corporation ("BAM") and are rated "AA" (BAM insured; "A+" underlying) by S&P; as of the date of this OFFICIAL STATEMENT.

(8) Portion of this bond was refunded by the 2019 Subordinate Bonds.

(9) Portions of this bond were refunded by the 2017 Subordinate Bonds, the 2015A Senior Bonds and the remaining principal was refunded by the 2019B Senior Bonds. These bonds will be considered retired as of the closing date of the 2019B Senior Bonds.

(10) Portions of this bond were refunded by the 2015A Subordinate Bonds and the 2018 Subordinate Bonds.

(11) These bonds are insured by National Public Finance Guarantee Corp.

(12) Final maturity date after a portion of this bond were refunded by the 2019B Senior Bonds.

(13) Final maturity date after a portion of these bonds was refunded by the 2015A Senior Bonds.

(14) Final maturity date after a portion of these bonds (the capital appreciation bonds portion) were refunded by the 2015A Subordinate Bonds and the 2018 Subordinate Bonds.

(Source: Municipal Advisor.)

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For additional information as of Fiscal Year 2018 see the "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF UTAH TRANSIT AUTHORITY FOR FISCAL YEARS 2018 AND 2017—Notes to the Financial Statements–Note 8–Long–Term Debt" (CAFR page 79).

Lease Obligations; Interlocal Utah County BRT Agreement

Lease Obligations. The Authority has entered into various lease purchase agreements for the acquisition of buses (diesel and natural gas), flex/paratransit vehicles, and vans and various support equipment. As of Fiscal Year 2018 the principal balance outstanding of the leased vehicles is $49,412,400 with lease payments extending through Fiscal Year 2030. The Authority's future Fiscal Year lease payments are as follows.

Fiscal Year	Lease Payments
2019	$8,807,224
2020	8,679,065
2021	7,671,454
2022	6,608,516
2023	5,789,339
2024	5,183,388
2025	4,801,441
2026	4,801,441
2027	4,801,441
2028	4,303,220
2029	3,882,153
2030	1,755,208
2030	328,708

(Source: The Authority's CAFR compiled by the Municipal Advisor.)

In Fiscal Year 2019, the Authority has issued one lease in the amount of $9.9 million. The Authority intends to enter additional capital leases under its five–year capital plan for Fiscal Year 2020 through Fiscal Year 2024 in the amount of approximately $191.5 million for revenue service vehicles and approximately $12.8 million for fare collection technology.

For additional information on these leases as of Fiscal Year 2018 see the "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF UTAH TRANSIT AUTHORITY FOR FISCAL YEARS 2018 AND 2017—Notes to the Financial Statements–Note 8–Long–Term Debt (Note M through Note Y)" (CAFR pages 88 through 92).

Interlocal Utah County BRT Agreement. In August 2018, the Authority began operations of the Provo–Orem BRT. In 2016, Utah County issued $65 million subordinated transportation sales tax revenue bonds, which proceeds were used to construct portions of the Provo–Orem BRT. The Authority and Utah County entered into an interlocal 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 amount owed to Utah County increased by $960,616 in Fiscal Year 2018 based on the interlocal agreement which states that Utah County will loan the Authority an amount of $2.5 million per year for operations and maintenance costs until December 31, 2028 or until the Authority assumes responsibility for such funding. As of Fiscal Year 2018, the principal balance outstanding on this interlocal loan agreement is $65,960,616.

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Debt Service Schedule Of Outstanding Sales Tax Revenue Bonds By Fiscal Year

Senior Debt

Fiscal Year Ending December 31	Series 2019A $59,880,000* Principal*	Series 2019A $59,880,000* Interest (a)	Series 2019B $303,615,000* Principal*	Series 2019B $303,615,000* Interest (b)	Series 2018 $83,765,000 Principal	Series 2018 $83,765,000 Interest	Series 2015A $668,655,000 Principal	Series 2015A $668,655,000 Interest	Series 2009B $261,450,000 Principal	Series 2009B $261,450,000 Interest (4)
2018	$ 0	$ 0	$ 0	$ 0	$ 0	$ 1,882,200 (1)	$ 0	$ 31,072,663	$ 0	$ 15,522,287
2019	0	0	0	0	1,500,000	2,509,600 (1)	0	28,546,663	0	15,522,287
2020	0	3,074,827	1,190,000	9,822,393	0	2,986,000 (1)	12,425,000	25,717,238	0	15,522,287
2021	0	2,882,650	1,445,000	9,186,716	0	3,537,400	18,235,000	24,977,138	0	15,522,287
2022	0	2,882,650	1,475,000	9,160,128	0	3,537,400	0	24,540,463	0	15,522,287
2023	0	2,882,650	1,500,000	9,132,544	0	3,537,400	8,030,000	24,364,463	0	15,522,287
2024	0	2,882,650	1,530,000	9,103,144	0	3,537,400	34,540,000	23,342,631	0	15,522,287
2025	1,825,000	2,882,650	1,560,000	9,071,628	0	3,537,400	36,285,000	21,608,675	0	15,522,287
2026	1,920,000	2,791,400	1,595,000	9,038,244	0	3,537,400	38,135,000	19,767,175	0	15,522,287
2027	2,015,000	2,695,400	695,000	9,002,994	0	3,537,400	40,090,000	17,811,550	0	15,522,287
2028	2,115,000	2,594,650	710,000	8,987,218	0	3,537,400	42,145,000	15,755,675	0	15,522,287
2029	2,220,000	2,488,900	725,000	8,970,320	0	3,537,400	44,315,000	13,594,175	0	15,522,287
2030	2,330,000	2,377,900	745,000	8,952,702	0	3,537,400	36,550,000	11,572,550	10,180,000 (3)	15,220,093
2031	2,450,000	2,261,400	760,000	8,933,854	0	3,537,400	38,420,000	9,698,300	10,825,000 (3)	14,596,560
2032	2,570,000	2,138,900	785,000	8,913,866	0	3,537,400	40,175,000	7,934,300	11,490,000 (3)	13,934,139
2033	2,700,000	2,010,400	805,000	8,892,828	19,420,000	3,537,400	41,805,000	6,294,700	23,395,000 (3)	12,898,578
2034	2,835,000	1,875,400	825,000	8,870,850	20,310,000	2,653,900	43,490,000	4,588,800	24,845,000 (3)	11,466,573
2035	2,975,000	1,733,650	850,000	8,847,916	20,830,000	1,841,500	45,560,000	2,807,800	26,380,000 (3)	9,945,959
2036	3,125,000	1,584,900	875,000	8,821,736	21,705,000	935,250	47,415,000	948,300	28,010,000 (3)	8,331,392
2037	3,280,000	1,428,650	74,255,000	8,794,786	–	–	0	0 (2)	29,745,000 (3)	6,616,935
2038	3,445,000	1,264,650	76,040,000	6,507,732	–	–	0	0 (2)	31,580,000 (3)	4,796,502
2039	3,615,000	1,092,400	25,930,000	4,165,700	–	–	–	–	65,000,000 (3)	1,929,525
2040	3,760,000	947,800	4,620,000	3,367,056	–	–	–	–	–	–
2041	3,875,000	835,000	30,005,000	3,224,760	–	–	–	–	–	–
2042	4,070,000	641,250	74,695,000	2,300,606	–	–	–	–	–	–
2043	4,270,000	437,750	–	–	–	–	–	–	–	–
2044	4,485,000	224,250	–	–	–	–	–	–	–	–
Totals	$ 59,880,000	$48,912,727	$303,615,000	$182,069,718	$ 83,765,000	$ 58,794,650	$567,615,000	$ 314,943,256	$ 261,450,000	$ 286,003,695

Fiscal Year Ending December 31	Series 2008A $700,000,000 Principal	Series 2008A $700,000,000 Interest	Series 2006C $134,650,000 Principal	Series 2006C $134,650,000 Interest	Series 2005A $20,630,000 Principal	Series 2005A $20,630,000 Interest	Senior Bonds Total Debt Service* Total Principal	Total Interest (11)	Total Debt Service
2018	$ 0	$ 2,850,488 (5)	$ 5,085,000	$ 5,790,881	$ 1,550,000	$ 412,650	$ 6,635,000	$ 57,531,168	$ 64,166,168
2019	5,885,000	2,696,006 (6)	5,350,000	5,516,963	1,635,000	329,044	14,370,000	55,120,562	69,490,562
2020	0	2,541,525 (5)	5,635,000	5,228,606	1,720,000	240,975	20,970,000	65,133,850	86,103,850
2021	0	2,541,525 (5)	5,950,000	4,924,500	1,815,000	148,181	27,445,000	63,720,396	91,165,396
2022	23,570,000	1,922,813	6,265,000	4,603,856	1,915,000	50,269	33,225,000	62,219,865	95,444,865
2023	24,840,000	652,050	6,605,000	4,266,019	–	–	40,975,000	60,357,412	101,332,412
2024	0	0 (5)	6,970,000 (7)	3,909,675	–	–	43,040,000	58,297,787	101,337,787
2025	0	0 (5)	7,335,000 (7)	3,534,169	–	–	47,005,000	56,156,808	103,161,808
2026	0	0 (5)	7,725,000 (8)	3,138,844	–	–	49,375,000	53,795,349	103,170,349
2027	0	0 (5)	8,140,000 (8)	2,722,388	–	–	50,940,000	51,292,018	102,232,018
2028	0	0 (5)	8,580,000 (9)	2,283,488	–	–	53,550,000	48,680,717	102,230,717
2029	0	0 (5)	9,050,000 (9)	1,820,700	–	–	56,310,000	45,933,781	102,243,781
2030	0	0 (5)	9,540,000 (10)	1,332,713	–	–	59,345,000	42,993,358	102,338,358
2031	0	0 (5)	10,035,000 (10)	818,869	–	–	62,490,000	39,846,382	102,336,382
2032	0	0 (5)	10,580,000 (10)	277,725	–	–	65,600,000	36,736,330	102,336,330
2033	0	0 (5)	–	–	–	–	88,125,000	33,633,905	121,758,905
2034	0	0 (5)	–	–	–	–	92,305,000	29,455,523	121,760,523
2035	0	0 (5)	–	–	–	–	96,595,000	25,176,825	121,771,825
2036	0	0 (5)	–	–	–	–	101,130,000	20,621,578	121,751,578
2037	0	0 (5)	–	–	–	–	107,280,000	16,840,371	124,120,371
2038	0	0 (5)	–	–	–	–	111,065,000	12,568,884	123,633,884
2039	–	–	–	–	–	–	94,545,000	7,187,625	101,732,625
2040	–	–	–	–	–	–	8,380,000	4,314,856	12,694,856
2041	–	–	–	–	–	–	33,880,000	4,059,760	37,939,760
2042	–	–	–	–	–	–	78,765,000	2,941,856	81,706,856
2043	–	–	–	–	–	–	4,270,000	437,750	4,707,750
2044	–	–	–	–	–	–	4,485,000	224,250	4,709,250
Totals	$ 54,295,000	$13,204,406	$112,845,000	$ 50,169,394	$ 8,635,000	$ 1,181,119	$ 1,452,100,000	$ 955,278,964	$ 2,407,378,964

* Preliminary; subject to change.

(a) Preliminary; subject to change. Interest has been estimated at an average coupon rate of 4.78% per annum.

(b) Preliminary; subject to change. Interest has been estimated at an average coupon rate of 3.07% per annum.

(1) Final payment due after payments of capitalized interest on the 2018 Senior Bonds through June 15, 2020 (from certain proceeds of the 2018 Senior Bonds).

(2) Principal and interest was refunded by the 2019B Senior Bonds.

(3) Mandatory sinking fund principal payments from a $261,450,000 5.937% term bond due June 15, 2039.

(4) Includes actual interest payments on the 2009B Senior Bonds (Build America Bonds) and does not reflect any federal interest subsidy payments the Authority expects to receive.

(5) Principal and interest was refunded by the 2015A Senior Bonds.

(6) $14,350,000 of the original maturity of $20,235,000 was refunded by the 2015A Senior Bonds (leaving a maturity of $5,885,000).

(7) Mandatory sinking fund principal payments from a $14,305,000 5.25% term bond due June 15, 2025.

(8) Mandatory sinking fund principal payments from a $15,865,000 5.25% term bond due June 15, 2027.

(9) Mandatory sinking fund principal payments from a $17,630,000 5.25% term bond due June 15, 2029.

(10) Mandatory sinking fund principal payments from a $30,155,000 5.25% term bond due June 15, 2032.

(11) Does not include any federal interest subsidy payments on the 2009B Senior Bonds (Build America Bonds).

(Source: Municipal Advisor.)

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Debt Service Schedule Of Outstanding Sales Tax Revenue Bonds By Fiscal Year–continued

Subordinate Debt

Fiscal Year Ending December 31	Series 2019 $148,030,000* Principal*	Series 2019 $148,030,000* Interest (a)	Series 2018 $115,540,000 Principal	Series 2018 $115,540,000 Interest	Series 2016 $145,691,497.50 Principal	Series 2016 $145,691,497.50 Interest	Series 2015A $192,005,000 Principal	Series 2015A $192,005,000 Interest	Series 2012 $295,520,000 Principal	Series 2012 $295,520,000 Interest
2018	$ 0	$ 0	$ 1,645,000	$ 3,912,108	$ 0	$ 4,602,300	$ 0	$ 9,543,250	$ 0	$ 7,844,000
2019	0	0	420,000	5,133,894	0	4,602,300	0	6,414,875	0	3,922,000
2020	0	5,179,076	440,000	5,112,894	0	4,602,300	2,850,000	3,243,750	0	0 (4)
2021	0	4,855,384	3,235,000	5,090,894	0	4,602,300	5,840,000	1,471,000	0	0 (4)
2022	0	4,855,384	3,395,000	4,929,144	0	4,602,300	8,875,000	2,687,125	0	0 (4)
2023	0	4,855,384	3,565,000	4,759,394	0	4,602,300	6,750,000	2,296,500	0	0 (4)
2024	0	4,855,384	3,745,000	4,581,144	0	4,602,300	7,100,000	1,950,250	0	0 (4)
2025	0	4,855,384	3,930,000	4,393,894	0	4,602,300	13,315,000	1,439,875	0	0 (4)
2026	0	4,855,384	4,025,000	4,197,394	0	4,602,300	7,995,000	907,125	0	0 (4)
2027	0	4,855,384	4,170,000	3,996,144	18,175,000	4,602,300	0	707,250 (3)	0	0 (4)
2028	0	4,855,384	4,375,000	3,787,644	18,715,000	4,057,050	0	707,250 (3)	0	0 (4)
2029	0	4,855,384	1,255,000	3,568,894	28,865,000	3,495,600	0	707,250 (3)	0	0 (4)
2030	0	4,855,384	1,310,000	3,506,144	29,915,000	2,441,000	0	707,250 (3)	0	0 (4)
2031	0	4,855,384	1,355,000	3,466,844	31,110,000	1,244,400	0	707,250 (3)	0	0 (4)
2032	0	4,855,384	9,465,000	3,424,500	18,911,498	13,443,503 (1)	0	707,250 (3)	0	0 (4)
2033	0	4,855,384	390,000	2,951,250	–	–	0	707,250 (3)	0	0 (5)
2034	0	4,855,384	405,000	2,938,575	–	–	0	707,250 (3)	0	0 (5)
2035	0	4,855,384	415,000	2,924,906	–	–	0	707,250 (3)	0	0 (5)
2036	20,500,000	4,855,384	430,000	2,910,381	–	–	0	707,250 (3)	0	0 (5)
2037	0	4,182,984	445,000	2,895,331	–	–	14,145,000 (2)	353,625 (3)	0	0 (5)
2038	0	4,182,984	460,000	2,879,756	–	–	–	–	0	0 (5)
2039	0	4,182,984	475,000	2,863,656	–	–	–	–	0	0 (5)
2040	0	4,182,984	22,100,000	2,846,438	–	–	–	–	0	0 (4)
2041	62,735,000	4,182,984	44,090,000	1,741,438	–	–	–	–	0	0 (5)
2042	64,795,000	2,125,276	–	–	–	–	–	–	0	0 (5)
Totals	$ 148,030,000	$ 105,905,416	$ 115,540,000	$ 88,812,658	$ 145,691,498	$ 70,704,553	$ 66,870,000	$ 37,379,875	$ 0	$ 11,766,000

Fiscal Year Ending December 31	Series 2010 $200,000,000 Principal	Series 2010 $200,000,000 Interest (7)	Series 2007A $261,124,108.55 Principal (8)	Series 2007A $261,124,108.55 Interest (8)	Subordinate Bonds Total Debt Service* Total Principal	Total Interest (9)	Total Debt Service
2018	$ 0	$ 11,410,000	$ 2,565,000	$ 6,136,875	$ 4,210,000	$ 43,448,533	$ 47,658,533
2019	0	11,410,000	2,710,000	6,005,000	3,130,000	37,488,069	40,618,069
2020	0	11,410,000	2,850,000	5,866,000	6,140,000	35,414,020	41,554,020
2021	0	11,410,000	0	5,794,750	9,075,000	33,224,328	42,299,328
2022	0	11,410,000	0	5,794,750	12,270,000	34,278,703	46,548,703
2023	0	11,410,000	5,300,000	5,662,250	15,615,000	33,585,828	49,200,828
2024	0	11,410,000	5,560,000	5,390,750	16,405,000	32,789,828	49,194,828
2025	0	11,410,000	0	5,251,750	17,245,000	31,953,203	49,198,203
2026	0	11,410,000	6,110,000	5,099,000	18,130,000	31,071,203	49,201,203
2027	0	11,410,000	6,435,000	4,785,375	28,780,000	30,356,453	59,136,453
2028	0	11,410,000	6,765,000	4,455,375	29,855,000	29,272,703	59,127,703
2029	0	11,410,000	7,115,000	4,108,375	37,235,000	28,145,503	65,380,503
2030	0	11,410,000	7,470,000	3,743,750	38,695,000	26,663,528	65,358,528
2031	0	11,410,000	7,870,000	3,360,250	40,335,000	25,044,128	65,379,128
2032	0	11,410,000	0 (8)	3,163,500 (8)	28,376,498	37,004,137	65,380,634
2033	0	11,410,000	20,045,000	2,662,375	20,435,000	22,586,259	43,021,259
2034	0	11,410,000	21,070,000	1,634,500	21,475,000	21,545,709	43,020,709
2035	0	11,410,000	22,155,000	553,875	22,570,000	20,451,415	43,021,415
2036	0	11,410,000	–	–	20,930,000	19,883,015	40,813,015
2037	5,970,000 (6)	11,239,706	–	–	20,560,000	18,671,646	39,231,646
2038	23,730,000 (6)	10,392,513	–	–	24,190,000	17,455,254	41,645,254
2039	49,270,000 (6)	8,310,188	–	–	49,745,000	15,356,829	65,101,829
2040	121,030,000 (6)	3,452,381	–	–	143,130,000	10,481,802	153,611,802
2041	–	–	–	–	106,825,000	5,924,422	112,749,422
2042	–	–	–	–	64,795,000	2,125,276	66,920,276
Totals	$ 200,000,000	$ 250,184,788	$ 124,020,000	$ 79,468,500	$ 800,151,498	$ 644,221,790	$ 1,444,373,287

* Preliminary; subject to change.

(a) Preliminary; subject to change. Interest has been estimated at an average coupon rate of 3.28% per annum.

(1) Capital Appreciation Bonds due on December 15, 2032 in the amount of $32,355,000.

(2) The original principal amount of this term bond was $45,300,000. $31,155,000 will be refunded by the 2019 Subordinate Bonds leaving principal outstanding in the amount of $14,145,000.

(3) Principal and interest was refunded by the 2019 Subordinate Bonds.

(4) Principal and interest was refunded by the 2017 Subordinate Bonds.

(5) Principal and interest was refunded by the 2019B Senior Bonds.

(6) Mandatory sinking fund principal payments from a $200,000,000 5.705% term bond due June 15, 2040.

(7) Includes actual interest payments on the 2010 Subordinate Bonds (Build America Bonds) and does not reflect any federal interest subsidy payments the Authority expects to receive.

(8) The capital appreciation bonds portion of the 2007A Subordinate Bonds were refunded by the 2015A Subordinate Bonds and the 2018 Subordinate Bonds.

(9) Includes actual interest payments on the 2010 Subordinate Bonds (Build America Bonds) and does not reflect any federal interest subsidy payments the Authority expects to receive.

(Source: Municipal Advisor.)

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Debt Service Schedule Of Outstanding Sales Tax Revenue Bonds By Fiscal Year–continued

Fiscal Year Ending December 31	Total All Debt Senior and Subordinated Debt Total Principal	Total Interest (1)	Total Debt Service (1)
2018	$ 10,845,000	$ 100,979,701	$ 111,824,701
2019	17,500,000	92,608,630	110,108,630
2020	27,110,000	100,547,870	127,657,870
2021	36,520,000	96,944,724	133,464,724
2022	45,495,000	96,498,567	141,993,567
2023	56,590,000	93,943,240	150,533,240
2024	59,445,000	91,087,615	150,532,615
2025	64,250,000	88,110,011	152,360,011
2026	67,505,000	84,866,552	152,371,552
2027	79,720,000	81,648,471	161,368,471
2028	83,405,000	77,953,419	161,358,419
2029	93,545,000	74,079,284	167,624,284
2030	98,040,000	69,656,885	167,696,885
2031	102,825,000	64,890,510	167,715,510
2032	93,976,498	73,740,466	167,716,964
2033	108,560,000	56,220,164	164,780,164
2034	113,780,000	51,001,232	164,781,232
2035	119,165,000	45,628,241	164,793,241
2036	122,060,000	40,504,593	162,564,593
2037	127,840,000	35,512,017	163,352,017
2038	135,255,000	30,024,138	165,279,138
2039	144,290,000	22,544,454	166,834,454
2040	151,510,000	14,796,658	166,306,658
2041	140,705,000	9,984,182	150,689,182
2042	143,560,000	5,067,132	148,627,132
2043	4,270,000	437,750	4,707,750
2044	4,485,000	224,250	4,709,250
Totals	$2,252,251,498	$ 1,599,500,754	$ 3,851,752,251

(1) Includes actual interest payments on the 2010 Subordinate Bonds (Build America Bonds) and the 2009B Senior Bonds (Build America Bonds) and does not reflect any federal interest subsidy payments the Authority expects to receive. Such subsidy payments equal up to $9,426,300 per year, but are subject to federal sequestration reductions, including reductions at the current sequestration rate of 5.9% of the interest subsidy payments that, but for such reduction, would have been paid with respect to such bonds. Such reduction rate applies until the end of the federal government's current fiscal year (September 30, 2020), at which time the sequestration rate is subject to change. The Authority cannot predict the amount of reduction in subsidy payments for subsequent years due to sequestration or the period of time that such subsidy payments will be reduced due to sequestration.

(Source: Municipal Advisor.)

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No Defaulted Obligations

The Authority has never failed to pay principal of and interest on its financial obligations when due.

Future Issuance Of Debt

The Authority may issue additional Senior Bonds or Subordinate Bonds or may enter into leases or other obligations during the next several years to finance additional System projects should the need arise or to refund other bonds.

FINANCIAL INFORMATION REGARDING UTAH TRANSIT AUTHORITY

Fund Structure; Accounting Basis

The accounting policies of the Authority conform to accounting principles generally accepted in the United States as well as standards promulgated by the Governmental Accounting Standards Board pronouncements for governmental units.

The Authority has a single enterprise fund and uses the accrual method of accounting and the capital maintenance measurement focus. Under this method revenues are recognized when they are earned, and expenses are recognized when they are incurred. See "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF UTAH TRANSIT AUTHORITY FOR FISCAL YEARS 2018 AND 2017–Notes to the Financial Statements–Note 2. Summary of Significant Accounting Policies" (CAFR page 48).

Budget Process

For a detailed discussion of the Authority's budgeting procedures see "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF UTAH TRANSIT AUTHORITY FOR FISCAL YEARS 2018 AND 2017–Notes to the Financial Statements–Note 2. Summary of Significant Accounting Policies; Q. Budgetary and Accounting Controls" (CAFR page 52).

Internal Accounting Controls

The Authority utilizes a computerized financial accounting system which includes a system of budgetary controls designed to ensure that its assets 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 generally accepted accounting principles. 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 the cost of control should not exceed the benefits likely to be derived. The valuation of costs and benefits requires estimates and judgments by management.

Stabilization Funds

Stabilization Service Fund. In Fiscal Year 2008, the Authority established a stabilization (service) fund that is intended to be used to mitigate the impact on service rates or preserve service levels when the Authority faces a revenue shortfall or cost overrun due to extraordinary circumstances, such as an economic downturn or a rapid rise in fuel prices (the "Stabilization Service Fund").

Pursuant to the Board of Trustee's policy, the Authority intends to maintain the Stabilization Service Fund balance to an amount equal to approximately 3% of the Authority's annual operating expense budget (3% of the Authority's Fiscal Year 2019 expense budget of $305,431,000 is $9,162,930). As of Au-

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gust 31, 2019, the amount on deposit in this fund was $9,166,000. *In Fiscal Year 2019, the Board of Trustee's revised the Authority's annual operating expense policy limit percentage from 5% to 3%, which will decrease the Stabilization Service Fund amount that was reported in the Fiscal Year 2018 CAFR of $15,272,000, to the current balance of $9,166,000. Since the creation of the Stabilization Service Fund and the reduction of the operating expense policy percentage, the Authority has not withdrawn any moneys from this fund for its intended purpose.*

Debt Reduction Reserve. In September 2012, the Authority established a debt service reserve and rate stabilization fund that is intended to be used for one or more of the following purposes: funding positive differences between actual variable interest expense and budgeted variable interest expense; payment of scheduled debt service, if necessary; retirement of debt prior to maturity; self–funding debt service reserves for new bond issues; and providing collateral for short–term bank lines of credit (the "Debt Reduction Reserve"). Pursuant to the Board of Trustee's policy, the Authority intends to fund this fund from: any savings derived during periods in which actual variable interest expense is less than budgeted variable interest expense (if any variable debt is outstanding); savings from interest expense on refunding bonds; budget contributions and certain other moneys. As of Fiscal Year 2018, the amount on deposit in the fund was $47,384,438 and as of August 31, 2019 the amount is $59,263,556. *Since the creation of the Debt Reduction Reserve, the Authority has not withdrawn any moneys from this fund for its intended purpose.*

It is anticipated that the Authority will contribute additional moneys to the Debt Reduction Reserve for the next five Fiscal Years as follows: for Fiscal Year 2019, $24 million; for Fiscal Year 2020, $18 million; for Fiscal Year 2021, $8 million; and for Fiscal Year 2022, $1 million.

Neither the Stabilization Service Fund nor the Debt Reduction Reserve are pledged as security for the 2019 Bonds and the Board of Trustees may determine to modify its policies with respect to such funds from time to time.

Fuel Reserve Fund and Parts Reserve Fund. These funds were eliminated by the Authority in Fiscal Year 2019 and the fund balances in the amount of $4,915,000 was moved into a newly created Working Capital Reserve Fund.

Five–Year Financial Summaries

The summaries contained herein were extracted from the Authority's audited financial statements for Fiscal Years 2014 through 2018. The summaries themselves are unaudited.

The Authority's audited financial statements for Fiscal Year 2019 must be completed under State law by June 30, 2020.

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Utah Transit Authority

Statement of Net Position

	As of December 31 (1)				
	2018	2017 (1)	2016	2015 (2)	2014 (3)
Assets and deferred outflows of resources					
Assets					
Current assets					
Cash and cash equivalents	$ 103,037,555	$ 85,459,300	$ 103,689,945	$ 123,456,952	$ 146,671,159
Receivables					
Contributions from other governments (sales tax)	50,725,259	49,421,054	45,646,114	41,966,003	39,819,359
Federal grants	24,146,542	44,106,915	13,611,438	8,292,008	12,310,186
State of Utah	9,930,141	–	–	–	–
Other	4,443,339	17,002,669	20,837,335	8,450,195	8,646,633
Parts and supplies inventories	35,551,784	31,689,267	28,361,640	21,871,283	20,068,739
Prepaid expenses	2,842,013	2,783,802	2,627,731	2,735,237	2,737,708
Total current assets	230,676,633	230,463,007	214,774,203	206,771,678	230,253,784
Noncurrent assets					
Restricted assets (cash equivalents and investments)					
Escrow funds	66,174,772	28,754,015	34,837	81,091	80,827
Bond funds	47,668,250	42,768,329	51,279,017	62,996,201	48,532,535
Self–insurance deposits	7,716,809	7,534,841	7,431,600	7,360,300	7,316,789
Interlocal agreements	7,040,441	6,355,541	5,663,895	6,476,298	4,206,099
Represented employee benefits	4,133,950	3,894,919	3,269,716	3,039,873	3,050,065
Total restricted assets	132,734,222	89,307,645	67,679,065	79,953,763	63,186,315
Depreciable capital assets					
Infrastructure	2,515,426,407	2,528,679,092	2,660,455,033	2,660,455,034	2,659,779,176
Revenue vehicles	753,650,299	757,025,778	768,632,495	778,085,676	763,036,847
Building and building improvements	302,473,214	132,444,199	–	–	–
Equipment	144,817,612	326,289,349	–	–	–
Land improvements	79,140,497	12,300,402	–	–	–
Leased land improvements	75,804,461	–	–	–	–
Leased revenue vehicles	60,365,705	–	–	–	–
Intangibles	9,585,417	22,537,996	–	–	–
Other property and equipment	–	–	420,530,145	420,778,076	411,580,491
Right–of–ways	–	–	314,026,833	314,026,833	314,026,833
Land and improvements	–	–	130,401,281	130,457,888	131,711,069
Construction in progress	–	–	98,584,168	52,277,886	55,473,714
Total depreciable capital assets	3,941,263,612	3,779,276,816	4,392,629,955	4,356,081,393	4,335,608,130
Non–depreciable capital assets					
Land	440,917,126	425,736,158	–	–	–
Construction in progress	109,972,902	205,102,231	–	–	–
Total non–depreciable capital assets	550,890,028	630,838,389	–	–	–
Total capital assets	4,492,153,640	4,410,115,205	4,392,629,955	4,356,081,393	4,335,608,130
Less accumulated depreciation and amortization	(1,402,256,629)	(1,341,405,330)	(1,288,032,621)	(1,145,923,364)	(992,308,692)
Amount recoverable–interlocal agreement	22,047,787	22,858,702	23,516,495	24,327,409	25,138,323
Other assets	9,698,840	8,000,000	–	–	–
Total noncurrent assets	3,254,377,860	3,188,876,222	3,195,792,894	3,314,439,201	3,431,624,076
Total assets	3,485,054,493	3,419,339,229	3,410,567,097	3,521,210,879	3,661,877,860
Deferred outflows of resources					
Advanced debt refunding	88,490,542	97,189,416	101,200,263	108,648,743	2,028,608
Assumptions changes related to pensions	31,930,657	12,571,775	15,577,900	16,351,455	–
Total deferred outflows of resources	120,421,199	109,761,191	116,778,163	125,000,198	2,028,608
Total assets and deferred outflows of resources	$ 3,605,475,692	$ 3,529,100,420	$ 3,527,345,260	$ 3,646,211,077	$ 3,663,906,468
Liabilities, deferred inflows of resources and net position					
Liabilities					
Current liabilities					
Accounts payable					
Other	$ 37,169,641	$ 54,120,255	$ 26,979,344	$ 18,445,210	$ 26,123,239
State of Utah	138,224	–	–	–	–
Current portion of long–term debt	24,126,320	14,815,329	11,733,893	15,048,301	11,445,000
Accrued liabilities, primarily payroll–related	22,242,526	20,199,621	19,533,949	18,980,139	20,771,440
Unearned revenue	11,622,768	6,218,000	6,546,753	5,580,364	5,715,509
Accrued interest	4,165,847	4,096,739	4,226,445	4,162,032	4,198,562
Accrued self–insurance liability	1,155,787	1,495,598	2,336,975	2,284,463	2,321,555
Payable from restricted assets	–	153,913	263,096	1,889,650	325,691
Total current liabilities	100,621,113	101,099,455	71,620,455	66,390,159	70,900,996
Long–term liabilities					
Long–term debt	2,385,014,132	2,316,957,516	2,269,803,569	2,272,615,756	2,101,221,208
Long–term net pension liability	131,548,114	100,876,554	112,925,121	117,437,871	–
Long–term accrued interest	5,614,014	4,541,169	1,603,827	1,203,331	57,976,113
Long–term self–insurance liability	–	–	2,758,839	1,230,095	1,250,068
Total long–term liabilities	2,522,176,260	2,422,375,239	2,387,091,356	2,392,487,053	2,160,447,389
Total liabilities	2,622,797,373	2,523,474,694	2,458,711,811	2,458,877,212	2,231,348,385
Deferred inflows of resources					
Changes to earnings on pension plan investments	3,383,699	11,948,307	5,489,735	1,659,974	–
Advanced collections	–	–	–	–	1,153,885
Total deferred inflows of resources	3,383,699	11,948,307	5,489,735	1,659,974	1,153,885
Net position					
Net investment in capital assets	827,646,243	894,275,843	924,260,135	1,031,142,715	1,230,633,230
Restricted for					
Escrow funds	66,174,772	28,754,015	34,837	81,091	80,827
Debt service	47,668,250	42,768,329	51,279,017	62,996,201	48,532,535
Self–insurance deposits	7,716,809	7,534,841	7,431,600	7,360,300	7,316,789
Interlocal agreements	7,040,441	6,201,628	5,400,799	4,586,648	3,880,408
Represented employee benefits	4,133,950	3,894,919	3,269,716	3,039,873	3,050,066
Unrestricted	18,914,155	10,247,844	71,467,610	76,467,063	137,910,343
Total net position	979,294,620	993,677,419	1,063,143,714	1,185,673,891	1,431,404,198
Total liabilities, deferred inflows of resources and net position	$ 3,605,475,692	$ 3,529,100,420	$ 3,527,345,260	$ 3,646,211,077	$ 3,663,906,468

(1) Restated in Fiscal Year 2018 financial statements.
(2) Restated in Fiscal Year 2016 financial statements.
(3) Restated in Fiscal Year 2015 financial statements.

(Source: Information derived from the Authority's audited financial statements, compiled by Zions Public Finance, Inc.)

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Utah Transit Authority

Statement of Revenues, Expenses and Changes in Net Position

	Fiscal Year Ended December 31				
	2018	2017	2016	2015 (1)	2014 (2)
Operating revenues					
Passenger fares	$ 52,051,892	$ 52,159,203	$ 50,624,354	$ 52,112,909	$ 51,461,223
Advertising	2,412,500	2,366,667	2,266,667	2,233,333	2,300,000
Total operating revenues	54,464,392	54,525,870	52,891,021	54,346,242	53,761,223
Operating expense					
Bus service	96,719,747	88,928,063	85,841,973	77,702,167	79,060,631
Depreciation	80,565,077	149,440,887	153,573,216	161,043,323	163,476,373
Rail service	75,157,087	72,895,607	84,165,069	74,266,265	70,365,953
Operation support	45,557,749	41,932,571	37,831,682	35,901,226	28,380,563
Administration	39,593,947	31,423,844	37,636,519	32,443,603	32,921,739
Capital maintenance projects	38,654,111	20,602,425	–	–	–
Paratransit service	21,857,632	19,572,367	19,341,116	18,573,738	18,748,699
Other service	3,056,191	2,982,176	2,949,643	2,971,534	3,183,892
Major investment studies	–	–	1,204,124	658,400	2,488,179
Total operating expense	401,161,541	427,777,940	422,543,342	403,560,256	398,626,029
Excess of operating expenses over operating revenues	(346,697,149)	(373,252,070)	(369,652,321)	(349,214,014)	(344,864,806)
Non–operating revenues (expenses)					
Contributions for other governments (sales tax) (3)	282,933,591	265,770,775	245,008,417	227,703,023	214,683,276
Federal preventative maintenance grants	61,820,668	62,313,994	59,772,235	49,452,677	47,760,737
Other	8,155,668	3,954,893	3,108,191	8,314,065	3,724,610
Interest income	6,525,872	2,873,787	1,732,939	2,831,406	5,803,226
Interest expense	(91,000,388)	(88,190,962)	(85,415,870)	(80,575,328)	(91,311,842)
Federal planning grants	–	–	3,562,534	2,547,335	2,994,139
Recoverable sales tax–interlocal agreement	–	–	(810,914)	(810,914)	(810,914)
Net non–operating revenues	268,435,411	246,722,487	226,957,532	209,462,264	182,843,232
Income (loss) before contributions	(78,261,738)	(126,529,583)	(142,694,789)	(139,751,750)	(162,021,574)
Capital contributions					
Federal grants	31,585,004	53,960,024	17,054,298	7,819,096	8,025,628
Capital contributions	20,142,932	253,148	–	–	–
Local	12,151,003	2,850,116	3,110,314	1,249,614	3,363,683
Total capital contributions	63,878,939	57,063,288	20,164,612	9,068,710	11,389,311
Changes in net position	(14,382,799)	(69,466,295)	(122,530,177)	(130,683,040)	(150,632,263)
Total net position, January 1 (as restated)	993,677,419	1,063,143,714	1,185,673,891	1,316,356,931	1,582,036,461
Total net position, December 31	$ 979,294,620	$ 993,677,419	$ 1,063,143,714	$ 1,185,673,891	$ 1,431,404,198

(1) Restated in Fiscal Year 2016 financial statements.
(2) Restated in Fiscal Year 2015 financial statements.
(3) Includes the collection of all sales and use taxes (including those sales and use taxes levied for Proposition 1 Tax).

(Source: Information derived from the Authority's audited financial statements, compiled by Zions Public Finance, Inc.)

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For information regarding the Authority's 10–year revenue history of net position and changes in net position see "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF UTAH TRANSIT AUTHORITY FOR FISCAL YEARS 2018 AND 2017" (CAFR page 103).

Other Financial Information

Additional financial information regarding the Authority's 10–year revenue history by source and expense history by function see "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF UTAH TRANSIT AUTHORITY FOR FISCAL YEARS 2018 AND 2017" (CAFR page 104).

Federal Grants

Federal grants for various public transit purposes historically have been authorized by Congress under multiple–year authorizing legislation. On December 4, 2015, the Fixing America's Surface Transportation Act (the "FAST Act") was signed into law, replacing the previous federal funding authorization legislation known as Moving Ahead for Progress in the 21st Century ("MAP–21") at levels slightly increased from the federal fiscal year 2015 levels. The FAST Act authorizes $61.11 billion over the five federal fiscal years 2016 through 2020 for programs administered by the FTA. The law authorizes $11.79 billion for public transit programs in federal fiscal year 2016 and increases the total authorization to $12.6 billion in federal fiscal year 2020, an increase of 17.7% over the federal fiscal year 2015 level. The FAST Act largely follows the programs and administration laid out in MAP–21, and reintroduced discretionary funds for buses and bus facilities.

For the years shown, the Authority has received federal formula grants that include funds for preventative maintenance and planning pursuant to MAP–21, and the FAST Act, as applicable, in the following amounts:

Fiscal Year Ended December 31	Preventative Maintenance Grants	Planning Grants
2019 (1)	$66,188,000	$ 0
2018	61,820,668	0
2017	62,313,994	0
2016	59,772,235	3,562,534
2015	49,452,677	2,547,335
2014	47,760,737	2,994,139

(1) Preliminary; subject to change. The Authority has budgeted this amount for Fiscal Year 2019. (Source: The Authority's 2019 Operating Budget.)

(Source: The Authority's historical Comprehensive Annual Financial Reports ("CAFR"); compiled by the Municipal Advisor.)

In addition, the Authority receives capital fund grants from the FTA under two programs. The Section 5307 Urbanized Area Formula Program ("Section 5307") provides for federal grants for planning and capital assistance. Planning assistance funds are used for planning expenses such as staff payroll, contractors, environmental studies, and investment studies. Capital assistance funds are used for bus and rail preventative maintenance (including labor, parts, shop supplies, and needed maintenance division facilities repair), bus and rail security (used to purchase and install mobile security equipment, security equipment for facilities and transit police, and purchase support vehicles for the security department), Americans with Disabilities Act operating assistance, and transit enhancements. The FAST Act continues to authorize the Section 5307 in much of its same form that existed under MAP–21 (which program expired on September 30, 2012) and the SAFETEA–LU program and provides for 80% of project costs, with 20% local participation. The Section 5309 Fixed Guideway Capital Investment program ("Section 5309")

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(which formerly funded rail modernization, new starts rail and bus and bus facilities) is now for starts rail (new and small) with a limited BRT component. Proposed projects of less than $75 million in federal assistance and with less than $250 million in net capital costs are classified as a small start project. Under the FAST Act, Section 5309 grants provide for up to 60% of project costs, with 40% local participation on "new starts" projects. For "small starts" projects, up to 80% of project costs can be federal funding, with 20% local participation.

The Section 5337 State of Good Repair grant program ("Section 5337") included in the FAST Act is a program designated to maintain public transportation systems in a state of good repair that was once part of the former Section 5309 Program. The program authorizes $2.507 billion in federal fiscal year 2016, which grows to $2.684 billion in federal fiscal year 2020. Of these funds appropriated to Section 5337 by Congress, 97.15% is apportioned among urbanized areas with fixed–guideway systems, and 2.85% is apportioned among urbanized areas with high–intensity motorbus systems. Fifty percent of the high intensity fixed guideway funds are allocated based on the revenue miles and route miles reported to the National Transit Database (the "NTD"). The other 50% of the apportionment is determined by using the current fixed guideway definition in the calculation of what the urbanized areas would have received in federal fiscal year 2011. The high intensity motorbus funds are allocated based on the revenue miles and route miles reported to the NTD. Section 5337 grants provide for 80% of project costs, with 20% local participation.

Section 5339 Bus and Bus Facilities Capital Program grants now also exist separately from the Section 5309 grants in the FAST Act. This program includes: $213 million in federal fiscal year 2016 growing to $289 million in federal fiscal year 2020 for discretionary opportunities for buses or bus facilities; $55 million annually in discretionary funds from federal fiscal years 2016 through 2020 for low or no emission bus deployment program; and $427.8 million in federal fiscal year 2016 growing to $464.61 million in federal fiscal year 2020 for formula funds for buses and bus facilities. For the formula funds, $90.5 million will be allocated each year among all States and territories, with each state receiving $1.75 million and each territory (including D.C. and Puerto Rico) receiving $500,000, with the remainder of the formula funds apportioned based on population and service factors using the Section 5307 apportionment formula.

The following table shows the federal capital grants received by the Authority for the years shown. Amounts vary from year to year according to a variety of factors, including System needs for capital and availability of federal moneys.

Fiscal Year Ended December 31	Rail/ TRAX System	Other Capital	Total Capital Grants
2019 (1)	$ 0	$50,031,000	$50,031,000
2018	0	31,585,004	31,585,004
2017	0	53,960,024	53,960,024
2016	0	17,054,298	17,054,298
2015	0	7,819,096	7,819,096
2014	1,433,656	6,591,972	8,025,628

(1) Preliminary; subject to change. The Authority has budgeted this amount for Fiscal Year 2019. (Source: The Authority's 2019 Operating Budget.)

(Source: The Authority's historical CAFR's; compiled by the Municipal Advisor.)

Also see "RISK FACTORS AFFECTING UTAH TRANSIT AUTHORITY AND THE 2019 BONDS—Federal Funding" above.

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No Pledge of Grant Moneys. None of the federal grant moneys described under this section constitutes Revenues or Pledged Revenues for purposes of the Senior Indenture or the Subordinate Indenture, to the extent that such moneys are prohibited by law from being pledged. However, the Senior Indenture requires the Authority to use such moneys for System operation and maintenance expenses to the extent received for that purpose. See "SECURITY FOR THE 2019 BONDS" above.

LEGAL MATTERS

Absence Of Litigation Concerning The 2019 Bonds

The office of the Attorney General of the State of Utah has officially advised that, to their knowledge, there is no pending or threatened litigation that would legally stop, enjoin, or prohibit the issuance, sale or delivery of the 2019 Bonds.

Ongoing Litigation To Which The Authority Is A Party

Because of the magnitude of the Authority's bus and rail operations, the Authority is routinely a party in personal injury, wrongful death, property disputes and other tort litigation. As of the date of this OFFICIAL STATEMENT, the Authority is a defendant in several such lawsuits, and has received notices of claim with respect to other matters for which litigation has not yet commenced. Such lawsuits and notices of claim are at various stages in the litigation/claims process and seek damages in varied amounts.

The Authority is primarily self–insured with respect to its day–to–day operations. The self–insurance program maintained by the Authority applies to liability claims for death and personal injuries, vehicle property damage and workers' compensation. The procurement of insurance from third–party carriers is generally limited to (i) excess coverage with respect to railroad liability and worker's compensation exposures; (ii) insurance programs the Authority procures with respect to construction of major capital projects, and (iii) discrete programs of the Authority, such as the Authority's vanpool leasing program. The Authority funds its self–insurance reserves in an amount determined by annual actuarial studies. The self–insurance reserves, in the amount of $7,716,809 (as of December 31, 2018; $7,849,333 as of August 31, 2019), are held in a separate account with the PTIF. The Authority has allocated a portion of the reserve account to cover its anticipated liability exposure (as determined by the Authority's Risk Management Department) in each of the tort matters currently pending or threatened against the Authority. The amounts allocated to cover its perceived liability exposure are premised upon the continued applicability of the liability limits imposed by the Immunity Act. The applicability of the Immunity Act and its limits to the Authority has been affirmed by the Utah Supreme Court.

The Authority is also routinely involved in contract–related disputes. This contract litigation or threatened litigation generally involves either the construction contracts related to the Authority's large capital projects or collective bargaining agreements with the Union. These matters are not subject to the liability limits imposed by the Immunity Act. The Authority has allocated a portion of the reserve account to cover the anticipated liability exposure (as determined by the Authority's Risk Management Department) stemming from contract–related disputes pending or threatened as of the date of this OFFICIAL STATEMENT.

Also see "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF UTAH TRANSIT AUTHORITY FOR FISCAL YEARS 2018 AND 2017–Notes to the Financial Statements–Note 9. Commitments and Contingencies" (CAFR page 95).

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General

Certain legal matters incident to the authorization and issuance of the 2019 Bonds are subject to the approving opinion of Gilmore & Bell, P.C., Bond Counsel to the Authority. The approving opinion of Bond Counsel will be delivered with the 2019 Bonds in substantially the form set forth in "APPENDIX D—PROPOSED FORM OF OPINIONS OF BOND COUNSEL." Certain legal matters will be passed upon for the Authority by the Attorney General of the State of Utah. Certain legal matters regarding this OFFICIAL STATEMENT will be passed upon for the Underwriters by Chapman and Cutler LLP.

The various legal opinions to be delivered concurrently with the delivery of the 2019 Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

TAX MATTERS

Tax Status Of The 2019A Senior Bonds

Summary. The following is a summary of the material federal and State of Utah income tax consequences of holding and disposing of the 2019A Senior Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the 2019A Senior Bonds as a capital asset, tax–exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Utah, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the 2019A Senior Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the 2019A Senior Bonds.

Opinion Of Bond Counsel

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the Authority, under the law currently existing as of the issue date of the 2019A Senior Bonds:

Federal Tax Exemption. The interest on the 2019A Senior Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes.

Alternative Minimum Tax. The interest on the 2019A Senior Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax.

Bond Counsel's opinions are provided as of the date of the original issue of the 2019A Senior Bonds, subject to the condition that the Authority comply with all requirements of the Internal Revenue Code of 1986, as amended (the "Code") that must be satisfied subsequent to the issuance of the 2019A Senior Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Authority has covenanted to comply with all such requirements. Failure to

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comply with certain of such requirements may cause the inclusion of interest on the 2019A Senior Bonds in gross income for federal income tax purposes retroactive to the date of issuance of the 2019A Senior Bonds.

State of Utah Tax Exemption. The interest on the 2019A Senior Bonds is exempt from State of Utah individual income taxes.

Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the 2019A Senior Bonds but has reviewed the discussion under this section "TAX MATTERS—Tax Status Of The 2019A Senior Bonds."

Other Tax Consequences

Original Issue Discount. For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a 2019A Senior Bond over its issue price. The issue price of a 2019A Senior Bond is generally the first price at which a substantial amount of the 2019A Senior Bonds of that maturity have been sold to the public. Under Section 1288 of the Code, original issue discount on tax–exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a 2019A Senior Bond during any accrual period generally equals (1) the issue price of that 2019A Senior Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that 2019A Senior Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that 2019A Senior Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner's tax basis in that 2019A Senior Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount.

Original Issue Premium. For federal income tax purposes, premium is the excess of the issue price of a 2019A Senior Bond over its stated redemption price at maturity. The issue price of a 2019A Senior Bond is generally the first price at which a substantial amount of the 2019A Senior Bonds of that maturity have been sold to the public. Under Section 171 of the Code, premium on tax–exempt bonds amortizes over the term of the 2019A Senior Bond using constant yield principles, based on the purchaser's yield to maturity. As premium is amortized, the owner's basis in the 2019A Senior Bond and the amount of tax–exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the 2019A Senior Bond prior to its maturity. Even though the owner's basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium.

Sale, Exchange or Retirement of Bonds. Upon the sale, exchange or retirement (including redemption) of a 2019A Senior Bond, an owner of the 2019A Senior Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property received on the sale, exchange or retirement of the 2019A Senior Bond (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the 2019A Senior Bond. To the extent a 2019A Senior Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long–term capital gain or loss if the 2019A Senior Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the 2019A Senior Bonds, and to the proceeds paid on the sale of the 2019A Senior Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a

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taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the 2019A Senior Bonds should be aware that ownership of the 2019A Senior Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the 2019A Senior Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of 2019A Senior Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the 2019A Senior Bonds, including the possible application of state, local, foreign and other tax laws.

Tax Status Of The 2019B Senior Bonds And The 2019 Subordinate Bonds—Federal And State Of Utah

No Federal Tax Exemption. The interest on the 2019B Senior Bonds and the 2019 Subordinate Bonds is included in gross income for federal income tax purposes, in accordance with an owner's normal method of accounting.

State of Utah Tax Exemption. In the opinion of Gilmore & Bell, P.C., Bond Counsel to the Authority, under the law existing as of the issue date of the 2019B Senior Bonds and the 2019 Subordinate Bonds, the interest on the 2019B Senior Bonds and the 2019 Subordinate Bonds is exempt from State individual income taxes.

No Other Opinions. Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the 2019B Senior Bonds and the 2019 Subordinate Bonds, except as expressly provided herein. Purchasers of the 2019B Senior Bonds and the 2019 Subordinate Bonds should consult their tax advisors as to the applicability of these tax consequences and other income tax consequences of the purchase, ownership and disposition of the 2019B Senior Bonds and the 2019 Subordinate Bonds, including the possible application of state, local, foreign and other tax laws.

Other Tax Consequences

Original Issue Discount. For Federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a 2019B Senior Bond or a 2019 Subordinate Bond over its issue price. The issue price of a 2019B Senior Bond or a 2019 Subordinate Bond is the first price at which a substantial amount of the 2019B Senior Bonds or the 2019 Subordinate Bonds of that maturity have been sold to the public. If the original issue discount on a bond is more than a de minimis amount (generally ¼ of 1% of the stated redemption price at maturity of the 2019B Senior Bond or the 2019 Subordinate Bond multiplied by the number of complete years to its maturity date), then that 2019B Senior Bond and the 2019 Subordinate Bond will be treated as issued with original issue discount. The amount of original issue discount that accrues to an owner of a 2019B Senior Bond or a 2019 Subordinate Bond during any accrual period generally equals (i) the issue price of that 2019B Senior Bond or the 2019 Subordinate Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (ii) the yield to maturity on that 2019B Senior Bond or the 2019 Subordinate Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (iii) any interest payable on that 2019B Senior Bond or the 2019 Subordinate Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be included in gross income for fed-

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eral income tax purposes, and will increase the owner's tax basis in that 2019B Senior Bond and the 2019 Subordinate Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount.]

Sale, Exchange or Retirement of 2019B Senior Bonds or 2019 Subordinate Bonds. Upon the sale, exchange or retirement (including redemption) of a 2019B Senior Bond or a 2019 Subordinate Bond, an owner of the 2019B Senior Bond or the 2019 Subordinate Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property received on the sale, exchange or retirement of the 2019B Senior Bond or the 2019 Subordinate Bond (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the 2019B Senior Bond or the 2019 Subordinate Bond. To the extent a 2019B Senior Bond or a 2019 Subordinate Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long–term capital gain or loss if the 2019B Senior Bond or the 2019 Subordinate Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Further, if the Authority establishes a legal defeasance of any 2019B Senior Bond or 2019 Subordinate Bond, that 2019B Senior Bond or 2019 Subordinate Bond may be deemed to be retired and "reissued" for U.S. federal income tax purposes as a result of the defeasance. In that event, in general, an owner will recognize taxable gain or loss equal to the difference between (i) the amount realized from the deemed sale, exchange or retirement (less any accrued qualified stated interest) and (ii) the owner's adjusted tax basis in the 2019B Senior Bond or the 2019 Subordinate Bond.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the 2019B Senior Bonds and the 2019 Subordinate Bonds, and to the proceeds paid on the sale of the 2019 Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the 2019B Senior Bonds and the 2019 Subordinate Bonds should be aware that ownership of the 2019B Senior Bonds and the 2019 Subordinate Bonds may result in collateral federal income tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of 2019B Senior Bonds and the 2019 Subordinate Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the 2019B Senior Bonds and the 2019 Subordinate Bonds, including the possible application of state, local, foreign and other tax laws.

MISCELLANEOUS

Bond Ratings

As of the date of this OFFICIAL STATEMENT, Fitch, Moody's and S&P have assigned their municipal bond ratings of "__," "__," and "__," respectively, to the 2019A Senior Bonds.

As of the date of this OFFICIAL STATEMENT, Fitch, Moody's and S&P have assigned their municipal bond ratings of "__," "__," and "__," respectively, to the 2019B Senior Bonds.

As of the date of this OFFICIAL STATEMENT, Fitch, Moody's and S&P have assigned their municipal bond ratings of "__,", "__,", and "__," respectively, to the 2019 Subordinate Bonds.

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The Authority has furnished to each rating agency rating the 2019 Bonds information about the Authority and the 2019 Bonds, including information not included in this OFFICIAL STATEMENT. Generally, rating agencies base their ratings on that information and on independent investigations, studies and assumptions made by each rating agency. There can be no assurance that ratings will continue for any given period or that they will not be revised downward or withdrawn entirely by a rating agency if, in the judgment of that rating agency, circumstances warrant the revision or withdrawal of the ratings. Those circumstances may include, among other things, changes in, or unavailability of, information relating to the Authority or the 2019 Bonds. Any downward revision or withdrawal of a rating may have an adverse effect on the market price of the 2019 Bonds.

Trustee

The obligations and duties of the Trustee under the Indentures are described in the Indentures, and the Trustee has undertaken only those obligations and duties that are expressly set out in the Indentures. The Trustee has not independently passed upon the validity of the 2019 Bonds, the security therefor, the adequacy of the provisions for payment thereof or the inclusion in gross income for federal tax purposes of the interest on the 2019 Bonds. The Trustee may resign or be removed or replaced as provided in the Indentures.

Underwriters

The Underwriters have reviewed the information in this OFFICIAL STATEMENT in accordance with, and as a part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters does not guarantee the accuracy or completeness of such information.

The Underwriters have agreed, subject to certain conditions, to purchase all 2019A Senior Bonds from the Authority. The Underwriters are obligated to accept delivery and pay for all the 2019A Senior Bonds, if any are delivered, at an aggregate price of $_____, being an amount equal to the par amount of the 2019A Senior Bonds, plus an original issue premium of $_____, less an original issue discount of $_____, and less an Underwriter's fee of $_____. The Underwriter may resell the 2019A Senior Bonds to the public at prices which may be higher or lower than the prices set forth on the inside cover pages of this OFFICIAL STATEMENT.

The Underwriters have agreed, subject to certain conditions, to purchase all 2019B Senior Bonds from the Authority. The Underwriters are obligated to accept delivery and pay for all the 2019B Senior Bonds, if any are delivered, at an aggregate price of $_____, being an amount equal to the par amount of the 2019B Senior Bonds, less an original issue discount of $_____, and less an Underwriter's fee of $_____. The Underwriter may resell the 2019B Senior Bonds to the public at prices which may be higher or lower than the prices set forth on the inside cover pages of this OFFICIAL STATEMENT.

The Underwriters have agreed, subject to certain conditions, to purchase all the 2019 Subordinate Bonds from the Authority. The Underwriter is obligated to accept delivery and pay for all the 2019 Subordinate Bonds, if any are delivered, at an aggregate price of $_____, being an amount equal to the par amount of the 2019 Subordinate Bonds, plus an original issue premium of $_____, less an original issue discount of $_____, and less an Underwriter's fee of $_____. The Underwriter may resell the 2019 Subordinate Bonds to the public at prices which may be higher or lower than the prices set forth on the inside cover pages of this OFFICIAL STATEMENT.

The Underwriters and their affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, investment management, principal investment, hedging, financing and brokerage activities.

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In the ordinary course of their various business activities, the Underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own accounts and for the accounts of its customers and may at any time hold long and/or short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Authority.

Wells Fargo Bank, National Association (one of the Underwriters of the 2019 Bonds). Wells Fargo Securities is the trade name for certain securities–related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association, which conducts its municipal securities sales, trading and underwriting operations through the Wells Fargo Bank, NA Municipal Products Group, a separately identifiable department of Wells Fargo Bank, National Association, registered with the Securities and Exchange Commission as a municipal securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934. Wells Fargo Bank, National Association, acting through its Municipal Products Group ("WFBNA"), has entered an agreement (the "WFA Distribution Agreement") with its affiliate, Wells Fargo Clearing Services, LLC (which uses the trade name "Wells Fargo Advisors") ("WFA"), for the distribution of certain municipal securities offerings, including the 2019 Bonds. Pursuant to the WFA Distribution Agreement, WFBNA will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the 2019 Bonds with WFA. WFBNA has also entered an agreement (the "WFSLLC Distribution Agreement") with its affiliate Wells Fargo Securities, LLC ("WFSLLC"), for the distribution of municipal securities offerings, including the 2019 Bonds. Pursuant to the WFSLLC Distribution Agreement, WFBNA pays a portion of WFSLLC's expenses based on its municipal securities transactions. WFBNA, WFSLLC, and WFA are each wholly–owned subsidiaries of Wells Fargo & Company.

J.P. Morgan Securities LLC (one of the Underwriters of the 2019 Bonds). J.P. Morgan Securities LLC ("JPMS") has entered into negotiated dealer agreements (each, a "Dealer Agreement") with each of Charles Schwab & Co., Inc. ("CS&Co.") and LPL Financial LLC ("LPL") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Dealer Agreement (if applicable to this transaction), each of CS&Co. and LPL will purchase 2019 Bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any 2019 Bonds that such firm sells.

Municipal Advisor

The Authority has entered into an agreement with the Municipal Advisor where under the Municipal Advisor provides financial recommendations and guidance to the Authority with respect to preparation for sale of the 2019 Bonds, timing of sale, taxable and tax–exempt bond market conditions, costs of issuance and other factors related to the sale of the 2019 Bonds. The Municipal Advisor has read and participated in the drafting of certain portions of this OFFICIAL STATEMENT and has supervised the completion and editing thereof. The Municipal Advisor has not audited, authenticated or otherwise verified the information set forth in the OFFICIAL STATEMENT, or any other related information available to the Authority, with respect to accuracy and completeness of disclosure of such information, and the Municipal Advisor makes no guaranty, warranty or other representation respecting accuracy and completeness of the OFFICIAL STATEMENT or any other matter related to the OFFICIAL STATEMENT.

Independent Auditors

The financial statements of the Authority as of December 31, 2018 and for the year then ended, included in this OFFICIAL STATEMENT, have been audited by Keddington & Christensen LLC, Certified Public Accountants, Salt Lake City, Utah ("Keddington"), as stated in their report in "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF UTAH TRANSIT AUTHORITY FOR FISCAL YEARS 2018 AND 2017" (CAFR page 28). Keddington has not been engaged to perform and has

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not performed, since the date of their report included in the Fiscal Year 2018 CAFR, any procedures on the financial statements addressed in the Fiscal Year 2018 CAFR.

Keddington has not participated in the preparation or review of this OFFICIAL STATEMENT. Based upon their non–participation, they have not consented to the use of their name in this OFFICIAL STATEMENT.

Additional Information

All quotations contained herein from and summaries and explanations of the State Constitution, statutes, programs, laws of the State, court decisions, and the Indentures, do not purport to be complete, and reference is made to the State constitution, statutes, programs, laws of the State, court decisions, and the Indentures for full and complete statements of their respective provisions.

Any statements in this OFFICIAL STATEMENT involving matters of opinion, whether expressly so stated, are intended as such and not as representations of fact.

The appendices attached hereto are an integral part of this OFFICIAL STATEMENT and should be read in conjunction with the foregoing material.

This PRELIMINARY OFFICIAL STATEMENT is in a form deemed final for purposes of paragraph (b)(1) of Rule 15c2–12 of the Securities and Exchange Commission.

This OFFICIAL STATEMENT and its distribution and use have been duly authorized by the Authority.

Utah Transit Authority

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APPENDIX A

COMPREHENSIVE ANNUAL FINANCIAL REPORT OF UTAH TRANSIT AUTHORITY FOR FISCAL YEARS 2018 AND 2017

The CAFR of the Authority for Fiscal Years 2018 and 2017 is contained herein. Copies of current and prior financial reports will be made available upon request from the contact person as indicated under "INTRODUCTION—Contact Persons" above.

The Authority's annual financial reports for Fiscal Year 2019 must be completed under State law by June 30, 2020.

Government Finance Officers Association; Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada ("GFOA") have awarded a Certificate of Achievement for Excellence in Financial Reporting to the Authority for its CAFR for the 25th consecutive year, beginning with Fiscal Year 1993 through Fiscal Year 2017.

The Authority has submitted its Fiscal Year 2018 CAFR to GFOA to determine its eligibility for a Certificate of Achievement. The Authority believes that its Fiscal Year 2018 CAFR continues to meet the Certificate of Achievement program requirements.

To be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one–year only.

Government Finance Officers Association; Distinguished Budget Presentation Award

GFOA has presented a Distinguished Budget Presentation Award to the Authority for its annual budget for the 20th consecutive year, beginning with Fiscal Year 2000 through Fiscal Year 2019.

To receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device. The award is valid for a period of one–year only.

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Comprehensive Annual Financial Report

For Fiscal Years Ended
December 31, 2018 and 2017









UTA
UTAH TRANSIT AUTHORITY



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 Years Ended
December 31, 2018 and 2017

Finance Department

Robert K. Biles
Chief Financial Officer

Troy Bingham
Comptroller

UTAH TRANSIT AUTHORITY

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Introductory

For Fiscal Years Ended
December 31, 2018 and 2017

UTA
UTAH TRANSIT AUTHORITY

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

June 10, 2019

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

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Utah Transit Authority (the Authority) for the fiscal years ended December 31, 2018 and 2017. 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.

This report contains financial statements and statistical data which provide full disclosure of all the material financial operations of the Authority. The financial statement and statistical information are the representation of the Authority's management which bears the responsibility for their accuracy, completeness and fairness.

The financial statements have been prepared on the accrual basis of accounting in conformance with generally accepted accounting principles. The Authority is accounted for as a single enterprise fund. This CAFR 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

The Utah Transit 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.

Utah Transit 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 hires, sets the salaries, and develops performance targets and evaluations for the Executive Director, Internal Auditor, 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 is provided by the Utah Attorney General's Office. An organizational chart which illustrates the reporting relationships follows in the introductory section.

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, 2017, the population of the Authority's service area is approximately 2,463,000 and represents 79.4% of the state's total population.

Current Year Review

Besides building upon its strong legacy of providing service, continuous achievement, and transit leadership, the year also brought about significant changes to UTA's governance. The information below reviews the governance changes as well as providing a glimpse of the year's accomplishments.

Governance. In November 2018, following statutory changes, oversight of UTA transitioned from a 16-member voluntary Board of Trustees to 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 appointments are then forwarded to the Senate for confirmation. Once confirmed, an appointee is sworn in as a Trustee.

The Governor appointed and the Senate confirmed Trustees representing Salt Lake County (four year term), the district comprised of Davis, Weber, and Box Elder counties (three-year term), and the district comprised of Utah and Tooele counties (two-year term). After these initial staggered terms are completed, Board members will serve four-year terms. There are no limits relative to the number of terms a Trustee can serve. The Governor appointed the Salt Lake County Trustee to serve as Chair of the Board of Trustees.

A nine-member Local Advisory Council ("LAC") was also created. LAC 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 LAC members are indefinite.

LAC duties include reviewing, approving, and recommending final adoption by the Board of Trustees of UTA's service plans, project development plans and funding for all new capital development projects, and any plan for a transit-oriented development where UTA is involved, engaging with the safety and security team of UTA to ensure coordination with local municipalities and counties, assisting with coordinated mobility and constituent services provided by UTA, representing and advocating the concerns of citizens with the public transit district to the Board of Trustees, consulting with the Board of Trustees on certain duties given to the Board of Trustees, and setting the compensation packages of the Board of Trustees.



UVX Bus

Under the direction of the Board of Trustees, the Executive Director is charged with certain responsibilities, some of which require coordination with, or providing advice to, the Board of Trustees.

Transit Service. In August 2018 UTA began operations on the new Utah Valley Express (UVX) Bus Rapid Transit Line in Provo and Orem. UVX serves two major universities, BYU and UVU; Historic Downtown Provo; two regional malls, University Place and Provo Towne Centre, and the Provo and Orem FrontRunner stations. This line represented a significant increase in service for the area, with peak-hour headways

Current Year Review (continued)

improving from every 15 minutes to every 6 minutes. In conjunction with the increase in service and an expanded pass program with BYU and UVU, ridership on the corridor increased from 2,373 average weekday boardings to 9,440.

Other improvements to service during this time include replacing MAX limited-stop service on 3500 South with local service on routes 33 and 35 to increase coverage. A new flex route, F605 was added in Bountiful and Centerville in December, to serve areas that were not previously covered by fixed-route service. UTA also extended service to the new IHC hospital in Layton and provided additional service to industrial areas on the west side of Salt Lake City.

In 2018 UTA made multiple adjustments to train and bus schedules due to the implementation of Positive Train Control on FrontRunner. These schedule adjustments have helped improve the on-time performance of FrontRunner, even as PTC impacted the end to end running time of the alignment. UTA also discontinued unproductive service on FrontRunner between Ogden and Pleasant View Stations. This service was replaced by additional bus service on Route 616.

UTA's on-time reliability results by mode are shown below. They are near the highest results within the transit industry.

Mode	2018	2017	2016	2015
Bus	91.41%	92.51%	91.07%	92.19%
TRAX	93.60%	91.91%	94.49%	93.98%
FrontRunner	85.92%	90.92%	89.96%	86.63%
Paratransit	94.74%	96.80%	97.85%	97.92%
Streetcar	99.41%	99.49%	99.50%	98.68%

System Enhancements. Keeping the transit system in a state of good repair is a high priority. During 2018, UTA continued the light rail vehicles overhaul program, inspected all rail bridges, installed new positive train control hardware at all remaining locations and installed positive train control software on the FrontRunner North alignment. UTA participated with Dominion Energy in stray current monitoring and completed an overhead catenary isolation project to help in its stray current mitigation efforts. UTA also completed curved rail replacements at three locations.

Last year, UTA replaced 24 transit buses, 36 paratransit and FLEX vehicles, and 50 rideshare vans and also purchased 4 new trolley buses for service expansion. And in conjunction with local government and transit rider input, over 80 bus stops were upgraded with shelters and other amenities.

As part of the first/last mile connection initiative, 60 ADA ramps, 7 bike lanes, and 2 sidewalk projects were constructed in 2018 with funding from a federal grant. Another bike lane and a multi-use trail were started last year and will be completed in the spring of 2019. Additional first/last mile projects to be constructed in 2019 under this program include bike lanes, pedestrian bridges, trails, sidewalks, and bike share facilities.

Current Year Review (continued)

Environmental work was completed last year for a BRT line in Ogden. This 6-mile line will connect from our Ogden FrontRunner station to Weber State University and McKay Dee Hospital. The design phase of the Ogden BRT project will begin in 2019.

Ridership and Passenger Revenues. System ridership declined from 45.1 million in 2017 to 44.2 million in 2018. Passenger revenues declined by $107,311 to $52.1 million, a 0.21% decrease from 2017 passenger revenues.

Transit-Oriented Development. Four apartment buildings at the Sandy East Village TOD ("EV"), including 336 residential units, were sold at a record price for the area. A single-tenant office building at EV was also sold for a considerable profit. At the South Jordan TOD, work was completed on a 192-room full-service hotel, and ground was broken on a second 180,000 square foot, preleased office building. UTA also finalized a ground lease agreement for property at the 3900 South Meadowbrook TRAX Station, allowing for a 152-unit, mixed-use, mixed-income project.

Financial Stewardship. In March 2018, UTA retired $121 million of its 2017 subordinate bonds and refunded $3.4 million of its 2007A subordinate bonds through a $116 million bond issue. Net present value savings from these transactions totaled $5.6 million.

For the year, operating expenses were 0.2% below budget. Variances of budget to actual by expense category, in millions, are shown below.

Expense Category	Favorable (Unfavorable)
Parts and Warranty Recovery	$2.43
Utilities	1.98
Services	1.67
Wages & Benefits	1.15
All Other Operating	(1.89)
Fuel	(2.28)
Capitalized Costs	(2.50)
Total	$0.56

Current Year Review (continued)

For a more complete review of the Authority's current year financial activities, please refer to section two which contains the Auditor's Report, Management's Discussion and Analysis, the Financial Statements and accompanying notes.



Utah Transit Authority at Dusk





Future Plans

UTA will continue its partnerships with federal, state, and local governments and stakeholders to identify and provide innovative, cost-effective, and successful transit solutions for the Wasatch Front community.

Future plans include the following:

UTA Service Choices.
UTA is initiating an update to its Five-Year Mobility Plan with a robust community engagement process called UTA Service Choices. Through a survey, community leader workshops, public open houses and more, UTA is soliciting input from the community on how they would like to see UTA prioritize bus network resources. This process will result in a new bus network plan and vision that will guide future service changes and investments.

Transit Oriented Development (TOD) projects.
As noted in the Current Year section, there are three active TODs with phases completed or under construction. Additional projects and development phases in Sandy, West Jordan, South Jordan, South Salt Lake, and Provo are in various stages of planning and approvals. UTA will continue to work on these and other TOD projects to ensure that UTA's TOD goals and standards are met.

State of Good Repair (SOGR).
Recent transportation infrastructure failures in various parts of the United States increased the emphasis to ensure that future long-term infrastructure maintenance and replacement needs were identified, funded, and completed in a timely manner. In the next year, UTA will continue to refine its long-term SOGR work plan with an emphasis on development and approval of a detailed five-year work plan.

Several SOGR infrastructure projects are scheduled for 2019, including: $11.1 million for information technology software and equipment replacement, $10.3 million for the overhaul of our oldest TRAX light rail vehicles, $6.6 million for TRAX track work at the Delta interlocking, 150 South Main switches and 400 South Main half grand union replacement, $5 million for vehicle replacements, $4.0 million for FrontRunner engine rebuilds, $2.5 million for facility and safety equipment, and $1.8 million for rail replacement. All other state of good repair infrastructure projects are estimated to cost $5.3 million.



UTA PD Officer Southworth & K9 Kaiya
Winners of the 2018 UPOA Canine Trials

Anticipated Capital Projects.

- In conjunction with six counties, two metropolitan planning agencies, and dozens of Utah cities, UTA was notified in late 2016 that it had been awarded a $20 million TIGER grant which will be matched with local funding to improve ***transit access*** as well as trails and bikeways feeding into the transit system over the next five years. Projects in 2019 are estimated at almost $15 million with all projects being completed by 2022.
- Salt Lake City International Airport is undergoing a $3.6 billion renovation, including the relocation of its terminal building. The relocation of the terminal requires the realignment of UTA's light rail green line, the ***Airport Line Project***, to a more central, transit-friendly location by 2020 at an estimated cost of $25 million. The project is currently in design with construction scheduled to start in 2019.

Future Plans (continued)

- The ***Depot District Service Facility*** will replace the existing aging and undersized Central bus facility, allowing for growth of bus service, housing up to 150 alternative and standard fuel buses with the ability to expand to 250 buses in the future. The initial phase of the project constructed the compressed natural gas fueling and fare collection buildings on the site. Construction is expected to begin in late 2019 with the facility opening in 2021. The 2019 budget is $27.3 million. Estimated cost for the facility is $75.6 million.
- Funded by a grant from Salt Lake County worth $5.9 million, two blocks of the ***S-Line*** in South Salt Lake will be double tracked. This will allow the S-Line to operate at 15-minute headways between the Sugar House area in Salt Lake City and the City of South Salt Lake. Work on these two blocks will be completed in 2019.
- Rapid growth within the Sandy TOD is accelerating the need to construct a 300-stall parking structure. Funded by a $2 million STP grant from FHWA and $3.4 million of proceeds from the sale of adjacent property, the parking structure is anticipated to be completed in 2019.



Depot District Clean Fuels Technology Center Drawings

<u>New funding.</u>

Salt Lake City and UTA entered into an interlocal agreement in early 2019 for additional purchased service in certain routes within Salt Lake City. This purchased service, in the amount of $5.4 million, provides for15-minute headways and expanded hours of operation on three bus routes as well as the purchase of ten additional buses. This new service begins in August 2019.

Salt Lake County Commissioners approved implementation of the 4th quarter sales tax effective January 1, 2019. Beginning July 1, 2019, UTA will begin receiving its 40% share of this sales tax. Sales tax revenue of $11.4 million was included in the 2019 budget for the last half of 2019 collections. Specific service and capital uses will be jointly developed by Salt Lake County and UTA in 2019.

Future Plans (continued)

Utah County Commissioners approved implementation of the 4th quarter sales tax effective January 1, 2019. Beginning July 1, 2019, UTA will begin receiving its 40% share of this sales tax. Utah County and UTA entered into an interlocal agreement in October 2018 which specifies the use of this sales tax. UTA revenues from this sales tax shall be used in the following priority order:

- Make principal and interest payments on Utah County's 2016 Bonds for the Utah Valley Express.
- Pay for the additional operating and maintenance costs of Utah Valley Express with the annual amount limited to $2.5 million in 2019 with a 2.4% annual growth factor applied thereafter.
- Reimbursement to Utah County for principal and interest previously paid on the Utah County 2016 Bonds.
- Reimbursement to Utah County for operations and maintenance costs for the Utah Valley Express previously paid to UTA.
- Reimbursement to Utah County for $2.8 million previously paid to UTA pursuant to a September 2013 Design Funding Agreement.
- Reimbursement to Utah County for interest accrued on amounts paid to UTA for Utah Valley Express operations and maintenance costs.
- Deposit into a reserve account to provide for early redemption of the Utah County 2016 Bonds.
- Once the Utah County 2016 bonds are redeemed, UTA's revenues may be used for new transit service and any major transit projects within Utah County. The new transit service and major transit projects are subject to various consultation and approval requirements under state law and a service level agreement with Utah County.

Over the next few years, UTA will seek to build upon its reputation as a successful and innovative transit organization by increasing service reliability, strategically adding cost-effective service, and improving passenger amenities while maintaining strong financial management.



S-Line Train

The Economic Condition and Outlook

The Utah Governor's Office of Management and Budget in collaboration with the David Eccles School of Business at the University of Utah, prepared the 2019 Economic Report to the Governor. The Economic Report focuses on an estimated summary of the previous year and a forecast for the forthcoming year. The primary goal of the report is to improve the reader's understanding of the Utah economy. The report is a collaborative effort of both public and private entities which devote a significant amount of time to this report ensuring that it contains the latest economic and demographic information. Below are several excerpts from the Economic Report. For more detailed information, the entire report is available on the Gardner Policy Institute's website at http://gardner.utah.edu.

2018 Overview

Employment, Wages, and Labor Force

Continued strong labor market statistics in 2018 were a welcome surprise for an economy that seemed stretched to its limit at the close of 2017. Anticipated labor supply shortages were expected to cause some slowing for 2018, yet the year continued as a solid extension of 2017 trends.

The state's labor force grew by roughly 2.8 percent over the year, stretching its ranks to over 1.6 million in order to meet the growing demands of Utah's employers. Prime economic conditions drew new entrants to the labor force but did not raise the rate at which adults in the state participated in the labor market. Labor force participation remained unchanged from last year at 69.4 percent and still below the state's pre-Great Recession rate of 72.1 percent. Given that 2017 saw a small surge in the participation rate, it was anticipated that the acceleration would continue through 2018.

As expected with a growing economy, the unemployment rate remained low throughout the year, ending at an average of 3.1 percent which equates to fewer than 50,000 unemployed individuals per month throughout the year. Demand for skilled workers was especially high. Utahans with a Bachelor's degree or higher experienced an unemployment rate well under 2.0 percent in 2018.

Changes to federal tax policy appear to have had a positive effect on workers' paychecks. The average annual wage for payroll employees in the state was $47,441, a $1,715 increase from the prior year and a full percentage point higher than the prior year's increase.

Due to the challenges of spreading the economic boom throughout all corners of our state, executive leadership called for economic development attention to be given to state's rural counties with the specific goal of creating 25,000 jobs therein by 2020. At the close of 2018 the state remained ahead of the pace necessary to reach the goal, with over 18,000 jobs having been created since the goal's inception in 2017. While the larger rural counties naturally have led the way in creating the jobs, key shoulder counties such as Wasatch have outperformed, contributing more than their relative share, mainly as the result of spillover from the booming neighboring urban counties.



The Economic Condition and Outlook (continued)

Personal Income

Utah's total personal income in 2018 was an estimated $143.1 billion, a 6.1 percent increase from $134.8 billion in 2017. Utah's estimated 2018 per capita income was $45,174, up 3.9 percent from $43,459 in 2017. Both measures of estimated personal income growth in Utah were higher in 2018 than in 2017. In 2017, total personal income grew by 5.0 percent and per capita income grew by 3.0 percent. Additionally, Utah's 2018 estimated personal income growth and per capita personal income growth were higher than national averages.

Taxable Sales

In 2018, total taxable sales in Utah increased by approximately 6.9 percent to an estimated $65.2 billion. A labor market that is among the best in the nation and solid gains in wages and personal income were among the primary drivers of growth. High levels of both consumer and business confidence and a strong tourism industry were also factors propelling the economy. Each major component of Utah taxable sales increased in 2018. Business investment increased the most at 9.8 percent, followed by retail sales at 6.0 percent and taxable services at 5.2 percent.

2019 Outlook

Employment, Wages, and Labor Force

Lack of labor supply will continue as a point of concern in 2019 and may likely cause job growth to slow unless labor force participation is stimulated or population in migration increases. Housing affordability could influence both but in dissimilar ways. The need to increase household income to afford the purchase of a home could draw more individuals into the labor market. In migration, on the other hand, could put more upward pressure on housing prices, eventually making further in-migration a costly trend. Wages should further rise as employers continue to struggle filling positions, although 2019 should not be as strong as 2018 which was stimulated by federal tax cuts.

Policy decisions at the national level will continue to be a significant, yet unknown factor in predicting the economic trajectory for Utah in 2019. Trade policy is in flux, with tariffs now an emerging tool for shaping relationships between the United States and our trade partners. How that plays out economically is a question yet to be answered.

Personal Income

Utah's total personal income in 2018 is estimated to have grown 6.1 percent; this is up from 5.0 percent in 2017, and higher than the estimated national average of 4.6 percent. The state's estimated 2018 per capita personal income growth of 3.9 percent is also higher than the state's growth in 2017, and higher than the estimated 2018 per capita income growth nationwide of 3.5 percent.

In 2019, Utah looks to remain one of the top labor markets and centers for growth in the nation. The state



Downtown Salt Lake City

The Economic Condition and Outlook (continued)

has consistently experienced some of the fastest employment growth in the country since 2015, and this trend is likely to continue into 2019. With the unemployment rate hovering around 3.0 percent, and likely to fall further, businesses will face increased competition for a qualified workforce. This dynamic should lead to higher wages and put upward pressure on personal income.

While personal income should continue to expand in Utah in 2019, some headwinds may emerge. If the state's already tight labor market is unable to draw more individuals into the labor force, the lack of workers could act as a constraint on growth.

At the national level, worries over an economic slowdown are growing, and faster-than-anticipated interest rate hikes by the Federal Reserve could cool investment and overall economic activity in the state. With headwinds in mind, preliminary forecasts for Utah in 2019 predict strong total personal income growth above the national average; though growth will likely be slower than in 2018.

Taxable Sales

Utah's strong labor economy should drive another year of solid growth in Utah taxable sales. Total taxable sales are forecasted to increase by 6.0 percent to $69.1 billion in 2019. However, given that we are late in the business cycle, the likelihood of a slowdown or downturn is increasing. The slowing in the rate of growth for total taxable sales from 6.9 percent in 2018 to 6.0 percent in 2019 communicates this potential risk.

Senate Bill 2001, passed in the 2018 Second Special Session, will significantly affect taxable sales in 2019. This legislation, which followed the South Dakota v. Wayfair Supreme Court decision, requires remote sellers without physical nexus in the state to remit sales tax beginning January 1, 2019. The forecasted increase in retail sales of 9.2 percent in 2019 includes the increase in taxable sales expected from this legislative change. Senate Bill 2001 also created a sales tax exemption for purchases of manufacturing and mining equipment with an economic life of less than three years. Exempting purchases of these items from sales and use tax is expected to significantly reduce taxable business investment purchases in 2019. As a result, taxable business investment purchases is forecasted to decline by 6.4 percent in 2019. Overall impacts to total taxable sales due to Senate Bill 2001 are expected to be minimal as these two changes approximately offset each other. Taxable services is expected to have another year of consistent growth, increasing by an estimated 5.4 percent.

Forecasted growth in 2019 is barring any significant changes in the broader macroeconomic environment. Taxable sales forecasts are sensitive to changes in economic and political conditions. Specific conditions with the potential to impact 2019 taxable sales are primarily external in nature and include, but are not limited to, monetary and tax policy decisions, national political climate, commodity prices, and geopolitical instability. Any significant changes in these and other economic or political conditions could result in changes to employment, disposable income, and consumer confidence, which will in turn affect Utah taxable sales.

Debt Administration

The Authority has sold Sales Tax Revenue Bonds to partially finance the purchase and construction of various capital assets, and to refund other outstanding bond issues. Payment of debt service on the outstanding bonds is secured by a pledge of sales tax revenues and other revenues of the Authority

In February 2018, the Authority issued its $83,765,000 Sales Tax Revenue Bonds, Series 2018 to fund the construction or replacement of transit capital assets including positive train control, relocation of the Airport TRAX station, the Utah Valley Express bus rapid transit system, Phase 1 of the Depot District maintenance facility, a bus maintenance facility in Tooele County, and replacement of two TRAX interlocking systems. True interest cost for the bonds was 3.597%.

In February 2018, the Authority issued its $115,540,000 Subordinated Sales Tax Revenue Refunding Bonds, Series 2018. These bonds were issued to refund the then outstanding balance of its $132,329,109 Series 2007A Subordinate Lien Capital Appreciation Bond in the amount to $3,415,000 and to retire the then outstanding balance of its $120,575,000 Sales Tax Revenue Refunding Bonds, Series 2017 in the amount of $120,575,000. True interest cost for the bonds was 3.694%.

As of December 31, 2018, the Authority had $2,127,656,498 in outstanding bonds.

For a more complete review of the Authority's financing activities please refer to Section Two which contains the Auditors Report, Management's Discussion and Analysis, the Financial Statements and accompanying notes.

Independent Audit

State law requires that the Authority cause an independent audit to be performed on an annual basis. The Authority's independent auditors, Keddington and Christensen, LLC, have rendered an unqualified audit report on the Authority's financial statements. The auditor's report on the financial statements with accompanying notes is included in the Financial Section of the Comprehensive Annual Financial Report.

The Authority also has a single audit of all federally funded programs administered by this agency as a requirement for continued funding eligibility. The Single Audit is mandatory for most local government including the Utah Transit Authority.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Utah Transit Authority for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2017. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both general accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of the Comprehensive Annual Financial Report on a timely basis requires dedicated extra efforts of the staff of several departments. I wish to express my appreciation to all department staff and managers who contributed to this report with special recognition to Teri Black, Executive Assistant; Troy Bingham, Comptroller; the Accounting Department Employees of UTA; Blair Lewis, Graphic Artist; and Eric Vance, Photographer.

Sincerely,



Robert K. Biles
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

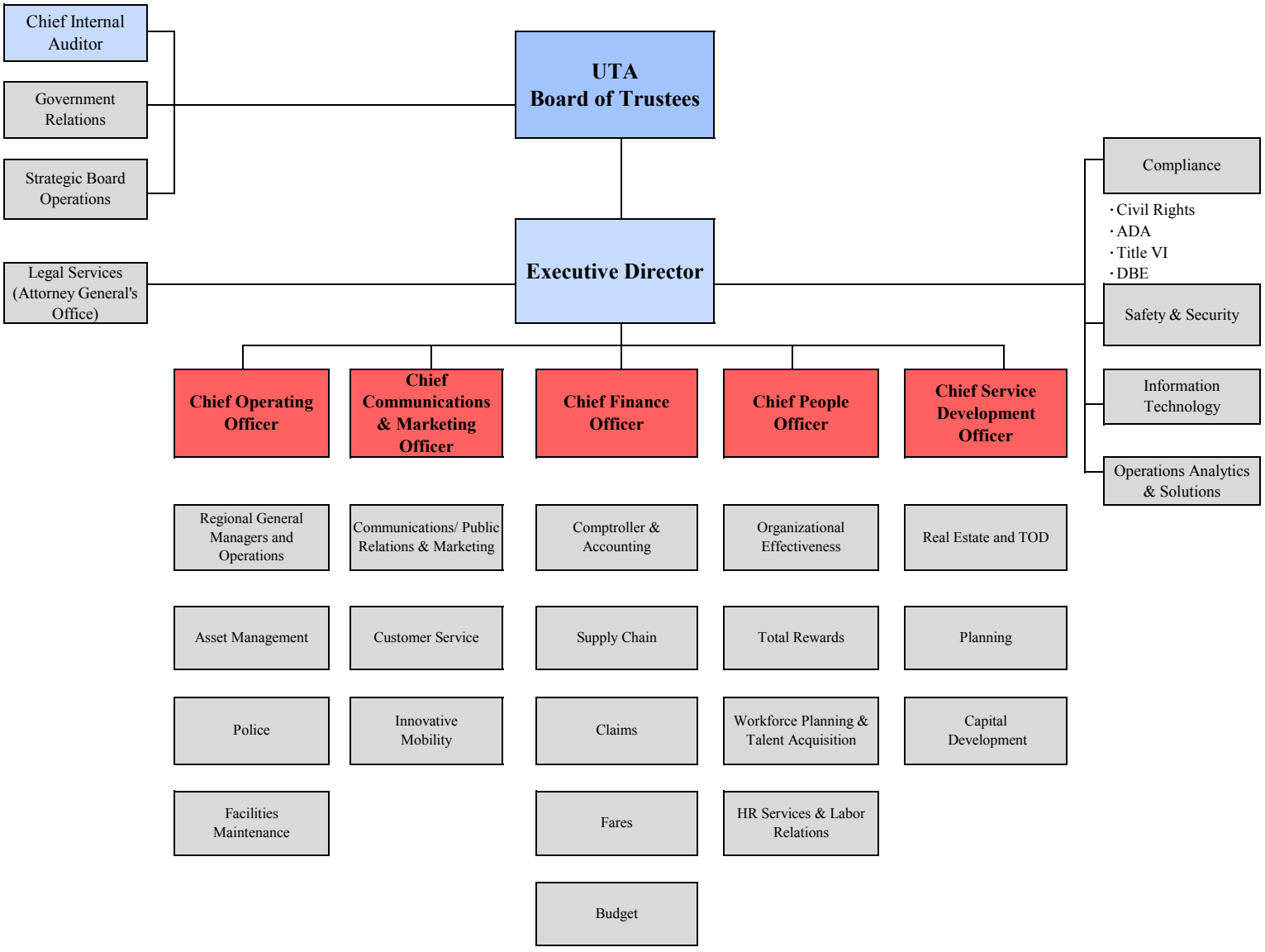
December 31, 2017

Christopher P. Morrill

Executive Director/CEO

Organizational Chart

Revised 4/10/2019



UTA Board of Trustees



Beth Holbrook



Carlton Christensen
Board Chair



Kent Millington

Board of Trustees and Administration

Board of Trustees

BOARD CHAIR ……..…Carlton Christensen
BOARD TRUSTEE ……..……...Beth Holbrook
BOARD TRUSTEE ……..……Kent Millington

Officers of the Authority

BOARD CHAIR ……..……....Carlton Christensen
INTERIM EXECUTIVE DIRECTOR ……..…….Steve Meyer
SECRETARY/TREASURER AND CHIEF FINANCIAL OFFICER ……..……Robert K. Biles
COMPTROLLER……Troy Bingham

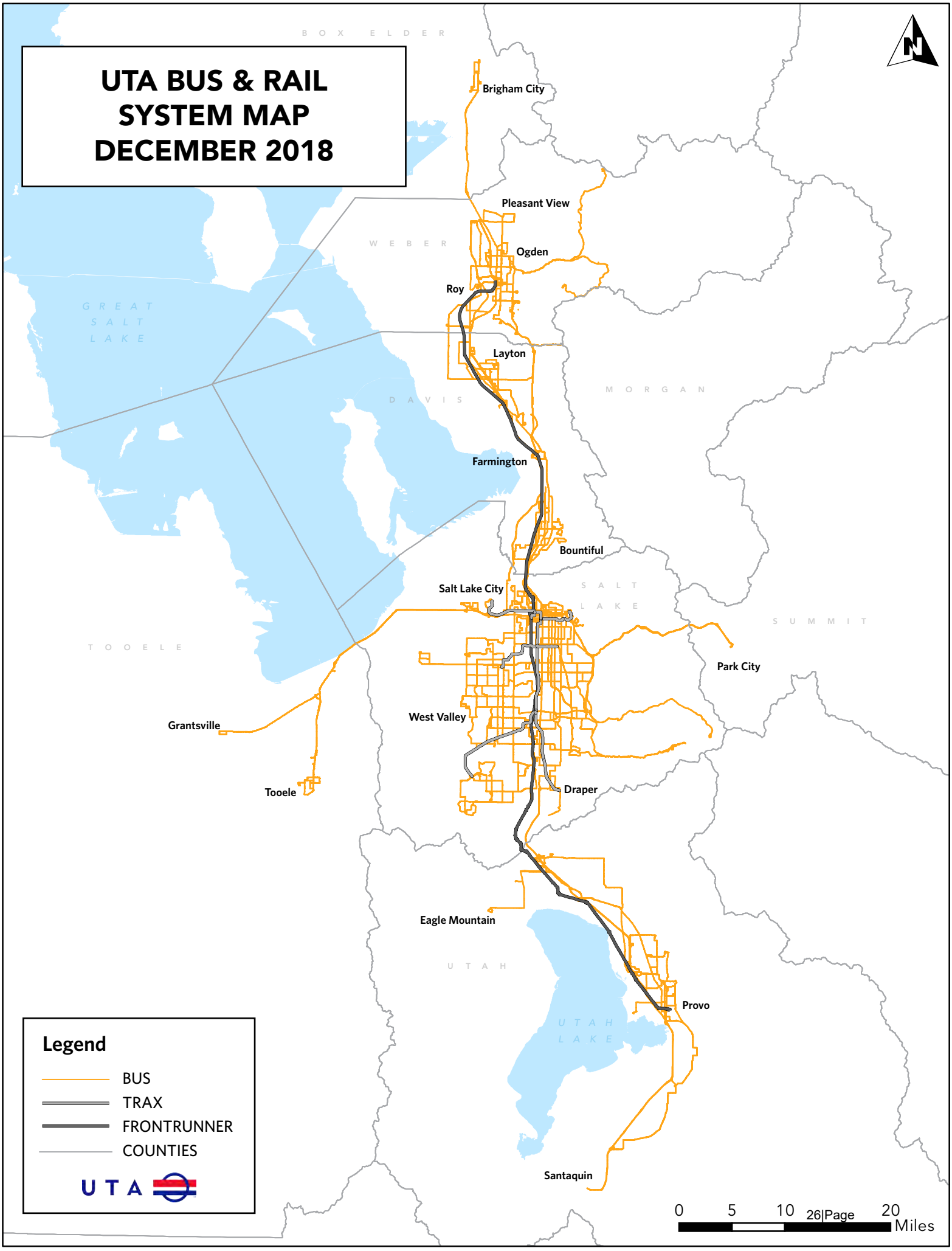
Administration of the Authority

INTERIM EXECUTIVE DIRECTOR ……...…Steve Meyer
CHIEF OF INTERNAL AUDIT ……Riana de Villiers
CHIEF COMMUNICATIONS AND MARKETING OFFICER ……Nichol Bourdeaux
CHIEF FINANCIAL OFFICER ……... Robert K. Biles
CHIEF OPERATING OFFICER ……..……Eddie Cumins
CHIEF PEOPLE OFFICER …….. Kim Ulibarri
CHIEF SERVICE DEVELOPMENT OFFICER ……Michael DeMers

Advisory Council Committee Members

Board of Trustees

Name	Appointing Authority
Jeff Acerson	Utah County COG
Jacqueline Biskupski	Salt Lake City
Leonard Call	Davis COG
Erik Craythorne	Weber COG
Karen Cronin	Box Elder/Tooele COGs
Julie Fullmer	Utah County COG
Robert Hale	Salt Lake County COG
Clint Smith	Salt Lake COG
Troy Walker	Salt Lake COG


UTA BUS & RAIL SYSTEM MAP DECEMBER 2018
BOX ELDER
WEBER
DAVIS
MORGAN
SALT LAKE
SUMMIT
TOOELE
UTAH
GREAT SALT LAKE
UTAH LAKE
Brigham City
Pleasant View
Ogden
Roy
Layton
Farmington
Bountiful
Salt Lake City
Park City
West Valley
Draper
Grantsville
Tooele
Eagle Mountain
Provo
Santaquin
Legend
BUS
TRAX
FRONTRUNNER
COUNTIES
UTA
0 5 10 20
Miles

Financial

For Fiscal Years Ended
December 31, 2018 and 2017

UTA
UTAH TRANSIT AUTHORITY

KEDDINGTON & CHRISTENSEN, CPAS
CERTIFIED PUBLIC ACCOUNTANTS
Gary K. Keddington, CPA
Phyl R. Warnock, CPA
Marcus K. Arbuckle, CPA
Steven M. Rowley, CPA

INDEPENDENT AUDITOR'S REPORT

To the 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, discretely presented component unit, and the remaining fund information of Utah Transit Authority (the "Authority"), component unit of the State of Utah, as of and for the years ended December 31, 2018 and 2017, 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 audits. We conducted our audits 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, discretely presented component unit, and the remaining fund information of Utah Transit Authority, as of December 31, 2018 and 2017, and the respective changes in net position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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 schedule of contributions, and notes to the required supplementary information 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 the 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Utah Transit Authority's basic financial statements. The introductory section and statistical sections as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The supplemental budget to actual schedule, and schedule of expenditures of federal awards as listed in the table of contents 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 supplemental budget to actual schedule, and 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 and statistical sections 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 June 4, 2019, 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 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.

Keddington & Christensen, LLC

Keddington & Christensen, LLC
Salt Lake City
June 4, 2019

This section of Utah Transit Authority's (UTA) annual financial report presents our discussion and analysis of UTA's financial performance during the fiscal years ended on December 31, 2018 and December 31, 2017.

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

FINANCIAL STATEMENTS

UTA's financial statements are prepared on an accrual basis in accordance with accounting principles generally accepted in the United States of America (GAAP), promulgated by the Governmental Accounting Standards Board. UTA reports as a single enterprise fund. 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 UTA's significant accounting policies.

CONDENSED STATEMENTS OF NET POSITION

	2018	2017	*Difference*	*Percent difference*	2016
Assets					
Current and other assets	$ 395,157,482	$ 350,629,354	*$ 44,528,128*	*13%*	$ 305,969,763
Capital assets, net	3,089,897,011	3,068,709,875	*21,187,136*	*1%*	3,104,597,334
Total assets	3,485,054,493	3,419,339,229	*65,715,264*	*2%*	3,410,567,097
Deferred outflows of resources	120,421,199	109,761,191	*10,660,008*	*10%*	116,778,163
Liabilities					
Current liabilities	100,621,113	101,099,455	*(478,342)*	*0%*	71,620,455
Long-term liabilities	2,522,176,260	2,422,375,239	*99,801,021*	*4%*	2,387,091,356
Total liabilities	2,622,797,373	2,523,474,694	*99,322,679*	*4%*	2,458,711,811
Deferred inflows of resources	3,383,699	11,948,307	*(8,564,608)*	*-72%*	5,489,735
Net position					
Net investment in capital assets	827,646,243	894,275,843	*(66,629,600)*	*-7%*	924,260,135
Restricted	132,734,222	89,153,732	*43,580,490*	*49%*	67,415,969
Unrestricted	18,914,155	10,247,844	*8,666,311*	*85%*	71,467,610
Total net position	**$ 979,294,620**	**$ 993,677,419**	***$ (14,382,799)***	***-1%***	**$ 1,063,143,714**

2018 Results

In May 2018, the Utah Transit Authority sold $83,765,000 of Senior Sales Tax Revenue bonds, Series 2018 (the "Series 2018 Bonds"). This bond transaction increased the amount held in escrow and the corresponding restricted net position of UTA. The remaining amount at the end of 2018 in escrow and restricted for future capital project expenses was $51.7 million.

Every year the pension is evaluated by an actuary that determines the future cost in the pension based on the plan described in Footnote 7 of these financial statements. Due to an aging workforce that is growing closer to retirement and the increased year over year salaries increases of these employees, the assumption of the pension have increased $19.0 million. Advance refunding gains from previous refunding continue to be amortize, so the net increase in the deferred outflow of resources only reflects a $10.7 million increase.

The pension's investment rate of return decreased significantly from an 18.0% rate of return for 2017 to -7.8% for 2018. This resulted in $8.6 million decrease in deferred inflow of resources in 2018.

CONDENSED STATEMENTS OF NET POSITION (continued)

2018 Results (continued)

An increase in unrestricted net position over time may serve as a useful indicator of a government entity's financial position. As of December 31, 2018, UTA's unrestricted net position increased $8.7 million from the December 31, 2017 net position.

2017 Results

On December 29, 2017, Utah Transit Authority direct placed $120,575,000 Sales Tax Revenue Refunding Bonds, Series 2017 (the "2017 Subordinate Bonds"). This bond transaction involved the refunding of parts of the 2012 UTA Subordinate Bonds. The primary purpose for issuing the 2017 Refunding, was to take advantage of advance refunding some of UTA's bond portfolio before the tax law changed in 2018. It should be noted that the true interest cost of the 2017 Bonds was 2.41%, while the true interest cost on the refunded issues were 4.048%. UTA's intention is to refund the 2017 bonds in March 2018 for an overall net present value savings.

UTA conducted a biennial inventory in fall of 2017. The inventory resulted in 1,553 records ($87.0 million of original asset value) being removed from the books with a net book value of $8.9 million. Sales of land, buildings, and vehicles during the normal course of the year accounted for the remaining $27.9 million in reductions to capital assets in 2017 and $17.9 million reduction to accumulated depreciation. Capital projects at UTA added $134.8 million for 2017 while depreciation decreased remaining assets by $149.4 million. The net effect of these transactions was a decrease in capital asset of $35.9 million.

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

	2018	2017	*Difference*	*Percent difference*	2016
Operating revenues	$ 54,464,392	$ 54,525,870	*$ (61,478)*	*0%*	$ 52,891,021
Operating expenses	401,161,541	$ 427,777,940	*(26,616,399)*	*-6%*	422,543,342
Excess of operating expenses over operating revenues	(346,697,149)	(373,252,070)	*26,554,921*	*7%*	(369,652,321)
Non-operating revenues	359,435,799	$ 334,913,449	*24,522,350*	*7%*	313,184,316
Non-operating expenses	91,000,388	$ 88,190,962	*2,809,426*	*3%*	86,226,784
Income (loss) before contributions	(78,261,738)	(126,529,583)	*48,267,845*	*38%*	(142,694,789)
Capital contributions	63,878,939	$ 57,063,288	*6,815,651*	*12%*	20,164,612
Change in net positon	$ (14,382,799)	$ (69,466,295)	*$ 55,083,496*	*79%*	$ (122,530,177)
Total net position, January 1	$ 993,677,419	$ 1,063,143,714			$ 1,185,673,891
Total net position, December 31	$ 979,294,620	$ 993,677,419			$ 1,063,143,714

SUMMARY OF REVENUES FOR THE YEAR ENDED DECEMBER 31

	2018	2017	Difference	Percent difference	2016
Operating					
Passenger revenue	$ 52,051,892	$ 52,159,203	$ (107,311)	0%	$ 50,624,354
Advertising	2,412,500	2,366,667	45,833	2%	2,266,667
Total operating revenue	54,464,392	54,525,870	(61,478)	0%	52,891,021
Non-operating					
Contributions from other gov'ts (sales tax)	282,933,591	265,770,775	17,162,816	6%	245,008,417
Federal noncapital assistance	61,820,668	62,313,994	(493,326)	-1%	63,334,769
Interest income	6,525,872	2,873,787	3,652,085	127%	1,732,939
Other	8,155,668	3,954,893	4,200,775	106%	3,108,191
Total non-operating revenue	359,435,799	334,913,449	24,522,350	7%	313,184,316
Capital contributions	63,878,939	57,063,288	6,815,651	12%	20,164,612
Total revenues	$ 477,779,130	$ 446,502,607	$ 31,276,523	7%	$ 386,239,949

2018 Results

Since UTA does not have the ability to tax, it relies on contributions dedicated by other governments for the purpose of mass transit in the form of sales tax as supplementary income to operations and development. As Utah's economy continues to improve and unemployment rates continue to decrease, this sales tax amount continues to increase. In 2018, UTA recognized $17.2 million (6%) in increased contributions of sales tax.

Interest income has increased $3.7 million due to a favorable rate of return environment and UTA having more funds to be able to invest at these terms. UTA continues to have positive returns on its current investments at transit oriented developments and those transactions in 2018 represent $1.5 million of the increase from 2017.

Other revenues reflects the final sales and divestitures from other transit-oriented development agreements which vary from year to year. This year's increase can be attributed to sale of the Sandy East Village apartments for $4.7 million at our Sandy Civic Center TRAX station in Sandy.

Capital contributions increased by $7.0 million due to the state and local participation in the construction of the Provo-Orem Bus Rapid Transit line by donating the land under the dedicated lanes to UTA worth $20.1 million at the time of the exchange.

2017 Results

Passenger revenue showed a slight increase of $1.5 million (3%) in 2017. In 2017 UTA released it new mobile application for purchasing fares and continued consumer education campaigns on fare types that were already existing. This campaign has seen significant success in converting cash customers to electronic fare pay cards or the mobile application.

Since UTA does not have the ability to tax, it relies on contributions dedicated by other governments for the purpose of mass transit in the form of sales tax as supplementary income to operations and development. As Utah's economy continues to improve and unemployment rates continue to decrease, this sales tax amount continues to increase. In 2017, UTA recognized $20.8 million (8%) in increased contributions of sales tax.

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

2017 Results (continued)

In 2017, the investment market has been favorable. Treasury management made a concerted effort to have more funds available for investment transactions even with declining cash balances in escrow so interest income increased in 2017 by almost $1.1 million (66%).

With the completion of the major rail lines, UTA has continued to assess property and liquidate land no longer needed to support UTA's purpose. In 2017, UTA sold approximately 22.15 acres of land which contributed approximately $2.8 million in other revenue.

SUMMARY OF EXPENSES FOR THE YEAR ENDED DECEMBER 31

	2018	2017	Difference	Percent difference	2016
Operating expenses					
Bus service	$ 96,719,747	$ 88,928,063	*$ 7,791,684*	*9%*	$ 85,841,973
Rail service	75,157,087	72,895,607	*2,261,480*	*3%*	84,165,069
Paratransit service	21,857,632	19,572,367	*2,285,265*	*12%*	19,341,116
Other services	3,056,191	2,982,176	*74,015*	*2%*	2,949,643
Operations support	45,557,749	41,932,571	*3,625,178*	*9%*	37,831,682
Administration	39,593,947	31,423,844	*8,170,103*	*26%*	37,636,519
Major investment studies	-	-	-		1,204,124
Capital Maintenance Projects	38,654,111	20,602,425	*18,051,686*	*88%*	-
Depreciation	80,565,077	149,440,887	*(68,875,810)*	*-46%*	153,573,216
Total operating expenses	$ 401,161,541	$ 427,777,940	*$ (26,616,399)*	*-6%*	$ 422,543,342

SUMMARY OF EXPENSES FOR THE YEAR ENDED DECEMBER 31

2018 Results

The operational cost for all direct service decreased in 2018 by $26.8 million as a result of a change in accounting estimate for depreciation that created a decrease in the current year depreciation expense (see Note 4 of the financials for more information on the current year impact).

Personnel cost for UTA in 2018 was 65.2% of total operating expense (including capital maintenance projects) less depreciation. Overall, personnel cost rose by $19.4 million (10.3%) in 2018. Operating expense less personnel cost increased by $22.7 million (25.5%), all of which is the result of increased system maintenance costs. Within operating expense, administration expense increased by $8.1 million (26%), due to increased personnel, maintenance of the information systems infrastructure, increased risk management expense, and general pension related expense increases. Capital maintenance projects increased by $18.1 million (88%), due to unreimbursed UDOT charges related to Provo-Orem BRT ($10.3 million), TIGER project for other communities ($5.6 million) that are new in 2018, and Light Rail vehicle damage repairs ($1.8 million).

2017 Results

Overall expenses for 2017 increased $5.2 million or 1% increase from 2016. Most differences within Administration and Operating Support between 2017 and 2016 can be attributed to a reorganization of department personnel that occurred in September 2017 to align department functions and leadership to accomplish UTA's goals and objectives. A significant decrease in rail services can be attributed to no significant reclassification of capital construction in progress back to rail operations and maintenance in 2017.

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

2017 Results (continued)

Those significant but infrequent non-capital expenses are now being captured in newly created category of Capital maintenance projects, instead of directly attributed to each mode of transit.

Like in most service agencies, personnel is the largest expense. Personnel cost for UTA in 2017 was 67.9% of total operating expense less depreciation. Overall, personnel cost rose by $11.4 million (6.4%) in 2017. Operating expense less personnel cost decreased by $1.2 million (1.3%) due changes in spending that can occur from department to department and year to year.

CAPITAL ASSET ACTIVITY

	2018	2017	Difference	Percent difference	2016
Land	$ 440,917,126	$ 425,736,158	$ 15,180,968	4%	$ 444,428,115
Construction in process	109,972,902	205,102,231	(95,129,329)	-46%	98,584,168
Infrastructure	2,515,426,407	2,528,679,092	(13,252,685)	-1%	2,660,455,033
Building and building improvements	302,473,214	132,444,199	170,029,015	128%	-
Revenue vehicles	753,650,299	757,025,778	(3,375,479)	0%	768,632,495
Leased revenue vehicles	60,365,705		60,365,705		-
Equipment	144,817,612	326,289,349	(181,471,737)	-56%	-
Land improvements	79,140,497	12,300,402	66,840,095	543%	-
Leased land improvements	75,804,461		75,804,461		-
Intangibles	9,585,417	22,537,996	(12,952,579)	-57%	-
Other	-	-	-		420,530,145
Accumulated depreciation and amortization	(1,402,256,629)	(1,341,405,330)	(60,851,299)	5%	(1,288,032,621)
Total capital assets, net	$ 3,089,897,011	$ 3,068,709,875	$ 21,187,136	1%	$ 3,104,597,335

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

2018 Results

In 2018, UTA more clearly defined what constituted an asset and relooked at the prior asset category assignments and asset useful lives. This resulted in large transfers of assets between categories and adjusted accumulated depreciation for each category of capital assets (see note 4 for more details).

UTA expended approximately $86.0 million for capital assets in 2018 that increased construction in progress. UTA finished the development and construction of the Provo-Orem Bus Rapid Transit (BRT) route and associated maintenance facilities, Positive Train Control, the relocation of the Airport TRAX Station design, the double tracking of streetcar, the replacement of at TRAX bridge at 7200 South, and several other projects designed to enhance the system and passenger experience which added $181.8 million to various asset categories in 2018.

UTA retired or disposed of $23.9 million in historical asset value through land sales and buses and equipment auctions. The depreciable assets disposed in 2018, removed $19.7 million of accumulated depreciation from the capital asset records.

SUMMARY OF CAPITAL ASSET ACTIVITY (continued)

2017 Results

UTA expended approximately $135.1 million for capital assets in 2017. Approximately $28.3 million was expended for revenue vehicle replacements. This program included forty-three (43) buses, seven (7) ski buses, thirty-six (36) Rideshare vans, and twenty-three (23) paratransit vans. In 2017, UTA expended $118.0 million on major strategic projects. This included the development and construction of the Provo-Orem Bus Rapid Transit (BRT) route, Positive Train Control, the Depot District (fueling and maintenance facility to support bus operations), and several other projects designed to enhance the system and passenger experience.

DEBT ADMINISTRATION

Bond rating agencies have rated UTA 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:

A. Ratings Summary

Effective: May 2018

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

Effective: August 2017

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

Readers wanting additional information should refer to Note 8 in the notes to financial statements

2018 Debt Issuance

During 2018, UTA issued the following subordinated and senior lien bonds:

Senior Sales Tax Revenue, Series 2018: $83,765,000
Subordinated Sales Tax Revenue Refunding Bonds, Series 2018: $115,540,000

Proceeds from the Series 2018 Senior Lien bond are being used for new capital projects financing. Proceeds from the Series 2018 Subordinated Lien bond issue were used to refund the Series 2017 revenue bonds ($112.1 million) and Series 2007A revenue bonds ($3.4 million).

SUMMARY OF DEBT ADMINISTRATION ACTIVITY (continued)

2017 Debt Issuance

During 2017, UTA issued the following bonds:

2017 Series Subordinate Lien revenue bonds: $120,575,000

Proceeds from the Series 2017 Subordinate Lien bond issue were used to refund the majority of refundable maturities of the Series 2012A revenue bonds.

SIGNIFICANT ACTIVITIES

2018 Results

The governance of UTA was changed in 2018 as part of the State of Utah legislative session, and the new board started in the fall of 2018. This legislative change has allowed for more sales tax allocation to transit from counties in UTA's service area. The county commissioners in both Utah and Salt Lake County approved 4th quarter sales tax increases for their jurisdictions and UTA is scheduled to start receiving its 40% share of those sales taxes funds in the fall 2019.

Transit Service - On time performance for 2018 was 92.1%.

Transit-oriented Development (TOD) –

- Jordan Valley TOD construction has started on a new Starbucks
- Sandy East Village TOD sold the first phase of apartment buildings and the office building.
- 3900 South Meadowbrook TRAX Station TOD broke ground for the mixed-used office and residential facility that is already long-termed leased

UTA provided special event support for the following events:

- Warriors over the Wasatch Air Show
- Utah Jazz games
- University of Utah events
- Brigham Young University events
- Weber State events
- Utah Valley University events
- LDS Church General Conferences
- The Salt Lake City Marathon
- Other special events

2017 Results

Transit Service - In 2017, UTA continued to optimize and improve the transit system to provide opportunities for more customers. UTA offered 15-minute service and extended hours to the State Capitol building during the 2017 legislative session, leading to a 69.5% increase in ridership on Route 500 during the session.

SIGNIFICANT ACTIVITIES (continued)

2017 Results (continued)

In Weber and Davis Counties, UTA replaced three low-performing routes with Paratransit and Vanpool service. The funds saved from these routes were combined with Proposition 1 money to implement planned service improvements to five routes in the area, including evening and weekend service. In addition, UTA continued to use Proposition 1 funds to improve bus stop access and amenities in Weber and Davis counties.

UTA's overhaul of ski service in Salt Lake County was completed in late 2016 but yielded a 25% increase in total ridership during the 2016-2017 ski season. UTA further refined ski service in 2017 to address overcrowding during high-demand times of day.

On time performance for 2017 was 91.7%.

Transit-oriented Development (TOD) - Two apartment buildings at the Jordan Valley TOD, including 270 residential units, were sold at a record price for the area. At the Sandy East Village TOD, construction was completed on a 150,000 square foot office building and a fourth residential building. At the South Jordan TOD, work was completed on the first of two 180,000 sf office buildings, and work continued on a 192-room full-service hotel.

Customer Service - UTA's new mobile application was launched in late September 2017 and by the end of the year was selling $20,000 in tickets each month. UTA provided special event support for Utah Jazz games, University of Utah and Brigham Young University events, LDS Church General Conferences, the Salt Lake City Marathon, Salt Lake City Fan X, the Utah Arts Festival, and other special events.

Environment – As of December 31, 2017 over 72% of UTA's transit bus fleet are clean diesel, clean diesel electric hybrid and CNG. Buses, Frontrunner, TRAX and vanpool services eliminated more than 2,300 tons of air pollutants and 82,000 tons of greenhouse gas emissions from commuters who chose to ride transit verses driving.

RIDERSHIP COMPARISON

The following information provides an annual comparison of ridership by service for years 2018, 2017, and 2016.
Source: National Transit Database

	2018	2017	*Difference*	*Percent difference*	2016
Bus service	19,624,936	19,748,489	*(123,553)*	*-1%*	20,033,242
Light rail service	17,899,715	18,823,578	*(923,863)*	*-5%*	19,220,024
Commuter rail service	5,082,168	4,854,099	*228,069*	*5%*	4,545,849
Paratransit service	394,816	385,969	*8,847*	*2%*	389,019
Vanpools	1,174,696	1,264,410	*(89,714)*	*-7%*	1,333,781
Total ridership	44,176,331	45,076,545	*(900,214)*	*-2%*	45,521,915

2018 Results

In 2018, UTA realize a 2.0% decrease in overall ridership from 2017. Commuter Rail and Paratransit services showed slight increases in 2018 as demand for these services. Light Rail and Vanpool services experienced a decrease in ridership in 2018.

RIDERSHIP COMPARISON (continued)

2017 Results

In 2017, UTA realized a 1.0% decrease in overall ridership from 2016. However, commuter rail's attraction to the business commuter community resulted in a 6.8% increase in ridership. Ridership on all other transit declined.

COMPARATIVE STATEMENTS OF NET POSITION

	2018	2017
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 103,037,555	$ 85,459,300
Receivables		
Contributions from other governments (sales tax)	50,725,259	49,421,054
Federal grants	24,146,542	44,106,915
Other	4,443,339	17,002,669
State of Utah	9,930,141	-
Parts and supplies inventories	35,551,784	31,689,267
Prepaid expenses	2,842,013	2,783,802
Total Current Assets	**230,676,633**	**230,463,007**
Noncurrent Assets:		
Restricted assets (Cash equivalents and investments)		
Bonds funds	47,668,250	42,768,329
Interlocal agreements	7,040,441	6,355,541
Represented employee benefits	4,133,950	3,894,919
Escrow funds	66,174,772	28,754,015
Self-insurance deposits	7,716,809	7,534,841
Total restricted assets	132,734,222	89,307,645
Non-Depreciable Capital Assets:		
Land	440,917,126	425,736,158
Construction in progress	109,972,902	205,102,231
Total Non-Depreciable Capital Assets	550,890,028	630,838,389
Depreciable Capital Assets:		
Land improvements	79,140,497	12,300,402
Leased Land Improvements	75,804,461	-
Building and buildig improvements	302,473,214	132,444,199
Infrastructure	2,515,426,407	2,528,679,092
Revenue vehicles	753,650,299	757,025,778
Leased revenue vehicles	60,365,705	-
Equipment	144,817,612	326,289,349
Intangibles	9,585,417	22,537,996
Total Depreciable Capital Assets	3,941,263,612	3,779,276,816
Total Capital Assets	4,492,153,640	4,410,115,205
Less accumulated depreciation and amortization	(1,402,256,629)	(1,341,405,330)
Amount recoverable - interlocal agreement	22,047,787	22,858,702
Other assets	9,698,840	8,000,000
Total Noncurrent Assets	**3,254,377,860**	**3,188,876,222**
TOTAL ASSETS	**$ 3,485,054,493**	**$ 3,419,339,229**

COMPARATIVE STATEMENTS OF NET POSITION (continued)

	2018	2017
DEFERRED OUTFLOWS OF RESOURCES		
Advanced debt refunding	**$** 88,490,542	**$** 97,189,416
Assumptions changes related to pensions	31,930,657	12,571,775
TOTAL DEFERRED OUTFLOWS OF RESOURCES	**$ 120,421,199**	**$ 109,761,191**
LIABILITIES		
Current Liabilities:		
Accounts payable:		
Other	$ 37,169,641	$ 54,120,255
State of Utah	138,224	
Accrued liabilities, primarily payroll-related	22,242,526	20,199,621
Accrued interest	4,165,847	4,096,739
Accrued self-insurance liability	1,155,787	1,495,598
Current portion of long-term debt	24,126,320	14,815,329
Payable from restricted assets	-	153,913
Unearned revenue	11,622,768	6,218,000
Total Current Liabilities	**100,621,113**	**101,099,455**
Long-Term Liabilities:		
Long-term debt	2,385,014,132	2,316,957,516
Long-term accrued interest	5,614,014	4,541,169
Long-term self-insurance liability	-	-
Long-term net pension liability	131,548,114	100,876,554
Total Long-term Liabilities	**2,522,176,260**	**2,422,375,239**
TOTAL LIABILITIES	**2,622,797,373**	**2,523,474,694**
DEFERRED INFLOWS OF RESOURCES		
Changes to earnings on pension plan investments	3,383,699	11,948,307
TOTAL DEFERRED INFLOWS OF RESOURCES	**3,383,699**	**11,948,307**
NET POSITION		
Net investment in capital assets	827,646,243	894,275,843
Restricted for:		
Debt service	47,668,250	42,768,329
Interlocal agreements	7,040,441	6,201,628
Represented employee benefits	4,133,950	3,894,919
Escrow funds	66,174,772	28,754,015
Self-insurance deposits	7,716,809	7,534,841
Unrestricted	18,914,155	10,247,844
TOTAL NET POSITION	**$ 979,294,620**	**$ 993,677,419**

COMPARATIVE STATEMENTS OF EXPENSES AND CHANGES IN NET POSITION

	2018	2017
OPERATING REVENUES		
Passenger fares	$ 52,051,892	$ 52,159,203
Advertising	2,412,500	2,366,667
Total operating revenues	**54,464,392**	**54,525,870**
OPERATING EXPENSES		
Bus service	96,719,747	88,928,063
Rail service	75,157,087	72,895,607
Paratransit service	21,857,632	19,572,367
Other service	3,056,191	2,982,176
Operations support	45,557,749	41,932,571
Administration	39,593,947	31,423,844
Capital maintenance projects	38,654,111	20,602,425
Depreciation	80,565,077	149,440,887
Total operating expenses	**401,161,541**	**427,777,940**
Excess of operating expenses over operating revenues	**(346,697,149)**	**(373,252,070)**
NON-OPERATING REVENUES (EXPENSES)		
Contributions from other governments (sales tax)	282,933,591	265,770,775
Federal preventative maintenance grants	61,820,668	62,313,994
Investment income	6,525,872	2,873,787
Other	8,155,668	3,954,893
Interest expense	(91,000,388)	(88,190,962)
Net non-operating revenues	**268,435,411**	**246,722,487**
INCOME (LOSS) BEFORE CONTRIBUTIONS	**(78,261,738)**	**(126,529,583)**
Capital contributions:		
Federal grants	31,585,004	53,960,024
Local	12,151,003	2,850,116
Capital contribution	20,142,932	253,148
Total capital contributions	**63,878,939**	**57,063,288**
Change in Net Position	(14,382,799)	(69,466,295)
Total Net Position, January 1	993,677,419	1,063,143,714
TOTAL NET POSITION, DECEMBER 31	$ 979,294,620	$ 993,677,419

COMPARATIVE STATEMENTS OF CASH FLOW

	2018	2017
Cash flows from operating activities:		
Passenger receipts	$ 53,155,758	$ 51,888,773
Advertising receipts	2,450,000	2,400,000
Payments to vendors	(137,245,416)	(61,003,247)
Payments to employees	(124,125,880)	(121,899,204)
Employee benefits paid	(81,158,163)	(72,204,917)
Net cash used in operating activities	**(286,923,701)**	**(200,818,595)**
Cash flows from noncapital financing activities:		
Contributions from other governments (sales tax)	283,545,887	261,995,834
Federal preventative maintenance grants	67,144,601	43,612,395
Other receipts (payments)	6,202,743	-
Net cash provided by noncapital financing activities	**356,893,231**	**305,608,229**
Cash flows from capital and related financing activities:		
Contributions for capital projects		
Federal	46,222,427	42,166,150
Local	16,414,407	2,850,116
Proceeds from the sale of revenue bonds	218,105,085	171,075,197
Deposit into escrow for refunding bonds	(125,172,395)	(120,367,951)
Payment of bond principal	(18,921,211)	(11,732,743)
Interest paid on revenue bonds	(105,194,215)	(101,448,581)
Proceeds from leases	14,377,000	27,141,000
Purchases of property, facilities, and equipment	(67,528,327)	(135,610,609)
Proceeds from the sale of property	5,948,541	22,508,754
Net cash used in capital and related financing activities	**(15,748,688)**	**(103,418,667)**
Cash flows from investing activities:		
Purchases of investments	-	(39,961,457)
Proceeds from the sales of investments	-	29,995,400
Interest on investments	5,062,618	3,492,448
Net cash provided by investing activities	**5,062,618**	**(6,473,609)**
Net increase in cash and cash equivalents	59,283,460	(5,102,642)
Cash and cash equivalents at beginning of year	136,807,856	141,910,498
Cash and cash equivalents at end of year	$ 196,091,316	$ 136,807,856

COMPARATIVE STATEMENTS OF CASH FLOWS (continued)

	2018	2017
Reconciliation of Cash to the Statement of Net Position		
Cash and cash equivalents at year end from cash flows	$ 196,091,316	$ 136,807,856
Investments	39,680,462	37,959,089
Total cash and cash equivalents and investments	$ 235,771,778	$ 174,766,945
Cash and investments as reported on the Statement of Net Position		
Cash and cash equivalents	$ 103,037,555	$ 85,459,300
Restricted assets (cash equivalents and investments)		
Bonds funds	47,668,250	42,768,329
Interlocal agreements	7,040,441	6,355,541
Represented employee benefits	4,133,950	3,894,919
Escrow funds	66,174,772	28,754,015
Self-insurance deposits	7,716,809	7,534,841
Total cash and cash equivalents and investments	$ 235,771,777	$ 174,766,945

	2018	2017
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	$ (346,697,149)	$ (373,252,070)
Adjustments to reconcile excess of operating expenses over operating revenues to net cash used in operating activities:		
Pension expense	(2,748,070)	2,583,870
Depreciation	80,565,076	149,440,887
Changes in assets and liabilities:		
Receivables	-	-
Parts and supplies inventories	(3,862,516)	(3,327,623)
Prepaid expenses	(58,211)	(123,743)
Accounts payable - trade and restricted	(16,967,292)	27,031,728
Accrued liabilities	1,703,097	(2,934,547)
Unearned revenue	1,141,364	(237,097)
Net cash used in operating activities	$ (286,923,701)	$ (200,818,595)

See accompanying notes to the financial statements

COMPARATIVE STATEMENT OF FIDUCIARY NET POSITION

	2018	2017
ASSETS		
Cash in Bank	$ -	$ 1,586,481
Cash Advanced Advance CFO	604,152	-
Cash in Utah State Treasury	-	5,607,680
Total Cash	**604,152**	**7,194,161**
Investments at fair value as determined by quoted market prices	192,047,892	196,506,139
Prepaid Benefits	1,095,081	-
Interest Receivable	-	8,422
Dividends Receivable	7,859	352
Accounts Receivable - Benefits	10,978	11,741
Accounts Receivable - Contributions	880,663	828,834
Total Receivables	**899,500**	**849,349**
Total Assets	194,646,625	204,549,649
LIABILITIES		
Accounts Payable	-	16,541
Withholding Taxes Payable	108,077	28,546
Total Liabilities	**108,077**	**45,087**
NET POSITION		
Net Position Held in Trust for Pension Benefits	**$ 194,538,548**	**$ 204,504,562**

COMPARATIVE STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

	2018	2017
ADDITIONS		
Employer Contributions	$ 22,355,434	$ 20,506,163
Participant Voluntary Contributions	223,572	697,576
Total Contributions	**22,579,006**	**21,203,739**
Investment Income		
Net Appreciation in Fair Value of Investments	(17,276,731)	29,971,343
Interest	94,458	84,944
Dividends	1,193,815	1,134,918
Other Income	300	-
Total Investment Income	**(15,988,158)**	**31,191,205**
Less: Investment Expense	641,763	592,585
Net Investment Income	(16,629,921)	30,598,620
Total Additions	5,949,085	51,802,359
DEDUCTIONS		
Monthly Benefits Paid	10,824,630	9,724,391
Lump Sum Distributions	4,650,189	3,283,751
Administrative Expense	440,279	324,912
Total Deductions	**15,915,098**	**13,333,054**
NET INCREASE (DECREASE)	**(9,966,013)**	**38,469,305**
Net Position Held in Trust For Pension Benefits		
Beginning of Year	204,504,561	166,035,257
As of December 31	$ **194,538,548**	$ **204,504,562**

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

A. Organization

The Utah Transit Authority (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 total population within the six principal counties is approximately 2,463,015 which represents approximately 79.4% of the state's total population.

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 van pool 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 Senate for confirmation. Once confirmed, an appointee is sworn in as a trustee.

Utah Transit 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 Authority has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity,* and GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units - An Amendment of GASB Statement No. 14*. Accordingly, 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 Pension Plan may be considered a fiduciary component unit. Due to the changes in governance in 2018, UTA is now 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 not financially accountable for any other organizations. 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 resources for the direct benefit of a governmental unit and other governmental units 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.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The Authority reports as a single enterprise fund and 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 Planning Assistance and Preventative Maintenance Grants

Federal planning assistance grants received from the Federal Transit Administration (FTA) and preventative maintenance grants are recognized as revenue and receivable during the period in which the related expenses are incurred and eligibility requirements are met. The FAST Act is a fully funded five-year authorization of surface transportation programs. This Act allows for the replacement and repair of aging infrastructure.

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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	0.6875%
Davis County	0.6500%
Weber County	0.6500%
Box Elder County	0.5500%
Utah County	0.5260%
Tooele County	0.4000%

G. Cash and Cash Equivalents

Cash and cash equivalents 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. Investments

Cash in excess of operating requirements is invested by the Authority. The Authority's investments comply with the Utah Money Management Act, and are stated at fair value, which is primarily determined based upon quoted market prices at year end (Note 3).

Investment policy: The Authority's investment policy is established and may be amended by the Executive Director within the parameters established by the Board of Trustees and the Utah Money Management Act.

I. Receivables

Receivables consist primarily of amounts due to the Authority from sales tax collections, federal grants, local government partners, pass sales and investment income. Management does not believe any credit risk exists related to these receivables. As such there is no current provision for bad debts.

J. 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.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. Capital Assets

Capital Assets are stated at historical cost. Expenditures which substantially improve or extend the useful life of property are capitalized. Routine maintenance and repair costs are expensed as incurred. Railway infrastructure assets are capitalized when individual costs is at least $50,000. Intangible software assets are capitalized when individual costs is at least $10,000. All other property, facilities and equipment are capitalized if they have individual costs of at least $5,000 and a useful life of over one year.

Depreciation is calculated using the straight-line method over the established useful lives of individual assets as follows:

• Revenue service vehicles	4-30 years
• Leased revenue service vehicles	4-12 years
• Intangibles	4-20 years
• Equipment	4-20 years
• Land improvements	10-25 years
• Leased Land Improvement	50 years
• Buildings and building improvements	20-50 years
• Infrastructure	5-75 years

L. 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.

M. Compensated Absences

Vacation pay is accrued and charged to compensation expense as earned. Sick pay benefits are accrued as vested by Authority employees.

N. 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 $2,455,900 for incidents occurring after July 1, 2016. The Authority is self-insured for amounts up to this limit. 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.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

O. 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.

P. 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.

- *Restricted for represented employee benefits:* This component of net position consists of the amount restricted by the Utah Transit Authority Bargaining Unit Employees' Insurance Trust Account Agreement for the purpose of providing represented employee benefits.

- *Restricted for escrows:* This component of net position consists of the amount restricted by escrow agreement.

- *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.

	2018	2017
NET POSITION		
Net investment in capital assets	$ 827,646,243	$ 894,275,943
Restricted for:		
Debt Service	47,668,250	42,768,329
Interlocal agreements	7,040,441	6,201,628
Represented employee benefits	4,133,950	3,894,919
Escrow Fund	66,174,772	28,754,015
Self-insurance deposits	7,716,809	7,534,841
Unrestricted	18,914,154	10,247,844
TOTAL NET POSITION	$ 979,294,620	$ 993,677,419

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Q. Budgetary and Accounting Controls

The Authority's annual budgets are approved by the Board of Trustees, as provided for by law. Operating and non-operating revenues and expenditures are budgeted on the accrual basis, except for depreciation, bond principal and bond interest. Capital expenditures and grant reimbursements are budgeted on a project basis. Multi-year projects are approved in whole, but are budgeted based on estimated annual expenses.

The Authority adopts its annual budget in December of the preceding year based on recommendations of staff and the local advisory board.

The first step in developing the Authority's budget is a review of the Transit Development Program and Long Range Financial Plan. This plan then acts as a focus for the development of programs and objectives. Concurrent with the development of programs and objectives, revenues for the coming year are estimated. The estimates of the coming year's revenues are then used as a guide for the Authority to determine the amount of change in service to be provided in the following year. Once the level of service for the coming year is determined, each manager develops a departmental budget.

The departmental budgets are then combined to form a preliminary budget request.

The Executive staff reviews the programs, objectives and requests to balance the total budget with the project revenues and service requirements and priorities. Once the preliminary budget is balanced, the Board Finance and Operations Committee reviews the budget request.

Within 30 days after the tentative budget is approved by the Board, and at least 30 days before the Board adopts its final budget, the Board sends a copy of the tentative budget, a signature sheet and notice of the time and place for a budget hearing to the chief administrative officers and legislative bodies of each municipality and unincorporated county area within the district of the Authority.

Within 30 days after it is approved by the Board and at least 30 days before the Board adopts its final budget, the Board sends a copy of the tentative budget to the Governor and the Legislature for examination and comment.

Before the first day of each fiscal year, the Board adopts the final budget by an affirmative vote of a majority of all the trustees. Copies of the final budget are filed in the office of the Authority. If for any reason the Board has not adopted the final budget on or before the first day of any fiscal year, the tentative budget for such year, if approved by formal action of the Board, is deemed to be in effect for such fiscal year until the final budget for such fiscal year is adopted.

The Board may, by an affirmative vote of a majority of all trustees, adopt an amended final budget when reasonable and necessary, subject to any contractual conditions or a requirement existing at the time the need for such amendment arises.

Individual department budgets are monitored for authorized expenditures on a department total rather than on a department line-item basis.

The Board must approve all increases or decreases to the net operating expense line, total capital budget line and total operating revenue line of the Authority's operating and capital budgets.

The Authority's budgetary process follows Title 17B, Chapter 1, Section 702 of the Utah Code Annotated, as amended. The annual budget is submitted to the State Auditors' Office within 30 days of adoption.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

R. Recent Accounting Pronouncements

GASB Statement 75
Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions
Took Effect: June 30, 2018

GASB Statement 81
Irrevocable Split-Interest Agreements
Took Effect: December 31, 2017

GASB Statement 82
Pension Issues-an amendment of GASB Statement No. 67, No. 68, and No. 73
Took Effect: June 15, 2017

GASB Statement 83
Certain Asset Retirement Obligations
Takes Effect: June 30, 2019

GASB Statement 84
Fiduciary Activities
Takes Effect: December 31, 2019

GASB Statement 85
Omnibus 2017
Took Effect: June 30, 2018

GASB Statement 86
Certain Debt Extinguishment Issues
Took Effect: June 30, 2018

GASB Statement 87
Leases
Takes Effect: December 31, 2020

NOTE 3 – CASH, CASH EQUIVALENTS AND INVESTMENTS

A. Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents are defined as funds restricted by legal requirement(s) outside of the Authority. The Authority is required to maintain certain accounts in connection with the issuance of bonds which are restricted per the bond covenants. In addition, the Authority is acting as the trustee of funds for a represented employee benefits trust.

B. 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 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:

	2018	2017
Early Debt Retirement	$ 47,384,438	$ 17,699,386
Fuel Reserve	1,915,000	1,915,000
Operating Reserve	28,507,000	25,976,619
Parts Reserve	3,000,000	3,000,000
Stabilization Reserve	15,272,000	13,916,046
Total designated cash and cash equivalents	**$ 96,078,438**	**$ 62,507,051**

- *Designated for early debt retirement reserves* - This component of net position consists of savings experienced in the amount of actual variable interest expense from budgeted variable interest expense for the same time period, one-time contributions as determined by the Executive Director, and any unused monies from debt service reserve funds established for specific bonds when no longer encumbered for the initially reserved debt. Permitted use of these reserves is defined in the *Executive Limitations Policy No. 2.4.6 Debt Service Reserve and Rate Stabilization Fund Created.*

- *Designated for fuel reserves* - This component of net position consists of the amount designated by the Board of Trustees to mitigate the financial impact of unexpected and rapidly rising fuel prices. *(Executive Limitations Policy No. 2.3.3 Budgeting)*

- *Designated for operating reserves* - This component of net position consists of 9.33% (one month expense, plus 1%) of the annual budgeted operating expense, and is required by the Board of Trustees. *(Executive Limitations Policy No. 2.3.3 Budgeting)* As of December 31, 2017, the designation for operating reserves had to be decreased to $25,976,619 due to total amount of unrestricted cash available to designate. The low level of unrestricted cash was only temporary and the Authority was able to return to full designation of operating reserves in February 2018, after receiving some of the amounts owed to the Authority from other sources.

- *Designated for parts reserves* - This component of net position consists of the amount designated by the Board of Trustees to be accumulate funds in anticipation of a State of Good Repairs requirement. *(Executive Limitations Policy No. 2.3.3 Budgeting)*

- *Designated for stabilization reserves* - This component of net position consists of 5% of the Authority's annual budget 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.
(Executive Limitations Policy No. 2.1.8 Service Stabilization Reserve Fund)

C. Deposits and Investments

Deposits and 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, 2018 and 2017, the balances in the Authority's bank demand deposit accounts and certificate of deposit accounts according to the bank statements totaled $17,599,147 and $30,739,375, respectively, of which $257,989 and $274,040 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. 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 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.

  The following are the Authority's investment as of December 31, 2018:

		Investment Maturity (in years)		
		Less than 1	1-5	TOTAL
U.S. Agencies	AA-A+/A/A-BBB+/BBB	-	$ 48,304,144	$ 48,304,144
Corporate Bonds	A+/A1/A+	$ 13,600,749	2,425,518	16,026,268
MM - Cash		2,436,098	-	2,438,098
PTIF		78,979,313	-	78,979,313
Total Investments		$ 95,016,161	$ $50,729,662	$ 145,745,823

- *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 maximum adjusted weighted average maturity of the portfolio does not exceed 90 days.

- *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).

  The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

  Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has ability to access.

  Level 2: Inputs to the valuation methodology include:

  - Quoted prices for similar assets of liabilities in active markets;
  - Quoted prices for identical or similar assets or liabilities in inactive markets;
  - Inputs other than quoted prices that are observable for the asset or liability;
  - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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

  Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement. The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

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, 2018 by organization and by fair value measurement:

		Fair Value Measurements		
	12/31/2018	Level 1	Level 2	Level 3
Zions Capital Advisors				
Agency	$ 48,304,144	$ 48,304,144	-	-
Corporate	16,026,268	-	$ 16,026,268	-
Currency	1,099,517	1,099,517	-	-
Total Zions Capital Advisor investments	65,429,928	49,403,661	16,026,268	-
Zions Trustee Investments				
Money market	1,336,581	1,336,581	-	-
Total Zions Trustee investments	1,336,581	1,336,581	-	-
Public Treasurers Investment Fund	78,979,313	-	78,979,315	-
Total investments by fair value level	$ 145,745,823	$ 50,740,242	$ 95,005,581	-

NOTE 4 – CAPITAL ASSETS

Construction in progress for 2018 consists of following large projects:

- $27.8 million for Positive Train Control to be completed September 30, 2019
- $18.0 million for the Depot District expected to be completed August 31, 2021
- $5.4 million for the Sugar House Double Track project completed February 2, 2019
- $4.3 million for the Airport TRAX Station with an expected completion of April 2, 2021
- $3.9 million for the I-15 Road Widening at 7200 S by UDOT expected to be completed by September 27, 2019.

A biennial inventory of capital assets is planned to be completed the latter half of 2019.

	Balance 12/31/2017	Increases	Transfers	Decreases	Balance 12/31/2018
Capital assets not being depreciated					
Land	$ 425,736,158	$ 19,259,000	$ -	$ (4,078,032)	$ 440,917,126
Construction in Progress	205,102,231	86,039,389	-	(181,168,717)	109,972,903
Total capital assets not being depreciated	630,838,389	105,298,389	-	(185,246,749)	550,890,029
Capital assets being depreciated					
Infrastructure	2,528,679,092	-	(13,252,685)	-	2,515,426,407
Buildings and Building Improvements	132,444,199	25,091,055	145,611,098	(673,138)	302,473,214
Revenue Vehicles	757,025,778	35,408,999	(23,891,478)	(14,893,000)	753,650,299
Leased Revenue Vehicles	-	42,343,725	18,047,840	(25,860)	60,365,705
Equipment	326,289,349	3,146,819	(180,348,041)	(4,270,515)	144,817,612
Land improvements	12,300,402	54,250	66,785,845	-	79,140,497
Leased Land Improvements	-	75,804,461	-	-	75,804,461
Intangibles	22,537,996	-	(12,952,579)	-	9,585,417
Total capital assets being depreciated	3,779,276,816	181,849,309	-	(19,862,513)	3,941,263,612
Less: Accumulated depreciation					
Infrastructure	(651,651,962)	(38,120,418)	(24,996,060)	-	(714,768,440)
Buildings and Building Improvements	(64,302,569)	8,055,469	(61,335,558)	655,299	(116,927,359)
Revenue Vehicles	(361,922,236)	(33,229,497)	9,795,521	14,769,202	(370,587,010)
Leased Revenue Vehicles	-	(5,871,145)	(4,928,991)	18,761	(10,781,375)
Equipment	(231,855,525)	(9,361,139)	98,668,483	4,270,515	(138,277,666)
Land Improvements	(9,123,916)	(1,909,583)	(30,189,913)	-	(41,223,412)
Leased Land Improvements	-	(128,764)	-	-	(128,764)
Intangibles	(22,549,122)	-	12,986,518	-	(9,562,604)
Total accumulated depreciation	(1,341,405,330)	(80,565,077)	-	19,713,777	(1,402,256,630)
Capital assets being depreciated, net	2,437,871,486	101,284,233	-	(148,737)	2,539,006,982
Total capital assets, net	$ 3,068,709,875	$ 206,582,622	$ -	$ (185,395,486)	$ 3,089,897,011

	Balance 12/31/2016	Increases	Transfers	Decreases	Balance 12/31/2017
Capital assets not being depreciated					
Land	$ 434,255,469	$ 781,831	$ -	$ (9,301,142)	$ 425,736,158
Construction in Progress	98,584,168	135,081,926	-	(28,563,863)	205,102,231
Total capital assets not being depreciated	532,839,637	135,863,757	-	(37,865,005)	630,838,389
Capital assets being depreciated					
Infrastructure	2,660,455,034	11,379,323	(129,429,792)	(13,725,473)	2,528,679,092
Buildings and Building Improvements	-	-	132,444,199	-	132,444,199
Revenue Vehicles	768,632,495	7,007,046	-	(18,613,763)	757,025,778
Leased Revenue Vehicles	-	-	-	-	-
Equipment	420,530,145	3,448,002	(25,670,921)	(72,017,877)	326,289,349
Land improvements	10,172,645	3,450,300	118,518	(1,441,061)	12,300,402
Leased Land Improvements	-	-	-	-	-
Intangibles	-	-	22,537,996	-	22,537,996
Total capital assets being depreciated	3,859,790,319	25,284,671	-	(105,798,174)	3,779,276,816
Less: Accumulated depreciation					
Infrastructure	(641,678,702)	(79,781,488)	60,999,641	8,808,587	(651,651,962)
Buildings and Building Improvements	-	-	(64,302,569)	-	(64,302,569)
Revenue Vehicles	(341,524,835)	(38,974,295)	101,368	18,475,526	(361,922,236)
Leased Revenue Vehicles	-	-	-	-	-
Equipment	(294,986,102)	(29,981,835)	25,769,407	67,343,005	(231,855,525)
Land Improvements	(9,842,982)	(703,269)	(18,725)	1,441,060	(9,123,916)
Leased Land Improvements	-	-	-	-	-
Intangibles	-	-	(22,549,122)	-	(22,549,122)
Total accumulated depreciation	(1,288,032,621)	(149,440,887)	-	96,068,178	(1,341,405,330)
Capital assets being depreciated, net	2,571,757,698	(124,156,216)	-	(9,729,996)	2,437,871,486
Total capital assets, net	$ 3,104,597,335	$ 11,707,541	$ -	$ (47,595,001)	$ 3,068,709,875

During 2018, UTA has evaluated its capital assets and the associated accumulated depreciation of those assets and saw the need to better define assets, their useful lives, and their categories. This evaluation has led to change in useful lives of all categories of assets to be consistent for all assets in those respective categories. These new useful lives reflect the changing understanding of how long a transit asset 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 $149.4 million in 2017 to $80.6 million in 2018. Due to the revaluation of UTA's capital assets, a decrease in depreciation expense for 2018 of $57,255,598 has been reflected in the financials. The difference in accumulated depreciation by type of capital asset is illustrated below.

Categories in which Useful Lives were Lengthened	Accounting Effect
Infrastructure	$ (39,148,990.68)
Buildings and Building Improvements	(10,642,078.09)
Revenue and Leased Revenue Vehicles	(5,747,813.46)
Land Improvements and Leased Land Improvements	(1,716,715.95)
Net Effect of Change in Accounting Estimate	$ (57,255,598.18)

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

Depreciation Expense	2018	2017
Bus Service	$ 17,144,994	$ 20,842,359
Rail Service	56,825,449	119,310,559
Paratransit Service	4,290,318	5,678,317
Vanpool Service	2,304,317	3,609,652
Total Depreciation Expense	$ 80,565,077	$ 149,440,888

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.

	2018	2017
Operating assistance		
Federal preventive maintenance grants	$ 59,382,716	$ 61,690,413
Federal operating assistance grants	2,376,707	623,581
	61,820,668	62,313,994
Capital projects		
Federal capital projects	31,585,004	55,040,181
Prior Year Federal capital projects	4,041	(1,080,157)
	31,589,045	53,960,024
Total federal assistance	$ 93,409,713	$ 116,274,018

	2018	2017
Prior Year Federal Receivables	$ (44,106,915)	$ (13,611,438)
Received Operating Assistance	67,144,610	43,612,393
Received Federal Capital Projects	46,225,485	42,166,148
Year End Federal Receivables	24,146,542	44,106,915
Total Federal Assistance	$ 93,409,713	$ 116,274,018

NOTE 6 – SELF-INSURANCE CLAIMS LIABILITY

Changes in the accrued claims liability in 2018 and 2017 were as follows:

	Beginning liability	Changes in estimates	Claim payments	Ending liability
2018	$ 1,495,597	$ 3,117,762	$ (3,457,572)	$ 1,155,787
2017	$ 5,095,814	$ 1,082,185	$ (4,682,402)	$ 1,495,597

NOTE 7 – PENSION PLANS

A) General Information

Deferred Compensation Plan

The Authority offers its employees a deferred compensation plan 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 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. 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 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.

Defined Benefit Plan

The Authority offers its employees a single employer non-contributory defined benefit pension plan, The Utah Transit Authority Retirement Plan and Trust, 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% 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 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. Prior to February 2016, Fidelity Investments served as the administrator and custodian of the Plan, with Soltis Investment Advisors serving as a third-party investment manager.

B) Reporting Entity

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.

NOTE 7 – PENSION PLANS (CONTINUED)

Membership

The Plan's membership consisted of:

	January 1, 2018	January 1, 2017
Active participants:		
Fully vested	1,377	1,359
Partially vested	-	-
Not vested	788	725
Inactive participants not receiving benefits	343	316
Participants due refunds	12	12
Retirees and beneficiaries receiving benefits	629	561
Total	3,149	2,973

C) 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 Administrative Plan prior to January 1, 1994, the annual benefit is based on a retirement benefit formula equal to:

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

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

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

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% per year if the payments begin before age 65.

NOTE 7 – PENSION PLANS (CONTINUED)

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% 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% 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%, 75% or 50% 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 2018 and 2017, 37 and 39 participants in each respective year elected to receive their benefit in the form of lump sum distribution. Lump sum distributions collectively totaled $4,650,189 and $3,283,751 for 2018 and 2017, respectively. Individuals are removed from the Plan's membership if they choose to take all of their benefit as a lump sum distribution.

D) Contributions

Employer Contribution Requirements

Contributions are received from the Authority in amounts determined by the Pension Committee and approved by the Board of Trustees based on the current collective bargaining agreement and the minimum and maximum funding levels recommended by the Plan's actuary.

NOTE 7 – PENSION PLANS (CONTINUED)

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.

E) Change in Plan Custodian

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.

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 measureable 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.

GASB Statement No. 67, *Financial Reporting for Pension Plans*, which was adopted during the year ended December 31, 2014, addresses accounting and financial reporting requirements for pension plans. The requirements for GASB No. 67 require changes in presentation of the financial statements, notes to the financial statements, and required supplementary information. Significant changes include an actuarial calculation of total and net pension liability. It also includes comprehensive footnote disclosure regarding the pension liability, the sensitivity of the net pension liability to the discount rate, and increased investment disclosures. The implementation of GASB No. 67 did not significantly impact the accounting for accounts receivable and investment balances. The total pension liability, determined in accordance with GASB No. 67, is presented in Note 6 and in the Required Supplementary Information.

NOTE 7 – PENSION PLANS (CONTINUED)

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

Net pension liability - At December 31, 2018, the Authority reported a net pension liability of $131,548,114. The net pension liability was measured as of December 31, 2018, and was determined by an actuarial valuation as of January 1, 2018 and rolled-forward using generally accepted actuarial 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 Employee Payroll	Net position Liability as a percentage of Covered Employee Payroll
12/31/2018	$326,086,663	$194,538,549	$131,548,114	59.66%	$132,521,079	99.27%
12/31/2017	305,381,116	204,504,562	100,876,554	66.97%	126,690,540	79.62%
12/31/2016	278,960,378	166,035,257	112,925,121	59.50%	115,430,618	97.80%
12/31/2015	269,069,798	151,631,937	117,437,871	56.40%	110,727,134	106.10%
12/31/2014	247,692,651	146,854,399	100,838,252	59.30%	106,004,057	95.10%
1/1/2014	232,691,093	135,666,362	97,024,731	58.30%	102,099,985	95.00%

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

Deferred outflows of resources and deferred inflows of resources - At December 31, 2018, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	$ (1,226,044)	$ 7,632,639
Change of Assumptions	(2,157,655)	6,405,862
Net difference between projected and actual earnings	-	17,892,156
Contributions made subsequent	-	-
Total	$ (3,383,699)	$ 31,930,657

Pension expense - For the year ended December 31, 2018, the Authority recognized pension expense of $25,103,504. 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
2019	$8,144,192
2020	5,681,109
2021	4,313,036
2022	7,991,195
2023	1,906,202
Thereafter	511,224
Total	$28,164,198

NOTE 7 – PENSION PLANS (CONTINUED)

Actuarial assumptions - The total pension liability in the January 1, 2018 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	7.0%, net of investment expenses
Mortality	RP-2014 Blue Collar Mortality Table, with MP-2014 Project Scale (Pre-retirement; Employee Table; Post-retirement Annuitant Table)
Bond Buyer General Obligation 20-Bond Municipal Bond Index	3.44%

The actuarial assumptions used in the January 1, 2018 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 7.00%. 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.

The following sensitivity analysis assumes rate volatility of plus and minus one percent of the discount rate of 7.0%.

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Total pension liability	$ 367,575.226	$ 326,086,663	$ 291,631,806
Fiduciary net position	194,538,549	194,538,549	194,538,549
Net pension liability	173,036,677	131,548,114	97,093,257

NOTE 7 – PENSION PLANS (CONTINUED)

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 December 31, 2017	$ 305,381,116	$ 204,504,562	$ 100,876,554
Charges for the year			
Service cost	9,550,863	-	9,550,863
Interest on total pension liability	21,512,781	-	21,512,781
Differences between expected and actual experience	4,893,150	-	-
Changes of assumptions	-	-	-
Employer contributions		22,355,434	(22,355,434)
Member voluntary contributions	223,572	223,572	-
Net investment income	-	(16,629,921)	16,629,921
Benefit payments	(15,474,819)	(15,474,819)	-
Administrative expenses	-	(440,279)	440,279
Balance as of December 31, 2018	$ 326,086,663	$ 194,538,549	$ 131,548,114

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 4- 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 – PENSION 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.

I) Investments (continued)

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	Range
Global Equity	63%	51% - 75%
Liquid Diversifiers	10%	0% - 15%
Real Assets	4%	0% - 8%
Alternatives	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 7.00% per annum, net of investment expenses.

J) Payment of Benefits

Benefit payments to participants are recorded upon distribution.

K) Administrative Expenses

Expenses for the administration of the Plan are budgeted and approved by the Pension Committee. Administrative expenses are paid from investment earnings. Plan expenses are paid from Plan assets. For the years ended December 31, 2018 and 2017, the Plan paid $440,279 and $324,912 respectively, of administrative expenses. In April 2018 all administration of the plan was outsourced to Milliman and Advanced CFO. The board voted and approved this action at their January 2018 board meeting.

L) Use of Estimates

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, liabilities and changes therein and the disclosure of contingent assets and liabilities as of the date of the financial statements. Accordingly, actual results could differ from those estimates.

NOTE 7 – PENSION PLANS (CONTINUED)

M) 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.

N) 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.

O) 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.

P) Reclassifications

Certain amounts in the prior period presentation have been reclassified or added to conform to the current period financial statement presentation. These changes have no effect on previously reported amounts on the Comparative Statement of Changes in Fiduciary Net Position.

Q) Subsequent Events

The Plan has performed an evaluation of subsequent events through March 26, 2018, which is the date the basic financial statements were available to be issued. The IPS was amended effective February 2016 to identify Cambridge Associates, LLC (CA) as the investment manager, clarify the roles and responsibilities of the investment manager, and revise the long-term asset allocation policy for the Plan.

Starting in April 2018 all administration of the plan will be outsourced to Milliman and Advanced CFO. The board voted and approved this action at their January board meeting.

R) 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. The Plan has no formal policy for cash deposit custodial credit risk. Cash deposits are presented in the financial statements at cost plus accrued interest, which is market or fair value.

Cash equivalents include amounts invested in the Utah Public Treasurer's Investment Fund. The Plan considers short-term investments with an original maturity of 3 months or less to be cash equivalents.

	2018	2017
Cash held in banking institution(s)	$ 604,152	$ 1,586,481
Cash held in Utah Public Treasurer's Investment Fund	-	5,607,680
Total Cash	$ 604,152	$ 7,194,161

NOTE 7 – PENSION PLANS (CONTINUED)

S) Custodial Credit Risk

Custodial credit risk for investments is in the risk that the counterparty to an investment will not fulfill its obligations. The Plan has no formal policy for custodial credit risk.

The Plan's rated investments are show below.

Fixed Income:			
2018	$	44,511,657	AA/Aa Rated
2017	$	41,223,319	AA/Aa Rated

T) 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 Plan has no formal policy for investment interest rate risk. The table below shows the maturities of the Plan's investments.

Equity funds:		
2018	$121,933,057	No maturity dates
2017	$126,057,180	No maturity dates
Fixed Inc funds:		
2018	$ 44,511,657	Average effective duration: 5.3 years Average effective maturity: 7.5 years
2017	$ 41,223,319	Average effective duration: 5.3 years Average effective maturity: 7.5 years
Other funds:		
2018	$ 26,081,608	Average effective duration/maturity: n/a
2017	$ 29,225,640	Average effective duration/maturity: n/a

U) 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 Plan has no formal policy for concentration of credit risk. The following amounts represent 5% or more of the Plan's net position as of December 31, 2018 and/or 2017 invested with any one organization. (Investments with Fidelity representing less than 5% of the Plan's net position are not required to be disclosed, but are included in the detail of total Fidelity Investments in Note 4).

	2018	2017
Equity funds:		
Two Sigma Active US All Cap &	$ 16,287,880	$ 631,784
Investments		
Fixed funds:		
IR+M Core Bond Fund II	$ 18,593,036	$ 17,854,889
SSGA 3-10 US Treasury Index NL	-	-

NOTE 7 – PENSION PLANS (CONTINUED)

V) Fair Value Measurements

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).

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets of liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

NOTE 7 – PENSION PLANS (CONTINUED)

	2018	2017
Investments:		
Global Equity Funds:		
1607 Capital International Equity Fund	$ 7,068,884	$ 8,305,215
Arrowstreet International Equity	8,886,414	9,504,008
Artisan Global Value Institutional	6,504,923	7,932,866
Artisan Global Opportunities Trust	6,349,204	5,903,689
Causeway Emerging Markets Equity	6,547,729	6,402,017
Edgewood Growth Fund Institutional	7,054,931	5,764,661
Gqg Partners Intl Eqty	7,384,000	-
Independent Franchise Partners US Equity	7,196,531	7,743,633
Iridian Private Business Value Mid Cap	5,555,749	6,317,097
Iva International Fund I	2,921,780	-
John Hancock Disciplined Value I	6,086,912	6,732,130
Kiltearn Global Equity Fund	5,744,563	-
Mahout Global Emerging Markets	2,134,715	6,732,130
Mathews ASIA Small Companies	-	2,437,578
Oakmark International I	6,720,896	7,707,213
Overlook Partners Fund	2,477,772	-
RWC Horizon Equity Offshore Ltd.	4,695,445	2,871,724
RWC Horizon Equity Fund 97MSCLV	558,532	5,311,261
Two Sigma Active US All Cap & Investments	16,267,880	631,784
Vanguard FTSE Developed Markets EFT	1,871,213	13,389,450
Vanguard S&P 500 EFT	2,853,321	3,221,307
Wasatch Emerging Markets Small Cap	-	2,511,034
William Blair Small Cap Fund Class I	-	7,485,887
Total Global Equity Funds	$ 114,881,394	$ 120,358,635

NOTE 7 – PENSION PLANS (CONTINUED)

	2018	2017
Polen Capital:		
Adobe Systems Inc.	$ 392,300	$ 461,056
Automatic Data Process.	405,948	334,343
Align Technology Inc.	142,412	233,744
Accenture Plc	308,530	308,783
Booking Holdings	155,017	-
Celgene Corp.	-	227,609
Dollar General	322,835	184,811
Facebook Inc.	414,224	433,915
Alphabet Inc.	597,961	556,639
Gartner Inc.	245,964	205,784
Mastercard Inc.	187,895	138,948
Microsoft Corp.	609,318	256,107
Nestle Sa	229,845	325,197
Nike Inc.	355,650	307,225
Nvidia Corp	147,918	-
Oracle	251,079	266,518
O Reilly	413,885	-
The Priceline Group	-	245,021
Regeneron	230,076	213,545
Starbucks Corp.	347,374	273,309
Visa Inc.	478,810	382,081
Zoetis Inc.	336,172	119,010
Total Polen Capital	6,573,216	5,698,545
Total Equity	$ 121,454,607	$ 126,057,180

NOTE 7 – PENSION PLANS (CONTINUED)

	2018	2017
Fixed Income Funds:		
1607 Capital Tax Fixed Income Fund	$ 3,130,603	$ 3,263,465
Double Line Core Plus 4L3	7,138,145	5,108,695
IR+M Core Bond Fund II	18,593,036	17,854,889
PIMCO Income Fund Institutional	6,327,452	5,291,044
State Street Global Adv. 3-10 US Treasury	9,322,421	9,705,226
Total Fixed Income Funds	44,511,657	41,223,319
Liquid Diversifier Funds:		
AQR Style Premia 97MSCMCV9	3,489,659	3,886,150
AQR Style Premia 97MSCNHU4	-	271,103
AQR Style Premia Fund S 4	-	-
AQR Style Premia Fund Ltd	-	-
CCP Core Macro Fund LP	-	4,376,922
Fort Global Offshore Fund	4,890,738	5,111,965
ISAM SYSTEMATIC 97MSCNDS3	212,508	225,238
ISAM Systematic Trend	1,824,493	2,191,348
Renaissance Institutional Equity	6,008,085	3,698,940
Total Liquid Diversifier Funds	16,425,483	19,791,665
Real Asset Funds:		
AEW Global Properties	1,587,870	1,660,234
T. Rowe Price Global Natural Resources	3,546,308	4,226,988
Vanguard Short Term Inflation Protected Sec	2,543,785	1,530,046
Total Real Assets	7,677,963	7,417,269
Cash & Equivalents:		
US Bank Cash (First American US Money Mkt	1,978,162	2,016,706
Total Cash and Equivalents	1,978,162	2,016,706
Total investments	**$ 192,047,872**	**$ 196,506,139**

W) 2018 and 2017 Valuation Methodology

Level 1 – These investments are measured at fair value based on quoted prices in active markets.
Level 2 – These investments are measured at fair value based on inputs other than quoted prices included within Level 1. Observable inputs include quoted prices for similar assets in active or non-active markets. While the underlying asset values are quoted prices for the mutual funds, the net asset value (NAV) of the mutual funds is not publicly quoted in an active market.
Level 3 – These Investments are valued at fair value based on information obtained from the investment issuer.

NOTE 7 – PENSION PLANS (CONTINUED)

The following tables set forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2018 and December 31, 2017.

	Investment Assets at Fair Value as of December 31, 2018			
	Fair Value	**Level 1**	**Level 2**	**Level 3**
Global Equities (NAV Level 2)	$ 118,858,701	$ 11,629,353	$ 40,111,922	$ 67,117,426
Fixed Income (NAV level 2)	44,511,657	-	6,327,452	38,184,205
Liquid diversifiers	19,347,261	-	2,921,780	16,425,481
Real assets (NAV level 2)	7,677,963	-	6,090,093	1,587,870
Money market	1,652,310	1,652,310	-	-
Total investments at fair value	$ 192,047,892	$ 13,281,663	$ 55,451,247	$ 123,314,982

	Investment Assets at Fair Value as of December 31, 2017			
	Fair Value	**Level 1**	**Level 2**	**Level 3**
Global Equities (NAV Level 2)	$ 126,057,180	$ 11,430,886	$ 49,768,407	$ 64,857,888
Fixed Income (NAV level 2)	41,223,319	-	5,291,044	35,932,275
Liquid diversifiers	19,791,665	-	-	19,791,665
Real assets (NAV level 2)	7,417,269	-	5,757,035	1,660,234
Money market	2,016,706	2,016,706	-	-
Total investments at fair value	$ 196,506,139	$ 11,430,886	$ 62,833,191	$ 122,242,062

X) Net Asset Value Per Share

The mutual funds in the global equities, fixed income and real assets classes Level 2 are stated at net asset value or its equivalent, which is the practical expedient for estimating the fair value of those investments. The following tables provide additional disclosures concerning the investments measured at fair value based on NAV as of December 31, 2018 and 2017.

	2018			
	Fair Value	**Unfunded Commitment**	**Redemption Frequency**	**Redemption Notice Period**
Global Equities (NAV Level 2)	$ 40,111,922	$ -	Daily	Daily
Fixed Income (NAV level 2)	6,327,452	-	Daily	Daily
Liquid diversifier(NAV level 2)	2,921,780	-	Daily	Daily
Real assets (NAV level 2)	6,090,093	-	Daily	Daily
Total	$ 55,451,247	$ -		

NOTE 7 – PENSION PLANS (CONTINUED)

	2017			
	Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Global Equities (NAV Level 2)	$ 49,768,407	$ -	Daily	Daily
Fixed Income (NAV level 2)	5,291,044	-	Daily	Daily
Real assets (NAV level 2)	5,757,035	-	Daily	Daily
Total	$ 60,816,485	$ -		

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.

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.

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.

Y) 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	Net Money-Weighted Rate of Return
2018	-7.77%
2017	18.01%

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NOTE 7 – PENSION PLANS (CONTINUED)

Z) Net Pension Liability

The net pension liability is the Plan's total pension liability determined in accordance with GASB No. 67, less the Plan's fiduciary net position. The Plan's net pension liability was $131,548,114 and $100,876,554 as of December 31, 2018 and December 31, 2017, respectively. A portion of this change is attributed to the Plan's change of methods and assumptions.

The Plan's net pension liability is mainly attributed to significant plan changes made during 1999 and 2011, which resulted in benefit increases. Fiduciary net position as a percent of total pension liability decreased to 59.81% at December 31, 2018 from 66.97% at December 31, 2017.

AA) Actuarial Methods and Assumptions

Actuarial valuation of the Plan involves estimates of the reported amounts and assumptions about the probability of occurrence of events into the future. Examples include assumptions about future mortality and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The last experience study was performed for the five consecutive calendar years ending December 31, 2008. The total pension liability as of December 31, 2018, is based on the results of an actuarial valuation date of January 1, 2018, and rolled-forward using generally accepted actuarial procedures. The significant actuarial assumptions and methods used in the January 1, 2018 valuation are as follows:

- Actuarial Cost Method – Entry Age Normal
- Inflation – 2.30%
- Employer Annual Payroll Growth Including Inflation – 3.40%
- Salary Increases – 5.4% for the first five years of employment; 3.4% per annum thereafter
- Mortality – RP 2014 Blue Collar Mortality Table, with MP-2014 projection scale
- Investment Rate of Return – 7.0%, 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%

BB) 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, 2017, is summarized in the table below.

Asset Class	Target Asset Allocation	Long Term Expected Return
Global Equities	63%	6.9%
Fixed Income	22%	4.4%
Liquid Diversifiers	10%	5.8%
Real Assets	4%	7.8%
Cash & Equivalents	1%	3.3%
Total	100%	6.5%

The 7.00% assumed investment rate of return is comprised of an inflation rate of 2.3% and a real return of 4.70% net of investment expense.

NOTE 7 – PENSION PLANS (CONTINUED)

CC)Discount Rate and Rate Sensitivity Analysis

The discount rate used to measure the total pension liability was 7.00%. The discount rate incorporates a municipal bond rate of 3.44% based on the Bond Buyer General, Obligation 20-Bond Municipal Bond Index. 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.

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 7.00%, as well as what the net pension liability would be if it were calculated using a discount rate 1.00% lower (6.00%) or 1.00% higher (8.00%) than the current rate.

	1.00% Decrease 6.00%	Current Rate 7.00%	1.00% Increase 8.00%
Total pension liability	$ 367,575,226	$ 326,086,663	$ 291,631,806
Fiduciary net position	194,538,549	194,538,549	194,538,549
Net pension liability	173,036,677	131,548,114	97,093,257

DD)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 preparation for 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 cost method.

The Authority's Board of Trustees adopted a contribution rate policy of 16% for 2017 and 16% for 2018 and subsequent years.

Employer contributions in 2018 and 2017 totaled $22,355,434 and $20,506,163 respectively, which represented 110.4% and 101.2% of the annual actuarial recommended contributions, respectively.

EE) Party-in-Interest Transactions

Cambridge Associates is the Plan's investment manager and they charge fees for the services they provide, the transactions qualify as party-in-interest transactions. Fees paid by the Plan for the investment management services for the years ended December 31, 2018 and 2017 were $364,729 and $592,585, respectively.

FF) Component Evaluation

UTA evaluates the financial relationships of all entities that UTA funds or directs each year and after the careful consideration of the financial dependence and management influence of UTA on the Utah Transit Authority Employee Retirement Plan and Trust actions, UTA has chosen to include the financials of the trust as an a fiduciary component unit of UTA financials as part of their 2018 financial statements.

NOTE 8 – LONG TERM DEBT

The following provides detailed information about each of the Authority's debt issuances along with a summary of the long-term debt activity for the year.

A. Series 2005A Revenue Bond

Purpose:	Advanced refunding of the 1997 Series Revenue Bonds
Interest rate:	3.25-5.25%
Original amount:	$20,630,000

Debt service requirements to maturity, including interest:

Year ending December 31	Principal	Interest	Total
2019	$ 1,635,000	$ 329,044	$ 1,964,044
2020	1,720,000	240,975	1,960,975
2021	1,815,000	148,181	1,963,181
2022	1,915,000	50,269	1,965,269
	$ 7,085,000	$ 768,469	$ 7,853,469

Defeasence of Debt - On August 10, 2005, the Authority defeased certain 1997 Series revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Authority's financial statements. The 1997 Series revenue bonds relating to this issuance were defeased on December 15, 2007.

B. Series 2006C Revenue Bond

Purpose:	Advanced refunding of the 2002A Series revenue bonds
Interest rates:	5.00-5.25%
Original amount:	$134,650,000

Debt service requirements to maturity, including interest:

Year ending December 31	Principal	Interest	Total
2019	$ 5,350,000	$ 5,516,963	$ 10,866,963
2020	5,635,000	5,228,606	10,863,606
2021	5,950,000	4,924,500	10,874,500
2022	6,265,000	4,603,856	10,868,856
2023	6,605,000	4,266,019	10,871,019
2024-2028	38,750,000	15,588,563	54,338,563
2029-2032	39,205,000	4,250,006	43,455,006
	$ 107,760,000	$ 44,378,513	$ 152,138,513

NOTE 8 – LONG TERM DEBT (continued)

B. Series 2006C Revenue Bond (continued)

Defeasence of Debt - On October 24, 2006, the Authority defeased certain 2002A Series revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Authority's financial statements. The 2002A Series revenue bonds relating to this issuance were defeased on December 15, 2012.

C. Series 2007A Capital Appreciation/Capitalized Interest Bond(s)

Purpose: Partial advanced refunding of the 2005B revenue bonds; construction and acquisition of improvements to the transit system.

Interest rates
- Capital Appreciation Bonds: 4.55-5.05%
- Capital Interest Bonds: 5.00%

Original amount
- Capital Appreciation Bonds: $132,329,109
- Capital Interest Bonds: $128,795,000

Debt service requirements to maturity, including interest:

Series 2007A Subordinate Lien Capital Appreciation Bond

On March 15, 2018 the remaining debt service for this bond was defeased through the issuance of the Series 2018 Sales Tax Revenue Subordinate Refunding Bond.

Series 2007A Subordinate Lien Capital Interest Bond

Year ending December 31	Principal	Interest	Total
2019	$ 2,710,000	$ 6,005,000	$ 8,715,000
2020	2,850,000	5,866,000	8,716,000
2021	-	5,794,750	5,794,750
2022	-	5,794,750	5,794,750
2023	5,300,000	5,662,250	10,962,250
2024-2028	24,870,000	24,982,250	49,852,250
2029-2033	42,500,000	17,038,250	59,538,250
2034-2035	43,225,000	2,188,375	45,413,375
	$ 121,455,000	$ 73,331,625	$ 194,786,625

Defeasence of Debt - On June 19, 2007, the Authority defeased certain 2005B Series revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Authority's financial statements. The 2005B Series revenue bonds relating to this issuance were defeased on December 15, 2015.

NOTE 8 – LONG TERM DEBT (continued)

D. Series 2008A Revenue Bond

Purpose: Cost of acquisition and construction of certain improvements to the Authority's transit system.
Interest rates: 4.75-5.25%
Original amount: $700,000,000

Debt service requirements to maturity, including interest:

Year ending December 31	Principal	Interest	Total
2019	$ 5,885,000	$ 2,696,006	$ 8,581,006
2020	-	2,541,525	2,541,525
2021	-	2,541,525	2,541,525
2022	23,570,000	1,922,813	25,492,813
2023	24,840,000	652,050	25,492,050
	$ 54,295,000	$ 10,353,919	$ 64,648,919

E. Series 2009B Federally Taxable-Issuer Subsidy "Build America Bonds"

The Authority has elected to treat the 2009B bonds as "Build America Bonds" for the purposes 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 anticipated cash subsidy payments from the United States Treasury equal to 35% ($5,085,101) of the interest payable on the 2009B bonds.

Purpose: Cost of acquisition and construction of certain improvements to the Authority's transit system.
Interest rates: 5.937%
Original amount: $261,450,000

Debt service requirements to maturity, including interest:

Year ending December 31	Principal	Interest	Total	Scheduled Federal Subsidy Payment
2019	$ -	$ 15,522,286	$ 15,522,286	$ 5,432,800
2020	-	15,522,286	15,522,286	5,432,800
2021	-	15,522,286	15,522,286	5,432,800
2022	-	15,522,286	15,522,286	5,432,800
2023	-	15,522,286	15,522,286	5,432,800
2024-2028	-	77,611,433	77,611,433	27,164,001
2029-2033	55,890,000	72,171,656	128,061,656	25,260,080
2034-2038	140,560,000	41,157,362	181,717,362	14,405,077
2039	65,000,000	1,929,525	66,929,525	675,334
	$ 261,450,000	$ 270,481,406	$ 531,931,406	$ 94,668,492

NOTE 8 – LONG TERM DEBT (continued)

F. Series 2010A Federally Taxable-Issuer Subsidy "Build America Bonds"

The Authority has elected to treat the 2010A bonds as "Build America Bonds" for the purposes 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 anticipated cash subsidy payments from the United States Treasury equal to 35% ($3,709,776) of the interest payable on the 2010A bonds.

Purpose:	Cost of acquisition and construction of certain improvements to the Authority's transit system.
Interest rates:	5.705%
Original amount:	$200,000,000

Debt service requirements to maturity, including interest:

Year ending December 31	Principal	Interest	Total	Scheduled Federal Subsidy Payment
2019	$ -	$ 11,410,000	$ 11,410,000	$ 3,993,500
2020	-	11,410,000	11,410,000	3,993,500
2021	-	11,410,000	11,410,000	3,993,500
2022	-	11,410,000	11,410,000	3,993,500
2023		11,410,000	11,410,000	3,993,500
2024-2028	-	57,050,000	57,050,000	19,967,500
2029-2033	-	57,050,000	57,050,000	19,967,500
2034-2038	29,700,000	55,862,219	85,562,219	19,551,776
2039-2040	170,300,000	11,762,569	182,062,569	4,116,900
	$ 200,000,000	$ 238,774,788	$ 438,774,788	$ 83,571,176

NOTE 8 – LONG TERM DEBT (continued)

G. Series 2012A Revenue Bond

Purpose:	Refunding of $32,020,000 of the 2006AB variable rate bonds; refunding of $100,000,000 of the 2011AB variable rate bonds; and the cost of acquisition and construction of certain improvements to the Authority's transit system.
Interest rates:	4.00-5.00%
Original amount:	$295,520,000

Debt service requirements to maturity, including interest:

Year ending December 31	Principal	Interest	Total
2019	$ -	$ 7,844,000	$ 7,844,000
2020	-	7,844,000	7,844,000
2021	-	7,844,000	7,844,000
2022	-	7,844,000	7,844,000
2023		7,844,000	7,844,000
2024-2028	-	39,220,000	39,220,000
2029-2033	1,440,000	39,191,200	40,631,200
2034-2038	50,485,000	36,126,700	86,611,700
2039-2042	119,675,000	16,289,000	135,964,000
	$ 171,600,000	$ 170,046,900	$ 341,646,900

Defeasence of Debt - On November 28, 2012, the Authority defeased all of the 2011AB variable rate revenue bonds, and certain 2006AB Series variable rate revenue bonds. The 2006AB and 2011AB Series revenue bonds relating to this issuance were defeased on November 28, 2012.

On December 28, 2017 a portion of the original debt service for this bond was defeased through the issuance of the $120,575,000 Series 2017 Sales Tax Revenue Refunding Bond.

H. Series 2015A Revenue Bonds

On February 25, 2015, the Authority issued $668,655,000 in senior sales tax revenue bonds and $192,005,000 in subordinate sales tax revenue bonds to provide resources to purchase qualifying open market securities that were placed in an irrevocable trust for the purpose of generating resources for the advanced refunding of certain 2008A revenue bonds, certain 2009A revenue bonds, certain 2007A capital appreciation revenue bonds, and certain 2012A revenue bonds. These resources are intended to provide all future debt payments of $904,901,591 of senior and subordinate sales tax revenue bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the Authority's financial statements. These advanced refundings were undertaken to reduce total debt service payments over the next 23 years by $85,099,817, and resulted in an economic gain of $77,660,118. As of December 31, 2017, $4,245,000 of the 2012A Revenue Bond was defeased from the escrow fund.

NOTE 8 – LONG TERM DEBT (continued)

H. Series 2015A Revenue Bonds (continued)

Series 2015A Senior Lien Revenue Bond

Purpose:	Advanced refunding of $645,705,000 of the 2008A revenue bonds and $44,550,000 of the 2009A revenue bonds; debt service reserve
Interest rates:	4.00-5.00%
Original amount:	$668,655,000

Debt service requirements to maturity, including interest:

Year ending December 31	Principal	Interest	Total
2019	$ -	$ 31,072,663	$ 31,072,663
2020	12,425,000	30,769,238	43,194,238
2021	18,235,000	30,029,138	48,264,138
2022	-	29,592,463	29,592,463
2023	8,030,000	29,416,463	37,446,463
2024-2028	191,195,000	123,545,706	314,740,706
2029-2033	201,265,000	74,354,025	275,619,025
2034-2038	237,505,000	28,615,400	266,120,400
	$ 668,655,000	$ 377,395,096	$ 1,046,050,096

Series 2015A Subordinate Lien Revenue Bond

Purpose:	Advanced refunding of $129,997,040 of the 2007A capital appreciation revenue bonds and associated accreted interest of $80,404,551, and $4,245,000 of the 2012A revenue bonds; debt service reserve
Interest rates:	3.00-5.00%
Original amount:	$192,005,000

Debt service requirements to maturity, including interest:

Year ending December 31	Principal	Interest	Total
2019	$ -	$ 9,543,250	$ 9,543,250
2020	2,850,000	9,500,500	12,350,500
2021	5,840,000	9,311,750	15,151,750
2022	8,875,000	8,943,875	17,818,875
2023	6,750,000	8,553,250	15,303,250
2024-2024	45,750,000	36,139,500	81,889,950
2029-2033	51,825,000	24,273,875	76,098,875
2034-2037	70,115,000	7,625,625	77,740,625
	$ 192,005,000	$ 113,891,625	$ 305,896,625

NOTE 8 – LONG TERM DEBT (continued)

I. Series 2016 Revenue Bonds

On August 24, 2016, the Authority issued $145,691,497 in subordinate sales tax revenue bonds with a reoffering premium of $12,932,675 to provide resources to purchase qualifying open market securities that were placed in an irrevocable trust for the purpose of generating resources for the advanced refunding of the 2013 revenue bonds and 2014AB revenue bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the Authority's financial statements. These advanced refundings were undertaken to remove the Authority's short-term debt which reduced total debt service payments by $156,360,000 over the next three (3) years. This issuance resulted in an economic loss of $8,045,006. As of June 15, 2018, $62,000,000 of the 2014A Revenue Bond was defeased from the escrow fund.

Series 2016 Subordinate Lien Revenue Bond

Purpose:	Refunding of $13,990,000 of the 2013 short-term bonds, and refunding of $142,370,000 of the 2014AB short-term bonds.
Interest rates:	3.00-4.00%
Original amount:	$145,691,498

Debt service requirements to maturity, including interest:

Year ending December 31	Principal	Interest	Total
2019	$ -	$ 4,602,300	$ 4,602,300
2020	-	4,602,300	4,602,300
2021	-	4,602,300	4,602,300
2022	-	4,602,300	4,602,300
2023		4,602,300	4,602,300
2024-2028	36,890,000	22,466,250	59,356,250
2029-2031	89,890,000	7,181,000	97,071,000
	$ 126,780,000	$ 52,658,750	$ 179,438,750

Series 2016 Subordinate Lien Capital Appreciation Revenue Bond

Purpose:	Refunding of $13,990,000 of the 2013 short-term bonds, and refunding of $142,370,000 of the 2014AB short-term bonds.
Interest rates:	3.32004%
Original amount:	$18,911,498

Debt service requirements to maturity, including interest:

Year Ending December 31	Principal	Interest	Total
2032	$ 18,911,498	$ 13,443,503	$ 32,355,001
	$ 18,911,498	$ 13,443,503	$ 32,355,001

NOTE 8 – LONG TERM DEBT (continued)

J. Series 2016 Utah County Subordinated Transportation Sales Tax Revenue Bond

On December 22, 2016, Utah County issued a $65 million subordinated transportation sales tax revenue bond to be used for the construction of the Provo-Orem BRT. 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 amount owed to Utah County increased by $960,616 in FY 2018 based on an agreement which states that Utah County will loan UTA an amount of $2,500,000 per year for operations and maintenance costs until December 31, 2028 or until the Authority assumes responsibility for such funding. The project opened on August 6, 2018, so the amount was prorated for the year.

Year ending December 31	Principal	Interest	Total
2028	$ 65,960,616	$ 22,718,868	$ 88,679,484
	$ 65,960,616	$ 22,718,868	$ 88,679,484

K. Series 2017 Sales Tax Revenue Refunding Bonds (Sub)

Purpose:	Advanced refunding $119,675,000 of the 2012 bonds. The cash flow savings as a result of the refunding is $80,531,986
Interest rates:	2.41%
Original amount:	$120,575,000
Economic Gain as a result of refunding:	$26,665,362.89

On March 15, 2018 the original debt service for this bond was defeased through the issuance of the $120,575,000 Series 2018 Sales Tax Revenue Subordinate Refunding Bond.

L. Series 2018 Revenue Bonds

On March 15, 2018, the Authority issued $83,765,000 in senior sales tax revenue bonds and $115,540,000 in subordinate sales tax revenue bonds to provide resources to purchase qualifying open market securities that were placed in an irrevocable trust for the purpose of generating resources for the advanced refunding of certain 2017 revenue bonds, certain 2007A revenue bonds, and to finance certain capital projects. These resources are intended to provide all future debt payments for the 2017 and 2007A Bonds in the amount of $125,172,394 of sales tax revenue bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the Authority's financial statements. The advanced refundings were undertaken to reduce total debt service payments over the next 14 years by $122,907,069, and resulted in an economic gain of $5,587,749.09.

The financing for certain construction projects consisted of $88,500,000 and include funds for the Salt Lake City Airport Light Rail Station relocation of $24,905,000.

NOTE 8 – LONG TERM DEBT (continued)

L. Series 2018 Revenue Bonds (continued)

Series 2018 Senior Lien Revenue Bond

Purpose:	Finance Capital Projects - $58,860,000 for other projects and $24,905,000 for the Salt Lake City Airport Light Rail Station relocation.
Interest rates:	3.25-5.00%
Original amount:	$83,765,000

Debt service requirements to maturity, including interest:

Year ending December 31	Principal	Interest	Total
2019	$ 1,500,000	$ 3,612,400	$ 5,112,400
2020	-	3,537,400	3,537,400
2021	-	3,537,400	3,537,400
2022	-	3,537,400	3,537,400
2023	-	3,537,400	3,537,400
2024-2028	-	17,687,000	17,687,000
2029-2033	19,420,000	17,687,000	37,107,000
2034-2036	62,845,000	5,430,650	68,275,650
	$ 83,765,000	$ 58,566,650	$ 142,331,650

Series 2018 Subordinate Lien Revenue Bond

Purpose:	Advanced refunding of $112,125,000 of the 2017 revenue bonds and associated accreted interest of $3,975,864, and $3,415,000 of the 2007A revenue bonds; debt service reserve
Interest rates:	3.125-5.00%
Original amount:	$115,540,000

Debt service requirements to maturity, including interest:

Year ending December 31	Principal	Interest	Total
2019	$ 420,000	$ 5,133,894	$ 5,553,894
2020	440,000	5,112,894	5,552,894
2021	3,235,000	5,090,894	8,325,894
2022	3,395,000	4,929,144	8,324,144
2023	3,565,000	4,759,394	8,324,394
2024-2028	20,245,000	20,956,219	41,201,219
2029-2033	13,775,000	16,917,631	30,692,631
2034-2038	2,155,000	14,548,950	16,703,950
2039-2041	66,665,000	7,451,530	74,116,530
	$ 113,895,000	$ 84,900,550	$ 198,795,550

NOTE 8 – LONG TERM DEBT (continued)

M. 2015 Issuance 12-Year Lease Financing

Purpose: Acquisition of 10 CNG buses and equipment
Interest rates: 2.0908%
Original amount: $5,283,500

Debt service requirements to maturity, including interest:

Year ending December 31	Principal	Interest	Total
2019	$ 420,447	$ 77,768	$ 498,215
2020	429,322	68,893	498,215
2021	438,385	59,830	498,215
2022	447,640	50,575	498,215
2023	457,089	41,126	498,215
2024-2027	1,718,648	66,679	1,785,327
	$ 3,911,531	$ 364,871	$ 4,276,402

N. 2015 Issuance 5-Year Lease Financing

Purpose: Acquisition of 20 flex/paratransit vehicles
Interest rates: 1.3186%
Original amount: $3,583,370

Debt service requirements to maturity, including interest:

Year ending December 31	Principal	Interest	Total
2019	$ 720,885	$ 10,762	$ 731,647
2020	424,988	1,870	426,858
	$ 1,145,873	$ 12,632	$ 1,158,505

O. 2015 Issuance 4-Year Lease Financing

Purpose: Acquisition of 50 RideShare vans
Interest rates: 1.1778%
Original amount: $1,582,018

Debt service requirements to maturity, including interest:

Year ending December 31	Principal	Interest	Total
2019	$ 243,467	$ 910	$ 44,377
	$ 243,467	$ 910	$ 244,377

NOTE 8 – LONG TERM DEBT (continued)

P. 2016 Issuance 12-Year Lease Financing

Purpose: Acquisition of 5 buses and equipment for use in the canyons for ski service
Interest rates: 1.6322%
Original amount: $2,480,000

Debt service requirements to maturity, including interest:

Year ending December 31	Principal	Interest	Total
2019	$ 195,686	$ 32,021	$ 227,707
2020	198,904	28,803	227,707
2021	202,175	25,532	227,707
2022	205,500	22,207	227,707
2023	208,879	18,828	227,707
2024-2028	1,040,061	41,546	1,081,607
	$ 2,051,205	$ 168,937	$ 2,220,142

Q. 2016 Issuance 5-Year Lease Financing

Purpose: Acquisition of 33 flex/paratransit vehicles
Interest rates: 1.3008%
Original amount: $4,546,000

Debt service requirements to maturity, including interest:

Year ending December 31	Principal	Interest	Total
2019	$ 912,006	$ 27,575	$ 939,581
2020	923,940	15,640	939,580
2021	700,361	3,804	704,165
	$ 2,536,307	$ 47,019	$ 2,583,326

R. 2016 Issuance 4-Year Lease Financing

Purpose: Acquisition of 56 RideShare vans
Interest rates: 1.2298%
Original amount: $1,647,000

Debt service requirements to maturity, including interest:

Year ending December 31	Principal	Interest	Total
2019	$ 415,524	$ 6,648	$ 422,172
2020	315,543	1,616	317,159
	$ 731,067	$ 8,264	$ 739,331

8 – LONG TERM DEBT (continued)

S. 2017 Issuance 12-Year Lease Financing

Purpose: Acquisition of 47 buses and equipment
Interest rates: 2.2440%
Original amount: $24,390,000

Debt service requirements to maturity, including interest:

Year ending December 31	Principal	Interest	Total
2019	$ 1,835,389	$ 484,922	$ 2,320,311
2020	1,877,001	443,310	2,320,311
2021	1,919,557	400,754	2,320,311
2022	1,963,077	357,234	2,320,311
2023	2,007,585	312,726	2,320,311
2024-2028	10,741,663	859,891	11,601,554
2029	2,103,279	23,672	2,126,951
	$ 22,447,551	$ 2,882,509	$ 25,330,060

T. 2017 Issuance 5-Year Lease Financing

Purpose: Acquisition of 13 flex/paratransit vehicles
Interest rates: 1.8200%
Original amount: $1,444,000

Debt service requirements to maturity, including interest:

Year ending December 31	Principal	Interest	Total
2019	$ 283,932	$ 18,427	$ 302,359
2020	289,143	13,216	302,359
2021	294,449	7,910	302,359
2022	274,656	2,506	277,162
	$ 1,142,180	$ 42,059	$ 1,184,239

U. 2017 Issuance 4-Year Lease Financing

Purpose: Acquisition of 36 RideShare vans
Interest rates: 1.7700%
Original amount: $1,307,000 (**A vehicle was totaled and paid off in 2018, therefore principal was reduced by $28,893**)

Debt service requirements to maturity, including interest:

Year ending December 31	Principal	Interest	Total
2019	$ 314,520	$ 14,017	$ 328,538
2020	320,176	8,362	328,538
2021	297,713	2,648	300,361
	$ 932,409	$ 25,027	$ 957,431

NOTE 8 – LONG TERM DEBT (continued)

V. 2018 Issuance 12-Year Lease Financing

Purpose: Acquisition of 24 buses and 2 Trolley style buses
Interest rates: 3.295%
Original amount: $12,496,000

Debt service requirements to maturity, including interest:

Year ending December 31	Principal	Interest	Total
2019	$ 865,736	$ 396,411	$ 1,262,147
2020	894,697	367,450	1,262,147
2021	924,626	337,521	1,262,147
2022	955,557	306,590	1,262,147
2023	987,522	274,625	1,262,147
2024-2028	5,455,798	854,938	6,310,736
2029-2030	2,341,197	77,918	2,419,115
	$ 12,425,133	$ 2,615,453	$ 15,040,586

W. 2018 Issuance 5-Year Lease Financing

Purpose: Acquisition of 36 flex/paratransit vehicles
Interest rates: 3.057%
Original amount: $381,000

Debt service requirements to maturity, including interest:

Year ending December 31	Principal	Interest	Total
2019	$ 71,802	$ 10,467	$ 82,269
2020	74,028	8,241	82,269
2021	76,323	5,946	82,269
2022	78,689	3,580	82,269
2023	74,273	1,140	75,413
	$ 375,115	$ 29,374	$ 404,489

X. 2018 Issuance 4-Year Lease Financing

Purpose: Acquisition of 60 RideShare vans
Interest rates: 3.022%
Original amount: $1,500,000

Debt service requirements to maturity, including interest:

Year ending December 31	Principal	Interest	Total
2019	$ 359,099	$ 39,494	$ 398,593
2020	370,103	28,490	398,593
2021	381,444	17,149	398,593
2022	359,916	5,461	365,377
	$ 1,470,562	$ 90,594	$ 1,561,156

NOTE 8 – LONG TERM DEBT (continued)

Y. Capital Leased Assets

The following represents the assets acquired through the 2015, 2016, 2017 and 2018 series capital leases and the corresponding accumulated depreciation.

	2015 Series Leases	2016 Series Leases	2017 Series Leases	2018 Series Leases
Revenue vehicles				
12-year lease	$ 4,859,620	$ 2,480,000	$ 23,680,879	$ 9,245,110
5-year lease	3,626,139	3,719,002	-	-
4-year lease	1,587,375	1,647,000	1,267,806	275,397
Subtotal	10,073,134	7,846,002	24,948,685	9,520,507
Accumulated depreciation	(5,094,073)	(3,599,034)	(2,657,979)	(139,879)
Total capital assets (net)	$ 4,979,061	$ 4,246,968	$ 22,290,706	$ 9,380,628

NOTE 8 – LONG TERM DEBT (continued)

Long Term Debt Summary Table FY 2018

	Balance 12/31/2017	Additions	Reductions	Balance 12/31/2018	Amount due within one year
Bonds					
Series 2005A Revenue Bond	$ 8,635,000	$ -	$ (1,550,000)	$ 7,085,000	$ 1,635,000
Series 2006C Revenue Bond	112,845,000	-	(5,085,000)	107,760,000	5,350,000
Series 2007A Capital Appreciation	2,332,069	-	(2,332,069)	-	-
Series 2007A Current Interest Bond	124,020,000	-	(2,565,000)	121,455,000	2,710,000
Series 2008A Revenue Bond	54,295,000	-	-	54,295,000	5,885,000
Series 2009B Build America Bond	261,450,000	-	-	261,450,000	-
Series 2010A Build America Bond	200,000,000	-	-	200,000,000	-
Series 2012A Revenue Bond	171,600,000	-	-	171,600,000	-
Series 2015A Revenue Bond (Sr)	668,655,000	-	-	668,655,000	-
Series 2015A Revenue Bond (Sub)	192,005,000	-	-	192,005,000	-
Series 2016 Revenue Bond	126,780,000	-	-	126,780,000	-
Series 2016 Capital Appreciation	18,911,498	-	-	18,911,498	-
Series 2016 UTCT	65,000,000	960,616	-	65,960,616	-
Series 2017 Revenue Bond (Sub)	120,575,000	-	(120,575,000)	-	-
Series 2018 Revenue Bond (Sr)	-	83,765,000	-	83,765,000	1,500,000
Series 2018 Revenue Bond (Sub)	-	115,540,000	(1,645,000)	113,895,000	420,000
2015 12-Year Lease	4,323,227	-	(411,696)	3,911,531	420,447
2015 5-Year Lease	1,857,256	-	(711,383)	1,145,873	720,885
2015 4-Year Lease	636,293	-	(392,826)	243,467	231,295
2016 12-Year Lease	2,243,724	-	(192,520)	2,051,204	195,686
2016 5-Year Lease	3,437,053	-	(900,746)	2,536,307	912,006
2016 4-Year Lease	1,140,985	-	(409,918)	731,067	415,524
2017 12-Year Lease	24,390,000	-	(1,942,449)	22,447,551	1,835,389
2017 5-Year Lease	1,444,000	-	(301,821)	1,142,179	283,931
2017 4-Year Lease	1,307,000	-	(374,592)	932,408	314,520
2018 12-Year Lease	-	12,496,000	(70,867)	12,425,133	865,736
2018 5-Year Lease	-	381,000	(5,885)	375,115	71,802
2018 4-Year Lease	-	1,500,000	(29,439)	1,470,561	359,099
	2,167,883,105	214,642,616	(139,496,211)	2,243,029,510	24,126,320
Unamortized Premiums					
Series 2005A Revenue Bond	176,244	-	(63,865)	112,379	
Series 2006C Revenue Bond	6,866,239	-	(822,061)	6,044,178	
Series 2007A Current Interest Bond	6,224,106	-	(483,106)	5,741,000	
Series 2008A Revenue Bond	1,450,701	-	(332,679)	1,118,022	
Series 2012A Revenue Bond	14,013,078	-	(562,398)	13,450,680	
Series 2015A Revenue Bond (Sr)	95,034,418	-	(9,085,303)	85,949,114	
Series 2015A Revenue Bond (Sub)	28,420,439	-	(2,738,465)	25,681,975	
Series 2016 Revenue Bond	11,704,515	-	(935,741)	10,768,774	
Series 2018 Revenue Bond (Sr)	-	7,562,137	(319,290)	7,242,847	
Series 2018 Revenue Bond (Sub)		10,277,332	(275,359)	10,001,973	
	163,889,740	17,839,469	(15,618,267)	166,110,942	
Total Long Term Debt	$ 2,331,772,845	$ 232,482,085	$(155,114,478)	$ 2,409,140,452	$ 24,126,320

NOTE 8 – LONG TERM DEBT (continued)

Long Term Debt Summary Table FY 2017

	Balance 12/31/2016	Additions	Reductions	Balance 12/31/2017	Amount due within one year
Bonds					
Series 2005A Revenue Bond	$ 10,105,000	$ -	$ (1,470,000)	$ 8,635,000	$ 1,550,000
Series 2006C Revenue Bond	117,670,000	-	(4,825,000)	112,845,000	5,085,000
Series 2007A Capital Appreciation	2,332,069	-	-	2,332,069	-
Series 2007A Current Interest Bond	126,475,000	-	(2,455,000)	124,020,000	2,565,000
Series 2008A Revenue Bond	54,295,000	-	-	54,295,000	-
Series 2009B Build America Bond	261,450,000	-	-	261,450,000	-
Series 2010A Build America Bond	200,000,000	-	-	200,000,000	-
Series 2012A Revenue Bond	282,755,000	-	(111,155,000)	171,600,000	-
Series 2015A Revenue Bond (Sr)	668,655,000	-	-	668,655,000	-
Series 2015A Revenue Bond (Sub)	192,005,000	-	-	192,005,000	-
Series 2016 Revenue Bond	126,780,000	-	-	126,780,000	-
Series 2016 Capital Appreciation	18,911,498	-	-	18,911,498	-
Series 2016 UTCT	14,499,803	50,500,197	-	65,000,000	-
Series 2017 Revenue Bond (Sub)	-	120,575,000	-	120,575,000	-
2015 12-Year Lease	4,726,469	-	(403,242)	4,323,227	411,755
2015 5-Year Lease	2,559,388	-	(702,133)	1,857,256	711,447
2015 4-Year Lease	1,030,227	-	(393,934)	636,293	399,765
2016 12-Year Lease	2,433,129	-	(189,405)	2,243,724	192,520
2016 5-Year Lease	4,325,650	-	(888,597)	3,437,053	900,225
2016 4-Year Lease	1,546,418	-	(405,433)	1,140,985	410,448
2017 12-Year Lease	-	24,390,000	-	24,390,000	1,942,449
2017 5-Year Lease	-	1,444,000	-	1,444,000	301,820
2017 4-Year Lease	-	1,307,000	-	1,307,000	344,899
	2,092,554,651	198,216,197	(122,887,744)	2,167,883,105	14,815,328
Unamortized Premiums					
Series 2005A Revenue Bond	254,368	-	(78,125)	176,244	
Series 2006C Revenue Bond	7,742,907	-	(876,667)	6,866,239	
Series 2007A Current Interest Bond	6,726,090	-	(501,982)	6,224,106	
Series 2008A Revenue Bond	1,783,381	-	(332,679)	1,450,701	
Series 2012A Revenue Bond	24,557,337	-	(10,544,259)	14,013,078	
Series 2015A Revenue Bond (Sr)	104,119,722	-	(9,085,303)	95,034,418	
Series 2015A Revenue Bond (Sub)	31,158,903	-	(2,738,465)	28,420,439	
Series 2016 Revenue Bond	12,640,256	-	(935,741)	11,704,515	
	188,982,964	-	(25,093,221)	163,889,740	
Total Long Term Debt	$ 2,281,537,615	$ 198,216,197	$(147,980,965)	$ 2,331,772,845	$ 14,815,328

NOTE 9 – 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.

As of December 31, 2018, the Authority also has purchasing commitments for several capital projects. The largest of these commitments are as follows:

- $66.3 million Depot District
- $ 8.7 million Bus Replacements
- $ 5.9 million Sandy Civic Center Parking Structure
- $ 5.2 million Electric Bus Implementation
- $ 3.8 million TRAX Airport Relocation Design
- $ 2.0 million Positive Train Control

NOTE 10 –SUBSEQUENT EVENTS

The Authority has no subsequent events to report and has performed an evaluation of subsequent events through June 4, 2019 which is the date the basic financial statements were available to be issued.

Required Supplementary Information

For Fiscal Years Ended
December 31, 2018 and 2017

UTA
UTAH TRANSIT AUTHORITY

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

	2018	2017	2016	2015	2014
Total Pension Liability					
Service cost	$ 9,550,863	$ 8,368,262	$ 7,711,706	$ 7,545,807	$ 7,284,379
Interest on total pension liability	21,512,781	20,368,031	19,604,345	18,717,411	17,623,248
Voluntary member contributions	223,572	697,576	437,923	916,567	275,663
Gains or losses	4,893,150	4,915,564	(927,077)	(1,973,177)	-
Assumption changes or inputs	-	5,079,447	(3,955,702)	7,725,363	-
Benefits paid	(15,474,819)	(13,008,142)	(12,980,615)	(11,554,824)	(10,181,732)
Net change in total pension liability	20,705,547	26,420,738	9,890,580	21,377,147	15,001,558
Total pension liability - beginning	305,381,116	278,960,378	269,069,798	247,692,651	232,691,093
Total pension liability - ending (a)	326,086,663	305,381,116	278,960,378	269,069,798	247,692,651
Plan Fiduciary Net Position					
Contributions - employer	$ 22,355,434	$ 20,506,163	$ 19,603,952	$ 16,745,254	$ 15,366,694
Contributions - members	223,572	697,576	437,923	916,567	275,663
Net investment income	(16,629,921)	30,598,620	7,591,211	(1,085,458)	5,946,916
Benefits paid	(15,474,819)	(13,008,142)	(12,980,615)	(11,554,824)	(10,181,732)
Administrative expense	(440,279)	(324,912)	(249,141)	(244,011)	(219,504)
Net change in plan fiduciary net position	(9,966,013)	38,469,305	14,403,330	4,777,528	11,188,037
Plan fiduciary net position - beginning	204,504,562	166,035,257	151,631,927	146,854,399	135,666,362
Plan fiduciary net position - ending (b)	194,538,549	204,504,562	166,035,257	151,631,927	146,854,399
Net pension liability / (asset) - ending (a-b)	$ 131,548,114	$100,876,554	$112,925,121	$ 117,437,871	$ 100,838,252
Plan fiduciary net position as a percentage of the total pension liability	59.66%	66.97%	59.50%	56.40%	59.29%
Projected covered employee payroll	$ 132,521,079	$126,690,540	$115,430,618	$ 110,727,134	$ 106,004,057
Net pension liability as a percentage of covered employee payroll	99.27%	79.62%	97.83%	106.06%	95.13%

This schedule is intended to present 10 years of information. Subsequent years will be added as the information becomes available.

STATEMENT OF REQUIRED EMPLOYER CONTRIBUTION – 10 YEARS

Year	Actuarial Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Projected Covered Employee Payroll	Contribution as Percentage of Covered Payroll
2018	$21,203,373	$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%
2010	10,047,874	10,047,874	-	93,259,215	10.77%
2009	10,658,339	10,658,339	-	88,834,546	12.00%

MONEY-WEIGHTED RATE OF RETURN – 10 YEARS

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
2018	-7.77%
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.

NOTE 1 – VALUATION DATE

The valuation date is January 1, 2018. This is the date as of which the actuarial valuation is performed. The measurement date is December 31, 2018. This is the date as of which the net pension liability is determined. The reporting date is December 31, 2018. This is the employer's fiscal year ending date.

NOTE 2 – METHODS AND ASSUMPTIONS USED TO DETERMINE CONTRIBUTION RATES

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, open
Remaining amortization period	18 years
Asset valuation method	5-year smoothed market less unrealized
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	7.00%, 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

Supplementary Schedules

For Fiscal Years Ended
December 31, 2018 and 2017

UTA
UTAH TRANSIT AUTHORITY

UTAH TRANSIT AUTHORITY
SUPPLEMENTARY SCHEDULE (Unaudited)
Years Ended December 31, 2018 and 2017

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION BUDGET (Non-GAAP Budget Basis) AND ACTUAL

	2018 Budget	2018 Actual	Favorable (Unfavorable)
Revenues			
Contributions from other gov'ts, sales tax	$278,909,000	$282,933,591	$4,024,591
Federal preventative maintenance grants	60,827,000	61,820,668	993,668
Passenger revenues	50,337,000	52,051,892	1,714,892
Advertising	2,483,000	2,412,500	(70,500)
Investment income	3,732,000	6,525,872	2,793,872
Other income	6,772,000	8,155,668	1,383,668
Total revenues	403,060,000	413,900,191	10,840,191
Operating Expenses			
Bus services	$97,522,000	$96,719,747	$802,253
Rail services	76,339,000	75,157,087	1,181,913
Paratransit services	23,010,000	21,858,532	1,151,468
Other services (less non-operating)	3,210,000	3,056,191	153,809
Operations support	45,154,000	45,557,749	(403,749)
Administration (less non-operating)	32,394,000	34,784,200	(2,390,200)
Total operating expenses	277,629,000	277,133,506	495,494
Non-Operating Expenses (Revenues)			
Interest expense	104,777,000	91,000,388	13,776,612
Principal	9,200,000	10,845,000	(1,645,000)
Non-operating	5,505,000	4,809,747	695,253
Total non-operating expenses	119,482,000	106,655,135	12,826,865
Total Operating and Non-Operating Expenses	$397,111,000	$383,788,641	$13,322,359
Capital Expenses (Revenues)			
Federal and local grants	($56,114,493)	($31,585,904)	($24,528,589)
Local contributions	(14,318,487)	(12,151,003)	(2,167,484)
Capital lease	(21,163,045)	-	(21,163,045)
Bonds	(50,877,399)	-	(50,877,399)
Project Expenses	191,178,829	124,693,500	66,485,329
Total capital expenses (revenues)	$48,705,405	$80,956,593	($32,251,188)
Project Expenses-less transfers to Capital Assets in 2018		(86,039,389)	
Capital Maintenance Projects		38,654,111	
Total Revenues (Operating and Capital)		457,637,098	
- Less Total Expenses (Operating, Non-Operating, and Capital (after Capitalization)		(422,442,752)	
- Less Depreciation Expense		(80,565,077)	
- Less Non-Cash Capital Contributions		20,142,932	
+ Plus Principal Payments on Long-term Debt		10,845,000	
Change in Net Position (Statement of Revenues, Expenses, and Changes in Net Position)		$ (14,382,799)	

Statistical

For Fiscal Years Ended
December 31, 2018 and 2017

UTA
UTAH TRANSIT AUTHORITY

NET POSITION AS OF December 31 - 10 years

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Capital Investment in Net Assets	$ 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	$ 1,133,832,808	$ 953,013,398
Restricted	132,734,222	89,153,732	67,415,969	78,064,113	62,860,625	7,252,625	3,952,493	3,929,644	4,071,242	3,813,103
Unrestricted	18,914,155	10,247,844	71,467,610	76,467,063	137,910,343	242,267,181	304,753,885	276,960,064	505,464,819	527,478,988
Total Net Position	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	1,643,368,869	1,484,305,489
Restatement	-	-	-	(9,497,521)	(115,047,267)	4,931,557	-	-	-	-
Total Net Position, Restated	$ 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	$ 1,643,368,869	$ 1,484,305,489

CHANGE IN NET POSITION - 10 YEARS

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Operating Revenues	$ 54,464,392	$ 54,525,870	$ 52,891,021	$ 54,346,242	$ 53,761,223	$ 52,044,200	$ 46,422,916	$ 41,527,090	$ 36,893,396	$ 35,163,780
Operating Expenses	401,161,541	427,777,940	422,543,342	394,062,733	398,626,029	378,224,993	319,322,223	288,531,160	257,267,580	255,931,379
Operating loss	(346,697,149)	(373,252,070)	(369,652,321)	(339,716,491)	(344,864,806)	(326,180,793)	(272,899,307)	(247,004,070)	(220,374,184)	(220,767,599)
Non-Operating Revenues	268,435,411	246,722,487	226,957,532	209,462,264	182,843,232	173,520,664	200,370,290	205,877,440	219,663,490	220,089,438
Income (loss) before capital contributions	(78,261,738)	(126,529,583)	(142,694,789)	(130,254,227)	(162,021,574)	(152,660,129)	(72,529,017)	(41,126,630)	(710,694)	(678,161)
Capital contributions	63,879,839	57,063,288	20,164,612	9,068,708	11,389,311	56,255,200	98,811,340	44,985,270	159,744,074	275,609,643
Change in net position	$ (14,381,899)	$ (69,466,295)	$ (122,530,177)	$ (121,185,519)	$ (150,632,263)	$ (96,404,929)	$ 26,282,323	$ 3,858,640	$ 159,033,380	$ 274,931,482

Revenue History by Source - 10 Years

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Operating	$ 54,464,392	$ 54,525,870	$ 52,891,021	$ 54,346,242	$ 53,761,223	$ 52,044,200	$ 46,422,916	$ 41,527,090	$ 36,893,396	$ 35,163,780
Sales taxes	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	171,854,169
Investment	6,525,872	2,873,787	1,732,939	2,831,406	5,803,226	1,455,039	1,892,549	3,672,397	3,827,161	9,389,045
Other	8,155,668	3,954,893	3,108,191	8,314,065	3,724,610	4,347,724	2,351,713	3,483,140	2,929,254	2,797,757
	352,079,523	327,125,325	302,740,568	293,194,736	277,972,335	261,653,292	247,360,721	231,774,151	215,543,543	219,204,751
Federal Grants										
Federal Preventative Maintenance Grants	61,820,668	62,313,994	59,772,235	49,452,677	47,760,737	47,986,240	46,719,891	47,735,443	46,500,000	44,974,000
Federal Planning Grants		-	3,562,534	2,547,335	2,994,139	3,868,252	1,985,766	11,583,980	12,637,764	15,224,723
Federal Capital Grants	31,585,104	53,960,024	17,054,298	7,819,096	8,025,628	48,669,408	85,168,542	44,864,016	156,727,641	256,527,803
	93,405,772	116,274,018	80,389,067	59,819,108	58,780,504	100,523,900	133,874,199	104,183,439	215,865,405	316,726,526
Other Capital Contributions	32,293,935	3,103,264	3,110,314	1,249,612	3,363,683	7,585,792	13,642,798	121,254	3,046,433	19,081,840
	$ 477,779,230	$ 446,502,607	$ 386,239,949	$ 354,263,456	$ 340,116,522	$ 369,762,984	$ 394,877,718	$ 336,078,844	$ 434,455,381	$ 555,013,117

Expense History by Function - 10 Years

	2018	2018	2016	2015	2014	2013	2012	2011	2010	2009
Bus Service	$ 96,719,747	$ 88,928,063	$ 85,841,973	$ 77,092,676	$ 79,060,631	$ 78,894,435	$ 78,894,799	$ 81,208,651	$ 79,522,988	$ 79,054,373
Rail Service	75,157,087	72,895,607	84,165,069	67,254,632	70,365,953	61,086,101	46,049,338	38,135,480	33,787,601	34,681,800
Paratransit Service	21,858,532	19,572,367	19,341,116	18,511,580	18,748,699	18,202,211	17,516,117	16,054,555	14,570,401	14,595,021
Other Service	3,056,191	2,982,176	2,949,643	2,918,871	3,183,892	701,656	596,583	535,897	589,356	517,571
Operations Support	45,557,749	41,932,571	37,831,682	32,051,926	28,380,563	28,439,826	25,247,271	21,643,830	23,147,075	26,083,512
Administration [1]	39,593,947	31,423,844	38,840,643	35,189,725	35,409,918	28,533,912	26,664,222	26,340,573	22,286,055	26,105,521
Capital Maintenance Projects	38,654,111	20,602,425	-	-	-	-	-	-	-	-
Depreciation	80,565,077	149,440,887	153,573,216	161,043,323	163,476,373	162,366,852	124,353,893	104,612,174	83,364,104	74,893,581
Interest [2]	91,000,388	88,190,962	85,415,870	80,575,328	91,311,842	87,132,004	48,462,258	42,878,130	17,313,507	23,050,963
Recoverable Sales Tax, Interlocal [3]	810,914	810,914	810,914	810,914	810,914	810,914	810,914	810,914	810,914	1,099,293
	$ 492,973,743	$ 516,779,816	$ 508,770,126	$ 475,448,975	$ 490,748,785	$ 466,167,911	$ 368,595,395	$ 332,220,204	$ 275,392,001	$ 280,081,635

[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

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Box Elder [1]	$ 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	$ 1,297,586
Davis	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	17,091,892
Salt Lake	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	112,076,511
Tooele [2]	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	1,136,816
Utah	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	25,222,227
Weber	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	15,029,137
	$ 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	$ 171,854,169

[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

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Box Elder	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%	0.5500%	0.5500%	0.5500%	0.5500%	0.5500%	0.5500%	0.5500%
Salt Lake	0.6875%	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%	0.3000%	0.3000%	0.3000%	0.3000%	0.3000%	0.3000%	0.3000%
Utah	0.5260%	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%	0.5500%	0.5500%	0.5500%	0.5500%	0.5500%	0.5500%	0.5500%

PRINCIPAL CONTRIBUTORS OF SALES TAX BY COUNTY - 2009 and 2018

	2018			2009		
	Rank	Percentage of contributions	Amount	Rank	Percentage of contributions	Amount
Salt Lake County	1	61.75%	$ 174,704,191	1	65.22%	$ 112,076,511
Utah County	2	16.14%	45,665,232	2	14.68%	25,222,227
Davis County	3	11.27%	31,883,835	3	9.95%	17,091,892
Weber County	4	9.18%	25,966,836	4	8.75%	15,029,137
Box Elder County	5	0.67%	1,898,308	5	0.76%	1,297,586
Tooele County	6	1.00%	2,815,189	6	0.66%	1,136,816
			$ 282,933,591			$ 171,854,169

FARES - 10 Years

	2018	2017	2016	2015	2014	2013	2012 (4/1/12)	2011 (5/1/11)	2010 (11/1/10)	2009 (4/1/09)
Cash Fares										
Base Fare	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.35	$ 2.25	$ 2.00	$ 2.00
Senior Citizen/Disabled	1.25	1.25	1.25	1.25	1.25	1.25	1.15	1.10	1.00	1.00
Ski Bus	4.50	4.50	4.50	4.50	4.50	4.50	4.25	4.00	3.50	3.50
Paratransit (Flextrans)	4.00	4.00	4.00	4.00	4.00	4.00	3.50	2.75	2.50	2.50
Commuter Rail Base Rate	2.50	2.50	2.50	2.50	2.50	2.50	2.35	2.25	2.00	3.00
Commuter Rail Additional Station	0.60	0.60	0.60	0.60	0.60	0.60	0.55	0.50	0.50	0.50
Commuter Rail Maximum Rate	10.30	10.30	10.30	10.30	10.30	10.30	5.10	5.25	5.00	6.00
Express	5.50	5.50	5.50	5.50	5.50	5.50	5.25	5.00	4.50	4.50
Streetcar	1.00	1.00	1.00	1.00	1.00	1.00	n/a	n/a	n/a	n/a
Monthly Passes										
Adult	$ 83.75	$ 83.75	$ 83.75	$ 83.75	$ 83.75	$ 83.75	$ 78.50	$ 75.00	$ 67.00	$ 67.00
Minor	62.75	62.75	62.75	62.75	62.75	62.75	58.75	56.25	49.75	49.75
College Student	62.75	62.75	62.75	62.75	62.75	62.75	58.75	56.25	49.75	49.75
Senior Citizen/Disabled	41.75	41.75	41.75	41.75	41.75	41.75	39.25	37.50	33.50	33.50
Express	198.00	198.00	198.00	198.00	198.00	198.00	189.00	180.00	162.00	162.00
Paratransit	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	84.00
Other Fares										
Day Pass	$ 6.25	$ 6.25	$ 6.25	$ 6.25	$ 6.25	$ 6.25	$ 5.75	$ 5.50	$ 5.00	$ 5.00
Group Pass	15.00	15.00	15.00	15.00	15.00	15.00	14.00	13.50	12.00	13.75
Summer Youth	99.00	99.00	99.00	99.00	99.00	n/a	n/a	n/a	n/a	99.50
Token - 10-Pack	22.50	22.50	22.50	22.50	22.50	22.50	21.00	20.25	17.75	17.75
Paratransit - 10-Ride Ticket	40.00	40.00	40.00	40.00	40.00	40.00	35.00	30.00	25.00	22.00
Paratransit - 30-Ride Ticket	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	54.00
Ski Day Pass	n/a	n/a	n/a	n/a	n/a	n/a	n/a	8.00	7.00	7.00

DEBT SERVICE COVERAGE - 10 YEARS

Fiscal Year	Bonds Principle	Bonds Interest	Sales Taxes Collected (less Proposition 1)	Coverage Ratio of Sales Taxes	Personal Income of UTA Service Area	Percentage of Personal Income	Per Capita
2009	$ 6,665,000	$ 59,841,145	$ 171,854,169	2.58	$ 71,636,728,000	0.09%	$ 30.81
2010	6,960,000	63,782,164	171,893,732	2.43	73,036,786,000	0.10%	32.13
2011	7,300,000	71,932,011	183,091,524	2.31	77,738,053,000	0.10%	35.48
2012	7,615,000	71,837,998	196,693,543	2.48	82,025,459,000	0.10%	35.05
2013	7,450,000	84,319,531	203,806,329	2.22	85,916,480,000	0.11%	39.83
2014	7,810,000	91,382,184	214,683,276	2.16	89,319,546,000	0.11%	42.46
2015	11,445,000	84,785,200	227,703,023	2.37	93,617,901,000	0.10%	40.48
2016	13,570,000	94,893,898	238,584,981	2.20	103,831,295,168	0.10%	44.00
2017	8,750,000	77,765,121	256,742,750	2.97	109,771,147,642	0.08%	34.80
2018	10,845,000	89,110,270	273,007,256	2.73	n/a	n/a	n/a

Source: Note 8
Note: Does not include Utah County Provo Orem BRT debt
2018 income numbers not available as of June 2019

DEMOGRAPHIC AND ECONOMIC STATISTICS - 10 YEARS

Fiscal Year	Estimated Population	Personal Income in UTA Service Area	Per Capita Personal Income	Unemployment Rate	
2009	2,158,269	$71,636,728,000	$33,192	6.0%	
2010	2,201,736	73,036,786,000	33,172	7.5%	
2011	2,233,268	77,738,053,000	34,809	6.0%	
2012	2,266,836	82,025,459,000	36,185	5.6%	
2013	2,303,781	85,916,480,000	37,294	3.5%	
2014	2,335,999	89,319,546,000	38,236	3.5%	
2015	2,377,256	93,617,901,000	39,381	3.4%	
2016	2,418,075	103,772,062,000	42,915	3.1%	Percentage of Utah
2017	2,463,015	108,805,744,000	44,176	3.0%	79.40%
2018	n/a	n/a	n/a	3.0%	

Source: US Dept of Commerce, Bureau of Economic Analysis, Regional Data (www.bea.gov)
Unemployment rate- Utah Department of Workforce Services
2018 statistic not available as of June 2019

PRINCIPAL EMPLOYERS - 2009 and 2017

		2017				2009		
Employer	Industry	Employees	Rank	% Total Employment	Employer	Employees	Rank	% Total Employment
Intermountain Healthcare	Health Care	20,000 +	1	1.3%	Intermountain Healthcare	15,250-20,498	1	1.5%
University of Utah (inc. Hospital)	Higher Education	20,000 +	1	1.3%	State of Utah	14,700-22,494	4	1.4%
State of Utah	State Government	20,000 +	1	1.3%	University of Utah	15,000-19,999	2	1.5%
Brigham Young University	Higher Education	15,000-19,999	4	1.0%	Brigham Young University	15,000-19,999	2	1.5%
Wal-Mart Associates	Warehouse Clubs/Supercenters	15,000-19,999	4	1.0%	Wal Mart Stores	9,250-14,494	6	0.9%
Hill Air Force Base	Federal Government	10,000-14,999	6	0.7%	Hill Air Force Base	10,000-14,494	5	1.0%
Utah State University	Higher Education	7,000-9,999	7	0.5%				
Davis County School District	Public Education	7,000-9,999	7	0.5%	Davis County School District	7,000-9,999	7	0.7%
Granite School District	Public Education	7,000-9,999	7	0.5%	Granite School District	7,000-9,999	7	0.7%
Smith's Food and Drug Centers	Grocery Stores	7,000-9,999	7	0.5%				
Alpine School District	Public Education	7,000-9,999	7	0.5%	Alpine School District	5,000-6,999	10	0.5%
Jordan School District	Public Education	5,000-6,999	8	0.3%	Jordan School District	7,000-9,999	7	0.7%
Salt Lake County	Local Government	5,000-6,999	8	0.3%	Salt Lake County	5,000-6,999	10	0.5%
U.S. Postal Service	Federal Government	5,000-6,999	8	0.3%				
Utah Valley University	Higher Education	5,000-6,999	8	0.3%				
Total Employment				1,510,208				1,020,408

Source: Department of Workforce Services
Largest Employers by County https://jobs.utah.gov/wi/data/firm/majoremployers.html
Annual Report of Labor Market Information https://jobs.utah.gov/wi/pubs/em/annual/current/index.html
2018 data not available at time of report

FULL-TIME EQUIVALENT AUTHORITY EMPLOYEES - 10 YEARS

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Bus operations	1039	1030	1028	951	945	911	963	950	998	1023
Rail operations	573	580	563	527	542	526	506	425	335	314
Paratransit operations	203	191	191.5	188	183	176	168	168	140	141
Other services	9	9	9	12	10	10	12	11	11	11
Support services	412	365	366	349	323	335	293	284	239	249
Administration	212	243	212	210	207	195	217	224	238	242
Total	2447	2417	2368	2237	2210	2153	2159	2062	1961	1980

Source: Budget document

TREND STATISTICS - 10 YEARS

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Passengers										
Bus service	19,624,935	19,749,855	20,033,242	20,560,068	20,165,174	19,695,711	21,222,669	21,560,358	21,716,864	20,657,019
Rail service	22,981,884	23,677,677	23,765,873	24,349,674	24,337,451	22,814,274	19,421,608	16,944,264	14,790,418	14,707,601
Paratransit service	394,816	386,977	389,019	388,169	372,499	383,453	715,034	683,336	509,625	500,242
Vanpool service	1,174,696	1,264,410	1,333,780	1,423,675	1,404,285	1,387,816	1,446,766	1,417,183	1,346,949	1,353,697
Total passengers	44,176,331	45,078,919	45,521,914	46,721,586	46,279,409	44,281,254	42,806,077	40,605,141	38,363,856	37,218,559
Revenue Miles										
Bus service	17,911,404	17,454,404	15,462,834	15,367,510	15,660,520	15,706,028	15,091,645	15,869,340	16,412,862	16,777,762
Rail service	12,084,767	12,082,292	12,070,277	11,988,005	11,784,146	11,681,251	7,905,460	6,019,693	5,312,506	5,568,699
Paratransit service	2,798,928	2,727,127	2,505,343	2,293,887	2,513,535	2,932,842	3,252,193	4,094,325	2,799,362	2,928,929
Vanpool service	6,354,828	6,449,439	6,518,150	6,734,487	6,859,802	7,053,191	7,553,978	8,042,756	7,342,322	7,800,016
Total Revenue Miles	39,149,927	38,713,262	36,556,604	36,383,889	36,818,003	37,373,312	33,803,276	34,026,114	31,867,052	33,075,406
Total Miles										
Bus service	20,247,617	19,899,364	17,511,624	17,662,486	17,864,847	17,191,018	16,553,983	17,416,367	18,820,702	19,342,359
Rail service	12,285,634	12,202,976	12,189,876	12,368,934	11,814,332	11,773,929	7,987,022	6,073,807	5,365,270	5,626,707
Paratransit service	3,376,772	3,263,607	3,254,559	3,192,367	2,844,468	3,493,247	4,088,027	5,256,369	3,473,129	3,637,806
Vanpool service	6,354,828	6,449,439	6,518,150	6,734,487	6,859,802	7,053,191	7,553,978	8,042,756	7,342,322	7,800,016
Total miles	42,264,851	41,815,386	39,474,209	39,958,274	39,383,449	39,511,385	36,183,010	36,789,299	35,001,423	36,406,888
Passengers per Mile										
Bus service	1.10	1.13	1.30	1.34	1.29	1.25	1.41	1.36	1.32	1.23
Rail service	1.90	1.96	1.97	2.03	2.07	1.95	2.46	2.81	2.78	2.64
Paratransit service	0.14	0.14	0.16	0.17	0.15	0.13	0.22	0.17	0.18	0.17
Vanpool service	0.18	0.20	0.20	0.21	0.20	0.20	0.19	0.18	0.18	0.17
Ttl. Passengers per Revenue Mile	1.13	1.16	1.25	1.28	1.26	1.18	1.27	1.19	1.20	1.13
Revenue Hours										
Bus service	1,284,186	1,258,448	1,087,055	1,070,139	1,108,894	933,662	834,985	866,268	897,294	904,282
Rail service	527,187	513,389	511,082	506,233	487,435	641,914	536,066	388,826	295,227	374,300
Paratransit service	180,342	162,198	162,734	160,383	164,527	191,016	227,013	300,760	201,994	211,369
Total revenue hours	1,991,715	1,934,035	1,760,871	1,736,755	1,760,856	1,766,592	1,598,064	1,555,854	1,394,515	1,489,951
Passengers per Revenue Hour										
Bus service	15.28	15.69	18.43	19.21	18.18	21.10	25.42	24.89	24.20	22.84
Rail service	43.59	46.12	46.50	48.10	49.93	35.54	36.23	43.58	50.10	39.29
Paratransit service	2.19	2.39	2.39	2.42	2.26	2.01	3.15	2.27	2.52	2.37
Total passengers per mile	21.59	22.65	25.09	26.08	25.48	24.28	25.88	25.19	26.54	24.07
Total System										
Fare revenue	$48,122,586	$52,159,202	$50,624,354	$52,112,909	$51,461,223	$49,977,533	$44,489,583	$39,693,757	$35,160,063	$33,530,449
Operating expense	$300,954,051	$257,734,612	$268,970,126	$242,516,933	$235,149,656	$215,858,141	$194,968,330	$183,918,986	$173,903,476	$181,037,798
Cost per revenue mile	$7.69	$6.66	$7.36	$6.67	$6.39	$5.78	$5.77	$5.41	$5.46	$5.47
Cost per passenger	$6.81	$5.72	$5.91	$5.19	$5.08	$4.87	$4.55	$4.53	$4.53	$4.86
Fare revenue per passenger	$1.09	$1.16	$1.11	$1.12	$1.11	$1.13	$1.04	$0.98	$0.92	$0.90

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

OPERATING INDICATORS AND CAPITAL ASSETS - 10 YEARS

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Number of bus routes*	114	119	125	126	121	119	125	119	127	128
Number of rail routes										
Light rail	4	4	4	4	4	4	3	3	3	3
Commuter rail	1	1	1	1	1	1	1	1	1	1
Bus Service Miles (weekday)	57,378	56,162	53,612	49,625	51,629	55,733	64,186	64,493	67,012	68,537
Rail Service Miles (weekday)										
Light Rail	8,853	8,814	8,815	8,828	8,547	8,216	6,978	5,107	3,910	3,684
commuter Rail	4,664	4,623	4,627	4,651	4,638	4,488	2,390	2,327	2,469	2,725
Average Passengers (weekday)	151,901	156,288	155,873	161,862	161,339	152,644	152,934	142,186	134,736	141,047
Buses	561	582	567	555	535	493	570	495	496	501
Paratransit vehicles (buses/vans)	182	148	129		84	113	110	112	96	101
Rail vehicles										
Light rail	146	146	146	146	146	146	122	122	55	55
Commuter rail	81	81	81	81	81	81	57	55	37	37
Vanpool vehicles	453	453	503	495	479	470	494	485	414	403
Park and ride lots[1]			46	41						
Rail Park and Ride	42	42								
Non-Rail and and ride	12	12								
Bus Stops	6,100	6,100	6,196	6,250	6,250	6,273	6,333	6,600	6,645	6,410
Rail Statils										
Light Rail	57	57	57	57	51	51	41	41	28	28
Commuter Rail	16	16	16	16	16	16	16	7	8	8

* Including flex

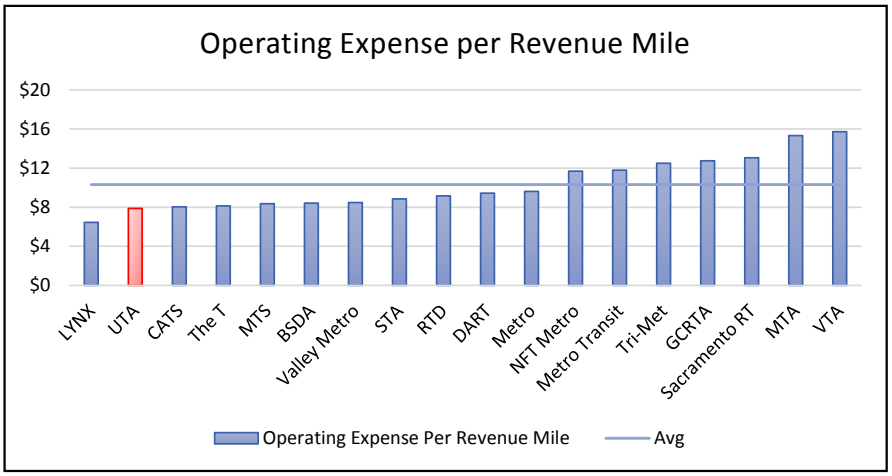
[1] As of 2017 started distinguishing between rail and non rail park and ride lots

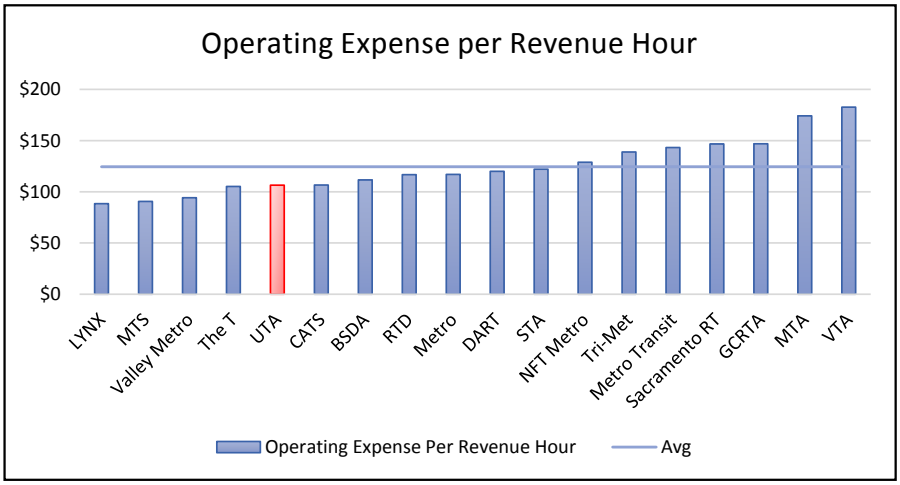
PERFORMANCE MEASURES - BUS SERVICE

The following charts contain information from the Federal Transit Administration's National Transit Database (NTD)) for the most recent year available (2017), 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	$ 7.88	$ 106.47
Baltimore, MD	MTA	15.33	174.13
Buffalo, NY	NFT Metro	11.69	128.85
Charlotte, NC	CATS	8.04	106.62
Cleveland, OH	GCRTA	12.75	146.88
Dallas, TX	DART	9.44	119.99
Denver, CO	RTD	9.16	116.73
Ft Worth, TX	The T	8.13	105.21
Houston, TX	Metro	9.62	116.98
Minneapolis, MN	Metro Transit	11.79	143.21
Orlando, FL	LYNX	6.45	88.41
Phoenix, AZ	Valley Metro	8.48	94.20
Portland, OR	Tri-Met	12.50	138.86
Sacramento, CA	Sacramento RT	13.06	146.68
San Diego	MTS	8.36	90.60
San Jose, CA	VTA	15.73	182.65
Spokane, WA	STA	8.85	122.07
St Louis, MO	BSDA	8.42	111.58
Average		$ 10.32	$ 124.45
Maximum		15.73	182.65
Minimum		6.45	88.41
Standard Deviation		2.69	26.69

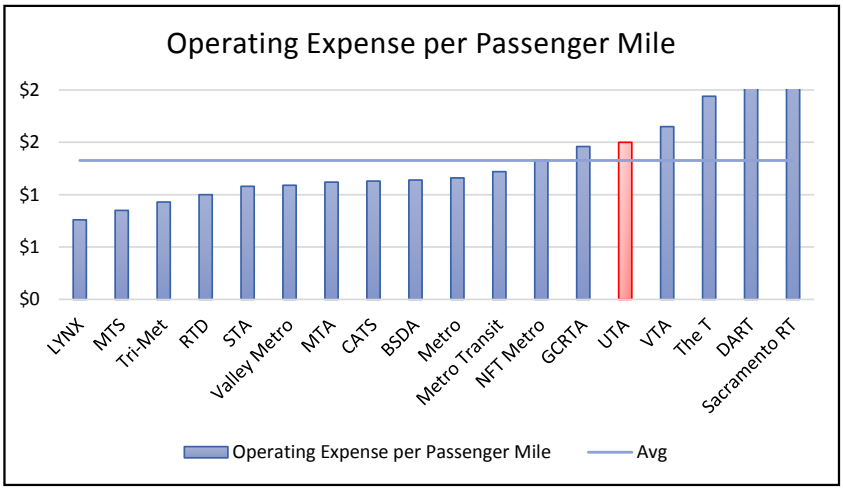


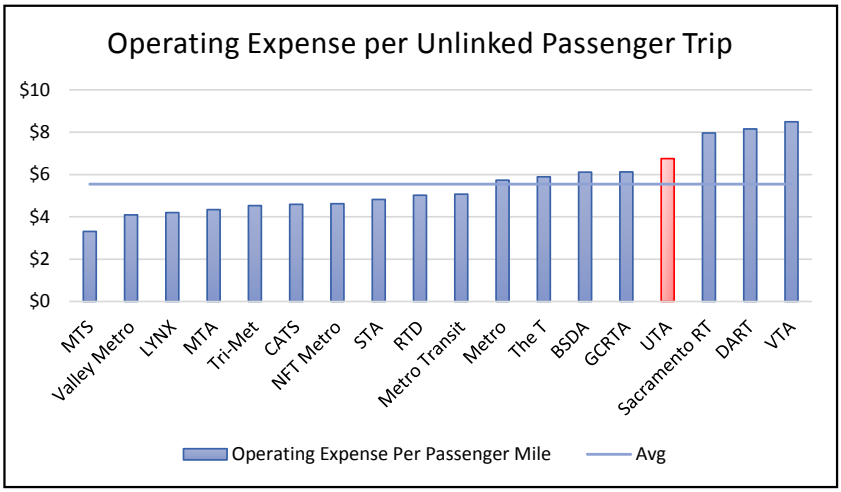


PERFORMANCE MEASURES - BUS SERVICE (continued)

Cost Effectiveness

City	Agency	Operating Expense per Passenger Mile	Operating Expense per Unlinked Passenger Trip
Salt Lake City, UT	UTA	$ 1.50	$ 6.75
Baltimore, MD	MTA	1.12	4.34
Buffalo, NY	NFT Metro	1.33	4.62
Charlotte, NC	CATS	1.13	4.59
Cleveland, OH	GCRTA	1.46	6.12
Dallas, TX	DART	2.22	8.15
Denver, CO	RTD	1.00	5.02
Ft Worth, TX	The T	1.94	5.89
Houston, TX	Metro	1.16	5.73
Minneapolis, MN	Metro Transit	1.22	5.07
Orlando, FL	LYNX	0.76	4.20
Phoenix, AZ	Valley Metro	1.09	4.09
Portland, OR	Tri-Met	0.93	4.53
Sacramento, CA	Sacramento RT	2.30	7.96
San Diego	MTS	0.85	3.31
San Jose, CA	VTA	1.65	8.49
Spokane, WA	STA	1.08	4.82
St Louis, MO	BSDA	1.14	6.11
Average		$ 1.33	$ 5.54
Maximum		2.30	8.49
Minimum		0.76	3.31
Standard Deviation		0.44	1.49

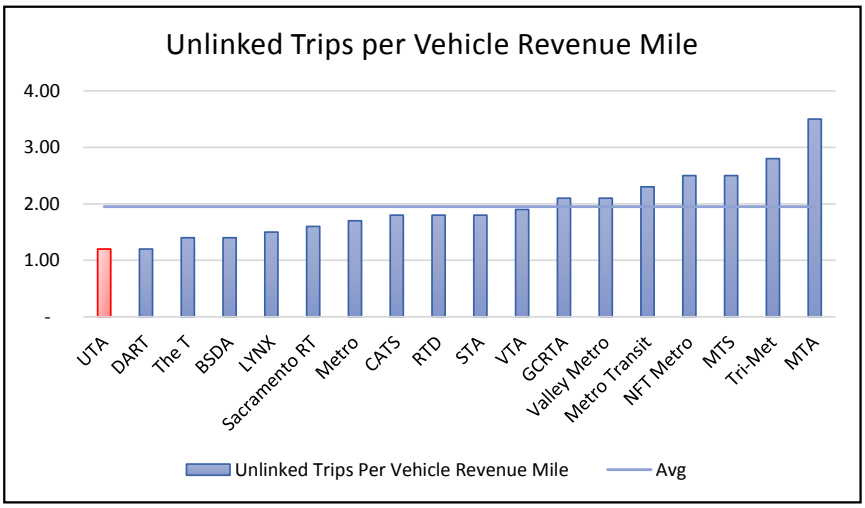


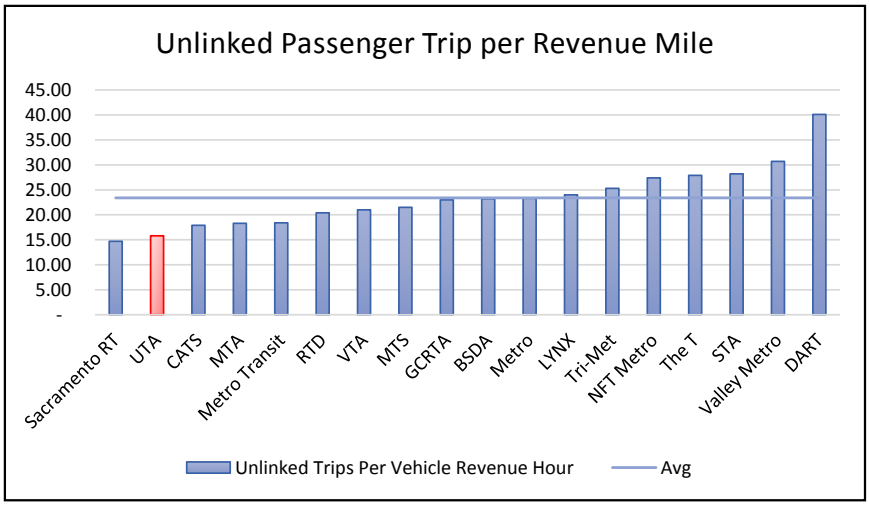


PERFORMANCE MEASURES - BUS SERVICE (continued)

Service Effectiveness

City	Agency	Unlinked Passenger Trips per Vehicle Revenue Mile	Unlinked Passenger Trips per Vehicle Revenue Hour
Salt Lake City, UT	UTA	1.20	15.80
Baltimore, MD	MTA	3.50	40.10
Buffalo, NY	NFT Metro	2.50	27.90
Charlotte, NC	CATS	1.80	23.20
Cleveland, OH	GCRTA	2.10	24.00
Dallas, TX	DART	1.20	14.70
Denver, CO	RTD	1.80	23.30
Ft Worth, TX	The T	1.40	17.90
Houston, TX	Metro	1.70	20.40
Minneapolis, MN	Metro Transit	2.30	28.20
Orlando, FL	LYNX	1.50	21.00
Phoenix, AZ	Valley Metro	2.10	23.00
Portland, OR	Tri-Met	2.80	30.70
Sacramento, CA	Sacramento RT	1.60	18.40
San Diego	MTS	2.50	27.40
San Jose, CA	VTA	1.90	21.50
Spokane, WA	STA	1.80	25.30
St Louis, MO	BSDA	1.40	18.30
Average		1.95	23.39
Maximum		3.50	40.10
Minimum		1.20	14.70
Standard Deviation		0.60	6.08



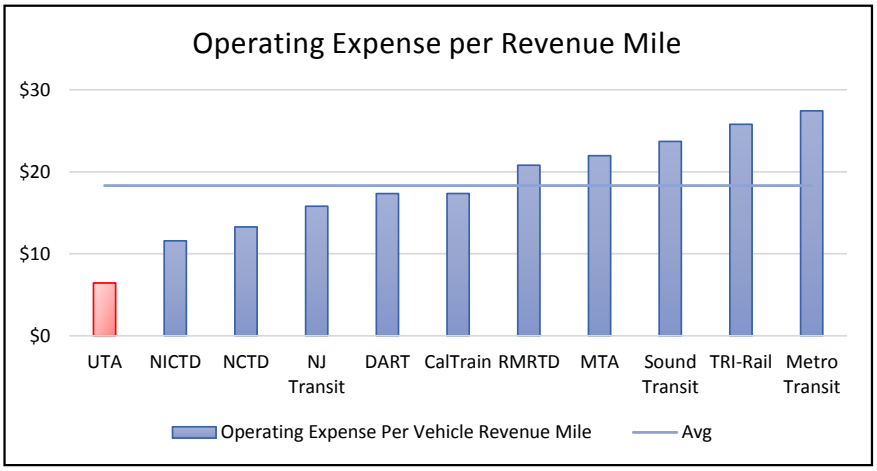


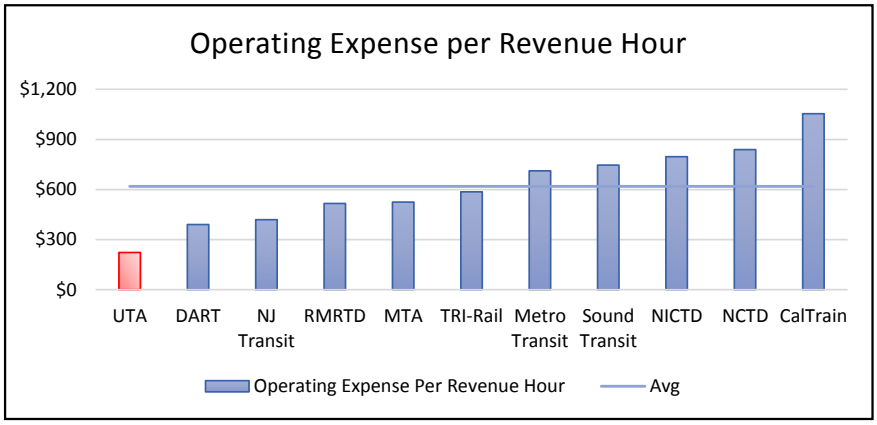
PERFORMANCE MEASURES - COMMUTER RAIL

The following charts contain information from the Federal Transit Administration's National Transit Database (NTD)) for the most recent year available (2017), 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	$ 6.44	$ 222.55
Albuquerque, NM	RMRTD	20.80	796.25
Baltimore, MD	MTA	21.96	838.89
Chesterton, IN	NICTD	11.58	418.98
Dallas, TX	DART	17.34	390.06
Minneapolis, MN	Metro Transit	27.43	1,053.85
Newark, NJ	NJ Transit	15.80	516.24
Oceanside, CA	NCTD	13.27	524.37
Pompano Beach, FL	TRI-Rail	25.79	746.03
San Carlos, CA	CalTrain	17.35	585.80
Seattle, WA	Sound Transit	23.70	711.69
Average		$ 18.31	$ 618.61
Maximum		27.43	1,053.85
Minimum		6.44	222.55
Standard Deviation		6.38	237.44

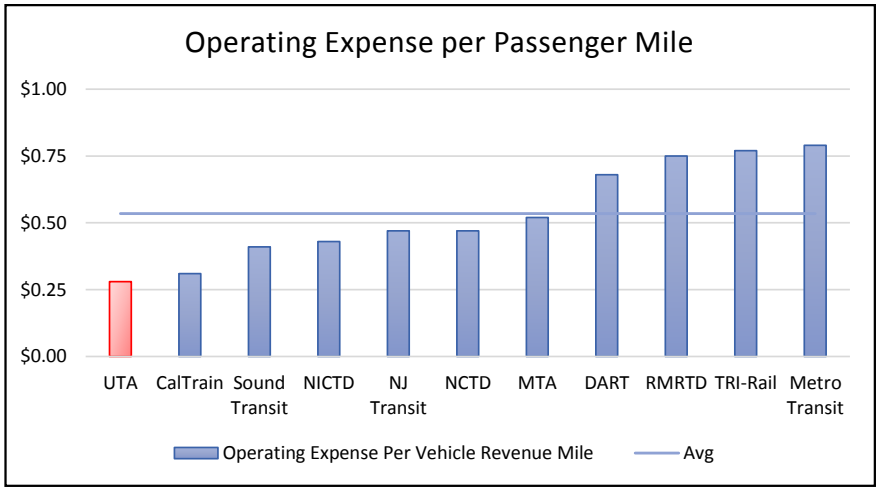


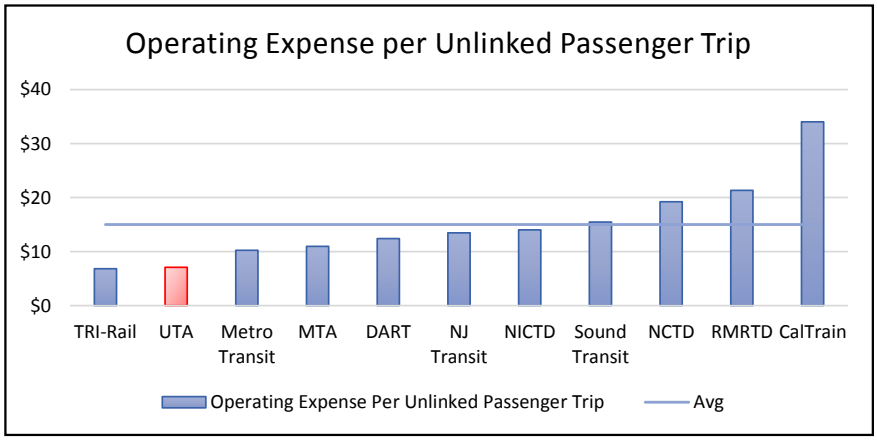


PERFORMANCE MEASURES - COMMUTER RAIL (continued)

Cost Effectiveness

City	Agency	Operating Expenses Per Passenger Mile	Operating Expenses Per Unlinked Passenger Trip
Salt Lake City, UT	UTA	$ 0.28	$ 7.09
Albuquerque, NM	RMRTD	0.75	34.03
Baltimore, MD	MTA	0.52	15.47
Chesterton, IN	NICTD	0.43	14.02
Dallas, TX	DART	0.68	13.47
Minneapolis, MN	Metro Transit	0.79	19.23
Newark, NJ	NJ Transit	0.47	10.97
Oceanside, CA	NCTD	0.47	12.41
Pompano Beach, FL	TRI-Rail	0.77	21.34
San Carlos, CA	CalTrain	0.31	6.83
Seattle, WA	Sound Transit	0.41	10.24
Average		$ 0.53	$ 15.01
Maximum		0.79	34.03
Minimum		0.28	6.83
Standard Deviation		0.18	7.74

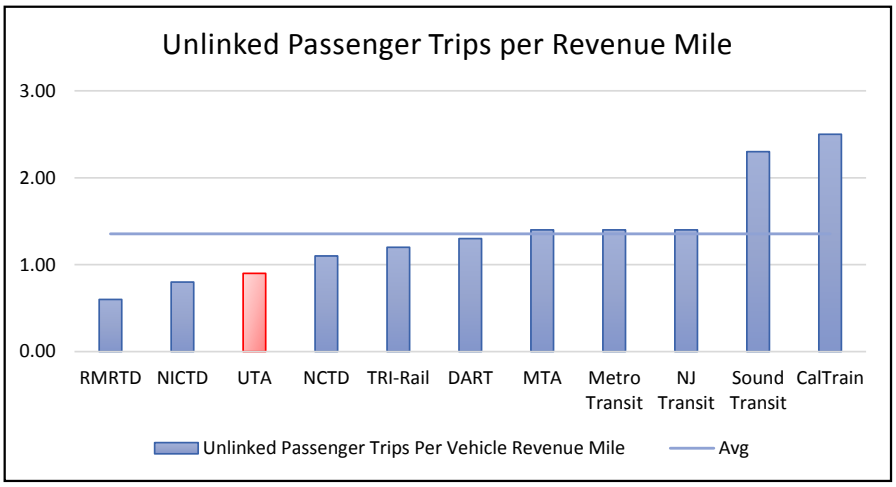


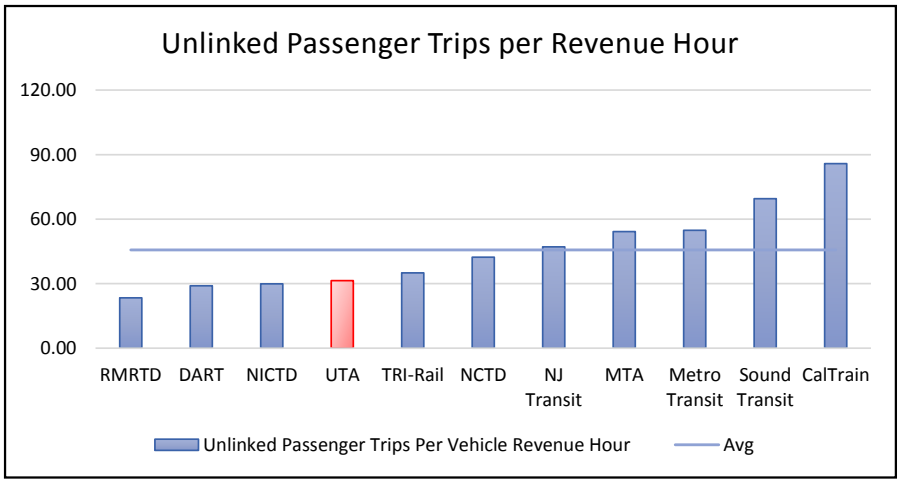


PERFORMANCE MEASURES - COMMUTER RAIL (continued)

Service Effectiveness

City	Agency	Unlinked Passenger Trips per Vehicle Revenue Mile	Unlinked Passenger Trips per Vehicle Revenue Hour
Salt Lake City, UT	UTA	0.90	31.40
Albuquerque, NM	RMRTD	0.60	23.40
Baltimore, MD	MTA	1.40	54.20
Chesterton, IN	NICTD	0.80	29.90
Dallas, TX	DART	1.30	29.00
Minneapolis, MN	Metro Transit	1.40	54.80
Newark, NJ	NJ Transit	1.40	47.10
Oceanside, CA	NCTD	1.10	42.30
Pompano Beach, FL	TRI-Rail	1.20	35.00
San Carlos, CA	CalTrain	2.50	85.80
Seattle, WA	Sound Transit	2.30	69.50
Average		1.35	45.67
Maximum		2.50	85.80
Minimum		0.60	23.40
Standard Deviation		0.58	19.20



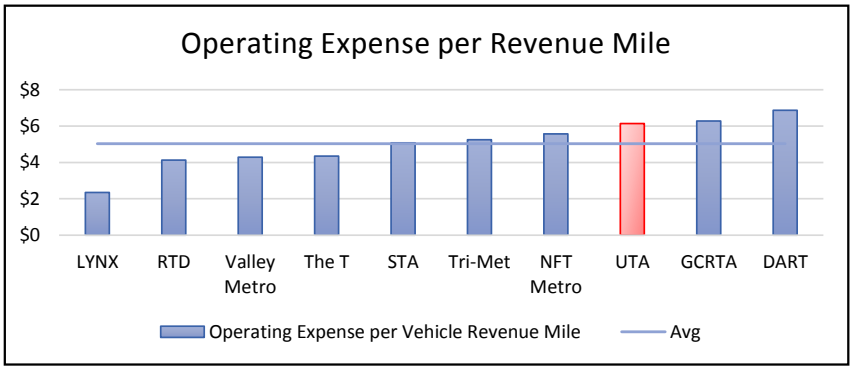


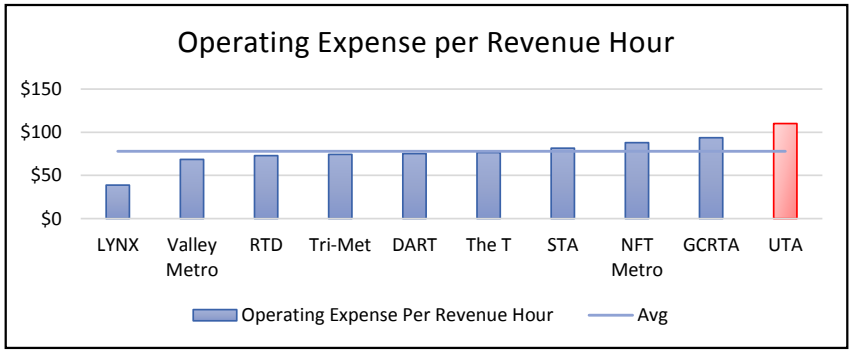
PERFORMANCE MEASURES - DEMAND RESPONSE

The following charts contain information from the Federal Transit Administration's National Transit Database (NTD)) for the most recent year available (2017), 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	$ 6.55	$ 110.06
Buffalo, NY	NFT Metro	5.71	87.94
Cleveland, OH	GCRTA	6.56	93.67
Dallas, TX	DART	5.94	75.25
Denver, CO	RTD	4.66	72.92
Fort Worth, TX	The T	4.88	76.48
Orlando, FL	LYNX	2.20	38.79
Phoenix, AZ	Valley Metro	5.32	68.53
Portland, OR	Tri-Met	5.78	74.35
Spokane, WA	STA	5.39	81.55
Average		$ 5.30	$ 77.95
Maximum		6.56	110.06
Minimum		2.20	38.79
Standard Deviation		1.25	18.44



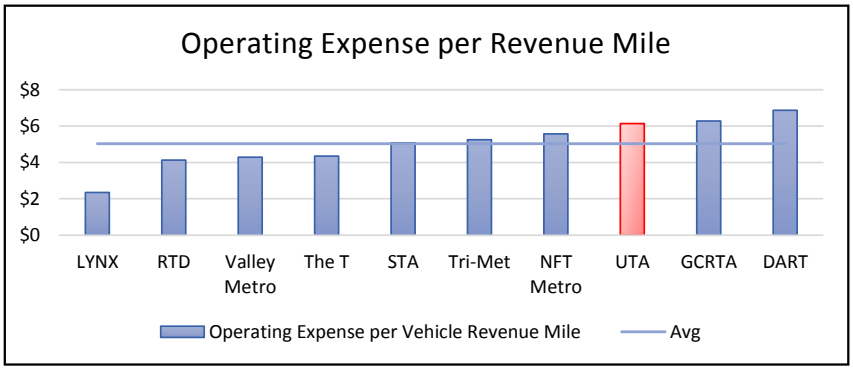


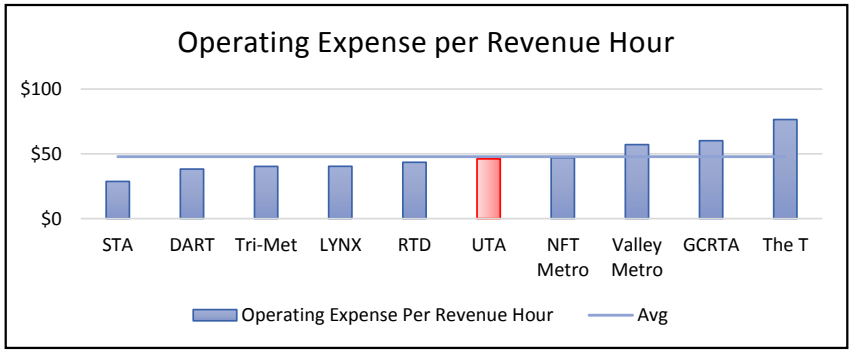
PERFORMANCE MEASURES - DEMAND RESPONSE (continued)

The following charts contain information from the Federal Transit Administration's National Transit Database (NTD)) for the most recent year available (2017), and compares the Authority's performance with other like transit agencies.

Cost Effectiveness

City	Agency	Operating Expense per Vehicle Revenue Mile	Operating Expense per Vehicle Revenue Hour
Salt Lake City, UT	UTA	$ 4.22	$ 46.13
Buffalo, NY	NFT Metro	5.37	47.02
Cleveland, OH	GCRTA	7.30	60.14
Dallas, TX	DART	3.18	38.23
Denver, CO	RTD	4.99	43.47
Fort Worth, TX	The T	4.88	76.48
Orlando, FL	LYNX	4.01	40.37
Phoenix, AZ	Valley Metro	5.93	57.12
Portland, OR	Tri-Met	4.39	40.29
Spokane, WA	STA	3.19	28.68
Average		$ 4.75	$ 47.79
Maximum		7.30	76.48
Minimum		3.18	28.68
Standard Deviation		1.26	13.55

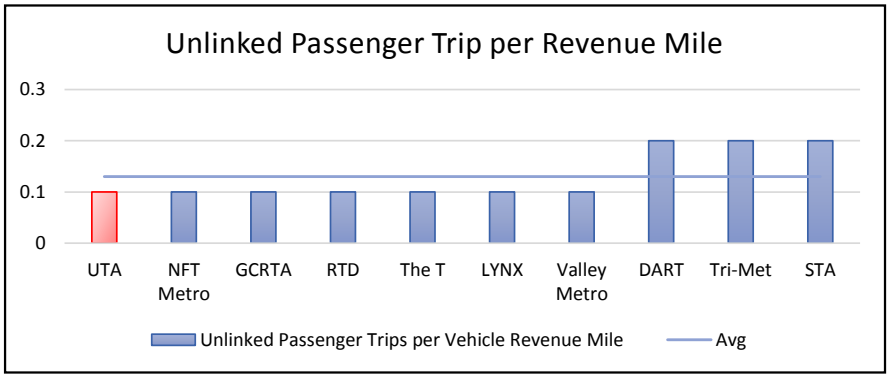


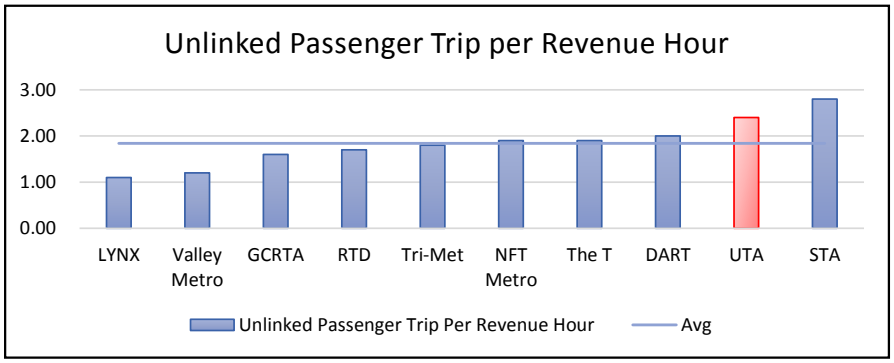


PERFORMANCE MEASURES - DEMAND RESPONSE (continued)

Service Effectiveness

City	Agency	Unlinked Passenger Trips per Vehicle Revenue Mile	Unlinked Passenger Trips per Vehicle Revenue Hour
Salt Lake City, UT	UTA	0.10	2.40
Buffalo, NY	NFT Metro	0.10	1.90
Cleveland, OH	GCRTA	0.10	1.60
Dallas, TX	DART	0.20	2.00
Denver, CO	RTD	0.10	1.70
Fort Worth, TX	The T	0.10	1.90
Orlando, FL	LYNX	0.10	1.10
Phoenix, AZ	Valley Metro	0.10	1.20
Portland, OR	Tri-Met	0.20	1.80
Spokane, WA	STA	0.20	2.80
Average		0.13	1.84
Maximum		0.20	2.80
Minimum		0.10	1.10
Standard Deviation		0.05	0.51



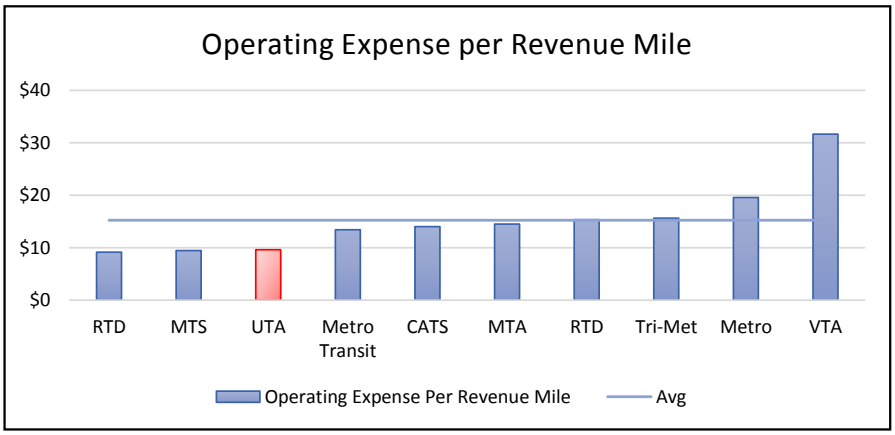


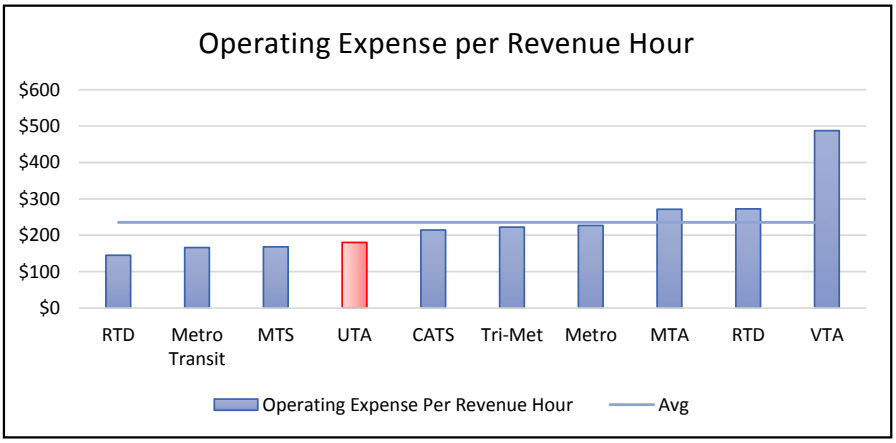
PERFORMANCE MEASURES - LIGHT RAIL

The following charts contain information from the Federal Transit Administration's National Transit Database (NTD)) for the most recent year available (2017), 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	$ 9.61	$ 180.35
Baltimore, MD	MTA	14.50	271.50
Charlotte, NC	CATS	14.01	214.45
Denver, CO	RTD	9.14	145.09
Houston, TX	Metro	19.57	227.04
Minneapolis, MN	Metro Transit	13.42	166.23
Portland, OR	Tri-Met	15.63	222.51
Sacramento, CA	RTD	15.34	272.55
San Diego, CA	MTS	9.45	168.24
San Jose, CA	VTA	31.65	487.58
Average		$ 15.23	$ 235.55
Maximum		31.65	487.58
Minimum		9.14	145.09
Standard Deviation		6.63	98.56

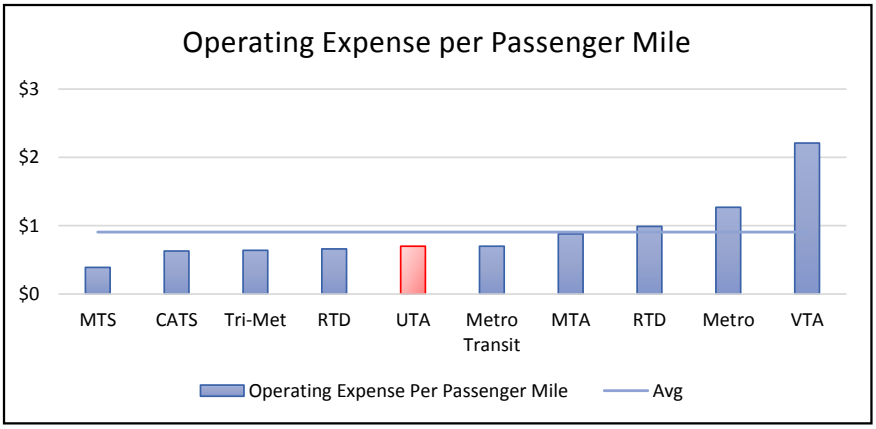


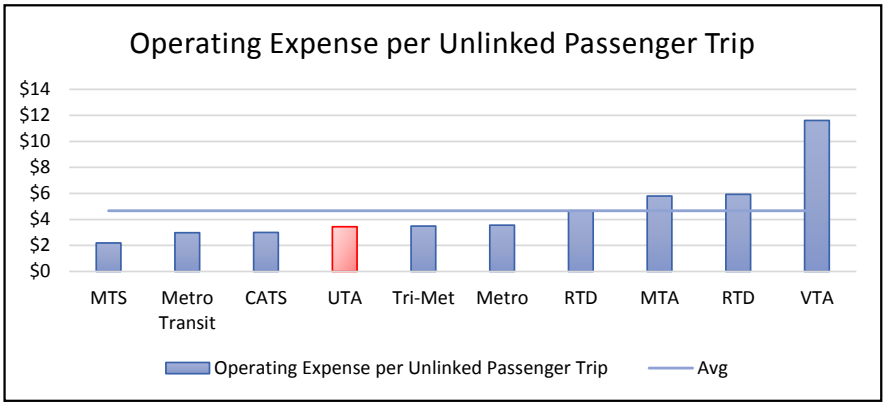


PERFORMANCE MEASURES - LIGHT RAIL (continued)

Cost Effectiveness

City	Agency	Operating Expense per Passenger Mile	Operating Expense per Unlinked Passenger Trip
Salt Lake City, UT	UTA	$ 0.70	$ 3.44
Baltimore, MD	MTA	0.88	5.80
Charlotte, NC	CATS	0.63	3.00
Denver, CO	RTD	0.66	4.67
Houston, TX	Metro	1.27	3.56
Minneapolis, MN	Metro Transit	0.70	2.98
Portland, OR	Tri-Met	0.64	3.49
Sacramento, CA	RTD	0.99	5.93
San Diego, CA	MTS	0.39	2.19
San Jose, CA	VTA	2.21	11.61
Average		$ 0.91	$ 4.67
Maximum		2.21	11.61
Minimum		0.39	2.19
Standard Deviation		0.52	2.73

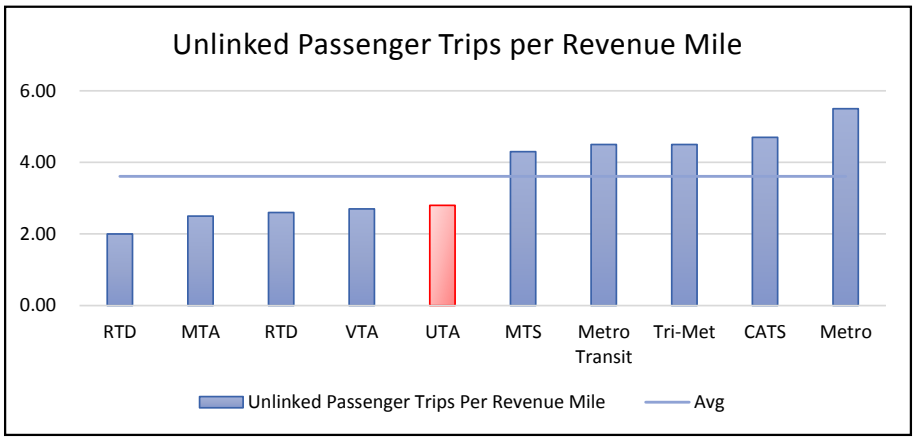


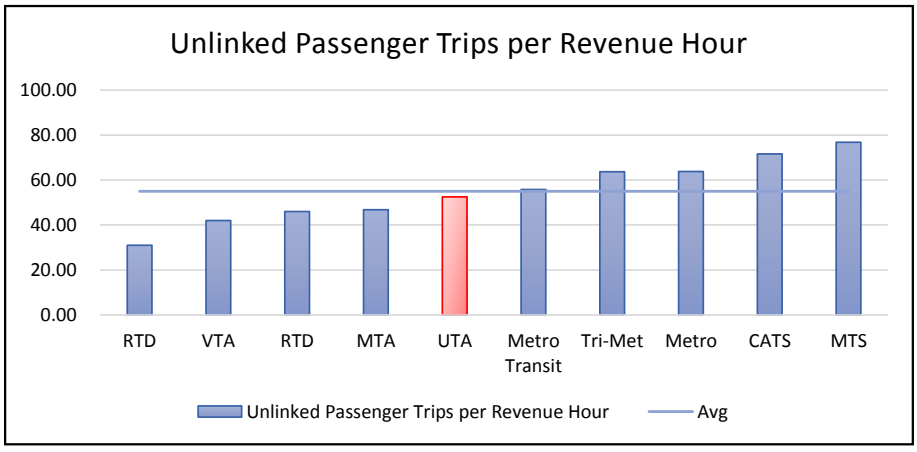


PERFORMANCE MEASURES - LIGHT RAIL (continued)

Service Effectiveness

City	Agency	Unlinked Passenger Trips per Vehicle Revenue Mile	Unlinked Passenger Trips per Vehicle Revenue Hour
Salt Lake City, UT	UTA	2.80	52.50
Baltimore, MD	MTA	2.50	46.80
Charlotte, NC	CATS	4.70	71.60
Denver, CO	RTD	2.00	31.00
Houston, TX	Metro	5.50	63.80
Minneapolis, MN	Metro Transit	4.50	55.80
Portland, OR	Tri-Met	4.50	63.70
Sacramento, CA	RTD	2.60	46.00
San Diego, CA	MTS	4.30	76.80
San Jose, CA	VTA	2.70	42.00
Average		3.61	55.00
Maximum		5.50	76.80
Minimum		2.00	31.00
Standard Deviation		1.21	14.16





Compliance

For Fiscal Years Ended
December 31, 2018 and 2017

UTA
UTAH TRANSIT AUTHORITY

KEDDINGTON & CHRISTENSEN, CPAS
CERTIFIED PUBLIC ACCOUNTANTS
Gary K. Keddington, CPA
Phyl R. Warnock, CPA
Marcus K. Arbuckle, CPA
Steven M. Rowley, CPA

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*

To the 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 the *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities, the discretely presented component unit, and the remaining fund information of Utah Transit Authority (the "Authority"), as of and for the years ended December 31, 2018 and 2017, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated June 4, 2019.

Internal Control Over Financial Reporting

In planning and performing our audits of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the 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.

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. 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.

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

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 determination of financial statement amounts. 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*.

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1455 West 2200 South, Suite 201
Salt Lake City, Utah 84119

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.

Keddington & Christensen, LLC

Keddington & Christensen, LLC
Salt Lake City
June 4, 2019

KEDDINGTON & CHRISTENSEN, CPAS
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the 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") 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, 2018. 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 qualified and unmodified opinions on compliance for major federal programs. However, our audit does not provide a legal determination of the Authority's compliance.

Basis for Qualified Opinion on Federal Transit Cluster and Transit Services Program Cluster

As described in the accompanying schedule of findings and questioned costs, the Authority did not comply with requirements regarding the Federal Transit Cluster (CFDA 20.500, 20.507, 20.525, and 20.526), and Transit Services Programs Cluster (CFDA 20.513, 20.516, and 50.521) described in finding number 2018-001 for Equipment and Real Property Management. Compliance with such requirements is necessary, in our opinion, for the Authority to comply with the requirements applicable to those programs.

Qualified Opinion on Federal Transit Cluster and Transit Services Program Cluster

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the Federal Transit Cluster and Transit Services Program Cluster for the year ended December 31, 2018.

Unmodified Opinion on the Other Major Federal Program

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended December 31, 2018.

Other Matters

The Authority's response to the noncompliance finding identified in our audit is 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.

Report on Internal Control Over Compliance

Management of Utah Transit 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 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.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph 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. However, as discussed below, we identified a certain deficiency in internal control over compliance that we consider to be a material weakness.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2018-001 to be a material weakness.

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.

The Authority's response to the internal control over compliance finding identified in our audit is 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.

Keddington & Christensen, LLC

Keddington & Christensen, LLC
Salt Lake City, Utah
June 4, 2019

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS for the year ending December 31, 2018

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 - Capital investment Grants	20.500	UT-2016-007-00			$ 39,050
Federal Transit - Capital investment Grants	20.500	UT-2017-001-00			20,445,072
Federal Transit - Capital investment Grants	20.500	UT-2017-006-00			176,086
Total Capital Investment Grants					20,660,208
Federal Transit - Formula Grant	20.507	UT-2018-009.00			44,071,452
Federal Transit - Formula Grant	20.507	UT-2018-005			2,325,122
Federal Transit - Formula Grant	20.507	UT-2018-006			348,000
Total Federal Transit-Formula Grant					46,744,574
Federal Transit - State of Good Repairs	20.525	UT-2018-004.00			15,311,264
Bus and Bus Facilities Formula Program	20.526	UT-2017-002.00			213,153
Bus and Bus Facilities Formula Program	20.526	UT-2017-013-00			19,707
Bus and Bus Facilities Formula Program	20.526	UT-2018-010-00			12,664
Total Bus and Bus Facilities Formula Program					245,524
Federal Transit Cluster - Federal Transit Administration Programs total				**$ -**	**$ 82,961,570**
Transit Services Programs Cluster - Federal Transit Administration Programs					
Federal Transit - Enahanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-16-0006		268,476	372,844
Federal Transit - Enahanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2016-013		1,343,627	1,412,988
Federal Transit - Enahanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2017-015			69,815
Federal Transit - Enahanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2017-016			41,974
Federal Transit - Enahanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2017-017		53,035	288,227
Total Enhanced Mobility for Seniors and Individuals with Disabilities				1,665,138	2,185,848
Utah Department of Transportation - Job Access and Reverse Commute Program	20.516	17-8233	11-8785		388,138
Utah Department of Transportation - Job Access and Reverse Commute Program	20.516	UT-37-X0003	17-8233		184,511
Total UDOT Job Access and Reverse Commute Program				-	572,649
Utah Department of Transportation - New Freedom Program	20.521	17-8233	11-8785		241,847
Utah Department of Transportation - New Freedom Program	20.521	UT-37-X0003	17-8233		184,511
Total UDOT- New Freedom Program					426,358
Transit Services Program Cluster - Federal Transit Administration Programs total				**$ 1,665,138**	**$ 3,184,855**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS for the year ending December 31, 2018 (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 - Federal Transit Administration Programs					
Federal Transit Administration - National Infrastructure Investment (TIGER)	20.933	UT-2018-002			4,096,689
National Infrastructure Investment - Federal Transit Administration Programs total				**$ -**	**$ 4,096,689**
Highway Planning & Construction Cluster - Federal Highway Administration Programs					
Federal Highway Administration - Highway Planning and Construction (CMAQ)	20.505	17-8508	17-8508		127,595
Federal Highway Administration - Highway Planning and Construction (CMAQ)	20.505	20-CMAQ-19			1,080,363
Highway Planning & Construction Cluster - Federal Highway Administration Programs total				**$ -**	1,207,958
Federal Railroad Administration Program					
Railroad Safety Technology Grants	20.321	UT-2017-011			1,748,624
Federal Transit Administration Programs					
Federal Transit - Capital investment Grants	20.514	UT-2017-012-00			29,814
TOTAL U.S. DEPARTMENT OF TRANSPORTATION				**$ -**	**$ 93,229,510**
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
CDGB - Entitlement Grants Cluster	14.225	1812JH	1812JH		68,366
TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				**$ -**	**$ 68,366**
DEPARTMENT OF HOMELAND SECURITY					
FEMA Rail and Transit Security Grant Program	97.075	15-RA-00035			22,363
FEMA Rail and Transit Security Grant Program	97.075	16-RA-00045			86,457
FEMA Rail and Transit Security Grant Program	97.075	17-RA-00042			3,017
TOTAL DEPARTMENT OF HOMELAND SECURITY				**$ -**	$ 111,837
TOTAL FEDERAL AWARDS EXPENDED				**$ 1,665,138**	**$ 93,409,713**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS for the year ending December 31, 2018 (Continued)

Reconciliation of federal expenditures to federal revenues	
Comparative Statement of Revenues, Expenses and Change in Net Position (2018)	
Federal preventative maintenance grants	$ 61,820,668
Capital Contributions: Federal grants	31,585,004
Total per Comparative Statement of Revenues, Expenses and Change in Net Position (2018)	93,405,672
Total per Schedule of Expenditures of Federal Awards for the year ending December 31, 2018	93,409,713
Difference	$ (4,041)

Previous Over/(Under)stated Revenues reflected in 2018 Statement of Revenues, Expenses and Change in Net Position

Transit Services Program Cluster	**CFDA#**	**Grant #**	**Amount**
Federal Transit – Enhanced Mobility for Seniors and Individuals with disabilities	20.513	UT-2016-013	$ 4,041
Total Federal Transit – Transit Services Program Cluster Total			4,041
Total Adjustment			**$ 4,041**

A. Basis of Accounting

The supplementary schedule of expenditures of federal awards is prepared on the accrual basis of accounting.

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, 2018.

D. Subrecipients

The Authority provided $1,665,138 of federal award funds to subrecipients during the year.

E. Indirect Cost Rate

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

UTAH TRANSIT AUTHORITY
Schedule of Findings and Questioned Costs
For the year ended December 31, 2018 and 2017

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 identified? __X__yes_ _ no
- Significant Deficiency ____yes __X_none reported

Noncompliance material to financial statements noted? ____yes __X_no

Federal Awards

Internal control over major federal programs:

- Material weakness identified? _X_yes ___no

Significant Deficiency(s) identified ____yes __X_none reported

Type of auditor's report issued on compliance for major federal programs: Qualified

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).	Names of Federal Program or Cluster
20.500, 20.507, 20.525, 20.526	Federal Transit Administration Program Cluster
20.513, 20.516, 20.521,	Transit Services Program Cluster
20.933	National Infrastructure Investment

Dollar threshold used to distinguish between Type A and Type B Programs $__2,802,291

Auditee qualified as low-risk auditee? ____yes __X_no

Section II. Financial Statement Findings

None reported.

Section III. Federal Award Findings and Questions Cost

MATERIAL WEAKNESS

2018 – 001 Noncompliance and Internal Control over Compliance

Program Name/CFDA Title: Federal Transit Cluster, Transit Services Program Cluster
CFDA Numbers: 20.500, 20.507, 20.525, 20.526, 20.513, 20.516, 20.521
Federal Agency: U.S. Department of Transportation
Questioned Costs: $0
Requirement: Equipment and Real Property Management

Criteria: The Authority is required to properly track and safeguard equipment purchased with federal funds. This is accomplished by maintaining asset records with sufficient descriptions or other identifying information to properly locate assets purchased with federal funds. Additionally, the Authority is required to perform inventory counts of such equipment at least every two years.

Condition: During our tests of compliance over Equipment and Real Property Management, it was noted that in our sample of 40 items, in 3 instances the sampled item could not be located.

Cause: The 2017 inventory of the Authority's smaller equipment purchased with federal funds was not sufficiently thorough to ensure disposition of items were properly reflected in the Authority's records.

Effect: If equipment is not tracked more carefully, there is a risk that equipment may be misappropriated or otherwise disposed of and not properly reflected in the records.

Context: The Authority maintains asset listings of two main categories: 1) rolling stock (busses, trains, vehicles, etc.) and 2) equipment. Rolling stock makes up the majority of the value of assets related to this compliance requirement. Additionally, rolling stock is necessary to the Authority's day-to-day operations and are tracked as individual assets with serial numbers, asset numbers, and other identifying information. The discrepancies observed related primarily to equipment which were older and fully depreciated according to the Authority's records.

Recommendation: We recommend the Authority more carefully plan and perform inventory counts over smaller equipment.

MATERIAL WEAKNESS

2017 – 001 Noncompliance and Internal Control over Compliance

Program Name/CFDA Title: Federal Transit Cluster
CFDA Numbers: 20.500, 20.507, 20.525, and 20.526
Federal Agency: U.S. Department of Transportation
Questioned Costs: $0
Requirement: Equipment and Real Property Management

Criteria: The Authority is required to properly track, safeguard, and maintain equipment purchased with federal funds. This is accomplished by maintaining asset records with sufficient descriptions or other identifying information to properly locate assets purchased with federal funds. Additionally, the Authority is required to perform inventory counts of such equipment at least every two years.

Condition: During our tests of compliance over Equipment and Real Property Management, it was noted that in our sample of 40 items, in 7 instances the sampled item could not be located, and in 2 other instances, the sampled items did not appear to be properly maintained.

Cause: The descriptions or other identifying information maintained on those 7 items was not sufficient to locate those assets. Also, the inventory of the Authority's smaller equipment purchased with federal funds was not sufficiently thorough to ensure disposition of items were properly reflected in the Authority's records.

Effect: If equipment is not tracked more carefully, there is a risk that equipment may be misappropriated or otherwise disposed of and not properly reflected in the records.

Context: The Authority maintains asset listings of two main categories: 1) rolling stock (busses, trains, vehicles, etc.) and 2) equipment. Rolling stock makes up the majority of the value of assets related to this compliance requirement. Additionally, rolling stock is necessary to the Authority's day-to-day operations and are tracked as individual assets with serial numbers, asset numbers, and other identifying information. Due to the large number of equipment items and their relatively small dollar amount, equipment is sometimes grouped together and historically has not been adequately described or identified in the Authority's records. The discrepancies observed related primarily to equipment which were older and fully depreciated according to the Authority's records.

Recommendation: We recommend the Authority ensure sufficient identifying information is maintained on the smaller equipment purchased with federal funds. We also recommend the Authority more carefully plan and perform inventory counts over smaller equipment.

Views of Responsible Officials and Planned Corrective Action:

2018-001 Views: Management agrees with the Finding 2018-001. The correction of the capital asset records held by the Authority and the internal controls surrounding the entire inventory started in 2017 but was not planned to be completed by the 2018 audit. After the 2018 inventory is complete by December 31, 2019, UTA will be able to find and identify all asset (including grant funded asset). The item not found should have been removed as part of the 2017 capital asset write-off.

2017-001 Views: Management agrees with the Finding 2017-001. The correction of the capital asset records held by the Authority and the internal controls surrounding the entire inventory started in 2017 but was not planned to be completed by the 2017 audit. Six (6) of the items identified in the forty (40) items sampled were assets misclassified as equipment but will be reclassified and identifying in 2018 as part of redefining non-movable asset classifications and descriptions. After this project is complete by September 30, 2018, UTA will be able to find and identify all asset (including grant funded asset). The remaining item not found should have been removed as part of the 2017 capital asset write-off. The proper maintenance of grant funded assets will be addressed in 2018 through policy and proper assignment of oversight of all assets held by the Authority.

Other Supplementary Information

For Fiscal Years Ended
December 31, 2018 and 2017

UTA
UTAH TRANSIT AUTHORITY

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

To the Board of Trustees,
Utah Transit Authority
Salt Lake City, Utah

Report on Compliance

We have audited Utah Transit Authority's (the "Authority") compliance with the applicable state compliance requirements described in the *State Compliance Audit Guide,* issued by the Office of the State Auditor, that could have a direct and material effect on the Authority for the year ended December 31, 2018.

State compliance requirements were tested for the year ended December 31, 2018 in the following areas:

Budgetary Compliance
Fund Balance
Restricted Taxes and Related Restricted Revenue
Open and Public Meetings Act
Treasurer's Bond
Special and Local Service District Board Members

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 with each state compliance requirement referred to above. However, our audit does not provide a legal determination of the Authority's compliance with those requirements.

Opinion on Compliance

In our opinion, Utah Transit Authority complied, in all material respects, with the state compliance requirements referred to above for the year ended December 31, 2018.

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.

Keddington & Christensen, LLC

Keddington & Christensen, LLC
Salt Lake City, Utah
June 4, 2019

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APPENDIX B

EXTRACTS OF CERTAIN PROVISIONS OF THE SENIOR INDENTURE

The following are extracts of certain provisions contained in the Senior General Indenture prepared by Bond Counsel and are not to be considered as a full statement thereof. Reference is made to the Senior General Indenture and the Twelfth Supplemental Senior Indenture, for full details of all the terms of the 2019A Senior Bonds and the 2019B Senior Bonds, the security provisions appertaining thereto and the definition of any terms used but not defined in this OFFICIAL STATEMENT. Copies of the indentures of trust are available upon written request from the contact person as indicated under "INTRODUCTION—Contract Persons" above.

Definitions

As used in the Senior General Indenture, the following terms shall have the following meanings unless the context otherwise clearly indicates:

"Accreted Amount" means, with respect to Capital Appreciation Bonds of any Series and as of the date of calculation, the amount established pursuant to the Supplemental Indenture authorizing such Capital Appreciation Bonds as the amount representing the initial public offering price, plus the accumulated and compounded interest on such Bonds.

"Additional Bonds" means all Bonds issued under the Indenture other than the initial bonds issued thereunder.

"Adjusted Sales and Use Taxes" means Sales and Use Taxes in any consecutive 12–month period within the 24 calendar months next preceding the issuance of a Series of Additional Bonds adjusted to take into account increases in the sales and use taxes allocated to the Issuer, to the extent that such increased amounts have been included as "Sales and Use Taxes" and are pledged under the Indenture.

"Aggregate Debt Service" means, as of the date of calculation and with respect to any period, the sum of the amounts of Debt Service during such period for (a) all Series of Bonds Outstanding (or any designated portion thereof), and (b) any Repayment Obligations Outstanding.

"Amended and Restated General Indenture" means the Amended and Restated General Indenture of Trust.

"Authorized Amount" means, with respect to a Commercial Paper Program, the maximum Principal amount of commercial paper which is then authorized by the Issuer to be outstanding at any one time pursuant to such Commercial Paper Program.

"Authorized Representative" means the General Manager (including any acting General Manager), Director of Financing and Administration, Treasurer, or any other person at the time designated to act on behalf of the Issuer by a written instrument furnished to the Trustee containing the specimen signature of such person or persons and signed on behalf of the Issuer by its General Manager or Treasurer. The written instrument may designate an alternate or alternates.

"Average Aggregate Debt Service" means, as of any date of calculation, the amount obtained by dividing (a) the sum of the Aggregate Debt Service on all Series of Bonds Outstanding and Repayment Obligations Outstanding computed for each Fiscal Year during which any Bonds are or will be Outstanding (or any designated portion thereof), by (b) the number of such Fiscal Years.

"Balloon Bonds" means, unless otherwise specified by the Issuer in a written direction to the Trustee (which direction shall also specify that the Debt Service on particular Bonds that would otherwise constitute "Balloon Bonds" shall instead be calculated on actual amortization), Bonds (and/or Security Instrument Repayment Obligations relating thereto), other than Bonds which mature within one year of the date of issuance thereof, 25% or more of the Principal Installments on which (a) are due or (b) at the option of the Owner thereof may be redeemed, during any period of twelve consecutive months.

"Bond Fund" means the Utah Transit Authority Bond Fund created in the Indenture to be held by the Trustee and administered pursuant to the Indenture.

"Bond Fund Year" means the 12–month period beginning January 1 of each year and ending on the next succeeding December 31.

"Bondholder," "Bondowner," "Registered Owner" or "Owner" or any similar term means the registered owner of any Bonds authorized in the Indenture.

"Bonds" means bonds, notes, commercial paper or other obligations (other than Repayment Obligations) authorized by and at any time Outstanding pursuant to the Indenture, including the initial bonds issued thereunder and any Additional Bonds.

"Build America Bonds" means the interest subsidy bonds issuable by the Issuer under Sections 54AA and 6431 of the Code and a "qualified bond" under Section 54AA(g)(2) of the Code or such other tax credit bonds of substantially similar nature which may be hereafter authorized.

"Business Day" means any day, except a Saturday or Sunday, (i) on which banking business is transacted, but not including any day on which banks are authorized to be closed, in New York City or in the city in which the Trustee has its principal corporate trust office or, with respect to a related Series of Bonds, in the city in which any Security Instrument Issuer has its payment office for purposes of such Security Instrument, and (ii) on which the New York Stock Exchange is open.

"Capital Appreciation Bonds" means Bonds the interest on which (a) is compounded and accumulated at the rates and on the dates set forth in the Supplemental Indenture authorizing the issuance of such Bonds and designating them as Capital Appreciation Bonds, and (b) is payable upon maturity or redemption of such Bonds.

"Code" means the Internal Revenue Code of 1986, as amended. Each reference to a section of the Code shall be deemed to include the related United States Treasury Regulations.

"Commercial Paper Program" means commercial paper obligations with maturities of not more than 270 days from the dates of issuance thereof which are issued and reissued by the Issuer from time to time pursuant to the Indenture and are outstanding up to an Authorized Amount.

"Construction Fund" means the Utah Transit Authority Construction Fund created in the Indenture to be held by the Trustee and administered pursuant to the Indenture.

"Cost" or "Costs" or "Cost of a Project," or any phrase of similar import, in connection with a Project or with the refunding of any bonds, means all costs and expenses which are properly chargeable thereto under generally accepted accounting principles or which are incidental to the financing, acquisition and construction of a Project, or the refunding of any bonds, including, without limiting the generality of the foregoing:

(a) amounts payable to contractors and costs incident to the award of contracts;

(b) cost of labor, facilities and services furnished by the Issuer and its employees or others, materials and supplies purchased by the Issuer or others and permits and licenses obtained by the Issuer or others;

(c) engineering, architectural, legal, planning, underwriting, accounting and other professional and advisory fees;

(d) premiums for contract bonds and insurance during construction and costs on account of personal injuries and property damage in the course of construction and insurance against the same;

(e) interest expenses, including interest on the Series of Bonds;

(f) printing, engraving and other expenses of financing, including fees of Rating Agency and fees and costs of issuing the Series of Bonds (including costs of interest rate caps and costs related to interest rate exchanges (or the elimination thereof));

(g) costs, fees and expenses in connection with the acquisition of real and personal property or rights therein, including premiums for title insurance;

(h) costs of equipment, rolling stock and furnishings purchased by the Issuer and necessary to the completion and proper operation of a Project;

(i) amounts required to repay temporary loans or notes made to finance the costs of a Project;

(j) cost of site improvements performed in anticipation of a Project;

(k) moneys necessary to fund the Funds created under the Indenture;

(l) costs of the capitalization with proceeds of a Series of Bonds issued under the Indenture of any operation and maintenance expenses and other working capital appertaining to any facilities to be acquired for a Project and of any interest on a Series of Bonds for any period not exceeding the period estimated by the Issuer to effect the construction of a Project plus one year, as provided in the Indenture, of any discount on Bonds or other securities,

and of any reserves for the payment of the principal of and interest on a Series of Bonds, of any replacement expenses and of any other cost of issuance of a Series of Bonds or other securities, Security Instrument Costs and Reserve Instrument Costs;

(m) costs of amending any indenture or other instrument authorizing the issuance of or otherwise appertaining to a Series of Bonds;

(n) all other expenses necessary or desirable and appertaining to a Project, as estimated or otherwise ascertained by the Issuer, including costs of contingencies for a Project; and

(o) payment to the Issuer of such amounts, if any, as shall be necessary to reimburse the Issuer in full for advances and payments theretofore made or costs theretofore incurred by the Issuer for any item of Costs so long as such reimbursement does not adversely affect the excludability of interest on the related Bonds from gross income for federal income tax purposes.

In the case of any refunding or redeeming any bonds, "Cost" includes, without limiting the generality of the foregoing, the items listed in (c), (e), (f) and (k) above, advertising and other expenses related to the redemption of such bonds to be redeemed and the redemption price of such bonds (and the accrued interest payable on redemption to the extent not otherwise provided for).

"Cross–over Date" means with respect to Cross–over Refunding Bonds the date on which the Principal portion of the related Cross–over Refunded Bonds is to be paid or redeemed from the proceeds of such Cross–over Refunding Bonds.

"Cross–over Refunded Bonds" means Bonds or other obligations refunded by Cross–over Refunding Bonds.

"Cross–over Refunding Bonds" means Bonds issued for the purpose of refunding Bonds or other obligations if the proceeds of such Cross–over Refunding Bonds are irrevocably deposited in escrow in satisfaction of the requirements of Section 11–27–3, Utah Code, to secure the payment on an applicable redemption date or maturity date of the Cross–over Refunded Bonds (subject to possible use to pay Principal of the Cross–over Refunding Bonds under certain circumstances) and the earnings on such escrow deposit are required to be applied to pay interest on the Cross–over Refunding Bonds until the Cross–over Date.

"Current Interest Bonds" means Bonds not constituting Capital Appreciation Bonds. Interest on Current Interest Bonds shall be payable periodically on the Interest Payment Dates provided therefor in a Supplemental Indenture.

"Debt Service" means, for any particular Fiscal Year and for any Series of Bonds and any Repayment Obligations, an amount equal to the sum of (a) all interest payable during such Fiscal Year on such Series of Bonds plus (b) the Principal Installments payable during such Fiscal Year on (i) such Bonds Outstanding, calculated on the assumption that Bonds Outstanding on the day of calculation cease to be Outstanding by reason of, but only by reason of, payment either upon maturity or application of any Sinking Fund Installments required by the Indenture, and (ii) such Repayment Obligations then outstanding;

provided, however, that for the purposes of the issuance of Additional Bonds,

(1) when calculating the Principal Installments payable during such Fiscal Year, there shall be treated as payable in such Fiscal Year the amount of Principal Installments which would have been payable during such Fiscal Year had the Principal of each Series of Balloon Bonds Outstanding and the related Repayment Obligations then Outstanding (or arising therefrom) been amortized, from their date of issuance over a period of 30 years, on a level debt service basis at an interest rate equal to the rate borne by such Balloon Bonds on the date of calculation, provided that if the date of calculation is within 12 months before the actual maturity of such Balloon Bonds or Repayment Obligations, the full amount of Principal payable at maturity shall be included in such calculation;

(2) when calculating interest payable during such Fiscal Year for any Series of Variable Rate Bonds or Repayment Obligations bearing interest at a variable rate which cannot be ascertained for any particular Fiscal Year, it shall be assumed that such Series of Variable Rate Bonds or related Repayment Obligations will bear interest at such market rate of interest applicable to such Series of Variable Rate Bonds or related Repayment Obligations as shall be established for this purpose in the opinion of the Issuer's financial advisor, underwriter or similar agent (which market rate of interest may be based upon a recognized comparable market index, an average of interest rates for prior years or otherwise, so long as such estimates are based upon then current market conditions);

(3) when calculating interest payable during such Fiscal Year for any Series of Variable Rate Bonds which are issued with a floating rate and with respect to which an Interest Rate Swap is in effect in which the Issuer has

agreed to pay a fixed interest rate, such Series of Variable Rate Bonds shall be deemed to bear interest at the effective fixed annual rate thereon as a result of such Interest Rate Swap; provided that such effective fixed annual rate may be utilized only if such Interest Rate Swap does not result in a reduction or withdrawal of any rating then in effect with respect to the Bonds and so long as such Interest Rate Swap is contracted to remain in full force and effect;

(4) when calculating interest payable during such Fiscal Year for any Series of Bonds which are issued with a fixed interest rate and with respect to which an Interest Rate Swap is in full force and effect in which the Issuer has agreed to pay a floating amount, Debt Service shall include the interest payable on such Series of Bonds, less fixed amounts to be received by the Issuer under such Interest Rate Swap plus the amount of the floating payments (estimated in a manner similar to that described in (2) above, unless another method of estimation is more appropriate, in the opinion of the Issuer's financial advisor, underwriter or similar agent for such floating payments) to be made by the Issuer under the Interest Rate Swap; provided that the above described calculation of Debt Service may be utilized only if such Interest Rate Swap does not result in a reduction or withdrawal of any rating then in effect with respect to the Bonds and so long as such Interest Rate Swap is contracted to remain in full force and effect;

(5) when calculating interest payable during such Fiscal Year with respect to any Commercial Paper Program, "Debt Service" shall mean an amount equal to the sum of all principal and interest payments that would be payable during such Fiscal Year assuming that the Authorized Amount of such Commercial Paper Program is amortized on a level debt service basis over a period of 30 years beginning on the date of calculation or, if later, the last day of the period during which obligations can be issued under such Commercial Paper Program, and bearing interest at such market rate of interest applicable to such Commercial Paper Program as shall be established for this purpose in the opinion of the Issuer's financial advisor, underwriter or similar agent (which market rate of interest may be based upon a recognized comparable market index, an average of interest rates for prior years or otherwise); and

(6) when calculating interest payable on Bonds that are Paired Obligations, the interest rate on such Bonds shall be the resulting linked rate or effective fixed interest rate to be paid by the Issuer with respect to such Paired Obligations;

and further provided, however, that there shall be excluded from "Debt Service" (x) interest on Bonds (including Cross–over Refunding Bonds or Cross–over Refunded Bonds) to the extent that Escrowed Interest or capitalized interest is available to pay such interest, (y) Principal on Cross–over Refunded Bonds to the extent that the proceeds of Cross–over Refunding Bonds are on deposit in an irrevocable escrow in satisfaction of the requirements of Section 11–27–3, Utah Code, and such proceeds or the earnings thereon are required to be applied to pay such Principal (subject to the possible use to pay the Principal of the Cross–over Refunding Bonds under certain circumstances) and such amounts so required to be applied are sufficient to pay such Principal, and (z) Repayment Obligations to the extent that payments on Pledged Bonds relating to such Repayment Obligations satisfy the Issuer's obligation to pay such Repayment Obligations.

"Debt Service Reserve Fund" means the Utah Transit Authority Debt Service Reserve Fund created in the Indenture to be held by the Trustee and administered pursuant to the Indenture.

"Debt Service Reserve Requirement" means (a) for all Bonds issued under the Indenture prior to February 25, 2015, an amount equal to the least of (i) 10% of the proceeds of all such Series of Bonds determined on the basis of their original principal amount (unless with respect to a Series of Bonds original issue premium or original issue discount exceeds 2% of original principal for the applicable Series of Bonds, then determined on the basis of initial purchase price to the public); (ii) the maximum Aggregate Debt Service for such Bonds for any Fiscal Year while such Bonds will be Outstanding; and (iii) 125% of the Average Aggregate Debt Service for such Bonds and (b) for all Bonds issued under the Indenture on or after February 25, 2015 the amount, if any specified in the related Supplemental Indenture. The Debt Service Reserve Requirement may be funded by a Reserve Instrument as provided in the Indenture. Upon any refunding of Bonds issued hereunder prior to February 25, 2015, the aggregate Debt Service Reserve Requirement for the Bonds issued prior to February 25, 2015 then Outstanding shall be determined based upon the Bonds issued prior to February 25, 2015 to be Outstanding immediately following such refunding. The Debt Service Reserve Requirement for all of the Bonds issued under the Indenture prior to February 25, 2015 shall secure all of such Bonds issued prior to February 25, 2015 on a parity basis and all Bonds issued on or after February 25, 2015 shall have no claim to the amounts on deposit in the Debt Service Reserve Fund for the Bonds issued prior to

such date and all Bonds issued on or after February 25, 2015 shall only have claim to the amounts on deposit, if any, in a related subaccount of the Debt Service Reserve Fund created for such Series of Bonds.[1]

"Direct Payments" means the interest subsidy payments received by the Issuer from the Internal Revenue Service pursuant to Section 6431 of the Code or other similar programs with respect to Bonds issued under the Indenture.

"Escrowed Interest" means amounts irrevocably deposited in escrow in accordance with the requirements of Section 11–27–3, Utah Code, in connection with the issuance of Additional Bonds for refunding purposes or Cross–over Refunding Bonds secured by such amounts or earnings on such amounts which are required to be applied to pay interest on such Cross–over Refunding Bonds or the related Cross–over Refunded Bonds.

"Event of Default" means with respect to any default or event of default under the Indenture any occurrence or event specified in and defined by the Indenture.

"Favorable Opinion" means an opinion of Bond Counsel to the effect that the action proposed to be taken is authorized or permitted by the Indenture and any applicable Supplemental Indenture and will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds which are the subject of such opinion.

"Financing Expenses" means Security Instrument Costs, Reserve Instrument Costs and arbitrage rebate required to be paid to the United States with respect to the Bonds.

"First Supplemental Indenture" means the First Supplemental Indenture of Trust dated October 1, 1997.

"Fiscal Year" means the 12–month period beginning January 1 of each year and ending December 31 of such year, or such other fiscal year of the Issuer as may be prescribed by law.

"Fitch" means Fitch, Inc.

"Government Obligations" means (i) direct and general obligations of the United States of America, or those which are unconditionally guaranteed as to principal and interest by the same, and (ii) pre–refunded municipal obligations meeting the following criteria:

(a) The municipal obligations may not be callable prior to maturity or, alternatively, the trustee has received irrevocable instructions concerning their calling and redemption;

(b) The municipal obligations are secured by cash or securities described in subparagraph (i) above (the "Defeasance Obligations"), which cash or Defeasance Obligations may be applied only to interest, principal and premium payments of such municipal obligations;

(c) The principal and interest of the Defeasance Obligations (plus any cash in the fund) are sufficient to meet the liabilities of the municipal obligations;

(d) The Defeasance Obligations serving as security for the municipal obligations must be held by an escrow agent or a trustee;

(e) The Defeasance Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and

(f) The Defeasance Obligations are rated "AAA" by S&P and "Aaa" by Moody's.

Additionally, evidences of ownership of proportionate interests in future interest and principal payments of Defeasance Obligations are permissible. Investments in these proportionate interests are limited to circumstances wherein (i) a bank or trust company acts as custodian and holds the underlying obligations; (ii) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying obligations; and (iii) the underlying obligations are held in a special account separate and apart from the custodian's general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian or any person to whom the custodian may be obligated.

"Indenture" means the Original Indenture as amended and restated in whole by the Amended and Restated General Indenture of Trust, as from time to time amended or supplemented by Supplemental Indentures in accordance with the terms of the Indenture.

"Interest Payment Date" means the stated payment date of an installment of interest on the Bonds.

[1] As amended by the Tenth Supplemental Senior Indenture.

"Interest Rate Swap" means an agreement between the Issuer or the Trustee (at the written direction of the Issuer) and a Swap Counterparty related to Bonds of one or more Series whereby a variable rate cash flow (which may be subject to any interest rate cap) on a principal or notional amount is exchanged for a fixed rate of return on an equal principal or notional amount. If the Issuer or the Trustee (at the written direction of the Issuer) enters into more than one Interest Rate Swap with respect to a Series of Bonds, each Interest Rate Swap shall specify the same payment dates.

"Issuer" means Utah Transit Authority and its successors.

"Moody's" means Moody's Investors Service.

"Operation and Maintenance Expenses" means all necessary and reasonable expenses of maintaining and operating the System, including all necessary operating expenses, current maintenance charges, expenses of reasonable upkeep and repairs, properly allocated share of charges for insurance, and all other expenses incidental to the operation of the System, including the cost of merchandise for resale, promotional and advertising expenses, services, utilities and personnel and all allocated general administrative expenses of the Issuer, but shall exclude depreciation. As more fully provided in the Indenture, the Issuer shall establish a budget for Operation and Maintenance Expenses for each Fiscal Year and, except as otherwise provided in the Indenture, Operation and Maintenance Expenses in any Fiscal Year shall not exceed the amount budgeted for such items in the Issuer's final budget (as the same may be amended from time to time) for such Fiscal Year.

"Original Indenture" means the General Indenture of Trust dated as of October 1, 1997 between the Issuer and the Trustee. Upon the execution and delivery of the Amended and Restated General Indenture the Original Indenture shall be superseded by the Amended and Restated General Indenture.

"Outstanding" or "Bonds Outstanding" means at any date all Bonds which have not been canceled which have been or are being authenticated and delivered by the Trustee under the Indenture, except:

(a) Any Bond or portion thereof which at the time has been paid or deemed paid pursuant to the Indenture; and

(b) Any Bond in lieu of or in substitution for which a new Bond shall have been authenticated and delivered under the Indenture.

"Paired Obligations" means any Series (or portion thereof) of Bonds designated as Paired Obligations in the Supplemental Indenture authorizing the issuance or incurrence thereof, which are simultaneously issued or incurred (i) the principal of which is of equal amount maturing and to be redeemed (or cancelled after acquisition thereof) on the same dates and in the same amounts, and (ii) the interest rates which, taken together, result in an irrevocably fixed interest rate obligation of the Issuer for the terms of such Bonds.

"Paying Agent" means the Trustee, appointed as the initial paying agent for the Bonds pursuant to the Indenture, and any additional or successor paying agent appointed pursuant to the Indenture.

"Permitted Investments" means any of the following securities:

(i) Government Obligations;

(ii) Obligations of any of the following federal agencies which obligations represent full faith and credit obligations of the United States of America: the Export–Import Bank of the United States; the Government National Mortgage Association; the Federal Financing Bank; the Farmer's Home Administration; the Federal Housing Administration; the Maritime Administration: General Services Administration, Small Business Administration; or the Department of Housing and Urban Development (PHA's);

(iii) Money market funds rated "AAAm" or "AAAm–G" or better by S&P;

(iv) Commercial paper which is rated at the time of purchase in the single highest classification, "P–1" by Moody's or "A–1+" by S&P, and which matures not more than 270 days after the date of purchase;

(v) Bonds, notes or other evidences or indebtedness rated "AAA" by S&P and "Aaa" by Moody's issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation with remaining maturities not exceeding three years;

(vi) United States dollar denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks which have a rating on their short term certificates of deposit on the date or purchase of "A–1" or "A–1+" by S&P and "P–1" by Moody's and maturing no more than 360 days after the date or purchase (ratings on holding companies are not considered as the rating of the bank);

(vii) the fund held by the Treasurer for the State of Utah and commonly known as the Utah Public Treasurers' Investment Fund;

(viii) Repurchase agreements with (1) any domestic bank, or domestic branch of a foreign bank, the long term debt of which is rated at least "A" by S&P and Moody's; or (2) any broker–dealer with "retail customers" or a related affiliate thereof which broker–dealer has, or the parent company (which guarantees the provider) of which has, long–term debt rated at least "A" by S&P and Moody's, which broker–dealer falls under the jurisdiction of the Securities Investors Protection Corporation; or (3) any other entity rated "A" or better by S&P and Moody's and acceptable to the Security Instrument Issuer, if any , provided that:

(A) The market value of the collateral is maintained at levels and upon such conditions as would be acceptable to S&P and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach and without regard to the long–term debt rating of the provider);

(B) The Trustee or a third party acting solely as agent therefor or for the Issuer (the "Holder of the Collateral") has possession of the collateral or the collateral has been transferred to the Holder of the Collateral in accordance with applicable state and federal laws (other than by means of entries on the transferor's books);

(C) The repurchase agreement shall state and an opinion of counsel shall be rendered at the time such collateral is delivered that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);

(D) All other requirements of S&P in respect of repurchase agreements shall be met.

(E) The repurchase agreement shall provide that if during its term the provider's rating by either Moody's or S&P is withdrawn or suspended or falls below "A–" by S&P or "A3" by Moody's, as appropriate, the provider must, at the direction of the Issuer or the Trustee (who shall give such direction if so directed by the Insurer), within 10 days of receipt of such direction, repurchase all collateral and terminate the agreement, with no penalty or premium to the Issuer or Trustee.

Notwithstanding the above, if a repurchase agreement has a term of 270 days or less (with no evergreen provision), collateral levels need not be as specified in (A) above, so long as such collateral levels are 103% or better and the provider is rated at least "A" by S&P and Moody's, respectively;

(ix) Investment agreements with a domestic or foreign bank or corporation (other than a life or property casualty insurance company) the long–term debt of which, or, in the case of a guaranteed corporation the long–term debt, or, in the case of a monoline financial guaranty insurance company, claims paying ability, of the guarantor is rated at least "AA" by S&P and "Aa" by Moody's; provided that, by the terms of the investment agreement:

(A) interest payments are to be made to the Trustee at time and in amounts as necessary to pay debt service (or, if the investment agreement is for the construction fund, construction draws) on the Bonds;

(B) the invested funds are available for withdrawal without penalty or premium, at any time upon not more than seven days' prior notice; the Issuer and the Trustee agree to give or cause to be given notice in accordance with the terms of the investment agreement so as to receive funds thereunder with no penalty or premium paid;

(C) the investment agreement shall state that is the unconditional and general obligation of, and is not subordinated to any other obligation of, the provider thereof or, if the provider is a bank, the agreement or the opinion of counsel shall state that the obligation of the provider to make payments thereunder ranks pari passu with the obligations of the provider to its other depositors and its other unsecured and unsubordinated creditors;

(D) the Issuer or the Trustee receives the opinion of domestic counsel (which opinion shall be addressed to the Issuer and the Reserve Instrument Provider) that such investment agreement is legal, valid, binding and enforceable upon the provider in accordance with its terms and of foreign counsel (if applicable) in form and substance acceptable, and addressed to, the Insurer;

(E) the investment agreement shall provide that if during its term

(i) the provider's rating by either S&P or Moody's falls below "AA–" or "Aa3", respectively, the provider shall, at its option, within 10 days of receipt of publication of such downgrade, either (i) collateralize the investment agreement by delivering or transferring in accordance with applicable

state and federal laws (other than by means of entries on the provider's books) to the Issuer, the Trustee or a third party acting solely as agent therefor (the "Holder of the Collateral") collateral free and clear of any third–party liens or claims the market value of which collateral is maintained at levels and upon such conditions as would be acceptable to S&P and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach and without regard to the long–term debt rating of the provider); or (ii) repay the principal of and accrued but unpaid interest on the investment, and

(ii) the provider's rating by either S&P or Moody's is withdrawn or suspended or falls below "A–" or "A3", respectively, the provider must, at the direction of the Issuer or the Trustee (who shall give such direction if so directed by the Insurer), within 10 days of receipt of such direction, repay the principal of and accrued but unpaid interest on the investment, in either case with no penalty or premium to the Issuer or Trustee, and

(F) the investment agreement shall state and an opinion of counsel shall be rendered, in the event collateral is required to be pledged by the provider under the terms of the investment agreement, at the time such collateral is delivered, that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);

(G) the investment agreement must provide that if during its term

(i) the provider shall default in its payment obligations, the provider's obligations under the investment agreement shall, at the direction of the Issuer or the Trustee (who shall give such direction if so directed by the Insurer), be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the Issuer or Trustee, as appropriate, and

(ii) the provider shall become insolvent, not pay its debts as they become due, be declared or petition to be declared bankrupt, etc. ("event of insolvency"), the provider's obligations shall automatically be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the Issuer or Trustee, as appropriate and

(x) any investments or securities permitted for investment of public funds under the State Money Management Act of 1974, Title 51, Chapter 7, Utah Code as amended from time to time. 2

"Pledged Bonds" means any Bonds that have been (i) pledged or in which any interest has otherwise been granted to a Security Instrument Issuer as collateral security for Security Instrument Repayment Obligations or (ii) purchased and held by a Security Instrument Issuer pursuant to a Security Instrument.

"Pledged Revenues" means (i) the Sales and Uses Taxes, plus (ii) interest earned by and profits derived from the sale of investments in the funds and accounts created by the Indenture, plus (iii) Direct Payments, plus (iv) all other Revenues (if any) after provision has been made for the payment from the Revenues described in this subparagraph (iv) of the Operation and Maintenance Expenses.

"Principal" means (a) with respect to any Capital Appreciation Bond, the Accreted Amount thereof (the difference between the stated amount to be paid at maturity and the Accreted Amount being deemed unearned interest), except as used in connection with the authorization and issuance of Bonds and with the order of priority of payment of Bonds after an Event of Default, in which case "Principal" means the initial public offering price of a Capital Appreciation Bond (the difference between the Accreted Amount and the initial public offering price being deemed interest), and (b) with respect to any Current Interest Bond, the principal amount of such Bond payable at maturity.

"Principal Installment" means, as of any date of calculation, (a) with respect to any Series of Bonds, so long as any Bonds thereof are Outstanding, (1) the Principal amount of Bonds of such Series due on a certain future date for which no Sinking Fund Installments have been established, or (2) the unsatisfied balance (determined as provided in the definition of "Sinking Fund Installment") of any Sinking Fund Installment due on a certain future date for Bonds of such Series, plus the amount of the sinking fund redemption premiums, if any, which would be applicable upon redemption of such Bonds on such future date in a Principal amount equal to such unsatisfied balance of such Sinking Fund Installment, or (3) if such future dates coincide as to different Bonds of such Series, the sum of such Principal amount of Bonds and of such unsatisfied balance of such Sinking Fund Installment due on such future date plus such applicable redemption premiums, if any, and (b) with respect to any Repayment Obligations, the principal amount of such Repayment Obligations due on a certain future date.

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[2] This paragraph (x) is added in the amendment provided in the Tenth Supplemental Senior Indenture.

"Project" means the acquisition or construction of additions, extensions, facilities, equipment or buildings for use as, or improvements to or equipment or furnishings for, the System.

"Put Bond" means any Bond which is part of a Series of Bonds which is subject to purchase by the Issuer, its agent or a third party from the Owner of the Bond pursuant to provisions of the Supplemental Indenture authorizing the issuance of the Bond and designating it as a "Put Bond".

"Rating Agency" means Moody's, Fitch or S&P and their successors and assigns to the extent such agencies then maintain a rating of the Bonds at the request of the Issuer. If any of such corporations cease to act as a securities rating agency, the Issuer may, with the approval of the Trustee, designate any nationally recognized securities rating agency as a replacement.

"Registrar" means the Trustee (or other party designated as Registrar by Supplemental Indenture), appointed as the initial registrar for the Bonds pursuant to the Indenture, and any additional or successor registrar appointed pursuant to the Indenture.

"Regular Record Date" means, with respect to any Interest Payment Date for any Series of Bonds, the date specified as the Regular Record Date in the Supplemental Indenture authorizing the issuance of such Series of Bonds.

"Remarketing Agent" means a remarketing agent or commercial paper dealer appointed by the Issuer pursuant to a Supplemental Indenture.

"Repayment Obligations" means, collectively, all outstanding Security Instrument Repayment Obligations and Reserve Instrument Repayment Obligations.

"Reserve Instrument" means a device or instrument issued by a Reserve Instrument Provider to satisfy all or any portion of the Debt Service Reserve Requirement applicable to a Series of Bonds. The term "Reserve Instrument" includes, by way of example and not of limitation, letters of credit, bond insurance policies, surety bonds, standby bond purchase agreements, lines of credit and other devices.

"Reserve Instrument Agreement" means any agreement entered into by the Issuer and a Reserve Instrument Provider pursuant to a Supplemental Indenture and/or the applicable portions of a Supplemental Indenture providing for the issuance by such Reserve Instrument Provider of a Reserve Instrument.

"Reserve Instrument Costs" means all fees, premiums, expenses and similar costs, other than Reserve Instrument Repayment Obligations, required to be paid to a Reserve Instrument Provider pursuant to a Reserve Instrument Agreement. Each Reserve Instrument Agreement shall specify the fees, premiums, expenses and costs constituting Reserve Instrument Costs.

"Reserve Instrument Coverage" means, as of any date of calculation, the aggregate amount available to be paid to the Trustee pursuant to the Indenture under all Reserve Instruments.

"Reserve Instrument Fund" means the Utah Transit Authority Reserve Instrument Fund created in the Indenture to be held by the Trustee and administered pursuant to the Indenture.

"Reserve Instrument Limit" means, as of any date of calculation and with respect to any Reserve Instrument, the maximum aggregate amount available to be paid under such Reserve Instrument into the Debt Service Reserve Fund assuming for purposes of such calculation that the amount initially available under each Reserve Instrument has not been reduced or that the amount initially available under each Reserve Instrument has only been reduced as a result of the payment of principal of the applicable Series of Bonds.

"Reserve Instrument Provider" means any bank or other financial institution having at least a rating of "AA–" and "Aa3" by S&P and Moody's, respectively, or its equivalent or any insurance company or surety company rated in the highest rating category by S&P and Moody's and, if rated by A. M. Best & Company, rated in the highest rating category by A. M. Best & Company, issuing a Reserve Instrument.

"Reserve Instrument Repayment Obligations" means, as of any date of calculation and with respect to any Reserve Instrument Agreement, those outstanding amounts payable by the Issuer under such Reserve Instrument Agreement to repay the Reserve Instrument Provider for payments previously made by it pursuant to a Reserve Instrument. There shall not be included in the calculation of Reserve Instrument Repayment Obligations any Reserve Instrument Costs. Each Reserve Instrument Agreement and the Supplemental Indenture authorizing the execution and delivery of such Reserve Instrument Agreement shall specify the amounts payable under it which, when outstanding, shall constitute Reserve Instrument Repayment Obligations and the Reserve Instrument Agreement shall specify the portions of such amounts that are allocable as principal of and as interest on such Reserve Instrument Repayment Obligations.

"Revenue Fund" means the Utah Transit Authority Revenue Fund created in the Indenture to be held by the Issuer and administered pursuant to the Indenture.

"Revenues" means (i) all revenues, including but not limited to fare box revenues, advertising revenues, fees, income, rents and receipts received or earned by the Issuer from or attributable to the ownership and operation of the System, together with all interest earned by and profits derived from the sale of investments in the related funds thereof and the Funds and accounts created under the Indenture or proceeds derived from the sale of any part of the System, (ii) the Sales and Use Taxes, (iii) Direct Payments, and (iv) any other legally available funds of the Issuer from other sources, properly budgeted on an annual basis for the payment of Operation and Maintenance Expenses and principal and interest on the Bonds; provided, however, that Revenues shall not include federal and State capital and operating grant monies received by the Issuer in connection with the operation of the System, to the extent inclusion therein is prohibited by State or federal law and regulations. The Indenture requires that such grant monies be used for Operation and Maintenance Expenses to the extent received for that purpose.

"S&P" means Standard & Poor's Ratings Services, a Division of the McGraw–Hill Companies.

"Sales and Use Taxes" means collectively, (i) the 0.25% or 0.30%, as may be applicable within the various jurisdictions of the Issuer, sales and use tax revenues received by the Issuer pursuant to Section 59–12–501, Utah Code Annotated 1953, as amended and any tax received pursuant to Section 59–12–2003 as a result of a tax levy under Section 59–12–501 at less than 0.30% (where applicable), (ii) the 0.25% sales and use tax revenues received by the Issuer from within Weber, Davis and Salt Lake Counties pursuant to Section 59–12–502, Utah Code Annotated 1953, as amended (less 20% of such sales and use tax revenues collected within Salt Lake County which must be allocated to other purposes pursuant to Section 59–12–502(5)(b), Utah Code Annotated 1953, as amended), (iii) the 0.276% (being 92% of 0.30%) sales and use tax revenues received by the Issuer from within Utah County pursuant to Section 59–12–1503, Utah Code Annotated 1953, as amended, (iv) the 0.1875% sales and use tax revenues received by Issuer from within Salt Lake County pursuant to Section 59–12–1703, Utah Code Annotated 1953, as amended and (v) any other sales and use tax revenues legally available to the Issuer and affirmatively pledged under the Indenture by Supplemental Indenture.

"Security Instrument" means an instrument or other device issued by a Security Instrument Issuer to pay, or to provide security or liquidity for, a Series of Bonds. The term "Security Instrument" includes, by way of example and not of limitation, letters of credit, bond insurance policies, standby bond purchase agreements, lines of credit and other security instruments and credit enhancement or liquidity devices; provided, however, that no such device or instrument shall be a "Security Instrument" for purposes of the Indenture unless specifically so designated in a Supplemental Indenture authorizing the use of such device or instrument.

"Security Instrument Agreement" means any agreement entered into by the Issuer and a Security Instrument Issuer pursuant to a Supplemental Indenture and/or the applicable portions of a Supplemental Indenture providing for the issuance by such Security Instrument Issuer of a Security Instrument.

"Security Instrument Costs" means, with respect to any Security Instrument, all fees, premiums, expenses and similar costs, other than Security Instrument Repayment Obligations, required to be paid to a Security Instrument Issuer pursuant to a Security Instrument Agreement or the Supplemental Indenture authorizing the use of such Security Instrument. Such Security Instrument Agreement or Supplemental Indenture shall specify any fees, premiums, expenses and costs constituting Security Instrument Costs.

"Security Instrument Issuer" means any bank or other financial institution, insurance company, surety company or other institution issuing a Security Instrument.

"Security Instrument Repayment Obligations" means, as of any date of calculation and with respect to any Security Instrument Agreement, any outstanding amounts payable by the Issuer under the Security Instrument Agreement or the Supplemental Indenture authorizing the use of such Security Instrument to repay the Security Instrument Issuer for payments previously or concurrently made by the Security Instrument Issuer pursuant to a Security Instrument. There shall not be included in the calculation of the amount of Security Instrument Repayment Obligations any Security Instrument Costs. Each Security Instrument Agreement or the Supplemental Indenture authorizing the use of such Security Instrument shall specify any amounts payable under it which, when outstanding, shall constitute Security Instrument Repayment Obligations and shall specify the portions of any such amounts that are allocable as principal of and as interest on such Security Instrument Repayment Obligations.

"Serial Bonds" means all Bonds other than Term Bonds.

"Series" means all of the Bonds authenticated and delivered on original issuance and identified pursuant to the Supplemental Indenture authorizing such Bonds as a separate Series of Bonds, and any Bonds thereafter authenticated and delivered in lieu thereof or in substitution therefore.

"Sinking Fund Installment" means an amount so designated pursuant to a Supplemental Indenture. The portion of any such Sinking Fund Installment remaining after the deduction of any such amounts credited pursuant to the Indenture toward the same (or the original amount of any such Sinking Fund Installment if no such amounts shall have been credited toward the same) shall constitute the unsatisfied balance of such Sinking Fund Installment for the purpose of calculation of Sinking Fund Installments due on a future date.

"Special Record Date" means such date as may be fixed for the payment of defaulted interest on the Bonds in accordance with the Indenture.

"State" means the State of Utah.

"Supplemental Indenture" means any indenture between the Issuer and the Trustee entered into pursuant to and in compliance with the provisions of Indenture.

"Swap Counterparty" means a member of the International Swap Dealers Association rated in one of the three top rating categories by at least one of the Rating Agencies and meeting the requirements of applicable laws of the State. The documentation with respect to each Interest Rate Swap shall require the Swap Counterparty to maintain its rating in one of the three top rating categories by at least one of the Rating Agencies.

"Swap Payments" means as of each payment date specified in an Interest Rate Swap, the amount, if any, payable to the Swap Counterparty by the Trustee on behalf of the Issuer.

"Swap Receipts" means as of each payment date specified in an Interest Rate Swap, the amount, if any, payable to the Trustee for the account of the Issuer by the Swap Counterparty.

"System" means the Issuer's public transit system, together with any additions, repairs, renewals, replacements, expansions, extensions and improvements to said System, or any part thereof, hereafter acquired or constructed, and together with all lands, easements, interests in land, licenses, water rights and rights of way of the Issuer and all other works, property, structures, equipment of the Issuer and contract rights and other tangible and intangible assets of the Issuer now or hereafter owned or used in connection with, or related to said System.

"Term Bonds" means the Bonds which shall be subject to retirement by operation of mandatory sinking fund redemptions from the Bond Fund.

"Trustee" means Zions First National Bank, Salt Lake City, Utah, or any successor corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party and any successor trustee at any time serving as successor trustee under the Indenture.

"Utah Code" means Utah Code Annotated 1953, as amended.

"Variable Rate Bonds" means, as of any date of calculation, Bonds the terms of which on such date of calculation are such that interest thereon for any future period of time is expressed to be calculated at a rate which is not susceptible of a precise determination.

The Bonds

Limited Obligation. The Bonds and the Repayment Obligations are not a general obligation indebtedness or pledge of the full faith and credit of the Issuer or of the State or any agency, instrumentality or political subdivision thereof, but are special limited obligations of the Issuer payable from and secured solely by the Pledged Revenues and other monies in funds and accounts held by the Trustee under the Indenture, except as provided in the Indenture, the Issuer pledges and assigns the same as provided in the Granting Clause of the Indenture. The issuance of the Bonds and delivery of any Security Instrument Agreement or Reserve Instrument Agreement shall not, directly, indirectly or contingently, obligate the Issuer or the State or any agency, instrumentality or political subdivision thereof to levy any form of ad valorem taxation therefore.

Provisions Regarding Bonds Secured by a Security Instrument.

(a) The Issuer may include such provisions in a Supplemental Indenture authorizing the issuance of a Series of Bonds secured by a Security Instrument as the Issuer deems appropriate, including:

(i) So long as the Security Instrument is in full force and effect, and payment on the Security Instrument is not in default, (A) the Security Instrument Issuer shall be deemed to be the Owner of the Outstanding Bonds of such Series (I) when the approval, consent or action of the Bondowners for such Series of Bonds is required or may be exercised under the Indenture and (II) following an Event of Default and (B) the Indenture may not be amended in any manner which adversely affects the rights of such Security Instrument Issuer without its prior written consent.

(ii) In the event that the Principal and redemption price, if applicable, and interest due on any Series of Bonds Outstanding shall be paid under the provisions of a Security Instrument, all covenants, agreements and other obligations of the Issuer to the Bondowners of such Series of Bonds shall continue to exist and such Security Instrument Issuer shall be subrogated to the rights of such Bondowners in accordance with the terms of such Security Instrument.

(b) In addition, such Supplemental Indenture may establish such provisions as are necessary to provide relevant information to the Security Instrument Issuer and to provide a mechanism for paying Principal Installments and interest on such Series of Bonds from the Security Instrument.

Covenant Against Creating or Permitting Liens; Subordinated Indebtedness. Except for the pledge of Pledged Revenues to secure payment of the Bonds and Repayment Obligations under the Indenture, the Issuer covenants that the Pledged Revenues are and will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto; provided, however, that nothing contained in the Indenture shall prevent the Issuer from issuing, if and to the extent permitted by law, indebtedness having a lien on Pledged Revenues subordinated to that of the Bonds and the Repayment Obligations.

Use of Funds

Use of Construction Fund.

(a) So long as an Event of Default shall not have occurred and be continuing, moneys deposited in the appropriate account in the Construction Fund shall be paid out by the Trustee in order to pay the Cost of a Project, in each case within three Business Days (or within such longer period as is reasonably required to liquidate investments in the Construction Fund if required to make such payment) after the receipt by the Trustee of a written requisition stating the following:

(i) that the Trustee shall disburse sums in the manner specified by and at the direction of an Authorized Representative of the Issuer to the person or entity designated in such written requisition, and that the amount set forth therein is justly due and owing and constitutes a Cost of a Project based upon itemized claims substantiated in support thereof; and

(ii) that the amount remaining in the applicable account in the Construction Fund after such disbursement is made, together with the amount of unencumbered Pledged Revenues, if any, which the Issuer reasonably estimates will be deposited in the applicable account in the Construction Fund during the period of construction of a Project from the investment of moneys on deposit in the applicable account in the Construction Fund, will, together with any other moneys lawfully available or reasonably expected to become available for payment of the Cost of a Project and after payment of the amount requested in said requisition, be sufficient to pay the remaining Cost of a Project in accordance with the plans and specifications therefor then in effect; it being understood that no moneys from the applicable account in the Construction Fund may be expended unless, after giving effect thereto, the funds remaining in the applicable account in the Construction Fund, together with such other funds and income and lawfully available monies and monies reasonably expected to become available, are expected to be sufficient to pay the remaining Cost of the Project.

(b) Upon receipt of such requisition, the Trustee shall pay the obligation set forth in such requisition out of moneys in the applicable account in the Construction Fund. In making such payments the Trustee may rely upon such requisition.

(c) An Authorized Representative of the Issuer shall deliver to the Trustee, within 90 days after the substantial completion of a Project, a certificate stating:

(i) that such Project has been substantially completed in accordance with the plans and specifications therefor, as amended from time to time, and stating the date of substantial completion for such Project; and

(ii) that the Issuer is of the opinion that such Project has been fully paid for and no claim or claims exist against the Issuer or against such Project out of which a lien based on furnishing labor or material exists or might ripen; provided, however, there may be excepted from the foregoing statement any claim or claims out of which a lien exists or might ripen in the event that the Issuer intends to contest such claim or claims, in which event such claim or claims shall be described to the Trustee.

(d) In the event the certificate filed with the Trustee pursuant to paragraph (c) above shall state that there is a claim or claims in controversy which create or might ripen into a lien, there shall be filed with the Trustee a similar certificate when and as such claim or claims shall have been fully paid or otherwise discharged.

(e) The Trustee and the Issuer shall keep and maintain adequate records pertaining to each account within the Construction Fund and all disbursements therefrom.

(f) Upon completion of a Project and payment of all costs and expenses incident thereto and the filing with the Trustee of documents required by the Indenture, any balance remaining in the applicable account in the Construction Fund relating to such Project shall, at the written direction of the Issuer delivered to the Trustee, (i) be applied to pay capitalizable costs for projects related to the System or any other lawful purpose, subject in either case to receipt of a Favorable Opinion, (ii) be deposited in the Bond Fund, to be applied, as directed by the Issuer, (A) toward the redemption or purchase of the Series of Bonds issued to finance such Project or (B) to the payment of principal and interest next falling due on such Series of Bonds or (iii) any combination of the foregoing purposes.

(g) Upon the occurrence and continuance of an Event of Default under the Indenture, amounts on deposit in the Construction Fund may be applied toward the payment of Bonds issued under the Indenture.

Use of Revenue Fund.

(a) All Revenues (except earnings from the investment of amounts on deposit in the funds and accounts established under the Indenture, which shall be allocated as provided in the Indenture) shall be deposited by the Issuer to the credit of the Revenue Fund and the Issuer shall account for Sales and Use Taxes and Direct Payments separate and apart from all other Revenues.

(b) As a first lien and charge on the Sales and Use Taxes and Direct Payments, the Issuer shall transfer and deposit all available Sales and Use Taxes and Direct Payments from the Revenue Fund into the following Funds or make payments therefrom (as applicable) in the following order of priority the amounts set forth below:

(i) (A) Unless otherwise provided for and described by Supplemental Indenture, on or before the first Business Day of each month (commencing for each new Series of Bonds with the first Business Day of the month following the delivery date of such Series of Bonds), the Issuer shall transfer and deposit into the Bond Fund an amount equal to one–sixth of the interest payable on the Bonds (or, if the first Interest Payment Date is less than six months away, the Issuer shall deposit into the Bond Fund an amount sufficient to total the interest payable on the Bonds in equal monthly installments) on the next succeeding Interest Payment Date and if Principal is payable on the Bonds in the 12 months succeeding such transfers, one–twelfth of Principal next payable on the Bonds (or, if the first Principal payable on the Bonds is less than 12 months away, the Issuer shall deposit into the Bond Fund an amount sufficient to total the Principal payable on the Bonds in equal monthly installments). In addition, all deficiencies in required deposits to the Bond Fund shall also be supplied. Said deposits shall be reduced, as appropriate, by (x) any income derived from the investment of the Bond Fund, and (y) any other deposits made to the Bond Fund pursuant to the Indenture; and (B) to the extent required by the Supplemental Indenture, on any Security Instrument Repayment Obligations promptly on each such payment date as the same become due and payable, whether at maturity or by redemption.

(ii) On an equal and parity lien basis (A) to the accounts maintained in the Reserve Instrument Fund, with respect to all Reserve Instruments which are in effect and are expected to continue in effect, such amount of the remaining Sales and Use Taxes and Direct Payments, or a ratable portion (taking into account the amount to be transferred pursuant to Subparagraph (B) of this Paragraph (ii)) of the amount so remaining if less than the amount necessary, that is required to be paid, including all Reserve Instrument Repayment Obligations, on or before the next such transfer or deposit of Sales and Use Taxes and Direct Payments into the Reserve Instrument Fund, to the Reserve Instrument Provider pursuant to any Reserve Instrument Agreement, other than Reserve Instrument Costs, in order to cause the Reserve Instrument Coverage to equal the Reserve Instrument Limit, such that the Reserve Instrument Coverage shall equal the Reserve Instrument Limit within one year from any draw date under the Reserve Instrument; and (B) to the accounts maintained in Debt Service Reserve Fund any amounts required by the Indenture and by any Supplemental Indenture to accumulate therein the applicable Debt Service Reserve Requirement at the times and in the amounts provided in the Indenture and in any Supplemental Indenture, or a ratable portion (taking into account the amount to be transferred pursuant to Subparagraph (A) of this Paragraph (ii)) of remaining Sales and Use Taxes and Direct Payments if less than the amount necessary.

(iii) To provide for the payment of Financing Expenses when and as the same become due.

(c) As a second charge and lien on the Sales and Use Taxes and Direct Payments, the Issuer shall allocate or transfer and deposit to the appropriate fund any debt service payments, reserve fund payments, debt reserve instrument costs and similar payments which may be required pursuant to any obligations payable from Revenues on a basis subordinate to the lien of the Indenture.

(d) The Operation and Maintenance Expenses shall be paid by the Issuer from time to time as they become due and payable (i) at any time from the Revenues other than Sales and Use Taxes and Direct Payments and (ii) from the

Revenues constituting Sales and Use Taxes and Direct Payments, but only after the charges on Sales and Use Taxes and Direct Payments referenced in paragraphs (b) and (c) above, have been met. Prior to the commencement of each Fiscal Year, the Issuer shall establish and present to its governing board for approval a final budget including amounts for Operation and Maintenance Expenses for the ensuing Fiscal Year. Operation and Maintenance Expenses in any Fiscal Year shall not exceed the amount budgeted for such items in the Issuer's final budget (as the same may be amended from time to time) for such Fiscal Year. The limitations of the preceding sentence shall not be construed to prevent the Issuer from amending any budget or from making expenditures in excess of budgeted amounts in the event of any emergency or similar circumstances.

(e) As necessary, after payment of unpaid Operation and Maintenance Expenses then due, the Issuer shall transfer and deposit with the Trustee from amounts on deposit in the Revenue Fund to the extent of Revenues available in the Revenue Fund, into the Funds or for the purposes and in the order of priority the amounts as set forth in paragraph (b) and (c) above.

(f) Subject to making the foregoing deposits, the Issuer may use any moneys on deposit in the Revenue Fund for:

(i) redemption of Bonds for cancellation prior to maturity by depositing the same into the Bond Fund;

(ii) refinancing, refunding, or advance refunding of any Bonds;

(iii) to apply to, or to accumulate a reserve for the purpose of applying toward the costs of acquiring, constructing, equipping or furnishing additional facilities to the System or improving, replacing, restoring, equipping or furnishing any existing facilities;

(iv) payment of indebtedness having a lien on the Pledged Revenues subordinate to that of the Bonds and the Repayment Obligations; or

(v) application for any other lawful purposes as determined by the Issuer.

Use of Bond Fund.

(a) The Trustee shall make deposits, as and when received, as follows:

(i) the amounts provided for by the Indenture shall be deposited into the Bond Fund;

(ii) all moneys payable by the Issuer as specified in the Indenture shall be deposited into the Bond Fund. Any payments made by a Security Instrument Issuer with respect to a Series of Bonds shall be deposited into the Bond Fund and used solely to pay the related Series of Bonds, subject to the provisions of the Supplemental Indenture authorizing the issuance of such Series of Bonds;

(iii) any amount in the Construction Fund shall be transferred to the Bond Fund to the extent required by the Indenture upon completion of a Project;

(iv) all moneys required to be transferred to the Bond Fund from the Debt Service Reserve Fund or from a Reserve Instrument or Instruments then in effect shall be deposited into the Bond Fund as provided in the Indenture; and

(v) all other moneys received by the Trustee under the Indenture when accompanied by directions from the person depositing such moneys that such moneys are to be paid into the Bond Fund, shall be deposited into the Bond Fund.

(b) Except as provided in the Indenture, as provided in this paragraph and as otherwise provided by Supplemental Indenture, moneys in the Bond Fund shall be expended solely for the following purposes and in the following order of priority:

(i) on or before each Interest Payment Date for each Series of Bonds, the amount required for the interest payable on such date;

(ii) on or before each Principal Installment due date, the amount required for the Principal Installment payable on such due date; and

(iii) on or before each redemption date for each Series of Bonds, the amount required for the payment of redemption price of and accrued interest on such Bonds then to be redeemed.

Such amounts shall be applied by the Paying Agents to pay Principal Installments and redemption price of, and interest on the related Series of Bonds.

The Trustee shall pay out of the Bond Fund to the Security Instrument Issuer, if any, that has issued a Security Instrument with respect to such Series of Bonds an amount equal to any Security Instrument Repayment Obligation then due and payable to such Security Instrument Issuer. Except as otherwise specified in a related Supplemental Indenture all such Security Instrument Repayment Obligations shall be paid on a parity with the payments to be made with respect to principal and interest on the Bonds; provided that amounts paid under a Security Instrument shall be applied only to pay the related Series of Bonds. If payment is so made on Pledged Bonds held for the benefit of the Security Instrument Issuer, a corresponding payment on the Security Instrument Repayment Obligation shall be deemed to have been made (without requiring an additional payment by the Issuer) and the Trustee shall keep its records accordingly.

The Issuer authorizes and directs the Trustee to withdraw sufficient funds from the Bond Fund to pay principal of and interest on the Bonds and on Security Instrument Repayment Obligations as the same become due and payable and to make said funds so withdrawn available to the Trustee and any paying agent for the purpose of paying said principal and interest.

(c) Except as otherwise provided in a Supplemental Indenture authorizing a Series of Bonds, amounts accumulated in the Bond Fund with respect to any Sinking Fund Installment (together with amounts accumulated therein with respect to interest on the Bonds for which such Sinking Fund Installment was established) shall, if so directed by the Issuer in a written request not less than 30 days before the due date of such Sinking Fund Installment, be applied by the Trustee to (1) the purchase of Bonds of the Series and maturity for which such Sinking Fund Installment was established, (2) the redemption at the applicable sinking fund redemption price of such Bonds, if then redeemable by their terms, or (3) any combination of (1) and (2). All purchases of any Bonds pursuant to this subsection (c) shall be made at prices not exceeding the applicable sinking fund redemption price of such Bonds plus accrued interest, and such purchases shall be made in such manner as the Issuer shall direct the Trustee. The applicable sinking fund Redemption Price (or Principal amount of maturing Bonds) of any Bonds so purchased or redeemed shall be deemed to constitute part of the Bond Fund until such Sinking Fund Installment date for the purpose of calculating the amount of such Fund. As soon as practicable after the 60th day preceding the due date of any such Sinking Fund Installment, the Trustee shall proceed to call for redemption on such due date, by giving notice as required by the Indenture, Bonds of the Series and maturity for which such Sinking Fund Installment was established (except in the case of Bonds maturing on a Sinking Fund Installment date) in such amount as shall be necessary to complete the retirement of the unsatisfied balance of such Sinking Fund Installment. The Trustee shall pay out of the Bond Fund to the appropriate Paying Agents, on or before such redemption date (or maturity date), the amount required for the redemption of the Bonds so called for redemption (or for the payment of such Bonds then maturing), and such amount shall be applied by such Paying Agents to such redemption (or payment). All expenses in connection with the purchase or redemption of Bonds shall be paid by the Issuer as Operation and Maintenance Expenses. Upon any redemption (otherwise than pursuant to Sinking Fund Installments) of Bonds for which Sinking Fund Installments have been established, or any purchase in lieu thereof, there shall be credited by the Trustee toward the Sinking Fund Installment requirement thereafter to become due with respect thereto, the amount of the Bonds so redeemed or purchased in lieu thereof, to the respective sinking fund redemption dates as directed by the Issuer.

(d) After payment in full of the principal of and interest on all Bonds issued under the Indenture (or after provision has been made for the payment thereof as provided in the Indenture so that such Bonds are no longer Outstanding), all agreements relating to all outstanding Security Instrument Repayment Obligations and Reserve Instrument Repayment Obligations, in accordance with their respective terms, the fees, charges and expenses of the Trustee and any paying agent, any other amounts required to be paid under the Indenture and under any Security Instrument Agreement and any Reserve Instrument Agreement, all amounts remaining in the Bond Fund shall be paid to the Issuer.

Use of Debt Service Reserve Fund.[3] Except as required to make up any deficiencies in the Bond Fund as provided in the Indenture and subject to the immediately following sentence, moneys in the Debt Service Reserve Fund shall at all times be maintained in an amount not less than the applicable Debt Service Reserve Requirement. In calculating the amount on deposit in each account in the Debt Service Reserve Fund, the amount, if any, of the related Reserve Instrument Coverage will be treated as an amount on deposit in such account in the Debt Service Reserve Fund. Each Supplemental Indenture authorizing the issuance of a Series of Bonds shall specify the Debt Service Reserve Requirement applicable to such Series sufficient to cause the Debt Service Reserve Fund to equal the Debt Service Reserve Requirement, which amount shall be deposited immediately upon the issuance and delivery of such Series from (a) proceeds from the sale thereof or from any other legally available source, or (b) by a Reserve Instrument or Instruments, or (c) any combination thereof. If amounts on deposit in the Debt Service Reserve Fund shall, at any

[3] As amended by the Tenth Supplemental Senior Indenture.

time, be less than the Debt Service Reserve Requirement, all Security Instrument Issuers shall be notified immediately of such deficiency, and such deficiency shall be made up at the time and in the manner indicated in the Indenture.

In the event funds on deposit in the Debt Service Reserve Fund are needed to make up any deficiencies in the Bond Fund as aforementioned, and there is insufficient cash available in the Debt Service Reserve Fund to make up such deficiency and Reserve Instruments applicable to such Series of Bonds are in effect, the Trustee shall immediately make a demand for payment on such Reserve Instruments, to the maximum extent authorized by such Reserve Instruments, in the amount necessary to make up such deficiency, and immediately deposit such payment upon receipt thereof into the Bond Fund for application to such deficiencies.

In the event a Reserve Instrument is terminated in accordance with its terms, the Issuer shall be required either (i) to fund the Debt Service Reserve Requirement at the time of termination of the Reserve Instrument or (ii) to provide a substitute Reserve Instrument which provides the same Reserve Instrument Coverage and which is provided by a Reserve Instrument Provider that is acceptable to the Trustee.

Funds at any time on deposit in the accounts maintained in the Debt Service Reserve Fund in excess of the amount required to be maintained therein (taking into account the amount of related Reserve Instrument Coverage) may at any time be transferred to the Bond Fund at the direction of the Issuer or, in connection with the replacement of amounts on deposit therein with a Reserve Instrument, utilized by the Issuer for any other lawful purpose, with a Favorable Opinion, pursuant to the terms of the Supplemental Indenture or resolution of the Issuer authorizing such Reserve Instrument.

With respect to Bonds issued under the Indenture prior to February 25, 2015 in the event that amounts on deposit in the related subaccount of the Debt Service Reserve Fund are insufficient to make up any deficiency in the Bond Fund with respect to a related Series of Bonds, amounts on deposit in any other subaccount of the Debt Service Reserve Fund created with respect to Bonds issued prior to February 25, 2015 may be used for such purpose and all of such subaccounts in the Debt Service Reserve Fund shall secure all Bonds issued under the Indenture prior to February 25, 2015 on a parity lien basis and the amounts in such subaccounts (including any amounts drawn on a Reserve Instrument for a Series of Bonds issued prior to February 25, 2015) do not secure Bonds issued under the Indenture on or after February 25, 2015.

With respect to Bonds issued on or after February 25, 2015 and notwithstanding anything contained elsewhere in the Indenture to the contrary, any account maintained within the Debt Service Reserve Fund for a Series of Bonds issued on or after February 25, 2015 and any Reserve Instrument for a Series of Bonds issued on or after February 25, 2015, shall only be drawn upon with respect to the Series of Bonds to which such account or Reserve Instrument applies.

Reserve Instrument Fund. There shall be paid into the Reserve Instrument Fund the amounts required by the Indenture and by a Supplemental Indenture to be so paid. The amounts in the Reserve Instrument Fund shall, from time to time, be applied by the Trustee on behalf of the Issuer to pay the Reserve Instrument Repayment Obligations which are due and payable to any Reserve Instrument Provider under any applicable Reserve Instrument Agreement.

Investment of Funds. Any moneys in the Bond Fund, the Reserve Instrument Fund, the Construction Fund, the Debt Service Reserve Fund or any other funds or accounts created by the Indenture may, at the discretion and authorization of an Authorized Representative of the Issuer, be invested in Permitted Investments. Such investments shall be held by the Trustee, and when the Trustee determines it necessary to use the moneys in the Funds for the purposes for which the Funds were created, it shall, at the discretion of an Authorized Representative of the Issuer, liquidate at prevailing market prices as much of the investments as may be necessary and apply the proceeds to such purposes. All income derived from the investment of the Construction Fund, the Bond Fund, the Reserve Instrument Fund and the Debt Service Reserve Fund and shall be maintained in said respective Funds and disbursed along with the other moneys on deposit therein as provided in the Indenture. Any moneys in the Revenue Fund may, at the discretion and authorization of an Authorized Representative of the Issuer, be invested in investments permitted by the Utah State Money Management Act, as it may be amended from time to time.

Trust Funds. All monies and securities received by the Trustee under the provisions of the Indenture shall be trust funds under the terms hereof and shall not be subject to lien or attachment of any creditor of the State or any political subdivision, body, agency, or instrumentality thereof or of the Issuer and shall not be subject to appropriation by any legislative body or otherwise. Such monies and securities shall be held in trust and applied in accordance with the provisions of the Indenture. Except for monies held to satisfy (i) the obligations, if any, of the Issuer under the Code with respect to arbitrage rebate and (ii) principal or redemption price of, and interest on, any Bonds previously matured or called for redemption or deemed paid in accordance with the Indenture (to be held for the benefit of the holders of such Bonds only), unless and until disbursed pursuant to the terms of the Indenture, all such monies and securities (and the income therefrom) shall be held by the Trustee as security for payment of the principal, premium, if any, and

interest on the Bonds, for payment of Security Instrument Repayment Obligations and Reserve Instrument Repayment Obligations and the fees and expenses of the Trustee payable under the Indenture.

Purchase of Bonds. The Issuer may purchase Bonds of any Series from any available funds at public or private sale, as and when and at such prices as the Issuer may in its discretion determine, subject to applicable law and so long as such purchase is not made with funds drawn on a Security Instrument without the prior written consent of such Security Instrument Issuer. All Bonds so purchased shall at such times as shall be selected by the Issuer be delivered to and cancelled by the Trustee or any Registrar and (except with respect to a Commercial Paper Program) no Bonds of such Series shall be issued in place thereof. In the case of the purchase of Bonds of a Series and maturity for which Sinking Fund Installments shall have been established, the Issuer shall, by a written request delivered to the Trustee, elect the manner in which the Principal amount of such Bonds shall be credited toward Sinking Fund Installments, consistent with the procedures of the Indenture.

Covenants

General Covenants. The Issuer covenants and agrees with each and every Registered Owner of the Bonds issued under the Indenture, Security Instrument Issuer and Reserve Instrument Provider that:

(a) The Issuer covenants to comply with the applicable provisions of the title known as "Limited Purpose Local Government and Entities–Local Districts," Title 17B, Utah Code including in particular Section 17B–2a–815, Utah Code.

(b) Each Registered Owner, Reserve Instrument Provider, and Security Instrument Issuer shall have a right, in addition to all other rights afforded it by the laws of the State, to apply to and obtain from any court of competent jurisdiction such decree or order as may be necessary to require the Issuer to use its best efforts to charge or collect reasonable rates for services supplied by the System sufficient to meet all requirements of the Indenture and of any applicable Reserve Instrument Agreement or Security Instrument Agreement.

(c) So long as any Bonds, Security Instrument Repayment Obligations or Reserve Instrument Repayment Obligations are Outstanding, proper books of record and account will be kept by the Issuer separate and apart from all other records and accounts, showing complete and correct entries of all transactions relating to the System and the funds or accounts confirmed or established under the Indenture. Each Registered Owner, Reserve Instrument Provider, Security Instrument Issuer, or any duly authorized agent or agents thereof, shall have the right at all reasonable times to inspect all records, accounts and data relating thereto and to inspect the System. Except as otherwise provided in the Indenture, the Issuer further agrees that it will within one hundred eighty (180) days following the close of each Fiscal Year cause an audit of such books and accounts to be made by an independent firm of certified public accountants, showing the receipts and disbursements for account of the System and such funds and accounts, and that such audit will be available for inspection by each Registered Owner, Reserve Instrument Provider and Security Instrument Issuer.

All expenses incurred in compiling the information required by the Indenture shall be regarded and paid as an Operation and Maintenance Expense

Lien of Bonds; Equality of Liens.[4] The Bonds and any Security Instrument Repayment Obligations constitute an irrevocable first lien upon the Pledged Revenues. The Issuer covenants that the Bonds and any Security Instrument Repayment Obligations are equitably and ratably secured by a first lien on the Pledged Revenues (except that (i) the portion of Pledged Revenues representing principal or redemption price of, and interest on, any Bonds previously matured or called for redemption or deemed paid in accordance with the Indenture shall be held for the benefit of the holders of such Bonds only and (ii) the moneys on deposit in the Debt Service Reserve Fund secure only certain of the Bonds as provided in the Indenture) and shall not be entitled to any priority one over the other in the application of the Pledged Revenues regardless of the time or times of the issuance or delivery of the Bonds or Security Instrument, it being the intention of the Issuer that there shall be no priority among the Bonds or the Security Instrument Repayment Obligations regardless of the fact that they may be actually issued and/or delivered at different times.

Any assignment or pledge from the Issuer to a Reserve Instrument Provider of (i) proceeds of the issuance and sale of Bonds, (ii) Pledged Revenues, or (iii) funds and accounts established or confirmed by the Indenture, including investments, if any, thereof, is and shall be subordinate to the assignment and pledge effected by the Indenture to the Registered Owners of the Bonds and to the Security Instrument Issuers.

Payment of Principal, Premium and Interest. The Issuer covenants that it will punctually pay or cause to be paid the Principal of, premium, if any, and interest on every Bond issued under the Indenture, any Security Instrument Repayment Obligations and any Reserve Instrument Repayment Obligations, in strict conformity with the terms of

[4] As amended by the Tenth Supplemental Senior Indenture.

the Bonds, the Indenture, any Security Instrument Agreement and any Reserve Instrument Agreement, according to the true intent and meaning of the Indenture. The Principal of and interest on the Bonds, any Security Instrument Repayment Obligations and any Reserve Instrument Repayment Obligations are payable solely from the Pledged Revenues (except to the extent paid out of monies attributable to Bond proceeds or other funds created under the Indenture or the income from the temporary investment thereof), which Pledged Revenues are specifically pledged and assigned to the payment thereof in the manner and to the extent specified in the Indenture, and nothing in the Bonds, the Indenture any Security Instrument Agreement or any Reserve Instrument Agreement should be considered as pledging any other funds or assets of the Issuer for the payment thereof.

List of Bondholders. The Registrar will keep on file at its principal office a list of the names and addresses of the Registered Owners of all Bonds which are from time to time registered on the registration books in the hands of the Trustee as Registrar for the Bonds. At reasonable times and under reasonable regulations established by the Trustee, said list may be inspected and copied by the Issuer or by the Registered Owners (or a designated representative thereof) of 10% or more in principal amount of Bonds then Outstanding, such ownership and the authority of any such designated representative to be evidenced to the reasonable satisfaction of the Trustee. The Registrar shall maintain a list of the names and addresses of the Owners of all Bonds and upon any transfer shall add the name and address of the new Bondowner and eliminate the name and address of the transferor Bondowner. Such lists, together with all other records of ownership, registration, transfer, and exchange of the Bonds and of persons to whom payment with respect to such obligations is made, are "private" or "confidential" as defined in Title 63, Chapter 2, Utah Code, or any successor provision of law.

Management of System.

(a) The Issuer, in order to assure the efficient management and operation of its System, will employ competent and experienced management, and will use its best efforts to see that its System is properly operated and maintained in good condition and an efficient manner.

(b) The Issuer will at all times cause the System to be maintained, preserved and kept in good repair, working order and condition so that the operating efficiency thereof will be of a high character. The Issuer will cause all necessary and proper repairs and replacements to be made so that the business carried on in connection with the System may be properly and advantageously conducted at all times in a manner consistent with prudent management, and that the rights and security of the Owners of the Bonds, Security Instrument Issuers and Reserve Instrument Issuers may be fully protected and preserved.

Power to Own the System and Collect Rates, Fares and Fees; Provision for Sale or Lease and Leaseback Transactions. The Issuer has, and will have so long as any Bonds are Outstanding or Repayment Obligations are Outstanding, good, right and lawful power to own the System and to fix and collect rates, fares, fees and other charges in connection with the System. No revenue–producing facility or service of the System shall be leased, furnished or supplied free, but shall always be leased, furnished or supplied so as to produce Revenues, provided that the Issuer reserves the right to lease, furnish or supply free any such facility or service to the extent that such action does not materially adversely affect the Issuer's ability to perform its obligations under the Indenture. In addition, the Issuer may dispose of any assets of the System which are no longer needed for the efficient operations thereof or which have been replaced by other System assets.

To the extent permitted by applicable law, the Issuer shall be entitled to sell or lease all or any portion of the System so long as the Issuer delivers to the Trustee (i) a Favorable Opinion and (ii) a written certificate to the effect that such portion of the System will continue to be used, controlled and possessed by the Issuer for the benefit of the System

Maintenance of Revenues. The Issuer will at all times comply in all material respects with all terms, covenants and provisions, express and implied, of all contracts and agreements entered into by it for System use and services and all other contracts or agreements affecting or involving the System or business of the Issuer with respect thereto. The Issuer shall promptly collect all charges due for the System use and service supplied by it as the same become due, and shall at all times maintain and promptly and vigorously enforce its rights against any person who does not pay such charges when due. The Issuer shall establish policies, rules and fees, charges and rentals as shall be necessary to (i) assure maximum use and occupancy of the System and the services thereof and (ii) yield sufficient Revenues to meet the obligations of the Issuer under the Indenture.

Use of Certain Grants. The Issuer covenants that any federal or State capital or operating grant monies received by the Issuer which are prohibited by the provisions of the Indenture from being included as Revenues, shall be used for the purposes for which such grants were given, including payment of Operation and Maintenance Expenses.

Continuation of Sales Tax Revenues. The Issuer shall take all reasonable and legally permissible actions which it determines are necessary to assure the continued receipt by the Issuer for use as provided in the Indenture of the Sales and Use Taxes and shall oppose any effort to eliminate or divert the same.

Direct Payment Authorization. The Issuer authorizes and directs the Trustee in the Indenture to take all necessary actions to effectively carry out the duties required to apply for and accept Direct Payments from the Internal Revenue Service on behalf of the Issuer under Sections 54AA and 6431 of the Code or such other tax provisions of substantially similar nature which may be hereafter authorized, including, but not limited to, filing and signing IRS Form 8038–CP, receiving the Direct Payment on the Issuer's behalf, and using such Direct Payment to pay Debt Service on the Bonds. For fixed rate bonds, the Trustee shall file the 8038–CP at least 80 days (but not more than 90 days) before the relevant Interest Payment Date (unless otherwise directed by a change in regulations). For variable rate bonds, the Trustee shall file the 8038–CP for reimbursements in arrears within 25 days after the last Interest Payment Date within the quarterly period for which reimbursement is being requested (unless otherwise directed by a change in regulations). The Issuer covenants under the Indenture that it will deposit the Direct Payments with the Trustee for use in paying Debt Service on the Bonds.

Default Provisions

Events of Default. Each of the following events is declared an "Event of Default" under the Indenture:

(a) if payment of any installment of interest on any of the Bonds shall not be made by or on behalf of the Issuer (other than pursuant to a Security Instrument Agreement) when the same shall become due and payable, or

(b) if payment of the principal of or the redemption premium, if any, on any of the Bonds shall not be made by or on behalf of the Issuer (other than pursuant to a Security Instrument Agreement) when the same shall become due and payable, either at maturity or by proceedings for redemption in advance of maturity or through failure to fulfill any payment to any fund under the Indenture or otherwise; or

(c) if payment of the purchase price for a Put Bond shall not be made by or on behalf of the Issuer when the same shall become due and payable; or

(d) if an order or decree shall be entered, with the consent or acquiescence of the Issuer, appointing a receiver or custodian for any of the Revenues, or approving a petition filed against the Issuer seeking reorganization of the Issuer under the federal bankruptcy laws or any other similar law or statute of the United States of America or any state thereof, or if any such order or decree, having been entered without the consent or acquiescence of the Issuer, shall not be vacated or discharged or stayed on appeal within 60 days after the entry thereof; or

(e) if any proceeding shall be instituted, with the consent or acquiescence of the Issuer, for the purpose of effecting a composition between the Issuer and its creditors or for the purpose of adjusting the claims of such creditors pursuant to any federal or state statute now or hereafter enacted, if the claims of such creditors are or may be under any circumstances payable from Revenues; or

(f) if (i) the Issuer is adjudged insolvent by a court of competent jurisdiction, or (ii) an order, judgment or decree be entered by any court of competent jurisdiction appointing, without the consent of the Issuer, a receiver, trustee or custodian of the Issuer or of the whole or any part of their property and any of the aforesaid adjudications, orders, judgments or decrees shall not be vacated or set aside or stayed within 60 days from the date of entry thereof; or

(g) if the Issuer shall file a petition or answer seeking reorganization, relief or any arrangement under the federal bankruptcy laws or any other applicable law or statute of the United States of America or any state thereof; or

(h) if, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Issuer or of the whole or any substantial part of the property of the Issuer, and such custody or control shall not be terminated within 60 days from the date of assumption of such custody or control; or

(i) if the Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or the Indenture or any Supplemental Indenture on the part of the Issuer to be performed, other than as set forth above and such default shall continue for 60 days (or such longer period as may be approved by the Trustee if in its opinion remedial actions are being diligently pursued by the Issuer) after written notice specifying such Event of Default and requiring the same to be remedied shall have been given to the Issuer by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the Registered Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding under the Indenture; provided that any failure by the Issuer to make payment as described

in subparagraph (a) or (b) of this paragraph shall not constitute an Event of Default with respect to any Bond if the Supplemental Indenture authorizing the issuance of such Bond provides that due and punctual payment by a Security Instrument Issuer or a Reserve Instrument Issuer shall not give rise to an Event of Default and such payment is, in fact, duly and punctually made; and provided, further that the provisions of the Indenture are subject to the following limitations: if by reason of acts of God; strikes, lockouts or other similar disturbances; acts of public enemies; orders of any kind of the government of the United States or the State or any department, agency, political subdivision, court or official of the State which asserts jurisdiction over the Issuer; orders of any kind of civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquakes; volcanoes; fires, hurricanes; tornadoes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions; or any cause or event not reasonably within the control of the Issuer, the Issuer is unable in whole or part to carry out any one or more of its respective agreements or obligations contained in the Indenture (other than as described in (a) through (h) above) such default shall not constitute an "Event of Default" under the Indenture so long as such cause or event continues.

The Trustee shall give notice to any Security Instrument Issuer or Reserve Instrument Issuer of any Event of Default known to the Trustee within five Business Days after it has knowledge thereof.

Remedies; Rights of Registered Owners. Upon the occurrence of an Event of Default, the Trustee may pursue any available remedy by suit at law or in equity to enforce the payment of the principal of, premium, if any, and interest on the Bonds then Outstanding or to enforce any obligations of the Issuer under the Indenture.

If an Event of Default shall have occurred, and if requested so to do by (i) Registered Owners of not less than 25% in aggregate Principal amount of the Bonds then Outstanding, (ii) Security Instrument Issuers at that time providing Security Instruments which are in full force and effect and not in default on any payment obligation and which secure not less than 25% in aggregate Principal amount of Bonds at the time Outstanding, or (iii) any combination of Bondowners and Security Instrument Issuers described in (i) and (ii) above representing not less than 25% in aggregate Principal amount of Bonds at the time Outstanding, and indemnified as provided in the Indenture, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by the Indenture as the Trustee, being advised by counsel, shall deem most expedient in the interest of the Registered Owners and the Security Instrument Issuers.

No remedy by the terms of the Indenture conferred upon or reserved to the Trustee (or to the Registered Owners or to the Security Instrument Issuers) is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee, the Registered Owners or the Security Instrument Issuers or now or hereafter existing at law or in equity or by statute.

No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any Event of Default or acquiescence therein; and every such right and power may be exercised from time to time and as often as may be deemed expedient.

No waiver of any Event of Default under the Indenture, whether by the Trustee, the Registered Owners or the Security Instrument Issuers, shall extend to or shall affect any subsequent Event of Default or shall impair any rights or remedies consequent thereon.

Right of Registered Owners and Security Instrument Issuers to Direct Proceedings. Anything in the Indenture to the contrary notwithstanding, unless a Supplemental Indenture provides otherwise, either (i) the Registered Owners of a majority in aggregate Principal amount of the Bonds then Outstanding, (ii) the Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and not in default on any payment obligation and which secure not less than 50% in aggregate Principal amount of Bonds at the time Outstanding, or (iii) any combination of Bondowners and Security Instrument Issuers described in (i) and (ii) above representing not less than 50% in aggregate Principal amount of Bonds at the time Outstanding, shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Indenture, or for the appointment of a receiver or any other proceedings under the Indenture; provided, that such direction shall not be otherwise than in accordance with the provisions of law and of the Indenture.

Application of Monies.[5] All Pledged Revenues and moneys received by the Trustee pursuant to any right given or action taken under the default provisions the Indenture shall be applied in the following order:

(a) To the payment (i) the reasonable and proper charges and expenses of the Trustee and the reasonable fees and disbursements of its counsel and (ii) Financing Expenses.

[5] As amended by the Tenth Supplemental Senior Indenture.

(b) To the payment of the principal of, premium, if any, and interest then due and payable on the Bonds and the Security Instrument Repayment Obligations as follows:

(i) Unless the Principal of all the Bonds shall have become due and payable, all such moneys shall be applied:

FIRST—To the payment to the persons entitled thereto of all installments of interest then due on the Bonds and the interest component of any Security Instrument Repayment Obligations then due, in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege; and

SECOND—To the payment to the persons entitled thereto of the unpaid Principal of and premium, if any, on the Bonds which shall have become due (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of the Indenture), in the order of their due dates, and the Principal component of any Security Instrument Repayment Obligations then due, and, if the amount available shall not be sufficient to pay in full all the Bonds and the Principal component of any Security Instrument Repayment Obligations due on any particular date, then to the payment ratably, according to the amount of Principal due on such date, to the persons entitled thereto without any discrimination or privilege.

(ii) If the principal of all the Bonds shall have become due and payable, all such moneys shall be applied to the payment of the Principal and interest then due and unpaid upon the Bonds and Security Instrument Repayment Obligations, without preference or priority of Principal over interest or of interest over Principal, or of any installment of interest over any other installment of interest, or of any Bond or Security Instrument Repayment Obligation over any other Bond or Security Instrument Repayment Obligation, ratably, according to the amounts due respectively for Principal and interest, to the persons entitled thereto without any discrimination or privilege.

(iii) After payment of (i) or (ii) above as applicable, to the payment of all obligations owed to all Reserve Instrument Providers, ratably, according to the amounts due without any discrimination or preference under any applicable agreement related to any Reserve Instrument Agreement.

Whenever monies are to be applied pursuant to the provisions of the Indenture, such monies shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amounts of such monies available for such application and the likelihood of additional monies becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of Principal paid on such dates shall cease to accrue.

Notwithstanding the foregoing, (i) amounts on deposit in any subaccount of the Debt Service Reserve Fund shall not be applied to pay the principal of or interest on Bonds which are not secured by such subaccount in the Debt Service Reserve Fund, and (ii) for purposes of (b)(i) and (ii) above, amounts paid with respect to Bonds secured by a subaccount in the Debt Service Reserve Fund from amounts on deposit in the subaccount of the Debt Service Reserve Fund shall be deemed to be unpaid for purposes of the ratable application of Pledged Revenues received by the Trustee pursuant to the exercise of remedies under the Indenture.

Remedies Vested in Trustee. All rights of action (including the right to file proof of claims) under the Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings related thereto and any such suit or proceedings instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any Registered Owners of the Bonds, and any recovery of judgment shall be for the equal benefit of the Registered Owners of the Outstanding Bonds.

Rights and Remedies of Registered Owners. Except as provided in the Indenture, no Registered Owner of any Bond or Security Instrument Issuer or Reserve Instrument Provider shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of the Indenture or for the execution of any trust thereof or for the appointment of a receiver or any other remedy under the Indenture, unless an Event of Default has occurred of which the Trustee has been notified as provided in the Indenture, or of which it is deemed to have notice, nor unless also Registered Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding or Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and are not in default on any payment obligation and which secure not less than 25% in aggregate principal amount of Bonds at the time Outstanding shall have made written request to the Trustee and shall have offered reasonable opportunity either to

proceed to exercise the powers granted in the Indenture or to institute such action, suit or proceeding in its own name, nor unless also they have offered to the Trustee indemnity as provided in the Indenture nor unless the Trustee shall thereafter fail or refuse to exercise the powers granted in the Indenture, or to institute such action, suit or proceeding in its own name or names. Such notification, request and offer of indemnity are declared in every case at the option of the Trustee to be conditions precedent to the execution of the powers and trust of the Indenture, and to any action or cause of action for the enforcement of the Indenture, or for the appointment of a receiver or for any other remedy under the Indenture; it being understood and intended that no one or more Registered Owner of the Bonds or Security Instrument Issuer or Reserve Instrument Provider shall have any right in any manner whatsoever to affect, disturb or prejudice the lien of the Indenture by its action or to enforce any right under the Indenture except in the manner provided in the Indenture, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner provided in the Indenture and for the equal benefit of the Registered Owners of all Bonds then Outstanding and all Security Instrument Issuers at the time providing Security Instruments and all Reserve Instrument Providers at the time providing Reserve Instruments. Nothing contained in the Indenture shall, however, affect or impair the right of any Registered Owner or Security Instrument Issuer to enforce the covenants of the Issuer to pay the Principal of, premium, if any, and interest on each of the Bonds and Security Instrument Repayment Obligations at the time, place, from the source and in the manner in said Bonds or Security Instrument Repayment Obligations expressed.

Termination of Proceedings. In case the Trustee, any Bondowner or any Security Instrument Issuer shall have proceeded to enforce any right under the Indenture and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, the Bondowner, or Security Instrument Issuer, then and in every such case the Issuer and the Trustee shall be restored to their former positions and rights under the Indenture, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Waivers of Events of Default. The Trustee may in its discretion, and with the prior written consent of all Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and not in default of any payment obligation, waive any Event of Default under the Indenture and its consequences and shall do so upon the written request of the Registered Owners of (a) a majority in aggregate Principal amount of all the Bonds then Outstanding or Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and are not in default on any payment obligation and which secure not less than 50% in aggregate Principal amount of Bonds at the time Outstanding in respect of which an Event of Default in the payment of Principal and interest exists, or (b) a majority in aggregate Principal amount of the Bonds then Outstanding or Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and are not in default on any payment obligation and which secure not less than 50% in aggregate Principal amount of Bonds at the time Outstanding in the case of any other Event of Default; provided, however, that there shall not be waived (i) any Event of Default in the payment of the Principal of any Bonds at the date of maturity specified therein, or (ii) any default in the payment when due of the interest on any such Bonds, unless prior to such waiver or rescission all arrears of interest, with interest (to the extent permitted by law) at the rate borne by the Bonds in respect of which such Event of Default shall have occurred on overdue installments of interest and all arrears of payments of Principal and premium, if any, when due, and all expenses of the Trustee in connection with such Event of Default, shall have been paid or provided for, and in case of any such waiver or rescission, or in case any proceeding taken by the Trustee on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case the Issuer, the Trustee, the Registered Owners and the Security Instrument Issuers shall be restored to their former positions and rights under the Indenture, respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default, or impair any right consequent thereon.

The Trustee

Notice of Default. The Trustee shall not be required to take notice or be deemed to have notice of any Event of Default under the Indenture, except an Event of Default described in (a) or (b) of the section entitled "Events of Default" above, unless the Trustee shall be specifically notified in writing of such Default by the Issuer, a Security Instrument Issuer or by the Registered Owners of at least 25% in the aggregate Principal amount of the Bonds then Outstanding and all notices or other instruments required by the Indenture to be delivered to the Trustee must, in order to be effective, be delivered at the principal corporate trust office of the Trustee, and in the absence of such notice so delivered, the Trustee may conclusively presume there is no Event of Default except as aforesaid.

Fees, Charges and Expenses of Trustee. The Trustee shall be entitled to payment or reimbursement for reasonable fees for its services rendered as Trustee under the Indenture and all advances, counsel fees and other expenses reasonably and necessarily made or incurred by the Trustee in connection with such services. The Trustee shall be entitled to payment and reimbursement for the reasonable fees and charges of the Trustee as Paying Agent and Registrar for the Bonds. Upon an Event of Default, but only upon an Event of Default, the Trustee shall have a right of payment prior to payment on account of interest or principal of, or premium, if any, on any Bond for the foregoing

advances, fees, costs and expenses incurred, except for amounts held in trust to pay the principal, premium, interest or purchase price of Bonds in accordance with the Indenture and except for amounts paid under a Security Instrument.

Trustee's Right to Own and Deal in Bonds. The bank or trust company acting as Trustee under the Indenture, and its directors, officers, employees or agents, may in good faith buy, sell, own, hold and deal in any of the Bonds issued under the Indenture and secured by the Indenture, and may join in any action which any Bondholder may be entitled to take with like effect as if such bank or trust company were not the Trustee under the Indenture.

Supplemental Indentures

Supplemental Indentures Not Requiring Consent of Registered Owners, Security Instrument Issuers and Reserve Instrument Providers. The Issuer and the Trustee may, without the consent of, or notice to, any of the Registered Owners or Reserve Instrument Providers, but with notice to any Security Instrument Issuer, enter into an indenture or indentures supplemental to the Indenture, as shall not be inconsistent with the terms and provisions of the Indenture, for any one or more of the following purposes:

(a) To provide for the issuance of Additional Bonds in accordance with the provisions of the Indenture;

(b) To cure any ambiguity or formal defect or omission which will not materially adversely affect the Owners of the Bonds;

(c) To grant to or confer upon the Trustee for the benefit of the Registered Owners, any Security Instrument Issuers and any Reserve Instrument Providers any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Registered Owners, any Security Instrument Issuers and any Reserve Instrument Providers or any of them, provided, however, that the prior written consent of any related Security Instrument Issuer is obtained;

(d) To subject to the Indenture additional revenues or other revenues, properties, collateral or security;

(e) To make any other change to the Indenture which, in the judgment of the Trustee, is not materially prejudicial to the interests of the Registered Owners, the Trustee, any Security Instrument Issuer or any Reserve Instrument Provider, provided, however, that the prior written consent of any related Security Instrument Issuer is obtained;

(f) To make any change necessary (i) to establish or maintain the exemption from federal income taxation of interest on any Series of Bonds as a result of any modifications or amendments to Section 148 of the Code (or any successor provision of law) or interpretations thereof by the Internal Revenue Service, or (ii) to comply with the provisions of Section 148(f) of the Code (or any successor provision of law), including provisions for the payment of all or a portion of the investment earnings of any of the Funds established under the Indenture to the United States of America;

(g) If the Bonds affected by such change are rated by a Rating Agency, to make any change which does not result in a reduction of the rating applicable to any of the Bonds so affected, provided that if any of the Bonds so affected are secured by a Security Instrument, such change must be approved in writing by the related Security Instrument Issuer;

(h) If the Bonds affected by such change are secured by a Security Instrument, to make any change approved in writing by the related Security Instrument Issuer, provided that if any of the Bonds so affected are rated by a Rating Agency, such change shall not result in a reduction of the rating applicable to any of the Bonds so affected; and

(i) To provide for the appointment of a successor Trustee, a Paying Agent, a separate or co–trustee, a Remarketing Agent or a Transfer Agent.

No modification or amendment shall be permitted pursuant to paragraph (g) or (h) unless the Issuer delivers to the Trustee an opinion of nationally recognized bond counsel to the effect that such modification or amendment will not adversely affect the tax–exempt status or validity of any Bonds affected by such modification or amendment.

Supplemental Indentures Requiring Consent of Registered Owners, Security Instrument Issuers and Reserve Instrument Providers; Waivers and Consents by Registered Owners. Exclusive of Supplemental Indentures covered by the Indenture and subject to the terms and provisions contained in this paragraph, and not otherwise, the Registered Owners of 66 2/3% in aggregate Principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained in the Indenture to the contrary notwithstanding, to (i) consent to and approve the execution by the Issuer and the Trustee of such other indenture or indentures supplemental to the Indenture as shall be deemed necessary and desirable by the Issuer for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Indenture or in any Supplemental Indenture, or (ii) waive

or consent to the taking by the Issuer of any action prohibited, or the omission by the Issuer of the taking of any action required, by any of the provisions of the Indenture or of any indenture supplemental hereto; provided, however, that nothing in this paragraph contained shall permit or be construed as permitting (a) an extension of the stated maturity or reduction in the Principal amount of, or reduction in the rate of or extension of the time of paying of interest on, or reduction of any premium payable on the redemption of, or the elimination of tender rights with respect to, any Bond, without the consent of the Registered Owner of such Bond, or (b) a reduction in the amount or extension of the time of any payment required by any fund established under the Indenture applicable to any Bonds without the consent of the Registered Owners of all the Bonds which would be affected by the action to be taken, or (c) a reduction in the aforesaid aggregate Principal amount of Bonds, the Registered Owners of which are required to consent to any such waiver or Supplemental Indenture, or (d) affect the rights of the Registered Owners of less than all Bonds then Outstanding, without the consent of the Registered Owners of all the Bonds at the time Outstanding which would be affected by the action to be taken. In addition, no supplement to the Indenture shall modify the rights, duties or immunities of the Trustee, without the written consent of the Trustee. If a Security Instrument or a Reserve Instrument is in effect with respect to any Series of Bonds Outstanding and if a proposed modification or amendment would affect such Series of Bonds, then, except as described in the Indenture, neither the Indenture nor any Supplemental Indenture with respect to such Series of Bonds shall be modified or amended at any time without the prior written consent of the related Security Instrument Issuer or Reserve Instrument Provider, as applicable. Copies of any such modifications, amendments or supplements permitted under the Indenture shall be sent to each Rating Agency at least 10 days prior to the effective date thereof.

Discharge of Indenture

If the Issuer shall pay or cause to be paid, or there shall be otherwise paid or provision for payment made to or for the Registered Owners of the Bonds, the Principal of and interest due or to become due thereon at the times and in the manner stipulated therein, and shall pay or cause to be paid to the Trustee all sums of moneys due or to become due according to the provisions of the Indenture, and to all Security Instrument Issuers and all Reserve Instrument Providers all sums of money due or to become due accordingly to the provisions of any Security Instrument Agreements and Reserve Instrument Agreements, as applicable, then these presents and the estate and rights granted by the Indenture shall cease, determine and be void, whereupon the Trustee shall cancel and discharge the lien of the Indenture, and release, assign and deliver unto the Issuer any and all the estate, right, title and interest in and to any and all rights assigned or pledged to the Trustee, held by the Trustee, or otherwise subject to the lien of the Indenture, except moneys or securities held by the Trustee for the payment of the Principal of and interest on the Bonds, the payment of amounts pursuant to any Security Instrument Agreements or the payment of amounts pursuant to any Reserve Instrument Agreements.

Any Bond shall be deemed to be paid within the meaning of the Indenture when payment of the Principal of such Bond, plus interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided in the Indenture, or otherwise), either (a) shall have been made or caused to have been made in accordance with the terms thereof, or (b) shall have been provided by irrevocably depositing with or for the benefit of the Trustee, in trust and irrevocably setting aside exclusively for such payment, any combination of (i) moneys sufficient to make such payment, or (ii) Government Obligations, maturing as to principal and interest in such amount and at such times as will insure the availability of sufficient moneys to make such payment, and all necessary and proper fees, compensation and expenses of the Trustee and any paying agent pertaining to the Bond with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of the Trustee. At such times as a Bond shall be deemed to be paid under the Indenture, as aforesaid, it shall no longer be secured by or entitled to the benefits of the Indenture, except for the purposes of any such payment from such moneys or Government Obligations.

Notwithstanding the foregoing, in the case of Bonds, which by their terms may be redeemed prior to their stated maturity, no deposit under the immediately preceding paragraph shall be deemed a payment of such Bonds as aforesaid until the Issuer shall have given the Trustee, in form satisfactory to the Trustee, irrevocable instructions:

(a) stating the date when the Principal of each such Bond is to be paid, whether at maturity or on a redemption date (which shall be any redemption date permitted by the Indenture);

(b) to instruct the Trustee to call for redemption pursuant to the Indenture any Bonds to be redeemed prior to maturity pursuant to Subparagraph (a) above; and

(c) to instruct the Trustee to mail, as soon as practicable, in the manner prescribed by the Indenture, a notice to the Registered Owners of such Bonds that the deposit required by this paragraph has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with the Indenture and stating the maturity or redemption date upon which moneys are to be available for the payment of the principal or redemption

price, if applicable, on said Bonds as specified in Subparagraph (a) above. If the redemption date for all Bonds, payment for which is to be provided by deposit of moneys or Government Obligations or both, shall fall within 120 days of the mailing of the notice of redemption, then the notices referred to in Subparagraph (b) above and this Subparagraph (c) may be combined.

Any moneys so deposited with the Trustee as provided in the Indenture may at the direction of the Issuer also be invested and reinvested in Government Obligations, maturing in the amounts and times as set forth in the Indenture, and all income from all Government Obligations in the hands of the Trustee pursuant to the Indenture which is not required for the payment of the Bonds and interest thereon with respect to which such moneys shall have been so deposited shall be deposited in the Bond Fund as and when realized and collected for use and application as are other moneys deposited in that fund.

Notwithstanding any provision of the Indenture, all moneys or Government Obligations set aside and held in trust pursuant to the provisions of the Indenture for the payment of Bonds (including interest thereon) shall be applied to and used solely for the payment of the particular Bonds (including interest thereon) with respect to which such moneys or Government Obligations have been so set aside in trust.

Anything in the Indenture to the contrary notwithstanding, if moneys or Government Obligations have been deposited or set aside with the Trustee pursuant to the Indenture for the payment of Bonds and such Bonds shall not have in fact been actually paid in full, no amendment to the provisions of the Indenture shall be made without the consent of the Registered Owner of each Bond affected thereby.

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APPENDIX C

EXTRACTS OF CERTAIN PROVISIONS OF THE SUBORDINATE INDENTURE

The following are extracts of certain provisions contained in the Subordinate Indenture prepared by Bond Counsel and are not to be considered as a full statement thereof. Reference is made to the Subordinate Indenture and the Fourteenth Supplemental Subordinate Indenture for full details of all the terms of the 2019 Subordinate Bonds, the security provisions appertaining thereto, and the definition of any terms used but not defined in this OFFICIAL STATEMENT. A copy of the Subordinate Indenture is available upon written request from the contact person as indicated under "INTRODUCTION—Contact Persons" above.

Definitions

As used in the Subordinate Indenture, the following terms shall have the following meanings unless the context otherwise clearly indicates:

"Accreted Amount" means, with respect to Capital Appreciation Bonds of any Series and as of the date of calculation, the amount established pursuant to the Supplemental Indenture authorizing such Capital Appreciation Bonds as the amount representing the initial public offering price, plus the accumulated and compounded interest on such Bonds.

"Additional Bonds" means all Bonds issued under the Indenture other than the Initial Bonds.

"Adjusted Sales and Use Taxes" means Sales and Use Taxes in any consecutive 12–month period within the 24 calendar months next preceding the issuance of a Series of Additional Bonds adjusted to take into account increases in the sales and use taxes allocated to the Issuer, to the extent that such increased amounts have been included as "Sales and Use Taxes" and are pledged under the Indenture.

"Aggregate Debt Service" means, as of the date of calculation and with respect to any period, the sum (as applicable) of the amounts of Debt Service during such period for (a) all Series of Bonds Outstanding (or any designated portion thereof), (b) any Repayment Obligations Outstanding and (c) all Senior Bonds Outstanding.

"Authorized Amount" means, with respect to a Commercial Paper Program, the maximum Principal amount of commercial paper which is then authorized by the Issuer to be outstanding at any one time pursuant to such Commercial Paper Program.

"Authorized Representative" means the Chief Executive Officer, General Manager (including any acting General Manager), the Secretary/Treasurer, the Deputy Treasurer, or any other person at the time designated to act on behalf of the Issuer by a written instrument furnished to the Trustee containing the specimen signature of such person or persons and signed on behalf of the Issuer by its Chief Executive Officer, General Manager or Secretary/Treasurer. The written instrument may designate an alternate or alternates.

"Average Aggregate Debt Service" means, as of any date of calculation, the amount obtained by dividing (a) the sum of the Aggregate Debt Service on all Series of Bonds Outstanding and Repayment Obligations Outstanding computed for each Fiscal Year during which any Bonds are or will be Outstanding (or any designated portion thereof) by (b) the number of such Fiscal Years.

"Balloon Bonds" means, unless otherwise specified by the Issuer in a written direction to the Trustee (which direction shall also specify that the Debt Service on particular Bonds that would otherwise constitute "Balloon Bonds" shall instead be calculated based on actual amortization), Bonds (and/or Security Instrument Repayment Obligations relating thereto) or Senior Bonds (as applicable), other than Bonds or Senior Bonds (as applicable) which mature within one year of the date of issuance thereof, 25% or more of the Principal Installments on which (a) are due or (b) at the option of the Owner thereof may be redeemed, during any period of twelve consecutive months. So long as Bonds insured by National Public Finance Guarantee Corp. are Outstanding under the Indenture, the written direction of the Issuer specified in the preceding sentence shall (except in the case of the 2010 Subordinate Bonds) be accompanied by the written consent of National Public Finance Guarantee Corp.

"Bond Fund" means the Utah Transit Authority Subordinated Bond Fund created in the Indenture to be held by the Trustee and administered pursuant to the Indenture.

"Bond Fund Year" means the 12–month period beginning January 1 of each year and ending on the next succeeding December 31, except that the first Bond Fund Year shall begin on the date of delivery of the Initial Bonds and shall end on the next succeeding December 31.

"Bondholder," "Holder," "Bondowner," "Registered Owner" or "Owner" or any similar term means the registered owner of any Bonds authorized by the Indenture.

"Bonds" means bonds, notes, commercial paper or other obligations (other than Repayment Obligations) authorized by and at any time Outstanding pursuant to the Indenture, including the Initial Bonds and any Additional Bonds.

"Build America Bonds" means the interest subsidy bonds issuable by the Issuer under Sections 54AA and 6431 of the Code and a "qualified bond" under Section 54AA(g)(2) of the Code or such other tax credit bonds of substantially similar nature which may be hereafter authorized.

"Business Day" means, except as provided by a Supplemental Indenture, any day, except a Saturday or Sunday, (a) on which banking business is transacted, but not including any day on which banks are authorized to be closed, in New York City or in the city in which the Trustee has its principal corporate trust office or, with respect to a related Series of Bonds, in the city in which any Security Instrument Issuer has its payment office for purposes of such Security Instrument, and (b) on which the New York Stock Exchange is open.

"Capital Appreciation Bonds" means Bonds the interest on which (a) is compounded and accumulated at the rates and on the dates set forth in the Supplemental Indenture authorizing the issuance of such Bonds and designating them as Capital Appreciation Bonds, and (b) is payable upon maturity or redemption of such Bonds.

"Code" means the Internal Revenue Code of 1986, as amended. Each reference to a section of the Code shall be deemed to include the related United States Treasury Regulations.

"Commercial Paper Program" means commercial paper obligations with maturities of not more than two hundred seventy (270) days from the dates of issuance thereof which are issued and reissued by the Issuer from time to time pursuant to the Indenture and are outstanding up to an Authorized Amount.

"Construction Fund" means the Utah Transit Authority Subordinated Construction Fund created in the Indenture to be held by the Trustee and administered pursuant to the Indenture.

"Cost" or "Costs" or "Cost of a Project," or any phrase of similar import, in connection with a Project or with the refunding of any bonds, means all costs and expenses which are properly chargeable thereto under generally accepted accounting principles or which are incidental to the financing, acquisition and construction of a Project, or the refunding of any bonds, including, without limiting the generality of the foregoing:

(a) amounts payable to contractors and costs incident to the award of contracts;

(b) cost of labor, facilities and services furnished by the Issuer and its employees or others, materials and supplies purchased by the Issuer or others and permits and licenses obtained by the Issuer or others;

(c) engineering, architectural, legal, planning, underwriting, accounting and other professional and advisory fees;

(d) premiums for contract bonds and insurance during construction and costs on account of personal injuries and property damage in the course of construction and insurance against the same;

(e) interest expenses, including interest on a Series of Bonds;

(f) printing, engraving and other expenses of financing, including fees of Rating Agency and fees and costs of issuing the Series of Bonds (including costs of interest rate caps and costs related to interest rate exchanges (or the elimination thereof));

(g) costs, fees and expenses in connection with the acquisition of real and personal property or rights therein, including premiums for title insurance;

(h) costs of equipment, rolling stock and furnishings purchased by the Issuer and necessary to the completion and proper operation of a Project;

(i) amounts required to repay temporary loans or notes made to finance the costs of a Project;

(j) cost of site improvements performed in anticipation of a Project;

(k) moneys necessary to fund the Funds created under the Indenture;

(l) costs of the capitalization with proceeds of a Series of Bonds issued under the Indenture of any operation and maintenance expenses and other working capital appertaining to any facilities to be acquired for a Project and of any interest on a Series of Bonds for any period not exceeding the period estimated by the Issuer to effect the construction of a Project plus one year, as provided in the Indenture, of any discount on Bonds or other securities, and of any reserves for the payment of the principal of and interest on a Series of Bonds, of any replacement

expenses and of any other cost of issuance of a Series of Bonds or other securities, Security Instrument Costs and Reserve Instrument Costs;

(m) costs of amending any indenture or other instrument authorizing the issuance of or otherwise appertaining to a Series of Bonds;

(n) all other expenses necessary or desirable and appertaining to a Project, as estimated or otherwise ascertained by the Issuer, including costs of contingencies for a Project; and

(o) payment to the Issuer of such amounts, if any, as shall be necessary to reimburse the Issuer in full for advances and payments theretofore made or costs theretofore incurred by the Issuer for any item of Costs.

In the case of any refunding or redeeming any bonds or other obligations, "Cost" includes, without limiting the generality of the foregoing, the items listed in (c), (e), (f), (i), (k), (l), (m) and (o) above, advertising and other expenses related to the redemption of such bonds to be redeemed and the redemption price of such bonds (and the accrued interest payable on redemption to the extent not otherwise provided for).

"Cross–over Date" means with respect to Cross–over Refunding Bonds the date on which the Principal portion of the related Cross–over Refunded Bonds is to be paid or redeemed from the proceeds of such Cross–over Refunding Bonds.

"Cross–over Refunded Bonds" means Bonds, Senior Bonds or other obligations refunded by Cross–over Refunding Bonds.

"Cross–over Refunding Bonds" means Bonds issued for the purpose of refunding Bonds, Senior Bonds or other obligations if the proceeds of such Cross–over Refunding Bonds are irrevocably deposited in escrow in satisfaction of the requirements of Section 11–27–3, Utah Code, to secure the payment on an applicable redemption date or maturity date of the Cross–over Refunded Bonds (subject to possible use to pay Principal of the Cross–over Refunding Bonds under certain circumstances) and the earnings on such escrow deposit are required to be applied to pay interest on the Cross–over Refunding Bonds until the Cross–over Date.

"Current Interest Bonds" means Bonds not constituting Capital Appreciation Bonds. Interest on Current Interest Bonds shall be payable periodically on the Interest Payment Dates provided therefor in a Supplemental Indenture.

"Debt Service" means, for any particular Fiscal Year and for any Series of Bonds, Senior Bonds (to the extent applicable) and any Repayment Obligations, an amount equal to the sum of (a) all interest payable during such Fiscal Year on such Series of Bonds and Senior Bonds plus (b) the Principal Installments payable during such Fiscal Year on (i) such Bonds and Senior Bonds Outstanding, calculated on the assumption that Bonds and Senior Bonds Outstanding on the day of calculation cease to be Outstanding by reason of, but only by reason of, payment either upon maturity or application of any Sinking Fund Installments required by the Indenture (or the Senior Indenture, as applicable), and (ii) such Repayment Obligations then outstanding;

provided, however,

(i) when calculating the Principal Installments payable during such Fiscal Year, there shall be treated as payable in such Fiscal Year the amount of Principal Installments which would have been payable during such Fiscal Year had the Principal of each Series of Balloon Bonds Outstanding and the related Repayment Obligations then Outstanding (or arising therefrom) been amortized, from the end of the fifth Bond Fund Year succeeding their date of issuance over a period of 25 years thereafter, on a level debt service basis at an interest rate equal to the rate borne by such Balloon Bonds on the date of calculation, provided that if the date of calculation is within twelve months before the actual maturity of such Balloon Bonds or Repayment Obligations, the full amount of Principal payable at maturity shall be included in such calculation;

(ii) when calculating interest payable during such Fiscal Year for any Series of Variable Rate Bonds or Repayment Obligations bearing interest at a variable rate which cannot be ascertained for any particular Fiscal Year, it shall be assumed that such Series of Variable Rate Bonds or related Repayment Obligations will bear interest at such market rate of interest applicable to such Series of Variable Rate Bonds or related Repayment Obligations as shall be established for this purpose in the opinion of the Issuer's financial advisor, underwriter or similar agent (which market rate of interest may be based upon a recognized comparable market index, an average of interest rates for prior years or otherwise, so long as such estimates are based upon then current market conditions);

(iii) when calculating interest payable during such Fiscal Year for any Series of Variable Rate Bonds which are issued with a floating rate and with respect to which an Interest Rate Swap is in effect in which the Issuer has agreed to pay a fixed interest rate, such Series of Variable Rate Bonds shall be deemed to bear

interest at the effective fixed annual rate thereon as a result of such Interest Rate Swap; provided that such effective fixed annual rate may be utilized only if such Interest Rate Swap does not result in a reduction or withdrawal of any rating then in effect with respect to the Bonds and so long as such Interest Rate Swap is contracted to remain in full force and effect;

(iv) when calculating interest payable during such Fiscal Year for any Series of Bonds which are issued with a fixed interest rate and with respect to which an Interest Rate Swap is in full force and effect in which the Issuer has agreed to pay a floating amount, Debt Service shall include the interest payable on such Series of Bonds, less fixed amounts to be received by the Issuer under such Interest Rate Swap plus the amount of the floating payments (estimated in a manner similar to that described in (ii) above unless another method of estimation is more appropriate in the opinion of the Issuer's financial advisor, underwriter or similar agent, for such floating payments) to be made by the Issuer under the Interest Rate Swap; provided that the above described calculation of Debt Service may be utilized only if such Interest Rate Swap does not result in a reduction or withdrawal of any rating then in effect with respect to the Bonds and so long as such Interest Rate Swap is contracted to remain in full force and effect;

(v) when calculating interest payable during such Fiscal Year with respect to any Commercial Paper Program, "Debt Service" shall mean an amount equal to the sum of all principal and interest payments that would be payable during such Fiscal Year assuming that the Authorized Amount of such Commercial Paper Program is amortized on a level debt service basis over a period of 30 years beginning on the date of calculation or, if later, the last day of the period during which obligations can be issued under such Commercial Paper Program, and bearing interest at such market rate of interest applicable to such Commercial Paper Program as shall be established for this purpose in the opinion of the Issuer's financial advisor, underwriter or similar agent (which market rate of interest may be based upon a recognized comparable market index, an average of interest rates for prior years or otherwise); and

(vi) when calculating interest payable on Bonds or Senior Bonds that are Paired Obligations, the interest rate on such Bonds or Senior Bonds shall be the resulting linked rate or effective fixed interest rate to be paid by the Issuer with respect to such Paired Obligations;

and *further provided, however*, that there shall be excluded from "Debt Service" (x) interest on Bonds and Senior Bonds (including Cross–over Refunding Bonds or Cross–over Refunded Bonds) to the extent that Escrowed Interest or capitalized interest is available to pay such interest, (y) Principal on Cross–over Refunded Bonds to the extent that the proceeds of Cross–over Refunding Bonds are on deposit in an irrevocable escrow in satisfaction of the requirements of Section 11–27–3, Utah Code, and such proceeds or the earnings thereon are required to be applied to pay such Principal (subject to the possible use to pay the Principal of the Cross–over Refunding Bonds under certain circumstances) and such amounts so required to be applied are sufficient to pay such Principal, and (z) Repayment Obligations to the extent that payments on Pledged Bonds relating to such Repayment Obligations satisfy the Issuer's obligation to pay such Repayment Obligations.

"Debt Service Reserve Fund" means the Utah Transit Authority Subordinated Debt Service Reserve Fund created in the Indenture to be held by the Trustee and administered pursuant to the Indenture.

"Debt Service Reserve Requirement" for each Series of Bonds issued under the Indenture means the amount, if any, specified in the related Supplemental Indenture. The Debt Service Reserve Requirement may be funded by a Reserve Instrument as provided in the Indenture. Upon the issuance of Additional Bonds or upon any refunding of Bonds issued under the Indenture the aggregate Debt Service Reserve Requirement for the Bonds then Outstanding and the Additional Bonds, if any, to be so issued shall be determined based upon the Bonds to be Outstanding immediately following the issuance of the Additional Bonds or such refunding.

"Direct Payments" means the interest subsidy payments received by the Issuer from the Internal Revenue Service pursuant to Section 6431 of the Code or other similar programs with respect to the Bonds issued under the Indenture.

"Escrowed Interest" means amounts irrevocably deposited in escrow in accordance with the requirements of Section 11–27–3, Utah Code, in connection with the issuance of Additional Bonds for refunding purposes or Cross–over Refunding Bonds secured by such amounts or earnings on such amounts which are required to be applied to pay interest on such Cross–over Refunding Bonds or the related Cross–over Refunded Bonds.

"Event of Default" means with respect to any default or event of default under the Indenture any occurrence or event specified in and defined under the caption, "Default Provisions—Events of Default."

"Favorable Opinion" means an opinion of Bond Counsel to the effect that the action proposed to be taken is authorized or permitted by the Indenture and any applicable Supplemental Indenture and will not adversely affect the

exclusion from gross income for federal income tax purposes of interest on the Bonds which are the subject of such opinion.

"Financing Expenses" means Security Instrument Costs, Reserve Instrument Costs and arbitrage rebate required to be paid to the United States with respect to the Bonds.

"Fiscal Year" means the 12–month period beginning January 1 of each year and ending December 31 of such year, or such other fiscal year of the Issuer as may be prescribed by law.

"Fitch" means Fitch Ratings.

"General Indenture" means the Subordinate General Indenture of Trust.

"Government Obligations" means (i) direct and general obligations of the United States of America, or those which are unconditionally guaranteed as to principal and interest by the same, and (ii) pre–refunded municipal obligations meeting the following criteria:

(a) The municipal obligations may not be callable prior to maturity or, alternatively, the trustee has received irrevocable instructions concerning their calling and redemption;

(b) The municipal obligations are secured by cash or securities described in subparagraph (i) above (the "Defeasance Obligations"), which cash or Defeasance Obligations may be applied only to interest, principal and premium payments of such municipal obligations;

(c) The principal and interest of the Defeasance Obligations (plus any cash in the fund) are sufficient to meet the liabilities of the municipal obligations;

(d) The Defeasance Obligations serving as security for the municipal obligations must be held by an escrow agent or a trustee;

(e) The Defeasance Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and

(f) The Defeasance Obligations are rated "AAA" by S&P and "Aaa" by Moody's.

Additionally, evidences of ownership of proportionate interests in future interest and principal payments of Defeasance Obligations are permissible. Investments in these proportionate interests are limited to circumstances wherein (i) a bank or trust company acts as custodian and holds the underlying obligations; (ii) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying obligations; and (iii) the underlying obligations are held in a special account separate and apart from the custodian's general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian or any person to whom the custodian may be obligated.

"Indenture" means the Subordinated General Indenture of Trust as from time to time amended or supplemented by Supplemental Indentures in accordance with the terms of the Indenture.

"Initial Bonds" means the first Series of Bonds issued under the Indenture.

"Interest Payment Date" means the stated payment date of an installment of interest on the Bonds.

"Interest Rate Swap" means an agreement between the Issuer or the Trustee (at the written direction of the Issuer) and a Swap Counterparty related to Bonds of one or more Series whereby a variable rate cash flow (which may be subject to any interest rate cap) on a principal or notional amount is exchanged for a fixed rate of return on an equal principal or notional amount. If the Issuer or the Trustee (at the written direction of the Issuer) enters into more than one Interest Rate Swap with respect to a Series of Bonds or Senior Bonds (to the extent applicable), each Interest Rate Swap shall specify the same payment dates.

"Issuer" means the Utah Transit Authority and its successors.

"Moody's" means Moody's Investors Service.

"Operation and Maintenance Expenses" means all necessary and reasonable expenses of maintaining and operating the System, including all necessary operating expenses, current maintenance charges, expenses of reasonable upkeep and repairs, properly allocated share of charges for insurance, and all other expenses incidental to the operation of the System, including the cost of merchandise for resale, promotional and advertising expenses, services, utilities and personnel and all allocated general administrative expenses of the Issuer, but shall exclude depreciation. As more fully provided in the Indenture, the Issuer shall establish a budget for Operation and Maintenance Expenses for each Fiscal Year and, except as otherwise provided in the Indenture, Operation and Maintenance Expenses in any Fiscal

Year shall not exceed the amount budgeted for such items in the Issuer's final budget (as the same may be amended from time to time) for such Fiscal Year.

"Outstanding" or "Bonds Outstanding" means at any date all Bonds which have not been canceled which have been or are being authenticated and delivered by the Trustee under the Indenture, except:

(a) Any Bond or portion thereof which at the time has been paid or deemed paid pursuant to the Indenture; and

(b) Any Bond in lieu of or in substitution for which a new Bond shall have been authenticated and delivered under the Indenture.

"Paired Obligations" means any Series (or portion thereof) of Bonds or Senior Bonds (as applicable) designated as Paired Obligations in the Supplemental Indenture authorizing the issuance or incurrence thereof, which are simultaneously issued or incurred (i) the principal of which is of equal amount maturing and to be redeemed (or cancelled after acquisition thereof) on the same dates and in the same amounts, and (ii) the interest rates which, taken together, result in an irrevocably fixed interest rate obligation of the Issuer for the terms of such Bonds or Senior Bonds (as applicable).

"Paying Agent" means the Trustee, appointed as the initial paying agent for the Bonds, and any additional or successor paying agent appointed pursuant to the Indenture.

"Permitted Investments" means any of the following securities:

(i) Government Obligations;

(ii) obligations of any of the following federal agencies which obligations represent full faith and credit obligations of the United States of America: the Export–Import Bank of the United States; the Government National Mortgage Association; the Federal Financing Bank; the Farmer's Home Administration; the Federal Housing Administration; the Maritime Administration: General Services Administration, Small Business Administration; or the Department of Housing and Urban Development (PHA's);

(iii) money market funds rated "AAAm" or "AAAm–G" or better by S&P;

(iv) commercial paper which is rated at the time of purchase in the single highest classification, "Prime 1" by Moody's or "A–l+" by S&P, and which matures not more than 270 days after the date of purchase;

(v) bonds, notes or other evidences or indebtedness rated "AAA" by S&P and "Aaa" by Moody's issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation with remaining maturities not exceeding three years;

(vi) U.S. dollar denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks which have a rating on their short term certificates of deposit on the date or purchase of "A–1" or "A–l+" by S&P and "Prime 1" by Moody's and maturing no more than 360 days after the date of purchase (ratings on holding companies are not considered as the rating of the bank);

(vii) the fund held by the Treasurer for the State of Utah and commonly known as the Utah Public Treasurers' Investment Fund; and

(viii) any investment or securities permitted for investment of public funds under the State Money Management Act of 1974, Title 51, Chapter 7, Utah Code.

"Pledged Bonds" means any Bonds that have been (a) pledged or in which any interest has otherwise been granted to a Security Instrument Issuer as collateral security for Security Instrument Repayment Obligations or (b) purchased and held by a Security Instrument Issuer pursuant to a Security Instrument.

"Pledged Revenues" means (i) the Sales and Uses Taxes, plus (ii) interest earned by and profits derived from the sale of investments in the funds and accounts created by the Indenture, plus (iii) Direct Payments and Senior Direct Payments, plus (iv) all other Revenues (if any) after provision has been made for the payment from the Revenues described in this subparagraph (iv) of the Operation and Maintenance Expenses.

"Principal" means (a) with respect to any Capital Appreciation Bond, the Accreted Amount thereof (the difference between the stated amount to be paid at maturity and the Accreted Amount being deemed unearned interest), except as used in connection with the authorization and issuance of Bonds and Senior Bonds and with the order of priority of payment of Bonds after an Event of Default, in which case "Principal" means the initial public offering price of a Capital Appreciation Bond (the difference between the Accreted Amount and the initial public offering price being

deemed interest), and (b) with respect to any Current Interest Bond, the principal amount of such Bond or Senior Bond payable at maturity.

"Principal Installment" means, as of any date of calculation, (a) with respect to any Series of Bonds or Senior Bonds (to the extent applicable), so long as any Bonds thereof are Outstanding, (1) the Principal amount of Bonds and Senior Bonds of such Series due on a certain future date for which no Sinking Fund Installments have been established, or (2) the unsatisfied balance (determined as provided in the definition of "Sinking Fund Installment") of any Sinking Fund Installment due on a certain future date for Bonds of such Series and Senior Bonds, plus the amount of the sinking fund redemption premiums, if any, which would be applicable upon redemption of such Bonds or Senior Bonds on such future date in a Principal amount equal to such unsatisfied balance of such Sinking Fund Installment, or (3) if such future dates coincide as to different Bonds of such Series or Senior Bonds, the sum of such Principal amount of Bonds or Senior Bonds and of such unsatisfied balance of such Sinking Fund Installment due on such future date plus such applicable redemption premiums, if any, and (b) with respect to any Repayment Obligations, the principal amount of such Repayment Obligations due on a certain future date.

"Project" means the acquisition or construction of additions, extensions, facilities, equipment or buildings for use as, or improvements to or equipment or furnishings for, the System.

"Put Bond" means any Bond which is part of a Series of Bonds which is subject to purchase by the Issuer, its agent or a third party from the Owner of the Bond pursuant to provisions of the Supplemental Indenture authorizing the issuance of the Bond and designating it as a "Put Bond."

"Rating Agency" means Moody's, Fitch or S&P and their successors and assigns to the extent such agencies then maintain a rating of the Bonds at the request of the Issuer. If any of such corporations cease to act as a securities rating agency, the Issuer may, with the approval of the Trustee, designate any nationally recognized securities rating organization as a replacement.

"Rating Category" or "Rating Categories" mean one or more of the generic rating categories of a Rating Agency, without regard to any refinement or gradation of such rating category or categories by a numerical modifier or otherwise.

"Registrar" means the Trustee (or other party designated as Registrar by Supplemental Indenture), appointed as the initial registrar for the Bonds pursuant to the Indenture, and any additional or successor registrar appointed pursuant to the Indenture.

"Regular Record Date" means, with respect to any Interest Payment Date for any Series of Bonds, the date specified as the Regular Record Date in the Supplemental Indenture authorizing the issuance of such Series of Bonds.

"Remarketing Agent" means a remarketing agent or commercial paper dealer appointed by the Issuer pursuant to a Supplemental Indenture.

"Repayment Obligations" means, collectively, all outstanding Security Instrument Repayment Obligations and Reserve Instrument Repayment Obligations.

"Reserve Instrument" means a device or instrument issued by a Reserve Instrument Provider to satisfy all or any portion of the Debt Service Reserve Requirement applicable to a Series of Bonds. The term "Reserve Instrument" includes, by way of example and not of limitation, letters of credit, bond insurance policies, surety bonds, standby bond purchase agreements, lines of credit and other devices.

"Reserve Instrument Agreement" means any agreement entered into by the Issuer and a Reserve Instrument Provider pursuant to a Supplemental Indenture and/or the applicable portions of a Supplemental Indenture providing for the issuance by such Reserve Instrument Provider of a Reserve Instrument.

"Reserve Instrument Costs" means all fees, premiums, expenses and similar costs, other than Reserve Instrument Repayment Obligations, required to be paid to a Reserve Instrument Provider pursuant to a Reserve Instrument Agreement. Each Reserve Instrument Agreement shall specify the fees, premiums, expenses and costs constituting Reserve Instrument Costs.

"Reserve Instrument Coverage" means, as of any date of calculation, the aggregate amount available to be paid to the Trustee pursuant to the Indenture under all Reserve Instruments.

"Reserve Instrument Fund" means the Utah Transit Authority Subordinated Reserve Instrument Fund created in the Indenture to be held by the Trustee and administered pursuant to the Indenture.

"Reserve Instrument Limit" means, as of any date of calculation and with respect to any Reserve Instrument, the maximum aggregate amount available to be paid under such Reserve Instrument into the Debt Service Reserve Fund

assuming for purposes of such calculation that the amount initially available under each Reserve Instrument has not been reduced or that the amount initially available under each Reserve Instrument has only been reduced as a result of the payment of principal of the applicable Series of Bonds.

"Reserve Instrument Provider" means any bank or other financial institution having at least a rating of "AA–" and "Aa3" by S&P and Moody's, respectively, or its equivalent or any insurance company or surety company rated in the highest rating category by S&P and Moody's and, if rated by A. M. Best & Company, rated in the highest rating category by A. M. Best & Company, issuing a Reserve Instrument.

"Reserve Instrument Repayment Obligations" means, as of any date of calculation and with respect to any Reserve Instrument Agreement, those outstanding amounts payable by the Issuer under such Reserve Instrument Agreement to repay the Reserve Instrument Provider for payments previously made by it pursuant to a Reserve Instrument. There shall not be included in the calculation of Reserve Instrument Repayment Obligations any Reserve Instrument Costs.

"Revenue Fund" means the Utah Transit Authority Revenue Fund created in the Senior Indenture to be held by the Issuer and administered pursuant to the provisions of the Senior Indenture.

"Revenues" means (i) all revenues, including but not limited to fare box revenues, advertising revenues, fees, income, rents and receipts received or earned by the Issuer from or attributable to the ownership and operation of the System, together with all interest earned by and profits derived from the sale of investments in the related funds thereof and the Funds and accounts created under the Indenture or proceeds derived from the sale of any part of the System, (ii) the Sales and Use Taxes, (iii) Direct Payments and Senior Direct Payments and (iv) any other legally available funds of the Issuer from other sources, properly budgeted on an annual basis for the payment of Operation and Maintenance. Expenses and principal and interest on the Bonds; provided, however, that Revenues shall not include federal and State capital and operating grant moneys received by the Issuer in connection with the operation of the System, to the extent inclusion therein is prohibited by State or federal law and regulations. Sections 6.1 and 6.15 of the Indenture require that such grant moneys be used for Operation and Maintenance Expenses to the extent received for that purpose.

"S&P" means Standard & Poor's Ratings Services, a division of The McGraw–Hill Companies, Inc.

"Sales and Use Taxes" means collectively, (i) the 0.25% or 0.30%, as may be applicable within the various jurisdictions of the Issuer, sales and use tax revenues received by the Issuer pursuant to Section 59–12–501, Utah Code Annotated 1953, as amended and any tax received pursuant to Section 59–12–2003 as a result of a tax levy under Section 59–12–501 at less than .30% (where applicable), (ii) the .25% sales and use tax revenues received by the Issuer from within Weber, Davis and Salt Lake Counties pursuant to Section 59–12–502, Utah Code Annotated 1953, as amended (less 20% of such sales and use tax revenues collected within Salt Lake County which must be allocated to other purposes pursuant to Section 59–12–502(5)(b), Utah Code Annotated 1953, as amended), (iii) the 0.276% (being 92% of .30%) sales and use tax revenues received by the Issuer from within Utah County pursuant to Section 59–12–1503, Utah Code Annotated 1953, as amended, (iv) the 0.1875% sales and use tax revenues received by the Issuer from within Salt Lake County pursuant to Section 59–12–1703, Utah Code Annotated 1953, as amended and (v) any other sales and use tax revenues legally available to the Issuer and affirmatively pledged under the Indenture by Supplemental Indenture.[1]

"Security Instrument" means an instrument or other device issued by a Security Instrument Issuer to pay, or to provide security or liquidity for, a Series of Bonds. The term "Security Instrument" includes, by way of example and not of limitation, letters of credit, bond insurance policies, standby bond purchase agreements, lines of credit and other security instruments and credit enhancement or liquidity devices (but does not include a Reserve Instrument); provided, however, that no such device or instrument shall be a "Security Instrument" for purposes of the Indenture unless specifically so designated in a Supplemental Indenture authorizing the use of such device or instrument.

"Security Instrument Agreement" means any agreement entered into by the Issuer and a Security Instrument Issuer pursuant to a Supplemental Indenture and/or the applicable portions of a Supplemental Indenture providing for the issuance by such Security Instrument Issuer of a Security Instrument.

"Security Instrument Costs" means, with respect to any Security Instrument, all fees, premiums, expenses and similar costs, other than Security Instrument Repayment Obligations, required to be paid to a Security Instrument Issuer pursuant to a Security Instrument Agreement or the Supplemental Indenture authorizing the use of such Security

[1] The Utah Code sections referenced in this definition have been recodified under the Utah Code provisions identified under the caption "SECURITY FOR THE 2019 BONDS—Sales and Uses Taxes."

Instrument. Such Security Instrument Agreement or Supplemental Indenture shall specify any fees, premiums, expenses and costs constituting Security Instrument Costs.

"Security Instrument Issuer" means any bank or other financial institution, insurance company, surety company or other institution issuing a Security Instrument.

"Security Instrument Repayment Obligations" means, as of any date of calculation and with respect to any Security Instrument Agreement, any outstanding amounts payable by the Issuer under the Security Instrument Agreement or the Supplemental Indenture authorizing the use of such Security Instrument to repay the Security Instrument Issuer for payments previously or concurrently made by the Security Instrument Issuer pursuant to a Security Instrument. There shall not be included in the calculation of the amount of Security Instrument Repayment Obligations any Security Instrument Costs.

"Senior Bonds" means all bonds issued under the Senior Indenture in compliance with the provisions thereof and the provisions of the Indenture.

"Senior Direct Payments" means the interest subsidy payments received by the Issuer from the Internal Revenue Service pursuant to Section 6431 of the Code or other similar programs with respect to bonds issued under the Senior Indenture.

"Senior Indenture" means the General Indenture of Trust dated as of October 1, 1997, as amended and restated, by the Amended and Restated General Indenture of Trust dated as of September 1, 2002 and as amended and supplemented, all between the Issuer and Zions First National Bank, as trustee.

"Serial Bonds" means all Bonds other than Term Bonds.

"Series" means all of the Bonds authenticated and delivered on original issuance and identified pursuant to the Supplemental Indenture authorizing such Bonds as a separate Series of Bonds, and any Bonds thereafter authenticated and delivered in lieu thereof or in substitution therefor.

"Sinking Fund Installment" means an amount so designated pursuant to a Supplemental Indenture. The portion of any such Sinking Fund Installment remaining after the deduction of any such amounts credited pursuant to the Indenture toward the same (or the original amount of any such Sinking Fund Installment if no such amounts shall have been credited toward the same) shall constitute the unsatisfied balance of such Sinking Fund Installment for the purpose of calculation of Sinking Fund Installments due on a future date.

"Special Record Date" means such date as may be fixed for the payment of defaulted interest on the Bonds in accordance with the Indenture.

"State" means the State of Utah.

"Supplemental Indenture" means any indenture between the Issuer and the Trustee entered into pursuant to and in compliance with the provisions of the Indenture.

"Swap Counterparty" means a member of the International Swap Dealers Association rated in one of the three top Rating Categories by at least one of the Rating Agencies and meeting the requirements of applicable laws of the State.

"Swap Payments" means as of each payment date specified in an Interest Rate Swap, the amount, if any, payable to the Swap Counterparty by the Trustee on behalf of the Issuer. Swap Payments (i) shall be net of any amounts payable to the Issuer by the Swap Counterparty under said Interest Rate Swap and (ii) do not include any Termination Payments.

"Swap Receipts" means as of each payment date specified in an Interest Rate Swap, the amount, if any, payable to the Trustee for the account of the Issuer by the Swap Counterparty.

"System" means the Issuer's public transit system, together with any additions, repairs, renewals, replacements, expansions, extensions and improvements to said System, or any part thereof, hereafter acquired or constructed, and together with all lands, easements, interests in land, licenses, water rights and rights of way of the Issuer and all other works, property, structures, equipment of the Issuer and contract rights and other tangible and intangible assets of the Issuer now or hereafter owned or used in connection with, or related to said System.

"Term Bonds" means the Bonds which shall be subject to retirement by operation of mandatory sinking fund redemptions from the Bond Fund.

"Termination Payments" means the amount payable to the Swap Counterparty by the Issuer with respect to the early termination or modification of an Interest Rate Swap. Termination Payments may only be payable from and secured by Pledged Revenues after payment of all amounts then due pursuant to the Indenture.

"Trustee" means Zions First National Bank, Salt Lake City, Utah, or any successor corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party and any successor trustee at any time serving as successor trustee under the Indenture.

"Utah Code" means Utah Code Annotated 1953, as amended.

"Variable Rate Bonds" means, as of any date of calculation, Bonds and Senior Bonds (as applicable) the terms of which on such date of calculation are such that interest thereon for any future period of time is expressed to be calculated at a rate which is not susceptible to a precise determination.

The Bonds

Limited Obligation. The Bonds and the Repayment Obligations are not a general obligation indebtedness or pledge of the full faith and credit of the Issuer or of the State or any agency, instrumentality or political subdivision thereof, but are special limited obligations of the Issuer payable from and secured solely by the Pledged Revenues (subordinated to the lien of the Senior Indenture) and other moneys in funds and accounts held by the Trustee under the Indenture (except for moneys held to satisfy obligations with respect to arbitrage rebate) and, except as provided in the Indenture, the Issuer pledges and assigns the same as provided in the Granting Clause of the Indenture. The issuance of the Bonds and delivery of any Security Instrument Agreement or Reserve Instrument Agreement shall not, directly, indirectly or contingently, obligate the Issuer or the State or any agency, instrumentality or political subdivision thereof to levy any form of *ad valorem* taxation therefor.

Provisions Regarding Bonds Secured by a Security Instrument.

(a) The Issuer may include such provisions in a Supplemental Indenture authorizing the issuance of a Series of Bonds secured by a Security Instrument as the Issuer deems appropriate, including:

(i) So long as the Security Instrument is in full force and effect, and payment on the Security Instrument is not in default, (A) the Security Instrument Issuer shall be deemed to be the Owner of the Outstanding Bonds of such Series (I) when the approval, consent or action of the Bondowners for such Series of Bonds is required or may be exercised under the Indenture and (II) following an Event of Default and (B) the Indenture may not be amended in any manner which affects the rights of such Security Instrument Issuer without its prior written consent.

(ii) In the event that the Principal and redemption price, if applicable, and interest due on any Series of Bonds Outstanding shall be paid under the provisions of a Security Instrument, all covenants, agreements and other obligations of the Issuer to the Bondowners of such Series of Bonds shall continue to exist and such Security Instrument Issuer shall be subrogated to the rights of such Bondowners in accordance with the terms of such Security Instrument.

(b) In addition, such Supplemental Indenture may establish such provisions as are necessary to provide relevant information to the Security Instrument Issuer and to provide a mechanism for paying Principal Installments and interest on such Series of Bonds from the Security Instrument.

Covenant Against Creating or Permitting Liens; Subordinated Indebtedness. Except for the pledge of Pledged Revenues to secure payment of the Senior Bonds and the Bonds and Repayment Obligations under the Indenture, the Issuer covenants that the Pledged Revenues are and will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto; provided, however, that nothing contained in the Indenture shall; prevent the Issuer from issuing, if and to the extent permitted by law, indebtedness having a lien on Pledged Revenues subordinated to that of the Bonds and the Repayment Obligations.

Interest Rate Swap. The Issuer may provide for the execution of an Interest Rate Swap in connection with the Bonds issued under the Indenture. The obligation of the Issuer to pay Swap Payments may be secured with (a) a parity lien on the Pledged Revenues with the lien thereon of Debt Service on the related Bonds, if the requirements of the Indenture are met in connection with the execution of the Interest Rate Swap or (b) a subordinate lien on the Pledged Revenues, all as established by a Supplemental Indenture related to the Series of Bonds executed upon the issuance of such Series of Bonds or at any time subsequent thereto. Termination Payments may only be payable from and secured by Revenues after payment of all amounts then due pursuant to the Indenture.

Notwithstanding anything to the contrary, "Operation and Maintenance Expenses" shall not include any decrease in the value of an Interest Rate Swap which is required by its terms or by any applicable accounting principles to be

marked to market. Furthermore, "Revenues" shall not include any increase in the value of any Interest Rate Swap which is required by its terms or by any applicable accounting principles to be marked to market.

Special Funds And Accounts

Use of Construction Fund.

(a) So long as an Event of Default shall not have occurred and be continuing, moneys deposited in the appropriate account in the Construction Fund shall be paid out by the Trustee in order to pay the Cost of a Project, in each case within three Business Days (or within such longer period as is reasonably required to liquidate investments in the Construction Fund if required to make such payment) after the receipt by the Trustee of a written requisition stating the following:

(i) that the Trustee shall disburse sums in the manner specified by and at the direction of an Authorized Representative of the Issuer to the person or entity designated in such written requisition, and that the amount set forth therein is justly due and owing and constitutes a Cost of a Project based upon itemized claims substantiated in support thereof; and

(ii) that the amount remaining in the applicable account in the Construction Fund after such disbursement is made, together with the amount of unencumbered Pledged Revenues, if any, which the Issuer reasonably estimates will be deposited in the applicable account in the Construction Fund during the period of construction of a Project from the investment of moneys on deposit in the applicable account in the Construction Fund, will, together with any other moneys lawfully available or reasonably expected to become available for payment of the Cost of a Project and after payment of the amount requested in said requisition, be sufficient to pay the remaining Cost of a Project in accordance with the plans and specifications therefor then in effect; it being understood that no moneys from the applicable account in the Construction Fund may be expended unless, after giving effect thereto, the funds remaining in the applicable account in the Construction Fund, together with such other funds and income and lawfully available moneys and moneys reasonably expected to become available, are expected to be sufficient to pay the remaining Cost of the Project.

(b) Upon receipt of such requisition, the Trustee shall pay the obligation set forth in such requisition out of moneys in the applicable account in the Construction Fund. In making such payments the Trustee may rely upon such requisition.

(c) An Authorized Representative of the Issuer shall deliver to the Trustee, within 90 days after the substantial completion of a Project, a certificate stating that:

(i) such Project has been substantially completed in accordance with the plans and specifications therefor, as amended from time to time, and stating the date of substantial completion for such Project; and

(ii) the Issuer is of the opinion that such Project has been fully paid for and no claim or claims exist against the Issuer or against such Project out of which a lien based on furnishing labor or material exists or might ripen; provided, however, there may be excepted from the foregoing statement any claim or claims out of which a lien exists or might ripen in the event that the Issuer intends to contest such claim or claims, in which event such claim or claims shall be described to the Trustee.

(d) In the event that the certificate filed with the Trustee pursuant to paragraph (c) above shall state that there is a claim or claims in controversy which create or might ripen into a lien, there shall be filed with the Trustee a similar certificate when and as such claim or claims shall have been fully paid or otherwise discharged.

(e) The Trustee and the Issuer shall keep and maintain adequate records pertaining to each account within the Construction Fund and all disbursements therefrom.

(f) Upon completion of a Project and payment of all costs and expenses incident thereto and the filing with the Trustee of documents required by the Indenture, any balance remaining in the applicable account in the Construction Fund relating to such Project shall, at the written direction of the Issuer delivered to the Trustee, be (i) applied to pay capitalizable costs for projects related to the System or any other lawful purpose subject in either case to receipt of a Favorable Opinion, (ii) deposited in the Bond Fund, to be applied, as directed by the Issuer, (A) toward the redemption or purchase of the Series of Bonds issued to finance such Project or (B) to the payment of principal and interest next falling due on such Series of Bonds or (iii) any combination of the foregoing purposes.

(g) Notwithstanding anything in the Indenture to the contrary, upon the occurrence and continuance of an Event of Default under the Indenture, amounts on deposit in the Construction Fund may be applied toward the payment of Bonds issued under the Indenture.

Use of Bond Fund.

(a) The Trustee shall make deposits, as and when received, as follows:

(i) the amounts representing accrued interest on a Series of Bonds shall be deposited into the Bond Fund;

(ii) all moneys payable by the Issuer as specified in the Indenture shall be deposited into the Bond Fund. Any payments made by a Security Instrument Issuer with respect to a Series of Bonds shall be deposited into the Bond Fund (or a segregated account for such purpose) and used solely to pay the related Series of Bonds, subject to the provisions of the Supplemental Indenture authorizing the issuance of such Series of Bonds;

(iii) any amount remaining in the Construction Fund with respect to a Project shall be transferred to the Bond Fund to the extent remaining upon completion of such Project;

(iv) all moneys required to be transferred to the Bond Fund from the Debt Service Reserve Fund or from a Reserve Instrument or Instruments then in effect shall be deposited into the Bond Fund as provided in the Indenture; and

(v) all other moneys received by the Trustee under the Indenture when accompanied by directions from the person depositing such moneys that such moneys are to be paid into the Bond Fund, shall be deposited into the Bond Fund.

(b) Except as provided in the Indenture, as provided in this paragraph and as otherwise provided by Supplemental Indenture, moneys in the Bond Fund shall be expended solely for the following purposes and in the following order of priority:

(i) on or before each Interest Payment Date for each Series of Bonds, the amount required for the interest payable on such date;

(ii) on or before each Principal Installment due date, the amount required for the Principal Installment payable on such due date; and

(iii) on or before each redemption date for each Series of Bonds, the amount required for the payment of redemption price of and accrued interest on such Bonds then to be redeemed.

Such amounts shall be applied by the Paying Agents to pay Principal Installments and redemption price of, and interest on the related Series of Bonds.

The Trustee shall pay out of the Bond Fund to the Security Instrument Issuer, if any, that has issued a Security Instrument with respect to such Series of Bonds an amount equal to any Security Instrument Repayment Obligation then due and payable to such Security Instrument Issuer. Except as otherwise specified in a related Supplemental Indenture all such Security Instrument Repayment Obligations shall be paid on a parity with the payments to be made with respect to principal and interest on the Bonds; *provided* that amounts paid under a Security Instrument shall be applied only to pay the related Series of Bonds. If payment is so made on Pledged Bonds held for the benefit of the Security Instrument Issuer, a corresponding payment on the Security Instrument Repayment Obligation shall be deemed to have been made (without requiring an additional payment by the Issuer) and the Trustee shall keep its records accordingly.

The Issuer authorizes and directs the Trustee to withdraw sufficient funds from the Bond Fund to pay principal of and interest on the Bonds and on Security Instrument Repayment Obligations as the same become due and payable and to make said funds so withdrawn available to the Trustee and any paying agent for the purpose of paying said principal and interest.

(c) Except as otherwise provided in a Supplemental Indenture authorizing a Series of Bonds, amounts accumulated in the Bond Fund with respect to any Sinking Fund Installment (together with amounts accumulated therein with respect to interest on the Bonds for which such Sinking Fund Installment was established) shall, if so directed by the Issuer in a written request not less than 60 days before the due date of such Sinking Fund Installment, be applied by the Trustee to (1) the purchase of Bonds of the Series and maturity for which such Sinking Fund Installment was established, (2) the redemption at the applicable sinking fund redemption price of such Bonds, if then redeemable by their terms, or (3) any combination of (1) and (2). All purchases of any Bonds pursuant to this subsection (c) shall be made at prices not exceeding the applicable sinking fund redemption price of such Bonds plus accrued interest, and such purchases shall be made in such manner as the Issuer shall direct the Trustee. The applicable sinking fund redemption price (or Principal amount of maturing Bonds) of any Bonds so purchased or redeemed shall be deemed to constitute part of the Bond Fund until such Sinking Fund Installment date for the purpose of calculating the amount of such Fund. As soon as practicable after the 60th day preceding

the due date of any such Sinking Fund Installment, the Trustee shall proceed to call for redemption on such due date, by giving notice as required by the Indenture, Bonds of the Series and maturity for which such Sinking Fund Installment was established (except in the case of Bonds maturing on a Sinking Fund Installment date) in such amount as shall be necessary to complete the retirement of the unsatisfied balance of such Sinking Fund Installment. The Trustee shall pay out of the Bond Fund to the appropriate Paying Agents, on or before such redemption date (or maturity date), the amount required for the redemption of the Bonds so called for redemption (or for the payment of such Bonds then maturing), and such amount shall be applied by such Paying Agents to such redemption (or payment). All expenses in connection with the purchase or redemption of Bonds shall be paid by the Issuer as Operation and Maintenance Expenses. Upon any redemption (otherwise than pursuant to Sinking Fund Installments) of Bonds for which Sinking Fund Installments have been established, or any purchase in lieu thereof, there shall be credited by the Trustee toward the Sinking Fund Installment requirement thereafter to become due with respect thereto, the amount of the Bonds so redeemed or purchased in lieu thereof, to the respective sinking fund redemption dates as directed by the Issuer.

(d) After payment in full of the principal of and interest on all Bonds issued under the Indenture (or after provision has been made for the payment thereof as provided in the Indenture so that such Bonds are no longer Outstanding), all agreements relating to all outstanding Security Instrument Repayment Obligations and Reserve Instrument Repayment Obligations, in accordance with their respective terms, the fees, charges and expenses of the Trustee and any paying agent, any other amounts required to be paid under the Indenture and under any Security Instrument Agreement and any Reserve Instrument Agreement, all amounts remaining in the Bond Fund shall be paid to the Issuer.

Use of Debt Service Reserve Fund. Except as otherwise provided under this subheading and subject to the immediately following sentence, moneys in each account in the Debt Service Reserve Fund shall at all times be maintained in an amount not less than the applicable Debt Service Reserve Requirement. In calculating the amount on deposit in each account in the Debt Service Reserve Fund, the amount, if any, of the related Reserve Instrument Coverage will be treated as an amount on deposit in such account in the Debt Service Reserve Fund. Each Supplemental Indenture authorizing the issuance of a Series of Bonds shall specify the Debt Service Reserve Requirement applicable to such Series which amount shall be deposited immediately upon the issuance and delivery of such Series from (a) proceeds from the sale thereof or from any other legally available source, or (b) by a Reserve Instrument or Instruments, or (c) any combination thereof. Funds on deposit in each account in the Debt Service Reserve Fund shall be used solely to make up any deficiencies in the Bond Fund relating to the payment of debt service on the applicable Series of Bonds. If amounts on deposit in an account in the Debt Service Reserve Fund shall, at any time, be less than the applicable Debt Service Reserve Requirement, all Security Instrument Issuers shall be notified immediately of such deficiency, and such deficiency shall be made up at the time and in the manner indicated in the Indenture.

In the event funds on deposit in an account in the Debt Service Reserve Fund are needed to make up any deficiencies in the Bond Fund as aforementioned, and there is insufficient cash available in such account in the Debt Service Reserve Fund to make up such deficiency and Reserve Instruments applicable to such Series of Bonds are in effect, the Trustee shall immediately make a demand for payment on such Reserve Instruments, to the maximum extent authorized by such Reserve Instruments, in the amount necessary to make up such deficiency, and immediately deposit such payment upon receipt thereof into the Bond Fund for application to such deficiencies.

In the event a Reserve Instrument is terminated in accordance with its terms, the Issuer shall be required either (i) to fund the Debt Service Reserve Requirement at the time of termination of the Reserve Instrument, or (ii) to provide a substitute Reserve Instrument which provides the same Reserve Instrument Coverage and which is provided by a Reserve Instrument Provider that is acceptable to the Trustee.

Funds at any time on deposit in the accounts maintained in the Debt Service Reserve Fund in excess of the amount required to be maintained therein (taking into account the amount of related Reserve Instrument Coverage) may at any time be transferred to the Bond Fund. at the direction of the Issuer or, in connection with the replacement of amounts on deposit therein with a Reserve Instrument, utilized by the Issuer for any other lawful purpose, with a Favorable Opinion, pursuant to the terms of the Supplemental Indenture or resolution of the Issuer authorizing such Reserve Instrument.

Notwithstanding anything contained elsewhere in the Indenture to the contrary, any account maintained within the Debt Service Reserve Fund for a Series of Bonds and any Reserve Instrument for a Series of Bonds, shall only be drawn upon with respect to the Series of Bonds to which such account or Reserve Instrument applies.

Reserve Instrument Fund. There shall be paid into the Reserve Instrument Fund the amounts required by the Indenture and by a Supplemental Indenture to be so paid. The amounts in the Reserve Instrument Fund shall, from

time to time, be applied by the Trustee on behalf of the Issuer to pay the Reserve Instrument Repayment Obligations which are due and payable to any Reserve Instrument Provider under any applicable Reserve Instrument Agreement.

Investment of Funds. Any moneys in the Bond Fund, the Reserve Instrument Fund, the Construction Fund, the Debt Service Reserve Fund or any other funds or accounts created by the Indenture may, at the discretion and authorization of an Authorized Representative of the Issuer, be invested in Permitted Investments. Such investments shall be held by the Trustee, and when the Trustee determines it necessary to use the moneys in the Funds for the purposes for which the Funds were created, it shall, at the discretion of an Authorized Representative of the Issuer, liquidate at prevailing market prices as much of the investments as may be necessary and apply the proceeds to such purposes. All income derived from the investment of the Construction Fund, the Bond Fund, the Reserve Instrument Fund and the Debt Service Reserve Fund shall be maintained in said respective Funds and disbursed along with the other moneys on deposit therein as provided in the Indenture. Any moneys in the Revenue Fund may, at the discretion and authorization of an Authorized Representative of the Issuer, be invested in investments permitted by the Utah State Money Management Act, as it may be amended from time to time.

Trust Funds. All moneys and securities received by the Trustee under the provisions of the Indenture shall be trust funds under the terms hereof and shall not be subject to lien or attachment of any creditor of the State or any political subdivision, body, agency, or instrumentality thereof or of the Issuer and shall not be subject to appropriation by any legislative body or otherwise. Such moneys and securities shall be held in trust and applied in accordance with the provisions of the Indenture. Except for moneys held to satisfy (i) the obligations, if any, of the Issuer under the Code with respect to arbitrage rebate and (ii) principal or redemption price of, and interest on, any Bonds previously matured or called for redemption or deemed paid in accordance with the Indenture (to be held for the benefit of the holders of such Bonds only), unless and until disbursed pursuant to the terms of the Indenture, all such moneys and securities (and the income therefrom) shall be held by the Trustee as security for payment of the principal, premium, if any, and interest on the Bonds for payment of Security Instrument Repayment Obligations and Reserve Instrument Repayment Obligations and the fees and expenses of the Trustee payable under the Indenture.

Method of Valuation and Frequency of Valuation. In computing the amount in any fund or account, Permitted Investments shall be valued at the market price thereof. With respect to all funds and accounts except the Debt Service Reserve Fund, valuation shall occur at least annually. Amounts in each account of the Debt Service Reserve Fund shall be valued at least semiannually and marked–to–market at least annually, except in the event of a withdrawal from any of such accounts in the Debt Service Reserve Fund (other than a withdrawal of amounts above the required level), whereupon amounts in such account shall be valued immediately after such withdrawal and monthly thereafter until amounts in such account in the Debt Service Reserve Fund are at the required level. If amounts on deposit in the Debt Service Reserve Fund shall, at any time, be less than the applicable Debt Service Reserve Requirement, any Security Instrument Issuer of the related Series of Bonds, if any, shall be notified immediately of such deficiency, and (except with respect to the termination of a Reserve Instrument) such deficiency shall be made up as provided in the Indenture over a period of not more than twelve months

Purchase of Bonds. The Issuer may purchase Bonds of any Series from any available funds at public or private sale, as and when and at such prices as the Issuer may in its discretion determine, subject to applicable law and so long as such purchase is not made with funds drawn on a Security Instrument without the prior written consent of such Security Instrument Issuer. All Bonds so purchased shall at such times as shall be selected by the Issuer be delivered to and cancelled by the Trustee or any Registrar and (except with respect to a Commercial Paper Program) no Bonds of such Series shall be issued in place thereof. In the case of the purchase of Bonds of a Series and maturity for which Sinking Fund Installments shall have been established, the Issuer shall, by a written request delivered to the Trustee, elect the manner in which the Principal amount of such Bonds shall be credited toward Sinking Fund Installments, consistent with the procedures of the Indenture.

Covenants

General Covenants. The Issuer hereby covenants and agrees with each and every Registered Owner of the Bonds issued under the Indenture, Security Instrument Issuer and Reserve Instrument Provider that:

(a) The Issuer covenants to comply with the applicable provisions of the title known as "Limited Purpose Local Government Entities—Local Districts," Title 17B, Utah Code including in particular Section 17B–2a–815, Utah Code.

(b) Each Registered Owner, Reserve Instrument Provider, and Security Instrument Issuer shall have a right, to apply to and obtain from any court of competent jurisdiction such decree or order as may be necessary to require the Issuer to use its best efforts to charge or collect reasonable rates for services supplied by the System sufficient to meet all requirements of the Indenture and of any applicable Reserve Instrument Agreement or Security Instrument Agreement; and

(c) So long as any Bonds, Security Instrument Repayment Obligations or Reserve Instrument Repayment Obligations are Outstanding, proper books of record and account will be kept by the Issuer separate and apart from all other records and accounts, showing complete and correct entries of all transactions relating to the System and the funds or accounts confirmed or established under the Indenture. Each Registered Owner, Reserve Instrument Provider, Security Instrument Issuer or any duly authorized agent or agents thereof shall have the right at all reasonable times to inspect all records, accounts and data relating thereto and to inspect the System. Except as otherwise provided in the Indenture, the Issuer further agrees that it will within one hundred eighty (180) days following the close of each Fiscal Year cause an audit of such books and accounts to be made by an independent firm of certified public accountants, showing the receipts and disbursements for account of the System and such funds and accounts, and that such audit will be available for inspection by each Registered Owner, Reserve Instrument Provider and Security Instrument Issuer.

All expenses incurred in compiling the information required above shall be regarded and paid as an Operation and Maintenance Expense.

Lien of Bonds; Equality of Liens. Other than the Senior Bonds, there are no other obligations that enjoy a lien (prior to, or on a parity with, or subordinate to that created under the Indenture) upon the Pledged Revenues. The Bonds and any Security Instrument Repayment Obligations constitute an irrevocable second lien upon the Pledged Revenues, subject only to the lien of the Senior Indenture. Except as otherwise expressly provided in the Indenture or in a related Supplemental Indenture, the Issuer covenants that the Bonds and any Security Instrument Repayment Obligations are equally and proportionally secured by a second lien on the Pledged Revenues (except that the portion of Pledged Revenues representing principal or redemption price of, and interest on, any Bonds previously matured or called for redemption or deemed paid in accordance with the Indenture shall be held for the benefit of the holders of such Bonds only) and shall not be entitled to any priority one over the other in the application of the Pledged Revenues regardless of the time or times of the issuance or delivery of the Bonds or Security Instrument, it being the intention of the Issuer that there shall be no priority among the Bonds or the Security Instrument Repayment Obligations regardless of the fact that they may be actually issued and/or delivered at different times.

Any assignment or pledge from the Issuer to a Reserve Instrument Provider of (i) proceeds of the issuance and sale of Bonds, (ii) Pledged Revenues, or (iii) funds and accounts established or confirmed by the Indenture, including investments, if any, thereof, is and shall be subordinate to the assignment and pledge effected by the Indenture to the Registered Owners of the Bonds and to the Security Instrument Issuers.

Payment of Principal, Premium and Interest. The Issuer covenants that it will punctually pay or cause to be paid the Principal of, premium, if any, and interest on every Bond issued under the Indenture, any Security Instrument Repayment Obligations and any Reserve Instrument Repayment Obligations, in strict conformity with the terms of the Bonds, the Indenture, any Security Instrument Agreement and any Reserve Instrument Agreement, according to the true intent and meaning hereof and thereof. The Principal of and interest on the Bonds, any Security Instrument Repayment Obligations and any Reserve Instrument Repayment Obligations are payable solely from the Pledged Revenues (except to the extent paid out of moneys attributable to Bond proceeds or other funds created under the Indenture or the income from the temporary investment thereof), which Pledged Revenues are hereby specifically pledged and assigned to the payment thereof in the manner and to the extent specified in the Indenture, and nothing in the Bonds, the Indenture, any Security Instrument Agreement or any Reserve Instrument Agreement should be considered as pledging any other funds or assets of the Issuer for the payment thereof.

List of Bondholders. The Registrar will keep on file at its principal office a list of the names and addresses of the Registered Owners of all Bonds which are from time to time registered on the registration books in the hands of the Trustee as Registrar for the Bonds. At reasonable times and under reasonable regulations established by the Trustee, said list may be inspected and copied by the Issuer or by the Registered Owners (or a designated representative thereof) of 10% or more in principal amount of Bonds then Outstanding, such ownership and the authority of any such designated representative to be evidenced to the reasonable satisfaction of the Trustee. The Registrar shall maintain a list of the names and addresses of the Owners of all Bonds and upon any transfer shall add the name and address of the new Bondowner and eliminate the name and address of the transferor Bondowner. Such lists, together with all other records of ownership, registration, transfer, and exchange of the Bonds and of persons to whom payment with respect to such obligations is made, are "private" or "confidential" as defined in Title 63, Chapter 2, Utah Code, or any successor provision of law.

Management of System.

(a) The Issuer, in order to assure the efficient management and operation of its System, will employ competent and experienced management, and will use its best efforts to see that its System is properly operated and maintained in good condition and an efficient manner.

(b) The Issuer will at all times cause the System to be maintained, preserved and kept in good repair, working order and condition so that the operating efficiency thereof will be of a high character. The Issuer will cause all necessary and proper repairs and replacements to be made so that the business carried on in connection with the System may be properly and advantageously conducted at all times in a manner consistent with prudent management, and that the rights and security of the Owners of the Bonds, Security Instrument Issuers and Reserve Instrument Issuers may be fully protected and preserved.

Power to Own the System and Collect Rates and Fees; Provision for Sale or Lease and Leaseback Transactions. The Issuer has, and will have so long as any Bonds are Outstanding or Repayment Obligations are Outstanding, good, right and lawful power to own the System and to fix and collect rates, fares, fees and other charges in connection with the System. No revenue–producing facility or service of the System shall be leased, furnished or supplied free, but shall always be leased, furnished or supplied so as to produce Revenues, provided that the Issuer reserves the right to lease, furnish or supply free any such facility or service to the extent that such action does not materially adversely affect the Issuer's ability to perform its obligations under the Indenture. In addition, the Issuer may dispose of any assets of the System which are no longer needed for the efficient operations thereof or which have been replaced by other System assets.

To the extent permitted by applicable law, the Issuer shall be entitled to sell or lease all or any portion of the System so long as the Issuer delivers to the Trustee (i) a Favorable Opinion and (ii) a written certificate to the effect that such portion of the System will continue to be used, controlled and possessed by the Issuer for the benefit of the System.

Maintenance of Revenues. The Issuer will at all times comply in all material respects with all terms, covenants and provisions, express and implied, of all contracts and agreements entered into by it for System use and services and all other contracts or agreements affecting or involving the System or business of the Issuer with respect thereto. The Issuer shall promptly collect all charges due for the System use and service supplied by it as the same become due, and shall at all times maintain and promptly and vigorously enforce its rights against any person who does not pay such charges when due. The Issuer shall establish policies, rules and fees, charges and rentals as shall be necessary to (i) assure maximum use and occupancy of the System and the services thereof and (ii) yield sufficient Revenues to meet the obligations of the Issuer under the Senior Indenture and the Indenture.

Use of Certain Grants. The Issuer hereby covenants that any federal or State capital or operating grant moneys received by the Issuer which are prohibited by the provisions of the Indenture from being included as Revenues, shall be used for the purposes for which such grants were given, including payment of Operation and Maintenance Expenses.

Debt Limitation. Notwithstanding anything in the Indenture to the contrary, the Issuer shall not issue any general obligation bonds which exceed in the aggregate 3% of the fair market value of the taxable property within the boundaries of the Issuer.

Continuation of Sales Tax Revenues. The Issuer shall take all reasonable and legally permissible actions which it determines are necessary to assure the continued receipt by the Issuer for use as provided in the Indenture of the Sales and Use Taxes and shall oppose any effort to eliminate or divert the same.

Default Provisions

Events of Default. Each of the following events is hereby declared an "Event of Default" under the Indenture:

(a) if payment of any installment of interest on any of the Bonds shall not be made by or on behalf of the Issuer (other than pursuant to a Security Instrument Agreement) when the same shall become due and payable; or

(b) if payment of the principal of or the redemption premium, if any, on any of the Bonds shall not be made by or on behalf of the Issuer (other than pursuant to a Security Instrument Agreement) when the same shall become due and payable, either at maturity or by proceedings for redemption in advance of maturity or through failure to fulfill any payment to any fund under the Indenture or otherwise; or

(c) if an order or decree shall be entered, with the consent or acquiescence of the Issuer, appointing a receiver or custodian for any of the Revenues, or approving a petition filed against the Issuer seeking reorganization of the Issuer under the federal bankruptcy laws or any other similar law or statute of the United States of America or any state thereof, or if any such order or decree, having been entered without the consent or acquiescence of the Issuer, shall not be vacated or discharged or stayed on appeal within 60 days after the entry thereof; or

(d) if any proceeding shall be instituted, with the consent or acquiescence of the Issuer, for the purpose of effecting a composition between the Issuer and its creditors or for the purpose of adjusting the claims of such

creditors pursuant to any federal or state statute now or hereafter enacted, if the claims of such creditors are or may be under any circumstances payable from Revenues; or

(e) if (i) the Issuer is adjudged insolvent by a court of competent jurisdiction, or (ii) an order, judgment or decree be entered by any court of competent jurisdiction appointing, without the consent of the Issuer, a receiver, trustee or custodian of the Issuer or of the whole or any part of their property and any of the aforesaid adjudications, orders, judgments or decrees shall not be vacated or set aside or stayed within 60 days from the date of entry thereof; or

(f) if the Issuer shall file a petition or answer seeking reorganization, relief or any arrangement under the federal bankruptcy laws or any other applicable law or statute of the United States of America or any state thereof; or

(g) if, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Issuer or of the whole or any substantial part of the property of the Issuer, and such custody or control shall not be terminated within 60 days from the date of assumption of such custody or control; or

(h) if the Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or the Indenture or any Supplemental Indenture on the part of the Issuer to be performed, other than as set forth above and such default shall continue for 60 days (or such longer period as may be approved by the Trustee if in its opinion remedial actions are being diligently pursued by the Issuer) after written notice specifying such Event of Default and requiring the same to be remedied shall have been given to the Issuer by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the Registered Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding under the Indenture;

provided that any failure by the Issuer to make payment as described in subparagraph (a) or (b) of this paragraph shall not constitute an Event of Default with respect to any Bond if the Supplemental Indenture authorizing the issuance of such Bond provides that due and punctual payment by a Security Instrument Issuer or a Reserve Instrument Issuer shall not give rise to an Event of Default and such payment is, in fact, duly and punctually made; and *provided, further* that the provisions of subparagraph (h) above are subject to the following limitations: if by reason of acts of God; strikes, lockouts or other similar disturbances; acts of public enemies; orders of any kind of the government of the United States or the State or any department, agency, political subdivision, court or official of the State which asserts jurisdiction over the Issuer; orders of any kind of civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquakes; volcanoes; fires, hurricanes; tornadoes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions; or any cause or event not reasonably within the control of the Issuer, the Issuer is unable in whole or part to carry out any one or more of its respective agreements or obligations contained in the Indenture (other than as described in (a) through (b) above) such default shall not constitute an "Event of Default" so long as such cause or event continues.

The Trustee shall give notice to any Security Instrument Issuer and Reserve Instrument Issuer of any Event of Default actually known to the Trustee within five Business Days after it has actual knowledge thereof

Remedies; Rights of Registered Owners. Upon the occurrence of an Event of Default, the Trustee may pursue any available remedy by suit at law or in equity to enforce the payment of the principal of, premium, if any, and interest on the Bonds then Outstanding or to enforce any obligations of the Issuer under the Indenture.

If an Event of Default shall have occurred, and if requested so to do by (i) Registered Owners of not less than 25% in aggregate Principal amount of the Bonds then Outstanding, (ii) Security Instrument Issuers at that time providing Security Instruments which are in full force and effect and not in default on any payment obligation and which secure not less than 25% in aggregate Principal amount of Bonds at the time Outstanding, or (iii) any combination of Bondowners and Security Instrument Issuers described in (i) and (ii) above representing not less than 25% in aggregate Principal amount of Bonds at the time Outstanding, and indemnified, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by the provisions described under this caption as the Trustee, being advised by counsel, shall deem most expedient in the interest of the Registered Owners and the Security Instrument Issuers.

No remedy by the terms hereof conferred upon or reserved to the Trustee (or to the Registered Owners or to the Security Instrument Issuers) is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee, the Registered Owners or the Security Instrument Issuers or now or hereafter existing at law or in equity or by statute.

No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any Event of Default or acquiescence therein; and every such right and power may be exercised from time to time and as often as may be deemed expedient.

No waiver of any Event of Default, whether by the Trustee, the Registered Owners or the Security Instrument Issuers, shall extend to or shall affect any subsequent Event of Default or shall impair any rights or remedies consequent thereon.

Right of Registered Owners and Security Instrument Issuers to Direct Proceedings. Anything in the Indenture to the contrary notwithstanding, unless a Supplemental Indenture provides otherwise, either (i) the Registered Owners of a majority in aggregate Principal amount of the Bonds then Outstanding, (ii) the Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and not in default on any payment obligation and which secure not less than 50% in aggregate Principal amount of Bonds at the time Outstanding, or (iii) any combination of Bondowners and Security Instrument Issuers described in (i) and (ii) above representing not less than 50% in aggregate Principal amount of Bonds at the time Outstanding, shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Indenture, or for the appointment of a receiver or any other proceedings under the Indenture; provided, that such direction shall not be otherwise than in accordance with the provisions of law and of the Indenture.

Application of Moneys. All Pledged Revenues and moneys received by the Trustee pursuant to any right given or action taken under the default provisions of the Indenture shall be applied in the following order:

(a) To the payment of (i) the reasonable and proper fees, charges and expenses of the Trustee and the reasonable fees and disbursements of its counsel and (ii) Financing Expenses;

(b) To the payment of the principal of, premium, if any, and interest then due and payable on the Bonds and the Security Instrument Repayment Obligations as follows:

(i) Unless the Principal of all the Bonds shall have become due and payable, all such moneys shall be applied:

FIRST—To the payment to the persons entitled thereto of all installments of interest then due on the Bonds and the interest component of any Security Instrument Repayment Obligations then due, in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege; and

SECOND—To the payment to the persons entitled thereto of the unpaid Principal of and premium, if any, on the Bonds which shall have become due (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of the Indenture), in the order of their due dates, and the Principal component of any Security Instrument Repayment Obligations then due, and, if the amount available shall not be sufficient to pay in full all the Bonds and the Principal component of any Security Instrument Repayment Obligations due on any particular date, then to the payment ratably, according to the amount of Principal due on such date, to the persons entitled thereto without any discrimination or privilege.

(ii) If the principal of all the Bonds shall have become due and payable, all such moneys shall be applied to the payment of the Principal and interest then due and unpaid upon the Bonds and Security Instrument Repayment Obligations, without preference or priority of Principal over interest or of interest over Principal, or of any installment of interest over any other installment of interest, or of any Bond or Security Instrument Repayment Obligation over any other Bond or Security Instrument Repayment Obligation, ratably, according to the amounts due respectively for Principal and interest, to the persons entitled thereto without any discrimination or privilege.

(iii) After payment of (i) and (ii) above as applicable, to the payment of all obligations owed to all Reserve Instrument Providers, ratably, according to the amounts due without any discrimination or preference under any applicable agreement related to any Reserve Instrument Agreement.

Subject to the provisions of the Senior Indenture, whenever moneys are to be applied pursuant to the provisions of the Indenture, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amounts of such moneys available for such application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such

application is to be made and upon such date interest on the amounts of Principal paid on such dates shall cease to accrue.

Remedies Vested in Trustee. All rights of action (including the right to file proof of claims) under the Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings related thereto and any such suit or proceedings instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any Registered Owners of the Bonds, and any recovery of judgment shall be for the equal benefit of the Registered Owners of the Outstanding Bonds.

Rights and Remedies of Registered Owners. Except as provided in the last sentence of this paragraph, no Registered Owner of any Bond or Security Instrument Issuer or Reserve Instrument Provider shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of the Indenture or for the execution of any trust thereof or for the appointment of a receiver or any other remedy under the Indenture, unless an Event of Default has occurred of which the Trustee has been notified as provided in the Indenture, or of which it is deemed to have notice, nor unless also Registered Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding or Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and are not in default on any payment obligation and which secure not less than 25% in aggregate principal amount of Bonds at the time Outstanding shall have made written request to the Trustee and shall have offered reasonable opportunity either to proceed to exercise the powers granted in the Indenture or to institute such action, suit or proceeding in its own name, nor unless also they have offered to the Trustee indemnity as provided in the Indenture nor unless the Trustee shall thereafter fail or refuse to exercise the powers granted in the Indenture, or to institute such action, suit or proceeding in its own name or names. Such notification, request and offer of indemnity are hereby declared in every case at the option of the Trustee to be conditions precedent to the execution of the powers and trust of the Indenture, and to any action or cause of action for the enforcement of the Indenture, or for the appointment of a receiver or for any other remedy under the Indenture; it being understood and intended that no one or more Registered Owner of the Bonds or Security Instrument Issuer or Reserve Instrument Provider shall have any right in any manner whatsoever to affect, disturb or prejudice the lien of the Indenture by its action or to enforce any right under the Indenture except in the manner provided in the Indenture, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner provided in the Indenture and for the equal benefit of the Registered Owners of all Bonds then Outstanding and all Security Instrument Issuers at the time providing Security Instruments and all Reserve Instrument Providers at the time providing Reserve Instruments. Nothing contained in the Indenture shall, however, affect or impair the right of any Registered Owner or Security Instrument Issuer to enforce the covenants of the Issuer to pay the Principal of, premium, if any, and interest on each of the Bonds and Security Instrument Repayment Obligations at the time, place, from the source and in the manner in said Bonds or Security Instrument Repayment Obligations expressed.

Termination of Proceedings. In case the Trustee, any Bondowner or any Security Instrument Issuer shall have proceeded to enforce any right under the Indenture and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, the Bondowner, or Security Instrument Issuer, then and in every such case the Issuer and the Trustee shall be restored to their former positions and rights under the Indenture, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Waivers of Events of Default. The Trustee may in its discretion, and with the prior written consent of all Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and not in default of any payment obligation, waive any Event of Default under the Indenture and its consequences and shall do so upon the written request of the Registered Owners of (a) a majority in aggregate Principal amount of all the Bonds then Outstanding or Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and are not in default on any payment obligation and which secure not less than 50% in aggregate Principal amount of Bonds at the time Outstanding in respect of which an Event of Default in the payment of Principal and interest exists, or (b) a majority in aggregate Principal amount of the Bonds then Outstanding or Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and are not in default on any payment obligation and which secure not less than 50% in aggregate Principal amount of Bonds at the time Outstanding in the case of any other Event of Default; provided, however, that there shall not be waived (i) any Event of Default in the payment of the Principal of any Bonds at the date of maturity specified therein, or (ii) any default in the payment when due of the interest on any such Bonds, unless prior to such waiver or rescission all arrears of interest, with interest (to the extent permitted by law) at the rate borne by the Bonds in respect of which such Event of Default shall have occurred on overdue installments of interest and all arrears of payments of Principal and premium, if any, when due, and all expenses of the Trustee in connection with such Event of Default, shall have been paid or provided for, and in case of any such waiver or rescission, or in case any proceeding taken by the Trustee on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case the

Issuer, the Trustee, the Registered Owners and the Security Instrument Issuers shall be restored to their former positions and rights under the Indenture, respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default, or impair any right consequent thereon.

The Trustee

Notice of Default. The Trustee shall not be required to take notice or be deemed to have notice of any Event of Default under the Indenture, except an Event of Default described in (a) or (b) of the section entitled "Events of Default" above, unless the Trustee shall be specifically notified in writing of such Default by the Issuer, a Security Instrument Issuer or by the Registered Owners of at least 25% in the aggregate Principal amount of the Bonds then Outstanding and all notices or other instruments required by the Indenture to be delivered to the Trustee must, in order to be effective, be delivered at the principal corporate trust office of the Trustee, and in the absence of such notice so delivered, the Trustee may conclusively presume there is no Event of Default except as aforesaid.

Fees, Charges and Expenses of Trustee. The Trustee shall be entitled to payment or reimbursement for reasonable fees for its services rendered as Trustee under the Indenture and all advances, counsel fees and other expenses reasonably and necessarily made or incurred by the Trustee in connection with such services. The Trustee shall be entitled to payment and reimbursement for the reasonable fees and charges of the Trustee as Paying Agent and Registrar for the Bonds. Upon an Event of Default, but only upon an Event of Default, the Trustee shall have a right of payment prior to payment on account of interest or principal of, or premium, if any, on any Bond for the foregoing advances, fees, costs and expenses incurred, except for amounts held in trust to pay the principal, premium, interest or purchase price of Bonds in accordance with the Indenture and except for amounts paid under a Security Instrument.

Trustee's Right to Own and Deal In Bonds. The bank or trust company acting as Trustee under the Indenture, and its directors, officers, employees or agents, may in good faith buy, sell, own, hold and deal in any of the Bonds issued under the Indenture and secured by the Indenture, and may join in any action which any Bondholder may be entitled to take with like effect as if such bank or trust company were not the Trustee under the Indenture.

Supplemental Indentures

Supplemental Indentures Not Requiring Consent of Registered Owners, Security Instrument Issuers and Reserve Instrument Providers The Issuer and the Trustee may, without the consent of, or notice to, any of the Registered Owners or Reserve Instrument Providers, but with notice to any Security Instrument Issuer, enter into an indenture or indentures supplemental to the Indenture, as shall not be inconsistent with the terms and provisions of the Indenture, for any one or more of the following purposes:

(a) To provide for the issuance of Additional Bonds in accordance with the provisions of the Indenture;

(b) To cure any ambiguity or formal defect or omission which will not materially adversely affect the Owners of the Bonds;

(c) To grant to or confer upon the Trustee for the benefit of the Registered Owners, any Security Instrument Issuers and any Reserve Instrument Providers any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Registered Owners, any Security Instrument Issuers and any Reserve Instrument Providers or any of them, provided, however, that the prior written consent of any related Security Instrument Issuer is obtained;

(d) To subject to the Indenture additional revenues or other revenues, properties, collateral or security;

(e) To make any other change to the Indenture which, in the judgment of the Trustee, is not materially prejudicial to the interests of the Registered Owners, the Trustee, any Security Instrument Issuer or any Reserve Instrument Provider, provided, however, that the prior written consent of any related Security Instrument Issuer is obtained;

(f) To make any change necessary (i) to establish or maintain the exemption from federal income taxation of interest on any Series of Bonds as a result of any modifications or amendments to Section 148 of the Code (or any successor provision of law) or interpretations thereof by the Internal Revenue Service, or (ii) to comply with the provisions of Section 148(f) of the Code (or any successor provision of law), including provisions for the payment of all or a portion of the investment earnings of any of the Funds established under the Indenture to the United States of America;

(g) If the Bonds affected by such change are rated by a Rating Agency, to make any change which does not result in a reduction of the rating applicable to any of the Bonds so affected, provided that if any of the Bonds so affected are secured by a Security Instrument, such change must be approved in writing by the related Security Instrument Issuer;

(h) If the Bonds affected by such change are secured by a Security Instrument, to make any change approved in writing by the related Security Instrument Issuer, provided that if any of the Bonds so affected are rated by a Rating Agency, such change shall not result in a reduction of the rating applicable to any of the Bonds so affected; and

(i) To provide for the appointment of a successor Trustee, a Paying Agent, a separate or co–trustee, a Remarketing Agent or a Transfer Agent.

No modification or amendment shall be permitted pursuant to paragraph (g) or (h) unless the Issuer delivers to the Trustee an opinion of nationally recognized bond counsel to the effect that such modification or amendment will not adversely affect the tax–exempt status or validity of any Bonds affected by such modification or amendment.

Supplemental Indenture Requiring Consent of Registered Owners, Security Instrument Issuers and Reserve Instrument Providers; Waivers and Consents by Registered Owners Exclusive of Supplemental Indentures covered by the Indenture and subject to the terms and provisions contained in this paragraph, and not otherwise, the Registered Owners of at least a majority in aggregate Principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained in the Indenture to the contrary notwithstanding, to (i) consent to and approve the execution by the Issuer and the Trustee of such other indenture or indentures supplemental to the Indenture as shall be deemed necessary and desirable by the Issuer for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Indenture or in any Supplemental Indenture, or (ii) waive or consent to the taking by the Issuer of any action prohibited, or the omission by the Issuer of the taking of any action required, by any of the provisions of the Indenture or of any Supplemental Indenture; provided, however, that nothing in this paragraph contained shall permit or be construed as permitting (a) an extension of the stated maturity or reduction in the Principal amount of, or reduction in the rate of or extension of the time of paying of interest on, or reduction of any premium payable on the redemption of, or the elimination of tender rights with respect to, any Bond, without the consent of the Registered Owner of such Bond, or (b) a reduction in the amount or extension of the time of any payment required by any fund established under the Indenture applicable to any Bonds without the consent of the Registered Owners of all the Bonds which would be affected by the action to be taken, or (c) a reduction in the aforesaid aggregate Principal amount of Bonds, the Registered Owners of which are required to consent to any such waiver or Supplemental Indenture, or (d) affect the rights of the Registered Owners of less than all Bonds then Outstanding, without the consent of the Registered Owners of all the Bonds at the time Outstanding which would be affected by the action to be taken. In addition, no supplement to the Indenture shall modify the rights, duties or immunities of the Trustee, without the written consent of the Trustee. If a Security Instrument or a Reserve Instrument is in effect with respect to any Series of Bonds Outstanding and if a proposed modification or amendment would affect such Series of Bonds, then, except as described in the Indenture, neither the Indenture nor any Supplemental Indenture with respect to such Series of Bonds shall be modified or amended at any time without the prior written consent of the related Security Instrument Issuer or Reserve Instrument Provider, as applicable. Copies of any such modifications or amendments for which Security Instrument Issuer consent is required shall be sent to each Rating Agency.

Discharge of Indenture

If the Issuer shall pay or cause to be paid, or there shall be otherwise paid or provision for payment made to or for the Registered Owners of the Bonds, the Principal of and interest due or to become due thereon at the times and in the manner stipulated therein, and shall pay or cause to be paid to the Trustee all sums of moneys due or to become due according to the provisions of the Indenture, and to all Security Instrument Issuers and all Reserve Instrument Providers all sums of money due or to become due accordingly to the provisions of any Security Instrument Agreements and Reserve Instrument Agreements, as applicable, then the presents and the estate and rights granted by the Indenture shall cease, determine and be void, whereupon the Trustee shall cancel and discharge the lien of the Indenture, and release, assign and deliver unto the Issuer any and all the estate, right, title and interest in and to any and all rights assigned or pledged to the Trustee, held by the Trustee, or otherwise subject to the lien of the Indenture, except moneys or securities held by the Trustee for the payment of the Principal of and interest on the Bonds, the payment of amounts pursuant to any Security Instrument Agreements or the payment of amounts pursuant to any Reserve Instrument Agreements.

Any Bond shall be deemed to be paid within the meaning of the Indenture when payment of the Principal of such Bond, plus interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided in the Indenture, or otherwise), either (a) shall have been made or caused to have been made in accordance with the terms thereof, or (b) shall have been provided by irrevocably depositing with or for the benefit of the Trustee, in trust and irrevocably setting aside exclusively for such payment, any combination of (i) moneys sufficient to make such payment, or (ii) non callable Government Obligations, maturing as to principal and interest in such amount and at such times as will insure the availability of sufficient moneys to make such payment, and all necessary and proper fees, compensation and expenses of the Trustee and any paying agent pertaining to the Bond with respect to which

such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of the Trustee. At such times as a Bond shall be deemed to be paid under the Indenture, as aforesaid, it shall no longer be secured by or entitled to the benefits of the Indenture, except for the purposes of any such payment from such moneys or Government Obligations.

Notwithstanding the foregoing, in the case of Bonds, which by their terms may be redeemed prior to their stated maturity, no deposit under the immediately preceding paragraph shall be deemed a payment of such Bonds as aforesaid until the Issuer shall have given the Trustee, in form satisfactory to the Trustee, irrevocable instructions:

(a) stating the date when the Principal of each such Bond is to be paid, whether at maturity or on a redemption date (which shall be any redemption date permitted hereby);

(b) to instruct the Trustee to call for redemption pursuant to the Indenture any Bonds to be redeemed prior to maturity pursuant to subparagraph (a) above; and

(c) to instruct the Trustee to mail, as soon as practicable, in the manner prescribed by the Indenture, a notice to the Registered Owners of such Bonds and to each related Security Instrument Issuer that the deposit required by this paragraph has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with the Indenture and stating the maturity or redemption date upon which moneys are to be available for the payment of the principal or redemption price, if applicable, on said Bonds as specified in Subparagraph (a) above. If the redemption date for all Bonds, payment for which is to be provided by deposit of moneys or Government Obligations or both, shall fall within 120 days of the mailing of the notice of redemption, then the notices referred to in Subparagraph (b) above and this Subparagraph (c) may be combined.

Any moneys so deposited with the Trustee as provided in the Indenture may at the direction of the Issuer also be invested and reinvested in Government Obligations, maturing in the amounts and times as set forth in the Indenture, and all income from all Government Obligations in the hands of the Trustee pursuant to the Indenture which is not required for the payment of the Bonds and interest thereon with respect to which such moneys shall have been so deposited shall be deposited in the Bond Fund as and when realized and collected for use and application as are other moneys deposited in that fund.

Notwithstanding any provision of the Indenture, all moneys or Government Obligations set aside and held in trust pursuant to the provisions of the Indenture for the payment of Bonds (including interest thereon) shall be applied to and used solely for the payment of the particular Bonds (including interest thereon) with respect to which such moneys or Government Obligations have been so set aside in trust.

Anything in the Indenture to the contrary notwithstanding, if moneys or Government Obligations have been deposited or set aside with the Trustee pursuant to the Indenture for the payment of Bonds and such Bonds shall not have in fact been actually paid in full, no amendment to the provisions of the Indenture shall be made without the consent of the Registered Owner of each Bond affected thereby.

APPENDIX D

PROPOSED FORM OF OPINIONS OF BOND COUNSEL

Upon the delivery of the 2019 Bonds, Gilmore & Bell, P.C., Bond Counsel to the Authority, proposes to issue its final approving opinions in substantially the following forms:

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APPENDIX E

PROPOSED FORM OF CONTINUING DISCLOSURE UNDERTAKING

APPENDIX F

BOOK–ENTRY SYSTEM

DTC, the world's largest securities depository, is a limited–purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.6 million issues of U.S. and non–U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post–trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book–entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non–U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly–owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non–U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has an S&P rating of "AA+". The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at http://www.dtcc.com.

Purchases of 2019 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2019 Bonds on DTC's records. The ownership interest of each actual purchaser of each 2019 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2019 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in 2019 Bonds, except if use of the book–entry system for the 2019 Bonds is discontinued.

To facilitate subsequent transfers, all 2019 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of 2019 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2019 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2019 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of 2019 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2019 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the bond documents. For example, Beneficial Owners of 2019 Bonds may wish to ascertain that the nominee holding the 2019 Bonds for their ben-

efit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all the 2019 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to 2019 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the 2019 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the 2019 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the Authority or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the 2019 Bonds at any time by giving reasonable notice to the Authority or the Paying Agent. Under such circumstances, if a successor depository is not obtained, 2019 Bond certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book–entry–only transfers through DTC (or a successor securities depository). In that event, 2019 Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book–entry system has been obtained from sources that the Authority believes to be reliable, but the Authority takes no responsibility for the accuracy thereof.

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APPENDIX G

CERTAIN INFORMATION REGARDING THE SERVICE AREA

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Employment, Income, Construction, and Sales Taxes Within The Service Area and the State of Utah

Labor Force, Nonfarm Jobs and Wages within the Service Area

	Calendar Year (1)						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Civilian labor force	1,225,374	1,184,744	1,156,944	1,140,174	1,109,207	1,087,782	3.4	2.4	1.5	2.8	2.0
Employed persons	1,185,912	1,144,610	1,113,807	1,089,054	1,050,246	1,015,537	3.6	2.8	2.3	3.7	3.4
Unemployed persons	39,464	40,134	43,137	51,120	58,961	72,245	(1.7)	(7.0)	(15.6)	(13.3)	(18.4)
Total private sector (average)	992,752	958,206	911,365	885,455	851,393	819,093	3.6	5.1	2.9	4.0	3.9
Agriculture, forestry, fishing and hunting	2,713	2,616	2,626	2,561	2,329	2,192	3.7	(0.4)	2.5	10.0	6.3
Mining	2,806	3,093	3,402	3,778	4,048	3,560	(9.3)	(9.1)	(10.0)	(6.7)	13.7
Utilities	2,162	2,194	2,125	2,100	2,199	2,192	(1.5)	3.2	1.2	(4.5)	0.3
Construction	75,026	63,926	63,718	59,675	56,510	52,856	17.4	0.3	6.8	5.6	6.9
Manufacturing	105,674	103,553	101,055	99,724	97,858	95,358	2.0	2.5	1.3	1.9	2.6
Wholesale trade	45,148	45,061	43,449	43,003	42,720	41,344	0.2	3.7	1.0	0.7	3.3
Retail trade	132,541	127,204	121,546	118,770	115,250	110,513	4.2	4.7	2.3	3.1	4.3
Transportation and warehousing	44,219	42,162	39,338	38,451	37,635	36,303	4.9	7.2	2.3	2.2	3.7
Information	33,571	31,391	30,436	29,614	28,497	26,691	6.9	3.1	2.8	3.9	6.8
Finance and insurance	57,486	55,217	51,971	50,554	48,193	47,330	4.1	6.2	2.8	4.9	1.8
Real estate, rental and leasing	17,154	14,763	14,436	13,914	13,349	13,204	16.2	2.3	3.8	4.2	1.1
Professional, scientific, and technical services	82,141	78,701	74,502	70,225	64,467	60,853	4.4	5.6	6.1	8.9	5.9
Management of companies and enterprises	19,396	19,128	19,071	18,625	18,550	18,070	1.4	0.3	2.4	0.4	2.7
Admin., support, waste mgmt., remediation	81,845	77,996	74,327	72,241	67,921	65,015	4.9	4.9	2.9	6.4	4.5
Education services	41,998	39,684	37,811	36,939	35,724	34,294	5.8	5.0	2.4	3.4	4.2
Health care and social assistance	118,836	114,139	109,621	107,559	103,323	100,967	4.1	4.1	1.9	4.1	2.3
Arts, entertainment and recreation	16,211	14,863	13,888	13,367	13,338	12,452	9.1	7.0	3.9	0.2	7.1
Accommodation and food services	85,069	82,648	79,136	76,435	72,598	69,608	2.9	4.4	3.5	5.3	4.3
Other services	33,142	32,469	31,375	30,418	29,237	28,377	2.1	3.5	3.1	4.0	3.0
Unclassified establishments	65	125	64	34	19	55	(48.0)	95.3	88.2	78.9	(65.5)
Total public sector (average)	187,094	182,735	180,550	176,786	174,450	172,573	2.4	1.2	2.1	1.3	1.1
Federal	32,872	31,846	31,106	31,317	32,052	33,209	3.2	2.4	(0.7)	(2.3)	(3.5)
State	62,152	60,351	59,178	56,557	53,956	51,905	3.0	2.0	4.6	4.8	4.0
Local	90,679	90,538	90,266	88,914	88,457	87,460	0.2	0.3	1.5	0.5	1.1
Total payroll (in millions)	$ 54,616	$ 50,176	$ 47,888	$ 45,340	$ 43,422	$ 40,834	8.8	4.8	5.6	4.4	6.3
Average monthly wage	$ 3,466	$ 3,354	$ 3,353	$ 3,287	$ 3,237	$ 3,220	3.4	0.0	2.0	1.5	0.5
Average employment	196,179	185,008	181,986	177,034	170,974	165,277	6.0	1.7	2.8	3.5	3.4
Establishments	73,846	71,371	69,207	67,142	64,011	62,678	3.5	3.1	3.1	4.9	2.1

(1) Utah Department of Workforce Services.

Employment, Income, Construction, and Sales Taxes Within The Service Area and the State of Utah–continued

Personal Income; Per Capita Personal Income; Median Household Income within the Service Area and the State of Utah (1)

	Calendar Year						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Total Personal Income (in $1,000's):											
Service Area (totals)……	$101,290,258	$ 95,887,499	$ 89,443,974	$ 84,494,578	$ 81,997,615	$ 77,584,842	5.6	7.2	5.9	3.0	5.7
State of Utah……	$124,871,199	118,724,635	110,863,745	104,664,413	101,508,754	94,918,680	5.2	7.1	5.9	3.1	6.9
Total Per Capita Personal Income:											
Service Area (average)……	38,085	36,893	35,235	33,861	33,456	32,036	3.2	4.7	4.1	1.2	4.4
State of Utah……	40,925	39,699	37,685	36,058	35,545	33,705	3.1	5.3	4.5	1.4	5.5
Median Household Income:											
Service Area (average)……	66,731	64,724	62,348	61,011	59,309	58,113	3.1	3.8	2.2	2.9	2.1
State of Utah……	65,931	62,961	60,943	59,715	57,067	55,802	4.7	3.3	2.1	4.6	2.3

Construction within the Service Area (2)

	Calendar Year						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Number new dwelling units……	15,498.0	13,785.0	14,847.0	11,270.0	8,301.0	6,581.0	12.4	(7.2)	31.7	35.8	26.1
New (in $1,000′s):											
Residential value……	$ 3,030,102.8	$ 2,923,630.9	$ 2,473,843.4	$ 2,211,520.0	$ 1,641,752.4	$ 1,245,145.6	3.6	18.2	11.9	34.7	31.9
Non–residential value……	2,023,918.2	1,518,860.0	1,132,091.4	933,617.4	857,686.7	1,114,147.4	33.3	34.2	21.3	8.9	(23.0)
Additions, alterations, repairs (in $1,000's):											
Residential value……	217,315.0	192,759.8	187,218.2	116,048.3	162,472.8	118,535.7	12.7	3.0	61.3	(28.6)	37.1
Non–residential value……	1,241,903.4	620,602.1	654,897.0	544,342.7	416,721.5	594,376.6	100.1	(5.2)	20.3	30.6	(29.9)
Total construction value (in $1,000's)……	$ 6,513,239.4	$ 5,255,852.8	$ 4,448,050.0	$ 3,805,528.4	$ 3,078,633.4	$ 3,072,205.3	23.9	18.2	16.9	23.6	0.2

Sales Taxes Within the Service Area and the State of Utah (3)

	Calendar Year						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Gross Taxable Sales (in $1,000's):											
Service Area (totals)……	$ 44,751,363	$ 42,576,417	$ 39,965,894	$ 38,153,025	$ 36,792,622	$ 34,069,063	5.1	6.5	4.8	3.7	8.0
State of Utah……	56,502,434	53,933,277	51,709,163	49,404,046	47,531,180	44,335,559	4.8	4.3	4.7	3.9	7.2

	Fiscal Year						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Local Sales and Use Tax Distribution:											
Service Area (totals) (and all cities)……	$423,450,272	$404,459,424	$383,236,833	$369,812,862	$347,966,469	$324,885,743	4.7	5.5	3.6	6.3	7.1

(1) U.S. Department of Commerce; Bureau of Economic Analysis and U.S. Census Bureau.
(2) University of Utah Bureau of Economic and Business Research, Utah Construction Report.
(3) Utah State Tax Commission.

Employment, Income, Construction, and Sales Taxes Within Box Elder County and the State of Utah

Labor Force, Nonfarm Jobs and Wages within Box Elder County

	Calendar Year (1)						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Civilian labor force	24,694	24,184	23,490	23,223	22,989	23,225	2.1	3.0	1.1	1.0	(1.0)
Employed persons	23,837	23,308	22,580	22,121	21,645	21,457	2.3	3.2	2.1	2.2	0.9
Unemployed persons	857	876	910	1,102	1,344	1,768	(2.2)	(3.7)	(17.4)	(18.0)	(24.0)
Total private sector (average)	16,971	15,750	14,748	14,271	13,656	13,885	7.8	6.8	3.3	4.5	(1.6)
Agriculture, forestry, fishing and hunting	377	388	409	395	378	347	(2.8)	(5.1)	3.5	4.5	8.9
Mining	24	18	28	23	16	25	33.3	(35.7)	21.7	43.8	(36.0)
Utilities	38	42	41	40	30	29	(9.5)	2.4	2.5	33.3	3.4
Construction	1,508	1,418	1,220	1,106	1,043	990	6.3	16.2	10.3	6.0	5.4
Manufacturing	5,555	5,152	4,977	4,757	4,488	4,972	7.8	3.5	4.6	6.0	(9.7)
Wholesale trade	570	567	539	521	532	482	0.5	5.2	3.5	(2.1)	10.4
Retail trade	1,817	1,820	1,683	1,693	1,624	1,622	(0.2)	8.1	(0.6)	4.2	0.1
Transportation and warehousing	1,424	1,322	1,244	1,274	1,279	1,282	7.7	6.3	(2.4)	(0.4)	(0.2)
Information	92	98	102	103	96	101	(6.1)	(3.9)	(1.0)	7.3	(5.0)
Finance and insurance	273	271	279	287	300	285	0.7	(2.9)	(2.8)	(4.3)	5.3
Real estate, rental and leasing	83	81	90	82	80	84	2.5	(10.0)	9.8	2.5	(4.8)
Professional, scientific, and technical services	243	239	257	271	290	269	1.7	(7.0)	(5.2)	(6.6)	7.8
Management of companies and enterprises	379	0	0	0	0	0	-	-	-	-	-
Admin., support, waste mgmt., remediation	1,060	785	668	670	566	498	35.0	17.5	(0.3)	18.4	13.7
Education services	141	135	124	135	149	137	4.4	8.9	(8.1)	(9.4)	8.8
Health care and social assistance	1,734	1,675	1,610	1,535	1,462	1,446	3.5	4.0	4.9	5.0	1.1
Arts, entertainment and recreation	219	194	201	191	175	156	12.9	(3.5)	5.2	9.1	12.2
Accommodation and food services	1,458	1,349	1,275	1,231	1,210	1,210	8.1	5.8	3.6	1.7	0.0
Other services	353	344	351	343	308	289	2.6	(2.0)	2.3	11.4	6.6
Unclassified establishments	0	0	0	0	0	0	-	-	-	-	-
Total public sector (average)	2,773	2,758	2,747	2,678	2,500	2,481	0.5	0.4	2.6	7.1	0.8
Federal	190	192	197	200	202	213	(1.0)	(2.5)	(1.5)	(1.0)	(5.2)
State	217	216	214	212	213	212	0.5	0.9	0.9	(0.5)	0.5
Local	975	2,350	2,336	2,266	2,085	2,056	(58.5)	0.6	3.1	8.7	1.4
Total payroll (in millions)	$ 631	$ 663	$ 613	$ 577	$ 534	$ 588	(4.8)	8.2	6.2	8.1	(9.2)
Average monthly wage	$ 3,098	$ 2,986	$ 2,918	$ 2,838	$ 2,753	$ 2,996	3.8	2.3	2.8	3.1	(8.1)
Average employment	16,971	18,507	17,494	16,949	16,157	16,366	(8.3)	5.8	3.2	4.9	(1.3)
Establishments	1,140	1,242	1,222	1,209	1,195	1,195	(8.2)	1.6	1.1	1.2	0.0

(1) Utah Department of Workforce Services.

Employment, Income, Construction, and Sales Taxes Within Box Elder County and the State of Utah–continued

Personal Income; Per Capital Personal Income; Median Household Income within Box Elder County and the State of Utah (1)

	Calendar Year						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Total Personal Income (in $1,000's):											
Box Elder County	$ 1,767,689	$ 1,700,966	$ 1,642,661	$ 1,563,883	$ 1,499,084	$ 1,462,139	3.9	3.5	5.0	4.3	2.5
State of Utah	$124,871,199	118,724,635	110,863,745	104,664,413	101,508,754	94,918,680	5.2	7.1	5.9	3.1	6.9
Total Per Capita Personal Income:											
Box Elder County	33,265	32,712	31,937	30,781	29,827	29,091	1.7	2.4	3.8	3.2	2.5
State of Utah	40,925	39,699	37,685	36,058	35,545	33,705	3.1	5.3	4.5	1.4	5.5
Median Household Income:											
Box Elder County	57,875	58,380	56,313	60,372	53,830	51,558	(0.9)	3.7	(6.7)	12.2	4.4
State of Utah	65,931	62,961	60,943	59,715	57,067	55,802	4.7	3.3	2.1	4.6	2.3

Construction within Box Elder County (2)

	Calendar Year						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Number new dwelling units	203.0	184.0	141.0	181.0	192.0	195.0	207.6	30.5	(22.1)	(5.7)	(1.5)
New (in $1,000′s):											
Residential value	$ 42,447.6	$ 43,602.1	$ 25,172.0	$ 32,030.4	$ 22,600.1	$ 24,247.8	331.2	73.2	(21.4)	41.7	(6.8)
Non–residential value	16,640.4	16,426.7	9,011.3	6,339.8	2,256.4	2,948.3	462.5	82.3	42.1	181.0	(23.5)
Additions, alterations, repairs (in $1,000's):											
Residential value	2,544.2	2,053.6	1,658.8	2,540.7	1,854.1	8,541.2	510.7	23.8	(34.7)	37.0	(78.3)
Non–residential value	11,073.6	2,104.8	3,819.8	3,615.0	8,629.8	2,131.1	8,127.0	(44.9)	5.7	(58.1)	304.9
Total construction value (in $1,000's)	$ 72,705.8	$ 64,187.2	$ 39,661.9	$ 44,525.9	$ 35,340.4	$ 37,868.4	444.4	61.8	(10.9)	26.0	(6.7)

Sales Taxes Within Box Elder County and the State of Utah (3)

	Calendar Year						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Gross Taxable Sales (in $1,000's):											
Box Elder County	$ 705,401	$ 642,186	$ 565,788	$ 565,482	$ 525,985	$ 585,740	9.8	13.5	0.1	7.5	(10.2)
State of Utah	56,502,434	53,933,277	51,709,163	49,404,046	47,531,180	44,335,559	4.8	4.3	4.7	3.9	7.2

	Fiscal Year						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Local Sales and Use Tax Distribution:											
Box Elder County (and all cities)	$ 7,917,852	$ 7,263,938	$ 7,082,895	$ 6,776,963	$ 6,456,325	$ 6,776,963	9.0	2.6	4.5	5.0	(4.7)

(1) U.S. Department of Commerce; Bureau of Economic Analysis and U.S. Census Bureau.
(2) University of Utah Bureau of Economic and Business Research, Utah Construction Report.
(3) Utah State Tax Commission.

Employment, Income, Construction, and Sales Taxes Within Davis County and the State of Utah

Labor Force, Nonfarm Jobs and Wages within Davis County

	Calendar Year (1)						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Civilian labor force	164,656	160,089	156,266	152,979	148,808	146,802	2.9	2.4	2.1	2.8	1.4
Employed persons	159,474	154,772	150,671	146,466	141,492	137,871	3.0	2.7	2.9	3.5	2.6
Unemployed persons	5,182	5,317	5,595	6,513	7,316	8,931	(2.5)	(5.0)	(14.1)	(11.0)	(18.1)
Total private sector (average)	94,078	92,321	88,161	84,521	81,482	78,310	1.9	4.7	4.3	3.7	4.1
Agriculture, forestry, fishing and hunting	379	365	366	346	246	241	3.8	(0.3)	5.8	40.7	2.1
Mining	134	157	196	174	180	159	(14.6)	(19.9)	12.6	(3.3)	13.2
Utilities	121	115	96	95	109	109	5.2	19.8	1.1	(12.8)	0.0
Construction	9,931	9,171	8,379	7,536	7,157	6,870	8.3	9.5	11.2	5.3	4.2
Manufacturing	11,786	12,031	11,304	10,861	10,504	9,815	(2.0)	6.4	4.1	3.4	7.0
Wholesale trade	2,518	2,703	2,640	2,646	2,515	2,599	(6.8)	2.4	(0.2)	5.2	(3.2)
Retail trade	14,770	14,090	13,726	13,277	13,417	12,779	4.8	2.7	3.4	(1.0)	5.0
Transportation and warehousing	4,580	4,324	4,036	3,808	4,071	3,966	5.9	7.1	6.0	(6.5)	2.6
Information	1,171	1,244	1,338	1,344	1,409	1,357	(5.9)	(7.0)	(0.4)	(4.6)	3.8
Finance and insurance	2,529	2,508	2,411	2,405	2,325	2,408	0.8	4.0	0.2	3.4	(3.4)
Real estate, rental and leasing	1,335	1,344	1,217	1,190	1,127	1,158	(0.7)	10.4	2.3	5.6	(2.7)
Professional, scientific, and technical services	8,212	8,191	8,062	7,977	7,199	6,945	0.3	1.6	1.1	10.8	3.7
Management of companies and enterprises	1,002	885	848	855	808	736	13.2	4.4	(0.8)	5.8	9.8
Admin., support, waste mgmt., remediation	5,476	6,141	5,897	5,582	5,133	4,864	(10.8)	4.1	5.6	8.7	5.5
Education services	2,514	2,256	1,893	1,671	1,390	1,355	11.4	19.2	13.3	20.2	2.6
Health care and social assistance	12,339	11,851	11,606	11,262	10,768	10,370	4.1	2.1	3.1	4.6	3.8
Arts, entertainment and recreation	2,810	2,896	2,716	2,508	2,527	2,209	(3.0)	6.6	8.3	(0.8)	14.4
Accommodation and food services	9,261	8,974	8,570	8,198	7,902	7,731	3.2	4.7	4.5	3.7	2.2
Other services	3,588	3,438	3,228	3,130	2,934	2,881	4.4	6.5	3.1	6.7	1.8
Unclassified establishments	0	5	0	0	0	0	-	-	-	-	-
Total public sector (average)	27,287	26,364	26,163	26,228	26,530	26,825	3.5	0.8	(0.2)	(1.1)	(1.1)
Federal	13,282	12,574	12,259	12,333	12,636	13,023	5.6	2.6	(0.6)	(2.4)	(3.0)
State	1,167	1,016	1,068	1,102	1,132	1,104	14.9	(4.9)	(3.1)	(2.7)	2.5
Local	12,838	12,773	12,837	12,794	12,762	12,698	0.5	(0.5)	0.3	0.3	0.5
Total payroll (in millions)	$ 5,186	$ 3,577	$ 4,591	$ 4,328	$ 4,221	$ 4,057	45.0	(22.1)	6.1	2.5	4.0
Average monthly wage	$ 3,561	$ 3,229	$ 3,346	$ 3,257	$ 3,256	$ 3,216	10.3	(3.5)	2.7	0.0	1.2
Average employment	121,365	92,321	114,325	110,749	108,012	105,135	31.5	(19.2)	3.2	2.5	2.7
Establishments	8,057	7,550	7,651	7,444	7,143	7,010	6.7	(1.3)	2.8	4.2	1.9

(1) Utah Department of Workforce Services.

Employment, Income, Construction, and Sales Taxes Within Davis County and the State of Utah–continued

Personal Income; Per Capital Personal Income; Median Household Income within Davis County and the State of Utah (1)

	Calendar Year						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Total Personal Income (in $1,000's):											
Davis County	$ 14,149,468	$ 13,410,934	$12,578,642	$11,969,160	$11,733,330	$11,885,813	5.5	6.6	5.1	2.0	(1.3)
State of Utah	$124,871,199	118,724,635	110,863,745	104,664,413	101,508,754	94,918,680	5.2	7.1	5.9	3.1	6.9
Total Per Capita Personal Income:											
Davis County	41,339	39,941	38,181	37,080	37,111	34,878	3.5	4.6	3.0	(0.1)	6.4
State of Utah	40,925	39,699	37,685	36,058	35,545	33,705	3.1	5.3	4.5	1.4	5.5
Median Household Income:											
Davis County	77,095	72,268	70,797	70,456	69,019	68,974	6.7	2.1	0.5	2.1	0.1
State of Utah	65,931	62,961	60,943	59,715	57,067	55,802	4.7	3.3	2.1	4.6	2.3

Construction within Davis County (2)

	Calendar Year						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Number new dwelling units	1,721	1,693	1,643	1,774	2,033	1,354	1.7	3.0	(7.4)	(12.7)	50.1
New (in $1,000′s):											
Residential value	$ 377,935.2	$ 366,998.2	$ 316,597.1	$ 394,027.1	$ 332,625.4	$ 241,536.1	3.0	15.9	(19.7)	18.5	37.7
Non–residential value	172,821.1	370,979.7	139,615.9	84,858.7	48,848.4	57,456.6	(53.4)	165.7	64.5	73.7	(15.0)
Additions, alterations, repairs (in $1,000's):											
Residential value	29,958.4	28,639.5	25,622.3	16,873.2	20,717.0	18,025.8	4.6	11.8	51.9	(18.6)	14.9
Non–residential value	73,250.4	52,720.3	40,291.6	56,458.1	24,552.2	43,325.4	38.9	30.8	(28.6)	130.0	(43.3)
Total construction value (in $1,000's)	$ 653,965.1	$ 819,337.7	$ 522,126.9	$ 552,217.1	$ 426,743.0	$ 360,343.9	(20.2)	56.9	(5.4)	29.4	18.4

Sales Taxes Within Davis County and the State of Utah (3)

	Calendar Year						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Gross Taxable Sales (in $1,000's):											
Davis County	$ 5,141,617	$ 4,897,829	$ 4,550,828	$ 4,268,195	$ 4,001,710	$ 3,784,536	5.0	7.6	6.6	6.7	5.7
State of Utah	56,502,434	53,933,277	51,709,163	49,404,046	47,531,180	44,335,559	4.8	4.3	4.7	3.9	7.2

	Fiscal Year						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Local Sales and Use Tax Distribution:											
Davis County (and all cities)	$ 54,122,907	$ 51,284,441	$47,953,175	$45,626,942	$42,920,410	$39,657,466	5.5	6.9	5.1	6.3	8.2

(1) U.S. Department of Commerce; Bureau of Economic Analysis and U.S. Census Bureau.
(2) University of Utah Bureau of Economic and Business Research, Utah Construction Report.
(3) Utah State Tax Commission.

Employment, Income, Construction, and Sales Taxes Within Salt Lake County and the State of Utah

Labor Force, Nonfarm Jobs and Wages within Salt Lake County

	Calendar Year (1)						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Civilian labor force	605,535	587,026	577,159	571,160	557,101	546,644	3.2	1.7	1.1	2.5	1.9
Employed persons	586,393	567,497	555,908	546,034	527,698	510,425	3.3	2.1	1.8	3.5	3.4
Unemployed persons	19,142	19,529	21,251	25,126	29,403	36,219	(2.0)	(8.1)	(15.4)	(14.5)	(18.8)
Total private sector (average)	581,825	565,635	540,662	528,937	511,092	491,778	2.9	4.6	2.2	3.5	3.9
Agriculture, forestry, fishing and hunting	214	192	179	194	213	217	11.5	7.3	(7.7)	(8.9)	(1.8)
Mining	2,428	2,696	2,948	3,399	3,652	3,220	(9.9)	(8.5)	(13.3)	(6.9)	13.4
Utilities	1,439	1,532	1,483	1,460	1,532	1,540	(6.1)	3.3	1.6	(4.7)	(0.5)
Construction	35,777	33,452	31,621	30,606	30,535	29,493	7.0	5.8	3.3	0.2	3.5
Manufacturing	54,492	53,357	52,468	52,562	52,503	51,174	2.1	1.7	(0.2)	0.1	2.6
Wholesale trade	32,050	31,414	30,538	30,758	31,161	29,969	2.0	2.9	(0.7)	(1.3)	4.0
Retail trade	71,791	69,427	67,280	66,412	64,161	60,869	3.4	3.2	1.3	3.5	5.4
Transportation and warehousing	31,579	30,334	28,319	27,984	27,125	26,018	4.1	7.1	1.2	3.2	4.3
Information	18,888	17,959	18,154	17,937	17,468	16,248	5.2	(1.1)	1.2	2.7	7.5
Finance and insurance	45,194	43,228	40,888	39,525	37,556	37,118	4.5	5.7	3.4	5.2	1.2
Real estate, rental and leasing	12,025	9,840	9,609	9,294	9,168	9,010	22.2	2.4	3.4	1.4	1.8
Professional, scientific, and technical services	51,656	49,355	46,708	43,994	40,654	38,043	4.7	5.7	6.2	8.2	6.9
Management of companies and enterprises	16,263	16,622	16,559	16,319	16,109	15,664	(2.2)	0.4	1.5	1.3	2.8
Admin., support, waste mgmt., remediation	52,777	50,397	48,327	46,489	43,552	41,782	4.7	4.3	4.0	6.7	4.2
Education services	13,975	13,016	12,215	11,697	10,769	10,244	7.4	6.6	4.4	8.6	5.1
Health care and social assistance	64,613	62,061	59,778	59,266	57,259	56,171	4.1	3.8	0.9	3.5	1.9
Arts, entertainment and recreation	8,806	7,751	7,430	7,098	6,892	6,492	13.6	4.3	4.7	3.0	6.2
Accommodation and food services	48,772	47,803	46,218	44,774	42,550	40,787	2.0	3.4	3.2	5.2	4.3
Other services	21,018	20,758	20,066	19,338	18,535	17,893	1.3	3.4	3.8	4.3	3.6
Unclassified establishments	59	105	56	26	19	46	(43.8)	87.5	115.4	36.8	(58.7)
Total public sector (average)	102,621	100,193	98,849	95,372	92,821	91,232	2.4	1.4	3.6	2.7	1.7
Federal	11,433	11,115	10,374	10,210	10,265	10,665	2.9	7.1	1.6	(0.5)	(3.8)
State	46,631	45,306	44,389	41,904	39,663	38,338	2.9	2.1	5.9	5.7	3.5
Local	44,557	43,771	44,086	43,259	42,907	42,229	1.8	(0.7)	1.9	0.8	1.6
Total payroll (in millions)	$ 34,589	$ 32,692	$ 30,472	$ 28,858	$ 27,728	$ 25,917	5.8	7.3	5.6	4.1	7.0
Average monthly wage	$ 4,211	$ 4,120	$ 3,971	$ 3,852	$ 3,826	$ 3,705	2.2	3.8	3.1	0.7	3.3
Average employment	684,445	661,297	639,511	624,309	603,913	583,010	3.5	3.4	2.4	3.4	3.6
Establishments	42,765	41,519	40,022	38,702	36,826	35,890	3.0	3.7	3.4	5.1	2.6

(1) Utah Department of Workforce Services.

Employment, Income, Construction, and Sales Taxes Within Salt Lake County and the State of Utah–continued

Personal Income; Per Capital Personal Income; Median Household Income within Salt Lake County and the State of Utah (1)

	Calendar Year						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Total Personal Income (in $1,000's):											
Salt Lake County	$ 52,436,840	$ 49,871,735	$ 46,652,307	$ 44,302,371	$ 43,101,775	$ 40,204,993	5.1	6.9	5.3	2.8	7.2
State of Utah	$124,871,199	118,724,635	110,863,745	104,664,413	101,508,754	94,918,680	5.2	7.1	5.9	3.1	6.9
Total Per Capita Personal Income:											
Salt Lake County	$ 46,762	45,148	42,746	40,992	40,492	38,344	3.6	5.6	4.3	1.2	5.6
State of Utah	40,925	39,699	37,685	36,058	35,545	33,705	3.1	5.3	4.5	1.4	5.5
Median Household Income:											
Salt Lake County	$ 68,404	65,549	62,536	61,716	58,743	56,166	4.4	4.8	1.3	5.1	4.6
State of Utah	65,931	62,961	60,943	59,715	57,067	55,802	4.7	3.3	2.1	4.6	2.3

Construction within Salt Lake County (2)

	Calendar Year						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Number new dwelling units	8,328.0	6,058.0	6,529.0	5,153.0	2,934.0	2,399.0	37.5	(7.2)	26.7	75.6	22.3
New (in $1,000′s):											
Residential value	$ 1,406,216.3	$ 1,029,441.8	$ 995,150.6	$ 900,980.4	$ 634,610.0	$ 471,042.4	36.6	3.4	10.5	42.0	34.7
Non–residential value	803,698.8	595,354.5	517,995.9	423,440.4	608,594.4	726,034.3	35.0	14.9	22.3	(30.4)	(16.2)
Additions, alterations, repairs (in $1,000's):											
Residential value	106,592.6	83,507.4	95,237.0	52,851.3	100,726.7	47,114.4	27.6	(12.3)	80.2	(47.5)	113.8
Non–residential value	950,431.8	352,053.5	421,514.0	218,580.2	245,542.5	395,965.3	170.0	(16.5)	92.8	(11.0)	(38.0)
Total construction value (in $1,000's)	$ 3,266,939.5	$ 2,060,357.2	$ 2,029,897.5	$ 1,595,852.3	$ 1,589,473.6	$ 1,640,156.4	58.6	1.5	27.2	0.4	(3.1)

Sales Taxes Within Salt Lake County and the State of Utah (3)

	Calendar Year						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Gross Taxable Sales (in $1,000's):											
Salt Lake County	$ 25,415,491	$ 24,256,515	$ 22,940,973	$ 21,986,133	$ 21,387,821	$ 19,672,228	4.8	5.7	4.3	2.8	8.7
State of Utah	56,502,434	53,933,277	51,709,163	49,404,046	47,531,180	44,335,559	4.8	4.3	4.7	3.9	7.2

	Fiscal Year						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Local Sales and Use Tax Distribution:											
Salt Lake County (and all cities)	$220,401,770	$211,079,080	$200,829,369	$195,073,246	$183,870,893	$170,917,371	4.4	5.1	3.0	6.1	7.6

(1) U.S. Department of Commerce; Bureau of Economic Analysis and U.S. Census Bureau.
(2) University of Utah Bureau of Economic and Business Research, Utah Construction Report.
(3) Utah State Tax Commission.

Employment, Income, Construction, and Sales Taxes Within Tooele County and the State of Utah

Labor Force, Nonfarm Jobs and Wages within Tooele County

	Calendar Year (1)						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Civilian labor force (3)	30,518	29,388	28,979	28,565	27,776	27,289	3.8	1.4	1.4	2.8	1.8
Employed persons	29,357	28,189	27,588	27,011	26,110	25,345	4.1	2.2	2.1	3.5	3.0
Unemployed persons	1,162	1,199	1,391	1,554	1,666	1,944	(3.1)	(13.8)	(10.5)	(6.7)	(14.3)
Total private sector (average)	11,889	11,183	11,112	11,439	11,446	11,450	6.3	0.6	(2.9)	(0.1)	(0.0)
Agriculture, forestry, fishing and hunting	106	97	95	95	94	88	9.3	2.1	0.0	1.1	6.8
Mining	91	92	87	79	74	80	(1.1)	5.7	10.1	6.8	-
Utilities	0	0	0	0	0	0	-	-	-	-	-
Construction	769	734	868	798	750	705	4.8	(15.4)	8.8	6.4	6.4
Manufacturing	1,632	1,710	1,633	1,677	1,707	1,661	(4.6)	4.7	(2.6)	(1.8)	2.8
Wholesale trade	171	155	123	125	127	129	10.3	26.0	(1.6)	(1.6)	(1.6)
Retail trade	1,854	1,736	1,726	1,748	1,718	1,619	6.8	0.6	(1.3)	1.7	6.1
Transportation and warehousing	1,434	1,168	1,046	990	942	892	22.8	11.7	5.7	5.1	5.6
Information	193	140	137	145	172	219	37.9	2.2	(5.5)	(15.7)	(21.5)
Finance and insurance	209	192	192	191	199	219	8.9	0.0	0.5	(4.0)	(9.1)
Real estate, rental and leasing	103	107	109	110	110	104	(3.7)	(1.8)	(0.9)	0.0	5.8
Professional, scientific, and technical services	459	490	563	634	666	634	(6.3)	(13.0)	(11.2)	(4.8)	5.0
Management of companies and enterprises	0	0	0	13	12	0	-	-	(100.0)	-	-
Admin., support, waste mgmt., remediation	1,420	1,249	1,267	1,583	1,735	2,057	13.7	(1.4)	(20.0)	(8.8)	(15.7)
Education services	189	129	135	133	127	123	46.5	(4.4)	1.5	4.7	3.3
Health care and social assistance	1,383	1,306	1,267	1,257	1,268	1,239	5.9	3.1	0.8	(0.9)	2.3
Arts, entertainment and recreation	238	277	287	294	266	262	(14.1)	(3.5)	(2.4)	10.5	1.5
Accommodation and food services	1,310	1,269	1,250	1,252	1,173	1,114	3.2	1.5	(0.2)	6.7	5.3
Other services	394	390	384	392	372	355	1.0	1.6	(2.0)	5.4	4.8
Unclassified establishments	0	0	0	0	0	0	-	-	-	-	-
Total public sector (average)	3,924	3,837	3,828	3,979	4,368	4,532	2.3	0.2	(3.8)	(8.9)	(3.6)
Federal	1,255	1,256	1,290	1,413	1,635	1,813	(0.1)	(2.6)	(8.7)	(13.6)	(9.8)
State	193	189	186	184	184	182	2.1	1.6	1.1	0.0	1.1
Local	2,476	2,392	2,351	2,382	2,549	2,537	3.5	1.7	(1.3)	(6.6)	0.5
Total payroll (in millions)	$ 623	$ 593	$ 643	$ 673	$ 672	$ 674	5.1	(7.8)	(4.5)	0.1	(0.3)
Average monthly wage	$ 3,282	$ 3,290	$ 3,587	$ 3,638	$ 3,543	$ 3,516	(0.2)	(8.3)	(1.4)	2.7	0.8
Average employment	15,813	15,020	14,940	15,418	15,813	15,981	5.3	0.5	(3.1)	(2.5)	(1.1)
Establishments	1,077	1,055	1,038	1,015	977	978	2.1	1.6	2.3	3.9	(0.1)

(1) Utah Department of Workforce Services.

Employment, Income, Construction, and Sales Taxes Within Tooele County and the State of Utah–continued

Personal Income; Per Capital Personal Income; Median Household Income within Tooele County and the State of Utah (1)

	Calendar Year						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Total Personal Income (in $1,000's):											
Tooele County	$ 2,155,067	$ 2,032,585	$ 1,918,322	$ 1,843,720	$ 1,827,687	$ 1,762,364	6.0	6.0	4.0	0.9	3.7
State of Utah	124,871,199	118,724,635	110,863,745	104,664,413	101,508,754	94,918,680	5.2	7.1	5.9	3.1	6.9
Total Per Capita Personal Income:											
Tooele County	$ 33,240	32,325	31,142	30,350	30,527	29,735	2.8	3.8	2.6	(0.6)	2.7
State of Utah	40,925	39,699	37,685	36,058	35,545	33,705	3.1	5.3	4.5	1.4	5.5
Median Household Income:											
Tooele County	64,675	67,938	64,193	59,400	61,927	61,719	(4.8)	5.8	8.1	(4.1)	0.3
State of Utah	65,931	62,961	60,943	59,715	57,067	55,802	4.7	3.3	2.1	4.6	2.3

Construction within Tooele County (2)

	Calendar Year						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Number new dwelling units	266.0	392.0	363.0	310.0	248.0	219.0	(32.1)	8.0	17.1	25.0	13.2
New (in $1,000′s):											
Residential value	$ 45,949.5	$ 80,389.5	$ 69,891.3	$ 59,820.0	$ 36,712.8	$ 29,414.1	(42.8)	15.0	16.8	62.9	24.8
Non–residential value	19,146.6	14,762.9	36,005.9	25,266.2	9,705.1	29,860.6	29.7	(59.0)	42.5	160.3	(67.5)
Additions, alterations, repairs (in $1,000's):											
Residential value	2,146.6	3,639.2	3,193.0	3,183.1	1,244.5	1,448.6	(41.0)	14.0	0.3	155.8	(14.1)
Non–residential value	1,172.0	3,109.7	33,377.2	44,300.2	2,197.9	4,550.6	(62.3)	(90.7)	(24.7)	1,915.6	(51.7)
Total construction value (in $1,000's)	$ 68,414.7	$ 101,901.3	$ 142,467.4	$ 132,569.5	$ 49,860.3	$ 65,273.9	(32.9)	(28.5)	7.5	165.9	(23.6)

Sales Taxes Within Tooele County and the State of Utah (3)

	Calendar Year						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Gross Taxable Sales (in $1,000's):											
Tooele County	$ 694,345	$ 701,819	$ 633,731	$ 618,948	$ 656,289	$ 600,906	(1.1)	10.7	2.4	(5.7)	9.2
State of Utah	56,502,434	53,933,277	51,709,163	49,404,046	47,531,180	44,335,559	4.8	4.3	4.7	3.9	7.2

	Fiscal Year						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Local Sales and Use Tax Distribution:											
Tooele County (and all cities)	$ 8,972,130	$ 8,607,694	$ 8,099,684	$ 7,968,140	$ 7,777,049	$ 7,101,735	4.2	6.3	1.7	2.5	9.5

(1) U.S. Department of Commerce; Bureau of Economic Analysis and U.S. Census Bureau.
(2) University of Utah Bureau of Economic and Business Research, Utah Construction Report.
(3) Utah State Tax Commission.

Employment, Income, Construction, and Sales Taxes Within Utah County and the State of Utah

Labor Force, Nonfarm Jobs and Wages within Utah County

	Calendar Year (1)						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Civilian labor force (3)	279,346	266,078	255,870	249,399	239,088	231,334	5.0	4.0	2.6	4.3	3.4
Employed persons	270,835	257,594	246,942	238,806	227,084	216,768	5.1	4.3	3.4	5.2	4.8
Unemployed persons	8,511	8,484	8,928	10,593	12,004	14,566	0.3	(5.0)	(15.7)	(11.8)	(17.6)
Total private sector (average)	204,381	192,924	180,028	171,903	162,252	153,981	5.9	7.2	4.7	5.9	5.4
Agriculture, forestry, fishing and hunting	1,209	1,166	1,159	1,143	1,155	1,052	3.7	0.6	1.4	(1.0)	9.8
Mining	72	88	111	103	126	76	(18.2)	(20.7)	7.8	(18.3)	65.8
Utilities	350	289	289	282	299	289	21.1	0.0	2.5	(5.7)	3.5
Construction	21,151	18,585	16,320	14,771	12,448	10,563	13.8	13.9	10.5	18.7	17.8
Manufacturing	17,611	17,641	17,773	17,476	16,540	15,827	(0.2)	(0.7)	1.7	5.7	4.5
Wholesale trade	6,408	6,715	6,222	5,611	5,206	4,908	(4.6)	7.9	10.9	7.8	6.1
Retail trade	29,879	28,092	25,411	24,283	23,142	22,474	6.4	10.6	4.6	4.9	3.0
Transportation and warehousing	3,085	2,899	2,607	2,416	2,413	2,350	6.4	11.2	7.9	0.1	2.7
Information	12,462	11,186	9,995	9,347	8,600	8,019	11.4	11.9	6.9	8.7	7.2
Finance and insurance	5,003	4,873	4,499	4,559	4,294	3,914	2.7	8.3	(1.3)	6.2	9.7
Real estate, rental and leasing	2,618	2,356	2,306	2,254	2,028	1,998	11.1	2.2	2.3	11.1	1.5
Professional, scientific, and technical services	17,256	16,407	15,217	13,847	12,634	12,004	5.2	7.8	9.9	9.6	5.2
Management of companies and enterprises	1,409	1,191	1,239	1,059	1,128	1,154	18.3	(3.9)	17.0	(6.1)	(2.3)
Admin., support, waste mgmt., remediation	13,228	12,306	11,159	11,015	10,917	10,244	7.5	10.3	1.3	0.9	6.6
Education services	24,019	23,096	22,575	22,481	22,345	21,565	4.0	2.3	0.4	0.6	3.6
Health care and social assistance	25,540	24,307	22,958	22,136	20,782	20,181	5.1	5.9	3.7	6.5	3.0
Arts, entertainment and recreation	2,369	2,164	1,833	1,761	1,993	1,857	9.5	18.1	4.1	(11.6)	7.3
Accommodation and food services	16,770	15,806	14,793	13,934	12,978	12,294	6.1	6.8	6.2	7.4	5.6
Other services	5,146	4,913	4,710	4,564	4,370	4,268	4.7	4.3	3.2	4.4	2.4
Unclassified establishments	6	15	8	8	0	9	(60.0)	87.5	0.0	-	(100.0)
Total public sector (average)	30,168	29,288	28,809	28,251	27,859	27,076	3.0	1.7	2.0	1.4	2.9
Federal	970	919	903	917	949	971	5.5	1.8	(1.5)	(3.4)	(2.3)
State	8,687	8,439	8,213	8,111	7,804	7,224	2.9	2.8	1.3	3.9	8.0
Local	20,511	19,931	19,693	19,223	19,107	18,882	2.9	1.2	2.4	0.6	1.2
Total payroll (in millions)	$ 9,515	$ 8,780	$ 7,936	$ 7,464	$ 6,974	$ 6,439	8.4	10.6	6.3	7.0	8.3
Average monthly wage	$ 3,380	$ 3,293	$ 3,167	$ 3,108	$ 3,057	$ 2,964	2.6	4.0	1.9	1.7	3.1
Average employment	234,548	222,212	208,836	200,154	190,111	181,056	5.6	6.4	4.3	5.3	5.0
Establishments	14,955	14,302	13,687	13,246	12,500	12,232	4.6	4.5	3.3	6.0	2.2

(1) Utah Department of Workforce Services.

Employment, Income, Construction, and Sales Taxes Within Utah County and the State of Utah–continued

Personal Income; Per Capital Personal Income; Median Household Income within Utah County and the State of Utah (1)

	Calendar Year						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Total Personal Income (in $1,000's):											
Utah County	$ 21,450,346	$ 20,000,678	$ 18,270,108	$ 16,822,234	$15,985,403	$14,648,928	7.2	9.5	8.6	5.2	9.1
State of Utah	124,871,199	118,724,635	110,863,745	104,664,413	101,508,754	94,918,680	5.2	7.1	5.9	3.1	6.9
Total Per Capita Personal Income:											
Utah County	36,215	34,796	32,554	30,454	29,593	27,604	4.1	6.9	6.9	2.9	7.2
State of Utah	40,925	39,699	37,685	36,058	35,545	33,705	3.1	5.3	4.5	1.4	5.5
Median Household Income:											
Utah County	69,568	65,425	60,957	60,069	58,167	58,077	6.3	7.3	1.5	3.3	0.2
State of Utah	65,931	62,961	60,943	59,715	57,067	55,802	4.7	3.3	2.1	4.6	2.3

Construction within Utah County (2)

	Calendar Year						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Number new dwelling units	3,988.0	4,474.0	5,167.0	3,247.0	2,464.0	2,050.0	(10.9)	(13.4)	59.1	31.8	20.2
New (in $1,000′s):											
Residential value	$ 968,083.0	$1,242,257.3	$ 906,642.7	$ 692,579.8	$ 535,004.3	$ 406,029.9	(22.1)	37.0	30.9	29.5	31.8
Non–residential value	901,707.9	448,656.2	362,638.5	360,620.5	171,904.0	203,940.8	101.0	23.7	0.6	109.8	(15.7)
Additions, alterations, repairs (in $1,000's):											
Residential value	59,457.4	61,020.6	49,163.3	31,723.9	28,360.4	33,833.4	(2.6)	24.1	55.0	11.9	(16.2)
Non–residential value	162,322.4	168,177.0	119,658.6	180,144.5	100,393.4	77,282.1	(3.5)	40.5	(33.6)	79.4	29.9
Total construction value (in $1,000's)	$ 2,091,570.7	$1,920,111.1	$1,438,103.1	$1,265,068.7	$ 835,662.1	$ 721,086.2	8.9	33.5	13.7	51.4	15.9

Sales Taxes Within Utah County and the State of Utah (3)

	Calendar Year						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Gross Taxable Sales (in $1,000's):											
Utah County	$ 8,679,093	$ 8,151,076	$ 7,555,120	$ 7,186,925	$ 6,886,070	$ 6,264,356	6.5	7.9	5.1	4.4	9.9
State of Utah	56,502,434	53,933,277	51,709,163	49,404,046	47,531,180	44,335,559	4.8	4.3	4.7	3.9	7.2

	Fiscal Year						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Local Sales and Use Tax Distribution:											
Utah County (and all cities)	$ 90,870,169	$ 86,391,946	$ 81,280,075	$ 77,867,042	$72,132,139	$67,482,710	5.2	6.3	4.4	8.0	6.9

(1) U.S. Department of Commerce; Bureau of Economic Analysis and U.S. Census Bureau.
(2) University of Utah Bureau of Economic and Business Research, Utah Construction Report.
(3) Utah State Tax Commission.

Employment, Income, Construction, and Sales Taxes Within Weber County and the State of Utah

Labor Force, Nonfarm Jobs and Wages within Weber County

	Calendar Year (1)						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Civilian labor force	120,625	117,979	115,180	114,848	113,445	112,488	2.2	2.4	0.3	1.2	0.9
Employed persons	116,016	113,250	110,118	108,616	106,217	103,671	2.4	2.8	1.4	2.3	2.5
Unemployed persons	4,610	4,729	5,062	6,232	7,228	8,817	(2.5)	(6.6)	(18.8)	(13.8)	(18.0)
Total private sector (average)	83,608	80,393	76,654	74,384	71,465	69,689	4.0	4.9	3.1	4.1	2.5
Agriculture, forestry, fishing and hunting	428	408	418	388	243	247	4.9	(2.4)	7.7	59.7	(1.6)
Mining	57	42	32	0	0	0	-	-	-	-	-
Utilities	214	216	216	223	229	225	(0.9)	0.0	(3.1)	(2.6)	1.8
Construction	5,890	566	5,310	4,858	4,577	4,235	940.6	(89.3)	9.3	6.1	8.1
Manufacturing	14,598	13,662	12,900	12,391	12,116	11,909	6.9	5.9	4.1	2.3	1.7
Wholesale trade	3,431	3,507	3,387	3,342	3,179	3,257	(2.2)	3.5	1.3	5.1	(2.4)
Retail trade	12,430	12,039	11,720	11,357	11,188	11,150	3.2	2.7	3.2	1.5	0.3
Transportation and warehousing	2,117	2,115	2,086	1,979	1,805	1,795	0.1	1.4	5.4	9.6	0.6
Information	765	764	710	738	752	747	0.1	7.6	(3.8)	(1.9)	0.7
Finance and insurance	4,278	4,145	3,702	3,587	3,519	3,386	3.2	12.0	3.2	1.9	3.9
Real estate, rental and leasing	990	1,035	1,105	984	836	850	(4.3)	(6.3)	12.3	17.7	(1.6)
Professional, scientific, and technical services	4,315	4,019	3,695	3,502	3,024	2,958	7.4	8.8	5.5	15.8	2.2
Management of companies and enterprises	343	430	425	379	493	516	(20.2)	1.2	12.1	(23.1)	(4.5)
Admin., support, waste mgmt., remediation	7,884	7,118	7,009	6,902	6,018	5,570	10.8	1.6	1.6	14.7	8.0
Education services	1,160	1,052	869	822	944	870	10.3	21.1	5.7	(12.9)	8.5
Health care and social assistance	13,227	12,939	12,402	12,103	11,784	11,560	2.2	4.3	2.5	2.7	1.9
Arts, entertainment and recreation	1,769	1,581	1,421	1,515	1,485	1,476	11.9	11.3	(6.2)	2.0	0.6
Accommodation and food services	7,498	7,447	7,030	7,046	6,785	6,472	0.7	5.9	(0.2)	3.8	4.8
Other services	2,643	2,626	2,636	2,651	2,718	2,691	0.6	(0.4)	(0.6)	(2.5)	1.0
Unclassified establishments	0	0	0	0	0	0	-	-	-	-	-
Total public sector (average)	20,321	20,295	20,154	20,278	20,372	20,427	0.1	0.7	(0.6)	(0.5)	(0.3)
Federal	5,742	5,790	6,083	6,244	6,365	6,524	(0.8)	(4.8)	(2.6)	(1.9)	(2.4)
State	5,257	5,185	5,108	5,044	4,960	4,845	1.4	1.5	1.3	1.7	2.4
Local	9,322	9,321	8,963	8,990	9,047	9,058	0.0	4.0	(0.3)	(0.6)	(0.1)
Total payroll (in millions)	$ 4,072	$ 3,871	$ 3,633	$ 3,440	$ 3,293	$ 3,159	5.2	6.6	5.6	4.5	4.2
Average monthly wage	$ 3,265	$ 3,203	$ 3,127	$ 3,028	$ 2,988	$ 2,921	1.9	2.4	3.3	1.3	2.3
Average employment	103,929	100,688	96,808	94,622	91,837	90,116	3.2	4.0	2.3	3.0	1.9
Establishments	5,852	5,703	5,587	5,526	5,370	5,373	2.6	2.1	1.1	2.9	(0.1)

(1) Utah Department of Workforce Services.

Employment, Income, Construction, and Sales Taxes Within Weber County and the State of Utah–continued

Personal Income; Per Capital Personal Income; Median Household Income within Weber County and the State of Utah (1)

	Calendar Year						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Total Personal Income (in $1,000's):											
Weber County	$ 9,330,848	$ 8,870,601	$ 8,381,934	$ 7,993,210	$ 7,850,336	$ 7,620,605	5.2	5.8	4.9	1.8	3.0
State of Utah	124,871,199	118,724,635	110,863,745	104,664,413	101,508,754	94,918,680	5.2	7.1	5.9	3.1	6.9
Total Per Capita Personal Income:											
Weber County	37,691	36,437	34,847	33,511	33,185	32,564	3.4	4.6	4.0	1.0	1.9
State of Utah	40,925	39,699	37,685	36,058	35,545	33,705	3.1	5.3	4.5	1.4	5.5
Median Household Income:											
Weber County	62,768	58,786	59,293	54,055	54,169	52,183	6.8	(0.9)	9.7	(0.2)	3.8
State of Utah	65,931	62,961	60,943	59,715	57,067	55,802	4.7	3.3	2.1	4.6	2.3

Construction within Weber County (2)

	Calendar Year						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Number new dwelling units	992.0	984.0	1,004.0	605.0	430.0	364.0	0.8	(2.0)	66.0	40.7	18.1
New (in $1,000′s):											
Residential value	$ 189,471.2	$ 160,942.0	$ 160,389.7	$ 132,082.3	$ 80,199.8	$ 72,875.3	17.7	0.3	21.4	64.7	10.1
Non–residential value	109,903.4	72,680.0	66,823.9	33,091.8	16,378.4	93,906.8	51.2	8.8	101.9	102.0	(82.6)
Additions, alterations, repairs (in $1,000's):											
Residential value	16,615.8	13,899.5	12,343.8	8,876.1	9,570.1	9,572.3	19.5	12.6	39.1	(7.3)	(0.0)
Non–residential value	43,653.2	42,436.8	36,235.8	41,244.7	35,405.7	71,122.1	2.9	17.1	(12.1)	16.5	(50.2)
Total construction value (in $1,000's)	$ 359,643.6	$ 289,958.3	$ 275,793.2	$ 215,294.9	$ 141,554.0	$ 247,476.5	24.0	5.1	28.1	52.1	(42.8)

Sales Taxes Within Weber County and the State of Utah (3)

	Calendar Year						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Gross Taxable Sales (in $1,000's):											
Weber County	$ 4,115,416	$ 3,926,992	$ 3,719,454	$ 3,527,342	$ 3,334,747	$ 3,161,297	4.8	5.6	5.4	5.8	5.5
State of Utah	56,502,434	53,933,277	51,709,163	49,404,046	47,531,180	44,335,559	4.8	4.3	4.7	3.9	7.2

	Fiscal Year						% change from prior year				
	2016	2015	2014	2013	2012	2011	2015–16	2014–15	2013–14	2012–13	2011–12
Local Sales and Use Tax Distribution:											
Weber County (and all cities)	$ 41,165,444	$39,832,325	$37,991,635	$36,500,529	$34,809,653	$32,949,498	3.3	4.8	4.1	4.9	5.6

(1) U.S. Department of Commerce; Bureau of Economic Analysis and U.S. Census Bureau.
(2) University of Utah Bureau of Economic and Business Research, Utah Construction Report.
(3) Utah State Tax Commission.

Employers

Major employers in the Authority's Service Area and the approximate number of employees include:

	Employees
Box Elder County	
Autoliv (manufacturing) (Brigham City)	1,000–2,000
Box Elder County School District (primary education)	735–1,700
Thiokol Corp. Propulsion (manufacturing)	500–1,000
Wal Mart (transportation and warehousing)	500–1,000
West Liberty Foods (manufacturing)	500–1,000
Workforce Staffing Service (admin., support, waste mgmt., remediation)	500–1,000
Davis County	
Airforce Materiel Command (public administration (Hill Air Force Base))	10,000–15,000
Davis School District (primary education)	5,950–11,800
ATK Space Systems (manufacturing)	1,000–2,000
Lagoon Corporation (manufacturing)	1,000–2,000
Lifetime Products (manufacturing)	1,000–2,000
Utility Trailer Manufacturing Company (manufacturing)	1,000–2,000
Your Employment Solutions (admin., support, waste mgmt., remediation)	1,000–2,000
Salt Lake County	
State of Utah (public administration)	19,125–39,100
University of Utah Hospital (health care and social assistance)	7,000–10,000
Granite School District (primary education)	6,025–13,150
Salt Lake County (public administration)	5,000–7,000
Intermountain Medical Center (Murray/health care and social assistance)	5,000–7,000
Salt Lake County (public administration)	5,000–7,000
Tooele County	
Tooele County School District (primary education)	1,170–2,630
Wal–Mart Associates (transportation and warehousing)	500–1,000
Utah County	
Brigham Young University (education services)	15,000–23,000
Alpine School District (primary education)	4,950–10,550
Utah Valley University (primary education)	4,000–6,000
Utah Valley Regional Medical Center (health care and social assistance)	3,000–4,000
Vivint Inc. (construction)	3,000–4,000
Nebo School District (primary education)	2,330–5,150
Wal–Mart (retail trade)	2,250–4,500
Weber County	
Office of Inspector General for Tax (public administration)	5,000–7,000
Intermountain Health Care (McKay Dee/health care and social assistance)	3,000–4,000
Weber State University (education services)	3,000–5,000
Autoliv (manufacturing)	2,000–3,000
Weber County School District (education services)	2,000–4,000
Ogden City School District (education services)	1,175–2,450
America First Credit Union (finance and insurance)	1,000–2,000
Fresenius USA Manufacturing (manufacturing)	1,000–2,000

(Source: Utah Department of Workforce Services. Updated March 2017 (reflecting information as of September 2016.)

Rate of Unemployment–Annual Average (seasonally adjusted)

Year	Box Elder County	Davis County	Salt Lake County	Tooele County	Utah County	Weber County	**State of Utah**	**United States**
2017 (1).....	3.2%	3.1%	3.0%	3.5%	2.9%	3.6%	3.1%	4.1%
2016	3.5	3.1	3.2	3.8	3.0	3.8	3.4	4.9
2015	3.6	3.3	3.3	4.1	3.2	4.0	3.5	5.3
2014	3.9	3.6	3.7	4.8	3.5	4.4	3.8	6.2
2013	4.7	4.3	4.4	5.4	4.2	5.4	4.6	7.4
2012	5.8	4.9	5.3	6.0	5.0	6.4	5.4	8.1

(1) Preliminary; subject to change. As of December 2017, seasonally adjusted.

(Source: Utah Department of Workforce Services.)

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EXHIBIT E

BOND PURCHASE AGREEMENT

(See Transcript Document No. ___)

BOND PURCHASE AGREEMENT

_____, 2019

Utah Transit Authority
_____
Salt Lake City, Utah _____

UTAH TRANSIT AUTHORITY

$_____
Sales Tax Revenue Bonds,
Series 2019A

$_____
Sales Tax Revenue Refunding Bonds,
Series 2019B (Federally Taxable)

and

$_____
Subordinated Sales Tax Revenue Refunding Bonds,
Series 2019C (Federally Taxable)

Ladies and Gentlemen:

The undersigned, Wells Fargo Bank, National Association (the *"Underwriter"*), offers to enter into this Bond Purchase Agreement (the *"Purchase Agreement"*) with the Utah Transit Authority (the *"Issuer"*), which, upon your acceptance of this offer, will be binding upon you and upon the Underwriter.

This offer is made subject to your acceptance of this Purchase Agreement on or before 5:00 p.m., Salt Lake City, Utah time on the date hereof.

Section 1. Upon the terms and conditions and in reliance upon the respective representations, warranties and covenants herein, the Underwriter hereby agrees to purchase from the Issuer, and the Issuer hereby agrees to sell to the Underwriter, all (but not less than all) of the $_____ aggregate principal amount of Sales Tax Revenue Bonds, Series 2019A (the *"Series 2019A Bonds"*), $_____ aggregate principal amount of Sales Tax Revenue Refunding Bonds, Series 2019B (Federally Taxable) (the *"Series 2019B Bonds"*), and $_____ aggregate principal amount of Subordinated Sales Tax Revenue Refunding Bonds, Series 2019C (Federally Taxable) (the *"Series 2019C Bonds"* and, collectively with the

Series 2019A Bonds and Series 2019B Bonds, the *"Bonds"*). The purchase price will be (i) with respect to the Series 2019A Bonds, $_____ (reflecting the principal amount of the Bonds, plus [net] original issue premium of $_____, less an underwriting discount of $_____); (ii) with respect to the Series 2019B Bonds, $_____ (reflecting the principal amount of the Bonds, plus [net] original issue premium of $_____, less an underwriting discount of $_____); and (iii) with respect to the Series 2019C Bonds, $_____ (reflecting the principal amount of the Bonds, plus [net] original issue premium of $_____, less an underwriting discount of $_____) (collectively, the *"Purchase Price"*), and will be payable by wire transfer or other immediately available funds.

The Bonds shall be substantially in the form described in, shall be issued and secured under the provisions of, and shall be payable as provided in (i) with respect to the Series 2019A Bonds and the Series 2019B Bonds, the General Indenture of Trust, dated as of September 1, 2002, as previously supplemented and amended (the *"Senior General Indenture"*), and as further supplemented by the Twelfth Supplemental Indenture of Trust, dated as of _____, 2019 (the *"Senior Supplemental Indenture"* and, together with the Senior General Indenture, the *"Senior Indenture"*), and (ii) with respect to the Series 2019C Bonds, the Subordinate General Indenture of Trust, dated as of September 1, 2006, as previously supplemented and amended (the *"Senior General Indenture"*), and as further supplemented by the Fourteenth Supplemental Subordinate Indenture of Trust, dated as of _____, 2019 (the *"Subordinate Supplemental Indenture"* and, together with the Subordinate General Indenture, the *"Subordinate Indenture"* and, together with the Senior Indenture, the *"Indentures"*), each between the Issuer and Zions Bancorporation, National Association, as trustee (the *"Trustee"*).

Capitalized terms used and not otherwise defined herein have the meanings assigned to them in the related Indentures or the hereinafter defined Official Statement, as applicable.

The forms and execution of the Indentures and of this Purchase Agreement were approved by the Board of Trustees of the Issuer by a resolution adopted on October 9, 2019 (the *"Bond Resolution"*). The Bonds are authorized to be issued pursuant to: with respect to the Series 2019A Bonds, the Local Government Bonding Act, Chapter 14 of Title 11, Utah Code Annotated 1953; with respect to the Series 2019B Bonds, the Utah Refunding Bond Act, Chapter 27 of Title 11, Utah Code Annotated 1953, as amended; the Public Transit District Act, Part 8 of Chapter 2a of Title 17B; other applicable provisions of Chapter 1 of Title 17B, Utah Code Annotated 1953, as amended; and other applicable provisions of law, the Bond Resolution and the Indentures.

The Bonds will be revenue obligations of the Issuer payable solely from the Pledged Revenues to the extent provided in the respective Indentures. The proceeds of the Bonds will be used for the purposes described in the Official Statement.

The Bonds will be dated the date of their original issuance, will have the maturities and bear interest at the rates and yields, as shown on *Schedule I* hereto. The Bonds are subject to redemption as provided in the Indentures.

Section 2. (a) The Underwriter agrees to make a bona fide public offering of all of the Bonds at not in excess of the initial public offering prices indicated on the inside cover page of the

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Official Statement. The Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing Bonds into investment trusts) and others at prices lower than the public offering price or prices set forth on the inside cover page of the Official Statement. The Underwriter also reserves the right (i) to over-allot or effect transactions which stabilize or maintain the market prices of the Bonds at levels above those which might otherwise prevail in the open market and (ii) to discontinue such stabilizing, if commenced, at any time without prior notice.

(b) The Issuer has authorized and approved the Preliminary Official Statement dated _____, 2019, relating to the Bonds (the *"Preliminary Official Statement"*), in printed or electronic form, which the Issuer has "deemed final" as of its date within the meaning of Rule 15c2-12 under the Securities Exchange Act of 1934 (the *"Rule"*), except for the omission of no more than the following information: the offering prices, interest rates, selling compensation, aggregate principal amount, redemption provisions, delivery date, ratings, identity of the Refunded Bonds, and other terms of the Bonds depending on such matters. The Issuer agrees to deliver the Official Statement, in printed or electronic form, dated _____, 2019 relating to the Bonds (as supplemented and amended from time to time, the *"Final Official Statement"*) to the Underwriter within seven business days after the execution hereof, in sufficient time to accompany any confirmation that requests payment from any customer, in "designated electronic format" (as defined in Municipal Securities Rulemaking Board (the *"MSRB"*) Rule G-32), and in sufficient quantity to permit the Underwriter to comply with the Rule and other applicable rules of the SEC and the MSRB.

(c) The Issuer hereby authorizes and approves the Final Official Statement (the Final Official Statement, the Preliminary Official Statement and any amendments or supplements that may be authorized for use with respect to the Bonds are herein referred to collectively as the *"Official Statement"*), consents to the distribution and use of the Official Statement by the Underwriter, and authorizes the execution of the Final Official Statement by a duly authorized officer of the Issuer.

(d) *Establishment of Issue Price.*

(i) The Underwriter agrees to assist the Issuer in establishing the issue price of the Bonds and shall execute and deliver to the Issuer at Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as *Exhibit E*, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Issuer and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds. All actions to be taken by the Issuer under this section to establish the issue price of the Bonds may be taken on behalf of the Issuer by the Issuer's municipal advisor (the *"Municipal Advisor"*), and any notice or report to be provided to the Issuer may be provided to the Municipal Advisor.

(ii) [Except as otherwise set forth in Schedule I attached hereto,] the Issuer will treat the first price at which 10% of each maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity. At or promptly after the execution of this Purchase Agreement, the Underwriter shall report to the Issuer the price or prices at which it has sold to the public each maturity of Bonds. [If at that time the 10% test has not been satisfied as to any maturity of the

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Bonds, the Underwriter agrees to promptly report to the Issuer the prices at which it sells the unsold Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) the Underwriter has sold all Bonds of that maturity or (ii) the 10% test has been satisfied as to the Bonds of that maturity, provided that, the Underwriter's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Issuer or bond counsel.] For purposes of this Section, if Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Bonds.

[(iii) The Underwriter confirms that it has offered the Bonds to the public on or before the date of this Purchase Agreement at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Schedule I attached hereto, except as otherwise set forth therein. Schedule I also sets forth, as of the date of this Purchase Agreement, the maturities, if any, of the Bonds for which the 10% test has not been satisfied and for which the Issuer and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the Issuer to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the *"hold-the-offering-price rule"*). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

(A) the close of the fifth (5^{th}) business day after the sale date; or

(B) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter will advise the Issuer promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

(iv) The Underwriter confirms that:

(a) any selling group agreement and any third-party distribution agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(1)(A) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter, and (B) to comply

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with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter,

(2) to promptly notify the Underwriter of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and

(3) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(b) any selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (i) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer, and (ii) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

(v) The Issuer acknowledges that, in making the representations set forth in this section, the Underwriter will rely on (a) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (b) in the event that a third-party distribution agreement was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The Issuer further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds.

(vi) The Underwriter acknowledges that sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term

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being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(a) "public" means any person other than an underwriter or a related party,

(b) "underwriter" means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public),

(c) a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (1) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (2) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (3) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(d) "sale date" means the date of execution of this Purchase Agreement by all parties.

Section 3. The Issuer represents and warrants to the Underwriter that:

(1) The Issuer is duly organized and validly existing under the constitution and laws of the State of Utah (the *"State"*) and is authorized to issue and secure the Bonds for the purposes and in the manner provided in the Indentures.

(2) The Preliminary Official Statement, as of its date, did not contain any untrue statement of a material fact or omit to state a material fact (other than any information that is permitted to be omitted from the Preliminary Official Statement pursuant to the Rule) necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(3) On and as of the date hereof and, unless an event of the nature described in Section 3(8) hereof subsequently occurs, at all times during the period from the date hereof to and including the date which is 25 days following the End of the Underwriting Period (defined below), the information in the Official Statement is true, correct, and complete, and does not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

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(4) The Issuer has full legal right, power and authority to (i) adopt the Bond Resolution, (ii) enter into the Indentures and the Continuing Disclosure Undertaking (defined below), (iii) enter into this Purchase Agreement, (iv) issue, sell, and deliver the Bonds as provided herein, (v) pledge the Pledged Revenues as provided in the Indentures, (vi) operate the System and conduct business thereof as described in the Official Statement, and (vii) carry out and consummate all other transactions in connection with the issuance of the Bonds.

(5) The Issuer has duly authorized (i) the execution and delivery of the Bonds and the execution, delivery, and due performance of the Indentures, the Continuing Disclosure Undertaking, and this Purchase Agreement, (ii) the distribution and use of the Preliminary Official Statement and the execution, delivery, and distribution of the Final Official Statement, and (iii) the taking of any and all such action as may be required on the part of the Issuer to carry out, give effect to and consummate the transactions contemplated by such instruments. All consents or approvals necessary to be obtained by the Issuer in connection with the foregoing have been received, and the consents or approvals so received are still in full force and effect, except that no representation is made with respect to compliance with the "blue sky" laws of any jurisdiction.

(6) The Bond Resolution has been duly adopted by the Issuer, is in full force and effect, and has not been repealed, amended, supplemented, or superseded; this Purchase Agreement, the Indentures and the Continuing Disclosure Undertaking (when executed and delivered) will constitute legal, valid, and binding obligations of the Issuer; and the Bond Resolution, this Purchase Agreement, the Indentures, and the Continuing Disclosure Undertaking are enforceable against the Issuer in accordance with their respective terms, except to the extent that enforceability may be subject to bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and to the exercise of judicial discretion in appropriate cases; and the Issuer has taken all required action to create the valid pledges of, and liens and charges upon, the Pledged Revenues as and to the extent set forth in the related Indentures and as described in the Official Statement.

(7) When delivered to the Underwriter, the Bonds will have been duly authorized, executed, authenticated, issued and delivered and will constitute legal, valid and binding obligations of the Issuer in conformity with the laws of the State and will be entitled to the benefit and security of the related Indenture.

(8) If, at any time prior to the date 25 days after the "end of the underwriting period" (as defined in the Rule) (the *"End of the Underwriting Period"*), any event occurs with respect to the Issuer as a result of which the Final Official Statement, as then amended or supplemented, might include any untrue statement of a material fact, or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Issuer shall promptly notify the Underwriter in writing of such event and if, in the opinion of the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Issuer will, at its expense, supplement or amend, or cause to be supplemented or amended,

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the Official Statement in such a manner so that the Official Statement, as so supplemented or amended, does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. The Issuer agrees to provide the Underwriter with sufficient copies of such supplement or amendment as the Underwriter may reasonably request, and to provide such supplement or amendment in designated electronic format required by MSRB Rule G-32. The End of the Underwriting Period shall be deemed to occur on the Closing Date (defined below) unless the Underwriter notifies the Issuer otherwise on or before the Closing Date. In the event that the Issuer has been given notice pursuant to the preceding sentence that the End of the Underwriting Period will not occur on the date of the Closing, the Underwriter agrees to notify the Issuer in writing of the date it does occur as soon as practicable following the End of the Underwriting Period for all purposes of Rule 15c2-12; *provided, however,* that if the Underwriter has not otherwise so notified the Issuer of the End of the Underwriting Period by the 30th day after the Closing, then the End of the Underwriting Period shall be deemed to occur on such 30th day unless otherwise agreed to by the Issuer.

(9) At any time from the date of the Closing to the End of the Underwriting Period, the Underwriter may from time to time request, and, if such request is made, the Issuer shall deliver to the Underwriter as soon as practicable thereafter and to the extent reasonably possible, a certificate of the Issuer signed by the Chair of the Board of Trustees, the Executive Director, or the Secretary/Treasurer of the Issuer, in the form set forth as *Exhibit D* hereto, dated not earlier than the date of such request.

(10) In connection with any amendments or supplements to the Official Statement, the Underwriter may request such additional certificates and opinions of counsel as the Underwriter shall reasonably deem necessary to evidence the accuracy or completeness of such amendment or supplement.

(11) There are no bonds, notes or other obligations of the Issuer that are secured by a pledge of the Pledged Revenues that is prior to the pledge made in favor of the Bonds pursuant to the Indentures. Between the time of acceptance hereof and the Closing Date, the Issuer will not, without the prior written consent of the Underwriter, issue any revenue bonds or securities payable from the Pledged Revenues other than the Bonds.

(12) Neither the adoption of the Bond Resolution, the execution and delivery of this Purchase Agreement, the Indentures, the Continuing Disclosure Undertaking, or the Bonds, nor the consummation of the transactions contemplated herein or therein or the compliance with the provisions hereof or thereof will conflict with, or constitute on the part of the Issuer a violation of, or a breach of or default under, (i) any statute, resolution, indenture, mortgage, commitment, note, or other agreement or instrument to which the Issuer is a party or by which it is bound, (ii) any debt limitation applicable to it, or (iii) any existing law, rule, regulation, ordinance, judgment, order, or decree to which the Issuer (or any of its officers in their respective capacities as such) is subject.

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(13) Except as specifically disclosed in the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or, to the knowledge of the Issuer, threatened, which in any way questions the powers of the Issuer referred to in paragraph (2) above, or the validity of any proceeding taken by the Issuer in connection with the issuance of the Bonds, or wherein an unfavorable decision, ruling or finding could materially adversely affect the transactions contemplated by this Purchase Agreement, or of any other document or instrument required or contemplated by this financing, or which, in any way, could adversely affect the validity or enforceability of the Bond Resolution, the Indentures, this Purchase Agreement, the Continuing Disclosure Undertaking or the Bonds, or which in any way questions the exclusion from gross income of the owners thereof of the interest on the Series 2019A Bonds for federal income tax purposes. [Confirm resolution of State Auditor issue regarding the Issuer as a state entity, per Bob Biles' October 1 email.]

(14) Any certificate signed by any official of the Issuer and delivered to the Underwriter shall be deemed a representation and warranty by the Issuer to the Underwriter as to the truth of the statements therein contained.

(15) The Issuer will not knowingly take or omit to take any action, which action or omission will in any way cause the proceeds from the sale of the Series 2019A Bonds to be applied in a manner which would cause the interest on the Series 2019A Bonds to be includable in gross income of the owners thereof for federal income tax purposes.

(16) The audited financial statements of the Issuer for the year ended December 31, 2018, included in the Official Statement, present fairly the financial position of the Issuer as of the date indicated and the financial results for the period specified, and such financial reports and statements have been prepared in conformity with generally accepted accounting principles consistently applied in all material respects to the periods involved, except as otherwise stated in the notes thereto. There has been no material adverse change in the general affairs, management, properties, financial position, or financial results of the Issuer since the date of such financial statements except as set forth in the Official Statement.

(17) The Issuer has obtained, or is in the process of obtaining, all necessary titles, rights-of-way, and easements in order to operate the System.

(18) The Issuer has not failed during the previous five years to comply in all material respects with any previous undertaking in a written continuing disclosure contract or agreement under the Rule.

Section 4. The Issuer covenants with the Underwriter as follows:

(1) The Issuer will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order (i) to qualify the Bonds for offer and sale under the blue sky or other securities laws and regulations of such states and other jurisdictions of the United States as

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the Underwriter may designate and (ii) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualifications in effect so long as required for the distribution of the Bonds; *provided, however,* that the Issuer shall not be required to execute a general consent to service of process or qualify to do business in connection with any such qualification or determination in any jurisdiction.

(2) Until the date 25 days after the End of the Underwriting Period, the Issuer shall provide the Underwriter with such information regarding the Issuer, its current financial condition and ongoing operation as the Underwriter may reasonably request.

(3) In order to enable the Underwriter to comply with the requirements of paragraph (b)(5) of the Rule, the Issuer will enter into a Continuing Disclosure Undertaking with respect to the Bonds, the forms of which are attached as APPENDIX E to the Official Statement (the *"Continuing Disclosure Undertaking"*).

(4) The Issuer agrees to provide the Underwriter with the advance refunding documents (as defined in MSRB Rule G-32) in a word-searchable PDF format as described in the MSRB's Rule G-32, and shall provide such electronic copy of the word-searchable PDF format of the advance refunding documents to the Underwriter no later than four (4) business days after the Closing Date to enable the Underwriter to comply with MSRB Rule G-32.

Section 5. At or about 9:00 a.m., Utah time, on or about _____, 2019 (the *"Closing Date"*), or at such other time and date as shall have been mutually agreed upon by the Issuer and the Underwriter, the Bonds will be delivered to the Trustee, as FAST agent for The Depository Trust Company (*"DTC"*), in definitive form, duly executed and authenticated by the Trustee, together with the other documents hereinafter mentioned. The Bonds shall be issued in book-entry-only form in authorized denominations and shall be registered in the name of Cede & Co., as nominee of DTC. The Underwriter will accept such delivery and pay the Purchase Price for the Bonds by wire transfer in federal funds or other immediately available funds.

The activities relating to the original issuance of the Bonds and the payment therefor and the execution and delivery of the Indentures, certificates, opinions, and the other instruments as described in Section 7 of this Purchase Agreement shall occur at the offices of Gilmore & Bell, P.C., Salt Lake City, Utah. The payment for the Bonds and simultaneous delivery of the Bonds to the Underwriter is herein referred to as the *"Closing."*

Section 6. The Underwriter shall have the right to cancel its obligations to purchase the Bonds if between the date hereof and the Closing Date:

(1) a tentative decision with respect to legislation shall be reached by a committee of the House of Representatives or the Senate of the Congress of the United States, or legislation shall be favorably reported by such a committee or be introduced, by amendment or otherwise, in or be passed by the House of Representatives or the Senate, or recommended to the Congress of the United States for passage by the President of the

United States, or be enacted or a decision by a federal court of the United States or the United States Tax Court shall have been rendered, or a ruling, release, order, regulation or official statement by or on behalf of the United States Treasury Department, the Internal Revenue Service or other governmental agency shall have been made or proposed to be made having the purpose or effect, or any other action or event shall have occurred which has the purpose or effect, directly or indirectly, of adversely affecting the federal income tax consequences of owning the Bonds or of any of the transactions contemplated in connection therewith, including causing interest on the Bonds to be included in gross income for purposes of federal income taxation, or imposing federal income taxation upon revenues or other income of the general character to be derived by the Issuer or by any similar body under the Indentures or similar documents or upon interest received on obligations of the general character of the Series 2019A Bonds which, in the opinion of the Underwriter, materially adversely affects the market price of or market for the Bonds; or

(2) legislation shall have been enacted, or actively considered for enactment with an effective date prior to Closing, or a decision by a court of the United States shall have been rendered, the effect of which is that the Bonds, including any underlying obligations, or the Indentures, as the case may be, is not exempt from the registration, qualifications, or other requirements of the Securities Act of 1933, as amended and as then in effect, the Securities Exchange Act of 1934, as amended and then in effect, or the Trust Indenture Act of 1939, as amended and as then in effect;

(3) a stop order, ruling, regulation, or official statement by the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall have been issued or made or any other event occurs, the effect of which is that the issuance, offering or sale of the Bonds, including any underlying obligations, is or would be in violation of any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect, the Securities Exchange Act of 1934, as amended and as then in effect, or the Trust Indenture Act of 1939, as amended and as then in effect;

(4) any event shall have occurred or any information shall have become known to the Underwriter which causes the Underwriter to reasonably believe that the Official Statement, as then amended or supplemented, includes any untrue statement of a material fact, or omits to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(5) there shall have occurred any outbreak of hostilities or any national or international calamity or crisis, including a financial or computer technology crisis, or any escalation of any such occurrence, the effect of which on the financial markets of the United States is such as, in the reasonable judgment of the Underwriter, would materially adversely affect the market for or market price of the Bonds;

(6) there shall be in force a general suspension of trading in the New York Stock Exchange, the effect of which on the financial markets of the United States is such as, in

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the reasonable judgment of the Underwriter, would materially adversely affect the market for or market price of the Bonds;

(7) a general banking moratorium shall have been declared by federal, New York or Utah authorities;

(8) any proceeding shall be pending or threatened by the Securities and Exchange Commission against the Issuer;

(9) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange;

(10) the New York Stock Exchange or other national securities exchange, or any governmental authority, shall impose, as to the Bonds or obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, Underwriter; or

(11) any of the ratings assigned to the Bonds, as set forth in Section 7(3)(i), shall have been reduced, suspended or withdrawn or any notice shall have been given of any potential downgrading or review of a possible change with respect to any such rating.

Section 7. The obligation of the Underwriter to purchase the Bonds shall be subject (i) to the performance by the Issuer of its obligations to be performed hereunder at and prior to the Closing, (ii) to the accuracy of the representations and warranties of the Issuer herein as of the date hereof and as of the time of the Closing, and (iii) to the following conditions, including the delivery by the Issuer of such documents as are enumerated herein in form and substance satisfactory to the Underwriter:

(1) At the time of Closing, (i) this Purchase Agreement, the Indentures, and the Bond Resolution shall be in full force and effect and shall not have been amended, modified, or supplemented (except as contemplated above in the definition of Indenture) from the date hereof except as may have been agreed to in writing by the Underwriter, (ii) the proceeds of the sale of the Bonds shall be deposited and applied as described in the Official Statement, and (iii) the Issuer shall have duly adopted and there shall be in full force and effect such resolutions as, in the opinion of Gilmore & Bell, P.C., as bond counsel (*"Bond Counsel"*), shall be necessary in connection with the transactions contemplated hereby.

(2) The Bonds shall be delivered to the Underwriter at or prior to the Closing, and the terms of the Bonds, as delivered, shall in all instances be as described in the Final Official Statement.

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(3) At or prior to the Closing, the Underwriter shall receive the following documents in such number of counterparts as shall be mutually agreeable to the Underwriter and the Issuer:

(a) A final approving opinion of Bond Counsel dated the Closing Date, in substantially the form set forth in APPENDIX D to the Official Statement;

(b) An opinion of Bond Counsel addressed to the Underwriter and dated the Closing Date, in substantially the form set forth in *Exhibit A* hereto;

(c) Executed counterparts of the Indentures;

(d) An opinion of General Counsel or Senior Counsel to the Issuer, dated the Closing Date and addressed to the Underwriter, the Trustee and Bond Counsel, in substantially the form set forth in *Exhibit B* hereto;

(e) An opinion of Chapman and Cutler LLP, counsel to the Underwriter, dated the Closing Date, in substantially the form set forth in *Exhibit C* hereto;

(f) The Final Official Statement executed on behalf of the Issuer by a duly authorized officer;

(g) Certified copies of the Bond Resolution and any other resolutions of the Issuer relating to the Bonds;

(h) Letters from S&P Global Ratings, Fitch Ratings Services and Moody's Investors Service to the effect that the Series 2019A Bonds and Series 2019B Bonds have received ratings of at least ___, ___, and ___, respectively; which ratings shall not have been lowered, suspended or revoked; and letters from S&P Global Ratings, Fitch Ratings Services and Moody's Investors Service to the effect that the Series 2019C Bonds have received ratings of at least ___, ___, and ___, respectively; which ratings shall not have been lowered, suspended or revoked;

(i) A certificate or certificates, in form and substance satisfactory to the Underwriter, of the Issuer by any duly authorized officer or official of the Issuer satisfactory to the Underwriter, dated as of the Closing Date, to the effect that: (i) each of the Issuer's representations, warranties, and covenants contained herein are true and correct in all material respects on and as of the time of Closing; (ii) the Issuer has authorized, by all action necessary under the laws and constitution of the State, the adoption of the Bond Resolution and the execution and delivery of the Bonds, the Indentures, and the Continuing Disclosure Undertaking; (iii) no litigation is pending, or, to the knowledge of the officer or official of the Issuer signing the certificate after due investigation and inquiry, threatened, to restrain or enjoin the issuance or sale of the Bonds or in any way affecting any authority for or the validity of the Bond Resolution, the Bonds, the Indentures, the Continuing Disclosure Undertaking, or this Purchase Agreement or in any way affecting the

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title of any officer signing any of the documents or the validity of the position held by any member of the governing body of the Issuer or any action related to the Bonds taken by the governing body or any official of the Issuer; (iv) the Bonds, as executed by the Issuer, are in the form or in substantially the form approved for such execution by appropriate proceedings of the Issuer; (v) since December 31, 2018, there has not been any material adverse change in the properties, financial position, or results of operations of the Issuer, whether or not arising from transactions in the ordinary course of business, other than as set forth in the Official Statement; (vi) there are no pending or, to the knowledge of the officers executing the certificate, after due investigation and inquiry, threatened, legal or administrative proceedings to which the Issuer is a party or to which property of the Issuer is subject, which are material as to the Issuer and which are not disclosed in the Official Statement or which if decided adversely to the Issuer could specifically, materially, and adversely affect the validity or enforceability of the Bonds, the Bond Resolution, the Indentures, the Continuing Disclosure Undertaking, or this Purchase Agreement or which could materially and adversely affect the properties, operations, or financial condition of the Issuer; (vii) neither the Official Statement nor any amendment or supplement thereto contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that no representation whatsoever is made with respect to the accuracy or sufficiency of the information provided by DTC; (viii) to the best of the knowledge of the officers executing the certificate, no event has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purposes for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect; and (ix) the Issuer has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied under this Purchase Agreement or otherwise at or prior to the date of such certification;

(j) Evidence that an IRS Form 8038-G has been completed and executed by the Issuer with respect to the Bonds;

(k) A copy of the executed Blanket Letter of Representation to DTC from the Issuer;

(l) An executed counterpart of the Continuing Disclosure Undertaking;

(m) An executed counterpart of the escrow agreement relating to the refunding of the bonds to be refunded by the Series 2019B Bonds and the Series 2019C Bonds (the *"Refunded Bonds*);

(n) A executed copy of the verification report relating to the refunding of the Refunded Bonds; and

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(o) Such additional legal opinions, certificates, proceedings, instruments, and other documents as the Underwriter, Bond Counsel, or General Counsel to the Issuer may reasonably request to evidence compliance by the Issuer with legal requirements, the truth and accuracy, as of the time of Closing, of the representations of the Issuer herein contained and the due performance or satisfaction by the Issuer at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Issuer.

If the Issuer shall be unable to satisfy the conditions to the obligations of the Underwriter contained in this Purchase Agreement, or if the obligations of the Underwriter to purchase and accept delivery of the Bonds shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and neither the Underwriter nor the Issuer shall be under further obligation hereunder; except that the respective obligations to pay expenses, as provided below, shall continue in full force and effect. However, the Underwriter may, in its sole discretion, waive one or more of the conditions imposed by this Purchase Agreement and proceed with the Closing. Acceptance of the Bonds and payment therefor by the Underwriter shall be deemed a waiver of noncompliance with any of the conditions herein.

Section 8. The obligations of the Issuer hereunder are subject to the performance by the Underwriter of its obligations hereunder.

Section 9. The obligations of the Issuer under Section 10 hereof shall survive any termination of this Purchase Agreement by the Underwriter pursuant to the terms hereof.

Section 10. The Issuer acknowledges and agrees that (i) the primary role of the Underwriter is to purchase securities, for resale to investors, in an arm's-length commercial transaction between the Issuer and the Underwriter, and the Underwriter have financial and other interests that differ from those of the Issuer, (ii) with respect to the engagement of the Underwriter by the Issuer, including in connection with the purchase, sale and offering of the Bonds, and the discussions, conferences, negotiations and undertakings in connection therewith, the Underwriter (a) is and has been acting as principal and not as agent, fiduciary, financial advisor or municipal advisor of the Issuer and (b) has not assumed an advisory or fiduciary responsibility in favor of the Issuer with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto, and the Underwriter has no obligation to the Issuer with respect to the offering contemplated hereby except the obligations expressly set forth in this Purchase Agreement; (iii) the Issuer has consulted its own legal, financial and other advisors to the extent they have deemed appropriate; and (iv) this Purchase Agreement expresses the entire relationship between the parties hereto.

Section 11. The Issuer will pay or cause to be paid all reasonable expenses incident to the performance of its obligations under this Purchase Agreement, including, but not limited to, delivery of the Bonds, the costs of preparing the Bonds, the Preliminary and Final Official Statements, any amendment or supplement to the Preliminary Official Statement or Final Official Statement, the Continuing Disclosure Undertaking and this Purchase Agreement, fees and disbursements of Bond Counsel, fees and disbursements of Underwriter's Counsel fees and disbursements of the Trustee, fees and expenses of the Financial Advisor, fees and expenses of the

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Issuer's accountants, any fees charged by investment rating agencies for the rating of the Bonds applied for by the Issuer. The Underwriter shall pay all advertising expenses in connection with the public offering of the Bonds, and all other expenses incurred by it in connection with its public offering and distribution of the Bonds, except as otherwise provided in this paragraph. The Issuer shall be solely responsible for and shall pay for any expenses incurred by the Underwriter on behalf of the Issuer's employees and representatives which are incidental to implementing this Purchase Agreement. The Issuer shall reimburse the Underwriter for actual expenses incurred or paid for by the Underwriter on behalf of the Issuer in connection with the marketing, issuance, and delivery of the Bonds, including, but not limited to, transportation, lodging, and meals for Issuer's employees and representatives; provided, however, that (i) reimbursement for such expenses shall not exceed an ordinary and reasonable amount for such expenses and (ii) such expenses are either (A) not related to the entertainment of any person and not prohibited from being reimbursed from the proceeds of an offering of municipal securities under MSRB Rule G-20 or (B) to be paid from the Issuer's general fund and not from the proceeds of the Bonds or any other municipal securities. Such reimbursement may be in the form of inclusion in the expense component of the Underwriter's discount, or direct reimbursement as a cost of issuance.

Section 12. Any notice or other communication to be given to the Issuer under this Purchase Agreement may be given by delivering the same in writing at its address set forth above, and any notice or other communication to be given to the Underwriter under this Purchase Agreement may be given by delivering the same in writing to Wells Fargo Bank, National Association, 299 S. Main Street, 6th Floor, Salt Lake City, Utah 84111, Attention: Bob Kinney, Managing Director.

Section 13. This Purchase Agreement is made solely for the benefit of the Issuer and the Underwriter, and no other person, including any purchaser of the Bonds, shall acquire or have any right hereunder or by virtue hereof.

Section 14. This Purchase Agreement may be executed in several counterparts by the parties thereto, and all such counterparts shall constitute one and the same instrument.

Section 15. No recourse shall be had for any claim based on this Purchase Agreement, or any indenture, certificate, document or instrument delivered pursuant hereto, against any member, officer or employee, past, present or future, of the Issuer or of any successor body of the Issuer.

Section 16. This Purchase Agreement, when executed by the Issuer and the Underwriter, shall constitute the entire agreement between the Issuer and the Underwriter. All the representations, warranties and agreements by the Issuer in this Purchase Agreement shall remain operative and in full force and effect, regardless of (a) any investigation made by or on behalf of the Underwriter, (b) delivery of any payment for the Bonds hereunder, and (c) any termination of this Purchase Agreement.

Section 17. This Purchase Agreement shall be governed by and consumed in accordance with the laws of the State.

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This Purchase Agreement shall become effective upon the mutual acceptance hereof.

Very truly yours,

WELLS FARGO BANK, NATIONAL ASSOCIATION

By _____
Managing Director

Accepted and agreed to as of the date first above written:

UTAH TRANSIT AUTHORITY

By_____
Chair, Board of Trustees

By_____
Secretary/Treasurer

APPROVED AS TO FORM:

_____
Legal Counsel for the Utah Transit Authority

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SCHEDULE I

[Attach Page ___ of the final numbers (Pricing Page)]

Optional Redemption. The Series 2019A Bonds maturing on or after December 15, _____, are subject to redemption prior to maturity, at the option of the Issuer, from such maturities or parts thereof as may be selected by the Issuer, on or after _____, at a redemption price of 100% of the principal amount of the Series 2019A Bonds to be redeemed, plus accrued interest thereon to the date fixed for redemption.

The Series 2019B Bonds maturing on or after December 15, _____, are subject to redemption prior to maturity, at the option of the Issuer, from such maturities or parts thereof as may be selected by the Issuer, on or after _____, at a redemption price of 100% of the principal amount of the Series 2019B Bonds to be redeemed, plus accrued interest thereon to the date fixed for redemption.

The Series 2019C Bonds maturing on or after December 15, _____, are subject to redemption prior to maturity, at the option of the Issuer, from such maturities or parts thereof as may be selected by the Issuer, on or after _____, at a redemption price of 100% of the principal amount of the Series 2019C Bonds to be redeemed, plus accrued interest thereon to the date fixed for redemption.

[Sinking fund redemption]

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EXHIBIT A

[PROPOSED FORM OF BOND COUNSEL SUPPLEMENTAL OPINION]

[To Be Dated Closing Date]

Wells Fargo Bank, National Association

We have acted as bond counsel to the Utah Transit Authority (the *"Issuer"*) in connection with the issuance of its $_____ aggregate principal amount of Sales Tax Revenue Bonds, Series 2019A (the *"Series 2019A Bonds"*), $_____ aggregate principal amount of Sales Tax Revenue Refunding Bonds, Series 2019B (Federally Taxable) (the *"Series 2019B Bonds"*), and $_____ aggregate principal amount of Subordinated Sales Tax Revenue Refunding Bonds, Series 2019C (Federally Taxable) (the *"Series 2019C Bonds"* and, collectively with the Series 2019A Bonds and Series 2019B Bonds, the *"Bonds"*), pursuant to (i) with respect to the Series 2019A Bonds and the Series 2019B Bonds, the General Indenture of Trust, dated as of September 1, 2002, as previously supplemented and amended (the *"Senior General Indenture"*), and as further supplemented by the Twelfth Supplemental Indenture of Trust, dated as of _____, 2019 (the *"Senior Supplemental Indenture"* and, together with the Senior General Indenture, the *"Senior Indenture"*), and (ii) with respect to the Series 2019C Bonds, the Subordinate General Indenture of Trust, dated as of September 1, 2006, as previously supplemented and amended (the *"Senior General Indenture"*), and as further supplemented by the Fourteenth Supplemental Subordinate Indenture of Trust, dated as of _____, 2019 (the *"Subordinate Supplemental Indenture"* and, together with the Subordinate General Indenture, the *"Subordinate Indenture"* and, together with the Senior Indenture, the *"Indentures"*), each between the Issuer and Zions Bancorporation, National Association, as trustee. Capitalized terms which are used herein but which are not otherwise defined shall have the meanings assigned to them in the related Indentures.

We have delivered our legal opinion as bond counsel (the *"Bond Opinion"*) concerning the validity of the Bonds and certain other matters, dated the date hereof. You may rely on our Bond Opinion as though the same were addressed to you.

In our capacity as bond counsel to the Issuer, we have examined originals or copies certified or otherwise identified to our satisfaction, of such documents, records and other instruments as we deemed necessary or appropriate for the purpose of this opinion, including, without limitation, the Indentures, the Preliminary Official Statement dated _____, 2019 (the *"Preliminary Official Statement"*), the Official Statement of the Issuer dated _____, 2019, relating to the Bonds (the *"Official Statement"*), the Bond Purchase Agreement (the *"Purchase Agreement"*)

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for the Bonds, dated _____, 2019 by and between the Issuer and Wells Fargo Bank, National Association (the *"Underwriter"*), and the other documents, certificates and opinions delivered pursuant to the Purchase Agreement, and we have participated in various conferences with representatives of and counsel for the Underwriter, representatives of and counsel for the Issuer, and representatives of the Issuer's financial advisor relating to the preparation of the Preliminary Official Statement and the Official Statement.

In arriving at the conclusions hereinafter expressed, we are not expressing any opinion or view on, and are assuming and relying on, the validity, accuracy and sufficiency or the documents, certificates and opinions referred to above (including the accuracy of all factual matters represented and legal conclusions contained therein). We have assumed that all documents, certificates and opinions that we have reviewed, and the signatures thereto, are genuine.

On the basis of such examination, we are of the opinion that:

1. The Purchase Agreement has been duly authorized, executed and delivered by the Issuer.

2. The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indentures are exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

3. The statements contained in the Official Statement under the sections entitled "INTRODUCTION" (except for the material under the subheadings entitled, "– The Authority and the System, "Professional Services," and "Contact Persons"), "THE 2019 BONDS" (except for the material under the subheadings entitled "—Sources and Uses of Funds," "—Debt Service on the 2019 Bonds," and "—Book-Entry System"), and "SECURITY FOR THE 2019 BONDS—Flow of Funds," "—Issuance of Additional Bonds," "LEGAL MATTERS—Federal Income Tax Matters," "—State of Utah Income Tax," APPENDIX C and APPENDIX D, insofar as such statements purport to summarize or extract certain provisions of the Bonds, the Indentures, and our opinion with respect to the tax-exempt status of interest on the Bonds, present an accurate summary or extract, as applicable, of such provisions and opinion in all material respects.

Because the primary purpose of our professional engagement as bond counsel was not to establish factual matters, and because of the wholly or partially non-legal character of many determinations involved in the preparation of the Preliminary Official Statement and Official Statement, except to the extent expressly set forth in paragraph 3 above, we are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement or the Official Statement and make no representation that we have independently verified the accuracy, completeness or fairness of such statements. However, based upon the information made available to us in our role as bond counsel to the Issuer in the course of our participation in the preparation of the Preliminary Official Statement and Official Statement and without having undertaken to determine independently or assuming any responsibility for the accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement and Official Statement, nothing has come to the attention of

the lawyers of our firm rendering legal services in connection with such representation which would lead us to believe that the Preliminary Official Statement or the Official Statement (except for any financial, statistical, demographic, operating or economic data or forecasts, numerical information or forecasts, estimates, assumptions or expressions of opinion included therein, or any information about book-entry, The Depository Trust Company, or the information in the Official Statement under the tables entitled, "Sales Tax Rates," "Historical Sales and Use Tax Collections" and "Monthly Sales and Use Tax Collections" contained under the caption, "SECURITY FOR THE 2019 BONDS," or under the sections entitled, "HISTORICAL DEBT SERVICE COVERAGE," "PROJECTED DEBT SERVICE COVERAGE," "THE UTAH TRANSIT AUTHORITY," "DEBT STRUCTURE OF THE UTAH TRANSIT AUTHORITY," "FINANCIAL INFORMATION REGARDING UTAH TRANSIT AUTHORITY," and "LEGAL MATTERS" (except as noted above in paragraph 3)) or in APPENDIX A, APPENDIX F and APPENDIX G, as to which we express no view) as of its date and as of the date hereof contained any untrue statements of a material fact (other than, with respect to the Preliminary Official Statement, any information that is permitted to be omitted from the Preliminary Official Statement pursuant to the Rule (as defined in the Purchase Agreement)) or omitted or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

In rendering our opinion, we wish to advise you that the enforceability of the Purchase Agreement may be subject to bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, and their enforcement may also be subject to the application of equitable principles and to the exercise of judicial discretion in appropriate cases.

This letter is furnished by us as bond counsel to the Issuer. No attorney-client relationship has existed or exists between our firm and you in connection with the Bonds or by virtue of this letter. We disclaim any obligation to update this letter. This letter is delivered to you as the Underwriter of the Bonds as provided in the Purchase Agreement, is solely for your benefit as the Underwriter and is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person. This letter is not intended to, and may not, be relied upon by the owners of the Bonds or by any party to whom it is not addressed.

Respectfully submitted,

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EXHIBIT B

[PROPOSED FORM OF GENERAL COUNSEL OPINION]

[To be Dated Closing Date]

Wells Fargo Bank, National Association

Zions Bancorporation, National Association, as Trustee

Gilmore & Bell, P.C.

I have acted as General Counsel for the Utah Transit Authority (the *"Issuer"*) in connection with the issuance of its $_____ aggregate principal amount of Sales Tax Revenue Bonds, Series 2019A (the *"Series 2019A Bonds"*), $_____ aggregate principal amount of Sales Tax Revenue Refunding Bonds, Series 2019B (Federally Taxable) (the *"Series 2019B Bonds"*), and $_____ aggregate principal amount of Subordinated Sales Tax Revenue Refunding Bonds, Series 2019C (Federally Taxable) (the *"Series 2019C Bonds"* and, collectively with the Series 2019A Bonds and Series 2019B Bonds, the *"Bonds"*), pursuant to (i) with respect to the Series 2019A Bonds and the Series 2019B Bonds, the General Indenture of Trust, dated as of September 1, 2002, as previously supplemented and amended (the *"Senior General Indenture"*), and as further supplemented by the Twelfth Supplemental Indenture of Trust, dated as of _____, 2019 (the *"Senior Supplemental Indenture"* and, together with the Senior General Indenture, the *"Senior Indenture"*), and (ii) with respect to the Series 2019C Bonds, the Subordinate General Indenture of Trust, dated as of September 1, 2006, as previously supplemented and amended (the *"Senior General Indenture"*), and as further supplemented by the Fourteenth Supplemental Subordinate Indenture of Trust, dated as of _____, 2019 (the *"Subordinate Supplemental Indenture"* and, together with the Subordinate General Indenture, the *"Subordinate Indenture"* and, together with the Senior Indenture, the *"Indentures"*), each between the Issuer and Zions Bancorporation, National Association, as trustee.

In this connection, I, or other staff attorneys working under my direction, have examined: (i) executed counterparts of the Indentures; (ii) all laws, proceedings and documents relating to the organization, rights, powers, authorities and procedures of and other legal requirements applicable to the Issuer, including without limitation the Utah Public Transit District Act, Title 17B, Chapter 2a, Part 8, Utah Code Annotated 1953, as amended (the *"Act"*); (iii) an executed counterpart of the Continuing Disclosure Undertaking relating to the Bonds (the *"Continuing Disclosure Undertaking"*); (iv) the proceedings of the Issuer, including without limitation, the resolution of the Issuer adopted by its Board of Trustees on October 9, 2019 (the *"Resolution"*), relating to the issuance of the Bonds and the sale of the Bonds to Wells Fargo Bank, National Association (the

"Underwriter"), pursuant to that certain Bond Purchase Agreement dated _____, 2019 (the *"Purchase Agreement"*), between the Issuer and the Underwriter; (v) an executed counterpart of the Purchase Agreement; and (vi) such other documents and matters of law as I have deemed relevant and necessary in rendering this opinion.

Capitalized terms used herein without definition shall have the meanings specified in the related Indentures.

This opinion is delivered to you in satisfaction of the requirements of Section 7(3)(d) of the Purchase Agreement. Based on the foregoing examination, I am of the opinion that:

1. The Issuer is a public transit district duly organized and validly existing under the constitution and laws of the State of Utah, including the Act, with full power and authority under the Act to issue the Bonds, to execute, deliver and perform its obligations under the Indentures, the Continuing Disclosure Undertaking, and the Purchase Agreement, and to obtain the Sales and Use Taxes (as defined in the Indentures).

2. The Resolution has been duly adopted by the Board of Trustees of the Issuer in public meetings held in compliance with the laws of the State of Utah, including the Utah Open Meeting Law, Title 52, Chapter 4, Utah Code Annotated 1953, as amended, and is in full force and effect as of the date hereof.

3. Based upon my participation in the transaction as General Counsel to the Issuer, and without having undertaken to determine independently or assuming any responsibility for the accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement dated _____, 2019 (the *"Preliminary Official Statement"*) or the Official Statement dated _____, 2019 (the *"Official Statement"*), in connection with the issuance and sale of the Bonds, nothing has come to my attention that would lead me to believe that the Preliminary Official Statement or the Official Statement, as of the date thereof or hereof, contained or contains an untrue statement of a material fact or omits to state a material fact (other than, with respect to the Preliminary Official Statement, any information that is permitted to be omitted from the Preliminary Official Statement pursuant to the Rule (as defined in the Purchase Agreement)) required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading in any material respect, except that I express no view as to financial statements and statistical data contained in the Preliminary Official Statement or the Official Statement.

4. To the best of my knowledge, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, which is pending or threatened against the Issuer (a) contesting compliance with the Open and Public Meetings Act, Title 52, Chapter 4, Utah Code Annotated 1953, as amended, with respect to the adoption of the Resolution, (b) to restrain or enjoin the issuance or delivery of any of the Bonds, the collection or allocation of Pledged Revenues (as defined in the Indentures) or the deposit and application of Pledged Revenues under the Indentures, (c) in any way contesting or affecting the authority for the issuance of the Bonds, the validity

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of the Act, the Bonds, the Indentures, the Continuing Disclosure Undertaking, the Resolution, or the Purchase Agreement or the power or authority of the Issuer to perform the covenants or undertakings contained therein, or the excludability from gross income for federal income tax purposes of interest on the Bonds, or (d) in any way contesting the organization, existence or powers of the Issuer, nor, to the best of my knowledge, is there any basis for any such action, suit, proceeding, inquiry or investigation wherein an unfavorable decision, ruling or finding would materially adversely affect the validly or enforceability of the Act or the authorization, execution, delivery or performance by the Issuer of the Bonds, the Indentures, the Continuing Disclosure Undertaking, the Resolution, or the Purchase Agreement; provided that opinions relating to the enforceability of any instrument are subject to applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting creditors' rights generally, and to general principles of equity.

5. The execution and delivery of the Bonds, the Indentures, the Continuing Disclosure Undertaking, and the Purchase Agreement, and compliance with the provisions thereof and of the Resolution by the Issuer, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the Issuer a breach of or default under any agreement or other instrument to which the Issuer is a party or by which it is bound or any existing law, regulation, court order, or consent decree to which the Issuer is subject.

6. No approval or other action by any governmental authority or agency is required in connection with the issuance and sale of the Bonds or the execution, delivery or performance by the Issuer of the Indentures, the Continuing Disclosure Undertaking, or the Purchase Agreement.

7. The Indentures create the valid pledges of the Pledged Revenues for the benefit of the owners of the Bonds and the other bonds issued under the Indentures that the Indentures purport to create. The Senior Indenture creates a valid first lien on the Pledged Revenues (as defined in the Senior Indenture). The lien of the Subordinate Indenture is junior and subordinate only to the lien of the Senior Indenture, valid against any and all other creditors of the Issuer.

8. The Indentures, the Continuing Disclosure Undertaking, and the Purchase Agreement have been duly authorized, executed and delivered by the Issuer, and each constitutes a valid and binding obligation of the Issuer, enforceable in accordance with its terms.

9. The Issuer owns all real property, interests in real property, structures, equipment, easements, permits (other than certain road construction permits from the Utah Department of Transportation, which are obtained as construction progresses), rights of way and licenses necessary for the construction and operation of the System (as defined in the Indentures).

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Very truly yours,

_____

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EXHIBIT C

[PROPOSED FORM OF UNDERWRITER'S COUNSEL OPINION]

[To be Dated Closing Date]

Wells Fargo Bank, National Association

Ladies and Gentlemen:

We have acted as counsel to you in connection with your purchase of the Utah Transit Authority's (the *"Issuer"*) $_____ aggregate principal amount of Sales Tax Revenue Bonds, Series 2019A (the *"Series 2019A Bonds"*), $_____ aggregate principal amount of Sales Tax Revenue Refunding Bonds, Series 2019B (Federally Taxable) (the *"Series 2019B Bonds"*), and $_____ aggregate principal amount of Subordinated Sales Tax Revenue Refunding Bonds, Series 2019C (Federally Taxable) (the *"Series 2019C Bonds"* and, collectively with the Series 2019A Bonds and Series 2019B Bonds, the *"Bonds"*), pursuant to (i) with respect to the Series 2019A Bonds and the Series 2019B Bonds, the General Indenture of Trust, dated as of September 1, 2002, as previously supplemented and amended (the *"Senior General Indenture"*), and as further supplemented by the Twelfth Supplemental Indenture of Trust, dated as of _____, 2019 (the *"Senior Supplemental Indenture"* and, together with the Senior General Indenture, the *"Senior Indenture"*), and (ii) with respect to the Series 2019C Bonds, the Subordinate General Indenture of Trust, dated as of September 1, 2006, as previously supplemented and amended (the *"Senior General Indenture"*), and as further supplemented by the Fourteenth Supplemental Subordinate Indenture of Trust, dated as of _____, 2019 (the *"Subordinate Supplemental Indenture"* and, together with the Subordinate General Indenture, the *"Subordinate Indenture"* and, together with the Senior Indenture, the *"Indentures"*), each between the Issuer and Zions Bancorporation, National Association, as trustee.

Capitalized terms used herein without definition shall have the meanings specified in the Bond Purchase Agreement, dated _____, 2019, between the Issuer and Wells Fargo Bank, National Association (the *"Underwriter"*).

We have rendered legal advice and assistance to you as to the requirements of Rule 15c2-12 prescribed under the Securities Exchange Act of 1934, as amended (the *"Rule"*), in connection with your review, for purposes of the Rule, of the Continuing Disclosure Undertaking, relating to the Bonds (the *"Undertaking"*) of the Issuer. Based upon our examination of the Undertaking, the Rule and such other documents and matters of law as we have considered necessary, we are of the opinion that, under existing law, the Undertaking complies in all material respects with the applicable requirements of the Rule.

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Based upon our examination of such documents and questions of law as we have deemed relevant in connection with the offering and sale of the Bonds under the circumstances described in the Official Statement referred to below, we are of the opinion that, under existing law, the Bonds are not required to be registered under the Securities Act of 1933, as amended, and the Indentures are not required to be qualified under the Trust Indenture Act of 1939, as amended.

In accordance with our understanding with you, we also have rendered legal advice and assistance to you in the course of your investigation with respect to, and your participation in the preparation of, the Preliminary Official Statement dated _____, 2019 (the *"Preliminary Official Statement"*) and the Official Statement, dated _____, 2019 (the *"Official Statement"*) and certain other matters related to the subject financing. Rendering such assistance involved, among other things, discussions and inquiries concerning various legal and related subjects and a limited review of certain documents, opinions and certificates of officers of the Issuer, and other appropriate persons. We also participated in conferences with your representatives and other persons involved in the preparation of information for the Preliminary Official Statement and the Official Statement, during which the contents of the Preliminary Official Statement and the Official Statement and related matters were discussed and revised. While we are not passing upon, and do not assume responsibility for, the accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement or the Official Statement, based upon our limited review of documents and participation in conferences as aforesaid, without independent verification, no facts have come to our attention which lead us to believe that the Preliminary Official Statement or the Official Statement (apart from (i) the information relating to The Depository Trust Company and its book-entry-only system and (ii) the financial, operating and statistical data contained therein, as to all of which we do not express any opinion or belief) contained as of its date or contains as of the date hereof any untrue statement of a material fact or omitted or omits to state a material fact (other than, with respect to the Preliminary Official Statement, any information that is permitted to be omitted from the Preliminary Official Statement pursuant to the Rule) required to be stated therein or necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

This letter is furnished by us as counsel to the Underwriter and is solely for the benefit of the Underwriter. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,

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EXHIBIT D

CERTIFICATE OF THE ISSUER

I, the _____ of the Utah Transit Authority (the *"Issuer"*) hereby certify that the Official Statement of the Issuer dated _____, 2019, relating to its Sales Tax Revenue Bonds, Series 2019A, Sales Tax Revenue Refunding Bonds, Series 2019B (Federally Taxable), and Subordinated Sales Tax Revenue Refunding Bonds, Series 2019C (Federally Taxable), as the same may have been amended or supplemented to the date hereof, does not contain an untrue statement of a material fact or omit to state a fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. I have made such inquiries as were necessary for me to render this certificate.

DATED: _____.

UTAH TRANSIT AUTHORITY

By_____
Name_____
Title_____

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EXHIBIT E

UNDERWRITER'S RECEIPT FOR BONDS AND CLOSING CERTIFICATE

$_____
Utah Transit Authority
Sales Tax Revenue Bonds,
Series 2019A

The undersigned, on behalf of Wells Fargo Bank, National Association (the "Purchaser"), as original purchaser of the above-described bonds (the "Bonds"), being issued on the date of this Certificate by the Utah Transit Authority (the "Issuer"), certifies and represents as follows:

1. Receipt of Bonds. The Purchaser hereby acknowledges receipt from the Issuer of $_____ principal amount of the Bonds, in the form of registered bonds, bearing interest at the rates and maturing on the dates set forth in Schedule I attached hereto.

2. Issue Price.

(a) *Public Offering*. The Purchaser has offered all the Bonds to the Public in a bona fide initial offering to the Public at the offering prices listed on Attachment A (the "Initial Offering Prices"). Included in Attachment A is a copy of the pricing wire or similar communication used to document the initial offering of the Bonds to the Public at the Initial Offering Prices.

(b) *Sale Prices*. As of the date of this Certificate, for each Maturity, the price or price at which the first 10% of such Maturity was sold to the Public is the respective price listed in Attachment B. Attachment B also contains documentation of the price, date, time and amount of individual sales that comprise 10% of such Maturity.

(c) Defined Terms.

(i) The term "Maturity" means Bonds of each Series with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(ii) The term "Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" is defined in U.S. Treasury Regulation § 1.150-1(b) which generally provides that the term related party means any two or more persons who have a greater than 50% common ownership, directly or indirectly.

(iii) The term "Underwriter" means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting

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syndicate) to participate in the initial sale of the Bonds to the Public, and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

DATED: _____, 2019.

WELLS FARGO BANK, NATIONAL ASSOCIATION

By _____
Its _____

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ATTACHMENTS:
Schedule 1
Maturity Schedule of the Series 2019A Bonds

Attachment A
Initial Offering Price Documentation
(Attach Pricing Wire or Other Offering Price Documentation)

Attachment B
Sale Price Documentation
(Attach Actual Sales Data Documentation)

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SCHEDULE 1

[Attach Page 2 of the final numbers (Pricing Pages) for each series of Bonds]

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EXHIBIT F

ESCROW AGREEMENT

(See Transcript Document No. ___)

ESCROW DEPOSIT AGREEMENT

Dated as of November 1, 2019

between

the

UTAH TRANSIT AUTHORITY

and

ZIONS BANCORPORATION, NATIONAL ASSOCIATION

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ESCROW DEPOSIT AGREEMENT

THIS ESCROW DEPOSIT AGREEMENT is entered into as of this 1st day of November, 2019 among the Utah Transit Authority (the "Issuer") and Zions Bancorporation, National Association, as Escrow Agent (the "Escrow Agent").

W I T N E S S E T H:

WHEREAS, the Issuer is a public transit district duly organized and validly existing under the Constitution and laws of the State of Utah; and

WHEREAS, the Escrow Agent is a national banking association duly organized and existing under the laws of the United States, authorized by law to accept and execute trusts and having its principal office in Salt Lake City, Utah; and

WHEREAS, the Issuer has previously issued its (i) Subordinated Sales Tax Revenue and Refunding Bonds, Series 2012 (the "Series 2012 Bonds"), (ii) Sales Tax Revenue Refunding Bonds, Series 2015A (the "Senior Series 2015A Bonds") and (iii) Subordinated Sales Tax Revenue Refunding Bonds, Series 2015A (the "Subordinated Series 2015A Bonds"); and

WHEREAS, in order to achieve a debt service savings and accomplish other objectives of the Issuer, the Issuer has determined to provide for an advance refunding of that portion of the outstanding Series 2012 Bonds (the "Series 2012 Refunded Bonds"), Senior Series 2015A Bonds (the "Senior Series 2015A Refunded Bonds") and Subordinated Series 2015A Bonds (the "Subordinated Series 2015A Refunded Bonds") identified in Exhibit D (the "Refunded Bonds"); and

WHEREAS, in order to provide for such payment and advance refunding, the Issuer is, simultaneously with the execution hereof, issuing its (i) Federally Taxable Subordinated Sales Tax Revenue Refunding Bonds, Series 2019 (the "Subordinated Series 2019 Bonds") pursuant to a Subordinate General Indenture of Trust, dated as of July 1, 2006, between the Issuer and Zions Bancorporation, National Association, as trustee (the "Trustee") as heretofore amended and supplemented, and a Fourteenth Supplemental Subordinate Indenture of Trust dated as of November 1, 2019, between the Issuer and the Trustee (together, the "Subordinate Indenture") and (ii) Federally Taxable Sales Tax Revenue Refunding Bonds, Series 2019B (the "Senior Series 2019B Bonds") pursuant to an Amended and Restated General Indenture of Trust, dated as of September 1, 2002, between the Issuer and Zions Bancorporation, National Association, as trustee (the "Trustee") as heretofore amended and supplemented, and a Twelfth Supplemental Indenture of Trust dated as of November 1, 2019, between the Issuer and the Trustee (together, the "Senior Indenture") (the Subordinate Series 2019 Bonds and the Senior Series 2019B Bonds may be referred to herein collectively as the "Series 2019 Bonds" and the Subordinate Indenture and Senior Indenture may be referred to herein collectively as the "Indentures"); and

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WHEREAS, the Issuer has herewith deposited with the Escrow Agent, moneys sufficient, together with investment income thereon, to pay (i) (a) principal and interest on the Series 2012 Refunded Bonds through June 15, 2022 (the "2012 Redemption Date") and (b) principal and interest on the Senior Series 2015A Refunded Bonds and Subordinated Series 2015A Refunded Bonds through June 15, 2025 (the "2015A Redemption Date") and (ii) the redemption price of the remaining Refunded Bonds on the respective redemption date; and

WHEREAS, the Issuer and the Escrow Agent desire to enter into this Escrow Deposit Agreement to provide for the taking of certain actions so as to accomplish the advance refunding and redemption of the Refunded Bonds.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto, intending to be legally bound hereby, covenant and agree as follows:

Section 1. The Escrow Agent hereby accepts the Escrow Fund (hereinafter described) created hereunder and acknowledges receipt from the Issuer of the sum of $_____ (derived from proceeds of the Series 2019 Bonds) and $_____ from the debt service reserve fund for the Series 2012 Refunded Bonds, for a total of $_____, of which $_____ is to be used for the purchase of the securities described on Exhibit A hereto (the "Open Market Securities"), all of which are direct non-callable obligations of the United States of America or non-callable securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, to which direct obligation or guarantee the full faith and credit of the United States of America has been pledged, and $_____ of which shall be deposited as a beginning cash balance. The maturing principal of and interest on the Open Market Securities and the cash will produce amounts certified in writing by Grant Thornton, LLP, to be sufficient, to (i) to pay the interest on the Refunded Bonds through the respective redemption date and (ii) redeem the Refunded Bonds on the respective redemption date. The Open Market Securities and the cash shall be deposited in the Escrow Fund (hereinafter defined), in accordance with the terms of the Indentures. The Issuer acknowledges that to the extent that regulations of the Comptroller of the Currency or other applicable regulatory agency grant the Issuer the right to receive brokerage confirmations of security transactions, the Issuer waives receipt of such confirmations. The Escrow Agent will provide periodic statements which will include detail of all investment transactions made in the Escrow Fund.

Section 2. There is hereby created and established with the Escrow Agent a special and irrevocable escrow fund designated the "Utah Transit Authority Sales Tax Revenue Refunding Bonds, Series 2019, Escrow Fund" (the "Escrow Fund") to be held by the Escrow Agent, acting as escrow agent, as a trust fund for the benefit of the holders of the Refunded Bonds. The Escrow Fund shall be held by the Escrow Agent separate and apart from other funds of the Issuer or the Escrow Agent.

Section 3. The Escrow Agent, acting in its capacity as escrow agent, agrees that the total principal amount of and interest on the Open Market Securities and the cash will be held in trust as provided in Section 2 and irrevocably agrees to provide Zions

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Bancorporation, National Association, as paying agent for the Refunded Bonds (the "Paying Agent"), such amount and to apply said principal amount and interest and the cash, as the same become due, to the payment of (i) the interest requirements on the Refunded Bonds through the respective redemption dates and (ii) the redemption price of the Refunded Bonds on the respective redemption dates.

Section 4. (a) The Escrow Agent agrees to provide the Paying Agent for the Refunded Bonds such funds as are necessary to pay (i) the interest on the Refunded Bonds and (ii) the redemption price of the Refunded Bonds as aforesaid notwithstanding any failure by the Issuer to pay when due any further fees or expenses of the Escrow Agent relating to the Series 2019 Bonds or the Refunded Bonds. It is expressly understood that any such fees or expenses incurred by the Escrow Agent acting as escrow agent will be reimbursed by the Issuer as provided in this Section 4 and in Section 11 hereof.

(b) The Issuer agrees to pay to the Escrow Agent upon the execution and delivery of this Escrow Deposit Agreement such amounts as may be necessary to pay the fees and expenses of the Escrow Agent acting as escrow agent.

Section 5. Except as provided in Section 1 and Section 6 hereof, the Escrow Agent shall have no power or duty to invest any funds held under this Escrow Deposit Agreement or to sell, transfer or otherwise dispose of or make substitutions of the Open Market Securities.

Section 6. (a) This Escrow Deposit Agreement may be amended or supplemented, the Open Market Securities or any portion thereof or proceeds thereof sold, redeemed, invested or reinvested, or proceeds thereof disbursed, in any manner (any such amendment, supplement or direction to sell, redeem, invest or disburse to be referred to as a "Subsequent Action"), upon submission to the Escrow Agent of each of the following:

(i) A certified copy of the proceedings of the Issuer authorizing the Subsequent Action and a copy of the document effecting the Subsequent Action signed by duly designated officers of the Issuer.

(ii) An opinion of nationally recognized bond counsel or tax counsel nationally recognized as having an expertise in the area of tax-exempt municipal bonds to the effect that the Subsequent Action will not cause the interest on the Refunded Bonds to become includable in the gross income of the holders thereof for federal income tax purposes.

(iii) An opinion of a firm of nationally recognized independent certified public accountants to the effect that the amounts (which will consist of cash or deposits on demand held in trust or receipts from direct and general obligations of the United States of America, or those which are unconditionally guaranteed as to principal and interest by the same, not

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callable or redeemable at the option of the issuer thereof), available or to be available for payment of (x) the principal and interest on the Refunded Bonds through the respective redemption date and (y) the redemption price of the remaining Refunded Bonds, will remain sufficient to pay when due all of said payments after the taking of the Subsequent Action.

(b) Except as provided in Paragraph (a) hereof, all of the rights, powers, duties and obligations of the Escrow Agent hereunder shall be irrevocable and shall not be subject to amendment by the Escrow Agent and shall be binding on any successor to the Escrow Agent during the term of this Escrow Deposit Agreement.

(c) Except as provided in Paragraph (a) hereof, all of the rights, powers, duties and obligations of the Issuer hereunder shall be irrevocable and shall not be subject to amendment by the Issuer and shall be binding on any successor to the officials now comprising the Board of the Issuer during the term of this Escrow Deposit Agreement.

Section 7. (a) The Issuer hereby irrevocably instructs the Escrow Agent, and the Escrow Agent agrees as the trustee for the holders of the Refunded Bonds to mail on behalf of the Issuer, a notice, in substantially the form attached hereto as Exhibit B, as applicable, that provisions for the refunding, redemption and retirement of all the Refunded Bonds have been made as provided in this Escrow Deposit Agreement. Such notice shall be mailed by the Trustee to the holders of the Refunded Bonds and posted electronically to the Municipal Securities Rulemaking Board website (EMMA).

(b) The Escrow Agent shall also cause the Trustee for the Refunded Bonds to mail notice of redemption of the Refunded Bonds maturing after the respective redemption date in the manner required by the respective Indentures. Such notice of redemption shall be given by the Trustee under the respective Indenture by sending a copy of the notice of such redemption by first class mail, postage prepaid, not less than thirty (30) nor more than sixty (60) days prior to the respective redemption date for the Refunded Bonds, to the Registered Owners of such Refunded Bonds at the address of each such owner as it appears on the bond registration books of the Trustee, and shall also be filed with the Paying Agent for the Refunded Bonds and shall be posted electronically to the Municipal Securities Rulemaking Board website (EMMA).

The notice of redemption shall be substantially the form set forth as Exhibit C hereto.

Section 8. The Refunded Bonds are hereby irrevocably called for redemption on the respective redemption date, at a redemption price of 100% of the principal amount thereof plus accrued interest to the date of redemption.

Section 9. The interest on the Refunded Bonds and the redemption price of the Refunded Bonds shall be paid from the Escrow Fund as the same fall due through the

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respective redemption date. Moneys on deposit in the Escrow Fund shall be transferred by the Escrow Agent to the Paying Agent for the Refunded Bonds to make such principal and interest payments and to effectuate the redemption of the Refunded Bonds on the respective redemption dates. Thereafter, all remaining moneys and securities in the Escrow Fund shall be transferred by the Escrow Agent to the Bond Fund.

Section 10. This Escrow Deposit Agreement and the Escrow Fund created hereby shall be irrevocable and the holders of the Refunded Bonds shall have an express lien on and security interest in all amounts deposited in the Escrow Fund, including all amounts representing principal and all amounts representing interest on the Open Market Securities in the Escrow Fund until used and applied in accordance herewith. The Issuer shall cause financing and continuation statements to be filed with respect to this Escrow Deposit Agreement in such manner and in such places as may be required by law fully to protect the security of the holders of the Refunded Bonds and the right, title and interest of the Escrow Agent, to all amounts deposited in the Escrow Fund and the principal and interest with respect to the Open Market Securities deposited in the Escrow Fund and shall take or cause to be taken all action necessary to preserve the aforesaid security so long as any of the Refunded Bonds remain unpaid.

Section 11. (a) The Escrow Agent shall be compensated for its reasonable fees, expenses and disbursements, including legal fees, incurred with respect to services rendered hereunder, based upon itemized invoices submitted to the Issuer for payment. This right to receive compensation notwithstanding, the Escrow Agent acknowledges that it has no claim for any such payment under the Issuer's indenture of trust pursuant to which the Series 2019 Bonds are issued, and that it has no lien on the moneys in the Escrow Fund for any such payment.

(b) The Escrow Agent may act in reliance upon any signature believed by it to be genuine and may assume that any person purporting to give any notice or receipt of advice or make any statements in connection with the provisions hereof has been duly authorized to do so.

(c) The Escrow Agent may act relative hereto in reliance upon advice of nationally recognized bond counsel in reference to any matter connected herewith and shall not be liable for any mistake of fact or error of judgment, or for any acts or omissions of any kind, unless caused by its willful misconduct or gross negligence.

(d) The Escrow Agent may resign and be discharged of its duties hereunder provided that: (i) it has given thirty (30) days' written notice to the Issuer of such resignation; (ii) the Issuer shall have appointed a successor to the Escrow Agent hereunder; (iii) the Escrow Agent and the Issuer have received an instrument of acceptance executed by the successor to the Escrow Agent hereunder; and (iv) the Escrow Agent has delivered to its successor hereunder all of the escrowed documents, Open Market Securities, moneys and investments held by the Escrow Agent in the Escrow Fund. Such resignation shall take effect only upon the occurrence of all of the events listed in clauses (i) through (iv)

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above. Upon receipt by the Issuer of the written notice described in clause (i) above, the Issuer shall use its best efforts to obtain a successor to the Escrow Agent hereunder as soon as possible.

Section 12. This Escrow Deposit Agreement shall terminate when amounts sufficient to pay the principal and interest on the Refunded Bonds and the redemption price of the Refunded Bonds have been paid to the Paying Agent and the remaining funds and securities have been deposited to the Bond Fund created under the Senior Indenture.

Section 13. Except as provided in Section 6 hereof, this Escrow Deposit Agreement shall not be repealed, revoked, rescinded, altered, amended or supplemented in whole or in part without (i) the written consent of the holders of 100% in principal amount of the unpaid Refunded Bonds at the time such action is made, and (ii) the written consent of the Escrow Agent; provided, however, that the Issuer and the Escrow Agent may, without the consent of, or notice to, the holders of the unpaid Refunded Bonds enter into such agreements supplemental to this Escrow Deposit Agreement as shall not adversely affect the rights of such holders hereunder and shall not be inconsistent with the terms and provisions of this Escrow Deposit Agreement, for any one or more of the following purposes:

(a) cure any ambiguity or formal defect or omission in this Escrow Deposit Agreement; or

(b) to grant to or confer upon the Escrow Agent for the benefit of the holders of the Refunded Bonds, any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Escrow Agent.

The Escrow Agent shall be entitled to rely exclusively upon an unqualified opinion of nationally recognized bond counsel with respect to compliance with this Section 13, including the extent, if any, to which any change, modification, addition or elimination affects the rights of such holders of the Refunded Bonds or that any instrument executed hereunder complies with the conditions or provisions of this Section 13.

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IN WITNESS WHEREOF, the parties hereto have each caused this Escrow Deposit Agreement to be executed by their duly authorized officers as of the date first above written.

UTAH TRANSIT AUTHORITY

By:_____
[Chair][Executive Director]

Attest:

By:_____
Secretary/Treasurer

Approved as to form:

By:_____
UTA Legal Counsel

ZIONS BANCORPORATION, NATIONAL ASSOCIATION, as Escrow Agent

By:_____

Title:_____

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EXHIBIT A

Open Market Securities Purchased with Bond Proceeds

Type	Maturity Date	Principal Amount	Interest Rate	Price	Cost	Accrued Interest	Purchase Price

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EXHIBIT B

FORM OF NOTICE OF REFUNDING AND DEFEASANCE

UTAH TRANSIT AUTHORITY

[SUBORDINATED] SALES TAX REVENUE [AND] [REFUNDING] BONDS, SERIES [2012][2015A]

MATURING AS FOLLOWS:

Scheduled Maturity (June 15)	CUSIP (_____)	Principal Amount

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NOTICE IS HEREBY GIVEN that for the payment of the principal of and interest on the bonds of the above-designated series shown in the table above (collectively, the "Refunded Bonds") of the Utah Transit Authority (the "Issuer"), there have been deposited in escrow with Zions Bancorporation, National Association, Salt Lake City, Utah (the "Escrow Agent") moneys which, except to the extent maintained in cash, have been invested in direct and general obligations of the United States of America, or those which are unconditionally guaranteed as to principal and interest by the same, the projected principal payments to be received from such securities and the projected interest income therefrom have been calculated to be sufficient, with said cash, to pay the principal and interest on and the redemption price of the Refunded Bonds when due to _____, the date upon which the Issuer has elected to call and redeem the Refunded Bonds maturing thereafter prior to their maturities at a redemption price of 100% of the principal amount of the Refunded Bonds and accrued but unpaid interest to the redemption date.

In accordance with the terms of Article X of the [Subordinated] General Indenture of the Issuer under which the Refunded Bonds were issued, the Refunded Bonds are deemed to have been paid.

DATED this ____ day of _____, 20__.

ZIONS BANCORPORATION,
NATIONAL ASSOCIATION, as Trustee

_____

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EXHIBIT C

NOTICE OF REDEMPTION

UTAH TRANSIT AUTHORITY

[SUBORDINATED] SALES TAX REVENUE [AND] [REFUNDING] BONDS, SERIES [2012][2015A]

Mailing Date: _____, ____

CUSIP NO. _____*

Notice is hereby given that pursuant to the [Subordinate][Amended and Restated] General Indenture of Trust, dated as of [July 1, 2006][September 1, 2002], as supplemented by a [Fourteenth][Twelfth] Supplemental [Subordinate] Indenture of Trust, dated as of November 1, 2019, each between the Utah Transit Authority (the "Issuer"), and Zions Bancorporation, National Association, as Trustee, the Issuer has called and does hereby call for redemption on _____ (the "date fixed for redemption") that portion of its outstanding [Subordinated] Sales Tax Revenue [and Refunding] Bonds, Series [2012][2015A] shown in the table set forth below (the "Bonds"), at the redemption price of 100% of the principal amount thereof plus accrued but unpaid interest to the date fixed for redemption.

The Bonds were originally issued in the principal amounts and scheduled to mature on the dates and in the amounts, as follows:

Scheduled Maturity (June 15)	CUSIP (_____)	Principal Amount

The principal amount of each Bond shall be paid on or after the date fixed for redemption upon surrender of such Bond as set forth below.

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* These CUSIP numbers have been assigned to this issue by an organization not affiliated with the Trustee and are included solely for the convenience of the security holders. Neither the Issuer nor the Trustee shall be responsible for the selection or use of the CUSIP numbers, nor is any representation made as to the correctness on the Bonds or as indicated in this redemption notice. Reliance may be placed only on the other identification number printed on the Bonds.

Payment of interest on any Bond shall be made to the registered owner thereof and shall be paid by check or draft mailed to such registered owner at such owner's address as it appears in the registration books of the Issuer maintained by the Trustee.

Bonds shall be surrendered to the Trustee, at the following address:

If surrendered by mail:	Zions Bancorporation, National Association One South Main Street, 12th Floor Salt Lake City, Utah 84133
If surrendered by hand:	Zions Bancorporation, National Association One South Main Street, 12th Floor Salt Lake City, Utah 84133

Notice is further given that on the date fixed for redemption the redemption price will become due and payable upon the Bonds and the Bonds shall cease to bear interest from and after the date fixed for redemption.

Under the Interest and Dividend Tax Compliance Act of 1983, the Trustee may be required to withhold a specified percentage of any gross payments made to certain owners who fail to provide the Trustee with, and certify under penalties of perjury, a correct taxpayer identification number (employer identification number or Social Security number, as appropriate) or an exemption certificate on or before the date the Bonds are presented for payment. Each Bondholder should provide the appropriate certification when presenting Bonds for payment, unless the appropriate certificate has previously been provided.

Given by order of the Utah Transit Authority this ____ day of _____, ____.

On behalf of the
UTAH TRANSIT AUTHORITY by:

ZIONS BANCORPORATION,
NATIONAL ASSOCIATION, as Trustee

By:_____

Title:_____

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EXHIBIT D

REFUNDED BONDS

Series 2012 Refunded Bonds

Senior Series 2015A Refunded Bonds

Subordinate Series 2015A Refunded Bonds

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EXHIBIT G

NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN pursuant to the provisions of the Public Transit District Act, Title 17B, Chapter 2a, Part 8, Utah Code Annotated 1953, as amended, the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, and the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended, that on October 9, 2019, the Board of Trustees (the "Board") of the Utah Transit Authority (the "Authority") adopted a resolution (the "Resolution") approving the issuance of its Sales Tax Revenue and Refunding Bonds (the "Bonds") (to be issued in one or more series and with such additional series designations and titles as may be determined by the Board) and has called a public hearing to receive input from the public with respect to the issuance of the Bonds.

The issuance of the Bonds is subject to approval of the State Bonding Commission.

TIME, PLACE AND LOCATION OF PUBLIC HEARING

The Issuer shall hold a public hearing on Wednesday, October 30, 2019, at the hour of 9:00 a.m. The location of the public hearing is at the UTA Frontline Headquarters, 669 West 200 South, in Salt Lake City, Utah. The purpose of the meeting is to receive input from the public with respect to (i) the issuance of the Bonds and (ii) any potential economic impact that the improvements, facility or property financed in whole or in part with the proceeds of the Bonds may have on the private sector. All members of the public are invited to attend and participate.

PURPOSE FOR ISSUING BONDS

The Authority intends to issue the Bonds for the purpose of (i) financing a portion of the costs of the design, acquisition and construction of capital improvements and related equipment, property and improvements for use in the Authority's public transit system (the "Project"), (ii) refunding outstanding bonds of the Authority, (iii) funding a debt service reserve fund, if needed, and (iv) paying costs of issuing the Bonds.

PARAMETERS OF THE BONDS

The Authority intends to issue the Bonds in the aggregate principal amount of not to exceed five hundred forty million dollars ($540,000,000), to bear interest at a rate or rates of not to exceed five percent (5.0%) per annum, to mature in not more than twenty-six (26) years from their date or dates, and to be sold at a price of not less than ninety-eight (98%) of the total principal amount thereof. The Bonds are to be issued and sold pursuant to the Resolution, either the Amended and Restated General Indenture of Trust, dated as of September 1, 2002, as heretofore amended and supplemented (the "Senior General Indenture") or the Subordinate General Indenture of Trust, dated as of July 1, 2006, as heretofore amended and supplemented (previously executed by the Authority) and Supplemental Indentures of Trust relating to the Bonds (collectively, the "Indenture").

SALES TAXES AND REVENUES TO BE PLEDGED

As provided in the Indenture, the Bonds will be limited obligations of the Authority payable from certain sales taxes and revenues collected for the Authority's public transit system (the "Revenues").

OUTSTANDING BONDS SECURED BY PLEDGED TAXES

Other than the proposed Bonds, the Authority currently has $2,112,076,498 of bonds outstanding (the "Outstanding Bonds") secured by the Revenues (as more fully described in the Indentures).

OTHER OUTSTANDING BONDS OF THE AUTHORITY

Additional information regarding the Authority's Outstanding Bonds may be found in the Authority's financial report (the "Financial Report") at: http://secure.utah.gov/auditor-search/. For additional information, including any information more recent than as of the date of the Financial Report, please contact Robert K. Biles, Chief Financial Officer, at (801) 287-3367.

TOTAL ESTIMATED COST

Based on the Authority's current plan of finance and a current estimate of interest rates, the total principal and interest cost of the Bonds to be issued to finance the Project, if held until maturity, is $110,747,917.

Copies of the Resolution and a form of the Indenture are on file in the principal office of the Authority at 669 West 200 South in Salt Lake City, Utah, where they may be examined during regular business hours of the Authority for a period of at least thirty (30) days from and after the date of publication of this notice.

NOTICE IS FURTHER GIVEN that a period of thirty (30) days from and after the date of the publication of this notice is provided by law during which (i) any person in interest shall have the right to contest the legality of the Resolution, the Indenture (only as it pertains to the Bonds), or the Bonds, or any provision made for the security and payment of the Bonds, and that after such time, no one shall have any cause of action to contest the regularity, formality, or legality thereof for any cause whatsoever and (ii) registered voters within the boundaries of the Authority's transit district may sign a written petition requesting an election to authorize the issuance of the Bonds. If written petitions which have been signed by at least 20% of the registered voters within the boundaries of the Authority's transit district are filed with the Authority during said 30-day period, the Authority shall be required to hold an election to obtain voter authorization prior to the issuance of the Bonds. If fewer than 20% of the registered voters within the Authority's transit district file a written petition during said 30-day period, the Authority may proceed to issue the Bonds without an election.

DATED this October 9, 2019.

UTAH TRANSIT AUTHORITY

/s/ Robert K. Biles
Treasurer/
Chief Financial Officer

[Attach Proofs of Publication of Notice of Bonds to be Issued]

MEMORANDUM TO THE BOARD

TO: Utah Transit Authority Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Bob Biles, UTA Chief Financial Officer
PRESENTER(S): Bob Biles

BOARD MEETING DATE: October 9, 2019

SUBJECT:	**Agenda Number 9.** **R2019-10-04 Resolution Approving a Fifth Amendment of the Authority's 2019 Budget**
AGENDA ITEM TYPE:	**Resolution**
DISCUSSION:	See attached resolution and exhibits.
ATTACHMENTS:	1) R2019-10-04 with exhibits

RESOLUTION OF THE BOARD OF TRUSTEES OF THE UTAH TRANSIT AUTHORITY APPROVING A FIFTH AMENDMENT OF THE AUTHORITY'S 2019 BUDGET

No. R2019-10-04 October 9, 2019

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;

WHEREAS, the Board of Trustees of the Authority is charged by the State of Utah with the responsibility to establish the Authority's annual budget;

WHEREAS, the Board of Trustees adopted the Authority's 2019 Budget on December 12, 2018 in Resolution No. R2018-12-01 and re-adopted the Authority's 2019 Budget on January 30, 2019 in Resolution No. R2019-01-05;

WHEREAS, the Board of Trustees may amend the Authority's budget to accommodate changes to its total budget or changes in the function or purpose of budgeted funds;

WHEREAS, the Board of Trustees has previously amended the Authority's 2019 Budget on June 19, 2019 in Resolution No. R2019-06-02, on July 31, 2019 in Resolution No. R2019-07-05, on July 31, 2019 in Resolution No. R2019-07-06, on September 11, 2019 in Resolution R2019-09-02;

WHEREAS, the Authority would like to issue its 2019 Sales Tax Revenue and Refunding Bonds for the purpose of financing and refinancing improvements and additions to the Authority's public transit system;

WHEREAS, the 2019 Sales Tax Revenue and Refunding Bonds necessitate an amendment of the Authority's 2019 Budget;

WHEREAS, the Board of Trustees desires to amend the Authority's 2019 Budget as set forth in Exhibit A.

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

1. That the Board of Trustees hereby adopts the Fourth Amendment of the Authority's 2019 Budget attached as Exhibit A.

2. That the corporate seal be attached hereto.

Approved and adopted this 9th day of October 2019.

_____
Carlton Christensen, Chair
Board of Trustees

ATTEST:

_____
Robert K. Biles, Secretary/Treasurer

(Corporate Seal)

Approved As To Form:

_____
Legal Counsel

Exhibit A

UTAH TRANSIT AUTHORITY - Exhibit A
2019 Budget - Fifth Amendment - Capital
October 9, 2019

		Budget After July 31 Budget Amendments	Budget Amendment	Budget After Amendment #5
Funding Sources				
1	UTA Current Year Funding	$ 23,279,000		$ 23,279,000
2	2018 UTA Carryover Funding	21,238,438		21,238,438
3	Sales Tax	6,000,000		6,000,000
4	Grants	62,482,278		62,482,278
5	Local Partner Contributions	17,013,733		17,013,733
6	State Contribution	5,065,699		5,065,699
7	2018 Bond Proceeds	25,077,792		25,077,792
8	2019 Bond Proceeds		75,000,000	75,000,000
9	Leasing	11,103,282		11,103,282
10	Total Funding Sources	171,260,222	75,000,000	246,260,222
Expense				
11	Provo-Orem TRIP	10,591,896		10,591,896
12	Airport Station Relocation	2,650,000		2,650,000
13	State of Good Repair	50,644,243		50,644,243
8	Other Capital Projects	107,374,083		107,374,083
9	Total Expense	$ 171,260,222	$ -	$ 171,260,222

MEMORANDUM TO THE BOARD

TO: Utah Transit Authority Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Mary DeLoretto, UTA Chief Service Development Officer
PRESENTER(S): Mary DeLoretto

BOARD MEETING DATE: October 9, 2019

SUBJECT:	**Agenda Number 10.** **R2019-10-05 Resolution Authorizing Execution of Amendment 1 to the Interlocal Cooperation Agreement with Salt Lake County Regarding Matching Funds for TIGER Grant Projects**
AGENDA ITEM TYPE:	**Resolution**
DISCUSSION:	See attached resolution and exhibits.
ATTACHMENTS:	1) R2019-10-05 with exhibits

RESOLUTION OF THE BOARD OF TRUSTEES OF THE UTAH TRANSIT AUTHORITY AUTHORIZING EXECUTION OF AMENDMENT 1 TO THE INTERLOCAL COOPERATION AGREEMENT WITH SALT LAKE COUNTY REGARDING MATCHING FUNDS FOR TIGER GRANT PROJECTS

R2019-10-05 October 9, 2019

WHEREAS, 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, the Authority, in 2018, entered into an Interlocal Agreement ("ILA"), UTA Contract Number 1815, with Salt Lake County (the "County") regarding the provision of local match obligations for several projects that are part of the TIGER Grant projects that the Authority is involved in; and

WHEREAS, under the terms of the ILA, the County was to provide $379,608.00 in local matching funds; and

WHEREAS, it was determined that with two of the TIGER Grant projects, the South Jordan-Herriman-Draper Bike Lanes, and the Parley's Trail improvements, after completing design and entering construction, would need additional funds to be completed; and

WHEREAS, the County has agreed to provide $122,035.60 in additional County Active Transportation Network Improvement Programing ("CATNIP") funding, bringing the contribution by the County to the two TIGER Grant projects to a total of $501,643.60; and

WHEREAS, the parties desire to enter into Amendment 1 to the ILA, to memorialize the increase in the County's provision of CATNIP funds to increase its local match; and

WHEREAS, the County Council has already approved Amendment 1, attached as Exhibit A, to the ILA with the Authority.

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

1. That the Board hereby approves the Amendment 1 to the Interlocal Cooperation Agreement with Salt Lake County as set forth in Exhibit A.

2. That the Board authorizes the Executive Director and her designee(s) to execute the Interlocal Cooperation Agreement (Service Level Agreement)

with Salt Lake County in substantially the same form as attached as Exhibit A.

3. That the Board hereby ratifies any and all actions previously taken by the Authority's management and staff to prepare the Interlocal Cooperation Agreement (Service Level Agreement).

4. That the corporate seal be attached hereto.

Approved and adopted this 9th day of October 2019.

_____
Carlton Christensen, Chair
Board of Trustees

ATTEST:

_____
Robert K. Biles, Secretary/Treasurer

(Corporate Seal)

Approved As To Form:

_____
Legal Counsel

Exhibit A

SALT LAKE COUNTY RESOLUTION

RESOLUTION NO. 5630 August 27, 2019

RESOLUTION APPROVING AMENDMENT 1 TO THE INTERLOCAL COOPERATION AGREEMENT BETWEEN SALT LAKE COUNTY AND THE UTAH TRANSIT AUTHORITY TO ADD ADDITIONAL FUNDS TO FUND PROJECT COST OVERRUNS

WHEREAS, pursuant to Utah Code Annotated Section 11-13-202, any two or more public agencies may enter into an agreement with one another; and

WHEREAS, Salt Lake County and the (hereinafter the "Parties") previously entered into a Interlocal Cooperation Agreement effective March 23, 2018; and

WHEREAS, the Parties desire to enter into an amendment to add an additional $122,035.60 to pay for project cost overruns and to clarify that the funds shall come from the County Active Transportation Funds for Tiger.

NOW, THEREFORE, BE IT RESOLVED, that the Salt Lake County Council, approves the attached Amendment 1.

[Signature Page to Follow]

APPROVED and ADOPTED this 27th day of August, 2019.

SALT LAKE COUNTY COUNCIL

By: _____
Richard Snelgrove, Chair

Council Member Bradley voting	absent
Council Member Bradshaw voting	"aye"
Council Member Burdick voting	"aye"
Council Member DeBry voting	absent
Council Member Ghorbani voting	"aye"
Council Member Granato voting	absent
Council Member Jensen voting	"aye"
Council Member Newton voting	"aye"
Council Member Snelgrove voting	"aye"

ATTEST:

_____
Sherrie Swensen,
Salt Lake County Clerk

Approved as to Form and Legality:

SALT LAKE COUNTY DISTRICT ATTORNEY

By Jason S. Rose Digitally signed by Jason S. Rose Date: 2019.08.13 11:14:42 -06'00'
Senior Attorney

County Contract No.
0000001815.
DA Log No. 19-14422

Amendment 1
to the
COOPERATIVE AGREEMENT
between
SALT LAKE COUNTY
and
UTAH TRANSIT AUTHORITY

This Amendment 1 to the Interlocal Cooperation Agreement is entered into this 3rd day of September, 2019 by and among **SALT LAKE COUNTY**, a body corporate and politic of the State of Utah, ("County") and **UTAH TRANSIT AUTHORITY**, a public transit district and political subdivision of the State of Utah ("UTA"). The County and UTA may each be referred to herein as a "Party" and collectively as the "Parties."

RECITALS:

A. The Parties entered into Interlocal Cooperation Agreement effective as of March 23, 2018 (the Agreement), which Agreement is identified as Salt Lake County Contract No. 0000001815;

B. Sections 3. A. and 3.L. of the Agreement permit written changes to be made to the Agreement upon the mutual consent of the parties;

C. The parties want to increase the amount under the contract by $122,035.60, thereby increasing the amount from $379,608.00 to $501,643.60;

D. It has been determined by the Parties to the Agreement that certain provisions should be modified as provided below.

THEREFORE, in consideration of the mutual desires of the Parties expressed herein, it is agreed as follows:

1. Section 1, entitled The County's Obligation., is deleted and replace as follows:

1. THE COUNTY'S OBLIGATIONS.

A. Contribution of Grant Funds. Within thirty (30) days of the Effective Date of this Agreement, the County agrees to pay FIVE HUNDRED AND ONE THOUSAND SIX HUNDRED FORTY THREE DOLLARS AND SIXTY CENTS ($501,643.60 and hereinafter the "Grant Funds") to UTA.

B. County Funding. From the date of this amendment number 1, the County shall pay the amount required under this Agreement from the County Active Transportation Funds for Tiger.

2. All Parts, Paragraphs, Attachments and other provisions of the Agreement and any prior amendments thereof not specifically modified by this amendment shall be the same and remain in full force and effect. If this Amendment is executed more recently than the expiration of the period of performance stated in the underlying agreement, then this Amendment shall relate back to and be effective from the last day of the previous period of performance.

[The balance of this page was left blank intentionally – Signature pages follow]

INTERLOCAL AGREEMENT – SIGNATURE PAGE FOR THE COUNTY

SALT LAKE COUNTY:

By _____
Mayor or Designee

Dated: 9/3, 20 19

Approved by:

REGIONAL TRANSPORTATION
AND PLANNING

By Wilford H. Sommerkorn Digitally signed by Wilford H. Sommerkorn Date: 2019.08.23 15:24:00 -06'00'
Wilf Sommerkorn
Director

Dated: August 23, 20 19

Approved as to Form and Legality:

SALT LAKE COUNTY DISTRICT ATTORNEY

By Jason S. Rose Digitally signed by Jason S. Rose Date: 2019.08.13 11:18:46 -06'00'
Senior Attorney

[Signatures continue on next page.]

INTERLOCAL AGREEMENT -- SIGNATURE PAGE FOR THE UTA

THE UTAH TRANSIT AUTHORITY

By _____

Name: _____

Title: _____

Dated: _____, 20_____

Approved as to Form and Legality:

UTA ATTORNEY

By_____

Name: _____

Dated: _____, 20____

MEMORANDUM TO THE BOARD

TO: Utah Transit Authority Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Dan Harmuth, UTA IT Director
PRESENTER(S): Troy Bingham, UTA Comptroller

BOARD MEETING DATE: October 9, 2019

SUBJECT:	**Agenda Number 11. a.** **Consolidated Timekeeping and Scheduling (Kronos Incorporated)**
AGENDA ITEM TYPE:	**Contract**
DISCUSSION:	See attached contract routing form and contract documents.
ATTACHMENTS:	1) Contract Routing Form 2) Contract

CONTRACT ROUTING FORM

Department* Supply Chain **Existing Contract?** ☑ Yes **Existing Contract Number*** 19-2956

Contract Section

Procurement

Board Review Date* 10/09/2019

Document Type* Contract

Requisition # Original 6206

Please upload the necessary documents here

Requisition.pdf	61.63KB
TECHNICAL EVALUATION OF PROPOSALS.docx	30.27KB
Kronos UTA Master Contract 9-10-2019 FINAL With All Attachments R1.pdf	6.82MB

Contract Title* Consolidated Timekeeping & Scheduling

Contractor Name* Kronos Incorporated

Description / Purpose* This contract is between UTA and Kronos Incorporated for replacement of several timekeeping and scheduling systems into one system. The contract term includes a Phase I Implementation period to be completed by March 1, 2020, and then five (5) additional SaaS (Software as a Service) phases. The initial purchase and implementation cost will be $232,098, which includes consulting fees and credits. The credits are for continuing service with DataMetrics, which was bought out by Kronos. Annual fee of $55,515 per year for licensing and maintenance will apply each year. The total contract value over 5 years is $454,158.00.

This will replace our Timekeeping Capture (TC-1) which is no longer maintained by DataMetrics, Timekeeping Capture and Scheduling Software, and JDE System with Time and Labor Modules which affects 1000 bargaining unit and 200 administrative employees.

Contract Administrator* Postell, Patricia

Project Manager* Bate, Lowell H

Base Contract Effective Dates* Beginning 9/30/2019 * Ending 3/1/2025

Contract Type* Services

Procurement Method* RFP (Best-value)

Number of Responding Firms 7

Value of Next Lowest Bidder Denovo

Base Contract Term (Months)* 5

Contract Options (Months)* 60

Option to Renew?* ○ Yes ◉ No

Extension Start Date End Date

Financial Section

Procurement

Existing Contract Value $

Amendment Amount $

New/total Contract Value* $ 454,158.00

Qty **Unit Price** $ **Annual/One-Time Value** $ 55,515.00

Is the amount a one-time purchase or annual recurring purchase?* ○ One-time ◉ Recurring

Attachment

Is the amount an estimate?* ○ Yes ◉ No

Account Code* 40-2211.68912 **Capital Project Code** ICI211

Budgeted?* (•) Yes ( ) No

Funding Source* Local

Budget amount* $ 480,000.00

Will this contract require support from another department?* (•) Yes ( ) No

Is the other department(s) aware of this contract and the required support?* (•) Yes ( ) No ( ) N/A

Has the Qualified Health Insurance Certificate been verified?* ( ) Yes ( ) No (•) N/A

Approval Section

1)Legal/Compliance Review* Bell, Mike

2)Accounting Approval Needed?* (•) Yes ( ) No **2)Accounting Review*** Steele, Bryan

3)Risk Approval Needed?* ( ) Yes (•) No

4)IT Approval Needed?* (•) Yes ( ) No **4)IT Review*** Allred, Jason L

5)Add Additional Approval?* ( ) Yes (•) No

6)Manager/Program Manager* Bate, Lowell H **7)Dir, Sr. Mgr, or RGM*** Brimley, Kyle S

8)Chief* Harmuth, Daniel A **9)Executive Director*** Gonot, Carolyn

Board Approval Required **Board Approval Date**

Print this page

CONTRACT 19-2956

CONSOLIDATED TIMEKEEPING & SCHEDULING SERVICES

THIS GOODS SUPPLY AGREEMENT ("Contract") is entered into and made effective as of the day of September, 2019 (the "Effective Date") by and between **UTAH TRANSIT AUTHORITY**, a public transit district organized under the laws of the State of Utah ("UTA"), and **KRONOS INCORPORATED,** a corporation of Massachusetts (the "Contractor").

RECITALS

WHEREAS, on February 21, 2019, UTA received competitive proposals to provide Consolidated Timekeeping & Scheduling Services and (as applicable) all associated hardware ("Goods") software, tools, installation services, commissioning and testing services, training and documentation ("Services") according to the terms, conditions and specifications prepared by UTA in RFP 19-2956 (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, Kronos Incorporated proposal dated February 21, 2019 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

Contractor hereby agrees to furnish and deliver the Goods in accordance with the Contract (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 until all Goods have been delivered and all Services have been performed in accordance with the Contract (as reasonably determined by UTA). The contract shall consist of an implementation phase which shall be completed by May 1, 2020 and five additional (5) SaaS phases of one-year each which shall commence 180 days after execution

of contract. Contractor shall make reasonable commercial efforts to complete implementation and provide all SaaS services no later than March 1, 2025. The anticipated completion date may be extended if Contractor and UTA mutually agree to an extension evidenced by a written Change Order. 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 Exhibit A – Pricing Sheet. Payments shall be made in accordance with the milestones or other payment provisions detailed in Exhibit - A Pricing Sheet. If Exhibit A – Pricing Sheet 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.

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 Supply Agreement (including any exhibits and attachments hereto).

2. The terms and condition of the Workforce Dimensions SaaS Services Schedule (including any exhibits and attachments hereto).

3. The requirements section of UTA's RFP;

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. 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 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.

b. Acceptance test for the Clocks. 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 that are defective or do not conform to the specifications or other

Contract requirements. Goods 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.

c. Acceptance Test for the Applications. For Customer's initial set-up of the Application or Applications, as set forth on the applicable Order Form, Kronos shall provide an acceptance test period (the "Test Period") that commences upon Installation. Installation shall be defined as completion of: a.) the equipment (i.e., data collection terminal), if any, is mounted; b.) Customer has access to the Application on Kronos's server(s); c.) Kronos has configured the software Applications for Customer's work and/or pay rules within the software's standard application parameters; d.) standard interfaces are transmitting data; e.) standard application reports can be generated; and f.) implementation team training, if any, is complete. During the Test Period, Customer shall determine whether the Application meets the Kronos published electronic documentation, ("Specifications").

The Test Period shall be for 30 days. If Customer has not given Kronos a written deficiency statement specifying how the Applications fail to meet the Specifications ("Deficiency Statement") within the Test Period, the Application shall be deemed accepted. If Customer provides a Deficiency Statement within the Test Period, Kronos shall have 30 days to correct the deficiency, and Customer shall have an additional 30 days to evaluate the Application. If the Application does not meet the Specifications at the end of the second 30 day period, either Customer or Kronos may terminate this Agreement. Upon any such termination, Customer shall return all equipment and software (and related documentation) to Kronos, and Kronos shall refund any Monthly Services Fees paid by Customer to Kronos for the Application, including the initial Upfront Fees. Neither party shall then have any further liability to the other for the Applications that were the subject of the Acceptance Test.

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.

6. **INVOICING PROCEDURES AND RECORDS**

a. Contractor shall submit invoices to UTA's Project Manager for processing and payment in accordance with Exhibit A – Pricing Sheet. If Exhibit A – Pricing Sheet 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, where "Specifications" shall mean the Kronos published electronic documentation for its software modules and data collection terminals (i.e., user manuals, database reference guides, installation and configuration worksheets; system administrator guide; users guide; etc.).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. Contractor warrants that all Goods shall be in compliance with applicable federal, state, and local laws and regulations including, without limitation, those related to safety and environmental protection.

c. At any time for a period of ninety (90) days from the date that all Goods have been delivered, Contractor shall at its own expense promptly repair, replace and/or re-perform any Goods that are defective or in any way fail to conform to the Contract requirements.

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 remain the property of Contractor, and, together with any documents or information furnished to Contractor and its employees or agents by UTA hereunder, shall be made available to UTA as a license upon

request, and, in any event, upon termination or final acceptance of the Goods and Services. Contractor hereby grants UTA a fully paid, perpetual license to use such intellectual property for UTA's operation, of UTA's assets. The scope of the license shall be to the narrowest 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 as necessary to accomplish UTA's needs under this Agreement.

9. GENERAL INDEMNIFICATION

Contractor shall indemnify, hold harmless and defend UTA, its officers, trustees, 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") related to bodily injury, including death, or loss or damage to tangible property caused, or alleged to be caused, in whole or in part, by the negligent acts of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount 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, 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 out of the sole negligence of UTA or the Indemnitees.

10. INSURANCE REQUIREMENTS

a. Contractor and subcontractors shall procure and maintain until all of its 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

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

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

d. The policies shall include, or be endorsed to include, the following provisions:

1. The Contractor's insurance coverage shall be primary insurance and noncontributory 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.

g. All coverage for subcontractors shall be subject to the minimum requirements
identified above.

11. **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.

12. **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.

13. **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 pursuant to this Contract. Each employee, contractor and subcontractor must be trained in UTA EMS and Safety Management principles. Contractor acknowledges that its Goods and Services might affect UTA's Environmental Management Systems obligations. 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, Contractor 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 Contractor to submit additional environmental documents. Contractor shall provide one set of the appropriate safety data sheet(s) (SDS) and container label(s) upon delivery of a hazardous material to UTA.

14. **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.

15. **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 closeout and subcontractor termination costs that cannot be reasonably mitigated) and profit on workin-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.

16. **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.

17. **AUDIT**

Contractor shall retain all books, papers, documents, accounting records and other evidence to support any cost-based billings allowable under Exhibit A – 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 subcontracts, purchase orders, other contract documents, invoices, receipts or other documentation supporting non-labor costs. Contractor shall also retain other books and records related to the performance, quality or management of the Contract and/or Contractor's compliance with the Contract. Records 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 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 furnished to UTA or designated audit parties upon request. 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.

18. **FINDINGS CONFIDENTIAL**

a. Any documents, reports, information, or other data and materials available to or prepared or assembled by Contractor or subcontractors under this Contract are considered confidential and shall not be made available to any person, organization, or entity by Contractor 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 Contractor by a third party who is not under a confidentiality obligation;

3. Information developed by or in the custody of Contractor before entering into this Contract;

4. Information developed by Contractor 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.

19. **PROJECT MANAGER**

UTA's Project Manager for the Contract is Lowell Bate, 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) 287-2212.

20. **CONTRACT ADMINISTRATOR**

UTA's Contract Administrator for the Contract is Pat Postell, Procurement & Contract Specialist, 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) 2873060.

21. **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.

22. **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	Kronos Incorporated
ATTN: Procurement & Contract Specialist	Attn: General Counsel
669 West 200 South	900 Chelmsford Street
Salt Lake City, UT 84101	Lowell, MA 01851

b. 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.

23. **DISPUTE RESOLUTION**

a. 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 term of this Contract without first having exhausted such process.

b. 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/Contractor's Project Manager	Five calendar days
UTA's Manager/Contractor's Sales Executive	Five calendar days
UTA's Senior Manager/Contractor's CEO	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.

c. If the dispute cannot be resolved informally in accordance with the escalation procedures set forth above, than either party may commence legal action in accordance with the venue and law provisions of this Contract. If mutually agreed, the parties may also submit the dispute to arbitration or mediation.

24. **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.

25. **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.

26. **AMENDMENTS**

Any amendment to the Contract must be in writing and executed by the authorized

representatives of each party.

27. **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.

28. **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.

29. **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.

30. **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 7, 8, 9, 10, 11, 16, 18, 19, 22, 24, 25, 26, 28 and 29.

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IN WITNESS WHEREOF, the parties have made and executed this Contract as of the day and year first above written.

KRONOS INCORPORATED

By _____

Name John O'Brien

Title: Chief Revenue Officer

UTAH TRANSIT AUTHORITY:

_____

Carolyn M. Gonot
Executive Director

_____

Daniel Harmuth
IT Director

Approved as to Form and Content:

_____

Michael Bell
Assistant Attorney General
UTA Counsel

Workforce Dimensions™ Schedule

This Workforce Dimensions™ Schedule (the "Schedule") governs the provision of Kronos' Workforce Dimensions software as a service and other related offerings by Kronos Incorporated ("Kronos") to Customer ("Customer"). Capitalized terms not defined within the text of the Schedule are defined in Exhibit F.

This Schedule consists of this execution page and the following exhibits, which are incorporated by reference, and which form an integral part of this Schedule:

Exhibit A:	Supplemental Terms and Conditions Attachment A-1: Equipment Purchase, Rental, and Support Attachment A-2: Professional and Educational Services Policies Attachment A-3: Service Level Agreement
Exhibit B:	Workforce Dimensions Cloud Guidelines: www.kronos.com/workforce-dimensions/agreement/exhibitb
Exhibit C:	Success Plans Attachment C-1: Success Plans Attachment C-2: Support Policies
Exhibit D:	Acceptable Use Policy (AUP): www.kronos.com/workforce-dimensions/agreement/exhibitd
Exhibit E:	AtomSphere Service and Boomi Software Attachment E-1: Boomi Flow Down Provisions
Exhibit F:	Definitions
Exhibit G:	Add-Ins
Exhibit H:	Kronos Quality Technical Proposal

Exhibit A: Supplemental Terms and Conditions

Note: these Supplemental Terms and Conditions are intended by the Parties to supplement but not supplant the UTA General Terms and Conditions which are included in the Goods Supply Agreement. The UTA Terms and conditions will take precedence in case of overlap or conflict.

Article 1. Order Forms

1.1 The following commercial terms may appear on an Order Form:

a. The Application(s) included in the Service, and the other offerings being ordered by Customer
b. Billing Start Date (i.e., the date the billing of the PEPM Fees commences)
c. Initial Term (i.e., the initial billing term of the Service commencing on the Billing Start Date)
d. Renewal Term (i.e., the renewal billing term of the Service)
e. Billing Frequency (i.e., the frequency for the invoicing of the PEPM Fees such as Annual in Advance or Monthly in Arrears)
    i. "Annual in Advance" means payment is due on an annual basis with the invoice being issued upon execution of the Order Form. ii. "Monthly in Arrears" (usually for Implementation Services) means payment is due on a monthly basis with the invoice being issued at the end of the month.
f. Payment Terms (i.e., the amount of days in which Customer must pay a Kronos invoice)
g. Shipping Terms (i.e., FOB – Shipping Point, Prepay and Add)

1.2 The following Fees may appear on an Order Form:

a. PEPM Fees for use of the Service, including PEPM Fees for Seasonal Licenses
b. Success Plan Fees for Guided and Signature Plans
c. Implementation Services Fees (The Order Form will note if Implementation Services Fees are included in PEPM Fees.)
d. Equipment Purchase Fees
e. Equipment Rental Fees
f. KnowledgeMap™ Live Fees

1.3 Kronos may also sell (or rent) Equipment to Customer, and provide related Equipment Support Services, if included on an Order Form. These offerings are subject to this Agreement and the terms and conditions set forth in Attachment A-1.

Article 2. Fee Increases

2.2 At the expiration of the Initial Term which includes the implementation phase plus five additional one-year SaaS phases scheduled to be completed by 1 March 2025, and at the expiration of each Renewal Term, the Service may be extended for an additional Term based on mutual agreement of the Parties. For

each Renewal Term, Kronos may increase the PEPM Fees and the KnowledgeMap Live Fees by no more than four percent (4%) over the previous term'sPEPM Fees and KnowledgeMap Live Fees, for the same Applications and the same licensed quantity. Kronos will reflect these increased PEPM Fees and KnowledgeMap Live Fees in the applicable invoice for each Renewal Term.

Article 3. Implementation Services, Professional Services and Educational Services

3.1 Implementation Services are described in a SOW that the Parties will sign or reference on a signed Order Form. These SOWs are subject to this Agreement. Implementation Services are invoiced monthly as delivered, except if otherwise indicated on an Order Form. Each Party will perform their respective obligations as outlined in a signed SOW.

3.2 While Customer may configure the Applications itself, as part of the Implementation Services as described in an SOW, Kronos may also configure the Applications. Kronos will configure the Applications based on Customer's instructions and direction. Customer is solely responsible for ensuring that the Configurations comply with Applicable Law.

3.3 Kronos may also provide Professional Services to Customer that do not require an SOW but which will be as set forth on an Order Form.

3.4 KnowledgeMap™ is included in the PEPM Fees. If included on an Order Form, Kronos will also provide a subscription to KnowledgeMap™ Live. The KnowledgeMap Live 1st Year Training will expire one (1) year from purchase. KnowledgeMap Live 5 Pack entitles Customer to add up to five (5) additional named users in a KnowledgeMap Live Subscription. KnowledgeMap Live Subscription and KnowledgeMap Live 5 Pack are coterminous with the Service and will renew with the Service, unless terminated by Customer upon at least sixty (60) days prior written notice before the start of a Renewal Term. The KnowledgeMap Live Subscription Fees will be invoiced at the commencement of each year during the Term. Customer is permitted to assign one (1) employee to each user account (or seat) included in Customer's KnowledgeMap Live subscription. The number of permitted seats will appear on the Order Form. Passwords and accounts cannot be shared by multiple users. Customer will designate one (1) named user account to act as a training administrator.

3.5 Kronos may also provide ala carte educational consulting services as Implementation Services or Professional Services as described in an SOW or Order Form.

3.6 The Kronos policies set forth in Attachment A-2 shall apply to all Implementation Services and Professional Services provided by Kronos. In the event of a conflict between the Professional Services Policies and this Agreement, the terms of this Agreement shall prevail.

Article 4. Service Level Agreement

Kronos offers the Service Level Agreement and associated SLA Credits as described in Attachment A-3. The SLA Credits are Customer's sole and exclusive remedy in the event of any Outage. Kronos remains obligated to provide the Service as otherwise described in this Agreement.

Article 5. Data, Security and Privacy

Section 5.1 Data

5.1.1 Customer owns Customer Data. Customer is solely responsible for Customer Data, including ensuring that Customer Data complies with the Acceptable Use Policy and Applicable Law. Customer is solely responsible for any Claims that may arise out of or relating to Customer Data.

5.1.2 Kronos owns the Aggregated Data. Nothing in this Agreement will prohibit Kronos from utilizing the Aggregated Data for any purposes, provided that Kronos' use of Aggregated Data will anonymize Customer Data, will not reveal any Customer Confidential Information, and will not reveal any Personally Identifiable Information. Kronos is not allowed to use UTA aggregated data for a commercial purpose outside the scope of this Agreement without the permission of UTA.

Section 5.3 Security and Privacy

5.3.1 Kronos will maintain the Controls throughout the Term.

5.3.2 Each Party will comply with all Applicable Laws, including, without limitation, Data Protection Laws.

5.3.3 Kronos employees will access Customer Data from the locations from which such employees work. Customer consents to Kronos' handling, collection, use, transfer, and processing of Customer Data to provide the Service. As may be required by Applicable Law, Customer will ensure that Customer Data may be provided to Kronos for the purposes of providing the Service. Customer has obtained all necessary consents from individuals to enable Kronos to use the Customer Data to provide the Service. As may be contemplated by the applicable Data Protection Laws, Customer will remain the "controller" of Customer Data and Kronos will be considered a "processor" of Customer Data.

5.3.4 Kronos will notify Customer in accordance with Applicable Law upon becoming aware of an unauthorized access of Customer Data. To the extent reasonably possible, such a notification will include, at a minimum (i) a description of the breach, (ii) the information that may have been obtained as a result of the breach, and (iii) the corrective action Kronos is taking in response to the breach.

Article 6. Warranty Disclaimer

TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, KRONOS DISCLAIMS ALL OTHER WARRANTIES RELATED TO THE SERVICE, EITHER EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. If Customer informs Kronos in writing that there is a material deficiency in the Service which is making this warranty untrue, Kronos will use its reasonable commercial efforts to correct the non-conforming Service at no additional charge, and if Kronos is unable to do so within a reasonable period of time, Customer may terminate the then remaining Term of the Agreement, which will be Customer's sole and exclusive remedy. Customer agrees to provide Kronos with reasonable information and assistance to enable Kronos to reproduce or verify the nonconforming aspect of the Service.

Article 7. License

Section 7.1 Technology License

7.1.1 As part of the Service, Kronos will provide Customer access to and use of the Technology, including the Applications. Technology will include an Add-In if licensed by Customer pursuant to an Order Form. Kronos hereby grants Customer a limited, revocable, non-exclusive, non-transferable, non-assignable right to use the Service, including the Technology, during the Term and for internal business purposes only. Customer acknowledges and agrees that the right to use the Service, including Seasonal Licenses when included on the Order Form, is limited based upon the number of Authorized Users, and Customer's payment of the corresponding PEPM Fees. Customer agrees to use the Applications only for the number of employees stated on the total of all Order Forms for the applicable Applications. Customer agrees not to use any other Application nor increase the number of employees using an Application unless Customer enters into an additional Order Form that will permit the Customer to have additional Authorized Users. The license for any Add-In may be terminated by Customer at any time upon written notice to Kronos.

7.1.2 Kronos owns all title or possesses all intellectual property rights in and to the Technology used in delivering the Service. Customer has a right to use this Technology and to receive the Service subject to this Agreement. No other use of the Technology is permitted. Customer is specifically prohibited from reverse engineering, disassembling or decompiling the Technology, or otherwise attempting to derive the source code of the Technology. Customer cannot contact third party licensors or suppliers for direct support of the Technology. No license, right, or interest in any Kronos trademark, trade name, or service mark, or those of any third party supplying Technology as part of the Service, is granted hereunder.

Article 8. Marketplace

8.4 Use of the Service includes the ability to enter into agreements and/or to make transactions electronically. This feature of the Service is referred to as the "Marketplace". The use of the Marketplace can be configured, and Customer may disable use of the Marketplace by some or all of its Authorized Users. CUSTOMER ACKNOWLEDGES THAT WHEN AN AUTHORIZED USER INDICATES ACCEPTANCE OF AN AGREEMENT AND/OR TRANSACTION ELECTRONICALLY WITHIN THE MARKETPLACE, THAT ACCEPTANCE WILL CONSTITUTE CUSTOMER'S LEGAL AGREEMENT AND INTENT TO BE BOUND BY AND TO PAY FOR SUCH AGREEMENTS AND TRANSACTIONS. THIS ACKNOWLEDGEMENT THAT CUSTOMER INTENDS TO BE BOUND BY SUCH ELECTRONIC ACCEPTANCE APPLIES TO ALL AGREEMENTS AND TRANSACTIONS CUSTOMER ENTERS INTO THROUGH THE SERVICE, SUCH AS ORDERS, CONTRACTS, STATEMENTS OF WORK, AND NOTICES OF CANCELLATION.

Article 9. Suspension

9.1 Kronos may suspend the Service if any amount that Customer owes Kronos is more than 30 days overdue. Kronos will provide Customer with at least 7 days prior written notice that the Customer's account is overdue before Kronos suspends the Service. Upon payment in full of all overdue amounts, Kronos will immediately restore the Service.

9.2 Customer is responsible for complying with the AUP. Kronos and its third party cloud service provider reserve the right to review Customer's use of the Service and Customer Data for AUP compliance and enforcement. If Kronos discovers an AUP violation, and Kronos reasonably determines that Kronos must take immediate action to prevent further harm, Kronos may suspend Customer's use of the Service immediately without notice. Kronos will contact Customer when Kronos suspends the Service to discuss how the violation may be remedied, so that the Service may be restored as soon as possible. If Kronos does not reasonably believe it needs to take immediate action, Kronos will notify Customer of the AUP violation. Even if Kronos doesn't notify Customer or suspend the Service, Customer remains responsible for any such AUP violation. Kronos will restore the Service once the AUP violation is cured or as both Parties may agree.

Article 10. Effects of Termination

Section 10.1 Effects of Termination

If the Agreement is terminated for any reason:

a. All Fees will be paid by Customer for amounts owed through the effective date of termination.
b. Any Fees paid by Customer for the Service not rendered prior to the effective date of termination will be credited against Customer's account, with any remaining amounts refunded to Customer within thirty (30) days of the effective date of termination.
c. Customer's right to use the Service will end as of the effective date of termination. Notwithstanding such termination, Customer will have thirty (30) days after the effective date of termination to access the Service for purposes of retrieving Customer Data through tools provided by Kronos that will enable Customer to so extract Customer Data. If Customer requires a longer period of access to the Service after termination to retrieve Customer Data, such access will be subject to additional Fees. Extended access and use of the Services will be subject to the terms of this Agreement.
d. Kronos will delete Customer Data after Customer's rights to access the Service and retrieve Customer Data have ended. Kronos will delete Customer Data in a series of steps and in accordance with Kronos' standard business practices for destruction of Customer Data and system backups. Final deletion of Customer Data will be completed when the last backup that contained Customer Data is overwritten.
e. Kronos and Customer will each return or destroy any Confidential Information of the other Party, with any retained Confidential Information remaining subject to this Agreement.
f. Provisions in this Agreement which by their nature are intended to survive in the event of a dispute or because their obligations continue past termination of the Agreement will so survive.

Article 11. Indemnification

11.1 Kronos will defend the Customer Indemnified Parties, from and against any and all Claims alleging that the permitted uses of the Service, Technology or Applications infringe or misappropriate any legitimate copyright or patent. Kronos will indemnify and hold harmless the Customer Indemnified Parties against any liabilities, obligations, costs or expenses (including, without limitation, reasonable attorneys' fees) actually awarded to a third party by a court of applicable jurisdiction as a result of such Claim, or as a result of Kronos' settlement of such a Claim. In the event that a final injunction is obtained against Customer's use of the Service by reason of infringement or misappropriation of any such copyright or patent, or if in Kronos' opinion, the Service is likely to become the subject of a successful claim of infringement or misappropriation, Kronos (at its option and expense) will use commercially reasonable efforts to either (a) procure for Customer the right to continue using the Service as provided in the Agreement, or (b) replace or modify the Service so that the Service becomes non-infringing but remains substantively similar to the affected Service. Should neither (a) nor (b) be commercially reasonable, either Party may terminate the Agreement and the rights granted hereunder, at which time Kronos will provide a refund to Customer of the PEPM Fees paid by Customer for the infringing elements of the Service covering the period of their unavailability.

11.2 Kronos will have no liability to indemnify or defend Customer to the extent the alleged infringement or misappropriation is based on: (a) a modification of the Service undertaken by anyone other than Kronos, or not undertaken at Kronos' direction and in accordance with such direction; (b) use of the Service other than as authorized by this Agreement; or (c) use of the Service in conjunction with any equipment, service or software not provided by Kronos, where the Service would not otherwise infringe, misappropriate or otherwise become the subject of the Claim.

11.3 Customer will defend the Kronos Indemnified Parties and hold them harmless from and against any and all Claims alleging that: (a) the Configurations violate any law applicable to the rights of an Authorized User; (b) Customer's modification or combination of the Service with other services, software or equipment not furnished by Kronos, infringes or misappropriates any copyright or patent, provided that such modification or combination is the cause of such infringement and was not authorized by Kronos in writing; or, (c) a claim that the Customer Data or its collection or use by Customer violates the AUP or Applicable Laws. Customer will have sole control of the defense of any such action and all negotiations for its settlement or compromise. Kronos will cooperate fully (at Customer's expense) in the defense, settlement or compromise of any such action. Customer will indemnify and hold harmless the Kronos Indemnified Parties against any liabilities, obligations, costs or expenses (including, without limitation, reasonable attorneys' fees) actually awarded to a third party as a result of such Claims by a court of applicable jurisdiction or as a result of Customer settlement of such a Claim.

11.4 The Indemnified Party will provide written notice to the indemnifying party promptly after receiving notice of such Claim. If the defense of such Claim is materially prejudiced by a delay in providing such notice, the purported indemnifying party will be relieved from providing such indemnity to the extent of the delay's impact on the defense. The indemnifying party will have sole control of the defense of any indemnified Claim and all negotiations for its settlement or compromise, provided that such indemnifying party will not enter into any settlement which imposes any obligations or restrictions on the applicable Indemnified Parties without the prior written consent of the other Party. The Indemnified Parties will cooperate fully (at the indemnifying party's request and expense) with the indemnifying party in the defense, settlement or compromise of any such action. The indemnified party may retain its own counsel at its own expense, subject to the indemnifying party's rights above.

Article 12. Extent and Limitations of Liability

12.1 EXCEPT FOR KRONOS' INDEMNIFICATION OBLIGATIONS EXPRESSLY SET FORTH IN THIS AGREEMENT, THE TOTAL AGGREGATE LIABILITY OF KRONOS TO CUSTOMER OR TO ANY THIRD PARTY IN CONNECTIONWITH THIS AGREEMENT WILL BE LIMITED TO ACTUAL AND DIRECT DAMAGES PROVEN BY CUSTOMER, SUCH DAMAGES NOT TO EXCEED AN AMOUNT EQUAL TO THE TOTAL CONTRACT VALUE. This limitation of liability does not extend to damages caused by the gross negligence of Contractor.

12.2 **INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL, OR PUNITIVE DAMAGES.** Except in the case of a material breach of contract by KRONOS, It shall not be LIABLE FOR THE COST OF ACQUIRING SUBSTITUTE OR REPLACEMENT SERVICES, limited to a cap of one year's fees paid by UTA to Kronos. NEITHER PARTY WILL BE LIABLE FOR ANY LOST OR IMPUTED PROFITS OR REVENUES OR LOST DATA RESULTING FROM DELAYS, NONDELIVERIES, MISDELIVERIES OR SERVICES INTERRUPTION, HOWEVER CAUSED, ARISING FROM OR RELATED TO THE SERVICE OR THIS AGREEMENT. This does not relieve either Party of liability for direct damages caused by breach of any material term of the contract. THESE LIMITATIONS APPLY FOR ANY REASON, REGARDLESS OF ANY LEGAL THEORY AND FOR WHATEVER REASON LIABILITY IS ASSERTED. THIS IS TRUE EVEN IF KRONOS AND CUSTOMER HAVE TOLD EACH OTHER THAT EITHER ONE IS CONCERNED ABOUT A PARTICULAR TYPE OF LIABILITY.

Article 13. Changes

The information found in any Exhibit (or at any URL referenced in this Agreement) may change over the Term. Any such change will be effective as of the start of the next Renewal Term after such change is announced or published by Kronos.

Article 14. Feedback

From time to time, Customer may provide Feedback. Kronos has sole discretion to determine whether or not to undertake the development of any enhancements, new features or functionality contained in or with Feedback. Customer hereby grants Kronos a royalty-free, fully paid up, worldwide, transferable, sublicensable, irrevocable, perpetual license to use, copy, distribute, transmit, display, perform, create derivative works of and otherwise fully exercise and commercially exploit the Feedback for any purpose in connection with Kronos' business without any compensation to Customer or any other restriction or obligation, whether based on intellectual property right claim or otherwise. For the avoidance of doubt, no Feedback will be deemed to be Customer Confidential Information, and nothing in this Agreement limits Kronos' right to independently use, develop, evaluate, or market products or services, whether incorporating Feedback or otherwise. This license does not include the use of customer data.

Article 15. Force Majeure

15.4 If there is some unforeseen event reasonably beyond the control of each of the Parties, such as acts of war, terrorism, or uprising, or acts of nature like earthquakes or floods, or civil unrest like embargoes, riots, sabotage or labor shortages, or changes in laws or regulations, or the failure of the internet or communications via common networks, or a power failure, or a delay in transportation, (collectively "Force Majeure"), each Party will be excused from performance of its obligations under this Agreement for the

duration of the Force Majeure affecting such Party. The affected Party will use reasonable efforts to mitigate the impact of the Force Majeure on the other Party. Kronos is still obligated to provide the disaster recovery portion of the Service if Kronos' performance of those disaster recovery services is not also prevented by the Force Majeure.

Attachment A-1: Equipment Purchase, Rental, and Support:
www.kronos.com/workforce-dimensions/agreement/attachment-a1

Attachment A-2: Professional and Educational Services Policies:
www.kronos.com/workforce-dimensions/agreement/attachment-a2

Attachment A-3: Service Level Agreement:
www.kronos.com/workforce-dimensions/agreement/attachment-a3

Attachment A-1: Equipment Purchase, Rental and Support

The following terms and conditions supplement the terms and conditions of Exhibit A and govern the purchase and sale, or rental of, Equipment and the related support services, as applicable.

Section 1. Purchase and Sale of Equipment

When indicated on the applicable Order Form as Purchased Equipment, Kronos sells to Customer, and Customer purchases from Kronos, the Equipment listed on that Order Form for the price stated on that Order Form. Payment and delivery terms are as stated on the Order Form. Kronos will invoice Customer for purchased Equipment upon shipment of the Equipment.

Section 2. Equipment Rentals

The following terms apply only to Equipment Customer rents from Kronos when indicated on the applicable Order Form as Rental Equipment:

2.1 Rental Term and Warranty. The term of the Equipment rental and the warranty for such Equipment shall run coterminously with the Term of the Service.

2.2 Insurance. Customer shall insure the Equipment for an amount equal to the replacement value of the Equipment for loss or damage by fire, theft, and all normal extended coverage at all times during the Term. No loss, theft or damage after shipment of the Equipment to Customer shall relieve Customer from Customer's obligations hereunder.

2.3 Location/Replacement. Customer shall not make any alterations or remove the Equipment from the place of original installation without Kronos' prior written consent. Kronos shall have the right to enter Customer's premises to inspect the Equipment during normal business hours. Kronos reserves the right, at its sole discretion and at no

additional cost to Customer, to replace any Equipment with newer or alternative technology as long as the replacement Equipment at least provides the same level of functionality as that being replaced.

2.4 Ownership. All Equipment shall remain the property of Kronos. All Equipment is, and at all times shall remain, separate items of personal property, notwithstanding such Equipment's attachment to other equipment or real property. Customer shall not sell or otherwise encumber the Equipment. Customer shall furnish any assurances, written or otherwise, reasonably requested by Kronos to give full effect to the intent of terms of this paragraph (d).

2.5 Equipment Support. Kronos shall provide to Customer the Depot Exchange Equipment Support Services described below, the Fees for which are included in the Rental Fees for the Equipment.

2.6 Return of Equipment. Upon termination or expiration of the Rental Period for the Equipment or upon termination or expiration of the Agreement, for any reason, Customer shall return, within thirty (30) days of the effective date of termination and at Customer's expense, the Equipment. Equipment will be returned to Kronos in the same condition as and when received, reasonable wear and tear excepted. If Customer fails to return Equipment within this time period, upon receiving an invoice from Kronos, Customer shall pay Kronos the then list price of the unreturned Equipment.

Section 3. Warranty

Kronos warrants that all Kronos Equipment shall be free from defects in materials and workmanship, for a period of ninety (90) days from delivery. In the event of a breach of this warranty, Customer's exclusive remedy shall be Kronos' repair or replacement of the deficient Equipment, at Kronos' option, provided that Customer's use, installation and maintenance thereof have conformed to the Documentation. This warranty is extended to Customer only and shall not apply to any Equipment (or parts thereof) in the event of:

a. damage, defects or malfunctions resulting from misuse, accident, neglect, tampering, (including modification or replacement of any Kronos components on any boards supplied with the Equipment), unusual physical or electrical stress or causes other than normal and intended use;
b. failure of Customer to provide and maintain a suitable installation environment, as specified in the Documentation; or
c. malfunctions resulting from the use of badges or supplies not approved by Kronos.

Section 4. Firmware

Customer may not download firmware updates for the Kronos Equipment unless Customer is maintaining such Equipment under a support plan with Kronos. If Customer is not maintaining the Equipment under a support plan with Kronos, Kronos shall have the right to verify Customer's Kronos Equipment to determine if Customer has downloaded any firmware to which Customer is not entitled. If Customer has downloaded firmware for the Kronos Equipment to which Customer is not entitled, Customer shall be responsible to pay Kronos for such updated firmware in accordance with Kronos' then-current support policies.

Section 5. Export

Customer acknowledges that the Equipment may be restricted by the United States Government or by the country in which the Equipment is installed from export to certain countries and certain organizations and individuals, and agrees to comply with such laws. Customer agrees to comply with all applicable laws of all of the countries in which the Equipment may be used by Customer and shall indemnify Kronos for any noncompliance which results in damages or liability to Kronos. Customer's obligations hereunder shall survive the termination or expiration of this Agreement.

Section 6. Equipment Support

Kronos shall provide Equipment Support Services for Customer's Kronos Equipment (referred to below as "Product(s)") if such Equipment Support Services are specified on an Order Form.

6.1 Term
Equipment Support Services have a term of one (1) year commencing upon the expiration of the applicable warranty set forth above. Equipment Support Services will be automatically extended for additional one year terms on the anniversary of its commencement date ("Renewal Date"), unless either party has given the other thirty (30) days written notification of its intent not to renew. Kronos may change the annual Equipment Support Services Fees effective at the end of the initial one (1) year term or effective on the Renewal Date, by giving Customer at least thirty (30) days prior written notification, provided that Kronos may increase such Fees by no more than four percent (4%) over the previous year's Fees for the same quantity of covered Equipment.

6.2 Payment
Customer agrees to pay the Equipment Support Services Fees for the initial term as set forth on the Order Form for each Product listed. Customer agrees that all Products of the same type that are owned by the Customer, including without limitation Customer's "Spare Products" (as defined below), must be covered by the Equipment Support Services. Customer agrees that if Customer purchases, during the term of the Equipment Support Services, any Products of the same type as those covered by Customer under Equipment Support Services, such additional Products must be covered by the Equipment Support Services.

6.3 Kronos will invoice Customer for the annual Equipment Support Charges each year in advance of the Renewal Date. Customer will pay Kronos within thirty (30) days of receipt of invoice. In addition to the annual Equipment Support Charges, Customer agrees to pay all applicable taxes, however designated, on the Agreement, and on services rendered, including state and local taxes or excise taxes based on gross revenue, and any taxes or amount in lieu thereof paid or payable by Kronos, exclusive of taxes based upon net income. In addition, each Party shall be responsible for their respective freight charges as provided in Section 6 below. Customer will pay a late charge of one percent (1%) per month of any overdue amounts, but not in excess of the rate allowed by law.

6.4. Depot Support Service

6.4.1 Upon the failure of an installed Product, Customer shall notify Kronos of such failure and Kronos will provide remote support in an attempt to resolve the problem. Those failures determined by Kronos to be Product related shall be dispatched to a Kronos Depot Repair Center, and Customer will be provided with a Return Material Authorization Number (RMA) for the failed Product if Customer is to return the failed Product to Kronos, as reasonably determined by Kronos. Customer must return the failed Product with the supplied RMA number. Return and repair procedures for failed Product shall be provided based on the Depot option - Depot Exchange or Depot Repair - selected by Customer

on the applicable Order Form and as specified herein and in Kronos' then-current Support Services Policies which may be accessed at: http://www.kronos.com/Support/SupportServicesPolicies.htm ("Support Policies").

6.4.2 Depot Exchange: Kronos will provide a replacement for the failed Product at the FRU or subassembly level on an "advanced exchange" basis, utilizing a carrier of Kronos' choice. Replacement Product will be shipped the same day, for next business day delivery to Customer's location as further described in the Support Policies. REPLACEMENT PRODUCT(S) MAY BE NEW OR RECONDITIONED. Customer shall specify the address to which the Product is to be shipped. All shipments will include the Kronos provided RMA designating the applicable Kronos Depot Repair Center, as the recipient. Customer, upon receipt of the replacement Product from Kronos, shall package the defective Product in the materials provided by Kronos, with the RMA supplied and promptly return failed Products directly to Kronos using the carrier specified by Kronos.

6.4.3 Depot Repair: It is Customer's obligation to purchase and retain, at Customer's location and at Customer's sole risk and expense, a sufficient number of spare products ("Spare Products") to allow Customer to replace failed Products at all Customer locations. Upon failure of an installed Product, Customer shall install a Spare Product to replace the failed Product. Customer shall also specify the address to which the repaired Product should be return shipped. Customer shall then return the failed Product, with the required RMA, to the applicable Kronos Depot Repair Center. Upon receipt of the failed Product, Kronos shall repair the failed Product and ship it, within ten (10) business days after receipt, to Customer. Kronos shall ship the repaired Product by regular surface transportation to Customer.

6.4.4 Device Software Updates Only: Customer shall be entitled to receive:

a. Service packs for the Product (which may contain system software updates, firmware updates, security updates, and feature enhancements) available for download at Kronos' customer portal; and
b. Access to the Kronos Support Services Center for the logging of requests for assistance downloading service packs for the Products.

6.5 Service packs for the Products are not installed by the Kronos Depot Repair Center but are available for download at Kronos' customer portal, provided Customer is maintaining the Products under an annual Equipment Support Services plan with Kronos.

6.6 Kronos warrants that all service packs and firmware updates provided under this Agreement shall materially perform in accordance with the Kronos published specifications for a period of ninety (90) days after download by Customer. In the event of a breach of this warranty, Customer's exclusive remedy shall be Kronos' repair or replacement of the deficient service pack(s) or firmware update(s), at Kronos' option, provided that Customer's use, installation and maintenance thereof have conformed to the specifications.

6.7 Responsibilities of Customer: Customer agrees that it shall return failed Products promptly as the failures occur and that it shall not hold failed Products and send failed Product to Kronos in "batches" which shall result in a longer turnaround time and surcharge to Customer. In addition, Customer agrees to:

a. Maintain the Products in an environment conforming to Kronos' published specifications for such Products;
b. De-install all failed Products and install all replacement Products in accordance with Kronos' published installation guidelines;

c. Ensure that the Product(s) are returned to Kronos properly packaged; and
d. Obtain an RMA before returning any Product to Kronos and place the RMA clearly and conspicuously on the outside of the shipping package. Customer may only return the specific Product authorized by Kronos when issuing the RMA.

6.8 Support Exclusions

6.8.1 Depot Support Service does not include the replacement of "consumables". In addition, Depot Support Service does not include the repair of damages, and Customer will not attempt to return damaged Product, resulting from:

a. Any cause external to the Products including, but not limited to, electrical work, fire, flood, water, wind, lightning, transportation, or any act of God;
b. Customer's failure to continually provide a suitable installation environment (as indicated in Kronos' published installation guidelines) including, but not limited to, adequate electrical power;
c. Customer's improper use, relocation, packaging, refinishing, management or supervision of the Product(s) or other failure to use Products in accordance with Kronos' published specifications;
d. Customer's use of the Products for purposes other than those for which they are designed or the use of accessories or supplies not approved by Kronos;
e. Government imposed sanctions, rules, regulations or laws preventing the shipment of the Products; or
f. Customer's repair, attempted repair or modification of the Products.

6.8.2 Professional Services provided by Kronos in connection with the installation of any software or firmware upgrades, if available, and if requested by Customer, are not covered by Equipment Support Services. Firmware (including equipment service packs), which may be available to resolve a Product issue is not installed by the Kronos Depot Repair Center but is available for download at Kronos' customer web site provided Customer is maintaining the Product under an annual Equipment Support Services plan with Kronos.

6.9 Delivery
All domestic shipments are FOB Destination to/from Customer and Kronos with the shipping party bearing all costs and risks of loss, and with title passing upon delivery to the identified destination. All international shipments are DDU (Deliver Duties Unpaid) to the Customer, with Customer responsible for all duties and V.A.T. when sending Product to Kronos (DDP). Customer agrees to pay or reimburse Kronos for any substantial increase in fuel surcharges which may occur.

6.10 Warranty
Kronos warrants that all repairs performed under the Agreement shall be performed in a professional and competent manner. ALL OTHER WARRANTIES FOR THE EQUIPMENT SUPPORT SERVICES PROVIDED HEREUNDER, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF FITNESS FOR ANY PARTICULAR PURPOSE AND MERCHANTABILITY, ARE EXCLUDED BY AGREEMENT OF THE PARTIES.

6.11 Default, Suspension, and Termination

6.11.1 Under the Depot Exchange Support option, Kronos may suspend Equipment Support Services if Customer does not ship failed Product to Kronos within ten (10) business days of receipt of the Replacement Product. Kronos will restore Equipment Support Services upon return of such failed Product or upon payment at the then-prevailing Kronos

list price for such unreturned failed Product. Equipment Support Services shall not be extended or affected by any such suspension.

6.11.2 Customer may terminate Equipment Support Services if Kronos is in default under the Agreement, and such default is not corrected within thirty (30) days after written notice. Kronos may terminate Equipment Support Services if Customer defaults under this or any other agreement with Kronos, and such default is not corrected within thirty (30) days after written notice. In addition, this Agreement will terminate and all charges due hereunder will become immediately due and payable in the event that Customer ceases to do business as a going concern or has its assets assigned by law.

6.12 Limitation of Remedies
The exclusive remedy of Customer and sole liability of Kronos shall be replacement of the repaired Product.

Attachment A-2:

Professional and Educational Services Engagement Policies

The following are the policies under which Kronos will operate during the course of a customer engagement:

1. Kronos will provide the Customer with a Statement of Work (also known as the SOW) that outlines the project deliverables and provides an estimate for the project scope and cost required to complete the engagement, based upon preliminary information provided by the Customer. This Statement of Work is an estimate; the Collaborate Phase of the engagement will be used to determine whether modifications to the project scope or project budget are required.

2. The Statement of Work is valid for one year from the date of signature.

3. Any changes to the project scope and/or project duration will be reflected through the generation of a Kronos Change Order, which is initiated by the Kronos Project Manager and approved and signed by the Customer.

    a. These changes could be due to an increase or change in project scope or deliverables, insufficient customer resources or time commitment, changes to customer project schedule, or technical limitations.

4. Unless otherwise addressed within these policies, the hourly rate(s) quoted within a Change Order for work to be performed within normal business hours will be consistent with that contained within the original Statement of Work. In instances where specialized resources are requested, but not contained within the original Statement of Work, the quoted rate will be established as Kronos' current rate for such requested services.

5. Kronos personnel working at the Customer site shall have access to necessary infrastructure (servers, network, etc.).

6. In instances where Kronos personnel are working remotely access will be granted through the use of industry standard tools (VPN, DTS, GoToMyPC, PCAnywhere, etc.).

7. Customer agrees to not hire any Kronos employee who has performed services under the Agreement for a period of one-year after the completion of such services.

8. If not hosted by Kronos Cloud Services, all required system administration, maintenance, backups, tuning, etc., is the responsibility of the Customer.

9. Customer Data: To perform the implementation and to provide support after completion, Kronos may need to access and retain information regarding your employees and business organization. Kronos will take all reasonable steps to limit and safeguard the security of this information.
10. Scheduled Work Policies:
    a. Professional Services
        i. Professional Services work will be conducted during normal business hours, 8:00AM – 5:00PM, Monday through Friday.
        ii. All Professional Services work scheduled to start outside of normal business hours will be billed in full at a premium rate described below. For work to be performed after hours, on holidays, or on weekends, an approved Change Order will be required prior to scheduling (see Change Order Process below). Customers will be charged as follows:
            1. All Professional Services will be scheduled and billed in 4 hour increments with a minimum charge of 4 hours.
                a. After Hours
                    i. All scheduled work will be billed at 1.5 times the contract rate by role
                    ii. After Hours is considered 5:00PM-8:00AM, Monday through Friday
                b. Weekends
                    i. All scheduled work will be billed at 2.0 times the contract rate by role
                    ii. Weekends are considered 5:00PM Friday through 8:00AM Monday
                c. Holiday
                    i. All scheduled work will be billed at 2.0 times the contract rate by role
                    ii. Holidays are any Kronos recognized Holidays, which include: New Year's Day, President's Day, Memorial Day, Independence Day, Thanksgiving Day, the day after Thanksgiving, Christmas Day.
    b. Education Services

i. All training course delivery scheduled to start outside of normal business hours will be billed in full at a premium rate described below. Customers will be charged as follows:
    1. After Hours
        a. There will be a 1.5 times premium per student for public courses or per class for private day rates
        b. After Hours is considered 5:00PM-8:00AM, Monday through Friday
    2. Weekends
        a. There will be a 2.0 times premium per student for public courses or per class for private day rates
        b. Weekends are considered 5:00PM Friday through 8:00AM Monday
    3. Holidays
        a. There will be a 2.0 times premium per student for public courses or per class for private day rates
        b. Holidays are any Kronos recognized Holidays, which include: New Year's Day, President's Day, Memorial Day, Independence Day, Thanksgiving Day, the day after Thanksgiving, Christmas Day.

11. Travel Policies
    a. Customer is responsible for airfare, lodging and related travel expenses for onsite consultants.
    b. Customer is responsible for travel costs for employees attending training at a Kronos location.
    c. Customer is responsible for travel and related costs for a Kronos trainer providing instruction at the Customer location.
    d. If a Kronos employee is required on-site per the customer request, a minimum of 8 hours will be billed per day.
    e. All travel time (portal to portal) will be billed at the current contract rate by role. Travel time above two hours in any one direction will be billed at the current contract rate by role.
12. Cancellation Policies: Kronos requires notification for the cancellation or rescheduling of Kronos personnel as well as the cancellation of Instructor led classes. Customer will be charged for failure to meet the following notification requirements:
    a. Professional Services:
        i. 2 business days prior to scheduled work – 50% of planned charges are invoiced for schedule work
        ii. 1 business day prior to scheduled work – 100% of planned charges are invoiced for scheduled work
        iii. Business days are: Monday, Tuesday, Wednesday, Thursday, and Friday, excluding Holidays
    b. Education Services:
        i. For any PUBLIC course held in the traditional classroom or in the virtual classroom, attendees must cancel at least five business days before the class start date to avoid cancellation fees (equal to the cost of the course). Student substitutions can be made at any time as long as prerequisites have been met.
        ii. For any PRIVATE course held at a customer site, in the traditional classroom, or in the virtual classroom: attendees must cancel at least ten business days before the class start date to avoid cancellation fees (equal to the cost of the course). Student substitutions can be made at any time as long as prerequisites have been met.
        iii. Kronos reserves the right to cancel classes up to five business days before the scheduled start date for public courses held in a Kronos Traditional Classroom (KTC) and up to two business days before the scheduled start date for public courses held in a Kronos Virtual Classroom (KVC) due to lack of enrollment or any other unforeseen circumstances.
        iv. Educational Services purchases are valid for one (1) year from the date of signature. Educational Service purchased but not used within this one year period will expire.
    c. Cancellation Policy Example:
        i. Work is schedule for Wednesday, 1p-5p (4 hours)
        ii. If customer cancels on:

1. Friday – no penalty
2. Monday – 50% of planned charges are invoiced (2 hours)
3. Tuesday – 100% of planned charged are invoiced (4 hours)

iii. Cancellation Policy Example with a Holiday:

i. Work is schedule for Wednesday, 1p-5p (4 hours)

ii. If customer cancels on:

1. Thursday – no penalty
2. Friday – 50% of planned charges are invoiced (2 hours)
3. Monday – holiday, doesn't count as "business day
4. Tuesday – 100% of planned charged are invoiced (4 hours)

13. Additional Education Services Policies
    a. All Instructor-led Educational Services classes will be held at a Kronos facility, or via the Kronos Virtual Classroom (if offered in that modality), unless Customer has purchased onsite location training.

Attachment A-3:

Workforce Dimensions Service Level Agreement

Service Level Agreement: Kronos offers the Service Level Agreement and associated SLA Credits as described in this WFD SLA. This WFD SLA does not apply to the Boomi development environment described in the Exhibit - AtomSphere Service and Boomi Software.

Availability: The production environment of the Service will maintain **99.75% Availability**. SLA Credits become available starting the month after Customer's written "go live" confirmation is provided to Kronos.

SLA Credits: If, due to an Outage, the Service does not maintain 99.75% Availability, Customer is entitled to a credit to Customer's monthly invoice for the affected month, such credit to be equivalent to 3% of Customer's monthly PEPM Fees for every 1% of Availability below 99.75%, but in no event to exceed 100% of Customer's monthly PEPM Fees.

"Outage" means the accumulated time, measured in minutes, during which Customer is unable to access the production environment for the Service for reasons other than an Excluded Event.

"**Excluded Event**" means any event that causes unavailability to the Service due to (a) the acts or omissions of Customer, its employees, customers, contractors or agents; (b) the failure or malfunction of equipment, applications or systems not owned or controlled by Kronos or its third party suppliers providing the Service; (c) failures or malfunctions resulting from circuits provided by Customer; (d) any inconsistencies or changes in Customer's source environment, including either intentional or accidental connections or disconnections to the environment; (e) Customer Data; (f) Force Majeure events; (g) expected downtime during the Maintenance Periods described below; (h) any suspension of the Service in accordance with the terms of the Agreement; (i) the unavailability of required Customer personnel, including as a result of failure to provide Kronos with accurate, current contact information; or (j) using an Application in a manner inconsistent with the Documentation for such Application.

"**Maintenance Period**" means scheduled maintenance periods established by Kronos to maintain and update the Services, when downtime may be necessary. Customer chooses maintenance window based on location of data center selected on Order Form. The Maintenance Period is used for purposes of the Service Credit Calculation; Kronos continuously supports the production environment on a 24x7 basis to reduce disruptions. The current weekly Maintenance Period options are:

- US/Canada Eastern Time from Thursday, 12:00 AM - 4:00 AM
- Australian Eastern Time from Thursday, 12:00 AM - 4:00 AM or
- Central European Time Thursday, 2:00 AM - 6:00 AM.

Service Credit Calculation: An Outage will be deemed to commence when the Service is unavailable to Customer and ends when Kronos has restored availability to the Service.

Availability Percentage: (Monthly Minutes (MM) minus Total Minutes Not Available (TM)) multiplied by 100 and then divided by Monthly Minutes (MM), but not including Excluded Events.

"**Monthly Minutes (MM)**" means the total time, measured in minutes, of a calendar month commencing at 12:00 am of the first day of such calendar month and ending at 11:59 pm of the last day of such calendar month.

"**Total Minutes Not Available (TM)**" means the total number of minutes during the calendar month that the Service is unavailable as the result of an Outage.

Reporting and Claims Process

Kronos will provide Customer with Availability metrics on a monthly basis for each prior calendar month. Customer must request the applicable SLA Credits by written notice to Kronos within sixty (60) days of receipt of the metrics. Customer waives any right to SLA Credits not requested within this time period. All performance calculations and applicable SLA

Credits are based on Kronos' records and data unless Customer can provide Kronos with clear and convincing evidence to the contrary.

Outages in one production environment may not be added to Outages in any other production environment for purposes of calculating SLA Credits.

Customer acknowledges that Kronos manages its network traffic in part on the basis of Customer's utilization of the Service and that changes in such utilization may impact Kronos' ability to manage network traffic. Therefore, notwithstanding anything else to the contrary, if Customer significantly changes its utilization of the Service than what is contracted with Kronos and such change creates a material and adverse impact on the traffic balance of the Kronos network, as reasonably determined by Kronos, the Parties agree to co-operate, in good faith, to resolve the issue.

Exhibit B: Workforce Dimensions Cloud Guidelines

Solution Definition	
Tenants included	One standard production tenant One partial copy non-production tenant limited to 18 months of data
Additional tenants	Additional partial copy tenants available for purchase on an annual basis
Connectivity	
Connectivity to service	The customer's end users connect to Workforce Dimensions applications via a secure SSL/TLS connection over the internet. Cooperation between Kronos and the customer's IT staff may be required to enable access. Kronos will assist with validating site connectivity but assumes no responsibility for the customer's internet connection or ISP relationships. Kronos-related internet traffic cannot be filtered by proxy or caching devices on the client network. Workforce Dimensions supports vanity URL, utilizing a single domain.
Connectivity	
SFTP accounts	The Kronos cloud SFTP service provides a generic endpoint for customers to push and pull files — including people import, payroll, accruals, schedules, punches, drivers, and more — to and from the Kronos cloud in support of Kronos® integrations. The service includes two SFTP managed service accounts that customers may use to automate their integrations with the Kronos cloud. All managed service account logins use public key authentication to secure files in transit. Transfers of files up to 100MB are supported. Customers may also purchase additional managed service accounts. User accounts for individual (named) customer login are not supported by the SFTP service.
MPLS/Site-to-cloud (optional)	Customers choosing to utilize MPLS are required to use connections offered by Google Cloud Interconnect service providers and will pay the service provider directly. Kronos will assist in provisioning of the link.
Server-initiated device (optional)	Supported per Documentation (includes two VPN connections)
Usage	
Secure file transfer limits: **limits**	Integration with Kronos Workforce Dimensions using the Kronos Cloud SFTP service is subject to the following - 20 active concurrent sessions per SFTP account - File size transferred per SFTP session not to exceed 100MB - Storage quota of 10GB per SFTP account
Key performance indicators (KPIs)	KPIs can be used to monitor and control business targets and thresholds. Many KPIs are delivered to the customer to track common workforce metrics such as overtime and labor costs. The customer has the option to build additional organization-specific KPIs using the KPI Builder. The number of active KPIs used with Workforce Dimensions applications will be limited to 200 per customer. Additional KPIs may be purchased
Policies	
Data refresh	Customer can request that a copy of production tenant be moved to its non-production tenant once per week up to the limit of data allowable in the non-production tenant.
Kronos application updates	Maintenance updates will be automatically applied as needed. New software releases will be automatically applied according to the release schedule published during the first month of each quarter.
Customer termination	Upon customer termination, Kronos will provide access to the service for an additional 30 days so the

support	customer may extract data.

Security compliance	A SOC 2 Type 1 report will be published during the first quarter after general availability release. A SOC 2 Type 2 report will be published 12 months after general availability release.
Disaster recovery	Recovery time objective: 24 hours Recovery point objective: 4 hours
Encryption	Data encryption in transit and at rest is included.
Third parties	The customer may contract with a third party to configure and/or implement Workforce Dimensions applications. The customer will be responsible for creating users in the system for the third party to access the application and for maintaining the permissions those users have within the application. Dedicated service and support accounts can be accessed only by Kronos personnel or contractors employed by Kronos.
Legal Hold	Kronos will comply with applicable laws and regulations when responding to subpoenas and inquiries from government agencies after consultation with customers when applicable and possible. In the event that a customer is subject to a subpoena, litigation discovery request, or government inquiry directed at customer data or documents that are solely within Kronos' control, Kronos will, at the customer's request, make commercially reasonable efforts to provide assistance to the extent that it is technically feasible. The customer will reimburse Kronos for the costs that Kronos incurs to provide such assistance, such as professional services fees, copying, delivery, and other handling expenses. Subject to the above, Kronos will produce the relevant data or documents. Except at its sole discretion or if legally required to do so, Kronos will not entertain requests to store or host legacy or archived customer data

Exhibit C: Success Plans

Section 1. Success Plans

1.1 Kronos offers the following Success Plans for Workforce Dimensions:

a. Community Success (included in Customer's PEPM Fee)

b. Guided Success (available for an additional Fee)

c. Signature Success (available for an additional Fee with minimum annual spend in PEPM and Equipment Rental Fees)

1.2 As part of the Community Success Plan, Kronos will provide:

a. Local Time Zone Support: 8am – 8pm Monday to Friday, with two-hour response time to support cases.

b. 24/7 Mission Critical Support: Immediate and on-going support for a critical issue with no available workaround, where the system or a module may be down, experiencing major system degradation, or other related factors.

c. Kronos Community Access: Ability to access how-to articles, discussion boards, and open support cases .

d. Kronos Onboarding Experience: Step-by-step guidance to assist Customer during onboard activities.

e. KnowledgeMap™: On-line education portal providing access to Kronos e-learning resources.

f. KnowledgeMap™ Live may be purchased for an additional Fee.

g. A Technical Account Manager (TAM) may be purchased for an additional Fee: senior Technical Support Engineers or former Kronos Application Consultants with industry-specific Kronos product knowledge.

1.3 As part of the Guided Success Plan, Kronos will provide:

a. All of the services under Community Success, including the option to purchase KnowledgeMap™ Live or a TAM.

b. Proactive Support: Monitoring of your environment and usage with proactive notification and resolution of potential issues.

c. Named Success Manager: Dedicated, industry-specific advisor.

d. Live Check-In Meetings: Regular meetings with your named success manager.

e. Personalized Success Path: Tailored guidance based on your business goals.

f. Success Reporting: Personalized reporting providing insight into your key performance indicators on an annual basis (i.e., user adoption, compliance, productivity, efficiency.)

g. Executive Business Review: Strategic review of roadmap, realized value, engagement, relationship, and future direction.

h. Optimization Assessment: Assistance with optimizing the use of Workforce Dimensions based on your current usage patterns.

1.4 As part of the Signature Success Plan, Kronos will provide:

a. All of the services under Guided Success. Additionally, KnowledgeMap™ Live and a TAM are included as part of the Signature Success Plan for no additional Fee.

b. 24/7 Local Time Zone Support with one-hour response time to support cases.

c. Technical Account Manager included at no additional charge.

d. Integration/API Support: Assistance with enhancing and updating existing APIs and integrations.

e. KnowledgeMap™ Live included at no additional charge.

f. Industry Best Practice Audit: Review configuration and use of Workforce Dimensions against industry peers and provide recommendations.

1.5 Each Success Plan provides different services and different service coverage periods, which are described in Attachment C-1.

1.6 The Kronos policies set forth in Attachment C-2 shall apply to all Success Plans.

Attachment C-1: Success Plans:

Attachment C-2: Support Policies:

Attachment C-1

WORKFORCE DIMENSIONS SUCCESS PLANS			
	COMMUNITY SUCCESS (Included)	**GUIDED SUCCESS** (Fees apply)	**SIGNATURE SUCCESS** (Fees apply)
SUPPORT SERVICES			
Local Time Zone Support	8 a.m. – 8 p.m. M-F Support 2-hour response time to cases		24-hour x 7 Support 1-hour response time to cases
24x7 Mission Critical Support	●	●	●
Proactive Support		●	●
Technical Account Manager	**Fees apply**	**Fees apply**	●
Integration/API Support			●
SUCCESS SERVICES			
Kronos Community	●	●	●
Kronos Onboarding Experience	●	●	●
KnowledgeMap™	●	●	●
KnowledgeMap™ Live	**Fees apply**	**Fees apply**	●
NAMED SUCCESS MANAGER			
Live Check in Meetings		**Quarterly**	**Monthly**
Personalized Success Paths		●	●
Success Reporting		**Semi-Annually**	**Quarterly**
Executive Business Review		**Annually**	**Quarterly**
New Feature Review and Activation		●	●
Optimization Assessment		**Semi-Annually**	**Quarterly**
Industry Best Practice Audit			**Quarterly**

Attachment C-2

Workforce Dimensions Support Policies

Kronos provides support services for all customer environments (Production and User Acceptance Testing (UAT)) running the Workforce Dimensions Applications. Upgrades to these environments are included in all Success plans. Configuration of new features may be subject to additional cost depending on complexity.

Support Exclusions

Support services do not include service to the Applications resulting from, or associated with:

1. Failure to use the Applications in accordance with Kronos' published specifications; or
2. Customer's end user computer or operating system malfunctions, including browser and internet connection; or
3. Services required for application programs or conversions from products or software not supplied by Kronos.

Service Coverage Period

Kronos provides support for the Workforce Dimensions Infrastructure 24 hours a day, seven days a week, 365 days a year.

Support coverage hours for the Application for use, usability and "how to" questions depend on the Workforce Dimensions Success Plan purchased with the Service.

Workforce Dimensions Success Plans	Community Success And Guided Success	Signature Success
Local time Zone Support	**8:00 AM – 8:00 PM Monday to Friday* 2 hour response to Support cases**	24 Hour x 7 support 1 hour response to support cases

* Excluding Kronos holidays

Priority Based Support

Kronos provides support on a "priority" basis. As such, customers with the most critical request(s) will be serviced first. Kronos Global Support has set up the following guidelines to assess the priority of each service request:

High Priority: A critical customer issue with no available workaround where the Applications cannot be accessed, or where the Applications are experiencing major system degradation, and any other related factors resulting in the customer not being able to process their payroll, such as:

- Cloud outage

- Unable to sign-off Time Cards
- Totals are not accurate

- Unable to collect punches from terminals
- Unable to access a critical function within the Applications such as scheduling

Medium Priority: A serious customer issue which impacts ability to utilize the application effectively such as:

- Intermittent or inconsistent functionality results or data accuracy - accrual balances not matching pay codes but balances are accurate
- Data display inaccuracies or inconsistencies across multiple tasks
- Application performance is inconsistent or fluctuates

Low Priority: Non-critical problem generally entailing use and usability issues or "how to" questions such as:

- How do I set up a holiday pay rule?
- How do I run a report?

Response Time

Response time shall mean the number of hours from the time the case priority is set by the Kronos Support Center until a Kronos technical representative contacts the customer to begin service. Kronos utilizes a priority based support focus. Customers with the most critical request will be serviced in accordance with the following guidelines:

Success Plans	Community	Guided	Signature
Priority			
High	2 hours	2 hours	1 hour
Medium	4 hours	4 hours	4 hours
Low	8 hours	8 hours	8 hours

Critical Outages

Kronos will provide continuous effort on all high priority events through either bug identification, the development of a workaround, or problem resolution. If this effort goes beyond normal business hours, the case may be passed to the after-hours team. On-going continuous effort may also be dependent on the customer's ability to provide a resource to work with Kronos during this period.

Technical Escalation

Kronos' case resolution process is a team based approach structured around specific features within the Application suite and staffed by Kronos Support Engineers covering the full spectrum of skill sets and technical expertise. The teams are empowered to dynamically apply the appropriate resources to a case based on severity and complexity to ensure the fastest resolution time possible.

The teams are also integrated with the Development Engineering and Cloud Operations staff and engage their assistance and technical guidance when necessary and/or directly escalate depending on case severity and time to resolve considerations.

For situations that contain multiple cases, an Account Manager may be assigned to act as a single point of contact and communication regarding case resolution status, action plan development, resource integration and implementation co-ordination. The Account Manager remains engaged until the situation has been successfully remediated.

Management Escalation

Customers may, at any time, ask to speak to a Kronos manager if they experience dissatisfaction with the level of service received with respect to a specific case or service in general. To contact a Kronos Global Support manager, please telephone your Kronos Support Services center and ask to speak to a manager. Phone numbers are listed on the Kronos Community at https://community.kronos.com/s/article/ka361000000ACDuAAO/KB13193.

Remote Support

A web-based screen-sharing application that enables Kronos to support you by empowering our support representatives to remotely view your computer. By connecting through the Internet or via intranets and extranets, support representatives will work in real time with your users and quickly escalate to desktop sharing, which features mutual mouse and keyboard control and whiteboard capability.

Kronos Community

The Community helps you make the most of your Kronos solution by putting tools and resources at your fingertips in a collaborative, intuitive online space — a space that makes opening a case, accessing support, and viewing all your account information easier than ever. Streamlined and searchable, the information you need is just a click away.

Exhibit D: Acceptable Use Policy

This Acceptable Use Policy (this **"Policy"**) describes prohibited uses of the Service. The examples described in this Policy are not exhaustive. Kronos may modify this Policy at any time upon written notice to Customer of a revised version. By using the Service, Customer agrees to the latest version of this Policy. If Customer violates the Policy or authorizes or helps others to do so, Kronos may suspend use of the Service until the violation is corrected, or terminate the Agreement for cause in accordance with the terms of the Agreement.

No Illegal, Harmful, or Offensive Use or Content

Customer may not use, or encourage, promote, facilitate or instruct others to use, the Service for any illegal, harmful or offensive use, or to transmit, store, display, distribute or otherwise make available content that is illegal, harmful, or offensive. Prohibited activities or content include:

- **Illegal Activities.** Any illegal activities, including advertising, transmitting, or otherwise making available gambling sites or services or disseminating, promoting or facilitating child pornography.
- **Harmful or Fraudulent Activities.** Activities that may be harmful to others, Kronos' operations or reputation, including offering or disseminating fraudulent goods, services, schemes, or promotions (e.g., make-money-fast schemes, ponzi and pyramid schemes, phishing, or pharming), or engaging in other deceptive practices.
- **Infringing Content.** Content that infringes or misappropriates the intellectual property or proprietary rights of others.
- **Offensive Content.** Content that is defamatory, obscene, abusive, invasive of privacy, or otherwise objectionable, including content that constitutes child pornography, relates to bestiality, or depicts non-consensual sex acts.
- **Harmful Content**. Content or other computer technology that may damage, interfere with, surreptitiously intercept, or expropriate any system, program, or data, including viruses, Trojan horses, worms, time bombs, or cancelbots.

No Security Violations

Customer may not use the Service to violate the security or integrity of any network, computer or communications system, software application, or network or computing device (each, a "System"). Prohibited activities include:

- **Unauthorized Access.** Accessing or using any System without permission, including attempting to probe, scan, or test the vulnerability of a System or to breach any security or authentication measures used by a System. Customer will not perform any security integrity review, penetration test, load test, denial of service simulation or vulnerability scan on any System.
- **Interception.** Monitoring of data or traffic on a System without permission.
- **Falsification of Origin.** Forging TCP-IP packet headers, e-mail headers, or any part of a message describing its origin or route. This prohibition does not include the use of aliases or anonymous remailers.
- **No Use of Robots.** Customer will not use any tool designed to automatically emulate the actions of a human user (e.g., robots)

No Network Abuse

Customer may not make network connections to any users, hosts, or networks unless Customer has permission to communicate with them. Prohibited activities include:

- **Monitoring or Crawling.** Monitoring or crawling of a System that impairs or disrupts the System being monitored or crawled.
- **Denial of Service (DoS).** Inundating a target with communications requests so the target either cannot respond to legitimate traffic or responds so slowly that it becomes ineffective.
- **Intentional Interference.** Interfering with the proper functioning of any System, including any deliberate attempt to overload a system by mail bombing, news bombing, broadcast attacks, or flooding techniques.
- **Operation of Certain Network Services.** Operating network services like open proxies, open mail relays, or open recursive domain name servers.
- **Avoiding System Restrictions.** Using manual or electronic means to avoid any use limitations placed on a System, such as access and storage restrictions.

No E-Mail or Other Message Abuse

Customer will not use the Service to distribute, publish, send, or facilitate the sending of unsolicited mass e-mail or other messages, promotions, advertising, or solicitations (like "spam"), including commercial advertising and informational announcements. Customer will not alter or obscure mail headers or assume a sender's identity without the sender's explicit permission. Customer will not collect replies to messages sent from another internet service provider if those messages violate this Policy or the acceptable use policy of that provider.

Monitoring and Enforcement

Kronos reserves the right, but does not assume the obligation, to investigate any violation of this Policy or misuse of the Service. Kronos may:

- investigate violations of this Policy or misuse of the Service; or
- remove, disable access to, or modify any content or resource that violates this Policy.

Kronos may report any activity that it suspects violates any law or regulation to appropriate law enforcement officials, regulators, or other appropriate third parties. Kronos' reporting may include disclosing appropriate customer information. Kronos also may cooperate with appropriate law enforcement agencies, regulators, or other appropriate third parties to help with the investigation and prosecution of illegal conduct by providing network and systems information related to alleged violations of this Policy.

Reporting of Violations of this Policy

If Customer becomes aware of any violation of this Policy, Customer will immediately notify Kronos and provide Kronos with assistance, as requested, to stop or remedy the violation.

Exhibit E: AtomSphere Service and Boomi Software

As part of the Service, Customer has the right to access and use the Boomi AtomSphere Service and a non-exclusive, non-transferable and non-sublicensable license to use the associated Boomi Software as part of the Boomi AtomSphere Service. Customer may use the Boomi AtomSphere Service and the Boomi Software only to create integrations to and from the Service.

There are two (2) cloud environments associated with Customer use of the Boomi AtomSphere Service and the Boomi Software:

a. Run-Time environment: A run time environment in the Kronos Cloud where the integration created by with the Boomi AtomSphere Service runs. This environment is described in Exhibit B.
b. Development environment: A development environment in the Boomi Cloud where the design and development tools exist to build the integrations. This environment is referred to as a Hosted Environment in Attachment E-1.

The Boomi AtomSphere Service is subject to the additional terms and conditions set forth below. These additional terms and conditions apply to all integrations to and from the Service using the Boomi AtomSphere Service, whether done by Customer or by Kronos. Except as provided in these additional terms and conditions, all terms and conditions of this Agreement related to the Service apply to the Boomi AtomSphere Service. If this Agreement terminates, Customer's rights to access the Boomi AtomSphere Service and the Boomi Software also terminates.

Attachment E-1: Boomi Flow Down Provisions:

Attachment E-1

Boomi AtomSphere Service And Boomi Software Flow Downs

The following provisions are required “flow-down” provisions from our authorized reseller agreement with Boomi, Inc. for the AtomSphere Service and Boomi Software. These terms and conditions apply to all integrations to and from the Kronos Services using the AtomSphere Service and are in addition to the terms of the Agreement for all such integrations. For purposes of these provisions, “Customer” is referred to as “End-Customer” throughout these provisions.

(1) Restrictions. Except and only to the extent that the exclusions and limits of this Restrictions Section are prohibited by applicable law, End-Customer may not reverse engineer, decompile, disassemble, or attempt to discover or modify in any way the underlying source code of the Boomi Software, or any part thereof. In addition, End-Customer may not (i) modify, translate, localize, adapt, rent, lease, loan, create or prepare derivative works of, or create a patent based on the Boomi Software or any part thereof, (ii) resell, sublicense or distribute the Boomi Software, (iii) provide, make available to, or permit use of the AtomSphere Service or the Boomi Software, in whole or in part, by any third party (except as expressly set forth herein) without Dell's prior written consent, (iv) use the AtomSphere Service or the Boomi Software to create or enhance a competitive offering or for any other purpose which is competitive to Dell, or (v) perform or fail to perform any act which would result in a misappropriation or infringement of Dell’s intellectual property rights in the AtomSphere Service or the Boomi Software. End-Customer understands and agrees that the AtomSphere Service or the Boomi Software may work in conjunction with third party products and End-Customer agrees to be responsible for ensuring that it is properly licensed to use such third party products.

(2) Proprietary Rights. End-Customer understands and agrees that (i) the AtomSphere Service or the Boomi Software are protected by copyright and other intellectual property laws and treaties, (ii) Dell, its Affiliates and/or its suppliers own the copyright, and other intellectual property rights in the Products, (iii) the Boomi Software is licensed, and not sold, (iv) this Agreement does not grant End-Customer any rights to Dell’s trademarks or service marks, and (v) Dell reserves any and all rights, implied or otherwise, which are not expressly granted to End-Customer in this Agreement.

(3) Support. All technical support related to the AtomSphere Services and Boomi Software shall be provided by Kronos. End-Customer shall have no right to contact Dell for technical support for the AtomSphere Services and Boomi Software.

(4) Protected Data. For purposes of this Section, “Protected Data” means any information or data that is provided by End-Customer to Dell during this Agreement that alone or together with any other information relates to an identified or identifiable natural person or data considered to be personal data as defined under Privacy Laws, and “Privacy Laws” means any applicable law, statute, directive or regulation regarding privacy, data protection, information security obligations and/or the processing of Protected Data.

Except as permitted herein or to the extent required by Privacy Laws or legal process, Dell shall not disclose Protected Data to any third party for any reason. Dell shall implement appropriate technical and organizational measures to prevent unauthorized disclosure of or access to Protected Data by third parties, and shall only store and process Protected Data as required to fulfill its obligations under this Agreement and any applicable Orders. Dell shall make reasonable efforts to comply with End-Customer's written instructions with respect to the Protected Data; however, Dell shall have no liability to End-Customer for any breach of this Section resulting from Dell's acts or omissions in accordance with any such instructions. Dell shall promptly notify End-Customer of any disclosure of or access to the Protected Data by a third party in breach of this Section and shall cooperate with End-Customer to reasonably remediate the effects of such disclosure or access. End-Customer hereby (i) represents that it has the right to send the Protected Data to Dell, (ii) consents for Dell to store and use the Protected Data worldwide for the sole purpose of performing its obligations under this Agreement and any applicable Orders, (iii) agrees that the Protected Data may be accessed and used by Dell and its Representatives worldwide as may be needed to support Dell's standard business operations, and (iv) agrees that Protected Data consisting of End-Customer contact information (e.g., email addresses, names) provided as part of Maintenance AtomSphere Services may be sent to Dell's third party service providers as part of Dell's services improvement processes.

(5) Infringement. Dell will at its own expense defend or settle any claim, suit, action, or proceeding brought against End-Customer by a third party to the extent it is based on an allegation that the Boomi Software directly infringes any patent, copyright, trademark, or other proprietary right enforceable in the country in which the Boomi Software is delivered to End-Customer, or misappropriates a trade secret in such country (a "Claim"). Additionally, Dell shall pay any judgments finally awarded against End-Customer under a Claim or any amounts assessed against End-Customer in any settlements of a Claim, and reasonable administrative costs or expenses, including without limitation reasonable attorneys' fees, necessarily incurred by End-Customer in responding to the Claim. Dell's obligations under this Section are conditioned upon End-Customer (i) giving prompt written notice of the Claim to Dell; (ii) permitting Dell to retain sole control of the investigation, defense or settlement of the Claim, and (iii) providing Dell with such cooperation and assistance as Dell may reasonably request from time to time in connection with the investigation, defense or settlement of the Claim. Dell shall have no obligation hereunder to defend End-Customer against any Claim (a) resulting from use of the Boomi Software other than as authorized in this Agreement, (b) resulting from a modification of the Boomi Software other than by Dell, or (c) based on End-Customer's use of the Boomi Software after Dell recommends discontinuation because of possible or actual infringement, (d) based on End-Customer's use of a superseded or altered release of Boomi Software if the infringement would have been avoided by use of a current or unaltered release of the Boomi Software made available to End-Customer, or (e) to the extent the Claim arises from or is based on the use of the Boomi Software with other products, services, or data not supplied by Dell if the infringement would not have occurred but for such use. If End-Customer's use of the Boomi Software is enjoined as a result of a Claim, Dell shall, at its expense and option either (1) obtain for End-Customer the right to continue using the Boomi Software, (2) replace the Boomi Software with a functionally equivalent non-infringing product, (3) modify the Boomi Software so that it is non-infringing, or (4) terminate the License for the infringing Boomi Software and discontinue End-Customer's right to access and use the infringing Boomi Software and refund the unused pro-rated portion of any fees pre-paid by End-Customer for the AtomSphere Service affected by the removal of the infringing Boomi Software. This Section states the entire liability of Dell, and End-Customer's sole and exclusive remedy, with respect to a Claim.

(6) Warranty. THERE ARE NO WARRANTIES OR REMEDIES PROVIDED TO CUSTOMER BY DELL HEREUNDER. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, ALL OTHER WARRANTIES OR REMEDIES ARE EXCLUDED, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE, NON-INFRINGEMENT, SATISFACTORY QUALITY, AND ANY WARRANTIES ARISING FROM USAGE OF TRADE OR COURSE OF DEALING OR PERFORMANCE. DELL DOES NOT WARRANT UNINTERRUPTED OR ERROR-FREE OPERATION OF THE PRODUCTS.

(9) High Risk Disclaimer. END-CUSTOMER UNDERSTANDS AND AGREES THAT THE PRODUCTS ARE NOT FAULT-TOLERANT AND ARE NOT DESIGNED OR INTENDED FOR USE IN ANY HIGH-RISK OR HAZARDOUS ENVIRONMENT, INCLUDING WITHOUT LIMITATION, THE OPERATION OF NUCLEAR FACILITIES, AIRCRAFT NAVIGATION, AIR TRAFFIC CONTROL, LIFE SUPPORT MACHINES, WEAPONS SYSTEMS, OR ANY OTHER APPLICATION WHERE THE FAILURE OR MALFUNCTION OF ANY PRODUCT CAN REASONABLY BE EXPECTED TO RESULT IN DEATH, PERSONAL INJURY, SEVERE PROPERTY DAMAGE OR SEVERE ENVIRONMENTAL HARM (A “HIGH RISK ENVIRONMENT”). ACCORDINGLY, (I) END-CUSTOMER SHOULD NOT USE THE PRODUCTS IN A HIGH RISK ENVIRONMENT, (II) ANY USE OF THE PRODUCTS BY CUSTOMER IN A HIGH RISK ENVIRONMENT IS AT CUSTOMERS OWN RISK, (III) DELL, ITS AFFILIATES AND SUPPLIERS SHALL NOT BE LIABLE TO END-CUSTOMER IN ANY WAY FOR USE OF THE PRODUCTS IN A HIGH RISK ENVIRONMENT, AND (IV) DELL MAKES NO WARRANTIES OR ASSURANCES, EXPRESS OR IMPLIED, REGARDING USE OF THE PRODUCTS IN A HIGH RISK ENVIRONMENT.

(7) Export. End-Customer acknowledges that the Boomi Software and AtomSphere Service are subject to the export control laws, rules, regulations, restrictions and national security controls of the United States and other applicable foreign agencies (the "Export Controls") and agrees to abide by the Export Controls. End-Customer hereby agrees to use the Boomi Software and AtomSphere Service in accordance with the Export Controls, and shall not export, re-export, sell, lease or otherwise transfer the Boomi Software and AtomSphere Service or any copy, portion or direct product of the foregoing in violation of the Export Controls. End-Customer is solely responsible for obtaining all necessary licenses or authorizations relating to the export, re-export, sale, lease or transfer of the Boomi Software and AtomSphere Service and for ensuring compliance with the requirements of such licenses or authorizations. End-Customer hereby (i) represents that End-Customer is not an entity or person to which shipment of Boomi Software and AtomSphere Service is prohibited by the Export Controls; and (ii) agrees that it shall not export, re-export or otherwise transfer the Boomi Software and AtomSphere Service to (a) any country subject to a United States trade embargo, (b) a national or resident of any country subject to a United States trade embargo, (c) any person or entity to which shipment of Boomi Software and AtomSphere Service is prohibited by the Export Controls, or (d) anyone who is engaged in activities related to the design, development, production, or use of nuclear materials, nuclear facilities, nuclear weapons, missiles or chemical or biological weapons. End-Customer shall, at its expense, defend Dell and its Affiliates from any third party claim or action arising out of any inaccurate representation made by End-Customer regarding the existence of an export license, End-Customer’s failure to provide information to Dell to obtain an export license or any allegation made against Dell due to End-Customer’s violation or alleged violation of the Export Controls (an “Export Claim”) and shall pay any judgments or settlements reached in connection with the Export Claim as well as Dell’s costs of responding to the Export Claim.

(8) Hosted Environment.

(a) Data. End-Customer may store data on the systems to which it is provided access in connection with its use of the AtomSphere Service (the "Hosted Environment"). Dell may periodically make back-up copies of End-Customer data, however such back-ups are not intended to replace End-Customer's obligation to maintain regular data backups or redundant data archives. End-Customer is solely responsible for collecting, inputting and updating all End-Customer data stored in the Hosted Environment, and for ensuring that it does not (i) knowingly create and store data that actually or potentially infringes or misappropriates the copyright, trade secret, trademark or other intellectual property right of any third party, or (ii) use the Hosted environment for purposes that would reasonably be seen as obscene, defamatory, harassing, offensive or malicious. If the Order states where End-Customer data is to be stored, Dell will not move the data from the specified region without notifying End-Customer, except if Dell is required to do so by law or legal process. Dell shall have the right to delete all End-Customer data stored in connection with the use of the AtomSphere Service thirty (30) days following any termination of this Agreement or any license to Boomi Software granted hereunder.

End-Customer represents and warrants that it has obtained all rights, permissions and consents necessary to use and transfer all End-Customer and/or third party data within and outside of the country in which End-Customer or the applicable End-Customer Affiliate is located (including providing adequate disclosures and obtaining legally sufficient consents from End-Customer's employees, End-Customers, agents, and contractors). If End-Customer transmits data to a third-party website or other provider that is linked to or made accessible by the AtomSphere Service pr Boomi Software, End-Customer will be deemed to have given its consent to Dell enabling such transmission and Dell shall have no liability to End-Customer in connection with any claims by a third party in connection with such transmission.

(b) Conduct. In connection with the use of the Hosted Environment and the AtomSphere Service, End-Customer may not (i) attempt to use or gain unauthorized access to Dell's or to any third-party's networks or equipment; (ii) permit other individuals or entities to copy the Boomi Software; (iii) provide unauthorized access to or use of any Boomi Software or the associated access credentials; (iv) attempt to probe, scan or test the vulnerability of the Boomi Software, the Hosted Environment, or a system, account or network of Dell or any of Dell's End-Customers or suppliers; (v) interfere or attempt to interfere with service to any user, host or network; (vi) engage in fraudulent, offensive or illegal activity of any nature or intentionally engage in any activity that infringes the intellectual property rights or privacy rights of any individual or third-party; (vii) transmit unsolicited bulk or commercial messages; (viii) intentionally distribute worms, Trojan horses, viruses, corrupted files or any similar items; (ix) restrict, inhibit, or otherwise interfere with the ability of any other person, regardless of intent, purpose or knowledge, to use or enjoy the Boomi Software (except for tools with safety and security functions); or (x) restrict, inhibit, interfere with or otherwise disrupt or cause a performance degradation to any Dell (or Dell supplier) facilities used to provide the Hosted Environment. End-Customer shall cooperate with Dell's reasonable investigation of Hosted Environment outages, security issues, and any suspected breach of this Section.

(c) Suspension. Dell may suspend End-Customer's use of Boomi Software and the AtomSphere Service (a) if so required by law enforcement or legal process, (b) in the event of an imminent security risk to Dell or its End-Customers, or (c) if continued use would subject Dell to material liability. Dell shall make commercially reasonable efforts under the circumstances to provide as much prior notice as possible to End-Customer of any such suspension.

(9) Limitation of Liability. EXCEPT FOR (A) ANY MATERIAL BREACH OF THE “RESTRICTIONS”, “CONFIDENTIAL INFORMATION”” SECTIONS OF THIS AGREEMENT, (B) AMOUNTS CONTAINED IN JUDGMENTS OR SETTLEMENTS WHICH DELL IS LIABLE TO PAY ON BEHALF OF END-CUSTOMER UNDER THE “INFRINGEMENT” SECTION OF THIS AGREEMENT AND CUSTOMER IS LIABLE TO PAY ON BEHALF OF DELL UNDER THE “CONDUCT” OR “EXPORT” SECTIONS OF THIS AGREEMENT, OR (C) ANY LIABILITY TO THE EXTENT LIABILITY MAY NOT BE EXCLUDED OR LIMITED AS A MATTER OF APPLICABLE LAW, IN NO EVENT SHALL END-CUSTOMER, KRONOS, KRONOS’ AFFILIATES OR RESELLERS, DELL, DELL’S AFFILIATES OR SUPPLIERS BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL LOSS OR DAMAGE OF ANY KIND, INCLUDING BUT NOT LIMITED TO LOSS OF REVENUE, LOSS OF ACTUAL OR ANTICIPATED PROFITS, LOSS OF BUSINESS, LOSS OF CONTRACTS, LOSS OF GOODWILL OR REPUTATION, LOSS OF ANTICIPATED SAVINGS, LOSS OF, DAMAGE TO OR CORRUPTION OF DATA, HOWSOEVER ARISING, WHETHER SUCH LOSS OR DAMAGE WAS FORESEEABLE OR IN THE CONTEMPLATION OF THE PARTIES AND WHETHER ARISING IN OR FOR BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), BREACH OF STATUTORY DUTY, OR OTHERWISE.

EXCEPT FOR (A) ANY MATERIAL BREACH OF THE “LICENSE,” “RESTRICTIONS,” OR “CONFIDENTIAL INFORMATION” SECTIONS OF THIS AGREEMENT, OR ANY OTHER VIOLATION OF THE OTHER PARTY’S INTELLECTUAL PROPERTY RIGHTS; (B) DELL’S EXPRESS OBLIGATIONS UNDER THE “INFRINGEMENT” SECTION OF THIS AGREEMENT AND END-CUSTOMER’S EXPRESS OBLIGATIONS UNDER THE “CONDUCT” AND “EXPORT” SECTIONS OF THIS AGREEMENT; (C) A PREVAILING PARTY’S LEGAL FEES, (; OR (D) ANY LIABILITY TO THE EXTENT LIABILITY MAY NOT BE EXCLUDED OR LIMITED AS A MATTER OF APPLICABLE LAW, THE MAXIMUM AGGREGATE AND CUMULATIVE LIABILITY OF END-CUSTOMER, KRONOS, KRONOS’ AFFILIATES OR RESELLERS, DELL, DELL’S AFFILIATES AND SUPPLIERS UNDER THIS AGREEMENT, WHETHER ARISING IN OR FOR BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), BREACH OF STATUTORY DUTY, OR OTHERWISE, SHALL NOT EXCEED (Y) THE GREATER OF THE FEES PAID AND/OR OWED (AS APPLICABLE) BY END-CUSTOMER TO PARTNER FOR THE SERVICE DURING THE TWELVE (12) MONTHS PRECEDING THE BREACH THAT ARE THE SUBJECT OF THE BREACH OR FIVE HUNDRED DOLLARS ($500.00). THE PARTIES AGREE THAT THESE LIMITATIONS OF LIABILITY ARE AGREED ALLOCATIONS OF RISK CONSTITUTING IN PART THE CONSIDERATION FOR DELL PROVIDING PRODUCTS AND SERVICES TO END-CUSTOMER, AND SUCH LIMITATIONS WILL APPLY NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY AND EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LIABILITIES OR FAILURES.

Dell’s Affiliates and suppliers shall be beneficiaries of this “Limitation of Liability” Section; otherwise, no third party beneficiaries exist under this Agreement. Dell expressly excludes any and all liability to any third party.

Exhibit F: Definitions

"Acceptable Use Policy" and **"AUP"** are interchangeable terms referring to the Kronos policy describing prohibited uses of the Service as further described in Exhibit D.

"Add In(s)" mean the Kronos developed applets for Workforce Dimensions that enable limited functionality through the application programming interfaces ("APIs") of Workforce Dimensions and the associated applications of certain third-party technology providers as further described in Exhibit G.

"Aggregated Data" is any statistical data that is derived from the operation of the Service, including without limitation, for analysis of the Service, Configurations or Customer Data, and is created by Kronos in response to specified queries for a set point in time; including without limitation aggregation, metrics, trend data, correlations, benchmarking, determining best practices, the number and types of transactions, configurations, records, reports processed in the Service, and the performance results for the Service Agreement.

"Applicable Law(s)" means any applicable provisions of all laws, codes, legislative acts, regulations, ordinances, rules, rules of court, and orders which govern the Party's respective business.

"Authorized User" means any individual or entity that directly (or through another Authorized User) accesses or uses the Service with any login credentials or passwords Customer uses to access the Service.

"Application(s)" means those Kronos Workforce Dimensions software application programs set forth on an Order Form which are made accessible for Customer to use under the terms of this Agreement.

"Boomi AtomSphere Service" means the third-party service for the creation of integrations by Customer as further described in Exhibit E, which the Customer and Customer's Authorized Users have the right to access through the Service.

"Boomi Software" means the third-party proprietary software associated with the Boomi AtomSphere Service as further described in Exhibit E.

"Claim(s)" means any and all notices, charges, claims, proceedings, actions, causes of action and suits, brought by a third party.

"Confidential Information" is any non-public information relating to each of Customer's and Kronos' businesses and those of Kronos' Technology suppliers that is disclosed pursuant to this Agreement and which reasonably should have been understood by the recipient of such information to be confidential because of (i) legends or other markings, (ii) the circumstances of the disclosure, or (iii) the nature of the information itself. Information will not be considered "Confidential Information" if the information was (i) in the public domain without any breach of this Agreement; (ii) disclosed to the Receiving Party on a non-confidential basis from a source which is lawfully in possession of such Confidential Information and, to the knowledge of the Receiving Party, is not prohibited from disclosing such Confidential Information to Receiving Party; or (iii) released in writing from confidential treatment by Delivering Party; or (iv) required to be disclosed pursuant to a subpoena, order, civil investigative demand or similar process with which the Receiving Party is legally obligated to comply, and of which the Receiving Party notifies Delivering Party.

"Configuration(s)" means the Customer specific settings of the parameters within the Applications(s), including pay and work rules, security settings such as log-in credentials, passwords, and private keys used to access the Service.

"Controls" means the administrative, physical, and technical safeguards for the protection of the security, confidentiality and integrity of Customer Data, designed and implemented by Kronos to secure Customer Data against accidental or unlawful loss, access or disclosure consistent with the AICPA Trust Principles Criteria for security, availability, confidentiality and processing integrity (SOC 2).

"Customer Data" means all content Customer, or its Authorized Users, posts or otherwise inputs into the Service, including but not limited to information, data (such as payroll data, vacation time, hours worked or other data elements associated with an Authorized User), text, multimedia images (e.g. graphics, audio and video files), or compilations.

"Customer Indemnified Party(ies)" means Customer and Customer's respective directors, officers, and employees.

"Data Protection Law(s)" means all international, federal, state, and local laws, rules, regulations, directives and published governmental or regulatory decisions that specify data privacy, data protection or data security obligations, and which, in each case, have the force of law applicable to a Party's collection, use, processing, storage, or disclosure of Personally Identifiable Information.

"Documentation" means the published specifications for the applicable Applications and Equipment, such as user manuals and administrator guides.

"Educational Services" means (i) KnowledgeMap Learning Portal; (ii) KnowledgeMap Live; and (iii) ala carte educational consulting services.

"Equipment" means Kronos equipment such as time clocks, devices, or other equipment set forth on an Order Form.

"Equipment Support Services" means the maintenance and support services related to Kronos' support of Equipment as further described in Attachment A-1.

"Feedback" means suggestions, ideas, comments, know how, techniques or other information provided to Kronos for enhancements or improvements, new features or functionality or other feedback with respect to the Service.

"Fees" means the charges to be paid by Customer for a particular item.

"Implementation Services" means those professional services provided by Kronos to set up the cloud environment and to setup the Configurations within the Applications, as set forth in an SOW.

"KnowledgeMap™" means the online educational portal providing access to learning resources.

"KnowledgeMap™ Live" means the subscription service providing instructor led training by user role on a rotating course schedule.

"Kronos Indemnified Party(ies)" means Kronos and its third-party Technology suppliers and each of their respective directors, officers, employees, agents and independent contractors.

"Order Form" means an order form mutually agreed upon by Kronos and Customer setting forth, among other things, the items ordered by Customer and to be provided by Kronos and the Fees to be paid by Customer.

"Participating Entity(ies)" means those Kronos or Customer entities that (i) directly or indirectly control, are controlled by, or are under common control with Kronos or Customer, respectively and (ii) sign an Order Form for the Service. "Control" (in this context) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and operating policies of the entity in respect of which the determination is being made through the ownership of the majority of its voting or equity securities, contract, voting trust or otherwise.

"Party(ies)" means Kronos or Customer, or both of them, as the context dictates.

"PEPM" means the per employee per month fee for a Customer's Authorized Users access to the Service.

"Personally Identifiable Information" means information concerning individually identifiable employees of Customer that is protected against disclosure under Applicable Data Protection Law.

"Professional Services" means the professional, consulting, or training services provided by Kronos pursuant to an Order Form and which are not described in a Statement of Work.

"Seasonal Licenses" are limited use licenses that have the following attributes: (i) valid only for the four (4) consecutive months during the annual period identified on the Order Form; (ii) valid from the first day of the month in which they commence until the end on the last day of the month in which they expire; and (iii) will be effective automatically each year during the Term, subject to termination and non-renewal as provided in the Agreement.

"Service" means the Kronos supply of the commercially available version of the Workforce Dimensions SaaS Applications in Kronos' hosted environment and the services described in the Agreement related thereto.

"Statement of Work" and **"SOW"** are interchangeable terms referring to a written description of the Implementation Services.

"Success Plan(s)" means the services provided by Kronos to support and maintain the Service as described in Exhibit C.

"Taxes" means all applicable taxes relating to the goods and services provided by Kronos hereunder, including all duties and country, federal, state, provincial or local taxes (including GST or VAT if applicable) but excluding taxes on Kronos' income or business privilege.

"Technology" means the intellectual property of Kronos within the Service, including but not limited to the Applications.

"Term" means the Initial Term and any Renewal Terms.

Exhibit G: Workforce Dimensions™ Add-Ins

This Exhibit governs the Add-In(s) to be provided by Kronos to Customer, if specified on an Order Form. Capitalized terms not otherwise defined herein shall have the meanings prescribed to them in the Agreement. In the event of a conflict or inconsistency between the Agreement and this Exhibit, this Exhibit shall control.

Customer agrees that the Add-In(s) may only be used solely in connection with Workforce Dimensions™ for Customer's own internal purposes. The Add-Ins are not installed in the Kronos hosting environment in which Workforce Dimensions resides. The Add-Ins may only be installed and operated in a data center or other cloud environment managed by or on behalf of Customer. Customer is solely responsible to have all applicable rights, licenses and necessary infrastructure and support to use the third-party applications with which the Add-In(s) function, including security of the environment in which the Add-In(s) are installed.

The Service Level Agreement and associated SLAs (Attachment A-3) and the Workforce Dimensions Cloud Guidelines (Exhibit B) in the Agreement do not apply to the Add-In(s) because the Add-In does not reside in Kronos' hosting environment.

Implementation. Configuration and deployment of the Add-In(s) may be performed by Customer in accordance with Kronos written instructions and guidelines. Alternatively, Customer may engage Kronos or a third party to perform implementation or professional services as described in the Agreement.

Warranty Disclaimer. Kronos does not warrant that the Add-In(s) will be free from errors or service interruption. Kronos disclaims errors and liability with respect to the third-party applications or APIs with which the Add-In(s) function. Customer is solely responsible to manage its accounts or systems that may access the Add-In(s).

MEMORANDUM TO THE BOARD

TO: Utah Transit Authority Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Dan Harmuth, UTA IT Director
PRESENTER(S): Dan Harmuth

BOARD MEETING DATE: October 9, 2019

SUBJECT:	**Agenda Number 11. b.** **Purchase Order for Mobile Gateways (Sierra Wireless)**
AGENDA ITEM TYPE:	**Contract Change Order**
DISCUSSION:	See attached contract routing form.
ATTACHMENTS:	1) Contract Routing Form

CONTRACT ROUTING FORM

Department* Supply Chain **Existing Contract?** ☑ Yes **Existing Contract Number*** 15-1400TH

Contract Section

Procurement

Board Review Date* 10/09/2019

Document Type* Other **Please Specify*** Purchase Order

Requisition # Original 7187

Please upload the necessary documents here

Requisition.pdf	221.49KB
Sierra Executed Contract.pdf	851.83KB
Sierra Amendment #1-signed.pdf	342.25KB
Signed Amendment 02.pdf	534.98KB
Signed Amendment 003.pdf	80.99KB

Contract Title* Purchase Order for Mobile Gateways

Contractor Name* Sierra Wireless

Description / Purpose* This is a purchase order to the current Customer Purchase Agreement between UTA and Sierra Wireless that was established on December 4, 2015 and is current through December 3, 2019. The scope of this purchase order is to purchase 145 On-board Mobile Gateways to upgrade our bus fleet. The Gateway, along with the Mobile Data Computer, allows for communication between the bus systems. The other Gateways are out of warranty.

The mobile gateways are $1,374.20 each, per the current Customer Purchase Agreement, plus $45 each for shipping, for a total cost of $1,419.20 each. Total purchase order value is $205,784.00 (1,419.20 x 145 = $205,784).

Contract Administrator* Postell, Patricia **Project Manager*** Casey Brock

Base Contract Effective Dates* Beginning 8/6/2015 * Ending 12/3/2019

Contract Type* Goods **Procurement Method*** Sole Source

Sole-Source Reason* Unique or Innovative Concept - Available from only one source

Number of Responding Firms **Value of Next Lowest Bidder** Sole source

Base Contract Term (Months)* 51 **Contract Options (Months)*** 0

Option to Renew?* ◉ Yes ○ No * Renewal Terms One additional one-year period.

Extension Start Date End Date

Financial Section

Procurement

Existing Contract Value $

Amendment Amount $

New/total Contract Value* $ 205,784.00

Unit Price $ 1,419.20

Qty 145 **Annual/One-Time Value** $ 205,784.00

Is the amount a one-time purchase or annual recurring purchase?* (•) One-time ( ) Recurring

Attachment **Is the amount an estimate?*** ( ) Yes (•) No

Account Code* 40-2197.68912 **Capital Project Code** ICI197

Budgeted?* (•) Yes

Funding Source* Local ( ) No

Budget amount* $ 217,500.00

Will this contract require support from another department?* ( ) Yes (•) No

Is the other department(s) aware of this contract and the required support?* ( ) Yes ( ) No (•) N/A

Has the Qualified Health Insurance Certificate been verified?* ( ) Yes ( ) No (•) N/A

Approval Section

1)Legal/Compliance Review* Bell, Mike

2)Accounting Approval Needed?* (•) Yes ( ) No **2)Accounting Review*** Steele, Bryan

3)Risk Approval Needed?* ( ) Yes (•) No

4)IT Approval Needed?* ( ) Yes (•) No

5)Add Additional Approval?* ( ) Yes (•) No

6)Manager/Program Manager* Brock, Casey D **7)Dir, Sr. Mgr, or RGM*** Brimley, Kyle S

8)Chief* Harmuth, Daniel A **9)Executive Director*** Gonot, Carolyn

Board Approval Required **Board Approval Date**

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MEMORANDUM TO THE BOARD

TO: Utah Transit Authority Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Mary DeLoretto, UTA Chief Service Development Officer
PRESENTER(S): Mary DeLoretto

BOARD MEETING DATE: October 9, 2019

SUBJECT:	**Agenda Number 11. c.** **Future of Light Rail Study**
AGENDA ITEM TYPE:	**Pre-Procurement**
DISCUSSION:	See attached contract routing form.
ATTACHMENTS:	1) Contract Routing Form

CONTRACT ROUTING FORM

Department* Supply Chain **Existing Contract?** ☐ Yes **New Contract Number** 19-03139

Contract Section

Procurement

Board Review Date* 10/02/2019

Document Type* Pre-Procurement

Requisition # Original 7030

Please upload the necessary documents here Req 7030.pdf 73.15KB

Contract Title* Future of Light Rail Study

Contractor Name* TBD

Description / Purpose* This is a pre-procurement for the Future of Light Rail Study. The study will analyze and recommend service, operational, and capital improvements to the regional light rail network, including TRAX and Streetcar, to improve its existing function and accommodate future growth. The study will evaluate a range of improvements related to fleet modifications, headways and span of service, alignments of track extensions, potential station locations, considering projects identified in regional transportation plans and other potential enhancements. Ultimately, the study will recommend a phased approach to implementing realistic incremental enhancements that will meet immediate needs and improve operations efficiencies and improvements that increase capacity to accommodate future growth and propose a draft light rail system plan to be considered for the 2023-2050 RTP.

The entire cost of the study will be $400,000. Planning budgeted $200,000 for 2019, which is sufficient to fund Phase 1 of the project. The remaining amount is anticipated to be budgeted for and completed in 2020.

Contract Administrator* Pickett, Teressa **Project Manager*** Roberts, Levi Hancock

Base Contract Effective Dates* Beginning 11/1/2019 * Ending 12/31/2020

Contract Type* A&E/Design **Procurement Method*** RFQU (Qualification)

Number of Responding Firms **Value of Next Lowest Bidder**

Base Contract Term (Months)* 13 **Contract Options (Months)*** 0

Option to Renew?* ○ Yes ◉ No

Extension Start Date End Date

Financial Section

Procurement

Existing Contract Value $ **Amendment Amount** $ **New/total Contract Value*** $ 400,000.00

Qty **Unit Price** $ **Annual/One-Time Value** $ 200,000.00

Is the amount a one-time purchase or annual recurring purchase?* ◉ One-time ○ Recurring

Attachment **Is the amount an estimate?*** ◉ Yes ○ No

How was the estimate calculated?* Dependent on the number of hours negotiated at the time of award.

Account Code* 6200.50339.90 **Capital Project Code** MSP173

Budgeted?* (•) Yes ( ) No

Funding Source* Local

Budget amount* $ 200,000.00

Will this contract require support from another department?* (•) Yes ( ) No

Is the other department(s) aware of this contract and the required support?* (•) Yes ( ) No ( ) N/A

Has the Qualified Health Insurance Certificate been verified?* ( ) Yes ( ) No (•) N/A

Approval Section

1)Legal/Compliance Review* Bell, Mike

2)Accounting Approval Needed?* (•) Yes ( ) No **2)Accounting Review*** Steele, Bryan

3)Risk Approval Needed?* ( ) Yes (•) No

4)IT Approval Needed?* ( ) Yes (•) No

5)Add Additional Approval?* ( ) Yes (•) No

6)Manager/Program Manager* Roberts, Levi Hancock **7)Dir, Sr. Mgr, or RGM*** Hanson, Laura

8)Chief* DeLoretto, Mary Louise **9)Executive Director*** Gonot, Carolyn

Board Approval Required **Board Approval Date**

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MEMORANDUM TO THE BOARD

TO: Utah Transit Authority Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Mary DeLoretto, UTA Chief Service Development Officer
PRESENTER(S): Mary DeLoretto

BOARD MEETING DATE: October 9, 2019

SUBJECT:	**Agenda Number 11. d.** **Workplace Electric Vehicle Charging** **(Department of Environmental Quality and Rocky Mountain Power)**
AGENDA ITEM TYPE:	**Grant**
DISCUSSION:	See attached grant decision forms.
ATTACHMENTS:	1) DEQ Grant Decision Form 2) RMP Grant Decision Form

UTA Grant Review
Go/No-Go Determination Decision Form

Grant Agency:	Department of Environmental Quality		**Due Date:**	Application Released 9/16/19 First Come First Served	
Grant Title:	Workplace Electric Vehicle Charging				
Award Criteria:	50% of cost to purchase and install eligible light duty Electric Vehicle Supply Equipment (EVSE). Maximum award to be determined by DAQ				
Grant Lead:	Tracy Young		**Grant Prep Cost:**	Staff Time	
Project Mgr:	Grey Turner				
Chief Officer:	Mary DeLoretto		**CO Consulted on Proposal Y/N**	Y	
Grant Team Members:	Grey Turner, Hal Johnson, Ethan Ray, Tracy Young, Alma Haskell				
Proposed Project:	Workplace electric vehicle charging for UTA facilities. For all facilities, a total of 39 chargers would be needed. The charging ports will be light duty level 2 equipment. The estimated cost of each charging port is $2,550 and $3000 for installation costs (installation costs will vary depending on location and if the main port of charging will require major electrical upgrades). Light duty level 2 equipment takes approximately 4 hours to complete a full charge.				
Project Benefits/ROI:	Encourage and support employees to purchase electric vehicles, providing an added employee benefit. To support the mission of the State of Utah Electric Vehicle (EV) Master Plan. EV charging is an employee benefit to help retain and attract new employees. Providing charging equipment encourages employees to purchase electric vehicles.				
Considerations:	A Rocky Mountain Power (RMP) grant will be pursued to cover 75% ($74,587) of the infrastructure costs.				
Total Cost:	$259,740	**Grant Request:**	$129,870	**Local Match:**	$129,870
Source of Local Match:	UTA budget would need to be requested. No restrictions on sources of match. If a RMP grant of $74,587 is received the match would be reduced to $55,283.				
Annual O&M:	Total operating costs are estimated to be between $9K and $18K and very minimal maintenance costs (no new staff will be needed). Depending on utilization each charger would increase the RMP utility cost by $10 to $40 per month.				
Cost Estimates	**Preparer:**	Ethan Ray	**Reviewer:**	Hal Johnson	
Executive Team	**Approval?**	Y	**Date:**	10/1/2019	

Form date: 5/21/2019

UTA Grant Review
Go/No-Go Determination Decision Form

Executive Team Notes: Must get both DEQ and RMP grants to proceed.

Electric Vehicle Charging Infrastructure Need			
		Cost per Charging Port	$2,550
		Installation Cost per Port	$3,000
	Total Employees	Initial # of Charging Ports	Total Cost
FLHQ	271	10	$ 55,500
Warm Springs	194	2	$ 11,100
JRSC Campus	351	5	$ 27,750
Lovendahl	133	2	$ 11,100
Central	199	3	$ 16,650
Meadowbrook	629	8	$ 44,400
Riverside	200	3	$ 16,650
Mt. Ogden	232	3	$ 16,650
Timpanogos	185	2	$ 11,100
Police HQ	90	1	$ 5,550
		Contingency	*$ 43,290*
Total	2,485	39	$ 259,740
Annual electricity cost is expected to be $9,000 and $18,000 depending on usage			

Form date: 5/21/2019

UTA Grant Review
Go/No-Go Determination Decision Form

Grant Agency:	Rocky Mountain Power		**Due Date:**	Ongoing	
Grant Title:	Workplace Electric Vehicle Charging				
Award Criteria:	75% reimbursement of cost to purchase eligible light duty electric vehicle charging infrastructure. (installation not eligible)				
Grant Lead:	Tracy Young		**Grant Prep Cost:**	Staff Time	
Project Mgr:	Grey Turner				
Chief Officer:	Mary DeLoretto		**CO Consulted on Proposal Y/N**	Y	
Grant Team Members:	Grey Turner, Hal Johnson, Ethan Ray, Tracy Young, Alma Haskell				
Proposed Project:	Workplace electric vehicle charging for UTA facilities. For all facilities, a total of 39 chargers would be needed. The charging ports will be light duty level 2 equipment. The estimated cost of each charging port is $2,550 and $3000 for installation costs (installation costs will vary depending on location and if the main port of charging will require major electrical upgrades). Light duty level 2 equipment takes approximately 4 hours to complete a full charge.				
Project Benefits/ROI:	Encourage and support employees to purchase of electric vehicles, providing an added employee benefit. To support the mission of the State of Utah Electric Vehicle (EV) Master Plan. EV charging is an employee benefit to help retain and attract new employees. Providing charging equipment encourages employees to purchase electric vehicles.				
Considerations:	A Department of Environmental Quality grant will be pursued to cover 50% ($129,870) of electric vehicle charger(s) installation and equipment costs.				
Total Cost:	$259,740	**Grant Request:**	$74,587	**Local Match:**	$185,153
Source of Local Match:	UTA budget would need to be requested. No restrictions on sources of match. If a DEQ grant of $129,870 is received the match would be reduced to $55,283.				
Annual O&M:	Total operating costs are estimated to be between $9K and $18K and very minimal maintenance costs (no new staff will be needed). Depending on utilization each charger would increase the RMP utility cost by $10 to $40 per month.				
Cost Estimates	**Preparer:**	Ethan Ray	**Reviewer:**	Hal Johnson	
Executive Team	**Approval?**	Y	**Date:**	10/1/2019	

Form date: 5/21/2019

UTA Grant Review
Go/No-Go Determination Decision Form

Executive Team Notes: Must get both DEQ and RMP grants to proceed.

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Form date: 5/21/2019

MEMORANDUM TO THE BOARD

TO: Utah Transit Authority Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Bob Biles, UTA Chief Financial Officer
PRESENTER(S): Monica Morton, UTA Fares Director

BOARD MEETING DATE: October 9, 2019

SUBJECT:	**Agenda Number 12. a.** **Fare Parameters for South Salt Lake County Microtransit Pilot**
AGENDA ITEM TYPE:	**Service and Fare Approval**
DISCUSSION:	The attached Fares Routing Sheet and accompanying information pages provide context and outline the fare approval being requested. The proposed fare options would go into effect in varying phases throughout the pilot period which begins November 2019 and ends in August of 2020.
ATTACHMENTS:	1) Fares Routing Sheet 2) "Items for Board Approval" document

FARES ROUTING SHEET

Department: Fares **Contract Number:** _____

CONTRACT SECTION

Fares

Document Type (Drop Down)	☑ Pre-Approval	☐ Contract Approval		
Contract Admin	Monica Morton			
Originator				
Institution/Partner	UTA			
Type of Agreement:	☐ Contract	☐ Letter of Agreement	☑ Other*	N/A (*Description of Other)
Dates of Service	TBD (Start Date)	TBD (End Date)		
Basis for Negotiation	N/A - This is a UTA pilot			

Purpose/Description

UTA is preparing to launch the South Salt Lake County Microtransit pilot. A key function of this pilot is fare administration and collection. This new microtransit service has unique characteristics that separate it from the traditional modes of service for which UTA's current fare system was built. As a result, current fare processes and parameters do not completely align with the microtransit pilot. For the launch of the pilot, a special set of fare processes and parameters have been established as documented in this memo. Throughout the pilot UTA will test and implement fare administration and collection features that are sustainable long term. In addition, UTA will pilot various fare promotions and discounts to help build awareness and ridership. See attachment for more details on pilot products, pricing, payment, media, transfers, validation, promotions, and discounts.

FINANCE SECTION

Fares

Total Revenue		☐ Receivable	☐ Donated
Is amount an estimate?	☐ Yes	☐ No	
Account Code	N/A		
Attachments	☑ Yes	☐ No	

Basis for Calculation

APPROVAL SECTION

	Route to?		Name	Signature
Legal/Compliance	☑ Yes	☐ No	*Mike Bell*	
Risk	☐ Yes	☐ No		
Manager/Program Manager	☐ Yes	☐ No	-	
Dir., Sr. Mgr., or RGM	☑ Yes	☐ No	*Monica Morton*	Monica Morton
Chief	☑ Yes	☐ No	*Robert Biles*	Robert K. Biles
Executive Director	☑ Yes	☐ No	*Carolyn Gonot*	
Board Approval	☑ Yes	☐ No		

Items for Board Approval

1) Weekly Pass – Offering a new fare product based on group pass pricing multiplied by five
2) Fare Media – Exceptions to include cash, checks, tokens, and FAREPAY cards
3) Fare Media – Allowing new fare media, the Via mobile app
4) Reduced Fare – Requiring a one-time code issued through customer service with an application
5) Transfers – Not allowing a transfer credit between two consecutive microtransit trips
6) Fare Inspection – Visual validation on microtransit service
7) Fare Promotions and Discounts – Including, but not limited to, the following examples:
    a. One-Way Fare ($1) – As needed throughout the pilot
    b. Weekly Pass ($9.50) – As needed throughout the pilot
    c. New Rider (2 Rides Free) – As needed throughout the pilot
    d. Referrals ($5 Ride Credit) – As needed throughout the pilot
    e. Referrals Contest (10 Rides Free) – As needed throughout the pilot
    f. Churn (50% Next 3 Rides) – As needed throughout the pilot
    g. Engagement (1 Ride Free) – As needed throughout the pilot

Pilot Base Fare Products & Pricing

Fare pricing will match the current system's one-way local adult fare. UTA will also make available the reduced fare for senior citizens and riders with disabilities. The reduced fare discount will also be available by entering a unique one-time code in the app when the rider profile is initially created. All reduced fare discount codes will be issued on a one-to-one basis to qualified riders through customer service. A new fare product, a weekly pass, will also be offered. The weekly pass is good for seven days and will match the group pass price of $3.75 per day. The three fare products available for the microtransit pilot are:

- One-Way: $2.50
- Reduced Fare One-Way: $1.25
- Weekly Pass: $18.75 (New Product)

Pilot Fare Payment & Media

UTA will accept all forms of fare payment through the mobile phone app. However, due to limited technology, cash and check will not accepted. If a rider does not have a mobile phone they can call Via Customer Service and make separate arrangements. All fare media, with the exception of tokens and FAREPAY cards, will be allowed. The chart below provides a summary of payment and media types that will be accepted or not accepted.

	Accepted	Not Accepted
Payment	1) Credit Card - Telephone 2) Credit Card - App 3) Prepaid Credit Cards 4) Commuter Benefit Cards 5) Debit Cards	1) Cash on Board 2) Check
Media	1) Go Ride Mobile App Tickets 2) Paper Monthly / Day Passes 3) Electronic Passes such as ECO/ ED 4) Transfer Slips 5) TVM Tickets 6) Medicaid Punch Pass 7) Via Mobile App Tickets (New Media)	1) Tokens 2) FAREPAY Cards

Transfers
Transfer will be the same as those outlined in the Utah Transit Authority Fare Transfer Rules document. The transfer time is based on the pick-up time plus 2 hours and 30 minutes. Transfers are not allowed between two consecutive microtransit trips.

Fare Validation
UTA operators and transit officers do not need to change the way they validate current UTA fare media but they need to be familiar with new Via mobile ticket and perform a visual validation. Via microtransit drivers will do visual validation of all current UTA fare media that is accepted on this service.

Fare Promotions & Discounts
UTA is planning to implement various fare promotions and discounts during the pilot as part of the pricing strategy to acquire customers and evaluate the demand and market for microtransit service. In addition, UTA will want to offer promotional discounts to keep riders engaged and encourage them to refer other riders. Below is a list of some potential promotions and discounts that may be offered. There will also be several different events throughout the pilot and UTA may be flexible with the promotion and discount terms as needed.

- One-Way Fare ($1)
- Weekly Pass ($9.50)
- New Rider (2 Rides Free)
- Referrals ($5 Ride Credit)
- Referrals Contest (10 Rides Free)
- Churn (50% Next 3 Rides)
- Engagement (1 Ride Free)

Potential Fare Enhancements
During the microtransit pilot, UTA will evaluate fare enhancements designed to enhance the customer experience. Enhancements may include the integration of electronic fare payment systems and validators, integration of UTA pass products into the Via Mobile App, and cash collection systems onboard vehicles.

Utah Transit Authority Fare Transfer Rules

One-way fare = per-ride value

Local Bus, TRAX, Streetcar	Microtransit	FrontRunner	Express Bus	Park City Bus	Ski Bus
$2.50	$2.50	$2.50 – $10.30	$5.50	$4.50	$4.50

Final Fare with Transfer Applied (if allowed)

		To this service					
		Local Bus, TRAX, Streetcar	Microtransit	FrontRunner	Express Bus	Park City Bus	Ski Bus
From this service	Local Bus, TRAX, Streetcar	Free	Free	Up to $7.20	$3.00	$2.00	$2.00
	Microtransit	Free	$2.50*	Up to $7.20	$3.00	Not Allowed	Not Allowed
	FrontRunner	Free	Free	Up to $7.20	Up to $3.00	Not allowed	Up to $2.00
	Express Bus	Free	Free	Up to $4.20	Free	Not allowed	Free
	Park City Bus	Free	Not allowed	Not allowed	Not allowed	Not allowed	Not allowed
	Ski Bus	Free	Free	Up to $5.20	$1.00	Not allowed	Not allowed

*Transfers are not allowed between two consecutive microtransit trips.

Transfer timing

- Bus – End of route time plus 2 hours
- TVM – Ticket purchase time plus 2 hours and 30 minutes
- EFC – Tap off time plus 2 hours
- Mobile Ticket – Activation time plus 2 hours and 30 minutes
- Microtransit (Via) – Pick up time plus 2 hours and 30 minutes

Electronic fare inspection timing

- TRAX, Streetcar – Tap on time plus 2 hours
- FrontRunner – Tap on time plus 3 hours

MEMORANDUM TO THE BOARD

TO: Utah Transit Authority Board of Trustees
THROUGH: Carolyn Gonot, Executive Director
FROM: Cherissa Alldredge, UTA Civil Rights Compliance Officer (ADA)
PRESENTER(S): Cherissa Alldredge

BOARD MEETING DATE: October 9, 2019

SUBJECT:	**Agenda Number 13. a.** **Committee on Accessible Transportation Charter**
AGENDA ITEM TYPE:	**Discussion**
DISCUSSION:	The attached Committee on Accessible Transportation (CAT) Charter will be presented and discussed. The CAT Committee will vote on the charter at their next meeting. Following the CAT Committee approval, the charter will come before the board for final adoption at a later meeting.
ATTACHMENTS:	1) CAT Charter

CHARTER FOR THE
COMMITTEE ON ACCESSIBLE TRANSPORTATION (CAT)
UTAH TRANSIT AUTHORITY

Updated August 1, 2019

I. Purpose

The Utah Transit Authority ("UTA") formed the Committee on Accessible Transportation ("CAT") to offer recommendations and assistance to UTA on accessibility issues related to UTA's facilities, equipment, routes, plans, and programs. UTA intends the CAT to provide the mechanism to ensure participation of individuals with disabilities in the continued development and assessment of transit services to persons with disabilities. The objective of the CAT is to offer advice to UTA on ways to provide access to fixed route and rail services and to complementary Paratransit service for people functionally not able to use the fixed route system. The CAT will provide broad representation of the disability and senior communities, as well as representation of UTA.

II. Membership

A. Voting members.
   1. Voting members on the CAT may include:
      i. Individuals with disabilities and parents or guardians of individuals with disabilities.
      ii. Representatives from organizations that provide service to, or work with, individuals with disabilities.
      iii. Advocates of and for individuals with disabilities and other appropriate individuals.
      iv. Representatives from the senior community.
   2. The CAT shall consist of no more than thirteen (13) voting members with at least one (1) voting member representing each of the following membership categories:
      i. Blind/Visually Impaired
      ii. Deaf/Hearing Impaired
      iii. Physical Disabilities/Mobility Impaired
      iv. Cognitive/Learning Disabled
      v. Mental Illness
      vi. Multiple Disabilities
      vii. Seniors
      viii. Military Veterans
   3. Every effort will be made to ensure that the membership of the CAT committee also includes representatives from the various counties in which UTA provides service.
   4. If there are not enough applications submitted for individuals to represent membership openings in each category, the CAT may by majority vote determine to fill the remaining open positions with individuals qualifying under one or more of categories (1) through (7), if there are such applications submitted.

B. Non-voting members. There will be one non-voting member representing each of the following UTA positions, business units, or offices:

1. UTA Board of Trustees Liaison
2. UTA Fixed Route Business Units
3. UTA Paratransit Operations
4. UTA Rail Services (TRAX)
5. UTA Rail Services (FrontRunner)
6. UTA Paratransit Customer Support
7. UTA Mobility Management, which may include Travel Training personnel
8. UTA ADA Compliance Officer as Staff Liaison to the CAT
9. UTA Staff as Secretary to the CAT

C. Membership Terms.
   1. The term of office of voting members shall be two years, starting on August 1 and ending on the last day of July of the second year of the two-year term.
   2. A voting member may be appointed for two consecutive two-year terms.
   3. Former CAT members interested in serving additional terms on the CAT may reapply for membership after taking at least a one year leave from CAT membership.

D. Applications for Membership. Before or during April of each year in which positions as voting members of the CAT will be available during the upcoming membership year, the UTA staff liaison to the CAT shall cause a notice seeking applications for CAT membership to be prepared and posted on the UTA website, and to be provided to organizations representing a segment of the disability community. Current CAT members are encouraged to participate in recruiting new applicants. CAT membership is open to individuals living in any part of UTA's service area. Applications will be posted on the UTA website and provided by the UTA staff liaison on request to interested individuals. The application form will ask for the applicant's name, address, phone number, membership category representation, and reasons for wanting to serve on the CAT. A member whose first two year term is ending must submit an application to be considered for a second term. Former CAT members who have not been voting members for at least one year and are interested in being considered again for CAT membership must also submit an application to be considered for an additional term. Applications for new membership on the CAT must be received and reviewed in May of each year and new members selected by the Planning & Community Outreach subcommittee in June of each year. The application due date will be determined annually by the Planning and Community Outreach subcommittee. Applications received will be classified as private by UTA.

E. Membership Selection. The Planning and Community Outreach Subcommittee will review the applications received, conduct interviews, and select new voting members annually to fill available positions.

F. Attendance. Each CAT member is expected to attend all meetings and perform other assignments as directed by the CAT. If a member is absent from three meetings, either regular CAT meetings, subcommittee meetings or any combination thereof between August 1 and July 31, the voting CAT member shall be replaced.

G. Election of Chairperson for Full CAT Committee. The Planning and Community Outreach subcommittee shall survey voting members in March for nominations for Chairperson. Nominations shall be accepted by the Planning and Community Outreach subcommittee until the close of business on the Friday preceding the April meeting of the full CAT committee. The Chairperson of the CAT shall be elected by secret ballot by a majority of the voting members at the April meeting of the full CAT committee. The Chairperson

may not serve in that position for more than two one-year terms or until his or her successor is elected to that position.

H. Election of Chairperson for Each Subcommittee. Members of each subcommittee will elect a Chair during the annual CAT training held in August.

I. Secretary. UTA shall provide a UTA employee to act as Secretary to the CAT.

III. Members' Duties and Responsibilities

The CAT is a non-governing advisory board that shall provide disability related consumer insight to UTA management, as well as the UTA Board of Trustees on matters pertaining to accessible transportation services consistent with the Americans with Disabilities Act of 1990 and its regulations and its subsequent amendments. Members shall:

A. Promote community support for UTA's accessible transportation systems.

B. Attend and participate in CAT meetings and accept subcommittee assignments as requested.

C. Make recommendations for UTA policies and procedures regarding accessible transportation, as well as the CAT charter and CAT subcommittee procedures.

D. Review UTA proposals for accessible transportation services and provide input on factors related to accessibility qualifications of proposals.

E. Review accessibility of the fixed route and rails services and provide suggestions for increased use of those services by persons with disabilities.

F. Review appropriate use of UTA's paratransit service and provide suggestions for increased effectiveness.

G. If needed, recommend individuals from outside of the CAT committee to study various service specifications and technical aspects of the system.

H. Assist with the recruitment of new CAT members.

I. Plan, attend, and participate in the annual ADA celebration.

J. Participate in disability sensitivity training for UTA employees.

IV. Subcommittees

There shall be three subcommittees: Executive, Planning & Community Outreach, and Services. With the concurrence of the majority of the CAT members, the Executive Committee shall appoint CAT members to serve on a subcommittee. Annually, each subcommittee shall elect its own leadership to include at least a chairperson.

A. Executive Subcommittee. The Executive Subcommittee consists of the chair of the full CAT committee, as well as the chairpersons for each of the subcommittees. The executive subcommittee will meet as needed to review goals of the CAT, to resolve membership issues, and coordinate resources to support all subcommittees.

B. Planning & Community Outreach Subcommittee. The Planning and Community Outreach Subcommittee is responsible for CAT membership, leadership elections, planning the annual ADA celebration, and reviewing the CAT charter. This subcommittee may provide advice to UTA on providing information to the general public, advocacy organizations, and others about UTA's accessible services as well as UTA's efforts to meet and exceed accessibility goals. This subcommittee will help with selecting members of the CAT, as well as the larger disability community, to participate on UTA's paratransit eligibility appeals panel and will support efforts to organize training for new panel members. This subcommittee will work with all of UTA as needed to complete subcommittee goals.

C. Services Subcommittee. The Services subcommittee is responsible for providing feedback on all of UTA services and programs, including fixed route bus, rail, and paratransit services, as well as the general direction for UTA on issues related to accessibility. To assure accessibility, non-discrimination and program efficiency, the Services subcommittee may review and provide recommendations on a broad range of topics including: services changes (e.g., routes, stops); UTA policies and procedures; project designs; equipment and vehicles (i.e., buses and train cars); alternate funding sources; fares, including new fare cards and fare policy; service expansion; paratransit eligibility and related appeals; and other changes to UTA services and programs. The Services subcommittee is responsible for reviewing the Paratransit Riders Guide at least every three years.

V. Officers' Duties

A. Chair. The Chairperson for the full CAT committee shall:
   1. Provide input on agendas for meetings of the full CAT.
   2. Preside at and facilitate all meetings of the CAT and Executive Subcommittee.
   3. Ensure that all recommendations of the CAT are shared.
   4. Be the spokesperson for the CAT.
   5. Give general direction to the work of the CAT.
   6. With support from the ADA Compliance Officer, oversee the work developing annual subcommittee goals and complete annual evaluation of progress toward accomplishing these goals.
   7. Report significant CAT accomplishments to the UTA Board of Trustees on an annual basis.
   8. Perform other duties as directed by the CAT with concurrence of UTA.

B. Subcommittee Chairs. The subcommittee chairpersons shall:
   1. Provide input on agendas for subcommittee meetings.
   2. Preside at and facilitate subcommittee meetings
   3. Ensure that all subcommittee recommendations are shared in full CAT committee meetings.
   4. Preside at and facilitate meetings at which the Chairperson of the full CAT committee is not present.
   5. Serve as the interim Chair of the CAT in cases where the individual elected to be the Chair of the CAT can no longer serve as the Chair.

VI. UTA Staff Liaison

A. The UTA ADA Compliance Officer will be the UTA staff representative ("Staff Liaison") to work directly with the CAT.

B. The Staff Liaison may engage other UTA staff or delegate assignments as necessary to other UTA staff, but the Staff Liaison is the primary point of contact for UTA and will maintain all responsibility for management, direction and oversight of the CAT.

C. The Staff Liaison will be responsible for all correspondence with CAT members including but not limited to preparing meeting agendas, taking meeting minutes, arranging for meeting space and meals as necessary.

D. The Staff Liaison will be responsible to provide timely reports and feedback to the CAT on all subjects, tasks and projects which the CAT has been asked to engage.

E. The UTA Executive Director or his or her designee will meet with the CAT at least one (1) time annually to give an update on the state of UTA.

VII. Board of Trustees Participation

The ADA Compliance Officer will invite members of the UTA Board of Trustees to attend all full CAT Committee meetings, as well as the annual ADA Celebration. The specific Board member who will attend meetings and the ADA Celebration will be determined based on Board member schedules and will be coordinated by the Director of Strategic Board Operations, or his or her designee. Board members who attend full CAT meetings are encouraged to share information regarding Board activities or decision which may be of interest to members of the CAT.

VIII. Meetings

A. Open Meetings. All meetings of the full CAT committee, as well as subcommittee meetings, will be held in accordance and consistent with the Utah Open and Public Meetings Act, Utah Code Annotated §54-4-2016. The CAT training held in August of each year is not considered an open meeting, nor are interviews conducted with potential new CAT members.

B. Schedule.
   1. The full CAT will meet quarterly in January, April, and September on the second Monday of the month at the UTA Administration Offices at Frontline Headquarters (FLHQ), 669 West 200 South, Salt Lake City, Utah, unless another date or location is otherwise agreed to by the CAT and UTA. Meetings will start at 12:30 pm and will last for two hours. In-person attendance is required for voting CAT members. The annual ADA celebration held each year in July will take the place of a full CAT committee meeting for the month of July.
   2. Subcommittee meetings will generally take place monthly from September to June of each membership year. The date and time of subcommittee meetings will be established each year during the annual CAT training in August based on subcommittee member availability. Participation in subcommittee meetings can take place either in-person or via conference call.
   3. New and returning CAT members will participate in a day-long training session on the second Monday in August of each year.

C. Agenda.
   1. The UTA staff liaison to the CAT will prepare and email a proposed agenda to the Chair of the full CAT committee or subcommittee at least seven calendar days prior to the next scheduled meeting of the full CAT committee or subcommittee.
   2. Upon approval by the Chair, a draft agenda will be emailed to the members of the full CAT committee or subcommittee at least four days prior to the next scheduled meeting.
   3. The final agenda for the next scheduled meeting of the full CAT committee or subcommittee will be publicly noticed at least three days prior to the next scheduled meeting.

D. Rules of Order. Business of the CAT shall be transacted in accordance with *Roberts Rules of Order, Newly Revised*.

E. Quorum. A majority of all voting members of the CAT must be present to constitute a quorum for the transaction of business. No business of the CAT shall be transacted except at a meeting at which a quorum is present. If less than a quorum of the CAT is present, a majority of those present may vote for adjournment.

F. Minutes. The Secretary to the CAT will prepare minutes of each meeting. A draft of the minutes will be sent to the CAT members following the meeting. Corrections to the minutes will be accepted at the next meeting.

G. Alternate Format. Every effort will be made to have all documents, including agendas, minutes, and handouts provided in the appropriate and requested alternate format as requested by a CAT member. The alternate format will be provided at least three days prior to a meeting.